UNITED STATES OF AMERICA

Congressional Record

PROCEEDINGS AND DEBATES OF THE 102d CONGRESS
SECOND SESSION

VOLUME 138—PART 6

MARCH 27, 1992 TO APRIL 8, 1992
(PAGES 7355 TO 8687)

GENERAL SERVICES ADMINISTRATION
12/13/97
LAW
LIBRARY
CENTRAL OFFICE

UNITED STATES GOVERNMENT PRINTING OFFICE, WASHINGTON, 1992

AUTHENTICATED
U.S. GOVERNMENT
INFORMATION
GPO

For sale by the U.S. Government Printing Office, Superintendent of Documents, Mail Stop: SSOP, Washington, DC 20402-9328

Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 102^{d} CONGRESS, SECOND SESSION

SENATE—*Friday, March 27, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 27, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TIMOTHY E. WIRTH, a Senator from the State of Colorado, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. WIRTH thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will stand in recess until 11:30 a.m. on Tuesday, March 31, 1992.

RECESS UNTIL 11:30 A.M., TUESDAY, MARCH 31, 1992

Thereupon, at 11:01 a.m., the Senate recessed, under the order of Thursday, March 26, 1992, until Tuesday, March 31, 1992, at 11:30 a.m.

• This "bullet" symbol identifies statements or insertions which are not spoken by a member of the Senate on the floor.

HOUSE OF REPRESENTATIVES—*Monday, March 30, 1992*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are aware, O gracious God, that our Nation has been blessed among the family of nations with resources not shared by many. Yet at our best moments we worry about where we are and we wonder if we are good stewards of Your gifts. Rekindle in us, O God, the vision of what we should be and what we can be so we will be worthy of the high calling that has been given us and faithful in our mission of service to all people. In this time of prayer, we express our praise to You, O God, and ask that Your rich blessings be with us always. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Mississippi [Mr. MONTGOMERY] come forward and lead the House in the Pledge of Allegiance.

Mr. MONTGOMERY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 549. An act to amend the Wild and Scenic Rivers Act by designating a segment of the Lower Merced River in California as a component of the National Wild and Scenic Rivers System;

S. 1696. An act to designate certain national forest lands in the State of Montana as wilderness, to release other national forest lands in the State of Montana for multiple use management, and for other purposes;

S. 2148. An act to extend to the refinancing of mortgage loans certain protections of the Real Estate Settlement Procedures Act and the Truth in Lending Act;

S. 2482. An act to provide funding for the Resolution Trust Corporation, and for other purposes; and

S.J. Res. 280. Joint resolution to authorize the President to proclaim the last Friday of April 1992, as "National Arbor Day."

TRIBUTE TO THE KENTUCKY WILDCATS

(Mr. HUBBARD asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUBBARD. Mr. Speaker, this past Saturday, millions of Americans witnessed what was truly one of the greatest college basketball games of all time. In the end, the final score was Duke University Blue Devils 104, University of Kentucky Wildcats 103.

As the U.S. Representative from western and south-central Kentucky, I would like to congratulate our Wildcats on a fantastic season and for playing a superb game.

I also have to congratulate my daughter, Kelly Hubbard, a 22-year-old 1991 Duke University graduate, and Jack Conway, my press assistant, who is also 22 and graduated from Duke last year, for accurately predicting who would win that game.

We Kentuckians should be very proud of the effort put forth by our talented team and their outstanding coach, Rick Pitino.

Special congratulations go to the four Kentucky seniors: John Pelphrey of Paintsville, KY, Deron Feldhaus of Maysville, KY, Richie Farmer of Manchester, KY, and Sean Woods of Indianapolis, IN. These four men could have transferred elsewhere when the University of Kentucky was placed on NCAA probation 3 years ago. Instead, they stayed at the University of Kentucky and led their team to the elite eight of the 1992 NCAA Tournament.

I would like to congratulate Duke Coach Mike Krzyzewski on reaching his fifth consecutive final four—and to Christian Laettner, who was 10 of 10 from the field and 10 of 10 from the free-throw lines last Saturday night, well, "you're unbelievable."

In Kentucky, however, we are very proud of our Big Blue.

A SOUND STATEMENT OF CONGRESSIONAL AFFAIRS

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, I would like to join my colleague from the First District in congratulating the Kentucky Wildcats for a job well done and for playing one of the great basketball games of all time.

Mr. Speaker, the senior Senator from Missouri from the other body made a speech last Thursday on the Senate floor which has received wide notice, and deservedly, because it is a very important statement about the current state of congressional affairs. I would urge all my colleagues to read it. It is reprinted in Sunday's Washington Post.

The Senator makes two, I think, very important points. One is that the tendency on the part of the Congress is to put off the tough issues, to delay taking up politically sensitive issues, controversial issues. We temporize. We avoid and sometimes neglect those issues.

We are too much concerned about our own reelections and our own fate and too little concerned about what is absolutely necessary for the betterment of the people.

The second point the Senator makes is related to the first, and that is in order to justify putting off these issues, we have to somehow convince the American people that they can have it both ways, that there is such a thing as a free lunch, that you do not have to pay the bill, and that, of course, is not true.

So, Mr. Speaker, I would urge my colleagues to read what the senior Senator from Missouri has said. It makes a lot of sense. We can all gain from that and make better law for the people of this great Nation.

THE BUSH "NEVER AGAIN" S&L MERRY-GO-ROUND

(Mr. VENTO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VENTO. Mr. Speaker, this week the House is scheduled to take up additional funding for the RTC, that is the S&L and bank bailout funding that is continuing.

Mr. Speaker, I have been disturbed by the reports in the media and action in some of our committees and subcommittees in the Congress concerning providing for starting up the merry-go-round of forbearance, that is, for the National Government to begin to invest directly and protect stockholders in some select S&L's and banks.

When we passed this legislation in 1989, the President said. "Never again will we place money or taxpayers' dollars or forbearance in the institutions

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

when such S&L's don't have their own money at risk."

"Never again," he said again when he signed later legislation.

Apparently "never" in the Republican lexicon and in President Bush's mind means 3 years, or until the next Presidential election because today we have the same half-baked ideas being presented to the American public by members of the Bush administration as a way to save money. Some savings, more likely to save the country club set of S&L and bank stockholders than the taxpayer.

This reminds me of the same deals that occurred in 1988 prior to the Presidential election that then Federal Savings and Loan Board Chairman Danny Wall was making in the 1988 deals.

Now we are going to have a recapitulation of that before this Presidential election in the 1992 deals under open thrift assistance or open bank assistance being advocated and implemented by Tim Ryan, the Director of the Office of Thrift Supervision and Bill Taylor, the new Director of the FDIC unless the Congress speaks up and stands up and stops this Bush regulatory version of the 1980 forbearance merry-go-round before it gets started.

We do not need to slide through the 1992 elections on the basis of avoiding the S&L crisis. The problems that face the Nation ought to be addressed even in, and especially in an election year.

I think the Senator from New Hampshire is right. We ought to face up to these problems today, rather than pass them on further into the 1990's and have a repeat of the hundreds of billions of dollars bailout of the S&L's for the banks and S&L's in the future. Never again ought to mean what the clear language and words convey and not be sacrificed for Presidential election year expedience.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Pursuant to the provisions of clause 5 of rule I, the Chair announces that he will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall votes, if postponed, will be taken on Tuesday, March 31.

REGARDING PRESIDENTIAL ELECTION CAMPAIGN FUND AND CLOSED CAPTIONING TELEVISION COMMERCIALS

Mr. SWIFT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3292) to require candidates who are eligible to receive amounts from the Presidential Election Campaign Fund to prepare television commercials with closed captioning of the oral content, as amended.

The Clerk read as follows:

H.R. 3292

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF CANDIDATES WHO ARE ELIGIBLE TO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 9003 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(e) CLOSED CAPTIONING REQUIREMENT.—No candidate for the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits, closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.".

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to amounts made available under chapter 95 or 96 of the Internal Revenue Code of 1986 more than 30 days after the date of the enactment of this Act.

The SPEAKER. Pursuant to the rule, the gentleman from Washington [Mr. SWIFT] will be recognized for 20 minutes and the gentleman from Louisiana [Mr. LIVINGSTON] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Washington [Mr. SWIFT].

Mr. SWIFT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I commend the gentleman from Maryland [Mr. HOYER] for introducing this bill. He has been an outstanding leader in seeking equality for the disabled, recognizing that without their full participation in the political process, our society is poorer indeed.

I should point out that the Subcommittee on Elections has already acted on the substance of this bill when it unanimously incorporated into H.R. 3644 the Presidential Campaign Election Fund Preservation Act on November 7, 1991. That piece of legislation was not enacted, and I am delighted to join with the gentleman in pulling this specific amendment out of it and offering it as a separate bill today.

I commend the gentleman from Maryland for introducing this bill. I urge my colleagues to support H.R. 3292.

At this point, Mr. Speaker, I am happy to yield such time as he may consume to the gentleman from Maryland [Mr. HOYER].

☐ 1210

Mr. HOYER. Mr. Speaker, I want to thank Chairman SWIFT for bringing H.R. 3292 to the floor today and for his support and leadership as we have tried to move H.R. 3292 through the legislative process. I also want to thank the distinguished full committee chairman, CHARLIE ROSE, and the ranking members, Congressman THOMAS and Congressman LIVINGSTON, for their support of this legislation.

As we speak on the floor of this House today, there are many viewers who are listening to this debate not with their ears, but with their eyes. They are using closed captioning to participate in the debate of the House of Representatives. Every day, closed captioning brings the information, the entertainment and the culture of television to millions of hearing impaired viewers. However, if these viewers were to switch channels from this debate to a Presidential campaign commercial, the words of the candidates would be closed to them.

Mr. Speaker, last September I introduced the Political Advertising Accessibility Act which requires Presidential candidates who receive Federal funds to close caption their television ads. This language has received bipartisan support in the House Administration Committee.

The purpose of H.R. 3292 is to make political advertisements accessible to Americans with hearing impairments in order to encourage their full participation in the democratic process. This language requires that all candidates close caption any political advertisements which appear on television if the candidates receive Federal matching funds for the purpose of their candidacy for the Office of President of the United States. It is the candidates obligation and responsibility to caption their commercials.

Closed captioning is the process by which the audio portion of a program is converted into written words. These words appear at the bottom of the television screen like subtitles in a foreign movie. The captioning is broadcast along with the regular video and audio portion of the television signal, but are invisible to everyone except those televisions with a telecaption decoder or a television equipped with decoder circuitry.

Almost 2 years ago, the Congress overwhelmingly passed, and the President signed into law, in the largest signing ceremony ever, the Americans With Disabilities Act. This legislation is consistent with the ADA and with other Federal laws which clearly state that Americans with disabilities have the right to participate fully in American society and that recipients of Federal funds share in the obligation to make that possible.

In the last Congress, under the leadership of Congressman ED MARKEY, we enacted the Decoder Circuitry Act, which requires that all 13-inch screen and larger televisions be equipped with built-in decoder circuitry by 1993. Americans will no longer have to purchase expensive technology in order to view the growing number of captioned programs. More and more Americans will have access to captioned programming.

In fact, some television manufacturers already have televisions on the market today that are complete with decoder circuitry.

There are 24 million people in the United States who are deaf or hearing impaired and nearly 38 percent of older Americans have some loss of hearing. Although many of us would consider it a blessing to miss the rhetoric of campaign commercials, equality can be a double-edged sword. H.R. 3292 will hopefully increase the participation of more Americans in the electoral process.

Far too many Americans are too cynical about the electoral process. This legislation is an effective and easy way to reach out to one group of Americans that is particularly disenfranchised. Ironically, their tax dollars are used to support a process which is inaccessible to them.

Mr. Speaker, H.R. 3292 is also good politics for both parties. Hearing impaired Americans do pay close attention to who captions and who does not. A recent survey by the National Captioning Institute found 66 percent of the deaf and hard of hearing audience surveyed stated that they are more likely to buy a product which has captioned commercials and 53 percent said they make a special effort to look for products advertised with captions.

Furthermore, 35 percent said that they had changed brands as a result of learning about products through captioned commercials.

Perhaps that is why some campaigns have already started to close caption their commercials including the Dole for President campaign and Harkin for Senate as well as many congressional races.

The ADA mandated that any public service announcements produced with Federal funds must be close captioned. Surely no less should be required of our Presidential candidates who also receive Federal funds.

Mr. Speaker, closed captioning has already opened up a new world for millions of Americans. I hope my colleagues will join me in supporting H.R. 3292. It is clearly consistent with policies that have been adopted by overwhelming bipartisan majorities in the House and strongly supported by the President. Television is recognized as the most powerful communications medium in the Nation. Let us be sure that we do everything reasonable and everything possible to encourage all Americans to be active participants in the democratic process.

Again, Mr. Speaker, I want to thank the gentleman from Washington [Mr. SWIFT] and the gentleman from Louisiana [Mr. LIVINGSTON] for their help and leadership in bringing this bill to the floor and seeing to its early passage.

Mr. SWIFT. Mr. Speaker, I reserve the balance of my time.

Mr. LIVINGSTON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I join my friends, the gentleman from Washington [Mr. SWIFT] and the gentleman from Maryland [Mr. HOYER] in support of H.R. 3292, legislation which would require Presidential candidates who receive Federal Funding out of the Presidential election campaign fund to close caption their political television advertisements. I would also like to commend the gentleman from Maryland [Mr. HOYER] for diligently moving this bill through the legislative process.

Last fall, the House Administration Subcommittee on Elections approved similar legislation as an amendment to a bill, H.R. 3644, sponsored by Mr. HOYER which would have propped up the Presidential election campaign fund using anticipated receipts from the $1 checkoff on tax forms. I strongly opposed H.R. 3644 not because of this provision but because it used debt financing to save a failed program, the campaign checkoff system. However, I supported the amendment by the gentleman from Maryland which would require closed captioning. Today, we are considering that amendment as a stand-alone bill. I maintain my opposition to the system of taxpayer financed campaigns, but if it is to continue, we should expect Presidential candidates to close caption their TV ads.

Candidates who receive taxpayer funding to finance their campaigns have certain obligations to the taxpayers. Requiring candidates to close caption their political television ads is a reasonable condition for receiving taxpayer funding.

As Mr. HOYER pointed out, 24 million people in the United States are deaf or hearing impaired. An ever increasing number of television programs are being closed captioned to serve this large segment of the population. By 1993, all televisions with a 13-inch screen or larger must be equipped to display closed captioning. Also, the Americans with Disabilities Act mandates the captioning of all federally funded public service announcements. It is entirely reasonable to apply this standard to candidates who receive Federal funding to finance their campaigns.

In past debates I have clearly explained my opposition to taxpayer financing of campaigns. Apparently, the taxpayers share my opposition to using their hard-earned tax dollars for negative political ads and party conventions. Participation in the voluntary checkoff system has declined to an all-time low of 19 percent in 1990. It is obvious that the taxpayers do not want the Federal Government to use their tax dollars for political campaigns. They understand that public financing is just one more perk for politicians. No wonder the American people are disillusioned with the political process.

However, if the candidates are going to use the taxpayer's money to campaign, they should make their television advertisements available to all Americans, including hearing-impaired Americans. Therefore, Mr. Speaker, I strongly support this bill and I urge my colleagues to strongly support passage of H.R. 3292, and make sure that H.R. 3292 becomes law.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. SWIFT. Mr. Speaker, I yield myself 30 seconds simply to say that I am delighted that the gentleman from Louisiana is supportive of the gentleman from Maryland and myself in this legislation. I commend the gentleman for that.

I would simply say that I would disagree with his characterization of another bill, an earlier bill, H.R. 3644, and, rather than debate that today, would simply call to the attention of anyone who is interested the debate that we did have on that in which we fulsomely had an opportunity to express our respective views with regard to that legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Washington [Mr. SWIFT] that the House suspend the rules and pass the bill, H.R. 3292, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1220

APPROVING THE LOCATION OF A MEMORIAL TO GEORGE MASON

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the joint resolution (H.J. Res. 402) approving the location of a memorial to George Mason.

The Clerk read as follows:

H.J. RES. 402

Whereas Public Law 99-652 (40 U.S.C. 1003 et seq.), entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", provides that the location of a commemorative work in the area described therein as Area I shall be deemed disapproved unless the location is approved by law not later than 150 days after the Secretary of the Interior or the Administrator of General Services notifies the Congress of his determination that the commemorative work should be located in Area I;

Whereas Public Law 101-358 (104 Stat. 419) authorized the Board of Regents of Gunston

Hall to establish, in accordance with the provisions of Public Law 99-652, a memorial on Federal land in the District of Columbia to honor George Mason; and

Whereas the Secretary of the Interior has notified the Congress of his determination that the memorial authorized by Public Law 101-358 should be located in Area I: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the location of a memorial to honor George Mason, authorized by Public Law 101-358, within the area described as Area I in Public Law 99-652, is hereby approved.

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 402.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Joint Resolution 402, a bill introduced by Congressman JIM MORAN, authorizes the board of regents of Gunston Hall to locate a memorial to George Mason in that area designated as area I by Public Law 99-652, also known as the Commemorative Works Act.

Although he made many other contributions to our fledgling country, George Mason remains best known for his determination that the U.S. Constitution would include a bill of rights. He was so adamant about the bill of rights that he refused to sign the Constitution without it. The regents of Gunston Hall, George Mason's home in Virginia, are seeking authorization to erect a memorial to George Mason here in Washington, DC.

The memorial has been reviewed pursuant to the provisions of the Commemorative Works Act and the Secretary of the Interior has transmitted his recommendation to Congress that the memorial be authorized in area I. The administration has expressed support for this resolution. The Committee on Interior and Insular Affairs favorably recommended House Joint Resolutions 402 without amendment. House Joint Resolution 402 is a noncontroversial measure and I support its adoption by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of House Joint Resolution 402, a bill to approve the location of a memorial to George Mason in area I, the area comprising the central monumental core of the District of Columbia.

Mr. VENTO has adequately described the historic significance of George Mason's contributions and explained the details of the bill we are considering today. I certainly have no objection to locating a memorial to the esteemed statesman and champion of individual rights, George Mason, in the monumental core of this Federal City. I am especially heartened that private funds will be used to construct it and be reserved for its future maintenance.

The Commemorative Works Act of 1986—Public Law 99-652—which was the product of bipartisan efforts of the Interior Committee, provided the necessary criteria for consideration of this memorial to George Mason. In the future, as the committee finds it necessary to modify that act in managing the construction of new commemorative works on National Park and General Services Administration lands in Washington, DC, we would be pleased to work with the chairman in accomplishing any improvements.

I note that this measure is supported by the administration and am aware of no opposition to it. Therefore, I commend this to my colleagues and urge they support it.

Mr. Speaker, I yield 3 minutes to the gentleman from Missouri [Mr. COLEMAN].

Mr. COLEMAN of Missouri. Mr. Speaker, I rise today in support of legislation to authorize the establishment of a memorial in the District of Columbia, built with non-Federal funds but on Federal land, to honor George Mason.

George Mason wrote the Virginia Declaration of Rights in 1776. An excerpt from this work demonstrates its universal appeal: "That all men are by nature equally free and independent, and have certain inherent rights, * * * namely, the enjoyment of life and liberty, with the means of acquiring and possessing property, and pursuing and obtaining happiness and safety." If these words sound familiar, they should.

The Virginia Declaration served as an inspiration to Thomas Jefferson and was the basis of our own Declaration of Independence and the first 10 amendments to the Constitution, the Bill of Rights. Mason participated in every session of the Constitutional Convention of 1787, and it is well known that Mason refused to sign the original Constitution because it omitted the guarantees of individual freedom which he set forth in his Declaration of Rights. Soon thereafter, the validity of his position was recognized by the adoption of the first 10 amendments. Many passages from the 10 amendments finally ratified in 1791 came directly from Mason's Virginia Declaration of Rights.

The impact of this document has been felt around the country, and indeed around the world. Many States followed Virginia's lead and included similar safeguards of individual liberties in their new constitutions. Likewise, Mason's philosophies directly impacted the French Declaration of Rights of Man and the Citizen of 1789. The president of France's legislative assembly in 1791, said of Mason: "The first Declaration of Rights that is entitled to be called such is that of Virginia. Its author is entitled to the eternal gratitude of mankind."

It is because of his recognized wisdom that we seek to honor Mason by establishing a national monument to acknowledge his contribution to our history. The author of the Declaration of Independence, Thomas Jefferson, had nothing but praise for Mason, the author of the Declaration of Rights, describing Mason as a man of the "first order of greatness."

During the bicentennial celebration of the Constitution of the United States, the chief justice of Virginia, Harry L. Carrico, spoke to the role played by George Mason in securing protection for the rights we all enjoy. "I think that every American should feel for George Mason and all that he did. With his dynamic pen and his tireless efforts, he helped gain and ensure those blessings that we now enjoy in greater measure than any other people in history. By his insistence upon frequent recurrence to fundamental principles, he assured the preservation and vitality of free government in America * * * let it be our commitment to make certain his work is never forgotten."

A monument to George Mason would be an inspiring reminder of our Nation's basic document, the Bill of Rights, of how it developed, and of how it has influenced democratic governments all over the world.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Virginia [Mr. MORAN], the principal sponsor of the resolution who appeared before the committee and has worked hard to ensure this would receive consideration by the committee and the Congress.

Mr. MORAN. Mr. Speaker, I want to thank the chairman of the Subcommittee of Parks and Public Lands and the ranking minority member for bringing this issue up today and for quickly moving this through committee.

This legislation authorizes a memorial in area I of Washington, DC, near the Jefferson and Washington monuments, in honor of a great statesman and Virginian, George Mason. This monument honors a man who has been largely forgotten by history, but whose leadership and vision ensured that the basic liberties and freedoms we take for granted today were included in our Constitution.

George Mason was thrust into the world of politics in 1776, when the Thirteen Colonies were advised by the Continental Congress to adopt new forms of government that were "sufficient to the exigencies of their affairs." to accomplish this, George Mason was charged with the task of writing a declaration of rights for Virginia. Mason, who completed the declaration within 1 month, based the declaration on protecting an individuals right to certain freedoms. Included in the declaration were guarantees of free speech, due process of law, prohibitions against unreasonable searches and seizures, and cruel and unusual punishment and the right to a speedy trial, and a jury in civil cases.

Shortly after its completion, Mason shared his Declaration of Rights with Thomas Jefferson. The ideas enunciated by Mason inspired Jefferson when he wrote the preamble to the Declaration of Independence which affirmed that "all men are created equal, that they are endowed by their Creator with certain unalienable rights, that among these are life, liberty, and the pursuit of happiness."

Jefferson was not the only person influenced by the scope of Mason's declaration. Twelve other Colonies, in preparing their constitutions and bills of rights, would base their documents on Mason's model. Word of Mason's declaration spread beyond the Colonies, and in Paris, the Marquis de Condorcet, scholar, writer, and President of revolutionary France's Legislative Assembly wrote that the author of the Virginia Declaration of Rights was "entitled to the eternal gratitude of mankind."

Although Mason's work would become the model for constitutions and social contracts subsequently written by other countries after the adoption of the American model, Mason had a difficult time influencing his fellow delegates at the Constitutional Convention to include a Bill of Rights in the Constitution. Mason was convinced that our National Constitution would override all State constitutions. Without the crucial Bill of Rights included in the U.S. Constitution individual liberties granted by the States would not be secured.

In 1789, despite Mason's warnings, the Constitution was completed and ready for signature without a Bill of Rights. Because of his strong opposition, Mason refused to ratify the Constitution. Listing 16 objections, the first being that "there is no Declaration of Rights," Mason rejected the work of the convention thereby opposing nearly all of his fellow colleagues.

Although Mason's objections cost him the respect of his colleagues, they had a significant impact on the voters. In State conventions called to consider ratification of the Constitution, voters insisted that a Bill of Rights be included in the Constitution. Ultimately, James Madison submitted a Bill of Rights as amendments to the Constitution at the First Congress. Many passages in those amendments came directly from George Mason's Virginia Declaration of Rights.

George Mason's fight for individual rights and liberties was never for political or personal gain. He did not enjoy being involved in public life, but he felt compelled to ensure that his freedom, and those that followed him, would be secured by the new Government. It was Mason's vision, foresight, and disregard for his own reputation that would ultimately lead Jefferson to view Mason as the "wisest of men" and Patrick Henry to consider Mason the greatest statesman he had ever known.

Today, Mason's Declaration of Rights is widely admired throughout the world. Students in Tiananmen Square quoted George Mason in their protests for change and freedom. Fledgling democracies in Eastern Europe look to Mason's Declaration when drafting their new constitutions. And today, as the role of government becomes even more complex, George Mason's words continue to be cited in Supreme Court opinions.

A monument to George Mason in area I of Washington, DC, closest to the Washington and Jefferson monuments, would ensure that George Mason's work is recognized by visitors to the Nation's capital eager to learn more about our history. This monument will celebrate Mason's foresight, courageous disregard for his own reputation, and strong vision that led to the creation of our Government's most fundamental document, the Bill of Rights.

The monument will be constructed with private funds, free of taxpayer expense. This monument has passed the test of the requirements within the Commemorative Works Act. It has the approval of the administration and now it must have congressional approval.

☐ 1230

Mr. Speaker, I appreciate the fact that the minority has no objection to this legislation. I am not at all surprised. I greatly appreciate the accommodation that the chairman has given us. I do think this discussion is helpful for those who might be tuning in here, students of history who are interested in their country.

Mr. Speaker, certainly George Mason has been a critical element in preserving the freedoms that were established and preserving the freedoms that we have today. I urge all my colleagues to support this important legislation.

Mr. ALLARD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I think the clarion call of George Mason's words and writings have stood the test of time for 200 years and represent the finest thought for free people in the world yesterday and today and obviously for tomorrow.

Mr. Speaker, I ask my colleagues to support this legislation.

Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the joint resolution (H.J. Res. 402).

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the joint resolution was passed.

A motion to reconsider was laid on the table.

ARKANSAS WILD AND SCENIC RIVERS ACT OF 1992

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 1743) to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes, as amended.

The Clerk read as follows:

S. 1743

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Arkansas Wild and Scenic Rivers Act of 1922".

SEC. 2. WILD, SCENIC, AND RECREATIONAL RIVER DESIGNATIONS.

Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding at the end the following new paragraphs:

"( ) BIG PINEY CREEK, ARKANSAS.—The 45.2-mile segment from its origin in section 27, township 13 north, range 23 west, to the Ozark National Forest boundary, to be administered by the Secretary of Agriculture as a scenic river.

"( ) BUFFALO RIVER, ARKANSAS.—The 15.8-mile segment from its origin in section 22, township 14 north, range 24 west, to the Ozark National Forest boundary, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 6.4-mile segment from its origin in section 22, township 14 north, range 24 west, to the western boundary of the Upper Buffalo Wilderness, as a scenic river.

"(B) The 9.4-mile segment from the western boundary of the Upper Buffalo Wilderness to the Ozark National Forest boundary, as a wild river.

"( ) COSSATOT RIVER, ARKANSAS.—Segments of the main stem and certain tributaries, totaling 20.1 miles, to be administered as follows:

"(A) The 4.2-mile segment of the main stem from its confluence with Mine Creek to the Caney Creek Wilderness Boundary on the north section line of section 13, township 4 south, range 30 west, to be administered by the Secretary of Agriculture as a recreational river.

"(B) The 6.9-mile segment of the main stem from the Caney Creek Wilderness Boundary on the north section line of section 13, township 4 south, range 30 west, to the south section line of Section 20, Township 4 South, Range 30 west, to be administered by the Secretary of Agriculture as a scenic river.

"(C) The 4.4-mile segment of the Brushy Creek tributary from . the north line of the south ½ of the southeast ¼ of section 7, township 4 south, range 30 west, to the south section line of section 20, township 4 south, range 30 west, to be administered by the Secretary of Agriculture as a scenic river.

"(D) The 4.6-mile segment of the main stem from the State Highway 4 bridge to Duchett's Ford, to be administered by the Secretary of the Army as a scenic river consistent with the operation of Gillham Dam (as authorized by section 203 of the Flood Control Act of 1958 (Public Law 85-500)). For purposes of management of such segment, the Secretary of the Army may enter into a cooperative agreement or memorandum of understanding or other appropriate arrangement with the Secretary of Agriculture or an appropriate official of the State of Arkansas.

"( ) HURRICANE CREEK, ARKANSAS.—The 15.5-mile segment from its origin in section 1, township 13 north, range 21 west, to its confluence with Big Piney Creek, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 11.8-mile segment from its origin in section 1, township 13 north, range 21 west, to the western boundary of the private land bordering Hurricane Creek Wilderness, as a scenic river.

"(B) The 2.4-mile segment from the western boundary of the private land bordering the Hurricane Creek Wilderness to the Hurricane Creek Wilderness boundary, as a wild river.

"(C) The 1.3-mile segment from the Hurricane Creek Wilderness boundary to its confluence with Big Piney Creek, as a scenic river.

"( ) LITTLE MISSOURI RIVER, ARKANSAS.—Segments totaling 15.7 miles, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 11.3-mile segment from its origin in the northwest ¼ of section 32, township 3 south, range 28 west, to the west section line of section 22, township 4 south, range 27 west, as a scenic river.

"(B) The 4.4-mile segment from the north line of the southeast ¼ of the southeast ¼ of section 28, township 4 south, range 27 west, to the north line of the northwest ¼ of the southwest ¼ of section 5, township 5 south, range 27 west, as a wild river.

"( ) MULBERRY RIVER, ARKANSAS.—The 56.0-mile segment from its origin in section 32, township 13 north, range 23 west, to the Ozark, National Forest boundary, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 36.6-mile segment from its origin in section 32, township 13 north, range 23 west, to Big Eddy Hollow in section 3, township 11 north, range 27 west, as a recreational river.

"(B) The 19.4-mile segment from Big Eddy Hollow In section 3, township 11 north, range 27 west, to the Ozark National Forest boundary, as a scenic river.

"( ) NORTH SYLAMORE CREEK, ARKANSAS.—The 14.5-mile segment from the Clifty Canyon Botanical Area boundary to its confluence with the White River, to be administered by the Secretary of Agriculture as a scenic river.

"( ) RICHLAND CREEK, ARKANSAS.—The 16.5-mile segment from its origin in section 35, township 13 north, range 20 west, to the northern boundary of section 32, township 14 north, range 18 west, to be administered by the Secretary of Agriculture in the following classes:

"(A) The 7.8-mile segment from its origin in section 35, township 13 north, range 20 west, to the western boundary of the Richland Creek Wilderness, as a scenic river.

"(B) The 5.3-mile segment from the western boundary of the Richland Creek Wilderness to the eastern boundary of the Richland Creek Wilderness, as a wild river.

"(C) The 3.4-mile segment from the eastern boundary of the Richland Creek Wilderness to the northern boundary of section 32, township 14 town, range 18 west, as a scenic river.".

SEC. 3. FEDERAL PROTECTION FOR STATE DESIGNATED RIVERS.

(a) IN GENERAL.—The river segments described in subsection (b) are designated as components of the National Wild and Scenic Rivers System to be managed by the State of Arkansas in accordance with the requirements for rivers included in the National Wild and Scenic Rivers System pursuant to section 2(a)(ii) of the Wild and Scenic Rivers Act (16 U.S.C. 1273(a)(ii)).

(b) RIVER SEGMENTS.—The river segments referred to in subsection (a) are—

(1) the 10.4-mile segment of the Cossatot River from the Forest Proclamation Boundary to the intersection with State Highway 4; and

(2) the 0.3-mile segment of the Brushy Creek tributary from the Forest Proclamation Boundary to its confluence with the Cossatot River.

SEC. 4. SAVINGS PROVISION.

Nothing in this Act is intended to prohibit the Secretary of the Army from—

(1) operating Gillham Lake, including lake levels and releases, in a manner consistent with the Gillham project (as authorized by section 203 of the Flood Control Act of 1958 (Public Law 85-500)); or

(2) establishing a public use area for float trip termination at the confluence of the Cossatot River with Gillham Lake.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes and the gentleman from Colorado [Mr. ALLARD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on S. 1743, the measure we are not considering.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 1743 was sponsored in the Senate by Senator BUMPERS and passed the Senate on November 26, 1991. An identical companion bill—H.R. 4183—has been introduced in the House by Representative HAMMERSCHMIDT.

To expedite matters, the Interior Committee acted on the Senate-passed measure, and we now bring it to the floor with a number of minor amendments, mostly technical, that are explained in the committee report.

S. 1743, as amended, the bill would designate certain rivers in the State of Arkansas for inclusion in the National Wild and Scenic Rivers System. The Secretary of Agriculture, through the Forest Service, would be directed to manage segments of eight rivers located within national forest areas. One river segment would be managed by the Army's Corps of Engineers, and segments of two other rivers would be managed by the State of Arkansas, as proposed by Governor Clinton.

In hearings before the Subcommittee on National Parks and Public Lands, the administration and public witnesses testified in support of the bill, which generally follows recommendations developed by the Forest Service through its planning process. I am not aware of any opposition to it.

Mr. Speaker, this is a good bill that provides for proper recognition and management of some outstanding river resources. I urge its approval by the House.

Mr. Speaker, I reserve the balance of my time.

Mr. ALLARD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 1743, which would add about 200 miles of rivers in the State of Arkansas to the Federal Wild and Scenic Rivers System.

During subcommittee and full committee consideration of this measure, we heard strong support from all quarters. To my knowledge, the committee did not hear from anyone opposing this legislation. S. 1743 is supported by the administration, the State of Arkansas, local citizens, as well as the entire Arkansas congressional delegation.

I commend Senator BUMPERS for his leadership on this bill, as well as our retiring colleague, JOHN PAUL HAMMERSCHMIDT, who has introduced an identical companion bill. Such bipartisan support is not always a part of wild and scenic river bills, but it thankfully is the case here.

S. 1743 will create the first Federal wild and scenic rivers in the State of Arkansas. I fully expect President Bush to sign this legislation into law very soon.

Mr. HAMMERSCHMIDT. Mr. Speaker, I rise today in support of S. 1743, the Arkansas Wild and Scenic Rivers Act.

The State of Arkansas has been blessed with an abundance of natural beauty including both the Ozark and Ouachita National Forests. In addition there are numerous rivers, lakes, and streams which our citizens are able to enjoy. We are indeed fortunate to have such scenic land as our home.

Up to this time, no river in Arkansas has been designated as part of the Federal Wild and Scenic Rivers System. Only a part of the Arkansas Buffalo River is considered a national river and managed by the National Park System. In fact, it was during my first term in

Congress that I began developing the groundwork for preservation of the Buffalo River as a national river.

In a continuing effort to support measures that will ensure the preservation and protection of our natural heritage, I was pleased to introduce the House companion bill to S. 1743, H.R. 4183.

S. 1743 would add over 191 miles of Arkansas rivers to the Wild and Scenic Rivers System. The eight river segments include 56 miles of the Mulberry River; 45.2 miles of Big Piney Creek; 20.1 miles of Cossalot River; and 15.8 miles of the Buffalo River.

The legislation is based upon recommendations made by the U.S. Forest Service and is supported by the administration. I would, therefore, urge my colleagues to suspend the rules and pass S. 1743.

Mr. ALLARD. Mr. Speaker, I yield back the balance of my time.

Mr. VENTO. Mr. Speaker, I have no requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the Senate bill, S. 1743, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

□ 1240

EFFORTS TO THWART INVESTIGATION OF THE BNL SCANDAL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, on this occasion I rise to continue in the series of informational addresses or special orders that I give by way of accounting as chairman of the Committee on Banking, Finance and Urban Affairs, to my colleagues and Members of this great body. This was, as I said before, a pledge I made the same day that I was formally elected chairman of this committee.

But today, and also in continuation of the scandalous affair involving the foreign bank, the BNL, the Banca Nazionale del Lavoro, I will talk about the delay in bringing the so-called BNL indictments in early 1990, and also the State Department's efforts to thwart, that is, to obstruct the investigation of Iraqis involved in that scandal.

I will also show that the State Department stopped the indictment of the Central Bank of Iraq and discouraged the indictment of a prominent Jordanian with close ties to the King of Jordan, King Hussein.

I will start by showing that the former Attorney General, Richard Thornburgh, misled the Congress and the American public about the national security implications of the BNL cases in order to obstruct our committee's investigation of BNL, which I have reported previously he did do.

As a matter of fact, I incorporated into the RECORD some time ago the copy of the letter that I received from the Secretary, who finally wrote to decry the fact that I would insist as chairman to continue the hearings on the BNL.

As I have detailed in earlier floor statements, the State Department and the Agriculture Department repeatedly lied to Congress about the Commodity Credit Corporation Program of guarantees for Iraq.

From the beginning of the United States-Iraqi relationship in 1982–83, until the Iraqi invasion of Kuwait, this program, known as the Commodity Credit Corporation Program, was a cornerstone of the United States-Iraq relations and the food, supposedly the food, financed by the program was used as a political tool to improve relations with Iraq. Yet on numerous occasions the State Department and Agriculture Department denied that foreign policy implications played a major role in the program.

I have introduced numerous documents into the RECORD showing that the foreign policy objectives became and remained the prime goal of the CCC Program toward Iraq. But the State Department and Agriculture Department misled the Congress and the public, thereby insisting that the program was market driven and that its main purpose was to promote the sale of U.S. agriculture products, when in truth they were promoting closer ties with Saddam Hussein.

They used that commercial market argument to win greater and greater allocations of CCC credit to Iraq, up to $1 billion annually.

Now, that is a considerable sum, in view of what we are denying our own, as far as our domestic needs are concerned. We have reached the point where we have abandoned the greatest interests of the greatest number of our people in such excursions as this one, even though the CCC Program for Iraq was rife with corruption and fraud, and this is just one case.

We had hearings. We also submitted documentation showing where there were kickbacks on the part of Iraqis to persons doing business with them in America, and despite the fact that Iraq was in such dire financial trouble that it could not repay its debts, even to the United States Export-Import Bank.

This systematic deception cost the United States taxpayer about $2 billion because Iraq defaulted on all its CCC debts when it invaded Kuwait.

In September 1990 former Attorney General Richard Thornburgh joined the efforts to mislead the Congress and the American public thereby. We cannot forget that the Congress, regardless of those throughout our history that have hated the institution, is the only viable source of information as to policy that the people have and have direct access to, or should.

As a matter of fact, I have said repeatedly that in the House of Representatives we have the unique case of being the only constitutional office that is directly accessible to the citizens by virtue of the fact that every one of us has to be elected. We cannot be appointed to the House of Representatives, unlike the Senate. We have to be elected in our respective districts. Therefore, the theory is that one would be in the most possible intimate relationship with the citizen constituents.

If the Congress is deceived, whether it is done through negligence on the part of the Congress itself or by the executive branch, which in today's control of the media, which is so vast and so immediate and so instantaneous, it is impossible for the citizens in a democracy such as ours to have the information to afford them to discharge their duties as citizens in discerning, and thereby reaching a conclusion as to the qualifications of, the agents they will elect, whether it is Members of the Congress or the President or the Vice President.

The big difference is this: In the case of the U.S. Senators, they have the whole State as their constituency. The individual citizen in that State does not have the proximity or access that he ought to have to that individual Member that he elects or defeats.

□ 1250

In the case of the President and the Vice President, yes, they are elected by the people. But they are elected throughout the whole country. And again, the individual citizen, once the President is installed, does not have that access that the Constitution and those who wrote it intended should be there at all times.

It is the breakdown in that accessibility that I think is the worst contributing factor to what I call the erosion of the integrity of the processes in our bodies. The fact remains that it is the prime constitutional office destined to be directly accessible and controlled by the citizens in their respective districts.

Attorney General Thornburgh repeatedly tried to have the investigation of the Committee on Banking, Finance and Urban Affairs curtailed, under the false pretense that the committee's investigation of BNL could be harmful to the national security interests of the United States.

We pointed out that there is only one remaining power of the three fundamental powers that the Congress, under the Constitution, still has. I hold that those three fundamental powers are nondelegable.

Yes, through the very beginning of our history under constitutional government, there are areas in which the Congress has delegated. But I maintain there are areas in which the Constitution, and if we read the proceedings of the Convention, we heard a few with respect to the Bill of Rights a while ago, but if we read carefully the proceedings of the Constitutional Convention, we will find this was one of the key issues. And that is that the Congress shall have the power to declare war and only the Congress. That was very purposefully put in there.

That has been washed away through congressional abdication, but I feel and I know that it is nondelegable. When the Congress has abdicated that, it has abdicated its constitutional responsibility to the people.

Second, the control of the purse. That is one of the inherent and in my opinion nondelegable functions of the Congress. When it allowed itself, as it did in 1981, as a result of the interpretation, malinterpretation or good interpretation of the 1974 so-called Budget Reform Act, which incidentally I was 1 of about 10 that voted against it, but I was the only one that gave reasons in the RECORD why I voted against it.

The reasons are, much to my distress, what I feared would happen, which now is taken for granted, where we have continuing dire emergency supplemental appropriations from month to month, from one session to another, from one Congress to another. All of these reformers, some of them are still around and bleeding and bragging about how they did away with some of those old-timer chairmen. Well, let me say to my colleagues, that at no time in my recollection at the time those supposedly old timers were in power did we have the disarray, the absolute budgetary chaos that now we take for granted but which a price must be sooner or later exacted and paid for by the people. And if that be treason to those now who have esconced themselves in power in our Halls of the Congress, who got that power by having knocked out some of those old timers, so be it, let me say to them.

Naturally, it has been quite uncomfortable to have the likes of me. I am an old timer, if one wants to look at it that way.

I will tell my colleagues why, because there are basic verities, both as to behavior and both as to the discharge of a trust, which this office is, which the so-called new generations do not seem to think are worthy of holding to. I do.

I believe there is no substitute for honesty. One either has it or one does not. And under the Constitution, we have to be 25 years of age before we can be eligible to be elected to the House.

If we have to wait until we are 25 years of age and come here to get somebody to give us a code of ethics, let me say to my colleagues, it is too late. There is not any code that is not susceptible of evasion. But if one has a conscience, and I do not know, maybe that is asking too much. But I think those things are a lot more holier and more valuable and more precious than holding any public office and being in these Halls of marble that are supposed to be so indicative of the greatness of our monumental institutions.

I say that these cold Halls of marble need the warmth of the people, and this is the reason why. For the first time 2 years ago, when we had these much publicized hearings but disappointing to some because we did not go out chasing after witches, we followed the law. We followed the rules. And if we the lawmakers do not obey the law, then what do we have? And that is all we have done.

As chairman of this committee, that is exactly what I have done. I have stuck to the rules. I have obeyed the rule of majority, and that has not pleased some. But it is for them to explain and not for me.

What I am saying is that we have to start with ourselves and then we cannot, if we lose even ourselves from both the moral moorings and the time-honored precedents and rules that have been built and incorporated into the most intimate section of our corporate proceedings in these Halls of the Congress, both this side and the other.

The other power, and it is the only one up to now that in our case we have defended, is the power to know, seek information. And that is the power to investigate. But it is not an unlimited power; it is a limited constitutional grant.

Those are the three basic powers: the power to declare war that the Constitution says only the Congress can do; second, the power of the purse, which is deposited in the Congress and only in the Congress; and third, the power to know, the power to search out and get the information that a wise lawmaker and a just lawmaker and an honest lawmaker must have in order to render a judgment in the perfecting of the rules and the laws that will make the policy for our constituents.

That we are upholding. It is the only last vestige that the Congress has not abdicated, and I had to interject that, plus Supreme Court decisions upholding that. But it is not unlimited.

We cannot go our here on witch hunts, as some committees have done before in the history of our body, both after the Civil War as well as after the war this last time, the big war.

We have to have a legislative purpose, and that is what I have been reporting to my colleagues. As a matter of fact, I introduced a bill in pursuance of trying to control some aspects of the activities of these countries through the contributions that we make to the international financial institutions and banks, which these countries make use of.

I repeat, Attorney General Thornburgh repeatedly tried to have the investigation of the committee on Banking, Finance and Urban Affairs obstructed and curtailed and under the false pretense that it would endanger national security.

□ 1300

What he was really attempting to do was to cover up repeated lies to Congress and details of the failed United States policy toward Iraq. That was the whole thing. As soon as I announced that the committee on Banking, Finance and Urban Affairs would hold hearings on the BNL scandal, former Attorney General Thornburgh tried to dissuade me.

When I would not meet with him privately, and I never do. I do not know if some of my colleagues on the committee still have understood. I am not the committee. I am only the chairman of the committee. As I said when I took office, not only on this occasion, but I have been chairman of other committees, and I was chairman of the Subcommittee on International Development, Finance, Trade and Monetary Policy for 10 years, and I have been chairman of the Subcommittee on Housing and Community Development for 11 years, so I think I have had some experience on how to handle the gavel.

The only power, I said, really inherent in the power to hold a gavel, is the power to set the agenda, set the course for the committee. That has disturbed some on and off the committee, I will say, but nevertheless, that is what I have held onto primarily.

We went on ahead and had the hearings, despite the Attorney General's great protestations. Failing to meet with me privately. I said:

> Put it in writing. I am writing you and telling you, and I do not even have to do that, but I am, because I think that is the responsibility and comity that one ought to have with a distinguished member of the executive branch of the Government.

I said:

> Obviously, you have not read the Constitution. Congress has a right to know. Supreme Court case after Supreme Court case has upheld that as a prime and a supreme right of the Congress, to be informed. Notwithstanding other investigations or even judicial criminal proceedings, Congress has the right to pursue in its quest for information. That is what we are going to do.

So when I would not meet with him to discuss why he wanted me to just summarily backtrack on what I had announced, the hearings, then he did write me a letter which I placed in the RECORD before, but I am going to place it in the RECORD today, at least the pertinent part, of September 26, 1990.

He states, and I quote:

> The purpose of this letter is to express my profound disappointment in your decision to ignore the strong objections of this department in the Banca Nazionale del Lavoro matter. As you should be aware, this is a sensitive case with national security concerns.

Of course, the BNL cases did not involve national security concerns. To prove this point I will introduce into the RECORD a December 18, 1990, State Department letter to the Justice Department which states, and I quote:

> With respect to the national security aspects of the BNL investigation, we have determined that the State Department does not have any concerns it wishes to raise at this juncture.

So the State Department, the agency primarily responsible for national security matters, did not think that the BNL case involved national security concerns, yet the top political appointee of the Department of Justice, Richard Thornburgh, apparently failed to get this signal.

Mr. Thornburgh's efforts fit perfectly into the pattern of administration efforts aimed at thwarting congressional investigations of Iraqi policy and the preinvasion pattern of obstructing justice insofar as the BNL case is concerned.

In fact, the Department of Justice continues to refuse the Committee on Banking, Finance and Urban Affairs access to thousands of BNL-related documents claiming that they are subject to grand jury secrecy rules.

Just as Mr. Thornburgh tried to falsely use national security to thwart the committee's investigation of BNL, I have to wonder if the Justice Department is not abusing the grand jury secrecy rules to spuriously hide embarrassing documents that reveal additional details of the Bush administration's close alliance with Saddam Hussein.

It is sad enough that the Departments of State and Agriculture repeatedly lied to Congress and the American public, thereby, about the United States policy toward Iraq. The Justice Department role in obstructing the investigation of the Committee on Banking, Finance and Urban Affairs of BNL is the ultimate hypocrisy. One would think that the Justice Department has a special obligation to protect the integrity of our Government.

In the matter of the failed United States policy toward Iraq and in the BNL case, I think a more appropriate name for the Thornburgh-led Department was the "Obstruction of Justice Department." I will not show that the BNL indictment was anything else but that which should have been done regardless. I will show that expected first in early 1990, we were told "Well, we are about to indict," but it did not happen for more than a year. First I will provide some background to set the stage for the discussion.

While the administration publicly expressed consternation over the actions of Saddam Hussein, behind closed doors and out of the sight of the Congress and the American people, in secrecy, and that is where all of these things have happened, the S&L scandals, and what will be equally scandalous, the banking scandals; they were all bred out of secrecy in those dark, moist rooms in the subterraneans of the regulators and the White House and other places. They were not in the open.

Why not? I have always said, why do we have to close doors? If what we are doing is so good we ought to be bragging about it, throw the doors open, open the windows, and let anybody who wants to hear and see. But apparently that does not happen. There are always reasons and one can find some excuse for not doing it. I have always wondered about it, ever since I was on the city council of my city 39 years ago.

While the administration publicly was saying, "This is a matter of concern the way this fellow is acting now, that apparently we have a cease-fire and it looks like he won over Iran," but behind closed doors and out of the sight of the people and the Congress they courted Saddam Hussein with a reckless abandon that ended in war and the deaths of dozens of our brave soldiers and over 200,000 Moslems, Iraqis, and others, civilians and soldiers.

As I have detailed in previous floor statements, the State Department and the White House repeatedly intervened in the operations of the U.S. Department of Agriculture and in the Commerce Department operations in order to obtain close relations with Saddam Hussein. In fact, with the backing of President Bush, the State Department and National Security Council staff conspired in 1989 and 1990 to keep the flow of United States credit, technology, and intelligence information flowing to Iraq despite repeated warnings by several other agencies and the availability of abundant evidence showing that Iraq used BNL loans to pay for United States technology destined for Iraq's missile, nuclear, chemical, and biological weapons programs.

In order to minimize public exposure to the embarrassing failed United States policy toward Iraq, just after the fighting in the gulf ended the White House formed a group of high-level agency attorneys, headed by the National Security Council's General Counsel, to frustrate, evade, and stifle congressional investigations, which I brought out 2 weeks ago in detail.

The group of attorneys, which I called then and I call now the Rostow gang, because that is what it amounted to, a gang, it was not a consortium, it was a gang. Just like street gangs are out there for their own purposes of evading this, that, and the other, and mugging, this gang was there for the purpose of mugging the Congress in its attempt to know what was going on and how it was affecting the proper exercise of our legislative judgment in forging the laws we still do not have in order to protect the national interest from the behavior of huge sums, billions of dollars, a trillion almost, that none of our regulatory agencies at this time can adequately, fully, and responsibly oversee and account for.

Should we be surprised that instead of less we have infinitely more illicit drug peddling and the laundering of drug money?

□ 1310

Since we incarcerated Noriega in Florida the amount of drugs out of Panama has doubled. It is not happenstance. It is because of this intimate connection between high finance, business, public officials, and the wrongdoer.

So, in order to minimize the possible adverse impact after the war we have the Rostow gang. One of the reasons the Rostow gang was formed was to cover up embarrassing and potentially illegal activities of persons and agencies responsible for the United States-Iraq relationship. For example, persons from the State Department and Agriculture Department repeatedly lied to the Congress and the American public about its policy toward Iraq. Members of the Rostow gang have actively worked to slow down and possibly impede permanently the Banking Committee's investigation of these lies, and they continue to withhold important BNL-related documents from the committee.

Now we learn from recent stories in the Los Angeles Times and the New York Times that the State Department intervened to stop indictments of BNL in early 1990. Earlier press reports indicated that the State Department worked to delay the indictment of BNL because of the further damage the indictments would have caused to rapidly deteriorating United States-Iraq relations since the BNL case involved the highest levels of the Iraqi Government. Of course, those concerns evaporated with the invasion of Kuwait.

The committee has over a dozen documents indicating that the U.S. attorney's office in Atlanta was prepared to bring the BNL indictments in early 1990. Yet, the indictments did not occur until over a year later on February 28, 1991, just hours after the President ordered a cease-fire in the Persian Gulf war or, in other words, after Saddam Hussein was rapidly transformed from friend to foe.

Let us elaborate on this. The committee has gathered numerous documents that indicate the indictments of BNL were planned for early 1990, at the same time United States-Iraq relations were deteriorating at a rapid pace. For example, on January 9, 1990, in a letter from the USA Atlanta, that is U.S. Attorney-Atlanta, to the Federal Reserve stated, "Anticipated indictments early next month." A January 25, 1990, U.S. Inspector General's memo on BNL states:

> Our reinvestigation and a related grand jury investigation in Atlanta is likely to result in criminal indictments in the near future.

January 28, 1990, a Treasury Department memo states:

> The Assistant U.S. Attorney-Atlanta, now expects to bring initial indictments in the case in February 1990. USDA understands that USA Atlanta has requested but not yet received permission from the Justice Department to ask Iraqi officials for information.

February 9, 1990, a State Department cable to the embassy in Baghdad states, "We would prefer to decide on the second tranche," that is the second $500 million of credits, "after the Atlanta indictments have been announced, which is expected to happen some time this month."

Additional Federal Reserve, State Department, Agriculture Department and Treasury Department memos indicate that indictments were ready in early 1990. But by April 1990, it was apparent there was some problem in the planned BNL indictments.

As a USDA memo dated April 2, 1990, states:

> USDA has withheld approval of the second allocation for the past several weeks pending announcement of indictments by an Atlanta grand jury. It is expected that indictments will be announced in the near future. However, this has been an expectation for the past 4 weeks.

Both the Justice Department in Washington and the State Department played a role in delaying the BNL indictment. One of the clues concerning the delay in the BNL indictment points to the Justice Department in Washington, DC. Many of the criminal investigators assigned to the BNL case in Atlanta felt that the Justice Department stopped the indictments.

A recent New York Times article states:

> In a series of interviews, law enforcement officials and lawyers said that in late 1989 and early 1990 the government actually wrote an indictment, though it was not presented to a grand jury. These officials said the indictment was passed along to the Justice Department officials in Washington and that they did not know what became of it.

A Federal Reserve memorandum echoes the allegations. A memo dated April 5, 1990, states:

> The resignation of the United States attorney in Atlanta had led to a number of difficulties in that investigation. These difficulties have been compounded by what is perceived as interference from the Justice Department in Washington.

Let me repeat this Federal Reserve memo:

> The resignation of the United States Attorney in Atlanta had led to a number of difficulties in that investigation. These difficulties have been compounded by what is perceived as interference from the Justice Department in Washington.

Let me repeat that:

> interference from the Justice Department in Washington.

Another Federal Reserve memo states that the Justice Department in Washington was "taking control" of the BNL case because "Attorney General Thornburgh did not want to be criticized for another BCCI." The Justice Department had been severely criticized for its maladroit handling of the BCCI settlement, and apparently did not want the same to occur with BNL. The Justice Department also intervened to stop a Federal Reserve regulatory action against BNL until after the BNL indictments were announced in February 1991, over 18 months after the BNL scandal was uncovered. The exact motivation for the Justice Department's actions are not known.

This week I intend to write the Justice Department asking for documents related to why the BNL indictment was delayed until after the cease-fire in the Persian Gulf war. Could it have been that like other United States programs that benefited Iraq the indictment was delayed to ensure cozier relations with Iraq?

Several Justice Department spokesmen have denied foreign policy considerations played a role in delaying the BNL indictment. I prefer to let the documents tell the story if the Justice Department will cooperate and provide the evidence.

I will now turn to the State Department's role in thwarting the U.S. Attorney-Atlanta BNL investigation.

Despite the State Department's denial, there is evidence to indicate that the State Department intervened in 1990 to stop the indictment of BNL. Articles in both the New York Times and the Financial Times of London in June and July 1990 report that State Department officials intervened to stop the BNL indictments because of concerns over the adverse impact such an action would have on United States-Iraq relations. A more recent newspaper article corroborates that contention.

A March 20, 1992, New York Times article contained excerpts of an interview with Robert L. Barr, the former U.S. attorney in Atlanta who was in charge of the BNL case until April 1990. Mr. Barr acknowledged that in the BNL case considerations of foreign policy had become intertwined with those of law enforcement. The Times quoted Mr. Barr as saying:

> The State Department had become involved early on and that case became complex both legally and because of foreign policy concerns.

The State Department itself has acknowledged that it had frequent contact with the Justice Department regarding the BNL matter. In a July 1990 letter to the Crime and Criminal Justice Subcommittee chairman, CHARLES SCHUMER from New York, the Department tried to downplay the issue of its involvement in the BNL case by stating:

> Law enforcement actions can have a direct and foreseeable effect upon foreign relations. It is important for the Department of State to coordinate with the Justice Department to ensure that enforcement agencies have the information they may need concerning the foreign policy implications of matters for which they have responsibility and to ensure that the State Department is aware of anticipated law enforcement actions that have an adverse impact on foreign relations.

□ 1320

The Banking Committee continues to investigate whether or not the State Department intervened in early 1990 to stop the BNL investigation. Given the State Department's intervention in the operations of the CCC Program, it is likely that such an intervention occurred.

While the State Department maintained publicly that it did not intervene in the BNL case, internal agency memos and cable traffic between the United States Embassy in Baghdad and the State Department show that the State Department frustrated the United States attorney-Atlanta attempts to interrogate the Iraqis involved in the BNL scandal.

LETTER-WRITING STRATEGY

In late 1989 and early 1990 the United States attorney-Atlanta was pressing to go to Iraq and Turkey to interrogate some of the main conspirators responsible for the BNL fraud. One of the persons the United States attorney-Atlanta wanted to question in Iraq, Dr. Safa Al-Habobi, was the head of procurement for Iraq's nuclear, biological and chemical weapons and missile programs.

The Atlanta investigators also wanted to question two of the financial bagmen and the lawyer that worked for the Iraqi military technology procurement network because of their prominent roles in obtaining BNL funds for the Iraqi network. Dr. Al-Habobi and the others reported to the second most powerful man in Iraq, Saddam Hussein's son-in-law, Hussein Kamil.

Mr. Kamil had ultimate responsibility for the clandestine Iraqi efforts to develop weapons of mass destruction. The Atlanta investigators knew that Mr. Kamil was involved in the BNL scandal since the BNL employees told them they had met with Kamil when they went to Baghdad—an unheard of event for such non-important functions. Yet the State Department would not let the Atlanta investigators go to Iraq to interview Mr. Kamil's minions. Ultimately, Mr. Kamil wound up on the list of unindicted co-conspirators, no thanks, though, to the State Department.

The State Department of course had full knowledge of who Mr. Kamil, Mr. Al-Habobi and the others were and the role they played in Iraq's efforts to build weapons of mass destruction, which may be why the State Department frustrated the United States attorney-Atlanta efforts to interview these persons. The State Department probably feared that the interrogation of these particular Iraqis would hasten the decline in the already deteriorating United States-Iraq relationship. In other words, foreign policy implications took precedence over law enforcement goals.

POSE QUESTIONS IN WRITING

Instead of allowing the United States investigators to travel to Baghdad, the State Department proposed that the Justice Department prepare a list of questions that it wanted to ask the Iraqis involved in the BNL scandal and the State Department would then forward the questions to Baghdad urging the Iraqis to be forthcoming with the BNL investigators.

In a February 9, 1990, cable from Lawrence Eagleburger, who is the Deputy Secretary of State, to April Glaspie, our Ambassador in Baghdad, Mr. Eagleburger informed the Ambassador of the letter-writing strategy. In ending the cable, Mr. Eagleburger stated that the United States Department of Agriculture attaché in Baghdad could be apprised of the strategy, but that he was not to convey that strategy back to his colleagues in Washington, his superiors in Washington, actually. Why not? Could it have been because Mr. Eagleburger saw the process as potentially embarrassing?

The letter-writing strategy was obviously intended to thwart a crucial portion of the BNL investigation.

STATE DEPARTMENT AGAINST TRAVEL TO TURKEY

In late 1989 and early 1990 investigators working on the BNL case in Atlanta also wanted to travel to Turkey to gather evidence and interview potential indictees involved in the BNL scandal. Again, the State Department would not allow the Atlanta investigators to travel to Turkey to interrogate one of the main perpetrators of the BNL fraud.

One of the main suspects in the BNL scandal was a man named Yavuz Tezeller. Mr. Tezeller was the manager of the New York office of a Turkish company called Entrade. Entrade is an affiliate of Enka, one of Turkey's largest multinational firms. Enka is involved with several United States defense contractors, including a joint venture with LTV, to produce rocket launchers.

Entrade acted as an agent for Iraqi enterprises by purchasing multiple goods such as agricultural commodities, chemicals, steel, and copiers. Entrade was a prime subject of the United States Department of Agriculture's investigation into irregularities involving the BNL scandal and the Commodities Credit Corporation program because Entrade was involved in 52 CCC-guaranteed transactions with Iraq and BNL.

When Mr. Tezeller got wind of the raid on BNL in August 1989, he refused to return from Turkey to answer questions. The Atlanta investigators immediately pegged Mr. Tezeller as a key figure in the BNL scandal. They had evidence showing that his firm had probably paid hundreds of thousands of dollars in bribes to certain BNL employees and that he had information that would be useful to solving certain aspects of the case. A January 9, 1990, Justice Department letter stated of Mr. Tezeller:

> * * * he can provide information regarding after sales services (a fancy word for bribes, kickbacks), unearned consulting fees, and other payments to Iraqis as well as kickbacks paid by United States and multinational companies to obtain Iraqi contracts.

The New York Times reported that the investigators working on the BNL case were not allowed to travel to Turkey to interview Mr. Tezeller. The paper states:

> The officials said that during this period (late 1989 through early 1990) they sought the State Department's permission to visit Turkey and Iraq to interview some of the key conspirators. They said Mr. Barr's office (United States of America-Atlanta) told them they could not make these trips.

The committee is investigating Mr. Tezeller and Entrade's role in diverting CCC-guaranteed commodities intended for Iraq to the Soviet Union and Eastern Europe in payment for weapons purchased by Iraq. A Department of Agriculture investigation of Entrade uncovered no evidence that agricultural commodities sold to Iraq in the 52 BNL-financed CCC transactions involving Entrade ever actually arrived in Iraq.

The investigators were also not allowed to go after another key conspirator in the BNL fraud—a Jordanian named Wafai Dajani.

STATE DEPARTMENT DISCOURAGES INDICTMENT OF WAFAI DAJANI ON FOREIGN POLICY GROUNDS

Probably the most blatant example of State Department intervention to stop part of the BNL indictment for political reasons is the case of Wafai Dajani, a prominent Jordanian close to King Hussein of Jordan. Mr. Dajani owns firms called Amman Resources, Wafai Dajani & Sons, Arab Holdings and Aqaba Packing. Before starting these firms he worked for Ghaith Pharoan, the famed BCCI front man who has been indicted in the United States for his part in the massive BCCI scheme to defraud the United States banking system. Mr. Dajani owns houses in Baghdad, Amman, London, and Washington, DC.

Mr. Dajani's brother was the Minister of Interior in Jordan and his family has been Mobil Oil's agents in Jordan since 1921. He also has a joint venture in Jordan with the United States firm Comet Rice of Houston, TX.

Mr. Dajani was important to the United States-Iraq relationship in that he was critical to keeping the CCC program for Iraq operating in a smooth fashion.

□ 1330

His firms handled the bulk of the CCC agricultural commodities once they arrived at the port of Aqaba in Jordan. Mr. Dajani's firm unloaded, stored, often packaged and then trucked the United States agricultural commodities to Iraq. Mr. Dajani handled about 80 percent of all CCC guaranteed shipments to Iraq. His firms handled over a million tons of U.S. wheat, and 350,000 tons of U.S. rice a year.

To illustrate his role look at his comments in a letter to the committee:

> I worked very closely with the American Wheat Association, the Rice Council and the USDA and I am very well known to them. The American Agricultural Attache in Baghdad consulted me on a continuous basis and we tried to bridge the Iraqi/American interest into consent and concordance. This entailed that I met with the American Ambassadors during the period 1984–1990, like Ambassador David Newton and Ambassador April Glaspie who know me very well. I had to play the mediation role due to my extended business interest in USA and Iraq, a role necessitated by the nature of working relationship between the two parties. This role was greatly appreciated by the Government Officials of Iraq and the United States.

Mr. Dajani had close ties with the head of the Iraqi Grain Board, Zuhair Daoud. Mr. Dajani was close to the manager of BNL's Atlanta office, Chris Drogoul. Mr. Drogoul will go to trial on June 2 for his role in extending $4 billion in unauthorized loans to Iraq—$2.2 billion of those loans went to the Iraqi military technology procurement network. BNL extended millions in credit to Mr. Dajani's firm, Amman Resources.

To illustrate the importance of Mr. Dajani and his role in facilitating the BNL scandal with Mr. Drogoul consider a Department of Defense memo that states Mr. Dajani:

> * * * used his connections to allow Drogoul to travel freely through the Middle East, including Iraq, without the proper documents.

Mr. Drogoul met repeatedly with members of the Iraqi military technology procurement network in the United States, Europe, Jordan, and Baghdad. Mr. Dajani helped to facilitate those meetings and even attended several of the meetings.

To further illustrate the closeness of the Dajani/Drogoul relationship, soon after the FBI raid of BNL in 1989, Mr. Drogoul was fired by BNL, but Mr. Dajani stepped in and provided Mr. Drogoul with a $50,000 a year job as a consultant. But Mr. Dajani's role is greater than that of being a key player in the BNL scandal in which he is listed as an unindicted coconspirator—he also has helped to arm Iraq.

DAJANI AND ARMS TO IRAQ

Mr. Dajani has helped obtain arms for Iraq from firms in Portugal and Cyprus. The Portuguese firm, Armiberica Defense and Security, S.A.R.L., in Lisbon is run by international arms traders Carlos Rosa, and a former Portuguese colonel named J.L. Mingot De Almeida, and others. They contracted to sell howitzers and ammunition to Iraq through Dajani.

The Cypriot firm, A&L Management Services of Nicosia sometimes referred to as Logint Ltd., is operated by a United Kingdom citizen and it contracted to sell small arms, ammunition, and the machines to make the ammunition to Iraq through Dajani.

The committee is investigating whether or not the CCC commodities destined for Mr. Dajani's grain handling facility at Aqaba were diverted to pay for these weapons and others. Needless to say he is the prime suspect in that investigation. The committee has been told that CCC guaranteed commodities were diverted through Turkey to Russia in order to pay for tanks. In addition Iraq's largest Eastern European weapons suppliers, Yugoslavia, Czechoslovakia, and Romania, may also have been paid in United States agricultural commodities.

In addition to selling arms to Iraq, numerous State Department reports indicate that Mr. Dajani's firms are at the top of the list of firms breaking the current United Nations trade sanctions designed to punish Iraq for invading Kuwait. Dajani's firms are at this moment providing Iraq with everything from foodstuffs to industrial goods. His firms are also closely linked to the Iraqi military procurement network that is responsible for acquiring technology for Iraqi weapons programs.

It is that latter part that is certainly violative of the embargo.

As for foodstuffs, I have said all along that the withholding of that has caused close to 100,000 Iraqi children to die needlessly. I think that, in view of our contribution, that of our officialdom to that mess that ended up in war, that to take it out in an almost point of extermination of a peoples is dead wrong, no matter how much they may be considered a country enemy.

His firms were also closely linked to the Iraqi military procurement network that is responsible for acquiring technology for Iraqi weapons programs.

Mr. Speaker, in early 1991, the Justice Department asked the State Department for its recommendation regarding the proposed BNL indictments. The Justice Department had placed Wafai Dajani on the list of BNL conspirators that it wanted to indict. A February 1991 memo containing the State Department's recommendation to the Justice Department states: "We have no objections to indictment of any individual on the list." But the memo contains a disclaimer regarding Mr. Dajani that states:

> Wafai Dajani is a Jordanian businessman, not a government official. His brother is a former Minister of the Interior, and Wafai himself is considered well connected to the King and to U.S. grain exporters. His indictment would be seen as a further attempt to "punish" Jordan.

The reference to punishing Jordan refers to the State Department's public expression of displeasure with the fact that Jordan had sided with Saddam Hussein and against the United States in the recent gulf war conflict.

Mr. Speaker, that is a lot more simplistic than reveals itself. As a matter of fact, had the President not been lusting after war, that false goddess of war, there is no question that, through the intervention of a direct descendant of the Prophet himself, the King of Jordan, more influence could have been dealt in order to prevent war through that office than anything else. But we would not hear of it, and we treated the King of Jordan quite miserably when he came to the United States early before the massive buildup.

Mr. Speaker, including the reference to Dajani's closeness to the King gives the impression that the indictment would be a personal affront to the King of Jordan and it would obviously have a negative impact on United States-Jordan relations.

While the State Department wrote that it was not opposed to the indictment of individuals involved in the BNL scandal, the memo clearly indicates that foreign relations considerations should be taken into account in the case of Mr. Dajani. And sure enough, Mr. Dajani has not been indicted for his role in the BNL conspiracy.

Now, more importantly, Mr. Speaker, the State Department's contribution to quash an indictment of the Central Bank of Iraq I think is perverse.

Even though the Central Bank of Iraq was an integral participant on the BNL fraud, the State Department and other agencies moved to quash the BNL indictment. A February 1991 State Department memo states:

> We do object to the indictment of Iraq's Central Bank. We (and Justice) are aware of no precedent for criminal indictment of a foreign government agency.

Well, let me say by way of parenthesis: What are we prosecuting in Miami if it is not the head of a foreign state?

Continuing:

> Justice argues that the Central Bank of Iraq (CBI) should be indicted because of its involvement in commercial aspects of the BNL scandal. In our view, such an indictment would raise serious questions of sovereign immunity, an area generally passed upon by State Department's Legal Department, because of its foreign policy implications.

The State Department, along with several other agencies, argues that a central bank should not be prosecuted that is indicted on technical grounds and to a lesser extent on foreign policy grounds. In effect, the State Department is saying that a foreign central bank can come to the United States, and utilize the U.S. banking system to do whatever it wants and it cannot be prosecuted, and as a matter of fact central banks today are still doing it.

In the case of Iraq, its central bank was instrumental in carrying out a massive fraud to violate United States banking, export control, and arms export control laws in an effort to obtain technology to build weapons of mass destruction, yet the State Department's position is that it should not be prosecuted. That is taking the role of diplomacy a bit too far I think in this case, and sort of at odds with the other case. I will work on a legislative solution to that problem, which is what we have been doing by bits and pieces rather than the whole bit of legislative enactment.

□ 1340

Clearly even today foreign policy considerations are being used to obstruct justice. Key information is being withheld from the committee, and key conspirators who defrauded the U.S. taxpayer out of hundreds of millions of dollars in the B&L scandal go unindicted and untouched because they are close to governments that the State Department wants to woo, just as it held the line for its erstwhile friend, Saddam Hussein.

Mr. SLATTERY. Mr. Speaker, will the gentleman yield?

Mr. GONZALEZ. I yield to the gentleman from Kansas.

Mr. SLATTERY. Mr. Speaker, I just wanted to commend the gentleman from Texas [Mr. GONZALEZ] for his tireless efforts to really disclose to the American people what was going on in terms of this Government's relations with Iraq and the banking world prior to the invasion of Kuwait, and I just commend the gentleman for his leadership on this.

I happen to believe very strongly that this is a very important issue. It is an issue that the American public have a fundamental right to know more about. It is an issue that is very critical to this Presidential election. It is an issue that, as far as I am concerned, raises serious questions about the competence of this administration's foreign policy and the direction of their foreign policy, and the gentleman from Texas [Mr. GONZALEZ] here has, in my opinion, done more than any other single Member of this body to bring some of this information to the public's attention.

Mr. Speaker, I say to the gentleman, "I commend you, Mr. Chairman, for your work, and I encourage you to continue to dig, and I would like to be of assistance to you in any way I possibly can as you attempt to inform the American public as to the serious charges, and allegations and information that you're disclosing."

Mr. GONZALEZ. Mr. Speaker, I thank the gentleman from Kansas [Mr. SLATTERY], and, as I said before, he is a very preeminent member of the Committee on Banking, Finance and Urban Affairs, and I am very grateful for his help.

MEMORANDUM OF CONVERSATION

Date; October 13, 1989.

Subject: USDA Comments on Investigations of Iraq and the Banco Nazionale del Lavoro, Atlanta Branch, Scandal.

Distribution:

E: Richard T. McCormack, Under Secretary of State for Economic Affairs. Sam Hoskinson, Executive Assistant to the Under Secretary of State for Economic Affairs.

L: Abraham D. Sofaer, Legal Adviser.

NEA: Jock Covey, Acting Assistant Secretary.

EB: Eugene McAllister, Assistant Secretary. Robert Downes, Office of Development Finance.

Participants: State: Frank Lemay, Special Assistant to the Under Secretary for Economic Affairs.

USDA: Tom Conway, Associate General Counsel; Kevin Brosch, Attorney, Office of the General Counsel, FAS; Peter Bonner, Attorney, Office of the General Counsel, FAS; Larry McElvain, Director of Export Credits, CCC.

Locaton: Department of Agriculture, Office of the General Counsel, Room 2307.

SUMMARY

There are currently 10 separate investigations of Banco Nazionale del Lavoro, Atlanta Branch (BDLA), lending activity to Iraq. As investigators dig further into the paper morass, more and more indications of significant wrong-doing on the part of BDLA and Iraq are surfacing. It now appears that at a minimum elements of the Government of Iraq (GOI) knew of the illegal dealings of the BDLA but found it convenient to continue using its good offices. Indications are that in addition to violating US banking laws, the BDLA's activities with Iraq may have led to diversion of CCC guaranteed funds from commodity programs into military sales either directly, through barter arrangements during transit, and/or through requiring fees to be paid on various transactions in violation of US regulations. In addition, payments required by Iraq of exporters wishing to participate in the Iraqi market may have been diverted into acquiring sensitive nuclear technologies. This has yet to be fully substantiated. End Summary.

THE INVESTIGATIONS

The FBI, Federal Reserve, Comptroller of the Currency, US Attorney, USDA Inspector General Office, DOD Inspector General Office, Georgia State Banking Regulators, US Customs, the IRS, and Italian Bank Regulators are currently all investigating Banco Nazionale del Lavoro, Atlanta Branch, lending activity to Iraq. As Brosch put it "The investigations are at the explosion state," As investigators begin to dig through the BDLA's records and as BDLA officers agree to cut deals with the US Attorney, we can expect further revelations of who knew what when.

USDA expectations are that the investigation could "blow the roof off the CCC." With reference to the CCC program the question is whether GOI officials were involved in breaking US law and CCC regulations. As Conway pointed out, the GOI knew fully that its dealings with the BDLA were not sanctioned by the Banco Nazionale del Lavoro home office. The GOI could have approached the home office for financing at any time. Because it did not do so, Conway said, "the US attorney believes the GOI was malfeasant and involved."

Although most of the investigations are focusing on the illegal banking activities of the BDLA, USDA is looking at possible diversion of CCC guaranteed commodities during transit, illegal payments required by Iraq of exporters in order to enter the Iraqi market, and "After Sales Services" which require exporters to provide such items as trucks, spare parts and other agricultural and non-agriculture equipment as part of CCC deals. Companies that would not make payments and/or provide after sales service were apparently kept on a black-list and not allowed to participate in the Iraqi market. Violation of banking regulation is beyond USDA's scope; breaking CCC regulations is of paramount concern.

PAYMENTS

Available information indicates that the GOI required exporters to pay a substantial "consulting fee" to an Ohio based company named Churchill Matrix. The US Attorney has found that Churchill Matrix has its headquarters in Great Britain and is a wholly owned subsidiary of TMG, a GOI fully owned holding company. Some information has been developed that Churchill Matrix has been involved in supplying military hardware to Iraq. It is not clear if the fees required of exporters went to pay for the military purchases. Information indicates, but is not conclusive, that users of CCC program guarantees were forced by the GOI to pay the fees as well. If exporters did pay the fees, CCC was probably guaranteeing financing for both commodities and, through inflated pricing, the required additional payments.

AFTER SALES SERVICES

The GOI reportedly required exporters participating in CCC guaranteed exports to Iraq to provide "After Sales Services". These services required exporters to provide, free of charge, various types of equipment and spare parts to Iraq. The GOI was told by USDA about 18 months ago that these practices were illegal but they continued. The problem with these services, as with the payments, is that exporters figure the cost of the services into the declared value of the commodity sale. The upshot is that CCC is again guaranteeing financing of both commodities and non-commodity goods.

In both the required fee payments and the after sale services it is the exporter who is liable under US law for falsifying documents given to the USG. If they can show that Iraqi officials were involved, conspiracy charges could be brought against all those involved. The GOI has admitted to using both practices and sees both as "good business practice".

DIVERSION OF CCC GUARANTEED FUNDS/COMMODITIES

Although additional research needs to be done, it appears more and more likely that CCC guaranteed funds and/or commodities may have been diverted from Iraq to third parties in exchange for military hardware. McElvain reported that although, in the cases where adequate documentation exists, CCC commodities can be traced as far as Jordan and Turkey, in many cases it is not clear that they ever reached Iraq. Where documents indicate shipments arrived in Baghdad, the timing appears improbable—shipments arrive in Baghdad prior to arriving at interim ports. McElvain and the USDA IG are concerned that commodities were bartered in Jordan and Turkey for military hardware. BDLA paperwork is so sloppy on this point that it may be months (or never) that we can reach a firm conclusion on the diversion issue.

NUCLEAR RELATED EQUIPMENT

USDA's Brosch noted that the U.S. Attorney said there was some indication that diverted funds (and possibly direct bank lent funds) were used to procure nuclear related equipment. Noted in particular were a "nuclear fuel compounder" and a "nose cone burr." Here the evidence of CCC diversion is not fully developed by the case remain open. DOD is apparently investigating this aspect of the problem.

ADDITIONAL ALLEGATIONS

Brosch and Conway said that the U.S. attorney is looking at additional allegations in the BDLA scandal. These include allegations of substantial over-pricing of commodities guaranteed under CCC; inclusion of non-U.S. origin commodities in guarantee program shipments; and, shipment of equipment under CCC commodity guarantee financing.

CONCLUSION AND COMMENT

Taken together the points discussed during the meeting indicate we should proceed carefully in urging the immediate provision of CCC guarantees to Iraq. If smoke indicates fire, we may be facing a four alarm blaze in the near future. This is particularly true given the intense scrutiny the CCC program has been under during the last year. McElvain indicated that there were 19 investigations of CCC this year and the "integrity of the program is now in question." USDA attorneys will be going to Atlanta for discussions with the U.S. attorney during the coming week. Additional information on the various investigations will be available upon their return.

U.S. DEPARTMENT OF JUSTICE,
Washington, DC, March 15, 1990.

Re Request for Meeting with Iraqis.

MICHAEL YOUNG,
Deputy Legal Adviser, U.S. Department of State, Washington, DC.

DEAR MR. YOUNG: The United States Attorney's Office for the Northern District of Georgia is investigating the activities of the Atlanta office of the Banca Nazionale del Lavoro (BNL), an Italian concern. That investigation includes extensions of credit made by BNL to Iraq during the period from January, 1986 to August, 1989. The Government of Iraq is aware of the investigation and has offered on a number of occasions to cooperate with the United States. The investigation is now at a point where the U.S. Attorney's Office wishes to accept the Iraqi offer and invite Iraq to have certain named individuals come to the United States for interviews.

Therefore, we request that the United States extend in an appropriate fashion, both in Washington and Baghdad, an invitation to Iraq to have the persons named on the attached list travel to the United States to meet with the U.S. authorities conducting the investigation.

In issuing this invitation you may tell Iraq that the investigation is for possible violations of U.S. law, including, 18 U.S.C. §§371, 1001, 1341, 1343, and 2314.

We would like to begin the meetings on March 26, 1990, or as soon thereafter as can be arranged. We expect that each of the persons invited will need to allow for a minimum of three days in the United States in connection with the U.S. Attorney's investigation. Further, the United States offers its assurances that for such time as these individuals are in the United States as our guests and cooperating with the U.S. Attorney's Office, that Office will not serve process upon them or otherwise seek to assert jurisdiction over them. In addition, and pursuant to our standard practice, the United States is prepared to make and pay for the travel arrangements and per diem of each of the persons invited.

Finally, the Commodity Credit Corporation (CCC) and the Department of Agriculture (USDA) are considering a request by Iraq to extend $500 million in export credit guarantees under CCC's GSM-102 program for the remainder of fiscal year 1990. The USDA and CCC also need to meet with the persons named above in connection with their own investigation into alleged irregularities concerning extension of credit by BNL to Iraq for commodity purchases under the GSM-102 program during the period from 1985 to 1988 in order to complete the processing of the Iraqi application. Therefore, and in order to accommodate all concerned, we propose that the USDA and CCC meetings with the Iraqis also be scheduled for the time while they are in the United States. In issuing the invitation for them to meet separately with the USDA and CCC, you may wish to inform them that the U.S. Attorney's Office is unable under our law to share the information it has developed with the USDA and the CCC, thus making it impossible to satisfy all U.S. interests in one meeting alone.

If you need further information, feel free to call me at 786-3500.

Sincerely,

DREW C. ARENA,
Director, Office of
International Affairs.

Attachment.

LIST OF INVITEES

Abdul Hussein Sahib, Director General, State Company for Foodstuffs Trading.

Harith Al-Barazanehi, Director General, State Enterprise for Tobacco and Cigarettes.

Zuhair Daoud, Director General, State Company of Grain Trading and Processing.

Sadik H. Taha, Director General for Agreements and Loans Central Bank of Iraq.

Ahmed Al-Dulaimi, Under Secretary, Ministry of Industry and Military Manufacturing.

Raja Hassan Ali, Director General, Economic Department, Ministry of Industry.

Dr. Fadel Jawad Kadhum, Legal Adviser.

Dr. Safa Al-Habobi, Director General, Al-Nassar Complex, Ministry of Industry; President, Chairman of TDG; President of Matrix-Churchill (England).

FEDERAL RESERVE BANK
OF NEW YORK,
April 5, 1990.

To: Mr. Corrigan.
From: Thomas C. Baxter, Jr.
Subject: Lavoro.

I followed up on your suggestion about a possible connection between Banca Nazionale del Lavoro ("BNL") and the nuclear triggers that were seized in London. As you suspected, there is a connection. Apparently, Von Wedel (a former officer of BNL who is now cooperating with the government) says that one of the transactions done with Rafidain Bank at some point referenced nuclear detonators. According to Von Wedel, this reference scared BNL away from this particular transaction, but it is possible that the lesson the Iraquis learned was to be generic in preparing the credit documentation. Thus, it is entirely possible that BNL financed some of this material.

At any rate, I have been assured that those conducting the criminal investigation in Atlanta are looking into these connections, with a view to developing additional criminal charges. The registration of the United States Attorney in Atlanta has led to a number of difficulties in that investigation. These difficulties have been compounded by what is perceived as interference from the Justice Department in Washington.

The press has also made a connection between BNL and the detonators. Attached you will find copies of two Financial Times articles doing just that.

OFFICE OF THE ATTORNEY GENERAL,
Washington, DC, September 26, 1990.
Hon. HENRY B. GONZALEZ,
Chairman, Committee on Banking, Finance and Urban Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to express my profound disappointment in your decision to ignore the strong objections of this Department in the *Banca Nazionale del Lavoro* (BNL) matter. I am similarly distressed by your refusal last evening to discuss the matter with me.

Your intention to schedule a hearing for October 9th on the investigation of unauthorized loans to Iraq by BNL and the request to interview both the Assistant United States Attorney and the government witnesses in the case raises the prospect that culpable parties will elude prosecution. Your staff is fully aware of the existence of our ongoing criminal investigation and the likely impact that these actions will produce on our efforts.

As you should be aware, this is a sensitive case with national security concerns. The United States Attorney in Atlanta advises me that both witness security and the willingness of witnesses to continue to cooperate with the investigation and prosecutions will be jeopardized by your Congressional staff interviews and hearing.

Mr. Chairman, a decision to proceed with these interviews and the hearing at this time significantly diminishes the Department's ability to successfully prosecute this matter. Accordingly, we again request that your staff work with the Department to find alternatives that allow both the legislative and the law enforcement processes to function.

Sincerely,

DICK THORNBURGH,
Attorney General.

FEDERAL BUREAU OF INVESTIGATION,
Washington, DC, October 5, 1990.
Hon. HENRY B. GONZALEZ
Chairman, Committee on Banking, Finance and Urban Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The purpose of this letter is to express my concern with the *Banca Nazionale del Lavoro* (BNL) matter. I have been informed that your Committee plans to hold an open meeting on Tuesday, October 9, 1990, on the BNL investigation with the intention of voting on issuing subpoenas for documents and individuals. I also understand that you intend to hold a hearing on these matters on October 16, 1990.

Mr. Chairman, you should be aware of the existence of an ongoing criminal investigation into these matters and the likely negative impact that the Committee's actions could have on this investigation. Among my concerns are the possibility of grand jury information being inadvertently disclosed in your proceedings or other statements or evidence being disclosed prior to the anticipated trial. I am similarly concerned that the Committee's actions may prevent both further cooperation by witnesses and in fact may pose a serious threat to witness security or jeopardize successful prosecution.

I regret that we did not have the opportunity to discuss these matters today. I hope that we can work together to prevent serious damage to a very sensitive and important case.

Sincerely,

WILLIAM S. SESSIONS,
Director.

U.S. DEPARTMENT OF STATE,
Washington, DC, December 18, 1990.
Re Banca Nazionale del Lavoro Investigation.

LAURENCE A. URGENSON,
Chief, Fraud Section, Criminal Division, U.S. Department of Justice, Washington, DC.

DEAR MR. URGENSON: On October 8, 1990, you wrote a member of my staff concerning the Justice Department's investigation into the activities of the Banca Nazionale del Lavoro (BNL), particularly in connection with its extension of credit to the government of Iraq. You requested this Department to review its files to determine if they contained information pertinent to the investigation, and you invited the Department to raise any national security concerns posed by the investigation.

Since then, we have been in regular contact with your office, and have gathered a number of possibly relevant documents; arrangements are being made for the Justice Department to review them. With respect to the national security aspects of the investigation, we have determined that the State Department does not have any concerns it wishes to raise at this juncture. However, we would ask that you keep us apprised to the extent possible of the course of the investigation.

Thank you for bringing this matter to our attention.

Sincerely,

EDWIN D. WILLIAMSON.

COMMITTEE ON BANKING, FINANCE
AND URBAN AFFAIRS,
Washington, DC, September 28, 1990.
Hon. RICHARD L. THORNBURGH,
Attorney General,
Washington, DC.

DEAR MR. ATTORNEY GENERAL: The purpose of this letter is to respond to your letter of September 26, 1990, and to express my distress over your apparent lack of understanding of the investigative and legislative functions of the Congress.

On September 21, 1990, I agreed to allow my staff to meet with your staff to discuss the Justice Department's concerns related to the Banking Committee's investigation of the Atlanta Agency of Banca Nazionale Del Lavoro (BNL). During, and subsequent to this meeting, your staff was unable to comply with my request for specific justification for suspending this most important inquiry.

Specifically, the Justice Department failed to reveal how interviewing employees from the Federal Reserve Board, the Federal Reserve Bank of Atlanta, the Department of Banking and Finance of the State of Georgia, and current and former employees of BNL would, as your letter states, "significantly diminish the Justice Department's ability to successfully prosecute this matter." In addition, the Justice Department failed to demonstrate how the Banking Committee's investigation would jeopardize the personal security of witnesses or inhibit their cooperating with the Justice Department's investigation of BNL.

As Chairman of the Banking Committee, I am concerned that the regulation and examination of the U.S. branches and agencies of foreign banks (see the International Banking Act 92 Stat. 607) is inadequate. These entities command over $500 billion in assets in the U.S., and a significant portion of their liabilities are guaranteed by the Federal Deposit Insurance Corporation (FDIC). The magnitude of the BNL fiasco (i.e., $2.8 billion in unauthorized loans to Iraq), while not directly posing a risk to the FDIC, certainly raises the question of the adequacy of state and federal regulation and oversight of these entities. Rest assured, in order to ensure the U.S. branches and agencies of foreign banks do not pose an undue risk to the already beleaguered FDIC, the Banking Committee will continue to investigate the adequacy of the regulation and examination of these entities. The BNL case provides a clear case of a regulatory breakdown that needs to be understood and addressed.

With regard to the Banking Committee's legislative interest in BNL, the Federal Reserve has notified me that the BNL investigation uncovered a loophole in the criminal code that will probably allow former employees of BNL to escape Federal prosecution for fraud, theft, embezzlement, misapplication of funds, and bribery. You can be sure that I will continue to work to correct this over decade long Justice Department oversight. I have been given permission by the Rules Committee, and I intend to offer, a floor amendment to the crime bill that will close this loophole in the criminal code.

I hope this letter has served to properly inform you as to the Banking Committee's legislative and investigative interests in BNL. I trust the Justice Department will provide its full cooperation.

Sincerely,

HENRY B. GONZALEZ,
Chairman.

Memorandum for: Assistant Attorney General.

From: Treasury Department, Export-Import Bank, Federal Reserve System, Defense Legal Services Agency, Department of Defense, Department of State.

Subject: Indictments of the Central Bank of a Foreign State.

You have asked us for our views and the views of our respective agencies or departments concerning proposed indictments of the central bank of a foreign state, certain of its officers, a commercial bank owned by the foreign state and certain of its officers. On the basis of the facts disclosed to us (particularly the commercial role played by the commercial bank), we strongly support the indictment of the commercial bank and the individuals. We feel, however, that a distinction needs to be made between individuals and commercial entities involved in clearly commercial activities on the one hand and government agencies, such as a central bank or an export credit agency, on the other hand. Therefore, while our position has nothing to do with the particular government agency involved, we feel that we must oppose its indictment.

The principal legal problem with the indictment of a central bank of a foreign state is the assertion that a foreign government agency does not have sovereign immunity from criminal prosecutions. (This position would not be affected by the fact that officers of the agency were performing unlawful acts or by the fact that we support indictment of such officers individually.) We have found no domestic or foreign precedents that would support an indictment of a government agency such as a central bank. We are concerned about the particular suggestion that indictment of a central bank is desirable in order to lay the basis for criminal forfeiture of the central bank's assets.

The closest expression of a USG policy on the subject is found in the Foreign Sovereign Immunities Act of 1976 (FSIA), which specifically provides immunity, in the absence of an explicit waiver, for the assets of a central bank of a foreign state. Thus, regardless of whether the activity of a central bank is "commercial" in nature, its assets are immune from execution of a civil judgment in the absence of an explicit waiver. Providing immunity, according to the legislative history of FSIA, is necessary in order to assure central banks that their assets on deposit in this country will not be attached and in order to avoid foreign relations problems. We see no reason for a different result in a criminal case. Quite the contrary, despite the adoption of restricted immunity for foreign sovereigns in civil suits, international law has continued to recognize absolute immunity for government agencies like central banks from criminal prosecution in foreign courts.

We believe such an indictment would also pose the following serious problems:

While there is no anticipation that there will be any dealings with the central bank in question until there are major changes in the current international situation, should there be such changes, it would be very difficult for the USG to work with the bank were it indicted.

Such an indictment would, in the view of the State Department, contravene customary international law relating to foreign sovereign immunity. The Office has consulted with its British counterpart, which concurs. The British, who have modeled their approach to sovereign immunity on our FSIA, believe criminal immunity is absolute and that an assertion of criminal jurisdiction, even with respect to commercial activity, would be rejected internationally. The State Department believes that asserting a "commercial activities" exception to criminal sovereign immunity of government agencies would substantially undermine our efforts to broaden international support for the "commercial activities" exception to civil immunity.

The indictment would set a precedent for the assertion by foreign states of criminal liability on the part of the USG and its agencies. We would vigorously assert sovereign immunity in such a setting, and would not agree that we should submit to the jurisdiction of a foreign criminal court in order for that court to determine whether the US agency's actions were "commercial". We do not want to encourage foreign states to address complaints regarding allegedly criminal action by US agencies through their courts rather than diplomatic channels. We would not be able to confine the precedent to the facts of a particular case—in fact, the links between the USG and the Federal Reserve System, the Export-Import Bank, and several other entities for which we would assert sovereign immunity from foreign criminal jurisdiction might be viewed by a foreign court as weaker than the link between most central banks and their states.

Forfeiture of a central banks' assets could similarly be cited as a predecent by foreign states to justify an attempt to attach or seek forfeiture of the substantial assets of various USG agencies, including the Federal Reserve System and the Department of Defense, located outside the U.S.

The conclusion that agencies of foreign states, such as central banks, lack criminal immunity could subject them to possible indictment and prosecution in State and local courts, a process which the federal government cannot control and which could severely complicate the President's conduct of foreign affairs.

[In the U.S. District Court for the Northern District of Georgia, Atlanta Division, Criminal Indictment No. 191–CR–078–04]

UNITED STATES OF AMERICA, VERSUS CRISTOPHER P. DROGOUL, THERESE MARCHILLE BARDEN, AMEDEO DECAROLIS, ENTRADE INTERNATIONAL LTD., YAVUS TRIKELLER, RAFIDAIN BANK, SADIK HASSON TAHA, ABDUL MUNIM RASHEED, RAJA JASSAN ALI, AND SAFA HAJI AL-HABOBI

GOVERNMENT'S RESPONSE TO DEFENSE MOTIONS FOR LIST OF UNINDICTED CO-CONSPIRATORS

Comes now the United States of America and names the following unindicted co-conspirators Count I

Persons and employer during conspiracy

Amir H. al-Saadi, Ministry of Industry & Military Production.

T al-Tuchmachi, Rafidain Bank and Rasheed Bank.

Wafai Dajani, Amman Resources, Inc., Aqaba Packaging, Araba Holdings.

Julie Daniels, BNL-Atlanta.

Zuhair Daoud, Iraq Grain Board.

Pierre G. Drogoul, COMSUD, TMCI.

Charles C. el-Chidiac, Selco East Consultants.

Brenda Forrest, BNL-Atlanta.

Subi Frankool, Central Bank of Iraq.

Thomas Mobley Fiebalkorn, BNL-Atlanta (plead guilty to Criminal Info. No. 1:91–CR–126).

Central Bank of Iraq.

Kamil Hassan Hussein, (Hussein Kamil Hassan) Ministry of Industry and Military Production.

Jean Ivey, BNL-Atlanta.

Fadel Jawad Kadhum, Ministry of Industry and Military Production, Matrix Churchill, Ltd., Matrix Churchill Corp., and T.D.G.

Mela Maggi, BNL-Atlanta.

Saalin (Sam) Naman, Matrix Churchill Corp.

Leigh Ann New, BNL-Atlanta (plead guilty to Criminal Info. No. 1:91–CR–88–01).

Robert Post, BNL-Atlanta.

Pamela Prosser, BNL-Atlanta and Entrade International Inc.

Patricia Scudellari, BNL-Atlanta.

Abdulahad P. Toma, Central Bank of Iraq.

Paul Robert VonWedel, BNL-Atlanta (plead guilty to Criminal Info. No. 1:91–CR–89–01).

UNINDICTED CO-CONSPIRATORS COUNT II

Persons and employer during conspiracy

Fritz (Guiddy) Bashler, Cargill International S.A.

Cargill, Inc.

Cargill International S.A.

Curt Johnson, Cargill, Inc.

Mike Mooney, Cargill, Inc.

Huub Spierings, Cargill International S.A.

Eduardo Vigil, Cargill, Inc.

Respectfully submitted,

GERRILYN G. BRILL,
Acting U.S. Attorney.

GALE MCKENZIE,
Assistant U.S. Attorney.

CERTIFICATE OF SERVICE

This is to certify that I have this day served upon the following persons listed below a copy of the foregoing document by depositing in the United States mail a copy of same in a franked envelope requiring no postage for delivery.

Sheila Tyler, Esq., Paul Kish, Esq., 101 Marietta Tower, Suite 3310, Atlanta, GA 30303.—Attorneys for Christopher P. Drogoul.

Alan J. Beverman, Esq., 1800 Peachtree St. NW, Suite 300, Atlanta, GA 30309.—Attorney for Amedeo DeCarolis.

Ed Tolley, P.O. Box 1927, Athens, CA 30603.—Attorney for Therese M. Barden.

William J. Schwartz, Kronish, Lieb, Weiner & Hellman, 1345 Avenue of the Americas, New York, New York 10105. Seth Kirschenbaum, Davis, Sipperman, Kirschenbaum & Lotito, 918 Ponce de Leon Avenue N.E., Atlanta, Ga 30306.—Attorneys for Entrade International Ltd.

This 12th day of September, 1991.

GALE MCKENZIE,
Assistant U.S. Attorney.

ANNOUNCEMENT BY CHAIRMAN OF THE COMMITTEE ON RULES RELATIVE TO H.R. 2039, LEGAL SERVICES REAUTHORIZATION ACT OF 1992

Mr. MOAKLEY. Mr. Speaker, this is to notify Members of the House of the Rules Committee's plans regarding H.R. 2039, the Legal Services Reauthorization Act of 1992. The committee is planning to meet this week to consider the bill. In order to assure timely consideration of the bill on the House floor, the Rules Committee is considering a rule that may limit the offering of amendments.

Any Member who is contemplating an amendment to H.R. 2039 should submit, to the Rules Committee in H-312 in the Capitol, 55 copies of the amendment and a brief explanation of the amendment no later than 12 noon on Thursday, April 2, 1992.

We appreciate the cooperation of all Members in this effort to be fair and orderly in granting a rule for H.R. 2039.

ISSUES FOR TODAY

The SPEAKER pro tempore (Mr. MAZZOLI). Under a previous order of the House, the gentleman from North Dakota [Mr. DORGAN] is recognized for 60 minutes.

Mr. DORGAN of North Dakota. Mr. Speaker, I want to take the well today to discuss briefly some of the issues that people in this country are concerned about that surround the Congress, the White House, and that involve the American people.

Last evening I was watching a news program on television entitled "60 Minutes" which many Americans watch, a very popular show, and it included a piece I wanted to mention about my friend, the gentleman from Texas [Mr. GONZALEZ]. It included a piece about Iraq dealing with former Secretary of State Henry Kissinger and some of the issues about his consulting business, but in the context of that "60 Minutes" piece, included were some statements by the gentleman from Texas [Mr. GONZALEZ], some of the statements he has made here in Congress about what was going on with respect to the administration and the country of Iraq, and I just wanted to commend Mr. GONZALEZ on the work, the careful, thoughtful, investigative work, he has done with respect to what was going on with Iraq prior to the Iraq-Kuwait invasion.

I did want to say also that on "60 Minutes" last night they interviewed H. Ross Perot. H. Ross Perot is a Texan, kind of an interesting guy, who talked about maybe running for President, and he talked a little about why he might consider that.

Now, I serve here in Congress as a Democrat, as an American most importantly, but organized in the Democratic caucus. We have every right in this country, if we want to, to rush out and join a third-party movement or start a third-party movement, whether it is H. Ross Perot, or John Anderson or George Wallace, or a Bull Moose Party. We have every right under the circumstances described in our Constitution to do that in this country. In most cases it is not successful, and it has not been successful in most cases because the major political parties who fight for and vie for the opportunity to serve in the White House and here in Congress are entrusted by the American people to conduct this country's business.

But no one should mistake that this country is angry and fed up. The people in this country are concerned, angry and fed up about what they see in Washington. They see political gridlock, they see a President who obviously cannot lead on domestic issues and a Congress that obviously will not follow on domestic issues. Meanwhile, the ship of state drifts with no one on the bridge, and the American people are concerned.

Mr. Speaker, I think the anger, and the frustration, the concern, is because most people have a knot deep in their gut about this country. The knot of fear is that somehow power is shifting in this world and America is losing.

I have said before on the floor, and it is useful repeating, I think, that a century ago economic power shifted to this country from England. We became the world's preeminent economic power. It was not put on a boat somehow and just sailed off to New York, and to the New World and to America. Nobody actually saw it shift, but it did. A century ago power shifted to the United States, and we became the world's preeminent economic power.

A century later it is shifting again. There is no doubting that. The question is: How much will shift, and during what time will it shift? It is shifting from here to the Pacific rim, from here to Europe. The question is: What will our future be? Will we remain the preeminent world economic power? Will we be able to stem the tide and be able to alter that shift so that this country does the things necessary to put us back on track and retain the economic strength we need?

It is that fear, the fear in the gut of the American people, that this country is losing, this country has lost its way, this country has lost its grip, and we may not see economic growth, we may not see new jobs and new opportunity in the future; it is that fear that has the American people angry, and concerned and upset about what they see in Washington, DC. And that is why H. Ross Perot strikes such a resonant chord.

H. Ross Perot; I do not know what he stands for much except that I listened to him, and I think, "Yeah, that's kind of interesting. He says we have to own up to all of these things. You can't spend a billion dollars a day you don't have on things you don't need and retain an economic health."

Mr. Speaker, he says those things. All of us know those things. Surely the President knows that. Certainly the Congress must know that. And the American people must wonder then, well, why someone does not do something about it.

Let me talk about the budget deficit for a couple of minutes, and let me hasten to say at the start that it is everybody's responsibility and everybody's fault. I am not here to suggest that the Democrats are absolved from responsibility on the budget. I happened to vote against the President's budget proposal this year, but I also voted against the Democratic budget bill, too. The reason I did was that both of them were recipes for more, and more, and more deficits.

And I do not label myself as a conservative or an ultraconservative. I am somewhere in the middle of this body. But I label myself as someone who is not content to be a trustee in bankruptcy around here. I will not vote for budgets and say, "Well, ours is better than theirs. We only call for $440 billion in deficits for next year." That is not good enough for me. This country cannot embrace those kinds of deficits and move ahead with any kind of opportunity for economic growth.

Now the President sent us a budget document in February. The President says he is a conservative; at least he is out on the campaign trail as a conservative. He sent a budget document with a red, white, and blue cover, it is a couple thousand pages, weighs about 10 pounds, and in that budget document he proposes the following deficits. Now he is not forced by Millard Fillmore or Jimmy Carter to propose these deficits. These deficits have his name on them. It is his budget. He says, "Here's what I want for this country's future: spending and revenue plans resulting in deficits."

On page 25; look it up if there is any doubt; he says, "Here are the deficits for this year and the coming 5." This President proposes to add $2.21 trillion to the Federal debt in this year and in the coming 5; this from a conservative.

Congress; well, it says, "Yeah, we'll play in that stadium. We just want to quibble about the yard lines where we spot the ball. Our deficits are only going to be $438 billion. Yours are $440 billion for the next year."

Well, that is not, it seems to me, constructive. That is not saying, "Let's change the whole system. This isn't working.

☐ 1350

Let's drop the whole approach and start over because you can't spend money you don't have."

The result of the President's proposals is to propose that in 6 years we spend an average of $366 billion a year more than we take in. That is for 6 years, every day, 7 days a week, every week, every month, he proposes that we spend a billion dollars a day more than we take in.

What happens to that billion dollars a day? That is charged to our kids and grandkids. They will pay that, along with the interest, but they will pay a much heavier price than just the money. They will pay an enormous price in lost opportunity for this country, in lost opportunity for economic growth and expansion.

I know there are people who will listen to this and say, "Well, that's not the President's fault. He doesn't appropriate any money."

Well, there are three steps to this process. First, by law, the President sends a budget to Congress. That is the genesis of the fiscal policy. That is where it starts in this country. This President sends a budget to Congress that says, "I want to spend $2.2 trillion more than we take in in the coming 5 years, this year and the coming 5." That is the first step. It is the wrong step, and it is a step in the wrong direction.

Congress then embraces a budget. It might quibble about a few things, but then it embraces a budget that is probably similar to the fiscal policy set forth by the President. Then Congress passes appropriations or spending bills. Then when the appropriations or spending bills are passed by the Congress, they go to the President and he either signs them or he vetoes them. His veto pen has the power of two-thirds of all the votes in both the House and the Senate.

So when people say to me, "It's you Democrats. You have the sole responsibility. It is your fault because the President doesn't appropriate any money," it seems to me they just forget what happens.

The President sends a bill, the Congress appropriates money, and the President either signs or vetoes the appropriation bills. This is a shared partnership, a shared responsibility of a decade of failure, and it seems to me we ought to wake up, all of us, the President and the Congress, and decide to stop it. Some way, somehow, some day someone is going to insist that this process be stopped in its tracks. It may come from an economic catastrophe, it may be some other event, it may be a political revolution of sorts, but somehow we cannot continue.

I have spoken on the floor about what we need to do to put the country back on track, but before I recite from those areas today, I want to point out that this House and this Congress have been under a substantial siege of scandal and concern about its management. This Congress, it seems to me, cannot move forward and do the things it must do until it resolves those issues.

Everybody here ought to be embarrassed about the stories of scandal. Yes, some of it is journalism at its worst. I see story after story that is fundamentally wrong, inaccurate, but other stories are right on point, dead center and absolutely accurate. We need better management in this place. We ought not have these episodes of mismanagement. They ought to be dealt with, and promptly.

Second, we ought not have these scandals. They ought to be dealt with quickly and promptly, and we ought to move on. People elected Members of Congress not to come here and deal with perks. As far as I am concerned, we ought to deal with all the perks by getting rid of them. Let us not have a question about perks. Let us just get rid of them here, downtown, and wherever they exist in the official structure of government. We ought not have those questions.

Anybody who came here because they think perks are a good thing ought not be here. Most people, good people, on both sides of the political aisle, Republicans and Democrats, conservatives and liberals, came here in most cases, I think, because they wanted to contribute to the public good. We do not need perks to do that. It seems to me we ought to resolve all the management issues and all the perk issues and respond to the scandals as frontally as they can be responded to, and then move ahead.

And when we move ahead, it seems to me we ought to move ahead in this way: First, I have talked about the budget deficits. We cannot continue budget deficits in this magnitude. It is going to kill this country's initiative and choke its productivity. What are we going to do about it?

Well, there are only two ways. We have to have additional revenue or we have to cut spending.

It seems to me that as we take a look at the deficits, we ought to understand that the American people are right; we spend too much money. I have been involved for the past year in looking at government waste with a task force. I can cite chapter and verse about waste.

We have 1,200,000 bottles of nasal spray down at the Defense Department. How many years would it take for our Army to use 1,200,000 bottles of nasal spray? Also at DOD they have 14 pages of regulations about how to buy fruitcake. My mom can tell them how to buy fruitcake. They do not need 14 pages of regulations. We can go through all the regulations and all the procurement and all the machinations of this Government and decide very quickly that we spend too much money.

If this were a business, the first thing we would cut is overhead, but because we print the money, we do not start that way, and we ought to. We start with what we spent last year and add to it for inflation, and that is the baseline. That is the wrong baseline. If we were running a business, we would say that where we start we are in trouble. There is no dividend. There is no peace dividend. A company that loses $400 billion a year does not pay a dividend. Neither would a government. There is no dividend. What we ought to do is understand that we have to cut costs and cut expenditures. How do we do that?

The place to cut is in overhead. We spend $270 billion to $300 billion in this Government on overhead, for travel, printing, postage, and it goes on and on and on. We ought to cut overhead by 10 percent. That would save $30 billion a year. Is that hard to do? Of course it is. Is it necessary? You bet it is.

It this were the private sector, if this were a private company, there would not be any question that that would be done. It seems to me there are ways for us to deal with these budget deficits, and it seems to me we ought to get aggressive and understand we do have to cut some spending.

Cutting overhead does not mean we are cutting programs that are essential to people in this country. Yes, we can trim some of those as well. When a program does not work, we ought to decide that it does not work and get rid of it.

We have had a couple of decades of vending machine political programs. If there is a national ache, somebody puts in a quarter and we get out a national program, and then we run right to the next national ache to find out how we can deal with that one without ever stopping to wonder whether the last program was working. We should ask, did it accomplish what we wanted?

We can, it seems to me, cut spending, and we ought to. We cannot continue as if nothing else is happening. We have an enormous, crushing deficit that cripples this country's future, and it is time for us to respond to it.

Mr. Speaker, in addition to the need to address budget deficits, if we are to be successful in this country, we need to address international trade. I am not quite sure what happened to the notion of being shrewd Yankee traders, because that is what we were in this country. We were known as the shrewd Yankee traders. Now we have become all too often known as Uncle Sucker. The fact is that other countries see our markets and they say, "You know, we would like to sell in your markets. We have got a lot of products we want to send to your markets and sell in America."

Then we say, "That's fine. We will open our markets. You come right in and sell whatever you want."

But then our producers and our employees make some goods and send them to their markets, and what we discover then is that their market is closed. They say, "You can't sell American goods in our markets. Our markets are closed. We are protecting our country's producers."

I say that I want free markets, but I say also that we ought to have a reciprocal trade policy and hold up a mirror to Japan and a mirror to Europe and a mirror to Korea and say, "Look in the mirror. You will get what you see. Our market is open to you. Send all your goods to our market that you like, but your market must then similarly be open to American products and American producers and the work of American employees. If it is not, we will impose on you exactly the restrictions you impose on us."

This country cannot have a trade policy which allows us to choke on deficits because we cannot get American products into foreign markets. And when we do get them there finally, they have to be the best products in the world. If we are not producing the best products in the world, they do not sell. The fact is that when people around the world pick up a good and it says, "Made in the U.S.A.," if they think immediately, "I know what that means; that means this is the finest product I can buy," when they do that, they buy "made in the U.S.A." products from the labor of American workers, and that creates American jobs and American economic progress. But it relates to quality. People want to buy the best product at the best price. We need a national commitment in this country to restore product quality once again; we need a partnership from the private and public sector to try to restore the notion in this country that our products have to be the best in the world.

☐ 1400

When and if we do that, it will contribute to our national economic health.

The next step is we ought to start trying to put a damper on foreign aid. We ought to start sending less in foreign aid, stop forgiving so many foreign debts, and start increasing our resources here.

I am not suggesting that people who are hungry should not receive food and that people who need medicine should not receive medical treatment. I serve on the Hunger Committee. In fact, I am chairman of the International Task Force. I have toured refugee camps all over the world. I cannot think of anything that makes me prouder than to go to a refugee camp and see people who are desperate, who have nothing, except they have some help from the Americans who have said we want to help, we want to extend a hand, give you some food, and give you some medicine.

Young kids dying in their cribs in neonatal clinics in Haiti where I have been, and refugee camps in the mountains between El Salvador and Nicaragua. It makes me proud to see the distribution of powdered milk from Americans for kids who are starving.

And that is true all over the world. That is not the foreign aid I am talking about. I am talking about foreign aid that represents guns being sent to both sides of the war. We have done that. We were the arms merchant of the world.

Do you want guns? Well, just put on some sunglasses and a khaki jacket, smoke a big cigar, and tell us you are an anti-Communist dictator someplace. We will send you all the money that the American taxpayer can spare.

That is what they did for a decade. We do not need more arms aid to governments that should not have it. What we need is food aid and medical aid to people who need it.

It is time for us to change those priorities and decide to save some money in those areas and invest in that critically needed area here at home.

We have got plenty of investments here at home. We have job training, farm programs, education, health, and the list is endless.

First let us reduce the deficit, but then second, let us stop sending money where it is not needed and start investing it here at home.

Finally an issue that I have worked on for a decade, and that is to finally and irrevocably shut down this orgy of speculation in this country dealing in LBO's, hostile takeovers, and junk bonds, and instead make a commitment to have a business community that produces the best products in the world.

We have gone through a decade in which we have seen a carnival of speculation. Wall Street became a casino society for a while, junk bonds, LBO's, and hostile takeovers.

There was never a discussion about how do we make better products and sell them at better prices. The question was how do we take someone over? How do we issue junk bonds to do that?

You know, the ultimate crowning glory of the excesses of the 1980's seems to me came as a result of a story that said the good old U.S. taxpayers are stuck with junk bonds in the Taj Mahal Casino built by Donald Trump.

Is that not an interesting irony, a cruel irony, of the 1980's? Here is a guy, a mogul, I suppose he is still a mogul, who decides to build the richest, the glitziest, the biggest casino in the world.

I have no problem with that, except that in order to build this Taj Mahal, as it is called, he floated junk bonds.

Well, what happened with junk bonds is what was happening around the rest of the country. He had S&L friends buying up junk bonds, so the S&L friends got stuck with the junk bonds. Then the S&L went belly up, because they were gambling, and part of the reason they were gambling is because they were buying junk bonds. The S&Ls went belly up, the Federal Government took over the S&L, the Federal Government ends up owning junk bonds and the Taj Mahal.

Meantime, the Taj Mahal itself was in financial trouble and not meeting the payments on the junk bonds. The crowning achievement here in a decade of excess, wretched excess, is that we end up owning junk bonds, the taxpayers end up owning junk bonds, and the Taj Mahal Casino.

And it was not just the Taj Mahal, I might say. Resorts International and Bally's and a whole range of other casinos as well also.

What went on in the 1980's was very destructive to this country's economy. We need a different approach. We need to decide that we have to get back to business as Americans. We need to be good traders, we need to be good producers, we need to be inventive, we need to encourage investment and research and development.

I do not think there is another country that is going to win in the economic competition with this country, if we put our minds to it and decide what we are about and decide to make a commitment to it.

President Bush and President Reagan before him have been very adamant. There should be no national plan, no industrial policy as such, because to have some sort of a plan or national policy, an industrial policy of what our strategy is as Americans in dealing with this new international global competition, it would represent somehow the Government picking winners and losers.

They say we do not want that. What we want is somehow there to be a hands-off policy. No strategy, no plan, no industrial policy.

Well, that does not make much sense. I mean, everybody that we compete with in the international marketplace has a plan and a strategy, an industrial policy of sorts.

Even if we could not figure out one for ourselves, maybe we could just take the Japanese. I mean, the Japanese have decided here is what is important for the long-term economic success of Japan. Here are the areas of manufacturing, the areas of economic activity that are essential for this country to survive, the Japanese say.

Well, in this country if we refuse to make those selections, maybe we just ought to take the selections made by other countries. It is better than not having any selection.

The result is we have no selection, we have no strategy. We do not even wear the same uniform. We have no team, we have no plays, we have no signals. We are just floundering around, drifting. It makes no sense at all.

If this country is going to succeed, it has to decide it is playing in an entirely different game, 10 years ago, 20 years ago, 40 years ago, it was different. When I used to wake up in a small town in North Dakota, 300 people in my hometown, I woke up and went to school in the mornings knowing we were No. 1. There was no question about that. I just knew it. Everything around me told me we were No. 1. We were the biggest, the best, the strongest, the most. We were just No. 1. We did not have to do very much to stay No. 1.

It is not true any more. We face very shrewd, very tough international economic competition, from the Japanese, the Germans, the French, and so many others. And we have got to do things differently if we are going to win.

The winners get the jobs. The jobs represent the economic health and the growth and the opportunities. Not only are we not smart and not able to win because we do not have a strategy at this moment, but we have decided and have for a long while that we will simply pay their defense bills as well.

So we spend $100 billion a year paying the defense bills of Japan and Western Europe. We borrow money from Japan to protect France against an invasion from Poland, despite the fact, as crazy as it sounds, that Poland does not want to invade France. They want to shop in France. Poland is free, for gosh sakes.

Times have changed. The American taxpayer cannot pay everybody else's defense bills any more. For a decade and two decades and three we have good engineers and good scientists trained in our best universities. They go into the job market to build F-16's, aircraft carriers, and XM-1 tanks.

In Japan their counterparts, and there are more of them being trained, more engineers and more scientists, get their degree and run off to build better toasters, better television sets, better VCR's.

We end up first in missiles, and they end up first in VCR's and television sets. And guess what that means? That means economic prosperity, economic growth, it means jobs and opportunity in Japan.

That is why things have to change. You know, I had a constituent at a meeting tell me one day, "It would be nice," he said, "if Washington, if the President, and if the Congress would simply start telling it straight, saying here are the problems and here are the range of answers. Instead of always glossing it over, never quite discussing it on point."

Is it not interesting that we have a Presidential race going on and there is not a thoughtful debate, not one thoughtful debate that I have heard, about what this country's trade policy ought to be?

Is it not interesting that we have a race for the Presidency in full swing, and there is no thoughtful, interesting, provocative, honest discussion about how we end these crippling budget deficits? None. You do not hear any of it.

For a decade we have had campaigns where it is morning in America. Well, I guess morning came, evening came. I am not sure what season it is any more in this country. But I know that the American people, at least my constituents, are saying and have been saying for some while, "You all ought to just tell the truth. If you tell the truth, the American people can handle it."

Adlai Stevenson said once trust the people. Trust them with the facts. Trust their faith and fortitude to do what is right.

The fact is, the reason Ross Perot, when I started this discussion I pointed out that Ross Perot is considering running and I think he would make a pretty formidable candidate.

The reason I think he would make a formidable candidate and the reason a third party candidacy seems so ominous to some this year is because I think most of the American people take a look at 1600 Pennsylvania Avenue, at George Bush, and they look at this Congress, and they say, "You know, I don't hear anything that sounds like the truth to me. I hear them say a lot. They certainly are talking a lot. But I don't hear anything that rings true, because I have this knot in my belly about my fears for this country's future, and they keep talking about things will be just fine, if we just wait, and we are on course and doing the right thing. All we have to do is wait a little more and we will turn the corner again."

☐ 1410

The American people know that is not true. They know these problems are very nagging problems that threaten this country's future. They know that something is not right and they want something done.

I would be willing to do a lot of tough things. I am one who supports a constitutional amendment to balance the budget. I never came here thinking that was necessary. Why should we ask the Constitution to force people to do what they should do anyway? But I guess we have to do that. I wish we could win on that. I voted for it last year. I believe the President ought to have the line-item veto. Forty-three Governors have a line-item veto. So should the President.

I do not believe for a second it would make any difference in the deficit. The President keeps saying we have this deficit because, "I do not have a line-item veto." He sent us a 10-pound budget asking for $2.2 trillion in additional debt. How can he suspect that the absence of a line-item veto requires him to ask for a $2.2 trillion in debt?

He still ought to have it. Governors have it. I think the President ought to have a line-item veto. We need to do things differently, and I think the American people are finally being heard inside and outside of this building. And I think also surrounding the White House. My hope is that it is now March of an election year. We rapidly narrow down the candidates in a Presidential campaign and we get into full swing in congressional campaigns for the House and Senate. My hope is that we will see this year finally the kind of discussion the American people want about the nagging issues facing this country. What should we do about trade? Let us have people run for office saying, here is my plan on trade. "I told you what I think we ought to do. I think we ought to have a tough trade policy that is reciprocal. Our markets are open to you, but make sure you understand the consequences mean that your market must be open to us as well."

We ought to have political debates in which we compare and compete with ideas for trade and deficits and a whole range of other issues that are troubling this country. If we did that, we would see the American people would be able to select some alternatives about what kind of public policy they want for this country and what direction they would like this country to move in.

Finally, there are, notwithstanding all the things I have said about the troubles we face, there are opportunities, it seems to me, for the people in this country and for those who serve in public office to grab the American steering wheel once again and make the changes necessary. The oldest Member of Congress, who was serving when I arrived, was Claude Pepper. He was a wonderful gentleman from Florida who came here during Franklin Roosevelt's first term, and he was here when I arrived.

He used to say that every even-numbered year in America, the Constitution allows the American people to collectively grab the American steering wheel and decide which direction they want this country to move. He said it is a miracle. It is not quite a miracle. It is a function of the constitutional framework of how we govern this country.

I recall a few years ago I visited as part of a group of 55 people a little room called the Assembly Room in Constitution Hall in Philadelphia to celebrate the 200th birthday of the writing of the Constitution. In that room, a small room that now still has the chair where George Washington sat at the head of the Assembly, where Mason and Madison, where Ben Franklin sat, in that room with the shades drawn because it was a hot Philadelphia summer, a couple of hundred years ago, 55 white, largely overweight men sat and wrote the American Constitution.

The reason we know that they were largely overweight is we were told that they had to have the shades drawn all summer that it was so oppressively hot and it affected them in a significant way. So 200 years later we have a celebration in that room commemorating the 200 years of the Constitution, 55 of us.

I was chosen to represent North Dakota among the group; 55 people, men, women, blacks, other minorities went in and celebrated this 200th birthday of the Constitution.

As I sat there, I sort of got to thinking about what it took to see ahead 200 years ago. And we kind of got the chills sitting there in this room thinking of the history of what we have been through in this country and how this living document called the Constitution somehow stretches and applies and provides a mechanism by which the American people have always made the changes necessary to make this place work.

Two hundred years, we got a lot of crises and the country moves back and forth on a meandering line, but it always moved back somewhere toward the center. That public policy in the center is what the Constitution gave the American people the right to impose on public servants, to impose on the strongest person in the land, the President, to impose on the President because the President, after all, is elected and is a servant of the people, and to impose on this body and the body across on the other side of the Capitol. We, too, serve at the pleasure of the people who sent us here.

That miracle, it seems to me, or at least that constitutional framework that will, in my judgment, justify the confidence I have that notwithstanding all the problems, this country can and will, when its people demand, and I think the time is here, solve the problems that confront us and put us back on track toward a better future, a brighter future, a future of opportunity.

There is no more resourceful group of people on this Earth, when they make up their mind, to work in unison, to operate as a team, and to do the things together we must do, than the American people are.

I still have a great hope that this country will see a better and brighter future. If I did not believe that, I do not believe I would want to continue to serve in public office. But I believe that with all my soul, that we will make the changes necessary to finally put this country back on track.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GONZALEZ) to revise and extend their remarks and include extraneous material:)

Mr. ANNUZIO, for 5 minutes, today.

Mr. DORGAN of North Dakota, for 60 minutes, today.

Mr. PICKETT, for 60 minutes, on March 31.

Mr. MCHUGH, for 5 minutes, on March 31.

Mr. FALEOMAVAEGA, for 60 minutes, on April 1.

Mr. POSHARD, for 60 minutes, on April 1.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. ALLARD) and to include extraneous matter:)

Mr. WALSH.

Mr. DAVIS.

(The following Members (at the request of Mr. GONZALEZ) and to include extraneous matter:)

Mr. WHEAT.

Mr. SKELTON.

Mr. FALEOMAVAEGA.

Mr. ROE.

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. EDWARDS of California.

Mrs. MINK.

Mr. ACKERMAN.

Mr. CLAY.

Mr. HOYER.

SENATE BILLS AND A JOINT RESOLUTION REFERRED

Bills and a joint resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 1696. An act to designate certain National Forest lands in the State of Montana as wilderness, to release other National Forest lands in the State of Montana for multiple use management, and for other purposes; to the Committee on Interior and Insular Affairs and Agriculture.

S. 2148. An act to extend to the refinancing of mortgage loans certain protections of the Real Estate Settlement Procedures Act and the Truth in Lending Act; to the Committee on Banking, Finance and Urban Affairs.

S.J. Res. 280. Joint resolution to authorize the President to proclaim the last Friday of April 1992, as "National Arbor Day"; to the Committee on Post Office and Civil Service.

ADJOURNMENT

Mr. DORGAN of North Dakota. Mr. Speaker I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 17 minutes p.m.) the House adjourned until tomorrow, Tuesday, March 30, 1992, at noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3190. A letter from the Comptroller General, the General Accounting Office, transmitting a review of the President's third special impoundment message for fiscal year 1992, pursuant to 2 U.S.C. 685 (H. Doc. 102–276); to the Committee on Appropriations and ordered to be printed.

3191. A letter from the Under Secretary of Defense, transmitting selected acquisition reports [SARS] for the quarter ending December 31, 1991, pursuant to 10 U.S.C. 2432; to the Committee on Armed Services.

3192. A letter from the Secretary of Housing and Urban Development, transmitting the 1992 Consolidated Annual Report on the community development programs administered by the Department, pursuant to 42 U.S.C. 5313(a); to the Committee on Banking, Finance and Urban Affairs.

3193. A letter from the President and Chairman, Export-Import Bank of the United States, transmitting a draft of proposed legislation to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Finance and Urban Affairs.

3194. A letter from the Inspector General, Department of the Interior, transmitting a copy of a final audit report entitled "Accounting for Fiscal Year 1990 Reimbursable Expenditures of Environmental Protection Agency Superfund Money, Water Resources Division, U.S. Geological Survey," report No. 92–I–541, dated March 1992, pursuant to 31 U.S.C. 7501 note; to the Committee on Energy and Commerce.

3195. A letter from the Secretary of Health and Human Services, transmitting the Administration on Developmental Disabilities fiscal year 1990 annual report; to the Committee on Energy and Commerce.

3196. A letter from the Department of State, transmitting an addendum to the listing of all outstanding Letters of Offer to sell any major defense equipment for $1 million or more; an addendum to the listing of all Letters of Offer that were accepted, as of December 31, 1991, pursuant to 22 U.S.C. 2776(a); to the Committee on Foreign Affairs.

3197. A letter from the Director, Office of Government Ethics, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(e); to the Committee on Government Operations.

3198. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3199. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3200. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3201. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3202. A letter from the Secretary of the Interior, transmitting the Oil and Gas Leasing Program for Non-North Slope Federal Lands in Alaska, annual report fiscal year 1991, pursuant to Public Law 96-487, section 304(g)(6)(D) (94 Stat. 2395); to the Committee on Interior and Insular Affairs.

3203. A letter from the Secretary of the Interior, transmitting the 1991 annual report for the Office of Surface Mining Reclamation and Enforcement [OSM], pursuant to 30 U.S.C. 1211(f), 1267(g), 1295; to the Committee on Interior and Insular Affairs.

3204. A letter from the Assistant Attorney General, Department of Justice, transmitting a draft of proposed legislation entitled, "Department of Justice Appropriations Authorization Act Fiscal Year 1993"; to the Committee on the Judiciary.

3205. A letter from the Attorney General, Department of Justice, transmitting the annual report of the Attorney General of the United States; to the Committee on the Judiciary.

3206. A letter from the Secretary of Commerce, transmitting the Saltonstall-Kennedy Grant Program; Fisheries Research and Development, report 1987–90; to the Committee on Merchant Marine and Fisheries.

3207. A letter from the Chairman, Tennessee Valley Authority, transmitting the report on actions to improve labor-management relations at the TVA; to the Committee on Post Office and Civil Service.

3208. A letter from the Portland District Corps of Engineers, Department of the Army, transmitting the fiscal year 1991 annual report of the Chief of Engineers on civil works activities, Portland, OR, district extract; to the Committee on Public Works and Transportation.

3209. A letter from the Secretary of Health and Human Services, transmitting a recommendation for a national per resident amount for Medicare direct graduate medical education payments; to the Committee on Ways and Means.

3210. A letter from the Secretary of Labor, transmitting the interim report entitled, "Massachusetts UI Self-Employment Demonstration"; to the Committee on Ways and Means.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. House Joint Resolution 402. Joint resolution approving the location of a memorial to George Mason. (Rept. 102–472). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. S. 1743. An act to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes; with amendments (Rept. 102–473). Referred to the Committee of the Whole House on the State of the Union.

REPORTED BILLS SEQUENTIALLY REFERRED

Under clause 5 of rule X, bills and reports were delivered to the Clerk for printing, and bills referred as follows:

[Omitted from the Record of March 26, 1991]

Mr. LAFALCE: Committee on Small Business. H.R. 3304. A bill to preserve the disaster loan fund to assist victims of future disasters, and for other purposes; with an amendment; referred to the Committees on Government Operations and Rules for a period ending not later than April 17, 1992, for consideration of such provisions of the bill and amendment as fall within the jurisdiction of those committees pursuant to clause 1 (j) and (q), rule X, respectively. (Rept. 102–471, Pt. 1). Ordered to be printed.

[Submitted March 30, 1992]

Mr. DINGELL: Committee on Energy and Commerce. H.R. 776. A bill to provide for improved energy efficiency; with an amendment; referred to the committees designated for a period ending not later than May 1, 1992, for consideration of those provisions within the following titles contained in the amendment recommended by the Committee on Energy and Commerce that fall within the respective jurisdictions of those committees pursuant to rule X: titles XII and XIII to Foreign Affairs; title III to Government Operations; titles VI and VII to Judiciary; titles VIII, IX, X, XI and XIX to Interior and Insular Affairs; titles II, XVI and XVII to Merchant Marine and Fisheries; titles I, IV and XVIII to Public Works and Transportation; titles VI, IX, XII and XIII to Science, Space and Technology; and titles X, XI and XIV to Ways and Means (Rept. 102–474, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BENNETT (for himself and Mr. SPENCE):

H.R. 4695. A bill to require the President to dispose of materials in the National Defense Stockpile that are obsolete for military purposes or in excess supply in the stockpile and to acquire strategic and critical materials that are in inadequate supply in the stockpile; to the Committee on Armed Services.

By Mr. BONIOR:

H.R. 4696. A bill to protect certain senior Air Reserve technicians from separation from technician service before age 60 under the High-Year Tenure Program of the Air Force; to the Committee on Armed Services.

By Mr. DAVIS:

H.R. 4697. A bill to provide improvements in recreational vessel safety and law enforcement coordination; to the Committee on Merchant Marine and Fisheries.

By Mr. DE LUGO:

H.R. 4698. A bill to amend the Federal National Mortgage Association Charter Act and the Federal Home Loan Mortgage Corporation Act to authorize the Secretary of Housing and Urban Development to increase the amount of the maximum principal obligation under a mortgage that may be purchased by such corporations with respect to properties located in the Virgin Islands; to the Committee on Banking, Finance and Urban Affairs.

By Mr. DORGAN of North Dakota:

H.R. 4699. A bill to amend the Harmonized Tariff Schedule of the United States to exempt certain railway locomotives and railway freight cars from the entry and release requirements established in sections 448 and 484 of the Traiff Act of 1930; to the Committee on Ways and Means.

By Mr. HUGHES (for himself, Mr. BOEHLERT, and Mr. ROYBAL):

H.R. 4700. A bill to amend the Employee Retirement Income Security Act of 1974 to require an independent audit of statements prepared by certain financial institutions with respect to assets of employee benefit plans; to the Committee on Education and Labor.

By Mr. KANJORSKI:

H.R. 4701. A bill to suspend until January 1, 1995, the duty on P-nitrobenzyl alcohol; to the Committee on Ways and Means.

H.R. 4702. A bill to suspend until January 1, 1995, the duty on 4-(6-fluoro-2 methyl indine-3-methyl) phenyl methyl sulphide dissolved in toluene, also known as IN-4; to the Committee on Ways and Means.

By Mr. MINETA (for himself, Mr. HAMMERSCHMIDT, and Mr. SHUSTER) (all by request):

H.R. 4703. A bill to amend subtitle IV of title 49, United States Code, to reduce regulations of motor carriers and interstate water carriers, to sunset the Interstate Commerce Commission, and for other purposes; jointly, to the Committees on Public Works and Transportation, the Judiciary, and Energy and Commerce.

By Mr. WHITTEN:

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes; to the Committee on Appropriations.

MEMORIALS

Under clause 4 of rule XXII.

352. The SPEAKER presented a memorial of the Senate of the State of Michigan, relative to the Little Traverse Bay Bands of Odawa Indians; to the Committee on Interior and Insular Affairs.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 793: Mr. JEFFERSON, Mr. BLILEY, and Mr. ROSE.

H.R. 815: Mr. SCHIFF.

H.R. 1289: Mr. COX of California.

H.R. 1300: Mr. BLACKWELL.

H.R. 1306: Mr. SANDERS.

H.R. 1391: Mr. BRYANT.

H.R. 1432: Mr. TOWNS.

H.R. 1468: Mr. HAYES of Louisiana.

H.R. 1637: Mr. Sanders.

H.R. 1771: Mr. Boehlert, Mr. Lewis of Georgia, Mr. McCloskey, Mr. Natcher, and Mr. Owens of New York.

H.R. 1987: Mr. Bacchus, Ms. Oakar, Mr. Richardson, Ms. Kaptur, Mr. Gilman, Ms. Norton, Mr. Kostmayer, Mr. Lipinski, and Mr. Kennedy.

H.R. 2385: Mr. Coyne.

H.R. 2463: Mr. Hammerschmidt.

H.R. 2861: Mr. McDermott.

H.R. 4040: Mr. Ritter and Mr. Sundquist.

H.R. 4058: Mr. Doolittle and Mrs. Vucanovich.

H.R. 4083: Mr. Mavroules, Mr. Valentine, Mr. Mollohan, Mr. Gaydos, and Ms. Kaptur.

H.R. 4229: Mrs. Unsoeld.

H.R. 4243: Mr. Richardson, Mr. Staggers, Mr. Studds, Mr. Peterson of Minnesota, Mr. Torres, Mr. Borski, Mr. Towns, and Mr. Scheuer.

H.R. 4372: Mr. Harris, Mr. Campbell of Colorado, Mr. Kostmayer, Mr. Nowak, Mr. Walsh, Mr. Houghton, Mr. Kolter, Mr. Yatron, Mr. Ritter, and Mr. Gekas.

H.R. 4410: Mr. Kolter.

H.R. 4414: Mr. Blackwell and Mr. Rangel.

H.R. 4419: Mr. Kopetski, Mr. Klug, Mr. Sawyer, and Mr. Guarini.

H.R. 4565: Mr. Packard, Mr. Lowery of California, and Mr. Emerson.

H.J. Res. 240: Mr. Livingston, Mr. Spence, Mr. Gingrich, and Mr. Johnson of Texas.

H.J. Res. 434: Mr. Anderson, Mr. Hall of Ohio, Mr. Jefferson, Mr. Lipinski, Mr. Moran, and Mr. Wheat.

H. Con. Res. 263: Mr. Sanders.

H. Res. 323: Mr. Cox of Illinois.

H. Res. 376: Mr. Gilchrest and Mr. Allen.

H. Res. 377: Mrs. Meyers of Kansas.

EXTENSIONS OF REMARKS

INTRODUCTION OF THE OMNIBUS RECREATIONAL VESSEL ACT OF 1992

HON. ROBERT W. DAVIS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. DAVIS. Mr. Speaker, the bill I am introducing today represents nearly a year of work on behalf of recreational boaters in my northern Michigan district and across the Nation. Last summer, I conducted a mail survey of recreational boaters in northern Michigan and the Upper Peninsula to determine the problems and needs of recreational boaters in our area. In October of last year, I convened a conference of recreational boaters, State and Federal Government officials, and boating industry leaders to examine ways to improve recreational boating in northern Michigan and the Upper Peninsula. The provisions of this bill are based on the information and suggestions I received from my boating conference and survey.

Title I of this bill concerns recreational vessel safety. Safety is the most basic concern of recreational boaters everywhere, and the primary purpose of my bill.

Currently, sections 2303 and 4308 of title 46, United States Code, prohibit negligent operation of a vessel, grossly negligent operation of a vessel, operating a vessel under the influence of alcohol or a dangerous drug, and operating a vessel under especially hazardous conditions. Section 101 of my bill increases the penalties for operating a vessel while intoxicated by adding a $5,000 civil penalty for subsequent violations. Section 102 of my bill requires that an individual who operates a vessel in violation of sections 2302 and 4308 of title 46 must complete a safe boating course acceptable to the Secretary of Transportation.

Section 103 of this bill requires the Secretary of Transportation to identify in the vessel identification system individuals who repeatedly commit serious violations of Federal boating laws or regulations. This will give the Coast Guard a tool to identify repeat offenders and prevent serious future violations of boating safety laws.

Under section 104 of my bill, the Secretary of Transportation is required to submit a plan to the House Merchant Marine and Fisheries Committee and the Senate Commerce, Science, and Transportation Committee, to increase the availability of safe boating education for individuals 16 years of age or younger. It is my goal to make available safe boating courses for individuals of all ages, but I especially want to encourage our young people to establish safe boating habits as early as possible.

Finally, section 105 of this bill requires the Secretary of Transportation to report to the Committee on Merchant Marine and Fisheries in the House of Representatives and to the Committee on Commerce, Science, and Transportation in the Senate on ways to increase the use of the Coast Guard Auxiliary. The Coast Guard Auxiliary provides essential boating safety services to the Coast Guard for recreational boaters. The auxiliary has the highest standards of professional performance, and is an invaluable asset to the Coast Guard's boating safety program. I want to find ways to expand our use of the Coast Guard Auxiliary, to more fully use the talents and resources of this dedicated group of individuals.

Title II of this bill addresses a topic that is nothing new to Great Lakes recreationalists, enthusiasts, and supporters. I am referring to the issue of rapidly increasing sea lamprey populations and the need for additional funding for their control. The seriousness of this situation has again reached a critically high level. Lamprey are multiplying faster than ever and we need more Federal dollars allocated to control this parasite that has threatened to devastate a $4 billion a year fishery in the Great Lakes.

Information collected by the Michigan Department of Natural Resources has shown that over one-third of all the salmon and lake trout caught by fishermen in northern Lake Huron have lamprey attached to them. Additional information confirms that wounding rates from lamprey attacks on the same species are also on the rise, indicating a large increase in lamprey numbers.

The authority provided in title II of this bill allows the Director of the Fish and Wildlife Service to take additional steps to control and eradicate sea lamprey in the Great Lakes. Efforts currently undertaken by the Great Lakes Fisheries Commission are helping, but additional efforts are needed. Title II simply authorizes funds for the U.S. Fish and Wildlife Service to be used in a coordinated effort with the Great Lakes Fisheries Commission to assist in the control and eradication of sea lamprey from the Great Lakes.

Title III of this bill contains two sections to increase the coordination of enforcement by boating laws and regulations. Section 301 requires the Secretary of Transportation to conduct a demonstration project in the Ninth Coast Guard District with other Federal, State, and local government officials to increase coordination of law enforcement efforts related to recreational boating. Coordinating boating law enforcement at the different levels of government will allow law enforcement agencies to conserve scarce resources, and produce a more efficient, effective law enforcement program.

Section 302 of my bill also deals with increasing coordination and consultation in this area. Presently, section 13109 of title 46, United States Code, allows the Secretary to consult in carrying out the Coast Guard Recreational Boating Safety Program with State and local governments, public and private agencies, organizations and committees, private industry, and other persons interested in boating safety. Also under this section, the Secretary may advise, assist, and cooperate with the States and other interested public and private agencies in planning, developing, and carrying out boating safety programs. Section 302 makes this consultation and cooperation mandatory for the Secretary of Transportation, to ensure the broadest possible participation on the part of States and boating groups interested in the Coast Guard's Recreational Boating Safety Program.

Mr. Speaker, this bill makes important changes to increase the safety of the Nation's waterways. I urge my colleagues to support early enactment of this vital legislation.

ASSIMILATION?

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing for the consideration of my colleagues an article published by the National Geographic Society, written by Vine Deloria, Jr., and entitled "From Wounded Knee to Wounded Knee." The article points out the thoughts of some of the more reactionary thoughts about American Indians held in the late 19th century by some non-Indians, and the impact private ownership of Indian lands has had and some Indian tribes.

[From the National Geographic]

FROM WOUNDED KNEE TO WOUNDED KNEE

(By Vine Deloria, Jr.)

On a fall day in 1969 the desolate turtleback rock of Alcatraz came alive. Chill sea winds swept the sounds of laughter and song, drumbeat and defiance out across golden San Francisco Bay. To the cracked walls and rusting barbed wire of the abandoned federal prison, symbol of despair and isolation, came people driven by despair and isolation: Winnebago, Sioux, Blackfoot, Apache, Navajo, Cheyenne, Iroquois; city people, reservation people, horse people, sheepherders, fishermen, hunters of the Arctic.

Indians of all tribes, they called themselves. The island is a part of sacred mother

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

earth, they said, wrongfully taken from their forefathers, and now surplus to the white man's needs. Here they would build a spiritual center, an ecological center, a training center. With smiling words they offered "the Great White Father" $24 in glass beads and red cloth, the sum that Peter Minuit paid the Manhattan Indians for their island in 1626. And with utmost gravity the Alcatraz occupants resolved, "We must forever survive as Indians."

For 19 months government agents parleyed, warned, threatened. Then they moved in and cleared the island. Other sites would be claimed—ancestral Pit River Indian lands in California; Fort Lawton, Washington; a lighthouse near Sault Sainte Marie, Michigan; Mount Rushmore in the Black Hills. Soon blood would flow at Wounded Knee again. And white Americans would no longer shake their heads and say, "We didn't even know there were any Indians left."

There weren't supposed to be any left. A century ago a West Pointer wrote for his class in ethics: "We behold [the red man] now on the verge of extinction . . . and soon he will be talked of as a noble race who once existed but have passed away." The cadet was George Armstrong Custer. Scarcely 50 years later anthropologist Franz Boas concluded that the Indian had "vanished comparatively rapidly." And why not? "This great continent could not have been kept as nothing but a game preserve for squalid savages," wrote Teddy Roosevelt as the guns fell silent on the plains.

When fighting stopped in the last quarter of the 19th century, surviving Indians, surrounded on remnants of former domains, had become strangers in their own land. Most histories have been content to leave them there. But on their reservations the tribes still held title to a total of some 139,000,000 acres—a realm that stoked the land lust of homesteaders, miners, railroad boomers.

Further, too many tribes clung to old ways that were incompatible with the way of life Indians would have to adopt in order to survive. In the light of today's understanding, the old cultures do not seem quite so primitive or barbaric. But to white men of a century ago the inheritors of those cultures appeared shiftless and forlorn. In the Yankton Sioux villages, the agent reported, the people refused to give up such "injurious habits" as "frequent feasts . . . heathenish ceremonies and dances, constant visiting. . . ." Reformers, finding a trace of humanity in these creatures, wanted to "civilize" them. One way or another, the centuries-old patterns of Indian life were doomed.

The magic of private property, which had been so beneficial to white society, was seen as the light to guide the Indians' way to a civilized state. Humanitarians deplored the government practice of moving tribes whenever land they occupied proved to have some value. Better to give each Indian a piece of land he could call his own and no longer push the tribe from one valley to another.

Even before the wars had ended, the agitation had begun to put Indians to work on individually owned farmsteads. In vain did Chief Ouray of the Utes protest, "We work as hard as you do. Did you ever try skinning a buffalo?"

Red Cloud, the unconquered Oglala Sioux chief, had accepted the white man's peace but not his ways. "You must begin anew and put away the wisdom of your fathers," he bitterly counseled his people. "You must lay up food and forget the hungry. When your house is built, your storeroom filled, then look around for a neighbor whom you can take advantage of and seize all he has."

At an 1885 conference addressed to Indian problems, Senator Henry Dawes of Massachusetts, a leading reformer, told of a visit to one of the Five Civilized Tribes in what later became eastern Oklahoma. He had found no paupers, the tribe did not owe a dime to anyone, it had its own schools and hospitals. "Yet," he concluded, "the defect of the system was apparent. They have got as far as they can go, because they own their land in common. . . . There is no selfishness, which is at the bottom of civilization."

Two years later the senator's enthusiastic leadership triumphed with the passage of the General Allotment Act—one of the most significant laws in American Indian history. Under the Dawes Act, as it was also known, tribes would have their communal lands divided—a quarter section 160 acres—to the head of a household, smaller tracts to individuals. What remained of a tribe's lands after allotment would be bought from the Indians by the United States and opened to white settlement.

While the law allowed the government to negotiate with tribes for the breakup of their reservations, administrators interpreted the statute as requiring such allotments. Often disregarding the suitability of the land—whether desert, rocky highland, woodland, or semiarid plain—government negotiators pressed on.

The impact on Indian holdings was devastating. Members of the Iowa tribe of Oklahoma retained a total of 8,568 acres after allotment, while 207,174 acres were declared "surplus"; the Cheyenne and Arapaho of Oklahoma lost five-sixths of their four-million-acre reservation. Other tribes suffered in like proportion. Even on the allotted lands troubles proliferated. Minors away at boarding schools couldn't farm their tracts; old Indians simply refused to farm, preferring the traditional hunting life even with game virtually gone. When someone asked Chief Washakie about farming on the Wind River Reservation in Wyoming, the old Shoshone snapped, "God damn a potato!"

No matter. The lawmakers had a remedy. Indians could lease their allotted acres. So the value of learning to farm successfully, of hard work and self-reliance, disappeared as Indians became idle, and often absentee, landlords.

In time, inheritance grew into a nightmare. On my own Standing Rock Sioux Reservation in the Dakotas, one 320-acre tract was owned, in 1959, by 183 heirs. Helen White Bird held one of the smallest shares, 3,134/115,755,091, 200ths of the tract—or about .4 of a square foot!

ELAINE ADLER: AVENTURA'S SUPER CHEERLEADER

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Ms. ROS-LEHTINEN Mr. Speaker, I am pleased to recognize Elaine Adler, who was featured in the Miami Herald for her success in promoting the year-old Aventura Marketing Council. The article, "Council Leader Raises Aventura's Profile" by Angie Muhs, tells how she transformed a small organization of 13 members into a bustling business group with over 200 members:

When Elaine Adler took a job as a part-time secretary with the North Dade Chamber of Commerce, the organization had a tiny office full of broken furniture and a roster of only a few dozen members. When she resigned as the group's president 15 years later, it had hundreds.

She left to become president of the Aventura Marketing Council, a group with a gleaming office in a modern building—and a roster of only 13 members.

Today, the Aventura Marketing Council has nearly 200 members, and Adler, who celebrated her first anniversary on the job March 1, has solidified her reputation as a person who can persuade businesses to join start-up chamber organizations.

That reputation was what attracted the group of developers who recruited Adler for Aventura, said George Berlin, a partner in Turnberry Associates.

"We were looking for someone to represent the Aventura area, someone who had credibility," Berlin said. "Certainly Elaine had credibility with everyone she'd worked with, especially the political community."

To help lure Adler, who at first was reluctant to leave the North Dade Chamber, the council offered her a base salary of $85,000. She also receives performance bonuses that reportedly boost her pay to six figures.

Besides recruiting more members, the group also wanted Adler to balance the council's multiple goals of being a network of Aventura-area businesses, a cheerleader for the area and a liaison with residents' groups.

To do that, Adler, 48, said her first priorities were to increase business membership and establish in identity for Aventura, an area of about 4.2 square miles in unincorporated Northeast Dade. The council considers the area's boundaries to be Biscayne Boulevard, the Intracoastal Waterway, Northeast 176th Street and the Dade-Broward line.

"Everything we do is looking to upgrade and upscale Aventura," Adler said. "We are here to promote Aventura as the place to be."

In the past year, the council has sponsored more special events, such as a two-day art festival held in late January, as well as traditional business card exchanges and networking breakfasts. It also produces slick literature detailing the area's benefits. And it "adopted" two local schools, all moves Adler says were designed to make the group's name better known in the community.

Keeping a high profile is crucial to maintaining the sales of the area's luxury condominium market, said Jon DeVries, senior vice president of Goodkin Research Corp.

"I'd definitely describe them as a promotional group, and one of the more effective economic promotional groups I've seen in Florida," DeVries said. "They're a cross between a traditional chamber of commerce and an economic development corporation."

Adler's backers credit her with having innovative ideas and a dynamic personal style. Berlin said his only complaint about her performance is that he wishes she would be even more high-profile.

"She likes to stay in the background and not take credit for the projects," Berlin said. "I argue with her on that. But I think her results speak for themselves."

Longtime friend Lee Watts, the council's vice president, said one of Adler's strengths is her persuasiveness.

For example, when the council honored civic activist Dave Samson as its Citizen of the Year, Adler decreed there would be no plaques or proclamations. Instead, she wanted dignitaries to sing and dance.

Some of them hemmed and hawed. But Adler ended up with a program featuring Rep. Ron Silver tap-dancing, a boa-draped Senate President Gwen Margolis singing, Metro Mayor Steve Clark belting out *My Way* and the entire North Miami Beach City Council transformed into a rap act.

"She just went ahead and gave everyone the confidence to do it," Watts said. "How many people do you think could convince these people to do that?"

I am happy to pay tribute to Elaine Adler and the Aventura Marketing Council by reprinting this article. She has proven her ability to meet the challenge of change while still continuing her significant role in making Dade County a better place to live.

TRIBUTE TO GIOVANNI VALENCIA

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. DIXON. Mr. Speaker, I rise today to congratulate Giovanni Valencia as he is presented with his Eagle rank by the Boy Scouts of America. On Friday, April 3, the Boy Scouts of America will honor Giovanni of Troop 113 at his Court of Honor Ceremony.

Giovanni, who lives and attends school in my congressional district, has shown leadership as a student at St. Bernard High School and in the community at large. He pitches for the school's baseball team and is a member of La Sociedad De Los Latinos, a service organization at St. Bernard's.

His accomplishments as a Scout and in the community are also notable. Giovanni has been a den chief, assistant patrol leader, patrol leader and senior patrol leader. He is currently working with the Webelo Scouts in his troop's recruitment program. This dedicated individual has devoted over 1,000 hours to community service, including participating in the Veteran's Cemetery Flag Decoration Day for 6 years and volunteering for Culver City's food collection for the needy. He also assisted at the Western Hemisphere Marathon and Culver City Scout's Day in Government.

Giovanni's Eagle Scout project showed his continued commitment to helping others. He organized a food drive for the poor and needy of Culver City. This effort included publicizing the drive by contacting local papers and distributing flyers and arranging for volunteers to help collect, sort and deliver the canned food. They brought the food to St. Augustine Volunteers for Emergency Service who distributed it to those in need. I commend Giovanni's efforts to help others in the community and serve those who are less fortunate.

Mr. Speaker, I ask my colleagues to join me, Boy Scout Troop 113, and Giovanni's friends and family in congratulating him on these impressive accomplishments.

TRIBUTE TO NATIONAL AUCTIONEERS WEEK

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. TRAFICANT. Mr. Speaker, I rise on this occasion to recognize the Ohio State Auctioneers Association as well as the National Association of Auctioneers. Both organizations have worked diligently to designate April 5–11 as National Auctioneers Week. This celebration will take place in my 17th District in Ohio and I am happy to welcome them to the area.

It is my belief that the National Association of Auctioneers preserves the national tradition of marketing through auction and must be encouraged to continue to do so. For this reason, I congratulate the National Association of Auctioneers and wish this organization the best as they celebrate such a memorable occasion.

Mr. Speaker, I encourage those in my district to join me in celebrating the efforts and achievements of both the Ohio State Auctioneers Association and the National Association of Auctioneers the week of April 5–11, 1992.

A HUMAN RIGHTS TRAGEDY: TURKEY'S TREATMENT OF THE KURDS

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. BROOMFIELD. Mr. Speaker, the world was shocked to learn of Saddam Hussein's brutal treatment of the Kurdish minority in northern Iraq. Now, the world is seeing the true facts about an even more shocking development, the brutal suppression of the Kurds by Turkey, a close NATO ally of the United States.

During the past few weeks, Turkish security forces have used massive force to put down separatist Kurdish guerrillas. In the most recent fighting, Turkish units used German-supplied weapons in their skirmishes with the Kurds. Berlin strongly condemned the Ankara Government's use of the German origin equipment against the civilian Kurdish community and called upon the European Community to protest against Turkish violations of the human rights of the Kurdish minority there.

Germany provided the military equipment to Turkey on condition that it be used only for NATO defensive purposes and has halted arms shipments to Turkey pending an investigation of the incident. A junior party in Germany, the Free Democrats, has called on the EC to reject Turkey's application for membership in that organization.

The Kurdish Workers' Party has sought to have an independent state in what is now Turkey since 1984 and over 3,400 people have been killed in fighting between Turkish security forces and Kurdish separatists.

Although the Turkish Government has security problems that it must deal with, Ankara's security forces appear to operate like a bull in a China shop and many Turkish troops and police units have been involved with illegal killings, torture and related human rights abuses. Although the new Turkish Prime Minister, Suleyman Demirel, promised to redress the wrongs done to the Kurdish minority, he apparently decided to increase military operations against them rather than negotiate a peaceful resolution of that long standing conflict.

I am particularly disturbed that Turkey has again chosen to use equipment supplied for NATO purposes to put down its own citizens. This reminds me of Ankara's unfortunate decision to use United States-supplied weapons for the tragic invasion of Cyprus in 1974, an occupation that still continues today.

A TRIBUTE TO DR. BRUCE TAYLOR

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to pay tribute to a truly remarkable man whose professional and personal accomplishments in the city of Philadelphia are unparalleled. As yet another honor is bestowed upon Dr. Bruce Taylor this week, this time for his tremendous work as the president of the Philadelphia Condominium Association, I would like to take a moment to reflect on the career of this great man.

Dr. Taylor is well known and respected, Mr. Speaker, throughout the Delaware Valley, as the former president and chief executive officer of Blue Cross of Greater Philadelphia. During his 45 year tenure with Blue Cross, Dr. Taylor saw the plan expand from a 75 employee, 160,000 program, in 1939, to a 3-million claim, 1,000 employee operation in 1984. As a pioneer in our Nation's health care industry, Dr. Taylor's dedicated efforts at Blue Cross revolutionized the concept of group health care in Philadelphia, and throughout the Nation. Through his superb leadership, Dr. Taylor became a model administrator to his colleagues in the health care profession. His influence, Mr. Speaker, reaches throughout the country, and the international health care community as well, as Dr. Taylor has taken his expertise abroad in 1981 on an international exchange to China.

Those that know Dr. Taylor will always attest to his compassion, his fantastic imagination, and his overwhelming sense of humor. Indeed, Mr. Speaker, many believe that it took an imagination like Dr. Taylor's to realize the vision and the dream of the Blue Cross plan as it expanded over the years. He is the recipient of a multitude of honors, including Temple University's Rerum Novarum Award, for helping to improve social order. In addition Dr. Taylor has shown an incomparable devotion to his late mother, his family, and all of his many associates and friends.

Mr. Speaker, it is a great honor for me to present the credentials of Dr. Bruce Taylor before this Congress today. It is clear through an examination of the accomplishments of Dr. Taylor, that he is a man who has truly dedicated himself to his community, his city, and as veteran of World War II, his country as well. All of his actions reflect a clear sense of purpose and conscience. He is a true leader, whose examples we could all follow. I ask my colleagues to rise and join me in paying our greatest tributes and best wishes to Dr. Bruce Taylor.

A TRIBUTE TO THE NATIONAL COUNCIL OF YOUNG ISRAEL

HON. GARY L. ACKERMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. ACKERMAN. Mr. Speaker, I rise today to pay tribute to the National Council of Young Israel in Manhattan. The council will celebrate its 80th year of service to the Jewish community at a gala banquet at the Sheraton New York Hotel and Tower in New York City on Sunday, April 5.

The Young Israel movement began 80 years ago on the lower East Side of Manhattan. The movement was developed with two major thrusts in mind. The first was to demonstrate that Americanism and Judaism are compatible. It promoted the fact that one can observe all the tenets of one's orthodox faith, and at the same time be a reasonable, upstanding, and participating citizen. Its second goal was to bridge the generation gap which developed between immigrant parents and their American born children.

Young Israel was the first synagogue movement to promote youth clubs, Boy Scout troops and athletic programs, as a way of combating juvenile delinquency through prevention. It also helped to create a collegiate program with 17 kosher dining clubs on the campuses of major universities. It was responsible for an Eretz Israel division which helps to support over 50 Young Israel nonpolitical synagogues in Israel. The council is also responsible for the creation of a social and political department, which organizes missions to the United Nations, Washington, Albany, and Israel. Recently, it formed an outreach program to Russian adults and children in the United States, designed to acquaint them with the beauty of democracy and the spiritual value of Jewish religious heritage.

At the present time, the Young Israel movement has over 270 synagogues in the United States, Canada, South America, and Israel. This achievement is a tribute to the outstanding leadership the National Council of Young Israel has had over the years. Its current president is Mr. Chaim Kaminetzky and the chairman of the board is Mr. Gerald L. Kaufman. The executive vice president is Rabbi Ephraim H. Sturm. Rabbi Sturm will be honored at the 80th anniversary dinner with the special Moses H. Hoenig Memorial Award. These people have given of themselves and their time in a manner which cannot go unnoticed.

Mr. Speaker, I call on all my colleagues in the House of Representatives to join me in congratulating the National Council of Young Israel on the occasion of its 80th anniversary.

THE WHITE HOUSE OIL FIASCO

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. RICHARDSON. Mr. Speaker, for those of my colleagues concerned about our trade imbalance I call your attention to one domestic industry which has received scant attention by import bashers. The United States trade deficit for crude oil and products is more than $39 billion, 2½ times as large as our net deficit for Japanese autos.

"Why isn't our Government as concerned about an outflow of nearly $4 billion per month for petroleum as it is for the average $1.6 billion per month sent to Japan for cars?" This is the question posed by a World Oil editorial written by R.W. Scott in the publication's February 1992 edition. Mr. Scott raises some extremely valid concerns about the Reagan and Bush Administrations cozy relationship with Saudi Arabia to keep oil prices artificially low. This alleged relationship has devastated America's domestic oil industry and bloated our trade deficit.

For my free market economist colleagues, I think you will find the attached editorial fascinating reading.

[From World Oil, February 1992]

HIRE OLIVER

(By R.W. Scott)

Since the crash of the upstream industry way back yonder in the '80s, a few Don Quixote types have periodically protested the malarkey put out by the Reagan/Bush gangs that oil prices were and are being set via a so-called but plainly non-existent "free market." Indeed, we have frequently quoted here in the past from administration sources that indicate low—not free market—oil prices have been the primary goal of White House polls calling the shots over at least the past eight years.

We windmill-chasers also have long suspected that the two Republican administrations have been in cozy cahoots with the Saudis for some years to keep oil prices "low" (by exercising the latter's excess productive capacity) as a means of artificially propping up the U.S. economy, Mr. Bush, when he was the vice president, is thought to have made the original deal.

Well, late last year all of a sudden, a bunch of new reports suddenly materialized out of the fog that seem to lend even more credence to the contention of price fixing. For example:

November 17, 1991, "A man of this caliber deserves to head the United States a second time." King Fahd of Saudi Arabia said that about Mr. Bush.

December 6, 1991, William E. Ainsworth of Nassau Securities, Inc., reported on "speculation" that the Bush White House might soon play an "oil card" by getting the Saudis to cut prices by $5/bbl—a move that would be equal to a $30-billion U.S. tax cut—and would be wholly borne by oil producers. Mr. Ainsworth went on to point out that in election year 1988, the refusal of Saudi (and to a lesser extent Kuwait and the UAE) to cooperate with OPEC in cutting production caused the price of WTI crude to drop from $18.60 in April, to $12.60 in October at the height of the election campaign. After Bush was elected November 8, the Saudis on November 24 suddenly agreed with other OPEC members on pricing quotas. Prices were up to $17.25 by December 30.

December 11, 1991. Saudi Minister of Petroleum Hisham Nazer issued this unprecedented statement: Speculations in the oil market about Saudi Arabia increasing production to maintain a low price for political reasons to help countries overcome the economic crisis are baseless.

In 1988 and 1990, the Saudis repeatedly denied their excess production had depressing effects on prices. But it did then and it is now. If you can think of a reason other than political for the Saudis taking an action that costs them money, let us know what it is.

January 3, 1992. In a dispatch from Washington to London's reputable newspaper The Guardian headlined "Saudis help Bush," correspondent Martin Winkler reported—among other things—the following:

"President Bush has been privately assured by the Saudi Arabian monarchy that they will pump whatever extra oil is necessary to keep prices down throughout his reelection year to help ease the U.S. throughout his reelection year to help ease the U.S. through recession, even if this means making up the expected shortfall in ex-Soviet oil exports, *according to sources close to the White House, confirmed by Saudi sources.*" (The italics are ours.)

January 16. 1992. Because of Saudi refusal to cut back on production, WTI oil price was $17.75 on this date. Last December 1, 47 days earlier, price was $22.50—meaning Mr. Ainsworth's speculation of a $5 price decline is only $0.50 short of target.

If the $5 crude price drop holds, the cost would be to further decimate the domestic producing industry, precipitate more major job losses in the principal oil-producing states and further depress the economies of those states. And other producing countries will also have to bear a similar cost.

Circumstantial evidence does point to some kind of a sneaky White House-Saudi deal. Of course, the question might be cleared up immediately by a flat and clear denial from Mr. Bush—which he has yet to make.

One thing is for sure. The apparent hanky-panky stuff discussed above is a hell of a lot more plausible than all of the hullabaloo over Oliver Stone's fairy tale about JFK. What we need to do is hire Oliver to make a movie about causes of the destruction of the oil business and generate some hullabaloo for the good guys. The villain's role won't be hard to cast, Ronald Reagan is unemployed and George equally deserves a guest spot.

Political priorities. Some numbers of interest relating to U.S. trade:

Through October 1991 (the latest complete poop we have), U.S. imports of everything totaled $405.3 billion. Exports were $349.5 billion for a $55.8 billion trade deficit.

Imports of crude oil and products were valued at $42.5 billion or 10.5% of all imports. That was by far the biggest category on the entire imports list.

Imports of Japanese automobiles totaled $16.8 billion for the period, amounting to 4.1% of all imports and ranking sixth down on the list of imports.

The net U.S. trade deficit for crude and products (imports minus exports) is $39.2 billion. The net deficit for Japanese autos is $16.4 billion.

Question: Why isn't our government as concerned about an outflow of nearly $4 billion/month for petroleum as it is for the average $1.6 billion/month sent to Japan for cars?

Since there is nothing remotely logical about this, perhaps we had better ask George and a bunch of the Congress.

TRIBUTE TO DR. NORMAN SOMMERS ON HIS RETIREMENT

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. TRAFICANT. Mr. Speaker, I wish to pay tribute to a dedicated teacher in my 17th District in Ohio. He has served the Cardinal School District as superintendent for over 20 years. He is Dr. Norman Sommers, author, instructor, innovator, and leader.

His coworkers write raving reviews about his performance as author and teacher, and indeed the recipients of his gifts also confirm Dr. Sommers' ability. His readers describe his works as enlightening and enjoyable while his students rank him as a superior professor. He has published articles in the Ohio School Board Journal, the Superintendency in the Nineties, the Ohio Schools, the School Activities, and the Teacher's Encyclopedia.

I also wish to congratulate Dr. Sommers for his lifelong contribution to the field of education. Not only has he served as superintendent, but also as former principal to high school and junior high schools as well as fellow at various educational institutions. Even as Dr. Sommers takes his leave from his role as superintendent, he continues in the field as associate professor at Ashland University.

Mr. Speaker, I take my hat off to Dr. Norman Sommers who is retiring from a position he held dear for over 20 years.

TRIBUTE TO CHIEF LARRY BOLDEN

HON. JAMES H. BILBRAY

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. BILBRAY. Mr. Speaker, I rise today and ask my colleagues to join me in paying tribute to a man whose dedication to the southern Nevada community has earned him the distinguished Humanitarian of the Year Award by the Committed 100 Men Helping Boys organization. Larry Bolden, retired deputy chief of the Las Vegas Metropolitan Police Department, has distinguished himself both within the law enforcement and local philanthropic communities.

Chief Bolden, a native of east Las Vegas, NV, began his career in law enforcement as a police officer in 1959. After being one of the first African-American officers on the Las Vegas metropolitan police force, Chief Bolden rose to become the highest ranking African-American police official in the State of Nevada.

Chief Bolden has lent his years of experience to many others as he has been an instructor in personnel and supervision management for the Las Vegas Police Academy, and an instructor in leadership for middle management.

Calculating Chief Bolden's civic achievements is a tall order in many ways. In the spirit of commitment, he has become an integral part of the southern Nevada community with continued involvement in many charitable organizations: advisory board for St. James Catholic School, advisory board for better education of Bishop Gorman High School, National Black Police Officers Association, National Organization of Blacks in Criminal Justice, advisor of Catholic Youth Organization, Knights of Columbus, National Peace Officer Association, Nevada Peace Officer Association, Nevada Catholic Welfare Board Member, to name a few.

Chief Bolden is an example of the community and family spirit that is essential in today's fast-paced world. I am indeed honored to salute his achievements today, and ask my fellow Members to join me in congratulating Chief Larry Bolden.

REBECCA PEABODY WINS STATE ORATORY CONTEST

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. SKELTON. Mr. Speaker, each year the Veterans of Foreign Wars of the United States and its ladies auxiliary sponsor the Voice of Democracy broadcast scriptwriting contest. This year nearly 150,000 secondary school students participated in the contest competing for 22 national scholarships totaling $76,500, which was distributed among the top 22 winners.

Missouri's winner was 17-year-old Rebecca Rae Peabody of Harrisonville.

Enclosed herewith is a copy of Ms. Peabody's script entitled "Meeting America's Challenge."

MEETING AMERICA'S CHALLENGE

(By Rebecca R. Peabody)

Meeting America's Challenge: This is, perhaps the paragon of Democratic ideals, the ultimate goal of the collective American, the vision that our founding fathers saw in their mind's eye when they were first drafting our Constitution. But what exactly is America's Challenge? Is there one specific goal which we must attain, one level of achievement that must be reached before America's Challenge has, in truth been met? Will there be a time somewhere in the future when we can sit back, take a long look at ourselves, our lives, our government, and realize in all honesty that we have met and solved every problem? That we have diagnosed and cured all the ills of society? That we have, in fact, reached a point at which there is no further improvement to be made?

The answer is no. No for one very simple reason. America is comprised of a vastly diverse, constantly growing and changing group of individuals. These individuals mold and shape America into what it is today through the constant contribution of their fears, hopes, dreams, desires and opinions. Because of the integral role the individual has in shaping our country, America is and will continue to be, in and of itself a multifaceted, growing changing entity. For this entity, perfection is not the ultimate goal. The ultimate goal is the ever-present struggle for perfection.

Without the constant reexamination and reevaluation of our society by the American people, our government would cease to grow and improve. It would become stagnant and unchanging. it is for this reason that Meeting America's Challenge does not mean achieving perfection, but instead means maintaining the constant pursuit of perfection, which is an inherent quality of human nature.

To better explain this interpretation of The Challenge Facing America, I would like to offer the following denotative and connotative definitions of the word Challenge. Webster's third New International Dictionary displayed 16 separate meanings. My personal favorite was the entry which read "Challenge: To arouse new ideas, new interest, to stimulate or excite." The commonly accepted connotative meaning of the word "Challenge" is the need to overcome an obstacle, to achieve a goal, to try something new that tests the boundaries of what is safe or common.

These two definitions combine to inspire a composite understanding of what a Challenge is, and how it relates to America today. We, as individuals, and collectively as a country, face a multitude of challenges every day. Our ingenuity is tested and retested, our dedication to our land and to our country is constantly under question. But these challenges aren't problems to be tackled, they are simply the natural result of our continuing expansion outward. As Americans, we are constantly testing our boundaries, pushing against our limits, exploring and inventing at a rate which is astonishing for the rest of the world to watch. It is this propensity to strive for adventure, to push for change and improvement that makes us who we are. It is also this same quality that has, over the last 200 years, made America the most sought after country in which to live. It is this property, in fact, which defines the very essence of America and what is stands for.

We have made our country what it is today through the inexhaustive efforts of ourselves and of those who came before us. Now, as our country grows older and more mature, and begins to settle comfortably into its role as "The Best and The Brightest" in the world, we must openly and honestly meet America's Challenge. We must not, in our security and successfulness, allow ourselves to lose that impassioned drive to succeed, that need to invent and explore, the need to continue attaining the unattainable, to push beyond the outer boundaries of what we know as safe and understood.

Long ago, our forefathers had a dream for a Democratic America, and today, 200 years later, we stand as a living monument to that dream, a dream which was fostered by their creativity, persistence, preservation, and a need to succeed, to advance, to press on despite the obstacles. This is the attitude which has made America what is it today. In order to meet our challenge, . . . to meet America's Challenge, we must preserve this attitude, strengthen it, make it an integral part of our every day lives. Only through this can America continue to advance at the rate it has in the past. And especially through this, America can continue to grow and change, and evolve into the perfect Democracy our forefathers always invisioned it to be.

DEMOCRACY IN ALBANIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. BROOMFIELD. Mr. Speaker, the long dark night of Communist oppression is over in Albania. Democracy has won, the Sun has risen, but Albania needs our help to survive the long days ahead.

Recent elections in Albania brought the Democratic Party of Dr. Sali Berisha to power with 70 percent of the votes. I salute Dr. Berisha for his victory and wish him well as he brings democracy and free-market economics to a country that was one of the most closed nations in Europe.

Albania is now facing a terrible economic crisis. Unemployment is high and industrial output is down. Without food assistance from overseas, thousands of Albanians might starve. The food shortage is the most serious in Europe, and America must do more to rescue Albania from near anarchy.

This great Nation has encouraged countries to turn their backs on Communism. Albania has now jointed the family of democratic nations. As the leader of the free world, we have a responsibility to extend a helping hand before Albania slips back into totalitarian chaos.

GIRL SCOUTS THRIVE IN RED RIVER VALLEY OF TEXAS

HON. JIM CHAPMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. CHAPMAN. Mr. Speaker, America's younger generation faces many challenges. The childhood we remember is only a dream from today's realities. The pressures and problems in today's society did not exist a generation ago.

In east Texas, the Girl Scouts have maintained a positive influence in the development of the next generation. Specifically, the Red River Valley Girl Scout Council has thrived in Paris, TX.

Seven Girl Scouts in Lamar County have completed the requirements for the Girl Scout Gold Award, the top achievement. The Gold Award is a nationally recognized award presented to girls based on their efforts and outstanding contributions in the areas of leadership, community service, career planning and personal development.

I want to congratulate Millie Winfrey and Kimberly Wilkins of Troop No. 33 in Paris; Kristie Lea Witter and Tonya Wogberg of Troop No. 2 in Paris; and Stephanie Janeway Miller, Kevyn Ayn Bryant and Natalie Nash of Troop No. 87 of north Lamar on receiving the Girl Scout Gold Award.

The Red River Valley Girl Scout Council is providing the guidance and counsel for the next generation. I congratulate the Gold Award winners and look forward to seeing their future successes.

DADE COUNTY HONORS SYLVIA WHYTE AMONG TOP WOMEN ENTREPRENEURS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, it is an honor to acknowledge Ms. Sylvia Whyte for her success as president of Sylvia Whyte Manufacturing Co. Ms. Whyte was honored at a luncheon sponsored by the National Association of Women Business Owners at the Miami Airport Hilton. The luncheon, which was part of a Women's History Month celebration titled Recognition '92, honored five of Dade's top women business owners. The women were honored for having excelled in their businesses as well as for their community involvement. Ms. Whyte began her clothing business in the early 1960's, and the first dresses she made were for her daughters. Susana Barciela of the Miami Herald reports:

> Sylvia Whyte has been in business three times longer than the oldest kids who wear the clothes she sells.
>
> "I started off making dresses for my daughters when they were little," Whyte said. "Now I make them for my younger grandchildren."
>
> Since 1962, Whyte has been manufacturing high-end infant wear and clothes for girls up to their preteen years. Her namesake label is sold all over the country, including Saks Fifth Avenue, Neiman Marcus, Nordstrom, I. Magnin and Macy's. A girl's spring dress and matching hat retails for about $80.
>
> "Not the most expensive," said Whyte, who describes her line as "high-style for kids at prices that aren't exorbitant."
>
> It was demand for just such upscale children's clothing that spurred Whyte to venture into manufacturing. After years selling kids clothes out of her shop on Lincoln Road in Miami Beach, she knew what people wanted that wasn't available. It's a success formula she recommends to any budding entrepreneur: "Find something that is definitely needed in the marketplace. Watch the competition and make sure you're better."
>
> Starting with sales of $250,000 in the first year, the company has grown to sell more than $10 million annually. About 250 people work at Sylvia Whyte, many there at least 20 years, and some all 30 since start-up. "We like to think it's because it's a good job," Whyte said.
>
> To the awards judges, Whyte spoke glowingly of her people. For Antonia Gary, she represents the consummate business owner: starting up to fulfill a market need, responding to competition, growing through tough times—Whyte has experience a little of everything. "She went about [building her business] very matter-of-fact," Gary said. "Yet it was actually very difficult."
>
> Today in her 70s, Whyte still works 10 hours a day and has no plans of retiring. As for starting her own company back in the 1960s, when few women worked out of the home much less created their own employment, she said, "I never thought it was that unusual. I wanted to work. It was an economic necessity."

I wish to congratulate Ms. Whyte for her outstanding leadership in our community, as well as her dedication and perseverance to succeed in her business. Ms. Whyte is a model and a source of inspiration for women as well as all the members of our community. Her perseverance and desire to excel in her business has earned her the respect of the entire community.

TRIBUTE TO THE VALLEY HI PHYSICIANS MEDICAL CENTER

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. MATSUI. Mr. Speaker, I rise today to salute the Valley Hi Physicians Medical Center on the occasion of their grand opening in south Sacramento. Operating under the philosophy that health care should be accessible to everyone, the medical center offers comprehensive continuing family care similar to the practice of an old-time family doctor caring for several generations of a family. Along with offering convenient hours for the working population, there is a special effort to outreach to the diverse ethnic and language minority communities.

At this time, I wish to recognize the fine team of physicians staffing this medical center: Dr. Barbara Nash, Dr. Glayol Sahba, Dr. Francisco L. Garcia, and Dr. Dawn Hayes.

Dr. Nash is senior physician of the center and has served as assistant clinical professor at UC Davis since 1983. She is a preceptor for the UC Davis Nurse Practitioner Program and has practiced since 1980 in family practice and pediatrics. Dr. Glayol Shaba's special areas of interest include health promotion and prevention, obstetrics, and providing access to healthcare for all people. Dr. Francisco L. Garcia served as chief resident at UCSF, Fresno Family Practice Program from 1990–91 and was the recipient of the Society of Teacher of Family Medicine Resident-Teacher Award in 1991. Dr. Dawn Hayes is a graduate of the University of Michigan and has been in general practice since 1987. Her primary interests include outpatient medicine, pediatrics, and preventive health care.

Mr. Speaker, the Sacramento community is in a far better position to promote accessible health care thanks to the unwavering dedication of these fine primary care physicians. I ask that my colleagues join me in saluting the Valley Hi Physicians Medical Center and Drs. Nash, Sahba, Garcia, and Hayes.

THE CSCE PEACE CONFERENCE FOR NAGORNO-KARABAKH

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. HOYER. Mr. Speaker, the number of participating states in the Conference on Security and Cooperation in Europe, the CSCE, now totals 51. As all the states that used to belong to the Soviet block now have joined the CSCE as independent participants, the purposes and possibilities of this forum are expanding. A new priority for the CSCE is conflict mediation, and one of the most urgent agenda items in this connection is the wartorn region of Nagorno-Karabakh. Both Armenia and Azerbaijan are now members of the CSCE, and spokesmen of both states have welcomed the increased efforts by the CSCE to broker an end to the hostilities, which have now reportedly claimed about 2,000 lives.

The CSCE Council, meeting this week in Helsinki in connection with the Helsinki review meeting, discussed the increasingly alarming situation in Nagorno-Karabakh. While applauding the efforts to date by multilateral international organizations and individual states to arrange a cease-fire and mediate the conflict, the ministers decided that more needs to be done. Accordingly, they have embarked on an unprecedented step: They have asked the Chairman in Office of the CSCE Council of Ministers to convene a conference on Nagorno-Karabakh under CSCE auspices, which would provide an ongoing forum for negotiations on a peaceful settlement of the crisis, based on CSCE principles. The conference will take place in Minsk, and the participating states will be Armenia, Azerbaijan, Belarus, Czech and Slovak Federal Republic, France, Germany, Italy, the Russian Federation, Sweden, Turkey, and the United States. Elected and other representatives of Nagorno-Karabakh will also be invited as interested parties.

Mr. Speaker, the convening of this conference is the most hopeful development in this sad tale since last September, when Presidents Boris Yeltsin and Nursultan Nazarbaev of Russia and Kazakhstan brokered a peace agreement that seemed promising. That accord, unfortunately, soon broke down. Let us hope that all the parties to this new initiative will display the goodwill necessary to bring the bloodshed to an end and negotiate a resolution of the dispute. A successful effort by the CSCE in Nagorno-Karabakh will not only bring peace to that region but will signal the new capabilities and prestige of the Conference on Security and Cooperation in Europe.

INTRODUCTION OF NEW STOCKPILE LEGISLATION

HON. CHARLES E. BENNETT

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. BENNETT. Mr. Speaker, today, Congressman FLOYD SPENCE and I are introducing the National Defense Stockpile Modernization Act of 1992, a bill that directs the President to rid our national defense stockpile of excess and obsolete materials over the next 10 years. When enacted, this legislation will allow our defense stockpile to be freshly restructured, strengthened and prepared for the national security challenges of the next century.

The key element of this legislation is that it commands the sale of excess stockpile materials. In past years, Congress has encouraged the disposal of obsolete materials from the stockpile and given the Department of Defense the permission to sell off unneeded items. However, to date very little has been sold. In light of these experiences and of the changes in the international security environment and decreasing defense budgets, a new approach to paring the stockpile is needed. As a result, this bill requires not just permitting DOD to clean its cupboards of materials that have no utility in a modern defense stockpile—and do it promptly. At the same time, we recognize the need to maintain adequate supplies of strategic and critical materials needed for our future defense needs, and the bill provides for the acquisition of these materials.

The bill, as drafted, requires the disposal of quantities of almost 90 currently stockpiled materials totaling $5.2 billion, all of which the DOD has reported as excessive. Each of these materials was identified as excess to current requirements by the DOD in their "1992 Report to Congress on National Defense Stockpile Requirements." However, questions have been raised about the soundness of eliminating some of the materials that DOD has placed on their list and, therefore, the hearings will address such disputes and we have asked the General Accounting Office to review the assumptions and methodology used in preparing the DOD stockpile report. As a result of this, some of the materials currently requested for disposition by DOD may be eliminated from the list contained in this bill. But such decisions, if any, will result from testimony provided at a comprehensive hearing that the House Armed Services Subcommittee on Seapower and Strategic and Critical Materials plans to hold on stockpile issues on April 29.

The second key feature of this bill is its requirement for purchasing strategic and critical materials that DOD has stated in its recent report are needed for the stockpile and are in short supply. Again, there is some question about whether we need to purchase all the items that DOD has listed, and we will hear testimony on this issue from our expert witnesses at the upcoming hearing.

Both Congressman SPENCE and I believe that the national defense stockpile will continue to be an essential element of our national security strategy. It provides our Nation with a vital capability for rapid mobilization of the defense industrial base in the event of unforeseen future national emergency.

It has consistently been the position of the Strategic Stockpile Subcommittee that DOD and its predecessor stockpile managers in the executive branch develop a long-range program to modernize and restructure the stockpile to ensure that we have adequate stocks of materials that are necessary for our future national security needs. In this regard, we wrote Secretary Cheney in March 1989 pointing out the need for just such a plan. The letter stated that, "By keeping the needed materials, selling the obsolete, buying additional new or needed materials and upgrading nonspecification materials, the National Defense Stockpile could be significantly strengthened without contributing to the Federal deficit."

Unfortunately, very little progress in restructuring the stockpile has been made since we wrote to the Secretary 3 years ago. In fact, in testimony before our subcommittee in July 1991, the DOD Deputy Inspector General stated, "DOD has been slow in reducing its excess inventories. The Stockpile Manager's plans showed that $635 million in disposals had been planned for the fiscal years 1988 through 1990. During that period, stockpile officials disposed of materials valued at about $213 million."

Clearly, in light of the rapidly changing security and budgetary environment, there must be a more vigorous effort to restructure the stockpile. That's what this bill attempts to do. We consulted with the Assistant Secretary of Defense in charge of the stockpile in drafting this bill and, while it has not been officially approved by DOD, it is our hope that we can continue to work together with the Department to modernize the stockpile to meet the future defense needs of our Nation.

HORACE PETERSON III—HISTORIAN AND HISTORY MAKER

HON. ALAN WHEAT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. WHEAT. Mr. Speaker, I rise today to regretfully report to my colleagues the tragic and untimely drowning death of Horace Peterson III of Kansas City, MO. A pillar of the community and a valued friend, Horace will be sorely missed and fondly remembered by all of those who were fortunate enough to have known him.

Having moved to Kansas City shortly after his birth 46 years ago, Horace dedicated his life to developing and improving his community. While he will be recalled for countless distinct and personal ways in which he touched so many lives, Horace's true legacy lies in the organization he founded over 15 years ago and of which he served as executive director until his death, the Black Archives of Mid-America.

Through his exhaustive efforts, Horace gave life to his dream of establishing a center not only to preserve, but to showcase, African-American history and talent in our region of the country. And over the course of the last 20 years, he nurtured that dream and built the Black Archives into a lasting and vibrant symbol of pride in our past.

Through his work, Horace connected us and made us a living part of a glorious heritage. And through his actions, Horace filled a space in our souls with his dream.

In recent months, Horace was actively involved in efforts to build on that dream. Plans included an expansion of the Black Archives as well as the construction of an International Jazz Hall of Fame, and a Negro Leagues Baseball Museum in Kansas City.

Now with Horace's passing, some may ask what is to become of his dream? The answer lies in a poem by Dana Burnet:

> The dreamer dies, but never dies the dream,
> Though death should call the whirlwind to his aid,
> Enlist men's passions, trick their hearts with hate,
> Still shall the vision live!
> Say nevermore that dreams are fragile things.
> What else endures of all this broken world
> Save only dreams!

Horace's dream of preserving the past for the future is an intrinsic part of the American fabric. Fueled by Horace's boundless energy, the commitment to fulfill his vision of Kansas City will live on.

A TRIBUTE TO BILL LANCASTER

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the fine work and outstanding public service of Assemblyman Bill Lancaster of Covina, CA. For years, his experience and common sense approach to problem solving has made a difference to the many people in our area and the State of California. Bill will be honored for his dedication and many accomplishments at a dinner in his honor on April 10.

Bill's career in public service has spanned all levels of government—local, State and Federal. At the age of 27, he was elected to the Duarte City Council. He was reelected to the council in 1962 and served as mayor for three terms. Bill left Duarte in 1965 to serve with the California Taxpayers' Association, working with branches of State and local government to determine ways of bringing about greater control and efficiency to the use of public funds. Two years later, he was appointed district representative by Congressman Charles Wiggins and worked to resolve problems between constituents and agencies of the Federal Government. He held that position until his election to the California State Assembly in 1972. The 62d Assembly District he serves includes the cities of Claremont, Covina, Charter Oak, Glendora, La Verne, San Dimas, Upland, and portions of Pomona and West Covina.

Bill has been instrumental in shaping some of the most important laws enacted in California over the last two decades and has the distinction of being one of the very few legislators who have worked with four Governors in Sacramento. Over the years, he has authored more than 400 bills that have been signed into law.

Close to home, Bill has been a longtime leader in efforts to complete the Foothill Freeway from La Verne to Interstate 15. In addition, he has played a major role in helping area cities with other transportation issues, including freeway landscaping and widening Base Line Road.

Education and local school districts have remained one of Bill's top priorities. He has consistently supported school finance bills and been a strong advocate of local control in the public school system. Bill is considered one of the strongest supporters of local government in the legislature. In fact, he was named "Assembly Member of the Year" by the League of California Cities.

Mr. Speaker, I ask that you join me, our colleagues, and friends, in recognizing the many outstanding achievements of my dear friend and colleague who has given so much of himself and made a real difference to so many people. His years of selfless dedication is certainly worthy of recognition by the House of Representatives today.

TRIBUTE TO WENDY HAHN AND TROY TOM

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. EDWARDS of California. Mr. Speaker, tomorrow, in a ceremony in the Cannon Caucus Room, 58 young people from across the Nation will receive the Gold Congressional Award for their significant accomplishments in community service, personal development, and physical fitness. Among the recipients of this prestigious honor are two people from my congressional district—Ms. Wendy Hahn of Newark, CA, and Mr. Troy Tom of Fremont, CA.

Wendy Hahn, as part of her involvement with the 4–H Club, has been active in raising guide dogs for the blind. She was not only responsible for raising, training, and socializing two guide dogs, but has also worked on publicity and fundraising for the guide-dog program. Wendy also takes part in a wide range of other 4–H activities, and as a teen leader shares with other 4–H'ers the skills she has acquired.

In addition, Wendy works at the Ardenwood Historic Farm in my district, where she cares for and drives a team of draft horses, used to transport visitors around the park.

Wendy will be graduating from Newark Memorial High School and looks forward to attending the University of California at Davis in the fall, where she plans to study animal science.

Troy Tom has been active in the Boy Scouts and has worked extensively with Boy Scout Troop 2 from the California School for the Blind. As a staff member and assistant camp ranger at Scout camp, Troy has taught swimming and lifesaving techniques to Scouters. He has also worked closely with Boy Scout Troop 2 from the California School for the Blind, helping them to learn about Scouting and the outdoors. At one camping competition, Troy's Scouts from Troop 2 took top honors in three events.

In addition to his Scouting work, Troy finds time to train and compete in triathlons, works in a bicycle shop, and studies at Ohlone Community College.

Both Wendy and Troy have given so much to their communities. It is a pleasure to recognize their service by the presentation of the Gold Award. My heartiest congratulations to both of them.

TRIBUTE TO GEORGE F. DISNARD, 1992 RECIPIENT OF THE CLAREMONT CHAMBER OF COMMERCE CITIZEN OF THE YEAR

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. SWETT. Mr. Speaker, I rise today to pay tribute to State Senator George F. Disnard, the 1992 recipient of the Claremont Chamber of Commerce Citizen of the Year Award.

I am proud to say that Senator Disnard was selected as this year's award winner because of his years of dedicated service to his community, the State legislature, and local school students.

Senator Disnard has served as the Democratic leader of the State senate since 1990 and has faithfully represented the people of Claremont and the surrounding communities for 6 years.

Mr. Speaker, Senator Disnard spent 30 years serving as a teacher and administrator to three generations of New Hampshire students.

George Disnard has also donated his time to several worthy causes including the Claremont Soup Kitchen, where he currently serves on the executive board. He is also a current member and past president of the Kiwanis Club.

He is also a dedicated family man, avid fisherman, and a veteran of the U.S. Air Force, where he flew combat missions in both World War II and the Korean war.

Mr. Speaker, I ask my colleagues to join me today in paying tribute to Senator George Disnard for his receipt of the 1992 Claremont Chamber of Commerce Citizen of the Year Award.

TRIBUTE TO BENJAMIN VALENCIA

HON. JULIAN C. DIXON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. DIXON. Mr. Speaker, I rise today to congratulate Benjamin Valencia, Jr., as he receives the highest honor of the Boy Scouts of America—the Eagle Scout. Benjamin resides in my congressional district and is a student at St. Bernard High School. On Friday, April 3, the Boy Scouts of America will honor Benjamin at his Court of Honor Ceremony.

Benjamin, along with his troop, has strived to fulfill the third point of the Scout law stating "A Scout Is Helpful." His 400 hours of community service work included 5 years of participation in the Veteran's Cemetery Flag Decoration Day and Culver City Scout's Day. In addition, he assisted at the Western Hemisphere Marathon and Culver City's food collection for the needy.

Benjamin's Eagle project also exemplified his dedication to community service. He focused on the environment by collecting recyclable materials and donating the proceeds to the Ecology Center of Southern California. This was a monumental task which involved contacting local newspapers, passing out flyers and coordinating volunteers to help collect recyclable goods. This very successful project collected 13,375 pounds of recyclable material and contributed $502 to the Ecology Center of Southern California. I am truly impressed by Benjamin's efforts to protect the environment and I feel he is a superb example of what our youth can accomplish when directing their energy to positive goals.

Benjamin has proven to be an outstanding leader through his active involvement both at school and in the community. He is an excellent student, exemplified by his membership in the California Scholarship Federation and the National Honor Society. In 1991, Benjamin was on the dean's honor role. He also finds time to be an active member of La Sociedad De Los Latinos which is a service organization at his high school.

Mr. Speaker, I ask my colleagues to join me, Boy Scout Troop 113, and Benjamin's friends and family in congratulating him on obtaining his Eagle rank.

A TRIBUTE TO DR. JAMES L. WRIGHT

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to pay tribute to a truly remarkable man whose contributions to the Philadelphia Public School System are unparalleled. As Dr. James L. Wright retires after 37 years of distinguished and exceptional service as both a teacher and an administrator, I would like to take a moment to reflect on the career of this great educator.

Dr. Wright embarked on the path of teaching following a brief career as a professional football player. In 1958, Dr. Wright received his master of science degree in teaching and biology from Philadelphia's Temple University—the same school where he would earn his doctorate in education 19 years later. Dr. Wright has served in a number of capacities in the Philadelphia Public School System over the years, including the role of director for the educational program of the Citywide Black Educational Forum. Since 1975, Dr. Wright has taught science in the Special Education Department of Olney High School, where his dedicated efforts have benefited a countless number of students. In addition, Mr. Speaker, Dr. Wright has published a great deal of writings in several educational journals and newspapers, including a much praised study on how 12 different school systems handled alienated youth problems.

Indeed, Mr. Speaker, Dr. Wright has also been a powerful force in the community as well. His leadership at both the V.F.W. and the Marcus Foster Educational and Cultural Society, as well as his active participation in community projects in the Nicetown and Tioga sections of Philadelphia, make Dr. Wright one of the most respected citizens in the entire city. This fact can be clearly seen through the extended list of awards and honors that bear this man's name, including the Black Educational Forum Educator of the Year, the Educator Equality League Educator of the Year, and a listing in Who's Who in Colleges and Universities, just to name a few.

Mr. Speaker, it is a tremendous honor for me to present the credentials of this outstanding man who has fully given himself to his school system and his community. All of Dr. Wright's accomplishments reflect a strong sense of conscience and purpose. This man is a true leader, and we could all benefit from his examples. I ask my colleagues to rise and join me in extending our best wishes for a happy retirement to Dr. James L. Wright.

TRIBUTE TO THE WESTHILL SCHOOL DISTRICT

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. WALSH. Mr. Speaker, today I would like to commend the Westhill School District, and specifically the senior high school, located in central New York. The school has been named among America's best schools by Redbook magazine, an honor given to 140 of the most outstanding schools in the country.

Even more of an honor, Westhill High School was named in the overall excellence category, in which only 42 schools are named. Overall excellence includes superiority in all facets of education. To win this honor, a school must offer not only a strong foundation in academics, but also in art, athletics, innovative courses, and cocurricular activities such as yearbook, photo club, band, and more.

The innovative courses Westhill offers are in computers, journalism, fine arts, and other areas that students have chosen to support with their interest.

The entire Westhill School District is dynamic, vital, and progressive. Its teachers are sensitive to students and parents. I have found the administration forward looking and consistent. And the school district's biggest boosters, the taxpayers, are proud and sacrificing, because they see results coming from their sacrifices.

In the class of 1991, 99.2 percent of the students earned their high school diplomas, with nearly 70 percent earning their Regents' endorsement. In the same year, approximately 90 percent of the graduates went on to pursue higher education opportunities in colleges and universities.

Westhill's educational excellence is typified by its students' performance on the scholastic aptitude test [SAT]. In 1991, with 97 percent of the students taking the exam, participants scored an average of 931 on the combined math and verbal components of the test. This compares with an average score of 882 for New York State as a whole.

I am very proud and ask my colleagues to join me in congratulating everyone in the Westhill School District.

LET'S LET CANADIAN RAILROAD CARS SERVE UNITED STATES INDUSTRY

HON. BYRON L. DORGAN

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mr. DORGAN of North Dakota. Mr. Speaker, we have one-way traffic of railroad cars and locomotives across our border with Canada, and I am introducing a bill to help change that situation.

Our tariffs on foreign railroad equipment are being phased out because of the United States-Canada Free Trade Agreement. But one type of hybrid tariff, called a merchandise processing fee, is still required. It is a small fee, amounting to 0.17 percent of the value of the equipment. But, when you are talking about the value of a railroad locomotive or shipping cars, that small percentage becomes a lot of dollars. In reality, the fee makes it financially unfeasible for the Canadian railroads to lease their equipment to United States railroads at time of high demand when United States railroads need extra equipment.

Canadian railroad companies can and do bring Canadian goods into this country without paying tariffs or the merchandise processing fee. However, the tariffs and fee are applied if such equipment is used for service between points within the United States.

Also, Canada has no tariffs restraining the use of United States rail equipment in Canada. So, we can send rail equipment to assist Canadian railroad companies when they need it, but the Canadian railroads cannot reciprocate.

My bill simply terminates the merchandise processing fee for foreign railcars and locomotives when the regular tariff on such equipment is phased out. Since virtually no cars or locomotives are brought into the United States under current tariffs, tariff income on these items is near zero, and the budget impact of this change is not of any consequence.

Removal of this processing fee is something that the U.S. railroad companies and the country shippers who use the railroads have agreed is desirable, and so I am asking Congress to approve this change in our tariff schedule.

SHOWA DENKO, EOSINOPHILIA MYALGIA SYNDROME, AND THE L-TRYPTOPHAN CRISIS

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Monday, March 30, 1992

Mrs. MINK. Mr. Speaker, I would like to include in today's RECORD an article prepared by Stephen Capen of Stamford, CT. Mr. Capen is the nephew of a victim of eosinophilia myalgia syndrome [EMS] who has died from the ingestion of a contaminated batch of L-tryptophan and the ensuing disorder it caused.

Last July, the Government Operations Committee's Subcommittee on Human Resources held hearings on this crisis, which has caused dozens of deaths and thousands of injuries. Since then the subcommittee has proceeded with its investigation.

Mr. Speaker, we cannot ignore this tragedy. EMS continues to afflict its many victims today. Their health problems include severe muscle and nerve pain, paralysis, pulmonary and respiratory problems, severe skin diseases, and brain dysfunction. They are courageous individuals who persevere in their commitment to see that no one else endures the suffering that they must live with. However, they face extreme medical expenses, and Showa Denko, the company that distributed the contaminated L-tryptophan, has been unresponsive to their situation.

Mr. Capen outlines this crisis in detail, and his words deserve our close attention.

NO SHOWA

(By Stephen Capen)

Hard to believe, how little the government of the United States will do to truly protect its own. In its haste to assure the nation's security through weapons buildups, a worldwide network of spooks, and showcase wars—be it Drug, Star, or Gulf—it must find business practices that tend to endanger human life somewhat ordinary. A prime example involves Showa Denko K.K. of Japan, manufacturer of industrial gases, sulfuric acid, chlorine, polypropylene for automobile bumpers, fish feed additive, laughing gas, exotic specialties such as ultrahigh-sphericity balls, sputtering targets, epitaxial wafers and titanium sponges, not-so-exotic beer cans, and—an amino acid? Specifically, L-Tryptophan, a powerhouse version created through genetically engineered mutant bacteria—to help you sleep better, naturally.

For more than thirty years, brain researchers have studied the effects of L-tryptophan (L-T), an amino acid which occurs naturally in many foods including bread and milk. Increased levels of L-T in the brain can raise the level of serotonin, a neurotransmitter affecting appetite, pain sensitivity and sleep. Manufacturers of health foods seized this discovery, cooking research to promote the substance as a natural elixir. But, when separated from the other amino acids and taken, say, as a protein supplement, it can actually interfere with the body's metabolism and worse, linked in recent years with childhood epilepsy, Down's syndrome, rheumatoid arthritis, and cancer in the liver, bladder and breast.

It's estimated that the number of Americans using L-tryptophan reached well into the millions—and why not? A composite of advertisers' claims would promise, in typically folksy, down-home terms, a natural, non-habit forming remedy, the "most researched of them all", some retailers maintaining it was "derived from milk." It would assure you freedom from stress, depression and PMS tension, lead to increased mental acuity and improved "thinkability", enable you to quit smoking and lose weight too, eliminate senility problems such as forgetfulness, disorientation, hallucinations and argumentativeness—and then you'd sleep "like a baby." Something for everybody—all from a "diet supplement." But these uses were nowhere to be found anywhere in the packaging. Relegated to some regulatory netherworld, labels were without warnings of possible health risks, contraindications or side-effects, and package inserts were conspicuously absent, legally unrequired, for this was a drug being passed off as a foodstuff.

That netherworld was born in 1972, when the Food and Drug Administration moved to ban the so-called nutritional supplement as evidence of its medical dangers mounted. The following year, the agency published a regulation making over-the-counter sales of all amino acids as dietary supplements unlawful, but enforcement was lax and the stuff continued to be sold at health food stores, increasingly scooped by a burgeoning health-conscious, vitamin friendly, self-medicating public. The 1976 Proxmire Amendment to the Food, Drug and Costmetic Act, intended to keep a growth industry free from constraints, further stifled regulation by preventing limits on the potency of vitamins and minerals. The agency, in another lethal miscalculation, apparently took this to mean amino acids as well, certain the law was passed in direct response to an FDA rulemaking effort.

During the late 70's, as L-tryptophan continued to be promoted in oral-dosage forms to treat various maladies, the FDA made some attempts to seize the substance and halt its sale through the courts. But it really didn't try so hard, only a pair of lawsuits lost at the hands of companies like Schiff, who argued that it had been published as GRAS, Generally Recognized As Safe, in the Federal Register of 1977. The FDA chalked this up to a "clerical error" but more than seven months passed before it was recodified and removed from the GRAS list permanently. The "error" provided the technicality that blew the case, serving to back off the agency yet again. Its only other major action was abandoned—after five years of litigation—before it ever went to trial, dismissed with prejudice against the government by a "hostile" judge. At that point, the FDA appears to have packed up its briefcase, medical warnings and all, and slinked out of the picture as the tide of deregulation rolled over the government, taking funding and any muscle it might have had with it. It was 1982, the year industrial giant Showa Denko entered the food supplement business.

In the 1980's health food retailers stacked L-T on the shelves right along with the rosehips and chamomile. M.D.'s and psychiatrists recommended it, detox programs used it, mail-order sales tapped a new market, and business was booming. Of the six major producers, Showa Denko dominated the world market, even if merely a sideshow (a $7 million-a-year sideshow) compared with its other enterprises, whether a plastic single-portion food container or 730,000 tons annually of ethylene. The raw L-tryptophan powder was exported to its wholly-owned U.S. subsidiary, Show Denko America, Inc., a boiler-room operation of order-takers in New York who distributed it to tablet makers and encapsulators who, in turn, marketed it to health food stores, supermarkets and pharmacies. Encouraged by expanding sales, Showa experimented in 1987 with a new bacterial strain that promised to substantially increase the product's yield—in concentrations thousands of times greater than have ever occurred naturally.

The following February, a letter to then-Commissioner of the FDA Frank Young should have dispelled any lingering doubt over the substance's true use and the dangers present in it. The letter, coauthored by neuroscience experts from Harvard Medical School, MIT, Yale Medical School and Boston University School of Medicine, again described the carcinogenic effects found in animal studies and links with chorea and Huntington's Disease. It warned of a potential powderkeg "in the hands of an unsuspecting lay-public", backing these claims with no less than a hundred studies dating back to 1960. The "so-called benign 'natural' treatments," the researchers wrote, "are shown to be, in fact, not benign and far from 'natural'." The appeal, possibly the largest assemblage of material on the perils of toying with basic biological processes through amino acid supplementation (including King George III's tryptophan-triggered neurological disease being responsible for the unreasonable demands he placed on the American colonies at the eve of Revolution) should have been the clincher, but the letter, inexplicably, want unanswered.

By late 1988, Showa's newly enhanced free amino acid ("a special strength of ours") began coursing its way through the microbial fermentation process at its plant in Oita, Japan, packing a wallop thanks to Strain V, Bacillus amyloliquefaciens, the mutant bug that made it possible. At the same time the company reduced its activated carbon purification, in stages, by about half, a move difficult to fathom on the face of it, considering the potential dangers of genetic alteration itself, together with the radically increased potency of the biofermentation broth. Safe to say, the health food industry had intimidated American regulators; nevertheless, these were bold moves around a product already on shaky ground.

The first cluster of calls to Mayo Clinic in Rochester, Minnesota came from points in New Mexico, in late October, 1989. Within three weeks, the Centers for Disease Control (CDC) in Atlanta tallied close to 300 cases—and the first death—of a systemic inflammatory disease the federal agency called Eosinophilia-Myalgia Syndrome (EMS). It was Sante Fe rheumatologist Dr. James W. Mayer who first found the thread, and as case numbers swelled, there was little room for doubt: 99 percent of the victims had been taking L-tryptophan. A warning was issued by the FDA (on a Saturday morning) followed by a request several days later for a voluntary recall of all L-T supplements of 100 milligrams or more. As the epidemic peaked that November, an epidemiological study led by Dr. Michael Osterholm of the Minnesota State Health Department found the clinical features of the disease similar to an epidemic of Toxic Oil Syndrome in Spain during 1981, an epidemic caused by an industrial (denatured rapeseed) oil sold as cooking oil that hit nearly 20,000 people, claiming more than 300 lives. The Minnesota study also determined that every victim in this widening epidemic had been taking L-tryptophan originating from one source: Showa Denko K.K.

By the following spring, with over 1,500 cases documented by the CDC—at least 27 of them fatal—the FDA finally issued a full recall of all products containing the amino acid. At around the same time the manufacturer was opening its doors and records to American researchers and regulators, arriving in Tokyo with evidence of a highly suspect contaminant in hand uncovered at Mayo Clinic. In August, the results of a second, larger study by epidemiologist Osterholm confirmed earlier findings: 30 other impurities in the Showa L-tryptophan, one of them in substantial measure. In a Newsday interview, Osterholm also made public suspicions the contaminant was caused by bioengineering, for which he was promptly blasted by the chief of the FDA's natural foods branch, criticized for "loose talk" and accused of "propagating hysteria." The agency was well aware of the possibility of a recombinant link all along but seems directed by a deep and abiding concern for yet another—and considerably more potent—growth industry. In October, the putative contaminant was verified in the Life Science Research Laboratory of the giant multinational. Later that same month, the essential cause-and-effect relationship of Showa L-tryptophan to the disease, based on animal studies, was established by agencies of the Public Health Service, led by senior author Dr. Esther Sternberg of the National Institute of Mental Health.

From the first product liability suit against the purveyors of L-T, and even months after epidemiological studies in Minnesota, New Mexico, Oregon and South Carolina indicated otherwise, Showa's response was a blanket "is, was, and has been safe," the company attempting to lay blame at the feet of U.S. encapsulators by suggesting the product had been altered and sold as something else. Showa also conjectured the cause might be found in pre-existing medical conditions within the victims themselves, a "host factor"—in essence, that individuals, many now mortally ill, were somehow to blame. The fact is, as indications of its culpability have grown the company has consistently demanded more proof: when epidemiological evidence was found, an animal model was needed; when animal studies established biological causation, it was dismissed as "only a statistical profile."

In July 1991, the House Subcommittee on Human Resources and Intergovernmental Relations, chaired by Rep. Ted Weiss (D-NY) convened to investigate the background of events surrounding the L-tryptophan tragedy and to consider future regulation—all of which was crammed into a day's hearing. Though no spokesman for the manufacturer was present (nor were they able to furnish a representative to address a gathering the previous day of EMS support group members as requested, stating the proper official would not be in-country), a statement was filed with the subcommittee. In it, Showa contends that the FDA "did not even purport to determine that L—tryptophan * * * could not be legally sold", in either is 1973 or 1977 actions, the latter invoking the GRAS/Not GRAS smokescreen, characterizing the recodification as "scant notice" and "a buried action." That the agency responded to the 1989 epidemic with only a phased recall, Showa's reasoning goes, was "consistent with its belief that sale of the product was lawful." "Lawful", here, is an enormous wink at the law; ethical, not a chance, not where profit is king. How could the company have known the substance was prohibited when it was generally in use, the statement posits, when the FDA had cleared "each and every shipment", shipments of 50-kilogram fiber drums, accompanies by a slip of paper certifying the purity of the substance contained within, the sole means of determining precisely what—and how pure—it was. After all, the statement continues, it was GRAS in Japan. Then the statement negates the classification's merit completely:

"It is Showa's understanding that * * * FDA approval was not required * * * because, prior to the outbreak of EMS, L-tryptophan was generally recognized as safe. Although the FDA removed L-tryptophan and other amino acids from the GRAS list in 1977, the GRASS list itself recognizes that a substance does not have to be on the GRAS list to be generally recognized as safe."

A pearl of legal circumlocution to make the mind of any bureaucrat whirr: that's generally recognized as safe, but not Generally Recognized As Safe, which, if it is, it may not be, and yet it is—where we come from. No question the agency earned the deserved role of goat in this disaster, but if Showa had scrutinized the regulatory history of amino acids so closely, it must have logged the proposed ruling published in the 1973 Federal Register, preceded by the original FDA warning based on animal studies published in 1972:

"* * * studies have shown that the adverse effects of (amino acid) imbalances are sub-optimal food intake, growth retardation, and degeneration of certain organs which can lead to * * * early death."

As surely as Showa's corporate planners meticulously tracked the exploding interest in their product, coupled with the declining clout of regulation, its scientists could not have overlooked the fact that anthranilic acid—a nutrient used to grow the bacteria in its biofermentation process—is the chemical suspected of causing the Toxic Oil Syndrome in Spain. Even more unlikely is the idea that company researchers were oblivious to a tryptophan metabolite, quinolinic acid, a known neurotoxin believed to be the cause of AIDS dementia. Dr. Sternberg's testimony before the House subcommittee included a case referred to her in the early months of 1989:

"One of the tryptophan breakdown products that was increased * * * was quinolinic acid, a naturally occurring body chemical known to cause brain and nerve damage."

At present, however, the contaminant's the thing, and test on the isolated compound will doubtless provide even more conclusive evidence of Showa's culpability.

It's just as likely the company will cling to its frontline legal strategy employed by foreign concerns in the past: lack of personal jurisdiction. The $4.2 billion multinational asserts little or no business was conducted in most states, conceding jurisdiction only in California, New Jersey and New York, where the existence of shipping points, warehouse locations and offices of its shell corporation, Showa Denko America, would be fruitless to deny. The number of federal cases has topped the 500 mark and are now consolidated in multi-district litigation before Federal District Judge Matthew Perry in Columbia, South Carolina, a state where a sufficient amount of business was transacted, in a court where the caseload isn't so backed up that a ruling appears imminent (though discovery—compulsory disclosure—will continue for at least another year). Showa's motions to dismiss, filed from the very beginning, are another reason most of the victims are convinced the company is stalling dragging its feet as the afflicted suffer and die, making it easier to reach a settlement without regard for future medical expenses. It's a known fact that wrongful death cases are settled more cheaply.

Even as Showa's high-powered legal counsel, the Washington, D.C. and Wall Street firm of Cleary, Gottlieb, Steen & Hamilton, argues against jurisdiction and liability, it claims anywhere between forty and a hundred settlements reached out of court. The international law firm, with a key office in Tokyo, won't acknowledge much more than that, the deals shrouded by a confidentiality agreement, a lengthy promise by plaintiffs not to reveal the terms of the pact. Another 700-800 cases are pending in state courts; one of those, in San Jose, California, scheduled to begin recently in what would have been the first jury trial, was settled days before, avoiding what in all likelihood would have meant a verdict against Showa Denko of damning proportions. In the end, it's a safe bet the personal jurisdiction issue will go all the way to the Supreme Court which, if the landmark Worldwide Volkswagen (1980) and subsequent ASAHI (1987) decisions have any bearing—and the regressive conservatism of the court doesn't doom its jurisprudence in the heart of the global free marketplace—the high court will hold that U.S. courts can assert personal jurisdiction over alien corporations which place defective products in the stream of commerce, forcing Showa Denko to compensate its victims—or their survivors—justly.

The ravages of this disease are hideous: what begins as fever, fatigue, cramps and skin rash can work its way into a chronic phase that reads like a catalogue of human torture. Its clinical features—high levels of a white blood cell (eosinophilia) normally generated to fight parasitic infection, muscle aches (myalgia) and inflammation of connective tissue (fasciitis) fan out into an array of debilitating ailments. Excruciatingly painful muscle cramps sometimes strike throughout the body simultaneously, leaving the victim howling or writhing in pain. Pulmonary hypertension makes breathing difficult from the outset, and sleep apnea can stop breathing hundreds of times in a single night. Sensations of burning or electric shocks make even the weight of a bedsheet too much on the skin; scleroderma tightens it, gives it a wooden feel and creates something akin to one massive scar. Eye spasms, double vision, blackouts and memory loss batter the senses as the torture spreads: a jaw locked in painful spasm, mouth ulcerations exposing bone, leading to tooth loss, stocking/glove syndrome cancelling all feeling in the feet and hands. To the inflammation that injures vital organs, add the insults of facial deformity, loss of hair, and high retention—forty pounds is not uncommon—of abdominal fluid, and the worst is still to come.

One victim endured nosebleeds, hemorrhaging until "the kitchen looked like a slaughterhouse floor." Some lie in bed quadriparetic, all use of arms and legs gone, atrophy leaving only indentations where muscle used to be, contractures transmorgrifying the hands into something resembling the talons of a large bird. To regain use of these limbs is out of the question, since every joint would have to be broken, artificial substitutes implanted. The inflammation may ultimately attack the heart and lungs, and eat away the myelin sheath to cause lesions in the central nervous system, making the destruction complete. Its insidiousness, especially the way in which it struck—like a kind of sneak attack leading to total devastation—has earned Showa's L-T the epithet, "Pearl Harbor Pill."

And there's more. If it isn't a drop of seventy pounds from appetite loss, malnutrition and muscle wasting, it may be a gain of as much via the side-effects of medication, such as it is: corticosteroids—Western medicine's current panacea—or immunosuppressants. Steroids are known to cause cataracts, diabetes, and may engender severe mood swings, even psychosis. Painkillers are an essential stock-in-trade accompanied by a host of anti-anxiety drugs. Whatever attempts are made along the lines of diagnosis and treatment are done with some trepidation to a body in such a fragile state (although one Viet vet underwent a dozen organ transplants). Painful nerve blocks and biopsies are performed as is plasmaphareses, the removal of excess eosinophils followed by transfusions, an ordeal that can take many hours accompanied by a chemotherapy-like nausea.

There is one final layer of misery, more worries over unknowns: quality medical care and the means to pay for it. Health care staffs have undergone sharp cutbacks in the current economic squeeze, reducing the level of care and making room for more of the horror stories that haunt the life of the invalid. A good number of the victims were met with skepticism in the early stages of the epidemic, their complaints dismissed; and it was not unheard of to be relegated to a hospital's psychiatric ward for the wrong reasons. Agents of health insurance carriers are also constantly underfoot, maneuvering to downscale costs. If a cure or even improvement is unlikely, they argue, then a rest home will do over a hospital or rehabilitation center. These disputes can translate to additional legal costs and gaps in coverage which, when $1,000 a day is not uncommon, mount up rapidly. Private care, a chance for the victims—the vast majority of whom are women—to live at home with family and loved ones is out of reach, running in the neighborhood of $70,000 a year for unskilled help. The victims of this freak epidemic could never afford what was in store for them, many forced to abandon their livelihoods, incomes cut off, life savings drained or attached for coverage.

There is a way for those stricken with the disease to live out their lives with some measure of muted dignity, but it would require the manufacturers of their misery to cease denying responsibility. To date, gestures by Showa Denko to ease their plight—co-funding an EMS hotline, granting awards for research into the nature of the disease and possible cures, and providing "humanitarian aid" for a few victims with no financial resources—fall far short of any serious attempts at accountability. Since 1989 some $2 million has been forwarded to fifteen research groups. Another $480,000 in emergency medical expenses has been disbursed to a total of sixteen victims, but with indications there were strings attached (pressure to settle, promises not to sue). The EMS support group members initially involved with organizing the hotline exited when the company became involved—suspecting its purpose might be co-opted or somehow compromised—launching their own National EMS Support Group Network to register victims and inform them of developments in Congress, the FDA, and in legal matters with Showa Denko, its examining physicians and their conduct, which hasn't been altogether Hippocratic. All told, these investments in good-will pale in comparison with a reported $1 million a month in defense fees—perhaps as much as $100 million since 1989—the company has shelled out to get them out of this jam.

However, the gestures are useful, as are offers to settle out of court, in creating the impression that a genuine effort is being made to act responsibly in the victims' behalf—to put the best face on things. In that spirit Showa has retained the services of Hill & Knowlton, the world's largest public relations firm—and, lately, one of the most notorious. H&K's client list reads like a Who's Who of flackdom, including Exxon, the Tobacco Institute, Waste Management, the government of Turkey, the U.S. Immigration and Naturalization Service, along with a number of biotechnology concerns, pharmaceutical companies and military contractors, among hundreds of others worldwide. More recently, the agency added Citizens for a Free Kuwait (after the Iraqi invasion) and the U.S. Catholic Committee, a $5 million account with the mission of guiding the church's antiabortionist bishops, led by New York's John Cardinal O'Connor, in advancing the church's pro-life position. H&K's recently-departed CEO, Robert Dilenschneider, may have enunciated a philosophy for image-makers everywhere when he wrote that, with the right PR, "what we know as the Three Mile Island disaster would not have been etched into the American memory."

There's a thought, particularly if you've experienced some seriously bad press yourself. Showa's decision to retain the professionals to manage public opinion may have been partially based on some serious miscalculations in a previous scandal back in 1967, when residents of Niigata City, Japan charged the manufacturer with dumping mercury into a river there. 77 residents who had eaten fish taken from it contracted another painful, chronic disease. Showa's president responded—on national television, no less—that the conclusions of the Ministry of Health and Welfare would be disregarded no matter what they were, flatly refusing to change manufacturing procedures. Company officials then dismantled the plant completely, destroying wastewater samples and company records, a strategy—or boldfaced arrogance—which, in the end, cost them the case.

If all parties implicated in the L—tryptophan disaster were to be believed, the incident was nothing more than an unfortunate series of accidents which could never have been prevented. It would mean that Japan's third-largest chemical producer, employing some of the finest scientists in the world, was oblivious to the potentially lethal hazards of its product; that it had no indication the FDA had banned it, conducted seizures, and filed suits to halt its sale; that gradually higher reductions in the purification of its sledgehammer version—to save time—carried no great risk, either because of the toxic effects of L-tryptophan itself or of something going awry in the biochemical process. It would mean that the FDA—an agency with a longstanding reputation of enabling commerce to exact a toll, a percentage of the living, buying public killed or maimed in the form of acceptable human sacrifice—could not have taken warnings of L-tryptophan's dangers seriously enough to enforce the prohibition and regulate it more stringently, solely as a drug, as Canada and Europe have; that it was unaware it had "inadvertently" reapproved the substance even as it hauled violators into court, and was informed of the blunder only when a defendant introduced the fact into evidence. And it would mean that dozens of U.S. encapsulators and distributors were unable to recognize the difference between natural and synthetic substances, nor did health food stores nor mail-order houses; that it was proper to omit information, i.e., what the product was for, while advertising a litany of medical benefits elsewhere; and that wrapping it in a Made-In-The-USA label, legal as it may be, was above board. Finally, it would mean that none of the above ever saw the imperative to properly test the substance for toxicity, a genetically engineered substance churned out somehwere half a world away by a company that had once poisoned its own people and then denied it wholesale. The initial tests which pinpointed the contaminants, conducted at Mayo Clinic, were achieved through state-of-the-art high performance liquid chromatography, equipment manufactured at a Showa plant—not in Thailand or Singapore, but at the same facility in Oita where L-tryptophan was produced in 1989.

At the congressional hearing in July, and a subsequent public meeting held by the FDA's Dietary Task Force at the end of August, direct testimony was given by several victims whose lives have been hopelessly ruined by a substance they were told was safe, pure and natural, none of which, it turns out, was true. They spoke for those thousands injured—including hundreds permanently crippled worldwide—who are, at this moment, living out their lives in pain and despair, and whose numbers may be considerably higher than reported, owing to CDC reporting criteria. The National EMS Network puts that number as high as 10,000, with possibly five times the official toll of 38 dead. And some medical experts insist that EMS itself is a misnomer, that it would be more accurately called Showa Denko Systemic Disease.

When the time came to speak its piece at the House hearing, a spokesman for the recently revamped FDA made a statement remarkable for its face-saving revisionism. "We think the FDA," said the agency's Deputy Director at the Center for Food Safety, "acted promptly, effectively and responsibly in reacting to the L-tryptophan-EMS incident." Maybe so, but only if nearly twenty years after you've uncovered a potential poison and told everyone not to buy or sell it, you finally act to enforce the law—and then only after human life has been sacrificed. A variety of other amino acids still remain on the shelves, accidents called L-tyrosine and L-phenylalinine waiting to happen, more snake oils seeping through the regulatory cracks. And there is industry pressure to put L-tryptophan back on the market.

Meanwhile, the principals of this disaster are at work testing the putative contaminant of Showa's tryptophan-like substance, seeking proof positive that it triggered an autoimmune disease virtually unknown to medical science. But little more proof is needed that a highly motivated coalition of foreign businessmen, representing a corporation that never paid dollar one in U.S. taxes, in concert with a nest of U.S. middlemen who accepted that company's word on a product's purity and effectiveness with virtually no testing of their own, traded on the lives of others for their own gain.

This particular road to ruin took nearly two decades to pave, all good intentions the province of gainsayers and hired liars paid to express condolences or the hope for a brighter future. It's a tale any American had better consider. Since the moment Ronald Reagan first proposed to get the government off our backs (i.e., cut funding and services) it signalled open season for big business. And one thing about doing business in America is, you don't have to quit a manufacturing process that destroys the earth's atmosphere, or quit production of a drug that causes birth defects, until there's a hole in the ozone killing people by the droves or scores of babies are born with wings for arms. The L-tryptophan disaster, the first genetic engineering mass disaster, is the latest variation on a well-known theme.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Tuesday, March 31, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 1

9:30 a.m.

Select on Indian Affairs

To hold hearings on S. 2481, to authorize funds for programs of the Indian Health Care Improvement Act.

SR-485

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Commerce.

S-146, Capitol

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Office of National Drug Control Policy.

SD-192

Banking, Housing, and Urban Affairs

To hold hearings to examine the condition of the banking industry and the Bank Insurance Fund as contained in the President's fiscal year 1993 budget.

SD-538

Foreign Relations

To hold hearings on the nominations of Thomas R. Pickering, of New Jersey, to be Ambassador to India, and Edward Joseph Perkins, of Oregon, to be the U.S. Representative to the United Nations with rank and status of Ambassador, and the U.S. Representative in the Security Council of the United Nations.

SD-419

2:00 p.m.

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for energy and water development programs.

SD-192

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To hold hearings on S. 1174, to establish the Cache La Poudre River National Water Heritage Area in Colorado, S. 1537, to designate the American Discovery Trail for study to determine the feasibility and desirability of its designation as a national trail, and S. 1704, to improve the administration and management of public lands, National Forests, units of the National Park System, and related areas by improving the availability of adequate, appropriate, affordable, and cost effective housing for employees needed to effectively manage the public lands.

SD-366

Foreign Relations

Business Meeting, to consider the nominations of Thomas R. Pickering, of New Jersey, to be Ambassador to India, Edward Joseph Perkins, of Oregon, to be the U.S. Representative to the United Nations with the rank and status of Ambassador, and the U.S. Representative in the U.N. Security Council, and a Foreign Service Officers' Promotion List.

S-116, Capitol

Judiciary

To hold hearings on the nominations of Edward E. Carnes, of Alabama, to be United States Circuit Judge for the Eleventh Circuit, Joseph E. Irenas, to be United States District Judge for the District of New Jersey, Henry C. Morgan, to be United States District Judge for the Eastern District of Virginia, and Wayne A. Budd, of Massachusetts, to be Associate Attorney General.

SD-226

Select on Intelligence

To hold joint hearings with the House Permanent Select Committee on Intelligence on S. 2198 and H.R. 4165, bills to reorganize the United States intelligence community to provide for the improved management and execution of United States intelligence activities.

SH-216

APRIL 2

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Deposit Insurance Corporation, and the Resolution Trust Corporation.

SD-116

Commerce, Science, and Transportation

Consumer Subcommittee

To hold hearings on S. 664, to require that health warnings be included in alcoholic beverage advertisements.

SR-253

Governmental Affairs

To hold hearings to examine Internal Revenue Service tax systems modernization.

SD-342

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Defense, focusing on manpower, personnel, and health programs.

SD-192

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Transportation Safety Board.

SD-138

Banking, Housing, and Urban Affairs

To hold hearings on the availability of credit and real estate values.

SD-538

Joint Economic

To hold hearings to examine U.S.-Latin American relations in the 1990s, focusing on hemispheric trade integration.

2247 Rayburn Building

2:00 p.m.

Armed Services

Strategic Forces and Nuclear Deterrence Subcommittee

To hold closed hearings on proposed legislation authorizing funds for fiscal year 1993 for the Department of Defense, focusing on space launch programs and policies.

SR-222

2:30 p.m.

Foreign Relations

East Asian and Pacific Affairs Subcommittee

To hold hearings on Hong Kong's reversion to China and implications for U.S. policy.

SD-419

APRIL 3

9:15 a.m.

Joint Economic

To hold hearings to examine the employment/unemployment situation for March.

SD-628

9:30 a.m.

Armed Services

Conventional Forces and Alliance Defense Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 1993 for the Department of Defense, focusing on acquisition plans and policies and the impact on the industrial base.

SR-222

Foreign Relations

Terrorism, Narcotics and International Operations Subcommittee

To resume hearings to examine allegations of certain criminal activity by the Bank of Credit and Commerce International (BCCI), focusing on its cooperation under the plea agreements.

SD-419

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Stabilization and Conservation Service, the Foreign Agricultural Service, the General Sales Manager, and the Soil Conservation Service.

SD-138

Judiciary

Immigration and Refugee Affairs Subcommittee

To hold hearings on the implementation of immigration sanctions against employers.

SD-226

APRIL 6

10:00 a.m.

Finance

International Trade Subcommittee

To hold hearings on proposed legislation authorizing funds for the Office of the U.S. Trade Representative, and the International Trade Commission.

SD-215

Judiciary

Patents, Copyrights and Trademarks Subcommittee

To hold hearings on cable compulsory licenses.

SD-226

APRIL 7

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Commodity Futures Trading Commission, the Food and Drug Administration, the Farm Credit Administration, and the Farm Credit System Assistance Board.

SD-138

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Bureau of Investigation, and the

Drug Enforcement Administration, Department of Justice.

S–146, Capitol

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Forest Service, Department of Agriculture.

S–128, Capitol

2:30 p.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for foreign assistance programs, focusing on Agency for International Development management issues and reform efforts.

SD–138

Select on Indian Affairs

To hold hearings on S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.

SR–485

APRIL 8

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD–366

Environment and Public Works

Superfund, Ocean and Water Protection Subcommittee

To hold oversight hearings on the implementation of the Superfund program.

SD–406

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, Non-Commissioned Officers Association, National Association for Uniformed Services, and Society of Military Widows.

SD–106

10:00 a.m.

Agriculture, Nutrition, and Forestry

To hold oversight hearings on the Department of Agriculture's field structure.

SR–332

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Office of Management and Budget, and the Executive Residence.

SD–116

Commerce, Science, and Transportation

To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for fiscal year 1993 for the U.S. Coast Guard.

SR–253

Finance

To hold hearings on proposed legislation authorizing funds for the U.S. Customs Service.

SD–215

2:00 p.m.

Appropriations

Labor, Health and Human Services, Education Subcommittee

To hold hearings on childhood vaccine research and development issues.

SD–192

Armed Services

Defense Industry and Technology Subcommittee

To hold hearings on national and defense technology policies and initiatives.

SR–222

Foreign Relations

European Affairs Subcommittee

To resume hearings to examine U.S. assistance to the new independent states of the former Soviet Union.

SD–419

APRIL 9

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Defense, focusing on strategic programs.

SD–192

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Oceanic and Atmospheric Administration, and the Small Business Administration.

S–146, Capitol

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for Amtrak, and the Federal Railroad Administration, Department of Transportation.

SD–138

Veterans' Affairs

To hold oversight hearings on proposed legislation on homeless veterans.

SR–418

APRIL 10

9:30 a.m.

Finance

Health for Families and the Uninsured Subcommittee

To hold hearings on S. 2077, to provide for optional State coverage of coordinated care, and to improve Federal requirements with respect to the provision of coordinated care by health maintenance organizations in order to allow States to reduce costs and improve quality care in contracting for managed care services under the Medicaid program.

SD–215

APRIL 19

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Defense.

SD–192

APRIL 28

9:00 a.m.

Office of Technology Assessment Board meeting, to consider pending business.

Room to be announced

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Smithsonian Institution.

SD–116

Veterans' Affairs

To hold hearings on proposed legislation relating to the education and employment of veterans.

SR–418

APRIL 29

9:00 a.m.

Environment and Public Works

Business meeting, to mark up S. 976, authorizing funds through fiscal year 1996 for programs of the Solid Waste Disposal Act.

SD–406

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Information Agency, and the Board for International Broadcasting.

S–146, Capitol

APRIL 30

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development.

SD–G50

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Transit Agency, and the Washington Metropolitan Area Transit Authority.

SD–138

MAY 5

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Park Service, Department of the Interior.

S–128, Capitol

MAY 6

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on S. 2297, to enable the United States to maintain its leadership in land remote sensing by providing data continuity for the Landsat program, by establishing a new national land remote sensing policy.

SR–253

Energy and Natural Resources

To hold hearings on the science concerning global climate change.

SD–366

Rules and Administration

To hold hearings on S.J. Res. 221, providing for the appointment of Hanna Holborn Gray, of Illinois, as a citizen regent of the Smithsonian Institution, and on other regent appointments.

SR–301

Select on Indian Affairs

To resume oversight hearings on the implementation of the Indian Gaming Regulatory Act (IGRA).

SR–485

10:00 a.m.

Rules and Administration

To hold oversight hearings on the Smithsonian Institution.

SR-301

MAY 7

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Veterans Affairs, and the Court of Veterans Affairs.

SD-124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Coast Guard, Department of Transportation.

SD-138

MAY 12

9:30 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Energy.

SD-116

MAY 13

9:30 a.m.

Rules and Administration

Business meeting, to consider pending calendar and administrative business.

SR-301

MAY 14

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Emergency Mangement Agency.

SD-124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Aviation Administration, Department of Transportation.

SD-138

MAY 19

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Bureau of Indian Affairs, Department of the Interior.

SD-116

MAY 20

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Fish and Wildlife Service, Department of the Interior.

S-128, Capitol

MAY 21

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Community Service, and the Points of Light Foundation.

SD-116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the General Accounting Office.

SD-138

MAY 22

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development and certain related agencies.

SD-138

JUNE 9

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for the Department of the Interior.

S-128, Capitol

2:30 p.m.

Appropriations

Interior Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1993 for the Department of the Interior.

S-128, Capitol

HOUSE OF REPRESENTATIVES—*Tuesday, March 31, 1992*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We are grateful, O God, that You accept us as we are and not as we think we are, and that Your presence brings abundant grace. We are eternally thankful that we are welcomed and healed by Your spirit and that we can place before You our needs and honestly speak of our concerns. For these and all Your gifts, gracious God, we express our thanks and praise. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Texas [Mr. DELAY] come forward and lead the House in the Pledge of Allegiance.

Mr. DELAY led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

THE OPULENCE OF THE EXECUTIVE BRANCH

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, those who cast stones should not live in a glass White House.

If the President and members of his party are intent on curbing the perks and privileges in government, they should wield their axe across the branches, and take a hard look at their own abuse and excess.

A glance into the opulence of executive branch staff and public servants shows:

Under secretaries being ferried around our streets by limousines.

The White House shorting taxpayers millions of dollars in reimbursements for their political and fundraising travel.

Private dining rooms for Cabinet Secretaries.

A White House with full-time florists and four calligraphers.

The list goes on.

Incredibly, the White House has the audacity to refuse to testify this morning at a congressional hearing meant to shed light on some of these matters.

What could the President, possibly be hiding from the American people?

We are putting our House in order. It is time to do the same for the White House.

DIVERTING ATTENTION FROM HOUSE SCANDALS

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, I watched you on national television this weekend firing the first salvos at the White House, and today we heard the first salvo coming from this House floor toward the White House.

We all want full disclosure about expenditures in every area of government, make no mistake about that; but the fact of the matter is that you are doing this and your party is doing this to cover up the scandals in this House, the post office scandal, the drugs being sold down there, the money that was stolen, the bank's checks bouncing all over the place. You want to cover that up by diverting attention away from the scandals in this body down to 1600 Pennsylvania Avenue, and it will not work. The American people will not be fooled.

Sure, we do not want people driving around in limousines. We do not want money being wasted by the executive branch or any other branch, but the scandals in this place will not be covered up by diverting attention to 1600 Pennsylvania Avenue.

WHITE HOUSE PERKS

(Mr. SMITH of Florida asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. SMITH of Florida. Mr. Speaker, I am so happy that the gentleman in the well just a moment ago said what he said. He is right. It will not be diverted. Of course, they do have their golf courses that they built on the White House lawn, their swimming pools, and their chauffeur-driven limousines; but the reason they are trying to attack us, the reason they are trying to make this all focused here is because they do not really want you to look at what they are doing down at the White House, and it is not only the perks and the golf courses. Just this week the President of the United States and the State Department of this country authorized $360 million to be repaid for a loan that Iraq defaulted on, that this country through the decision of the State Department gave them just a few days before we went to war with them. We guaranteed a loan to Iraq. We have just had to make good on it because Iraq defaulted, $360 million of American taxpayers' money paid to a Persian Gulf bank that is owned partially by Iraq.

Now, you digest that. Forget these perks. Sure, they want to focus here. They do not want you to know what they are doing in the White House.

Well, you ought to start to find out, Mr. and Mrs. America.

RELEASE H.R. 917, THE SOCIAL SECURITY NOTCH BILL

(Mr. SAXTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SAXTON. Mr. Speaker, if I may talk about a different subject for a minute, what are the criteria for bills to be considered before the House?

First, a bill must have broad congressional support.

It should correct an injustice or implement some kind of change to our laws for the benefit of our country, and a bill must have public backing.

Legislation to correct the Social Security notch, Mr. Speaker, meets these criteria.

Mr. Speaker, 283 of our colleagues support rectifying the notch. They have said so by cosponsoring H.R. 917. However, the bill is buried in the Ways and Means Committee. With such overwhelming support, you would think democracy would prevail.

Today, Mr. Speaker, I am calling upon the committee leadership to release the notch bill so that we can vote on it on the floor.

Almost 280,000 Americans have signed petitions just like this one to insist that the Social Security notch be corrected. I hope we can get on with the business of the House, Mr. Speaker, and deal with substantive issues like this.

BRING DOWN THE BUDGET WALLS

(Mr. WISE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

□ This symbol represents the time of day during the House proceedings, e.g., □ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Mr. WISE. Mr. Speaker, today the House votes upon what I consider a crossroads bill on whether or not to bring the budget walls down to permit certain savings from the defense budget to be used for domestic purposes, for building America.

Let America know, Mr. Speaker, what this bill is about. It is not something that is merely obtuse or confusing or just procedural. It is about $5 billion from defense savings to go into the domestic budget. It is about $2 billion more for roads, roads that move us, that build our infrastructure and our industry. It is about more money for the National Institutes of Health so that we can become even more competitive in doing that important pharmaceutical research and we can combat cancer, heart disease, and AIDS.

It is about more money for job training so that we can reinvest in our workers as they leave one industry and go to another.

Deficit reduction, yes, it is important; but what is really important, what is at stake is growth, and with growth you have jobs, you have tax revenues, and yes, you have deficit reduction.

Mr. Speaker, this country needs a long-term plan for growth and investment. It is time to invest in America. It is time to bring those walls down today.

□ 1210

EPA'S MIXTURE RULE

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, today it is my turn to take the baton and run a lap for the Republican regulatory relay team in support of the President's 90-day moratorium.

The so-called mixture rule promulgated by the EPA states that any substance which comes into contact with hazardous waste becomes itself hazardous under RCRA regardless of its relative volume. A thimble of waste, in other words, in a reservoir of water, changes drastically the legal and practical identity of the water.

The mixture rule is not only an economic disaster for the companies it affects; it is an environmental disaster making the cleanup of slightly contaminated soil, ground water and surface water prohibitively expensive.

WE NEED TO CHANGE FOR A PURPOSE

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute.)

Mr. THOMAS of Wyoming. Mr. Speaker, I rose last week to talk about the management in this House and to talk about my distress with the management of this House.

Mr. Speaker, leaders need to lead and management needs to come from leadership. Obviously, we have had a dismal job of managing the auxiliary activities that go on around this House, such as the post office, such as the bank, such as the other things.

In addition to that, we have had a very poor job of managing the kinds of things we are supposed to do; that is, deal with solutions to problems.

Leadership has to bring this to us.

So, we need change, and everyone is talking about change. I simply want to define, in my view at least, that the purpose of change ought to be to change the direction of this House and the policies of this Government. It is not good enough to just change some of the things we are doing, it is not good enough to change the perks. We have to change the Congress and we have to change the procedures.

People are very mad, and I am very upset as well. But they are mad because the Congress has not dealt with growth in Government, the Congress has not dealt with overregulation, the Congress has not dealt with creating jobs; the Congress has not dealt with the deficit.

Mr. Speaker, we need to change, and we need to change for a purpose.

ANOTHER EXAMPLE OF MEDICINE AS USUAL

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, I want to bring to the attention of my colleagues yet another victim of the crippled medical insurance crisis that our country is currently facing.

Across the Delaware River from Philadelphia in Camden, NJ, there is a 7-month-old child named Danielle Ruzakai-Moses. Like most babies, she has a pleasant disposition, often smiling, laughing at the antics of her parents, or trying to sit up by herself. Indeed Mr. Speaker, all of these functions are signs of a normal childhood development.

The sad truth is, however, that Danielle is missing 6.4 inches of her small intestine, and will not survive without a replacement. This beautiful child is also in dire need of a new liver. Here is the simple, pathetic, fact that will keep Danielle from reaching her first birthday. Insurance will not pay for this procedure. Why? Because liver/small intestine transplants are considered experimental procedures.

In a perfect world, Danielle's parents could fly the ailing child across the great State of Pennsylvania to the Children's Hospital of Pittsburgh, where six of these experimental procedures have been performed since July 1990, without the loss of a single life.

Well, Mr. Speaker, Danielle's world is far from perfect. With both parents unemployed, the prospects are grim. The message of this story is a simple one, one that is hardly new, as we have all heard this story in another context. If Danielle's parents had the money, to buy the necessary insurance—a plan that might cover this experimental procedure, she would be given the opportunity to live her life. In our country though, this type of comprehensive insurance is a privilege for those that can afford such a luxury.

It is pitiful, that keeping a baby daughter alive, has become a luxury under our current health insurance system. We all know the solution. Let us enact national health care legislation, for Danielle and all the others who have suffered similar fates.

WE DO NOT LIVE BY OUR OWN RULES AND REGULATIONS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker and colleagues, let me tell you why the American people are frustrated with this institution. It is not a mandate, it is not a deadline established by the White House that bothers them; it is when we do not live by our own rules and regulations.

Many of you may recall that last fall in the Labor/HHS appropriation bill we established for ourselves a deadline of April 1 to pass a comprehensive education reform initiative. The Senate has passed their legislation. We have voted out of the Committee on Education and Labor the Neighborhood Schools Reform Act. But somehow or another we have conveniently, through the actions of the Democratic leadership, not scheduled that bill for consideration by the full Congress. As a result of that, as of tomorrow we will have missed the chance to provide $100 million to schools across this country to assist them in their education reform initiatives.

So, the next time someone says to you, "We need more Federal aid for education," remind them that we had a chance of $100 million additional and we blew it.

THE PRESIDENT HAS HIS OWN BUDGET WALL

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, the President presents himself as the proud architect of a new world order. The Berlin Wall, the Soviet Union are gone, but now the President has built himself a new wall, the budget wall, a bulwark against the cold war tides. The post-cold war tides have changed, sweeping the world.

Investment in education? Cannot do it. We have got budget walls.

Public works, jobs? Cannot do it, we have got budget walls.

Health care? We cannot do it, we have got budget walls.

The President stands firm and tall. He will not waiver. He will defend the wall at all costs.

Will he really? Today he announced $12 billion for the International Monetary Fund; no problem with the budget wall there. It does not really count; $25 billion for the savings-and-loan scam, coming up this week; no problem with the President there.

The budget wall is the President's all-purpose excuse for inaction in the area of the domestic needs of the people of the United States. He does not have a clue, and he needs this wall to defend his inaction.

Tear down those walls, my colleagues, tear down those walls.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNULTY). Members are reminded to address their remarks to the Chair.

A STAMPEDE TO DEPERK THE CONGRESS

(Mr. COBLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COBLE. Mr. Speaker, suddenly we see a movement, a stampede to deperk the Congress; that is, to reduce or eliminate certain perks or benefits that have traditionally been awarded to Members of Congress and others.

This proposal is sound because these perks, for the most part, have been overly generous at best, outrageously extravagant at worst. Conspicuously absent in this scenario, however, is any attention directed to the two most lucrative, most lavish perks of all. I refer, of course, to the congressional pension plan and to the Federal employees thrift savings plan, each generously subsidized by American taxpayers.

I suspect most taxpayers are familiar with neither program. Perhaps plans to deperk these programs have been considered, but I doubt it; perhaps plans will be considered subsequently, but I doubt it. Meanwhile, I will be waiting and listening.

GEORGE BUSH, THE KING OF THE PERKS AND DEFICITS

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute.)

Mr. APPLEGATE. Mr. Speaker, we have 7.5-percent unemployment, 9 million people out of work, tens of millions underemployed, $4 trillion debt; national health insurance not being addressed, millions are dying from AIDS, nothing done. Jobs, we are losing more jobs. Bad trade policy.

Mr. Speaker, none of the Presidential candidates are talking about it.

Let us look at it: George Bush, the king of the perks and deficits, is knocking Congress on perks and deficits. Pat Buchanan, after being taken to the woodshed, slithered out, and now he is being told to go out and knock the Democrats.

Ross Perot, who said he would not give 3 cents to go to Washington, is willing to spend $100 million to buy it. Jerry Brown, superaccuser, user of old Pat Caddell scripts, influence peddler.

Bill Clinton, more interested in marijuana, which he hardly used and women he did not. And then talk show hosts who are the cream of the ineptitude, ignorance and lies.

Where are our leaders? Where are our leaders in this country? It is no damn wonder the people are fed up.

DEMOCRAT-CONTROLLED CONGRESS ABUSE OF POWER: HOUSE BANK, LOOTING THE TRUST OF THE AMERICAN PEOPLE

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, the elections last November dramatically underscored that the American people are angry. They have grown weary of long-winded excuses, sick of broken promises, and appalled at the arrogance of Congress which is controlled by Democrats. Who can blame them? The recent fiascoes involving the House bank and House dining establishments; a disastrous budget agreement in 1990; shameful and underhanded pay-raises and the list goes on. Now you are trying to cover all your mistakes by investigating the White House.

Congress has betrayed and looted the trust of the American people. In the elections this coming November, the American people will surely enact the price for this betrayal of trust.

Today I stand to challenge the abuses of the Democrat-controlled Congress. I call on the Democrat leadership to demand that the GAO release to the public all the details surrounding the scandal at the House bank and any GAO investigation reports or files concerning the House bank from previous years.

The American people fired a shot across our bow in the elections last year across this Nation. It is now time to return to accountability and send a message that the Congress is willing to play by the same rules as the rest of society.

□ 1220

BUDGETS WALLS SHOULD GO THE SAME WAY AS THE BERLIN WALL

(Mr. KENNEDY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY. Mr. Speaker, no one could have imagined even 1 year ago that the Republics of the former Soviet Union would today be moving from a command to a market economy. Yet that is what they are doing. And they are asking for our help.

For too many months, those calls have fallen on deaf ears. Too many leaders have failed to admit that a few billion spent now can save our country hundreds of billions later. It took Richard Nixon, of all people, to get George Bush to finally take off his moral blinders. But now he has done it, and the President is about to announce a strong aid package. A $1 billion ruble stabilization fund, a $1.2 billion farm loan credit program, and a previously proposed $645 million direct aid package—these are but a small downpayment on world peace and security.

We can all be thankful that the President is finally facing one of the great moral challenges of our time. The question is now: Where will he find the resources to meet that challenge? Members of Congress have proposed the most logical place: defense savings. But the President resists. Mr. Speaker, the world cannot afford lip service at a time like this. The only way the cold war will truly end is if the budget walls go the same way as the Berlin Wall. They must come down, because they, too, have become relics of the cold war in this rapidly changing world.

RETIREMENT OF SENATOR RUDMAN IS BAD NEWS FOR AMERICA

(Mr. ZELIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZELIFF. Mr. Speaker, the retirement of New Hampshire Senator WARREN RUDMAN, a close personal friend and mentor; and one of the truly outstanding leaders of this Nation, is bad news for America.

The Washington Post hit the nail on the head when they said that WARREN RUDMAN is one of the most outspoken, influential, and effective Senators of the past decade.

I would urge my colleagues to read WARREN's retirement statement.

WARREN says Congress has become an increasingly partisan place, where fundamental issues are not being addressed." He points out that Congress has failed to control the rising costs of benefit programs, that threaten the Nation's financial security.

America will sorely miss this outspoken statesman, and I shall miss having closeby, his advice, counsel, and friendship.

We can best pay tribute to WARREN RUDMAN by having the courage to act now on his fiscal recommendations. Before it is too late.

I will close, Mr. Speaker, with the words of his two colleagues, with whom he will always be linked.

PHIL GRAMM said "WARREN RUDMAN'S brilliant intellect, moral courage, and commitment to hard work made him as close to indispensable as any Member of Congress can be.

FRITZ HOLLINGS said WARREN RUDMAN is the most valued asset in the U.S. Senate. New Hampshire and America will miss WARREN RUDMAN'S leadership.

RED INK—BIGGEST IMPEDIMENT TO ECONOMIC GROWTH

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, at long last today we will consider the walls bill. Every time Congress has adopted any kind of a bill aimed at deficit reduction, the first time there is a little bit of pain in that we run for the hills. This is the cleanest vote the Congress will have on whether to vote to reduce the Federal deficit or throw this budget agreement on the junk heap with all the other plans Congress has had to reduce the Federal deficit.

Mr. Speaker, America will be surprised and approve if Congress can exercise a little bit of fiscal discipline and spending restraint. We must realize that the biggest impediment to our long-term economic growth is Federal red ink.

RECOGNIZING THE ACADEMIC ACHIEVEMENTS OF STUDENTS AT PRESTONSBURG (KENTUCKY) COMMUNITY COLLEGE

(Mr. ROGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ROGERS. Mr. Speaker, it was with great pride that I invited my colleagues to join me recently in congratulating students at Prestonsburg Community College in Kentucky for their achievements.

I was delighted to report that the Prestonsburg chapter of Phi Theta Kappa, the international honor society for students at 2-year colleges, had received regional awards for excellence.

So imagine how proud I am today, Mr. Speaker, that Prestonsburg has achieved international recognition as well.

In Washington last weekend, Prestonsburg sophomore Linda Smith received Phi Theta Kappa's Distinguished Chapter President Award. PCC Prof. Hassan Saffari was honored with the Giles Distinguished Advisor Award. And Dr. Deborah Floyd, the president of Prestonsburg Community College, was named Kentucky's Presidential Ambassador to Phi Theta Kappa.

This recognition shows once again that eastern Kentucky is on the move and truly appreciate the value of education, Mr. Speaker.

With Deborah Floyd, Professor Saffari, Linda Smith, and many others like them to lead the way, we have every right to anticipate—and expect—a brighter future for all our people.

NEW YORK STATE CHAMPIONS—THE FOWLER FALCONS

(Mr. WALSH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WALSH. Mr. Speaker, I rise today to praise the athletic ability and, more importantly, the effort and spirit of the Fowler High School boys varsity basketball team. And for that matter, the entire student body at Fowler. Not only did the team from Syracuse, NY have an undefeated season and win the New York State B division championship, they also won, just this past weekend, a tournament including New York City championship teams. The Fowler Falcons are truly the New York State champions.

I want to tell my colleagues here today that this is an important set of accomplishments not only for its meaning in the sports world, but for its demonstration of the human spirit as well.

The team victory, and all its victories this season, have come to symbolize more than basketball prowess. This is a school whose student body has been invigorated, encouraged, and even inspired by this year's winning experience. It is a school whose administrators are not jealous of athletic success; in fact, they promote it. Because, being truly devoted to the well-being of the students, they see the achievement as important to the overall positive self-image all students need and Fowler students now have.

To quote principal Ron Spadafora, "Things like this raise the level of pride in the school." In conjunction with the evolution of school spirit, the faculty has worked hard to instill the traditional study habits and attendance so necessary to scholastic success. At Fowler, the dropout rate has receded from 12 percent to 7 percent in 5 years.

At the end of last weekend's one-point victory over the final opponent this year, as the team wept for joy and supporters erupted in celebration, Fowler guard Mike King told a reporter, "We wanted to show we had spirit. We wanted to show people that Fowler's a good team and a good school, too."

I want the players of that team to know how proud of them I am. I want the administration and faculty to know that the community admires what they are accomplishing in academics.

We in Syracuse and central New York are so proud, in fact, that I submit the team's names here to be listed in the CONGRESSIONAL RECORD, a copy of which will be presented to each player. They are: Donnell Crouch, Carry Blunt, Damian Coleman, Jonathan Grant, Michael King, William Broome, Tim Murphy, Robert Sparks, Darnell Brucker, Kenyatta Pace, Nakia Cox, Dehart Williams, David Matthews, and D'Shaun Thompson. Their coaches are Brian Nolan and Joe Reddick. Their managers are Brian Carter and Jason Casler.

Lastly, I want the student body to know we congratulate their backing of the team as heartily as we encourage them to continue the fight to make Fowler a presence to be felt in all areas of scholastic competition, both athletic and academic. Well done.

□ 1230

INTRODUCTION OF CHILD SAFETY PROTECTION AND CONSUMER PRODUCT SAFETY COMMISSION IMPROVEMENT ACT

(Mrs. COLLINS of Illinois asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Illinois. Mr. Speaker, today I am introducing legislation entitled the Child Safety Protection and Consumer Product Safety Commission Improvement Act.

Mr. Speaker, the Consumer Product Safety Commission was created by Congress in 1972—20 years ago—to "protect the public against unreasonable risks of injury associated with consumer products." To accomplish this considerable task and important responsibility, the Congress put some significant statutory tools in the hands of the CPSC: The Consumer Product Safety Act, Federal Hazardous Substances Act, Flammable Fabrics Act, Poison Prevention Packaging Act, and the Refrigerator Safety Act.

American consumers rely on this agency to alert them to dangerous products that may be in their homes or on store shelves in their communities.

The CPSC estimates that there are 28.5 million injuries and 21,600 deaths associated with consumer products each year. It is estimated that these tragedies cost society $150 billion a year.

The legislation I have introduced today amends the Consumer Product Safety Act, the Federal Hazardous Substances Act, the Flammable Fabrics

Act, and the Poison Prevention Packaging Act to reauthorize the Commission, to make technical and conforming changes, and to make several improvements in current law. In addition, it requires action on several particular products.

One of the specific product areas that the bill addresses is toy safety. Title II of the bill helps our children to be protected from hazardous toys by establishing labeling requirements for toys that present a choking hazard to children and minimum size requirements for balls intended for children under the age of 3.

The CPSC reported 146 choking related deaths from January 1980 through April 1989. The analysis showed that common everyday balloons were responsible for over 40 percent of those deaths. In addition, 32 children choked to death on another familiar toy, the ball. Another old favorite—the marble—was also associated with many deaths and injuries.

During the first session of Congress, I introduced the Toy Injury Reduction Act, H.R. 3809, to help protect this Nation's youngest citizens—our children and grandchildren—from hazardous toys. The legislation was designed to be consistent with the CPSC's then pending rulemaking proceedings on this issue.

To my dismay and disappointment, Mr. Speaker, on March 18, the CPSC took a giant step backward when it ignored its own staff's recommendations and voted to terminate the rulemaking and not issue any new safety requirements to protect our children.

Mr. Speaker, if our children are going to be protected, it is up to this body to enact legislation.

The Child Safety Protection and Consumer Product Safety Commission Improvement Act incorporates the provisions of H.R. 3809. Since the CPSC has terminated its rulemaking proceeding, title II makes toy labeling a specific legal requirement. It rectifies the existing information void by requiring specific warning labels on toys that are intended for children between 3 and 6 but pose a hazard to younger children due to small parts, and on certain toys which have been associated with many tragedies—balloons, small balls, and marbles. It also protects our younger children by requiring that all balls intended for children under age 3 have a minimum size requirement so as to prevent choking.

Mr. Speaker, the Child Safety Protection and Consumer Product Safety Commission Improvement Act will give the Consumer Product Safety Commission some new tools and protect our children. I urge swift passage of the legislation.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1992

Mr. OBEY. Mr. Speaker, I call up the joint resolution (H.J. Res. 456) making further continuing appropriations for the fiscal year 1992, and for other purposes, and ask unanimous consent for its immediate consideration in the House, any rules of the House to the contrary notwithstanding, and that debate be limited to 1 hour, the time to be equally divided between myself and the gentleman from Oklahoma [Mr. EDWARDS], and that the previous question shall be considered as ordered on the joint resolution to final passage without intervening motion, except one motion to recommit.

The Clerk read the title of the joint resolution.

Mr. SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from Wisconsin.

There was no objection.

The text of the joint resolution is as follows:

H.J. RES. 456

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Public Law 102–145, as amended by Public Law 102–163, is further amended as follows:

SEC. 101. In section 106(c), strike "March 31, 1992" and insert in lieu thereof "September 30, 1992".

SEC. 102. Insert the following new sections:

"DEFINITION OF CURRENT RATE

"SEC. 114. Notwithstanding any other provision of this joint resolution, any rate for operations for any project or activity funded by this joint resolution for foreign operations, export financing, and related programs that is based on the current rate for operations shall be defined to be the amounts appropriated in fiscal year 1991.

"TECHNICAL ADJUSTMENTS

"SEC. 115. Notwithstanding any other provision of this joint resolution: the rate for operations for 'Payment to the Foreign Service Retirement and Disability Fund', 'Operating Expenses of the Agency for International Development', 'Operating Expenses of the Agency for International Development Office of Inspector General', 'Peace Corps' and 'Migration and Refugee Assistance' shall be the amount included for each in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1992 (H.R. 2621) as passed by the House of Representatives on June 19, 1991: *Provided*, That no funds are provided by this joint resolution for 'Contribution to the Enhanced Structural Adjustment Facility of the International Monetary Fund': *Provided further*, That for the cost as defined in section 13201 of the Budget Enforcement Act of 1990, of direct and guaranteed loans authorized by section 234 of the Foreign Assistance Act of 1961, the rate for operations shall be $9,080,000, and for administrative expenses of that program the rate for operations shall be $8,250,000: *Provided further*, That for the costs as defined in section 13201 of the Budget Enforcement Act of 1990, of guaranteed loans authorized by section 108 of the Foreign Assistance Act of 1961, the rate of operations shall be $2,668,000; and for administrative expenses to carry out such guaranteed loan program, the rate of operations shall be $1,367,000: *Provided further*, That the rate for operations for 'Administrative Expenses' of the Export-Import Bank of the United States, shall be $38,613,000, including administrative expenses incurred in connection with contracting for the issuance and servicing of insurance and reinsurance or in lieu of contracting for the performance of such services by the Export-Import Bank: *Provided further*, That the rate for operations for the 'Multilateral Assistance Initiative' for the Philippines shall be $100,000,000.

"ELIMINATION OF EARMARKS

"SEC. 116. Notwithstanding any other provision of this joint resolution, the following earmarks, transfers and ceilings included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513), shall not be applicable to funds appropriated by this joint resolution for foreign operations, export financing, and related programs: the earmarks for the Caribbean Law Institute, and the Center for the Cultural and Technical Interchange Between North and South under the heading 'Education and Human Resources Development, Development Assistance'; the ceiling for disadvantaged private enterprise in South Africa under the heading 'Sub-Saharan Africa, Development Assistance'; the earmark under the heading 'Appropriate Technology'; ceiling and earmarks for El Salvador's Special Investigative Unit, Jordan, Morocco, El Salvador's University of Central America, and the Antarctic Protection Act under the heading 'Economic Support Fund'; the transfer under the heading 'Multilateral Assistance Initiative for the Philippines'; the earmark for Morocco under the heading 'Foreign Military Financing Program'; the earmarks in section 533 for neotropical migratory bird conservation in Latin America and the Caribbean, Project Noah, the National Science Foundation's International Biological Diversity Program, and the earmark in subsection (e) of that section; and the earmark in section 583: *Provided*, That of the funds appropriated by this joint resolution for foreign operations, export financing, and related programs for programs under the heading 'Agency for International Development', not less than $250,000,000 shall be made available for child survival activities: *Provided further*, That the authority and conditions applicable to 'Migration and Refugee Assistance' shall be only those contained in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1992 (H.R. 2621), as passed by the House on June 19, 1991.

"ELIMINATION OF SUPPLEMENTAL EARMARKS

"SEC. 117. Notwithstanding any other provision of this joint resolution, earmarks, transfers, ceilings, or any terms and conditions contained in Public Law 102–27, Public Law 102–55, or Public Law 102–229 applicable to funds appropriated for foreign operations, export financing, and related programs shall not be applicable to funds appropriated by this joint resolution for foreign operations, export financing, and related programs.

"UPDATE OF TERMS AND CONDITIONS

"SEC. 118. Notwithstanding any other provision of this joint resolution, the authority and conditions provided in sections 531 (except for subsection (f)(3)), 538, and 549 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513) shall not be applicable to funds appropriated by this joint resolution for foreign operations, export financing, and related programs: *Provided*, That the authority and conditions provided in sections

545, 552, 560, 571, 572, 583, 585, and under the heading "Foreign Military Sales Debt Reform", of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1992 (H.R. 2621) as passed by the House on June 19, 1991, shall be applicable to funds appropriated by this joint resolution (and are hereby enacted) in lieu of the authority and conditions provided in sections 546, 553, 562A, 573, 574, 596(d), 599B, and under the heading "Foreign Military Sales Debt Reform", respectively, in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513): *Provided further*, That the authority and conditions applicable to funds appropriated by this joint resolution to the Export-Import Bank of the United States shall be those contained under the heading "Export-Import Bank of the United States" of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1992 (H.R. 2621) as passed by the House on June 19, 1991, except for the program ceiling in the first proviso, and the fourth proviso, under the "Subsidy Appropriation" subheading: *Provided further*, That assistance under the heading "International Military Education and Training" may be made available for Malaysia: *Provided further*, That when applying section 512 and section 545 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513) to funds appropriated by this joint resolution, the countries of Angola and Cambodia shall be construed to not be on the list of countries included in these sections: *Provided further*, That for purposes of satisfying the requirements of section 484 of the Foreign Assistance Act of 1961, funds appropriated by this joint resolution for the 'Foreign Military Financing Program' may be used to finance the leasing of aircraft under chapter 6 of the Arms Export Control Act in accordance with the provisions of section 3(g) of the International Narcotics Control Act of 1990 (Public Law 101–623): *Provided further*, That, notwithstanding any other provision of this joint resolution, section 812 of the International Security and Development Cooperation Act of 1985, is repealed: *Provided further*, That notwithstanding any other provision of this joint resolution, the period of availability of funds appropriated for foreign operations, export financing, and related programs shall be, for each appropriation item, the period of availability included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1992 (H.R. 2621) as passed by the House on June 19, 1991, except that for Development Assistance and for the Peace Corps funds shall remain available until September 30, 1993.

"UPDATE OF IFI PROVISIONS

"SEC. 119. Notwithstanding any other provision of this joint resolution, the authority and conditions applicable to funds appropriated by this joint resolution for foreign operations, export financing, and related programs under the headings 'Contribution to the International Development Association', 'Contribution to the International Finance Corporation', 'Contribution to the Asian Development Bank', and 'Contribution to the Asian Development Fund' shall be those included in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1992 (H.R. 2621) as passed by the House on June 19, 1991.

"UPDATE OF IOP PROVISIONS

"SEC. 120. Notwithstanding any other provision of this joint resolution, the following earmarks shall be applicable to funds appropriated by this joint resolution for foreign operations, export financing, and related programs for 'International Organizations and Programs' in lieu of the earmarks for the same programs, funds or agencies included under that heading in the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513): $85,000,000 for the United Nations Children's Fund, $27,500,000 for the International Atomic Energy Agency, $18,193,000 for the United Nations Environment Program, $2,000,000 for the United Nations Afghanistan Emergency Trust Fund, and $18,362,000 for the International Fund for Agricultural Development.

"ASSISTANCE TO FORMER SOVIET UNION

"(INCLUDING TRANSFER OF FUNDS)

"SEC. 121. In order to avoid the prospect that instability or resurgent totalitarianism in the former Soviet Union would threaten United States national security, and in view of the substantial savings in defense made possible by changes in the former Soviet Union and in view of the need to secure these changes in order to achieve continued savings, of the funds appropriated by this joint resolution for foreign operations, export financing, and related programs, funds appropriated under the heading 'Economic Support Fund', may be made available for support for the economic and democratic development of the former Soviet Republics: *Provided*, That of the funds made available by this section, $50,000,000 may be made available to provide agricultural commodities for the people of the former Soviet Republics, with special emphasis on children and pre- and post-natal women: *Provided further*, That funds made available by this section may be used for administrative costs of the Agency for International Development in carrying out this program in accordance with the regular notification procedures of the Committees on Appropriations: *Provided further*, That none of the funds made available by this joint resolution for foreign operations, export financing, and related programs that are provided for assistance for the former Soviet Republics shall be made available except through the regular notification procedures of the Committees on Appropriations: *Provided further*, That, notwithstanding any other provision of this joint resolution, the Export-Import Bank Act of 1945, is amended (1) in section 7, by repealing subsection (b), and (2) in section 2, by deleting in subsection 2(b)(3) '(ii) in an amount which equals or exceeds $25,000,000 for the export of goods or services involving research, exploration, or production of fossil fuel energy resources in the Union of Soviet Socialist Republics,' and (3) in subsection 2(b)(3) by redesignating '(iii)' as '(ii)'; and section 613 of the Trade Act of 1974 is repealed: *Provided further*, That funds made available by this joint resolution for foreign operations, export financing, and related programs for assistance in furtherance of the purposes of this section may be made available notwithstanding any other provision of law.

"EL SALVADOR

"SEC. 122. (a) Of the funds appropriated by this joint resolution for foreign operations, export financing, and related programs for the 'Foreign Military Financing Program', not more than the amount allocated pursuant to Public Law 101–245, $21,250,000, may be made available for military assistance for El Salvador; and such assistance shall be used only for non-lethal items for maintenance, sustainment, restructuring, and reduction and only in strict accordance with the newly defined mission of the Salvadoran Armed Forces as embodied within the Salvadoran Peace Accords.

"(b) Of the funds appropriated for the 'Foreign Military Financing Program' by this joint resolution, not less than $63,750,000 shall be transferred to the Demobilization and Transition Fund established by section 531(f) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991, and notwithstanding any other provision of this joint resolution, shall remain available until expended.

"(c) Funds transferred to the Demobilization and Transition Fund (in addition to amounts otherwise made available for such assistance) may be used for the following:

"(1) assistance described in section 531(f)(3) of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991;

"(2) assistance for law enforcement in accordance with subsection (e) of this section; and

"(3) assistance for reconstruction which directly supports the implementation of the Peace Accords, including implementation of the National Reconstruction Plan of the Government of El Salvador.

"(d) None of the funds transferred to the Demobilization and Transition Fund shall be made available for obligation from the Fund except through the regular reprogramming procedures of the Committees on Appropriations, the Committee on Foreign Affairs of the House of Representatives, and the Committee on Foreign Relations of the Senate.

"(e) Funds transferred to the Demobilization and Transition Fund may be used for assistance for law enforcement in a manner consistent with the Salvadoran Peace Accords and the National Reconstruction Plan of the Government of El Salvador, and may be made available notwithstanding section 660 of the Foreign Assistance Act of 1961.

"(f) Of the funds appropriated by this joint resolution under the heading 'Economic Support Fund', not less than $1,000,000 shall be made available to support El Salvador's Truth Commission and its investigations and publicization through reports of its findings and recommendations of unsolved human rights cases, including those specifically referred to in section 538 of Public Law 101–513, with a view to making recommendations on legal, political or administrative steps by the Government of El Salvador, including to bring to trial and verdict persons found responsible for such acts and to prevent recurrence of such acts. The Secretary of State will transmit reports of the Truth Commission to the appropriate Committees of Congress in a timely manner.

"PROGRAM LIMITATION

"SEC. 123. Commitments to guarantee loans for foreign operations, export financing, and related programs under the 'Housing Guarantee Program Account' may be entered into notwithstanding the second sentence of section 222(a) and, with regard to programs for Eastern Europe, section 223(j) of the Foreign Assistance Act of 1961.

"ANTI-NARCOTICS UPDATE

"SEC. 124. The program authorized by section 534 of the Foreign Assistance Act of 1961 may continue from funds appropriated by this joint resolution for foreign operations, export financing, and related programs, notwithstanding the last sentence of section 534(e) of that Act: *Provided*, That such programs may include the protection of participants in judicial cases, notwithstanding section 660 of that Act: *Provided further*, That, notwithstanding sections 534(c) and 660 of that Act, (1) up to $10,000,000 to provide support for a professional civilian police force for Panama, except that such assistance shall not include more than $5,000,000 for the procurement of equipment for law enforcement purposes, and shall not include lethal equipment, and (2) up to $16,000,000 for Bolivia, Colombia, and Peru.

"International Financial Institutions

"Sec. 125. (a) International Finance Corporation.—Notwithstanding any other provision of this joint resolution, the International Finance Corporation Act is amended by adding at the end the following:

"'SEC. 14. CAPITAL STOCK INCREASE.

"'(a) Subscription Authorized.—

"'(1) In general.—The United States Governor of the Corporation may—

"'(A) vote for an increase of 1,000,000 shares in the authorized capital stock of the Corporation; and

"'(B) subscribe on behalf of the United States to 250,000 additional shares of the capital stock of the Corporation.

"'(2) Prior appropriation required.—The subscription authority provided in paragraph (1) shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"'(b) Limitations on Authorization of Appropriations.—In order to pay for the subscription authorized in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $50,000,000 for payment by the Secretary of the Treasury.'.

"(b) Asian Development Bank.—Notwithstanding any other provision of this joint resolution, the Asian Development Bank Act is amended by adding at the end the following:

"'SEC. 30. CAPITAL INCREASE.

"'(a) Subscription Authorized.—(1) The United States Governor of the Bank may subscribe on behalf of the United States to 35,230 additional shares of the capital stock of the Bank. (2) Any subscription by the United States to the capital stock of the Bank shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"'(b) Limitations on Authorization of Appropriations.—In order to pay for the increase in the United States subscription to the Bank provided for in subsection (a), there are authorized to be appropriated, without fiscal year limitation, $213,000,000 for payment by the Secretary of the Treasury.'.

"(c) African Development Fund.—Notwithstanding any other provision of this joint resolution, the African Development Fund Act is amended by adding at the end the following:

"'SEC. 216. SIXTH REPLENISHMENT.

"'(a) Contribution Authorized.—The United States Governor of the Fund is authorized to contribute $405,000,000 to the sixth replenishment of the resources of the Fund, except that such authority shall be effective only to such extent or in such amounts as are provided in advance in appropriations Acts.

"'(b) Limitations on Authorization of Appropriations.—In order to pay for the United States contribution provided for in this section, there are authorized to be appropriated, without fiscal year limitation, $135,000,000 for payment by the Secretary of the Treasury.'.

"Reduction in Appropriations

"Sec. 126. Notwithstanding any other provision of this joint resolution, each discretionary appropriation provided in this joint resolution for foreign operations, export financing, and related programs except those funds made available by section 127, is hereby reduced by 1.4781 per centum.

"Sec. 127. Notwithstanding any other provision of this joint resolution, the following appropriation is made:

"DEPARTMENT OF STATE

"International Organizations and Conferences

"contributions for international peacekeeping activities

"For an additional amount for 'Contributions for International Peacekeeping Activities', in addition to amounts otherwise available for such purposes, $270,000,000, to remain available until expended, notwithstanding section 15 of the State Department Basic Authorities Act of 1956.".

The SPEAKER pro tempore. Pursuant to the order of the House of today, the gentleman from Wisconsin [Mr. Obey] will be recognized for 30 minutes, and the gentleman from Oklahoma [Mr. Edwards] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Wisconsin [Mr. Obey].

Mr. OBEY. Mr. Speaker, I yield myself such time as I may consume, and I do not intend to take the full 30 minutes.

Mr. Speaker, let me simply say that the current CR expires on March 31. This proposed CR would be until the end of the fiscal year. It maintains funding and program levels at the lower of fiscal 1991 in the House-passed fiscal 1992 bill. It deletes obsolete programs and provisions. It gives the administration necessary authority to carry out a number of programs for the remaining 6 months of the fiscal year.

The funding rate is 48 percent below the President's request, 5 percent below the House-passed bill, 8 percent below the budget summit, and 5.4 percent below the subcommittee's allocation. The formula for the CR is the same as the current CR. Accounts are funded at the lower of the fiscal 1991 of the 1992 House-passed bill, with the exception of nine accounts which are adjusted to reflect an updated need.

Mr. Speaker, this bill, House Joint Resolution 456, provides for a total of $14,448,000,000 in budget authority as the annualized discretionary spending for foreign operations, export financing, and related programs for fiscal year 1992. This bill, therefore, is a total of $14.1 billion below the President's fiscal year 1992 budget request, $707,000,000 below the original House-passed fiscal year 1992 bill, and $186,000,000 above the current continuing resolution for foreign operations, export financing, and related programs.

The bill provides the appropriate authority to continue the authorities contained in the continuing resolutions—Public Law 102–145, as amended by Public Law 102–163—providing funding for foreign operations, export financing, and related programs for fiscal year 1992. Specifically, section 101 extends the authority of the existing continuing resolution through September 30, 1992. Section 102 contains a number of additional sections which make various technical adjustments and updates various terms and conditions.

DEFINITION OF CURRENT RATE

Section 114 defines the current rate as the amounts appropriated in fiscal year 1991 for each account. This section is included to clarify the committee's intent regarding levels of funding in the continuing resolution. By defining the current rate as amounts appropriated for fiscal year 1991, the committee intends that unobligated balances are not to be deducted when determining the current rate for each account.

TECHNICAL ADJUSTMENTS

Section 115 contains specific adjustments to certain funding levels. Foreign Service retirement, AID operating expenses, AID IG operating expenses, Peace Corps, and migration and refugee assistance are funded at the fiscal year 1992 House-passed bill levels. OPIC subsidy appropriations and Exim administrative expenses are funded at requested levels and have been adjusted due to the requirements of credit reform legislation. Similarly, AID's PRE Guaranty Program is funded at half the amount requested, due to credit reform legislation adjustments. The Philippines MAI is funded at $100,000,000.

I wish to reiterate that it is expected that the administration adhere to the directives contained in the House report (H. Rept. 102–108) accompanying H.R. 2621. A final country allocation report, similar to that required by section 653(a) of the Foreign Assistance Act of 1961, is to be submitted no more than 30 days after the enactment of this joint resolution. This report is to be accompanied by a classified annex detailing the Foreign Military Financing Program for fiscal year 1992 and reflecting the final country allocations.

ELIMINATION OF EARMARKS

Section 116 eliminates or modifies earmarks, ceilings, and transfers of funds that would otherwise be applicable. The section eliminates funding for all fiscal year 1991 earmarks that were not contained in the fiscal year 1992 appropriations bill. The section also updates the earmarks and ceilings contained in the migration and refugee assistance account by deleting those contained in the fiscal year 1991 bill, and inserting those contained in the fiscal year 1992 House-passed appropriations bill. The section also includes an earmark of $250,000,000 for child survival activities.

Although the current $5,000,000 earmark for the Central American rural electrification project has been retained, a portion of these earmarked funds may be used for rural electrification activities in the Latin America region.

The administration should provide, in accordance with the House-passed bill, $20,000,000 for vitamin A deficiency, iodine deficiency, and other micronutrient deficiencies, of which not less than $13,000,000 should be used to address vitamin A deficiency. Evidence from the field clearly demonstrates that addressing vitamin A deficiencies dramatically reduces incidence of disabilities such as blindness and cretinism.

AID is urged to continue its ongoing vitamin A deficiency prevention efforts. AID should initiate efforts in the two main methods of prevention of iodine deficiency: fortification of foods, typically table salt, and iodine tablets or injections—a single iodine injection provides protection for 3–5 years. AID is expected to focus on interventions which will have the maximum direct impact in reducing deficiency of these two nutrients.

ELIMINATION OF SUPPLEMENTAL EARMARKS

Section 117 clarifies that earmarks, transfers, ceilings, and other terms and conditions contained in the specified fiscal year 1991 supplemental legislation will not apply to funds appropriated by the continuing resolution.

UPDATE OF TERMS AND CONDITIONS

Section 118 specifies certain sections in the fiscal year 1991 act that will not be applicable in fiscal year 1992 and for several provisions substitutes the corresponding provisions of the fiscal year 1992 House-passed foreign operations bill, which are enacted. The House-passed provisions are as follows:

Reciprocal leasing authority—section 545 of the House-passed bill—continues reciprocal authority through fiscal year 1992.

Depleted uranium—section 552—deletes Pakistan and substitutes Taiwan.

Cambodia—section 560—incorporates the House-passed language regarding assistance for Cambodia. All assistance for Cambodia is subject to notification.

Stockpiles—section 571—extends stockpile authority for Israel.

Pakistan—section 572—extends Symington waiver for 1 year.

Excess defense equipment—section 583—continues 7-to-10 ratio for excess defense equipment for Greece and Turkey.

Israel military equipment drawdown—section 585—continues authority.

Foreign military sales debt reform—incorporates updated language.

Section 118 also makes the following other changes at the request of the administration:

Export-Import Bank: The terms and conditions of the fiscal year 1992 House-passed bill are applied to the Export-Import Bank, except for the prohibition on financing military equipment and the Export-Import Bank's overall program ceiling. The program level is now controlled by the appropriated subsidy amount as required by credit reform legislation.

IMET prohibitions on Malaysia are lifted.

Cambodia and Angola are deleted from the prohibitions on direct and indirect assistance.

Authority to use FMF for aircraft leasing for counter-narcotics purposes is extended.

Prohibition on aid to Ethiopia is repealed.

The provision makes inapplicable section 549 of the fiscal year 1991 Foreign Assistance Appropriations Act. This provision is redundant since section 101(a) of the joint resolution remains applicable and contains the same authorities.

A provision has been included which clarifies that funds are to remain available in accord with the periods specified in the fiscal year 1992 House-passed appropriations bill. Funds appropriated for development assistance—including private sector and housing guarantees but excluding disaster assistance—and for the Peace Corps are appropriated to remain available until September 30, 1993.

The joint resolution continues the authority contained in the fiscal year 1991 appropriations act to provide excess defense articles to certain countries that contributed armed forces to deter Iraqi aggression in the Arabian Gulf. While continuing this authority, it is expected that, based on existing law, the authority will not be used to provide excess defense articles for Pakistan unless the President has first made a certification under the so-called Pressler amendment.

Although the current earmark of economic support funds for Cyprus has been retained, it is expected that these funds will be used for education and bicommunal projects which bring the people of this divided island into direct contact. Such bicommunal projects might include simultaneous participation by the women and children of both the Greek-Cypriot and the Turkish-Cypriot communities in the planting of trees in the buffer zone that divides Cyprus.

UPDATE OF IFI PROVISIONS

Section 119 applies terms and conditions regarding international financial institutions contained in the fiscal year 1992 House-passed bill. This provision puts restrictions on U.S. approval of certain institutions' funds for the People's Republic of China.

UPDATE OF IOP PROVISIONS

Section 120 adjusts existing earmarks for voluntary contributions for international organizations and programs.

The experience in Iraq highlights the need to strengthen the international nuclear non-proliferation regime. Support is provided for the IAEA in its pivotal role in strengthening the non-proliferation regime and in implementing Security Council Resolution 687, outlining a cease-fire agreement in Iraq. IAEA is commended for its decision to move forward with special inspections. There is concern that the IAEA's funding is inadequate due to zero growth budgeting and increased demands on its resources due to expanded safeguards activities. The joint resolution provides $2,500,000 above the fiscal year 1992 request, and directs the IAEA's attention to report language accompanying H.R. 2621, passed by the House, that elaborates the purpose of this additional funding. Funds appropriated for the IAEA are to be used to provide direct assistance to the IAEA and to work with other countries to implement nonproliferation objectives shared with the IAEA.

ASSISTANCE TO FORMER SOVIET UNION

Section 121 provides that unearmarked economic support funds may be used for economic and democratic development of former Soviet republics. In addition it provides that $50,000,000 may be used to provide agricultural commodities with special emphasis on the nutritional needs of children and prenatal and postnatal women. Authority is provided for AID to use up to 2 percent—or a higher amount if justified in notifications to the Committee on Appropriations—for administrative expenses. All foreign operations funds used for the purposes of this section are subject to congressional notification requirements. Stevenson-Byrd provisions are repealed. All funds under this joint resolution that are appropriated for foreign operations, export financing, and related programs that are made available for assistance, consistent with the purposes of this section, for the former Soviet republics may be made available notwithstanding any other provision of law.

The broad authority on assistance to the former Soviet Union provided to the President is in recognition of the direct link between the economic assistance being provided and the national security interests of the United States. For that reason, consideration may be given through the congressional notification process to nontraditional uses of economic support fund assistance such as support for technical assistance regarding military housing in the context of support for the general housing sector.

The discretionary activity provided in the resolution for a special agricultural commodity import assistance program for the former republics of the Soviet Union is intended to provide nutritious food. This provision will allow the President to provide American-made foods traditionally used in child and mother/baby nutrition programs. These foods would be distributed, where feasible, through the ministries of education. In order that these foods be available at least in time for the next school year, purchases should take place as soon as possible. The President may pay certain expenses in connection with the program under this section, including the cost of acquiring such commodities; the costs associated with packaging, enrichment, preservation, and fortification of such commodities; and processing, transportation, handling, and other incidental costs. Agricultural commodities that are purchased by the Commodity Credit Corporation as a result of a domestic agricultural price support program cannot be used as part of the program.

Local currencies that may be generated are to be used in furtherance of the purposes of this section. In the case of agricultural commodities provided through nongovernmental or governmental agencies that are sold by such agencies, generated means the amount of the sales proceeds. In the case of assistance provided through governmental agencies where the commodities are not sold by such agencies, the President and the Government may agree to generate such amounts of local currencies as they deem appropriate, and all such local currency shall be jointly programmed by the Government and the United States for activities consistent with the purposes of this section. Local currencies generated under the program are to be deposited into a special account, monitored by the President. These currencies may be used to pay the local expenses for American volunteers to provide long-term management and policy advice to key decision makers in the various republics as well as in the private food and agricultural industry, among other things.

Future research related to former republics of the Soviet Union and of Eastern Europe is critically dependent on the preservation of rapidly deteriorating research materials, due to decades of past neglect, poor quality paper, and the collapse of capacities for cataloging and preserving important historical documents. The President should consider establishing a program of grants to American institutions with national library and bibliographic expertise for the purpose of funding joint projects. The President is also encouraged to use Public Law 480 local currencies to enable American institutions to coordinate purchases of research materials for acquisition and preservation.

EL SALVADOR

Section 122 addresses aid to El Salvador. It limits military assistance to the amount currently available, $21,250,000. This aid can only be used for nonlethal items for maintenance, sustainment, restructuring, and reduction of the Salvadoran Armed Forces, and only in strict accordance with the newly defined mission of the Salvadoran Armed Forces, as embodied in the Salvadoran Peace Accords. It also specifies that $63,750,000 shall be transferred to the demobilization and transition fund and may be used for law enforcement and reconstruction consistent with the Salvadoran Peace Accords, and the national reconstruction plan of the Government of El Salvador. It also provides a waiver of section 660 of the Foreign Assistance Act of 1961.

United States assistance for El Salvador shall have the following objectives:

First, to support national reconciliation and reconstruction in accordance with the requirements of the Peace Accords signed in Mexico on January 16, 1992, and subsequent agreements related to the implementation of those accords—the "Peace Accords";

Second, to support democratic practices, processes, and procedures, including efforts to achieve increased social justice, respect for human rights, and a firm commitment to political pluralism; and

Third, to support economic growth, development, and stability, working in close consultation and coordination with multilateral development organizations, especially the United Nations, and with private nongovernmental organizations and associations with expertise in these areas.

The joint resolution requires that any assistance provided from the demobilization and transition fund is subject to the existing reprogramming requirements of the Committees on Appropriations and the Committees on Foreign Affairs/Relations of the House and Senate.

Assistance for law enforcement shall be used to support implementation of the Salvadoran Peace Accords for the following purposes: First, to enhance professional capabilities to carry out investigative and forensic functions conducted under judicial and prosecutorial control; second, to assist in the development of academic instruction and curricula for training law enforcement personnel; third, to improve the administrative and management capabilities of law enforcement agencies, especially their capabilities relating to career development, personnel evaluation, and internal discipline procedures; fourth, to improve penal institutions and the rehabilitation of offenders; fifth, to enhance protection of participants in judicial cases; and sixth, to assist in creating and supporting a professional, civilian police force in El Salvador consistent with the peace accords.

Law enforcement assistance is to be administered by the Department of Justice through its International Criminal Investigative Training Assistance Program or provided through the United Nations. Prior to use of law enforcement funds, the President is to submit a report detailing the steps taken to ensure that such assistance will be coordinated in accordance with the supervisory responsibilities given to the United Nations under the peace accords and will be provided only with the full approval of the National Commission for the Consolidation of Peace [COPAZ] established pursuant to the peace accords.

Law enforcement assistance funds are not to be used to provide any lethal equipment. It is further the committee's expectation that personnel of the Department of Defense and members of the U.S. Armed Forces will not participate in the provision of law enforcement training.

PROGRAM LIMITATION

Section 123 continues authority for the Agency for International Development's Housing Guaranty Program by eliminating the overall program ceiling. This section also addresses certain provisions dealing with the size of individual country programs.

ANTINARCOTICS UPDATE

Section 124 continues authority for the Administration of Justice Program and allows programs for the Andean region and Panama to continue, notwithstanding section 660 of the Foreign Assistance Act, above the ceiling contained in section 534 regarding the size of the entire Administration of Justice Program. The limitation on that part of the program for which funds maybe made available notwithstanding section 660 is not applicable, by its own terms, in fiscal year 1992. It is expected, however, that the President will apply the ceiling contained in the second sentence of section 534(e) during fiscal year 1992, except for the programs for the Andean region and Panama.

INTERNATIONAL FINANCIAL INSTITUTIONS

Section 125 authorizes participation in the International Finance Corporation, the Asian Development Bank, and the African Development Fund.

REDUCTION IN APPROPRIATIONS

Section 126 cuts discretionary appropriations for foreign operations, export financing, and related programs across the board by 1.4781 percent.

PEACEKEEPING

Section 127 appropriates $270 million for assessed contributions to peacekeeping. These funds were requested by the administration for new peacekeeping initiatives in El Salvador, Angola, Iraq/Kuwait, the Western Sahara, Cambodia, and Yugoslavia. Funding for these peacekeeping activities are to be carried out according to the terms provided in the House reported authorization bill, H.R. 4548.

Foreign Operations Appropriations Bill (H.J. Res. 456)

	FY 1991 Enacted	FY 1992 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE I - MULTILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Financial Institutions					
World Bank Group					
Contribution to the International Bank for Reconstruction and Development:					
Paid-in capital	110,592,409	70,126,332	70,126,000	-40,466,409	-332
(Limitation on callable capital)	(2,399,610,241)	(2,267,418,063)	(2,267,418,000)	(-632,192,241)	(-63)
Total, contribution to the International Bank for Reconstruction and Development	(3,010,202,650)	(2,337,544,395)	(2,337,544,000)	(-672,658,650)	(-395)
Contribution to the International Development Association	1,064,149,500	1,060,000,000	1,060,000,000	-4,149,500	....
Contribution to the International Finance Corporation	40,330,972	50,000,000	40,331,000	+28	-9,669,000
Total, contributions to the World Bank Group	(4,114,683,122)	(3,447,544,395)	(3,437,875,000)	(-676,808,122)	(-9,669,395)
Budget authority	1,215,072,881	1,180,126,332	1,170,457,000	-44,615,881	-9,669,332
Limitation on callable capital	(2,899,610,241)	(2,267,418,063)	(2,267,418,000)	(-632,192,241)	(-63)
Contribution to the Inter-American Development Bank:					
Inter-regional paid-in capital	57,449,324	57,313,367	57,313,000	-136,324	-367
Fund for special operations	20,850,016	20,576,000	20,576,000	-274,016	....
(Limitation on callable capital)	(2,235,076,561)	(2,235,076,561)	(2,235,077,000)	(+439)	(+439)
Inter-American Investment Corporation	13,000,000	12,500,000	12,500,000	-500,000	....
Enterprise for the Americas investment fund	....	100,000,000	....	....	-100,000,000
Total, contribution to the Inter-American Development Bank	(2,326,375,901)	(2,425,465,928)	(2,325,466,000)	(-909,901)	(-99,999,928)
Contribution to the Asian Development Bank:					
Paid-in capital	....	25,526,366	....	....	-25,526,366
Development fund	126,854,000	174,955,050	126,854,000	....	-48,101,050
(Limitation on callable capital)	....	(186,972,187)	....	....	(-186,972,187)
Total, contribution to the Asian Development Bank	(126,854,000)	(387,453,603)	(126,854,000)	....	(-260,599,603)
Contribution to the African Development Fund	105,451,500	135,000,000	105,452,000	+500	-29,548,000
Contribution to the African Development Bank:					
Paid-in capital	10,135,766	8,987,307	8,987,000	-1,148,766	-307
(Limitation on callable capital)	(135,389,294)	(134,809,612)	(134,810,000)	(-579,294)	(+388)
Total, contribution to the African Development Bank	(145,525,060)	(143,796,919)	(143,797,000)	(-1,728,060)	(+81)
Contribution to the European Bank for Reconstruction and Development:					
Paid-in capital	70,020,600	70,020,600	70,021,000	+400	+400
(Limitation on callable capital)	(163,381,400)	(163,381,400)	(163,381,000)	(-400)	(-400)
Total, contribution to the European Bank for Reconstruction and Development	(233,402,000)	(233,402,000)	(233,402,000)	....	....
Multilateral Development Banks - Other	....	50,000,000	....	....	-50,000,000
Contribution to the enhanced structural adjustment facility of the International Monetary Fund	10,602,000	....	....	-10,602,000	....
Total, contribution to International Financial Institutions	(7,062,893,583)	(6,822,662,845)	(6,372,846,000)	(-690,047,583)	(-449,816,845)
Budget authority	1,629,436,087	1,835,005,022	1,572,160,000	-57,276,087	-262,845,022
(Limitation on callable capital)	(5,433,457,496)	(4,987,657,823)	(4,800,686,000)	(-632,771,496)	(-186,971,823)
Department of State					
International organizations and programs	254,730,000	231,850,000	266,368,000	+11,638,000	+34,518,000
International Fund for Agricultural Development	30,000,000	18,362,000	18,362,000	-11,638,000	....
Total, title I, contribution for Multilateral Economic Assistance	(7,347,623,583)	(7,072,874,845)	(6,657,576,000)	(-690,047,583)	(-415,298,845)
Budget authority	1,914,166,087	2,085,217,022	1,856,890,000	-57,276,087	-228,327,022
(Limitation on callable capital)	(5,433,457,496)	(4,987,657,823)	(4,800,686,000)	(-632,771,496)	(-186,971,823)
TITLE II - BILATERAL ECONOMIC ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
Agency for International Development					
Development Assistance Fund	....	1,277,000,000	1,313,683,000	+1,313,683,000	+36,683,000
Health, development assistance	135,000,000	(128,000,000)	(140,000,000)	-135,000,000	....
International AIDS prevention and control program	52,000,000	(55,000,000)	(65,000,000)	-52,000,000	....
Child Survival Fund	100,000,000	(109,000,000)	....	-100,000,000	....
Agriculture, rural development, and nutrition, development assistance	481,635,000	(437,000,000)	....	-481,635,000	....
Education and human resources development, development assistance	134,201,000	(146,000,000)	....	-134,201,000	....
Private sector, environment, and energy, development assistance	152,223,000	(165,000,000)	....	-152,223,000	....
Science and technology, development assistance	8,624,000	(9,000,000)	....	-8,624,000	....
Population, development assistance	250,000,000	(228,000,000)	(250,000,000)	-250,000,000	....
Subtotal, development assistance	1,313,683,000	1,277,000,000	1,313,683,000	....	+36,683,000
Sub-Saharan Africa, development assistance	800,000,000	800,000,000	800,000,000	....	....
Private sector revolving fund:					
(Limitation on guaranteed loans)	(57,000,000)	....	....	(-57,000,000)	....
(Limitation on direct loans)	(15,000,000)	....	....	(-15,000,000)	....
Operating expenses	....	1,367,000	1,367,000	+1,367,000	....

Foreign Operations Appropriations Bill (H.J. Res. 456)—Continued

	FY 1991 Enacted	FY 1992 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
Subsidy appropriations			2,668,000	+2,668,000	+2,668,000
(Estimated level of guaranteed loans)		(114,000,000)	(57,000,000)	(+57,000,000)	(-57,000,000)
Subtotal, development assistance	2,113,683,000	2,078,367,000	2,117,718,000	+4,035,000	+39,351,000
Reappropriation (deobligation/reobligation) authority (sec. 515)	23,000,000	36,000,000	36,000,000	+13,000,000	
Total, development assistance	2,136,683,000	2,114,367,000	2,153,718,000	+17,035,000	+39,351,000
American schools and hospitals abroad	29,000,000	30,000,000	29,000,000		-1,000,000
International disaster assistance	40,000,000	40,000,000	70,000,000	+30,000,000	+30,000,000
(By transfer from the Defense Cooperation account)	(67,000,000)			(-67,000,000)	
Payment to the Foreign Service Retirement and Disability Fund	40,341,000	41,351,000	41,351,000	+1,010,000	
Operating expenses of the Agency for International Development	441,000,000	483,300,000	481,300,000	+40,300,000	-2,000,000
Operating expenses of the Agency for International Development Office of Inspector General	33,884,000	37,739,000	37,739,000	+3,855,000	
Housing and other credit guaranty programs:					
(Limitation on guaranteed loans)	(150,000,000)			(-150,000,000)	
Guaranty reserve, indefinite borrowing authority	48,000,000			-48,000,000	
Subsidy appropriations		2,500,000	17,895,000	+17,895,000	+15,395,000
Operating expenses		7,000,000	7,139,000	+7,139,000	+139,000
(Estimated level of guaranteed loans)		(100,000,000)	(150,000,000)	(+150,000,000)	(+50,000,000)
Enterprise for the Americas initiative:					
Debt reduction		304,340,000			-304,340,000
Subtotal, Agency for International Development	2,768,908,000	3,060,597,000	2,838,142,000	+69,234,000	-222,455,000
Economic support fund	3,991,000,000	3,228,000,000	3,216,624,000	-774,376,000	-11,376,000
Reappropriation (deobligation/reobligation) authority (sec. 515)	14,000,000	12,000,000	12,000,000	-2,000,000	
Total, Economic support fund	4,005,000,000	3,240,000,000	3,228,624,000	-776,376,000	-11,376,000
International fund for Ireland	20,000,000		20,000,000		+20,000,000
Assistance for the Philippines:					
Multilateral assistance initiative for the Philippines	100,000,000	160,000,000	100,000,000		-60,000,000
(By transfer)	(60,000,000)			(-60,000,000)	
Assistance for Eastern Europe	369,675,000	400,000,000	369,675,000		-30,325,000
Total, Agency for International Development	7,263,583,000	6,860,597,000	6,556,441,000	-707,142,000	-304,156,000
Independent Agencies					
African Development Foundation					
Appropriations	13,000,000	14,950,000	13,000,000		-1,950,000
Inter-American Foundation					
Appropriations	25,000,000	28,794,000	25,000,000		-3,794,000
Overseas Private Investment Corporation					
Subsidy appropriations		2,399,000	9,080,000	+9,080,000	+6,681,000
Operating expenses		8,250,000	8,250,000	+8,250,000	
(Limitation on direct loans)	(40,000,000)			(-40,000,000)	
(Limitation on guaranteed loans)	(250,000,000)			(-250,000,000)	
(Estimated loan program)		(400,000,000)	(400,000,000)	(+400,000,000)	
Total, Overseas Private Investment Corporation		10,649,000	17,330,000	+17,330,000	+6,681,000
Unanticipated Needs					
Presidential contingency fund		20,000,000			-20,000,000
Total, Funds Appropriated to the President	7,301,583,000	6,934,990,000	6,611,771,000	-689,812,000	-323,219,000
Peace Corps					
Appropriations	186,000,000	200,000,000	200,000,000	+14,000,000	
Department of State					
International narcotics control	150,000,000	171,500,000	150,000,000		-21,500,000
Migration and refugee assistance	485,648,000	490,557,000	630,000,000	+144,352,000	+139,443,000
(By transfer from the Defense Cooperation account)	(75,000,000)			(-75,000,000)	
United States Emergency Refugee and Migration Assistance Fund	35,000,000	20,000,000	50,000,000	+15,000,000	+30,000,000
(By transfer from the Defense Cooperation account)	(68,000,000)			(-68,000,000)	
Anti-terrorism assistance	12,026,000	15,000,000	12,026,000		-2,974,000
Total, Department of State	682,674,000	697,057,000	842,026,000	+159,352,000	+144,969,000
Total, title II, Bilateral economic assistance:					
New budget (obligational) authority	8,170,257,000	7,832,047,000	7,653,797,000	-516,460,000	-178,250,000
(By transfer)	(60,000,000)			(-60,000,000)	
(Limitation on direct loans)	(55,000,000)			(-55,000,000)	
(Limitation on guaranteed loans)	(457,000,000)			(-457,000,000)	
(Estimated level of guaranteed loans)		(214,000,000)	(207,000,000)	(+207,000,000)	(-7,000,000)
(Estimated loan program)		(400,000,000)	(400,000,000)	(+400,000,000)	

Foreign Operations Appropriations Bill (H.J. Res. 456)—Continued

	FY 1991 Enacted	FY 1992 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
TITLE III - MILITARY ASSISTANCE					
FUNDS APPROPRIATED TO THE PRESIDENT					
International Military Education and Training	47,196,000	52,500,000	47,196,000		-5,304,000
Foreign Military Financing Program:					
Grants	4,259,920,800	4,600,000,000	4,100,000,000	-159,920,800	-500,000,000
(Limitation on administrative expenses)	(27,920,800)	(28,700,000)	(27,921,000)	(+200)	(-779,000)
Concessional loans	403,500,000			-403,500,000	
Direct concessional loans:					
Subsidy appropriations		39,800,000	50,900,000	+50,900,000	+11,100,000
Administrative expenses		200,000			-200,000
(Estimated loan program)		(313,961,000)	(404,000,000)	(+404,000,000)	(+90,039,000)
FMF program level	(4,663,420,800)	(4,913,961,000)	(4,504,000,000)	(-159,420,800)	(-409,961,000)
Subtotal, Foreign military financing program	4,663,420,800	4,640,000,000	4,150,900,000	-512,520,800	-489,100,000
Reappropriation (deobligation/reobligation) authority (sec. 515):					
Military assistance		10,000,000			-10,000,000
Foreign military financing	45,000,000	10,000,000	10,000,000	-35,000,000	
Total, Foreign military assistance	4,708,420,800	4,660,000,000	4,160,900,000	-547,520,800	-499,100,000
Guaranty Reserve Fund (indefinite)	587,061,000			-587,061,000	
Special Defense Acquisition Fund (limitation on obligations)	(350,000,000)	(275,000,000)	(275,000,000)	(-75,000,000)	
Peacekeeping operations	32,800,000	28,000,000	28,000,000	-4,800,000	
Total, title III, Military assistance programs:					
New budget (obligational) authority	5,375,477,800	4,740,500,000	4,236,096,000	-1,139,381,800	-504,404,000
(Limitation on obligations)	(377,920,800)	(303,700,000)	(302,921,000)	(-74,999,800)	(-779,000)
(Estimated loan program)		(313,961,000)	(404,000,000)	(+404,000,000)	(+90,039,000)
TITLE IV - EXPORT ASSISTANCE					
EXPORT-IMPORT BANK OF THE UNITED STATES					
Limitation of Program Activity:					
New budget (obligational) authority	750,000,000		612,000,000	-138,000,000	+612,000,000
Subsidy appropriations		517,165,000			-517,165,000
(Estimated loan program)		(9,525,000,000)	(11,000,000,000)	(+11,000,000,000)	(+1,475,000,000)
Administrative expenses		25,113,000	38,613,000	+38,613,000	+13,500,000
Insurance servicing		13,500,000			-13,500,000
(Limitation on direct loans)	(750,000,000)			(-750,000,000)	
(Limitation on tied aid grants)	(150,000,000)			(-150,000,000)	
(Limitation on interest subsidy payments)	(20,000,000)			(-20,000,000)	
(Limitation on guaranteed loans)	(10,599,064,000)			(-10,599,064,000)	
(Limitation on administrative expenses)	(23,171,000)			(-23,171,000)	
Total, Export-Import Bank of the United States:					
New budget (obligational) authority	750,000,000	555,778,000	650,613,000	-99,387,000	+94,835,000
(Limitation on use of corporate funds)	(11,522,235,000)			(-11,522,235,000)	
FUNDS APPROPRIATED TO THE PRESIDENT					
Trade and Development Program					
Trade and development	35,000,000	35,000,000	35,000,000		
Agency for International Development					
Trade credit insurance program (limitation on program activity)	(400,000,000)			(-400,000,000)	
Total, title IV, Export assistance:					
New budget (obligational) authority	785,000,000	590,778,000	685,613,000	-99,387,000	+94,835,000
(Limitation on direct loans)	(750,000,000)			(-750,000,000)	
(Limitation on guaranteed loans)	(10,749,064,000)			(-10,749,064,000)	
(Limitation on administrative expenses)	(23,171,000)			(-23,171,000)	
(Limitation on program activity)	(400,000,000)			(-400,000,000)	
(Estimated loan program)		(9,525,000,000)	(11,000,000,000)	(+11,000,000,000)	(+1,475,000,000)
TITLE V - GENERAL PROVISIONS					
Other Assistance for Eastern Europe (sec. 583)	500,000			-500,000	
Egyptian debt restructuring (sec. 592)	(99,639,000)			(-99,639,000)	
Polish debt restructuring (sec. 579)	(44,000,000)			(-44,000,000)	
Reduction of appropriations (.014781)			-212,717,000	-212,717,000	-212,717,000
Total, title V, General provisions:					
New budget (obligational) authority	500,000		-212,717,000	-213,217,000	-212,717,000
Total, Titles I, II, III, IV, & V	16,245,400,887	15,248,542,022	14,219,679,000	-2,025,721,887	-1,028,863,022
TITLE VI - INTERNATIONAL MONETARY FUND					
United States quota, International Monetary Fund		12,158,000,000			-12,158,000,000

Foreign Operations Appropriations Bill (H.J. Res. 456)—Continued

	FY 1991 Enacted	FY 1992 Estimate	Bill	Bill compared with Enacted	Bill compared with Estimate
ADJUSTMENTS					
FMS interest rate buydown delay to FY 1993			-270,000,000	-270,000,000	-270,000,000
Advance appropriation, FY 1992		270,000,000	270,000,000	+270,000,000	
Grand total, all titles:					
New budget (obligational) authority	16,245,400,887	27,676,542,022	14,219,679,000	-2,025,721,887	-13,456,863,022
Appropriation (excluding IMF)	(16,245,400,887)	(15,518,542,022)	(14,219,679,000)	(-2,025,721,887)	(-1,298,863,022)
(By transfer)	(60,000,000)			(-60,000,000)	
(Limitation on obligations)	(377,920,800)	(303,700,000)	(302,921,000)	(-74,999,800)	(-779,000)
(Limitation on guaranteed loans)	(11,206,064,000)			(-11,206,064,000)	
(Limitation on direct loans)	(805,000,000)			(-805,000,000)	
(Limitation on callable capital)	(5,433,457,496)	(4,987,657,823)	(4,800,686,000)	(-632,771,496)	(-186,971,823)
(Limitation on administrative expenses)	(23,171,000)			(-23,171,000)	
(Limitation on program activity)	(400,000,000)			(-400,000,000)	
(Estimated level of guaranteed loans)		(214,000,000)	(207,000,000)	(+207,000,000)	(-7,000,000)
(Estimated loan program)		(10,238,961,000)	(11,804,000,000)	(+11,804,000,000)	(+1,565,039,000)
PEACEKEEPING					
Contributions for international peacekeeping activities		350,000,000	270,000,000	+270,000,000	-80,000,000

Mr. Speaker, I reserve the balance of my time.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the Republican leader, the gentleman from Illinois [Mr. MICHEL].

Mr. MICHEL. Mr. Speaker, first may I compliment the distinguished gentleman from Wisconsin [Mr. OBEY] and his counterpart, the gentleman from Oklahoma [Mr. EDWARDS], for getting us to this juncture where we are obliged to consider House Joint Resolution 456, the 1992 Foreign Operations continuing resolution to take us up to the end of the fiscal year on September 30.

I think it should be borne in mind by everyone present today that the funding level is below that of the President's request, and it is below the House-passed bill and below the budget summit figure. I happen to be one of those who at the time when we were developing that budget supported the kind of figures we agreed to at that time.

I realize it is not popular to support any kind of foreign aid bill. As a junior Member of the House many, many years ago, I might have said, "Don't confuse me with the facts. My mind is made up. Just vote no." Obviously, then, as one acquires more responsibility in the seniority process around here, one obviously has to have a wider vision of these issues, and today, of course, is again one of those times.

Like it or not, we are the only superpower in the world today. We certainly do not want to be the policeman for the rest of the world, but we always ought to be prepared to act in our own best interest. Then, too, we are a great producing Nation industrially and agriculturally. We are a great exporting country, and it is in our best interest again to build bridges with our traditional trading partners, and moreover, to help create and build new markets in those areas where Third World countries need to be developed to eventually bring, hopefully, customers for our exporting abundance.

This continuing resolution will permit the President to carry out our remaining obligations until the end of the fiscal year. Finally, I think we have to emphasize again that this resolution also deals with our peacekeeping responsibilities. It is imperative that we deal promptly with this CR, and I would certainly urge each and every one of my colleagues on both sides of the aisle to support it.

Mr. OBEY. Mr. Speaker, because of a printing error in the joint resolution, I ask unanimous consent that on page 10, line 23 of House Joint Resolution 456, the citation be corrected to read "Public Law 102-145."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GREEN], a member of the subcommittee.

Mr. GREEN of New York. Mr. Speaker, I thank the distinguished ranking minority member of the Foreign Operations Subcommittee of the Committee on Appropriations for yielding me this time, and I rise in support of the joint resolution that we have before us.

I think the distinguished minority leader, the gentleman from Illinois [Mr. MICHEL], has laid out very succinctly but fully the reasons to support the joint resolution, and I certainly intend to vote for it and urge my colleagues to do so. At the same time I am most unhappy with one aspect of the situation in which we find ourselves today, and should like to discuss that with my colleagues.

Mr. Speaker, while I rise in support of the resolution we have before us, let me make it clear that I do so with both reluctance and regret.

The one issue which has kept the Congress from completing consideration of a final foreign aid spending bill for fiscal year 1992 has been the request by Israel to the United States for $10 billion in loan guarantees to assist that nation with the absorption of refugees from Eastern Europe, the former Soviet Union, and Ethiopia. I find it deeply regrettable that Congress has failed to act on that question, and I am saddened by the administration's posture on this matter. Because there are many important issues addressed in the resolution before us today I must support it, but I wish to speak for a moment to the issue of the loan guarantees, which this bill regrettably fails to take up.

The Israeli loan guarantee request was made on humanitarian grounds, and it should have been treated as such. Instead, last September, the President unwisely linked this humanitarian program with the issue of settlements and the Middle East peace talks. Those who subscribe to this view risk subjecting tens of thousands of Jewish refugees to further persecution and hardship. My question to the President and to my colleagues at this point in history is, have not the Soviet Jews suffered long enough?

The rescue of Soviet Jewry is a cause to which just about every Member of this House subscribed during the 1970's and 1980's. It is unfortunate, indeed tragic, that we are now turning away from the commitments that this Congress made when all of us passed the resolutions and signed the letters and did all the things that we did in order to bring to pass this happy day when Jews are able to emigrate more freely. For us to go back on that commitment, by failing to act as we are now doing, is a sorry day indeed for Congress and for the President.

Over the past 2 years, Israel has absorbed more than 400,000 immigrants. Clearly, that nation alone cannot shoulder the costs of such a massive population influx. Through the loan guarantee program, Israel is not seeking direct aid, but rather, a cost-effective way to meet the immense challenge of providing for the refugees.

Our Subcommittee on Foreign Operations held a hearing last month to assess what costs, if any, might face the U.S. taxpayer if the loan guarantees were approved. The economic witnesses at that hearing, while disagreeing on some aspects of the guarantee request, were unanimous in agreeing that Israel's ability to pay back the loans was not in question.

A recent GAO report concluded that the U.S. Government should expect that the guaranteed loans will ultimately be repaid at no cost to it". The GAO also said, "We believe that if the Congress authorizes the $10 billion in loan guarantees, the Israeli Government will likely be able to fully service its external debt and to continue its past record of repayment."

So it is not an issue of costs.

As to the question of settlements that the President raises, history has proven that the presence or absence of settlements does not affect Israel's commitment to making peace with her Arab neighbors. Under the Camp David accords, Israel gave up not only settlements, but also vast oil reserves and strategic air bases. Conversely, the absence of Jewish settlements before 1967 did not bring Israel's Arab neighbors to end their state of war with Israel.

The collapse of the Soviet Empire has not meant an end to the threats that have historically faced the Jewish community there. Last December, in the closing days of the Soviet Union, I traveled to Moscow to attend a conference. Both in public meetings and in private conversations, again and again I was warned of the dire prospects for ethnic strife. I was also told by leaders of the Moscow Jewish community that while official anti-Semitism is decreasing, who can know what the future will bring for Soviet Jews.

It is feared that former Communist Party officials, in order to establish a new political base, are using their control of radio, TV, and the press to stir up ethnic strife. The analogy to Yugoslavia was frequently cited. The uprise in ethnic feelings occurring throughout the republics, and Muslim fundamentalism in the Islamic areas, could turn against the Jewish community. There has already been some anti-Semitism unleashed, notably by the Pamyat Russian nationalist movement. Who amongst my colleagues can speak with assurance about the safety of the Jewish community throughout the republics?

As a trusted friend and ally of the United States, Israel has gone the extra mile to help the United States achieve our objectives in the Middle East. When asked by the United States to assume a low profile after Saddam Hussein invaded Kuwait, Israel complied. When asked by the United States not to launch a preemptive strike against Iraq, Israel complied. And then, throughout the Persian Gulf war, when attacked night after night by Scud missiles, and asked by the United States not to retaliate or respond, Israel complied, despite the violation this meant to longstanding Israeli defense policy.

Then, last March, with the war over and refugees continuing to flow by the thousands to Israel, the United States requested that the Israelis delay their loan guarantee request until September. Israel complied. But when September came, they were told to wait still longer.

Today, fully a year after the war's end, the Soviet Jews are still waiting.

We in Congress and the administration must honor the promise of freedom we have long held out to Jews across the world. If they are free during this moment in history, it is in great part because we have championed their freedom.

The religious and cultural Iron Curtain that Jews have lived behind for decades has been lifted. Our hard work has at last borne fruit. I simply cannot understand why we are walking away now.

Our reliable and longstanding ally, Israel, has asked us for help. I hope one day soon we shall answer with something other than a rebuff and a cynical rejection of our own values.

In closing, while I urge you to support the resolution before us today, I encourage all of my colleagues to rethink the Israeli proposal, and to assess the human risks involved if we continue to delay action on this humanitarian request.

Mrs. MORELLA. Mr. Speaker, I rise in support of the resolution, and I would like to comment on the U.N. peacekeeping provision, which appropriates $270 million this year for the United Nation's newest peacekeeping operations in war-torn regions like El Salvador, Cambodia, and Yugoslavia. While it is less than the full request of $350 million, I think that it provides a good start for helping these vital operations get off the ground.

U.N. peacekeeping is the best method of conflict prevention in the new international order, and it is extremely cost effective compared to the alternative of war. Last Thursday, at an arms control and foreign policy caucus luncheon, the chief of U.N. peacekeeping operations, Marrack Goulding, pointed out that the U.N. peacekeeping budget of $2.7 billion a year seems quite modest when compared with Desert Storm's cost of $1.5 billion a day. He also said that U.S. failure to pay its share could undermine current operations and would all but surely preclude any new ones.

I would also like to commend the chairman and ranking member for the provisions in the resolution on El Salvador and child survival programs.

Again, I urge my colleagues to support passage of the Conference Report.

Mr. BEREUTER. Mr. Speaker, House Joint Resolution 456 contains two very important provisions that are vital to insuring the international competitiveness of U.S. industries and a third provision which provides the urgently needed funds to support the United States, share of international peacekeeping operations. Recently, this Member stood on the House floor and called for changes in the manner in which the Export-Import Bank is financed and managed because this Member felt these changes were vital to expanding U.S. exports.

Specifically, this Member introduced H.R. 4527, which would effectively repeal the Stevenson-Byrd amendment. Mr. Speaker, this relic of the cold war imposes a $300 million limit on the Bank's financing commitments to the former non-Baltic Republics of the Soviet Union. This limit is a very small share of the $11 billion total in loans, guarantees, and insurance that the Bank financed last year. Importantly, House Joint Resolution 456 contains a total repeal of the Stevenson-Byrd restrictions on the Export-Import Bank.

Additionally, Mr. Speaker, this Member recently urged his colleagues to support the full financing of the Export-Import Bank. Currently, the United States is once again the world's largest exporting nation, yet the institution responsible for some of this success, the Export-Import Bank, would have had to cut back on its employees and programs without the passage of this legislation. Importantly, House Joint Resolution 456 sets the rate for the administrative expenses of the bank at the requested level for fiscal year 1992. Without this financing, important Bank programs would have faced cuts and U.S. exports and jobs would be jeopardized.

The Export-Import Bank is one of this country's best tools for keeping the stream of exports flowing. Commercial banks have become increasingly reluctant to provide export financing for U.S. exporters. Therefore, this Member urges his colleagues to invest in the future of the United States by supporting the full financing of the Export-Import Bank and the repeal of the Stevenson-Byrd amendment.

Mr. Speaker, finally, House Joint Resolution 456 provides the urgently needed funds to support our share of international peacekeeping operations in nations that have been ravaged by civil war. In Cambodia, Yugoslavia, El Salvador, Angola, the Western Sahara, and elsewhere, international peacekeepers have been or are disarming the combatants and restoring order. In El Salvador, for example, the two sides finally seem to desperately want peace after more than a decade of war. But they have been cruelly disappointed before, and, in many cases, they will not lay down their arms unless the peace is monitored by international observers. Moreover, supporting the United Nations peacekeepers in El Salvador may finally put an end to the FMLN's insurgency in Central America. Thus, not only is support for United Nations-sponsored peacekeeping in nations such as El Salvador a basic humanitarian step, it is also an expenditure that is in the United States, national interest.

Mr. SOLARZ. Mr. Speaker, I wish to begin my remarks by commending the gentleman from Wisconsin [Mr. OBEY] and the gentleman from Oklahoma [Mr. EDWARDS] for their skillful management of this piece of legislation. In particular, I am pleased to compliment them for including in this resolution supplemental appropriation for peacekeeping operations around the world by the United Nations. They, along with the gentleman from Iowa [Mr. SMITH], showed a clear understanding of the imperatives of the post-cold-war era which we are entering. They demonstrated a keen recognition that sometimes the United States can best promote its fundamental interests by working through the United Nations.

There is one United Nations peacekeeping operation for which the United States contribution is particularly compelling: Cambodia. Without the funding provided in this continuing resolution, there was a good chance that the United Nations would have lacked the resources to carry out its mission in Cambodia. In that event, there was a real possibility that the Khmer Rouge will return to power and another genocide will be inflicted on the long-suffering Cambodian people.

Among those who follow Cambodia closely, there is a widespread consensus on the current situation and prospects for the future.

There exists in Cambodia a political vacuum which, if not filled by the United Nations Transitional Authority in Cambodia [UNTAC], will lead to the collapse of the comprehensive settlement which was signed in Paris last October. The recent escalation of fighting in Kompong Thom province is only the most recent example of the dangers inherent in the current situation.

All political forces in Cambodia want full and quick implementation of the agreement through the rapid deployment of UNTAC, which is only now just beginning.

All Cambodian political forces besides the Khmer Rouge believe that full and quick implementation of the agreement as the most effective way of preventing the Khmer Rouge from returning to power, and that the Khmer Rouge has the most to gain by a failure to implement the agreement.

Whether UNTAC will be able to fully and effectively implement the Paris agreement depends on whether the international community provides sufficient funding to underwrite the operation.

Whether other countries pay their assessments—and possibly make voluntary contributions as well—depends in part on their belief that the United States is willing to pay in full assessment.

I believe that the United States has a fundamental moral interest in the success of the cambodian peacekeeping effort. It represents our country at its best, and should therefore be insulated from the partisan wrangling and tactical maneuvering of an election year. I therefore urge my colleagues to vote in favor of this resolution, in favor of United States funding for United Nations peacekeeping in Cambodia, and against the return to power of the Khmer Rouge.

Mrs. SCHROEDER. Mr. Speaker, I rise today wishing I could support House Joint Resolution 456. I am pleased to see that aid to the former Soviet Union is such a priority in this bill, and that the chairman's $50,000 earmark for agricultural commodities focuses on children, and pregnant and lactating mothers. However, 95 percent of Soviet women still have no access to modern birth control. The official abortion rate will still be 7 to 30 abortions per woman, excluding illegal abortions or first trimester abortions. And 22 percent of the birthing clinics in the former Soviet Union will still have unpaved floors; 50 percent of infants will still suffer health problems at birth. And clinics will still lack soap, linens, and other basic supplies, and will still close regularly because of rampant epidemics of childbirth fever.

This bill does nothing to solve these problems. I would like to support this bill because aid to the former Soviet Union is vitally important. But I ask my colleagues to remember that all the milk and cheese in the world will not make women and children who face such horrendous conditions any healthier. For once I would like to see maternal health, and prenatal and postpartum care become a priority in this body.

Mr. DORGAN of North Dakota. Mr. Speaker, there are two reasons why I oppose the use of a continuing resolution. First, it short circuits the process for considering bills by simply extending programs—for better or worse—at current levels. Using this catchall method thereby avoids the tough decisions about whether current spending policies fit current budget realities. And the vote on this measure today occurred without timely notice or meaningful debate. Although I understand the circumstances which prompted the continuing resolution, Congress must find a way to pass regular appropriations bills without resorting time and again to what should be this extraordinary procedure.

Second, using a continuing resolution makes bad policy. It overlooks what has changed and ignores what has not. In one respect, the world has changed dramatically in recent months as we have witnessed the dissolution of both the Warsaw Pact and the Soviet Union. But we are still using much of the same cold war logic that has driven foreign aid for nearly 50 years. While the military threat from communism has evaporated, we will still spend over $4 billion this year providing military aid to allied nations. We provide almost as much for related security aid. We must target this aid to friends who really need it. Further, we should be tackling the real problems of poverty and underdevelopment which leave 700 million people hungry and result in 40,000 child deaths each day. I believe that we must reorient our foreign aid to address these new and old realities.

I give the Foreign Operations Subcommittee and Chairman OBEY credit for reorienting some of the arms aid. However, I still think that food and development aid should anchor our foreign assistance, and not be towed along by security aid. That's what we should emphasize even as we trim overall foreign aid levels.

Mr. ROTH. Mr. Speaker, I rise in strong opposition to this bill, because it continues business as usual for $14 billion in foreign aid programs.

Last year, the House went on record as opposing these foreign aid programs. By a margin of more than 100 votes, the foreign aid authorization bill was defeated. A solid majority of this House showed they have grave concerns about these programs.

But here today, we have a bill to continue these same programs without any change, pumping another $14 billion in taxpayer money into programs to help foreigners, while here at home Americans have urgent needs that are not being met. Can there be any clearer example of misplaced priorities?

How can any Member of this House vote for more foreign aid when our own people need help, and when the Federal budget is in such disarray? The big spenders in this House have loaded $3.8 trillion in debt on the backs of the American taxpayers.

One tax dollar out of every five that comes to Washington is spent on nothing but interest payments on the existing debt. Now the big spenders want to add another $400 billion in debt—borrowing nearly $1 out of every $3 to be spent next year alone. And on top of all the deficits and debts, the sponsors of this bill want to sneak through another $14 billion in foreign aid, including:

Benefits for foreigners which no American can get;

Billions for public works projects around the world but not here at home;

A billion dollars for the foreign aid bureaucrats with no strings attached;

Hundreds of millions for small business loans overseas, while no American small business can apply;

And bailouts for foreign governments, while America sinks further into the hole.

This bill also continues in place the $9 billion foreign aid pipeline. This is really a foreign aid slush fund, containing taxpayer money left over from prior years, just waiting for the foreign aid bureaucrats to dream up new ways for it to be spent.

All of this spending is authorized by this foreign aid bill, under the guise of what is called a continuing resolution. What this bill really continues is the fleecing of the American taxpayer by the foreign aid establishment.

Who among the American people wants this bill? Certainly not the taxpayers of my district. I have just heard from 22,000 people, who responded to my annual survey. And they have told me they oppose any more foreign aid.

The only people who want this bill are the elite corps of the foreign aid establishment and their supporters here in this House. But I, for one, am here today to vote "no".

I vote "no" on foreign aid when our own people need help first.

I vote "no" on foreign aid when our taxpayers need relief from the crushing cost of Government debts.

I vote "no" on foreign aid when year by year the deficits are getting worse.

And I vote "no" on foreign aid because this bill shows no respect for the will of the people.

I urge my colleagues to join with me in voting for what the people want: "No" to foreign aid.

□ 1240

Mr. EDWARDS of Oklahoma. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. OBEY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to the order of the

House of today, Tuesday, March 31, 1992, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the joint resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. ROTH. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 275, nays 131, answered "present" 2, not voting 26, as follows:

[Roll No. 63]

YEAS—275

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Aspin
Atkins
AuCoin
Bacchus
Baker
Bateman
Beilenson
Bentley
Bereuter
Berman
Bevill
Bilbray
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Brewster
Broomfield
Browder
Brown
Burton
Bustamante
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Clement
Clinger
Coble
Coleman (TX)
Collins (MI)
Conyers
Cooper
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Davis
de la Garza
DeLauro
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Doolittle
Downey
Dwyer
Dymally
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Ewing
Fascell
Fazio
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallo
Gejdenson
Gephardt
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Gordon
Gradison
Green
Hall (OH)
Hamilton
Harris
Hatcher
Hertel
Hoagland
Hobson
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Huckaby
Inhofe
Ireland
James
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martin
Martinez
Matsui
Mavroules
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Moody
Moran
Morella
Morrison
Mrazek
Murtha
Natcher
Neal (MA)
Nowak
Oberstar
Obey
Olin
Olver
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Paxon
Payne (NJ)
Payne (VA)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Pickle
Porter
Price
Pursell
Ramstad
Rangel
Ravenel
Reed
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Ros-Lehtinen
Rose
Rostenkowski
Roybal
Sabo
Santorum
Sawyer
Saxton
Scheuer
Schiff
Schumer
Sharp
Shaw
Shays
Sikorski
Sisisky
Skaggs
Skeen
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (TX)
Solarz
Spratt
Stallings
Stark
Stenholm
Stokes
Studds
Sundquist
Swett
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Torres
Torricelli
Traxler
Unsoeld
Upton
Vento
Visclosky
Vucanovich
Walsh
Waters
Waxman
Weiss
Wheat
Wilson
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Zimmer

NAYS—131

Alexander
Allard
Allen
Anthony
Applegate
Archer
Armey
Ballenger
Barnard
Barrett
Barton
Bennett
Bilirakis
Boucher
Bruce
Bryant
Byron
Chapman
Coleman (MO)
Combest
Condit
Costello
Cunningham
Dannemeyer
Darden
DeFazio
DeLay
Dooley
Dorgan (ND)
Dreier
Duncan
Durbin
Early
Edwards (OK)
Emerson
English
Fawell
Gallegly
Gekas
Geren
Gonzalez
Goodling
Goss
Grandy
Guarini
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Holloway
Hopkins
Hubbard
Hughes
Hunter
Hutto
Jacobs
Jontz
Kanjorski
Lagomarsino
Lewis (FL)
Lloyd
Marlenee
Mazzoli
McCandless
McEwen
Miller (OH)
Montgomery
Moorhead
Myers
Neal (NC)
Nichols
Nussle
Oxley
Packard
Patterson
Pease
Perkins
Petri
Pickett
Poshard
Quillen
Rahall
Ray
Regula
Roberts
Roemer
Rogers
Rohrabacher
Roth
Roukema
Rowland
Russo
Sanders
Sangmeister
Sarpalius
Savage
Schaefer
Schroeder
Schulze
Sensenbrenner
Shuster
Slattery
Smith (OR)
Snowe
Solomon
Spence
Staggers
Stearns
Stump
Tanner
Taylor (MS)
Thomas (CA)
Thomas (WY)
Thornton
Traficant
Valentine
Volkmer
Walker
Weldon
Williams
Wise
Young (FL)
Zeliff

ANSWERED "PRESENT"—2

Collins (IL)
Washington

NOT VOTING—26

Boxer
Brooks
Bunning
Clay
Dornan (CA)
Feighan
Fields
Gaydos
Glickman
Hyde
Levine (CA)
Lewis (CA)
Lowery (CA)
Mollohan
Murphy
Nagle
Oakar
Ortiz
Roe
Serrano
Skelton
Taylor (NC)
Towns
Vander Jagt
Weber
Whitten

□ 1308

Messrs. GRANDY, HUGHES, HEFNER, THORNTON, EMERSON, HAYES of Illinois, WISE, THOMAS of California, DURBIN, HUNTER, and CUNNINGHAM changed their vote from "yea" to "nay."

So the joint resolution was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. NAGLE. Mr. Speaker, because I was detained in a meeting with representatives of Prodintorg—the Russian agency charged with buying value-added food products—regarding the sale of United States pork to Russia, I missed rollcall vote 63 on passage of House Joint Resolution 456. Had I been present, I would have voted "yea."

PERSONAL EXPLANATION

Mr. GLICKMAN. Mr. Speaker, I rise in support of the passage of the continuing resolution, vote No. 63, that I missed because my beeper was not working.

Mr. Speaker, I would have voted in favor of the continuing resolution and the foreign aid extension for this year.

GENERAL LEAVE

Mr. OBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 456, and that I be permitted to include tabular and extraneous material.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

PROVIDING FOR FURTHER CONSIDERATION OF H.R. 3732, BUDGET PROCESS REFORM ACT OF 1992

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 410 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 410

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for further consideration of the bill (H.R. 3732) to amend the Congressional Budget Act of 1974 to eliminate the division of discretionary appropriations into three categories for purposes of a discretionary spending limit for fiscal year 1993, and for other purposes. All time for general debate under the terms of House Resolution 394 shall be considered as expired. After further general debate, which shall be confined to the bill and which shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Government Operations and the Committee on Rules now printed in the bill. Said substitute shall be considered as read. No amendment to said substitute shall be in order. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendment as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

□ 1310

The SPEAKER pro tempore (Mr. McNULTY). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from New York [Mr. SOLOMON], pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for the purpose of debate only.

Mr. Speaker, House Resolution 410 will enable the House to complete its consideration of H.R. 3732. The Members will recall that pursuant to House Resolution 394 the House conducted general debate on H.R. 3732 on March 12. The rule we are now considering specifies that all time for general debate provided for under House Resolution 394 shall be considered as expired. House Resolution 410 allows for 1 hour of additional general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations.

The rule makes in order the substitute recommended by both the Committee on Government Operations and the Committee on Rules now printed in the bill as an original bill for the purpose of amendment. The substitute shall be considered as read and no amendment to the substitute will be in order. Finally the rule provides for one motion to recommit with or without instructions.

Mr. Speaker, this rule will allow the House to debate further the question of whether to remove the so-called firewall between defense and domestic discretionary appropriations. The firewall effectively prevents Congress from using any portion of the peace dividend for anything but deficit reduction. Under the Budget Enforcement Act Congress cannot redirect defense savings to other programs.

H.R. 3732 would tear down the walls separating the categories of discretionary appropriations this year, 1 year ahead of schedule. The enactment of this legislation, would give Congress maximum latitude in this fiscal year in deciding on how to reinvest the first installment on the peace dividend.

Mr. Speaker, House Resolution 410 is an important rule that will speed consideration of H.R. 3732. I urge my colleagues to support this rule.

Mr. Speaker, I reserve the balance of my time.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am sure my colleagues will be pleased to learn that this is the fifth straight week that this bill has been scheduled for House floor consideration. I am sure that this must be some kind of record. It probably is deserving of a commemorative citation to the Democratic leadership designating March as National Firewall Month.

Three months ago we actually began debate on this bill under a rule that allowed for 2½ hours of general debate. During that debate the distinguished chairman of the Committee on Public Works and Transportation referred to efforts to pass this bill as Operation Joshua, since the goal was to cause the firewalls to come tumbling down just as Joshua brought down the Walls of Jericho back in Biblical times.

During that same debate I also used the Jericho analogy but drew a distinction between the modern-day Joshua and the Biblical Joshua. As I put it back then, today's Joshuas who are shouting to bring down these firewalls are shouting a different trumpet, and that trumpet, Mr. Speaker, is a trumpet of retreat—retreat from the budget agreement, retreat from deficit reduction, retreat from spending control, and retreat from keeping faith with the American taxpayer under the 1990 budget agreement pledge. Think about that. I went on to observe that the other difference is that no matter how much today's Joshuas might huff and puff, they know the walls are not going to come tumbling down, because this bill is veto bound. From what I heard, the Democrat leadership does not even have the votes to pass this bill in the House, let alone get two-thirds. But I guess that is getting to be a habit around here now—trying to pass veto-bound bills.

Mr. Speaker, that is understandable, because at least some Democrats are listening to the people back home. Thank you; thank you on behalf of your constituents.

A recent survey by Charlton Research Co. asked the American people what should be done with the savings from cuts in defense spending. Do you know what that survey came back and said? Think about this. Only 18 percent of the people favored increasing domestic spending with peace dividend savings, 18 percent. Mr. Speaker, the American people are not clamoring for Congress to increase spending, because they know that these unconscionable deficits are causing recessions that are slowing economic growth and stifling new job creation and prosperity. They know what we in Congress, with our spend, and spend, and spend mentality, are the problem. We are not the solution.

Mr. Speaker, the seriousness with which the Democrat leadership treats this legislation is evidenced by this gag rule that we are debating right here on the floor right now. We are being asked to vote on a rule that allows for just 1 hour of debate, and then an up-or-down vote on the bill with no amendments at all. No Democrat amendments, they are being gagged, and no Republican amendments. That is a shame.

This is the same leadership that for 4 straight weeks postponed action on this bill and extended the deadline for submitting amendments on two different occasions. And yet, after soliciting some 18 amendments under 3 separate filing deadlines, the same Democrat leadership turns around and says they do not think this bill is worth taking the time to improve or to debate seriously. "Let us be done with it," they say.

Mr. Speaker, I think that tells us a lot, and I hope everybody is listening back in their offices. It tells us that what they really have in mind once the firewalls eventually come tumbling down is to cut defense spending even more than the Committee on the Budget recommended and then increase domestic spending more than is recommended. That is what this game is all about here; spend, spend, spend.

Mr. Speaker, keep in mind that the Democrat plan A defense budget was already dangerously below the President's recommendation. And according to Defense Secretary Cheney, that would require cutting our troop levels by 300,000 more men and women than what he is recommending, which is already a reduction of 256,000. Yet many of these same Democrats who supported that plan A defense budget and now are hinting at even deeper defense cuts are the same people, listen now, who howled in protest last week over Secretary Cheney's announced plans to remove or reduce some 830 National Guard and Reserve units nationwide.

□ 1320

Remember all those headlines on the nightly news? Those cuts are simply to carry out the administration's proposed level of defense reductions during the next 2 years.

How many more reductions in the active military, in Reserve, in Guard units will the Democrats' deeper defense cuts require? How many?

I read the press releases back home when Democrats were howling about cutting National Guard and Reserve units. They cannot have it both ways.

Real defense cuts beyond what is prudent are going to cause ever more hardships and dislocations back home, and they know it.

Mr. Speaker, I would like to suggest to my colleagues that today's debate on this bill need not be an exercise in futility and in duplicity. There is a way we can turn this thing around and make it a meaningful and constructive exercise. We can do it right here today. Listen up.

If we defeat the previous question on this rule, I intend to amend the rule so that I can later offer an amendment to give the President of the United States line-item veto rescission authority, subject to disapproval by Congress, rather than approval by Congress. In other words, we have got to have guts.

So far in this 102d Congress, 170 House Members have already sponsored or cosponsored line-item veto amendments. My amendment is based on one of those bills by the gentleman from Tennessee [Mr. DUNCAN]. That bill alone has 123 cosponsors, including the Democrat majority manager of this rule, my good friend, the gentleman from South Carolina [Mr. DERRICK] and myself.

What this amendment would do would be to allow the President in fiscal year 1993 only, just this coming year, to cut spending by line item in appropriation bills within 20 days after they are enacted. Then this Congress would have 20 days in which to enact a rescission disapproval bill. Otherwise, the spending cuts would take effect immediately.

According to the GAO, in a report released in January of this year, if the President had had the line-item veto in fiscal year 1984 through 1989, we could have reduced the deficit by $70 billion. Come over here and read the GAO report.

Mr. Speaker, and Members of the House, I ask you to vote down the previous question on this rule so that I can offer an amendment to the rule to make in order that line-item veto rescission amendment. We need to do that. If we are truly interested in getting a handle on spending and reducing the deficit, here is our chance to do some real pork barrel busting.

Live up to those press releases back home.

I appeal to the Members on both sides of the aisle, if you are truly interested in genuine budget process reform, as this bill is entitled, then vote down the previous question and make my line-item veto amendment in order. The American people will be so proud of this institution if we would do just this one thing.

Mr. EDWARDS of Oklahoma. Mr. Speaker, will the gentleman yield to me?

Mr. SOLOMON. I am glad to yield to the gentleman from Oklahoma.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I would just like to thank my friend for yielding to me.

I think my colleagues in the House know that I have not been an advocate of the line-item veto, but it is an important issue. It is one that certainly deserves to be debated and heard, and so I want to say that I will be voting with my friend, the gentleman from New York, because he ought to have the right to have that brought to the floor for discussion.

Mr. SOLOMON. Well, Mr. Speaker, I certainly want to thank the gentleman from Oklahoma, one of the most respected Members of this House.

Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 5 minutes to the gentleman from Michigan [Mr. BONIOR], the distinguished majority whip.

Mr. BONIOR. Mr. Speaker, today's bill answers a very simple question. The question is, are we ready to create jobs for America? That is what this bill is all about.

To vote "yes," is to say we can do two things. We can cut the deficit, as the bill does, and we can reinvest in America at the same time.

It is to say we have recognized that we can pay attention to America's needs again, and that the world has changed, and the atmosphere is created for us, the resources are created for us to pay attention to America's needs.

The President seems to recognize the world has changed. As usual, though, he has got it wrong. On Sunday, he told reporters he has a new comprehensive plan. A plan to help America? The plan to revive our economy that we have all been expecting? No.

Later this week, the President will unveil his comprehensive plan to help the Soviet Union, to send a billion dollars over there to help stabilize the ruble.

Mr. Speaker, the President does not have to look overseas to get things done. America needs help. Americans who are squeezed by this Republican recession, Americans who cannot make ends meet, Americans who are desperately asking and have been asking for the last 2 years of this recession, where are the jobs?

Is a jobless worker in Moscow more important than a jobless worker in my State of Michigan?

It is time to reinvest in America for a change, time to start taking care of our own here at home, and that is what the bill that we will be discussing after we pass this rule is all about. It is a balanced approach to get our economy moving again. It uses defense savings to reinvest in America and to reduce the deficit.

It uses the savings that are the result of a changing world situation, the demise of the Soviet empire, the change of the Warsaw Pact.

Without it, we will have $2.2 billion less for education, $2.6 billion less for transportation, and $300 million less to fight crime.

For every $1 billion moved from defense to domestic investments, we create 10,000 more jobs.

Passing this bill would mean a half million more students receiving help for their college education.

It would mean 110,000 more veterans treated in VA hospitals.

But, as we know, the President would rather do nothing than create jobs. The President would rather do nothing than invest in America's schools, or health care.

He has no trouble seeing the need to stabilize the ruble in Russia. I wish he cared half as much about Americans here at home who are trying to make a buck to care for their families, pay the mortgage, to send their kids to school.

Mr. Speaker, with his veto of the tax bill last week, the President said that $600 to $800 was not important to middle-class families, and with this opposition to today's bill he says jobs are not important, either.

Mr. Speaker, I hope we pass this bill. I hope you will vote for the rule, and I hope in the coming days and weeks ahead we will move expeditiously to report an unemployment compensation bill in a permanent fashion to take care of those who have been thrown out of work. I hope we will pass an accelerated public works bill that will put tens of thousands of people to work in this country on jobs that are begging to be done, and I hope we will move on energy and other important pieces of legislation that will make this economy buzz again and give hope to the American people and hope to the people of Michigan that this Congress and this Government cares about them and that the first priority and the first responsibility we have is to Americans, not looking overseas to the Soviet Union, but to Americans.

Mr. SOLOMON. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. DREIER], a distinguished member of the Committee on Rules.

□ 1330

Mr. DREIER of California. Mr. Speaker, I rise in strong opposition to this rule, and I rise in support of Mr. SOLOMON's effort to defeat the previous question. We really are in a very sorry, sad state of affairs here when we have this continued treatment by the majority.

Mr. Speaker, when we came out of the Committee on Rules on this rule, I asked the Republican chairman emeritus, the gentleman from Tennessee [Mr. QUILLEN], who has served on this committee for decades, if he had ever seen a case where the chairman of the Committee on Rules would come to the House and make a request of Members that they submit to the Committee on Rules amendments and then we, up in the Committee on Rules, did not allow one of them. As JERRY SOLOMON said, not a Democratic amendment, not a Republican amendment, not even the attempt by the distinguished Republican leader, the gentleman from Illinois [Mr. MICHEL] to offer his amendment was considered.

So, it seems to me that this is a very great tragedy. I was just reminded by our staff director on the Committee on Rules, Mr. Wolfensberger, that we have not seen an open rule come down this entire year.

Again, a clear sign of arrogance on the part of the majority.

Now, we had on March 16 the chairman of our committee come to the House and make the request that Members submit amendments. Seventeen amendments were submitted. There were 17 very good amendments, including Mr. SOLOMON's amendment. The gentleman from Arizona [Mr. RHODES] submitted a very good amendment, which is designed specifically to repeal the tax increase in the 1990 budget summit agreement.

Some will argue that is nongermane. The fact of the matter is that if we are going to be making modifications in the firewalls, if we are going to be shifting spending, it seems to me an opportunity to make a change in the tax increases—which include that luxury tax increase, which most Members of this House know has cost over 9,000 jobs in the boat building and aircraft industries—should be in order. We should be able to offer the Rhodes amendment.

Unfortunately, the Committee on Rules denied him that chance. So, as we look at the kind of things that we are trying to do, to bring back a sense of fairness, to modify and improve this budget summit agreement, we have got to be able to incorporate some of these amendments.

This House has already changed that summit agreement when we modified the scoring procedure. The scorekeeping under the agreement was to be handled by the Office of Management and Budget, not by the Congressional Budget Office.

But now the CBO handles the scorekeeping.

It seems to me that as we look at changes, we have got to allow the line-item veto proposal that the gentleman from New York [Mr. SOLOMON] has proposed and the proposal the gentleman from Arizona [Mr. RHODES] has to repeal the tax increase of the 1990 summit agreement. I hope very much we will defeat the previous question.

Mr. RHODES. Mr. Speaker, will the gentleman yield?

Mr. DREIER of California. I yield to the gentleman from Arizona [Mr. RHODES].

Mr. RHODES. I thank the gentleman for yielding this time to me.

Mr. Speaker, I thank the gentleman for his kind words.

Mr. Speaker, you know the budget enforcement agreement which passed this House and passed the Congress in 1990 was a deal. It was "we will give you spending limitations, we will have hard and fast rules about how spending will be handled in this Congress." And in exchange for that, certain new taxes were introduced or certain existing taxes were increased. It was hard to swallow for one who does not want to increase taxes. I am quite sure it was equally hard to swallow for one who might want to increase taxes but did not want to see spending limitations. Because it was hard to swallow, it was swallowed. The budget enforcement agreement passed.

For 2 fiscal years, those spending limitations have worked. It is the only thing I have been able to go home and tell my constituents is good about that agreement, because the spending limitations have worked.

But 18 months later, not 5 years, 18 months—that is as long as you could stand it—we are here saying we are going to cut part of the guts out of the budget enforcement agreement, we are going to take away the spending limitations. Keep the taxes, mind you, we love those taxes; but we are going to take away the part that made it a deal.

As Mr. DREIER said, he and I decided we would try to make an amendment in order which would complete gutting the deal. If you are not going to have the spending limitations, you are not going to have the tax increases. Can my amendment come up? No, my amendment cannot come up.

So, the gentleman from California and I are going to introduce a freestanding bill that will repeal those taxes from the 1990 Budget Act. We know we are playing Don Quixote. We know that a freestanding bill is not going to go anywhere. We know the chairman of the Committee on Ways and Means is never going to hear it. But everybody who voted for that budget enforcement agreement is going to be asked to cosponsor it, and I will bet you that a majority will. I will bet you that a majority of them will say, "I made a deal, and that deal is being reneged on and I am going to cosponsor this bill." I think you are going to hear about it.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Michigan [Mr. CONYERS].

Mr. CONYERS. Mr. Speaker, I rise in support of the proposed rule. We continue today our debate on a single, straightforward change that would reflect the new realities both at home and abroad.

Mr. Speaker, this is a wake-up call. The walls have come down in Germany. This is a wake-up call; the Warsaw Pact no longer exists which controlled a Soviet military system in Europe.

Mr. Speaker, this is a wake-up all; this is the longest recession since the Great Depression of the 1930's. It is funny how the American people have a way of sensing these things, sometimes ahead of their legislative body.

Mr. Speaker, let me draw your attention to a New York Times poll asking: What do the people want? Well, the Democrats want domestic needs to get the benefit of military spending cuts; the independents want domestic needs to get the benefit of military spending cuts. And the Republican citizens of the United States, 64 percent of them want military spending cuts to go to domestic needs. That is the New York Times, January 1, 1992. This is the same study that we showed you during the general debate 2 weeks ago.

Now, I would like to point out that, if we are talking line item veto, we are talking about changing the constitutional method of adopting a Federal law in the United States of America. Could we have one debate before we change the Constitution, just one, to examine the proposal? Or will we just put it in a proposal that would amend a budget bill that drops the walls 1 year ahead of time? In a motion to recommit, will we come forward and put in the line item veto, which has never been approved in the history of the U.S. House of Representatives?

So, join us in this. The people are with us. They have gotten their wake-up call. The Congress, I think, is ready to do what we have said we have to do.

Let us stimulate the economy. Let us make this system work. Let us remove a military spending firewall that must come down and release the statutory straitjacket that precludes the investment of any defense savings.

Mr. SOLOMON. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, let me just say that back in 1974 the U.S. Congress took then-President Richard Nixon to the Supreme Court in order to make him spend money. Unfortunately, the Supreme Court ruled in favor of Congress.

Today we operate under a system in which a sitting President, in order not to spend money, has to ask this Congress humbly for permission not to spend. This Congress, under present rules, simply can do nothing. And then the spending goes forward. Unless Congress takes a specific action to approve the President's rescissions, the spending goes forward. By doing nothing, we allow the spending to go forward.

What I am simply trying to do here is to reverse the procedure. I simply want to turn it around. Instead of Congress having to approve rescissions, which is a copout, I would require Congress to have the guts to disapprove what the President is requesting. Unless Congress were to disapprove the President's rescissions, the rescissions would go into effect and spending would be reduced.

Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. FAWELL].

Mr. FAWELL. Mr. Speaker, I rise in support of the gentleman from New York, Mr. SOLOMON's effort to defeat the previous question on the rule and to make in order a substitute which would provide a 1-year trial of enhanced rescission powers for the President.

For 23 years in a row Congress has failed to balance its budget. Federal taxes are as high today as ever, and yet we had a debt, commencing in fiscal 1992, of $3.6 trillion.

☐ 1340

Worse, in fiscal year 1992 another half trillion will be added to that debt with our children and grandchildren having to pay it off, and in fiscal year 1992 we shall incur $300 billion in interest on that debt, which buys us absolutely nothing. And the outlook is not better in fiscal year 1993. CBO tells us, they project, that on our current course the deficit will be larger 10 years from now than it is today.

Mr. Speaker, this is the prime scandal of Congress, not the overdrafts by individual Members of Congress on their personal checking accounts, but rather the continuous and catastrophic, prolific overspending and overdrafts of the institution of Congress on the U.S. Treasury.

Today's attempt to tear down the firewalls between the categories of discretionary spending negates the fundamental promise and premise of the 1990 budget agreement that spending on domestic, international, and defense programs would be capped and that savings in any one of these areas would be used to reduce the deficit and not for spending.

Mr. Speaker, I also am supporting the substitute of the gentleman from New York [Mr. SOLOMON] to secure a 1-year trial of the Presidential line-item veto. I know that this is bitter medicine for some of the Members of Congress, especially for those in the majority party who see the line-item veto as a partisan tool. Yet all but a few States grant such a power to their chief executive, and the system works, insofar as our State governments are concerned.

Considering Congress' abysmal record of overspending and its low ratings, it ought to recognize that an increased dose of interbranch checks and balances is in order. We ought to be embracing it to save our reputation, if for no other reason. Like the alcoholic who is unaware of the need for help, however, this Congress resists this simple concept of a double check on spending, even though most American taxpayers would readily approve it and rejoice in it. In addition, the line item veto power granted by the substitute of the gentleman from New York [Mr. SOLOMON] would last for just 1 year. Still the Congress refuses to admit that it needs help to protect itself from its own proclivity to hide pork and/or low priority spending within the deep recesses of its 2,000-page appropriation bills. I think the people need protection from Congress' overspending, Mr. Speaker, more than Congress needs protection from the President's cuts in spending.

One often hears criticisms of executive line item or rescission powers because its cuts are deemed as small potatoes and do not represent a real attack on the absurd deficits being piled on by Congress, and there is merit to such criticism. It is true that neither the executive branch, nor Congress, has, within my time in Congress at least, seriously attacked the annual deficits. On the other hand, Congress must learn to crawl before it can run. Perhaps, if something can be done to help the baby crawl, as difficult as that is, it may indeed someday walk and run.

There is a great deal of discussion, of course, and there will be more today, about the need to spend all these billions of dollars, I think 6.4 billion, from the so-called peace dividends on the variety of important social problems. What we have failed to see, however, is that an equally important social problem is the massive albatross of debt that we are leaving to the next generation of Americans. We have all these gradiose ideas, all these great social programs that will save America, and then we say, "Give the bill to the kids, to our children and to our grandchildren."

As Senator JOHN DANFORTH so eloquently pointed out last week, personal ambitions for short-term political victories have resulted in a collective myopia which is bankrupting this Nation. We are squandering our children's and our country's future on such things as animal manure, theater renovations and a whole host of other parochial projects which, if they are not pork, they look like it.

Mr. Speaker, I urge my colleagues to join me in defeating the previous question on the rule so we have an opportunity to vote for real improvements on the budgets which will lead to real improvements in this economy and a brighter future for this Nation.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman from South Carolina [Mr. DERRICK] for yielding this time to me.

Mr. Speaker, I recognize that this may come as a shock to the President of the United States and to some of the Members of this institution, but, thank God, the cold war is over. The Soviet Union no longer exists as a nation; the Warsaw Pact no longer exists. In fact, Russia and the other former communist countries are applying for membership in NATO as our allies.

Mr. Speaker, while the Soviet Union, our superpower enemy for 45 years may no longer exist, what does continue to exist is the reality that 5 million of our children go hungry every day; that 2 million of our people sleep out on the streets; that 85 million Americans lack comprehensive health insurance; that Medicare has been cut for the elderly and many of our senior citizens are unable to afford their prescription drugs; that cities and school districts all over this country are facing bankruptcy and that millions of working-class kids cannot afford the high cost of a college education. What continues to exist is that the standard of living of our working people declines as our manufacturing base continues to erode and more and more young people earn their living by flipping hamburgers and waiting on tables. And what also continues to exist is that we are leaving a terrible legacy to our children and grandchildren in terms of a $4 trillion debt.

Mr. Speaker, it is absolute insanity and gross irresponsibility to continue to spend tens of billions of dollars a year defending Western Europe and Japan against a nonexistent enemy, when the poor and working people of this country are crying out for help. It is an abomination to spend billions of dollars on unnecessary weapons systems, when we desperately need to rebuild America: our housing, our infrastructure, our educational system, our health care system, our transportation and energy systems, and in that process create millions of decent-paying jobs.

Mr. Speaker, the people of this country want the peace dividend, they deserve a peace dividend. Let us pass this rule and pass the bill.

Mr. SOLOMON. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin [Mr. GUNDERSON].

Mr. GUNDERSON. Mr. Speaker, I rise in opposition to the rule, and I speak on the rule, rather than the bill, because, quite frankly, if this rule is adopted, the bill does not matter. Perhaps, and I say this regrettably, perhaps this is an indication that the Democratic leadership has given up. They have given up on trying to enact a law, they have given up on trying to respond to the domestic problems that face our country, and they have given up on trying to find the solution to this particular legislative issue. I for one must say that disappoints me very, very much.

Mr. Speaker, I have told every single interest group that has come into my office on this particular issue, "If you're interested in a real compromise, and if you're interested in finding a balance between transferring some of defense into the domestic discretionary area to respond to the training and retraining needs that are out there as a result of that, and some of the defense savings to go into deficit reduction, I'll be there." And I am even willing to fight my Republican leadership to support such a compromise. Unfortunately, apparently they have no interest in a solution. They only have an interest in a political issue.

Mr. Speaker, I say to my colleagues, "The fact is that you want to take $14 billion in budget authority away from defense. The fact is that that's going to result in somewhere between 2 to 4 million defense-related jobs over the next 3 to 5 years being displaced."

□ 1350

As the ranking Republican on the subcommittee with jurisdiction over job training, I want you to know there is not enough money in the regular Department of Labor appropriation or in the DOD money from 1990 to solve that. I wanted to be here today as a partner with you in trying to come up with a rational, middle ground compromise that turned the peace dividend into a responsible legislative product that both began to meet our domestic needs and also responded to deficit reduction.

The option before us today in a rule that does not allow any amendments by anybody to do anything but give us a simple, straight up or down vote, sink or swim, take it all and spend it on domestic discretionary or do nothing, is irresponsible. That is why the American public has no confidence in Congress as an institution.

The only option before us today is to defeat this rule so we can send a signal to the leadership that it is time to go back and work out a rational compromise that can be passed and that can be signed into law and does something for this country.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentlewoman from California [Ms. WATERS].

Ms. WATERS. Mr. Speaker, I rise in support of the resolution.

I rise in support of this rule because we have to get on with the business of attempting to pass legislation that will do justice by the American people. The issues are very clear here. There is no more cold war. We certainly have a savings. There is no need to continue to spend $300 billion on a defense budget.

Will we take the savings by way of this peace dividend and invest them in America, in our people, and have some money set aside for deficit reduction, or will we ignore the fact that the bridges are falling, that the streets are in disrepair, that we need safer neighborhoods, that our children are increasingly living in poverty, that our veterans are suffering because we have not lived up to our promise, and that we do not have health care? Will we ignore that and simply follow a President who says over and over again, "I don't have a domestic agenda, but bear with me while I put together a comprehensive program for Russia?"

Will we say to the American people that we are more concerned about the fact that Russia is in disrepair? We are sensitive people. We are kind people. We give to everybody. I share in that spirit, but charity begins at home.

Let me say that if we cannot in some way give this peace dividend to the American people, I dare the President of the United States to come to this House with a comprehensive plan to spend money on Russia. It does not make good sense.

My colleague, the gentleman from New York, talks about a poll. I ask him, did your poll ask the American people whether or not they wanted jobs, whether or not they want to invest in your New York where the bridges are falling down? Do they want to invest in your New York where the crime rates are so high that the police department cannot do anything any more because they do not have enough resources?

I doubt whether the polls asked those questions. This is simple. This is straightforward. Do the American people deserve to have their resources invested in them? I think so.

Mr. Speaker, I would ask support for the rule and support for the bill.

Mr. SOLOMON. Mr. Speaker, I yield myself 2 minutes just to respond to my good friend, the gentlewoman from California [Ms. WATERS], and a couple of other speakers.

I get a little irritated when I hear Members stand on this floor and say that jobs in the military are not real jobs, that the military is not an honorable career. Let's remember that the young men and women serving in our military today are all volunteers.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I will when I am ready, but not until I have finished. I am getting upset with what I am hearing here. I will yield in due time.

The people serving in our military today are the best educated, the best trained, the best equipped, and some of the most highly motivated soldiers we have ever had in our Armed Forces. We must make sure that these volunteers coming from the inner cities, and from farms, and from all across America have an opportunity to pursue an honorable and a proud career to maintain the protection of our United States of America. We need to maintain these kinds of jobs. Do not tell me that jobs in the military are not real jobs, because these young kids today can accumulate up to $25,000 in educational benefits through the Montgomery GI bill. And in the military they can learn something that is so desperately needed in America today: How to be good citizens.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. I will yield, but do not interrupt me until I have finished, please.

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman refuses to yield. The gentleman from New York [Mr. SOLOMON] has the time.

Mr. SOLOMON. Mr. Speaker, I yield myself another 2 minutes.

Mr. Speaker, in today's military our young people learn things that all too often are neglected back home, in their communities and in their schools. They learn discipline and respect. They learn teamwork and responsibility. They learn the importance of being polite and courteous. They learn to live by the rule of law, because we are a law-abiding Nation. They learn not to use illegal drugs. And is that not the most important thing they can learn?

They learn the meaning of words like "pride" and "patriotism." And all too often, as I have said before, they even get a little religion in the military.

Then I hear Members standing up here and criticizing and saying that these jobs are not real. Maybe what we need is universal military training for our young men so they can really get something, like I did when I went into the Marine Corps some 40 years ago and became a man and became a good citizen.

I say to the Members: Stop criticizing our military. There is nothing wrong with having an honorable career in the Armed Forces.

Mr. FRANK of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. SOLOMON. Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, in my time, I would say that I have often speculated that my friend, the gentleman from New York, might hear things that none of the rest of us hear. Apparently, we have just had an example of that. I have heard no one say that military jobs are not real jobs.

Mr. SOLOMON. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I will not yield to the gentleman who three times refused to yield to me today.

I have heard no one today say anything remotely resembling what the gentleman from New York was refuting. No one here criticized the nature of military jobs. No one denegrated the military.

What some of us suggested—and I will respond to the gentleman now—is a response when he asked, "How can you be against cutting the National Guard?" I say that for this reason: I think it is a waste of American tax dollars to have 150,000 of our very fine young people stationed in Western Europe protecting England and France from a Moldovian, Ukrainian, Kazakhstan invasion that is not coming. That is the waste, and that is what we were talking about.

We are not denegrating these young people. We are denegrating those who would waste their time, energy, and talent on unnecessary things.

The gentleman also said he needs to have a line-item veto so that the President can stop spending without anything else happening. If you listen to the gentleman, you would wonder, where does the spending come from? He posits a situation in which the President is walking out of the White House, on his way to church, and he comes across some bad spending and he tries to stop it, but he cannot unless Congress lets him. In fact, not a penny of that spending would have happened if the President had not signed the bill in the first place, because we have not overriden any vetoes of appropriations. What we are saying is that the President, having signed a spending bill, now want to undo what he did. So it is not a case where the President walked out and confronted spending on his doorstep.

Finally, let us talk about the merits of the bill, which understandably our friends on the other side want to do everything else but. I am glad to see my friend, the gentleman from Wisconsin, here. I am sorry he was not getting an award last night. I heard his speech about why he was not going to vote for this bill even though he wanted to. He deserves on Oscar for the best performance of getting himself out from under a series of pledges. I am impressed by that.

But the fact is that the bill is a very, very serious one. What it says is this: Yes, it is a good thing to worry about the deficit, but we have a peculiar form of accounting in this country where every penny the Federal Government spends is considered by this form of accounting as a waste. If we clean up a hazardous waste site, if we educate a child, if we build a new bridge, under that kind of accounting it is a waste of money; it is just adding to a deficit. Some spending is unnecessary, but some spending enhances the future.

Do we burden future generations if we spend some more money now on educating them well, on cleaning up hazardous waste sites, and on acquiring assets for their use? I do not think so. It is only in the very peculiar kind of accounting on the other side that that happens.

Mr. Speaker, I hope that we pass this bill. I hope we give ourselves the right to do what the gentleman from Wisconsin wanted. Let me say to my friend, the gentleman from Wisconsin, that nothing in the appropriation process forecloses what he wants. If he wants more money spent on conversion, only if we pass this bill would we even have those options.

Mr. Speaker, that is what we are really talking about, giving ourselves some options to address the future in a very serious way.

□ 1400

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNulty). The Chair would remind Members on both sides of the aisle to refrain from characterizing the motives of other Members.

Mr. DERRICK. Mr. Speaker, might I inquire of the Chair how much time remains on both sides?

The SPEAKER pro tempore. The gentleman from South Carolina [Mr. Derrick] has 13 minutes remaining, and the gentleman from New York [Mr. Solomon] has 4½ minutes remaining.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3½ minutes to the distinguished gentleman from Texas [Mr. Stenholm].

Mr. STENHOLM. Mr. Speaker, I rise today in support of this rule and in opposition to both the Solomon motion to defeat the previous question and to H.R. 3732 itself.

First, let me address my support for this rule. It is no secret that many of my colleagues on this side of the aisle and I have been disturbed by the repeatedly delayed consideration of this bill. My expectation was that we were to have had this debate weeks ago, and there has been a significant amount of frustration and ill will accumulated as a result of these delays.

That notwithstanding, I do commend the Rules Committee and the leadership for bringing to us today the opportunity for a straight up-or-down, no-amendments vote on H.R. 3732. That is all we have asked for all along. If it is the will of the House to set fire to the walls, then so be it. But I do not believe that destroying the budget walls is what this body wants or, more importantly, the American public really want. I believe that with the rule we have been granted today, we will finally have the opportunity to clearly demonstrate that will.

Second, I must oppose the effort by my friend from New York who wishes to defeat the previous question to make in order a substitute line-item veto rescission authority amendment.

Mr. Solomon and I are in agreement on a number of items relevant to this issue. First, I agree that the entire Congress should engage in a debate about the line-item veto. The issue has been floating about at least since the time I came to Congress 14 years ago, but it have never surfaced in a full-fledged debate on the House floor. Second, I believe that the President should have both the responsibility and the privilege of marking out specific lines in appropriations bills that he would like to see eliminated. And I believe each of those rescissions should be voted on by Congress in a timely manner.

However, we disagree on two counts. First, I do not believe this is the approporiate time for this discussion. Tim Penny, Harris Fawell, and I are in the process of getting signatures on a letter to the Speaker stating when we think that appropriate time is: During the deliberations over the most recent Presidential rescissions. But now is not the time.

Second, I disagree with the gentleman that the President should only have to convince one-third plus one in the Congress to argree with him on any given rescission. I'm willing to put up any special west Texas project I believe in for careful scrutiny by the House. If I can't convince one-half plus one of my colleagues of the worth of that project, then it shouldn't be funded. The President should have to meet the same standard.

That is why I support a Presidential enhanced rescission, such as those proposed by Tim Johnson, Liz Patterson, Tom Carper, and many others, rather than a line-item veto. I feel that position is far more defensible, far more democratic, and far more politically achievable. I ask the gentleman from New York [Mr. Solomon] to join us in that venture.

The last point I must make, of course, is my opposition to H.R. 3732. The choice we face is very clear and quite simple. We can vote to reduce the deficit by keeping the firewalls in place and dedicating any peace dividend to deficit reduction, or we can vote to increase spending by tearing down these walls.

There have been claims that the planned reductions in defense spending have provided us with a peace dividend that can be transferred to domestic spending. Unfortunately, these proposals ignore that fact that the peace dividend does not represent found money, but simply less money that we need to borrow. A corporation that is $400 billion in debt cannot pay dividends.

The national debt has tripled in the last 10 years, and currently exceeds $3.6 trillion. We must deal with our deficit problem before it deals with our country in a very destructive way. We need more discipline in the budget process, not less.

Mr. Speaker, let us begin today the process of dealing with the deficit, by reducing it by $6.5 billion.

Mr. Speaker, I urge my colleagues to support this rule, oppose the effort to defeat the previous question, and oppose H.R. 3732.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from New York [Mr. Scheuer].

Mr. SCHEUER. Mr. Speaker—

It is time we started facing our real choices. We have to stop saying that we cannot afford to do this or that, when all we mean is that we cannot afford it within the rules of the game we have arbitrarily established and agreed to play. What we should mean when we say we cannot afford to spend a certain amount of money for drug control, or for education, or for assistance to poor people, or national security, is that we prefer to spend the money on something else.

I didn't say this. These words came from Richard Nixon's Council of Economic Advisors Chairman, Herbert Stein, a true conservative and Republican loyalist.

President Bush has called for cuts in defense spending and former Central Intelligence Agency Director William Colby says we can cut our defense spending by as much as 50 percent.

The question before us is what to do with these savings. They should go toward deficit reduction and investments in human and physical capital that will contribute to our country's long-term economic growth. The budget firewalls under which we now operate prevent us from doing so. The firewalls are an anachronism. They may have been appropriate at the time they were passed, but our country and the world have changed. Our once mortal enemy for half a century—the Soviet Union—has thrown in the towel, self-destructed, and is no more. At the same time, we are struggling with a recession. It is high time that we redirect our resources to fighting the domestic problems plaguing our Nation today. The firewalls must go.

Using the money saved from cuts in the defense budget to finance a capital gains tax cut for the rich—as our Republican colleagues would have us do—would be unwise and unfair.

First of all, it would be bad economic policy, once again quoting Herb Stein:

> I would ask what is the most important use of the tens of billions of dollars of potential output that is not being used and should be used if the economy is to recover.
>
> My answer would not be to increase the consumption of middle America, which would be the main consequence of cutting taxes. I would rather fund Head Start fully, make sure that States have the money to provide the training, social services, and jobs, * * * beef up the struggle against crime, and keep the libraries and schools open.

Mr. Speaker, if we do not pass H.R. 3732, we will not be able to make these crucial investments in America.

Using the peace dividend to cut taxes would be wrong: It would be grossly unfair for two reasons—first, the increasing concentration of income and wealth among the top 1 percent of families, and second, the huge tax cuts they enjoyed during the decade of the 1980's.

Let me address these two issues one at a time.

First, the growing concentration of income among the Nation's very wealthiest families.

During the 1980's, apologists for Reaganomics used data from the Census Bureau to show that average family income was rising. Between 1977 and 1989, we were told, average family income increased almost 10 percent, even after adjusting for inflation. This reported rise in average family income was misleading.

There was a decline during the decade in real earnings per hour, which taken alone would have reduced family incomes. But families made up for lower pay by working longer hours; either an additional family member went to work or some member of the family worked more hours, perhaps moonlighting or holding two jobs. This produced a modest but gradual rise in average family income, leading some analysts to view mistakenly the 1980's as a period of rising living standards for American families. It was not.

Congressional Budget Office data show that the growth of income during the 1980's was not equally shared. In fact, it was hardly shared at all. Figures show that the top 1 percent of families received 75 percent of all of the growth in income during the 1980's. In fact, the top 5 percent of families accounted for virtually all of the increase in average family income during this period.

While the mythical average family income rose during the 1980's, none of the increase was ever seen by the average family. All of the increase in the average was due to the increase at the very top. Incomes for the bottom 60 percent of families actually fell.

Second, at the same time, the tax burden on the very rich declined significantly.

Between 1977 and 1992, the fraction of income that went to Federal taxes declined from 35 percent to 29 percent for the top 1 percent of families, a 6-percentage point cut in their tax burden. By contrast, the middle 60 percent of families received no such decrease and actually saw a slight increase in their tax burden.

The changes in the tax law during the 1980's thus sharply changed the progressivity of the Tax Code, particularly at the extreme upper end of the income scale. The average income tax paid by taxpayers with incomes of more than $1 million fell 23 percent while the tax burden for those earning $10,000 per year fell only 20 percent. The tax cuts enjoyed by the very wealthy during the 1980's played an important role in creating the large Federal deficits that have persisted for the past 10 years.

Mr. Speaker, some of my conservative colleagues believe that we need to pass a capital gains tax cut and continue the failed Reagan economic policies of the 1980's. This would be a big mistake. We need to break down the firewalls and use the peace dividend to invest in America. I am not alone in my beliefs.

Herb Stein is quoted as saying:

> The tax cuts now being most prominently considered would interfere with achievement of the most important long run national objectives, such as reducing poverty, improving education, and controlling crime.

Laurence Summers, chief economist at the World Bank, has stated:

> Increased public investment in bricks and mortar and in people are essential for long run growth.

Finally, Paul Krugman, professor of economics at the Massachusetts Institute of Technology, said:

> Tax cuts on individuals will be ineffective * * * We need major infrastructure spending.

The Republicans urgently want to cut taxes for the rich. But a tax cut will only divert resources that could better be used to increase needed public investment in both our physical infrastructure and in education and other forms of human capital, such as: Cleaning up our environment, modernizing our transportation system, educating our most precious resource, our people, and training our workers, especially our noncollege bound youth.

The budget firewalls that we erected last Congress are preventing us from using the peace dividend in the most effective, cost-efficient way. Mr. Speaker, it's time we sound the horn and let the walls come tumbling down.

Mr. Speaker, I urge my colleagues to support the bill and support the rule.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee [Mr. DUNCAN], who has the line-item veto resolution with 123 cosponsors.

Mr. DUNCAN. Mr. Speaker, I thank the gentleman from New York [Mr. SOLOMON] for yielding. I also want to thank him for his leadership and determination on this issue. I know that he is committed to finding some kind of fiscal sense in this uncontrollable budget process we find ourselves in today.

Mr. Speaker, I rise in strong support of the efforts of the gentleman from New York [Mr. SOLOMON] in voting down the previous question, so that he can offer an amendment which would give the President line-item veto rescission authority in fiscal year 1993.

This amendment is identical to legislation that I introduced, H.R. 78, which now has 123 cosponsors from both sides of the aisle, except that it would only apply to fiscal year 1993.

Opponents of the line-item veto will tell you that we just cannot give the executive branch so much power. But, Mr. Speaker, this amendment that we are trying for here today would give Congress the last word.

Under this amendment the President's decisions on line-item vetoes and rescissions would automatically take effect unless Congress specifically denied the President's recommendations within 20 days. To do that, each Chamber of Congress would have to pass a resolution of disapproval by a simple majority vote.

Already the Governors of 43 of our States have this power. Continuing to withhold this tool from the Nation's Chief Executive will only prolong the sort of business as usual, pork barrel politics partially responsible for the ballooning budget deficits with which we in the Congress continue to contend.

□ 1410

Mr. Speaker, this is not a partisan issue. The vast majority of Americans support the line-item veto, Americans like Democratic Presidential candidate Bill Clinton who said:

> I strongly support the line item veto because I think it is one of the most powerful weapons we could use in our fight against out-of-control deficit spending.

Mr. Speaker, the American people are disgusted. They are disgusted and fed up with a government that takes so much money from them and gives so little back in return. They are disgusted with a government which is almost $4 trillion in debt today and which is continuing to lose $1 billion a day on top of that every day of the year, including Saturdays, and Sundays, and holidays.

They know that we must get our Government under control from a fiscal standpoint or we will collapse economically as we see other countries around the world doing.

We need to give the President the line-item veto authority in this country, and we need to do it now.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Wisconsin [Mr. OBEY].

Mr. OBEY. Mr. Speaker, this is the most important vote which we will cast this year. In the 1980's, this Government followed the misguided policy of gutting domestic investments and providing tax cuts to the very rich at the same time that it was doubling military spending.

This year we will spend almost $120 billion to militarily defend our allies in Europe and Japan from a Soviet threat that no longer exists. Meanwhile, they are investing the money that they are not spending on defense in new plants, new equipment, worker training, and they are whipping us on the trade front.

Now is the time to bring that money home, to use part of it for deficit reduction and part of it for desperately needed domestic investments.

Last week this House voted with all but 3 votes, this House voted virtually unanimously for an education bill that suggested that it was going to try to provide additional financial assistance to every middle American family that wanted to send their kid to college. Without the passage of this bill, that vote last week will be a fraud because the money to in fact make available that extra opportunity for those middle-income families will never exist because you cannot help them with just promises. You have to have money.

Since the day that Harry Truman first decided that it was necessary to contain the Soviet Union until they changed, we have spent enough money on defense that if we divided that total sum by the amount of tax-paying American families today, the average family's cost of winning the cold war breaks out to about $80,000 a year.

That is what they have spent to defeat the Soviet Union. I deeply believe that they have a right now to see us bring some of that money home and use it to attack their own education problems, their own health care problems, their own job training problems, our own domestic needs right here at home.

If we do not do this today, it will be a catastrophe. It will be a charade.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 1½ minutes to the gentleman from Oregon [Mr. AUCOIN].

Mr. AUCOIN. Mr. Speaker, occasionally this House has a chance to respond to history, a chance to shake off its barnacles and stop plodding along like a bunch of robots and move in a new direction because history makes it possible to do so.

This is such a time. America is standing at a crossroads between the cold war, which is behind us, and the 21st century, which awaits us.

I ask my colleagues, will we, can we be nimble enough to seize this moment and tailor our budget to the changes which have swept the world? Or will we be so lead-footed that we keep on doing old and familiar things and let the new world leave this great country of ours in the dust?

For 40 years, Americans have answered the summons of Democratic and Republican Presidents alike to "bear any burden, pay any price," in the long twilight struggle of the cold war. Now having paid that price, they are entitled to have their tax dollars invested in them again, in the schools for their kids, in economic development for their towns, in new technology for their industries.

The end of the cold war means the money is there, my colleagues, for these investments. The only thing standing in the way are the firewalls in the budget agreement that prevent military spending savings from being transferred over to the domestic side of this country's budget.

I say it is time for Operation Jericho. Bring the walls down, rebuild America. Pass this rule and pass this resolution for the people of the United States of America.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from New York [Mr. WEISS].

Mr. WEISS. Mr. Speaker, the Republicans seem to have forgotten the lessons of history. It takes the history pages before they begin to remember and to acknowledge that, yes, we were going through a terrible recession.

Not since the Great Depression have so many people been out of work. There are probably 16 million of our fellow citizens who have no jobs, either do not have jobs fully or their employers only call them in on a part-time basis because that is all they can afford to hire them for.

What this country needs is not a commitment of moneys to a deficit program. What we need is a commitment of moneys to reinvest in America, to rebuild America and, God knows, the needs are out there.

Let us undertake a modest effort by taking these walls down so that in fact we can spend the money for what it is needed for, jobs for Americans. That is all we are asking.

It seems to me that all the talk about deficit reduction means very little to the father who cannot bring home a wage check or a mother who cannot bring home a wage check, who cannot take care of health problems for their kids, who know that the schools they are attending are not getting the kind of programs they need because their schools cannot afford to provide the education that we know that they deserve, that we know that America deserves.

Vote for this modest resolution and this rule so that in fact we can give hope to our fellow citizens that we are aware of what their problems are and that we do not just talk about deficits.

This administration or its predecessor came into office with a national debt of under $1 trillion. We now have quadrupled that number. Who was in office? The Republicans were in office.

We have an annual deficit of $400 billion a year. A number almost impossible to comprehend. When Mr. Reagan took office it was barely $60 billion.

It is time really to recommit ourselves to what this country needs. It is time to adopt this rule and the resolution and give hope to the American people.

Mr. SOLOMON. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. Mr. Speaker, I oppose this rule, which offers no opportunity to offer the line-item veto amendment. In further talk of reform, I hope we reform the practice whereby we are precluded from offering amendments such as this.

Spending has increased, despite all the talk, annually for over 10 years, year in and year out by nearly 3 times the rate of inflation.

Now, from listening to the debate, it would seem that everyone loves to hate the deficit. But the reality is all we have ever had in terms of deficit reduction efforts is immediate tax hikes with promises of future spending reductions.

Americans understand that the deficit is a major problem for their futures and their children's futures, Mr. Speaker.

Now we hear talk of spending the peace dividend and domestic investments. Well, such domestic investments have nearly broken this country. And I think the voters understand that what we need to do is contain our spending rather than increase it. And I think they understand that the line-item veto is the key to accomplishing that.

Because this rule does not allow for offering a line-item veto, I urge defeat of the rule, and I urge voting "no" on the previous question so that we can get to the proposition of the gentleman from New York [Mr. Solomon]. We need to resolve it satisfactorily to the benefit and welfare of the American people, and opposing the rule and the previous question are the first steps that we can take to do that.

The SPEAKER pro tempore (Mr. McNulty). The Chair wishes to advise that the gentleman from New York [Mr. Solomon] has 30 seconds remaining, and the gentleman from South Carolina [Mr. Derrick] has 1 minute remaining and has the right to close.

Mr. SOLOMON. Mr. Speaker, I yield myself the remainder of my time.

Mr. Speaker, every time the unemployment rate goes up 1 percent, we trigger another $40 billion in deficit spending. By contrast, every time we lower the unemployment rate, we untrigger that kind of spending.

We need to get this economy going. We need to send a message to the financial markets and to the American people that this Congress is serious about doing something about the deficit. We can do that by defeating this bill today.

We can do that by defeating the previous question, which will allow me to offer my line-item veto amendment. The amendment very simply says that instead of Congress having the option to approve rescissions on spending, we would require Congress to have the guts to stand up here and pass a vote to disapprove rescissions. What is wrong with that?

Vote "no" on the previous question.

☐ 1420

Mr. DERRICK. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. Browder].

Mr. BROWDER. Mr. Speaker, I rise in support of this rule. This is our clear opportunity to vote for deficit reduction and fiscal responsibility.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield my remaining 1 minute to the gentleman from Florida [Mr. Smith].

Mr. SMITH of Florida. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, for the last number of years we have spent more than we have taken in, and that spending has been on the side of building weapons. Everybody knows it. It is no longer a dirty little secret; it is out in the open.

We now have a chance to realize a dividend, a real savings because we no longer have to build those weapons. We are secure.

Over the year and a half since that basic budget summit agreement we have seen needs in this country go begging, people on welfare, people on unemployment because they cannot get jobs. And it is not in the defense industry that they cannot get those jobs, it is in the other parts of the budget. Let us free it up now.

There were no walls, there were no walls when we were building up the money to put into defense. Let us take the walls down now and invest it back in America, back in the people, get them off welfare, get them off unemployment, and give them jobs. The only way to do that is to do it by taking these walls down.

Let America reap the dividends and Americans get what they are entitled to for having protected the world for all of these years.

Mr. CLEMENT. Mr. Speaker, I rise in support of the rule and urge my colleagues to vote for it.

Shortly the House will take up H.R. 3732, the Budget Process Reform Act. I plan to oppose this legislation because I believe the peace dividend should be used to reduce the Federal deficit and not to increase Federal spending for domestic programs.

H.R. 3732 would modify the 1990 budget agreement which placed spending caps on defense, foreign affairs, and domestic programs. The agreement erected so-called firewalls that prohibit savings in these areas from being spent on other programs.

Mr. Speaker, the national debt is bankrupting the American way of life and washing away the underpinnings of our economy. This vote represents an opportunity to exhibit responsible leadership and begin restoring confidence in government. I intend to vote to use these defense savings to reduce the Federal deficit.

Future generations have as much claim to these savings as anyone. If we fail to utilize this opportunity to help turn a rocky recession into a real recovery, we are failing ourselves, our country, and our children.

In a recent poll, I asked the people of the Fifth District of Tennessee to rank 12 important issues. The No. 1 concern of respondents was reducing the Federal budget deficit.

Dozens of groups, all wanting a slice of the pie, have knocked on my door during the past few weeks urging me to vote to spend these savings. Seven billion dollars is not enough to satisfy all of the claims they have made, and, while $7 billion won't balance the budget, this vote should be a symbol of our resolve to reverse the rising tide of red ink. I intend to take a stand and vote to keep the firewalls in place. If we allow the firewalls between defense and domestic spending to crumble, we fan the flames of runaway spending.

Mr. Speaker, I urge my colleagues to do the sensible thing for the future of our country and reject H.R. 3732.

The SPEAKER pro tempore (Mr. McNulty). All time has expired.

Mr. DERRICK. Mr. Speaker, I move the previous question on the resolution.

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 242, nays 177, not voting 15, as follows:

[Roll No. 64]

YEAS—242

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Brewster
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Donnelly
Dooley
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Espy
Evans
Fascell
Fazio
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon
Guarini
Hall (OH)
Hamilton
Harris
Hatcher
Hayes (IL)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Pallone
Panetta
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Sikorski
Sisisky
Skaggs
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz

Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—177

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Burton
Callahan
Camp
Campbell (CA)
Cardin
Carper
Chandler
Clinger
Coble
Coleman (MO)
Combest
Condit
Cooper
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dorgan (ND)
Dreier
Duncan
Edwards (OK)
Emerson
Erdreich
Ewing
Fawell
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
Jacobs
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Owens (UT)
Oxley
Packard
Parker
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Swett
Tauzin
Taylor (MS)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—15

Boxer
Brooks
Bunning
Dixon
Dornan (CA)
Feighan
Fields
Gaydos
Levine (CA)
Lewis (CA)
Neal (NC)
Serrano
Skelton
Taylor (NC)
Thornton

☐ 1443

Messrs. TAYLOR of Mississippi, CONDIT, ERDREICH, and CARPER changed their vote from "yea" to "nay."

Mr. VENTO and Mr. POSHARD changed their vote from "nay" to "yea."

So the previous question was ordered.

The result of the vote was announced as above recorded.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. McNULTY). Before the Chair puts the question on the resolution, the Chair would like to take this opportunity to welcome back to the Chamber our friend, the gentleman from Mississippi [Mr. WHITTEN], the distinguished chairman of the Committee on Appropriations.

The SPEAKER pro tempore. The question is on the resolution.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. McCathran, one of his secretaries.

PERMISSION FOR SUBCOMMITTEE ON TELECOMMUNICATIONS AND FINANCE OF COMMITTEE ON ENERGY AND COMMERCE TO SIT ON APRIL 2, 1992, DURING PROCEEDINGS UNDER THE 5-MINUTE RULE

Mr. MARKEY. Mr. Speaker, I ask unanimous consent that the Subcommittee on Telecommunications and Finance of the Committee on Energy and Commerce may have permission to sit April 2, 1992, during proceedings on the floor under the 5-minute rule.

This has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

BUDGET PROCESS REFORM ACT OF 1992

The SPEAKER pro tempore. Pursuant to House Resolution 410 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 3732.

☐ 1449

IN THE COMMITTEE OF THE WHOLE

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 3732) to amend the Congressional Budget Act of 1974 to eliminate the division of discretionary appropriations into three categories for purposes of a discretionary spending limit for fiscal year 1993, and for other purposes, with Mr. CLAY, Chairman pro tempore, in the chair.

The Clerk read the title of the bill.

The CHAIRMAN pro tempore. When the Committee of the Whole rose on Thursday, March 12, 1992, 10 minutes remained in general debate. Pursuant to House Resolution 410, all time for general debate pursuant to House Resolution 394 has expired.

Pursuant to House Resolution 410, the gentleman from Michigan [Mr. CONYERS] will be recognized for 30 minutes and the gentleman from New York [Mr. HORTON] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Michigan [Mr. CONYERS].

☐ 1450

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, today we continue our debate about the direction this country is headed in. We are deciding if we move forward in a balanced way, and use a modest peace dividend in 1993 to reduce the deficit and invest in our children's future. Or will we retreat from the economic crisis that is the legacy of 12 years of disinvestment brought about by Republican control of the executive branch?

H.R. 3732 simply makes one common sense change in the budget process: It consolidates three categories of discretionary spending—defense, domestic, and international—under a single cap. Only the so-called mini-caps are eliminated.

There are four good reasons why this body should support H.R. 3732, the so-called budget firewalls bill. First, it reduces the deficit. Second, it will allow for modest long-term investments that will make the economy more productive, and generate more revenues for further deficit reduction. Third, it will allow us to help communities hit hard by defense cutbacks, and fourth, the alternative presented by opponents of this legislation will not necessarily reduce the deficit.

In essence this debate is between those people who believe that the economy would be better off if all military savings went for deficit reduction, and those who believe that to promote true long-term growth defense savings should go to both deficit reduction and new investments.

THE DEFICIT

It's rather remarkable to hear Members on the other side of the aisle condemn this proposal and spread false information that this won't reduce the deficit. Those charges are outrageous since the current massive deficits are a creation of failed supply-side voodoo economics sponsored by the last two Republican Presidents.

When Ronald Reagan came into office 12 years ago, the annual deficit was under $60 billion a year and the national debt was under a trillion dollars. Today, the Bush administration is running deficits approaching $400 billion a year and the total national debt is nearing the $4 trillion mark. Let's be clear. Congress has appropriated $9 billion less than Republican Presidents have requested over the last 10 years, and this legislation would cut the deficit below the benchmark set by the President at the 1990 budget summit.

I'm tired of the deficit being blamed on poor people, on the homeless, on so-called welfare cheats. These people are not the culprits. We got in this mess, as our colleague BOB TRAXLER noted during the last debate on this bill, because of the Republican policy of "slash taxes, increase defense." And I would add, we are here because most of those on the other side of the aisle have buried their heads in the sand about the need for health care reform.

There are those who would have you believe that spending on domestic discretionary programs has caused the budget deficit. It's simply not true.

Entitlements: Increased $776 billion above the CBO baseline over the decade. That's mostly for Social Security and health care. The biggest growth here was in Medicare and Medicaid, because we lack a national health insurance system that can contain costs.

Defense spending: Up a whopping $624 billion over the CBO baseline during the decade—an average increase of $60 billion a year.

International: Down $11 billion.

Domestic: Down $395 billion. The middle class and low-income Americans have paid with their hide.

Mr. Chairman, I reserve the balance of my time.

Mr. HORTON. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I rise in opposition to the bill, and I urge my colleagues on both sides of the aisle to vote against its passage.

We have an opportunity today to send a sorely needed message to the American people about our ability to govern and to make the tough decisions.

We have an opportunity today to show that we care about the economy and jobs, and that we understand the long-term impact of deficit spending on both.

We have an opportunity today to show that we can resist the temptation to mortgage the futures of our children through more, and more, and more, deficit spending.

And that, Mr. Chairman,—the future—is what this legislation is all about. We have heard much about the programs that would suffer if we fail to pass H.R. 3732. Head Start, Action, the Job Training Partnership Act, the WIC Program, Pell education grants, biomedical research, conservation, and environmental protection programs—the distinguished chairman of Government Operations enumerated them well in our debate a few weeks ago on this same bill. I support these programs and I know they would benefit if we passed H.R. 3732. They all are legitimate and they could use every cent they receive and more. This brings me to the most important point in this debate.

It is precisely because I believe in the importance of the domestic programs I have just outlined and others that I must oppose H.R. 3732. The simple fact is that I want these programs to be around when my grandchildren and their children need them. I do not want interest on a national debt that is snowballing out of control to consume the funding resources these programs will require in the years ahead. That is what is at stake with H.R. 3732.

Interest on the national debt is approaching $300 billion this fiscal year; $300 billion. That is the pricetag we must pay now for our unbalanced budgets of the past few decades; $300 billion is what we do not have available to spend today because we must pay interest on a national debt that stands at $3.6 trillion. The cost of servicing the national debt will only increase. It is expected to rise to $315 billion in fiscal year 1993, $338 billion in fiscal year 1994, and to nearly $400 billion in fiscal year 1997.

If we did not have to pay on that debt, if past spending had been controlled, if it had been kept within reasonable budgetary limits, then that $300 billion that we must now pay in interest would instead be available to us to fully fund all of the programs discussed above and more. Head Start could be fully funded, Pell grants could be available on an as needed basis to any American interested in a college education. In other words, we would have adequate resources now to educate our children, provide job training, fund export credit programs, protect our environment, extend tax credits for research and development, cut taxes, and propel the economy solidly forward.

But the debt is here and we have to pay it. A vote for H.R. 3732 will make the debt worse and send a signal to the American people that Congress is unable to say "no" to any spending control discipline whatsoever. To be sure, we are only talking here of about $7 billion—not a huge chunk compared to the nearly $400 billion deficit we will incur this year, regardless of H.R. 3732. But a vote against H.R. 3732 goes beyond the dollars involved. The message we would send to the American people by rejecting this bill, by saying "no more" would be a powerful one. For the first time, we would be saying that controlling the deficit is important. We would set a precedent of actually targeting savings to deficit reduction. And most importantly, Mr. Chairman, we would be sending a message to future generations of Americans. We would be telling them this: "We care about you, too."

Mr. Chairman, I urge my colleagues to vote against H.R. 3732.

□ 1500

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from California [Mr. MILLER], Chairman of the Committee on Interior and Insular Affairs.

Mr. MILLER of California. Mr. Chairman, I thank the gentleman from Michigan [Mr. CONYERS] for yielding this time to me, and, Mr. Chairman and Members of the Committee, this is the most important vote that we are going to have this year because this is going to determine whether or not we do the business of the people of this country or whether or not we engage in military porkbarrel down the road.

Mr. Chairman, the suggestion is, if we do not bring down the walls, we will be able to cut the military budget, and it will all go to deficit reduction. That simply will not happen.

But what will happen is we will not be able to meet the needs of our constituents. We will not be able to meet the needs of those who desire to see quality education, to see a safe environment, to see safe streets, and safe cities. This simply will not be able to meet those needs. We will not be able to do the agenda of this country, to make this country competitive, to make it strong and to bring it into the next century. The decision today not to meet the educational needs of this country will be a tragic one which we will rue for many, many decades to come.

Mr. Chairman, that is what this vote is about. It is about the agenda of the people of this Nation or whether it is about the special interest needs of the committees of this Congress to protect their porkbarrel spending.

It is not much more complicated than that, and I would hope we would support this legislation so we could meet the needs of the country.

Mr. HORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Ohio [Mr. GRADISON], a member of the Committee on Ways and Means and ranking member of the Committee on the Budget.

Mr. GRADISON. Mr. Chairman, I rise in strong opposition to H.R. 3732. This may be the most important vote we cast this year since it will tell our constituents whether we are serious about reducing the deficit or whether our expressions of concern are just talk.

As Members know, the budget process already is under way. Legislation similar to H.R. 3732 has been rejected in the other body. Even if this bill somehow were approved by Congress, the President would not sign it, and the veto would easily be sustained.

Because of these facts, some Members might ask why this bill is even brought before us. Maybe this is meant to be merely a symbolic vote. Such a view would be incorrect. Members rarely have an opportunity to cast a clear, up-or-down vote on whether they favor more spending or reducing the Federal budget deficit. The vote on H.R. 3732 is such an opportunity. On this issue we can run but we cannot hide. For once our constituents will know for sure how we stand on one of the central issues of our time.

Defeating this bill would reassert Congress commitment to controlling Federal spending and it would renew our commitment to reducing the deficit.

Some of the proponents of this bill argue that passage of H.R. 3732 would not necessarily increase the deficit. They say it is possible to fashion a budget that keeps the same deficit level with or without maintaining the firewalls. That is absolute nonsense. The only reason H.R. 3732 is before us is the desire of the Democratic leadership to increase Federal spending.

The key point is this: If the firewalls are maintained, any additional defense savings in 1993 will go entirely to deficit reduction. If the firewalls are taken down, a large part of the defense savings—possibly all of it—will be used for higher spending in other programs and the pattern of unrelenting deficit spending would continue. That is why the firewalls were established in the first place, and that is why they should be maintained.

Now I want to address a few other substantive points at stake here.

Domestic discretionary accounts have not been starved, as some contend. The 1993 domestic discretionary cap allows 34-percent after-inflation growth in budget authority compared to 1986. The outlay cap provides a 19-percent real increase for the same period.

Those who advocate higher domestic investments should recognize that deficit reduction is pure investment. When the deficit is reduced, national saving increases dollar-for-dollar, making more resources available for private investment. H.R. 3732 is nothing more than an invitation to continue deficit spending, which will constrain economic growth and deprive taxpayers of the level of economic growth they deserve.

Deficit reduction will lower long-term interest rates, and boost investment and capital formation. It is therefore, the best way Congress can promote long-term economic growth and improved living standards.

I strongly urge colleagues on both sides of the aisle to vote "no."

Mr. CONYERS. Mr. Chairman, I yield 1½ minutes to the gentleman from California [Mr. BROWN], the distinguished chairman of the Committee on Science, Space, and Technology.

Mr. BROWN. Mr. Chairman, I thank the distinguished gentleman from Michigan [Mr. CONYERS] for yielding this time to me.

Mr. Chairman, I echo the sentiments of those who have asserted that this is probably the most important vote that we will make this year. The question really before us is how we can change the decline which has been occurring in our society in terms of productivity, rate of increase, and gross national product and so forth over the last 10 to 15 years. That decline, incidentally, is documented by almost any publication we can pick up these days, including the lead article in Business Week and many other similar articles.

□ 1510

I have no quarrel with those who want to use this funding to reduce the debt. I think that it is essential that a large portion of it go to reduce the debt. However, as part of our problem is that we have been underfunding those factors which increase productivity in this country, then we have to increase those investments, and this is what a large part of the savings from the Defense Department budget would go to if the walls can be brought down.

Mr. Chairman, we have to increase the quality of our human resources. We have to be able to encourage and leverage additional private investment in new plants and equipment. We have to do a better job of research and development to create new problems and bring them to market faster. We cannot do that without the investments that will be produced by breaking down these walls.

Mr. HORTON. Mr. Chairman, I yield 1 minute to the gentleman from Washington [Mr. CHANDLER], a member of the Committee on Ways and Means.

Mr. CHANDLER. Mr. Chairman, I rise today to express my firm opposition to H.R. 3732. As a supporter of the Budget Enforcement Act of 1990 [BEA], I am dismayed over efforts to abandon this agreement that was crafted little over 1 year ago.

H.R. 3732 falsely bears the name "Budget Process Reform Act." Rather than streamlining the budget process or helping to control our runaway spending, this legislation would recklessly tear down the firewalls which currently exist between the three spending categories. With the walls scheduled to come down in fiscal year 1994, this legislation represents a premature, election year effort to abandon the budget discipline that the Budget Enforcement Act attempted to instill.

I would agree that there are numerous worthwhile domestic programs that could be funded at higher levels. However, increased spending resulting in a larger deficit is not the answer. We must recognize that with limited funding, a reevaluation of our spending priorities is critical. Working together, we must eliminate the wasteful spending that exists within the Federal budget and redirect those funds to key programs. That is why I am a cosponsor of legislation granting the President line-item veto authority, as well as a bill adding a balanced budget amendment to the U.S. Constitution. I am disappointed that the majority leadership has not taken action on either of these two proposals to date.

Mr. Chairman, I believe that the firewalls, as well as spending caps and pay-as-you-go requirements, are critical to ensuring that the tax-and-spend Members of this Congress are kept under control. I also fully support the BEA requirement that any reduction in spending in any category, should be applied to the deficit. As the Members of this House prepare to consider this ill-conceived legislation, we must remember that failure to address our deficit is tantamount to failing ourselves, our children, and our Nation's economic future.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentlewoman from Connecticut [Mrs. KENNELLY].

Mrs. KENNELLY. Mr. Chairman, I rise in strong support of H.R. 3732. And I do so as one of the few Members who voted against both budget resolutions for the first time in my tenure in Congress.

I voted against both budget resolutions because I felt that the defense cuts were simply too high. The President's budget, while calling for modest defense cuts, did not contain a plan or vision for a post-cold-war world. There was no plan for economic conversion. Those communities, workers, and industries that made it possible for us to win a ground war in a 100 hours are left to fend for themselves as the defense budget shrinks.

Our budget resolution called for $14 billion in defense outlay cuts. And while our numbers were based on a realistic assessment of the type of threat the United States is likely to encounter in a post-cold-war world, it called for significant cuts and only added $1 billion for economic conversion as an afterthought.

While realistic threat assessment is absolutely vital, so is a plan for those communities, workers, and industries that now find themselves victims of this crossroads in our history.

So I say to my colleagues, if you do not want to abandon those people, those communities, and those industries, you have to vote to bring the walls down. These workers need retraining and job search assistance. These communities need incentives for economic development. And these industries need new capital and assistance finding new markets.

If the walls stay up, you abandon them. If you think the Government has an obligation to help these people, communities, and industries get back on their feet, bring the walls down.

Mr. HORTON. Mr. Chairman, I yield 4 minutes to the gentleman from Texas [Mr. STENHOLM].

Mr. STENHOLM. Mr. Chairman, I rise in strong opposition to H.R. 3732. It is not often that the House is presented with a choice as clear as the one we face today. We can vote to reduce the deficit by keeping the firewalls in place and dedicating any peace dividend to deficit reduction, or we can vote to increase spending by tearing down these walls.

We have witnessed tremendous changes since 1990. Unfortunately, the one fact that led to the passage of the Budget Enforcement Act has not changed—the Federal budget remains out of control. The deficit will almost certainly set a peacetime record this year and our national debt is growing faster than the economy.

There is no peace dividend, because we have borrowed 100 percent of the money that we have been spending on defense. A company $400 billion in debt cannot pay a dividend. If we are able to reduce military spending, it simply means that we will have to borrow less money next year.

The proponents of this bill have claimed that this bill will not increase the deficit. In fact, they have claimed that it will reduce the deficit. As we would say in west Texas, "that dog won't hunt" and any honest examination of the numbers makes it clear how you must vote today if you really care about deficit reduction.

The simple fact is that tearing down the walls would means that we would adopt plan A of the budget resolution, which included a deficit $6.5 billion higher than in plan A. It's that simple. If you vote for this bill, you are voting to increase the deficit by $6.5 billion.

This debate is not about whether or not defense spending should be reduced below the defense cap. We know that it will be, and both plans A and B of the budget resolution cut defense well below the levels in the cap. The question before us is whether we will use this opportunity to make a step toward a balanced budget by dedicating all of the savings to deficit reduction or will we squander this opportunity to reduce the deficit.

It is true that defeating this bill will only make a small step in reducing the deficit. I am reminded however, of the wisdom of either Confucius or Garfield who said: "When you find yourself in a hole, the first rule is to quit digging." If we defeat this bill, we will at least stop digging. If we stop digging today maybe month we can start working toward filling the hole.

We have been told that we must tear down the firewalls to help the economy. This runs counter to the testimony of various economists who have testified before the Budget and Ways and Means Committees. I am inserting into the RECORD a list of statements by economists who have warned us of the critical imperative of our dealing with the Federal deficit. They warn us that the deficit does more to harm the economy by reducing the savings rate and increasing interest rates than any spending increase can offset.

We are being warned that if we defeat this bill, draconian cuts in spending will be made. I do not pretend that the spending levels in plan B match those in plan A. Reducing our deficit will require some tough choices. Some programs will have to be cut. However, even with the walls in place, plan B makes significant investments in health, jobs and other priority programs. Plan B also recognizes that the most significant way we can invest in the future is to reduce the debt burden that future generations must bear.

After nearly quadrupling the national debt in the last 12 years, the Federal Government has squandered its credibility with the American people on fiscal issues. We will fuel even greater public cynicism if we loosen the fiscal discipline imposed by the Budget Enforcement Act just 2 years after its enactment. By voting to keep the walls in place, we can let the American public know that we are capable of acting responsibly and following through on what we said we were going to do when we passed the BEA.

This vote will be the most important budget vote we make this year. I urge my colleagues to demonstrate their commitment to deficit reduction by defeating the Conyers bill.

Mr. Chairman, for the RECORD I include the letters referred to earlier.

WHAT DO ECONOMISTS SAY ABOUT BREAKING THE FIREWALLS AND REDUCING THE DEFICIT?

Reducing the call of the federal government on the nation's pool of savings is essential. Above all, I urge you to adhere to a budgetary strategy for FY1993 and beyond that is geared to the longer-run needs of the U.S. economy. At a minimum, maintaining a commitment to the elimination of the structural budget deficit over the coming years will help enormously to alleviate the concerns of the American people about our economic future.—Alan Greenspan, Chairman, Board of Governors of the Federal Reserve System, February 1992.

Fiscal year 1991 closed with a record deficit of $269 billion, but 1992 and 1993 seem certain to exceed even that figure. CBO projects that, under current budgetary policies, the deficit will reach $352 billion this year and $327 billion in 1993 . . . The huge shortfalls will arise despite the stringent limits on discretionary spending that were imposed as part of the five-year, $500 billion deficit reduction agreement negotiated by the President and the Congress in 1990 . . . The deficit should return to the top of the political agenda in 1993. . . . Deficits of these magnitudes cripple economic growth by reducing national saving and capital formation. They also create a vicious cycle of more federal borrowing and higher debt service costs, which in turn make it still more difficult to reduce the deficit. Another round of spending reductions and tax increases, rivaling the $500 billion achieved in 1990, must come soon if the deficit is to be reduced to reasonable levels.—Robert D. Reischauer, Director, Congressional Budget Office, January 1992.

In today's political climate temporary fiscal stimulus has about as much credibility as the tooth fairy . . . The guiding principal behind any fiscal action taken at this point should be to adopt only measures that will still be useful several years hence.—Benjamin M. Friedman, Harvard University Department of Economics, January 1992.

The country has a structural, "consumption-driven" budget deficit from which it should be weaned. We can't afford all the private and public goods and services we're enjoying today; only escalating borrowing makes it temporarily feasible. We won't be able to enjoy these luxuries in future decades—unless we increase national savings by reducing the federal budget deficit and setting new expenditure priorities—Roger E. Brinner, DRI/McGraw-Hill, December 11, 1991.

The Federal government—executive and legislative branches alike—is perhaps most guilty of excessive short-term emphasis. Its huge and persistent budget deficits exhibit a shocking lack of discipline and concern for the future, creating a massive national debt that must be serviced if not repaid by future generations. That debt is now approaching $4 trillion, or about $50,000 for every American family. Productive private investment is crowded out and huge sums must be borrowed from abroad, adding further to America's status as the world's largest debtor nation.—Competitiveness Policy Council, Bipartisan Panel Appointed by the Congress and the President, March 1992.

In June 1991 the Committee for Economic Development (CED) recommended "Congress should require that the entire budgetary saving arising from any further cuts in defense spending be used to reduce the deficit." However, instead of seizing this opportunity to reduce the deficit, political leaders are now proposing measures that threaten to raise the deficit or hinder its reduction. Congress has received numerous proposals for tax cuts and/or increases in domestic spending financed by further defense cuts . . . These proposals sharply conflict with the national priorities required to provide for future generations. Are we to be the first generation of Americans that not only does not sacrifice for our children but also places on them the burden of our profligacy?—Roy L. Ash, Committee for Economic Development (An organization of 250 business and academic leaders), December 1991.

Stein's first law of economics says that if something cannot go on forever, eventually it must stop. The only question is: what will it take to end this unsustainable pattern of deficits and debt, and when will it cease? . . . We need to lay the groundwork for future deficit reduction efforts. We need to devise meaningful, workable limits for entitlements and other mandatory spending. Don't breech the firewall between discretionary spending and pay-as-you-go. Pay-as-you-go discipline is the only thing standing between you and a takeover of the federal budget by burgeoning entitlement spending. The budget process will suffer a severe blow if Congress and the Administration choose to abrogate the agreement in order to serve short term desires to increase even worthwhile programs in this election/recession year.—Carol Cox Wait, Committee for a Responsible Federal Budget, February 1992.

QUESTIONS AND ANSWERS REGARDING H.R. 3732, THE CONYERS RESOLUTION BREAKING THE BUDGET FIREWALLS

Question: How will the Conyers Resolution increase the deficit, since the cap on total discretionary spending is maintained?

Answer: It is technically true that the Conyers bill will not allow spending to exceed the total levels set in the Budget Enforcement Act (BEA). In reality, however, the end of the Cold War resulted in general agreement that spending could be reduced below the total discretionary cap because of defense reductions. The Conyers bill will prevent this anticipated reduction in overall spending. Tearing down the walls and adopting Plan A of the Budget Resolution would result in a deficit $6.5 billion higher than Plan B, which assumes the walls stay in place.

Simply maintaining the total discretionary cap would be sufficient fiscal restraint if there was no need for any deficit reduction beyond that provided for in the 1990 summit agreement. Unfortunately, the Congressional Budget Office reports that, even with the BEA caps, deficits will exceed $200 billion well into the next century. Given these conditions, the opportunity for further deficit reduction provided for by the possibility of defense cuts should not be squandered.

Question: Shouldn't the Budget Enforcement Act be amended to reflect the changes in the world since 1990?

Answer: The caps placed in the Budget Enforcement Act were explicitly designed to be spending ceilings, not floors. The cap on defense spending was intended to set a maximum level for defense spending while allowing for further reductions if events warranted.

Despite the historic changes that have occurred since the enactment of the Budget Enforcement Act, the fact that was the driving force behind the BEA remains even truer today: federal deficits are placing an increasingly heavy burden on our economy.

Question: Don't we need to break down the walls in order to provide fiscal stimulus to the economy?

Answer: Numerous economists have warned that fiscal efforts to stimulate the economy would be counterproductive given our large structural deficits. By reducing the savings rate and increasing interest rates, the deficit does more to harm the economy than any public investment could offset. In addition, loosening the discipline of the Budget Enforcement Act would send a dangerous psychological message to the financial markets. Most economists agree that the most crucial action Congress could take to restore the long-term health of our economy would be to reduce the budget deficit.

Question: Won't deep cuts in domestic programs be required if the walls are maintained?

Answer: Obviously, spending for domestic programs will not be as high if the walls are maintained. Plan B recognizes that some short-term sacrifices must be made to address the long-term threat posed by the deficit. The most significant way we can care for Americans, especially young Americans, is to reduce the debt burden.

It is important to keep in mind, however, that even with the walls in place, $206.1 billion in Budget Authority and $224.7 billion in outlays will be available for domestic programs. Plan B is therefore able to make strong investments in health, jobs and other priority programs. Funding for high-priority programs such as WIC (Women, Infants and Children), Low-Income Home Energy Assistance, Childhood Immunization, and Job Training are funded to a much greater extent than the President proposed.

Question: Shouldn't Congress have the flexibility to set budget priorities within the budget without the restrictions of the categorical caps?

Answer: The Budget Enforcement Act was intended to place discipline in the budget process by making it more difficult to increase spending. The categorical caps were put in place to ensure that any spending reductions in any one category be applied to the deficit. Since the government was borrowing the money that had been spent on defense, the reductions in the defense budget do not represent "found money" that can be reprogrammed.

Question: Will taking down the walls result in additional cuts in defense?

Answer: Passage of H.R. 3732 alone will not result in deeper defense cuts. It will, however, increase pressure to raid the defense budget to meet discretionary spending demands without concern for security needs. Although the defense reductions are the same in Plan A and Plan B, there is no assurance that defense spending won't be cut deeper later in the process.

Question: Why is it important to maintain the firewall if doing so will only reduce the deficit by $6 billion?

Answer: While maintaining the firewalls is only the first step in improving our fiscal condition, this is not a justification for making the deficit worse. The deficit is too large for any one action to solve it alone. The summit agreement of 1990 was a positive step in dealing with the deficit. Passing the Conyers bill will represent a step backwards in that process and will make reaching compromises on future deficit reduction packages virtually impossible.

TALKING POINTS FOR DEMOCRATS OPPOSING H.R. 3732

A "NO" vote on H.R. 3732 means you support Plan B of the Budget Resolution. It also means you believe in:

PROTECTING AMERICA'S YOUTH

Deficit Reduction: The most significant way we can care for young Americans is to take the burden of the deficit off their backs. Priority programs needs not be sacrificed for deficit reduction, but there must be a recognition of the need for balancing short-term program investments with long-term economic stabilization.

WIC: Under Plan B increases, more than 200.000 additional women, infants and children will receive nutritional assistance than currently receive those services.

Immunizations: Four million additional children (over the President's proposal) will be immunized.

PROVIDING JOBS FOR AMERICA'S WORKERS

Job Corps: Plan B creates new Job Corps slots.

Mass Transit: Thousands of jobs would be created in the Plan B recommendation for mass transit, while the President's proposed cut in mass transit would have actually eliminated 42,000 jobs.

ENSURING ACCESS TO HEALTH CARE AND RESEARCH

Plan B includes significant increases above the President's for the National Institutes of Health (NIH), Community and Migrant Health Centers, Indian Health, Food and Drug Administration (FDA), and Alcohol Drug Abuse and Mental Health Administration (ADAMHA).

PROTECTING AMERICA'S LOW AND MIDDLE INCOME FAMILIES

LIHEAP: The President would have eliminated 1.3 million households from the Low-Income Home Energy Assistance program which helps pay low-income family energy bills. Plan B rejects this cut and increases funding for this program.

Housing Assistance: Plan B would provide more than 20,000 more HUD low-income housing units than the President's budget.

Plan B continues the emphasis our party has always maintained on "low income/high priority" programs, but it balances those priorities with the long-term need for deficit reduction.

FUNDING FOR SELECTED DOMESTIC DISCRETIONARY PROGRAMS

[Budget authority, in millions of dollars]

Program	President's budget	Plan A	Plan B
Childhood immunizations	349	448	448
WIC	2,840	3,000	2,900
Indian health	1,658	1,782	1,782
Low-Income home energy assistance	1,065	1,575	1,548
Community development block grants	2,900	3,518	3,400
Job Training Partnership Act	4,094	4,683	4,423
Community health centers	624	740	637
FDA	591	798	760
Mass transit	3,000	4,267	3,828
Veterans benefits and services	16,463	16,996	16,685
Housing assistance	20,415	24,222	22,689
Small Business Administration loans	193	407	391
Rural housing loans	923	1,114	1,014
Fossil energy R&D	311	492	467
Energy Conservation grants	155	277	257
NIH	9,377	9,736	9,436
ADAMHA	3,276	3,440	3,306
AIDS	2,069	2,393	2,093

Attention: Budget Aide:

NATIONAL TAXPAYERS UNION,
Washington, DC, March 11, 1992.

DEAR REPRESENTATIVE: This week, the so-called Budget Process Reform Act will come to the floor. On behalf of the National Taxpayers Union's 200,000 members, I strongly urge you to vote "no" on this bill. The vote on H.R. 3732 will be one of the year's key votes on fiscal responsibility.

The 1990 budget deal was supposed to put the Federal Government on a serious course of deficit reduction. The Budget Enforcement Act of 1990 increased taxes by $166 billion, one of the largest tax hikes in history. It also placed spending caps on domestic and defense spending, with most of the domestic spending restraint in the final years of the budget deal.

The pressure of spending caps in the out years mandated by the Budget Enforcement Act has produced H.R. 3732, deceptively entitled the Budget Process Reform Act. Don't be fooled by the name. This is not reform. If enacted, this bill would tear down the fire walls that prohibit the transfer of funds between discretionary accounts, resulting in more spending and deficits. Under current law, savings in a given account reduce the deficit. Now, some in Congress want to use defense savings to fund a massive increase in domestic discretionary spending.

While the budget deal was flawed, its spending caps and firewalls provide the only statutory fiscal discipline to help control taxes, deficits and spending. Gutting these protections would break a deal with the public, and eliminate the only brake on the runaway freight train of federal debt.

Please vote "no" on H.R. 3732.

Sincerely,

JAMES D. DAVIDSON.

OPEN LETTER TO THE U.S. HOUSE OF REPRESENTATIVES IN OPPOSITION TO CONYERS PROPOSAL

The undersigned members of the Coalition for Fiscal Restraint (COFIRE) are opposed to the Conyers bill (H.R. 3732) on grounds that its sole purpose, if enacted, would be to permit a subsequent $6.7 billion increase in federal spending in fiscal 1993.

H.R. 3732 would eliminate the "fire walls" between the three separate discretionary spending accounts expressly to accommodate domestic spending in excess of spending caps set by the 1990 Budget Enforcement Act.

In short, this proposal, if enacted, would avoid a sequester in domestic spending required by the 1990 act, thus permitting the $6.7 billion spending increase referred to above.

Since 1989 domestic discretionary spending has increased by a total of 21 percent in nominal terms (or ten percent in real terms). In light of this continuing growth, now is not the time to permit even more domestic spending increases.

We urge all members of the U.S. House of Representatives to vote against the Conyers proposal for this reason.

American Amusement Machine Association.
American Association of Boomers.
American Cyanamid Company.
American Farm Bureau Federation.
American Furniture Manufacturers Association.
American Iron and Steel Institute.
American Legislative Exchange Council.
American Rental Association.
American Wholesale Marketers Association.
Americans for a Balanced Budget.
Americans for Tax Reform.
Amway Corporation.
Armstrong World Industries.
Associated Builders and Contractors.
Association of Wall and Ceiling Industries-International.
Automotive Service Association.
Baroid Corporation.
Beer Drinkers of America.
Chamber of Commerce of the United States.
Chocolate Manufacturers Association.
Citizens Against Government Waste.
Citizens Against a National Sales Tax/VAT.
Citizens for a Sound Economy.
CNP Action, Inc.
Commercial Weather Services Association.
Committee for Private Offshore Rescue and Towing.
Composite Can and Tube Institute.
Consumer Alert Advocate.
Contract Services Association.
Dairy and Food Industries Supply Association.
FMC Corporation.
W.R. Grace and Company.
Helicopter Association International.
Independent Bakers Association.
International Ice Cream Association.
Koch Industries.
Eli Lilly and Company.
Medford Corporation.
Milk Industry Foundation.
National-American Wholesale Grocers' Association.
National Association of Brick Distributors.
National Association of Charterboat Operators.
National Association of Manufacturers.
National Association of Truck Stop Operators.
National Cattlemen's Association.
National Cheese Institute.
National Confectioners Association.
National Food Brokers Association.
National Independent Dairy-Foods Association.
National Limousine Association.
National Printing Equipment and Supply Association.
National Tax Equality Association.
National Tax Limitation Committee.
National Taxpayers Union.
Reynolds Metal Company.
Savings and Investors League.
The Seniors Coalition.
Sybra Corporation.
United Bus Owners of America.
United Fresh Fruit and Vegetable Association.
United States Business and Industrial Council.
United States Federation of Small Businesses.
Valhi, Inc.
Walgreen Company.

NATIONAL FEDERATION
OF INDEPENDENT BUSINESS,
Washington, DC, March 9, 1992.

DEAR MEMBER OF CONGRESS: On behalf of the over 500,000 members of the National Federation of Independent Business (NFIB), I urge you to vote against any attempt to modify or remove the budget "firewalls" established in 1990.

The federal debt is quickly approaching $4 trillion. In fact, the amount of interest to be paid on the public debt in fiscal year 1993 ($316 billion) will exceed all federal expenditures for national defense ($291 billion). Using the "peace dividend" to pay for increased domestic spending makes no sense when we are paying more to service our excessive spending.

Over the last decade, NIFB members have been strong proponents of reducing the budget deficit and paying off our national debt. They are concerned not only about the impact the national debt has on the economy, but they are worried that Congress is mortgaging our future.

In January, NFIB conducted an informal survey of 5,000 NFIB members. When asked what Congress should do given current economic conditions, 72% of those responding said that Congress should focus on reducing the deficit, not cut taxes, and certainly not increase spending.

NFIB members will view eliminating the firewalls as just another budgetary shell game in which their taxes stay high and the budget deficit continues as a serious national problem. As a result, NFIB will consider as a Key Small Business Vote any attempt to change the budget firewalls to allow defense "savings" to be used for increased domestic spending, instead of reducing the deficit.

Sincerely,

JOHN J. MOTLEY III,
Vice President, Federal Governmental Relations.

CITIZENS FOR A SOUND ECONOMY,
Washington, DC, March 6, 1992.

Hon. CHARLES W. STENHOLM,
U.S. House of Representatives,
Washington, DC.

DEAR MR. STENHOLM: On behalf of its 250,000 members, Citizens for a Sound Economy (CSE) strongly urges you to vote against H.R. 3732, the so-called "Budget Process Reform Act of 1992." H.R. 3732 would burn down the "firewalls" that separate spending into three categories as established by the Budget Enforcement Act of 1990, and it would lead to increased spending and deficits. CSE will use this "KEY VOTE" to calculate your eligibility for our annual Jefferson Award program, and we will report your vote to our members in your district.

The Budget Enforcement Act of 1990 caps fiscal year 1993 (FY93) domestic discretionary spending increases at 4.8 percent, well below FY91 growth of 9.9 percent and FY92 growth of 7.3 percent. As a result, some members of Congress want to transfer projected defense cuts to fund even higher domestic spending. Such a move is completely unacceptable.

Within the last four years alone, the federal government has grown alarmingly. In fiscal year 1989, the federal government spent 22.1 percent of the U.S. gross domestic product (GDP). In 1992, federal spending will reach 25.2 percent of GDP, a level not seen since 1946. As a consequence, more and more resources are removed from the private sector to pay for government programs. A number of studies have shown that the private sector provides these services better than the public sector.

To make matters worse, government spending continues to outpace tax revenues. This year's record $399.7 billion budget deficit clearly signals that Congress must cut spending and implement stronger enforcement mechanisms for spending restraint. A vote to pull down the budget firewalls effectively favors profligate spending. On behalf of our 250,000 members, I urge you to vote "NO" on H.R. 3732.

Sincerely,

PAUL BECKNER,
President.

RESPONSIBLE BUDGET
ACTION GROUP,
Washington, DC, March 5, 1992.

Attention: Becca.

Hon. CHARLES STENHOLM,
U.S. House of Representatives,
Washington, DC.

DEAR CHARLIE: Our Committee worked hard in support of the budget summit agreement in 1990. We are convinced that the problems of the Federal deficit and the national debt would be even worse than they are if that agreement had not been enacted. But those problems remain much worse than anybody thought they would be in 1990. And many inside government and out would like to repeal the disciplines the Budget Enforcement Act (the enforcement mechanisms in the 1990 agreement) are supposed to impose.

We oppose the Conyers bill to repeal the "firewalls" between defense and nondefense discretionary spending in the BEA. We are concerned that any weakening of budgetary discipline in the current environment will lead to even higher deficits and debt.

By any measure, the deficit almost certainly will set a peacetime record this year. The national debt is growing faster than the economy. We believe that Congress should take every opportunity to reduce Federal spending. That includes defense cuts below the levels contained in the President's budget, if such cuts can be made consistent with our national security objectives. But we believe that any money you save by cutting defense below the budget agreement caps should be used to reduce the deficit as the Budget Enforcement Act requires.

We are attaching a table which illustrates how tight the BEA caps will be in FY 1994 and FY 1995. We are concerned that domestic discretionary spending in excess of the existing cap this year could create inexorable pressure to increase total appropriations above the caps in FY 94 and FY 95.

Further, we are concerned that repealing the firewalls will lay the groundwork for a trade which could produce higher total spending: the President might accept higher domestic spending if that were the price Congress insisted on in return for of what the Administration believes to be adequate funding for defense; and both sides might agree to ignore the fact that this deal pushes total discretionary spending over the total amount in the BEA caps.

Finally, we are concerned that unraveling the budget agreement will undermine support for any future effort further to reduce the deficit.

A lot of people, in Congress and outside, supported the budget agreement even though they did not like some of its component parts. The current debate creates a particular dilemma for those who opposed tax increases in general but supported the agreement nonetheless. The tax increases are law. Much of the spending reduction the agreement promised depends on the enforcement of the discretionary caps, especially in FY 94 and FY 95. If the promised spending cuts do not materialize, it will be very hard to convince those folks to support any future agreement to reduce the deficit (assuming that future agreements also are likely to contain a mix of spending cuts and tax increases).

For the reasons outlined above, we regard the Conyers bill as potentially very dangerous legislation. We understand that you are working hard to defeat that bill. If there be anything we can do to assist your efforts, please let us know.

Best regards,

CARL COX WAIT,
President.

NATIONAL ASSOCIATION OF
WHOLESALE-DISTRIBUTORS,
Washington, DC, March 17, 1992.

Hon. CHARLES STENHOLM,
Longworth House Office Building, House of Representatives, Washington, DC.

DEAR REPRESENTATIVE STENHOLM: The House of Representatives will soon consider H.R. 3732, which would eliminate the small amount of fiscal restraint which was achieved in the Budget Summit Agreement of 1990. On behalf of the 40,000 companies represented by the National Association of Wholesaler-Distributors (NAW), I strongly urge you to vote against this bill.

The primary purpose of the 1990 budget agreement was to reduce the rate of growth in federal spending. Many sacrifices were made by the American people—including an increase in taxes—in order to achieve reductions in that growth. Not only would H.R. 3732 negate the goal of the budget agreement, but it would set a dangerous precedent and represent the relinquishment of a fundamental pact Congress made with the American people in 1990.

The wholesale distribution industry again urges you to show your support for real deficit reduction and integrity in fiscal policy and oppose H.R. 3732.

Thank you for your consideration.

Sincerely,

MARY T. TAVENNER,
Senior Director, Government Relations.

FEBRUARY 25, 1992.

Hon. TOM FOLEY,
Speaker of the House, House of Representatives, Washington, DC.

DEAR MR. SPEAKER: As the Congress wrestles with solutions to the very difficult economic problems facing the country, we think it vitally important that we not turn away from our most important economic objective—reducing the Federal deficit—and the critically important budgetary disciplines you put in place with the 1990 Budget Agreement.

The deficit seems almost certain to set a peacetime record this year. It would be even worse if it were not for the 1990 Budget Agreement. The Business Roundtable worked hard in support of this historic compact between the Congress and Executive Branch. We supported this carefully negotiated agreement to reduce spending, even though we did not agree with all the revenue increases it contained. The Agreement and the Budget Enforcement Act, which the Congress adopted to carry out its provisions, sent a strong signal to the financial markets that the Congress and the Administration were willing to undertake a five-year program of spending reduction and to agree to tough rules to enforce that agreement.

We are concerned now that, under the pressure to do something about the economy, actions will be taken to weaken the Budget Enforcement Act. For example, there is legislation pending which would remove the "Firewalls" separating Defense, International and Domestic spending. We are sure that in the heat of political debate you will hear arguments that circumstances have changed and the Budget Agreement is now out of date. We want to reaffirm the Business Roundtable's support for the Budget Agreement of 1990 and the sensible disciplines that it imposed. The enormous drag of the Federal deficit remains the major long-term problem of our economy. If the Congress and the Administration begin to weaken the Budget Agreement or to repeal its major provisions, the budget process will lose any credibility it now has.

The Business Roundtable believes that the integrity of the Budget Enforcement Act you helped to forge is 18 months ago must be maintained, and we urge you to oppose efforts to repeal or to amend its provisions. We stand ready to work with you in keeping the framework of the Budget Agreement in place.

Sincerely,

JOHN W. SNOW,
Chairman of CSX Corp. and Budget Task Force, the Business Roundtable.

NATIONAL ASSOCIATION
OF MANUFACTURERS,
March 9, 1992.

Hon. CHARLES W. STENHOLM,
U.S. House of Representatives,
Washington, DC.

DEAR MR. STENHOLM: Next week the House will consider H.R. 3732, the Conyers proposal, which would eliminate the walls between discretionary accounts in the federal budget. On behalf of the National Association of Manufacturer's 12,500 members, I urge you to oppose this effort.

While the NAM originally acknowledged that revisions to the 1990 budget agreement may be warranted in the interest of economic growth, it is now clear that the "firewalls" would be removed to increase domestic spending for FY 93 by avoiding a $6.7 billion sequester as required by the Budget Enforcement Act of 1990.

Through history, the major flaw of deficit reduction pacts has been that tax increases are enacted immediately and permanently, while promised cuts in spending are ignored. It is our hope that the 1990 budget agreement will not yield the same unfortunate results. We urge you to show your support for deficit reduction, lower interest rates and a healthier economy by voting no on H.R. 3732.

Sincerely,

JERRY J. JASINOWSKI.

COUNCIL FOR CITIZENS
AGAINST GOVERNMENT WASTE,
Washington, DC, March 5, 1992.

DEAR MEMBER OF CONGRESS: On behalf of the Council for Citizens Against Government Waste (CCAGW), I am writing to urge your opposition to H.R. 3732, a bill which would eliminate the so-called "firewalls" from the 1990 Budget Enforcement Act that prevent shifting funds among the defense, international and discretionary spending categories.

The 450,000 members of CCAGW are outraged that Congress is even considering a shift of defense spending to domestic programs without addressing our nation's most crucial problem—a $400 billion budget deficit.

It is completely irresponsible for Congress to consider anything but keeping its word and using the $8.8 billion in savings in defense to reduce the deficit.

This nation witnessed the end of the Cold War with pride and relief, but now must face the enormous challenge of getting back on the right fiscal track. Congress cannot continue to ignore the deficit and resultant debt and expect our children and grandchildren to pick up the tab.

The American people are tired of a Congress that spends money it doesn't have and changes its rules at will. They are tired of watching the government grow and their pocketbooks shrink.

CCAGW strongly urges your opposition to H.R. 3732. A NO vote on H.R. 3732 will demonstrate your commitment to protecting the American people and the generations to come from a crushing burden of debt.

Sincerely,

THOMAS A. SCHATZ,
Acting President.

U.S. CHAMBER OF COMMERCE,
LEGISLATIVE AND PUBLIC AFFAIRS,
Washington, DC, March 11, 1992.

MEMBERS OF THE U.S. HOUSE OF REPRESENTATIVES: This week you will be asked to vote on H.R. 3732, Representative John Conyers' (D-MI) proposal to allow defense budget savings to be dedicated to higher domestic discretionary spending. The U.S. Chamber of Commerce Federation of local and state chambers of commerce, associations, and businesses is strongly opposed to this effort to use what remains of the peace dividend on still higher domestic spending, and urges all members of the House of Representatives to oppose it as well.

In the weeks leading up to the final passage of the 1990 budget agreement, the Chamber repeatedly warned that higher taxes would harm, not help, both the health of the economy and the size of the deficit, and that the proposed budget "reforms" could unleash, not restrain, federal spending. For these reasons, the Chamber strongly opposed the budget agreement. Just 18 months later, the economy remains weak after a prolonged recession, the deficit is expected to reach $400 billion, and federal spending will consume more than 25 percent of GDP for the first time since World War II. Domestic discretionary spending will rise by nearly $15 billion, the largest single-year increase since 1978.

The Congressional Budget Office estimates that the end of the Cold War will produce a total peace dividend of $557 billion between 1990 and 1997. The lion's share of the total dividend, $414 billion, has already been consumed by new domestic spending. Representative Conyers' proposal would allow Congress to continue to spend the peace dividend. Specifically, H.R. 3732 would provide for an additional increase in federal spending of $6.7 billion in fiscal year 1993 by eliminating the "firewalls" between defense, international, and domestic discretionary spending accounts in order to accommodate domestic spending in excess of the spending cap set by the budget agreement. In short, Representative Conyers' proposal would avoid a sequester in domestic discretionary spending and allow the excessive appropriations of Congress to continue to grow unchecked.

With federal spending already at record levels, now is not the time to allow additional domestic discretionary spending. Indeed, the peace dividend would be best spent on tax cuts aimed at encouraging new investment and restoring the long-term health of the economy. The Chamber Federation urges all members of the House of Representatives to oppose H.R. 3732. A vote against Representative Conyers' proposal is a vote against higher spending. Your vote will be included in the Chamber's 1992 vote ratings, "How They Voted."

Sincerely,

DONALD J. KROES.

NATIONAL-AMERICAN WHOLESALE GROCERS' ASSOCIATION,
Falls Church, VA, March 11, 1992.

DEAR REPRESENTATIVE: I am writing to you today on behalf of the National-American Wholesale Grocers' Association (NAWGA) to express our strong opposition to H.R. 3732, the so-called "firewalls" legislation. I respectfully request that you oppose this legislation, should it find its way to the floor of the House of Representatives.

As you know, one of the most important elements of the 1990 budget agreement's fiscal discipline component was the establishment of the "firewalls" between the discretionary spending accounts in the federal budget. To eliminate these barriers now would be to invite a wholesale pillaging of the precious little existing restraints on government spending. The food distribution industry wholeheartedly opposes such a move.

By way of background, NAWGA, including its foodservice division—the International Foodservice Distributors Association (IFDA)—is an international trade association comprised of food distribution companies which primarily supply and service independent grocers and foodservice operations throughout the U.S. and Canada. NAWGA's 350 members operate over 1200 distribution centers with a combined annual sales volume in excess of $110 billion. IFDA represents member firms that sell annually over $29 billion in food and related products to restaurants, hospitals, and other institutional foodservice operations.

Thank you for taking an interest in the views of the food distribution industry in this matter. If I can be of any further assistance to you, please do not hesitate to call upon me.

With kindest regards,

BRUCE A. GATES,
Vice President, Government Relations.

AMERICAN BUSINESS CONFERENCE,
Washington, DC, March 6, 1992.

Hon. CHARLES W. STENHOLM,
House of Representatives, Longworth House Office Building, Washington, DC.

DEAR CONGRESSMAN STENHOLM: The American Business Conference (ABC) supported enactment of the budget agreement hammered out between the Bush Administration and Congress in 1990. We believed the enforcement mechanisms that were part of the agreement promised real progress in the battle to reduce the federal budget deficit.

We of course knew that sooner or later the enforcement discipline would be tested. That time has come this year with this session of Congress.

A number of people on the Hill and elsewhere argue that today, a mere 18 months after the agreement, the enforcement provisions, particularly the budget "firewalls" erected between major federal spending categories, are obsolete and should be abolished. These critics typically do not offer alternative enforcement provisions to replace those they would remove.

ABC members do not doubt that the world today is a different place from what it was 18 months ago. But one commanding fact that was true in 1990 is even more true now: continuing, huge federal deficits are absorbing a greater and greater share of our meager national savings. Those deficits are reducing America's capacity to make the productive investments crucial for the economy's future growth.

The members of ABC respectfully urge you to oppose efforts to loosen or abandon the budget enforcement mechanisms now in place. As in 1990, we are prepared to assist you in that mission in any way we can.

Sincerely,

BARRY K. ROGSTAD.

Mr. CONYERS. Mr. Chairman, I am pleased to yield 1½ minutes to the gentlewoman from Colorado [Mrs. SCHROEDER].

Mrs. SCHROEDER. Mr. Chairman, I thank the distinguished gentleman from Michigan for yielding.

Mr. Chairman, I want to say that I think this is one of the most important votes we are going to make. If we do not bring these walls down today, I am going to say to everybody planning to come to Washington thinking we are going to be able to do something this year, forget it. Save your airline tickets, because there is no money.

Mr. Chairman, the wall in Berlin comes down, the Soviet Union comes down, but we are going to keep the wall on the budget so we can keep very artifically high defense numbers and artificially high foreign aid numbers. Tell me how that makes sense?

Mr. Chairman, this is the time where we ought to be debating whether we use that money for deficit reduction or to make up domestic needs. I have been so concerned that we have not kept two covenants we made in the sixties to our kids: No. 1, Head Start; and, No. 2, student aid.

Mr. Chairman, last week we debated student aid, and we still cannot make it an entitlement. We still cannot guarantee that most kids can go on to school, and we promised that in the sixties. We can never do that without the money to do it.

Mr. Chairman, last week we turned down the surtax on millionaires, so nobody wants to tax millionaires. We have got 120 people here who did not vote for any budget at all, and now we are going to see people wanting to cling to the walls in the budget so that we cannot do anything reasonable to address the real needs of America.

Mr. Chairman, the gentlewoman from Connecticut [Mrs. KENNELLY] talked about conversion. Yes, conversion is one of the most important things we are confronting. If we are going to spend money in these areas that we do not need, that is inflationary, it is deficit-adding, and it is ridiculous. Vote to bring down the walls.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Wyoming [Mr. THOMAS], a member of the Committee on Government Operations.

☐ 1520

Mr. THOMAS of Wyoming. Mr. Chairman, I thank the ranking member on our committee for yielding time to me.

I rise in strong opposition to H.R. 3732, the so-called Budget Process Reform Act.

This legislation is a perfect example of why the American people have lost trust in the ability of Congress to do its job. What we need to do is something that the people on Main Street in Casper, WY, feel would make common sense.

We can talk a lot about the details. We could talk about the fact that the very first say of this session the leadership enacted rules which changed the key features of the bill, which I did not vote for by the way, the so-called budget bill in 1990.

We could talk about the fact that supporters who want to remove the firewalls simply say it will give more flexibility. We know that is not true. We know that there are all kinds of agendas waiting to spend millions of dollars in domestic spending and to increase the deficit.

We could talk about the fact that it is tough to get savings in defense because the very Members who want to do this do not want to change, do not want to change the defense apparatus in their districts. That is a tough one, I understand that.

We could talk about the fact that we scrapped Gramm-Rudman and replaced it with this, and now we want to scrap it to continue with our deficit spending ways. But what we ought to do is talk about common sense. What is it?

The fact is we are faced with a $400 billion deficit. The fact is we are faced with a $3 trillion national debt. The fact is we are faced with $300 billion a year simply to pay debt service on the debt that we have.

Common sense dictates that we finally come up with our responsibility to the American people and seek to balance the budget.

Mr. CONYERS. Mr. Chairman, I yield 2 minutes to the gentleman from West Virginia [Mr. WISE], a distinguished subcommittee chairman of the Committee on Government Operations.

Mr. WISE. Mr. Chairman, I think this, too, is one of the most important votes that is going to be cast. I feel differently than those who want to keep the walls up. I think the walls need to come down.

Those walls were created when there was a Soviet Union, when there were 3,000 troops in NATO, when there were 75 B-2 bombers that were on the drawing boards.

I want a budget that moves from stagnation to job creation, from retrenching to rebuilding and researching, from divesting to investing. And that is what this is about.

Our constituents are not fooled that deficit reduction has already been met. Those targets have already been met, whichever version of the budget passes and whether or not this bill passes. So that goal was met.

What this is about is whether we invest. If we are tired of seeing America a second-rate country, if we think we ought to move from a cutting economy to an investment economy, if we think we ought to be building roads, and bridges, and airports, and building water and sewer systems, and schools, and telecommunications, highways, and doing the pharmaceutical research, it will not all be done by this vote today, but we will make an important start.

I know in my State of West Virginia, we believe in growth. We know that we cannot cut our way out of this deficit tomorrow. We cannot tax our way out of it. But we are going to have to help grow our way out of it.

Every business has the flexibility to make a change when the economy changes. This economy has changed. The world situation has changed. Those walls that went up 2 or 3 years ago now have to come down partly.

I believe that the $2 or $3 billion that we are talking about for additional deficit reduction today is a short-term savings. We are sacrificing billions of growth opportunities to come in the years to come. We are sacrificing billions of real deficit reduction over the years to come.

I believe that we reduce the deficit by expanding that pie. That pie definitely needs to grow. This country wants to grow. People want to grow.

The answer is not to keep ourselves in an agreement that has served its purpose and now it is time to move on. The answer instead is to grow and to bring those walls down 1 year early.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. PAYNE].

Mr. PAYNE of Virginia. Mr. Chairman, I rise in opposition to H.R. 3732, the Conyers resolution to remove the budget firewalls.

I share the interest of Chairman ROE of the Public Works and Transportation Committee in increasing transportation funding. Since coming to Congress, I have worked to see that our Nation's investments are targeted towards our transportation infrastructure. I have listened with Chairman ROE to hundreds to hours of testimony witnessing to the economic growth that results from infrastructure investments.

As a member of the Budget Committee, I worked to see that funding for transportation was increased. In fact highway obligations will be increased $1.8 billion over the fiscal year 1992 level in the budget resolution plan with the firewalls maintained.

Similarly, I support Budget Committee Chairman PANETTA's efforts to increase funding for WIC, Head Start, and other programs which focus on our precious human resources. In the plan which keeps the firewalls up, WIC funding increases 10 percent and Head Start increases 25 percent.

I also believe that deficit reduction is as important as these other programs. The deficit and debt cripple our economy, draining private and public savings.

If we did not have to spend $213 billion in interest on our national debt, we could make the investments which this country so desperately needs. Unfortunately, we do not have this choice. But we do have the choice to reduce the burden of this and future deficits.

Every dollar not borrowed today saves our children and grandchildren countless dollars in the future.

The best way to ensure economic growth and competitiveness is to save and invest as much in our future as our competitors. Keeping the 1990 budget agreement fully in place will help us do that.

It is important for the future to know that, if we pass the Conyers resolution today and spend the additional funds on domestic programs, our ability to meet the overall budget caps in 1994 and 1995 will be hampered. If the walls come down, the only way to meet the 1994 budget cap would be to make large domestic cuts or to cut defense beyond the $91 billion proposed by Chairman ASPIN. Keeping the walls up will enable us next year to continue to live within the important Budget Enforcement Act of 1990.

Mr. Chairman, I urge my colleagues to oppose H.R. 3732.

Mr. CONYERS. Mr. Chairman, I yield myself 3 minutes.

Mr. Chairman, there are only three ways to reduce the deficit—raise taxes, cut spending, or invest to make the economy more robust and productive, thereby generating more tax revenues. Clearly there is not a lot of support to raise revenues. The best way to cut entitlements spending is to enact health care reform with strong cost containment—but the President opposes that.

It makes no sense to cut domestic discretionary spending. It accounts for only $215 billion out of a $1.5 trillion budget, and as the chart shows it has been starved over the last few years. Further cuts would be penny wise and pound foolish. We need to invest a good share of our defense spending.

Any businessperson will tell you that for a business to grow and thrive it has to borrow money to invest in its worker's education and training, to research and develop new products, and to build an infrastructure that allows it to compete with its competitors, to expand its market share, to generate the new revenues to pay off its debt.

INVESTMENTS

You know, Mr. Chairman, every time we debate this measure it's as if we're talking about the entire Federal budget. Well that's not the ballgame here. This debate is all about a small amount of money—$12.3 billion in budget authority and $6.4 billion in outlays out of a $1.5 trillion Federal budget. We are debating whether an additional one-half of 1 percent of Federal spending should be used to invest in our economic development.

Our economic competitors are clobbering our brains out in manufacturing and trade, and we're debating whether it makes sense to spend a little more money educating the next generation, ensuring a healthy work force, rebuilding our infrastructure, and discovering new technologies. Let's look at how Republican budgets have starved our human and physical infrastructure.

Back in 1981 at the beginning of Reagan's first term, Federal investment was 13.8 percent of the Federal budget. Today it has plummeted to only 9.4 percent of Federal spending.

Federal investment spending is not the frills, it's not the pork, it's not welfare. It's education, energy, training, transportation, community and regional development, science, environmental protection, and such other programs.

This decline in Federal investment has sapped our industrial strength and technology base. It retards our ability to be energy efficient. It limits repairs to roads and bridges which make the economy more efficient. It hurts education which makes our workers more productive. It's a disaster.

Let's understand what this shift in Federal investment priorities has cost us. This blue area is how much Bush wants to spend on investment programs—$142 billion in 1993. The red area is how much more we would need to spend to get back to the 1981 level of Federal investment spending—$67 billion.

In other words, if Federal spending for investment programs was back at the 1981 level—13.8 percent of Federal spending—we would need to spend $67 billion more than the Bush budget level of $142 billion.

Yet today, we're arguing about spending just $6.4 billion for new investments, simply to keep pace with last year's spending level. We should be ashamed of ourselves. We've surrendered in the economic battle we finally can join in full force because the cold war is over.

ECONOMIC CONVERSION

In contrast to this continued policy of economic neglect, the Democratic budget that would be enacted if H.R. 3732 passes addresses the key economic problems we face. Without this bill, we face cuts and more job loss. Passage of this bill will give us modest investments in a few key areas:

Economic Conversion: If the walls stay up, $3 billion less in budget authority will be available for civilian research and development, for science and space exploration, for economic development to help rebuild communities hurt by defense cutbacks, and 90,000 fewer workers will get retrained. If the walls stay up, defense-dependent communities will get little—if any—relief, and the space station and the superconducting super collider could be jeopardized. I implore Members, after the dramatic and wonderful changes in the world over the last 3 years, not to make the B-2 bomber a jobs program. Don't make star wars and the production of unneeded nuclear weapons, jobs programs. Let's instead research global climate change, design clean cars, develop new civilian products and technologies, and find cures to the scourge of so many diseases.

Jobs and Infrastructure: If the walls stay up, a quarter of a million jobs will be lost. Highways will not get built, airport construction won't proceed, mass transit won't expand, energy conservation won't increase, housing won't get built.

Education: If the walls stay up 38,000 fewer kids will get a Head Start on life, 100,000 fewer students will get Pell grants for college, and school districts in military-dependent communities will not get assistance.

Human Resources: If the walls stay up hundreds of thousands more veterans will not get the health care they need, prisoners will wait longer to get Social Security, 1,000 fewer physicians will serve in medically underserved rural and urban communities, a cure for AIDS will take longer, and crime and drug prevention efforts will be shortchanged over $600 million.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Chairman, I thank the gentleman for yielding time to me. Mr. Chairman, I rise in opposition to H.R. 3732. It seems many liberal democrats have very short memories. They claim nothing is more important than programs they want to fund by breaking down the budget walls. I ask them—if that is true, why did many of them just vote for billions in foreign aid?

I think it time for them to be honest with themselves, and admit they have lost control. They feel they must continue to spend taxpayers' money to justify their existence.

They continue to try to take money away from defense—no matter the job cost. But you can bet that these same members will fight for National Guard units and weapons systems based in their district.

Mr. Chairman, the debt we are leaving to our children and grandchildren is nothing less than immoral. At $100 billion a year, it will take us over a half a century to pay off our debt—if we stopped now.

But we will not stop. These Democrats will continue to increase this deficit—and try to justify it in terms of helping our children. At best this is hypocritical. I want to help our children by allowing them to live their lives free from the crushing burden of paying off the debts you have accumulated. They deserve at least that much.

Let us keep the firewalls up, and retain at least a modicum of fiscal discipline in this House.

Mr. CONYERS. Mr. Chairman, I yield 1 minute to the gentleman from Ohio [Mr. APPLEGATE].

Mr. APPLEGATE. Mr. Chairman, the cost of defense over 12 years, $3 trillion, was it worth it? Perhaps. But the times have changed and the danger to this country today is not the Soviet Union. The danger is a failing economy. The danger is the loss of jobs. The danger is in a lack of quality education. The danger is in the lack of quality health care.

Will this bill take care of all of those things? No, it probably will not, but it will do some. It can produce some jobs. We have a jobs bill in the Committee on Public Works and Transportation right now, championed by our chairman, the gentleman from New Jersey [Mr. ROE].

What is the most important thing? Is it reduction of the deficit Is it putting clothes on our kids, food in their mouths, job? We can have a little bit of both, but the deficit was partially created by this $3 trillion deficit.

I think it is up to us now to tear those walls down and try to help Americans. If we fail, we fail them again.

Mr. HORTON. Mr. Chairman, I yield such time as he may consume to the gentleman from North Carolina [Mr. VALENTINE].

Mr. VALENTINE. Mr. Chairman, I rise in opposition to H.R. 3732.

I am concerned that the leadership on both sides of the aisle appears unwilling to attack the $4 trillion burden of debt we have inflicted on our children and grandchildren. While I commend the Budget Committee for recently bringing us a resolution that shunned the President's gimmicks and Medicare and Medicaid cuts and increased funding for education and infrastructure improvements, the resolution recently passed by the House still contains nearly $350 billion in deficit spending.

It has become apparent that H.R. 3732 is a bill to avoid the hard decisions that our constituents elected us to make. At a time when the military threat against us is greatly diminished, we should do all we can to attack the budget deficit with renewed vigor and with the same determination we showed in the Persian Gulf.

I am afraid that many people do not understand the enormity of the problem resulting from the debt. The interest on the debt currently robs Americans of approximately one in seven of the tax dollars they pay. A fifth of this money, nearly $40 billion, goes to foreign countries to pay the interest on their holdings of our debt. With this money we could fully fund all the programs that people back home would like to see funded.

I want to make clear that I am not against assisting those in this country who so desperately need help. The best way to ensure that we fund urgently needed programs is to free ourselves from the millstone of debt by attacking the deficit. If you ask whether I am willing to cut defense further if only half of those additional cuts go to deficit reduction and the other half to domestic programs, I would say bring out the axe. But for now, the money we are saving must go toward saving our future.

Mr. Chairman, I urge the leadership to do the right thing. Cut defense, keep the walls up, and fight our twin enemies: the deficit and the debt.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. GLICKMAN].

Mr. GLICKMAN. Mr. Chairman, this bill presents a very important public policy choice. What is best for the country, that is the issue, to spend the extra dollars, the peace dividend, about $6.5 billion, on new spending, important things such as health, education, infrastructure, or, in the alternative, to use those moneys to reduce the deficit.

While we may be tempted to increase spending in the long run, I believe the country will be better served by deficit reduction. The deficit does more to slow down our economy than any tax cut or any infrastructure investment could begin to offset. There is a remarkable consensus among economists on this point. Every time we increase the deficit we drive up interest rates and further stop an economic recovery.

We have an obligation to the taxpayers and to the children of this Nation to reduce spending and to make real efforts towards eliminating our deficit. Some have said that this is only $6.5 billion, it is a drop in the bucket. But I would point out that that drop in the bucket is greater than the entire budget of my own State of Kansas.

It is time for us to make a start toward fiscal sanity. It has been said that a long march starts with a single step. Today we can make that first step towards fiscal sanity. I urge opposition to this bill.

Mr. CONYERS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, those opposed to this bill argue that all of the defense savings will go to reduce the deficit. Sure it will, and I've got a monument down the street I want to sell you. Let's be honest with each other. This budget wall around the Pentagon is like a fortification around a castle. As the bases close back home, as more and more workers get laid off from previous weapons cuts, as troops return from Europe, and as the debate over this bill dies out there will be little, if any defense cuts, unless the walls come down. With the walls up, the cap on military spending will become a floor. And many on both sides of the aisle will find it attractive, particularly in this recession, to spend up to the cap.

When all is said and done in the appropriations process, little defense savings may actually be realized. But our bill adds a powerful incentive for achieving the defense savings endorsed by the Armed Services and Budget Committees. This balanced approach combines the persuasive force of domestic investments with the universally recognized need to cut the deficit. Together, this is the strongest package of incentives that can be forged. We can achieve both deficit reduction and increased investments together. Separately, each may be doomed to failure.

We Democrats recognize that there are two fundamental economic problems; a short-term one brought on by the economic recession and a long-term one brought on by economic neglect. Unless we both reduce the deficit and make the right and forward looking investment decisions we will not be able to confront these dual problems.

There is only one way we can invest the savings at home and still reduce the deficit—elimination of the military spending firewall. H.R. 3732 would remove a budgetary straitjacket and reduce the deficit, while allowing for a modest and prudent package of investments in America's future. I urge this body to pass this legislation and vote for jobs, vote for education, vote for health care, vote for research, vote for veterans, and yes, by all means vote for deficit reduction.

Mr. Chairman, I am attaching to my statement several fact sheets prepared by the Committee on Government Operations that detail the stark impact to key investment programs if the walls fail to come down.

IMPACT OF H.R. 3732 ON SELECTED DOMESTIC INVESTMENT PROGRAMS

If H.R. 3732 fails to pass the House-passed budget resolution would result in the following cuts, jobs lost, and people not served:

EDUCATION

Education programs will be cut $3 billion overall; our students will fall further behind our competitors.

Pell Grants will be cut $951 million; 100,000 fewer students would be served and the average grant would be $350 less.

Impact Aid for school districts in military-dependent communities will be cut $423 million as the need increases due to military base closures and troops returning from Europe with their families.

Head Start funding will be reduced $226 million, serving 38,000 fewer kids.

TRANSPORTATION

Federal aid to highways will be reduced $2.0 billion, a 6% cut below baseline; 100,000 jobs will be lost and construction halted in States and congressional districts across the country.

Mass transit will be cut $473 million, a 4% reduction below baseline, and cost 24,500 jobs.

Airport construction will be cut $368 million and cost 6,000 jobs.

Coast Guard funding will be reduced for drug interdiction, environmental protection and marine safety efforts.

SCIENCE AND SPACE

Science, Space and Technology programs will receive $713 million less, a 4% cut from baseline.

NASA funding will be cut $483 million, a 5% cut below baseline. This may jeopardize continuation of the Space Station.

The National Science Foundation will receive $215 million less, harming important efforts to make America more competitive.

Key industrial technology programs at the Commerce Department will be cut $100 million.

HEALTH

The National Institutes of Health will receive $391 million less, resulting in fewer health research grants and reduced grant amounts.

200,000 fewer women, infants, and children will receive nutrition assistance under the WIC program due to a $128 million cut.

100,000 fewer women will get prenatal care because of a $108 million cut to Community Health Center infant mortality programs.

1,000 fewer physicians will serve in medically underserved areas in rural America and inner cities due to National Health Service Corps cuts. There is a current shortage of 4,300 doctors in those areas.

AIDS funding will be reduced $318 million shortchanging research, prevention, and treatment efforts.

Medicare administrative costs will be cut $154 million, or 4% below baseline. GAO recently reported that Medicare could recoup $2–3 billion because of erroneous payments and incomplete examinations of billing records, but it will take more personnel.

VETERANS BENEFITS

Veterans medical care will be reduced $245 million resulting in 1 million fewer outpatient visits, a denial of care to thousands of ill veterans, and increased waiting lines in already overcrowded medical centers.

Veterans hospital construction will be cut 14%, halting major new construction already approved and postponing very important fire and safety modifications.

SOCIAL SECURITY

Social Security administrative expenses will be cut $430 million and cost 3,000 jobs. This cut will increase backlogged claims from 800,000 to 1.4 million, and increase the waiting period for eligibility determinations from 3 months to 8 months.

HOUSING

$1.7 billion will be cut from HUD low-income housing construction; as a result 25,000 fewer housing units will be built.

Rural housing loans will be cut $109 million, reducing construction by 5,000 units and costing 12,500 jobs nationwide.

ECONOMIC CONVERSION/ECONOMIC DEVELOPMENT

Overall, funding for economic conversion-related programs will be $3 billion less if the walls remain up, even though the military cut will be the same whether the walls come down or stay up.

86,000 fewer jobs will be created due to cuts in low-income housing construction, rural housing, and economic development programs.

Community and Regional Development funding will be cut $776 million, or 11% below the baseline.

Community Development Block Grants will be reduced 13% below baseline, or by $419 million.

The Economic Development Administration will be cut $120 million, or 13% below the baseline.

Job training funds will be cut $400 million at a time when tens of thousands of veterans are leaving the military and defense plants are closing; 90,000 fewer people will be served due to the cut.

SBA guaranteed business loan subsidy costs and administrative expenses will be cut $20 million. This difference would support $700 million in new loans, or 3,500 additional loans nationwide.

States will receive $133 million less in unemployment administration funds, at 6% cut when unemployment is increasing.

CRIME AND DRUG CONTROL

Law enforcement and criminal justice programs will be reduced by $459 million.

Drug and alcohol abuse treatment will be cut $166 million.

AGRICULTURE & RURAL DEVELOPMENT

Agriculture programs will be cut $210 million, or 9% from the baseline. This will harm the Extension Service, the Agricultural Research Service, the Cooperative State Research Service, the Animal and Plant Health Inspection Service, and the Federal Crop Insurance program.

The Rural Development Administration will be cut by 13%, or $104 million, limiting new jobs in rural communities.

$109 million less will be spent on rural housing loans, reducing construction by 5,000 units and costing 12,500 jobs nationwide.

ENERGY AND ENVIRONMENT

Natural Resources and Environment programs will be cut $695 million, 6% below the baseline.

Energy programs will be cut $417 million, or 4% below the baseline, jeopardizing the Superconducting Super Collider and national labs such as Los Alamos and the Idaho National Engineering Laboratory.

R&D on enhanced oil recovery and natural gas will be cut $40 million.

Strategic Petroleum Reserve construction for the next 250 million barrels of oil will be halted due to a $100 million cut.

Energy conservation programs will be cut $110 million when we should be working vigorously to achieve energy independence.

Solar and renewable energy R&D will be reduced $27 million, harming our ability to become energy independent.

Superfund will be cut 5% below baseline, leaving $149 million less to clean up hazardous waste sites.

EPA water treatment grants will be cut $48 million, or 2% below baseline.

INTERIOR

An across-the-board cut of 2% will affect all Interior Department programs if the walls stay up.

SPENDING BY BUDGET FUNCTION WITH WALLS "DOWN" OR "UP"

[Percentage change from CBO baseline; fiscal year 1993 dollars in millions]

Function	Walls "Down"		Walls "Up"		Dollar difference
	Percent	Amount	Percent	Amount	
General science/space technology	0	$17,986	−4	$17,243	$713
Energy	+3	6,572	−4	6,154	417

SPENDING BY BUDGET FUNCTION WITH WALLS "DOWN" OR "UP"—Continued

[Percentage change from CBO baseline; fiscal year 1993 dollars in millions]

Function	Walls "Down"		Walls "Up"		Dollar difference
	Percent	Amount	Percent	Amount	
Natural resources/environment	−3	21,459	−6	20,764	695
Agriculture	−4	4,436	−9	4,227	210
Commerce/housing credit	+1	3,707	−6	3,457	249
Transportation	+1	15,652	−4	14,860	792
Community/regional development	0	6,785	−11	6,009	776
Education/training/social services	+9	40,077	+1	36,449	3,629
Health	+6	21,598	+1	20,485	1,113
Medicare (administration)	+1	2,918	−4	2,764	154
Income security	+8	34,911	+1	32,656	2,255
Veterans benefits and services	+2	16,821	−1	16,336	485
Justice	+2	15,166	−1	14,657	459
General government	−4	11,537	−8	11,010	527

Note.—Dollar figures in budget authority; figures include effects of across the board reduction of 1 percent Walls "Down" budget (plan A) and 2 percent under Walls "Up" budget (plan B). Percentages based on differences from fiscal year 1993 CBO baseline.

Source: House Budget Committee.

EFFECT ON SELECTED PROGRAMS WITH WALLS "DOWN" OR "UP"

[Percentage change from CBO baseline; fiscal year 1993 dollars in millions]

Function	Walls "Down"		Walls "Up"		Dollar difference
	Percent	Amount	Percent	Amount	
Airports/aviation	+2	$9,411	−2	$9,073	$368
Community development block grants	−1	3,474	[1] −13	3,055	419
Coop. State research service	−4	501	−22	408	93
Crime prevention/justice	+2	15,116	−1	14,657	459
ADAMHA [Alcohol and Drug Abuse]	+5	3,406	0	3,240	166
Economic Development Administration [EDA]	+38	324	[1] −13	204	120
EPA treatment grants	0	2,475	−2	2,427	48
FHA administrative costs	−1	197	−7	185	12
Federal aid to highways	+4	20,770	−6	18,814	1,956
Job training	+12	4,636	[1] +3	4,237	400
Mass transit	+9	4,224	−4	3,751	473
Medicare administrative costs	+1	2,918	−4	2,764	154
NASA	−2	13,415	[1] −5	12,933	483
National Institute of Health	+4	9,639	0	9,247	391
NIST [National Institute of Standards]	+33	344	−2	253	91
National Science Foundation	+10	2,997	+2	2,782	215
Rural Development Administration	+4	629	[1] −13	525	104
Rural housing loans	+4	1,103	−6	944	109
SBA business loans	+3	403	−2	383	20
Soalr and renewable energy R&D	+14	242	+2	215	27
Superfund	+3	1,733	−5	1,584	149
Unemployment administrative costs	−1	2,489	−6	2,356	133
Veterans medical care	+2	14,549	0	14,304	245
Veterans hospital construction	−4	702	−14	630	72

[1] Some or all of the reduction is accounted for by the House Budget Committee assumption that the "defense category" will pick up some of these costs. This will take an agreement by the Office of Management and Budget.

Note.—Dollar figures in budget authority; figures include effects of across-the-board reduction of 1 percent Walls "Down" budget (plan A) and 2 percent under Walls "Up" budget (plan B). Percentages based on differences from Fiscal Year 1993 CBO baseline.

Source: House Budget Committee.

EFFECT ON SELECTED HUMAN INVESTMENT PROGRAMS WITH WALLS "DOWN" OR "UP"

[Percentage change from CBO baseline; fiscal year 1993 dollars in millions]

Function	Walls "Down"		Walls "Up"		Dollar Difference
	Percent	Amount	Percent	Amount	
Aids	+16	$2,369	+1	$2,051	$318
Community development block grants	−1	3,474	−13	3,055	419
Day care payments to States	+2	866	−2	833	33
ADAMHA [Alcohol and Drug Abuse]	+5	3,406	0	3,240	166
Food Assistance [TEFAP]	+11	188	−5	−162	26
Head Start	+31	2,972	+21	2,746	226
Impact aid	−1	788	[1] −54	365	423
Indian health	−1	1,764	−2	1,746	18
Infant mortality and CHC's	+32	733	+12	624	108
Job training	+12	4,636	[1] +3	4,237	400
Low-income energy assistance	+1	1,559	−2	1,517	42
Mass transit	+9	4,224	−4	3,751	473
National Health Service Corps	+39	144	+14	118	26
National Institute of Health	+4	9,639	0	9,247	391
National Science Foundation	+10	2,997	+2	2,782	215
Pell grants	+26	7,125	+10	6,174	951
Rural housing loans	+4	1,103	−6	994	109
Solar and renewable energy R&D	+14	242	+2	215	27
Veterans medical care	+2	14,549	0	14,304	245
WIC	+11	2,970	+6	2,842	128

[1] Some or all of the reduction is accounted for by the House Budget Committee assumption that the "defense category" will pick up some of these costs. This will take an agreement by the Office of Management and Budget.

Note.—Dollar figures in budget authority; figures include effects of across-the-board reduction of 1 percent Walls "Down" budget (plan A) and 2 percent under Walls "Up" budget (plan B). Percentages based on differences from fiscal year 1993 CBO baseline.

Source: House Budget Committee.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from California [Mr. HERGER].

Mr. HERGER. Mr. Chairman, the issue before us today is not whether or not to cut defense spending. We are going to be cutting defense spending by $50 billion under the President's proposal.

The issue is whether we are going to use this $50 billion to reduce the deficit, or whether we are going to squander it on some other Government program.

The bottom line, however, is that the $50 billion has already been spent. As a matter of fact it has been spent four times over, since we are looking at a $400 billion deficit in the next fiscal year.

Even if we were to completely eliminate the Department of Defense, which no one is advocating, and devote all that money to deficit reduction in the next fiscal year, we still would not eliminate the deficit.

The short-term benefits of adding new domestic spending will be far outweighed by the long-term detriment to our economy of increased debt. Ten years from now, if we see German and Japanese investors in United States Treasury bonds dictating our economic policies, we will have no one to blame but ourselves if we tear down these firewalls.

Mr. Chairman, the end of the cold war has given us an unprecedented opportunity to reduce the public indebtedness of the United States. We must not throw this once-in-a-lifetime chance away.

Some 77 percent of the American people in a recent survey said that we should use any defense savings to reduce the deficit or lower taxes. Let's listen to the public for a change. Defeat this irresponsible proposal to spend money we do not even have.

□ 1540

Mr. CONYERS. Mr. Chairman, I am pleased to yield 6 minutes to the gentleman from California [Mr. PANETTA], chairman of the Committee on the Budget.

Mr. PANETTA. Mr. Chairman, I think I recognize, as all of us do, that this is a tough vote and it is an important vote, and it comes at a particularly difficult time in our history as we confront changes in the world, a recession here at home, job concerns over defense cutbacks, human needs within our society and the institution of the House under siege. Yet the fundamental concern of the American people is really not so much with regard to problems within the House as with regard to problems outside of the House of Representatives. The inability of the President of the United States and the Congress to exert leadership, to reorder priorities in this country, to make reinvestments, and to redirect this country for the future, that is what the American people want, and that is what they do not see.

The budget plan that was approved under Plan A does that in a responsible way. It is faithful to overall budget discipline. It reduces the deficit by committing funds for that purpose beyond the budget agreement, and it also makes needed investment in education, in health care, in jobs, and in infrastructure.

I am always amazed at the new disciples that come to the budget agreement. Members who never supported the budget agreement to begin with who now argue its merits. Let me say as someone who not only negotiated the budget agreement but supported it, there is nothing in here that violates the spirit of the budget agreement. First of all, we maintain $500 billion in deficit reduction as we did under the budget agreement. Second, we maintain the caps, the overall discretionary caps with regard to spending. There is nothing here that adds to the deficit. We stay within the targets assigned to by the budget agreement, and third, we stay within the pay-as-you-go requirements also contained within the budget agreement.

The only question here is whether or not we are going to use some defense savings for the purpose of reinvesting in our society. That is the only question that confronts this House today. I think that makes good sense for this Nation. But unfortunately, it does not make good political sense for a Congress that is under siege.

I have heard the arguments. There is a response to every one. There are those who argue no, we cannot achieve additional defense savings right now, and yet, my friends, the fact is we will see greater defense saving. On the Senate side they are talking about $81 billion over 5 years. On the House side, the chairman of the Armed Services Committee is talking about $91 billion over 5 years. And the budget agreement requires additional defense savings.

The only question is whether it will be done rationally or whether it will be done with a meat ax. If we start this process in 1993, then we will not confront in 1994 the option of having to cut defense by $40 to $50 billion at one time. So it makes better process sense to begin that movement in 1993.

Second, there are those who argue if you have defense savings, let us put it to deficit reduction. That is a noble thought. I respect those who believe that that can happen. But it is also naive, because members of those committees, if they had to make a choice between whether they spend to the cap or whether they cut weapons systems, or installations, or personnel in order to reduce the deficit, you tell me what they are going to do. They are going to spend to the cap, and Members know it.

Others have said if there are defense savings we should not invest any of that in the domestic areas, and my answer is, why not. Why not? In the 1980's we increased defense by 50 percent. We cut domestic areas by 15 to 20 percent. Was that not a shift? We basically took it from the School Lunch Program, we took it from food stamps, we took it from education, and we put it into defense. Nobody complained at that time. Now what we are saying is that at a point when we have some defense savings is it not time to reinvest in education, in health care, in jobs within our own society?

The time has come to do that. If we fail to use these defense savings, then we are forcing the worst choice in priorities because we will then force the Appropriations Committee to choose between whether to put money into NIH or put money into education, or whether to put money in veterans' health care, or whether to put it into housing, or whether to put it into WIC.

Lastly, I know there is this concern about whether or not this is a good time to do this when we have these institutional problems. My friends, do not take out your institutional guilt on the most vulnerable people in our society. Do not try to look tough on waste or fraud or on perks when we are cutting investments for the WIC Program, for the Pell Grant Program, for immunizations, and for jobs. This is a new era. The time has come to reorder our priorities. Ultimately, we will have to confront these issues, either through leadership or through crisis. If Members do not vote today to provide this flexibility so that we can invest in our own society, then they are voting for crisis in the future to dictate what happens in the next century.

Mr. HORTON. Mr. Chairman, I yield 1 minute to the gentleman from Pennsylvania [Mr. SANTORUM].

Mr. SANTORUM. Mr. Chairman, I thank the gentleman for yielding me the time.

Mr. Chairman, I was sitting here listening to the debate, having a hard time understanding exactly what the point was that the other side was trying to make on this. It finally came to me from the gentleman from Florida who spoke on the rule. He said he was talking about reinvesting and that we were losing jobs in the defense sector, but we had not gotten jobs in the other parts of the budget, and it finally hit me that the other side believes that the Government is the equivalent to the economy, that everything that goes on here is what goes on in the rest of the world and in the United States.

Ladies and gentlemen, there is a part outside of Washington, there is a part outside of this Chamber. It is called the private sector. They create the jobs in America, not us.

With all due respect to my chairman of the Budget Committee, reinvesting does not mean spending more money on Government programs. Reinvesting means using up less resources here in Washington to allow the private sector to go out and use those resources to create jobs, to create opportunities, and to create a stronger economy for America. That is what this debate is all about.

Mr. HORTON. Mr. Chairman, I yield 1 minute to the gentleman from North Dakota, [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Chairman, this is a painful vote for me because all of the things that I have heard discussed today are investments in people, in human values, in human potential in this country that are important to me.

☐ 1550

All of them are important. I agree with what has been said, but there is a more important consideration today.

The more important issue facing this country is a cancer that is eating away at our economy. The budget deficit this year is $473 billion. The projection for the next 6 years is $2.2 trillion in spending that we do not have, $1 billion a day, 7 days a week, every week, every month, all year for 6 years, money we do not have.

It is going to mortgage this country's future. Some way somehow someone someday has to stand up and say that we have got to be responsible.

There are no peace dividends. Nobody losing $400 billion a year is paying any dividends anywhere on this Earth.

It pains me to oppose this resolution, but I must. In my judgment defense savings must be used to reduce this deficit to give this country's economy a chance to grow again.

Mr. HORTON. Mr. Chairman, I yield 2 minutes to the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Chairman, I rise in opposition to H.R. 3732. This bill comes to the House floor under the name "Budget Process Reform Act." We are all familiar with the adage, "if it isn't broke, don't fix it." Clearly, given our current budget crisis, that advice does not apply. The budget process is broke; but just as clearly, this legislation not only will do nothing to fix the current situation, it can only make our budget problems worse.

The budget deficit for fiscal year 1993 is projected to be in excess of $390 billion and the public debt is approaching $4 trillion. Interest on the debt now consumes 14 percent of the Federal budget and if the budget deficit remains unchecked we will gradually lose control over more and more of our budget resources. Instead of using the savings from smaller defense expenditures for reducing the deficit, H.R. 3732 would ensure that any savings would be used to sustain the growth of Government spending.

H.R. 3732 does away with the caps the 1990 Budget Enforcement Act placed on the three categories of discretionary spending: defense, international, and domestic. The obvious objective of this legislation is to allow savings in defense expenditures to be used to increase spending in domestic programs. Proponents of the bill tell us this is all right because the overall limit on discretionary spending is not to be changed. However, we will have lost an opportunity to reduce the deficit and the impact will be compounded by the higher levels of domestic spending that will continue to demand Federal funding in future years.

This institution's credibility has already been eroded enough without abandoning what little budget discipline Congress has placed on itself. This is not a reform measure, it is an effort to evade a commitment made to restrain the growth of domestic spending. Instead of retreating in the effort to reduce the deficit, we should be doing more, and this legislation should be rejected.

Mr. HORTON. Mr. Chairman, I yield myself 30 seconds.

Mr. Chairman, when do we stop spending money that we do not have? When do we stop putting at risk the futures of generations of Americans?

Keep the firewalls up. Protect future generations. Vote against H.R. 3732.

Mr. Chairman, I yield 2½ minutes, the balance of my time, to the gentleman from New York [Mr. SOLOMON].

Mr. SOLOMON. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, we all know this ill-conceived bill is going down in flames, as it should. That will at least send a small signal to the financial markets and to the American people that Congress is serious about reducing the annual Federal deficit which is really wreaking havoc on our economy.

But we can send a better signal than just by defeating the bill. Everyone knows this Congress is in dire need of reform from top to bottom. That is why I will be offering a motion to recommit in a few minutes.

The motion will read as follows:

Mr. SOLOMON moves to recommit the bill, H.R. 3732, to a House Select Committee on Reform to be composed of 10 Members of the House to be appointed by the Speaker, 5 from the majority party and 5 from the minority party, with instructions not to report back the same to the House until it has recommended appropriate amendments thereto, to fully effect the reform purposes of the bill as set forth in section 1—

And this is what it does—

With a view to changes that will further reduce government spending and the deficit.

Mr. Chairman, we do not have to wait until next year to put this House in order. We need to do it now, today, and I would urge everybody to support my motion to recommit which I will make when the Committee rises and goes back into the House.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Hawaii [Mr. ABERCROMBIE].

Mr. ABERCROMBIE. Mr. Chairman, I express my support for this bill. It will give the American people an opportunity to have something spent on them.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the distinguished gentleman from Ohio [Mr. PEASE].

Mr. PEASE. Mr. Chairman, I rise in support of the bill before us today.

Mr. Chairman, I rise today in support of H.R. 3732. I support this legislation because it gives us the flexibility to focus on all of today's problems.

Many changes have taken place in the world, and here at home, since Congress and the President reached agreement on the Budget Enforcement Act of 1990. No one envisioned in November 1990 that the Soviet Union would be disbanded or that our country would still be in a recession. But that is the reality we face today.

H.R. 3732 reflects that reality. It is not an abandonment of the Budget Enforcement Agreement; it is an improvement upon it. In fact, all this legislation does is accelerate—by 1 year—the dismantling of the walls which will take place in 1994.

Opponents of this legislation argue that defense savings should go to deficit reduction. I do not disagree with their concern for the deficit. What I disagree with is their assumption that deficit reduction is the only priority we should have.

The Ways and Means Committee held a series of hearings last year on U.S. International competitiveness. These hearings focused attention on the need for the United States to improve our investment in human capital if we want to improve our ability to compete with the rest of the world. That is what H.R. 3732 allows us to do.

It is important to recognize what we would lose by defeating H.R. 3732. We would lose the ability to redirect our resources to those programs which will help improve our international competitiveness. Plan A of the budget resolution passed last week allows us to make these investments. It shifts defense savings to these programs and provides for deficit reduction. But plan A will never see the light of day unless we are successful in passing H.R. 3732. I urge my colleagues to support this legislation.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Minnesota [Mr. PENNY].

Mr. PENNY. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, no more business as usual. Now more than ever, we need to demonstrate to the American public that we are willing to make the tough choices.

If we cut the Pentagon only to use those savings for domestic spending increases, we will communicate to the folks back home that we aren't really serious about cutting the deficit.

We do not need more money for the domestic agenda. We simply need to make choices in the domestic budget. Transferring money from the Pentagon will only pump up domestic spending and remove the need to make those necessary choices.

We ought to choose between the space station and veteran's health. If forced to choose I think we will help our veterans.

We ought to choose between the super-conducting super-collider and the National Science Foundation. If forced to choose I think we will side with the NSF.

Bringing down the budget walls simply avoids the real issues. The real issues are cutting the deficit and setting priorities. Vote no on the Conyers bill.

Mr. CONYERS. Mr. Chairman, I yield the balance of my time, 5 minutes, to the gentleman from Missouri [Mr. GEPHARDT], the distinguished majority leader.

Mr. GEPHARDT. Mr. Chairman, Members of the House, 3 weeks ago the House passed the budget resolution, which provided us with a very clear choice, either to adhere to the cold war priorities which have shaped global politics and American policy since the end of the Second World War, or to embrace the new world order to take full advantage of these changes at home.

The bill before us today is the instrument by which we exercise that fundamental choice. This is not a choice today about how deep you want to go with defense cuts. This bill does not increase or decrease the defense cuts of the budget resolution by one dime.

Under either scenario, the spending paths are the same.

But when career military personnel, many of whom served valiantly in Desert Storm, come home for good, they will find little support for their transition to civilian life if we make the wrong choice today.

This is a choice about our economic future. The wrong choice would deny 250,000 Americans jobs because we cannot fund the commitments contained in last year's highway transportation bill. It would deny hundreds and thousands of additional jobs because public housing construction will not receive adequate funding. The wrong choice would mean 100,000 fewer students who would receive grants for college education, that 200,000 fewer women, infants, and children would receive nutrition assistance, that 100,000 fewer women would receive prenatal care through infant mortality programs, and that 600,000 elderly Americans would not get their Social Security checks on time because the system is backlogged.

One of the speakers on the other side talked about the private sector. Indeed, he is right that jobs are created in the private sector, but what the comments fail to understand is that in today's world there is the private sector, there is the public sector, and then there is a private-public sector where there is cooperation between the two sectors to do things that neither sector can do alone to create and provide the jobs that we need in the future.

These important services, and many others too numerous to mention, will never be delivered if we insist on retaining a set of priorities relevant to a world that no longer exists.

I think we should opt instead to take the funds allocated to battles that will no longer be fought and invest them in the material strength of the United States so that we will be able to fight the battles that we face today and will face every day in the future.

We are in a recession. People have lost their jobs all over America. The private-sector companies like General Motors and others are closing down jobs and closing plants.

☐ 1600

We must find the ways in cooperation with the private sector to see that those jobs can be saved and that new jobs can be formed.

I am not arguing with anyone who stands here today and decries the deficit and what needs to be done about the deficit. Anyone who looks at the deficit in our economy understands that the deficit must be reduced, but balance is needed in our approach. Tinkering at the margins only provides symbolic relief for the deficit, and makes a world of difference to jobless and homeless Americans who have been laid off work and are not paying taxes.

The world and time is passing us by. The other day, 6 Nobel Prize-winning economists, and 94 of their colleagues, asked us to go further than we could go if this bill were passed. They called for an increase in the deficit and increase in Federal spending because their confidence in the ability of the economy to recover is waning.

They have asked for tax credits for American business. They have asked for business rate reductions, and an enormous increase in Federal aid to States and local communities. They have a consensus that we need to implement their recommendations.

Well, I am personally opposed to discarding overall spending discipline at this time, and we have not done this in our budget. But their call only serves to focus our attention on how important taking this intermediate step of breaking down the walls is today.

The President is fond of saying, "We changed the world, now we must change America."

This legislation, which I think he oddly opposes, is the substantive embodiment of that political slogan. We want to change America, but to do so we have got to make a small change in our spending priorities as our circumstances and needs have changed.

So I invite my colleagues on both sides of the aisle to support legislation that is good for jobs, good for America and good for American families.

Mr. CONYERS. Mr. Chairman, I yield such time as he may consume to the gentleman from Indiana [Mr. VISCLOSKY].

Mr. VISCLOSKY. Mr. Chairman, I rise in opposition to H.R. 3732. With the collapse of the Soviet Union and the cold war, many proponents of this bill would like to see any reduction in fiscal year 1993 defense spending used to finance increased funding for a variety of popular domestic spending programs. Although I am sensitive to these concerns about the need for increased funding of domestic programs, I firmly believe that savings from this year's so-called peace dividend must be used to reduce the massive Federal budget deficit.

The national debt has tripled in the last 10 years, and currently exceeds $3.6 trillion. The interest payments on this debt are the fastest growing item in the Federal budget, leaving fewer and fewer resources for the purchase of goods and services. This debt burden will cripple the ability of future generations to make necessary investments in education, health care, infrastructure, and other vital programs. For example, by next year, we will be spending more on interest payments on our national debt than on domestic discretionary investments in the future.

While I appreciate the fact that further reductions in discretionary spending will not balance the budget, my concern is over our lack of will. Today, we have the opportunity to reduce the projected $392 billion fiscal year 1993 budget deficit by $9 billion—or 2.3 percent of our projected deficit—without raising taxes. That's 2.3 cents of every fiscal year 1993 dollar of debt. All we have to do is control ourselves.

While we may be tempted to spend this year's defense savings, in the long run, our country will be better served by deficit reduction. The deficit does more to slow down our economy than any tax cut or infrastructure investment could begin to offset. Indeed, there is a remarkable consensus among economists on this point. Every time we increase the deficit, we drive up interest rates and further hamper an economic recovery. According to a study by the Federal Reserve Bank of New York, the massive deficits of the 1980's reduced this country's productive output by 5 to 10 percent.

Personally, I am convinced that the successive deficits incurred during the 1980's have already begun to reduce our standard of living. I deeply regret that, instead of investing in our children's future, we have mortgaged it. Until the President and the Congress can muster the political will to get deficit spending under control, I have serious reservations about any new spending initiatives.

Mr. GEREN of Texas. Mr. Chairman. I rise today in opposition to H.R. 3732, the Budget Process Reform Act now under consideration.

I believe that the so-called firewall between defense, international affairs, and domestic discretionary spending should remain and that it will be a major mistake if we vote today to make this change to the Budget Enforcement Act of 1990.

I am opposed to the removal of the firewall because this action will not allow us to do what this Congress should do; stop our compulsive spending and make a real effort toward reducing the national deficit. We must begin to address the deficit problem now. We can no longer afford to put this off any longer.

Mr. Chairman, when one looks at how large the national deficit is, it is incomprehensible why this issue isn't the top priority in Congress. Do the Members know how much the national debt really is?

Today, the national debt is now almost $3.8 trillion, $3.8 trillion is a tough number to understand because the national debt is not something you can touch or taste. But, you know deep down it is having a big economic impact on us now. And this economic impact, I am sad to say, will be felt most by our future generations.

Our future generations will be unable to make the necessary investments in education, health care, infrastructure, and other vital programs that we are leaving for them to fund.

Mr. Chairman, how much is $3.8 trillion?

It is $15,079 for every man, woman, and child in the United States. Looked at another way, it is $40,621 for each household in the United States.

It would take the U.S. Bureau of Printing and Engraving and the U.S. Mint, working together at their present pace, more than 1,125 years to print and coin.

Or, it would take 3 million workers, each working at the average industrial wage, over 50 years to earn.

Mr. Chairman, to recite a sum this large, counting off numbers, 24 hours a day, 365 days a year, would take 720,000 years.

But, there is more bad news. During this fiscal year, 1992, the budget deficit may exceed $399 billion,. This is an increase of over $1 billion per day. That equals over $42 million per hour, $700,000 per minute, or $11,600 per second.

Mr. Chairman, this practice cannot continue. When I first came to the House of Representatives in 1989 the Federal budget was $152 billion. By 1990, the budget had increased to $220 billion, and by 1991 the deficit has increased to $268 billion. Now, the 1992 budget deficit is expected to exceed $399 billion.

We cannot repeat our past practices of tripling the deficit over 10 years or quadrupling it over 12 years, if we are to be serious about resolving this problem.

We have to make a choice today, whether we vote for H.R. 3732 or against H.R. 3732. I hope that you will vote against H.R. 3732 and keep the firewalls in place.

Mr. ROSTENKOWSKI. Mr. Chairman, I rise today to again support H.R. 3732, the Budget Process Reform Act of 1992, which eliminates the firewalls between domestic, international, and defense spending while maintaining the limit on total spending imposed by the Budget Enforcement Act.

H.R. 3732 strikes the right balance between deficit reduction and the pressing need to invest more in our economy, our people, and our future. It is fiscally responsible. And, it allows us to recognize that the world has changed dramatically since we cut our budget deal in 1990. The military threat to our country has diminished as we have watched the needs of our own citizens rise. H.R. 3732 will let us respond to those need and could help restore faith in our ability to govern. Remember, we can't deliver on our commitment to helping American families meet college expenses without this bill. Nor can we be certain that the Social Security Administration has sufficient funding to carry out the programs that serve as a lifeline for so many elderly and disabled Americans. If there is more than our rhetoric at stake, here, H.R. 3732 is the answer. I urge its adoption.

Mr. MICHEL. Mr. Chairman, I rise in opposition to the bill H.R. 3732, which tears down the budget firewalls in 1993 and seriously weakens the budget discipline which Congress imposed on itself just 1½ years ago.

The issue we face today is pure and simple. If you vote to tear down the firewalls, you are voting for more Government spending. If you vote to retain the firewalls you are voting to reduce the deficit.

Five weeks ago the Democratic leadership decided that it was time that Congress rip down the very walls we ourselves erected.

But the votes weren't there. So week after week this legislation has been postponed.

We'll see today if the Democratic leadership has been able to persuade enough on their side to vote for more Government spending or if Members will agree that it is time to begin reducing the Federal deficit—now at an all-time high.

But, whatever the outcome of today's vote, the end result will be the same—the walls will stand.

Because even if the Democratic majority musters sufficient votes to pass this measure in both bodies, the President will veto this bill.

Let's look at the record to see how we got to this point.

In the fall of 1990, as part of the budget agreement, Congress and the President decided to set in law caps on spending which is set every year in the 13 appropriations bills, called discretionary spending.

The spending limits were divided into three categories through 1993.

Under existing rules, the spending caps cannot be exceeded or there will be an automatic across-the-board reduction within the particular category.

Conversely, if savings are achieved within a category, then that reduction goes toward reducing the deficit.

Congress cannot move money between the categories to spend the savings achieved in one category to increase spending in another category.

But, today we are being asked to change these rules.

We are being asked to take down the walls so that defense savings can be used for more domestic spending rather than applying those savings to reducing the deficit.

Congress cannot even stick with a rule it imposed on itself less than 2 years ago.

This is the kind of behavior that outrages the American public.

The Democratic leadership should be cited for deficiencies by the fire inspector. These firewalls were obviously constructed of nothing more than empty rhetoric, broken promises, and flammable paper.

I say, let's leave the firewalls in place and reduce the deficit. Vote against H.R. 3732.

Mr. FAZIO. Mr. Chairman, I rise in support of H.R. 3732, the Budget Process Reform Act.

H.R. 3732 is an important bill because it gives us a framework for discussing and evaluating our needs during this recession. Even if this bill does not pass, we must debate these issues now—in the open. We must take this opportunity to weigh our priorities and then—hopefully—to shift them to better meet America's needs.

If we decide to shift our priorities, H.R. 3732 will give us the chance to reinvest in our country now, when the need is so great. We need to put our money into jobs, into educating and feeding our children, into building our communities, into medical care and research, into small business loans.

We can run, but we cannot hide. If we do not use this flexibility now, we will have to pay later—sooner than we think. If we do not make plans now to shift some of our spending into domestic programs, we will be $6.4 billion short of what it would take just to maintain last year's levels. And then we will have to begin making the hard choices—between education, and health care, and job training, and housing—between all those important programs that American families rely on for help in meeting their basic, everyday needs.

Once more, I commend Chairman CONYERS and the members and staff of the House Government Operations Committee for their efforts in formulating the Budget Process Reform Act. And I urge my colleagues on both sides of the aisle to support H.R. 3732, the tool that will enable us to properly balance our priorities and meet America's needs.

Mr. DINGELL. Mr. Chairman, I rise in strong support of H.R. 3732, the Budget Process Reform Act. I commend my friend and colleague from Michigan the chairman of the Committee on Government Operations, Mr. CONYERS, as well as the distinguished chairman of the Rules Committee, Mr. MOAKLEY, for introducing this measure and working for its passage.

The removal of the firewalls between domestic, defense, and international appropriations is critically important to the Nation. Let me share with you some indication of the important programs under the jurisdiction of our committee that will suffer if the cuts now in store for us are made:

NIH will receive $391 million less, resulting in fewer health research grants and reduced grant amounts.

And 100,000 fewer women will get prenatal care because of a $108 million cut to infant mortality programs at community health centers.

And 1,000 fewer physicians will serve medically underserved areas in rural America and inner cities. There is already a 4,300-doctor shortage in those areas. My friend from Texas, Mr. STENHOLM, has introduced several bills to address those needs.

AIDS funding will be cut by $318 million—less research, less treatment, less prevention.

These cuts will also be penny-wise and pound-foolish. For example, administrative expenses for Medicare will be cut by $154 million, even though with additional personnel resources Medicare could recoup as much as $3 billion in erroneous payments.

Nor will the damage be limited to the health care field. Construction of the strategic petroleum reserve for the next 250 million barrels of oil will be halted due to a $100 million cut. Energy conservation programs will be reduced by $110 million. Superfund will have $149 million less with which to clean up hazardous waste sites. Many Members have written to me about Amtrak—some to complain, others to ask for expansions of service—but the recession has already hurt Amtrak's service and further cuts will only make the situation worse.

Retaining the firewalls simply means that programs inside the domestic walls get burned. It is time for the Bush administration to turn its attention to precisely those domestic needs, and it is time for the Congress to fund those needs properly. I urge my colleagues to support this vital legislation.

Mr. KYL. Mr. Chairman, this is not a complicated issue. If we tear down the budgetary walls, we will have higher deficit spending than if we leave them in place. It is that simple. The 1990 budget agreement requires any savings from defense cuts to be spent on deficit reduction. That is hardly an outdated idea—it is even more appropriate today than it was in 1990. Our huge deficits reduce national savings, slow economic growth, increase America's reliance on foreign capital, and damage the ability of the United States to compete in international markets. Because of our huge annual budget deficits, The U.S. national savings rate of the 1980's was 3.6 percent of net national product, not only below its own 1960–79 average of 8.9 percent, but far below that of our major international competitors.

Deficit reduction must be our highest budgetary priority. The defense cap is just that—a cap. President Bush himself has asked for $50 billion in defense cuts from fiscal year 1992–97. With the walls in place, it is much more likely that any defense savings will be used for deficit reduction. I urge my colleagues to vote for fiscal responsibility by voting against this bill.

Mr. LAGOMARSINO. Mr. Chairman, I rise in strong opposition to H.R. 3732.

The so-called firewalls established by the 1990 Budget Enforcement Act were created with one clear goal, to limit the Congress ability to spend and to reduce the deficit. This legislation, which proposes to tear down the firewalls, has also been created with one clear goal, to increase congressional spending.

The vote on this bill gives every Member of Congress the opportunity to declare their goal in budgeting. A vote for this bill is a vote to spend what we do not have. A vote against H.R. 3732 is a vote to make the hard choice and start reducing the Federal budget deficit.

There has been a lot of talk about bounced checks in Congress. Well, this year the Federal Government is going to bounce about $400 billion in checks due to the budget deficit and the cumulative Federal debt is expected to total $4.5 trillion by the end of next year. Under these circumstances, can we really call any savings a dividend?

Instead of chasing an imaginary peace dividend, let's give the President a line-item veto authority and go after the pork dividend. Cutting pork will result in real savings over the long term, and real savings over the long term, and real savings means real dividends.

I urge my colleagues to join me in opposing H.R. 3732.

Mr. RAY. Mr. Chairman, I rise in opposition to H.R. 3732.

Since I was first elected to Congress in 1982, we have watched our public debt more than triple—from a little over $1 trillion to almost $4 trillion. One-third of this enormous debt is owed to foreign countries.

I have supported numerous attempts to get control of and reduce our budget deficits. The Gramm-Rudman-Hollings Act and the budget agreement of 1990 are two laws that were passed which helped reduce the growth in our Federal budget. I have supported the balanced budget constitutional amendment which this House came within seven votes of passing in 1990. I have supported many amendments which tried to reduce our expenditures on spending bills. I have never hesitated to oppose bills which I thought called for excessive spending.

Despite these many efforts to reduce our budget deficit, we stand here today with a deficit of $400 billion. We are now paying $200 billion each year in interest on our public debt.

Mr. Chairman, we have an opportunity today to do something good for our children and grandchildren. We can take the unexpected savings in defense programs and apply it toward our deficit.

It is not a great deal of money in the full contest of a $1.5-trillion budget—only $6.5 billion. But this can be a true reduction in our deficit. It can serve as a symbolic act that will show the citizens of this Nation that the Congress will make hard decisions to get the Government to live within its means.

Mr. Chairman, if we desire to spend more money on the important needs within our country—such as health care, education, and our infrastructure—we should reduce our deficits and instead of spending $200 billion a year in interest on the debt, we could spend it on these worthwhile programs.

Mrs. LLOYD. Mr. Chairman, I rise in opposition to H.R. 3732. This bill would knock down the walls separating defense, domestic, and international spending for fiscal 1993, 1 year earlier than the 1990 Budget Enforcement Act allows, permitting defense-to-domestic transfer in spending bills. Without passage of this measure, budget rules require that any defense savings go to deficit reduction.

I support maintaining the 5-year budget agreement negotiated by the White House and the Congress in 1990, keeping the firewalls intact, and using any savings from the so-called peace dividend for deficit reduction purposes. We must increase savings, investment, and productivity to encourage growth in the Nation's economy. In order to do this, deficit reduction is essential.

My primary concern over breaking the 1990 budget plan is that if we move to one overall cap, spending will be higher than if the three separate caps were maintained. If we keep the firewalls in place, the chances are much greater that any defense savings can be used to reduce the Federal deficit. This will free up greater resources for high priority domestic needs such as research and development which are in the Nation's long-term best interests.

I am also concerned that removing the caps would lead to an all out assault on the defense budget. While it is important to recognize the changing world climate, and the end of the cold war era, encouraging further cuts in the shrinking defense budget could undermine programs such as those at the Oak Ridge reservation in Tennessee's Third Congressional District whose role in defense-related activities is significant.

Members of the Oak Ridge community have expressed concern to me over the House-passed fiscal year budget resolution and I have pledged to work with them to see that the integral role played by Oak Ridge in defense and related activities is maintained. I fear that passage of this bill would only exacerbate these concerns by encouraging further raids on defense spending at a time when programs such as those at Oak Ridge depend on defense-related funding for a wide range of critical applications.

Serious efforts are underway by several House committees, including Armed Services, to reinvest some defense dollars in retraining workers, and providing assistance relief to those displaced by defense cuts. This includes national lab workers and DOE employees. I am a member of a working group confronting this issue. Diversification of industry is what will save communities that have been heavily involved in defense work. I will continue to fight for new opportunities for Oak Ridge.

I have heard from advocates of such diverse issues as education, transportation, housing, health care, and elder care regarding this bill. I have always made these issues a priority for my work as well. But in light of the tremendous debt burden we are handing down to our children, we must do more to address the deficit problem head on. Increases now, as a result of this bill, may result in less money in the future as interest payments on the Federal deficit continue to grow and consume more of our resources.

At the present time, the deficit is approaching a calamitous $400 billion. Interest on the debt steals not just from the future but from the present, taking almost one budget dollar in seven. We simply must tackle the budget deficit head on.

If we work to substantially reduce the deficit, we can expect lower interest rates, and more investment in jobs, housing infrastructure, business, education, the environment, research and development, and important scientific endeavors. In contrast, I fear that this bill may have a long-term negative effect on Congress' ability to fund essential domestic programs. I urge my colleagues to join with me in opposing the Budget Process Reform Act.

Mr. DORGAN of North Dakota. Mr. Chairman, in the budget agreement that was reached 1½ years ago, a procedure was established which provided walls between defense spending and discretionary domestic spending, and it provided a cap on each of those categories of spending. That meant that spending or savings could not be transferred between those categories. That procedure was developed in the budget summit agreement as a method of establishing some discipline in fiscal policy. Although I voted against that budget summit agreement for other reasons, I did not oppose establishing caps or walls on defense spending and discretionary domestic spending in order to impose some discipline on Federal spending.

Things have changed dramatically since that budget summit agreement, and now, we have before us a proposal to remove the walls between these categories of spending so that savings in defense spending can be transferred to investments in domestic needs.

The cold war is over, and we ought to be able to achieve significant defense savings in the post cold war era. Clearly, we should be able to spend substantially less per year on defense now than we did at the height of the cold war.

Some of my colleagues believe that represents an opportunity to use those reductions in defense spending to make much needed investments in a whole range of domestic areas from child care to education and more.

I agree with my colleagues that there are a host of areas that desperately need additional funding, and these are areas that relate to investment in human potential. I support all of those areas. Education, job training, health care, childrens programs; all of these are areas of need that I want to address.

But, it is time for a dose of reality in the White House and here on Capitol Hill. Savings from defense cuts are not available for new spending. As long as we face deficits of $473 billion, reductions must be used to reduce the Federal deficit.

I remind my colleagues that the real operating budget deficit of the Federal Government this year is $473 billion because that fact was papered over in fiscal 1993 budget request. President Bush has proposed in the budget he submitted to us last month that in this year and in the next 6 years we add $2.21 trillion to the Federal debt. That means if we do not change the President's fiscal policy direction we will spend $1 billion a day—every day—that we do not have, and we will continue to do that for 6 years. The $2.2 trillion will be on top of the current debt of over $3.6 trillion. The optimistic estimate is that by 1998 we will have a Federal debt of $6 trillion.

The President's fiscal policy is reckless, irresponsible, and dangerous for this country's future. Yet, in Congress, we act as if this dangerous fiscal policy did not even exist. The minute we have the opportunity, we talk about where we can use budget savings to spend in dozens of new areas.

Yes, we need to make those investments, but our first responsibility is to make sure we are not behaving as trustees in a bankruptcy. We need to use the majority of the reductions in defense spending to reduce the Federal deficit and to stop the hemorrhage of spending for interest payments in the national debt, the fastest growing item in the Federal budget. I would support an initiative in which a small proportion of defense savings could be used for the most critical domestic needs. But, I cannot support an initiative to take down the walls of these budget categories unless at least 50 to 75 percent of the savings from defense cuts will be used to reduce this country's deficit. Therefore, under the circumstances presented to us today, I cannot vote for the initiative to remove the walls between these categories of spending.

There are times when I think of what this country is doing in fiscal policy that I wonder if there is anybody here who is sober. We have impostors in the White House calling themselves conservatives who propose the largest deficits in history, and we in Congress act like a bunch of horses fighting over a pail of feed in a burning barn.

Somehow, some day, some way, someone has to step forward and assert some leadership to demand that the President and the Congress stop spending our children's future. This is the time for us to do that.

Mr. ROYBAL. Mr. Chairman, I rise in support of H.R. 3732.

I urge you to vote "yes" on H.R. 3732, to achieve an extra $2.6 billion in deficit reduction and to make available over $12 billion for domestic discretionary spending.

If the budget walls do not come down, domestic discretionary spending will be slashed by 12.3 billion in budget authority and $6.4 billion in outlays, out of a domestic discretionary total of $218 billion.

Of particular concern to me as chairman of the Treasury, Postal Service, and General Government Subcommittee of the Committee on Appropriations is the revenue forgone appropriations to the U.S. Postal Service.

This appropriation permits the Postal Service to maintain current postal rates for preferred rate mailers. Qualified preferred rate mailers are defined as religious, educational, scientific, philanthropic, agricultural, labor, veterans, and fraternal organizations, and include such groups as the American Cancer Society, the American Heart Association, the National Easter Society, the March of Dimes, Birth Defects Foundation, the American Association of Retired Persons, National Wildlife Federation, the Salvation Army, as well as many, many others.

These nonprofit groups have long played a vital role in American life, supplying a considerable share of the social services, health care, education research, arts, culture, community improvement, international relief, conservation, environmental protection, and public advocacy occurring in the United States.

It is important, it is essential, that the walls come down so that some of the funds may be used for this very important purpose.

Mr. UPTON. Mr. Chairman, here we go again.

We've debated this before and nothing's changed. The facts and all the arguments remain the same. Yes, some are right when they say we can afford to cut the defense budget at the end of the cold war. Yes, others are right when they cite deserving domestic programs. And yes, those who point to wasteful programs and big increases in domestic and entitlement spending over the last 10 years are correct.

But underlying all of these arguments is the simple, irrefutable fact that we are spending money we absolutely do not have—the 1992 deficit will probably top $400 billion and gross national debt is going to race right by the $4 trillion mark.

Removing the budget firewalls would send us on the road to ruin.

Mr. Chairman, there is one thing that has changed since we last debated this bill. And that's the American peoples' views of the Congress. We can see it in the polls, in primaries, in the press, and we hear it back home in our districts. They have every right to be upset about many of the scandals that have recently been revealed. But underlying their anger about these relatively smaller issues is the clear belief that Congress has been an extraordinary failure in its inability to deal with the tough questions facing our country. Our own personal bookkeeping practices would not have struck such a cord of discontent with the public if were not for our shoddy bookkeeping practices with taxpayers money.

Last Thursday the senior Senator from Missouri said something extremely important when he spoke on the Senate floor about another's decision to not seek reelection. He was very right when he said:

> Deep down in our hearts we believe that we have been accomplices to doing something terrible and unforgivable to this wonderful country. Deep down in our hearts we know we have bankrupted America and * * * given our children a legacy of bankruptcy.

He went on to say:

> This is the first generation in the history of this country that has wanted to take more out of it than it is given.

Mr. Chairman, there are indeed pressing domestic needs and programs that could use more funds from Head Start and WIC to investments in research and transportation. But we have no right to ignore our children's future and listen only to those who would spend and spend without regard for the consequence. It is our responsibility, as leaders of this country, to face the tough questions laid out before us and find a way to solve them.

There are signs the economy is beginning to improve. If we do anything over the coming months we must not act to stall a recovery. Everyone I speak to at home overwhelmingly declares the best way to get our economy growing is to cut Federal spending and reduce the deficit. Pushing it even higher by removing the only good thing about the budget agreement and spending the phantom peace dividend is probably the worst thing we can do right now. We would demonstrate to the financial markets that we don't care about interest rates and the economy. Worse, we would show the American people that we, as an institution, are unable and unwilling to shape the future of our country.

Mr. Chairman, nothing's changed since we last debated this bill except the voter's demand that we uphold our responsibilities as their elected representatives. It has grown even stronger. They know when something's wrong here in Washington and the message is coming across loud and clear. Voting against this bill is one undeniable way to show we understand our obligation to the American people.

Mr. GILCHREST. Mr. Chairman, I rise in opposition to the bill.

Mr. Chairman, the hardest part of governing is saying "no" to people. We have the power here to fund just about anything, to make the wishes of any special interest group come true. And the more we say "yes" to people, the harder it becomes to say "no" to anyone.

I am aware that the advocates of this bill wish to funnel defense savings to some very worthy programs—programs which I support. They will emphasize the need to fund priority programs. Unfortunately, every program in the Federal budget is a priority to someone; we seem to have about $1.4 trillion in priorities and only $1 trillion in revenues. This leaves us in a situation where we have to say "no" even to programs we consider priorities, or else pass tax increases, which I don't think the American people are ready to swallow.

Proponents of this bill will claim that domestic needs have been neglected in recent years; that domestic programs have suffered under the last two administrations. However, a recent report from the Heritage Foundation shows that domestic spending under the Bush administration is the constant dollar highest in history. We are currently spending—as a percentage of GDP—substantially more than the Kennedy or Johnson administration, and as much as the Carter administration on domestic needs. Admittedly, certain valuable programs like Head Start and WIC deserve more funding, but this should be done within the framework of the $900 billion we are currently spending on domestic needs. In constant 1992 dollars we will spend twice as much on domestic needs this year as we did in 1979. Where is the neglect?

Finally, proponents of the bill will argue that this legislation creates jobs. If deficit spending created jobs, our $400 billion deficit should provide us with a labor shortage instead of high unemployment. In fact this bill is just the most recent congressional initiative to raise the deficit, worsen the economy, and destroy jobs.

Mr. Chairman, I am not going to enjoy saying "no" to the programs that could be increased by spending defense savings. I, too, have constituents that could benefit from them. But in a world of $400 billion deficits, the domestic need that has been most neglected is the American taxpayer, and I am going to take this opportunity to say "yes" to them.

Ms. PELOSI. Mr. Chairman, I rise today in strong support of H.R. 3732, to remove the firewalls created by the 1990 Budget Enforcement Act between defense and domestic spending for fiscal 1993.

These firewalls, or mini caps were imposed on domestic, international, and defense spending as part of the budget summit agreement. The Bush administration insisted they were necessary to protect military spending at levels everyone now agrees are excessive.

More than 13 million children now live in poverty in the United States, 1 out of every 5 children. It is time we start redirecting our priorities, shifting our resources to those, such as the young, who so badly need them. One of every three children in urban areas lives in poverty. More than 8 million children have no health insurance. Each night there are more than 100,000 homeless children. Is there any question but that we must tear down the walls that block us from helping those in need?

Eliminating the firewalls 1 year early, as called for in this bill, will not increase or in any other way affect the limit on total discretionary spending. Overall discretionary spending will remain at the budget summit levels and any spending above that amount will trigger a sequester.

The firewalls must be removed to allow the first, and better, of the two budget resolutions approved by the House to be implemented. With the caps gone, $10 billion in military spending cuts can be used to provide $6.5 billion in domestic spending to meet vital domestic needs such as health care and education, another $1 billion can be used for conversion funds to ease the effects of the defense build down on our towns and communities, and the $2.5 billion remaining could go to deficit reduction.

The $10 billion defense cut will be the same, regardless of whether we remove the firewalls. The walls serve only as a barrier to our investing that savings in critical domestic programs.

According to the Congressional Budget Office, the domestic spending cap for 1993 is $6.5 billion below the amount of outlays required just to maintain services at fiscal 1992 levels.

Mr. Chairman, this bill will allow our country to begin to invest in long neglected domestic needs as we adapt to a new post-cold-war climate. Clearly, defense spending levels set when the Soviet Union was whole and the Berlin Wall was standing are inappropriate today. Our cities need rebuilding, our citizens need health care. This bill will not add one single dollar to the budget deficit, but it will allow us to shift our spending priorities and it should be passed. I urge my colleagues to support it.

Mr. KLECZKA. Mr. Chairman, today the House will take an important vote on H.R. 3732, the Budget Process Reform Act. This legislation is not about some arcane accounting modification; it is about our competitiveness, our priorities, and our future.

I joined Chairman JOHN CONYERS as an original cosponsor of this bill, which removes the firewalls separating defense, domestic, and international affairs categories, but maintains the discretionary spending cap imposed by the 1990 Budget Enforcement Act. It does not jeopardize the fiscal discipline which was achieved by the budget agreement. It does not increase the deficit.

The debate on this bill is about priorities and our ability to adapt to an evolving world. The historic changes in Eastern Europe and the former Soviet Union present an unprecedented opportunity to evaluate our funding strategies. H.R. 3732 does not require changes in funding for any programs. It simply allows Congress flexibility to consider proposed changes.

It is my view we should redirect investment from outdated priorities—such as fighting the cold war—into urgent needs to rebuild our economy. It is already accepted that our resources are limited, and we need to do more with less. Under H.R. 3732, we can do more with the limited funds we have. With it we can make a more effective response to our budget needs for greater investment in infrastructure repair, education, employment for dislocated workers, child health and nutrition, and others. Without it, our resources are further squeezed and additional cuts will be needed, a questionable approach during uneasy economic times.

The House has structured a promising budget blueprint referred to as "Plan A," which has my support. However, we cannot implement plan A without passage of the Budget Process Reform Act. While we cannot afford to fund programs as much as we like, we truly cannot afford to sit on the sidelines and watch an opportunity for economic advancement pass us by. Support H.R. 3732.

Mrs. COLLINS of Illinois. Mr. Chairman, I rise to express my strong support for H.R. 3732, the Budget Process Reform Act.

Mr. Speaker, I think some of my colleagues on the other side of the aisle haven't really realized who lost the cold war. Certainly not the Russians. It was the millions of American families who shouldered the burden of the Reagan-Bush defense budgets in the hope that it would be an investment in our future. And now when the dividend on that investment is to be paid, that much sought-after peace dividend, some want to snatch it up in the name of a budget agreement which everyone claims to have been against anyway.

Let's set one thing straight. This bill will not break the 1990 budget agreement, and will not add to the budget deficit and national debt. It simply allows for funds cut from the still too generous domestic programs. Overall spending will still be capped and not affected.

What does that mean in real terms? If enacted, H.R. 3732 would allow an extra 37,000 children to take advantage of Head Start programs. It would create an estimated 220,000 more jobs. And it would aid an estimated 90,000 additional dislocated workers.

Contrary to what some have been led to believe, this shifting of funds will not affect spending on the military. The scaling down of our military will continue regardless of whether or not this bill passes. Now whether or not those cuts themselves are prudent, that's not germane to this debate whatsoever. But it should be clear that not one single extra dollar in defense cuts will result from tearing down the budget walls and our military preparedness will not be compromised.

Mr. Chairman, my constituents served their country bravely in the military during the cold war, and most recently in the Persian Gulf. Oftentimes, joining the military was the only way for young people to escape inner-city housing projects, such as Cabrini-Green in my district. But just look what these people have to return to—unemployment, decay, inadequate housing, crime. Is that what our young people struggled to protect?

I urge my colleagues to recognize the growing crisis in our streets, and support this legislation.

Mr. CAMPBELL of California. Mr. Chairman, the Nation's budget crisis is the biggest issue facing the country right now, and we in Congress, regardless of party affiliation or ideological bent, should want to make deficit reduction our highest priority.

Fiscal sanity demands that we reject H.R. 3732. As we all know, the Federal deficit is now running at more than a billion dollars every day. Despite a decade of pleadings from both sides of the aisle on the urgent need to reduce—indeed, to eliminate—Federal budget deficits, they continue to mount.

Many in this Chamber would like to spend more on domestic programs; indeed, there are many worthy programs Congress funds that I support. But let no one pretend that we are reducing our commitment to such programs; the 1993 budget authority cap allows 34-percent real growth—that is 34 percent after adjustment for inflation—in domestic discretionary budget authority compared to the 1986 level.

If Congress passes H.R. 3732 and adopts the Budget Committee's plan A, domestic discretionary outlays will rise to $225 billion in 1993, the highest level in American history.

All of us agree that we should invest in our future. In my view, deficit reduction is the best investment we could make now. With a reduced deficit, we contribute to increased national savings, and we free up resources for private sector investment.

Mr. Chairman, I was disheartened to learn Senator WARREN RUDMAN will retire from the other body, frustrated that Congress won't contain its spending ways. In honor of this great statesman who has done so much to promote fiscal responsibility, let us vote down H.R. 3732 and take a small step in the direction of deficit reduction. Our Nation's economic future hangs in the balance.

Mr. McMILLEN of Maryland. Mr. Chairman, I rise in opposition to H.R. 3732. While I do feel that we need to provide needed funding to education and other priorities, and we need to reevaluate our priorities after the last 12 years, this is not the vehicle.

As much as I support such a serious reevaluation of our budget priorities, I oppose increasing the deficit and oppose breaking down the firewalls established in the Omnibus Budget Reconciliation Act of 1990. We made an agreement in 1990 which reduced the projected deficit and capped spending. To break it now would undermine what little discipline we have in the budget process. Besides, the firewalls are only effective through the end of this fiscal year, and will not be applicable in the next budget cycle.

Federal spending is up to 25.2 percent of gross domestic product this year as opposed to 22.1 percent just 4 years ago. This kind of spending is simply unsustainable.

Second, even with the firewalls, the House budget resolution increases spending on several key areas. While I recognize that the budget resolution passed by the Congress increases funding in many important domestic programs, I cannot support legislation that would lead to this funding through more deficit spending. The elimination of the firewalls would result in a faster military drawdown than would be prudent either economically or militarily. Most important, these extra increases do little to invest in America's immediate future. It does very little to create jobs, to build roads, sewers, fix bridges, or earn any kind of economic return. We would almost be better off returning the peace dividend to State and local authorities to make needed investments in infrastructure.

If we are going to provide any new spending, it has to be in capital investment, and should meet the same requirements which the States or which businesses require of their capital programs.

Everyone would like to see more funding for worthy projects. But, regardless of their merit, we cannot continue borrowing money to pay for programs with no serious plan as to how to pay for them. While this assuages our conscience, it will ultimately bankrupt the country.

The American public has sent a clear message to the Congress that they do not want the peace dividend squandered. Frankly, they don't trust us. They think that we'll take all the money we cut from the defense budget, do nothing to reduce the deficit, and continue on a fiscally irresponsible policy of promising everything, and sending the bill to the American taxpayer. This is our opportunity to respond to that message and say, "we hear you."

Mr. Chairman, I urge my colleagues to vote against tearing down the budget firewalls. This will only lead to more deficit spending and Congress continuing to make promises it can't keep. I urge the rejection of this bill.

Mrs. BOXER. Mr. Chairman, I rise today in strong support of H.R. 3732 a bill that will enable us to take care of our own by using savings in the military budget to increase support for domestic priorities and deficit reduction.

Even as the threat of attack from abroad has receded, our domestic problems have grown dramatically worse. It is time to invest in America: we need to rebuild our infrastructure; to provide first rate educations for our children; to make capital available for our entrepreneurs; to create good jobs at decent wages, especially for dislocated workers; to protect our precious natural resources; and to make health care universally available.

The accomplishment of these goals is within our reach. By taking down the budget walls, we will enable the Appropriations Committees to follow budget plan A.

That means more funds for deficit reduction, more funds for student loans, more funds for Head Start, more funds for mass transit, more funds for WIC, more funds for childhood immunizations—in short, more money to address a wide range of pressing needs.

We can no longer afford to delay these investments. It is time for us to reorder our spending priorities. It is time for us to take care of our own.

And as we do this, we should not fear for our allies in Europe and Japan. For 40 years, we have been picking up their military bills.

To underscore the urgency of this situation, let me cite some of the sobering statistics from my home State of California.

From the beginning of the recession in July 1990 to the end of 1991, unemployment rose in California from 5.3 to 7.7 percent—putting more than 327,000 Californians out of work during this period. Over 1.1 million people are out of work in California.

From 1990 to 1991, food stamp enrollment in California increased by over 20 percent.

Six million Californians are without health insurance. Children account for nearly one-third of California's uninsured.

More than half of California's 2-year-olds do not have the full range of childhood immunizations.

California has almost 6,000 bridges that have been determined to be structurally deficient or functionally obsolete.

Over 60 percent of California's paved rural highway miles need rehabilitation, if not outright reconstruction.

California has 52 Superfund sites and 46 proposed sites, ranking it second in the Nation.

Mr. REED. Mr. Chairman, I rise in support of H.R. 3732, the Budget Process Reform Act of 1991.

This legislation will permit us to respond to the changes that have occurred over the last year. Where it is strategically prudent, we can and must begin cutting the defense budget. In the post-cold-war era, we are faced with new opportunities and new challenges. We must have budget rules that allow us to develop policies which help forge a new direction for our country. One that allows us to say we care about jobs; we care about education; we care about health care; and we care about this Nation's future.

We can and we will make sensible judgments about investment in strategic systems and our industrial base. But, we can no longer operate under budget rules which arbitrarily classify programs and impose irrational barriers: the budget walls maximize politics over sound economic investment and strategic decisionmaking.

For over 40 years, America invested a substantial portion of its resources into winning the cold war. Today, we must invest in America. After a decade of neglect, we owe it to future generations to reverse the decline in our Nation's infrastructure and resume our investment in both our physical and human resources through increased funding for education, health care, job training, research and development, investment incentives, housing, and infrastructure.

To those who say we should use savings from defense to exclusively reduce the deficit, I say look at the facts: 1 in 10 Americans receives food stamps; in Rhode Island the unemployment rate is almost 8 percent; children make up 40 per cent of the poor; the United States ranks 24th in infant mortality rivaling many Third World nations; our immunization rates also mirror those of the Third World; 100,000 children go homeless each night; only 30 percent of eligible children can participate in Head Start Programs; more than 34 million Americans lack even the most basic health insurance; and American students are regularly listed at the bottom in international comparisons. America cannot succeed if we allow this neglect to continue. Indeed, unless we act now, the costs associated with more than a decade of neglect of our domestic economy will exacerbate the deficit.

Today, we have the opportunity to free up resources to meet these needs without altering the deficit reduction targets included in the 1990 budget agreement.

As a member of the Education and Labor Committee, I can tell you firsthand what breaking down the budget walls a year early will permit us to do. With no walls, we can increase funding for education by $3.7 billion; we can increase job training funds by $689 million over the 1992 level; we can increase Head Start by $800 million over the 1992 level.

To those who say that decreasing the defense budget will mean economic hardship here at home, I must disagree. We currently spend $28 billion for the operation and management of U.S. bases in Europe. If we were to cut half of this spending and/or negotiate burden sharing agreements with our affluent allies, we could prevent layoffs at home. Or we could use these resources to develop job training programs for laid-off defense workers, conversion assistance for impacted communities, and innovative financing and marketing assistance to help defense contractors diversify. With the walls up, there will be meager resources for such efforts. The Commerce Department and its economic development administration will never have the dollars to assist conversion efforts, unless the walls come down.

I know many Rhode Islanders are concerned about the future of the Seawolf submarine. Throughout my State there has been much discussion of the President's proposal to rescind funding for the second and third Seawolf submarines. While I am also concerned, this legislation has nothing to do with the recision—it would only affect fiscal year 1993, not fiscal year 1991 or fiscal year 1992. Indeed, the contract for the fiscal year 1991 boat has already been awarded to Electric Boat and this contract was recently approved by the Fourth U.S. Circuit Court of Appeals in Richmond, VA.

I believe the Seawolf is a necessary bridge to our next generation of attack submarines. Continuation of this program will maintain our industrial base and stimulate technological advancements in submarine construction. That the President's proposal to terminate the Seawolf is hasty and short-sighted has been bolstered by the recent Navy report on maintaining our industrial base. Although this report is strongly in favor of submarine procurement to protect our submarine construction capabilities, it is also an obvious attempt to come up with an after the fact justification for the President's rash proposal.

Our country is entering a period of transition. The military confrontation of the past has been replaced by the challenge of international economic competition. We must have a budget that outlines a vision and a sense of leadership so that we can transform the challenges we face today into future opportunities. We must have budget rules which help us create a robust economy and a humane society which exemplifies the goals and aspirations of our country. The current budget agreement does not permit this.

The time has come to bring down the budget walls so we can meet the challenges ahead. I urge my colleagues to support this legislation.

Mrs. LOWEY of New York. Mr. Chairman, I rise to urge my colleagues to vote today to bring the budget walls down.

Historic changes on the international scene present us with an opportunity that would have been difficult to envision in 1990, when the firewalls in the budget were established. The collapse of the Soviet empire has changed the world forever. This Congress must rise to the occasion by taking the Federal budget off autopilot and by facing squarely our responsibility to invest in our Nation's future by meeting urgent human needs.

The citizens of this Nation demand and deserve bold leadership that will be impossible unless the artificial budget walls between defense and domestic spending are removed. Elimination of the firewalls will not lead to an abandonment of deficit reduction or an irresponsible raid on the Pentagon. The legislation before us today retains the overall budget cap, but restores flexibility to move funds from defense to domestic investment to better respond to the pressing needs facing our Nation at this time.

This legislation will enable us to deal with the deficit in a more forthright manner. With the budget walls in place, the annual deficit has risen to an estimated $352 billion. In other words, our experience with the firewalls has proven once again that a technical fix cannot solve our deficit problems. Only we can.

To get the deficit under control, it will require leadership and the courage to make difficult choices, not technical changes in the budget process. This means cutting out wasteful spending wherever we find it, including waste in the Pentagon budget, the savings and loan debacle, mismanagement at HUD, bloated pensions for ex-Presidents, farm subsidies for wealthy agribusiness, NASA's costly space station, and the congressional pay raise. It also means enacting my initiative, the Integrity in Higher Education Act, to save billions of dollars in taxpayer funds now devoted to student loan defaults.

We were sent here to lead, to fulfill the public trust by making decisions that will propel our Nation to a better, more prosperous future. Staying the course with an outdated budget agreement is an abdication of leadership at a time when this country needs vision and commitment and courage most. I will not stand by and let another year pass while the infrastructure of this Nation crumbles and our economy remains stalled because of a lack of Federal investment in our economy and in our people.

It is urgent that we act now to encourage economic growth. During the 1980's, the portion of the Federal budget dedicated to investments in economic growth shrank from nearly 14 percent to less than 10 percent. Last fall, this House overwhelmingly approved landmark surface transportation legislation that will create an estimated 2 million new jobs and strengthen our competitiveness by providing our Nation with a world-class transportation system. However, in assembling a budget for fiscal year 1993, we find ourselves trapped behind spending walls that prevent us from funding these historic and innovative transportation programs.

Moreover, Congress will soon act on key legislation to expand our investment in environmental infrastructure, such as sewer systems and sewage treatment plants. This legislation will not only create immediate jobs, but also create the capacity for future growth. We need to break down the walls so that this type of urgently needed investment can go forward.

In addition, we need to take steps now to invest in our people. If we hope to remain competitive in the 21st century, we will need a highly skilled work force that is prepared to go head to head with our competitors from abroad. For this, we will need the best education and job training system in the world.

We need to take steps now to improve our health care system, which is urgently in need of an overhaul to control costs, reduce administrative waste, and respond to the urgent need for long-term care.

We need to take steps now to invest in fighting the drugs and crime that plague our neighborhoods and snuff out our children's lives. Otherwise, we will leave the next generation a legacy of violence and broken dreams.

It is time for this body to emerge from behind the spending walls and make the spending decisions we were sent here to make. We need to act promptly to eliminate waste and fraud in the budget. And we need to restore our Nation's commitment to investing in our future.

Mr. Chairman, the 1990's thus far have seen changes that would have defied belief just a few years ago. The American people are calling for change to reflect this New World and to respond to the immense challenges we face as a nation. We have a chance today to eliminate a barrier to change and to get on with the work of laying a foundation for our children's future. The firewalls, while they are less than 2 years old, were erected in a different era. Leadership in this new era requires knocking them down.

I urge all of my colleagues to join me in strong support of H.R. 3732.

Ms. SNOWE. Mr. Chairman, I rise in opposition to H.R. 3732, the Budget Process Reform Act, which would remove the 1990 budget summit's so-called firewalls that separate domestic discretionary programs from defense and international discretionary programs.

I am voting against H.R. 3732 not because I am opposed to the basic concept of using reduced defense spending levels to help increase funding levels for important domestic programs. Indeed, I support this idea.

But, the House of Representatives is not faced with that question today; instead, it is faced with a different question.

The precise issue before us is will we adopt a bill that calls for reducing the fiscal year 1993 defense budget by $9 billion, twice what President Bush has proposed, and use these defense savings to increase certain domestic programs? To that, I must answer "no" for two reasons.

First, the only way to achieve $9 billion in fiscal year 1993 outlays savings from the defense budget is to dramatically increase the current rate of drawdown within our Armed Forces. This step could have serious ramifications for the State of Maine.

Second, the House-passed budget resolution, House Concurrent Resolution 287, did not provide any specific guidance on how the House Democrats propose to reduce the defense budget in fiscal year 1993. And, compounding that mistake, House Concurrent Resolution 287 simply accepts a baseline budget for the Defense Department in the outyears, without giving any direction as to how these spending cuts will be achieved in future years as well.

Determining how the defense budget is to be reduced is a very important issue that must be addressed in a responsible fashion. The Congress cannot simply cut the defense budget for the sake of budget reductions, without taking the necessary time to develop a coherent and rational plan for implementing multibillion spending cuts over the next few years.

When Defense Secretary Cheney and Joint Chiefs of Staff Chairman Powell testified before the House Foreign Affairs Committee recently, they spent a considerable amount of time detailing the steps they are currently taking to save the additional $5 billion in fiscal year 1993 outlays that President Bush has recommended.

These cuts, and their impact on our Armed Forces, will have a very real effect on our country. Further cuts, obviously, will have an even greater impact. For this reason, reducing the defense budget must be done in a careful and prudent manner.

Two additional factors make the present time a bad one for especially draconian and immediate defense cuts. One factor is that the State of Maine and our country is in a recession. The other factor is that in order to obtain the up-front savings from reductions in defense this year and next, the bulk of the cuts will have to come from personnel. There simply is no other way to accomplish it. Thus, those who would support a doubling of the defense cuts are telling the brave men and women who have chosen to serve there country not only that they must leave the military, but that they must leave now, and that we are going to send them into an economy that has precious few jobs to offer them.

The Defense Department has already begun the process of shipping out more than 1 million men and women from our Armed Forces over the next 5 years. In fiscal year 1992 alone, 50,000 members of our armed forces will be drawn down.

These cuts are going to have a serious impact on the people of the State of Maine. The people of northern Maine are facing the closure of the region's largest employer, Loring Air Force Base, in 1994. Already, reductions in force [RIFs] are being felt at the National Guard units in Bangor, at the Portsmouth Naval Shipyard, Brunswick Naval Air Station, and Cutler Naval Communications Station. A doubling of the defense cuts would create even more dislocation and despair in Maine.

I am especially concerned about the possible impact of deep and rapid defense cuts on Maine's largest employer, Bath Iron Works. The Democrats' budget does not specify the extent or the areas of defense cuts in future years. There is no question that BIW will be imperiled by doubling the already large cuts that President Bush has proposed.

Given the significant reductions in our Armed Forces that are already underway, how do the House Democrats propose to achieve twice as much fiscal year 1993 outlays savings? Are we to believe that because both House Concurrent Resolution 287, and H.R. 3732, assume doubling the amount of defense spending cuts proposed by President Bush that these personnel figures will have be doubled, in order to achieve the kind of defense savings projected by these bills?

Well, House Concurrent Resolution 287, the House Democrats' budget resolution does not answer that question. There were no details provided to the House, and its Members, as to exactly how this kind of savings are reached.

I suppose those questions will be answered at some undetermined time in the future. In the meantime, the House is voting on H.R. 3732 today.

In addition to not spelling out how these fiscal year 1993 outlays savings are to be achieved, the House Democrats' budget resolution does not provide us with any details about the defense budget in its out-years either. They simply left this part of their budget resolution on automatic pilot.

In essence, as we consider H.R. 3732 today, we are being asked to approve severe defense spending cuts without being told how these savings will be actually realized.

Given the seriousness of the issues associated with reducing our defense budget, the lack of detail provided by the House Democrats as to how they plan on saving $9 billion in fiscal year 1993 defense outlays, and in future years as well, leads to me oppose H.R. 3732, and urge my colleagues in the House to join me in voting against its passage today.

Mr. TALLON. Mr. Chairman, I rise today in support of H.R. 3732, the Budget Process Reform Act. It is a decision that has not come easily, because I sincerely believe that reduction of the deficit must become a priority which we reflect in our votes rather than just an abstract principle in our speeches.

Reduction of the deficit is not just an economic issue. It is an issue which tells the American citizen that their Government is not working. When the phrase "out of control deficit spending" is used, think about that term "out of control." There is nothing out of control about it. The Constitution does not compel us to spend beyond our means. We write the appropriations bills and the entitlement bills, and the President signs them. Deficit spending is not like some storm, or flood, or act of God that comes upon us and makes us bewildered victims.

From my statement so far, you might believe I was voting against the Conyers bill. I will explain why I decided to support it just early this morning. The reason is that now we find ourselves in the 19 month of a deep and troubling recession that continues to overstay its welcome.

I believe that we will help the American economy much more at this time by putting some of the savings in defense spending into programs which will immediately provided jobs and lasting investments in our Nation's people and its infrastructure, which are sorely needed. Today's edition of the Wall Street Journal reports that 6 Nobel laureates and 94 other economists have written a letter to the President supporting increased emphasis on education and infrastructure spending to spur economic growth, even if those actions increase the deficit temporarily. I would like to put a copy of that article into the RECORD.

Removal of the wall a year early does not do terrible violence to the budget agreement. Some of the defense savings will go to deficit reduction and the spending targets contained in the budget agreement will be met.

Make no mistake, the deficit must be addressed, and soon; its negative effects on the U.S. economy and on Americans' faith in the political process are too big to ignore. But it will not be solved today; it will require talking about more than the amounts at issue here and will require talking about every component of the budget, not just discretionary spending.

It really comes down to a question of timing. Voting against the Conyers bill will not eliminate the deficit, or even spur a healthy dent in it. Voting for the Conyers bill will provide an immediate stimulus to the economy and will fund worthwhile programs that will provide lasting benefits.

TOP ECONOMISTS URGE OFFICIALS TO BOOST FEDERAL SPENDING TO STIMULATE GROWTH

(By Rick Wartzman)

WASHINGTON.—Defying conventional Washington wisdom, six Nobel laureates and 94 other economists called for increased federal spending to spur economic growth, even though it would add to the budget deficit.

"The nation cannot afford the economic waste and human distress of protracted high unemployment," the Nobel Prize winners and other prominent economists from Wall Street, academia and industry said in an open letter to President Bush, Federal Reserve Chairman Alan Greenspan and members of Congress.

The economists' proposal, unveiled at a news conference here, called for further reductions in interest rates, tax credits for businesses investing in new factories and equipment, and an assistance program of at least $50 billion a year for state and local governments.

"IDLE RESOURCES" CITED

Because the economy is beset by "idle resources of labor and capital" and "the threat of inflation is minimal," the signers of the letter asserted, "it is appropriate to * * * add to the deficit" to stimulate immediate growth.

The economists said additional spending not only would assist the fragile recovery, but also could pay off over the long run if wise investments were made in education and infrastructure. "Raising the deficit for investment is a very different thing" than simply spending to fuel more consumption, said James Tobin of Yale University, one of the Nobel laureates.

The other laureates who signed were Kenneth Arrow and William Sharpe of Stanford University, Lawrence Klein of the University of Pennsylvania, and Robert Solow and Franco Modigliani of the Massachusetts Institute of Technology.

Although some lawmakers have flirted with the ideas promoted by the economists, the letter urges spending considerably more money and awarding a much more generous investment-tax credit than did either the tax package submitted by President Bush or the one approved by Congress. The signers also criticized tax cuts for individuals as a promoter of consumption, not investment.

CONCERNS ABOUT DEFICIT

Just yesterday, the Congressional Budget Office reiterated its concerns about the deficit in a report warning that massive levels of government debt create a "vicious cycle" that undermines efforts to combat the problem.

The economists maintained, however, that they haven't given up on the deficit, which the White House expects to reach nearly $400 billion this year. In fact, they advocated slashing the deficit over the long haul and recommended eventually financing the state-assistance effort with higher taxes and cuts in defense spending.

But some view this approach as politically naive. Lawmakers generally consider voting for tax increases to be political suicide. And many constituencies already are laying claim to defense dollars.

"I don't have great confidence that if you increased spending on a permanent basis by $50 billion, you would find ways to finance that," said Van Doorn Ooms, formerly chief economist for the House Budget Committee and now research director at the Committee for Economic Development, a Washington group affiliated with the business community.

Moreover, some analysts wondered if increasing the deficit could spook inflationary bond traders and push up long-term interest rates, undermining the plan's short-term benefits. Martin Feldstein, president of the National Bureau of Economic Research and formerly President Reagan's chief economist, said in an interview that a plan that enlarges the deficit would send "a very bad signal" to the markets.

But the economists who wrote the letter countered that the gains to be achieved under their blueprint, especially in enhancing long-term productivity, outweigh the potential negatives. "The bond market is ultimately going to respond to the fundamentals of the economy," said C.J. Lawrence Inc.'s Edward Yardeni.

Still, despite the heavyweight names on the letter, the economists conceded that they didn't really know how to persuade Washington's political establishment to listen. "If the Congress and president are determined to screw up the economy," MIT's Mr. Solow said, then there is nothing outsiders can do.

Ms. NORTON. Mr. Chairman, after a dozen years of rapid disinvestment from vital domestic needs, H.R. 3732, slowly, almost tentatively, begins the process of reinvestment; and for that reason it is a historic piece of legislation. It deserves our support.

The buildup in the military budget during the last decade was matched b a build down in America. The disinvestment could not have been more poorly timed. It occurred when new economic power was emerging in Japan, other parts of Asia, and in Europe—which is now on the brink of unification, making it potentially a greater economic power than the United States. Challenged on all sides, we needed to invest just to keep up. Instead, we disinvested. I shudder to think what would have happened if the Soviet Union had not collapsed, making available a peace dividend that can be used to address our Nation's most urgent needs.

In approaching our troubled economy, it has been difficult to find areas of agreement. It took a full year for the Bush administration to agree with the Congress even on the need for emergency unemployment insurance. There has been no countercyclical legislation except for the transportation bill—passed late in the last session. The tax bill, just passed and just vetoed, displayed wide areas of disagreement. There is, however, in the country, and in the Congress, a growing consensus for the proposition that we must begin to produce jobs and that we must invest in our economy if real economic stimulation and growth are to occur.

H.R. 3732 is a jobs bill. It will free up funds to put 400,000 Americans to work. It is the first step toward reinvestment, finally, in America and the American people.

Mrs. MORELLA. Mr. Chairman, today I will cast what I feel to be a most difficult vote. H.R. 3732, the Budget Process Reform Act, asks us to choose between two very legitimate, worthwhile needs. On the one hand, we can opt to increase domestic spending in certain areas which clearly need assistance, or we can choose to hold the line on a dangerous legacy of deficit spending. Unfortunately, we cannot meaningfully do both.

Mr. Chairman, the revolutionary changes occurring throughout the world have presented us with the opportunity to substantially reduce defense expenditures, reevaluate our spending priorities, and put our fiscal house in order. As the chair of the Arms Control and Foreign Policy caucus, I have long advocated streamlining military spending to reflect the new realities of the post-cold war era. In fact, I voted against the President's fiscal year 1993 budget because I felt that it did not sufficiently reflect these new realities: its cuts in the defense budget were not sufficiently deep and its funding for vital human resource programs was inadequate. Instead, I supported the House Budget Committee's plan B, which provided significantly higher funding for education, health, and the environment, and which cut defense spending by almost twice the President's recommendation.

Mr. Chairman, in 1990 I joined a majority of my colleagues in supporting the Budget Enforcement Act, a bipartisan agreement aimed at funding our vital domestic, international, and security programs while containing our runaway deficit. There were some aspects of the agreement that I did not favor, but I felt then—as I do now—that action on the deficit could not be postponed a day longer. The agreement recognized the fact that our Nation would never be able to devote sufficient resources to our vital domestic needs if we did not first address a debt so massive that it swallows up—in interest payments alone—nearly 15 percent of our budget each year.

The 1990 budget agreement stipulated that any funds not spent on defense, domestic needs, or international programs would be used to reduce the budget deficit, rather than adding to the amount available for any of the three spending categories. The purpose of this "firewall" provision was to ensure that meaningful deficit reduction could take place. H.R. 3732 would break the hard-fought budget agreement by eliminating the division between expenditure categories and removing the spending caps, thus allowing for transfers in budget authority between accounts.

Three important points must be considered when evaluating H.R. 3732. First, the original Budget Enforcement Act does not prohibit Congress from reducing defense spending in response to a changing world situation. In fact, Congress and the President can reduce defense spending as much as they see fit since the act establishes caps—not floors—for each spending category. Second, the Act stipulates that the "firewalls" will be removed next year, at that time permitting transfer of budget authority between spending categories. Third, and most importantly, the "peace dividend" is not money lying in a Treasury account waiting to be spent; it is the amount of money that the Federal Government will not need to borrow in order to maintain current defense spending levels. In other words, the "peace dividend" is not a budget windfall; it is merely a reduction in the amount of deficit spending that would have otherwise taken place had we continued our military build-up.

If H.R. 3732 passes, we will borrow $6.3 billion to provide additional funding for a variety of very worthwhile domestic programs. This money is certainly needed, but it is money that, to my great disappointment, we simply do not have. As I've stated earlier, the defense savings in question are really not savings at all; they are merely money we will no longer have to borrow. Mr. Speaker, I have grappled with this extremely difficult issue for many weeks, and I have concluded that I cannot, in good conscience, support increasing our staggering deficit when we finally have a chance to reduce it.

If Congress abides by the 1990 Budget Enforcement Act, the Federal Government will save approximately $9 billion in defense outlays in fiscal year 1993. This means that our staggering deficit next year will be $9 billion less than it would have been in the absence of defense cuts. Mr. Speaker, having lived on borrowed money for years now, we have become accustomed to yearly deficits of hundreds of billions of dollars; the ludicrous figures don't even faze us any longer. But make no mistake about it—a $9 billion reduction in next year's deficit is very significant, indeed. Since the 1990 budget agreement stipulates that the "firewalls" will come down next year, this is our last chance to direct part of the "peace dividend" toward meaningful deficit reduction. We must start somewhere; we must not leave this legacy of debt for our children and grandchildren. We must address this issue now.

Mr. Chairman, throughout my tenure in the Congress, I have always supported the highest possible funding levels for our vital domestic investments—in education, housing, the environment, and our infrastructure. My vote today to abide by the 1990 budget agreement does not diminish, in any way, my support for all of these critical programs. On the contrary, my vote signals my belief that, unless we can reduce our deficit to a manageable level, future generations will have even fewer resources than we do to devote to our vital domestic needs. We simply cannot allow this to happen. Deficit reduction is an investment in our Nation's future, Mr. Speaker, and for this reason, I must vote to abide by the Budget Enforcement Act and against H.R. 3732.

The CHAIRMAN pro tempore (Mr. CLAY). All time for general debate has expired.

Pursuant to the House Resolution 410, the amendment in the nature of a substitute recommended by the Committee on Government Operations and the Committee on Rules, now printed in the reported bill, shall be considered as an original bill for the purpose of amendment and is considered as read.

No amendment to said substitute is in order.

The text of the committee amendment in the nature of a substitute is as follows:

H.R. 3732

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Budget Process Reform Act of 1992".

SEC. 2. DISCRETIONARY SPENDING LIMIT.

Section 601(a)(2)(C) of the Congressional Budget Act of 1974 is amended to read as follows:

"(C) with respect to fiscal year 1993 for the discretionary category, $511,485,000,000 in new budget authority and $533,986,000,000 in outlays;".

SEC. 3. APPLICATION.

(a) REVISIONS.—The Office of Management and Budget shall apply any adjustments made before the date of enactment of this Act under section 251 of the Balanced Budget and Emergency Deficit Control Act of 1985 to the 1993 discretionary spending limits. Such calculations shall be applied to the revised limits specified in the amendment made by section 2 of this Act, using the same economic and technical assumptions used in making those adjustments before the date of enactment of this Act.

(b) REPORT.—Before the close of the fifth day beginning after the date of enactment of this Act, the President shall submit a report to Congress setting forth the revised discretionary spending limits for fiscal year 1993 under section 601(a)(2) of the Congressional Budget Act of 1974, as adjusted under subsection (a).

SEC. 4. TECHNICAL AND CONFORMING AMENDMENTS.

(a) DEFINITION OF CATEGORY.—Section 250(c)(4) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in subparagraph (A) by striking "fiscal years 1991, 1992, and 1993" and inserting "fiscal years 1991 and 1992"; and

(2) in subparagraph (B) by striking "1994" and inserting "1993, 1994,".

(b) SPECIAL ALLOWANCE.—(1) Section 251(b)(2)(E) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(A) in clause (i) by striking "For each of fiscal years 1992 and 1993" and inserting "For fiscal year 1992" and by striking "in each year";

(B) in clause (ii) by striking "for each of fiscal years 1992 and 1993" and inserting "for fiscal year 1992", by striking "in each year", and by striking "and" after the semicolon;

(C) by inserting after clause (ii) the following:

"(iii) for fiscal year 1993, the adjustment for the discretionary category shall be an amount equal to .179 percent of the sum of the adjusted discretionary spending limits on new budget authority for all categories for fiscal years 1991, 1992, and 1993 (cumulatively), together with the outlays associated therewith (calculated at the composite outlay rate for that category); and"; and

(D) by redesignating clause (iii) as clause (iv).

(2) Section 251(b)(2)(F) of the Balanced Budget and Emergency Deficit Control Act of 1985 is amended by striking "1991, 1992, or 1993" and inserting "1991 or 1992" and by striking "1994 or 1995" and inserting "1993, 1994, or 1995".

(3) Section 250(c)(20) of the Balanced Budget and Emergency Control Act of 1985 is amended by inserting at the end the following:

"(C) For the discretionary category in 1993, the average of the domestic and international composite outlay rates specified in subparagraphs (A) and (B), weighted in proportion to the domestic and international budget authority that would have applied for those categories in 1993 except for the changes required by the Budget Process Reform Act of 1992.".

The CHAIRMAN pro tempore. The question is on the committee amendment in the nature of a substitute.

The committee amendment in the nature of a substitute was agreed to.

The CHAIRMAN pro tempore. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. GEPHARDT] having assumed the chair, Mr. CLAY, Chairman pro tempore of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 3732) to amend the Congressional Budget Act of 1974 to eliminate the division of discretionary appropriations into three categories for purposes of a discretionary spending limit for fiscal year 1993, and for other purposes, pursuant to House Resolution 410, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. SOLOMON

Mr. SOLOMON. Mr. Speaker, I offered a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SOLOMON. I am, in its present form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to commit.

The Clerk read as follows:

Mr. SOLOMON moves to recommit the bill H.R. 3732 to a House Select Committee on Reform to be composed of ten Members of the House to be appointed by the Speaker, five from the majority party and five from the minority party, with instructions not to report back the same to the House until it has recommended appropriate amendments thereto to fully effect the "reform" purposes of the bill as set forth in section 1, with a view to changes that will further reduce government spending and the deficit.

Mr. SOLOMON (during the reading). Mr. Speaker, I ask unanimous consent that the motion be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The SPEAKER pro tempore. The gentleman from New York [Mr. SOLOMON] is recognized for 5 minutes in support of his motion to recommit.

Mr. SOLOMON. Mr. Speaker, my motion to recommit with instructions is very simple. It simply sends the bill to a House Select Committee on Reform to be composed of five Democrats and five Republicans, with instructions not to report this bill back to the House until it has recommended changes to fully effect the reform purposes of the bill as set forth in section 1 of the bill.

Section 1 of the bill says quite simply:

> This Act may be cited as the Budget Process Reform Act of 1992.

That is the name of the bill.

In other words, the House Select Committee on Reform would be required to deliberate and recommend appropriate amendments to the bill to ensure that the bill will reflect that mandate and promise set forth in its title of genuine budget process reform.

I think everyone in this House, regardless of party or ideology, knows that we are in dire need of reforming the overall the budget process. It is a disaster, Mr. Speaker. You know it and I know it and every Member of this House knows it.

Despite the promise of the original 1974 Budget Act and the subsequent Gramm-Rudman-Hollings Act of 1985 and the Budget Enforcement Act of 1990, our budget is not under control and deficits continue to mount and mount and mount.

It is not unusual for the Rules Committee, on which I have the privilege of serving as the senior ranking Republican, to waive that Budget Act against bills coming to this floor. Those kinds of waivers are issued on a regular basis.

The House has all kinds of rules to go by, but they are routinely waived or ignored and we have been left with fiscal chaos in this Government.

Finally, Mr. Speaker, I would hope that this completely bipartisan Select Committee on Reform will serve as the model for further reform efforts in this House, especially the reform of our badly mired legislative process and committee system.

You, Mr. Speaker, and I and others on an informal ad hoc committee are meeting this very minute on that very issue.

Such a bipartisan select committee could serve to lay the groundwork for the Joint Committee proposed by the Hamilton-Gradison bill, which I understand the Speaker now supports.

We do not need to wait another year for such a joint committee to report comprehensive recommendations with respect to the two Houses. A small House select committee could give us some important reforms in our rules and procedures before the end of this session, if we so authorized it to do so.

We should begin now with this important task before we are so overcome and bogged down with things that we just cannot deal with effectively. That is why we need to do it now, to lay the groundwork for the Hamilton-Gradison joint committee, which you and I and now most every Member of the House is agreeing to support.

Mr. Speaker, I urge you to support this motion to recommit. We will at least send a message to the financial markets and to the American people that we are serious about doing something about the deficit. Let us send that message and let us regain some respect for this House in the eyes of the American people.

Mr. Speaker, I would urge support for my motion.

Mr. CONYERS. Mr. Speaker, I rise in opposition to the motion to recommit.

Mr. Speaker, this motion to recommit is an imaginative one that has nothing to do with the issue before us today. The legislation that we are debating is a choice about the direction of the country, not whether a new or yet to be created Committee on Reform should deliberate the budget process issues in this House of Representatives. There are committees in the House that already have the duties in the bill that are before us today and this legislation is a product of their work.

One of these committees, my own, and that of the ranking member, the gentleman from New York [Mr. HORTON], have had two lengthy hearings, dozens of witnesses testified. This has been a long process. We have had extensive debate. This matter has been considered for 6 months.

We have been before the Rules Committee of which the gentleman from New York who has offered this motion to recommit is a member.

So this motion ignores, in a very imaginative way, the narrow issue before us—whether we should eliminate a single outdated provision of the Budget Enforcement Act. This bill is a very precise one that affects only this limited purpose.

□ 1610

The proposed bill maintains this discrete focus and allows the House to decide which course we shall take.

What the gentleman from New York [Mr. SOLOMON] offers to us in the form of a motion to recommit with instructions is a different, a pointless, motion that undercuts the authority of every single committee in the House of Representatives. Essentially, this motion would charge a new committee with determining the rules of the House with regard to budget process issues. And for those reasons I would urge that this motion to recommit be rejected.

The SPEAKER pro tempore (Mr. GEPHARDT). Without objection the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The question was taken, and the Speaker pro tempore announced that the noes appeared to have it.

Mr. SOLOMON. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 162, nays 262, not voting 10, as follows:

[Roll No. 65]

YEAS—162

Allard
Allen
Archer
Armey
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehlert
Boehner
Broomfield
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Dickinson
Doolittle
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hammerschmidt
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Horton
Houghton
Hunter
Hyde
Inhofe
Ireland
James
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (FL)
Lightfoot
Livingston
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri
Porter
Pursell
Quillen
Ramstad
Ravenel
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—262

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Bonior
Borski
Boucher
Brewster
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Dixon
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Glickman
Gonzalez
Gordon

Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Mrazek
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Rahall
Rangel
Ray
Reed
Richardson
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Slattery
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NOT VOTING—10

Boxer
Brooks
Bunning
Dornan (CA)
Levine (CA)
Lewis (CA)
Neal (NC)
Skelton
Slaughter
Taylor (NC)

☐ 1632

Messrs. ORTON, FAZIO, GONZALEZ, and MARTINEZ changed their vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Ms. SLAUGHTER. Mr. Speaker, on rollcall No. 65, I was unavoidably detained. Had I been present, I would have voted in the negative.

The SPEAKER pro tempore (Mr. GEPHARDT). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. HORTON. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—yeas 187, nays 238, not voting 9, as follows:

[Roll No. 66]

AYES—187

Abercrombie
Ackerman
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Berman
Bevill
Blackwell
Bonior
Borski
Boucher
Brown
Bruce
Bryant
Bustamante
Cardin
Carr
Chapman
Clay
Coleman (TX)
Collins (IL)
Collins (MI)
Conyers
Costello
Cox (IL)
Coyne
Cramer
de la Garza
DeFazio
DeLauro
Dellums
Dicks
Dingell
Dixon
Donnelly
Downey
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Engel
Evans
Fascell
Fazio
Feighan
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gephardt
Gibbons
Gonzalez
Guarini
Hall (OH)
Hatcher
Hayes (IL)
Hefner
Hertel
Hochbrueckner
Horn
Hoyer
Hughes
Jefferson
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lantos
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Lowey (NY)
Manton
Markey
Martinez
Matsui
Mavroules
McCloskey
McDermott
McHugh
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Moody
Moran
Mrazek
Murphy
Nagle
Natcher
Neal (MA)
Nowak
Oakar
Oberstar
Obey
Olver
Owens (NY)
Pallone
Panetta
Pastor
Payne (NJ)
Pease
Pelosi
Perkins
Peterson (FL)
Peterson (MN)
Poshard
Price
Rahall
Rangel
Reed
Roe
Rose
Rostenkowski
Roybal
Russo
Sabo
Sanders
Sangmeister
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sikorski
Skaggs
Slaughter
Smith (FL)
Smith (IA)
Solarz
Staggers
Stark
Stokes
Studds
Swett
Swift
Synar
Tallon
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wise
Wolpe
Wyden
Yates

NOES—238

Allard
Allen
Andrews (TX)
Anthony
Archer
Armey
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Bennett
Bentley
Bereuter
Bilbray
Bilirakis
Bliley
Boehlert
Boehner
Brewster
Broomfield
Browder
Burton
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carper
Chandler
Clement
Clinger
Coble
Coleman (MO)
Combest
Condit
Cooper
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Darden
Davis
DeLay
Derrick
Dickinson
Dooley
Doolittle
Dorgan (ND)
Dreier
Duncan
Edwards (OK)
Edwards (TX)
Emerson
English
Erdreich
Espy
Ewing
Fawell
Fields
Fish
Franks (CT)
Gallegly
Gallo
Gejdenson
Gekas
Geren
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Gordon
Goss
Gradison
Grandy
Green
Gunderson
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Henry
Herger
Hoagland
Hobson
Holloway
Hopkins
Horton
Houghton
Hubbard
Huckaby
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lent
Lewis (FL)
Lightfoot
Livingston
Lloyd
Long
Lowery (CA)
Luken
Machtley
Marlenee
Martin
Mazzoli
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
McMillan (NC)
McMillen (MD)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Montgomery
Moorhead
Morella
Morrison
Murtha
Myers
Nichols
Nussle
Olin
Ortiz
Orton
Owens (UT)
Oxley
Packard
Parker
Patterson
Paxon
Payne (VA)
Penny
Petri
Pickett
Pickle
Porter
Pursell
Quillen
Ramstad
Ravenel
Ray
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Rowland
Santorum
Sarpalius
Saxton
Schaefer
Schiff
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sisisky
Skeen
Slattery
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Stallings
Stearns
Stenholm
Stump
Sundquist
Tanner
Tauzin
Taylor (MS)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Upton
Valentine
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Weber
Weldon
Wilson
Wolf
Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—9

Boxer
Brooks
Bunning
Dornan (CA)
Levine (CA)
Lewis (CA)
Neal (NC)
Skelton
Taylor (NC)

☐ 1650

The Clerk announced the following pairs:

On this vote:

Mr. Levine of California for, with Mr. Skelton against.

Mrs. Boxer for, with Mr. Dornan of California against.

So the bill was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3732.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERSONAL EXPLANATION

Mr. TAYLOR of North Carolina. Mr. Speaker, due to missed airplane connections, I was unable to cast a vote on rollcall votes 63 through 66. Had I been present I would have voted "nay" on rollcall vote 63, against House Joint Resolution 456. I would have voted "nay" on rollcall vote 64, against ordering the previous question on House Joint Resolution 410. I would have voted "yea" on rollcall 65, in favor of the motion to recommit H.R. 3732. I would have voted "nay on rollcall vote 66, against final passage of H.R. 3732.

PERSONAL EXPLANATION

Mr. SKELTON. Mr. Speaker, in fulfilling a long commitment I was absent, as I was the principal speaker on the decommissioning of the U.S.S. *Missouri* at Long Beach and I missed, as a result thereof, rollcall No. 66, which was on the passage of H.R. 3732.

Had I been present, Mr. Speaker, I would have voted "no."

I might also add, Mr. Speaker, that I did pair against it before I left.

PERMISSION FOR COMMITTEE ON GOVERNMENT OPERATIONS TO SIT DURING 5-MINUTE RULE TOMORROW

Mr. CONYERS. Mr. Speaker, I ask unanimous consent that the Committee on Government Operations be permitted to sit during proceedings under the 5-minute rule on Wednesday, April 1, 1992.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORT ON HOUSE BILL TO REMOVE DEADLINE FOR USE OF RESOLUTION TRUST CORPORATION FUNDS

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight, March 31, to file a privileged report on a House bill to remove the deadline in current law for the use of Resolution Trust Corporation funds. This request has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PERMISSION FOR COMMITTEE ON SCIENCE, SPACE, AND TECHNOLOGY TO SIT WHILE HOUSE IS IN SESSION TOMORROW

Mr. BROWN. Mr. Speaker, I ask unanimous consent that the Committee on Science, Space, and Technology be permitted to sit tomorrow, Wednesday, April 1, 1992, while the House is in session.

Mr. Speaker, this has been cleared with the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

HOUR OF MEETING ON APRIL 1, 1992

Mr. MOAKLEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 2 p.m. tomorrow.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1300

Mr. KOLTER. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of H.R. 1300.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

THE UNITED NATIONS VOTE TODAY ON JUSTICE FOR THE VICTIMS OF PAN AM 103

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, the United Nations will vote today on whether to impose strict sanctions on Libya, as a consequence of that nation's undeniable role as a state sponsor of terrorism in the December 21, 1998, tragic and heinous destruction of Pan American World Airways flight 103.

As a member of the President's Commission on Aviation Security and Terrorism, appointed at the urging of the families of the victims of Pan Am 103, I wholly support the United States policy on Libya. The administration is right on this issue, they deserve credit, and the United Nations should vote to ratify that position.

The U.S. resolution will put the United States in the lead worldwide against international, state-sponsored terrorism. This fully implements the recommendations of the President's Commission, which recommended forcefully that the United States demonstrate national will against state sponsors of terrorism.

The Commission in its report recommended that the United States heighten emphasis not only on preventing terrorist acts, but that we go beyond the terrorists to the states which sponsor them, and make those states pay the price for their actions.

The Commission also recommended that the United States work with other nations to treat as outlaws state sponsors of terrorism, isolating them politically, economically, and militarily.

The administration has implemented these recommendations, and I commend them for doing so.

The exhaustive work of the FBI and the Department of Justice, in their November 14, 1991, indictment of two Libyan nationals, laid out for the world incontrovertible evidence against two Libyan citizens, and documented the ties with their government. Common sense would tell us that an isolated group of terrorists could not have carried out an enterprise of the size of the destruction of Pan Am 103. The investigation proved that, and laid responsibility for the deed at the feet of that country itself.

It is certainly fitting that, first, the nations of the world cause the two individuals to be brought to justice. Then, we must determine how further to act against states which sponsor terrorism. There must be no haven, anywhere on the globe, for those who strike at innocent civilians in the furtherance of their goals.

Mr. Speaker, the bombing of Pan Am 103 was an act of a government, Libya, against another government, the United States. The 270 innocents who perished in the attack were innocent and unwitting victims. The 259 people who boarded Pan Am flight 103 that night were predominantly Americans, but also citizens of 22 other countries. The 11 residents of Lockerbie, killed when the plane struck the ground, were Scottish.

The crime against these innocents was a crime by one government against citizens of 23 governments, and it is therefore fitting that these and all governments respond at the United Nations by bringing Libya as well as its two nationals to account.

APPOINTMENT AS TEMPORARY POSTMASTER OF HOUSE OF REPRESENTATIVES

The SPEAKER. Pursuant to the provisions of the Legislative Reorganization Act of 1946 (2 U.S.C. 75A-1), the Chair appoints Michael J. Shinay of Virginia to act as and exercise temporarily the duties of postmaster of the House of Representatives.

SWEARING IN OF MICHAEL J. SHINAY AS POSTMASTER OF THE HOUSE OF REPRESENTATIVES

The SPEAKER. Will Mr. Shinay present himself in the well of the House?

Mr. Shinay appeared at the bar of the House and took the oath of office, as follows:

Do you solemnly swear that you will support and defend the Constitution of the United States against all enemies, foreign and domestic; that you will bear true faith and allegiance to the same; that you take this obligation freely, without any mental reservation or purpose of evasion, and that you will well and faithfully discharge the duties of the office of Postmaster of the House of Representatives. So help you God.

The SPEAKER. Congratulations.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mr. MCNULTY). Pursuant to the provision of clause 5, rule I, the Chair announces that he will postpone further proceedings today on the motion to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote is objected to under clause 4 of rule XV.

Such rollcall vote, if postponed, will be taken tomorrow, April 1, 1992.

PANAMA CANAL ACT AMENDMENTS OF 1992

Mr. TAUZIN. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1558) to amend the Panama Canal Act of 1979 to provide for a Chairman of the Board of the Panama Canal Commission, and for other purposes, as amended.

The Clerk read as follows:

H.R. 1558

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Panama Canal Act Amendments of 1992".

SEC. 2. COSTS OF DISSOLUTION.

(a) IN GENERAL.—The Panama Canal Act of 1979 (22 U.S.C. 3601 et seq.) is amended by inserting after section 1304 the following:

"DISSOLUTION OF COMMISSION

"SEC. 1305. (a)(1) The Commission shall conduct a study of—

"(A) the costs associated with the dissolution of the Commission, including the costs of the office authorized to be established under subsection (b); and

"(B) costs and liabilities incurred or administered by the Commission that will not be paid before the date of that dissolution.

"(2) The Commission shall submit to the Congress, by not later than September 30, 1996, a report on the findings and conclusions of the study under this subsection. The report shall include an estimate of the period of time which may be required to close out the affairs of the Commission after the termination of the Panama Canal Treaty of 1977.

"(b) The Commission shall establish an office to close out the affairs of the Commission that are still pending after the termination of the Panama Canal Treaty of 1977.

"(c)(1) There is established in the Treasury of the United States a fund to be known as the 'Panama Canal Commission Dissolution Fund' (hereinafter in this section referred to as the 'Fund'). The Fund shall be managed by the Commission until the termination of the Panama Canal Treaty of 1977 and by the office established under subsection (b) thereafter.

"(2)(A) Subject to paragraph (5), the Fund shall be available after September 30, 1998, to pay—

"(i) the costs of operating the office established under subsection (b); and

"(ii) the costs and liabilities associated with dissolution of the Commission, including such costs incurred or identified after the termination of the Panama Canal Treaty of 1977.

"(B) Payments from the Fund made during the period beginning on October 1, 1998, and ending with the termination of the Panama Canal Treaty of 1977 shall be subject to the approval of the Board provided for in section 1102.

"(3) The Fund shall consist of—

"(A) such amounts as may be deposited into the Fund by the Commission, from amounts collected as toll receipts, to pay the costs described in paragraph (2); and

"(B) amounts credited to the Fund under paragraph (4).

"(4)(A) The Secretary of the Treasury shall invest excess amounts in the Fund in public debt securities with maturities suitable to the needs of the Fund, as determined by the manager of the Fund.

"(B) Securities invested under subparagraph (A) shall bear interest at rates determined by the Secretary of the Treasury, taking into consideration current market yields on outstanding marketable obligations of the United States of comparable maturity.

"(C) Interest earned on securities invested under subparagraph (A) shall be credited to and form part of the Fund.

"(5) Amounts in the Fund may not be obligated or expended in any fiscal year unless the obligation or expenditure is specifically authorized by law.

"(6) The Fund shall terminate on October 1, 2004. Amounts in the Fund on that date shall be deposited in the general fund of the Treasury of the United States.".

(b) CONFORMING AMENDMENTS.—

(1) AVAILABILITY OF TOLL RECEIPTS.—Section 1302(c) of the Panama Canal Act of 1979 (22 U.S.C. 3712(c)) is amended—

(A) in paragraph (1), by inserting after "toll receipts" in the first sentence the following: "(other than amounts of toll receipts deposited into the Panama Canal Commission Dissolution Fund under section 1305)"; and

(B) in paragraph (3)(A), by inserting "and the Panama Canal Dissolution Fund" after "Panama Canal Revolving Fund".

(2) BASES OF TOLLS.—Section 1602(b) of the Panama Canal Act of 1979 (22 U.S.C. 3792(b)) is amended by striking "Panama Canal," and inserting "Panama Canal (including costs authorized to be paid from the Panama Canal Dissolution Fund under section 1305(c)),".

(c) CLERICAL AMENDMENT.—The table of contents in section 1 of the Panama Canal Act of 1979 is amended by inserting after the item relating to section 1304 the following new item:

"Sec. 1305. Dissolution of Commission.".

SEC. 3. RECOMMENDATIONS BY PRESIDENT ON CHANGES TO PANAMA CANAL COMMISSION STRUCTURE.

(a) REPORT.—The President shall develop a plan setting forth recommendations for such changes to the Panama Canal Commission for the operation of the Panama Canal during the period before the termination of the Panama Canal Treaty of 1977 as the President determines would facilitate and encourage the operation of the canal through an autonomous entity under the Government of Panama after the transfer of the canal on December 31, 1999, pursuant to the Panama Canal Treaty of 1977 and related agreements. The President shall submit the plan to Congress, together with a legislative proposal containing any changes to existing law required to implement the plan, not later than one year after the date of the enactment of this Act.

(2) PREPARATION OF PLAN.—Recommendations to the President for purposes of the plan required by subsection (a) shall be prepared with the participation of a representative of each of the following:

(1) The Secretary of State.
(2) The Secretary of Defense.
(3) The Secretary of the Treasury.
(4) The Secretary of Commerce.
(5) The Secretary of Transportation.
(6) The Panama Canal Commission.

(c) PLAN TO BE CONSISTENT WITH PANAMA CANAL TREATY.—The plan submitted by the President pursuant to subsection (a) shall be consistent with the Panama Canal Treaty of 1977 and related agreements.

SEC. 4. REPORT BY COMPTROLLER GENERAL ON CHANGES TO PANAMA CANAL COMMISSION STRUCTURE.

(a) REPORT.—The Comptroller General shall submit to Congress a report analyzing the effectiveness of the fiscal, operational, and management structure of the Panama Canal Commission and setting forth recommendations for such changes to that structure as the Comptroller General determines would, if implemented, enable the Commission to operate more efficiently and, thereby, serve as a model for the Government of Panama for the operation of the Panama Canal after the transfer of the Panama Canal on December 31, 1999, pursuant to the Panama Canal Treaty of 1977 and related agreements. The Comptroller General shall submit the report to Congress not later than one year after the date of the enactment of this Act.

(b) PREPARATION OF REPORT.—In developing the report required by subsection (a), the Comptroller General shall seek the views of each of the following:

(1) The Secretary of State.
(2) The Secretary of Defense.
(3) The Secretary of the Treasury.
(4) The Secretary of Commerce.
(5) The Secretary of Transportation.
(6) The Panama Canal Commission.

(c) REPORT TO BE CONSISTENT WITH PANAMA CANAL TREATY.—The recommendations in the report submitted by the Comptroller General pursuant to subsection (a) shall be consistent with the Panama Canal Treaty of 1977 and related agreements.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Louisiana [Mr. TAUZIN] will be recognized for 20 minutes, and the gentleman from Texas [Mr. FIELDS] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana [Mr. TAUZIN].

Mr. TAUZIN. Mr. Speaker, I yield myself such time a I may consume.

Mr. Speaker, as we prepare for the transfer of the canal to the Republic of Panama at the end of this decade, I am pleased to join JACK FIELDS and our colleagues on the Armed Services Committee in offering another in a series of Canal Commission operational improvements.

The bill which we are considering today is a compromise between the versions reported by the Armed Services

Committee and Merchant Marine and Fisheries Committee. H.R. 1558, as amended, will require the President, in consultation with the Panama Canal Commission and Federal agencies of jurisdiction, to present a plan setting forth recommendations for changes in the Commission to facilitate its operation as a more autonomous and independent entity and require an independent analysis by the General Accounting Office.

H.R. 1558 will create a dissolution fund to aid in the transfer of the canal and dissolution of the Canal Commission in accordance with the Panama Canal Treaty of 1977.

Mr. Speaker, the emphasis of H.R. 1558 is to set forth a mechanism for the canal to be run without the unnecessary influence of Government and bureaucracy and to make necessary preparations for the future of the canal.

Let me compliment my colleague JACK FIELDS for bringing about a compromise agreement for the benefit of the international maritime industry and the world.

I urge your support for H.R. 1558.

Mr. Speaker, I reserve the balance of my time.

Mr. FIELDS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the author of H.R. 1558, I rise in strong support of this bipartisan legislation and urge its immediate adoption.

While there have been a number of Members involved in the drafting of this bill, I would like to particularly acknowledge the leadership of my distinguished full committee chairman, Hon. WALTER B. JONES, my distinguished subcommittee chairman, BILLY TAUZIN, and the ranking minority member of our committee BOB DAVIS, for their many contributions to this proposal.

I would also like to thank two outstanding members of the House Armed Services Committee, NICK MAVROULES and LARRY HOPKINS for their efforts in moving this legislation forward.

Mr. Speaker, H.R. 1558 is the joint product of the House Armed Services and Merchant Marine and Fisheries Committees. Each Committee conducted public hearings and mark-up sessions on this legislation.

While this compromise is quite different than the version I introduced, it is still an important piece of legislation and it will send a positive message to the Government of Panama that the United States is willing to consider making the canal enterprise operate more like a civilian transportation entity.

As reported from the House Merchant Marine and Fisheries Committee, the primary purpose of H.R. 1558 was to restructure the chairmanship of the Panama Canal Commission's nine-member Supervisory Board.

The Board, which is comprised of five American and four Panamanian representatives, establishes broad policy objectives for the Canal and it is currently chaired by the Secretary of the Army.

Under my original bill, I would have demilitarized the Supervisory Board by allowing the President to choose a chairman from a list of four highly qualified private sector U.S. representatives who are knowledgeable in the operation of a steamship line, port operations, finance, the export-import business, and labor matters.

Mr. Speaker, the Panama Canal Commission is an independent agency of the United States Government. It has a self-financing budget, it does not appear on any departmental organizational charts, it has never received any taxpayer money, and the fact that its Chairman is the Secretary of the Army is a legislative anomaly.

When the Commission structure was proposed in 1979, neither the President nor Congress ever suggested that the Secretary of Defense, or his designee, would serve as Chairman of the Supervisory Board. In fact, the law Public Law 96-70 is silent on that issue.

What Public Law 96-70 does say is that the Secretary of Defense or his designee may direct the votes of the other four American Board members. While this might seem like an important responsibility, the fact is that in 14 years, the Chairman of the Supervisory Board has directed the votes on only two occasions. In both instances, the vote involved an employee compensation issue and the Chairman directed the vote in deference to the U.S. labor representative.

Mr. Speaker, I have reviewed the transcripts of the Panama Canal Commission's Board meetings each year. While you might think that the Supervisory Board deals with issues of national security, in truth what the Board really does is discuss toll rates, the level of Panamanian employment in the Commission, surplus housing facilities, the widening of the Gaillard Cut, transit projections, and what Commission equipment, like dredges and tugs, will be purchased or retired in the future.

Mr. Speaker, the Panama Canal Commission is simply an agency charged with the responsibility of operating a transportation business. It is not unlike the St. Lawrence Seaway Development Corporation, in that its primary function is to move ships and cargo through a 50-mile passage known as the Panama Canal.

Furthermore, the defense of the canal is not a function of the Panama Canal Commission nor is this agency involved in the ongoing negotiations concerning United States bases in Panama. The Department of Defense has jurisdiction over these matters and will defend the canal in times of emergency.

It has been my firm belief that there is no logical reason why this independent agency, with its own budget, its own people, and years of shipping experience should have its Chairman drawn from the Department of Defense.

Unfortunately, this conclusion is not yet universally shared. In fact, our colleagues on the Armed Services Committee voted to postpone any management changes until a Presidential task force makes its recommendations on ways to improve the operation and structure of the Panama Canal.

Mr. Speaker, since the management changes in H.R. 1558 were not effective until January 1, 1994, anyway, I have decided to endorse the approach of the House Armed Service Committee.

Under the terms of the Fields-Mavroules committee amendment, the President will develop a plan, with the cooperation of several Federal agencies, including the Panama Canal Commission, and will submit legislation, to make the canal enterprise operate more like an autonomous shipping entity.

Mr. Speaker, this is the fundamental goal of H.R. 1558 and I am confident when the various alternatives are objectively evaluated there will be a strong recommendation that the Congress enact the management changes contained in my original bill.

Furthermore, in addition to mandating that the President develop a plan to create a civilian-style agency free of political influence, our compromise bill directs the General Accounting Office to conduct its own study on how the Commission's operational structure can be modified to ensure an efficient transportation entity.

The GAO has had a long association with the Panama Canal Commission and it has submitted a number of reports on a wide range of topics including the payment of interest on our original investment in the canal, the need to change the Commission's basic financial structure, and forecasting the flow of cargo through the Panama Canal. In addition, the General Accounting Office conducts an annual audit of the Panama Canal Commission.

I am confident that GAO will provide us with a fair, accurate, and unbiased assessment on how the operation of the Panama Canal Commission can be improved.

Mr. Speaker, H.R. 1588 also establishes a so-called Panama Canal dissolution fund. This fund would be used to pay legitimate bills incurred prior to the transfer of the canal and it would be financed entirely from revenues obtained from the users of the Panama Canal. No U.S. taxpayer money would be involved or deposited into this fund.

Furthermore, none of these funds could be spent without congressional authorization and upon its termination in the year 2004, all remaining money in the account will be transferred to the general fund of the U.S. Treasury.

Why is this fund important? Because as responsible stewards of the Panama Canal, the United States has an obligation to ensure that neither the Government of Panama nor the world shipping community is liable for unpaid bills. For instance, if there is a vessel accident in the Panama Canal in December 1999, it is likely to be 2 years before a marine investigation is completed and the injured parties receive compensation. Without this dissolution fund, there is no mechanism for resolving this dispute.

In addition, the Panama Canal Commission may find it necessary to purchase spare parts, bunker fuel, or other commodities in the weeks prior to the transfer. Once again, without this fund there is no assurance that vendors will receive payment for their goods or services.

Mr. Speaker, the dissolution fund represents good stewardship on the part of the United States and it will help ensure a smooth transition with the Government of Panama.

Finally, we continue to require that the Panama Canal Commission have its administrative expenses appropriated on a yearly basis. H.R. 1558 does not change or diminish in any way the role of the House Appropriations Committee.

As a major user of the Panama Canal, it is in the best interest of the United States to have a viable, functioning canal waterway that will allow unobstructed access to our vessels, both commercial and military, in the post-2000 year period. H.R. 1558 will help to ensure that prospect by demonstrating to the Government of Panama that we are still interested in improving the operation of the canal enterprise. It is important to remember that over 70 percent of all tonnage transiting the canal either originates or is destined for one of our ports.

Mr. Speaker, we have an opportunity to help shape the future of the Panama Canal. We must not lose this chance because this legislation is in the words of former U.S. administrator, Phil McAuliffe, "in the long-term interests of the canal, the United States, and the Republic of Panama. Failure to lead by example now may well discourage the establishment of a nonpolitical Panamanian entity to continue operation of the enterprise and this, in turn, could undermine the confidence of the international shipping community."

As an aside, I will tell my colleagues that not only was Phil McAuliffe an outstanding administrator for 11 years but he was Commander in Chief of the U.S. Southern Command from 1975–79. In short, Phil McAuliffe is uniquely qualified to comment on this legislation and I am more grateful for his support.

By voting for this legislation, we will be making an important statement that we want the Panama Canal to be operated safely, efficiently, and free of political influence in the future.

I urge my colleagues to vote "aye" on H.R. 1558, as amended by the Fields-Mavroules committee amendment.

□ 1700

Mr. Speaker, I reserve the balance of my time.

Mr. TAUZIN. Mr. Speaker, I yield such time as he may consume to the gentleman from Massachusetts [Mr. MAVROULES], chairman of the Subcommittee on Investigations of the Committee on Armed Services.

Mr. MAVROULES. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, on behalf of the Committee on Armed Services, I join my friend, Mr. TAUZIN, and the gentleman from Texas [Mr. FIELDS] in presenting the House this bill to begin preparations for the transfer of the Panama Canal of 1999.

This bill represents the outcome of positive and fruitful discussions between our two committees—discussions yielding a compromise solution that I think will get us moving in the right direction.

The Armed Services Committee received sequential referral of H.R. 1558 and held a hearing on February 19. We explored a number of issues associated with the proposed changes to the makeup of the Panama Canal Commission Board.

In turn, we reported out an amendment that generally agrees with the objectives of the Merchant Marine Committee—that is, to encourage Panama to operate the Canal efficiently and reliably when Panama takes it over in 1999.

Mr. Speaker, our amendment stopped short of endorsing any immediate changes to the Panama Canal Commission structure.

What troubled us about the merchant marine bill was not substance, but timing. It mandated certain changes starting in 1994.

In our view, we could wait a year. And during that time, we hope discussions among all the parties will yield a consensus everyone can endorse.

Therefore, our amendment provides an alternative approach that holds the administration's feet to the fire—it requires the administration to come up with a detailed plan of action, including a legislative proposal.

It requires that this plan be submitted to the Congress within 1 year so that we may consider, debate and act while sticking pretty much to the schedule outlined in the original merchant marine bill.

I believe this represents a fair and positive approach. One that endorses the sensible goals of the Merchant Marine Committee, but also lets the administration get its act together and come up with its own set of recommendations.

I want to commend my colleagues on the Merchant Marine Committee for the initiative they have taken. It is only because of their persistence that the administration is finally addressing these canal issues previously brushed aside.

I look forward to continuing to work with Mr. TAUZIN, Mr. FIELDS, and the Merchant Marine Committee in the coming months in pursuing our common goal—which is to prepare the Panama Canal for as smooth and seamless a transition as possible come 1999.

Mr. FIELDS. Mr. Speaker, I yield such time as he might consume to the gentleman from Kentucky [Mr. HOPKINS].

Mr. HOPKINS. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise in support of this bill, as amended, and I associate myself with the remarks of my chairman, the gentleman from Massachusetts [Mr. MAVROULES]. I would also like to have the RECORD reflect appreciation for the efforts by the author of this bill, the gentleman from Texas [Mr. FIELDS], and I thank him for his leadership in working on this issue.

On behalf of our side of the Armed Services Committee, we are satisfied with the changes made to H.R. 1558 and believe it represents an important step in ensuring the Panama Canal remains a viable strategic waterway after the turn of the century.

I should state that many of us who were around in the late 1970's were opposed to turning this important strategic asset back to the Panamanians. But that book is closed now, and the issue now before the Congress is, how do we best help and encourage the Panamanians to operate the canal in an effective and reliable way?

We believe our joint amendment to this bill takes an important step in this direction.

It doesn't unilaterally force a solution on the President—it tells him to come up with recommendations on how to achieve this mutual goal.

I join my friend from Massachusetts in commending the work of the Merchant Marine Committee in pushing this important issue and also look forward to continuing to work with them in the days ahead to secure a reasoned plan of action to prepare for the turnover of the canal.

Mr. FIELDS. Mr. Speaker, I yield myself such time as I might consume for the purpose of entering into a colloquy with my friend, the gentleman from Massachusetts [Mr. MAVROULES].

It is not true that the fundamental purpose of section 3 of H.R. 1558, as amended by this Fields-Mavroules amendment, is to direct the President to develop a plan and to submit legislative recommendations to the Congress on ways that the Panama Canal Commission could be modified to encourage the Government of Panama to operate the canal like an autonomous shipping entity?

Mr. MAVROULES. If the gentleman will yield, that is correct.

Mr. FIELDS. Mr. Chairman, is it not also true that we have not limited any of the options that the President might consider during the interagency review including the original language in H.R. 1558, which replaced the current chairman of the supervisory board with a civilian private-sector nongovernmental person?

Mr. MAVROULES. The gentleman is again correct.

Mr. FIELDS. Mr. MAVROULES, under the terms of our compromise proposal, are we simply not mandating in statutory language that the President conduct a review of the operational and fiscal structure of the Canal Commission to examine whether it is appropriate for this independent agency to operate as a civilian-style transportation business entity? Is that not correct?

Mr. MAVROULES. The gentleman is correct.

Mr. FIELDS. Mr. Speaker, in reviewing the six agencies listed in the bill for involvement in these studies, I want to be clear who will represent the Panama Canal Commission. While we do not name a specific officer of the Commission, the intent of this language is to direct that the Panama Canal Commission be represented by an individual employed by the Commission, not from another agency, and that such Commission representative be the spokesman for the Commission's views. Is that not correct?

Mr. MAVROULES. The gentleman is again correct. We believe the Commission, which has the expertise on canal operations, should be deeply involved in these studies.

Mr. FIELDS. Mr. Speaker, is it not a fact that this legislation makes absolutely no changes with respect to the authority of DOD to defend the canal?

Mr. MAVROULES. That is correct. H.R. 1558 makes no change from current law under which the Department of Defense is responsible for the defense of the Panama Canal.

Mr. FIELDS. Finally, will the gentleman from Massachusetts confirm for the House that this legislation makes no changes in either of the Panama Canal Treaties of 1977?

Mr. MAVROULES. The gentleman is correct and I hope we have now clarified the intent and purpose of the legislation.

□ 1710

Mr. FIELDS. Mr. Speaker, I again want to thank our distinguished subcommittee chairman, and I want to thank the chairman, the gentleman from Massachusetts [Mr. MAVROULES], who has worked with us, and the gentleman from Kentucky [Mr. HOPKINS]. I urge passage of the legislation.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TAUZIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I simply want to conclude this debate by acknowledging the great work of the gentleman from Texas [Mr. FIELDS] and the foresight he showed in developing this legislation initially.

At the heart and soul of it we are trying, in effect, to set a good example as the canal will be transferred at the end of the decade. We are trying to see to it that the United States sets a good example of moving toward civilian control of the management of the canal so that when the transfer is accomplished that, indeed, civilian control rather than political or bureaucratic control becomes the byword for the efficient and important management of the canal for maritime interests.

I also want to compliment the gentleman from Massachusetts [Mr. MAVROULES] for his cooperation and support in the efforts to work the final version of this bill out and to give him the assurance that he has already extended to our committee of our continued help and cooperation in working through the process of this study and the eventual changes that we hope to accomplish, and, as he pointed out, a smooth and seamless transition of the canal so that no one in the maritime industry will ever notice that the control has shifted; its management will be maintained in the efficient and extraordinarily good manner that it is currently being managed by the Commission.

I again thank the gentleman from Massachusetts [Mr. MAVROULES]. He will have the help of our committee in seeing to that.

Mrs. MINK. Mr. Speaker, I rise today in support of this legislation, and commend the work of the gentleman from Louisiana in preparing for the transfer of the Panama Canal to the Panamanian Government in the year 2000.

However, I also have some concern about the current operations of the canal, specifically the claims procedures for vessels damaged in the canal. As we consider changes in the membership of the Panama Canal Commission and prepare for the transfer of the canal, we cannot overlook our responsibility to assure the fair and expeditious payment for damages incurred by canal pilots.

The process in receiving payment for claims for which the commission accepts liability should not be onerous and should not cost the shipping companies any more money than they have already lost.

This has been the case with a company in my district. In April 1988, one of the vessels owned by the Hawaiian Sugar Transportation Co. was involved in an accident while being piloted through the canal by a Canal Commission pilot. The accident caused extensive damage to the vessel which cost $7.5 million to repair. And even though, the Commission has accepted liability for the damage, almost 4 years later the claim remains unpaid.

Last fall, I engaged in a colloquy with Chairman TAUZIN who was gracious enough to clarify the claims procedure and I appreciate his assistance in expediting this claim.

Shortly after our exchange the Commission offered a settlement to the Hawaiian Transportation Co. of only $2.8 million, less than half of the cost to repair the ship. Despite repeated requests by the Hawaiian Sugar Transportation Co. for a more comprehensive explanation of reasons for such a low settlement offer, the Panama Canal Commission did not respond.

The company was finally forced to file suit. They could not afford to take such a small amount for the $7.8 million worth of damage caused to their vessel, not to mention the loss of money during the time the vessel was out of service.

I mention this case today to illustrate that as long as the canal is under our jurisdiction we must assure its users safe passage and when accidents do occur we must provide a fair, expeditious settlement to their claims.

If we do not operate the canal efficiently, we cannot expect the Government of Panama to do the same.

I know, Mr. TAUZIN has worked with the claims process for many years, and has made many improvements over the years. I appreciate his hard work and diligence and ask that he continue to investigate ways to improve the current claims process, to restore its user to the same financial condition as they were prior to damage.

Mr. GOSS. Mr. Speaker, I want to congratulate Mr. FIELDS for his introduction of H.R. 1558, the Panama Canal Act amendments of 1991. As the ranking minority member of the Coast Guard Subcommittee, Mr. FIELDS has worked effectively to forge a practical bipartisan approach with subcommittee Chairman TAUZIN and Chairman JONES of the full Merchant Marine and Fisheries Committee.

H.R. 1558 is the laudable result of that cooperative effort and it incorporates a wide range of input from the administration, the Government of Panama, the maritime industry, and other concerned subcommittee members such as myself.

This has paid a rich dividend. It has advanced our national economic and security interests in the effective functioning of the Panama Canal, both now and after the waterway's transfer to full Panamanian control in the year 2000. H.R. 1558 reflects our continuing national commitment to implementing the Panama Canal Treaties in a manner that promotes a cooperative political, economic, and diplomatic relationship with a significant treaty partner.

These amendments are most timely, particularly those that direct the study of possible administrative changes to the structure of the canal operating agency, the Panama Canal Commission. Even though the Government of Panama has taken some initial steps toward its own post-1999 planning, it must now fully engage in the process to guarantee a successful outcome. We in the Congress can do our part by working with the administration to mold the Canal Commission in ways that can serve as a businesslike, apolitical, semiautonomous model for consideration by Panama.

More broadly, it is vital that we continue to work in tandem with the Government of Panama to foster the development of a prosperous and democratic republic with social, economic, and political stability. This is the best insurance for the continued safe, efficient, and dependable operation of the canal in a post-1999 environment.

It will also send a clear message of stability and continuity that should reassure both the American and Panamanian work force of the canal. This will pay dividends in terms of employee retention and aid the recruitment of talented Panamanians who may be wondering what sort of an agency will succeed the Panama Canal Commission.

The President of Panama has already issued a declaration of principles that commit Panama to taking appropriate steps to ensure the continuity and efficiency of the canal through an autonomous and independent administrative and financial operating structure.

H.R. 1558 should be a welcome step in assuring that the United States creates the most favorable environment for Panama to smoothly shoulder the important responsibility of administration of the canal in the year 2000 and beyond.

Mr. TAUZIN. I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the motion offered by the gentleman from Louisiana [Mr. TAUZIN] that the House suspend the rules and pass the bill, H.R. 1558, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

The title of the bill was amended so as to read: "A bill to facilitate the dissolution of the Panama Canal Commission and the transfer of the Panama Canal pursuant to the Panama Canal Treaty of 1977.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TAUZIN. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 1558, the bill just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 330

Mr. CAMPBELL of California. Mr. Speaker, I ask unanimous consent that my name be removed from the list of cosponsors of H.R. 330.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

IRISH BRIGADE DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the joint resolution (H.J. Res. 427) to designate March 17, 1992, as "Irish Brigade Day," and ask for its immediate consideration.

The Clerk read the title of the joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

Mr. GILMAN. Mr. Speaker, reserving the right to object, as the chief sponsor of the joint resolution, I rise in strong support of House Joint Resolution 427 designating March 17, 1992, as "Irish Brigade Day."

Mr. Speaker, throughout the history of our Nation, Irish-Americans have made vital contributions to the defense of liberty and freedom. The resolution before the House recognizes the contributions of Irish-Americans to our Nation, both in fighting for our independence and assuring our Nation's survival.

In the early days of our Nation's struggle for survival, the officers and men of the Irish brigade in the service of France volunteered to fight for American liberty in 1775, 3 years before the entry of France in our War for Independence.

Furthermore, the officers and men of the Regiment of Walsh of the Irish Brigade volunteered to serve as American Continental Marines with John Paul Jones on the *Bonhomme Richard* and fought for American liberty in our War for Independence at Savannah, GA. Additionally, Irish troops at Gloucester Point, VA under Count Arthur Dillon of the Legion of Lauzin in the Army of Rochambeau closed the ring around Cornwallis at Yorktown, thus assuring victory for Washington and independence for the United States.

More recently in the 20th century, the United States Army Command and General Staff School at Fort Leavenworth, KS in its hallway of combat leaders, has chosen Col. William "Wild Bill" Donovan of the 69th Regiment of New York (165th U.S. Infantry) as "The epitome of combat leadership" in World War I.

A resolution proclaiming May 13, 1992, as "Irish Brigade Day" would be a fitting tribute to the sacrifices and contributions of these great American heroes and would honor our veterans and Irish-Americans who have sacrificed so much for our country.

Mr. Speaker, I would like to thank my colleagues for their support for this measure and for their support for all of our Irish-Americans.

Mr. Speaker, further reserving the right to object, I yield to the gentleman from Ohio [Mr. SAWYER].

Mr. SAWYER. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I take this moment only to associate myself with the remarks of the gentleman from New York and to recognize his outstanding leadership in bringing this measure before us today.

The kind and quality of recognition that measures of this kind bring to the important contributions of great Americans like those that we recognize through this enactment are an important part of the work of this Congress, and I thank the gentleman for his effort to continue on this high plane.

Mr. GILMAN. Mr. Speaker, I thank the gentleman for his kind remarks, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the joint resolution, as follows:

H.J. RES. 427

Whereas the United States of America is a Nation of immigrants and the contributions of Irish immigrants and their descendants to the defense of the public liberty has been a hallmark of Irish Americans;

Whereas the officers and men of the Irish Brigade in the service of France volunteered to fight for American liberty in 1775, three years before the entry of France in our War for Independence;

Whereas the officers and men of the regiment of Walsh of the Irish Brigade volunteered to serve as American continental Marines with John Paul Jones on the "Bonhomme Richard";

Whereas the Irish Brigade fought for American liberty in our war for Independence at Savannah, Georgia and Irish troops at Gloucester Point, Virginia under Count Arthur Dillon of the Legion of Lauzin in the Army of Rochambeau closed the ring around Cornwallis at Yorktown, thus assuring victory for Washington and independence for the United States;

Whereas, throughout history, the Irish military and naval contribution to the United States has included many noted heroes;

Whereas the predominately Irish Thompson Battalion of Pennsylvania became the keystone of Washington's Continental Army and under Anthony Wayne, the Infantry Line of Pennsylvania was known as the "Line of Ireland";

Whereas the United States Army Command and General Staff School at Fort Leavenworth, Kansas, in its Hallway of Combat Leaders, has chosen Colonel William "Wild Bill" Donovan of the 69th Regiment of New York (165th U.S. Infantry) as "the epitome of combat leadership" in World War I; and

Whereas Irish Americans continue the tradition of honorable military service in the defense of the United States: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That March 17, 1992, is designated as "Irish Brigade Day", and the President of the United States is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate ceremonies and activities.

AMENDMENT OFFERED BY MR. SAWYER

Mr. SAWYER. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SAWYER: Page 2, line 3, strike "March 17, 1992," and insert "May 13, 1992,".

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Ohio [Mr. SAWYER].

The amendment was agreed to.

The joint resolution was ordered to be engrossed, and read a third time, was read the third time, and passed.

The title of the joint resolution was amended so as to read: "A joint resolution to designate May 13, 1992, as 'Irish Brigade Day'.".

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on House Joint Resolution 427, the joint resolution just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

REPORT ON DECLARATION OF NATIONAL EMERGENCY CONCERNING THREAT TO NATIONAL SECURITY AND FOREIGN POLICY OF UNITED STATES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102-277)

The SPEAKER pro tempore (Mr. PAYNE of New Jersey). Laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

To the Congress of the United States:

1. On September 30, 1990, in Executive Order No. 12730, I declared a national emergency under the International Emergency Economic Powers Act ("IEEPA") (50 U.S.C. 1701, *et seq.*) to deal with the threat to the national security and foreign policy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, *et seq.*), and the system of controls maintained under that Act. In that order I continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 C.F.R. 768, *et seq.* (1991)), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977, Executive Order No. 12214 of May 2, 1980, and Executive Order No. 12131 of May 4, 1979, as amended by Executive Order No. 12551 of February 21, 1986.

2. I issued Executive Order No. 12730 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including IEEPA, the National Emergencies Act ("NEA") (50 U.S.C. 1601, *et seq.*), and section 301 of title 3 of the United States Code. At that time, I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every 6 months. Additionally, section 401(c) of the NEA requires that the President, within 90 days after the end of each 6-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. This report, covering the 6-month period from October 1, 1991, to March 31, 1992, is submitted in compliance with these requirements.

3. Since the issuance of Executive Order No. 12730, the Department of Commerce has continued to administer the system of export controls, including antiboycott provisions, contained in the Export Administration Regulations. In administering these controls, the Department has acted under a policy of conforming actions under Executive Order No. 12730 to those required under the Export Administration Act, insofar as appropriate.

4. Since my last report to the Congress, there have been several significant developments in the area of export controls:

—In light of the ongoing changes occurring in Eastern Europe and the former Soviet Union, the Department of Commerce has been working with officials of Bulgaria, Czechoslovakia, Hungary, Poland, and republics of the former Soviet Union to implement and strengthen their export control systems, including pre-license inspections and post-shipment verifications. We are also engaged in activities with these countries to assist in the prevention of proliferation of weapons of mass destruction and corresponding technology. These developments will allow for enhanced and much-needed trade in high technology items and other commodities in the region, while helping to prevent unauthorized shipments or uses of such items.

—In my last report I noted that, following negotiations with our Coordinating Committee (COCOM) partners that produced a streamlined Core List of truly strategic items subject to multilateral national security controls, the Department of Commerce implemented a new Commerce Control List (CCL), effective September 1, 1991 (56 F.R. 42824, August 29, 1991). During the current reporting period, the Department issued a conforming regulation, effective January 7, 1992, to bring the CCL into line with special country- and commodity-based controls. In this action, foreign policy provisions in the Export Administration Regulations (EAR) were revised to adjust and expand controls on Iran and Syria. Controls affecting countries designated by the Secretary of State as supporting international terrorism were also revised, with Iraq added and Yemen deleted from the list. Additionally, the transfer from the Department of State to the Department of Commerce of licensing jurisdiction over certain civil aircraft inertial navigation equipment was implemented (57 F.R. 4553, February 6, 1992).

—Our efforts to address the threat to the national security and foreign policy interests of the United States posed by the spread of weapons of mass destruction and missile delivery systems remain ongoing. In this vein, we continue to work with our major trading partners to strengthen export controls over goods, technology, and other forms of assistance that can contribute to the spread of nuclear, chemical, and biological weapons and missile systems:

—The United States has been working with its partners in the 22-nation Australia Group (AG) to harmonize export controls related to the proliferation of chemical and biological weapons (CBW). At the December 1991 meeting, the participants agreed to control the export of certain biological organisms and CBW-related equipment. The list considered for possible adoption by the AG in this effort is nearly identical to the draft submitted by the United States.

—Additionally, the 27-nation Nuclear Suppliers Group, in which the United States participates, is expected formally to establish a multilateral regime to control nuclear-related, dual-use items along the lines of the nuclear referral list currently administered by the Department of Commerce.

—In the area of supercomputers, we have agreed on a supercomputer safeguard regime with Japan and will be negotiating with our European trading partners to expand this regime. Supercomputer exports involve sensitive national security and foreign policy interests such as cryptology, strategic defense, and submarine warfare; the multilateral safeguard regime is therefore intended to establish uniform and effective international policies and procedures to protect supercomputers from unauthorized end-uses and end-users.

—Developments in the Missile Technology Control Regime

(MTCR) include revision of the MTCR control list or "Annex," and the inclusion of missiles capable of delivering all weapons of mass destruction within the scope of the MTCR, not just those capable of delivering nuclear weapons, which were originally designated as the focus of the regime.

—In response to commitments made by the People's Republic of China (PRC) to adhere to the MTCR nonproliferation guidelines, on February 21, 1992, the Department of State announced my decision to remove special missile sanctions imposed upon the PRC for the activities of Chinese entities involved in missile technology proliferation. As a result, certain sanctions, including restrictions on the export of high-performance computers, are being removed. Other controls affecting the PRC, such as those implemented following Tiananmen Square, remain in place.

—Finally, our enforcement efforts have continued unabated:

—During this 6-month reporting period, record civil penalties, totalling in excess of $3.5 million, were assessed in export control enforcement cases. The companies against which the penalties were imposed include the Digital Equipment Corporation; Ecosphere International; Everex Systems, Inc., and its subsidiary Everex Systems (Far East); and Kobe Argentina, the Argentine subsidiary of a U.S. company that was involved in the first case in which both export control and antiboycott violations were alleged.

—On December 19, 1991, special agents from the Department of Commerce's Bureau of Export Administration arrested a French businessman in New York on charges of diverting two shipments of aviation oil valued at over $2 million to Cuba. A German company and two of its executives were also indicted in connection with the diversion scheme. In addition, an American company and two of its executives were indicted and charged with falsifying shipping documents, having knowledge of the diversion, and failing to report the diversion to authorities.

—On February 18, 1992, the Department of Commerce charged L.A. Gear, Inc., an athletic footwear manufacturer, with 46 violations of the antiboycott provisions of the Export Administration Act and Regulations. The Department alleged that, in July 1987 and January 1990, the company complied with boycott requests from a Middle Eastern customer, resulting in antiboycott violations including knowingly agreeing to refuse to do business with other persons in response to a boycott-based requirement, furnishing prohibited boycott-related information, and failure to report receipt of boycott-related requests.

5. The expenses incurred by the Federal Government in the 6-month period from October 1, 1991, to March 31, 1992, that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce, Bureau of Export Administration. Expenditures by the Department of Commerce are anticipated to be $20,254,000, most of which represents wage and salary costs for Federal personnel.

6. The unrestricted access of foreign parties to U.S. goods, technology, and technical data, and the existence of certain boycott practices of foreign nations, in light of the expiration of the Export Administration Act of 1979, continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. I shall continue to exercise the powers at my disposal to retain the export control system, including the antiboycott provisions, and will continue to report periodically to the Congress.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992*.

□ 1720

1989 ANNUAL REPORTS ON ACTIVITIES OF DEPARTMENT OF LABOR, DEPARTMENT OF HEALTH AND HUMAN SERVICES, AND OCCUPATIONAL SAFETY AND HEALTH REVIEW COMMISSION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Education and Labor:

To the Congress of the United States:

In accordance with section 26 of the Occupational Safety and Health Act of 1970 (Public Law 91-596; 29 U.S.C. 675), I transmit herewith the 1989 annual reports on activities of the Department of Labor, the Department of Health and Human Services, and the Occupational Safety and Health Review Commission.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992*.

ANNUAL REPORT OF DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, 1990—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The Speaker pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Banking, Finance, and Urban Affairs:

To the Congress of the United States:

Pursuant to the requirements of 42 U.S.C. 3536, I transmit herewith the Twenty-sixth Annual Report of the Department of Housing and Urban Development, which covers calendar year 1990.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992*.

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. DELAY. Mr. Speaker, I ask unanimous consent that the 60-minute special order earlier agreed to for today for myself, be vacated and that I may be permitted to address the House today for 5 minutes instead.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

SAVE THE BRADY BILL

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MAZZOLI. Mr. Speaker, yesterday an anniversary passed almost unnoticed. Eleven years ago yesterday President Reagan and Jim Brady, among others, were shot at the Washington Hilton Hotel. In these 11 years that have passed, Congress, not to its credit, has failed to take one simple step which could prevent these kinds of shootings and other kinds of gun assaults.

We have failed to pass and send to the President the Brady bill, a 7-day waiting period preceding the purchase of a handgun.

But, to this House's credit, we did last May, pass the Brady bill. The other body has included Brady language in the omnibus crime bill now in conference. I say we should either pass the conference report with Brady language in it or we should pull the Brady language out and send that bill separately to the White House.

One way or the other, the 11 years of sacrifice of Jim and Sarah Brady should not be in vain. Their sacrifice should not be in vain, and we should pass this bill and pass it this year.

Mr. Speaker, I enclose an article from the Washington Post.

SAVE THE BRADY BILL

It's a good bet that major crime legislation will not be enacted this year. This is unusual for an election year, when legislators usually put together a big package of get-tough provisions in the closing days of the session to forestall questions from the voters about violence on the streets, drug wars and the country's staggering murder rate. Because the bills usually rely heavily on Draconian sentencing and assaults on constitutional protections, we are seldom among those enthusiastic about passage. That's true this year, too, but there's also something badly needed in this bill, and it should be salvaged even if the rest of the measure dies on the Senate floor. It is the provision known as the Brady Bill, which would require a waiting period before the purchase of a handgun.

The crime bill was passed in different forms by both houses of Congress last year, and a conference committee resolved the differences and submitted a final compromise bill. The House accepted it in November, but in the Senate, Republicans have stalled consideration because of differences over habeas corpus and search-and-seizure provisions. In mid-March, a Democratic effort to impose cloture failed by six votes. While there may be further attempts on both sides to resurrect a bill, neither appears now to have the votes. But supporters of handgun control do have an ace in the hole: The House has also passed the Brady Bill separately, and that bill has been on the Senate calendar, ready for action since last May. It should be called up by the leadership and passed.

Is there any politician in his right mind who wants felons, fugitives, drug addicts and the insane to be able to buy handguns at will? The Brady Bill, which mandates a waiting period so that records can be checked, is directed to that situation. It has very strong support among voters. Even 82 percent of the nation's gun owners approve. It is simple and it works. Sen. Joseph Biden says that in Delaware, which recently adopted a waiting-period law, one of every 10 would-be handgun purchasers turned out to be either a convicted felon or otherwise barred from owning a firearm. Those sales were stopped in Delaware, but a national law is needed if controls are to be completely effective.

In spite of the National Rifle Association's prediction, the Brady Bill was passed by the House by a wide margin, and there were 67 votes in the Senate to put an amended version into the crime bill. This modest measure—a small step, really, in controlling the handguns that cause so much destruction—should not be abandoned when the main crime bill sinks.

CURRENT STATUS OF APPROPRIATIONS

The SPEAKER pro tempore (Mr. PAYNE of New Jersey). Under a previous order of the House, the gentleman from Mississippi [Mr. WHITTEN] is recognized for 5 minutes.

Mr. WHITTEN. Mr. Speaker, I want to thank my colleagues for their warm welcome today. I'm very pleased to be back especially after an operation for an enlarged prostate which I have been assured was successful.

Mr. Speaker, the work of the committee has proceeded since the President submitted his budget on January 29.

To date, two of our subcommittees have completed their hearings on the budget, and this week we have eight subcommittee conducting hearings.

It is my expectation that we will conclude hearings on all except on Labor-HHS, Interior, and the District of Columbia Subcommittees by April 30, Those three subcommittees will conclude their hearings in May.

If action on the budget resolution proceeds in a timely manner, I know of no reason why we will not be able to conclude action on the 13 bills for fiscal year 1993 by June 30.

Mr. Speaker, our record with appropriations bills is outstanding. Since I became chairman in 1979, we have presented 199 appropriations bills to the President. Of those 185 were signed and 14 were returned. One of those we overrode, and the others we worked out. I know of no reason, Mr. Speaker, why our record on the bills for fiscal year 1993 will be any different.

I am also pleased, Mr. Speaker, to announce that 48 of my colleagues have asked to join as co-sponsors of H.R. 4416, the dire emergency job creation appropriations bill.

Again, I want to thank my colleagues for their warm welcome and to say how pleased I am to be back among my friends.

EPA'S MIXTURE RULE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 5 minutes.

Mr. DELAY. Mr. Speaker, the President's moratorium on Federal regulations ends less than a month from today. As we have done and will continue to do during this moratorium, the Republican regulatory relay team brings you today yet another example of how Federal regulators manage to make good things bad and bad things worse.

The mixture rule was promulgated by the EPA in a failed attempt to regulate how and when a substance, which comes in contact with hazardous waste, become hazardous itself under RCRA.

Absurd as it might seem, the only way the pencil pushers could think to accomplish this goal was to declare that anytime any amount of hazardous waste became mixed with any amount of another substance, the entire mixture must be considered hazardous under RCRA regardless of how minute the concentration of actual hazardous materials might be.

To illustrate the idiocy of this regulation—a cup of hazardous waste poured into the Gulf of Mexico would, under the strict letter of the regulation, turn all the water in the gulf into hazardous waste. And make no mistake, some regulators appear willing to take it almost that far.

The following are real world examples of how this mixture rule imposes a severe hardship on one segment of American industry.

A wood preserving company treats industrial wood products with creosote. In order to meet the requirements of the Clean Water Act to control storm water discharges, the company is proposing to build a retention pond at a cost of $600,000 to collect all rainwater on site.

The rainwater contains trace amounts of pentachlorophenol, creosote, and inorganic arsenic. The concentration of pentachlorophenol in the collected rainwater is less than one part per million. Polycyclic aromatic hydrocarbons, as found in petroleum and petroleum-based products, are present in the parts per billion range.

The basin would hold 7 million gallons of rainwater runoff. The water would be pretreated and discharged under a national Pollutant Discharge Elimination System permit.

State hazardous-waste regulators want the firm to manage the entire 7 million gallons of water as hazardous waste because of the presence of listed hazardous wastes. The regulators insist that the company build a tank to RCRA standards to manage the hazardous waste. The tank would cost $2.5 million, four times the cost of the basin.

This plant has recently spent $2 million to build a drip pad to meet the requirements of the hazardous-waste regulations for wood preserves. It cannot afford another $2.5 million in capital costs.

Another company treats wood with an inorganic arsenical preservative at a moderately sized plant in the south. The preservative typically is composed of 1 or 2 percent active gredients and 98 to 99 percent water.

The plant collects preservative drippage and rainwater on the drip pad. The drip pad is an engineered, bermed production-process unit that is built to strict EPA specifications. The volume comes to about 1.7 million gallons annually. This comes to about 7,000 tons. The entire water-preservative mixture is returned to the manufacturing process. Each year the company now generates about 12 drums of RCRA hazardous waste which it ships to a commercial disposal facility permitted under subtitle C.

The State has a generator tax of $5 a ton on hazardous wastes. Without the mixture rule, the plant would pay a yearly generator tax of $20 on the waste shipped off site for disposal. However, because of the mixture rule, the company must pay the tax on all 1.7 million gallons of rainwater in addition—even though this water and the runoff preservatives are recycled. The incredible cost to this small business is $35,000 on water.

But the cost to business, the cost to American competitiveness, even the cost in American jobs is not the most onerous ingredient in the mixture rule. The truly stupefying effect of this rule is that it makes environmental clean up of slightly contaminated soil, ground water, and surface water prohibitively expensive.

When very small amounts of hazardous material seep into thousands of cubic yards of soil, it should be easy and relatively inexpensive to remove or disburse that soil. The mixture rule, however, creates the legal fiction that every bit of those thousands of yards of soil—that every chunk is itself a hazardous waste, making the clean up of this site cost billions of dollars. The secondary effect is that the responsible companies, who cannot afford a proper clean up under RCRA, find it to their advantage to allow the site to remain contaminated and to litigate extensively to deny their responsibility.

The mixture rule was adopted without public comment and struck down last year in a Washington, DC Federal Appeals Court. The rule expires in April 1993. This will be a good riddance of a bad rule. However, unless the EPA is forced to come up with a better alternative, there will be pressure simply to re-impose the mixture rule.

The EPA should, without delay, develop and publish a concentration based listing regulation which would specify how contaminated a substance must be by hazardous waste before that substance itself must be treated as hazardous waste.

Mr. Speaker, the mixture rule is a classic example of the consequences of allowing faceless unelected and unaccountable bureaucrats to accomplish with the flourish of a pencil what takes us majority votes in two Houses and a signature by the President. With his moratorium and promise of ongoing scrutiny, the President is right to tell these bureaucrats that they are accountable after all.

□ 1730

H.R. 4100, TRADE ENHANCEMENT ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Illinois [Mrs. COLLINS] is recognized for 5 minutes.

Mrs. COLLINS of Illinois. Mr. Speaker, the Subcommittee on Commerce, Consumer Protection and Competitiveness held a hearing last week on H.R. 4100, the Trade Enhancement Act of 1992. Unless we pass this important trade legislation to deal with the huge United States-Japan auto trade deficit, we cannot expect Japan to live up to commitments it recently made to buy more American auto parts, for use both in its plants here and in Japan.

The auto parts trade deficit has gone from $1 billion in 1980 to $10 billion in 1990. Projections by the University of Michigan are that our auto parts trade deficit with Japan will jump to $22 billion in 1994.

Any why is this deficit increasing so rapidly? There are really two reasons for this. First, the Japanese market continues to be closed to American auto parts suppliers; our firms exported less than $1 billion in auto parts to Japan last year.

The second reason is that even though the major Japanese auto makers have set up assembly operations in this country, they import most of what they assemble here. In addition, they also buy a great deal of auto parts from Japanese suppliers located right here in the United States. These Japanese suppliers also import a great deal of the components, parts and materials sold to the transplants. Estimates are that only 20 percent of the total value of a Japanese transplant vehicle is actually sourced from American-owned parts suppliers that do not have an equity relationship with Japanese firms.

Two of our witnesses actually formed joint ventures with Japanese firms, at the request of Honda and Toyota, in a vain effort to sell them auto parts for use in their assembly plants here in the United States. In both cases, the Japanese partner insisted the joint venture use Japanese equipment and components. And in both cases, prices were held down below fair market levels, resulting in huge losses that ultimately the American partner had to bear.

In one case, the American firm, Variety Stamping of Cleveland, OH, that attempted to sell to Honda, actually went bankrupt. Not only did it incur tremendous losses from the work it did for Honda; but it lost contracts it had with American automakers, because of the demands Honda put on it.

Mr. Speaker, at this time I would like to insert in the RECORD an article from the October 5, 1990, Wall Street Journal describing the experience Variety Stamping had with Honda. In addition, I would also like to insert the brief prepared remarks of George Mathews, the president and chief executive officer of Intermet Corp. in which he describes his company's experience with the Japanese firm that was a member of the Toyota keiretsu.

[From the Wall Street Journal, Oct. 5, 1990]

MAKING HONDA PARTS, OHIO COMPANY FINDS; CAN BE ROAD TO RUIN

(By Dana Milbank)

CLEVELAND.—Al Pace knew he had to court Japanese car makers if his Variety Stamping Corp. was to grow. So he learned to swig sake and eat rice with chopsticks. He practiced proper bowing etiquette. He even shunned loud neckties for fear of offending would-be partners.

When he won a coveted supply agreement with Honda of America Manufacturing Inc. in 1987, he was elated.

But 18 months later, Variety Stamping was in bankruptcy proceedings. Mr. Pace's $30-million-a-year car-parts company took a dizzying downward spiral as he struggled in vain to please Honda—while losing existing contracts with General Motors Corp. and sliding deep into debt.

Former Variety officials contend that Honda used the supplier merely as a token to reduce political pressure to buy American parts.

Honda counters that Variety couldn't grasp its business philosophy, and it points out that other U.S. stampers selected by Honda did fill the bill. In any event, Variety clearly lacked the engineering capability and the financial depth to handle the Japanese company's heavy workload and meticulous standards.

Variety's collapse is a tale told more and more often throughout the industrial midwest. As Japanese manufacturers build a bigger presence here, U.S. businesses big and small find that they must meet exacting new standards and have great difficulty doing so. They also must become versed in Japanese ways. Although many make the grade, a lot of others, like Variety, don't. The fallout "cuts across all manufacturing," says Susan Helper, a research associate at Cleveland's Case Western Reserve University.

Nowhere is that fallout more striking than in the auto-parts industry. Japanese suppliers, following Japanese auto makers here, are squeezing out United States primary-parts manufacturers, and the increased competition and bad times in Detroit have forced the Big Three to consolidate supplier bases by abandoning suppliers of lesser quality. As a result, the number of U.S. suppliers has shrunk 35% to 2,200 from 3,400 in 1979, according to Automotive Parts International, a trade publication. Some have been swallowed by larger companies, others have dropped to the level of subcontractor rather than selling directly to auto makers, and still others have folded.

During the same period, the Japanese suppliers in the United States have grown more than 600%, to 280 from fewer than 40. The total is expected to hit 300 sometime in 1991.

MORE TROUBLE AHEAD

And the worst may be yet to come. Japanese suppliers relocating here have taken Big Three business away from American companies. Meanwhile, United States parts makers fear they will never break the *keiretsu* tradition that binds Japanese suppliers to Japanese car makers like servants to a feudal chief.

"None of the companies in the supply base is going to come out unscathed," says David J. Andrea, a researcher at the University of Michigan's Transportation Research Institute. Japanese auto makers "aren't going to shop around—they're going to look to their traditional suppliers." A Japanese trade-group official who asks not to be identified comments that American parts companies have talked "about cracking the nut for eight or nine years, but it hasn't cracked and it won't."

The Federal Trade Commission is investigating allegations that the Japanese transplants have brought their keiretsu practice to the United States favoring Japanese suppliers and denying business to American companies. The investigation is said to include the transplants of Honda, Nissan Motor Co. and Toyota Motor Corp.

Japanese companies manufacturing in the United States argue that many American suppliers don't offer the quality that they demand. "If a scratch doesn't show, American companies say it's not a defect, while the Japanese say it is," say Case Western Reserve's Ms. Helper. Adds William A. Raftery, president of the Motor and Equipment Manufacturers Association: "Japanese companies want what they want. They're quite demanding, and they have a very sharp pencil. Americans have a lot of trouble understanding this."

American companies are fighting back. They're studying Japanese culture and stepping up marketing. They're improving quality and forming joint ventures to learn new technology and reach Japanese customers. Some are crying for tighter restrictions on Japanese suppliers.

At best, it will take a while for American companies to adjust, says James Womack, research director at the Massachusetts Institute of Technology's International Motor Vehicle Program. "You've got two independent cultures that are as different as Mars and Pluto."

All that didn't worry Variety Stamping in 1987. A crisp American flag guarded the entrance of the old red-brick factory in suburban Cuyahoga Heights, Ohio. Inside, a visitor could feel the walls tremble as the 800-ton stamping machine pounded out its mighty pulse, 60 bumper brackets a minute, mostly for GM trucks and buses.

At the helm was the buoyant Mr. Pace. "I was the American dream," he says.

A son of Polish immigrants, he grew up in Cleveland, changed his name from Ellgius Panawicz to Al Pace and took night courses at a local college. Mr. Pace, now 55, became a salesman and worked his way to the top of Variety Stamping. In 1972, he bought it.

Although business was good in early 1987, the barrel-chested Mr. Pace knew he needed Japanese transplant business to keep growing. So, when Honda ran a newspaper ad seeking American stamping companies, Variety applied.

That spring, Mr. Pace wooed Honda. He took Variety personnel on three trips to Japan. "I drank the sake, and I sang the songs," he says. He studied gift-giving procedures (with both hands, without eye contact). In the U.S., he would assemble his executives at his plant's front door to await Japanese visitors.

A few months later, Honda selected Variety and seven other companies from 250 applicants. Former Variety officials say the Japanese especially liked the burly Mr. Pace, whom they likened to a sumo wrestler.

By 1988, Variety's revenue had soared to $30 million from $1.2 million in 1972. Its payroll jumped from about 100 to 183 when the Honda business started. Case Western Reserve ranked it among the 100 fastest-growing Cleveland-area businesses.

Variety was to supply Honda of America with gas-tank stampings and other fabricated parts. Honda linked Variety to Kikuchi Metal Stamping Co., a Japanese supplier partly owned by Honda.

The two stamping companies entered a technical-assistance agreement under which Variety paid Kikuchi a royalty for its technology. Honda also required Variety to use Japanese tools and dies to make the parts; Variety went along grudgingly.

Former Variety officials say Honda also told them to buy parts from Japan, such as brackets and nuts, which Variety would then assemble and pass on to Honda without a markup. They even had to buy Japanese marking pencils.

Variety officials were steaming. Although Honda could legitimately say the finished product was American-made, "not more than 30% or 40% of it was American," says Jim Gale, the former plant manager. "The Japanese content called American content is phenomenal."

Honda's meticulous attention to detail also flustered them. Variety wasn't used to keeping extensive records, so when Honda wanted exact data on overhead and materials costs, Variety found its profit reduced: It couldn't pass along extra, unintended costs, as it had done with GM.

And Variety couldn't adjust to Honda's skimpy blueprints and vague specifications. Honda, like other Japanese auto makers, typically leaves the engineering and design to the parts makers. The Big Three, in contrast, traditionally did their own design work.

The Variety-Honda relationship soon started to sour. In late 1987, the Japanese equipment arrived three weeks late, leaving Variety only a week to get its parts to Honda. Even worse, the tools and dies were cheap and defective, former Variety officials say. The instructions were in Japanese, and the Japanese technicians spoke no English.

Variety rushed the parts out to Honda, but they were repeatedly rejected for poor quality and failure to meet specifications. Frustrated Variety officials say they were in a Catch-22: Honda's defective tools created Variety's defective parts, but Honda wouldn't let them replace the tools.

Struggling to meet Honda's deadlines, Variety fell behind with GM. Variety paid some $600,000 to ship the parts by air instead of truck, but to no avail: It lost a $5 million contract with the U.S. auto maker. The extra shipping charges and the lost revenue choked Variety's cash flow. Low on cash, Variety was cut off by its steel suppliers and its banks. The upshot: delayed shipments, more premium shipping fees and more lost business. "We ran into a buzz saw," Mr. Pace says.

Sensing trouble, Honda sent in a team of 20 supervisors to get Variety up to speed. For months, the Honda team ran Variety round the clock, for three shifts a day. Variety executives and foremen slept in the factory. Mr. Pace and his family bought sleeping mats for the Honda supervisors. "They basically took over," says Mark Pace, Al's son and Variety's Honda coordinator. They even brought in their own robots.

For Variety, it was a crash course in Japanese business style. "In Japan, when you don't make your quota, you stay on your own time to finish," Mr. Gale says. "It's not quite like that in the States."

The atmosphere turned ugly. Frustrated workers scribbled racist graffiti on finished parts; soon the two Japanese companies' supervisors were working them even harder. Once, when Mr. Pace let his workers leave to cash their paychecks, the supervisors threatened to cancel the supply agreement. Mr. Pace hung American flags from the rafters to boost morale. Variety officials fought with their guests, who wanted them to finish the Honda work before making more GM parts. "They were unnervingly cocky," Mr. Pace says.

"The pressure was unbelievable," adds Kim Miller, Variety's former production-control manager. "You had mass confusion, and it seemed like you got nowhere."

Honda kept rejecting the parts, and Variety's debts soared. In September 1988, Variety began to see the relationship as hopeless and severed its ties with Honda, nine months after the first Japanese equipment arrived. Honda offered just under $500,000 in compensation, but for Variety, it was too late: On Jan. 11, 1989, its creditors filed to put it into involuntary bankruptcy. By then, former officials estimate, Variety had lost $15 million.

"The whole thing wiped me out," Mr. Pace says. "I damn near broke my heart trying to make this thing work." The stress-worn executive couldn't sleep and lost control of his weight. Mark Pace says his father looked old and tattered—"he went brain dead." Al Pace's wife, Variety's former bookkeeper, likens the affair to losing a child. She weeps and leaves the room when he tells the tale.

Honda of America doesn't dispute former Variety officials' account. Dave Nelson, Honda's vice president for purchasing, admits that the tools it sent Variety could have caused much of the problem and that Variety's hands were tied. Defects were worked out so that, by the end, "Variety was producing good parts," he adds.

"We realize the way in which we developed has caused some people some problems," Mr. Nelson says. "From a moral standpoint, we look at it as a failure. It was very distressing for us."

He notes, however, that the other seven stampers that Honda chose were able to meet its specifications and that when it moved Variety's work to those companies, they made flawless parts.

Lou Becker, the president of another Honda supplier, comments. "We've been with [Honda] for five years with no problem." He says his Midwest Stamping & Manufacturing Inc., of Bowling Green, Ohio, adjusted the Honda tools when they arrive, but he adds that that's normal and, after adjustments, they worked fine. "Variety caused the problems themselves." he says, but won't elaborate.

Mr. Nelson adds that Honda overestimated Variety's capabilities. "You have to put quality into the process—you can't inspect it in," he says. "Whereas Honda prefers to work the bugs out up front," he adds, Variety chose to cull good parts from defective ones after they were made—a slower, less reliable technique.

But former Variety officials see more than that. They say Honda was responding to political pressure to increase the "American-made" content in its cars, while giving its partially owned supplier a beachhead in America. "We were aggressively used," Mr. Pace complains.

Mr. Nelson says 72% of Honda of America's parts are American-made, though these include parts made by Japanese companies in the U.S. half of its suppliers are American, he adds, but when it comes to higher-tech parts, Honda still favors Japanese suppliers. In dollar value, less than half its contracts are with American companies.

Today, Variety has emerged from bankruptcy proceedings as Northern Stamping Inc. Northern is headed by Variety's former plant manager, Mr. Gale, who put together a group of investors that reorganized it and paid off part of its $6.5 million debt to its 420 creditors.

After the stormy affair with Honda, the company returned to GM with new fervor. Mr. Gale wants to cultivate a relationship with Detroit like that which Japanese suppliers have with Japanese car makers. Now, 98% of Northern's parts go to GM. Northern's officials say its defect ratio is "much better now."

When Variety emerged from bankruptcy proceedings as Northern, its executives campaigned against union representation, and the workers voted the union out. Northern also installed new efficiency, attendance and "quality-awareness" bulletin boards to encourage higher productivity and defect-free parts. Northern engineers work on a state-of-the-art computer-aided design terminal, which displays and reworks car parts in three dimensions and gives Northern a new research-and-development capability.

In short, the company now looks more Japanese: leaner, more efficient more flexible. As Northern Stamping, it returned to profitability within a month after the bankruptcy case ended. Mr. Gale expects revenue of $15 million this year.

Still Mr. Gale says his goal isn't prosperity but survival. "I don't know what we'll be doing in five years," he says. "It's a dying industry. The transplants will win, and our business will shrink." Some American suppliers think the Japanese auto makers will save them, he adds, but "they're not in touch with reality."

Al Pace, too, has lost his innocence along with his fortune. "There are nine ways to say 'yes' in Japanese," he says. "But none of them means 'yes.'"

MARCH 25, 1992.

Company: Intermet Corporation, 2859 Paces Ferry Road, N.W., Suite 1600, Atlanta, Georgia.
Chairman, Founder and CEO: George W. Mathews, Jr.
Board of Directors: See Attached 1991 Proxy.

Key points of attempted joint venture with Aisin Takoaka Ltd. (Toyota):

Early 1987: Dr. Vernon Alden of Boston, joined the Board of Directors with assignment to assist Intermet in making a joint venture with the "best" automotive company coming to the U.S. from Japan to build a U.S. assembly plant.

Toyota assigned Aisin Takoaka Ltd. of Toyota City, Japan to be the actual company of the Toyota family to join Intermet in a joint venture known as INTAT. The object was to manufacture all grey iron castings for Toyota, Georgetown in a new facility to be erected and operated by Intermet for the joint venture INTAT.

After negotiation, Aisin Takoaka took 40% of the stock; Intermet was the 60% equity owner.

Though warned of the possible disappointments which had been experienced by others, we felt we had checks and management capability to work harmoniously with Japanese board members of our joint venture partner from Aisin Takoaka.

In practice, their assigned management people never participated with harmony. They showed the ability to really "understand" only when to do so served their interests.

Aisin elected directors came from Japan 2 or 3 days early and "prepared" for our day long sessions quarterly. The meetings were long and tedious.

They insisted on certain management actions to run operations which were counter to our instructions.

Their assigned staff actually reset certain equipment late at night against our instructions.

Their supervisors claimed quality deficiency after start-up and insisted we bring shipments of castings from their Japanese foundries for Georgetown production. "Quality" became their tool to obtain any whim they adopted.

[We brought samples of production to our own board meetings, in Atlanta, and also had visitations to the Indiana Foundry of INTAT. It was apparent our quality was consistently better.

This went on for six (6) months and cost several millions of dollars of which we were forced to take 60% while the Aisin Takoaka took only 40%.

From the start of the joint venture company it was evident to us the work was booked (in Japan) at prices too low for profitable considerations. But, our partners were in charge of pricing and sales. Try as we did, we could not get the prices to a satisfactory level for break even. Losses mounted to the point we had to insist on no further equity infusion unless prices could be elevated to reasonable levels which we knew our Big Three customers paid in the U.S. for similar parts. After much "negotiation", they refused to make this move. Our partners also refused our request to change to a partnership form of organization so we could write off our losses in accordance with U.S. tax laws. This cost us millions of dollars for no logical reason whatsoever.

Feeling very frustrated and abused, my Company, Intermet, finally acknowledged we had made a mistake to seek a joint venture as a means to sell to Japanese auto manufacturers in the U.S. and negotiated a sale of our 60% share of INTAT to Aisin Takoaka, subsidiary of Toyota Motors, Japan.

We recently decided to go public with this experience because, unless we stop these practices, Japanese auto manufactures and parts supply companies will take charge of our automobile and truck industry entirely, using such activities to drive us out of business.

They will eventually take over our industrial base in this country using predatory pricing and all consumers here in our country will then be hostages to their escalated pricing dominance from Japan.

We believe our country needs a realistic industrial and trade policy as all other nations already have in place.

I believe the passage of H.R. 4100 the Trade Enhancement Act of 1992 can be a corner stone in establishing fair trade policy in our automotive and industrial industries.

The other case involved a foundry company called Intermet, based in Atlanta, GA, with operations all over the world and serving European, Asian as well as American auto makers. According to Intermet's president, a Japanese firm that belonged to the Toyota keiretsu, or family, used his company to foot major costs of establishing a foundry here in the United States, and then purposely bankrupted the operation so that it could take it over at a fraction of its true value.

In addition, we heard that Japan could choose to honor the commitment it made to President Bush to buy more American auto parts by simply increasing its imports from Japanese-owned auto parts firms operating here in the United States. There are now 400 Japanese auto parts suppliers operating in our country; there were only about 40 in 1980. These firms are run, for the most part, with Japanese, not American, equipment, materials, and components. Their economic and job benefit is much less than is the case for American-owned parts firms.

The President's deal with Japan, therefore, will not give American workers much reason to hope that the jobs they are losing today in American-owned auto and auto parts firms will be replaced by jobs in Japanese-owned auto and auto parts firms.

The legislation my subcommittee is considering, the Trade Enhancement Act of 1992, H.R. 4100, say simply that Japan has got to buy more auto parts from American-owned auto parts firms in order to continue freely importing its vehicles into our country. The best place to start implementing that policy is with the seven Japanese auto transplant firms right here in the United States.

Japan itself recognizes this fact and has called on all of its auto transplant firms in our country to increase the American content of the cars they produce to 70 percent. This is an important goal. But, experience has clearly shown that goals Japan has set in the past are rarely achieved. That's why we need to enact the Trade Enhancement Act.

American auto parts sell strongly in every market of the world, except Japan. Our firms manufacturer high quality auto parts. And, a study soon will be released that will demonstrate that United States parts produces have a substantial cost advantage over the Japanese parts industry. There is no reason Japan should not buy from us, as does the rest of the world.

INCREASE BROADCASTS TO ASIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. CAMPBELL] is recognized for 5 minutes.

Mr. CAMPBELL of California. Mr. Speaker, 2 years after the fall of the Berlin Wall, the United States continues to broadcast some 1,200 hours weekly to the former Soviet Republics and Eastern Europe, while broadcasts to Indochina total a mere 35 hours weekly. Stocks and bonds are being traded in some countries in the former U.S.S.R., while dictators hold tenaciously to power in China, Tibet, Vietnam, Laos, North Korea, and Burma.

In light of these changes, I feel the West's broadcasting priorities should be seriously reviewed.

The success of Radio Free Europe and Radio Liberty at spreading the values of democracy and free enterprise throughout the former Soviet bloc is legendary. No one can dispute that it was a cost-effective tool in the struggle for democracy. But it is important to recognize that we have largely achieved our mission to liberate the people of Central and Eastern Europe. With that in mind, other places of the world now deserve serious attention. We must adopt a more balanced international broadcasting network, to keep democracy and freedom alive all over the globe.

There are efforts in Congress to address the imbalance of international broadcasts, very sound proposals which I believe deserve serious consideration by this body. H.R. 1049 is legislation which my distinguished colleague, Congresswomen HELEN BENTLEY, has authored and which I am proud to say I cosponsored 1 year ago. This legislation would establish a new Radio Free Asia, a counterpart to Radio Free Europe.

The need for a Radio Free Asia couldn't be more possible or more timely, from a philosophical and budgetary point of view. Four of the six remaining Communist countries are in Asia, and over one-third of the people in the world live there. If these governments should ever collapse, like those in Eastern Europe, our world would essentially be free of the oppressive Communist system.

With respect to the budget question, Radio Free Europe has an existing budget of over $198 million. Given that the need for this broadcasting service is dwindling, there is much discussion at all levels to reduce and phase out parts of the program. I support these efforts and believe we should use those savings to fund Radio Free Asia. Through this redirection of funds, we won't add to the budget deficit through new spending.

Mr. Speaker, some of the world's most oppressive regimes now rule in the Far East. With the legendary success of Radio Free Europe, there is no reason we can't attack the Bamboo Curtain with the same commitment and resolve that brought down the Iron Curtain. I urge my colleagues to support a new Radio Free Asia.

WESTCHESTER COALITION FOR LEGAL ABORTION: TWENTY YEARS OF STANDING UP FOR THE RIGHT TO CHOOSE

The SPEAKER pro tempore (Mr. PAYNE of New Jersey). Under a previous order of the House, the gentlewoman from New York [Mrs. LOWEY] is recognized for 5 minutes.

Mrs. LOWEY of New York. Mr. Speaker, I rise today to give credit where credit is due. The people of Westchester County—and the Nation—are fortunate to have been served for 20 years by the Westchester Coalition for Legal Abortion [WCLA]. This remarkable organization was founded 20 years ago by a dedicated woman, Polly Rothstein, who understood then as she does today that the best course of action to protect individual rights in our society is through the political process. Year after year, Polly Rothstein and a group of similarly committed and politically sophisticated individuals have worked tirelessly to organize and energize pro-choice voters throughout Westchester County.

Polly Rothstein and WCLA have truly been trailblazers. They recognized a threat to the right to choose from the New York Legislature in the early 1970's and understood that only by creating a strong counter force to single-issue antichoice groups could the right to choose be protected. That was before the landmark Roe versus Wade decision. WCLA quickly became a potent force standing up to the Right to Life Party which had long been on ballots in New York State. By 1982, major party candidates were refusing to put their names on the right-to-life line because they realized that New York voters were pro-choice and taking the issue seriously.

In 1979, WCLA opened its first office and became an increasing force in the politics of Westchester County. This organization holds a deep and unyielding commitment to protecting the right to choose, shown by the long hours of systematic voter identification and telephoning that yields results. From 16,000 pro-choice households identified in 1982, WCLA has now identified 72,000 households. WCLA and its volunteers understand that keeping their lists current is part of empowering pro-choice voters and implementing a pro-choice agenda in Westchester County.

WCLA was at the forefront of efforts to protect the right to choose in New York State at a critical juncture 20 years ago. Today, as the Supreme Court is preparing to hand down its decision in the case of Planned Parenthood versus Casey, WCLA is working through its Pro-Choice Resource Center to help similarly committed individuals throughout the Nation organize and energize themselves to protect the right to choose.

Polly Rothstein and her remarkable team at WCLA have already made a difference in the policies implemented in Westchester County and New York State; but they understand the need for vigilance. They continue to reach out to help others implement their proven formula to secure the right to choose in other localities.

Those of us in Congress have a responsibility to the individuals who have given so much of themselves through WCLA. We, too, must stand up for this basic right. On the floor of this House and in the courts of this Nation, we must fight back against those who would restrict access to safe, legal abortions.

Twenty years ago, Polly Rothstein turned conventional wisdom on its head through a careful and methodical approach to identifying and energizing the pro-choice majority in Westchester County. Her vision knows no boundaries. I know, full well, that WCLA will continue to help others to secure the right to choose until abortion is no longer a political issue, but instead has become an accepted right in our society. I also know, that thanks to their hard work, that day will come sooner than many would dream possible.

NO ROLLBACK OF SAVINGS AND LOAN REFORMS: ADVICE FROM A WISCONSIN S&L PRESIDENT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin [Mr. KLECZKA] is recognized for 5 minutes.

Mr. KLECZKA. Mr. Speaker, when Congress enacted the Financial Institutions Reform, Recovery and Enforcement Act [FIRREA] in 1989, it included tough new capital standards for federally insured savings and loans.

We knew full well that some savings and loans would meet those standards, and some would not. What was clear to all then, and should be today, was that those who did not meet the capital standards should expect no relief from Congress. This type of quick fix, which was common in the 1980's, helped cause a collapse whose cost will be paid for not only by this generation, but the next.

The House Banking, Finance and Urban Affairs Committee will consider this week legislation which would greatly weaken the capital standards included in FIRREA. Mr. William G. Schuett, president and chief executive officer of Security Bank of Milwaukee, explained why such an approach should be rejected in an eloquent and well-reasoned letter, a copy of which I would like to share with my colleagues.

SECURITY BANK,
Milwaukee, WI, March 27, 1992.

Hon. GERALD KLECZKA,
House of Representatives, Washington, DC.

DEAR JERRY: I am writing in response to the LaFalce proposed amendment to reduce the capital requirements for thrift institutions and to amend existing law which mandates that thrift capital standards be no less than national bank standards. We are vehemently opposed to this proposal, or any other proposal that would compromise the capital requirements that will and should be imposed upon all members of the thrift industry.

Our industry has been plagued for years by overcapacity and intense competition from irrational, undercapitalized companies. Unfortunately, many of those companies historically, have been successful in carving out statutory differentials favoring thrifts and in perpetuating their existence via "creative accounting" and "special handling" by regulators. The cost of that special treatment has been borne by the entire industry in the form of embarrassment, increased insurance assessments, a stigma of incompetency, and loss of credibility with the consumer. With the developing credibility gap that has become attached to our industry, I would encourage Congress and the industry's regulators to avoid any action that could be construed as contributing to the weakening of the nation's financial institutions. It would be poor public policy to condone reducing the capital requirements for what is perceived as an over-leveraged and under-managed industry.

It should be noted that the industry has had more than adequate notification of the phase-in of more stringent capital requirements. Many individual institutions have incurred substantial costs and have foregone profitable opportunities to comply, and rectify their capital deficiency. Others, have chosen to postpone or delay the necessary adjustments, contemplating that they will again be successful in attaining relief or forbearance from regulators and Congressmen. We do not believe that their procrastination should be rewarded. The industry and this nation deserve better!

In conclusion, we believe that it is in the best interests of the industry, its regulators, and Congressional leaders, that the thrift industry be subject to capital standards that are no less stringent than national bank standards. A return to the policies of the past, including special consideration and more lenient capital standards for thrift institutions is inappropriate and dangerous. Let's not make the same mistakes of the past when we have the opportunity to re-establish the stature and reputation that American financial institutions once enjoyed!

In all sincerity,

WM. G. SCHUETT,
President and Chief Executive Officer.

FREE AMERICA'S FARMERS—DON'T EMBARGO AGRICULTURAL EXPORTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. ALEXANDER] is recognized for 10 minutes.

Mr. ALEXANDER. Mr. Speaker, today I am reintroducing proposed legislation which I have introduced in the last two Congresses. My proposal would free the Nation's farmers from illogical and unreasonable restrictions on their ability to export and earn needed foreign exchange dollars for the United States.

My bill provides that the President may not prohibit or curtail the export to any country of agricultural commodities produced in the United States unless that country is engaged in war or military hostilities against the United States.

This legislation is needed for some very basic reasons.

American farmers are in serious trouble. They need the income from the exports. The U.S. trade balance is deep in red ink. America needs the foreign exchange earned by exports. Competition for shares of sales generated by international markets is more fierce than it has ever been. The United States simply cannot afford to close itself off from any market for agricultural products.

But, perhaps the most important reasons for enacting my bill are based on common sense.

First, American farmers are the most productive in the world. But, they are not the only producers seeking export sales. When the United States follows an agricultural sales embargo policy, only American farmers are shut out of the international market. Only American farmers and American export workers are hurt.

Second, if agricultural exports did not threaten America's security when they were made to the former Soviet Union and are made today to the People's Republic of China, the largest surviving Communist nation, they will not endanger it when Arkansas rice, soybeans, poultry, wheat, cotton, and grain sorghum are sold to the vastly smaller nation of Cuba.

Failure to sell United States agricultural products to Cuba hasn't pushed that nation toward democracy. But, it is estimated that between 1965 and 1986, the embargo cost the United States nearly $2 billion in lost export sales of corn, cotton, potatoes, rice, wheat, wheat flour, dry milk, and poultry. Of that amount, $235 million was lost by my home State of Arkansas.

These estimates were part of the results of a study jointly conducted by the Center for Business and Economic Research at Arkansas State University [ASU] and the School for Advanced International Studies at Johns Hopkins University.

On the other hand, United States export sales certainly helped expose people in the former Soviet Union and Eastern bloc nations to American values and democracy. Today, people in nations of those regions are using democratic principles to shape their future.

For at least 26 years the value of U.S. agricultural exports climbed. A decade ago that trend reversed. Before any recovery began, the slide took these sales back down to the 1977 level. Even that recovery is uncertain. In 1990, the value of agricultural export sales had dropped again.

In the last decade farmer after farmer was forced out of agriculture as real net farm income took a beating. Even in 1990, net real farm income was an echo of 1962.

The antiagricultural embargo principle embodied in my bill has been endorsed by a diverse array of groups. They include the Farm Bureau Federations in the congressional district I represent and in Arkansas, the American Agriculture Movement, Riceland Foods which is the world's largest grain cooperative, the Arkansas State Senate, and newspapers in and out of Arkansas.

In its 1986 report, the National Commission on Agricultural Trade and Export Policy recommended that "* * * the Federal Government guarantee, except in time of national emergency, an absolute freedom from embargoes on agricultural exports to any nation, and an assurance of sanctity of contract in respect to export sales suspended under extraordinary circumstances."

The Commission had been established in 1984. It was charged with advising both the Congress and the President on ways to expand farm exports in order to improve the U.S. position in world trade.

Arkansas and other American farmers need help. The Nation's international trade balance needs help. By freeing farmers to export wherever there is a market, my bill can provide some of that help.

The text of the bill follows.

H.R.—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Agricultural Commodity Embargo Limitation Act".

SEC. 2. LIMITATION ON AUTHORITY TO RESTRICT EXPORTS OF AGRICULTURAL COMMODITIES.

(a) LIMITATION ON AUTHORITY.—The President may not exercise the authorities he has under the Export Administration Act of 1979, the International Emergency Economic Powers Act, the Trading With the Enemy Act, or any other law, to prohibit or restrict the export to any country of agricultural commodities produced in the United States unless—

(1) a state of war exists between that country and the United States; or

(2) the President has certified to the Congress that the country is engaged in military hostilities against the United States, and that certification is in effect.

A certification made under paragraph (2) with respect to a country shall expire 1 year after it is submitted to the Congress, except that another such certification with respect to that country may be made.

(b) DEFINITIONS.—For purposes of this section—

(1) the term "agricultural commodities" means agricultural commodities and products thereof; and

(2) the term "United States" includes the Commonwealth of Puerto Rico and any territory or possession of the United States.

SEC. 3. CONFORMING AMENDMENTS.

(a) EXPORT ADMINISTRATION ACT OF 1979.—(1) Section 7(g) of the Export Administration Act of 1979 (50 U.S.C. App. 2406(g)) is amended—

(A) in paragraph (1) by striking the first two sentences;

(B) by striking paragraph (2) and redesignating paragraphs (3), (4), and (5) as paragraphs (2), (3), and (4), respectively;

(C) in paragraph (2), as redesignated by subparagraph (B) of this paragraph—

(i) in the first sentence of subparagraph (A) by striking ", (2)(C), (7), or (8) of section 3 of this Act," and inserting "or (8) of section 3 of this Act, consistent with section 2 of the Agricultural Commodity Embargo Limitation Act,"; and—

(ii) in subparagraphs (A) and (B) by striking "(4)" each place it appears and inserting "(3)";

(D) in subparagraphs (A) and (B) of paragraph (3), as redesignated by subparagraph (B) of this paragraph, by striking "(3)" and inserting "(2)"; and

(E) in paragraph (4), as redesignated by subparagraph (B) of this paragraph, by striking "(4)" and inserting "(3)".

(2) Section 7(j) of the Export Administration Act of 1979 (50 U.S.C. App. 2406(j)) is amended in the second sentence by striking "any agricultural commodity (including fats, oils, and animal hides and skins) or on any forest product of fishery product," and inserting "any forest product or fishery product".

KEEPING HOPE ALIVE—RADIO FREE ASIA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. ROHRABACHER] is recognized for 5 minutes.

Mr. ROHRABACHER. Mr. Speaker, we have every reason to celebrate, we have every reason for confidence and optimism. For four decades the threat of a hot war was over our heads, and now it appears, at long last, that the cold war is indeed over, and we fought it, and we won it, at least in its final phases, in the best possible way. We fought it with ideas, and not with weapons and bullets.

In fact, Mr. Speaker, we fought the battle of ideas, and, when we concentrated on that, communism and the tyranny that it represented crumbled of its own inconsistencies and of its own brutality. Foremost in this fight against communism and against Communist tyranny was Radio Free Liberty and Radio Free Europe.

Mr. Speaker, as my colleagues know, I will never forget my best day at the White House. I was a speechwriter for President Reagan for 7 years, as many people know, and my best day at the White House was when Natan Shcharansky came to the White House. Here he was a hero, a giant, a heroic individual, who struggled in the Soviet Union for freedom, had been in the gulag, refused to sign a document saying that the Soviet Union was a democracy, and he was kept there, imprisoned and tortured, and yet we traded a spy for him, and he made his way to the West, and came to the White House, and went into the Oval Office, and, when he was asked by reporters afterward what he told Ronald Reagan, Natan Shcharansky said, "I told him, I told Ronald Reagan, that he should not tone down his speeches," because he had heard Ronald Reagan's words of freedom and democracy, of hope, in the gulag, and he told us later how people would smuggle little pieces of paper into the gulag, and written on that paper were just quotes from one of Ronald Reagan's speeches every now and then, and they would take these quotes from speeches that they heard on Radio Liberty and Radio Free Europe. This is what kept hope alive, and he told the President that is what gave him the strength to resist, the strength to carry on.

Well, Mr. Speaker, as tyranny crumbles in the Soviet Union, the struggle for freedom shifts to the West, to the Pacific. Our struggle in these last four decades was not against communism. It was a struggle for freedom, and now we have a chance to prove that to the world by maintaining the same commitment that we had these last four decades in fighting the Communist threat to humanity and maintaining that same strength of purpose in the struggle against tyranny elsewhere.

We believe, as Americans, that liberty is not just the birthright of Caucasians. We also believe it is not the birthright just of Americans. But it is the birthright of every man, woman, and child on this planet. We are not talking about God-given rights. That is what we see in our Declaration of Independence. That is what our forefathers believed in.

Well, tyranny now holds its grip on hundreds and millions of people of Asia, and we should have the same consideration and the same cause of alarm when they are being persecuted as we did when they were persecuting Eastern Europeans and residents of the Soviet Union. Indeed we should have the same commitment to freeing the people in Vietnam, and in Burma, and in Tibet, and in China as we did trying to free the people in Poland, Czechoslovakia, Hungary, and the Ukraine.

Mr. Speaker, in North Korea, in mainland China, in Vietnam, Laos, Burma, and Tibet there are people like Natan Shcharansky who need to know that we are on their side and need to know that there is a reason for hope. Let us send them that message of hope, and the Scriptures tell us, "If you know the truth, it will make you free." That is why we need Radio Free Asia, because it will send a message of hope to the people of China, to those in Vietnam, to the democratic resistance in Burma, to the repressed people of Tibet. This is something that we could be proud of, and it is something that we should do as a nation to prove to the world that we meant what we said during these last four decades when we opposed Communist tyranny. It was just not a strategic move against communism, but indeed was a reflection of our values that we stood against Soviet expansionism.

Mr. Speaker, I would like to take this opportunity to salute the gentlewoman from Maryland [Mrs. BENTLEY], my colleague, who has taken a leadership position on Radio Free Asia, and we disagree on some things. Actually we agree on other things and disagree on some things. But in this struggle for freedom and this struggle to ensure that the people of Asia are given the hope that we, as the leading democratic power on the planet, can provide them, we stand together, and I salute the effort that she has put in, and I would ask the rest of my colleagues to act with her and to act with us to ensure that the people of Asia get the word of freedom, that there is a clarion call for freedom and democracy coming from the United States and aimed at the people of China and aimed at the people of Vietnam, aimed at the people of Burma, and Laos, and Korea who now live under tyranny.

Let us fulfill our destinies as Americans, that destiny that was set out 200 years ago when our forefathers were struggling for freedom and knew that they were creating something new on this planet, not just for those people who came and made it to the United States of America, not just for Caucasians, but for every man, woman, and child on this planet. These are the blessings of liberty that God granted to mankind, and this is our obligation as Americans, to be the champions of liberty and justice for all.

RADIO FREE ASIA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, I want to thank my distinguished colleagues, the gentleman from California [Mr. CAMPBELL] and the gentleman from California [Mr. ROHRABACHER], for giving their 5-minute special orders on the subject of Radio Free Asia and relating the importance of it in today's atmosphere. I do appreciate their remarks.

Mr. Speaker, in his State of the Union Address in January, President Bush spoke of the dramatic changes that had shaken the world to its post World War II foundations. In particular, the President said that we had won the cold war and witnessed the death of communism.

Clearly, we have witnessed the death of the "European strain" of communism. Our longstanding policy—followed by successive administrations—of meeting the Communist threat head on, in my opinion, was vindicated by a series of events that took place beginning with the fall of the Berlin Wall in 1989.

When Joseph Stalin, back in 1952, had made an offer of unification if only Germany would remain neutral, German Chancellor Konrad Adenauer refused—outright. Adenauer said that Western strength and unity would ultimately force the Soviets to give up control over East Germany and the rest of Eastern Europe. History proved him correct on this point—the Soviet Union has ceased to exist. And while it is fitting for President Bush and our Nation to applaud the great victory that was initiated over Soviet sponsored communism, we should not forget that the "Asian strain" of communism has yet to meet a similar fate.

Clearly, communism in Asia today, is in varying stages of decline—its survival largely dependent upon the ability of brutal enforcers. In Cambodia, the much heralded peace agreement that was negotiated last year, is now very much in jeopardy. The Khmer Rouge recently has stepped up military operations in certain regions of the country—a threat that Government forces under the control of Hun Sen appear ready to meet. This, of course, could have terrible implications for the region. In North Korea, arguably one of the world's most isolated countries, there does not appear to be any movement whatsoever in the direction of democratic transition.

And then there is the People's Republic of China. As my friend from Illinois, Mr. PORTER, will discuss shortly, the government in Beijing has demonstrated the flexibility of an iron rod insofar as its willingness to accelerate political freedoms. Economic reforms are one thing—political reforms quite another. Economic reforms must be followed by political reforms. Oftentimes however, people don't make the correct connection.

On February 16, the Los Angeles Times reported on a decision made by Vietnam's leaders to scale back a series of reforms aimed at streamlining individual sectors of the bloated and inefficient economy. The reader was led to believe that this decision was a benevolent gesture, motivated by a collective desire to stem growing unemployment. But the truth of the matter is that the lack of accompanying political reforms in Vietnam has rendered economic reform a very difficult prospect. Political freedoms will not be fully realized as long as the regimes in power continue to deny their citizens accurate and timely information.

Well over 1 billion people living under varying forms of Asian communism are habitually denied the truth about local and international events of significance to them. I think that we in the United States have a historical duty to remain firmly committed to pursuing policies that will successfully break the lock on information that is the prerogative of the Communist leadership throughout Asia.

The best way to demonstrate our continuing commitment to the people of Asia is through the establishment of a Radio Free Asia broadcast service.

I believe we have a moral responsibility to those who have suffered and died at the hands of these regimes to maintain a consistent posture of strength. Former President Richard Nixon is but one of a number of prominent Americans who have recently echoed this sentiment. We must not allow the "tightfisted totalitarians" in Hanoi—as Nixon refers to them—to hold out indefinitely. And this goes for the tightfisted totalitarians in Laos and North Korea as well.

There are many people over at the Department of State who will not agree that we should play hardball with the leadership of these countries. They argue that we should be attempting to build relationships with the Communist governments, as opposed to the people of Asia. They think that we should try to exert our influence when and where we can—much as we tried to do over the years in Eastern Europe. I for one categorically reject the notion that we should concentrate our efforts on strengthening relationships with many of these corrupt governments who are destined for political extinction.

I am pleased to see that there is a growing number of people in this country who agree with me on this point—not the least of which are hundreds of thousands of representatives from the Asian-American community who are making themselves heard on this subject. In addition to generating thousands of letters to congressional offices, their combined efforts have led to the adoption of Radio Free Asia resolutions by the San Diego and Los Angeles city councils. It is my understanding that a similar resolution also is pending in the California State Assembly.

Here in Washington, the Radio Free Asia concept also has gained support, most recently by the President's Task Force on U.S. Government International Broadcasting, which endorsed the idea in a report issued last November. The Congressional Commission on Broadcasting to China—having commenced operating earlier in the month—will perform another review of the issue. Unlike the President's task force, which conducted a broad-based study, the Congressional Commission will perform a much more detail oriented study involving technical and programmatic matters.

Of course, serious discussion of the Radio Free Asia cannot occur absent serious discussion about funding or possible restructuring of the VOA or Radio Free Europe services. One area that undoubtedly will continue to generate discussion involves the future of the proposed transmitting relay station in Israel's Negev Desert. This facility, a joint-project of the Board for International Broadcasting and the VOA was conceived of at a time when the Soviets effectively were jamming our European-based broadcast signals—making difficult, adequate coverage of the former central Asian republics. Well, jamming is no longer the problem that it once was. No one seriously questions that it remains essential that we broadcast into the volatile areas of Central Asia located within the borders of the former Soviet Union.

However, depending upon whether the Israeli Supreme Court finally rules in favor of the project, is it essential for us to adhere to the current blueprints which call for the construction of some 14 transmitters and 31 curtain antennas? Despite the fact that over $200 million already has been appropriated for this particular project, a number of questions remain unanswered. For instance, is the entire battery of transmitters still required to effectively serve the central Asian region? Then again, could the construction design be reconfigured so as to facilitate coverage of China and Vietnam—despite the considerable distance? It is these, and other questions that need be addressed by the Congressional Commission as well as the appropriate committees in Congress.

However, regardless of the outcome of these discussions, I think that it is safe to assume that the State Department will continue to voice its objections to a Radio Free Asia service. They would much rather have full editorial control of our radio broadcasting, much as they do with the VOA. But I think that they could be fighting a losing battle on this one.

Based on the events of the past several years in Eastern Europe and the former Soviet Union, many people recognize the fact that the combination VOA and Radio Free Europe is a proven winner. People also recognize the fact that in Asia, there is no radio service equivalent to that of Radio Free Europe. I think that it would be a terrible mistake for us to forego establishing a Radio Free Europe type broadcast service for Asia.

The VOA's broadcasts basically are intended to relay information about the United States—while the mission of a Radio Free Europe type service is to inform people about what is going on in their own country. This type of broadcast service is referred to as surrogate broadcasting, meaning that it serves as a substitute for an internal media in those countries without a free press. This surrogate service is vital because it provides news and commentaries that are normally absent in the government controlled media.

The prevailing wisdom over at the State Department is that we don't need a Radio Free Asia service for Laos, Cambodia and Vietnam because things are on the upswing in terms of our relationship with them. Again, I reject that notion for the simple reason that we aren't exactly sure of what might happen in the foreseeable future—particularly in Cambodia where a highly volatile political environment appears to be deteriorating.

And on that very subject—exactly how is it that the Khmer Rouge and the Hun Sen government continue to control the flow of information inside Cambodia? Well, for one thing, the People's Republic of China continues—as we speak—to allow the Khmer Rouge to broadcast into Cambodia from facilities located inside China. And, of course, Hun Sen—a former member of the Khmer Rouge himself—controls the Government broadcasting apparatus. I find this to be deeply troubling.

Were it in operation, a Radio Free Asia service could be playing an important role in terms of providing unbiased information to the Cambodian people about: First, the democratization process currently underway in Eastern Europe, and second, the issue of human rights. The last thing that we should be doing is sitting back to allow the Khmer Rouge free reign of the airwaves.

In a column published in the New York Times last month, William Safire asked politicians if they were: "for a new service carrying the truth to the Communist nations of Asia?" I hope that the Asian-American community makes it a point to continue asking this same question. They know what a tremendous effect our radio broadcasting had in Eastern Europe and the now defunct Soviet Union. They also know that the time is now for us to deal effectively with the bamboo curtain that keeps people in the dark in Cambodia, China, North Korea, Laos, and Vietnam.

The time is ripe for a Radio Free Asia service that operates independent of the bureaucratic micromanagers at the State Department. To do anything less will be to turn our backs on over a billion people.

☐ 1800

Were it in operation, a Radio Free Asia service could be playing an important role in terms of providing unbiased information to the Cambodian people about, first, the democratization process currently underway in Eastern Europe and, second, the issue of human rights.

The last thing we should be doing is sitting back to allow the Khmer Rouge free rein of the airwaves.

In a column published in the New York Times last month, William Safire asked politicians if they were "for a news service carrying the truth to the Communist nations of Asia." I hope that the Asian-American community makes it a point to continue asking this same question. They know what a

tremendous effect our radio broadcasting had in Eastern Europe and the now defunct Soviet Union. They also know that the time is now for us to deal effectively with the Bamboo Curtain that keeps people in the dark in Cambodia, China, North Korea, Laos, and Vietnam.

The time is ripe, Mr. Speaker, for a Radio Free Asia service that operates independent of the bureaucratic micromanagers at the State Department. To do anything less will be to turn our backs on over a billion people.

When the gentleman from California [Mr. CAMPBELL] was speaking on this subject in his special order, he pointed out that some of the money in the budget now for Radio Free Europe undoubtedly could be turned over to Radio Free Asia and that would keep us from having to add new funding in there. And the gentleman from California [Mr. ROHRABACHER] pointed out the important role that Radio Free Europe played in wiping out tyranny in Eastern Europe and called for a repetition of this activity in Indochina and the areas surrounding it. And this can be done elsewhere.

And I, again, want to commend both of those gentleman for their support of this project. I believe that the gentleman from Illinois [Mr. PORTER], my good friend, has a statement to make on this subject. I yield to him at this time.

Mr. PORTER. Mr. Speaker, I thank the gentlewoman for yielding to me and I thank the gentlewoman from Maryland [Mrs. BENTLEY] for calling this special order on Radio Free Asia and Radio Free China and for the tremendous leadership that she has provided in this very creative effort toward extending human rights throughout that area of the world.

She has focused on North Korea and Laos, on Cambodia and Burma, on Vietnam and other repressive societies in Asia. I have focused on China, but the issue is exactly the same. We are both concerned about the repression of human rights by governments in Asia that deny freedom of expression, freedom of religion, freedom of conscience, freedom of movement, all those things that make for civilized societies' existing under the rule of law.

Mr. Speaker, it has been nearly 3 years since the tragic events at Tiananmen Square shocked the world. Brutal images of innocent people being gunned down solely for wanting democracy and freedom have remained emblazoned in our minds. Since then, the United States has attempted quiet diplomacy with the Chinese, a nonconfrontational approach to bringing about change in one of the most repressive societies in the world.

But very frankly, Mr. Speaker, this has simply not worked.

In fact, human rights in China and Tibet remain as dismal as ever. The Government retains complete control over the media and freedom of expression is severely curtailed. The routine use of torture and arbitrary arrest in order to maintain public order continues unabated. There is also extensive evidence that China uses forced labor to produce goods for export, some of which have found their way onto the shelves of American stores.

The time has come, Mr. Speaker, to try a new approach with China and with the rest of Asia, one which includes promoting change from within. As a surrogate radio broadcast to the People's Republic of China, Radio Free China is the ideal venue for this and the most cost effective way to bring about change in that society.

Radio Free Europe has proved that it is a minimal cost for maximized results, and the same principle should and would be applied in Asia.

Radio Free China would provide news specifically tailored to the needs of the Chinese people. It would provide news about the exiled Chinese community and inform the Chinese people about world criticism of the Chinese Government and its oppressive practices. Most importantly, Radio Free China would work as a local radio station, providing information about democratic movements both inside and outside of China.

Radio Free China carries the same potential for change in Asia as Radio Free Europe has in Eastern Europe and the former Soviet Union. And like Eastern Europe needed throughout the cold war, China needs a broadcast that works independently from the United States Government and whose sole purpose is to act as the unofficial voice of freedom.

The mission of the Voice of America is a different one, Mr. Speaker. It is to bring news of America and our culture and of the outside world to people who would otherwise get a distorted view of our society because of Government censorship. This is a valuable and important service, which I support very strongly, but it is not enough. Even as it was needed in Eastern Europe and the Soviet Union, it needs a complement of the free radios that would help to reach within the society and lead to change within the people.

There are people who are afraid of angering China's leaders by implementing Radio Free China.

Very frankly, Mr. Speaker, we intend to upset the oppressive Government in Beijing. We intend to build within the Chinese people a greater understanding of the meaning of political and economic freedom and democracy.

I would hope that Radio Free China would force the Chinese Government to allow greater democracy and freedom within that society.

I believe that Congress can pressure China through the conditioning of most-favored-nation trading status. But actually significant change must come from within, from the Chinese people themselves.

Not even monolithic totalitarian systems can ignore for long the opinions of their people.

Radio Free China and Radio Free Asia will be the resources for people thirsty for democracy and provide them with the truth and the freedom that that truth represents.

We could, Mr. Speaker, turn our backs on the Chinese and Tibetan people and the people of Asia who live under repressive governments. We could believe the Chinese line that their oppression is none of our business but a matter of their internal affairs and continue to do business with them as usual. Or we can take some proactive steps to reach out with truth to people yearning for greater freedom.

We, as a people committed to human freedom for all, need to take advantage of the global momentum toward democracy. We can do that in a very cost effective way. The people in China need to know that their oppressed condition is not universal, that most people around the world enjoy much more freedom than they do and care deeply about the denial of their basic rights as human beings.

Radio Free China would give them hope and the knowledge needed to change conditions within China. Radio Free Asia would give the people of the other repressed Asian countries that same hope and knowledge and freedom.

Mr. Speaker, I commend the gentlewoman from Maryland [Mrs. BENTLEY] for her leadership and for providing this opportunity to explain Radio Free Asia and Radio Free China to the people of our country.

Mrs. BENTLEY. Mr. Speaker, I want to commend the gentleman from Illinois [Mr. PORTER] for bringing this forth. It was interesting that we both sort of came forth with our bills about the same time, without each of us knowing that the other one was going to do it.

I would like to have a colloquy with the gentleman on this.

Because of the technology that has been developed from the days that Radio Free Europe was started, does the gentleman think it would probably be possible to have a central transmitting area that could cover all the areas that we are talking about, since they are all neighbors?

We are talking about China. We are talking about Tibet. We are talking about Cambodia. We are talking about Laos. We are talking about Vietnam. And also when the gentleman from California [Mr. ROHRABACHER] was up here, he mentioned Burma. And of course, if we could get to North Korea, that would be an asset.

Does the gentleman think that maybe in this day and age we might be able to work from a central point for all of this?

Mr. PORTER. Mr. Speaker, if the gentlewoman will continue to yield, I would certainly hope that would be the case. It certainly would be the most cost effective way to implement the free radios.

□ 1810

I do wonder about the very large number of different languages that are needed to be broadcast in. I am not sure that could be done from one central place, but if it could it certainly would be the most cost effective way to do it.

Mrs. BENTLEY. I mentioned in my remarks, whether the gentleman happened to notice, that they have a $200 million appropriation already and are building the equipment for establishing a new setup in the Negev Desert for the Central Asian countries. It would seem with that kind of an outlay and the kind of technology that must be going to be purchased for that, that this could be used for some of what we are talking about, too.

Mr. PORTER. Yes. I would take it that the commission that is looking at this now would look at those kinds of questions and give us some definitive answers or insights into how we might best structure these—Radio Free Europe and Radio Free Asia.

Mrs. BENTLEY. Mr. Speaker, I do want to again thank the gentleman from Illinois for all of his help and his efforts on the Radio Free China, and taking into consideration Tibet.

The gentlewoman from California [Ms. PELOSI] was on her way over here. She, as we know, has been a leader. She has been a leader in all of the activity concerning China. I hope she gets here before our time expires.

Mr. GILMAN. Mr. Speaker, will the gentlewoman yield?

Mrs. BENTLEY. I am happy to yield to the gentleman from New York [Mr. GILMAN].

Mr. GILMAN. Mr. Speaker, the Government of the People's Republic of China remains a bastion of despotism and tyranny in a world which is becoming increasingly freer and democratic. Communist China continues to purvey arms to such pariah nations as Iran and Syria, as well as to Algeria, a nation which is beginning to embrace the radical political Islam movement.

During the Persian Gulf War, China allegedly provided Iraq with war material, including precursors for weapons of mass destruction. As you may recall, during the vote in the U.N. Security Council, China was the only member of the permanent five to abstain.

Since the Tiananmen Square debacle, nothing has changed. Severe sentences were handed down to those demonstrating peacefully for democracy. China still brutally occupies Tibet in a despicable attempt to erase Tibet's national identity.

It is for these and many other reasons, that Radio Free China is so necessary. Permit me to commend the distinguished cochairman of our Congressional Human Rights Caucus, the gentleman from Illinois [Mr. PORTER] for his outstanding work on this project.

The purpose of Radio Free China is to provide news specifically tailored to the needs of the Chinese people through a news broadcast to the People's Republic of China. RFC is designed to work as a local radio station, and inform people about what is happening in their own country, as well as information about democratic movements around the world.

As envisioned by Mr. PORTER, RFC will be modeled after Radio Free Europe and Radio Liberty, which was partly responsible for the collapse of communism in Eastern Europe.

Mr. Speaker, although our Voice of America program broadcasts substantial hours to China, it is designed to expose its targeted areas to American culture. VOA focuses on world news as well as U.S. policy toward regional areas. Radio Free China would be a forum to provide uncensored news to the Chinese people about events in China itself.

Once again I commend the gentleman from Illinois for his fine work, and I urge all of our colleagues to support this project.

Mrs. BENTLEY. Mr. Speaker, I want to thank the gentleman from New York [Mr. GILMAN], who has always been a participant and a leader in the line of human rights for people everywhere in the world. I thank him for joining us here today.

Ms. PELOSI. Mr. Speaker, I am pleased to take part in this special order today on the creation of a new radio service for the people of China and Southeast Asia. Like Radio Free Europe, which was instrumental in opening up the Iron Curtain, Radio Free China, and Radio Free Asia would supply listeners behind the Bamboo Curtain with uncensored news and commentary.

Let me begin my remarks by paying special tribute to Congresswoman HELEN BENTLEY and Congressman JOHN PORTER for their work on this issue and their efforts in convening this special order.

I believe that American foreign policy lacks consistency. While I understand the need for variation in our approach to different cultures, our foreign policy should be guided by underlying principles which do not vary. Democratic reform, the protection of human rights, fair and open trade, weapons accountability.

Human rights abuses have always been of more paramount concern to the United States when they have involved Europeans. When they have occurred in Asia or in Latin America, for example, the United States has paid little more than lip service to them. Recall, for example, the lukewarm United States response to the Cambodian genocide under Pol Pot and to recurring atrocities in East Timor. Consider the longstanding United States policy of support for Chilean dictator Augusto Pinochet despite ample evidence of hideous human rights abuses by officials of his government. The list goes on.

As chair of the Congressional Working Group on China, I have advocated for consistency in our foreign policy—if it was our policy to condition MFN for the Soviet Union, then it should be our policy to condition the same MFN for China. If we thought it worthwhile to fund radio transmissions into Eastern Europe, then we should fund them into China and Tibet. If we considered Europeans worthy of our efforts to ensure their basic freedoms, then we should extend the same effort to Asians.

Mr. Speaker, this country has been the source of some of the greatest innovations of our age, but none is as important as our dedication to the protection of basic human freedoms. This forms the basis of our democracy and provides our most important export. The protections provided for in our Bill of Rights and the spirit of freedom enshrined in our Declaration of Independence are not uniquely American. They strike a chord in Europe, Asia, Latin America, and Africa. They have spawned momentous changes in the Soviet Union, in Argentina, Chile, parts of Africa and Asia.

We must encourage these changes. Radio Free Asia and Radio Free Europe would give us a direct communications link to the people of China and Southeast Asia. In a censored society, information becomes a potent catalyst for change. Radio Free Asia and China are opportunities that should not be squandered.

With opportunity, however, comes responsibility. If we decide to spend the $100 million on Radio Free China that Mr. PORTER advocates then we must be willing to support the people who respond to our prodemocratic message. Although this body has stood steadfastly behind those who, responding to Voice of America, were arrested in Tiananmen Square nearly 3 years ago, the administration has decided that continuing its relationship with the Beijing regime is more important than demanding the release of prodemocracy advocates.

So, Mr. Speaker, I fully support the efforts of Mr. PORTER and Mrs. BENTLEY to establish a radio service for the people of Asia—with one proviso—that we not only send the message of freedom, but also support those who respond to it. For this is the real test of our commitment to democracy and human rights.

Mr. LOWERY of California. Mr. Speaker, I want to join my colleagues in expressing my strong support for legislation to create Radio Free Asia and Radio Free China. The people of Southeast Asia and China must have an independent source of news and information to support them in their struggle for freedom and democracy.

Millions of people living under Communist governments have come to depend on the Radio Free Europe and the Voice of America as a source of news and information. The dramatic changes in Eastern Europe and the Soviet Union are due in part to the ability of their citizens to receive information from outside sources. The people of Vietnam, Laos, Cambodia, and China have a critical need for a similar source of dependable news.

I ask my colleagues to join me in supporting H.R. 1049, which would authorize a Radio Free Asia broadcast service and H.R. 1156, which would establish Radio Free China. I applaud Congresswoman HELEN BENTLEY and

Congressman JOHN EDWARD PORTER for sponsoring Radio Free Asia and Radio Free China.

The effort to bring open and honest news to the people of Asia is being promoted by grassroots efforts all across America. In particular, I want to note the excellent work of the Indochinese Committee for Radio Free Asia in San Diego. Tony Nguyen, Dien Do, Nguyen Giao, and their friends and neighbors are demonstrating that the people of America have not forgotten the people of Vietnam and all of Southeast Asia. They support this legislation and are working for its passage.

Mr. Speaker, as democracy and freedom of speech take root in other parts of the world, the people of Southeast Asia and China still live under the rule of governments that deny them their fundamental rights. I strongly support H.R. 1049 and H.R. 1156 to bring the voice of freedom to these valiant people. I urge my colleagues to join in this effort.

Mr. SCHEUER. Mr. Speaker, I rise to add my voice to those of my colleagues in support of the establishment of Radio Free China, an alternative broadcast that would spread truth and democracy to the citizens of the People's Republic of China. Radio Free China will be tailored to the needs of the Chinese people, working as a local radio station to inform them of what is happening inside China as well as abroad.

As currently envisioned, Radio Free China would be modeled after Radio Free Europe and Radio Liberty, which played such a critical role in bringing about democracy and freedom in the former east bloc states of Central and Eastern Europe.

We learned from that experience that people, no matter how severely and ruthlessly they have been repressed, will rush toward democracy and freedom when the opportunity arises if their hopes are kept alive. Radio Free China, like Radio Free Europe before it, will keep the hopes of the Chinese people alive through their dark times of oppression, bringing them news of the democratic movements that are sweeping the world and routing the forces of communism, totalitarianism, and darkness that have prevailed for far too long.

Now that the Soviet Union has collapsed—indeed totally disintegrated—and communism is totally vanquished and discredited, we must continue to work strongly and diligently for freedom and democracy elsewhere in the world.

As the postcold war picture resolves, it is becoming increasingly evident—if it wasn't clear enough already—that the People's Republic of China represents the greatest continuing threat to democracy, freedom, and decency in the world today. The People's Republic of China has slaughtered its own people throughout its reign, trampling its people's human rights most notably in its occupation of Tibet and crushing of student protests in Tiananmen Square. Freedom of speech? There is no such thing in present day China.

In addition, the People's Republic of China has employed child labor, prison labor, and slave labor to produce goods that it then sends abroad to its benefit and our detriment. In fact, just last year, China ran a $12 billion trade surplus with America, taking American jobs and exploiting her own people. And at a time when there are faint stirrings of peace in the Middle East, the Chinese leadership continues to export destabilizing weapons and technologies of mass destruction to that troubled region.

That is why, Mr. Speaker, I believe it is crucial that we focus on China as the major destabilizing power in the world today. Rather than the Soviet Union, which has disintegrated before our very eyes, we should be targeting the hearts and minds of the Chinese people.

Currently, however, our administration is still stuck in the mindset of the cold war. Rather than arguing for a Radio Free China, they continue to cling to an obsolete project that would construct a huge complex of radio towers in Israel to relay Radio Free Europe to the soft underbelly of the Soviet Union.

Such a station has been opposed by environmentalists and governmental officials in both Israel and America. This half a billion dollar project would wreak havoc on the environment of the Negev Desert, greatly interfere with the operations of the Israeli Air Force, and cause further strains in the relationship between our two countries.

I and many of my colleagues, oppose this project because it is environmentally unsound and its rationale no longer exists. The former Soviet Republics are moving strongly and rapidly toward democracy and free market reform. Would it not make better sense, Mr. Speaker, for us to spend our money on a project such as Radio Free China—to spread freedom and the message of democracy—rather than continue funding a project that has outlived its usefulness? I think so, Mr. Speaker, and will be urging my colleagues to do so in the near future.

The arrogant, ruthless dictatorships of this world are a shrinking population. It is perfectly clear that people, when they have the choice, rush toward democracy and freedom, and the right to live their own lives free from the fear of persecution, repression, imprisonment, torture, and death.

This is the lesson of the end of the cold war in Eastern Europe and the U.S.S.R.

We must reach out to the Chinese people who, in all their millions, look to us as their beacon of liberty. A broadcasting program such as Radio Free China will serve their need and thirst for information that is provided free from bias and the contamination of propaganda.

Why should we not nurture their desire and quench their thirst for freedom and democracy as we did for so many years during the cold war with the peoples of the now-defunct U.S.S.R. and east bloc?

Mr. Speaker, it is my wish that Radio Free China will advance and accelerate the day when the great country of China, 1.2 billion strong, joins the rest of the civilized world in adopting those standards of living together and respecting each other that we all enjoy. It will be then, and only then, that we will see their despicable practices of torture, of death, and of imprisonment without trial, banished from the mainland of China and banished from the Earth.

GENERAL LEAVE

Mrs. BENTLEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include any extraneous material on my special order today.

The SPEAKER pro tempore (Mr. PAYNE of New Jersey). Is there objection to the request of the gentlewoman from Maryland?

There was no objection.

AMERICA'S DEFENSE NEEDS IN THE WESTERN PACIFIC

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Virginia [Mr. PICKETT] is recognized for 60 minutes.

Mr. PICKETT. Mr. Speaker, I have requested this special order to discuss one of the most important issues facing our Nation's defense program in the months and years ahead; namely, the Western Pacific and our defense needs in that region.

Late last year, I had the opportunity to visit this region and speak with high-ranking officials in each of these nations, as well as top military and diplomatic leaders of our Government.

During this visit, the delegation of which I was a part received one very clear and important message: The nations of Southeast Asia have a strong perception that the reduction of some United States forces from the region signals a reduced commitment to the region. They are concerned that we will not place the resources in this region that are necessary to meet our stated and longstanding foreign policy goals.

These concerns are based first and foremost on actual reductions in ground-based forces in Asia. In addition to the 15,000 ground troops who will soon leave the Philippines, 5,000 troops have left Japan, 4,000 have left Korea, and another 1,200 have left Guam. And according to the Department of Defense, further reductions in our ground-based Asian force structure can be expected over the next 5 to 10 years.

In addition, the reduction from 15 to 12 carriers means that we can no longer support a continuous carrier presence in the Western Pacific.

These leaders listen intently to the debates right here in Congress and are concerned about efforts to reduce the budget above and beyond the 25 percent agreed to in 1990. Our withdrawal from Subic Bay Naval Base, while obviously not voluntary, has also caused deep concern among Pacific leaders.

Leaders in the Western Pacific believe that a major reduction of forward deployed U.S. forces will create a security vacuum in the region. And based on what I observed, I think these concerns are well founded. It is also a fact that the Soviet threat—as large as it was—often distracted us from reflecting on all the good reasons for a strong U.S. presence in this part of the world.

Now, even with the Soviet threat greatly diminished, we recognize more clearly the compelling reasons for the United States to maintain a strong presence in the Pacific. China, an ever increasing regional arms race, the continuation of a dangerous and unsupervised nuclear program in North Korea, and simple economics are just four of the best reasons. At this crucial point in history and in our Nation's foreign policy program, it is more important than ever to examine these factors as we develop a foreign policy for the post-cold war period.

It must be obvious that further reductions in land-based U.S. forces in the Western Pacific will require that our Nation make a corresponding increase in forward deployed naval forces in the region. If we are to achieve our national security goals, protect our economic interests, and promote regional stability resources, this cannot be done without providing the Navy with increased resources.

During the past 45 years, the United States has maintained a strong military presence in the Western Pacific. Our objectives were to contain the Soviet Union, defend United States territory, and to promote democracy. We pursued these objectives through the forward deployment of United States forces in Japan, Korea, and the Philippines.

In Japan and Okinawa, we have some 50,000 military members deployed. Japan is headquarters for the 7th Fleet, which includes the aircraft carrier *Independence*, and eight other warships, as well as submarines and various amphibious ships. Despite some recent and very publicized difficulties, our relations with Japan have—since the end of the war—been mutually beneficial. Japan represents a strong ally in a crucial corner of the world.

Our ties with the Philippines have been close through the postwar period. We even allowed a limited number of Filipinos to enlist directly in the U.S. Navy under a treaty that our two nations signed after World War II.

In Thailand, the United States has entered into mutual defense agreements dating back more than 40 years. We have engaged in joint military exercises with Thailand, established war reserve stockpiles there, and we are guaranteed landing rights at Thai airfields. Our ships call at Thai ports, and the Navy makes use of Thai ship repair facilities.

In Singapore, the United States acted as recently as January to signal our determination to forge closer military ties. President Bush's visit there included an agreement in principle to station the logistical command of the United States 7th Fleet in Singapore. This agreement comes on the heels of a memorandum of understanding dated November 13, 1990, which provided for an increased military presence in Singapore.

Similarly in Malaysia, Indonesia, and Brunei, the United States has engaged to varying degrees in joint exercises and arms sales, and has relied on these nations' port facilities.

During Operation Desert Storm, Southeast Asia proved critical in facilitating the movement of troops and supplies to the Middle East. It was even more important 4 years earlier when the fleet escorted reflagged Kuwaiti tankers through the Persian Gulf.

The extent of our military presence in Southeast Asia is clear, but it is only part of the issue. More important is a recognition of the consequences of either a precipitous U.S. withdrawal from the region, or in the alternative, a continued perception among the region's leaders that we will undertake such a withdrawal. It is clear to me that we cannot allow either a withdrawal to occur or the perception of one to linger.

We must recognize what leaders in the region have long warned us against: That a withdrawal of United States forces from Southeast Asia will create a power vacuum that will likely result in a regional arms race, an increased presence from less friendly nations, and further instability in this vital part of the world.

Almost 2 years ago, a report in the New York Times, May 6, 1990, detailed the startling growth in defense expenditures among nations of the Association of Southeast Asian Nations [ASEAN].

In 1990, the Thai arms budget reached $2.1 billion, up 16 percent from the year before. Defense spending in Singapore reached $1.5 billion—or 23 percent of that nation's budget. Brunei was reported to have increased its fleet of patrol boats and aircraft. Even in the Philippines, a nation which has long been focused almost exclusively on internal security, there have been increased weapons purchases geared to protecting maritime interests.

For the entire region, including the ASEAN nations, Japan, South Korea, and Taiwan, defense spending rose to $40 billion. These data are consistent with a report issued in 1989 by the U.S. Arms Control and Disarmament Agency which shows that the value of arms imports into the Asian-Pacific region has increased steadily.

What is significant about these increases is that they generally are not driven by insurgent Communist powers, but by regional disputes over territory, and the need to protect offshore oil development, fishing rights, and maritime interests.

As one international scholar in the region reported, border concerns are being replaced by territorial concerns, with the ultimate goal of protecting rich offshore waters.

Malaysia's chief of intelligence was quoted 18 months ago in an article by Rear Adm. Robert J. Hanks, USN, Ret., as saying:

> The situation around us is not stable * * * smaller countries cannot feel secure yet. America's presence is certainly needed to balance other powers in the region.

This statement is consistent with what our delegation was told late last year. The leaders of these nations are concerned with regional instability in the wake of a reduced U.S. commitment to the region. Forward deployed U.S. forces are tangible evidence of our commitment to the region, give us credibility, and make it less likely that regional instability will grow worse. Forward deployed forces also give us the ability to respond quickly to regional contingencies. Increasingly, it will be the Navy that will carry out this policy.

Make no mistake about the enormous economic stake that this Nation has in the Pacific area.

All of us are familiar with Japan's economic success in the postwar period, but many would be surprised by the extent of our economic relationship with other nations in the region.

This Nation's trans-Pacific commerce now exceeds $300 billion annually in two-way trade. Last fall, the State Department reported that we export more goods to Thailand than to the Soviet Union, and more to Indonesia than to Central and Eastern Europe. More United States exports leave our ports for Singapore than Italy or Spain.

These Western Pacific and Southeast Asian nations have enjoyed relative stability in their relations because of the United States presence and the associated security framework created in the Pacific. This framework has included mutual security agreements, U.S. involvement in joint exercises, forward deployed U.S. forces, and armed support for many of these nations. We cannot ignore the role that the United States presence in Southeast Asia has had on the favorable economic growth of the region. Nor can we ignore the potentially serious economic consequences of either our withdrawal from the region, or our failure to provide adequate resources to meet the commitments we have there.

We must be mindful of the recurring lessons of history in dealing with the Western Pacific, and indeed every region in the world. It is ironic that in this, the 50th anniversary year of the Japanese attack on Pearl Harbor, some would create a kind of fortress America to define our Nation's foreign policy. Trade, education, housing, and spiraling cost of health care, and the Federal deficit are all very real and pressing problems for the United States in 1992. Solving them will require vast resources and American ingenuity.

As daunting as these problems are, they must not be used as a pretext or justification for the United States to ignore its leadership role in the Pacific or other parts of the world. The cost of isolationism, in the long run, is simply too great. We learned this in World War I and again in World War II.

Mr. Speaker, the present administration understands the vital interests that this Nation has in the Pacific. In November, Secretary Cheney reaffirmed this Nation's commitment to Asia and the Pacific and declared that our Nation is in the "region for the long haul." The Secretary set forth six principles which form the basis of our security policy in Asia and the Pacific. They include: American engagement in the region; the maintenance of a strong system of bilateral security arrangements; the continuation of modest but capable forward deployed United States forces in the Pacific; an overseas base structure; increased burdensharing; and greater interoperability of our forces. President Bush has also spoken of this Nation's continuing commitments in the Pacific. Our policy is not so much to create a multilateral security arrangement as it is to strengthen the bilateral arrangements which have served us so well.

The administration's policy statements are no doubt reassuring to the nations in this region. I am confident that the troop reductions made to date will not undermine our ability to fulfill the commitments and objectives implicit in these policies. The Navy's withdrawal from Subic Bay must not be considered to be a change in our Nation's commitment to the region. Other ASEAN nations have the capacity to accommodate our needs for such things as ship and aircraft repair facilities.

What concerns me most is the perception these Asian leaders are getting concerning changes taking place with respect to the presence of United States forces. These leaders are deeply concerned about what they perceive is a major pullback by the United States in the Pacific and the consequences to their respective nations of this security vacuum.

Our leaders must be aware of this perception, and we should take tangible steps to reassure the nations of the Western Pacific and Southeast Asia that we are indeed in for the long haul. Our Nation must take every opportunity to reinforce the fact that our withdrawal from Subic was involuntary and that our departure does not signal any reduction in our commitment to the area.

We can do this by increasing our port visits to additional nations in the region; by continuing, and even increasing, scheduled naval exercises; by increasing the interoperability of our forces—a goal which Secretary Cheney made clear last November; and by the sharing of intelligence information when that is appropriate and consistent with our national interests. In short we need a strong and visible naval presence in the region.

The simplest way to reassure these nations of our intentions is to adequately and fully fund the Navy requirements to enable the Navy to maintain the required presence. In our debate on the defense budget, we must make clear exactly what the Navy requirements are to ensure a forward presence for the United States in this part of the world. As ground troops come home from the Western Pacific and elsewhere, the Navy inherits a greater responsibility for forward presence and surge requirements.

The 5-year program to achieve defense spending reductions of 25 percent was proposed by the Secretary of Defense and adopted by Congress in 1990. President Bush proposed in his State of the Union Address an additional $50 billion in cuts over 5 years. The budget recently adopted by the House would reduce spending even further in 1993. There have been proposals for reductions much greater than these.

Defense cuts have already lowered troop levels by 20,000 in the region. Twelve carrier battle groups mean we can no longer keep a carrier on station at all times in the area. The presence of other vessels will decline if battle force ships are reduced from the present 546 to the proposed 451.

The Navy made it abundantly clear that any further reductions from the President's budget would result in a diminished presence in the region, and would require a reassessment of its present operating levels.

Should our Nation risk being unable to meet its commitments in the Western Pacific, given the very serious consequences that are likely to flow from such action? Disruption of economic ties? A regional arms race? Instability of governments? And increased threats to our own national security from those who rush into this power vacuum?

The United States can and must maintain a forward presence in the Western Pacific. Without land bases, the job necessarily falls to the Navy. But the Navy cannot do the job unless we in the Congress recognize the high stakes which we have in the Western Pacific—economically, politically, and strategically—and pass a defense budget that provides our Navy with the resources it requires. The challenge, and the decision, are ours.

THE RECESSION CONTINUES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker, he was 3 years short of retirement, so last October, a 47-year-old man named Sam Manuss drove 800 miles from the State of Illinois, his home, to fill a vacancy in the Caterpillar plant in York, PA. He said, "I won't have no medical insurance, no nothing if I don't get the rest of my time in unless they offer me early retirement." He told this to an AP reporter, but according to the story on the wire this afternoon, he did not get his wish. Three weeks after making the trip, he and 149 others were laid off indefinitely, and another 480 temporary layoffs followed.

Mr. Speaker, the lesson of Sam Manuss' story is this: The Republican recession continues day after day, week after week, month after month, now into its second year, almost 2 years old.

The official unemployment rate today, if you ask the Labor Department, Bureau of Labor Statistics, they will tell you it is 7.3 percent as compared with the 5.3 percent when the recession began. That is the highest it has been in 6 years, and those are only the official figures. The actual figures, including discouraged and part-time workers, is actually much higher. I have heard estimates as high as 14 percent.

Over 500,000 were laid off or fired last month. The length of time people stay unemployed continues to rise, and even more staggering is the news I saw yesterday; the headlines read, "U.S. Admits Vast Undercount of Unemployed; U.S. Admits Vast Undercount of Unemployed."

Mr. Speaker, it turns out this is an incredible story, and I use the word incredible advisedly, it turns out that one-half million U.S. citizens who lost their jobs early in the recession were forgotten by the Bureau of Labor Statistics, the agency that counts the unemployed, a half-million people whose lives were ruined, who lost hope, who had difficulty facing their families, vanished, were not counted.

Remember those days when the administration was saying that we did not have a recession? They said that all the way up to December of last year, and about a year-and-a-half failed to recognize the reality that the American worker was in. They said it was no big deal. They actually said that at the highest levels of our Government when questioned about the economy.

Well, now, it turns out that they missed 4 out of 10 workers who lost their jobs between March 1990 and March 1991, missed them completely, 4 out of 10 people who were out of work, no big deal, they said, and despite 2 emergency extension benefits, the unemployment insurance system still does not provide enough help for jobless workers they finally identified.

The system provided less help in the first 16 months of this Republican recession than any recession since the end of the Second World War. In other words, if you went back to Truman's days, 1945, all the way up to the present, the system of unemployment insurance provided less help in those first 16 months during this Republican recession than any recession going back 47 years.

From July 1990 to October 1991, only 40 percent of the unemployed received jobless benefits in an average month, the lowest record ever recorded during a recession.

Over the President's objections Congress approved legislation to provide extended benefits last November, but as all of my colleagues know, that extension expires this July. So the Committee on Ways and Means in the House of Representatives is now preparing legislation to meet the need of those who have been put out of work because of this cruel, protracted, long Republican recession, and with or without the President's support, we will have to make permanent changes in the program to take care of the victims of this recession.

Just about 2 weeks ago the President ridiculed our effort to put $600 to $800 back into the pockets of middle-income people to meet some of these pressing needs that they have. He vetoed our bill. He said $600 to $800 was small change. I mean, that was the mantra over here. They came up with this nanosecond measuring stick of, "Oh, it is only a dollar a day or something." It shows you how out of touch people are when it comes to the reality of what is happening in this country and the pain people are suffering at home. They cannot meet mortgage payments. They cannot meet educational payments for their children so their future can be brighter. They cannot meet the needs of their neighborhood, their community.

A few days later, a Republican Member of the other body called the tax-cut bill trash. Well, Mr. Speaker, $600 to $800 for middle-income people is not trash. Paying a mortgage is not trash. Helping your kids pay for schooling is not trash. The Republicans do not get it.

"Well," says the President, "the Democrats are engaging in class warfare." Why does the President think our plan to help the middle-income families is class warfare but his plan for massive tax giveaways to the wealthy is not class warfare? That is just plain hypocrisy. The real class warfare has been waged for the last 11 years in this country, and the victims have been the poor and have been the middle-class people, people whose taxes were raised by Republican administrations and whose incomes have remained stagnant as a result of the Republican economic mismanagement.

□ 1840

You know, they like to say on this side of the aisle that the Congress has grown and is bloated, when the fact of the matter is that during the 1980's the cost, the number of people working in the congressional branch of the Government has decreased 5 percent. Well, it has increased during that same period of time 8 percent in the executive branch.

Mr. Speaker, while I began with the story about a man in the work force for decades, some of the most poignant victims are those just at the beginning of life, some of the people in our society least able to protect themselves.

Listen to some of the consequences of this Republican recession. During the 1980's, the percentage of children living in poverty increased in 40 States, for a nationwide increase of 22 percent.

According to a recent Federal Commission report, the United States is lagging behind virtually all developed nations in assuring health care for young children. Babies in this country die at a higher rate in the United States than in 21 other industrial nations.

The United States also lags far behind other nations in child health, especially immunization and low birth rate.

The United States ranks 22d in the number of babies who die in the 1st year of life. Japan ranks first.

Preventable child diseases, including measles, rubella, and whooping cough, have reached epidemic proportions. More than 25,000 cases of measles and more than 60 deaths were reported in 1990.

A record 25 million Americans, almost 1 in 10, received food stamps in January. That was 100,000 more than the December figures. The increase marked the 10th time in the last 11 months that the number of Americans receiving food stamps set a record.

The President may not care if the Republican recession drags on month after month, but Americans care.

What can we do? Well, we can do a number of things.

First, we can permanently fix the unemployment insurance system. We can do this with the President's help, or we can do it without the President's help. It is very rare for us to do it without the President's help, because the way the place works, the way this Government of ours works, and I know this will be a surprise to many people, but the reality is the way it works is all it takes is a third, plus one, in this body or a third, plus one, in the Senate to stop anything we do here. The President and a third of the Republicans here or over in the Senate can stop and control the whole legislative agenda. That is what the President has done.

The minimum wage, he vetoed.

Family leave, he vetoed.

Unemployment compensation for people out of work, he vetoed.

But in some rare instances we have been able to embarrass the President and the administration into accepting legislation that would help average working people, as we did after two vetoes by the President, and he finally accepted an unemployment bill last year.

We have got to try to avoid these bitter fights about helping the jobless. We have to take politics out of what should be a simple question of decency, and the permanent extension of unemployment compensation would move us in that direction.

The second thing we need to do is pass a jobs bill. After all, we are not just worried about unemployment. We are worried about employment. We want people to find jobs that benefit America, that invest in this country's future.

What could be more of an investment in America's infrastructure than to repair America's crumbling roads, 61 percent of them need repair, or our bridges. We lost two bridges a day in America.

There is much to be done, roads, bridges, schools, public buildings, parks, much to be done, lots of work out there for America.

We need a public works jobs bill that will put Americans to work, carpenters, plumbers, road builders, sheet metal workers, people drawing and administering the designs for these projects.

Third, we have got to get our health care costs down. We will have a public works bill before this body and we will have choices on another fundamental and often asked about question back in our constituencies, health care.

You know, a decade ago health care cost the average American family $2,500 a year. Today it is $6,000. By the year 2000, if we continue to do nothing with the system, or I should say the lack of system that we have, the cost will be $14,000 a year. We cannot afford that. That will bankrupt American families. It will bankrupt American businesses and it will strain beyond repair the governments that serve this country.

We need affordable health care for all Americans. We need a system that provides freedom to choose your doctor. We need a system that rides herd on doctors, insurance, and drug companies, and we need it now.

My congressional district sits across the river from Canada, the Algonac area. They have health insurance there. They have a national health insurance program, and while it may not be perfect and while it may not necessarily fit exactly what we need here in the United States, let me tell you the people in Canada are very pleased with their system. Poll after poll, person after person that I have talked to, and I have talked to many because we frequently visit with each other because of our proximity, love, like, and respect their system.

Now, it has its faults, but heaven knows our lack of system has its faults.

Medicare, Medicaid, CHAMPUS for the military, veterans, and then the private insurance system, all this bureaucracy, spending 26 cents on a dollar just for paperwork here in this country, where they spent only 11 cents in Canada. We can do much better. We need national health care reform and we need it now to control costs, to provide access and provide affordable, reasonable quality health care for Americans.

Will we get the leadership on this from the White House? Well, not likely.

All those people who think the President was serious in asking us to give him a growth package by March 20 should remember something John Sununu said just after the 102d Congress convened. He said, "There is not a single piece of legislation that needs to be passed in the next 2 years." This is the President's Chief of Staff.

"In fact," he went on, "if Congress wants to come together, adjourn, and leave, it is all right with us."

With us, note the last word, "us." He was not speaking for himself. He was speaking for the administration. The administration does not think Government can help. They want to pilot the ship of state by keeping their hands off the tiller. That is why we were not surprised that the President vetoed our growth package and our relief for middle-income families.

And by the way, we provided that relief by taxing the wealthiest people in this country to pay for it so we would not pass the bill on to our kids and our grandchildren.

We said, "Those of you who make a million dollars a year, share in the sacrifice to get this economy pumped and moving again. We are going to provide a surtax on you, you who have reaped the benefits of this great country and reaped the tax benefits over the last 12 years."

We said to those couples who make $140,000 a year or more, "We are going to increase you to a fourth rate. Share in the sacrifice so that the family who is living on 30, 40, 50, $60,000 a year has some disposable income that they can pay needed expenses to get the country moving again."

So John Sununu was not speaking for himself. He was speaking for the administration.

You know, this administration does not think Government can help. It is as simple as that. They want to pilot this ship of state by keeping their hands off the tiller and, of course, that is why we were not surprised when the President vetoed the growth package and the middle-income tax package that we presented him.

□ 1850

The President would rather do nothing than give middle-income families a tax cut paid for by the wealthy. He would rather do nothing than give middle-income families a chance to get an IRA, he would rather do nothing than pass a growth package that could get this country moving out of a Republican recession.

His motto is: Just don't do something, stand there.

No leadership out of the White House, no leadership on the great questions of how we move from a military-industrial-based economy to a more peacetime, competitive society where we will be able to compete with the French and the Germans and the Japanese.

Fundamental questions about how we deal in biotechnology, how we deal in steel, semiconductors, computers. How do we put a strategy together to penetrate the markets that are beginning to open up in Eastern Europe and the former Soviet Union republics? How do we make a dent into the Third World by providing them with needed aid and also providing us with access to their markets once they become self-sufficient?

All those questions begging answers, as well as the health care question which is on the minds of virtually every American family.

Well, Mr. Speaker, his opposition on today's bill that we had on the floor was no surprise.

For those who may have missed the debate today, it was a very fundamental debate and it was about a very important question. Because of the change in the world situation, the former Soviet Union as well as in the Warsaw Pact, there is a general consensus building, even amongst the administration, that we can take some of the dollars in defense and cut defense, not weaken our defense but cut it.

You know, we have got 50,000 troops in Japan. We have 40,000 troops in Korea. We have got hundreds of thousands of troops around the rest of the world, particularly in Europe. The idea is that perhaps at the end of the cold war it might be wise to bring some of them home, save on defense dollars, put those dollars to productive work to getting our infrastructure rebuilt in this country, our education system back in shape, being more competitive internationally, selling and producing in this country.

The whole concept of where we go between now and the year 2000, that was the issue we were debating today on the House floor on what was known as Mr. CONYER's walls bill.

What walls was all about is that during the 1990 budget agreement there was an agreement that we would cut the deficit, cut the budget but we would not be able to move defense money into domestic spending without a vote to take down the walls.

Mr. Speaker, we tried to do that today. You ask me, people ask me, "Why do we have 50,000 troops stationed in Japan? What are they doing there? Who are they protecting? Are we protecting the Japanese?" We have got a $45 billion trade deficit with the Japanese. Who are we protecting them from? Burma? Singapore? Australia? Who are we protecting the Japanese from with 50,000 troops in the Pacific and in Japan?

Why are we, the U.S. taxpayers, spending $5 billion a year to keep those troops there? Could not that money be better spent here at home?

The answer to that is puzzling to people. It is puzzling as to why we have 40,000 troops. Do we need 40,000 troops in Korea? Maybe we need some troops there because of the North Korean threat. But do we need 40,000? Do we need to maintain the Cold War level of 300,000 troops in Europe?

Mr. Speaker, people are asking very fundamental questions, and they deserve honest answers and they are not getting them.

People are telling us it is time we started taking care of our own here at home. For 45 years we have borne the burden of patroling the world, policing the world, and now people want us to focus in on the neglected areas of our democratic social life in America, our economic life.

After all, what we were talking about in the bill that we debated today was a very simple question: Are we ready to create jobs in America for Americans? Are we ready to create opportunities for jobs here that could be exported abroad? Are we serious about the battle that we have been in for 20 years, the economic battle that we are in that we do not even realize? Do we want now to begin to engage in that? That is what this bill was about.

To vote "yes" was to say that yes, we could cut the deficit and reinvest in America at the same time. It was to say that we have recognized that we can pay attention to America's needs again and it is time to take care of our own, that the world has changed and at certain points in any country's history they have to look inward to do sort of a soul check, an economic reality check of where you have been, where we have been and where we want to go.

People do it in their private lives; they do it in their family lives; we need to do it as a country.

For every $1 billion that we move from defense to domestic investment we create 10,000 more jobs. The President seemed to recognize that the world has changed. As usual, though, he got it wrong.

On Sunday he told reporters that he has a new comprehensive plan. Sounds pretty good. "Comprehensive plan," maybe he is thinking about these questions that I have raised, a plan to help America, a plan to revive our economy that we have all been expecting.

No, it is a comprehensive plan to help the Soviet Union. For example, to send a billion dollars over there to help stabilize the ruble. Mr. Speaker, there are problems in Europe, problems in the Soviet Union, but Americans need help. The President is talking about a comprehensive plan for Russia when he should be focusing his attention on a comprehensive plan to direct where we are going here in the United States. Americans who are squeezed by this Republican recession, Americans who cannot make ends meet, Americans like Mr. Manuss, about whom I talked earlier, who are desperately asking, "Where are the jobs?"

Mr. Speaker, we are losing 9,400 jobs a month under this Republican administration, and during this Republican recession; 9,400 jobs a month.

The President has no trouble seeing the need to stabilize the ruble; I wish he cared half as much about Americans trying to a make a buck.

Mr. Speaker, last week I went to a ceremony commemorating the 10th anniversary of the Vietnam Veterans memorial, which I, along with others in this body, helped to work on years ago. Mr. Speaker, it was a cold and rainy day. During the speeches and afterwards as we went to the wall and did a rubbing on a little rectangular piece of paper of the names of soldiers who died in that war, it occurred to me about the generation that actually came back. Their names are not on the wall, but they laid their lives on the line for our country. Many of them came back to work on the assembly lines at Chrysler, at Ford, at General Motors, or at Caterpillar.

Now they are among the people no longer on assembly lines but on the unemployment lines. And those of us who happen to represent the great State of Michigan go back to our districts and see them on a weekly basis, lining up for help and they are not getting it.

We had just a month ago a General Motors announcement that 9,000 permanent jobs would be lost in 1 day. Forty percent of the people who were laid off are not getting any unemployment compensation or any help, and on top of that the State Government has cut off all the safety nets below those single men.

Mr. Speaker, we need to do better. We need to do better for them and for Americans everywhere who want and need work. We need to do better for the children now going to school each day on the assumptions that they too can realize the American dream.

Have you ever talked recently to a young man or woman who is about to leave college or has left college? They are scared to death.

□ 1900

There is nothing out there in the dream, the future, the investment, that was made to that education. I cannot see any hope for a future or a payoff in the months and years ahead.

Mr. Speaker, in the months ahead in this body let us work to create some opportunity, some economic opportunity, opportunity for those people in the middle, those people who have been struggling to get to the middle, and those people who have been left out, those people who have been shut out, those people who have had the door closed in their face like the man from Illinois who, with his comrades, traveled 600 miles to Pennsylvania Avenue. After a few days the door slammed in his face. These people have worked hard. They have done their job. They get up in the morning, take their lunch to work with them, they work at a desk, they eat at their desk, they punch the clock and go home. Sometimes they work a second job.

Mr. Speaker, they play by the rules, and now they are feeling the terrible squeeze of this Republican recession and the cruelty of the policies that protract and do not deal with the realities of their lives and their kids' futures. Now we in Congress have to do our jobs. We have to create the jobs that can get this country moving again and make it possible for all Americans to realize the promise that is their birthright.

Mr. Speaker, it is tough to do that without leadership from the top. It is almost impossible to do. But we have to keep struggling because by some dint of hope perhaps somebody downtown will understand that we have got to put together a comprehensive plan so Americans know where this country is headed in the next 8 years, in the next year.

It boggles my mind that we are not hearing anything from this administration about accelerated public works, about unemployment extension, about massive health care reform, about moving our country in the direction of an industrial policy that really tries to figure out where we want to go in semiconductors, in computers, in biotechnology, if we want an automobile industry or we do not want an automobile industry, how we want to improve our education system in the areas of science and math that we are lagging so far behind, as well as language skills which are escaping our young people at an alarming rate.

This is an international world we live in today. It requires people to be able to speak international languages. It requires us to be proficient so we compete with the Koreans, and the Taiwanese, and the Japanese and the Germans in the math and science fields. It requires us to be tough with our own patent laws. It requires us to do the things that are necessary to make sure that other countries do not steal all the energy, and thought and tax dollars that would enter research and development in some of the basic industries that have helped make them great at our own expense.

So, Mr. Speaker, I thank my colleagues for their indulgence and their time this evening, and I hope my colleagues will ponder some of the questions that I have posed and that, moving together, at least as a body in this institution, hopefully with our colleagues in the Senate, we can put forward a program in the coming weeks that deals with these fundamental questions.

HIGHER EDUCATION AMENDMENTS OF 1992

The text of the Senate bill, S. 1150, as amended by the text of H.R. 3553, as amended and as passed by the House on Thursday, March 26, 1992 (see page 7300 of the CONGRESSIONAL RECORD of that date) is as follows:

SECTION 1. SHORT TITLE; REFERENCES; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Higher Education Amendments of 1992".

(b) REFERENCES.—References in this Act to "the Act" are references to the Higher Education Act of 1965.

(c) TABLE OF CONTENTS.—

Section 1. Short title; references; table of contents.
Sec. 2. General effective date.

TITLE I—PARTNERSHIPS FOR EDUCATIONAL EXCELLENCE

Sec. 101. Revision of Title I.

"TITLE I—PARTNERSHIPS FOR EDUCATIONAL EXCELLENCE

"Sec. 100. Authorization of appropriations.

"PART A—URBAN COMMUNITY SERVICE

"Sec. 101. Statement of purpose.
"Sec. 102. Application for urban community service grants.
"Sec. 103. Allowable activities.

"PART B—URBAN AND RURAL COLLEGE, UNIVERSITY, AND SCHOOL PARTNERSHIPS

"Sec. 121. Purpose.
"Sec. 122. Agreement.
"Sec. 123. Grants.
"Sec. 124. Grant application.

"PART C—ADMINISTRATIVE PROVISIONS FOR PARTS A AND B

"Sec. 131. Peer review.
"Sec. 132. Disbursement of funds.
"Sec. 133. National network.
"Sec. 134. Definitions.

"PART D—ARTICULATION AGREEMENTS

"Sec. 141. Findings.
"Sec. 142. Purpose.
"Sec. 143. Authorization of grants.
"Sec. 144. State application.
"Sec. 145. Local applications.
"Sec. 146. Articulation agreement.
"Sec. 147. State administration.
"Sec. 148. Priority.
"Sec. 149. Reports.

"PART E—ACCESS AND EQUITY TO EDUCATION FOR ALL AMERICANS THROUGH TELECOMMUNICATIONS

"Sec. 171. Establishment of program.

TITLE II—ACADEMIC LIBRARY AND INFORMATION TECHNOLOGY ENHANCEMENT

Sec. 201. Revision of title II.

"TITLE II—ACADEMIC LIBRARIES IN AN ELECTRONIC NETWORKED ENVIRONMENT

"Sec. 201. Purpose; authorization.
"Sec. 202. Notification of State agency.
"Sec. 203. Administration.

"PART A—COLLEGE LIBRARY TECHNOLOGY AND COOPERATION GRANTS

"Sec. 211. Grants for technology, networking, and other purposes.

"PART B—LIBRARY EDUCATION, RESEARCH, AND DEVELOPMENT

"Sec. 221. Grants authorized.
"Sec. 222. Library education and human resource development.
"Sec. 223. Research and demonstration.
"Sec. 224. Consultation requirements.

"PART C—IMPROVING ACCESS TO RESEARCH LIBRARY RESOURCES

"Sec. 231. Research library resources.
"Sec. 232. Geographical distribution of grants.

"PART D—STRENGTHENING LIBRARY AND INFORMATION SCIENCE PROGRAMS AND LIBRARIES IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

"Sec. 241. Strengthening library and information science programs and libraries in Historically Black Colleges and Universities.

"PART E—FUNDING PROHIBITION

"Sec. 251. Funding prohibition.

TITLE III—INSTITUTIONAL AID

Sec. 301. Findings.
Sec. 302. Amendments to part A.
Sec. 303. Amendments to part B.
Sec. 304. Amendments to part C.
Sec. 305. Amendments to part D.

TITLE IV—STUDENT ASSISTANCE

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

SUBPART 1—FEDERAL PELL GRANTS

Sec. 411. Federal Pell Grant program.
Sec. 412. Unification of needs analysis systems.

SUBPART 2—FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS

Sec. 413. Amendments to subpart 2 of part A.

SUBPART 3—STATE STUDENT INCENTIVE GRANTS

Sec. 415. Amendments to subpart 3 of part A.

SUBPART 4—FEDERAL EARLY OUTREACH AND STUDENT SERVICES PROGRAMS

Sec. 417. Establishment of new subpart.

"SUBPART 1—FEDERAL EARLY OUTREACH AND STUDENT SERVICES PROGRAMS

"Sec. 401. Findings.

"CHAPTER 1—TRIO PROGRAMS

"Sec. 401A. Program authority; authorization of appropriations.
"Sec. 401B. Talent search.
"Sec. 401C. Upward Bound.
"Sec. 401D. Student support services.
"Sec. 401E. Postbaccalaureate achievement program authority.
"Sec. 401F. Educational opportunity centers.
"Sec. 401G. Staff development activities.
"Sec. 401H. Outreach grants.
"Sec. 401I. Evaluation for project improvement.

"CHAPTER 2—NATIONAL LIBERTY SCHOLARSHIPS AND PARTNERSHIPS PROGRAMS

"Sec. 403A. Programs authorized.
"Sec. 403B. State eligibility; State plan.
"Sec. 403C. Financial aid program.
"Sec. 403D. Partnership program.
"Sec. 403E. Payment requirements.
"Sec. 403F. Allotment.
"Sec. 403G. Definitions.
"Sec. 403H. Appropriations.

"CHAPTER 3—MODEL PROGRAM COMMUNITY PARTNERSHIP COUNSELING GRANTS

"Sec. 404A. Model program grants.
"Sec. 404B. Diffusion network activities.
"Sec. 404C. Authorization of appropriations.

"CHAPTER 4—CONGRESSIONAL HONORS AWARDS

"Sec. 405A. Scholarships authorized.
"Sec. 405B. Eligibility of scholars.
"Sec. 405C. Eligible early intervention programs.
"Sec. 405D. Scholarship amount.
"Sec. 405E. Award procedures.

"CHAPTER 5—TECHNICAL ASSISTANCE FOR TEACHERS AND COUNSELORS

"Sec. 406A. Technical assistance grants.

"CHAPTER 6—NATIONAL STUDENT SAVINGS DEMONSTRATION PROGRAM

"Sec. 407A. National student savings demonstration program.

"CHAPTER 7—PUBLIC INFORMATION

"Sec. 408A. Database and information line.
"Sec. 408B. Public advertising.
"Sec. 408C. Database and information line.

"CHAPTER 8—PRESIDENTIAL ACHIEVEMENT SCHOLARSHIP PROGRAM

"Sec. 409A. Purpose; appropriations authorized.
"Sec. 409B. Scholarships authorized.
"Sec. 409C. Eligibility of scholars.
"Sec. 409D. Award procedures.
"Sec. 409E. Scholarship amount.

"CHAPTER 9—ADVANCED PLACEMENT FEE PAYMENT PROGRAM

"Sec. 410A. Advanced placement fee payment program.

SUBPART 5—AMENDMENTS TO SUBPARTS 5 THROUGH 8 OF PART A

Sec. 418. HEP/CAMP.
Sec. 419. Byrd Honors Scholarship Program.
Sec. 420. Repeal of assistance to institutions of higher education.
Sec. 420A. Child care services.

PART B—FEDERAL FAMILY EDUCATION LOANS

Sec. 421. Name of programs.
Sec. 422. Guarantee authority contingent on timely rulemaking.
Sec. 423. Guaranty agency funding.
Sec. 424. Graduated repayment.
Sec. 425. Study abroad.
Sec. 426. Applicable interest rates.
Sec. 427. Amendments to section 428.
Sec. 428. Supplemental loan program.
Sec. 429. Plus loans.
Sec. 430. Consolidation loans.
Sec. 430A. Default reduction programs.
Sec. 431. Disbursement rules.
Sec. 432. Unsubsidized loans; extended collection demonstration program.
Sec. 433. Administrative provisions.
Sec. 434. Student loan information.
Sec. 435. Definitions.
Sec. 436. Repayments by Secretary.
Sec. 436A. Debt management options.
Sec. 437. Special rule; elimination of discounting.
Sec. 438. Student Loan Marketing Association facility financing.
Sec. 439. Student Loan Marketing Association financial safety and soundness.

PART C—FEDERAL WORK-STUDY PROGRAMS

Sec. 441. Amendments to part C of title IV.

PART D—FEDERAL DIRECT LOANS

Sec. 451. Establishment of Federal direct loan program.

"PART D—FEDERAL DIRECT LOAN DEMONSTRATION PROGRAM

"Sec. 451. Program and payment authority.
"Sec. 452. Payment rules.
"Sec. 453. Selection by the Secretary.
"Sec. 454. Agreement required.
"Sec. 455. Withdrawal and termination procedures.
"Sec. 456. Terms and conditions.
"Sec. 457. Loan collection functions under competitive procurement contracts.
"Sec. 458. Reports.
"Sec. 459. Schedule of regulatory activities by the Secretary.
"Sec. 459A. Authorization of appropriations.".

Sec. 452. Administrative expenses.

PART E—FEDERAL PERKINS LOANS

Sec. 461. Amendments to part E of title IV.

PART F—NEED ANALYSIS

Sec. 471. Revision of part F.

"PART F—NEED ANALYSIS

"Sec. 471. Amount of need.
"Sec. 472. Cost of attendance.
"Sec. 473. Family contribution.
"Sec. 474. Data elements used in determining expected family contribution.
"Sec. 475. Family contribution for dependent students.
"Sec. 476. Family contribution for independent students without dependent children.
"Sec. 477. Family contribution for independent students with dependent children.
"Sec. 478. Regulations; updated tables.
"Sec. 479. Simplified needs test.
"Sec. 479A. Discretion of student financial aid administrators.
"Sec. 479B. Disregard of student aid in other Federal programs.
"Sec. 479C. Native American students.
"Sec. 480. Definitions.

PART G—GENERAL PROVISIONS

Sec. 481. Definitions.
Sec. 482. Master calendar.
Sec. 483. Forms and regulations.
Sec. 484. Student eligibility.
Sec. 485. Statute of limitations.
Sec. 486. Information.
Sec. 487. Student loan data system.
Sec. 488. Training in financial aid and student support services.
Sec. 489. Program participation agreements.
Sec. 490. Quality assurance; identification numbers.
Sec. 491. Inter-program transfers.
Sec. 492. Administrative expenses.
Sec. 493. Criminal penalties; extent of liability.
Sec. 494. Advisory Committee on Student Financial Assistance.
Sec. 495. Performance based regulatory relief.
Sec. 496. Regional meetings and negotiated rulemaking.

PART H—PROGRAM INTEGRITY

Sec. 497. Establishment of new part H.

"PART H—PROGRAM INTEGRITY

"Sec. 494. State postsecondary review agency program.
"Sec. 495. State postsecondary review agency agreements.
"Sec. 496. Federal reimbursement of State postsecondary review agency costs.
"Sec. 497. Functions of State review agencies.

Sec. 497A. Definitions.
Sec. 497B. Effective dates.

PART I—CONFORMING AMENDMENTS

Sec. 499. Conforming amendments.

PART J—AMENDMENTS TO RELATED PROGRAMS

Sec. 499A. Excellence in Mathematics, Science and Engineering Education Act of 1990.

PART K—AMENDMENTS TO RELATED PROGRAMS

Sec. 499B. Excellence in Mathematics, Science and Engineering Education Act of 1990.

PART L—AMENDMENTS TO RELATED PROGRAMS

Sec. 499C. Excellence in Mathematics, Science and Engineering Education Act of 1990.

TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

Sec. 501. Revision of title V.

"TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

"Sec. 501. Statement of findings and purpose.
"Sec. 502. Authorization of appropriations.

"PART A—STATE AND LOCAL PROGRAMS FOR TEACHER EXCELLENCE

"Sec. 511. Authority and allocation of funds.
"Sec. 512. State application.
"Sec. 513. Local application and use of funds.
"Sec. 514. State uses of funds.
"Sec. 515. Institutions of higher education uses of funds.
"Sec. 516. Federal funds to supplement, not supplant regular nonfederal funds.
"Sec. 517. Coordination with other programs.

"PART B—TEACHER SCHOLARSHIPS AND FELLOWSHIPS

"SUBPART 1—PAUL DOUGLAS TEACHER CORPS SCHOLARSHIPS

"Sec. 521. Purpose.
"Sec. 522. Allocation among States.
"Sec. 523. Grant applications.
"Sec. 524. Amount and duration of and relation to other assistance.
"Sec. 525. Selection of Paul Douglas Teacher Corps scholars.
"Sec. 526. Scholarship conditions.
"Sec. 527. Scholarship repayment provisions.
"Sec. 528. Exceptions to repayment provisions.
"Sec. 529. Federal administration of State programs; judicial review.
"Sec. 530. Designation of shortage areas.

"SUBPART 2—CHRISTA MCAULIFFE FELLOWSHIP PROGRAM

"Sec. 531. Declaration of purpose; designation.
"Sec. 532. Use of funds for fellowships and administration.
"Sec. 533. Christa McAuliffe fellowships.
"Sec. 534. Selection of Christa McAuliffe teacher fellowships.
"Sec. 535. Evaluation of applications.
"Sec. 536. Fellowship repayment provisions.
"Sec. 537. Information dissemination.

"PART C—NATIONAL PROGRAMS

"SUBPART 1—NATIONAL MINI CORPS PROGRAM

"Sec. 541. National Mini Corps.

"SUBPART 2—NATIONAL TEACHER BOARD

"Sec. 546. National Board for Professional Teaching Standards.

"SUBPART 3—PARTNERSHIPS FOR INNOVATIVE TEACHER EDUCATION

"Sec. 551. Findings.
"Sec. 552. Purpose.
"Sec. 553. Program authority.
"Sec. 554. Applications.
"Sec. 555. Uses of funds.
"Sec. 556. Reservation of funds; cost sharing.
"Sec. 557. Definitions.

"SUBPART 4—TEACHER OPPORTUNITY CORPS

"Sec. 561. Purpose.
"Sec. 562. Definitions.
"Sec. 563. Allocation among States.
"Sec. 564. Agreements.
"Sec. 565. State grant applications.
"Sec. 566. General criteria for State grants.

"SUBPART 5—NATIONAL JOB BANK FOR TEACHER RECRUITMENT

"Sec. 571. Study.
"Sec. 572. National Teacher Job Bank demonstration.
"Sec. 573. Use of funds.
"Sec. 574. Definition.

"SUBPART 6—MIDCAREER TEACHER TRAINING FOR NONTRADITIONAL STUDENTS

"Sec. 581. Statement of purpose.
"Sec. 582. Selection of procedures.
"Sec. 583. Applications.
"Sec. 584. Amount of grants.
"Sec. 585. Reports and information.

"SUBPART 7—ALTERNATIVE ROUTES TO TEACHER CERTIFICATION AND LICENSURE

"Sec. 586. Short title.
"Sec. 587. Findings.
"Sec. 588. Purpose.
"Sec. 589. Allotments.
"Sec. 590. State applications.
"Sec. 591. Use of funds.
"Sec. 592. Coordination requirement.
"Sec. 593. Definition.

"SUBPART 8—TRAINING FOR TEACHERS OF DRUG-EXPOSED CHILDREN

"Sec. 594. Program authorized.

"SUBPART 9—TEACHER RECRUITMENT AND PLACEMENT

"Sec. 594A. Program authorized.
"Sec. 594B. Use of funds.
"Sec. 594C. Application.
"Sec. 594D. Federal share.

"SUBPART 10—PARTNERSHIPS FOR ENCOURAGING MINORITY STUDENTS TO BECOME TEACHERS

"Sec. 595A. Program authorized.
"Sec. 595B. Partnership agreement.
"Sec. 595C. Application.

"SUBPART 11—VETERANS TEACHER CORPS

"Sec. 596A. Statement of purpose.
"Sec. 596B. Veterans teacher corps authorized.
"Sec. 596C. Applications.
"Sec. 596D. Limitations on amount and duration of assistance.
"Sec. 596E. Priority in awards.
"Sec. 596F. Reports and information.

"PART D—FOREIGN LANGUAGE INSTRUCTION

"SUBPART 1—DEMONSTRATION GRANTS FOR CRITICAL LANGUAGE AND AREA STUDIES

"Sec. 597A. Demonstration Grants for Critical Language and Area Studies.

"SUBPART 2—DEVELOPMENT OF FOREIGN LANGUAGE AND CULTURE INSTRUCTIONAL MATERIALS

"Sec. 597B. Development of Foreign Language and Culture Instructional Materials.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

Sec. 601. Revision of title VI.

"TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

"PART A—INTERNATIONAL AND FOREIGN LANGUAGE STUDIES

"Sec. 601. Findings and purposes.
"Sec. 602. Graduate and undergraduate language and area centers.
"Sec. 603. Language resource centers.
"Sec. 604. Undergraduate international studies and foreign language programs.
"Sec. 605. Intensive summer language institutes.
"Sec. 606. Research; studies; annual report.
"Sec. 607. Periodicals and other research materials published outside the United States.
"Sec. 608. Selection of grant recipients.
"Sec. 609. Equitable distribution of funds.
"Sec. 610. Authorization of appropriations.

"PART B—BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS

"Sec. 611. Findings and purposes.
"Sec. 612. Centers for International Business Education.
"Sec. 613. Joint venturing agreements.
"Sec. 614. Education and training programs.
"Sec. 615. Authorization of appropriations.

"PART C—GENERAL PROVISIONS

"Sec. 631. Definitions.
"Sec. 632. Preservation of pre-1992 programs.

"PART D—INSTITUTE FOR INTERNATIONAL PUBLIC POLICY

"Sec. 641. Establishment.
"Sec. 642. Academic year abroad program.
"Sec. 643. Masters degree in international relations.
"Sec. 644. Internships.
"Sec. 645. Board of visitors.
"Sec. 646. Program requirements.
"Sec. 647. Gifts and donations.
"Sec. 648. Authorization.

TITLE VII—CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF ACADEMIC FACILITIES

Sec. 701. Purposes.
Sec. 702. Authorization of appropriations.
Sec. 703. Revision of part A.

"PART A—GRANTS FOR THE CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF UNDERGRADUATE ACADEMIC FACILITIES

"Sec. 711. Grants.

Sec. 704. Consolidation of parts C and F and elimination of part G.

"PART C—LOANS FOR CONSTRUCTION, RECONSTRUCTION AND RENOVATION OF ACADEMIC, HOUSING, AND OTHER EDUCATIONAL FACILITIES

"Sec. 731. Federal assistance in the form of loans.
"Sec. 732. General provisions.
"Sec. 733. Apportionment.
"Sec. 734. Definitions.

Sec. 705. Amendment to part E.
Sec. 706. Historically Black college and university capital financing.

"PART F—HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

"Sec. 761. Findings.
"Sec. 762. Definitions.
"Sec. 763. Federal insurance for bonds.
"Sec. 764. Limitations on Federal insurance for bonds issued by the designated bonding authority.
"Sec. 765. Authority of the Secretary.
"Sec. 766. HBCU Capital Financing Advisory Board.
"Sec. 767. Minority business enterprise utilization.

Sec. 707. Forgiveness of certain title VII loans.
Sec. 708. Repeal.

TITLE VIII—COOPERATIVE EDUCATION

Sec. 801. Authorization of appropriations; reservations.
Sec. 802. Grants for cooperative education.

TITLE IX—GRADUATE PROGRAMS

Sec. 901. Purpose; administrative provisions.
Sec. 902. Amendments to part A.
Sec. 903. Amendments to part B.

"PART B—POSTBACCALAUREATE OPPORTUNITY AND HARRIS FELLOWSHIP PROGRAMS

"SUBPART 1—POSTBACCALAUREATE OPPORTUNITY FELLOWSHIPS

"SUBPART 2—PATRICIA ROBERTS HARRIS GRADUATE FELLOWSHIP PROGRAM

"Sec. 926. Statement of purpose; designation of awards.

"Sec. 927. Program authorized.
"Sec. 928. Award of fellowships.
Sec. 904. Amendments to part C.
Sec. 905. Amendments to part D.
Sec. 906. Amendment to part E.
Sec. 907. Amendments to part F.
Sec. 908. Addition of new part; authorization of appropriations.

"PART G—GRANTS TO INSTITUTIONS TO ENCOURAGE MINORITIES TO ENTER THE HIGHER EDUCATION PROFESSORATE

"Sec. 971. Program authorized.
"Sec. 972. Designation of fellows.
"Sec. 973. Applications and awards.
"Sec. 974. Fellowships.
"Sec. 975. Teaching requirement.
"Sec. 976. Consequences of noncompliance.
"Sec. 977. Exceptions to repayment provisions.

"PART H—AUTHORIZATION OF APPROPRIATIONS

"Sec. 981. Authorization of appropriations.

TITLE X—POSTSECONDARY IMPROVEMENT PROGRAM

Sec. 1001. Amendments to part A.
Sec. 1002. Amendments to part B.
Sec. 1003. Amendment to part C.

"PART C—SPECIAL PROJECTS IN AREAS OF NATIONAL NEED

Sec. 1004. Women and Minorities Science and Engineering Outreach Demonstration Program.

"PART D—WOMEN AND MINORITIES SCIENCE AND ENGINEERING OUTREACH DEMONSTRATION PROGRAM

"Sec. 1071. Purpose.
"Sec. 1072. Program authorized.
"Sec. 1073. Eligible institutions.
"Sec. 1074. Amount, duration, and use of funds.
"Sec. 1075. Application.
"Sec. 1076. Evaluation.
"Sec. 1077. Federal share.
"Sec. 1078. Supplement/not supplant.
"Sec. 1079. Authorization of appropriations.

TITLE XI—STUDENT COMMUNITY SERVICE

Sec. 1101. Revision of title.

"TITLE XI—STUDENT COMMUNITY SERVICE

"PART A—HIGHER EDUCATION INNOVATIVE PROJECTS FOR COMMUNITY SERVICE

"Sec. 1101. Higher education innovative projects for community service.

"PART B—STUDENT LITERACY CORPS AND STUDENT MENTORING CORPS

"Sec. 1111. Purpose.
"Sec. 1112. Literacy corps program and mentoring corps program.
"Sec. 1113. Uses of funds.
"Sec. 1114. Applications.
"Sec. 1115. Technical assistance and coordination contract.
"Sec. 1116. Authorization of appropriations.
"Sec. 1117. Definition.

"PART C—INNOVATIVE PROJECTS FOR COMMUNITY SERVICES AND STUDENT FINANCIAL INDEPENDENCE

"Sec. 1121. Statement of purpose.
"Sec. 1122. Innovative projects for community services and student financial independence.
"Sec. 1123. Authorization of appropriations.

"PART D—COMMUNITY SERVICE-LEARNING

"Sec. 1131. Program authority.

"PART E—GRANTS FOR SEXUAL OFFENSES EDUCATION

"Sec. 1171. Grants for campus sexual offenses education.

"PART F—DWIGHT D. EISENHOWER LEADERSHIP PROGRAM

"Sec. 1181. Short title; establishment of program.

TITLE XII—GENERAL PROVISIONS

Sec. 1201. Definitions.
Sec. 1202. Antidiscrimination.
Sec. 1203. The National Advisory Committee on Accreditation and Institutional Eligibility.
Sec. 1204. Approval of accrediting agency or association.
Sec. 1205. Disclosure of foreign gifts and foreign ownership.
Sec. 1206. Admission of minority students.

TITLE XIII—INDIAN HIGHER EDUCATION PROGRAMS

PART A—TRIBALLY CONTROLLED COMMUNITY COLLEGES

Sec. 1301. Reauthorization of the Tribally Controlled Community Colleges Act.
"Sec. 403. Authorization of appropriations.

PART B—HIGHER EDUCATION TRIBAL GRANT AUTHORIZATION ACT

Sec. 1311. Short title.
Sec. 1312. Findings.
Sec. 1313. Program authority.
Sec. 1314. Qualification for grants to tribes.
Sec. 1315. Allocation of grant funds.
Sec. 1316. Limitations on use of funds.
Sec. 1317. Administrative provisions.

PART C—CRITICAL NEEDS FOR TRIBAL DEVELOPMENT ACT

Sec. 1321. Short title.
Sec. 1322. Definitions.
Sec. 1323. Service conditions permitted.
Sec. 1324. Critical area service agreements.
Sec. 1325. General provisions.

PART D—INSTITUTE OF AMERICAN INDIAN NATIVE CULTURE AND ARTS DEVELOPMENT

Sec. 1331. Institute of American Indian Native Culture and Arts development.
"Sec. 1519. Provision of facilities.

PART E—TRIBAL DEVELOPMENT STUDENT ASSISTANCE REVOLVING LOAN PROGRAM

Sec. 1341. Short title.
Sec. 1342. Findings; purposes.
Sec. 1343. Revolving fund.
Sec. 1344. Eligible recipients.
Sec. 1345. Terms of loans.
Sec. 1346. Service fulfillment and conditions; repayments; waivers.
Sec. 1347. Administration.
Sec. 1348. Authorization of appropriations.

TITLE XIV—MISCELLANEOUS

PART A—STUDIES

Sec. 1401. Data on nontraditional students.
Sec. 1402. Study of Federal benefit coordination.
Sec. 1403. National survey of factors associated with participation.
Sec. 1404. Evaluation of assistance guaranty programs.
Sec. 1405. Information on graduate education.
Sec. 1406. Study of the Center for International Education's staffing requirements.
Sec. 1407. Study of environmental hazards in institutions of higher education.
Sec. 1408. Study of civilian education training programs.
Sec. 1409. Amendments to General Education Provisions Act.
Sec. 1410. Training and technical assistance for school-based decisionmakers demonstration program.
Sec. 1411. Report on the use of Pell Grants by prisoners.

PART B—NATIONAL CLEARINGHOUSE FOR POSTSECONDARY EDUCATION MATERIALS

Sec. 1421. National Clearinghouse for Postsecondary Education Materials.

PART C—NATIONAL CENTER FOR THE WORKPLACE

Sec. 1421. Purpose; designation.
Sec. 1422. Establishment.
Sec. 1423. Use of funds.
Sec. 1424. Board of advisors.
Sec. 1425. Gifts and donations.
Sec. 1426. Authorization.

TITLE XV—BUY AMERICA

Sec. 1501. Sense of Congress.
Sec. 1502. Notice.

SEC. 2. GENERAL EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by this Act shall take effect on October 1, 1992.

TITLE I—PARTNERSHIPS FOR EDUCATIONAL EXCELLENCE

SEC. 101. REVISION OF TITLE I.

Title I of the Act is amended to read as follows:

"TITLE I—PARTNERSHIPS FOR EDUCATIONAL EXCELLENCE

"SEC. 100. AUTHORIZATION OF APPROPRIATIONS.

"(a) URBAN COMMUNITY SERVICE.—There are authorized to be appropriated to carry out part A of this title, $25,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(b) URBAN AND RURAL COLLEGE, UNIVERSITY, AND SCHOOL PARTNERSHIPS.—There are authorized to be appropriated to carry out part B of this title, $25,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(c) ARTICULATION AGREEMENTS.—There are authorized to be appropriated to carry out part D of this title, $50,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(d) ACCESS AND EQUITY TO EDUCATION FOR ALL AMERICANS THROUGH TELECOMMUNICATIONS.—There are authorized to be appropriated to carry out part E of this title, for fiscal year 1993 $10,000,000 and such sums as may be necessary for the 4 succeeding fiscal years.

"PART A—URBAN COMMUNITY SERVICE

"SEC. 101. STATEMENT OF PURPOSE.

"It is the purpose of this part to provide incentives to urban institutions (including academic, private, and civic bodies) to work together to devise and implement solutions to the most pressing and severe problems in their communities.

"SEC. 102. APPLICATION FOR URBAN COMMUNITY SERVICE GRANTS.

"(a) APPLICATION AND PLAN.—Any institution seeking assistance under this part shall submit to the Secretary an application at such time, in such form, and containing or accompanied by such information and assurances as the Secretary may require by regulation. Such application shall contain a plan agreed to by the members of a consortium that includes (1) a public or private 4 year institution (and, where possible and appropriate, a community college) in partnership with (2) an urban school system, a local government, a private business, or a nonprofit institution. The Secretary may waive this consortium requirement for those applicants who can demonstrate that they have devised an integrated and coordinated plan which meets the purpose of this part.

"(b) PRIORITY IN SELECTION OF APPLICATIONS.—The Secretary shall give priority to those applications that—

"(1) include plans agreed to by a consortium composed of several members from the categories described in subsection (a); and

"(2) propose to conduct joint projects supported by other local, State, and Federal programs.

"(c) SELECTION PROCEDURES.—The Secretary shall, by regulation, develop a formal procedure for the submission of applications and publish in the Federal Register an announcement with respect to that procedure and the availability of funds.

"SEC. 103. ALLOWABLE ACTIVITIES.

"(a) IN GENERAL.—Funds made available under this part shall be used to support planning, applied research, training, resource exchanges or technology transfers, the delivery of services, or other activities the purpose of which is to design and implement programs to assist urban communities to meet and address their most pressing problems.

"(b) AUTHORIZED ACTIVITIES.—Activities conducted with funds made available under this part may include research on resource exchanges, technology transfer, technical training, the delivery of services, and technical assistance in the following areas—

"(1) urban poverty and its alleviation;

"(2) health care, including its delivery and access;

"(3) under-performing school systems and students;

"(4) problems faced by the elderly in urban settings;

"(5) crime: prevention and alternative interventions;

"(6) urban housing;

"(7) urban infrastructure;

"(8) economic development; and

"(9) other problem areas which participants in the agreement required by section 102 agree are of high priority in the urban area covered by such agreement.

"PART B—URBAN AND RURAL COLLEGE, UNIVERSITY, AND SCHOOL PARTNERSHIPS

"SEC. 121. PURPOSE.

"It is the purpose of this part to encourage partnerships between urban or rural institutions of higher education or consortia of such institutions and secondary schools and school systems serving low-income and educationally disadvantaged urban or rural students to support programs that may assist in improving the retention and graduation rates of such secondary schools, improve the academic skills of their public and private nonprofit secondary school students, increase their opportunities to continue their education beyond the secondary level, and to improve their prospects for productive employment.

"SEC. 122. AGREEMENT.

"(a) AGREEMENT.—To be eligible for a grant under this part, an urban or rural institution of higher education or consortium must enter into a written partnership agreement with a local educational agency. Such partnership may include businesses, labor organizations, professional associations, community-based organizations or other public or private agencies or organizations.

"(b) CONTENTS OF AGREEMENT.—The agreement required under this section shall include—

"(1) a listing of all participants in the partnership;

"(2) a description of the responsibilities of each participant in the partnership; and

"(3) a listing of the resources to be contributed by each participant.

"SEC. 123. GRANTS.

"(a) IN GENERAL.—The Secretary may use funds appropriated for this part to make grants to university-school partnerships. The grants may be used to support partnership activities which are directly related to the purposes set forth in section 121.

"(b) AMOUNT AND USE OF GRANTS.—From such funds, the Secretary shall make grants of no less than $250,000 and no more than $1,000,000.

"(c) PREFERENCES.—In making grants under this part, the Secretary shall give a preference to—

"(1) programs which will serve predominantly low-income neighborhoods;

"(2) partnerships which will run programs during the regular school year and during the summer;

"(3) programs which will serve educationally disadvantaged students, potential dropouts, pregnant, adolescent and teen-aged parents or children whose parents or parent are migratory agriculture workers or migratory fishermen; and

"(4) programs designed to encourage women and minorities who are underrepresented in the fields of science and mathematics to pursue these fields.

"(d) MAINTENANCE OF EFFORT.—Any local educational agency or institution of higher education participating in an agreement under this part shall not reduce its combined fiscal effort per student or its aggregate expenditures on education.

"SEC. 124. GRANT APPLICATION.

"(a) APPLICATION REQUIRED.—A partnership desiring to receive a grant under this part shall submit an application to the Secretary, in such form and providing such information as the Secretary, by regulation, shall require.

"(b) CONTENTS OF APPLICATION.—The application shall include—

"(1) the partnership agreement described in section 122;

"(2) a listing of all the schools to be involved in the program;

"(3) a description of the programs to be developed and operated by the partnership; and

"(4) assurances to the Secretary—

"(A) that the partnership will establish a governing body including one representative from each participant in the partnership;

"(B) that Federal funds will provide no more than 70 percent of the cost of the project in the first year; 60 percent of such costs in the second year, and 50 percent of such costs in the third and any subsequent year;

"(C) that any local educational agency or institution of higher education participating in this partnership shall utilize any Federal funds it shall receive from a grant under this part to supplement, and, to the extent practicable, increase the resources that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of students described in this part; and

"(D) that in no case shall funds under such a grant be used to supplant non-Federal funds already available.

"PART C—ADMINISTRATIVE PROVISIONS FOR PARTS A AND B

"SEC. 131. PEER REVIEW.

"The Secretary shall designate a peer review panel to review applications submitted under parts A and B and make recommendations for funding to the Secretary. In selecting the peer review panel, the Secretary may consult with other appropriate Cabinet-level officials and with non-Federal organizations, to ensure that the panel will be geographically balanced and be composed of representatives from public and private institutions of higher education, labor, business, State and local government, who have expertise in urban community service.

"SEC. 132. DISBURSEMENT OF FUNDS.

"(a) MULTIYEAR AVAILABILITY.—Subject to the availability of appropriations, grants under part A may be made on a multiyear basis, except that no institution, individually or as a participant in a combination of such institutions, may receive a grant for more than 5 years.

"(b) DISTRIBUTION REQUIREMENT.—The Secretary shall award grants under parts A and B in such manner as to achieve widespread and equitable utilization of the grants in all parts of the nation.

"(c) MATCHING REQUIREMENT.—An applicant under part A of this title and the local governments associated with its application shall contribute to the conduct of the program supported by the grant an amount from non-Federal funds equal to at least one-fourth of the amount of the grant, which contribution may be in cash or in services, supplies or equipment.

"(d) WAIVER OF MATCHING REQUIREMENT.—The Secretary may waive the requirements of subsection (c) of this section with respect to an eligible institution that demonstrates a unique hardship that precludes its compliance with that requirement.

"SEC. 133. NATIONAL NETWORK.

"(a) PROGRAM AUTHORITY.—The Secretary may establish a national network among urban and rural grant institutions, so that the results of individual projects funded under parts A and B can be generalized, disseminated, replicated, and applied throughout the Nation.

"(b) FUNDING.—From any funds appropriated for carrying out parts A and B, the Secretary may set aside not to exceed 5 percent, or $500,000 in any fiscal year, whichever is less, for the purposes of carrying out subsection (a) of this section.

"SEC. 134. DEFINITIONS.

"(a) DEFINITIONS.—As used in parts A and B—

"(1) The term 'eligible institution' has the meaning given such term by the first sentence of section 1201(a) of this Act.

"(2) The term 'urban area' means a metropolitan statistical area having a population of not less than 400,000, or two contiguous metropolitan statistical areas having a population of not less than 400,000, or, in any State which does not have a metropolitan statistical area which has such a population, the entity of the State having an agreement under section 1203, or, if no such entity has an agreement, the Secretary, shall designate one urban area for the purposes of this part.

"(3) The term 'urban institution of higher education' means a nonprofit municipal university, established by the governing body of the city in which it is located, and operating as of the date of enactment of this part under that authority, or an institution of higher education, or a consortium of such institutions any one of which meets all of the requirements of this paragraph, which—

"(A) is located in an urban area,

"(B) draws a substantial portion of its undergraduate students from the urban area in which it is located, or contiguous areas,

"(C) carries out programs to make postsecondary educational opportunities more accessible to residents of such urban area, or contiguous areas,

"(D) has the present capacity to provide resources responsive to the needs and priorities of such urban area, or contiguous areas,

"(E) offers a range of professional, technical, or graduate programs sufficient to sustain its capacity to provide such resources, and

"(F) has demonstrated and sustained a sense of responsibility to such urban area and contiguous areas and its people.

"(b) PUBLICATION REQUIRED.—

"(1) The Secretary shall, not later than 6 months following the enactment of this title, publish in the Federal Register a preliminary list of all public and private nonprofit institutions of higher education which shall meet the qualifications prescribed in subparagraphs (A) through (E) of subsection (a)(3).

"(2) The Secretary shall, annually, provide an opportunity for any unlisted institution to apply to be added to this list, and shall publish such additions in the Federal Register.

"PART D—ARTICULATION AGREEMENTS

"SEC. 141. FINDINGS.

''The Congress finds that—

''(1) because more than one-half of all first-time first-year students attending postsecondary institutions attend community or junior colleges, and because almost one-half of minority students enrolled in higher education attend 2-year institutions, community and junior colleges represent a substantial and an important educational resource;

''(2) declining participation rates for low-income students and minorities at institutions of higher education is of growing concern to the higher education community and Congress; and

''(3) there is growing awareness of the need to assist low-income, minority and other nontraditional students in bridging the gap between 2-year to 4-year institutions, enabling them to reach their individual potential, as well as contribute to the larger society.

"SEC. 142. PURPOSE.

''The purpose of this part is to improve the educational opportunities of this Nation's postsecondary students by creating comprehensive articulation agreements and planning between partnerships of 2-year and 4-year institutions of higher education.

"SEC. 143. AUTHORIZATION OF GRANTS.

''(a) Assistance for Articulation Partnerships.—From amounts appropriated for this part, the Secretary shall make grants to States to enable States to make awards, either on a competitive basis or on the basis of a formula determined by the State, to articulation partnerships between—

''(1) a qualified 2-year institution; and

''(2) a qualified 4-year institution.

''(b) Qualified Institutions.—For purposes of subsection (a)—

''(1) a qualified 2-year institution is an institution of higher education (as determined under section 481(a)) that is an eligible institution under section 435(a) and that—

''(A) is a nonprofit institution that offers a 2-year associate degree or a 2-year certificate program; or

''(B) is a proprietary institution that offers a 2-year associate degree program; and

''(2) a qualified 4-year institution is an institution of higher education (as determined under section 481(a)) that is an eligible institution under section 435(a) and that offers a baccalaureate degree program.

''(c) Allocation and State Grants.—

''(1) Formula allocation.—In any fiscal year for which the amount made available under section 100 to carry out the provisions of this part equals or exceeds $50,000,000, the Secretary shall allot an amount that bears the same ratio to the amount appropriated under section 100(c) for such fiscal year as the total amount received under title IV by students attending institutions of higher education in that State for such fiscal year bears to the total amount received under title IV by all students for such fiscal year, based on the most recent year for which such data are available.

''(2) Competitive grants.—In any fiscal year for which the amount made available under section 100 to carry out the provisions of this part do not equal or exceed $50,000,000, the Secretary is authorized, in accordance with the provisions of this part, to make grants to States to carry out articulation agreements under sections 145 and 146.

"SEC. 144. STATE APPLICATION.

''Each State that desires to receive a grant under this part shall submit an application to the Secretary in such form and containing or accompanied by such information as the Secretary may require. Such application shall—

''(1) after consultation with the State agencies responsible for supervision of community colleges, technical institutes, or other 2-year postsecondary institutions, designate a sole State agency as the State agency responsible for the administration and supervision of activities carried out with assistance under this part;

''(2) describe how funds will be allocated in a manner consistent with section 145;

''(3) contain assurances that the State will comply with the requirements of this part;

''(4) provide for an annual submission of data concerning the use of funds and students served with assistance under this part; and

''(5) provide that the State will keep such records and provide such information to the Secretary as may be required for purposes of financial audits and program evaluation.

"SEC. 145. LOCAL APPLICATIONS.

''Any articulation partnership comprised of qualified institutions that desires to receive a grant from a State under this part shall submit an application to the State in such form and containing or accompanied by such information as the State may require and shall—

''(1) include in the articulation agreement—

''(A) assurances that academic credit earned at the qualified institution described in section 143(b)(1) will be transferable to the qualified institution or institutions as described in section 143(b)(2);

''(B) development of articulation agreement programs and services appropriate to the needs of the partnership participants;

''(C) activities that facilitate the development of programs and services appropriate to the needs of the students attending courses covered by the articulation agreement;

''(D) inservice training for faculty designed to implement effective articulation agreements;

''(E) counseling services; and

''(F) information concerning programs contained in the articulation agreement;

''(2) include assurances that the articulation partnership has the qualified personnel required—

''(A) to develop, administer, and implement the program required by this part, and

''(B) to provide special training necessary to prepare staff for the program; and

''(3) include a plan of operation for the program which includes—

''(A) a description of the program goals,

''(B) a description of the uses of funds as required by paragraph (2),

''(C) a description of the activities and services which will be provided under the program (including training and preparation of staff), and

''(D) a description of the subject areas to be included in the articulation agreement.

"SEC. 146. ARTICULATION AGREEMENT.

''(a) Length of Grant.—Each recipient of a grant from a State shall use the amounts provided under the grant to develop and operate articulation agreements for 6 years.

''(b) Use of Funds.—Funds provided to an articulation partnership under this part may be used—

''(1) to perform any activity or program required by section 145;

''(2) as part of the program's planning activities, to acquire technical assistance from Federal, State, or local entities that have successfully designed, established, and operated articulation programs;

''(3) to provide workshops with students and teachers, counseling for students to continue their education to a bachelors degree, orientation visits at institutions participating in the consortia;

''(4) to develop agreements with local educational agencies for vocational course equivalency approval procedures for purposes of satisfying entrance requirements to qualified institutions; and

''(5) to provide outreach to potential students.

"SEC. 147. STATE ADMINISTRATION.

''A State may reserve not more than 3 percent of the amounts available under this title for any fiscal year for State administrative costs including monitoring and technical assistance.

"SEC. 148. PRIORITY.

''The State shall give priority to grant applications for programs which—

''(1) encourage teacher education,

''(2) have, as one of the partners participating in an articulation agreement, an entity that meets the requirements of section 344(b) of the Carl D. Perkins Vocational and Applied Technology Education Act,

''(3) contribute their own institutional resources,

''(4) are not subject to a default reduction agreement under section 428F,

''(5) encourage technology education, or

''(6) encourage articulation in subject areas of national importance as determined by the Secretary.

"SEC. 149. REPORTS.

''(a) State Reports.—Each State shall submit to the Secretary an annual report on the operation of the program under this part in such State during the preceding year. Such report shall include such information as the Secretary may require by regulation.

''(b) Evaluation and Dissemination.—The Secretary shall, on the basis of the reports submitted under subsection (a), evaluate all or a sample of the programs conducted under this part for the purposes of (1) determining the success or failure of such programs in increasing access and entry of students from 2-year institutions to 4-year institutions, and (2) identifying the most successful programs under this part and the causes for such success. The Secretary shall, not later than January 31, 1996, submit a report to the Congress on the results of such evaluation. The Secretary shall disseminate the findings made pursuant to clause (2) through appropriate agencies and organizations. The Secretary may reserve up to 3 percent of the amount appropriated under section 100 to carry out this subsection.

"PART E—ACCESS AND EQUITY TO EDUCATION FOR ALL AMERICANS THROUGH TELECOMMUNICATIONS

"SEC. 171. ESTABLISHMENT OF PROGRAM.

''(a) General Authority.—The Secretary is authorized in accordance with provisions of this part to make grants to eligible entities for the Federal share of the cost of telecommunications services to promote access and equity to education.

''(b) Eligible Applicants.—In order to be eligible for a grant under this part eligible applicants shall consist of a public broadcasting entity (or a consortium of such entities) and an institution of higher education (or a consortium of such entities) and may also include a State, a local unit of government, or a public or private nonprofit organization.

''(c) Application.—Each eligible applicant which desires to receive a grant under this part shall submit an application to the Secretary at such time, in such manner and containing or accompanied by such information as the Secretary may reasonably require. Each such application shall—

''(1) describe education telecommunications services to be supported with the grant;

''(2) describe the administrative and management structure supporting the activities funded by the grant;

''(3) provide that the applicant shall match each dollar of funding received under this part on a one-to-one basis;

''(4) provide assurances that the financial interests of the United States in the telecommuni-

cations equipment, software and other facilities shall be protected for the use of the life of such facilities;

"(5) describe the manner in which nontraditional postsecondary education students will benefit in the services supported;

"(6) describe the manner in which special services including captioned films, television, descriptive video and education media for handicapped individuals shall be supported; and

"(7) provide evidence that each dollar received under this part shall be matched by funds from other, non-Federal sources.

"(d) ACTIVITIES SUPPORTED.—Grants under this part shall support one or more of the following activities—

"(1) acquisition of site equipment to provide the technical ability to receive diverse education services at school, campus, and work site locations;

"(2) satellite, fiberoptic and other distribution systems and for local broadcast or other local distribution capability;

"(3) preservice or inservice education and training for K–12 teachers through interactive television conferencing;

"(4) preparation of telecommunications programs and software which support national, regional, or statewide efforts to provide teaching and learning materials not otherwise available for local use; and

"(5) a loan service of captioned films, descriptive video and educational media for the purpose of making such materials available, in accordance with regulations, in the United States for nonprofit purposes to individuals with disabilities, parents of individuals with disabilities, and other individuals directly involved in activities for the advancement of individuals with disabilities, including for the purpose of addressing problems of illiteracy among individuals with disabilities.

"(e) APPROVAL OF APPLICATIONS.—(1) The Secretary shall, in approving applications under this part, give priority to applications which—

"(A) include support for services to make captioned films, descriptive video and educational media available to individuals with disabilities who otherwise lack access to such educational materials;

"(B) will provide, directly or indirectly, services to a significant number of postsecondary institutions;

"(C) improve access to creditworthy telecommunications coursework to individuals otherwise denied such opportunity;

"(D) will be available in the multistate area;

"(E) include evidence of significant business support; or

"(F) includes matching funds, exceeding the minimum amount required under this part.

"(2) In approving applications under this part the Secretary shall insure equitable geographic distribution of grant awards.

"(f) DEFINITION.—The term 'Public Broadcasting Entity' has the same meaning given that term in section 397 of the Communications Act of 1934.

"(g) REPORT.—Each recipient of a grant under this part shall submit a report including a description of activities supported, a description of the population served, an assessment of the ability of private sector entities to continue the support of the activities in the absence of Federal funding and shall submit such reports to the Secretary no later than 30 days after the conclusion of the grant period. The Secretary shall select reports received under this subsection appropriate for dissemination to the education community and shall make such reports available through the National Diffusion Network.".

TITLE II—ACADEMIC LIBRARY AND INFORMATION TECHNOLOGY ENHANCEMENT

SEC. 201. REVISION OF TITLE II.

Title II of the Act is amended to read as follows:

"TITLE II—ACADEMIC LIBRARIES IN AN ELECTRONIC NETWORKED ENVIRONMENT

"SEC. 201. PURPOSE; AUTHORIZATION.

"(a) PURPOSE.—The Secretary shall carry out a program to assist—

"(1) college and university libraries in acquiring technological equipment and in conducting research in information technology in accordance with part A;

"(2) in the education and training of persons in library and information science and to encourage research and development relating to improvement of libraries (including the promotion of economical and effective information delivery, cooperative efforts, and developmental projects) in accordance with part B;

"(3) the Nation's major research libraries, in maintaining and strengthening their collections, and in making information resources available to other libraries whose users have need for research materials in accordance with part C; and

"(4) historically black colleges and universities with programs in library and information sciences to train and educate African Americans and other underrepresented racial, national origin, and ethnic minorities in such programs in accordance with part D.

"(b) AUTHORIZATION.—(1) There are authorized to be appropriated to carry out part A $25,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) There are authorized to be appropriated to carry out part B $25,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(3) There are authorized to be appropriated to carry out part C $25,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(4) There are authorized to be appropriated to carry out part D $25,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"SEC. 202. NOTIFICATION OF STATE AGENCY.

"Each institution of higher education which receives a grant under this title shall annually inform the State agency designated pursuant to section 1203 of its activities under this title.

"SEC. 203. ADMINISTRATION.

"Programs under this title shall be administered in the Department by appropriate experts in library technology, library education, and related fields.

"PART A—COLLEGE LIBRARY TECHNOLOGY AND COOPERATION GRANTS

"SEC. 211. GRANTS FOR TECHNOLOGY, NETWORKING, AND OTHER PURPOSES.

"(a) AUTHORIZATION.—The Secretary is authorized to make grants for technological equipment, networking, and other special purposes to—

"(1) institutions of higher education which demonstrate a need for special assistance for the planning, development, acquisition, maintenance, or upgrading of technological equipment necessary to organize, access, or utilize materials in electronic formats and to participate in networks for the accessing and sharing of library and information resources;

"(2) combinations of higher education institutions which demonstrate a need for special assistance in establishing and strengthening joint-use library facilities, resources, or equipment for the accessing and sharing of library and information resources;

"(3) other public and private nonprofit organizations which provide library and information services to institutions of higher education on a formal, cooperative basis for the purpose of establishing, developing, or expanding programs or projects that improve their services to institutions of higher education; and

"(4) institutions of higher education conducting research or demonstration projects that improve information services to meet special national or regional needs by utilizing technology to enhance library or information services such as via the National Research and Education Network.

"(b) AWARDS REQUIREMENTS.—From funds appropriated for this part, the Secretary shall make competitive awards to institutions or combinations of institutions in each of the categories described in paragraphs (1) through (4) of subsection (a). The minimum award shall be $25,000 and may be expended over a 3-year period.

"(c) GRANTS AMOUNT.—For grants under section 211(a)(1) the maximum award per institution shall be $35,000. The Secretary shall give priority under section 211(a)(1) to projects which assist those developing institutions seeking to link one or more institutions to resource sharing networks.

"(d) GRANTS CRITERIA.—A grant under this section may be made only if the application (whether by an individual institution or a combination of institutions) is approved by the Secretary on the basis of criteria prescribed in regulations and provides satisfactory assurance that the applicant will expend during the 3-year period for which the grant is sought (from funds other than funds received under this title), for the same purpose as such grant, an amount from such other sources equal to not less than one-third of such grant.

"PART B—LIBRARY EDUCATION, RESEARCH, AND DEVELOPMENT

"SEC. 221. GRANTS AUTHORIZED.

"From the amounts appropriated for this part for any fiscal year, the Secretary shall make grants in accordance with sections 222 and 223. Of such amount, two-thirds shall be available for the purpose of section 222 and one-third shall be available for the purpose of section 223.

"SEC. 222. LIBRARY EDUCATION AND HUMAN RESOURCE DEVELOPMENT.

"(a) PURPOSE AND GRANT CRITERIA.—The Secretary is authorized to make grants to, and contract with, institutions of higher education and library organizations or agencies to assist them in educating and training persons in library and information science, particularly in areas of critical needs, such as recruitment and retention of minorities. Such grants or contracts may be used by such institutions, library organizations, or agencies—

"(1) to assist in covering the cost of courses of study or staff development (including short term or regular session institutes),

"(2) to establish and maintain fellowships or traineeships with stipends (including allowances for travel, subsistence, and other expenses) for fellows who demonstrate need and who are working toward a graduate degree and their dependents, not in excess of such maximum amounts as may be determined by the Secretary, and

"(3) to establish, develop, or expand programs of library and information science, including new techniques of information transfer and communication technology.

"(b) ADDITIONAL REQUIREMENTS.—Not less than 50 percent of the grants made under this section shall be for the purpose of establishing and maintaining fellowships or traineeships under subsection (a)(2).

"SEC. 223. RESEARCH AND DEMONSTRATION.

"The Secretary is authorized to make grants to, and contract with, institutions of higher

education and other public and private agencies, institutions, and organizations for research and development projects related to the improvement of libraries, education in library and information science, the enhancement of library services through effective and efficient use of new technologies, and for the dissemination of information derived from such projects.

"SEC. 224. CONSULTATION REQUIREMENTS.

"The Secretary shall consult with the appropriate library and information science professional bodies in the determination of critical needs under section 222 and in the determination of priorities under section 223.

"PART C—IMPROVING ACCESS TO RESEARCH LIBRARY RESOURCES

"SEC. 231. RESEARCH LIBRARY RESOURCES.

"(a) PURPOSE AND DEFINITIONS.—(1) From the amount appropriated for this part, the Secretary shall make grants to institutions with major research libraries.

"(2) For the purposes of this part, the term 'major research library' means a public or private nonprofit institution (including the library resources of an institution of higher education), an independent research library, or a State or other public library, having a library collection which is available to qualified users and which—

"(A) makes a significant contribution to higher education and research;

"(B) is broadly based and is recognized as having national or international significance for scholarly research;

"(C) is of a unique nature, and contains material not widely available; and

"(D) is in substantial demand by researchers and scholars not connected with that institution.

"(b) ELIGIBILITY.—In determining eligibility for assistance under this part, the Secretary shall permit institutions that do not otherwise qualify to provide additional information or documents to demonstrate the national or international significance for scholarly research of the particular collection described in the grant proposal.

"SEC. 232. GEOGRAPHICAL DISTRIBUTION OF GRANTS.

"In making grants under this part, the Secretary shall endeavor to achieve broad and equitable geographical distribution throughout the Nation.

"PART D—STRENGTHENING LIBRARY AND INFORMATION SCIENCE PROGRAMS AND LIBRARIES IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES

"SEC. 241. STRENGTHENING LIBRARY AND INFORMATION SCIENCE PROGRAMS AND LIBRARIES IN HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.

"(a) IN GENERAL.—(1) The Secretary is authorized (A) to make grants to, and contract with, historically black colleges and universities to assist them in strengthening their library and information science programs and library resources, and (B) to make grants to, and contract with, historically black colleges and universities and library organizations or agencies which have nationally approved programs in library and information science to assist them in education and training of African Americans and other underrepresented racial, national origin, and ethnic minorities, particularly in areas of critical needs of library and information science.

"(2) Such grants or contracts may be used by such institutions, library organizations, or agencies—

"(A) to establish, develop, or strengthen libraries and library and information science programs, including new techniques of information transfer and communication technology,

"(B) to assist in covering the cost of courses of study or staff development (including short-term or regular session institutes), and

"(C) to establish and maintain fellowships or traineeships with stipends (including allowances for travel, subsistence, and other expenses) for fellows who demonstrate need and who are working toward a graduate degree and their dependents, not in excess of such maximum amounts as may be determined by the Secretary.

"(b) TRAINEESHIPS.—Not less than 50 percent of the grants made under this section shall be for the purpose of establishing and maintaining fellowships or traineeships under subsection (a)(2).

"PART E—FUNDING PROHIBITION

"SEC. 251. FUNDING PROHIBITION.

"Notwithstanding any other provision of law, amendments to this title establishing new programs or expanding existing programs, enacted pursuant to the Higher Education Amendments of 1992, shall not be funded in fiscal year 1993, or the 4 succeeding fiscal years, unless and until Congress enacts appropriations for programs under this title enacted prior to such amendments at a level no less than the level of funding in effect for such preexisting programs for fiscal year 1992.".

TITLE III—INSTITUTIONAL AID

SEC. 301. FINDINGS.

Section 301(a)(1) of the Act is amended to read as follows:

"(1) there are a significant number of institutions of higher education serving high percentages of minority students and students from low-income backgrounds, that face problems that threaten their ability to survive;".

SEC. 302. AMENDMENTS TO PART A.

(a) GRANTS AWARDS.—Section 311(b) of the Act is amended to read as follows:

"(b) GRANTS AWARDED; ALLOWABLE ACTIVITIES.—From the sums available for this part under section 360(a)(1), the Secretary may award grants to any eligible institution with an application approved under section 351 in order to assist such an institution to plan, develop, or implement activities that promise to strengthen the institution, including—

"(1) faculty development;

"(2) funds and administrative management;

"(3) development and improvement of academic programs;

"(4) acquisition of equipment for use in strengthening funds management and academic programs;

"(5) joint use of facilities such as libraries and laboratories; and

"(6) student services.".

(b) ELIGIBLE INSTITUTIONS.—Section 312(b) of the Act is amended—

(1) in paragraph (1)—

(A) by inserting "and" after the semicolon at the end of subparagraph (D):

(B) by striking subparagraph (E);

(C) by redesignating subparagraph (F) as subparagraph (E); and

(D) by inserting "and" after the semicolon at the end of paragraph (1);

(2) by striking the semicolon at the end of paragraph (2) and inserting a period; and

(3) by striking paragraphs (3), (4), and (5).

(c) ENROLLMENT OF NEEDY STUDENTS.—Section 312(c)(2) of the Act is amended by striking "second preceding fiscal year" and inserting "second fiscal year preceding the fiscal year for which the determination is made".

(d) AWARD LIMITATIONS.—Subsections (a) and (b) of section 313 of the Act are amended to read as follows:

"(a) AWARD PERIOD.—The Secretary may award a grant to an eligible institution under this part for not to exceed 5 years.

"(b) PROHIBITION.—An eligible institution that is awarded a grant under subsection (a) shall not be eligible to receive a grant under this part during the 5 years immediately following the period that it received such a grant.".

(e) GOALS FOR FINANCIAL MANAGEMENT AND ACADEMIC PROGRAM.—Part A of title III of the Act is further amended by adding at the end the following new section:

"GOALS FOR FINANCIAL MANAGEMENT AND ACADEMIC PROGRAM

"SEC. 315. (a) GOALS.—Any application for a grant under this part shall describe measurable goals for the institution's financial management and academic programs, and include a plan of how the applicant intends to achieve those goals.

"(b) CONTINUATION REQUIREMENTS.—Any continuation application shall demonstrate the progress made toward achievement of the goals described pursuant to subsection (a).".

SEC. 303. AMENDMENTS TO PART B.

(a) USES OF FUNDS.—Section 323(a) of the Act is amended by adding at the end the following new paragraphs:

"(9) Establishing or improving a development office to strengthen or improve contributions from alumni and the private sector.

"(10) Establishing or enhancing a program of teacher education designed to qualify students to teach elementary or secondary education in public schools in the State, and which includes as part of such program, preparation for teacher certification.

"(11) Establishing community outreach programs which will encourage elementary and secondary students to develop the academic skills and the interest to pursue postsecondary education.".

(b) ALLOTMENT.—Section 324(c) of the Act is amended by inserting ", within 5 years of graduation with a baccalaureate degree," after "who are admitted to and in attendance at".

(c) MINIMUM ALLOTMENTS.—Section 324(d) of the Act is amended by striking "$350,000" and inserting "$500,000".

(d) GOALS FOR FINANCIAL MANAGEMENT AND ACADEMIC PROGRAMS.—Section 325 of the Act is amended by adding at the end the following new subsection:

"(c) GOALS FOR FINANCIAL MANAGEMENT AND ACADEMIC PROGRAMS.—Any application for a grant under this part shall describe measurable goals for the institution's financial management and academic programs, and include a plan of how the applicant intends to achieve those goals.".

(e) ELIGIBLE PROFESSIONAL AND GRADUATE INSTITUTIONS.—Section 326(e) of the Act is amended—

(1) by striking "and" at the end of paragraph (4);

(2) by striking the period at the end of paragraph (5) and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

"(6) Xavier University School of Pharmacy;

"(7) Southern University School of Law;

"(8) Texas Southern University School of Law or School of Pharmacy;

"(9) Florida A&M University School of Pharmaceutical Sciences;

"(10) North Carolina Central University School of Law;

"(11) Morgan State Graduate School;

"(12) Hampton University Graduate School;

"(13) Alabama A&M Graduate School;

"(14) North Carolina A&T State University Graduate School;

"(15) University of Maryland Eastern Shore Graduate School; and

"(16) Jackson State Graduate School.".

(f) FUNDING RULES FOR GRADUATE AND PROFESSIONAL INSTITUTIONS.—Section 326 of the Act is further amended—

(1) by redesignating subsection (e) as subsection (f); and

(2) by inserting after subsection (d) the following new subsection:

"(e) FUNDING RULE.—(1) No grant may be made in any fiscal year beginning after September 30, 1991, for institutions described in paragraphs (6) through (16) of subsection (f) unless (A) funds appropriated and available for the institutions described in paragraphs (1) through (5) of subsection (f) exceeds the amount so appropriated and available for fiscal year 1991; and (B) an additional amount is appropriated and available for a grant of reasonable size to each of the institutions described in paragraphs (6) through (16) of subsection (f).

"(2) No grant may be made in any fiscal year beginning after September 30, 1991, for any institution described in paragraphs (1) through (5) of subsection (f) in excess of the amount the institution received in fiscal year 1991, unless an amount is appropriated and available for each of the institutions described in paragraphs (6) through (16) of subsection (f) which is sufficient to make a grant of $500,000 to each such institution.

"(3) In any fiscal year which the requirements of paragraph (2) of this subsection are met and an additional amount is appropriated and available for this section, the grant attributable to such additional amount made to each institution described in paragraphs (1) through (16) of subsection (f) shall be equal, except that the requirement of this paragraph may be waived if any such institution cannot meet the matching requirement of subsection (a)(2) with respect to that institution, and the amount available by reason of this exception shall be distributed equally among the remaining institutions described in subsection (f).

"(4) In any fiscal year beginning after September 30, 1992, in which the amount appropriated for this section is less than the amount appropriated for the previous fiscal year, the amount which institutions described in subsection (f) receive in that fiscal year shall be ratably reduced. In case additional amounts become available for making grants under this section for the fiscal year during which the preceding sentence is applicable, such reduced amounts shall be increased on the same basis as they were reduced, except that the Morehouse School of Medicine shall not receive less than $3,000,000 in that fiscal year.".

(g) PROHIBITION.—Section 326 is amended by adding a new subsection:

"(g) PROHIBITION.—A grant may be made in any fiscal year under this section to either but not both of the institutions described in subsection (e)(8) of this section.".

SEC. 304. AMENDMENTS TO PART C.

(a) PROGRAM CONSOLIDATION.—Part C of title III of the Act is amended—

(1) by amending the heading of such part to read as follows:

"PART C—ENDOWMENT CHALLENGE GRANTS FOR INSTITUTIONS ELIGIBLE FOR ASSISTANCE UNDER PART A OR PART B";

(2) by striking section 331; and

(3) by redesignating section 332 as section 331.

(b) ELIGIBLE INSTITUTION.—Section 331(a)(2) of the Act (as redesignated by subsection (a) of this section) is amended by adding at the end the following new subparagraph:

"(D) The term 'eligible institution' means an institution that is—

"(i) an eligible institution under part A or would be considered to be such an institution if section 312(b)(1)(C) referred to a postgraduate degree rather than a bachelor's degree;

"(ii) an institution under part B or would be considered to be such an institution if section 324 referred to a postgraduate degree rather than a baccalaureate degree; or

"(iii) an institution that makes a substantial contribution to postgraduate medical educational opportunities for minorities and the economically disadvantaged. The Secretary may waive the requirements of clauses (i) and (ii) of this subparagraph with respect to a postgraduate degree in the case of any institution otherwise eligible under this subparagraph for an endowment challenge grant upon determining that the institution makes a substantial contribution to medical education opportunities for minorities and the economically disadvantaged.".

(c) ENDOWMENT CHALLENGE GRANTS.—Section 331(b) of the Act (as so redesignated) is amended—

(1) by inserting "endowment" before "challenge grants" in paragraph (1);

(2) by striking "$10,000,000" in paragraph (2)(B) and inserting "$20,000,000";

(3) by amending paragraph (2)(C) to read as follows:

"(C)(i) Except as provided in clause (ii), if the appropriation for this part in a fiscal year is $20,000,000 or less, an eligible institution of higher education that it awarded a grant under subsection (b)(2)(B) of this section shall not be eligible to reapply for a grant under subsection (b)(2)(B) of this section during the 10 years immediately following the period that is received such a grant.

"(ii) If the appropriation for this part in any fiscal year is greater than $20,000,000, an eligible institution of higher education that is awarded a grant under subsection (b)(2)(B) of this section shall not be eligible to reapply for a grant under subsection (b)(2)(B) of this section during the 5 years immediately following the period that it received such a grant. This provision shall apply for the fiscal year in which the appropriation is greater than $20,000,000 and subsequent fiscal years, regardless of the appropriation in those fiscal years.";

(4) by striking "section 331(a)(1)" in paragraph (4)(A) and inserting "subsection (a)(2)(D) of this section";

(5) by striking "a challenge grant under this section" in paragraph (4)(B) and inserting "an endowment challenge grant under this section";

(6) by striking "a challenge grant under this section to an eligible institution year" in paragraph (5) and inserting "an endowment challenge grant under this section to an eligible institution";

(7) by amending paragraph (5)(B) to read as follows:

"(B) not more than $500,000 for fiscal year 1992 or any succeeding fiscal year.".

(d) SELECTION CRITERIA.—Section 331(f)(1) of the Act (as so redesignated) is amended by inserting before the semicolon at the end the following: ", or to an applicant that has received a grant under part A or part B of this title within the 5 fiscal years prior to the fiscal year in which the applicant is applying for a grant under this section".

(e) APPLICATION.—Section 331(g) of the Act (as so redesignated) is amended by inserting before the period at the end of the first sentence the following: ", including a description of the long- and short-term plans for raising and using the funds under this part".

(f) SET-ASIDE.—Section 331 of the Act (as so redesignated) is amended by adding at the end the following new subsection:

"(i) SET-ASIDE FOR HISTORICALLY BLACK COLLEGES AND UNIVERSITIES.—In any fiscal year beginning after September 30, 1992, the Secretary shall set aside 30 percent of the amount appropriated for that fiscal year pursuant to section 360 for challenge grants to Historically Black Colleges and Universities unless there are an insufficient number of quality applications or an insufficient number of applications due to the provisions in subsection (b)(2)(C) or subsection (b)(4)(B).".

SEC. 305. AMENDMENTS TO PART D.

(a) CONTENTS OF APPLICATIONS.—Section 351(b)(7) of the Act is amended—

(1) by striking subparagraph (D); and

(2) by redesignating subparagraphs (E) and (F) as subparagraphs (D) and (E), respectively.

(b) REPEALS.—Part D of title III of the Act is further amended—

(1) by striking sections 355 and 359; and

(2) by redesignating sections 356, 357, 358, and 360 as sections 355, 356, 357, and 358, respectively.

(c) AUTHORIZATIONS.—Section 358(a) of the Act (as redesignated) is amended to read as follows:

"SEC. 358. (a) AUTHORIZATIONS.—(1) There are authorized to be appropriated to carry out part A, $150,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(2)(A) There are authorized to be appropriated to carry out part B (other than section 326), $150,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(B) There are authorized to be appropriated to carry out section 326, $20,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(3) There are authorized to be appropriated to carry out part C, $60,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.".

(d) ADDITIONAL AMENDMENTS TO SECTION 360.—Section 358(c) of the Act (as redesignated) is amended by striking "1986—" and paragraphs (1) and (2) and inserting the following: "1986, the Secretary shall, for such fiscal year—

"(1) allocate 25 percent of the excess (above the amount appropriated for part A for fiscal year 1986) among eligible institutions at which at least 60 percent of the students are Black Americans, Hispanic Americans, Native Americans, Asian Americans, Native Hawaiians, or Pacific Islanders, or any combination thereof; and

"(2) allocate 75 percent of such excess among other eligible institutions.".

TITLE IV—STUDENT ASSISTANCE

PART A—GRANTS TO STUDENTS IN ATTENDANCE AT INSTITUTIONS OF HIGHER EDUCATION

Subpart 1—Federal Pell Grants

SEC. 411. FEDERAL PELL GRANT PROGRAM.

(a) AUTHORIZATION.—Section 411(a)(1) of the Act is amended—

(1) by striking "September 30, 1992," and inserting "September 30, 1998,"; and

(2) by striking "paragraph (2)" and inserting "subsection (b)".

(b) NAME OF PROGRAM.—Section 411(a)(3) of the Act is amended by striking "as 'Pell Grants'" and inserting "as 'Federal Pell Grants' ".

(c) PROPORTION OF COST.—Section 411(b)(1) of the Act is amended—

(1) by striking "(A) as determined" and all that follows through "and (B)";

(2) by striking "parental or independent student" and inserting "family and student"; and

(3) by striking "subparts 2 and 3" and inserting "subparts 3 and 4".

(d) GRANT AMOUNTS.—(1) Section 411(b)(2)(A) of the Act is amended—

(A) by inserting "maximum" before "basic"; and

(B) by striking out clause (i) and all that follows through "that year." and inserting the following:

"(i) $4,500 for academic year 1992–1993, and

"(ii) the amount determined under subparagraph (B) for academic year 1993–1994 and each academic year thereafter through academic year 1998–1999.".

(2) Section 411(b)(2) of the Act is amended—

(A) by redesignating subparagraph (B) as subparagraph (C); and

(B) by inserting after subparagraph (A) the following new subparagraph:

"(B)(i) The maximum amount to which a student is entitled under clause (ii) of subparagraph (A) for each academic year shall be the amount determined under subparagraph (A) for the academic year preceding the academic year for which the determination is made, increased by the percentage increase in the Consumer Price Index determined in accordance with clause (ii), rounded to the nearest $25.

"(ii) The Secretary of Labor shall publish in the Federal Register, not later than July 31 in each year (beginning with July, 1992) the percentage change in the Consumer Price Index published for the year ending June 30 of the year in which the publication is made. If the percentage in any year published under the preceding sentence indicates an increase in the Consumer Price Index, the Secretary shall publish in the Federal Register, not later than August 31 in each year the amount of the maximum grant, as specified in clause (ii) of subparagraph (A), for the academic year that begins in the succeeding calendar year. If the percentage so published does not indicate an increase in the Consumer Price Index, the amount of the maximum grant for the academic year for which the determination is made shall be the amount of the grant for the preceding academic year.

"(iii) For the purpose of this subparagraph, the term 'Consumer Price Index' means the Consumer Price Index for Wage Earners and Clerical Workers published by the Bureau of Labor Statistics.".

(3) Subparagraph (C) of section 411(b)(2) of the Act (as redesignated by paragraph (2) of this subsection) is amended in the first sentence therein—

(A) by inserting immediately after "full-time basis" the following: "(including a student who attends an institition of higher education on less than a half-time basis)"; and

(B) by inserting before the period at the end thereof the following: ", computed in accordance with this subpart".

(4) Section 411(b)(3) of the Act is amended to read as follows:

"(3)(A) The amount of a basic grant to which a student is entitled under this subpart for any academic year in which the maximum basic grant is established under paragraph (2)(A)(i) shall be determined by locating, on the following tables, the intersection between the student's tuition (as determined under subparagraph (D)) and the student's expected family contribution (as determined under part F of this title):

TABLE 1.—PELL GRANT PAYMENT SCHEDULE

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$0	*$1–200*	*$201–400*	*$401–600*	*$601–800*
	Then the award is:				
$0–$199	*$2,750*	*$2,427*	*$2,347*	*$2,266*	*$2,185*
200–399	*2,825*	*2,502*	*2,422*	*2,341*	*2,260*
400–599	*2,875*	*2,552*	*2,472*	*2,391*	*2,310*
600–799	*2,925*	*2,602*	*2,522*	*2,441*	*2,360*
800–999	*2,975*	*2,652*	*2,572*	*2,491*	*2,410*
1,000–1,199	*3,025*	*2,702*	*2,622*	*2,541*	*2,460*
1,200–1,399	*3,075*	*2,752*	*2,672*	*2,591*	*2,510*
1,400–1,599	*3,125*	*2,802*	*2,722*	*2,641*	*2,560*
1,600–1,799	*3,175*	*2,852*	*2,772*	*2,691*	*2,610*
1,800–1,999	*3,225*	*2,902*	*2,822*	*2,741*	*2,660*
2,000–2,199	*3,275*	*2,952*	*2,872*	*2,791*	*2,710*
2,200–2,399	*3,325*	*3,002*	*2,922*	*2,841*	*2,760*
2,400–2,599	*3,375*	*3,052*	*2,972*	*2,891*	*2,810*
2,600–2,799	*3,425*	*3,102*	*3,022*	*2,941*	*2,860*
2,800–2,999	*3,475*	*3,152*	*3,072*	*2,991*	*2,910*
3,000–3,199	*3,525*	*3,202*	*3,122*	*3,041*	*2,960*
3,200–3,399	*3,575*	*3,252*	*3,172*	*3,091*	*3,010*
3,400–3,599	*3,625*	*3,302*	*3,222*	*3,141*	*3,060*
3,600–3,799	*3,675*	*3,352*	*3,272*	*3,191*	*3,110*
3,800–3,999	*3,725*	*3,402*	*3,322*	*3,241*	*3,160*
4,000–4,199	*3,775*	*3,452*	*3,372*	*3,291*	*3,210*
4,200–4,399	*3,825*	*3,502*	*3,422*	*3,341*	*3,260*
4,400–4,599	*3,875*	*3,552*	*3,472*	*3,391*	*3,310*
4,600–4,799	*3,925*	*3,602*	*3,522*	*3,441*	*3,360*
4,800–4,999	*3,975*	*3,652*	*3,572*	*3,491*	*3,410*
5,000–5,199	*4,025*	*3,702*	*3,622*	*3,541*	*3,460*
5,200–5,399	*4,075*	*3,752*	*3,672*	*3,591*	*3,510*
5,400–5,599	*4,125*	*3,802*	*3,722*	*3,641*	*3,560*
5,600–5,799	*4,175*	*3,852*	*3,772*	*3,691*	*3,610*
5,800–5,999	*4,225*	*3,902*	*3,822*	*3,741*	*3,660*
6,000–6,199	*4,275*	*3,952*	*3,872*	*3,791*	*3,710*
6,200–6,399	*4,325*	*4,002*	*3,922*	*3,841*	*3,760*
6,400–6,599	*4,375*	*4,052*	*3,972*	*3,891*	*3,810*
6,600–6,799	*4,425*	*4,102*	*4,022*	*3,941*	*3,860*
6,800–6,999	*4,475*	*4,152*	*4,072*	*3,991*	*3,910*
7,000+	*4,500*	*4,177*	*4,097*	*4,016*	*3,935*

TABLE 1.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*					
	$801–1,000	*$1,001–1,200*	*$1,201–1,400*	*$1,401–1,600*	*$1,601–1,800*	*$1,801–2,000*
	Then the award is:					
$0–$199	*$2,105*	*$2,008*	*$1,877*	*$1,745*	*$1,614*	*$1,483*

TABLE 1.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*					
	$801–1,000	*$1,001–1,200*	*$1,201–1,400*	*$1,401–1,600*	*$1,601–1,800*	*$1,801–2,000*
200–399	2,180	2,083	1,952	1,820	1,689	1,558
400–599	2,230	2,133	2,002	1,870	1,739	1,608
600–799	2,280	2,183	2,052	1,920	1,789	1,658
800–999	2,330	2,233	2,102	1,970	1,839	1,708
1,000–1,199	2,380	2,283	2,152	2,020	1,889	1,758
1,200–1,399	2,430	2,333	2,202	2,070	1,939	1,808
1,400–1,599	2,480	2,383	2,252	2,120	1,989	1,858
1,600–1,799	2,530	2,433	2,302	2,170	2,039	1,908
1,800–1,999	2,580	2,483	2,352	2,220	2,089	1,958
2,000–2,199	2,630	2,533	2,402	2,270	2,139	2,008
2,200–2,399	2,680	2,583	2,452	2,320	2,189	2,058
2,400–2,599	2,730	2,633	2,502	2,370	2,239	2,108
2,600–2,799	2,780	2,683	2,552	2,420	2,289	2,158
2,800–2,999	2,830	2,733	2,602	2,470	2,339	2,208
3,000–3,199	2,880	2,783	2,652	2,520	2,389	2,258
3,200–3,399	2,930	2,833	2,702	2,570	2,439	2,308
3,400–3,599	2,980	2,883	2,752	2,620	2,489	2,358
3,600–3,799	3,030	2,933	2,802	2,670	2,539	2,408
3,800–3,999	3,080	2,983	2,852	2,720	2,589	2,458
4,000–4,199	3,130	3,033	2,902	2,770	2,639	2,508
4,200–4,399	3,180	3,083	2,952	2,820	2,689	2,558
4,400–4,599	3,230	3,133	3,002	2,870	2,739	2,608
4,600–4,799	3,280	3,183	3,052	2,920	2,789	2,658
4,800–4,999	3,330	3,233	3,102	2,970	2,839	2,708
5,000–5,199	3,380	3,283	3,152	3,020	2,889	2,758
5,200–5,399	3,430	3,333	3,202	3,070	2,939	2,808
5,400–5,599	3,480	3,383	3,252	3,120	2,989	2,858
5,600–5,799	3,530	3,433	3,302	3,170	3,039	2,908
5,800–5,999	3,580	3,483	3,352	3,220	3,089	2,958
6,000–6,199	3,630	3,533	3,402	3,270	3,139	3,008
6,200–6,399	3,680	3,583	3,452	3,320	3,189	3,058
6,400–6,599	3,730	3,633	3,502	3,370	3,239	3,108
6,600–6,799	3,780	3,683	3,552	3,420	3,289	3,158
6,800–6,999	3,830	3,733	3,602	3,470	3,339	3,208
7,000 +	3,855	3,758	3,627	3,495	3,364	3,233

TABLE 1.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*						
	$2,001–2,200	*$2,201–2,400*	*$2,401–2,600*	*$2,601–2,800*	*$2,801–3,000*	*$3,001–3,200*	*$3,201–3,400*
	Then the award is:						
$0–$199	$1,329	$1,143	$957	$780	$620	$459	$0
200–399	1,404	1,218	1,032	855	695	534	0
400–599	1,454	1,268	1,082	905	745	584	423
600–799	1,504	1,318	1,132	955	795	634	473
$800–$999	1,554	1,368	1,182	1,005	845	684	523
1,000–1,199	1,604	1,418	1,232	1,055	895	734	573
1,200–1,399	1,654	1,468	1,282	1,105	945	784	623
1,400–1,599	1,704	1,518	1,332	1,155	995	834	673
1,600–1,799	1,754	1,568	1,382	1,205	1,045	884	723
1,800–1,999	1,804	1,618	1,432	1,255	1,095	934	773
2,000–2,199	1,854	1,668	1,482	1,305	1,145	984	823
2,200–2,399	1,904	1,718	1,532	1,355	1,195	1,034	873
2,400–2,599	1,954	1,768	1,582	1,405	1,245	1,084	923
2,600–2,799	2,004	1,818	1,632	1,455	1,295	1,134	973
2,800–2,999	2,054	1,868	1,682	1,505	1,345	1,184	1,023
3,000–3,199	2,104	1,918	1,732	1,555	1,395	1,234	1,073
3,200–3,399	2,154	1,968	1,782	1,605	1,445	1,284	1,123
3,400–3,599	2,204	2,018	1,832	1,655	1,495	1,334	1,173
3,600–3,799	2,254	2,068	1,882	1,705	1,545	1,384	1,223
3,800–3,999	2,304	2,118	1,932	1,755	1,595	1,434	1,273
4,000–4,199	2,354	2,168	1,982	1,805	1,645	1,484	1,323
4,200–4,399	2,404	2,218	2,032	1,855	1,695	1,534	1,373
4,400–4,599	2,454	2,268	2,082	1,905	1,745	1,584	1,423
4,600–4,799	2,504	2,318	2,132	1,955	1,795	1,634	1,473
4,800–4,999	2,554	2,368	2,182	2,005	1,845	1,684	1,523
5,000–5,199	2,604	2,418	2,232	2,055	1,895	1,734	1,573

TABLE 1.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*						
	$2,001–2,200	*$2,201–2,400*	*$2,401–2,600*	*$2,601–2,800*	*$2,801–3,000*	*$3,001–3,200*	*$3,201–3,400*
5,200–5,399	*2,654*	*2,468*	*2,282*	*2,105*	*1,945*	*1,784*	*1,623*
5,400–5,599	*2,704*	*2,518*	*2,332*	*2,155*	*1,995*	*1,834*	*1,673*
5,600–5,799	*2,754*	*2,568*	*2,382*	*2,205*	*2,045*	*1,884*	*1,723*
5,800–5,999	*2,804*	*2,618*	*2,432*	*2,255*	*2,095*	*1,934*	*1,773*
6,000–6,199	*2,854*	*2,668*	*2,482*	*2,305*	*2,145*	*1,984*	*1,823*
6,200–6,399	*2,904*	*2,718*	*2,532*	*2,355*	*2,195*	*2,034*	*1,873*
6,400–6,599	*2,954*	*2,768*	*2,582*	*2,405*	*2,245*	*2,084*	*1,923*
6,600–6,799	*3,004*	*2,818*	*2,632*	*2,455*	*2,295*	*2,134*	*1,973*
6,800–6,999	*3,054*	*2,868*	*2,682*	*2,505*	*2,345*	*2,184*	*2,023*
7,000+	*3,079*	*2,893*	*2,707*	*2,530*	*2,370*	*2,209*	*2,048*

TABLE 1.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*						
	$3,401–3,600	*$3,601–3,800*	*$3,801–4,000*	*$4,001–4,200*	*$4,201–4,400*	*$4,401–4,600*	*$4,601–4,800*
	Then the award is:						
$0–$199	*0*	*0*	*0*	*0*	*0*	*0*	*0*
200–399	*0*	*0*	*0*	*0*	*0*	*0*	*0*
400–599	*0*	*0*	*0*	*0*	*0*	*0*	*0*
600–799	*0*	*0*	*0*	*0*	*0*	*0*	*0*
800–999	*0*	*0*	*0*	*0*	*0*	*0*	*0*
1,000–1,199	*$434*	*0*	*0*	*0*	*0*	*0*	*0*
1,200–1,399	*484*	*0*	*0*	*0*	*0*	*0*	*0*
1,400–1,599	*534*	*0*	*0*	*0*	*0*	*0*	*0*
1,600–1,799	*584*	*$447*	*0*	*0*	*0*	*0*	*0*
1,800–1,999	*634*	*497*	*0*	*0*	*0*	*0*	*0*
2,000–2,199	*684*	*547*	*$410*	*0*	*0*	*0*	*0*
2,200–2,399	*734*	*597*	*460*	*0*	*0*	*0*	*0*
2,400–2,599	*784*	*647*	*510*	*0*	*0*	*0*	*0*
2,600–2,799	*834*	*697*	*560*	*$423*	*0*	*0*	*0*
2,800–2,999	*884*	*747*	*610*	*473*	*0*	*0*	*0*
3,000–3,199	*934*	*797*	*660*	*523*	*$407*	*0*	*0*
3,200–3,399	*984*	*847*	*710*	*573*	*457*	*0*	*0*
3,400–3,599	*1,034*	*897*	*760*	*623*	*507*	*0*	*0*
3,600–3,799	*1,084*	*947*	*810*	*673*	*557*	*$440*	*0*
3,800–3,999	*1,134*	*997*	*860*	*723*	*607*	*490*	*0*
4,000–4,199	*1,184*	*1,047*	*910*	*773*	*657*	*540*	*$424*
4,200–4,399	*1,234*	*1,097*	*960*	*823*	*707*	*590*	*474*
4,400–4,599	*1,284*	*1,147*	*1,010*	*873*	*757*	*640*	*524*
4,600–4,799	*1,334*	*1,197*	*1,060*	*923*	*807*	*690*	*574*
4,800–4,999	*1,384*	*1,247*	*1,110*	*973*	*857*	*740*	*624*
5,000–5,199	*1,434*	*1,297*	*1,160*	*1,023*	*907*	*790*	*674*
5,200–5,399	*1,484*	*1,347*	*1,210*	*1,073*	*957*	*840*	*724*
5,400–5,599	*1,534*	*1,397*	*1,260*	*1,123*	*1,007*	*890*	*774*
5,600–5,799	*1,584*	*1,447*	*1,310*	*1,173*	*1,057*	*940*	*824*
5,800–5,999	*1,634*	*1,497*	*1,360*	*1,223*	*1,107*	*990*	*874*
6,000–6,199	*1,684*	*1,547*	*1,410*	*1,273*	*1,157*	*1,040*	*924*
6,200–6,399	*1,734*	*1,597*	*1,460*	*1,323*	*1,207*	*1,090*	*974*
6,400–6,599	*1,784*	*1,647*	*1,510*	*1,373*	*1,257*	*1,140*	*1,024*
6,600–6,799	*1,834*	*1,697*	*1,560*	*1,423*	*1,307*	*1,190*	*1,074*
6,800–6,999	*1,884*	*1,747*	*1,610*	*1,473*	*1,357*	*1,240*	*1,124*
7,000+	*1,909*	*1,772*	*1,635*	*1,498*	*1,382*	*1,265*	*1,149*

TABLE 1.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*						
	$4,801–5,000	*$5,001–5,200*	*$5,201–5,400*	*$5,401–5,600*	*$5,601–5,800*	*$5,801–6,000*	*$6,001–6,200*
	Then the award is:						
$0–$199	*0*	*0*	*0*	*0*	*0*	*0*	*0*
200–399	*0*	*0*	*0*	*0*	*0*	*0*	*0*
400–599	*0*	*0*	*0*	*0*	*0*	*0*	*0*
600–799	*0*	*0*	*0*	*0*	*0*	*0*	*0*
800–999	*0*	*0*	*0*	*0*	*0*	*0*	*0*
1,000–1,199	*0*	*0*	*0*	*0*	*0*	*0*	*0*
1,200–1,399	*0*	*0*	*0*	*0*	*0*	*0*	*0*
1,400–1,599	*0*	*0*	*0*	*0*	*0*	*0*	*0*
1,600–1,799	*0*	*0*	*0*	*0*	*0*	*0*	*0*
1,800–1,999	*0*	*0*	*0*	*0*	*0*	*0*	*0*
2,000–2,199	*0*	*0*	*0*	*0*	*0*	*0*	*0*
2,200–2,399	*0*	*0*	*0*	*0*	*0*	*0*	*0*
2,400–2,599	*0*	*0*	*0*	*0*	*0*	*0*	*0*
2,600–2,799	*0*	*0*	*0*	*0*	*0*	*0*	*0*
2,800–2,999	*0*	*0*	*0*	*0*	*0*	*0*	*0*
3,000–3,199	*0*	*0*	*0*	*0*	*0*	*0*	*0*
3,200–3,399	*0*	*0*	*0*	*0*	*0*	*0*	*0*
3,400–3,599	*0*	*0*	*0*	*0*	*0*	*0*	*0*
3,600–3,799	*0*	*0*	*0*	*0*	*0*	*0*	*0*
3,800–3,999	*0*	*0*	*0*	*0*	*0*	*0*	*0*
4,000–4,199	*0*	*0*	*0*	*0*	*0*	*0*	*0*
4,200–4,399	*0*	*0*	*0*	*0*	*0*	*0*	*0*
4,400–4,599	*$407*	*0*	*0*	*0*	*0*	*0*	*0*
4,600–4,799	*457*	*0*	*0*	*0*	*0*	*0*	*0*
4,800–4,999	*507*	*0*	*0*	*0*	*0*	*0*	*0*
5,000–5,199	*557*	*$444*	*0*	*0*	*0*	*0*	*0*
5,200–5,399	*607*	*494*	*0*	*0*	*0*	*0*	*0*
5,400–5,599	*657*	*544*	*$445*	*0*	*0*	*0*	*0*
5,600–5,799	*707*	*594*	*495*	*0*	*0*	*0*	*0*
5,800–5,999	*757*	*644*	*545*	*$446*	*0*	*0*	*0*
6,000–6,199	*807*	*694*	*595*	*496*	*0*	*0*	*0*
6,200–6,399	*857*	*744*	*645*	*546*	*$447*	*0*	*0*
6,400–6,599	*907*	*794*	*695*	*596*	*497*	*0*	*0*
6,600–6,799	*957*	*844*	*745*	*646*	*547*	*$448*	*0*
6,800–6,999	*1,007*	*894*	*795*	*696*	*597*	*498*	*0*
7,000+	*1,032*	*919*	*820*	*721*	*622*	*523*	*$420*

TABLE 2.—PELL GRANT PAYMENT SCHEDULE

Single Independent Students

If tuition is:	*And expected family contribution is:*				
	$0–2,000	*$2,001–2,200*	*$2,201–2,400*	*$2,401–2,600*	*$2,601–2,800*
	Then the award is:				
$0–$199	*$2,750*	*$2,447*	*$2,137*	*$1,826*	*$1,515*
200–399	*2,825*	*2,522*	*2,212*	*1,901*	*1,590*
400–599	*2,875*	*2,572*	*2,262*	*1,951*	*1,640*
600–799	*2,925*	*2,622*	*2,312*	*2,001*	*1,690*
800–999	*2,975*	*2,672*	*2,362*	*2,051*	*1,740*
1,000–1,199	*3,025*	*2,722*	*2,412*	*2,101*	*1,790*
1,200–1,399	*3,075*	*2,772*	*2,462*	*2,151*	*1,840*
1,400–1,599	*3,125*	*2,822*	*2,512*	*2,201*	*1,890*
1,600–1,799	*3,175*	*2,872*	*2,562*	*2,251*	*1,940*
1,800–1,999	*3,225*	*2,922*	*2,612*	*2,301*	*1,990*
2,000–2,199	*3,275*	*2,972*	*2,662*	*2,351*	*2,040*
2,200–2,399	*3,325*	*3,022*	*2,712*	*2,401*	*2,090*
2,400–2,599	*3,375*	*3,072*	*2,762*	*2,451*	*2,140*
2,600–2,799	*3,425*	*3,122*	*2,812*	*2,501*	*2,190*
2,800–2,999	*3,475*	*3,172*	*2,862*	*2,551*	*2,240*
3,000–3,199	*3,525*	*3,222*	*2,912*	*2,601*	*2,290*
3,200–3,399	*3,575*	*3,272*	*2,962*	*2,651*	*2,340*
3,400–3,599	*3,625*	*3,322*	*3,012*	*2,701*	*2,390*
3,600–3,799	*3,675*	*3,372*	*3,062*	*2,751*	*2,440*
3,800–3,999	*3,725*	*3,422*	*3,112*	*2,801*	*2,490*
4,000–4,199	*3,775*	*3,472*	*3,162*	*2,851*	*2,540*
4,200–4,399	*3,825*	*3,522*	*3,212*	*2,901*	*2,590*
4,400–4,599	*3,875*	*3,572*	*3,262*	*2,951*	*2,640*

TABLE 2.—PELL GRANT PAYMENT SCHEDULE—Continued

Single Independent Students

If tuition is:	And expected family contribution is:				
	$0–2,000	$2,001–2,200	$2,201–2,400	$2,401–2,600	$2,601–2,800
4,600–4,799	3,925	3,622	3,312	3,001	2,690
4,800–4,999	3,975	3,672	3,362	3,051	2,740
5,000–5,199	4,025	3,722	3,412	3,101	2,790
5,200–5,399	4,075	3,772	3,462	3,151	2,840
5,400–5,599	4,125	3,822	3,512	3,201	2,890
5,600–5,799	4,175	3,872	3,562	3,251	2,940
5,800–5,999	4,225	3,922	3,612	3,301	2,990
6,000–6,199	4,275	3,972	3,662	3,351	3,040
6,200–6,399	4,325	4,022	3,712	3,401	3,090
6,400–6,599	4,375	4,072	3,762	3,451	3,140
6,600–6,799	4,425	4,122	3,812	3,501	3,190
6,800–6,999	4,475	4,172	3,862	3,551	3,240
7,000+	4,500	4,197	3,887	3,576	3,265

TABLE 2.—PELL GRANT PAYMENT SCHEDULE—Continued

Single Independent Students

If tuition is:	And expected family contribution is:				
	$2,801–3,000	$3,001–3,200	$3,201–3,400	$3,401–3,600	$3,601–3,800
	Then the award is:				
$0–$199	$1,205	$894	$584	0	0
200–399	1,280	969	659	0	0
400–599	1,330	1,019	709	0	0
600–799	1,380	1,069	759	$448	0
800–999	1,430	1,119	809	498	0
1,000–1,199	1,480	1,169	859	548	0
1,200–1,399	1,530	1,219	909	598	0
1,400–1,599	1,580	1,269	959	648	0
1,600–1,799	1,630	1,319	1,009	698	0
1,800–1,999	1,680	1,369	1,059	748	$437
2,000–2,199	1,730	1,419	1,109	798	487
2,200–2,399	1,780	1,469	1,159	848	537
2,400–2,599	1,830	1,519	1,209	898	587
2,600–2,799	1,880	1,569	1,259	948	637
2,800–2,999	1,930	1,619	1,309	998	687
3,000–3,199	1,980	1,669	1,359	1,048	737
3,200–3,399	2,030	1,719	1,409	1,098	787
3,400–3,599	2,080	1,769	1,459	1,148	837
3,600–3,799	2,130	1,819	1,509	1,198	887
3,800–3,999	2,180	1,869	1,559	1,248	937
4,000–4,199	2,230	1,919	1,609	1,298	987
4,200–4,399	2,280	1,969	1,659	1,348	1,037
4,400–4,599	2,330	2,019	1,709	1,398	1,087
4,600–4,799	2,380	2,069	1,759	1,448	1,137
4,800–4,999	2,430	2,119	1,809	1,498	1,187
5,000–5,199	2,480	2,169	1,859	1,548	1,237
5,200–5,399	2,530	2,219	1,909	1,598	1,287
5,400–5,599	2,580	2,269	1,959	1,648	1,337
5,600–5,799	2,630	2,319	2,009	1,698	1,387
5,800–5,999	2,680	2,369	2,059	1,748	1,437
6,000–6,199	2,730	2,419	2,109	1,798	1,487
6,200–6,399	2,780	2,469	2,159	1,848	1,537
6,400–6,599	2,830	2,519	2,209	1,898	1,587
6,600–6,799	2,880	2,569	2,259	1,948	1,637
6,800–6,999	2,930	2,619	2,309	1,998	1,687
7,000+	2,955	2,644	2,334	2,023	1,712

TABLE 2.—PELL GRANT PAYMENT SCHEDULE—Continued

Single Independent Students

If tuition is:	And expected family contribution is:			
	$3,801–4,000	$4,001–4,200	$4,201–4,400	$4,401–4,600
	Then the award is:			
$0–$199	0	0	0	0
200–399	0	0	0	0
400–599	0	0	0	0
600–799	0	0	0	0
800–999	0	0	0	0
1,000–1,199	0	0	0	0
1,200–1,399	0	0	0	0
1,400–1,599	0	0	0	0
1,600–1,799	0	0	0	0
1,800–1,999	0	0	0	0
2,000–2,199	0	0	0	0
2,200–2,399	0	0	0	0
2,400–2,599	0	0	0	0
2,600–2,799	0	0	0	0
2,800–2,999	0	0	0	0
3,000–3,199	$427	0	0	0
3,200–3,399	477	0	0	0
3,400–3,599	527	0	0	0
3,600–3,799	577	0	0	0
3,800–3,999	627	0	0	0
4,000–4,199	677	0	0	0
4,200–4,399	727	$416	0	0
4,400–4,599	777	466	0	0
4,600–4,799	827	516	0	0
4,800–4,999	877	566	0	0
5,000–5,199	927	616	0	0
5,200–5,399	977	666	0	0
5,400–5,599	1,027	716	$405	0
5,600–5,799	1,077	766	455	0
5,800–5,999	1,127	816	505	0
6,000–6,199	1,177	866	555	0
6,200–6,399	1,227	916	605	0
6,400–6,599	1,277	966	655	0
6,600–6,799	1,327	1,016	705	0
6,800–6,999	1,377	1,066	755	$445
7,000+	1,402	1,091	780	470

"(B) Except as provided in paragraph (5), the amount of a basic grant to which a student is entitled under this subpart for any academic year in which the maximum basic grant is established under paragraph (2)(A)(ii) shall be determined by locating, on tables prescribed by the Secretary under this subparagraph, the intersection between the student's tuition (as determined under subparagraph (D)) and the student's expected family contribution (as determined under part F of this title). The Secretary shall prescribe such tables for any such academic year—

"(i) by subtracting $4,500 from the amount of the maximum grant established under paragraph (2)(A)(ii) for such academic year;

"(ii) by dividing the remainder determined under clause (i) by 2;

"(iii) by adding the quotient of that division to each of the cells specifying an award amount in the tables following clause (v);

"(iv)(I) by eliminating all rows following the first row in which such maximum grant amount appears;

"(II) by changing the tuition amounts in the last row (as determined pursuant to clause (I)) to indicate that such row applies to all higher tuition amounts; and

"(III) by reducing the award amount in any such row that exceeds such maximum grant to an amount equal to such maximum grant; and

"(v) by changing the amount in any such cell that is less than $200 to zero.

The tables which the Secretary shall use under this subparagraph are as follows:

TABLE 3.—PELL GRANT PAYMENT SCHEDULE

Dependent Students, Independent Students with Dependents

Tuition is:	And expected family contribution is:			
	0	$1–200	$201–400	$401–600
	Then the award is:			
$0–$199	$2,750	$2,427	$2,347	$2,266
200–399	2,825	2,502	2,422	2,341
400–599	2,875	2,552	2,472	2,391
600–799	2,925	2,602	2,522	2,441
800–999	2,975	2,652	2,572	2,491
1,000–1,199	3,025	2,702	2,622	2,541
1,200–1,399	3,075	2,752	2,672	2,591
1,400–1,599	3,125	2,802	2,722	2,641
1,600–1,799	3,175	2,852	2,772	2,691
1,800–1,999	3,225	2,902	2,822	2,741
2,000–2,199	3,275	2,952	2,872	2,791
2,200–2,399	3,325	3,002	2,922	2,841

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

Tuition is:	*And expected family contribution is:*			
	0	*$1–200*	*$201–400*	*$401–600*
2,400–2,599	*3,375*	*3,052*	*2,972*	*2,891*
2,600–2,799	*3,425*	*3,102*	*3,022*	*2,941*
2,800–2,999	*3,475*	*3,152*	*3,072*	*2,991*
3,000–3,199	*3,525*	*3,202*	*3,122*	*3,041*
3,200–3,399	*3,575*	*3,252*	*3,172*	*3,091*
3,400–3,599	*3,625*	*3,302*	*3,222*	*3,141*
3,600–3,799	*3,675*	*3,352*	*3,272*	*3,191*
3,800–3,999	*3,725*	*3,402*	*3,322*	*3,241*
4,000–4,199	*3,775*	*3,452*	*3,372*	*3,291*
4,200–4,399	*3,825*	*3,502*	*3,422*	*3,341*
4,400–4,599	*3,875*	*3,552*	*3,472*	*3,391*
4,600–4,799	*3,925*	*3,602*	*3,522*	*3,441*
4,800–4,999	*3,975*	*3,652*	*3,572*	*3,491*
5,000–5,199	*4,025*	*3,702*	*3,622*	*3,541*
5,200–5,399	*4,075*	*3,752*	*3,672*	*3,591*
5,400–5,599	*4,125*	*3,802*	*3,722*	*3,641*
5,600–5,799	*4,175*	*3,852*	*3,772*	*3,691*
5,800–5,999	*4,225*	*3,902*	*3,822*	*3,741*
6,000–6,199	*4,275*	*3,952*	*3,872*	*3,791*
6,200–6,399	*4,325*	*4,002*	*3,922*	*3,841*
6,400–6,599	*4,375*	*4,052*	*3,972*	*3,891*
6,600–6,799	*4,425*	*4,102*	*4,022*	*3,941*
6,800–6,999	*4,475*	*4,152*	*4,072*	*3,991*
7,000–7,199	*4,525*	*4,202*	*4,122*	*4,041*
7,200–7,399	*4,575*	*4,252*	*4,172*	*4,091*
7,400–7,599	*4,625*	*4,302*	*4,222*	*4,141*
7,600–7,799	*4,675*	*4,352*	*4,272*	*4,191*
7,800–7,999	*4,725*	*4,402*	*4,322*	*4,241*
8,000–8,199	*4,775*	*4,452*	*4,372*	*4,291*
8,200–8,399	*4,825*	*4,502*	*4,422*	*4,341*
8,400–8,599	*4,875*	*4,552*	*4,472*	*4,391*
8,600–8,799	*4,925*	*4,602*	*4,522*	*4,441*
8,800–8,999	*4,975*	*4,652*	*4,572*	*4,491*
9,000–9,199	*5,025*	*4,702*	*4,622*	*4,541*
9,200–9,399	*5,075*	*4,752*	*4,672*	*4,591*
9,400–9,599	*5,125*	*4,802*	*4,722*	*4,641*
9,600–9,799	*5,175*	*4,852*	*4,772*	*4,691*
9,800–9,999	*5,225*	*4,902*	*4,822*	*4,741*
10,000–10,199	*5,275*	*4,952*	*4,872*	*4,791*
10,200–10,399	*5,325*	*5,002*	*4,922*	*4,841*
10,400–10,599	*5,375*	*5,052*	*4,972*	*4,891*
10,600–10,799	*5,425*	*5,102*	*5,022*	*4,941*
10,800–10,999	*5,475*	*5,152*	*5,072*	*4,991*
11,000–11,199	*5,525*	*5,202*	*5,122*	*5,041*
11,200–11,399	*5,575*	*5,252*	*5,172*	*5,091*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$601–800	*$801–1,000*	*$1,001–1,200*	*$1,201–1,400*	*$1,401–1,600*
	Then the award is:				
$0–$199	*$2,185*	*$2,105*	*$2,008*	*$1,887*	*$1,745*
200–399	*2,260*	*2,180*	*2,083*	*1,952*	*1,820*
400–599	*2,310*	*2,230*	*2,133*	*2,002*	*1,870*
600–799	*2,360*	*2,280*	*2,183*	*2,052*	*1,920*
800–999	*2,410*	*2,330*	*2,233*	*2,102*	*1,970*
1,000–1,199	*2,460*	*2,380*	*2,283*	*2,152*	*2,020*
1,200–1,399	*2,510*	*2,430*	*2,333*	*2,202*	*2,070*
1,400–1,599	*2,560*	*2,480*	*2,383*	*2,252*	*2,120*
1,600–1,799	*2,610*	*2,530*	*2,433*	*2,302*	*2,170*
1,800–1,999	*2,660*	*2,580*	*2,483*	*2,352*	*2,220*
2,000–2,199	*2,710*	*2,630*	*2,533*	*2,402*	*2,270*
2,200–2,399	*2,760*	*2,680*	*2,583*	*2,452*	*2,320*
2,400–2,599	*2,810*	*2,730*	*2,633*	*2,502*	*2,370*
2,600–2,799	*2,860*	*2,780*	*2,683*	*2,552*	*2,420*
2,800–2,999	*2,910*	*2,830*	*2,733*	*2,602*	*2,470*
3,000–3,199	*2,960*	*2,880*	*2,783*	*2,652*	*2,520*
3,200–3,399	*3,010*	*2,930*	*2,833*	*2,702*	*2,570*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$601–800	*$801–1,000*	*$1,001–1,200*	*$1,201–1,400*	*$1,401–1,600*
3,400–3,599	*3,060*	*2,980*	*2,883*	*2,752*	*2,620*
3,600–3,799	*3,110*	*3,030*	*2,933*	*2,802*	*2,670*
3,800–3,999	*3,160*	*3,080*	*2,983*	*2,852*	*2,720*
4,000–4,199	*3,210*	*3,130*	*3,033*	*2,902*	*2,770*
4,200–4,399	*3,260*	*3,180*	*3,083*	*2,952*	*2,820*
4,400–4,599	*3,310*	*3,230*	*3,133*	*3,002*	*2,870*
4,600–4,799	*3,360*	*3,280*	*3,183*	*3,052*	*2,920*
4,800–4,999	*3,410*	*3,330*	*3,233*	*3,102*	*2,970*
5,000–5,199	*3,460*	*3,380*	*3,283*	*3,152*	*3,020*
5,200–5,399	*3,510*	*3,430*	*3,333*	*3,202*	*3,070*
5,400–5,599	*3,560*	*3,480*	*3,383*	*3,252*	*3,120*
5,600–5,799	*3,610*	*3,530*	*3,433*	*3,302*	*3,170*
5,800–5,999	*3,660*	*3,580*	*3,483*	*3,352*	*3,220*
6,000–6,199	*3,710*	*3,630*	*3,533*	*3,402*	*3,270*
6,200–6,399	*3,760*	*3,680*	*3,583*	*3,452*	*3,320*
6,400–6,599	*3,810*	*3,730*	*3,633*	*3,502*	*3,370*
6,600–6,799	*3,860*	*3,780*	*3,683*	*3,552*	*3,420*
6,800–6,999	*3,910*	*3,830*	*3,733*	*3,602*	*3,470*
7,000–7,199	*3,960*	*3,880*	*3,783*	*3,652*	*3,520*
7,200–7,399	*4,010*	*3,930*	*3,833*	*3,702*	*3,570*
7,400–7,599	*4,060*	*3,980*	*3,883*	*3,752*	*3,620*
7,600–7,799	*4,110*	*4,030*	*3,933*	*3,802*	*3,670*
7,800–7,999	*4,160*	*4,080*	*3,983*	*3,852*	*3,720*
8,000–8,199	*4,210*	*4,130*	*4,033*	*3,902*	*3,770*
8,200–8,399	*4,260*	*4,180*	*4,083*	*3,952*	*3,820*
8,400–8,599	*4,310*	*4,230*	*4,133*	*4,002*	*3,870*
8,600–8,799	*4,360*	*4,280*	*4,183*	*4,052*	*3,920*
8,800–8,999	*4,410*	*4,330*	*4,233*	*4,102*	*3,970*
9,000–9,199	*4,460*	*4,380*	*4,283*	*4,152*	*4,020*
9,200–9,399	*4,510*	*4,430*	*4,333*	*4,202*	*4,070*
9,400–9,599	*4,560*	*4,480*	*4,383*	*4,252*	*4,120*
9,600–9,799	*4,610*	*4,530*	*4,433*	*4,302*	*4,170*
9,800–9,999	*4,660*	*4,580*	*4,483*	*4,352*	*4,220*
10,000–10,199	*4,710*	*4,630*	*4,533*	*4,402*	*4,270*
10,200–10,399	*4,760*	*4,680*	*4,583*	*4,452*	*4,320*
10,400–10,599	*4,810*	*4,730*	*4,633*	*4,502*	*4,370*
10,600–10,799	*4,860*	*4,780*	*4,683*	*4,552*	*4,420*
10,800–10,999	*4,910*	*4,830*	*4,733*	*4,602*	*4,470*
11,000–11,199	*4,960*	*4,880*	*4,783*	*4,652*	*4,520*
11,200–11,399	*5,010*	*4,930*	*4,833*	*4,702*	*4,570*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$1,601–1,800	*$1,801–2,000*	*$2,001–2,200*	*$2,201–2,400*	*$2,401–2,600*
	Then the award is:				
$0–$199	*$1,614*	*$1,483*	*$1,329*	*$1,143*	*$957*
200–399	*1,689*	*1,558*	*1,404*	*1,218*	*1,032*
400–599	*1,739*	*1,608*	*1,454*	*1,268*	*1,082*
600–799	*1,789*	*1,658*	*1,504*	*1,318*	*1,132*
800–999	*1,839*	*1,708*	*1,554*	*1,368*	*1,182*
1,000–1,199	*1,889*	*1,758*	*1,604*	*1,418*	*1,232*
1,200–1,399	*1,939*	*1,808*	*1,654*	*1,468*	*1,282*
1,400–1,599	*1,989*	*1,858*	*1,704*	*1,518*	*1,332*
1,600–1,799	*2,039*	*1,908*	*1,754*	*1,568*	*1,382*
1,800–1,999	*2,089*	*1,958*	*1,804*	*1,618*	*1,432*
2,000–2,199	*2,139*	*2,008*	*1,854*	*1,668*	*1,482*
2,200–2,399	*2,189*	*2,058*	*1,904*	*1,718*	*1,532*
2,400–2,599	*2,239*	*2,108*	*1,954*	*1,768*	*1,582*
2,600–2,799	*2,289*	*2,158*	*2,004*	*1,818*	*1,632*
2,800–2,999	*2,339*	*2,208*	*2,054*	*1,868*	*1,682*
3,000–3,199	*2,389*	*2,258*	*2,104*	*1,918*	*1,732*
3,200–3,399	*2,439*	*2,308*	*2,154*	*1,968*	*1,782*
3,400–3,599	*2,489*	*2,358*	*2,204*	*2,018*	*1,832*
3,600–3,799	*2,539*	*2,408*	*2,254*	*2,068*	*1,882*
3,800–3,999	*2,589*	*2,458*	*2,304*	*2,118*	*1,932*
4,000–4,199	*2,639*	*2,508*	*2,354*	*2,168*	*1,982*
4,200–4,399	*2,689*	*2,558*	*2,404*	*2,218*	*2,032*
4,400–4,599	*2,739*	*2,608*	*2,454*	*2,268*	*2,082*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$1,601–1,800	*$1,801–2,000*	*$2,001–2,200*	*$2,201–2,400*	*$2,401–2,600*
4,600–4,799	2,789	2,658	2,504	2,318	2,132
4,800–4,999	2,839	2,708	2,554	2,368	2,182
5,000–5,199	2,889	2,758	2,604	2,418	2,232
5,200–5,399	2,939	2,808	2,654	2,468	2,282
5,400–5,599	2,989	2,858	2,704	2,518	2,332
5,600–5,799	3,039	2,908	2,754	2,568	2,382
5,800–5,999	3,089	2,958	2,804	2,618	2,432
6,000–6,199	3,139	3,008	2,854	2,668	2,482
6,200–6,399	3,189	3,058	2,904	2,718	2,532
6,400–6,599	3,239	3,108	2,954	2,768	2,582
6,600–6,799	3,289	3,158	3,004	2,818	2,632
6,800–6,999	3,339	3,208	3,054	2,868	2,682
7,000–7,199	3,389	3,258	3,104	2,918	2,732
7,200–7,399	3,439	3,308	3,154	2,968	2,782
7,400–7,599	3,489	3,358	3,204	3,018	2,832
7,600–7,799	3,539	3,408	3,254	3,068	2,882
7,800–7,999	3,589	3,458	3,304	3,118	2,932
8,000–8,199	3,639	3,508	3,354	3,168	2,982
8,200–8,399	3,689	3,558	3,404	3,218	3,032
8,400–8,599	3,739	3,608	3,454	3,268	3,082
8,600–8,799	3,789	3,658	3,504	3,318	3,132
8,800–8,999	3,839	3,708	3,554	3,368	3,182
9,000–9,199	3,889	3,758	3,604	3,418	3,232
9,200–9,399	3,939	3,808	3,654	3,468	3,282
9,400–9,599	3,989	3,858	3,704	3,518	3,332
9,600–9,799	4,039	3,908	3,754	3,568	3,382
9,800–9,999	4,089	3,958	3,804	3,618	3,432
10,000–10,199	4,139	4,008	3,854	3,668	3,482
10,200–10,399	4,189	4,058	3,904	3,718	3,532
10,400–10,599	4,239	4,108	3,954	3,768	3,582
10,600–10,799	4,289	4,158	4,004	3,818	3,632
10,800–10,999	4,339	4,208	4,054	3,868	3,682
11,000–11,199	4,389	4,258	4,104	3,918	3,732
11,200–11,399	4,439	4,308	4,154	3,968	3,782

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$2,601–2,800	*$2,801–3,000*	*$3,001–3,200*	*$3,201–3,400*	*$3,401–3,600*
	Then the award is:				
$0–$199	$780	$620	$459	$298	$159
200–399	855	695	534	373	234
400–599	905	745	584	423	284
600–799	955	795	634	473	334
800–999	1,005	845	684	523	384
1,000–1,199	1,055	895	734	573	434
1,200–1,399	1,105	945	784	623	484
1,400–1,599	1,155	995	834	673	534
1,600–1,799	1,205	1,045	884	723	584
1,800–1,999	1,255	1,095	934	773	634
2,000–2,199	1,305	1,145	984	823	684
2,200–2,399	1,355	1,195	1,034	873	734
2,400–2,599	1,405	1,245	1,084	923	784
2,600–2,799	1,455	1,295	1,134	973	834
2,800–2,999	1,505	1,345	1,184	1,023	884
3,000–3,199	1,555	1,395	1,234	1,073	934
3,200–3,399	1,605	1,445	1,284	1,123	984
3,400–3,599	1,655	1,495	1,334	1,173	1,034
3,600–3,799	1,705	1,545	1,384	1,223	1,084
3,800–3,999	1,755	1,595	1,434	1,273	1,134
4,000–4,199	1,805	1,645	1,484	1,323	1,184
4,200–4,399	1,855	1,695	1,534	1,373	1,234
4,400–4,599	1,905	1,745	1,584	1,423	1,284
4,600–4,799	1,955	1,795	1,634	1,473	1,334
4,800–4,999	2,005	1,845	1,684	1,523	1,384
5,000–5,199	2,055	1,895	1,734	1,573	1,434
5,200–5,399	2,105	1,945	1,784	1,623	1,484
5,400–5,599	2,155	1,995	1,834	1,673	1,534
5,600–5,799	2,205	2,045	1,884	1,723	1,584

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$2,601–2,800	*$2,801–3,000*	*$3,001–3,200*	*$3,201–3,400*	*$3,401–3,600*
5,800–5,999	2,255	2,095	1,934	1,773	1,634
6,000–6,199	2,305	2,145	1,984	1,823	1,684
6,200–6,399	2,355	2,195	2,034	1,873	1,734
6,400–6,599	2,405	2,245	2,084	1,923	1,784
6,600–6,799	2,455	2,295	2,134	1,973	1,834
6,800–6,999	2,505	2,345	2,184	2,023	1,884
7,000–7,199	2,555	2,395	2,234	2,073	1,934
7,200–7,399	2,605	2,445	2,284	2,123	1,984
7,400–7,599	2,655	2,495	2,334	2,173	2,034
7,600–7,799	2,705	2,545	2,384	2,223	2,084
7,800–7,999	2,755	2,595	2,434	2,273	2,134
8,000–8,199	2,805	2,645	2,484	2,323	2,184
8,200–8,399	2,855	2,695	2,534	2,373	2,234
8,400–8,599	2,905	2,745	2,584	2,423	2,284
8,600–8,799	2,955	2,795	2,634	2,473	2,334
8,800–8,999	3,005	2,845	2,684	2,523	2,384
9,000–9,199	3,055	2,895	2,734	2,573	2,434
9,200–9,399	3,105	2,945	2,784	2,623	2,484
9,400–9,599	3,155	2,995	2,834	2,673	2,534
9,600–9,799	3,205	3,045	2,884	2,723	2,584
9,800–9,999	3,255	3,095	2,934	2,773	2,634
10,000–10,199	3,305	3,145	2,984	2,823	2,684
10,200–10,399	3,355	3,195	3,034	2,873	2,734
10,400–10,599	3,405	3,245	3,084	2,923	2,784
10,600–10,799	3,455	3,295	3,134	2,973	2,834
10,800–10,999	3,505	3,345	3,184	3,023	2,884
11,000–11,199	3,555	3,395	3,234	3,073	2,934
11,200–11,399	3,605	3,445	3,284	3,123	2,984

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$3,601–3,800	*$3,801–4,000*	*$4,001–4,200*	*$4,201–4,400*	*$4,401–4,600*
	Then the award is:				
$0–$199	$22	−$115	−$252	−$368	−$485
200–399	97	−40	−177	−293	−410
400–599	147	10	−127	−243	−360
600–799	197	60	−77	−193	−310
800–999	247	110	−27	−143	−260
1,000–1,199	297	160	23	−93	−210
1,200–1,399	347	210	73	−43	−160
1,400–1,599	397	260	123	7	−110
1,600–1,799	447	310	173	57	−60
1,800–1,999	497	360	223	107	−10
2,000–2,199	547	410	273	157	40
2,200–2,399	597	460	323	207	90
2,400–2,599	647	510	373	257	140
2,600–2,799	697	560	423	307	190
2,800–2,999	747	610	473	357	240
3,000–3,199	797	660	523	407	290
3,200–3,399	847	710	573	457	340
3,400–3,599	897	760	623	507	390
3,600–3,799	947	810	673	557	440
3,800–3,999	997	860	723	607	490
4,000–4,199	1,047	910	773	657	540
4,200–4,399	1,097	960	823	707	590
4,400–4,599	1,147	1,010	873	757	640
4,600–4,799	1,197	1,060	923	807	690
4,800–4,999	1,247	1,110	973	857	740
5,000–5,199	1,297	1,160	1,023	907	790
5,200–5,399	1,347	1,210	1,073	957	840
5,400–5,599	1,397	1,260	1,123	1,007	890
5,600–5,799	1,447	1,310	1,173	1,057	940
5,800–5,999	1,497	1,360	1,223	1,107	990
6,000–6,199	1,547	1,410	1,273	1,157	1,040
6,200–6,399	1,597	1,460	1,323	1,207	1,090
6,400–6,599	1,647	1,510	1,373	1,257	1,140
6,600–6,799	1,697	1,560	1,423	1,307	1,190
6,800–6,999	1,747	1,610	1,473	1,357	1,240

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$3,601–3,800	*$3,801–4,000*	*$4,001–4,200*	*$4,201–4,400*	*$4,401–4,600*
7,000–7,199	*1,797*	*1,660*	*1,523*	*1,407*	*1,290*
7,200–7,399	*1,847*	*1,710*	*1,573*	*1,457*	*1,340*
7,400–7,599	*1,897*	*1,760*	*1,623*	*1,507*	*1,390*
7,600–7,799	*1,947*	*1,810*	*1,673*	*1,557*	*1,440*
7,800–7,999	*1,997*	*1,860*	*1,723*	*1,607*	*1,490*
8,000–8,199	*2,047*	*1,910*	*1,773*	*1,657*	*1,540*
8,200–8,399	*2,097*	*1,960*	*1,823*	*1,707*	*1,590*
8,400–8,599	*2,147*	*2,010*	*1,873*	*1,757*	*1,640*
8,600–8,799	*2,197*	*2,060*	*1,923*	*1,807*	*1,690*
8,800–8,999	*2,247*	*2,110*	*1,973*	*1,857*	*1,740*
9,000–9,199	*2,297*	*2,160*	*2,023*	*1,907*	*1,790*
9,200–9,399	*2,347*	*2,210*	*2,073*	*1,957*	*1,840*
9,400–9,599	*2,397*	*2,260*	*2,123*	*2,007*	*1,890*
9,600–9,799	*2,447*	*2,310*	*2,173*	*2,057*	*1,940*
9,800–9,999	*2,497*	*2,360*	*2,223*	*2,107*	*1,990*
10,000–10,199	*2,547*	*2,410*	*2,273*	*2,157*	*2,040*
10,200–10,399	*2,597*	*2,460*	*2,323*	*2,207*	*2,090*
10,400–10,599	*2,647*	*2,510*	*2,373*	*2,257*	*2,140*
10,600–10,799	*2,697*	*2,560*	*2,423*	*2,307*	*2,190*
10,800–10,999	*2,747*	*2,610*	*2,473*	*2,357*	*2,240*
11,000–11,199	*2,797*	*2,660*	*2,523*	*2,407*	*2,290*
11,200–11,399	*2,847*	*2,710*	*2,573*	*2,457*	*2,340*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with dependents

If tuition is:	*And expected family contribution is:*				
	$4,601–4,800	*$4,801–5,000*	*$5,001–5,200*	*$5,201–5,400*	*$5,401–5,600*
	Then the award is:				
$0–$199	*−$601*	*−$718*	*−$831*	*−$930*	*−$1,029*
200–399	*−526*	*−643*	*−756*	*−855*	*−954*
400–599	*−476*	*−593*	*−706*	*−805*	*−904*
600–799	*−426*	*−543*	*−656*	*−755*	*−854*
800–999	*−376*	*−493*	*−606*	*−705*	*−804*
1,000–1,199	*−326*	*−443*	*−556*	*−655*	*−754*
1,200–1,399	*−276*	*−393*	*−506*	*−605*	*−704*
1,400–1,599	*−226*	*−343*	*−456*	*−555*	*−654*
1,600–1,799	*−176*	*−293*	*−406*	*−505*	*−604*
1,800–1,999	*−126*	*−243*	*−356*	*−455*	*−554*
2,000–2,199	*−76*	*−193*	*−306*	*−405*	*−504*
2,200–2,399	*−26*	*−143*	*−256*	*−355*	*−454*
2,400–2,599	*24*	*−93*	*−206*	*−305*	*−404*
2,600–2,799	*74*	*−43*	*−156*	*−255*	*−354*
2,800–2,999	*124*	*7*	*−106*	*−205*	*−304*
3,000–3,199	*174*	*57*	*−56*	*−155*	*−254*
3,200–3,399	*224*	*107*	*−6*	*−105*	*−204*
3,400–3,599	*274*	*157*	*44*	*−55*	*−154*
3,600–3,799	*324*	*207*	*94*	*−5*	*−104*
3,800–3,999	*374*	*257*	*144*	*45*	*−54*
4,000–4,199	*424*	*307*	*194*	*95*	*−4*
4,200–4,399	*474*	*357*	*244*	*145*	*46*
4,400–4,599	*524*	*407*	*294*	*195*	*96*
4,600–4,799	*574*	*457*	*344*	*245*	*146*
4,800–4,999	*624*	*507*	*394*	*295*	*196*
5,000–5,199	*674*	*557*	*444*	*345*	*246*
5,200–5,399	*724*	*607*	*494*	*395*	*296*
5,400–5,599	*774*	*657*	*544*	*445*	*346*
5,600–5,799	*824*	*707*	*594*	*495*	*396*
5,800–5,999	*874*	*757*	*644*	*545*	*446*
6,000–6,199	*924*	*807*	*694*	*595*	*496*
6,200–6,399	*974*	*857*	*744*	*645*	*546*
6,400–6,599	*1,024*	*907*	*794*	*695*	*596*
6,600–6,799	*1,074*	*957*	*844*	*745*	*646*
6,800–6,999	*1,124*	*1,007*	*894*	*795*	*696*
7,000–7,199	*1,174*	*1,057*	*944*	*845*	*746*
7,200–7,399	*1,224*	*1,107*	*994*	*895*	*796*
7,400–7,599	*1,274*	*1,157*	*1,044*	*945*	*846*
7,600–7,799	*1,324*	*1,207*	*1,094*	*995*	*896*
7,800–7,999	*1,374*	*1,257*	*1,144*	*1,045*	*946*
8,000–8,199	*1,424*	*1,307*	*1,194*	*1,095*	*996*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with dependents

If tuition is:	*And expected family contribution is:*				
	$4,601–4,800	*$4,801–5,000*	*$5,001–5,200*	*$5,201–5,400*	*$5,401–5,600*
8,200–8,399	*1,474*	*1,357*	*1,244*	*1,145*	*1,046*
8,400–8,599	*1,524*	*1,407*	*1,294*	*1,195*	*1,096*
8,600–8,799	*1,574*	*1,457*	*1,344*	*1,245*	*1,146*
8,800–8,999	*1,624*	*1,507*	*1,394*	*1,295*	*1,196*
9,000–9,199	*1,674*	*1,557*	*1,444*	*1,345*	*1,246*
9,200–9,399	*1,724*	*1,607*	*1,494*	*1,395*	*1,296*
9,400–9,599	*1,774*	*1,657*	*1,544*	*1,445*	*1,346*
9,600–9,799	*1,824*	*1,707*	*1,594*	*1,495*	*1,396*
9,800–9,999	*1,874*	*1,757*	*1,644*	*1,545*	*1,446*
10,000–10,199	*1,924*	*1,807*	*1,694*	*1,595*	*1,496*
10,200–10,399	*1,974*	*1,857*	*1,744*	*1,645*	*1,546*
10,400–10,599	*2,024*	*1,907*	*1,794*	*1,695*	*1,596*
10,600–10,799	*2,074*	*1,957*	*1,844*	*1,745*	*1,646*
10,800–10,999	*2,124*	*2,007*	*1,894*	*1,795*	*1,696*
11,000–11,199	*2,174*	*2,057*	*1,944*	*1,845*	*1,746*
11,200–11,399	*2,224*	*2,107*	*1,994*	*1,895*	*1,796*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$5,601–5,800	*$5,801–6,000*	*$6,001–6,200*	*$6,201–6,400*	*$6,401–6,600*
Then the award is:					
$0–$199	*−$1,128*	*−$1,227*	*−$1,330*	*−$1,433*	*−$1,535*
200–399	*−1,053*	*−1,152*	*−1,255*	*−1,358*	*−1,460*
400–599	*−1,003*	*−1,102*	*−1,205*	*−1,308*	*−1,410*
600–799	*−953*	*−1,052*	*−1,155*	*−1,258*	*−1,360*
800–999	*−903*	*−1,002*	*−1,105*	*−1,208*	*−1,310*
1,000–1,199	*−853*	*−952*	*−1,055*	*−1,158*	*−1,260*
1,200–1,399	*−803*	*−902*	*−1,005*	*−1,108*	*−1,210*
1,400–1,599	*−753*	*−852*	*−955*	*−1,058*	*−1,160*
1,600–1,799	*−703*	*−802*	*−905*	*−1,008*	*−1,110*
1,800–1,999	*−653*	*−752*	*−855*	*−958*	*−1,060*
2,000–2,199	*−603*	*−702*	*−805*	*−908*	*−1,010*
2,200–2,399	*−553*	*−652*	*−755*	*−858*	*−960*
2,400–2,599	*−503*	*−602*	*−705*	*−808*	*−910*
2,600–2,799	*−453*	*−552*	*−655*	*−758*	*−860*
2,800–2,999	*−403*	*−502*	*−605*	*−708*	*−810*
3,000–3,199	*−353*	*−452*	*−555*	*−658*	*−760*
3,200–3,399	*−303*	*−402*	*−505*	*−608*	*−710*
3,400–3,599	*−253*	*−352*	*−455*	*−558*	*−660*
3,600–3,799	*−203*	*−302*	*−405*	*−508*	*−610*
3,800–3,999	*−153*	*−252*	*−355*	*−458*	*−560*
4,000–4,199	*−103*	*−202*	*−305*	*−408*	*−510*
4,200–4,399	*−53*	*−152*	*−255*	*−358*	*−460*
4,400–4,599	*−3*	*−102*	*−205*	*−308*	*−410*
4,600–4,799	*47*	*−52*	*−155*	*−258*	*−360*
4,800–4,999	*97*	*−2*	*−105*	*−208*	*−310*
5,000–5,199	*147*	*48*	*−55*	*−158*	*−260*
5,200–5,399	*197*	*98*	*−5*	*−108*	*−210*
5,400–5,599	*247*	*148*	*45*	*−58*	*−160*
5,600–5,799	*297*	*198*	*95*	*−8*	*−110*
5,800–5,999	*347*	*248*	*145*	*42*	*−60*
6,000–6,199	*397*	*298*	*195*	*92*	*−10*
6,200–6,399	*447*	*348*	*245*	*142*	*40*
6,400–6,599	*497*	*398*	*295*	*192*	*90*
6,600–6,799	*547*	*448*	*345*	*242*	*140*
6,800–6,999	*597*	*498*	*395*	*292*	*190*
7,000–7,199	*647*	*548*	*445*	*342*	*240*
7,200–7,399	*697*	*598*	*495*	*392*	*290*
7,400–7,599	*747*	*648*	*545*	*442*	*340*
7,600–7,799	*797*	*698*	*595*	*492*	*390*
7,800–7,999	*847*	*748*	*645*	*542*	*440*
8,000–8,199	*897*	*798*	*695*	*592*	*490*
8,200–8,399	*947*	*848*	*745*	*642*	*540*
8,400–8,599	*997*	*898*	*795*	*692*	*590*
8,600–8,799	*1,047*	*948*	*845*	*742*	*640*
8,800–8,999	*1,097*	*998*	*895*	*792*	*690*
9,000–9,199	*1,147*	*1,048*	*945*	*842*	*740*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*				
	$5,601–5,800	*$5,801–6,000*	*$6,001–6,200*	*$6,201–6,400*	*$6,401–6,600*
9,200–9,399	*1,197*	*1,098*	*995*	*892*	*790*
9,400–9,599	*1,247*	*1,148*	*1,045*	*942*	*840*
9,600–9,799	*1,297*	*1,198*	*1,095*	*992*	*890*
9,800–9,999	*1,347*	*1,248*	*1,145*	*1,042*	*940*
10,000–10,199	*1,397*	*1,298*	*1,195*	*1,092*	*990*
10,200–10,399	*1,447*	*1,348*	*1,245*	*1,142*	*1,040*
10,400–10,599	*1,497*	*1,398*	*1,295*	*1,192*	*1,090*
10,600–10,799	*1,547*	*1,448*	*1,345*	*1,242*	*1,140*
10,800–10,999	*1,597*	*1,498*	*1,395*	*1,292*	*1,190*
11,000–11,199	*1,647*	*1,548*	*1,445*	*1,342*	*1,240*
11,200–11,399	*1,697*	*1,598*	*1,495*	*1,392*	*1,290*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*			
	$6,601–6,800	*$6,801–7,000*	*$7,001–7,200*	*$7,201–7,400*
Then the award is:				
$0–$199	*–$1,638*	*–$1,740*	*–$1,843*	*–$1,945*
200–399	*–1,563*	*–1,665*	*–1,768*	*–1,870*
400–599	*–1,513*	*–1,615*	*–1,718*	*–1,820*
600–799	*–1,463*	*–1,565*	*–1,668*	*–1,770*
800–999	*–1,413*	*–1,515*	*–1,618*	*–1,720*
1,000–1,199	*–1,363*	*–1,465*	*–1,568*	*–1,670*
1,200–1,399	*–1,313*	*–1,415*	*–1,518*	*–1,620*
1,400–1,599	*–1,263*	*–1,365*	*–1,468*	*–1,570*
1,600–1,799	*–1,213*	*–1,315*	*–1,418*	*–1,520*
1,800–1,999	*–1,163*	*–1,265*	*–1,368*	*–1,470*
2,000–2,199	*–1,113*	*–1,215*	*–1,318*	*–1,420*
2,200–2,399	*–1,063*	*–1,165*	*–1,268*	*–1,370*
2,400–2,599	*–1,013*	*–1,115*	*–1,218*	*–1,320*
2,600–2,799	*–963*	*–1,065*	*–1,168*	*–1,270*
2,800–2,999	*–913*	*–1,015*	*–1,118*	*–1,220*
3,000–3,199	*–863*	*–965*	*–1,068*	*–1,170*
3,200–3,399	*–813*	*–915*	*–1,018*	*–1,120*
3,400–3,599	*–763*	*–865*	*–968*	*–1,070*
3,600–3,799	*–713*	*–815*	*–918*	*–1,020*
3,800–3,999	*–663*	*–765*	*–868*	*–970*
4,000–4,199	*–613*	*–715*	*–818*	*–920*
4,200–4,399	*–563*	*–665*	*–768*	*–870*
4,400–4,599	*–513*	*–615*	*–718*	*–820*
4,600–4,799	*–463*	*–565*	*–668*	*–770*
4,800–4,999	*–413*	*–515*	*–618*	*–720*
5,000–5,199	*–363*	*–465*	*–568*	*–670*
5,200–5,399	*–313*	*–415*	*–518*	*–620*
5,400–5,599	*–263*	*–365*	*–468*	*–570*
5,600–5,799	*–213*	*–315*	*–418*	*–520*
5,800–5,999	*–163*	*–265*	*–368*	*–470*
6,000–6,199	*–113*	*–215*	*–318*	*–420*
6,200–6,399	*–63*	*–165*	*–268*	*–370*
6,400–6,599	*–13*	*–115*	*–218*	*–320*
6,600–6,799	*37*	*–65*	*–168*	*–270*
6,800–6,999	*87*	*–15*	*–118*	*–220*
7,000–7,199	*137*	*35*	*–68*	*–170*
7,200–7,399	*187*	*85*	*–18*	*–120*
7,400–7,599	*237*	*135*	*32*	*–70*
7,600–7,799	*287*	*185*	*82*	*–20*
7,800–7,999	*337*	*235*	*132*	*30*
8,000–8,199	*387*	*285*	*182*	*80*
8,200–8,399	*437*	*335*	*232*	*130*
8,400–8,599	*487*	*385*	*282*	*180*
8,600–8,799	*537*	*435*	*332*	*230*
8,800–8,999	*587*	*485*	*382*	*280*
9,000–9,199	*637*	*535*	*432*	*330*
9,200–9,399	*687*	*585*	*482*	*380*
9,400–9,599	*737*	*635*	*532*	*430*
9,600–9,799	*787*	*685*	*582*	*480*
9,800–9,999	*837*	*735*	*632*	*530*
10,000–10,199	*887*	*785*	*682*	*580*

TABLE 3.—PELL GRANT PAYMENT SCHEDULE—Continued

Dependent Students, Independent Students with Dependents

If tuition is:	*And expected family contribution is:*			
	$6,601–6,800	*$6,801–7,000*	*$7,001–7,200*	*$7,201–7,400*
10,200–10,399	937	835	732	630
10,400–10,599	987	885	782	680
10,600–10,799	1,037	935	832	730
10,800–10,999	1,087	985	882	780
11,000–11,199	1,137	1,035	932	830
11,200–11,399	1,187	1,085	982	880

TABLE 4.—PELL GRANT PAYMENT SCHEDULE

Single Independent Students

If tuition is:	*And expected family contribution is:*				
	$0–2,000	*$2,001–2,200*	*$2,201–2,400*	*$2,401–2,600*	*$2,601–2,800*
	Then the award is:				
$0–$199	$2,750	$2,447	$2,137	$1,826	$1,515
200–399	2,825	2,522	2,212	1,901	1,590
400–599	2,875	2,572	2,262	1,951	1,640
600–799	2,925	2,622	2,312	2,001	1,690
800–999	2,975	2,672	2,362	2,051	1,740
1,000–1,199	3,025	2,722	2,412	2,101	1,790
1200–1,399	3,075	2,772	2,462	2,151	1,840
1400–1,599	3,125	2,822	2,512	2,201	1,890
1,600–1,799	3,175	2,872	2,562	2,251	1,940
1,800–1,999	3,225	2,922	2,612	2,301	1,990
2,000–2,199	3,275	2,972	2,662	2,351	2,040
2,200–2,399	3,325	3,022	2,712	2,401	2,090
2,400–2,599	3,375	3,072	2,762	2,451	2,140
2,600–2,799	3,425	3,122	2,812	2,501	2,190
2,800–2,999	3,475	3,172	2,862	2,551	2,240
3,000–3,199	3,525	3,222	2,912	2,601	2,290
3,200–3,399	3,575	3,272	2,962	2,651	2,340
3,400–3,599	3,625	3,322	3,012	2,701	2,390
3,600–3,799	3,675	3,372	3,062	2,751	2,440
3,800–3,999	3,725	3,422	3,112	2,801	2,490
4,000–4,199	3,775	3,472	3,162	2,851	2,540
4,200–4,399	3,825	3,522	3,212	2,901	2,590
4,400–4,599	3,875	3,572	3,262	2,951	2,640
4,600–4,799	3,925	3,622	3,312	3,001	2,690
4,800–4,999	3,975	3,672	3,362	3,051	2,740
5,000–5,199	4,025	3,722	3,412	3,101	2,790
5,200–5,399	4,075	3,772	3,462	3,151	2,840
5,400–5,599	4,125	3,822	3,512	3,201	2,890
5,600–5,799	4,175	3,872	3,562	3,251	2,940
5,800–5,999	4,225	3,922	3,612	3,301	2,990
6,000–6,199	4,275	3,972	3,662	3,351	3,040
6,200–6,399	4,325	4,022	3,712	3,401	3,090
6,400–6,599	4,375	4,072	3,762	3,451	3,140
6,600–6,799	4,425	4,122	3,812	3,501	3,190
6,800–6,999	4,475	4,172	3,862	3,551	3,240
7,000–7,199	4,525	4,222	3,912	3,601	3,290
7,200–7,399	4,575	4,272	3,962	3,651	3,340
7,400–7,599	4,625	4,322	4,012	3,701	3,390
7,600–7,799	4,675	4,372	4,062	3,751	3,440
7,800–7,999	4,725	4,422	4,112	3,801	3,490
8,000–8,199	4,775	4,472	4,162	3,851	3,540
8,200–8,399	4,825	4,522	4,212	3,901	3,590
8,400–8,599	4,875	4,572	4,262	3,951	3,640
8,600–8,799	4,925	4,622	4,312	4,001	3,690
8,800–8,999	4,975	4,672	4,362	4,051	3,740
9,000–9,199	5,025	4,722	4,412	4,101	3,790
9,200–9,399	5,075	4,772	4,462	4,151	3,840
9,400–9,599	5,125	4,822	4,512	4,201	3,890
9,600–9,799	5,175	4,872	4,562	4,251	3,940
9,800–9,999	5,225	4,922	4,612	4,301	3,990
10,000–10,199	5,275	4,972	4,662	4,351	4,040
10,200–10,399	5,325	5,022	4,712	4,401	4,090
10,400–10,599	5,375	5,072	4,762	4,451	4,140
10,600–10,799	5,425	5,122	4,812	4,501	4,190
10,800–10,999	5,475	5,172	4,862	4,551	4,240
11,000–11,199	5,525	5,222	4,912	4,601	4,290
11,200–11,399	5,575	5,272	4,962	4,651	4,340

TABLE 4.—PELL GRANT PAYMENT SCHEDULE—Continued

Single Independent Students

If tuition is:	*And expected family contribution is:*				
	$2,801–3,000	*$3,001–3,200*	*$3,201–3,400*	*$3,401–3,600*	*$3,601–3,800*
	Then the award is:				
$0–$199	*$1,205*	*$894*	*$584*	*$273*	*−$38*
200–399	*1,280*	*969*	*659*	*348*	*37*
400–599	*1,330*	*1,019*	*709*	*398*	*87*
600–799	*1,380*	*1,069*	*759*	*448*	*137*
800–999	*1,430*	*1,119*	*809*	*498*	*187*
1,000–1,199	*1,480*	*1,169*	*859*	*548*	*237*
1,200–1,399	*1,530*	*1,219*	*909*	*598*	*287*
1,400–1,599	*1,580*	*1,269*	*959*	*648*	*337*
1,600–1,799	*1,630*	*1,319*	*1,009*	*698*	*387*
1,800–1,999	*1,680*	*1,369*	*1,059*	*748*	*437*
2,000–2,199	*1,730*	*1,419*	*1,109*	*798*	*487*
2,200–2,399	*1,780*	*1,469*	*1,159*	*848*	*537*
2,400–2,599	*1,830*	*1,519*	*1,209*	*898*	*587*
2,600–2,799	*1,880*	*1,569*	*1,259*	*948*	*637*
2,800–2,999	*1,930*	*1,619*	*1,309*	*998*	*687*
3,000–3,199	*1,980*	*1,669*	*1,359*	*1,048*	*737*
3,200–3,399	*2,030*	*1,719*	*1,409*	*1,098*	*787*
3,400–3,599	*2,080*	*1,769*	*1,459*	*1,148*	*837*
3,600–3,799	*2,130*	*1,819*	*1,509*	*1,198*	*887*
3,800–3,999	*2,180*	*1,869*	*1,559*	*1,248*	*937*
4,000–4,199	*2,230*	*1,919*	*1,609*	*1,298*	*987*
4,200–4,399	*2,280*	*1,969*	*1,659*	*1,348*	*1,037*
4,400–4,599	*2,330*	*2,019*	*1,709*	*1,398*	*1,087*
4,600–4,799	*2,380*	*2,069*	*1,759*	*1,448*	*1,137*
4,800–4,999	*2,430*	*2,119*	*1,809*	*1,498*	*1,187*
5,000–5,199	*2,480*	*2,169*	*1,859*	*1,548*	*1,237*
5,200–5,399	*2,530*	*2,219*	*1,909*	*1,598*	*1,287*
5,400–5,599	*2,580*	*2,269*	*1,959*	*1,648*	*1,337*
5,600–5,799	*2,630*	*2,319*	*2,009*	*1,698*	*1,387*
5,800–5,999	*2,680*	*2,369*	*2,059*	*1,748*	*1,437*
6,000–6,199	*2,730*	*2,419*	*2,109*	*1,798*	*1,487*
6,200–6,399	*2,780*	*2,469*	*2,159*	*1,848*	*1,537*
6,400–6,599	*2,830*	*2,519*	*2,209*	*1,898*	*1,587*
6,600–6,799	*2,880*	*2,569*	*2,259*	*1,948*	*1,637*
6,800–6,999	*2,930*	*2,619*	*2,309*	*1,998*	*1,687*
7,000–7,199	*2,980*	*2,669*	*2,359*	*2,048*	*1,737*
7,200–7,399	*3,030*	*2,719*	*2,409*	*2,098*	*1,787*
7,400–7,599	*3,080*	*2,769*	*2,459*	*2,148*	*1,837*
7,600–7,799	*3,130*	*2,819*	*2,509*	*2,198*	*1,887*
7,800–7,999	*3,180*	*2,869*	*2,559*	*2,248*	*1,937*
8,000–8,199	*3,230*	*2,919*	*2,609*	*2,298*	*1,987*
8,200–8,399	*3,280*	*2,969*	*2,659*	*2,348*	*2,037*
8,400–8,599	*3,330*	*3,019*	*2,709*	*2,398*	*2,087*
8,600–8,799	*3,380*	*3,069*	*2,759*	*2,448*	*2,137*
8,800–8,999	*3,430*	*3,119*	*2,809*	*2,498*	*2,187*
9,000–9,199	*3,480*	*3,169*	*2,859*	*2,548*	*2,237*
9,200–9,399	*3,530*	*3,219*	*2,909*	*2,598*	*2,287*
9,400–9,599	*3,580*	*3,269*	*2,959*	*2,648*	*2,337*
9,600–9,799	*3,630*	*3,319*	*3,009*	*2,698*	*2,387*
9,800–9,999	*3,680*	*3,369*	*3,059*	*2,748*	*2,437*
10,000–10,199	*3,730*	*3,419*	*3,109*	*2,798*	*2,487*
10,200–10,399	*3,780*	*3,469*	*3,159*	*2,848*	*2,537*
10,400–10,599	*3,830*	*3,519*	*3,209*	*2,898*	*2,587*
10,600–10,799	*3,880*	*3,569*	*3,259*	*2,948*	*2,637*
10,800–10,999	*3,930*	*3,619*	*3,309*	*2,998*	*2,687*
11,000–11,199	*3,980*	*3,669*	*3,359*	*3,048*	*2,737*
11,200–11,399	*4,030*	*3,719*	*3,409*	*3,098*	*2,787*

TABLE 4.—PELL GRANT PAYMENT SCHEDULE

Single Independent Students

If tuition is:	*And expected family contribution is:*			
	$3,801–4,000	*$4,001–4,200*	*$4,201–4,400*	*$4,401–4,600*
	Then the award is:			
$0–$199	*−$348*	*−$659*	*−$970*	*−$1,280*
200–399	*−273*	*−584*	*−895*	*−1,205*
400–599	*−223*	*−534*	*−845*	*−1,155*

TABLE 4.—PELL GRANT PAYMENT SCHEDULE—Continued

Single Independent Students

If tuition is:	*And expected family contribution is:*			
	$3,801–4,000	*$4,001–4,200*	*$4,201–4,400*	*$4,401–4,600*
600–799	−173	−484	−795	−1,105
800–999	−123	−434	−745	−1,055
1,000–1,199	−73	−384	−695	−1,005
1,200–1,399	−23	−334	−645	−955
1,400–1,599	27	−284	−595	−905
1,600–1,799	77	−234	−545	−855
1,800–1,999	127	−184	−495	−805
2,000–2,199	177	−134	−445	−755
2,200–2,399	227	−84	−395	−705
2,400–2,599	277	−34	−345	−655
2,600–2,799	327	16	−295	−605
2,800–2,999	377	66	−245	−555
3,000–3,199	427	116	−195	−505
3,200–3,399	477	166	−145	−455
3,400–3,599	527	216	−95	−405
3,600–3,799	577	266	−45	−355
3,800–3,999	627	316	5	−305
4,000–4,199	677	366	55	−255
4,200–4,399	727	416	105	−205
4,400–4,599	777	466	155	−155
4,600–4,799	827	516	205	−105
4,800–4,999	877	566	255	−55
5,000–5,199	927	616	305	−5
5,200–5,399	977	666	355	45
5,400–5,599	1,027	716	405	95
5,600–5,799	1,077	766	455	145
5,800–5,999	1,127	816	505	195
6,000–6,199	1,177	866	555	245
6,200–6,399	1,227	916	605	295
6,400–6,599	1,277	966	655	345
6,600–6,799	1,327	1,016	705	395
6,800–6,999	1,377	1,066	755	445
7,000–7,199	1,427	1,116	805	495
7,200–7,399	1,477	1,166	855	545
7,400–7,599	1,527	1,216	905	595
7,600–7,799	1,577	1,266	955	645
7,800–7,999	1,627	1,316	1,005	695
8,000–8,199	1,677	1,366	1,055	745
8,200–8,399	1,727	1,416	1,105	795
8,400–8,599	1,777	1,466	1,155	845
8,600–8,799	1,827	1,516	1,205	895
8,800–8,999	1,877	1,566	1,255	945
9,000–9,199	1,927	1,616	1,305	995
9,200–9,399	1,977	1,666	1,355	1,045
9,400–9,599	2,027	1,716	1,405	1,095
9,600–9,799	2,077	1,766	1,455	1,145
9,800–9,999	2,127	1,816	1,505	1,195
10,000–10,199	2,177	1,866	1,555	1,245
10,200–10,399	2,227	1,916	1,605	1,295
10,400–10,599	2,277	1,966	1,655	1,345
10,600–10,799	2,327	2,016	1,705	1,395
10,800–10,999	2,377	2,066	1,755	1,445
11,000–11,199	2,427	2,116	1,805	1,495
11,200–11,399	2,477	2,166	1,855	1,545

TABLE 4.—PELL GRANT PAYMENT SCHEDULE—Continued

Single Independent Students

If tuition is:	*And expected family contribution is:*				
	$4,601–4,800	*$4,801–5,000*	*$5,001–5,200*	*$5,201–5,400*	*$5,401–5,600*
	Then the award is:				
$0–$199	−$1,591	−$2,017	−$2,332	−$2,647	−$2,962
200–399	−1,516	−1,942	−2,257	−2,572	−2,887
400–599	−1,466	−1,892	−2,207	−2,522	−2,837
600–799	−1,416	−1,842	−2,157	−2,472	−2,787
800–999	−1,366	−1,792	−2,107	−2,422	−2,737
1,000–1,199	−1,316	−1,742	−2,057	−2,372	−2,687
1,200–1,399	−1,266	−1,692	−2,007	−2,322	−2,637
1,400–1,599	−1,216	−1,642	−1,957	−2,272	−2,587

TABLE 4.—PELL GRANT PAYMENT SCHEDULE—*Continued*

Single Independent Students

If tuition is:	*And expected family contribution is:*				
	$4,601–4,800	*$4,801–5,000*	*$5,001–5,200*	*$5,201–5,400*	*$5,401–5,600*
1,600–1,799	*−1,166*	*−1,592*	*−1,907*	*−2,222*	*−2,537*
1,800–1,999	*−1,116*	*−1,542*	*−1,857*	*−2,172*	*−2,487*
2,000–2,199	*−1,066*	*−1,492*	*−1,807*	*−2,122*	*−2,437*
2,200–2,399	*−1,016*	*−1,442*	*−1,757*	*−2,072*	*−2,387*
2,400–2,599	*−966*	*−1,392*	*−1,707*	*−2,022*	*−2,337*
2,600–2,799	*−916*	*−1,342*	*−1,657*	*−1,972*	*−2,287*
2,800–2,999	*−866*	*−1,292*	*−1,607*	*−1,922*	*−2,237*
3,000–3,199	*−816*	*−1,242*	*−1,557*	*−1,872*	*−2,187*
3,200–3,399	*−766*	*−1,192*	*−1,507*	*−1,822*	*−2,137*
3,400–3,599	*−716*	*−1,142*	*−1,457*	*−1,772*	*−2,087*
3,600–3,799	*−666*	*−1,092*	*−1,407*	*−1,722*	*−2,037*
3,800–3,999	*−616*	*−1,042*	*−1,357*	*−1,672*	*−1,987*
4,000–4,199	*−566*	*−992*	*−1,307*	*−1,622*	*−1,937*
4,200–4,399	*−516*	*−942*	*−1,257*	*−1,572*	*−1,887*
4,400–4,599	*−466*	*−892*	*−1,207*	*−1,522*	*−1,837*
4,600–4,799	*−416*	*−842*	*−1,157*	*−1,472*	*−1,787*
4,800–4,999	*−366*	*−792*	*−1,107*	*−1,422*	*−1,737*
5,000–5,199	*−316*	*−742*	*−1,057*	*−1,372*	*−1,687*
5,200–5,399	*−266*	*−692*	*−1,007*	*−1,322*	*−1,637*
5,400–5,599	*−216*	*−642*	*−957*	*−1,272*	*−1,587*
5,600–5,799	*−166*	*−592*	*−907*	*−1,222*	*−1,537*
5,800–5,999	*−116*	*−542*	*−857*	*−1,172*	*−1,487*
6,000–6,199	*−66*	*−492*	*−807*	*−1,122*	*−1,437*
6,200–6,399	*−16*	*−442*	*−757*	*−1,072*	*−1,387*
6,400–6,599	*34*	*−392*	*−707*	*−1,022*	*−1,337*
6,600–6,799	*84*	*−342*	*−657*	*−972*	*−1,287*
6,800–6,999	*134*	*−292*	*−607*	*−922*	*−1,237*
7,000–7,199	*184*	*−242*	*−557*	*−872*	*−1,187*
7,200–7,399	*234*	*−192*	*−507*	*−822*	*−1,137*
7,400–7,599	*284*	*−142*	*−457*	*−772*	*−1,087*
7,600–7,799	*334*	*−92*	*−407*	*−722*	*−1,037*
7,800–7,999	*384*	*−42*	*−357*	*−672*	*−987*
8,000–8,199	*434*	*8*	*−307*	*−622*	*−937*
8,200–8,399	*484*	*58*	*−257*	*−572*	*−887*
8,400–8,599	*534*	*108*	*−207*	*−522*	*−837*
8,600–8,799	*584*	*158*	*−157*	*−472*	*−787*
8,800–8,999	*634*	*208*	*−107*	*−422*	*−737*
9,000–9,199	*684*	*258*	*−57*	*−372*	*−687*
9,200–9,399	*734*	*308*	*−7*	*−322*	*−637*
9,400–9,599	*784*	*358*	*43*	*−272*	*−587*
9,600–9,799	*834*	*408*	*93*	*−222*	*−537*
9,800–9,999	*884*	*458*	*143*	*−172*	*−487*
10,000–10,199	*934*	*508*	*193*	*−122*	*−437*
10,200–10,399	*984*	*558*	*243*	*−72*	*−387*
10,400–10,599	*1,034*	*608*	*293*	*−22*	*−337*
10,600–10,799	*1,084*	*658*	*343*	*28*	*−287*
10,800–10,999	*1,134*	*708*	*393*	*78*	*−237*
11,000–11,199	*1,184*	*758*	*443*	*128*	*−187*
11,200–11,399	*1,234*	*808*	*493*	*178*	*−137*

TABLE 4.—PELL GRANT PAYMENT SCHEDULE—*Continued*

Single Independent Students

If tuition is:	*And expected family contribution is:*			
	$5,601–5,800	*$5,801–6,000*	*$6,001–6,200*	*$6,201–6,400*
	Then the award is:			
$0–$199	*−$3,276*	*−$3,591*	*−$3,906*	*−$4,220*
200–399	*−3,201*	*−3,516*	*−3,831*	*−4,145*
400–599	*−3,151*	*−3,466*	*−3,781*	*−4,095*
600–799	*−3,101*	*−3,416*	*−3,731*	*−4,045*
800–999	*−3,051*	*−3,366*	*−3,681*	*−3,995*
1,000–1,199	*−3,001*	*−3,316*	*−3,631*	*−3,945*
1,200–1,399	*−2,951*	*−3,266*	*−3,581*	*−3,895*
1,400–1,599	*−2,901*	*−3,216*	*−3,531*	*−3,845*
1,600–1,799	*−2,851*	*−3,166*	*−3,481*	*−3,795*
1,800–1,999	*−2,801*	*−3,116*	*−3,431*	*−3,745*
2,000–2,199	*−2,751*	*−3,066*	*−3,381*	*−3,695*
2,200–2,399	*−2,701*	*−3,016*	*−3,331*	*−3,645*

TABLE 4.—PELL GRANT PAYMENT SCHEDULE—Continued—Continued

Single Independent Students

If tuition is:	And expected family contribution is:			
	$5,601–5,800	$5,801–6,000	$6,001–6,200	$6,201–6,400
2,400–2,599	−2,651	−2,966	−3,281	−3,595
2,600–2,799	−2,601	−2,916	−3,231	−3,545
2,800–2,999	−2,551	−2,866	−3,181	−3,495
3,000–3,199	−2,501	−2,816	−3,131	−3,445
3,200–3,399	−2,451	−2,766	−3,081	−3,395
3,400–3,599	−2,401	−2,716	−3,031	−3,345
3,600–3,799	−2,351	−2,666	−2,981	−3,295
3,800–3,999	−2,301	−2,616	−2,931	−3,245
4,000–4,199	−2,251	−2,566	−2,881	−3,195
4,200–4,399	−2,201	−2,516	−2,831	−3,145
4,400–4,599	−2,151	−2,466	−2,781	−3,095
4,600–4,799	−2,101	−2,416	−2,731	−3,045
4,800–4,999	−2,051	−2,366	−2,681	−2,995
5,000–5,199	−2,001	−2,316	−2,631	−2,945
5,200–5,399	−1,951	−2,266	−2,581	−2,895
5,400–5,599	−1,901	−2,216	−2,531	−2,845
5,600–5,799	−1,851	−2,166	−2,481	−2,795
5,800–5,999	−1,801	−2,116	−2,431	−2,745
6,000–6,199	−1,751	−2,066	−2,381	−2,695
6,200–6,399	−1,701	−2,016	−2,331	−2,645
6,400–6,599	−1,651	−1,966	−2,281	−2,595
6,600–6,799	−1,601	−1,916	−2,231	−2,545
6,800–6,999	−1,551	−1,866	−2,181	−2,495
7,000–7,199	−1,501	−1,816	−2,131	−2,445
7,200–7,399	−1,451	−1,766	−2,081	−2,395
7,400–7,599	−1,401	−1,716	−2,031	−2,345
7,600–7,799	−1,351	−1,666	−1,981	−2,295
7,800–7,999	−1,301	−1,616	−1,931	−2,245
8,000–8,199	−1,251	−1,566	−1,881	−2,195
8,200–8,399	−1,201	−1,516	−1,831	−2,145
8,400–8,599	−1,151	−1,466	−1,781	−2,095
8,600–8,799	−1,101	−1,416	−1,731	−2,045
8,800–8,999	−1,051	−1,366	−1,681	−1,995
9,000–9,199	−1,001	−1,316	−1,631	−1,945
9,200–9,399	−951	−1,266	−1,581	−1,895
9,400–9,599	−901	−1,216	−1,531	−1,845
9,600–9,799	−851	−1,166	−1,481	−1,795
9,800–9,999	−801	−1,116	−1,431	−1,745
10,000–10,199	−751	−1,066	−1,381	−1,695
10,200–10,399	−701	−1,016	−1,331	−1,645
10,400–10,599	−651	−966	−1,281	−1,595
10,600–10,799	−601	−916	−1,231	−1,545
10,800–10,999	−551	−866	−1,181	−1,495
11,000–11,199	−501	−816	−1,131	−1,445
11,200–11,399	−451	−766	−1,081	−1,395

"(C) The Secretary shall publish the tables required by subparagraph (B) not later than the date on which the Secretary publishes the maximum grant amount under subparagraph (B)(ii). Such tables shall apply to Pell Grant determinations for the academic year that begins in the succeeding calendar year.

"(D) For the purpose of this paragraph, the term 'tuition' means the tuition and fees specified in subsection (l) of such section 472.".

(5) Section 411(b)(4) of the Act is amended by striking "411F" and inserting "472".

(6) Section 411(b)(5) of the Act is amended by striking "$200" and inserting "$400, except that, for a student attending on a less-than-half-time basis, no basic grant shall be awarded if the amount so determined is less than $200".

(e) ELIGIBILITY OF LESS-THAN-HALF-TIME STUDENTS.—Section 411(b) of the Act is further amended by striking paragraphs (6) and (7) and inserting the following:

"(6) No basic grant shall be awarded under this subpart to any individual who is incarcerated in any Federal or State penal institution.".

(f) PERIOD OF ELIGIBILITY.—Section 411(c)(1) is amended by striking everything following "except that" and inserting "any period during which the student is enrolled in a noncredit or remedial course of study as defined in paragraph (2) shall not be counted for the purpose of this paragraph.".

(g) ELIGIBILITY FOR STUDY ABROAD.—Section 411(c)(2) of the Act is amended by adding at the end thereof the following new sentence: "Nothing in this section shall exclude from eligibility programs of study abroad that are approved for credit by the institution.".

(h) ELIGIBILITY INDEX.—Section 411(f) of the Act is amended by striking "an estimate of" and inserting "as a part of its regular output document".

(i) INSUFFICIENT APPROPRIATIONS.—Section 411(g) of the Act (20 U.S.C. 1070a(g)) is amended to read as follows:

"(g) INSUFFICIENT APPROPRIATIONS.—If, for any fiscal year, the funds appropriated for payments under this subpart are insufficient to satisfy fully all entitlements, as calculated under subsection (b) (but at the maximum grant level specified in such appropriation), the Secretary shall promptly transmit a notice of such insufficiency to each House of the Congress, and identify in such notice the additional amount that would be required to be appropriated to satisfy fully all entitlements (as so calculated at such maximum grant level).".

(j) TREATMENT OF RECIPIENTS.—Section 411(i) of the Act is amended—

(1) by striking "NONCONTRACTOR STATUS OF INSTITUTIONS" and inserting "TREATMENT OF INSTITUTIONS AND STUDENTS UNDER OTHER LAWS"; and

(2) by adding at the end the following new sentence: "Recipients of Pell Grants shall not be considered to be individual grantees for purposes of part D of title V of Public Law 100-690.".

SEC. 412. UNIFICATION OF NEEDS ANALYSIS SYSTEMS.

Subpart 1 of part A of title IV of the Act is amended by striking sections 411A through 411F.

Subpart 2—Federal Supplemental Educational Opportunity Grants

SEC. 413. AMENDMENTS TO SUBPART 2 OF PART A.

(a) TITLE OF PROGRAM.—The heading of subpart 2 of part A of title IV of the Act is amended to read as follows:

"SUBPART 2—FEDERAL SUPPLEMENTAL EDUCATIONAL OPPORTUNITY GRANTS".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 413A(b) of the Act is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—(1) For the purpose of enabling the Secretary to make payments to institutions of higher education which have made agreements with the

Secretary in accordance with section 413C(a), for use by such institutions for payments to undergraduate students of supplemental grants awarded to them under this subpart, there are authorized to be appropriated $700,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(2) Sums appropriated pursuant to this subsection for any fiscal year shall be available for payments to institutions until the end of the second fiscal year succeeding the fiscal year for which they were appropriated.".

(c) ELIGIBILITY FOR STUDY ABROAD.—Section 413B(a)(1)(A) of the Act is amended by inserting "or in a program of study abroad that is approved for credit by the institution" after "at the institution".

(d) FEDERAL SHARE.—Section 413C(a)(2) of the Act is amended to read as follows:

"(2) agrees that the Federal share of awards under this subpart will not exceed 75 percent, except that the Federal share may be exceeded if the Secretary determines, pursuant to regulations establishing objective criteria for such determinations, that a larger Federal share is required to further the purpose of this subpart; and".

(e) TARGETING.—Section 413C(c)(2) is amended to read as follows:

"(2)(A) In carrying out paragraph (1) of this subsection, each institution of higher education shall, in the agreement made under section 487, assure that the selection procedures will be designed to award supplemental grants under this subpart, first, to students with exceptional need.

"(B) For the purpose of subparagraph (A), the term 'students with exceptional need' means students with the greatest financial need as determined under part F of this title.".

(f) USE OF FUNDS TO NONTRADITIONAL STUDENTS.—Section 413C(d) of the Act is amended to read as follows:

"(d) USE OF FUNDS TO NONTRADITIONAL STUDENTS.—If the institution's allocation under this subpart is directly or indirectly based in part on the financial need demonstrated by students who are (1) attending the institution less than full time, (2) age 24 or older, (3) single parents, or (4) independent students, a reasonable proportion of the institution's allocation shall be made available to such students.".

(g) TRANSFER OF FUNDS.—Section 413C(e) of the Act is amended by striking ", and may transfer such funds in accordance with the provisions of section 488".

(h) CONSEQUENCES OF FAILURE TO AWARD.—Section 413D(e) of the Act is amended—

(1) by inserting "(1)" after the subsection heading; and

(2) by adding at the end the following new paragraph:

"(2) If under paragraph (1) of this subsection an institution returns more than 10 percent of its allocation, the institution's allocation for the next fiscal year shall be reduced by the amount returned. The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing it would be contrary to the interest of the program.".

Subpart 3—State Student Incentive Grants

SEC. 415. AMENDMENTS TO SUBPART 3 OF PART A.

(a) ELIGIBILITY FOR STUDY ABROAD.—Section 415A(a) of the Act is amended by—

(1) striking "providing grants" and inserting "providing grants (1)"; and

(2) striking "and grants" and inserting "or participating in programs of study abroad that are approved for credit by the institution of higher education; or (2)".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 415A(b) of the Act is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS; AVAILABILITY.—(1) There are authorized to be appropriated $125,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(2) Sums appropriated pursuant to paragraph (1) for any fiscal year shall remain available for payments to States under this subpart until the end of the fiscal year succeeding the fiscal year for which such sums were appropriated.".

(c) MAXIMUM GRANT.—Section 415C(b)(2) of the Act is amended by striking "$2,500" and inserting "$5,000".

(d) COVERING TUITION INCREASES.—Section 415C(b)(8) of the Act is amended by inserting before the semicolon the following: ", except that for years in which more than $75,000,000 is appropriated, States shall receive more than that amount designated in section 415B only if total State appropriations for all need-based grants exceed the prior 3 years' average of the State's appropriations for all need-based grants".

(e) ALLOCATION RULE.—Section 415C(b)(7) of the Act is amended to read as follows:

"(7) provides that if the State's allocation under this subpart is based in part on the financial need demonstrated by students who are—

"(A) attending the institution less than full time,

"(B) age 24 or older,

"(C) single parents, or

"(D) independent students,

a reasonable proportion of the State's allocation shall be made available to such students;".

Subpart 4—Federal Early Outreach and Student Services Programs

SEC. 417. ESTABLISHMENT OF NEW SUBPART.

(a) AMENDMENTS.—Part A of title IV of the Act is amended—

(1) by repealing subpart 4;

(2) by redesignating subparts 1, 2, and 3, as subparts 2, 3, and 4, respectively;

(3) by redesignating section 401 as section 400; and

(4) by inserting after such section the following new subpart:

"Subpart 1—Federal Early Outreach and Student Services Programs

"SEC. 401. FINDINGS.

"The Congress finds that—

"(1) the demands for services to qualified individuals from disadvantaged backgrounds and students with disabilities far exceeds currently available services;

"(2) success in secondary schools is an important determinant of success of postsecondary education;

"(3) individuals must be served at younger ages to make them successful in secondary school and postsecondary education;

"(4) many elementary and secondary school students and their parents are not aware of college opportunities and the options for financing college early enough in their schooling to allow them to study and plan for their graduation from secondary school and to apply to colleges;

"(5) many potential college students do not complete secondary school or pursue college education due to financial barriers;

"(6) emerging demographic projections of children in prekindergarten through high school age groups point to a growing number who will likely experience such barriers;

"(7) new incentives must be found to promote school performance and reduce the number of students who drop out before completing secondary school by assuring that low-income students and students with disabilities who complete secondary school or the equivalent and are accepted into college will have the opportunity to receive a college education, and to inform students early in their education of such opportunities;

"(8) for the well-being of the United States and in order to develop the full potential of each citizen, all students, including students with disabilities, and their families must receive pertinent and thorough higher education counseling and information on the availability and extent of student financial assistance programs;

"(9) information on postsecondary education opportunities, with emphasis on precollege guidance and college admission counseling should be made readily available to school counselors, teachers (including vocational and special education teachers), and school administrative staff;

"(10) all schools and public libraries should have thorough and up-to-date information on financial assistance programs;

"(11) schools should have access to information on various types of precollege guidance counseling programs, including what programs have been successful in what environments, such as rural, suburban and urban, in order to fashion programs that are most beneficial to their community;

"(12) counselors, teachers, and principals in schools which have a low rate of students who continue on to higher education should receive extra training in precollege guidance and financial assistance opportunities, and especially in early intervention programs; and

"(13) counseling and motivating students to strive for postsecondary education opportunities will have the added benefit of retaining more students in high school to complete the work necessary to obtain their high school diplomas.

"CHAPTER 1—TRIO PROGRAMS

"SEC. 401A. PROGRAM AUTHORITY; AUTHORIZATION OF APPROPRIATIONS.

"(a) GRANTS AND CONTRACTS AUTHORIZED.—The Secretary shall, in accordance with the provisions of this chapter, carry out a program of making grants and contracts designed to identify qualified individuals from disadvantaged backgrounds, to prepare them for a program of postsecondary education, to provide support services for such students who are pursuing programs of postsecondary education, to motivate and prepare students for doctoral programs, and to train individuals serving or preparing for service in programs and projects so designed.

"(b) ELIGIBLE GRANT AND CONTRACT RECIPIENTS.—For the purposes described in subsection (a), the Secretary is authorized, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), to make grants to, and contracts with, institutions of higher education, public and private agencies and organizations, combinations of such institutions, agencies, and organizations, and, in exceptional circumstances, secondary schools for planning, developing, or carrying out one or more of the services assisted under this chapter.

"(c) AWARDING GRANTS AND CONTRACTS.—(1) In making grants and contracts under this chapter, the Secretary shall consider the prior experience of service delivery under the particular program for which funds are sought by each applicant. For fiscal years after 1985, the level of consideration given to prior experience shall not vary from the level of consideration given this factor for fiscal year 1985.

"(2) The Secretary shall fund applications received under this chapter in the order of the scores received in the peer review process required under section 1210 as adjusted for prior experience under section 401A(c)(1).

"(3) In any year in which appropriations permit, the Secretary shall provide inflationary increases to institutions continuing to sponsor projects under this chapter. Such inflation adjustment shall reflect the rate of increase in the Consumer Price Index.

"(4) After making the adjustment required in section 401A(c)(3), in any year in which the appropriations authorized under this chapter exceed the prior year appropriation as adjusted *for inflation, the Secretary shall use 80 percent of the amount appropriated above the current services level to bring the award up to the minimum grant level or the amount requested by the institution or agency, whichever is less. The minimum grant level (A) for programs authorized under section 401D or 401G, shall not be less than $170,000 for fiscal year 1993; (B) for programs authorized under section 401B or 401F shall not be less than $180,000 for fiscal year 1994; and (C) for programs authorized under section 401C or 401E shall not be less than $190,000 for fiscal year 1995.*

"(5) Grants or contracts made under this chapter should be for a period of five years, subject to continuing appropriations allowing for such awards.

"(6) For institutions, agencies, and organizations sponsoring projects authorized under this chapter, the Secretary shall inform the institution, agency, or organization regarding the status of their application for continued funding at least 10 months prior to the expiration of existing funding. For institutions, agencies, and organizations seeking funding for a project under this chapter not currently operated by the institution, organization or agency, the Secretary shall inform the institution, agency or organization regarding the status of their application at least ten months prior to the proposed start-up date. The Secretary shall ensure that the start-up date for new grants authorized under this chapter immediately follows upon the termination of the preceding grant so that, for successful applicants, no break in funding occurs.

"(d) Early Notification and Technical Training.—(1) The Secretary shall provide notification about deadlines for submission of applications to potential providers of programs and projects assisted under this chapter including institutions of higher education, community based organizations, local educational agencies, and public and private nonprofit organizations. The Secretary shall provide such information no later than 120 days prior to the deadline of submission for applications and shall consult national, State, and regional organizations about candidates for notification.

"(2) The Secretary shall provide technical training to applicants for projects and programs authorized under this chapter. Technical training activities shall include the provision of information on authorizing legislation, goals and objectives of the program, required activities, eligibility requirements, the application process and application deadlines, and assistance in the development of program proposals and the completion of program applications. Such training shall be furnished at conferences, seminars, and workshops to be conducted at no less than 10 sites throughout the country to ensure that all areas of the country with large concentrations of eligible participants are served.

"(e) Application Review Process.—(1) The Secretary shall assure that, to the extent practicable, members of groups underrepresented in higher education, including Blacks, Hispanics, Native Americans, Asian Americans, Native American Pacific Islanders (including Native Hawaiians), are represented as readers of applications submitted under this subpart in proportions which reflect their eligibility for the programs and projects assisted under this chapter. The Secretary shall also assure that persons from rural backgrounds are represented as readers.

"(2) The Secretary shall assure that each application submitted under this subpart is read by at least 3 outside readers.

"(f) Applications for Grants and Contracts Under This Chapter.—The Secretary shall not limit the number of applications submitted by an institution, agency, or organization under any program authorized under this chapter.

"(g) Authorization of Appropriations.—For the purpose of making grants and contracts under this chapter, there are authorized to be appropriated $750,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(h) Definitions.—For the purpose of this chapter:

"(1) The term 'first generation college student' means—

"(A) an individual both of whose parents did not complete a baccalaureate degree; or

"(B) in the case of any individual who regularly resided with and received support from only one parent, an individual whose only such parent did not complete a baccalaureate degree.

"(2) The term 'low-income individual' means an individual from a family whose taxable income for the preceding year did not exceed 150 percent of an amount equal to the poverty level determined by using criteria of poverty established by the Bureau of the Census. For purposes of establishing eligibility for the services under sections 401B and 401F documentation that an individual is a low-income individual may only include the following: a signed statement from the parent or legal guardian, verification from another governmental source, a signed financial aid application, a signed Federal tax return, or for individuals over eighteen and for individuals defined as independent students under section 480, a signed statement from the individual. For purposes of establishing eligibility for services under section 401C documentation that an individual is a low-income individual may only include the following: a signed statement from a parent or legal guardian, verification from another governmental source, or a signed Federal income tax return. For purposes of establishing eligibility for services under sections 401D and 401E documentation that an individual is a low-income individual may only include a signed financial aid application.

"(3) No veteran shall be deemed ineligible to participate in any program under this chapter by reason of such individual's age who—

"(A) served on active duty for a period of more than 180 days, any part of which occurred after January 31, 1955, and was discharged or released therefrom under conditions other than dishonorable; or

"(B) served on active duty after January 31, 1955, and was discharged or released therefrom because of a service connected disability.

"(i) Coordination With Other Programs for Disadvantaged Students.—The Secretary shall encourage coordination of programs funded under this chapter with other programs for disadvantaged students operated by the sponsoring institution or agency, regardless of funding source. The Secretary shall publish no regulation which limits an institution, organization, or agency's ability to receive funding under this subpart by virtue of its sponsorship of similar programs regardless of funding source. The Secretary shall not require a separate director for a project funded under this chapter if the imposition of this requirement would hinder coordination among projects funded under this chapter or of similar projects funded under this chapter with projects funded through other sources.

"SEC. 401B. TALENT SEARCH.

"(a) Program Authority.—The Secretary shall carry out a program to be known as talent search which shall be designed—

"(1) to identify qualified youths with potential for education at the postsecondary level and to encourage such youths to complete secondary school and to undertake a program of postsecondary education;

"(2) to publicize the availability of student financial assistance available to persons who pursue a program of postsecondary education; and

"(3) to encourage persons who have not completed programs of education at the secondary or postsecondary level, but who have the ability to complete such programs, to reenter such programs.

"(b) Permissible Services.—Any talent search project assisted under this chapter may provide services such as—

"(1) academic advice and assistance in high school and college course selection;

"(2) assistance in completing college admission and financial aid applications;

"(3) assistance in preparing for college entrance examinations;

"(4) guidance on high school reentry or entry to GED or other alternative education programs for high school dropouts;

"(5) personal and career counseling;

"(6) tutorial services;

"(7) exposure to college campuses as well as cultural events, academic programs and other sites or activities not usually available to disadvantaged youth;

"(8) workshops and counseling for parents of students served;

"(9) mentoring programs involving elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

"(10) programs and activities as described in paragraphs (1) through (9) which are specially designed for students of limited English proficiency.

"(c) Requirements for Approval of Applications.—In approving applications for talent search projects under this chapter for any fiscal year the Secretary shall—

"(1) require an assurance that not less than two-thirds of the individuals participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

"(2) require that such participants be persons who either have completed 5 years of elementary education or are at least 11 years of age but not more than 27 years of age, unless the imposition of any such limitation with respect to any person would defeat the purposes of this section or the purposes of section 401F;

"(3) require an assurance that individuals participating in the project proposed in the application do not have access to services from another project funded under this section or under section 401F; and

"(4) require an assurance that the project will be located in a setting accessible to the persons proposed to be served by the project.

"SEC. 401C. UPWARD BOUND.

"(a) Program Authority.—The Secretary shall carry out a program to be known as upward bound which shall be designed to generate skills and motivation necessary for success in education beyond high school.

"(b) Permissible Services.—Any upward bound project assisted under this chapter may provide services such as—

"(1) instruction in reading, writing, study skills, mathematics, and other subjects necessary for success beyond high school;

"(2) personal counseling;

"(3) academic advice and assistance in high school course selection;

"(4) tutorial services;

"(5) exposure to cultural events, academic programs, and other activities not usually available to disadvantaged youth;

"(6) activities designed to acquaint youths participating in the project with the range of career options available to them;

"(7) instruction designed to prepare youths participating in the project for careers in which persons from disadvantaged backgrounds are particularly underrepresented;

"(8) on-campus residential programs;

"(9) mentoring programs involving elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

"(10) programs and activities as described in paragraphs (1) through (9) which are specially designed for students of limited English proficiency.

"(c) REQUIRED SERVICES.—Any upward bound project assisted under this chapter which has received funding for two or more years shall include mathematics through precalculus, a minimum of one laboratory science, and composition and literature as part of their core curriculum.

"(d) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for upward bound projects under this chapter for any fiscal year, the Secretary shall—

"(1) require an assurance that not less than two-thirds of the youths participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

"(2) require an assurance that the remaining youths participating in the project proposed to be carried out under any application be either low-income individuals or first generation college students;

"(3) require that there be a determination by the institution, with respect to each participant in such project that the participant has a need for academic support in order to pursue successfully a program of education beyond high school; and

"(4) require that such participants be persons who have completed 8 years of elementary education and are at least 13 years of age but not more than 19 years of age, unless the imposition of any such limitation would defeat the purposes of this section.

"(e) MAXIMUM STIPENDS.—Youths participating in a project proposed to be carried out under any application may be paid stipends not in excess of $60 per month during June, July, and August, and not in excess of $40 per month during the remaining period of the year.

"SEC. 401D. STUDENT SUPPORT SERVICES.

"(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as student support services which shall be designed—

"(1) to increase college retention and graduation rates for eligible students;

"(2) to increase the transfer rates of eligible students from two-year or four-year institutions; and

"(3) to foster an institutional climate supportive of the success of low-income and first generation college students and individuals with disabilities.

"(b) PERMISSIBLE SERVICES.—A student support services project assisted under this chapter may provide services such as—

"(1) instruction in reading, writing, study skills, mathematics, and other subjects necessary for success beyond high school;

"(2) personal counseling;

"(3) academic advice and assistance in course selection;

"(4) tutorial services and counseling and peer counseling;

"(5) exposure to cultural events and academic programs not usually available to disadvantaged students;

"(6) activities designed to acquaint students participating in the project with the range of career options available to them;

"(7) activities designed to assist students participating in the project in securing admission and financial assistance for enrollment in graduate and professional programs;

"(8) activities designed to assist students currently enrolled in 2-year institutions in securing admission and financial assistance for enrollment in a four-year program of postsecondary education;

"(9) mentoring programs involving either elementary/secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

"(10) programs and activities as described in paragraphs (1) through (9) which are specially designed for students of limited English proficiency.

"(c) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for student support services projects under this chapter for any fiscal year, the Secretary shall—

"(1) require an assurance that not less than two-thirds of the persons participating in the project proposed to be carried out under any application—

"(A) be individuals with disabilities, or

"(B) be low-income individuals who are first generation college students;

"(2) require an assurance that the remaining students participating in the project proposed to be carried out under any application either be low-income individuals, first generation college students, or individuals with disabilities;

"(3) require an assurance that not less than one-third of the individuals with disabilities participating in the project be low-income individuals;

"(4) require that there be a determination by the institution, with respect to each participant in such project, that the participant has a need for academic support in order to pursue successfully a program of education beyond high school;

"(5) require that such participants be enrolled or accepted for enrollment at the institution which is the recipient of the grant or contract; and

"(6) require an assurance from the institution which is the recipient of the grant or contract that each student enrolled in the project will be offered sufficient financial assistance to meet that student's full financial need.

"SEC. 401E. POSTBACCALAUREATE ACHIEVEMENT PROGRAM AUTHORITY.

"(a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to be known as the 'Ronald E. McNair Postbaccalaureate Achievement Program' that shall be designed to provide disadvantaged college students with effective preparation for doctoral study.

"(b) SERVICES.—A postbaccalaureate achievement project assisted under this section may provide services such as—

"(1) opportunities for research or other scholarly activities at the institution or at graduate centers designed to provide students with effective preparation for doctoral study;

"(2) summer internships;

"(3) seminars and other educational activities designed to prepare students for doctoral study;

"(4) tutoring;

"(5) academic counseling;

"(6) activities designed to assist students participating in the project in securing admission to and financial assistance for enrollment in graduate programs;

"(7) mentoring programs involving elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

"(8) exposure to cultural events and academic programs not usually available to disadvantaged students.

"(c) REQUIREMENTS.—In approving applications for postbaccalaureate achievement projects assisted under this section for any fiscal year, the Secretary shall require—

"(1) an assurance that not less than two-thirds of the individuals participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

"(2) an assurance that the remaining persons participating in the project proposed to be carried out be from a group that is underrepresented in graduate education;

"(3) an assurance that participants be enrolled in a degree program at an eligible institution in accordance with the provisions of section 487; and

"(4) an assurance that participants in summer research internships have completed their sophomore year in postsecondary education.

"(d) AWARD CONSIDERATIONS.—In addition to such other selection criteria as may be prescribed by regulations, the Secretary shall consider in making awards to institutions under this section—

"(1) the quality of research and other scholarly activities in which students will be involved;

"(2) the level of faculty involvement in the project and the description of the research in which students will be involved; and

"(3) the institution's plan for identifying and recruiting participants including students enrolled in projects authorized under this section.

"(e) STIPENDS.—Students participating in research under a postbaccalaureate achievement project may receive stipends not to exceed $2,400 per annum. In addition, costs for summer room and board, summer tuition, and transportation to summer programs may be paid.

"SEC. 401F. EDUCATIONAL OPPORTUNITY CENTERS.

"(a) PROGRAM AUTHORITY; SERVICES PROVIDED.—The Secretary shall carry out a program to be known as educational opportunity centers which shall be designed—

"(1) to provide information with respect to financial and academic assistance available for individuals desiring to pursue a program of postsecondary education; and

"(2) to provide assistance to such persons in applying for admission to institutions at which a program of postsecondary education is offered, including preparing necessary applications for use by admissions and financial aid officers.

"(b) PERMISSIBLE SERVICES.—An educational opportunity center assisted under this chapter may provide services such as—

"(1) public information campaigns designed to inform the community regarding opportunities for postsecondary education and training;

"(2) academic advice and assistance in course selection;

"(3) assistance in completing college admission and financial aid applications;

"(4) assistance in preparing for college entrance examinations;

"(5) guidance on high school reentry or entry to GED or other alternative education programs for high school dropouts;

"(6) personal counseling;

"(7) tutorial services;

"(8) career workshops and counseling;

"(9) mentoring programs involving elementary or secondary school teachers, faculty members at institutions of higher education, students, or any combination of such persons; and

"(10) programs and activities as described in paragraphs (1) through (9) which are specially designed for students of limited English proficiency.

"(c) REQUIREMENTS FOR APPROVAL OF APPLICATIONS.—In approving applications for educational opportunity centers under this chapter for any fiscal year the Secretary shall—

"(1) require an assurance that not less than two-thirds of the persons participating in the project proposed to be carried out under any application be low-income individuals who are first generation college students;

"(2) require that such participants be persons who are at least nineteen years of age, unless the imposition of such limitation with respect to any person would defeat the purposes of this section or the purposes of section 401B; and

"(3) require an assurance that individuals participating in the project proposed in the application do not have access to services from another project funded under this section or under section 401B.

"SEC. 401G. STAFF DEVELOPMENT ACTIVITIES.

"For the purpose of improving the operation of the programs and projects authorized by this chapter, the Secretary is authorized to make grants to institutions of higher education and other public and private nonprofit institutions and organizations to provide training for staff and leadership personnel employed in, or preparing for employment in, such programs and projects. Such training shall include conferences, internships, seminars, workshops, and the publication of manuals designed to improve the operation of such programs and projects and shall be carried out in the various regions of the Nation in order to ensure that the training opportunities are appropriate to meet the needs in the local areas being served by such programs and projects. Such training shall be offered annually for new directors of projects funded under this chapter as well as annually on the following topics and other topics chosen by the Secretary: legislative and regulatory requirements for the operation of programs funded under this chapter, assisting students in receiving adequate financial aid from programs funded under this title and other programs, and the design and operation of model programs for projects funded under this chapter. Grants for the purposes of this section shall be made only after consultation with regional and State professional associations of persons having special knowledge with respect to the needs and problems of such programs and projects.

"SEC. 401H. OUTREACH GRANTS.

"For the purpose of better serving populations eligible for programs and projects authorized under this subpart, the Secretary is authorized to make grants to institutions of higher education, community-based organizations and other public and private nonprofit organizations to provide outreach to potential providers of programs and projects authorized under this subpart including institutions of higher education, community-based organizations, local educational agencies, and other public and private nonprofit organizations. Outreach activities shall seek to inform potential providers that could serve groups underrepresented in the program about authorizing legislation, goals and objectives of the program, required activities, eligibility requirements, the application process and deadlines for submission of applications, and suggestions for successful programs. Such activities shall include the publication of informational materials, information dissemination, and informational meetings.

"SEC. 401I. EVALUATION FOR PROJECT IMPROVEMENT.

"For the purpose of improving the operation of the programs and projects authorized by this chapter, the Secretary is authorized to make grants and contracts to institutions of higher education and other public and private institutions and organizations to evaluate the effectiveness of the various programs authorized under this chapter in meeting the purposes identified in the chapter. Such evaluations shall identify institutional, community and program practices particularly effective in increasing the access of low-income and first generation college students to postsecondary education, their preparation for postsecondary education, and their success in postsecondary education. In order to improve program effectiveness, the results of these on-going evaluations shall be disseminated to similar programs funded under this chapter as well as other individuals concerned with the postsecondary access and retention of low-income, first generation college students.

"CHAPTER 2—NATIONAL LIBERTY SCHOLARSHIPS AND PARTNERSHIPS PROGRAMS

"SEC. 403A. PROGRAMS AUTHORIZED.

"The Secretary is authorized, in accordance with the requirements of this chapter, to establish—

"(1) a program to encourage States to provide or maintain a guarantee to low-income students who obtain a high-school diploma (or its equivalent), of the financial assistance necessary to permit them to attend an institution of higher education; and

"(2) a program to provide incentives to States, in cooperation with local educational agencies, institutions of higher education, and community organizations, to provide additional counseling, outreach, and supportive services—

"(A) to elementary, middle, and secondary school students who are at risk of dropping out of school; and

"(B) to students and their parents regarding their college financing options.

"SEC. 403B. STATE ELIGIBILITY; STATE PLAN.

"(a) IN GENERAL.—In order for a State to qualify for a grant under this chapter, the State shall submit to the Secretary a plan for carrying out its programs under this chapter. Such plan shall be in such form, contain or be accompanied by such information or assurances, and be submitted at such time as the Secretary may require by regulation.

"(b) FINANCIAL AID REQUIREMENT.—The Secretary shall not approve a plan submitted under subsection (a) for payments under section 403E(a) unless such plan—

"(1) provides that the State will provide, from State, local, or private funds, not less than one-half the cost of the financial aid program required by section 403C;

"(2) specifies the methods by which such share of the costs will be paid;

"(3) designates as eligible for participation in the program all qualified students; and

"(4) provides that the State will provide first preference for payments of funds under subpart 3 of this part to those students eligible for grants under section 403C

"(c) PARTNERSHIP REQUIREMENTS.—The Secretary shall not approve a plan submitted under subsection (a) for payments under section 403E(b) unless such plan—

"(1) provides that the State will match, from State, local, or private funds, the amount provided by section 403E(b) for the comprehensive mentoring, counseling, outreach, and support service programs required by section 403D;

"(2) specifies the methods by which such share of the costs will be paid;

"(3) includes provisions designed to assure that the State education agency or State higher education agency will administer the mentoring, counseling, outreach, and support services program authorized by this chapter in the State;

"(4) includes provisions designed to assure that the mentoring, counseling, outreach, and support services program is comprehensive and addresses personal and educational needs and financing options, each of which shall be designed to ensure high school completion and college enrollment of at-risk children; and

"(5) includes provisions designed to assure that funds provided under section 403B(c)(1) shall supplement and not supplant funds expended for existing State and local programs.

"(d) METHODS FOR COMPLYING WITH MATCHING REQUIREMENT.—A State may count toward the contribution required by subsection (b)(1) the sum of—

"(1) the amount of the grants paid to students from State, local, or private funds under section 403C; and

"(2) the amount of tuition, fees, room or board waived or reduced for recipients of grants funded by section 403C.

"SEC. 403C. FINANCIAL AID PROGRAM.

"(a) IN GENERAL.—In order to receive payments under section 403E(a), a State shall establish or maintain a financial assistance program that awards grants to students in accordance with the requirements of this chapter.

"(b) GRANT AMOUNTS.—The maximum amount of the grant that a qualified student in any participating State shall be eligible to receive under this chapter shall be established by the State. The minimum amount of the grant shall not be less than 75 percent of the average cost of attendance for an in-State student, in a 4-year program of instruction, at public institutions of higher education in such State, as determined in accordance with regulations prescribed by the Secretary, except that the maximum grant shall be reduced by the total amount of other grant assistance for which the qualified student is eligible.

"(c) GRANT RECIPIENT SELECTION.—Selection of recipients of these grants will be on the basis of substantial financial need determined annually on the basis of criteria established by the State and approved by the Secretary, except that all recipients must satisfy the requirements of section 403G.

"SEC. 403D. PARTNERSHIP PROGRAM.

"(a) IN GENERAL.—In order to receive payments under section 403E(b), a State shall demonstrate to the satisfaction of the Secretary that the State has increased the aggregate amount expended by the State to provide comprehensive mentoring, counseling, outreach, and supportive services.

"(b) PROGRAMS QUALIFYING FOR CREDIT.—

"(1) CRITERIA.—The Secretary shall, by regulation, establish criteria for determining whether comprehensive mentoring, counseling, outreach, and supportive services programs may be counted for purposes of subsection (a).

"(2) PERMISSIBLE ACTIVITIES.—Examples of acceptable activities include:

"(A) Activities designed to ensure high school completion and college enrollment of at-risk children, including identification of at-risk children, after school and summer tutoring, assistance in obtaining summer jobs, academic counseling, volunteer and parent involvement and former or current scholarship recipients as mentor or peer counselors, skills assessment, personal counseling, family counseling and home visits, and staff development, and programs and activities as described above which are specially designed for students of limited English proficiency; and

"(B) Prefreshman summer programs that—

"(i) are at institutions of higher education that also have programs of academic year supportive services for disadvantaged students through projects authorized under section 401D of this subpart or through comparable projects funded by the State or other sources;

"(ii) assure the participation of students who qualify as disadvantaged under the provisions of section 401D of this part or who are eligible for comparable programs funded by the State;

"(iii)(I) provide summer instruction in remedial, developmental or supportive courses; (II) provide such summer services as counseling, tutoring, or orientation; and (III) provide grant aid to students to cover prefreshman summer costs for books, supplies, living costs and personal expenses; and

"(iv) assure that participating students will receive financial aid during each academic year they are enrolled at the participating institution after the prefreshman summer.

Such criteria shall exclude administrative and overhead expenses.

"(c) OPTIONS FOR PARTICIPATION IN PARTNERSHIPS.—In establishing a partnership program, a State may include participation of businesses, religious organizations, community groups, in-

stitutions of higher education, nonprofit and philanthropic organizations, and other organizations which the Secretary deems appropriate.

"SEC. 403E. PAYMENT REQUIREMENTS.

"(a) FINANCIAL AID PAYMENTS.—Upon submission by a State of such documents as the Secretary may, by regulation, require for demonstrating the total amount of grants awarded in accordance with section 403C for a fiscal year, the Secretary shall, from such State's allotment under section 403F for such fiscal year, pay to such State an amount equal to not more than one-half of the total amount of such grants.

"(b) PAYMENTS FOR PARTNERSHIPS.—

"(1) Upon submission by a State of such documents as the Secretary may, by regulation, require for demonstrating the total amount expended by the State in accordance with section 403D for a fiscal year, the Secretary shall, from such State's allotment under section 403F for such fiscal year, pay to such State an amount equal to not more than one-half of the total amount so expended.

"(2) In computing the total amount expended by a State in accordance with section 403D, the Secretary shall include documented, targeted, long-term mentoring and counseling provided by volunteers or paid staff of nonschool organizations, including businesses, religious organizations, community groups, postsecondary educational institutions, nonprofit and philanthropic organizations, and other organizations.

"SEC. 403F. ALLOTMENT.

"(a) ALLOTMENT BASED ON TITLE I ESEA ALLOCATIONS.—From the sums appropriated pursuant to section 403H, the Secretary shall allot to each State an amount which bears the same ratio to such sums as—

"(1) the amount allocated under section 1005 of the Elementary and Secondary Education Act of 1965 to the local education agencies in the State,

bears to—

"(2) the total amount allocated under such section to all such agencies in all States.

"(b) 50 PERCENT LIMIT ON USE FOR SECTION 403E.—No State may use less than 25 percent or more than 50 percent of its allotment for the comprehensive counseling, outreach, and support services program authorized by section 403D.

"(c) REALLOTMENT.—The amount of any State's allotment under subsection (a) for any fiscal year which the Secretary determines will not be required for such fiscal year for the program of that State shall be available for reallotment from time to time, on such dates during such year as the Secretary may fix, to other States in proportion to the original allotments to such States for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Secretary estimates such State needs and will be able to use for such year for carrying out such programs. The total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced.

"SEC. 403G. DEFINITIONS.

"As used in this chapter:

"(1) The term 'qualified student' means a student—

"(A) who is less than 22 years old at time of first grant award;

"(B) who (i) is receiving a Pell Grant for the academic year for which the award is being made under this chapter, or (ii) would be eligible to receive a Pell Grant for such academic year, but for the student's attendance on a less than half-time basis;

"(C) who receives a high school diploma or a certificate of high school equivalence on or after January 1, 1993; and

"(D) who is enrolled or accepted for enrollment in a program of instruction at an institution of higher education as defined in section 481 and is located within the State's boundaries; as a State option, States can offer grant program portability for recipients who attend eligible higher education institutions in States which participate in the program authorized by section 403C.

"SEC. 403H. APPROPRIATIONS.

"There is authorized an appropriation to make grants under this chapter $250,000,000 for fiscal year 1993 and such sums as may be necessary for each of the four succeeding fiscal years.

"CHAPTER 3—MODEL PROGRAM COMMUNITY PARTNERSHIP COUNSELING GRANTS

"SEC. 404A. MODEL PROGRAM GRANTS.

"(a) PROGRAM AUTHORITY.—From the amounts appropriated under section 404C(b), the Secretary shall award grants to develop model programs—

"(1) to counsel students, at an early age, about college opportunities, precollege requirements, the college admissions procedure, financial aid opportunities, and student support services that are specially designed or customized for use in specific geographic, social, and cultural environments; or

"(2) which stimulate community partnerships with schools by providing tutoring, mentoring, work experiences, and other services which support making postsecondary education a realistic goal for all students.

"(b) PRIORITIES IN SELECTION.—The Secretary shall give priority to those model programs which are directed at areas which have a high proportion of minority, limited English proficiency, economically disadvantaged, disabled, nontraditional, or at-risk students and those model programs which serve these students from rural or urban environments.

"(c) PROPOSAL REQUIREMENTS.—

"(1) TAILORING.—To receive a grant under subsection (a)(1), the proposal submitted to the Secretary shall demonstrate that the counseling on college opportunities, precollege requirements, the college admissions procedure, and financial aid opportunities (including early intervention counseling), is tailored to a specific geographic, social or cultural environment.

"(2) COMMUNITY PARTNERSHIPS.—To receive a grant under subsection (a)(2), the proposal submitted to the Secretary shall demonstrate the active involvement of a local educational agency and at least one of the following:

"(A) local businesses,

"(B) labor organizations, or

"(C) community groups.

"(3) GOALS AND OUTCOMES.—To receive a grant under this section, each proposal shall contain a statement of specific, measurable goals and methods for obtaining statistics on the number of participants who continue on to postsecondary education.

"SEC. 404B. DIFFUSION NETWORK ACTIVITIES.

"(a) COLLECTION OF INFORMATION.—The Secretary shall collect information concerning—

"(1) successful programs including those supported under section 404A which counsel students about college opportunities, precollege requirements, the college admissions procedure, and financial aid opportunities;

"(2) successful early intervention programs which set students on the path toward staying in school and pursuing a postsecondary education;

"(3) model programs which counsel students in specific environments, such as urban, rural, and suburban; and

"(4) model programs which develop school/community partnerships to provide mentoring, tutoring, work experiences and other services which support making postsecondary education a realistic goal for all students.

"(b) DISSEMINATION.—The Secretary shall insure that the information collected under subsection (a) be disseminated through the National Diffusion Network.

"SEC. 404C. AUTHORIZATION OF APPROPRIATIONS.

"(a) MODEL PROGRAM GRANTS.—There are authorized to be appropriated $70,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out section 404A.

"(b) DISSEMINATION ACTIVITIES.—There are authorized to be appropriated $20,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out section 404B.

"CHAPTER 4—CONGRESSIONAL HONORS AWARDS

"SEC. 405A. SCHOLARSHIPS AUTHORIZED.

"(a) PROGRAM AUTHORITY.—The Secretary is authorized, in accordance with this chapter, to award Congressional Honors scholarships to students who are Pell Grant recipients, who have participated in a preparatory program for postsecondary education, and who demonstrate academic achievement.

"(b) PERIOD OF AWARDS.—A student who satisfies the requirements of section 405B may receive a Congressional Honors scholarship for each year that the student receives a Pell Grant.

"(c) CONGRESSIONAL HONORS SCHOLARS.—Students awarded scholarships under this chapter shall be known as 'Congressional Honors Scholars'.

"(d) AUTHORIZATION.—There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and each of the four succeeding fiscal years to carry out this chapter.

"SEC. 405B. ELIGIBILITY OF SCHOLARS.

"(a) REQUIREMENTS FOR STUDENTS IN FIRST YEAR OF POSTSECONDARY EDUCATION.—In order for a student who will be attending his or her first year of postsecondary education to be eligible to receive a scholarship under this chapter for that academic year, the student must—

"(1) have participated, for a minimum period of thirty-six months, in an early intervention program that meets the requirements of section 405C;

"(2) complete a program of secondary education including three years of mathematics, two years of science and four years of English;

"(3) earn a gradepoint average of 2.5 or higher, on a scale of 4.0, in the final two years of high school; and

"(4) receive a Pell Grant under subpart 2 for that academic year.

"(b) REQUIREMENTS FOR OTHER STUDENTS.—In order for a student who will be attending postsecondary education for a year other than his or her first year, to be eligible to receive a scholarship under this chapter for that academic year, the student must—

"(1) have received a Congressional Honors Award in a previous academic year;

"(2) maintain satisfactory academic progress as defined under section 484(c); and

"(3) receive a Pell Grant under subpart 2 for that academic year.

"SEC. 405C. ELIGIBLE EARLY INTERVENTION PROGRAMS.

"(a) PARTICIPATION IN TRIO PROGRAMS AND LIBERTY SCHOLARSHIP PROGRAMS.—Participation in a program authorized under section 401B, 401C, 403D, or 404A for a thirty-six month period shall meet the requirement of section 405B(a)(1).

"(b) OTHER ELIGIBLE EARLY INTERVENTION PROGRAM.—Participation in another early intervention program regardless of sponsorship for a thirty-six month period, shall qualify students for Congressional Honors Awards if the program—

"(1) meets at least biweekly during the academic year for a period of at least two hours outside regular school hours;

"(2) meets any other requirements established by the Secretary; and

"(3) is certified by the Governor as an Honors Scholars Program.

"SEC. 405D. SCHOLARSHIP AMOUNT.

"(a) Amount of Award.—Except as provided in subsection (b), the amount of a scholarship awarded under this chapter for any academic year shall be equal to 25 percent of the Pell Grant that the recipient is awarded for that year.

"(b) Relation to Cost of Attendance and Other Assistance.—Notwithstanding subsection (a), the amount of a scholarship awarded under this chapter shall be reduced by the postsecondary institution that the student is or will be attending, by the amount that the scholarship when combined with other Federal or non-Federal grant or scholarship assistance the student receives in any academic year, exceeds the student's cost of attendance as defined in section 472.

"SEC. 405E. AWARD PROCEDURES.

"(a) Award Procedures.—By a date set by the Secretary, each Early Intervention Program identified in section 405C shall provide to the Secretary the names of all graduating seniors who meet the requirements of section 405B(a). The Secretary shall provide each contractor processing applications for awards under subpart 2 with these names and notify the Congressional Honors Scholars. Students who meet the requirements of section 405B shall also identify themselves on the application for Federal student aid.

"(b) Payment of Scholarships.—Payments of awards under this section shall be made in conjunction with payment of awards under the Pell Grant program provided under section 411 in accordance with regulations promulgated by the Secretary for such purpose. Each contractor processing applications for awards under section 411 shall in a timely manner furnish to the student financial aid administrator at each institution of higher education the names of students eligible for Congressional Honors Awards in attendance at that institution.

"(c) Adjustment for Insufficient Appropriations.—If, after the Secretary determines the total number of eligible applicants for an academic year in accordance with section 405B, funds available in a fiscal year are insufficient to fully fund all awards for that academic year under this chapter, the amount paid to each student shall be reduced proportionately.

"(d) Awards Ceremony.—Each year the Secretary shall conduct an awards ceremony honoring first-year recipients of Congressional Honors Awards.

"CHAPTER 5—TECHNICAL ASSISTANCE FOR TEACHERS AND COUNSELORS

"SEC. 406A. TECHNICAL ASSISTANCE GRANTS.

"(a) Program Authority.—From the amounts appropriated under subsection (f), the Secretary shall award grants to local educational agencies to use for the purpose of obtaining specialized training for guidance counselors, teachers, and principals to counsel students about college opportunities, precollege requirements, the college admissions procedure, and financial aid opportunities.

"(b) Selection of Grant Recipients.—

"(1) Priority.—In making grants under this section, the Secretary shall give priority to those local educational agencies serving school districts (A) from which the proportion of students who continue on to higher education is significantly below the national average, and (B) in which the proportion of students who are educationally disadvantaged is significantly above the national average.

"(2) Selection Procedures.—The Secretary shall develop a formal procedure for the submission of proposals and publish in the Federal Register an announcement with respect to that procedure and the availability of funds.

"(c) Local Plan.—To receive a grant under this section, a local educational agency shall submit to the Secretary a plan that—

"(1) specifies the methods to be used for outreach, implementation, and follow-up with those students most in need and at-risk for dropping out or failing to pursue postsecondary education;

"(2) demonstrates the methods by which the agency will target funds to those schools within the district that have the lowest rate of students who continue on to higher education;

"(3) utilizes early intervention programs for counseling minority, economically disadvantaged, disabled, and at-risk students about postsecondary education;

"(4) includes a strategy for keeping the guidance counselors, teachers (including elementary, secondary, vocational, and special education teachers), and principals who have been trained up-to-date on financial aid information;

"(5) contains a statement of specific goals and methods for obtaining statistics on the number of participants who continue on to postsecondary education; and

"(6) contains a description of the costs of the training and other activities to be undertaken.

"(d) Duration of Grants.—Grants under this section shall be available for 2 years.

"(e) Evaluation.—

"(1) Conduct of evaluations.—The Secretary shall reserve not more than 2 percent of any amount appropriated under subsection (f) for the purpose of carrying out an independent evaluation of the effectiveness of the training programs assisted under this section in—

"(A) increasing the number of personnel in a school who regularly counsel students regarding college opportunities, precollege requirements, the college admission procedure, and financial aid opportunities; and

"(B) increasing the number of students who continue on to postsecondary education from a school which has had personnel trained using monies from this section.

"(2) Report.—The Secretary shall submit to the appropriate committees of the Congress a report which contains the findings of the evaluation required by paragraph (1).

"(f) Technical Assistance Grants.—There are authorized to be appropriated $70,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this section.

"CHAPTER 6—NATIONAL STUDENT SAVINGS DEMONSTRATION PROGRAM

"SEC. 407A. NATIONAL STUDENT SAVINGS DEMONSTRATION PROGRAM.

"(a) Statement of Purpose.—It is the purpose of this section to—

"(1) create a demonstration program to test the feasibility of establishing a national student savings program to encourage families to save for their children's college education and thereby reduce the loan indebtedness of college students; and

"(2) help determine the most effective means of achieving the activities described in paragraph (1).

"(b) Demonstration Program Authorized.—

"(1) In general.—The Secretary is authorized to award a demonstration grant to not more than 5 States to enable each such State to conduct a student savings program in accordance with this section.

"(2) Amount of grant.—The amount of each grant awarded pursuant to paragraph (1) shall be computed on the basis of—

"(A) a Federal match in an amount equal to the initial State deposit into each account established pursuant to subsection (c)(2)(B), except that such Federal match shall not exceed $50 per child; multiplied by

"(B) the number of children participating in the program assisted under this part.

"(3) Priority.—In awarding grants under this section the Secretary shall give priority to States proposing programs that establish accounts for a child prior to the age of compulsory school attendance in the State in which such child resides.

"(4) Special consideration.—In awarding grants under this section the Secretary shall give special consideration to States—

"(A) that permit employers to use pretax income in making contributions to a child's account; and

"(B) that provide assurances that interest earned in accounts shall be exempt from State taxes.

"(c) Application.—

"(1) In general.—Each State desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and accompanied by such information as the Secretary may reasonably require.

"(2) Contents.—Each application submitted pursuant to paragraph (1) shall—

"(A) describe the student savings program to be established and the number of children to be served;

"(B) contain assurances that an account shall be established for each child participating in the program assisted under this section and set forth the initial amount to be deposited into each such account by the State;

"(C) contain assurances that deposits into such account shall be invested in a responsible manner that provides a reasonable rate of return;

"(D) contain assurances that funds in the account shall only be used to pay the cost of attendance (as such term is defined in section 472) at any eligible institution (as such term is defined in section 481);

"(E) describe the amount of the Federal contribution requested for starting each child's account, which shall not exceed $50 per child participating in the program;

"(F) describe the age at which children in the State may establish such accounts;

"(G) indicate whether the program will be open to all children, regardless of family income, or only to disadvantaged children;

"(H) describe how additional deposits into each account from the State or other resources will be earned by a child for performance of community service, academic performance, or other activities or achievements;

"(I) contain assurances that contributions in an account shall be refundable to the contributor without interest if the child is unable to attend college;

"(J) contain assurances that the State shall encourage individuals and organizations to make contributions to a child's account;

"(K) contain assurances that the State shall provide incentives to employers to make contributions to a child's account and participate in the program assisted under this section; and

"(L) contain assurances that if a child leaves the State in which such child has an account, then such child shall retain the right to make contributions to the account, except that the State shall not be required to make any additional deposits other than interest.

"(d) Authorization of Appropriations.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this section.

"CHAPTER 7—PUBLIC INFORMATION

"SEC. 408A. DATABASE AND INFORMATION LINE.

"From the funds available under section 408C, the Secretary of Education shall award a contract to establish and maintain—

"(1) a computerized database of all public and private financial assistance programs, to be accessible to schools and libraries through either modems or toll-free telephone lines; and

"(2) a toll-free information line, including access by telecommunications devices for the deaf ('TDD's'), to provide individualized financial assistance information to parents, students, and other individuals, including individuals with disabilities, and to refer students with disabilities and their families to the postsecondary clearinghouse that is authorized under section 633(c) of the Individuals with Disabilities Education Act.

"SEC. 408B. PUBLIC ADVERTISING.

"The Secretary shall encourage private nonprofit agencies and organizations to work with persons engaged in video production to develop and deliver public service announcements and paid advertising messages that encourage economically disadvantaged, minority, or at-risk individuals to seek higher education, and to seek higher education and financial assistance counseling at public schools and libraries. These announcements and messages may be specially designed for students of limited English proficiency. The Secretary shall keep the appropriate committees of the Congress informed with respect to the efforts made pursuant to this section and shall recommend any additional legislative authority that will serve the purposes of this section.

"SEC. 408C. DATABASE AND INFORMATION LINE.

"There are authorized to be appropriated $20,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this chapter.

"CHAPTER 8—PRESIDENTIAL ACHIEVEMENT SCHOLARSHIP PROGRAM

"SEC. 409A. PURPOSE; APPROPRIATIONS AUTHORIZED.

"(a) Purpose.—It is the purpose of this chapter to award scholarships to Pell Grant recipients who demonstrate high academic achievement, and thereby encourage financially needy students to excel in their elementary and secondary studies, enter postsecondary education, and continue to demonstrate high levels of academic achievement at the postsecondary level.

"(b) Authorization of Appropriations.—There are authorized to be appropriated $170,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the purposes of this chapter. Funds shall remain available for expenditure until the end of the fiscal year immediately succeeding the fiscal year for which such funds were appropriated.

"SEC. 409B. SCHOLARSHIPS AUTHORIZED.

"(a) Program Authority.—The Secretary is authorized, in accordance with this chapter, to carry out a program of awarding scholarships to students who are Pell Grant recipients and demonstrate high levels of academic achievement.

"(b) Period of Awards.—(1) A student who satisfies the requirements of section 409C may receive a scholarship, for a period of one academic year, for full-time undergraduate study at an institution of higher education.

"(2) A student who satisfies the requirements of section 409C may receive up to four scholarships, each awarded for a period of 1 academic year, except that, in the case of a student who is enrolled in a full-time undergraduate course of study that requires attendance for 5 academic years, the student may receive up to 5 scholarships under this chapter.

"(c) Presidential Achievement Scholarships.—Students awarded scholarships under this chapter shall be known as 'Presidential Achievement Scholars'.

"SEC. 409C. ELIGIBILITY OF SCHOLARS.

"(a) Requirements for Students in First Year of Postsecondary Education.—In order for a student who will be attending his or her first year of postsecondary education to be eligible to receive a scholarship under this subpart for that academic year, the student must—

"(1)(A) rank, or have ranked, in the top 10 percent, by grade point average, of his or her high school graduating class; or

"(B) achieve at least the minimum score, announced by the Secretary for this purpose by notice in the Federal Register, on 1 of the nationally administered, standardized tests identified by the Secretary; and

"(2) receive a Pell Grant under subpart 2 of this part for that academic year.

"(b) Requirements for Other Students.—In order for a student who will be attending a year of postsecondary education, other than his or her first year, to be eligible to receive a scholarship under this chapter for that academic year, the student must—

"(1) be enrolled in a program of study of not less than 2 academic years in length that leads to a degree or certificate;

"(2) rank in the top 20 percent, by cumulative grade point average (or its equivalent, if the institution does not use a system of ranking its students by grade point averages), of his or her postsecondary education class as of the last academic year of study completed; and

"(3) receive a Pell Grant under subpart 2 of this part for that academic year.

"(c) Prior Scholarships.—Except in relation to the aggregate limits on the receipt of scholarships in section 409B(b)(2), a student's eligibility for a Presidential Achievement Scholarship for a given academic year is not dependent on whether the student received a Presidential Achievement Scholarship or a Pell Grant in the previous academic year.

"(d) Full-Time Attendance Required.—A student who is attending an institution of higher education on a less than full-time basis is not eligible to receive a Presidential Achievement Scholarship.

"SEC. 409D. AWARD PROCEDURES.

"(a) Award Procedures.—(1) The Secretary shall establish the procedures through regulations by which Presidential Achievement Scholarships shall be awarded.

"(2) A participating institution of higher education shall provide such information as is required by the Secretary regarding a potential scholarship recipient's class rank or test score.

"(b) Deadlines.—The Secretary shall specify, by notice in the Federal Register, the date after which no additional students may be considered for scholarships under this chapter for a given academic year. The Secretary shall then determine the total number of eligible applicants for that academic year, and, if necessary, apply the reduction procedures specified in section 409E(c).

"(c) Disbursal of Scholarship Proceeds.—Scholarship proceeds shall be disbursed on behalf of students who receive scholarships under this chapter to the institutions of higher education at which the students are enrolled. No scholarship proceeds shall be disbursed on behalf of a student until the student is enrolled at an institution of higher education.

"SEC. 409E. SCHOLARSHIP AMOUNT.

"(a) Amount of Award.—Except as provided in subsections (b) and (c), the amount of a scholarship awarded under this chapter for any academic year shall be $500.

"(b) Relation to Cost of Attendance and Other Assistance.—Notwithstanding subsection (a), the amount of a scholarship awarded under this chapter shall be reduced, by the institution of higher education that the student is or will be attending, by the amount that the scholarship—

"(1) exceeds the student's cost of attendance, as defined in section 472; or

"(2) when combined with other Federal or non-Federal grant or scholarship assistance the student receives in any academic year, exceeds the student's cost of attendance, as defined in section 472.

"(c) Adjustments for Insufficient Appropriations.—If, after the Secretary determines the total number of eligible applicants for an academic year in accordance with section 409D(b), funds available in a fiscal year are insufficient to fully fund all awards for that academic year under this chapter, the amount paid to each student shall be reduced proportionately.

"CHAPTER 9—ADVANCED PLACEMENT FEE PAYMENT PROGRAM

"SEC. 410A. ADVANCED PLACEMENT FEE PAYMENT PROGRAM.

"(a) Program Established.—The Secretary shall carry out, by contract, a program which shall be designed to provide payments, to cover the cost of advance placement test fees, to low-income individuals who—

"(1) are enrolled in an advanced placement class; and

"(2) plan to take an advanced placement test.

"(b) Information Dissemination.—The Secretary shall disseminate information on the availability of test fee payments under this section to eligible individuals through secondary school teachers and guidance counselors.

"(c) Requirements for Approval of Applications.—In approving applications for advance placement test fee payment under this section in any fiscal year, the contractor selected by the Secretary shall—

"(1) require that each such application contain a description of the advance placement test fees the Secretary is requested to pay;

"(2) require an assurance that any funds received under this section shall only be used to pay advanced placement test fees; and

"(3) contain such information as the contractor may require to demonstrate that the student is eligible for payments under this section.

"(d) Supplementation of Funding.—Funds provided under this section shall be used to supplement and not supplant other Federal, State, and local funds available to assist low-income individuals in paying for advanced placement testing.

"(e) Regulations.—The Secretary shall prescribe such regulations as are necessary to carry out this section.

"(f) Authorization of Appropriations.—There are authorized to be appropriated $3,600,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the provisions of this section.

"(g) Definition.—As used in this section, the term 'advanced placement test' includes only an advanced placement test approved by the Secretary for the purposes of this section.".

(b) Reference.—Reference in any provision of law (other than the Act) to subpart 1, 2, or 3 of part A of title IV of the Act shall, after the date of enactment of this Act, be deemed to refer to subpart 2, 3, or 4 of such part, respectively.

Subpart 5—Amendments to Subparts 5 Through 8 of Part A

SEC. 418. HEP/CAMP.

(a) Eligible Persons.—

(1) Section 418A(b)(1) of the Act is amended to read as follows:

"(1) recruitment services to reach persons who are 17 years of age and over who, themselves or whose parents have spent a minimum of 75 days

during the past 24 months in migrant and seasonal farmwork or who have participated in programs under subpart 1 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 or section 402 of the Job Training Partnership Act, and who lack a high school diploma or its equivalent;".

(2) Section 418A(c)(1) of the Act is amended to read as follows:

"(1) outreach and recruitment services to reach persons who themselves or whose parents have spent a minimum of 75 days during the past 24 months in migrant and seasonal farmwork or who have participated in programs under subpart 1 of part D of chapter 1 of title I of the Elementary and Secondary Education Act of 1965 or section 402 of the Job Training Partnership Act, and who meet the minimum qualifications for attendance at a college or university;".

(b) GRANT CYCLES.—Section 418A(e) of the Act is amended—

(1) in the subsection heading, by striking "THREE-YEAR" and inserting "FIVE-YEAR"; and

(2) by striking "3-year period" and inserting "5-year period".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 418A(g) of the Act is amended to read as follows:

"(g) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated for the high school equivalency program $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) There are authorized to be appropriated for the college assistance migrant program $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

SEC. 419. BYRD HONORS SCHOLARSHIP PROGRAM.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 419K of the Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 419K. There are authorized to be appropriated for this subpart $10,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.".

(b) DEFINITIONS.—Section 419B of the Act is repealed.

SEC. 420. REPEAL OF ASSISTANCE TO INSTITUTIONS OF HIGHER EDUCATION.

Subpart 7 of part A of title IV of the Act is repealed.

SEC. 420A. CHILD CARE SERVICES.

Section 420B(c) of the Act is amended by striking "fiscal year 1987" and inserting "fiscal year 1993".

PART B—FEDERAL FAMILY EDUCATION LOANS

SEC. 421. NAME OF PROGRAMS.

Part B of title IV of the Act is amended—

(1) by striking the heading of such part and inserting the following:

"PART B—FEDERAL FAMILY EDUCATION LOAN PROGRAM"; AND

(2) by striking section 421(c) and inserting the following:

"(c) DESIGNATION.—The program established under this part shall be referred to as the 'Federal Stafford Student Loan Program'. Loans made pursuant to sections 427 and 428 shall be known as 'Federal Stafford Loans'.".

SEC. 422. GUARANTEE AUTHORITY CONTINGENT ON TIMELY RULEMAKING.

Section 421 of the Act is amended by inserting after subsection (c) the following new subsection:

"(d) LIMITATION ON AUTHORIZATION TO GUARANTEE NEW LOANS UNDER THIS PART.—Notwithstanding any other provision of this part, no new loan guarantees shall be issued after June 30, 1994, if the Secretary does not issue final regulations implementing the changes made to this part under the Higher Education Amendments of 1992 prior to that date. The authority to issue new loan guarantees shall resume upon the Secretary's issuance of such regulations.".

SEC. 423. GUARANTY AGENCY FUNDING.

Section 422 of the Act is amended by adding at the end the following new subsection:

"(e) CORRECTION FOR ERRORS UNDER REDUCTION OF EXCESS CASH RESERVES.—

"(1) CORRECTION FOR ERRORS.—The Secretary shall pay any guaranty agency the amount of reimbursement of claims under section 428(c)(1), filed between September 1988 and December 31, 1989, which were previously withheld or canceled in order to be applied to satisfy such agency's obligation to eliminate excess cash reserves held by such agency, based on the maximum cash reserve (as defined in section 422(e) as in effect on September 1, 1988) permitted at the end of 1986, if such maximum cash reserve was miscalculated because of erroneous financial information provided by such agency to the Secretary if (A) such erroneous information is verified by an audited financial statement of the reserve fund, signed by a certified public accountant and (B) such audited financial statement is provided to the Secretary prior to January 1, 1993.

"(2) AMOUNT OF REIMBURSEMENT.—The amount of reimbursement for claims shall be equal to the amount of reimbursement for claims withheld or canceled in order to be applied to such agency's obligation to eliminate excess cash reserves, which exceeds the amount of that which would have been withheld or canceled, if the maximum excess reserves had been accurately calculated.".

SEC. 424. GRADUATED REPAYMENT.

(a) FISL AMENDMENTS.—Section 427 of the Act is amended—

(1) in subsection (a)(2)—

(A) by striking "and" at the end of subparagraph (G);

(B) by redesignating subparagraph (H) as subparagraph (I); and

(C) by inserting after subparagraph (G) the following:

"(H) provides that, no more than 6 months prior to the date on which the borrower's first payment on a loan is due, the lender shall offer the borrower the option of repaying the loan in accordance with a graduated or income-sensitive repayment schedule established by the lender and approved by the Secretary; and"; and

(2) in subsection (c), by striking "MINIMUM REPAYMENT RATE.—The total of the payments" and inserting "SPECIAL REPAYMENT RULES.—Except as provided in subsection (a)(2)(H), the total of the payments".

(b) GSL AMENDMENTS.—Section 428(b)(1)(E) of the Act is amended to read as follows:

"(E) subject to subparagraphs (D) and (L), and except as provided by subparagraph (M), provides that—

"(i) not more than 6 months prior to the date on which the borrower's first payment is due, the lender shall offer the borrower of a loan made, insured or guaranteed under this section or section 428A, the option of repaying the loan in accordance with a graduated or income-sensitive repayment schedule established by the lender and approved by the Secretary;

"(ii) for the first 2 years of repayment, the borrower shall receive monthly statements that designate the principal and interest that has been repaid; and

"(iii) repayment of loans shall be in installments over a period of not less than 5 years (unless the student, during the 6 months immediately preceding the start of the repayment period, specifically requests that repayment be made over a shorter period) nor more than 10 years, beginning 6 months after the month in which the student ceases to carry at least one-half the normal full-time academic workload as determined by the institution;".

SEC. 425. STUDY ABROAD.

(a) DISBURSEMENT.—

(1) INSURED LOANS.—Section 427(a)(3) of the Act is amended to read as follows:

"(3) the funds borrowed by a student are disbursed to the institution by check or other means that is payable to and requires the endorsement or other certification by such student, except—

"(A) nothing in this title shall be interpreted—

"(i) to allow the Secretary to require checks to be made copayable to the institution and the borrower; or

"(ii) to prohibit the disbursement of loan proceeds by means other than by check; and

"(B) in the case of students who are studying outside the United States in a program of study abroad that is approved for credit by the institution, the funds shall be delivered directly to the student and the checks may be endorsed pursuant to an authorized power-of-attorney; and".

(2) GUARANTEED LOANS.—Section 428(b)(1)(N) of the Act is amended by striking "except in the case of attendance at an institution outside the United States, the funds shall be delivered directly to the student;" and inserting "except in the case of students who are studying outside the United States in a program of study abroad that is approved for credit by the institution, the funds shall be delivered directly to the student and the checks may be endorsed pursuant to an authorized power-of-attorney;".

(b) MULTIPLE DISBURSEMENT.—

(1) INSURED LOANS.—Section 427(b)(2) of the Act is amended by striking "or made to a student to cover the cost of attendance at an eligible institution outside the United States" and inserting before the period at the end thereof the following: "or in a program of study abroad approved for credit by an eligible institution".

(2) GUARANTEED LOANS.—Section 428G(e) of the Act is amended by striking "made to a student to cover the cost of attendance at an eligible institution outside the United States" and inserting "made to a student enrolled in a program of study abroad approved for credit by an eligible institution".

(c) LOAN AMOUNTS.—Section 428(b)(1)(A) of the Act is amended by inserting ", or in a program of study abroad approved for credit by the eligible institution" after "at an eligible institution".

SEC. 426. APPLICABLE INTEREST RATES.

(a) PLUS LOAN INTEREST RATE.—Section 427A(c)(4) of the Act is amended by adding at the end the following new subparagraph:

"(D) Notwithstanding subparagraphs (A) through (C), for any loan made pursuant to section 428B and disbursed on or after July 1, 1993, the interest rate shall not exceed 10 percent.".

(b) NEW BORROWER RATES.—Section 427A(d)(1) of the Act is amended by striking "on the date of the disbursement of the loan" and inserting "on the date on which the repayment period begins, pursuant to section 428(b)(1)(E)".

(c) EXCESS INTEREST PAYMENTS.—Section 427A(e) of the Act is amended—

(1) in paragraph (1)—

(A) by striking "IN GENERAL" and inserting "EXCESS INTEREST ON 10 PERCENT LOANS";

(B) by striking "paragraph (3)" and inserting "paragraph (5)";

(2) in paragraph (2), by inserting "FOR 10 PERCENT LOANS" after "(2) AMOUNT OF ADJUSTMENT";

(3) by redesignating paragraphs (3), (4), and (5) as paragraphs (5), (6), and (7), respectively;

(4) by inserting the following new paragraphs after paragraph (2):

"(3) EXCESS INTEREST ON 8 PERCENT LOANS.—If, with respect to a loan for which the applicable interest rate is 8 percent under subsection (d) of this section at the close of any calendar quarter, the sum of the average of the bond equivalent rates of 91-day Treasury bills auctioned for that quarter and 3.25 percent is less than 8 percent, then an adjustment shall be made—

"(A) by calculating excess interest in the amount computed under paragraph (4) of this subsection; and

"(B)(i) during any period in which a student is eligible to have interest payments paid on his or her behalf by the Government pursuant to section 428(a), by crediting the excess interest to the Government; or

"(ii) during any other period, by crediting such excess interest to the reduction of principal to the extent provided in paragraph (5) of this subsection.

"(4) AMOUNT OF ADJUSTMENT FOR 8 PERCENT LOANS.—The amount of any adjustment of interest on a loan to be made under this subsection for any quarter shall be equal to—

"(A) 8 percent minus the sum of (i) the average of the bond equivalent rates of 91-day Treasury bills auctioned for such calendar quarter, and (ii) 3.25 percent; multiplied by

"(B) the outstanding principal balance of the loan (not including unearned interest added to principal) at the end of such calendar quarter; divided by

"(C) four.";

(5) in paragraph (5), as redesignated—

(A) by striking "or by reducing the number of payments" and inserting "by reducing the number of payments"; and

(B) by striking the period at the end and inserting ", or by reducing the amount of the final payment of the loan. Nothing in this paragraph shall be construed to require the lender to make additional disclosures pursuant to section 433(b)."; and

(6) by striking paragraph (7), as redesignated.

SEC. 427. AMENDMENTS TO SECTION 428.

(a) LOANS THAT HAVE NOT BEEN CONSUMMATED.—Section 428(a) of the Act is amended by inserting after paragraph (6) the following new paragraph:

"(7) LOANS THAT HAVE NOT BEEN CONSUMMATED.—Lenders may not charge interest or receive interest subsidies for loans that have not been consummated (loans for which the disbursement checks have not been cashed).".

(b) PRORATION OF LOAN ELIGIBILITY TO COURSE LOAD.—

(1) AMENDMENT.—Section 428(b)(1)(A) of the Act is amended by striking clauses (i), (ii), and (iii) and inserting the following:

"(i) in the case of a student at an eligible institution who has not successfully completed the first and second year of a program of undergraduate education—

"(I) $2,625, if such student is enrolled in a program whose length is one academic year in length (as provided for in section 481(d));

"(II) $1,750, if student is enrolled in a program whose length is at least ⅔ of an academic year; and

"(III) $875, if such student is enrolled in a program whose length is less than ⅔, but at least ⅓, of an academic year (as provided for in section 481(b));

"(ii) in the case of a student at an eligible institution who has successfully completed such first and second year but has not successfully completed the remainder of a program of undergraduate study—

"(I) $4,000, if such student is enrolled in a program whose length is one academic year in length (as provided for in section 481(d));

"(II) $2,675, if such student is enrolled in a program whose length is at least ⅔ of an academic year; and

"(III) $1,350, if such student is enrolled in a program whose length is less than ⅔, but at least ⅓, of an academic year (as provided for in section 481(b)); and

"(iii) in the case of a graduate or professional student (as defined in regulations of the Secretary) at an eligible institution, $7,500;".

(2) CONFORMING AMENDMENT.—Section 425(a)(1) of the Act is amended by striking clauses (i), (ii), and (iii) of subparagraph (A) and inserting the following:

"(i) in the case of a student at an eligible institution who has not successfully completed the first and second year of a program of undergraduate education—

"(I) $2,625, if such student is enrolled in a program whose length is one academic year in length (as provided for in section 481(d));

"(II) $1,750, if such student is enrolled in a program whose length is at least ⅔ of an academic year; and

"(III) $875, if such student is enrolled in a program whose length is less than ⅔, but at least ⅓, of an academic year (as provided for in section 481(b));

"(ii) in the case of a student at an eligible institution who has successfully completed such first and second year but has not successfully completed the remainder of a program of undergraduate study—

"(I) $4,000, if such student is enrolled in a program whose length is one academic year in length (as provided for in section 481(d));

"(II) $2,675, if such student is enrolled in a program whose length is at least ⅔ of an academic year; and

"(III) $1,350, if such student is enrolled in a program whose length is less than ⅔, but at least ⅓, of an academic year (as provided for in section 481(b)); and

"(iii) in the case of a graduate or professional student (as defined in regulations of the Secretary) at an eligible institution, $7,500.".

(c) MINIMUM PAYMENT FOR MARRIED COUPLES; MINIMUM PAYMENT OF INTEREST.—

(1) GSL AMENDMENT.—Section 428(b)(1)(L)(i) of the Act is amended by striking ", except that, in the case of a husband and wife" and all that follows through "whichever is less" and inserting "(but in no instance less than the amount of interest due and payable)".

(2) FISL AMENDMENT.—Section 427(c) of the Act is further amended by striking ", except that in the case of a husband and wife" and all that follows through "whichever is less" and inserting "(but in no instance less than the amount of interest due and payable)".

(d) DEFERMENTS.—

(1) AMENDMENT.—Section 428(b)(1)(M) of the Act is amended—

(A) in the matter preceding clause (i), by inserting "by the Secretary" after "shall accrue and be paid";

(B) in clause (i), by striking "for which the student has obtained a loan under this part"; and

(C) by striking clauses (ii) through (xi) and inserting the following:

"(ii) not in excess of 24 months at the request of the borrower, during which the borrower is seeking and unable to find full-time employment; and

"(iii) not in excess of 36 months for any reason which the lender deems will cause economic hardship for the borrower, pursuant to regulation by the Secretary, who shall consider the borrower's income and debt-to-income ratio as primary factors in promulgating such regulations;

except that, for the purposes of clause (i), an eligible institution includes institutions ineligible for participation in programs under this part under section 435(a)(2);".

(2) CONFORMING AMENDMENT.—Section 427(a)(2)(C) of the Act is amended by striking clauses (ii) through (xi) and inserting the following:

"(ii) not in excess of 24 months at the request of the borrower, during which the borrower is seeking and unable to find full-time employment; and

"(iii) not in excess of 36 months for any reason which the lender deems will cause economic hardship for the borrower, pursuant to regulation by the Secretary, who shall consider the borrower's income and debt-to-income ratio as primary factors in promulgating such regulations;

except that, for the purposes of clause (i), an eligible institution includes institutions ineligible for participation in programs under this part under section 435(a)(2),".

(e) EXCLUSION OF FORBEARANCE FROM REPAYMENT PERIOD CALCULATION.—Subparagraphs (D) and (E) of section 428(b)(1) of the Act are amended to read as follows:

"(D) provides that (i) the student borrower shall be entitled to accelerate without penalty the whole or any part of an insured loan, (ii) the repayment period of any insured loan may not exceed 10 years, and (iii) the note, or other written evidence of any loan, may contain such reasonable provisions relating to repayment in the event of default by the borrower as may be authorized by regulations of the Secretary in effect at the time such note or written evidence was executed;

"(E) subject to subparagraph (D)(i), provides that repayment of loans shall be in installments over a period of not less than 5 years (unless the student, during the 6 months preceding the start of the repayment period, specifically requests that repayments be made over a shorter period) nor more than 10 years beginning 6 months after the month in which the student ceases to carry at least one-half the normal full-time academic workload as determined by the institution;".

(f) CONSEQUENCES OF LS&T ACTIONS.—Section 428(b)(1)(T) is amended to read as follows:

"(T) authorize (i) the limitation of the total number of loans or volume of loans, made under this part to students attending a particular eligible institution during any academic year; and (ii) the limitation, suspension, or termination of the eligibility of an eligible institution if—

"(I) such institution is ineligible under regulations for the emergency action, limitation, suspension, or termination of eligible institutions under regulations issued by the Secretary or is ineligible pursuant to criteria, rules, or regulations issued under the student loan insurance program which are substantially the same as regulations with respect to emergency action, limitation, suspension, or termination of such eligibility issued by the Secretary;

"(II) there is a State constitutional prohibition affecting the eligibility of such an institution;

"(III) such institution fails to make timely refunds to students as required by regulations issued by the Secretary or has not satisfied within 30 days of issuance a judgment obtained by a student;

"(IV) such institution or an owner, director, or officer of such institution is found guilty in any criminal, civil or administrative proceeding or such institution or an owner, director, or officer of such institution is found liable in any civil or administrative proceeding regarding the obtaining, maintenance, or disbursement of State or Federal grant, loan, or work assistance funds; or

"(V) such institution or an owner, director, or officer of such institution has unpaid financial liabilities involving the improper acquisition, expenditure, or refund of State or Federal financial aid funds;

except that, if a guaranty agency limits, suspends, or terminates the participation of an eli-

gible institution, the Secretary shall apply that limitation, suspension, or termination to all institutions with the Department of Education institution identification code of such institution, unless the Secretary finds within 30 days of notification of the action by the guaranty agency that the guaranty agency's action did not comply with the requirements of this section;".

(g) AUDITS OF LENDERS.—Section 428(b)(1)(U) of the Act is amended—

(1) in clause (i), by striking out "and" at the end thereof;

(2) by inserting before the semicolon at the end thereof the following: ", and (iii) for (I) a compliance audit of a lender at least once a year and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary, or (II) with regard to a lender that is audited under chapter 75 of title 31, United States Code, such audit shall be deemed to satisfy the requirements of subclause (I) for the period covered by such audit;".

(h) CREDIT CHECKS; CONFESSION OF JUDGMENT.—

(1) GSL PROGRAM.—Section 428(b)(1) of the Act is amended—

(A) by striking subparagraphs (W) and (X); and

(B) by redesignating subparagraph (Y) (as added by section 423(b)(3) of this Act) as subparagraph (W).

(2) FISL PROGRAM.—Section 427(a)(2)(A) of such Act is amended to read as follows:

"(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by the borrower would not, under the applicable law, create a binding obligation, endorsement may be required;".

(i) PARTICIPATION AGREEMENTS BETWEEN GUARANTY AGENCIES AND INSTITUTIONS.—Section 428(b)(1) is amended by adding at the end thereof the following new subparagraph:

"(X) provides for a participation agreement between the guaranty agency and each eligible institution within its designated service area.".

(j) AUDITS OF GUARANTY AGENCIES.—Section 428(b)(2)(D)(i) of the Act is amended by striking out "at least once every 2 years" and inserting in lieu thereof "on at least an annual basis".

(k) NOTICE TO BORROWER OF LOAN SALE.—Section 428(b)(2) of the Act is amended—

(1) by striking "and" at the end of subparagraph (D);

(2) by striking the period at the end of subparagraph (E) and inserting a semicolon; and

(3) by adding at the end the following new subparagraphs:

"(F) provide that if the sale, other transfer, or assignment of a loan made under this part to another holder will result in a change in the identity of the party to whom the borrower must send subsequent payments, the transferor and the transferee shall, no later than 45 days from the date the transferee acquires a legally enforceable right to receive payment from the borrower on such loan, each provide a separate notice to the borrower of—

"(i) the sale or other transfer;

"(ii) the identity of the transferee;

"(iii) the name and address of the party to whom subsequent payments must be sent; and

"(iv) the telephone numbers of both the transferor and the transferee; and

"(G) provide that, upon the request of the last institution attended by the borrower prior to the beginning of the repayment of any loan made under this part, the transferor and transferee shall provide such institution with a copy of the notices required by subparagraph (F).".

(l) GUARANTY AGENCY INCENTIVE PAYMENTS.—Section 428(b)(3) of the Act is amended—

(1) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(2) by inserting after subparagraph (A) the following new subparagraph:

"(B) offer, directly or indirectly, any premium, payment, or other inducement to any lender, or any agent or employee of any lender, in order to secure the designation of that guaranty agency loans made under this part (other than a loan made under section 428H);".

(m) ELIMINATION OF TEACHER DEFERMENT.—Section 428(b) of the Act is amended by striking paragraph (4) and redesignating paragraphs (5) and (6) as paragraph (4) and (5), respectively.

(n) PROCEDURES FOR DEFERMENTS.—Section 428(b)(4) of the Act (as redesignated) is amended by adding at the end thereof the following new sentence: "Requests for deferment of repayment of loans under this part by students engaged in graduate or postgraduate fellowship-supported study (such as pursuant to a Fulbright grant) outside the United States may be approved until completion of the period of the fellowship.".

(o) RESTRICTIONS ON GUARANTY AGENCY OFFICERS AND EMPLOYEES.—Section 428(b) of the Act is amended by adding at the end the following new paragraph:

"(6) CONFLICT-OF-INTEREST PROCEDURES.—Each guaranty agency shall, in accordance with regulations prescribed by the Secretary, establish procedures to—

"(A) require each policymaking or contracting officer or employee to make such financial disclosures as may be necessary to enable the guaranty agency to determine whether such officer or employee has a direct financial interest in, or serves as an officer or employee of, any eligible lender, secondary market maker, contractor, or service provider with which the guaranty agency does business;

"(B) conduct such investigations as may be necessary concerning any allegation of conduct described in subparagraph (A);

"(C) determine whether such conduct poses an actual conflict of interest which could harm the operations of such agency: Provided, That compliance with applicable State law and regulation is not deemed in and of itself a conflict of interest;

"(D) impose such remedies as be necessary to prevent such harm;

"(E) report the results of such investigations and determinations, and identify the remedies imposed, in reports to the Secretary; and

"(F) take such corrective actions as the Secretary may require after review of such reports, including payments of such civil penalties as the Secretary may impose upon the guaranty agency for a substantial failure to correct.".

(p) INFORMATION FROM STATE LICENSING BOARDS.—Section 428(b) of the Act is further amended by adding at the end the following new paragraphs:

"(7) STATE GUARANTY AGENCY INFORMATION REQUEST OF STATE LICENSING BOARDS.—Each guaranty agency is authorized to enter into agreements with each appropriate State licensing board under which the State licensing board, upon request, will furnish the guaranty agency with the address of a student borrower in any case in which the location of the student borrower is unknown or unavailable to the guaranty agency.

"(8) REPAYMENT PERIOD.—(A) In the case of a loan made under section 427 or 428, the repayment period shall begin on the day immediately following the expiration of the period of time, specified in section 428(b)(1)(E), after the student ceases to carry the required academic workload, unless the borrower requests and is granted a repayment schedule that provides for repayment to commence at an earlier point in time, and shall exclude any period of authorized deferment or forbearance.

"(B) In the case of a loan made under section 428A, the repayment period shall begin on the day the loan is disbursed, or, if the loan is disbursed in multiple installments, on the day of the last such disbursement, and shall exclude any period of authorized deferment or forbearance.

"(C) In the case of a loan made under section 428B or 428C, the repayment period shall begin on the day the loan is disbursed, and shall exclude any period of authorized deferment or forbearance.".

(q) GUARANTY AGENCY AGREEMENTS.—Section 428(c)(1)(A) of the Act is amended by striking out the period at the end thereof and inserting in lieu thereof a comma and "or later than 45 days after the guaranty agency discharges its insurance obligation on the loan.".

(r) ADDITIONAL REVIEW OF EXCEPTIONAL PERFORMANCE PROHIBITED.—Section 428(c)(1) is amended by adding at the end the following new subparagraph:

"(D) Reimbursements of losses made by the Secretary on loans submitted for claim by an eligible lender, or guaranty agency designated for exceptional performance under paragraph (10) of this subsection shall not be subject to additional review by the Secretary or repurchase by the guaranty agency for any reason other than a determination by the Secretary that the eligible lender, or guaranty agency engaged in fraud or other purposeful misconduct in obtaining designation for exceptional performance.".

(s) BORROWER LOCATION.—Section 428(c)(2) of the Act is amended—

(1) by striking "and" at the end of subparagraph (F);

(2) by redesignating subparagraph (G) as subparagraph (H): and

(3) by inserting after subparagraph (F) the following new subparagraph:

"(G) set forth assurances that the guaranty agency has established and implemented procedures providing for the submission to institutions of higher education of lists of borrowers on which the guaranty agency has received default claims for the purpose of providing the institution that the borrower has indicated as having last attended with an opportunity to comment on the accuracy of the list prior to claims for reinsurance being filed with the Secretary; and".

(t) FORBEARANCE.—(1) Section 428(b)(1)(V) of the Act is amended—

(A) by striking out "and" at the end of clause (i);

(B) by striking the period at the end of clause (ii) and inserting a semicolon; and

(C) by inserting after clause (ii) the following new clauses:

"(iii) provides that, upon written request, a lender shall grant a borrower forbearance of principal and interest (or principal only at the option of the borrower) and renewable at 12-month intervals for a period not to exceed 3 years, on such terms as are otherwise consistent with the regulations of the Secretary set forth in writing by the parties to the loan, if the borrower's debt burden under this title equals or exceeds 20 percent of gross income; and

"(iv) provides that the form of forbearance granted by the lender for purposes of this subparagraph shall be the temporary cessation of payments, unless the borrower selects forbearance in the form of an extension of time for making payments, or smaller payments than were previously scheduled.".

(2) Section 428(c)(3) of the Act is amended to read as follows:

"(3) FORBEARANCE.—A guaranty agreement under this subsection—

"(A) shall contain provisions providing for forbearance in accordance with subsection (b)(1)(V) for the benefit of the student borrower serving in a medical or dental internship or residency program;

"(B) shall contain provisions which require forbearance for the benefit of the borrower when such a borrower has indicated his or her willingness to pay in accordance with the terms of the loan, but has demonstrated his or her present inability to do so; and

"(C) shall contain provisions that specify that the form of forbearance granted by the lender for purposes of this paragraph shall be the temporary cessation of payments, unless the borrower selects forbearance in the form of an extension of time for making payments, or smaller payments than were previously scheduled.

Guaranty agencies shall not be precluded from permitting the parties to such a loan from entering into a forbearance agreement solely because the loan is in default. The Secretary shall permit lenders to exercise administrative forbearances, not requiring the agreement of the borrower, under conditions authorized by the Secretary, which shall include, but not be limited to, forbearances for borrowers who are delinquent at the time of the granting of an authorized period of deferment under section 428(b)(1)(M) or 427(a)(2)(C) and forbearances for borrowers on loans which are sold or transferred, if the borrower is less than 60 days delinquent on such loans at the time of sale or transfer.".

(u) THIRD PARTY SERVICER.—Section 428(c)(6)(C)(iii) of the Act is amended by striking out "servicer" each place it appears and inserting in lieu thereof "third party servicer".

(v) SPECIAL RULES FOR EXCEPTIONAL PERFORMANCE IN LOANS COLLECTION BY ELIGIBLE LENDERS, AND GUARANTY AGENCIES.—Section 428(c) of the Act is amended by adding at the end thereof the following new paragraph:

"(10) SPECIAL INSURANCE RULES FOR CERTAIN ELIGIBLE LENDERS; SPECIAL REINSURANCE RULES FOR GUARANTY AGENCIES.—(A) Whenever the Secretary determines that an eligible lender or guaranty agency has a compliance performance rating with respect to due diligence in the collection of loans insured under this part for each year for which the determination is made which equals, or exceeds, 95 percent of all due diligence requirements with respect to such loans serviced during the period by the eligible lender, or on which loan collection was attempted by the guaranty agency, the Secretary shall designate the eligible lender or guaranty agency, as the case may be, for exceptional performance. The Secretary shall notify each appropriate guaranty agency of the eligible lenders designated under this paragraph.

"(B)(i) Each guaranty agency shall pay each eligible lender designated under subparagraph (A) 100 percent of the unpaid principal and interest of all loans for which claims are submitted for payment by that eligible lender for the one-year period following the receipt by the guaranty agency of the notification of designation under this paragraph.

"(ii) The Secretary shall pay to each guaranty agency designated under subparagraph (A) the appropriate percentage under paragraph (1)(B) of this subsection for the one-year period following the receipt by the guaranty agency of the notification of designation under this paragraph.

"(C)(i) Each eligible lender desiring a designation under subparagraph (A) shall have a financial and compliance audit of the loan portfolio of such eligible lender conducted annually by a qualified independent organization or person in accordance with standards established by the Comptroller General and the Secretary. The standards shall include a defined statistical sampling technique designed to measure the performance rating of the eligible lender for the purpose of this paragraph. Each eligible lender shall submit the audit required by this paragraph to the Secretary and to each appropriate guaranty agency.

"(ii) Each appropriate guaranty agency shall provide the Secretary with such other information in its possession regarding an eligible lender desiring designation as may relate to the Secretary's determination under subparagraph (A).

"(iii) The Secretary shall make the determination under subparagraph (A) based upon the audits submitted under this paragraph and such other information as the appropriate guaranty agency provides under clause (ii). If the results of the audit are not persuasively rebutted by such other information, the Secretary shall inform the eligible lender and the appropriate guaranty agency that its application for designation as an exceptional eligible lender has been approved.

"(iv) Each eligible lender shall pay for all of the costs of the audits required by this subparagraph.

"(v) Designation as an exceptional eligible lender may be revoked at any time by the Secretary upon 60 days notice and an opportunity for a hearing before the Secretary if the Secretary determines that the eligible lender has failed to maintain an overall level of regulatory compliance consistent with the audit submitted by the eligible lender under this paragraph.

"(D)(i) Each guaranty agency desiring a designation under subparagraph (A) shall have a financial and compliance audit of the defaulted loan portfolio of such agency conducted annually by a qualified independent organization or person in accordance with standards established by the Comptroller General and the Secretary. The standards shall include defined statistical sampling techniques designed to measure the performance rating of the guaranty agency for the purpose of this paragraph. Each guaranty agency shall submit the audit required by this subparagraph to the Secretary.

"(ii) The Secretary shall make the determination under subparagraph (A) based upon the audits submitted under this subparagraph and other information in his possession. If the results of the audit are not persuasively rebutted by such other information, the Secretary shall inform the guaranty agency that its application for designation as an exceptional guaranty agency has been approved.

"(iii) Each guaranty agency shall pay for all of the costs of the audits required by this paragraph.

"(iv) Designation as an exceptional guaranty agency may be revoked by the Secretary upon 60 days notice and an opportunity for a hearing before the Secretary upon a finding by the Secretary that the guaranty agency has failed to maintain an overall level of regulatory compliance by the guaranty agency under this paragraph.

"(E) For purposes of this paragraph, the term 'due diligence requirements' means the activities required to be performed by lenders on delinquent loans under regulations establishing requirements for due diligence by lenders in the collection of guarantee agency loans and the activities required to be performed by guaranty agencies on collection of defaulted loans under fiscal administrative and enforcement requirements issued by the Secretary and any related or successor regulations.

"(F) Nothing in this paragraph shall be construed (i) to affect the processing of claims on student loans of eligible lenders not subject to this paragraph, or (ii) to limit the authority of the Secretary to approve more than one standard of due diligence in the collection of loans insured under this part.".

(w) COST OF LENDER PARTICIPATION PROMOTION.—Section 428(f)(1)(A)(i) of the Act is amended by striking "commercial lender" and inserting "eligible lender".

(x) INCOME CONTINGENT REPAYMENT.—

(1) ESTABLISHMENT OF REPAYMENT MECHANISM.—Section 428 of the Act is amended by adding at the end the following new subsection:

"(m) INCOME CONTINGENT REPAYMENT.—

"(1) ESTABLISHMENT OF TERMS AND CONDITIONS.—The Secretary may establish by regulation terms and conditions requiring the income contingent repayment of loans that are required to be repaid under this subsection. Such regulations shall specify the schedules under which the borrower's income will be assessed for repayment of loans, shall permit the discharge of remaining obligation on the loan not later than 25 years after the commencement of income contingent repayment, and may provide for the potential collection of amounts in excess of the principal and interest owed on the original loan or loans.

"(2) COLLECTION MECHANISM.—The Secretary shall, to the extent funds are available therefor, enter into one or more contracts or other agreements with private firms or other agencies of the Government as necessary to carry out the purposes of this subsection. The regulations required by paragraph (1) shall not be effective unless the Secretary publishes a finding that—

"(A) the Secretary has, pursuant to this paragraph, established a collection mechanism that will provide a high degree of certainty that collections will be made in accordance with the repayment option established under paragraph (1); and

"(B) the use of such repayment option and collection mechanism will result in an increase in the net amount the Government will collect.

"(3) LOANS FOR WHICH INCOME CONTINGENT REPAYMENT IS REQUIRED.—A loan made under this part (other than under section 428B) is required to be repaid under this section if—

"(A) the note or other evidence of the loan contains a notice that it is subject to repayment under this subsection;

"(B) the note or other evidence of the loan has been assigned to the Secretary for collection pursuant to subsection (b)(8); and

"(C) the Secretary has published the finding required by paragraph (2) of this subsection.

"(4) ADDITIONAL AUTHORITY.—The Secretary is authorized to prescribe such regulations as are necessary to carry out the purposes of this section and to protect the Federal fiscal interest.".

(b) CONFORMING AMENDMENT.—Section 428(b)(1)(D) is amended by inserting before the semicolon at the end thereof the following: ", and shall contain a notice that repayment may, following a default by the borrower, be subject to repayment in accordance with the regulations required by subsection (m) if the Secretary has published the finding required by paragraph (2) of such subsection".

SEC. 428. SUPPLEMENTAL LOAN PROGRAM.

(a) NAME OF THE PROGRAM.—Section 428A of the Act is amended by striking the heading of such section and inserting the following:

"FEDERAL SUPPLEMENTAL LOANS FOR STUDENTS".

(b) COORDINATION OF STAFFORD AND SLS REPAYMENT.—Section 428A(c)(1) of the Act is amended by adding at the end the following new sentence: "In the case of a borrower under this section who is also a borrower under a program of student loan insurance covered by an agreement under sections 427 or 428(b), the repayment period shall commence six months after the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload, as determined by the institution, except that interest shall begin to accrue,

and shall be paid in accordance with paragraph (2), notwithstanding such delay in the commencement of the repayment period.".

(c) CAPITALIZATION OF INTEREST.—Section 428A(c)(2) of the Act is amended to read as follows:

"(2) CAPITALIZATION OF INTEREST.—Interest on loans made under this section which are disbursed in installments, for which payments of principal are deferred under sections 427(a)(2)(C)(i) and 428(b)(1)(M)(i), or for which the commencement of the repayment period is delayed in accordance with paragraph (1) to coincide with the commencement of the repayment period of a loan made under section 427 or 428, shall, if agreed upon by the borrower and the lender (A) be paid monthly or quarterly, or (B) be added to the principal amount of the loan no more frequently than quarterly by the lender. Such capitalization of interest shall not be deemed to exceed the annual insurable limit on account of the student.".

(d) LIMITATION.—Section 428A of the Act is amended by adding at the end the following new subsection:

"(e) LIMITATION.—No student shall be eligible to borrow funds under this section if the student is enrolled in an undergraduate degree or nondegree program of less than 2 academic years in an institution of higher education as defined in section 481(b) unless the student is ineligible to receive a Stafford loan.".

SEC. 429. PLUS LOANS.

(a) NAME OF THE PROGRAM.—Section 428B of the Act is amended by striking the heading of such section and inserting the following:

"FEDERAL PLUS LOANS".

(b) CHECKS COPAYABLE.—Section 428B of the Act is amended—

(1) in subsection (a)—

(A) by striking "subsections (c) and (d)" and inserting "subsections (c), (d), and (e)"; and

(B) by inserting after "Parents of a dependent student" the following: ", who have no adverse credit history determined pursuant to regulations of the Secretary,"; and

(2) in subsection (b)—

(A) by striking the subsection designation and heading and paragraphs (1) and (2); and

(B) by redesignating paragraph (3) as subsection (b);

(3) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(4) by inserting after subsection (b) the following new subsection:

"(c) PLUS LOAN DISBURSEMENT.—All loans made under this section shall be disbursed by—

"(1) an electronic transfer of funds from the lender to the eligible institution; or

"(2) making the loan copayable to the eligible institution and the parent borrower.".

(c) LIMITATION OF DEFERRAL.—Section 428B(d)(1) of the Act (as redesignated) is amended to read as follows:

"(1) COMMENCEMENT OF REPAYMENT.—Repayment of principal on loans made under this section shall commence not later than 60 days after the date such loan is disbursed by the lender, subject to deferral during any period during which the parent meets the conditions required for a deferral under section 427(a)(2)(C) or 428(b)(1)(M).".

(d) CAPITALIZATION OF INTEREST.—Section 428B(d)(2) of the Act (as redesignated) is amended to read as follows:

"(2) CAPITALIZATION OF INTEREST.—Interest on loans made under this section for which payments of principal are deferred pursuant to paragraph (1) of this subsection shall, if agreed upon by the borrower and the lender (A) be paid monthly or quarterly, or (B) be added to the principal amount of the loan no more frequently than quarterly by the lender. Such capitalization of interest shall not be deemed to exceed the annual insurable limit on account of the student.".

SEC. 430. CONSOLIDATION LOANS.

(a) NAME OF THE PROGRAM.—Section 428C of the Act is amended by striking the heading of such section and inserting the following:

"FEDERAL CONSOLIDATION LOANS".

(b) USE OF CONSOLIDATION TO AVOID DEFAULT.—

(1) ELIGIBLE BORROWER.—(A) Section 428C(a)(3)(A)(i) is amended by striking "$5,000" and inserting in lieu thereof "$10,000".

(B) Section 428C(a)(3)(A)(ii) is amended to read as follows:

"(ii) is in repayment status, or in a grace period preceding repayment, or is a delinquent or defaulted borrower who will reenter repayment through loan consolidation.".

(2) ELIGIBLE LOANS.—Section 428C(a)(4)(A) of the Act is amended to read as follows:

"(A) made, insured, or guaranteed under this part, including loans on which the borrower has defaulted (but has made arrangements to repay the obligation on the defaulted loans satisfactory to the Secretary or guaranty agency, whichever insured the loans), except for loans made to parent borrowers under section 428B as in effect prior to the enactment of the Higher Education Amendments of 1986;".

(c) EXTENSION OF CONSOLIDATION ELIGIBILITY PERIOD.—Section 428C(a)(3)(B) is amended by striking the first sentence and inserting the following: "An individual's status as an eligible borrower under this section terminates upon receipt of a consolidation loan under this section except (i) that loans received prior to the date of the consolidation loan may be added to the consolidation loan during the 180-day period following the making of the consolidation loan; and (ii) with respect to eligible student loans received after the date of receipt of the consolidation loan.".

(d) CONSOLIDATION OF LOANS OF MARRIED BORROWERS.—Section 428C(a)(3) of the Act is amended by adding at the end the following new subparagraph:

"(C)(i) A married couple, each of whom has eligible student loans, may be treated as if they were an individual borrowing under subparagraphs (A) and (B) if they agree to be held jointly and severally liable for the repayment of a consolidation loan, without regard to the amounts of their respective loan obligations that are to be consolidated, and without regard to any subsequent change that may occur in their marital status.

"(ii) Only one spouse in a married couple applying for a consolidation loan under this subparagraph need meet any of the requirements of subparagraph (A) of this section, except that each spouse shall (I) individually make the initial certification that no other application is pending provided for in subsection (b)(1)(A), and (II) agree to notify the holder concerning any change of address as provided for in subsection (b)(4).".

(e) INTEREST DURING DEFERRAL.—Section 428C(b)(4)(C) of the Act is amended to read as follows:

"(C) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid by the Secretary, during any period for which the borrower would be eligible for a deferral under section 428(b)(1)(M);".

(f) REPAYMENT SCHEDULES.—Section 428C(c)(2) of the Act is amended by—

(1) striking "may" in the first sentence and inserting "shall"; and

(2) by striking the second sentence and inserting the following: "Such repayment terms shall require that if the sum of the consolidation loan and the amount outstanding on other student loans to the individual—

"(i) is equal to or greater than $10,000 but less than $20,000, then such consolidation loan shall be repaid in not more than 15 years;

"(ii) is equal to or greater than $20,000 but less than $40,000, then such consolidation loan shall be repaid in not more than 20 years;

"(iii) is equal to or greater than $40,000 but less than $60,000, then such consolidation loan shall be repaid in not more than 25 years; or

"(iv) is equal to or greater than $60,000, then such consolidation loan shall be repaid in not more than 30 years.".

SEC. 430A. DEFAULT REDUCTION PROGRAMS.

Section 428F of the Act (20 U.S.C. 1078–6) is amended—

(1) by striking subsection (a);

(2) in subsection (b)—

(A) in subparagraph (A) of paragraph (1)—

(i) by striking "Upon" and inserting "Each guaranty agency shall enter into an agreement with the Secretary which shall provide that upon"; and

(ii) by adding at the end the following new sentence: "Neither the guaranty agency nor the Secretary shall demand from a borrower as monthly payment amounts referred to in this paragraph more than is reasonable and affordable based upon the borrower's total financial circumstances."; and

(B) in paragraph (3), by inserting "or grants" after "loans";

(3) by redesignating subsection (b) (as amended in paragraph (2)) as subsection (a); and

(4) by adding at the end the following new subsection:

"(b) SPECIAL RULE.—Each guaranty agency shall establish a program which allows a borrower with a defaulted loan or loans to renew their eligibility for all title IV student financial assistance (regardless of whether their defaulted loan has been sold to an eligible lender) upon the borrower's payment of 6 consecutive monthly payments. The guaranty agency shall not demand from a borrower as a monthly payment amount under this subsection more than is reasonable and affordable based upon the borrower's total financial circumstances.".

SEC. 431. DISBURSEMENT RULES.

(a) MONTHLY OR WEEKLY DISBURSEMENT.—Section 428G(c) of the Act is amended—

(1) by striking "and" at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(3) Notwithstanding subsection (a)(2), may, with the permission of the borrower, be disbursed on a weekly or monthly basis, provided that the proceeds of the loan are disbursed in substantially equal weekly or monthly installments, as the case may be, over the period of enrollment for which the loan is made.".

(b) OVERAWARD ADJUSTMENTS.—Section 428G(d)(2) of the Act is amended by inserting before the period at the end of the first sentence the following: ", except that overawards permitted pursuant to section 443(b)(4) of the Act shall not be construed to be overawards for purposes of this paragraph".

SEC. 432. UNSUBSIDIZED LOANS; EXTENDED COLLECTION DEMONSTRATION PROGRAM.

Part B of title IV of the Act is amended by inserting after section 428G the following new sections:

"UNSUBSIDIZED STAFFORD LOANS FOR MIDDLE-INCOME BORROWERS

"SEC. 428H. (a) IN GENERAL.—It is the purpose of this section to authorize insured loans under this part for borrowers who do not qualify for Federal interest subsidy payments under section 428 of this Act. Except as provided in this section, all terms and conditions for Federal Stafford loans established under section 428 shall apply to loans made pursuant to this section.

"(b) ELIGIBLE BORROWERS.—Any student meeting the definition of student eligibility

under section 484 shall be entitled to borrow an unsubsidized Stafford loan. Such student shall provide to the lender a statement from the eligible institution at which the student has been accepted for enrollment, or at which the student is in attendance, which—

"(1) sets forth such student's estimated cost of attendance (as determined under section 472);

"(2) sets forth such student's estimated financial assistance, including a loan which qualifies for subsidy payments under section 428 (as defined in section 428(a)(2)(C)(i)); and

"(3) certifies the eligibility of the student to receive a loan under this section and the amount of the loan for which such student is eligible, in accordance with subsection (c).

"(c) Determination of Amount of Loan.—The determination of the amount of a loan by an eligible institution under subsection (b) shall be calculated by subtracting from the estimated cost of attendance at the eligible institution any estimated financial assistance reasonably available to such student. An eligible institution may not, in carrying out the provisions of subsection (b) of this section, provide a statement which certifies the eligibility of any student to receive any loan under this section in excess of the maximum amount applicable to such loan.

"(d) Loan Limits.—The annual and aggregate limits for loans under this section shall be the same as those established under section 428(b)(1), less any amount received by such student pursuant to the subsidized Stafford Loan Program established under section 428.

"(e) Payment of Principal and Interest.—

"(1) Commencement of repayment.—Repayment of principal on loans made under this section shall commence 6 months after the month in which the student ceases to carry at least one-half the normal full-time workload as determined by the institution.

"(2) Capitalization of interest.—Interest on loans made under this section for which payments of principal are not required during the in-school and grace periods or are deferred under sections 427(a)(2)(C) and 428(b)(1)(M) shall, if agreed upon by the borrower and the lender (A) be paid at least quarterly or (B) be added to the principal amount of the loan on a quarterly basis by the lender. Such capitalization of interest shall not be deemed to exceed the annual insurable limit on account of the student.

"(3) Subsidies prohibited.—No payments to reduce interest costs shall be paid pursuant to section 428(a) of this part on loans made pursuant to this section.

"(4) Applicable rates of interest.—Interest on loans made pursuant to this section shall be at the applicable rate of interest provided in section 427A(d).

"(f) Insurance Premium.—

"(1) Amount of insurance premium.—No origination fee shall be collected on a loan made pursuant to this section. However, the lender shall charge the borrower an insurance premium in an amount of 3 percent of the principal amount of the loan, to be deducted proportionately from each installment payment of the proceeds of the loan prior to payment to the borrower.

"(2) Relation to applicable interest.—Such insurance premium shall not be taken into account for purposes of determining compliance with section 427A.

"(3) Disclosure required.—The lender shall disclose to the borrower the amount and method of calculating the insurance premium.

"(4) Use of insurance premium to offset default costs.—Each lender making loans under this section shall transmit all insurance premiums authorized to be collected from borrowers to the Secretary, who shall use such premiums to pay the Federal costs of default claims paid for loans under this section and to reduce the cost of special allowances paid thereon, if any, under section 438(b).

"(g) Single Application Form.—Where practicable, a guaranty agency shall use a single application form for subsidized Stafford loans made pursuant to section 428 and for unsubsidized Stafford loans made pursuant to this section.

"EXTENDED COLLECTION DEMONSTRATION PROGRAM

"Sec. 428I. (a) Agreements for Demonstration Program.—The Secretary shall, in accordance with the provisions of this section, enter into agreements with guaranty agencies for the establishment of not to exceed 9 demonstration programs designed to reduce defaults under this part through extended efforts on delinquent student loans originally guaranteed by such agencies.

"(b) Selection of Participants.—

"(1) Submission of applications.—Each guaranty agency desiring to participate in the program authorized by this section shall submit an application to the Secretary at such time and in such manner as the Secretary may prescribe.

"(2) Selection of participants.—The Secretary shall select participants to establish extended collection programs under this section on the basis of—

"(A) the applicant's experience and success in working with borrowers and eligible lenders to prevent default, including the use of forbearance;

"(B) the applicant's experience and success in the use of preclaims assistance and supplemental preclaims assistance to reduce defaults;

"(C) evidence that the applicant will use the program authorized by this section for borrowers who attend all types of institutions of higher education, in a manner which substantially reflects the overall loans guaranteed by the applicant which are delinquent;

"(D) the novel and innovative approaches that the applicant proposes to use in the extended collection demonstration program; and

"(E) the commitment of the applicant to the program, as documented in the application.

"(3) Application requirements.—Each such application shall include—

"(A) the modified lender agreement the guaranty agency has adopted by use by eligible lenders participating in the program;

"(B) a description of the novel and innovative approaches that the applicant will use in the extended collection demonstration program; and

"(C) such additional information as the Secretary may reasonably require to evaluate applications.

"(4) Priorities.—In selecting participants under this section, the Secretary shall give priority to applications submitted by guaranty agencies having extensive experience in the administration and collection of student loans, either directly or through use of contract loan services.

"(c) Program Agreement.—Each agreement entered into under this section shall include—

"(1) the provision of individualized or flexible repayment plans, including plans designed to meet the needs of borrowers participating in the program who face financial difficulty in repaying their loan;

"(2) the performance of aggressive and concentrated due diligence efforts by the holder; and

"(3) a requirement that eligible lenders furnish to the guaranty agency records of collection efforts and techniques, as specified by the guaranty agency or the Secretary, or both.

"(d) Eligibility.—

"(1) Eligibility.—Loans made under this part shall be eligible for extended collection pursuant to this section if—

"(A) the location of the borrower is known;

"(B) the borrower has made no payments or has missed at least two consecutive payments;

"(C) the loans are at least 120 days but less than 180 days delinquent, and all due diligence required has been performed;

"(D) the loan entered repayment in fiscal year 1990 or later;

"(E) the participating guaranty agency has provided preclaims assistance pursuant to a request by the eligible lender at 60 to 90 days of delinquency; and

"(F) the eligible lender providing extended collection efforts is not in possession of information that the loan may be uncollectible.

"(2) Lender eligibility to participate.—An eligible lender may participate in the program authorized by this section if—

"(A) the eligible lender has an agreement with the guaranty agency with which the application is being filed for the guaranty of consolidation loans under section 428C;

"(B) the eligible lender is not subject to a limitation, suspension, or termination agreement or Default Management Plan under this part; and

"(C) the eligible lender meets such other criteria as the guaranty agency and the Secretary may reasonably require.

"(e) Extended Collection Period.—Notwithstanding any other provision of law, loans held pursuant to this part and included in the program authorized by this section may be held by the eligible lender for—

"(1) 540 days after the loan becomes delinquent with respect to any installment;

"(2) not more than 30 days after the eligible lender participating under this section determines in accordance with guidelines promulgated by the guaranty agency, that no further collection effort on the loan is likely to result in repayment by the borrower; or

"(3) a period that is within 30 days after notification from the guaranty agency, but no earlier than the 270th day of delinquency, whichever comes first.

"(f) Reports to the Secretary and to the Congress.—

"(1) Annual reports.—Each participant with an agreement with the Secretary to offer an extended collection program shall submit a report once a year to the Secretary describing—

"(A) the effectiveness of the program, including statistics on the number of accounts brought into repayment between the 180th day and the submission of the claim;

"(B) a statistical summary of the basis for cures of delinquent loans brought current through the program, including specific summaries of the numbers of loans brought into repayment through forbearances, payments, and loan consolidation;

"(C) information on strategies used by eligible lenders in the program to effectuate the initiation of repayment; and

"(D) evidence of efforts to use the program authorized by this section for borrowers who attended traditional 4-year institutions, community colleges, and vocational and technical schools, which substantially reflect the overall portfolio of the eligible lenders.

"(2) Report by the secretary.—The Secretary shall, not later than September 30, 1993, prepare and submit an interim report and not later than September 30, 1995, prepare and submit a final report on the demonstration project authorized by this section. The reports shall evaluate the results of the demonstration conducted under this section, assess the costs and benefits of this demonstration and include such recommendations as the Secretary may deem appropriate, including expansion of the demonstration program.

"(g) Regulations.—The Secretary shall prescribe regulations for the administration of this

section within 240 days of the enactment of this Act.

"(h) Applicability of Other Terms, Conditions, and Benefits.—A loan subject to the provisions of this section shall be subject to the same terms and conditions and qualify for the same benefits and privileges as other loans made under this part, except as otherwise specifically provided for in this section.

"(i) Termination.—The demonstration program shall terminate on September 30, 1995.".

SEC. 433. ADMINISTRATIVE PROVISIONS.

(a) Authority To Regulate Servicers.—Section 432(a)(1) is amended by inserting before the semicolon the following: ", including regulations with respect to third party servicers (including but not limited to regulations concerning financial responsibility standards for, and the assessment of liabilities for program violations against, such servicers) to ensure sound management and accountability of programs under this part".

(b) Limitation, Suspension, and Termination.—Section 432 of the Act is amended—

(1) in subsection (a)(3), by striking out "on the record," and inserting a comma;

(2) in subsection (g)(1), by striking out "on the record," and inserting a comma;

(3) in subsection (h)(2)(A)—

(A) by striking out "shall, in accordance with sections 556 and 557 of title 5, United States Code," in the first sentence and inserting "shall"; and

(B) by striking out "The Secretary" and all that follows through "disqualification—" in the second sentence and inserting the following: "The Secretary shall uphold the imposition of such limitation, suspension, or termination in the student loan insurance program of each of the guaranty agencies under this part, and shall notify such guaranty agencies of such sanction—";

(4) in subsection (h)(2)(B), by striking out "disqualification" each place it appears and inserting "sanction"; and

(5) by redesignating subparagraph (B) of subsection (h)(2) as subparagraph (C) and by inserting after subparagraph (A) the following new subparagraph:

"(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(U) shall be limited to—

"(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

"(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(U) and any notice and hearing requirements specified in regulations prescribed under this part."; and

(6) in subsection (h)(3)(A)—

(A) by striking out "shall, in accordance with sections 556 and 557 of title 5, United States Code," in the first sentence and inserting "shall"; and

(B) by striking out "The Secretary" and all that follows through "disqualification—" in the second sentence and inserting the following: "The Secretary shall uphold the imposition of such limitation, suspension, or termination in the student loan insurance program of each of the guaranty agencies under this part, and shall notify such guaranty agencies of such sanctions—";

(7) in subsection (h)(3)(B), by striking out "disqualification" each place it appears and inserting "sanction"; and

(8) by redesignating subparagraph (B) of subsection (h)(3) as subparagraph (C), and by inserting after subparagraph (A) the following new subparagraph:

"(B) The Secretary's review under this paragraph of the limitation, suspension, or termination imposed by a guaranty agency pursuant to section 428(b)(1)(T) shall be limited to—

"(i) a review of the written record of the proceedings in which the guaranty agency imposed such sanctions; and

"(ii) a determination as to whether the guaranty agency complied with section 428(b)(1)(T) and any notice and hearing requirements specified in regulations prescribed under this part.".

(c) Standardization of Forms, Procedures, and Data Reporting.—Section 432 of the Act is amended by adding at the end the following new subsections:

"(k) Regulations on Standardization and Simplification of Forms and Procedures.—

"(1) Community Recommendations.—Within 240 days following the enactment of this Act, guaranty agencies, lenders, institutions of higher education, third party servicers and other organizations involved in providing loans under this part shall make recommendations to the Secretary, which the Secretary shall promulgate as regulations to simplify administration of the loan programs authorized under this part and to eliminate differences between forms, procedures and standards between guaranty agencies. Such regulations shall be designed to—

"(A) simplify all aspects of the student loan process to simplify the application, disbursement and origination processes, communications with lenders and guarantors, and to enhance understanding of the loan obligation on the part of borrowers;

"(B) simplify fulfillment of institutional responsibilities under this part by institutions of higher education;

"(C) improve the administration and oversight of the program by the United States Department of Education.

"(2) Simplification Requirements.—Such regulations shall include—

"(A) standardization of computer formats, forms design and guaranty agency procedures relating to the origination, servicing and collection of loans made under this part;

"(B) authorization of alternate means of documents retention, including the use of microfilm, microfiche, laser disc, compact disc, and other methods allowing the production of a facsimile of the original documents;

"(C) authorization of the use of computer or similar electronic methods of maintaining records relating to the performance of servicing, collection and other regulatory requirements under this Act; and

"(D) authorization and implementation of electronic data linkages for the exchange of information to and from lenders, guarantors, institutions of higher education, third party servicers, and the Department for student status confirmation reports, claim filing, interest and special allowance billing, deferment processing, and all other administrative steps relating to loans made pursuant to this part where using electronic data linkage is feasible.

"(3) Regulations by the Secretary.—If guaranty agencies, lenders, institutions of higher education, and other organizations involved in providing loans under this part are unable to agree upon recommendations to standardize and simplify forms and procedures within 240 days of enactment of the Higher Education Amendments of 1992, the Secretary is authorized to issue such regulations meeting the requirements of this subsection as he shall deem appropriate.

"(4) Additional Recommendations.—The Secretary shall seek additional recommendations from guaranty agencies, lenders, institutions of higher education, third party servicers and other organizations involved in providing loans under this part, no less frequently than annually, for additional methods of simplifying and standardizing the administration of the programs authorized by this part.

"(l) Standardization of Data Reporting.—

"(1) Common Reporting Formats.—The Secretary shall promulgate standards including necessary rules, regulations (including the definitions of all relevant terms) and procedures so as to require all lenders and guaranty agencies to report information on all aspects of loans made under this part in uniform formats, so as to permit the direct comparison of data submitted by individual lenders, servicers or guaranty agencies.

"(2) Establishment of Standards.—For the purpose of establishing standards under this section, the Secretary shall—

"(A) adopt the recommendation of guaranty agencies, lenders, institutions of higher education, and organizations representing these groups, if submitted to the Secretary within 240 days of the date of the enactment of the Higher Education Amendments of 1992;

"(B) develop standards designed to be implemented by all guaranty agencies and lenders with minimum modifications to existing data processing hardware and software;

"(C) publish the specifications selected to be used, so as to encourage the automation of exchanges of information between all parties involved in loans under this part.".

(d) Repayment by Employers.—Section 432 is further amended by adding at the end the following new subsection:

"(m) Program To Encourage Employer Repayment.—The Secretary shall undertake a program to encourage corporations and other private and public employers, including the Federal Government, to assist borrowers in repaying loans received under this title, including providing employers with options for payroll deduction of loan payments and for offering loan repayment matching provisions as part of employee benefit packages. The Secretary shall publicize models for providing such repayment assistance and each year select entities that deserve recognition, through means devised by the Secretary, for their development of innovative plans for providing such assistance to their employees. Within one year after the date of enactment of this Act, the Secretary shall recommend to the appropriate committees in the House and Senate changes to statutes that could be made in order to further encourage such efforts.".

(e) Default Reduction.—Section 432 of the Act is amended by adding at the end the following new subsection:

"(n) Default Reduction Management.—

"(1) Authorization.—There are authorized to be appropriated $25,000,000 for fiscal year 1993 and each of the four succeeding fiscal years for the Secretary to expend for default reduction management activities to result in a performance measure of reducing defaults by 5 percent relative to the prior fiscal year. Such funds shall be in addition to, and not in lieu of, other appropriations made for such purposes.

"(2) Allowable Activities.—Allowable activities for which such funds shall be expended by the Secretary shall include (but not be limited to) the following: (A) program reviews; (B) audits; (C) debt management programs; (D) training activities; and (E) such other management improvement activities approved by the Secretary.

"(3) Plan for Use Required.—The Secretary shall submit a plan, for inclusion in the materials accompanying the President's budget each fiscal year, detailing the expenditure of funds authorized by this section to accomplish the 5 percent reduction in defaults. At the conclusion of the fiscal year, the Secretary shall report his findings and activities concerning the expenditure of funds and whether the performance measure was met. If the performance measure was not met, the Secretary shall report the following:

"(A) why the goal was not met, including an indication of any managerial deficiencies or of any legal obstacles;

"(B) plans and schedule for achieving the established performance goal;

"(C) recommended legislative or regulatory changes necessary to achieve the goal; and

"(D) if the performance standard or goal is impractical or infeasible, why that is the case and what action is recommended, including whether the goal should be changed or the program altered or eliminated.

This report shall be submitted to the Appropriations Committees of the House of Representatives and the Senate and to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

"(4) TRAINING ACTIVITIES.—Not less than ⅕ of the amount made available under paragraph (1) for fiscal year 1993 and each of the four succeeding fiscal years shall be used to carry out section 486 of this Act.".

(f) CONSEQUENCES OF GUARANTY AGENCY INSOLVENCY.—Section 432 of the Act is further amended by adding at the end the following new subsections:

"(o) CONSEQUENCES OF GUARANTY AGENCY INSOLVENCY.—In the event that the Secretary has determined that a guaranty agency is unable to meet its insurance obligations under this part, the holder of loans insured by the guaranty agency may submit insurance claims directly to the Secretary and the Secretary shall pay to the holder the full insurance obligation of the guaranty agency, in accordance with insurance requirements no more stringent than those of the guaranty agency. Such arrangements shall continue until the Secretary is satisfied that the loans have been transferred to another guarantor who can meet the insurance obligations or a successor will assume the outstanding insurance obligations.

"(p) INSOLVENCY OF A GUARANTY AGENCY.—

"(1) INFORMATION COLLECTION; STANDARDS.—Each guaranty agency shall provide, on at least an annual basis as determined by the Secretary, financial information (including at a minimum the amount of current reserves, cash disbursements, and accounts payable and receivable) requested by the Secretary to use in an evaluation of the financial solvency of the agency. The Secretary, based on the information provided under this paragraph, shall establish a standard for use in determining which guaranty agencies shall be subject to guaranty agency management plans under paragraph (2).

"(2) MANAGEMENT PLANS.—Any guaranty agency determined by the Secretary, under the standards established pursuant to paragraph (1), as in need of corrective measures shall be subject to a guaranty agency management plan. The plan shall be drafted by the guaranty agency and shall identify management, investment, operational, and policy changes designed to improve the financial viability of the agency. The plan shall be submitted to the Secretary under a schedule and in a form established by the Secretary, and shall be subject to approval by the Secretary.

"(3) AGENCY FAILURE TO SUBMIT ACCEPTABLE PLAN OR TO IMPROVE UNDER PLAN.—If a guaranty agency fails to submit a guaranty agency management plan acceptable to the Secretary on a timely basis, the Secretary determines that the guaranty agency has failed to improve substantially its administrative and financial condition in accordance with its management plan under this subsection, or the guaranty agency is otherwise determined by the Secretary to not be financially viable, the Secretary shall take one or more of the following steps—

"(A) provide the guaranty agency with additional advance funds in accordance with section 422(c)(7) in order to meet immediate cash needs of the guaranty agency and ensure the uninterrupted payment of claims, with such restrictions on the use of such funds as determined appropriate by the Secretary;

"(B) require the transfer of guarantees to another guaranty agency, subject to such terms and conditions as the receiving agency and the Secretary may mutually agree to;

"(C) terminate the reinsurance agreement of the guaranty at a specified date, or require the merger or consolidation of the guaranty agency with another agency or other agencies, subject to such terms and conditions as the receiving agency or agencies and the Secretary may mutually agree to;

"(D) transfer guarantees to the Department for the purpose of servicing and collection of the loans guaranteed by such agency, and, after notice to the affected lenders, the payment of claims thereon, and process such claims using the claims standards of the guaranty agency, if such standards are determined by the Secretary to be in compliance with the Act; or

"(E) take any other action deemed necessary by the Secretary to ensure the proper servicing and collection of such loans and the payment of default claims to lenders, and avoid disruption to the student loan program.

"(4) CONGRESSIONAL REPORTS.—The Secretary within 3 months after the end of each fiscal year, shall submit to the House Committee on Education and Labor and the Senate Committee on Labor and Human Resources a report specifying the Secretary's assessment of the fiscal soundness of the guaranty agency system, together with recommendations for legislative changes, if necessary, for the maintenance of a strong guaranty agency system.

"(5) CONFIDENTIAL TREATMENT OF INFORMATION.—Notwithstanding any other provision of law, the information transmitted to the Secretary pursuant to this subsection shall be confidential and exempt from disclosure under section 552a of title 5, United State Code, relating to freedom of information, or any other Federal law.".

(g) CONFORMING AMENDMENTS.—(1) Section 422(c) of the Act is amended—

(A) by striking "Advances pursuant to this subsection" in paragraph (5) and inserting "Except as provided in paragraph (7), advances pursuant to this subsection"; and

(B) by inserting, after paragraph (6), the following new paragraph:

"(7) EMERGENCY ADVANCES.—The Secretary is authorized to make advances, on terms and conditions satisfactory to the Secretary, to a guaranty agency in accordance with section 432(o) in order to assist the agency in meeting its immediate cash needs and ensure the uninterrupted payment of default claims by lenders.".

(2) Section 428(b)(1) of the Act is amended—

(A) by striking out the period at the end of subparagraph (X) and inserting "; and"; and

(B) by adding at the end the following new subparagraph:

"(Y) provides information to the Secretary in accordance with section 432(o) and maintains reserve funds determined by the Secretary to be sufficient in relation to such agency's guarantee obligations.".

SEC. 434. STUDENT LOAN INFORMATION.

Section 433(a) of the Act is amended—

(1) in paragraph (3), by inserting "interest rates," before "origination fee";

(2) by striking paragraphs (4), (5), (7), (9), (10), (12), and (13);

(3) by redesignating paragraph (6) as paragraph (4);

(4) by redesignating paragraph (8) as paragraph (5);

(5) by redesignating paragraph (11) as paragraph (6) and inserting "and" after the semicolon at the end thereof; and

(6) by adding at the end the following:

"(7) a statement that—

"(A) the borrower's loan repayment obligation is separate and distinct from the institution's obligation to the borrower and that, except in the case of a loan originated by the institution, a failure by the institution to comply with any Federal, State, or local law cannot excuse any portion of the borrower's obligation to repay the loan; and

"(B) prominently and clearly states that the borrower is receiving a loan which must be repaid.

For purposes of paragraph (7), an institution shall be deemed to have 'originated' a loan if a special relationship exists between the institution and lender with respect to the loan—

"(i) under which the lender delegates to the institution substantial loan-making functions normally performed by lenders in making loans under this part; or

"(ii) which is evidenced by (i) a written agreement between the institution and the lender providing for such delegation; or (ii) in the case of an institution which, with the consent of the lender, completes the lender's section of the loan application on behalf of the lender and signs such application as agent for the lender.".

SEC. 435. DEFINITIONS.

(a) ELIGIBLE INSTITUTION.—Section 435(a) of the Act is amended—

(1) by striking paragraphs (1) and (2) and inserting the following:

"(1) IN GENERAL.—Except as provided in paragraph (2), the term 'eligible institution' means an institution of higher education, as defined in section 481.";

(2) in paragraph (3)(B)(ii), by striking "30 percent" and inserting "25 percent"; and

(3) by redesignating paragraph (3) as paragraph (2).

(b) REPEAL OF SEPARATE DEFINITION OF INSTITUTION OF HIGHER EDUCATION.—

(1) AMENDMENT.—Subsection (b) of section 435 of the Act is repealed.

(2) REFERENCE.—With respect to reference in any other provision of law to the definition of institution of higher education contained in section 435(b) of the Act, such provision shall be deemed to refer to section 481(a) of the Act.

(c) REPEAL OF DEFINITION OF VOCATIONAL SCHOOL.—Subsection (c) of section 435 of the Act is repealed.

(d) ELIGIBLE LENDER.—Section 435(d) of the Act is amended—

(1) in paragraph (1)(A)—

(A) by striking "a trust company,"; and

(B) in clause (ii)—

(i) by inserting "or" at the end of subclause (I); and

(ii) by striking ", or (III)" and all that follows through "January 1, 1981;" and inserting the following:

"(III) in the case of Union Bank and Trust Company of Lincoln, Nebraska, that institution's portfolio of loans held under this part does not exceed 96.09 percent nor fall below 50 percent of its total consumer credit portfolio, the volume of loans it makes under this part in any calendar year does not exceed $143,800,000, and its holdings of loans under this part do not exceed $397,200,000;";

(2) in paragraph (2)—

(A) by striking "institutions; and" at the end of subparagraph (C) and inserting "institution;";

(B) by inserting "and" after the semicolon at the end of subparagraph (D); and

(C) by inserting after subparagraph (D) the following new subparagraphs:

"(E) shall not have a cohort default rate above 15 percent as defined in section 435(m); and

"(F) shall use the proceeds from special allowance payments and interest payments from bor-

rowers for need-based grant programs, except for reasonable reimbursement for direct administrative expenses;"; and

(3) by inserting after paragraph (5) the following new paragraph:

"(6) LOANS THAT HAVE NOT BEEN CONSUMMATED.—Loans that have not been consummated (loans for which the disbursement checks have not been cashed) may not be purchased from the original lender.".

(e) REPEAL OF ADDITIONAL DEFINITIONS.—Section 435 of the Act is further amended by striking subsections (g), (h), and (n).

(f) DEFINITION OF COHORT DEFAULT RATE.—Section 435(m) of the Act is amended by striking out the third sentence and inserting "For any fiscal year in which less than 30 of the institution's current and former students enter repayment, the term 'cohort default rate' means the percentage of such current and former students who entered repayment on such loans in any of the three most recent fiscal years, who default before the end of the fiscal year immediately following the year in which they entered repayment.".

SEC. 436. REPAYMENTS BY SECRETARY.

Section 437 of the Act is amended to read as follows:

"REPAYMENT BY THE SECRETARY OF LOANS OF BANKRUPT, DECEASED, OR DISABLED BORROWERS; TREATMENT OF BORROWERS ATTENDING CLOSED SCHOOLS OR FALSELY CERTIFIED AS ELIGIBLE TO BORROW

"SEC. 437. (a) REPAYMENT IN FULL FOR DEATH AND DISABILITY.—If a student borrower who has received a loan described in subparagraph (A) or (B) of section 428(a)(1) dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Secretary), then the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.

"(b) REPAYMENT OF AMOUNT SUBJECT TO BANKRUPTCY ACTION.—If the collection of a loan described in subparagraph (A) or (B) of section 428(a)(1) or sections 428A, 428B, 428C, or 428H is stayed in any action under the Bankruptcy Code, the Secretary shall repay the unpaid balance of principal and interest owed on the loan.

"(c) WRITE-OFF FOR BORROWERS AT CLOSED SCHOOLS AND FOR BORROWERS WHOSE ELIGIBILITY WAS FALSELY CERTIFIED.—

"(1) DISCHARGE OF BORROWER'S LIABILITY.—If a student borrower who received a loan described in subparagraph (A) or (B) of section 428(a)(1) is unable to complete a course of instruction during the loan period for which he borrowed, due to the closing of the eligible institution at which he was in attendance, or if his eligibility to borrow under this part was fraudulently certified by the eligible institution, the Secretary shall discharge the borrower's liability on the loan by repaying the amount owed on the loan and shall subsequently pursue any claim available to such borrower against the institution or settle the loan obligation pursuant to the bonding authority under section 487(c).

"(2) ASSIGNMENT OF RIGHT.—A borrower whose loan has been discharged pursuant to this subsection shall be deemed to have assigned to the United States the right to a loan refund up to the amount discharged against the institution, its affiliates, and principals.

"(3) ELIGIBILITY FOR ADDITIONAL ASSISTANCE.—(A) The period of a student's attendance at an institution at which the student was unable to complete a course of study due to the closing of the institution shall not be considered for purposes of calculating the student's period of eligibility for additional assistance under this title; and

"(B) a borrower whose loan has been discharged pursuant to this subsection shall not be precluded from receiving additional grants, loans, or work assistance under this title for which he would be otherwise eligible, except for defaulting on a loan which has been discharged.

"(4) REPORT TO CREDIT BUREAUS.—The Secretary shall report to credit bureaus with respect to loans which have been discharged pursuant to this subsection.

"(5) EFFECTIVE DATE.—This subsection shall apply to any unpaid balance of loans made to borrowers who were in attendance at an institution which ceased to provide instruction on or after January 1, 1986.".

SEC. 436A. DEBT MANAGEMENT OPTIONS.

Part B of title IV of the Act is amended by inserting after section 437 the following new section:

"DEBT MANAGEMENT OPTIONS

"SEC. 437A. (a) PROGRAM AUTHORITY.—For the purpose of offering additional debt management options, the Secretary is authorized, to the extent of funds appropriated under subsection (d)—

"(1) to acquire from eligible holders the notes of borrowers under this part (other than section 428B) who are considered to be at high risk of default and who submit a request to the Secretary for an alternative repayment option;

"(2) to offer such borrowers one or more alternative repayment options, which may include graduated or extended repayment and which shall, subject to subsection (b)(2), include an income contingent repayment option established in accordance with subsection (b); and

"(3) to enter into contracts or other agreements with private firms or other agencies of the Government as necessary to carry out the purposes of this section.

"(b) INCOME CONTINGENT REPAYMENT OPTION.—

"(1) REGULATIONS.—For the purposes of subsection (a)(2), the Secretary shall, by regulation, establish the terms and conditions for an income contingent repayment option. Such regulations shall specify the schedules under which income will be assessed for repayment of loans, shall permit the discharge of remaining obligation on the loan not later than 25 years after the commencement of income contingent repayment, and may provide for the potential collection of amounts in excess of the principal and interest owed on the original loan or loans.

"(2) COLLECTION MECHANISM DETERMINATION REQUIRED.—Such regulations shall not be effective unless the Secretary publishes a finding that—

"(A) the Secretary has, pursuant to subsection (a)(3), established a collection mechanism that will provide a high degree of certainty that collections will be made in accordance with the repayment option established under paragraph (1); and

"(B) the use of such repayment option and collection mechanism will result in an increase in the net amount the Government will collect.

"(c) DETERMINATIONS OF HIGH RISK OF DEFAULT.—In making determinations under subsection (a)(1), the Secretary shall—

"(1) consider the ratio of part B debt repayment to income; or

"(2) establish, by regulation, such other indicators of high risk as the Secretary considers appropriate

"(d) LOAN LIMITATION.—Not more than $200,000,000 may be used to acquire loans under this section in any fiscal year.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for fiscal year 1994 and for each of the 4 succeeding fiscal years.".

SEC. 437. SPECIAL RULE; ELIMINATION OF DISCOUNTING.

(a) SPECIAL ALLOWANCE.—Section 438(b)(2) of the Act is amended—

(1) in subparagraph (A)(iii), by striking "3.25" and inserting "3.0, for periods after the beginning of the repayment period pursuant to section 428(b)(8), and 2.85 at all other times"; and

(2) in subparagraph (D)(i), by striking "3.25" and inserting "3.0, for periods after the beginning of the repayment period pursuant to section 428(b)(8), and 2.85 at all other times".

(b) SPECIAL ALLOWANCE PERMITTED ON UNSUBSIDIZED LOANS.—Section 438(b)(5)(A)(ii) of the Act is amended by inserting "428H," after "428C,".

(c) SPECIAL RULE.—Section 438(b)(5) is amended by adding at the end thereof the following flush sentence:

"As used in this section, the term 'eligible loan' includes all loans subject to section 428(c)(10).".

(d) ORIGINATION FEES.—Section 438(c) is amended—

(1) in paragraph (2), by striking "With" and inserting "Subject to paragraph (6) of this subsection, with"; and

(2) by adding at the end the following new paragraphs:

"(6) SLS AND PLUS LOANS.—With respect to any loans made under section 428A or 428B on or after October 1, 1992, each eligible lender under this part shall charge the borrower an origination fee of 5 percent of the principal amount of the loan, to be deducted proportionately from each installment payment of the proceeds of the loan prior to payments to the borrower.

"(7) DISTRIBUTION OF ORIGINATION FEES.—All origination fees collected pursuant to this section on loans authorized under section 428A or 428B shall be deposited in the fund authorized under section 431 of this part.".

(e) DISCOUNTING.—Section 438(d)(2)(C) of the Act is amended by striking "or discount".

SEC. 438. STUDENT LOAN MARKETING ASSOCIATION FACILITY FINANCING.

Section 439(d)(5) of the Act is amended by striking "third highest rating" and inserting "second highest rating".

SEC. 439. STUDENT LOAN MARKETING ASSOCIATION FINANCIAL SAFETY AND SOUNDNESS.

(a) CAPITAL STANDARDS AND REPORTING.—Section 439 of the Higher Education Act of 1965 is amended by adding the following new subsection:

"(r) SAFETY AND SOUNDNESS OF THE ASSOCIATION.—

"(1) REPORTS BY THE ASSOCIATION.—The Association shall promptly furnish to the Secretary and the Secretary of Education copies of all periodic financial reports publicly distributed by the Association and reports on the Association prepared by nationally recognized statistical rating organizations which are received by the Association.

"(2) AUDIT BY THE SECRETARY AND ACCESS TO RELEVANT INFORMATION.—(A) The Secretary is authorized at his discretion to appoint auditors to audit the Association from time to time to determine the condition of the Association for the purpose of assessing its financial safety and soundness. The Secretary is authorized to contract for services of such technical experts as the Secretary deems necessary and appropriate to provide technical assistance to any auditor appointed under this subsection. Each auditor appointed under this subsection shall make an audit of the Association to the extent requested by the Secretary and shall make a report to the Secretary of the results of such audit. A copy of such report shall be furnished to the Association at the same time it is delivered to the Secretary and the Secretary of Education.

"(B) The Association shall provide full and prompt access to the Secretary to its books and records and other information requested by the Secretary.

"(3) CAPITAL STANDARD.—If the capital ratio is less than 2 percent at the end of the Association's most recent calendar quarter the Association shall, within 60 days of such occurrence, submit to the Secretary a plan, in reasonable detail, which the Association believes is adequate to cause within 36 months the capital ratio to equal or exceed 2 percent.

"(4) CAPITAL PLAN.—

"(A) SUBMISSION, APPROVAL, AND IMPLEMENTATION.—(i) The Secretary and the Association shall consult with respect to any plan submitted pursuant to paragraph (3) and the Secretary shall approve such plan (or a modification thereof accepted by the Association) or disapprove such plan within 30 days after such plan is first submitted to the Secretary by the Association, unless the Association and Secretary mutually agree to a longer consideration period. If the Secretary approves a plan (including a modification of a plan accepted by the Association), the Association shall forthwith proceed with diligence to implement such plan to the best of its ability.

"(ii) If the Secretary does not approve a plan as provided herein, then not later than the earlier of the date the Secretary disapproves of such plan by written notice to the Association or the expiration of the 30-day consideration period referred to above (as such period may have been extended by mutual agreement), the Secretary shall submit the Association's plan, in the form most recently proposed to the Secretary by the Association, together with a report on his reasons for disapproval of such plan to the Chairman and ranking member of the Senate Committee on Labor and Human Resources and to the Chairman and ranking member of the House Committee on Education and Labor. A copy of such submission simultaneously shall be sent to the Association and the Secretary of Education by the Secretary. Upon receipt of the submission by the Association, it shall forthwith proceed with diligence to implement the most recently proposed plan of the Association. The Association, within 30 days after receipt from the Secretary of such submission, shall submit to such Chairman and ranking members a written response to such submission, setting out fully the nature and extent of its agreement or the disagreement with the Secretary with respect to the plan submitted to the Secretary and any findings of the Secretary.

"(B) MODIFIED PLAN.—(i) If the capital ratio does not exceed 1.5 percent, the Association shall submit to the Secretary a modified plan to increase promptly its capital ratio to equal or exceed 1.5 percent. The Secretary and the Association shall consult with respect to any modified plan submitted pursuant to this subparagraph. The Secretary shall approve such plan (or a modification thereof accepted by the Association) or disapprove such plan within 30 days after such plan is first submitted to the Secretary by the Association, unless the Association and Secretary mutually agree to a longer consideration period. If the Secretary approves a plan (including a modification of a plan accepted by the Association), the Association shall forthwith proceed with diligence to implement such plan to the best of its ability.

"(ii) If the Secretary disapproves a plan submitted pursuant to this subparagraph, then, not later than the earlier of the date the Secretary disapproves of such plan (by written notice to the Association) or the expiration of the 30-day consideration period described in clause (i) of this subparagraph (as such period may have been extended by mutual agreement), the Secretary shall prepare and submit a plan, together with a report on his reasons for disapproval of the Association's plan, to the Committee on Labor and Human Resources of the Senate and to the Committee on Education and Labor of the House of Representatives. A copy of such submission simultaneously shall be sent to the Association and the Secretary of Education by the Secretary. The Association, within 5 days after receipt from the Secretary of such submission, shall submit to such Committees a written response to such submission, setting out fully the nature and extent of its agreement or disagreement with the Secretary with respect to the disapproved plan and the plan of the Secretary and any findings of the Secretary. If, within 60 legislative days after the date of the Secretary's submission under this subparagraph, the Congress has not otherwise expressly provided by law, the Association shall forthwith proceed with diligence to implement the plan proposed by the Secretary under this subparagraph. For purposes of this subparagraph, the term 'legislative days' means only days on which either House of Congress is in session.

"(5) SUBSTANTIAL CAPITAL RATIO REDUCTION.—If the capital ratio of the Association does not equal or exceed 1.5 percent, the Secretary may, until the capital ratio equals or exceeds 1.5 percent, take any one or more of the following actions:

"(A) LIMIT INCREASE IN LIABILITIES.—Limit any increase in, or order the reduction of, any liabilities of the Association, except as necessary to fund student loan purchases and warehousing advances.

"(B) RESTRICT GROWTH.—Restrict or eliminate growth of the Association's assets, other than student loans purchases and warehousing advances.

"(C) RESTRICT DISTRIBUTIONS.—Restrict the Association from making any capital distribution.

"(D) REQUIRE ISSUANCE OF NEW CAPITAL.—Require the Association to issue new capital in any form and in any amount sufficient to restore at least a 1.5 percent capital ratio.

"(E) LIMIT EXECUTIVE COMPENSATION.—Prohibit the Association from increasing for any executive officer any compensation including bonuses at a rate exceeding that officer's average rate of compensation during the previous 12 calendar months and prohibiting the Board from adopting any new employment severance contracts.

"(6) CRITICAL CAPITAL STANDARD.—If the capital ratio is less than 1 percent at the end of the Association's most recent calendar quarter—

"(A) and the Association has already submitted a plan to the Secretary pursuant to paragraph (3), the Association shall forthwith proceed with diligence to implement the most recently proposed plan with such modifications as the Secretary determines are necessary to cause within 60 months the capital ratio to equal or exceed 2 percent; or

"(B) and the Association has not submitted a plan to the Secretary pursuant to paragraph (3), the Association shall—

"(i) within 14 days of such occurrence submit a plan to the Secretary which it believes is adequate to cause within 60 months the capital ratio to equal or exceed 2 percent; and

"(ii) forthwith proceed with diligence to implement such plan with such modifications as the Secretary determines are necessary to cause within 60 months the capital ratio to equal or exceed 2 percent;

the Secretary shall immediately submit the plan to be implemented to the Chairman and ranking member of the Senate Committee on Labor and Human Resources, to the Chairman and ranking member of the House Committee on Education and Labor, and to the Secretary of Education.

"(7) ADDITIONAL REPORTS TO COMMITTEES.—The Association shall submit a copy of its plan, modifications proposed to the Secretary, and proposed modifications received from the Secretary to the Congressional Budget Office and General Accounting Office upon their submission to the Secretary or receipt from the Secretary. Notwithstanding any other provision of law, the Congressional Budget Office and General Accounting Office shall maintain the confidentiality of information received pursuant to the previous sentence. In the event that the Secretary does not approve a plan as provided in paragraph (4), or in the event that a plan is modified by the Secretary pursuant to paragraph (6), the Congressional Budget Office and General Accounting Office shall each submit a report within 30 days of the Secretary's submission to the Chairmen and ranking members as required in paragraphs (4) and (6) to such Chairmen and ranking members—

"(A) analyzing the financial condition of the Association;

"(B) analyzing the plan and reasons for its disapproval contained in the Secretary's submission made pursuant to paragraph (4), or the plan proposed by the Association and the modifications made by the Secretary pursuant to paragraph (6);

"(C) analyzing the impact of the plan and reasons for its disapproval contained in the Secretary's submission made pursuant to paragraph (4), or the impact of the plan proposed by the Association and the modifications made by the Secretary pursuant to paragraph (6), and analyzing the impact of the recommendations made pursuant to subparagraph (D) of this paragraph, on—

"(i) the ability of the Association to fulfill its purpose and authorized activities as provided in this section, and

"(ii) the operation of the student loan programs; and

"(D) recommending steps which the Association should take to increase its capital ratio without impairing its ability to perform its purpose and authorized activities as provided in this section.

"(8) REVIEW BY SECRETARY OF EDUCATION.—The Secretary of Education shall review the Secretary's submission required pursuant to paragraph (4) or (6) and shall submit a report within 30 days to the Chairman and ranking member of the Senate Committee on Labor and Human Resources and to the Chairman and ranking member of the House Committee on Education and Labor—

"(A) describing any administrative or legislative provisions governing the student loan programs which contributed to the decline in the Association's capital ratio; and

"(B) recommending administrative and legislative changes in the student loan programs to maintain the orderly operation of such programs and to enable the Association to fulfill its purpose and authorized activities consistent with the capital ratio specified in paragraph (3).

"(9) SAFE HARBOR.—The Association shall be deemed in compliance with the capital ratios described in paragraphs (3) and (5) if—

"(A) the Association is rated in 1 of the 2 highest full rating categories (such categories to be determined without regard to designations within categories) by 2 nationally recognized statistical rating organizations determined without regard to the Association's status as a federally chartered corporation; or

"(B) the Association is rated in 1 of the 2 highest full rating categories (such categories to be determined without regard to designations within categories) by 1 nationally recognized statistical rating organization determined without regard to the Association's status as a federally chartered corporation and no other such rating organization is willing to provide a rating without regard to the Association status as a federally chartered corporation.

"(10) TREATMENT OF CONFIDENTIAL INFORMATION.—Notwithstanding any other provision of

law, the Secretary, the Secretary of Education, the Congressional Budget Office, and the General Accounting Office shall not disclose any information treated as confidential by the Association and obtained pursuant to this subsection. Nothing in this paragraph shall authorize the Secretary, the Secretary of Education, the Congressional Budget Office, and the General Accounting Office to withhold information from Congress, or prevent the Secretary of Education, the Congressional Budget Office, and the General Accounting Office from complying with a request for information from any other Federal department or agency requesting the information for purposes within the scope of its jurisdiction, or complying with an order of a court of the United States in an action brought by the United States. For purposes of section 522 of title 5, United States Code, this paragraph shall be considered a statute described in subsection (b)(3) of such section 552.

"(11) DEFINITIONS.—As used in this subsection:

"(A) The term 'nationally recognized statistical rating organization' means any entity recognized as such by the Securities and Exchange Commission.

"(B) The term 'Secretary' means the Secretary of the Treasury.

"(C) The term 'capital ratio' means the ratio of total stockholders' equity, as shown on the Association's most recent quarterly consolidated balance sheet prepared in the ordinary course of its business, to the sum of—

"(i) the total assets of the Association, as shown on the balance sheet prepared in the ordinary course of its business; and

"(ii) 50 percent of the credit equivalent amount of the following off-balance sheet items of the Association as of the date of such balance sheet—

"(I) all financial standby letters of credit and other irrevocable guarantees of the repayment of financial obligations of others; and

"(II) all interest rate contracts and exchange rate contracts, including interest exchange agreements, floor, cap, and collar agreements and similar arrangements.

For purposes of this subparagraph, the calculation of the credit equivalent amount of the items set forth in clause (ii) of this subparagraph, the netting of such items and eliminations for the purpose of avoidance of double-counting of such items shall be made in accordance with the measures for computing credit conversion factors for off-balance sheet items for capital maintenance purposes established for commercial banks from time to time by the Federal Reserve Board, but without regard to any riskweighing provisions in such measures.".

(b) ENHANCED CORPORATE GOVERNANCE.—

(1) Section 439(f) of the Higher Education Act of 1965 is amended to read as follows:

"(f) STOCK OF THE ASSOCIATION.—

"(1) VOTING COMMON STOCK.—The Association shall have voting common stock having such par value as may be fixed by the Board from time to time. Each share of voting common stock shall be entitled to 1 vote with rights of cumulative voting at all elections of directors.

"(2) NUMBER OF SHARES; TRANSFERABILITY.—The maximum number of shares of voting common stock that the Association may issue and have outstanding at any one time shall be fixed by the Board from time to time. Any voting common stock issue shall be fully transferable, except that, as to the Association, it shall be transferred only on the books of the Association.

"(3) DIVIDENDS.—To the extent that net income is earned and realized, subject to subsection (g)(2), dividends may be declared on voting common stock by the Board. Such dividends as may be declared by the Board shall be paid to the holders of outstanding shares of voting common stock, except that no such dividends shall be payable with respect to any share which has been called for redemption past the effective date of such call.

"(4) SINGLE CLASS OF VOTING COMMON STOCK.—As of the effective date of the Student Loan Marketing Association Financial Safety and Soundness Act of 1991, all of the previously authorized shares of voting common stock and nonvoting common stock of the Association shall be converted to shares of a single class of voting common stock on a share-for-share basis, without any further action on the part of the Association or any holder. Each outstanding certificate for voting or nonvoting common stock shall evidence ownership of the same number of shares of voting stock into which it is converted. All preexisting rights and obligations with respect to any class of common stock of the Association shall be deemed to be rights and obligations with respect to such converted shares.".

(2) Section 439(c) of the Higher Education Act of 1965 is amended to read as follows:

"(c) BOARD OF DIRECTORS.—

"(1) COMPOSITION OF BOARD; CHAIRMAN.—The Association shall have a Board of Directors which shall consist of 21 members, 7 of whom shall be appointed by the President of the United States and shall be representative of the general public. The remaining 14 directors shall be elected by the common stockholders of the Association entitled to vote pursuant to subsection (f). Commencing with the annual shareholders meeting to be held in 1992—

"(A) 7 of the elected directors shall be affiliated with an eligible institution, and

"(B) 7 of the elected directors shall be affiliated with an eligible lender.

The President shall designate 1 of the directors to serve as Chairman.

"(2) TERMS OF APPOINTED AND ELECTED MEMBERS.—The directors appointed by the President shall serve at the pleasure of the President and until their successors have been appointed and have qualified. The remaining directors shall each be elected for a term ending on the date of the next annual meeting of the common stockholders of the Association, and shall serve until their successors have been elected and have qualified. Any appointive seat on the Board which becomes vacant shall be filled by appointment of the President. Any elective seat on the Board which becomes vacant after the annual election of the directors shall be filled by the Board, but only for the unexpired portion of the term.

"(3) AFFILIATED MEMBERS.—For the purpose of this subsection, the references to a director 'affiliated with the eligible institution' or a director 'affiliated with an eligible lender' means an individual who is, or within 5 years of election to the Board has been, an employee, officer, director, or similar official of—

"(A) an eligible institution or an eligible lender;

"(B) an association whose members consist primarily of eligible institutions or eligible lenders; or

"(C) a State agency, authority, instrumentality, commission, or similar institution, the primary purpose of which relates to educational matters or banking matters.

"(4) MEETINGS AND FUNCTIONS OF THE BOARD.—The Board of Directors shall meet at the call of its Chairman, but at least semiannually. The Board shall determine the general policies which shall govern the operations of the Association. The Chairman of the Board shall, with the approval of the Board, select, appoint, and compensate qualified persons to fill the offices as may be provided for in the bylaws, with such functions, powers, and duties as may be prescribed by the bylaws or by the Board of Directors, and such person shall be the officers of the Association and shall discharge all such functions, powers, and duties.".

PART C—FEDERAL WORK-STUDY PROGRAMS

SEC. 441. AMENDMENTS TO PART C OF TITLE IV.

(a) PROGRAM TITLE.—

(1) AMENDMENT.—The heading of part C of title IV of the Act is amended to read as follows:

"PART C—FEDERAL WORK-STUDY PROGRAMS".

(2) CONFORMING AMENDMENT.—The heading of section 443 is amended by inserting "FEDERAL" before "WORK-STUDY".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 441(b) of the Act is amended to read as follows:

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this part, $900,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

(c) DEFINITION OF COMMUNITY SERVICE.—Section 441 of the Act is amended by adding at the end the following new subsection:

"(c) COMMUNITY SERVICES.—For purposes of this part, the term 'community services' means services which are identified by an institution of higher education, through formal or informal consultation with local nonprofit, governmental, and community-based organizations, as designed to improve the quality of life for community residents, particularly low-income individuals, or to solve particular problems related to their needs, including (but not limited to) such fields as health care, child care, literacy training, education (including tutorial services), welfare, social services, transportation, housing and neighborhood improvement, public safety, crime prevention and control, recreation, rural development, and community improvement, and includes support services to students with disabilities and activities in which a student serves as a mentor for such purposes as—

"(1) tutoring;

"(2) supporting educational and recreational activities; and

"(3) counseling, including career counseling.".

(d) CONSEQUENCES OF FAILURE TO AWARD.—Section 442(e) of the Act is amended to read as follows:

"(e) REALLOCATION OF EXCESS ALLOCATIONS.—(1) If an institution returns to the Secretary any portion of the sums allocated to such institution under this section for any fiscal year, the Secretary shall reallot 25 percent of such excess to eligible institutions to carry out community service work-study programs, which may include programs under section 1131.".

(e) USE FOR COMMUNITY SERVICE.—Section 447(b)(2)(A) of the Act is amended to read as follows:

"(A) in fiscal year 1994 and succeeding fiscal years, an institution shall be encouraged to use at least 10 percent of the total amount of funds granted to such institution under this section in any fiscal year to compensate students employed in community service work-study programs;".

(f) OVERAWARD INCOME LIMIT.—Section 443(b)(4) of the Act is amended to read as follows:

"(4) provide that for a student employed in a work-study program under this part, at the time income derived from any need-based employment is in excess of the determination of the amount of such student's need by more than $300, continued employment shall not be subsidized with funds appropriated under this part;".

(g) ALLOCATION.—Section 443(b)(3) of the Act is amended to read as follows:

"(3) provide that in the selection of students for employment under such work-study program, only students, who demonstrate financial

need in accordance with part F of this title, and who meet the requirements of section 484 will be assisted, and provide that, if the institution's grant under this part is directly or indirectly based in part on the financial need demonstrated by students who are (A) attending the institution less than full time, (B) age 24 or older, (C) single parents, or (D) independent students, a reasonable proportion of the institution's grant shall be made available to such students;".

(h) FEDERAL SHARE.—Section 443(b)(5) of the Act is amended—

(1) by striking "; and" at the end of subparagraph (A) and inserting a period;

(2) by striking subparagraph (B); and

(3) by striking "except that—" and all that follows through "the Federal share may" and inserting "except that the Federal share may".

(i) STUDY ABROAD.—Section 443 of the Act is amended by adding at the end thereof the following new subsection:

"(d) ELIGIBILITY FOR STUDY ABROAD.—The agreements under this section shall allow an institution of higher education to devise suitable work opportunities for students studying abroad in a program of study abroad approved for credit by the institution, including work for foreign colleges, universities, and nonprofit or service organizations and shall permit the establishment of internship programs involving work for foreign or multinational organizations that are relevant to the student's course of study, including compensation for eligible students from funds under this part.".

(j) INDIVIDUALS WITH DISABILITIES.—Section 443(b) of the Act is amended—

(1) by redesignating paragraph (9) as paragraph (11);

(2) by striking "and" at the end of paragraph (8); and

(3) by inserting after paragraph (8) the following new paragraphs:

"(9) provide assurances that employment made available from funds under this part may be used to support programs for supportive services to students with disabilities;

"(10) provide assurances that the institution will inform all eligible students of the opportunity to perform community service work-study, and will consult with local nonprofit, governmental, and community-based organizations to identify such opportunities; and".

(k) CARRY-BACK AUTHORITY.—Section 445(b) of the Act is amended—

(1) by inserting "(1)" after the subsection heading; and

(2) by adding at the end the following new paragraph:

"(2) An eligible institution may make payments to students of wages earned after the end of the academic year, but prior to the beginning of the succeeding fiscal year, from such succeeding fiscal year's appropriations.".

(l) JOB LOCATION AND DEVELOPMENT.—Section 446 of the Act is amended to read as follows:

"JOB LOCATION AND DEVELOPMENT PROGRAMS

"SEC. 446. (a) AGREEMENTS REQUIRED.—(1) The Secretary is authorized to enter into agreements with eligible institutions under which such institution may use not more than 10 percent or $50,000 of its allotment under section 442, whichever is less, to establish or expand a program under which such institution, separately or in combination with other eligible institutions, locates and develops jobs, including community service jobs, for currently enrolled students.

"(2) Jobs located and developed under this section shall be jobs that are suitable to the scheduling and other needs of such students and that, to the maximum extent practicable, complement and reinforce the educational programs or vocational goals of such students.

"(b) CONTENTS OF AGREEMENTS.—Agreements under subsection (a) shall—

"(1) provide that the Federal share of the cost of any program under this section will not exceed 80 percent of such cost;

"(2) provide satisfactory assurance that funds available under this section will not be used to locate or develop jobs at an eligible institution;

"(3) provide satisfactory assurance that funds available under this section will not be used for the location or development of jobs for students to obtain upon graduation, but rather for the location and development of jobs available to students during and between periods of attendance at such institution;

"(4) provide satisfactory assurance that the location or development of jobs pursuant to programs assisted under this section will not result in the displacement of employed workers or impair existing contracts for services;

"(5) provide satisfactory assurance that Federal funds used for the purpose of this section can realistically be expected to help generate student wages exceeding, in the aggregate, the amount of such funds, and that if such funds are used to contract with another organization, appropriate performance standards are part of such contract; and

"(6) provide that the institution will submit to the Secretary an annual report on the uses made of funds provided under this section and an evaluation of the effectiveness of such program in benefiting the students of such institution.".

(m) WORK COLLEGES.—Section 447 of the Act is amended to read as follows:

"WORK COLLEGES

"SEC. 447. (a) PURPOSE.—The purpose of this section is to recognize, encourage, and promote the use of comprehensive work-learning programs as a valuable educational approach when it is an integral part of the institution's educational program and a part of a financial plan which decreases reliance on grants and loans.

"(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(c) MATCH REQUIRED.—Funds shall be allocated to qualifying institutions in lieu of allocations pursuant to section 442 upon application, for eligible students as defined in section 484. An institution receiving an allocation under this section shall expend, from non-Federal sources, an amount for purposes of the program under this section equal to the amount of that allocation.

"(d) ACTIVITIES AUTHORIZED.—From the sums appropriated pursuant to subsection (b), eligible institutions may, following approval of an application under subsection (g) by the Secretary—

"(1) support the educational costs of qualified students through self-help payments or credits provided under the work-learning program of the institution within the limits of part F of this title;

"(2) promote the work-learning-service experience as a tool of postsecondary education, financial self-help and community service-learning opportunities; and

"(3) be used for the administration, development, and assessment of comprehensive college work-learning programs, including community based work-learning that expand opportunities for community service and career-related work; and the development of programs that develop sound citizenship and personal values, encourage student persistence, and make optimum use of college work-study dollars in title IV aid in education and student development.

"(e) FLEXIBLE USE OF FUNDS.—Funds allocated to the institution under subpart 2 of part A, part C, and part E of this title may be transferred for use under this section to provide flexibility in strengthening the self-help-through-work element in financial aid packaging.

"(f) ELIGIBLE INSTITUTIONS.—Postsecondary institutions eligible to participate in this section—

"(1) shall be public or private nonprofit institutions with stated commitments to service;

"(2) shall have a comprehensive work-learning-service program, for at least 2 years;

"(3) shall require service by all resident students through a comprehensive work-learning program as an integral part of the institution's educational program, and the provision of services and as part of the institution's educational philosophy; and

"(4) shall provide through the institutional work program an opportunity for the students to contribute to the overall educational program and to the welfare of the community as a whole.

"(g) APPLICATION.—Each eligible institution may submit an application for funds authorized by subsection (b) at such time and in such manner as the Secretary, by regulation, may reasonably require.

"(h) DEFINITIONS.—For purposes of this section, the term 'comprehensive student work-learning program' means a student work/service program that is an integral and stated part of the institution's educational philosophy and program; requires participation of all resident students for enrollment, participation, and graduation; includes learning objectives, evaluation and a record of work performance as part of the student's college record; provides programmatic leadership by college personnel at levels comparable to traditional academic programs; recognizes the educational role of work-learning supervisors; and includes consequences for nonperformance or failure in the work-learning program similar to the consequences for failure in the regular academic program.".

PART D—FEDERAL DIRECT LOANS

SEC. 451. ESTABLISHMENT OF FEDERAL DIRECT LOAN PROGRAM.

Part D of title IV of the Act is amended to read as follows:

"PART D—FEDERAL DIRECT LOAN DEMONSTRATION PROGRAM

"SEC. 451. PROGRAM AND PAYMENT AUTHORITY.

"(a) PROGRAM AUTHORITY.—The Secretary shall, in accordance with the provisions of this part, carry out a loan demonstration program for qualified students and parents at selected institutions of higher education to enable the students to pursue their courses of study at such institutions during the period beginning on July 1, 1994 and ending on June 30, 1998.

"(b) PAYMENT AUTHORITY.—

"(1) GENERAL AUTHORITY.—The Secretary shall, from funds made available under section 459, make payments under this part for any fiscal year to institutions of higher education having an agreement under section 454, on the basis of the estimated needs of students at each institution and parents for student or parent loans taking into consideration the demand and eligibility of such students and parents for loans under this part.

"(2) ENTITLEMENT PROVISION.—An institution of higher education which has an agreement with the Secretary under section 454 shall be deemed to have a contractual right against the United States to receive payments according to that agreement.

"SEC. 452. PAYMENT RULES.

"(a) IN GENERAL.—The Secretary shall make payments required by section 451 in such installments as the Secretary determines—

"(1) reflect accurately the disbursement of funds for student and parent loans by the institution of higher education, and

"(2) will best carry out the objectives of this part.

"(b) INITIAL PAYMENTS.—The initial payments for any academic year required by section 451 shall be made available to each institution of higher education not later than 10 days prior to the beginning of the academic year at such institution.

"SEC. 453. SELECTION BY THE SECRETARY.

"(a) ENTRY REQUIREMENT.—The Secretary shall enter into agreements with institutions of higher education, at which the total loan volume under the Federal Stafford Loan program, the Federal Supplemental Loans for Students program, and the Federal Plus loan program was $500,000,000 in the most recent year for which data is available, to participate in the loan demonstration program to make loans for the period beginning with the academic year beginning on July 1, 1994, and ending with loans made before June 30, 1998. Such agreements shall be concluded not later than January 1, 1994.

"(b) SELECTION CRITERIA.—The Secretary shall enter into agreements with institutions of higher education which represent a cross-section of all institutions of higher education participating in part B of this title in terms of control of the institution, length of academic program, highest degree offered, size of student enrollment, percentage of students borrowing under part B, geographic location, annual loan volume, default experience and composition of the student body.

"(c) PREFERENCE FOR APPLYING INSTITUTIONS.—In constituting the cross-section of institutions of higher education required by the previous subsection, the Secretary shall first enter into agreements, to the maximum extent possible consistent with the requirements of constituting the cross-section, with institutions of higher education which apply to participate in the loan demonstration program. Institutions of higher education desiring to participate in the demonstration shall submit an application containing such information as the Secretary may by regulation prescribe.

"(d) DESIGNATION OF ADDITIONAL INSTITUTIONS.—If an insufficient number of institutions of higher education apply to satisfy the conditions provided in subsections (a) and (b) of this section, the Secretary shall designate additional institutions of higher education from among those eligible to participate in part B to participate in the loan demonstration program in order to satisfy the conditions provided in subsections (a) and (b) of this section. An institution of higher education designated by the Secretary pursuant to this subsection may decline to participate in the loan demonstration program for good cause pursuant to regulations established by the Secretary.

"(e) LIMITATION.—The Secretary shall assure that the annual loan volume under the Federal Stafford Loan program, the Federal Supplemental Loans for Students program, and the Federal Plus loan program at the institutions of higher education with which the Secretary enters into agreements under this part represents, in the most recent fiscal year for which data are available, not more than 15 percent of the loan guarantees under these programs of any guaranty agency and the Secretary shall determine that such guaranty agency will remain financially sound.

"SEC. 454. AGREEMENT REQUIRED.

"An agreement with any institution of higher education for participation in the loan demonstration program shall—

"(1) provide for the establishment and maintenance of a loan demonstration program at the institution of higher education under which—

"(A) the institution of higher education will identify eligible students at such institution, in accordance with section 484;

"(B) the institution of higher education will estimate the need of each such student as required by part F;

"(C) the institution of higher education will originate loans to such eligible students and eligible parents in accordance with this part, and will not charge any administrative fees to such students or parents for such origination activities;

"(D) the institution of higher education will provide timely information concerning the status of student and parent borrowers to the contractor or contractors responsible for loan collection pursuant to section 457; and

"(E) the institution of higher education will participate in the loan demonstration program for its duration, subject to procedures for withdrawal established by section 455;

"(2) provide assurances that the institution of higher education will comply with the provisions of section 463A, relating to student loan information, with respect to loans made under this part;

"(3) provide that the note or evidence of obligation on the loan shall be the property of the Secretary and that the institution of higher education will act as the agent of the Secretary for the purpose of making loans under the loan demonstration program;

"(4) provide that the institution of higher education will accept responsibility and liability stemming from its failure to perform its functions pursuant to the agreement;

"(5) provide that students at the institution of higher education and their parents will not be eligible to participate in the Federal Stafford Loan program, the Federal Supplemental Loans to Students program, or the Federal Plus loan program for the period during which such institution participates in the loan demonstration program;

"(6) in the case of 20 percent of the institutions selected by the Secretary for operations under this part, include such terms and conditions as the Secretary may require by regulation for testing income contingent repayment methods, which shall include—

"(A) requiring such institutions to offer the option of income contingent repayment, based on an annual review of the borrowers Federal income tax return, to any student who applies for a loan under this part;

"(B) the additional or different terms and conditions to be included in the notes or other agreements entered into by the borrower, as required by such regulations, including provisions with respect to the disclosure by the borrower of subsequent income;

"(C) providing for the discharge of loans after not more than 25 years of income contingent repayment; and

"(D) such data and reporting requirements and such other provisions as the Secretary considers necessary to carry out the purposes of section 458(d)(2) and to the protection of the Federal fiscal interest; and

"(7) include such other provisions as may be necessary to protect the financial interest of the United States and to promote the purposes of this part.

"SEC. 455. WITHDRAWAL AND TERMINATION PROCEDURES.

"The Secretary shall establish by regulation procedures which enable institutions of higher education who have made agreements with the Secretary pursuant to section 454 to withdraw or to be terminated from the loan demonstration program.

"SEC. 456. TERMS AND CONDITIONS.

"Unless otherwise specified in this part, the loans made under this part shall have the same terms, conditions, and benefits as loans made under sections 428, 428A, and 428B of this title. Any loan made under this part shall be eligible for consolidation under section 428C of part B of this title.

"SEC. 457. LOAN COLLECTION FUNCTIONS UNDER COMPETITIVE PROCUREMENT CONTRACTS.

"(a) IN GENERAL.—The Secretary shall provide, through contracts awarded on a competitive basis, for—

"(1) the collection of principal and interest on loans made under this part by no less than 5 contracts, at least one of which shall be for serving loans that are subject to income contingent repayment;

"(2) the collection of defaulted loans made under this part;

"(3) the establishment and operation of a central data system for the maintenance of records on all loans made under this part;

"(4) programs for default prevention; and

"(5) such other programs as the Secretary determines are necessary to assure the success of the loan demonstration program.

"(b) SERVICING FOR INCOME CONTINGENT LOANS.—The Secretary shall, through contract, ensure the availability of servicing of loans made pursuant to section 454(6) at a cost comparable to that available for loans under part B of this title (that are not subject to income contingent repayment).

"(c) INFORMATION ON INCOME CONTINGENT LOANS.—The Secretary shall acquire such information as is necessary regarding the adjusted gross income of borrowers (under this part and under part B) of loans that are subject to income contingent repayment for the purpose of determining the annual repayment obligations of such borrowers. The Secretary shall, not less often than once per year, provide to the servicer, lender, or holder of a loan the Secretary's determination of the borrower's repayment obligation on that loan for such year.

"SEC. 458. REPORTS.

"(a) ANNUAL REPORTS.—The Secretary shall submit to the Congress not later than July 1, 1993, and each July 1 for the 5 succeeding years an annual report describing the progress and status of the loan demonstration program.

"(b) INTERIM FINAL REPORT.—The Comptroller General shall submit to the Congress not later than July 1, 1997, an interim final report evaluating the experience of the Department of Education, the participating institutions of higher education, students, and parents with respect to the loan demonstration program. The report shall include (but not be limited to)—

"(1) the administrative costs per loan incurred by participating institutions of higher education in administering the loan demonstration program;

"(2) the administrative costs per loan incurred by the Department of Education and its contractors in carrying out its responsibilities, including the costs of origination, data systems, servicing, and collection;

"(3) an evaluation of the effectiveness of the loan demonstration program in providing services to students, including loan application, loan origination, student financial aid packaging, tracking of student status, responsiveness to student inquiries and processing of deferments, forbearances, and repayments;

"(4) the frequency and cost of borrower delinquency and default under the loan demonstration program and losses incurred by institutions of higher education and servicers, including losses caused by improper origination or servicing of loans;

"(5) the timeliness of capital availability to institutions of higher education and of loans to students and the cost of loan capital;

"(6) a comparison of the experience of institutions of higher education, students, and parents participating in loan demonstration program with the experience of institutions and students

in a control group with respect to the subjects indicated in paragraphs (1) through (5) of this subsection;

"(7) a comparison of the cost of loan capital for loans for the loan demonstration program with the cost of loan capital for the comparable programs in part B of this title; and

"(8) recommendations for modifications, continuation, suspension or termination of the loan demonstration program.

"(c) Final Report.—The Comptroller General shall submit to the Congress not later than May 1, 1998, a final report evaluating the experience of the Department of Education, the participating institutions of higher education, and students with respect to the loan demonstration program. The report shall include (but not be limited to) the same matters provided for in subsection (b) of this section.

"(d) Control Group.—

"(1) Regular repayment.—to assist the Comptroller General in preparing the reports required by subsections (b)(6) and (c) of this section, the Secretary shall select a control group of institutions of higher education, at which the total loan volume under the Federal Stafford Loan program, the Federal Supplemental Loans for Students program, and the Federal Plus loan program was $500,000,000 in the most recent year for which data is available, which represent a cross-section of all institutions of higher education participating in part B of this title and which is comparable to the cross-section of institutions of higher education selected for participation in the loan demonstration program pursuant to section 453(b).

"(2) Income contingent repayment.—Within the control group selected under paragraph (1), the Secretary shall identify a group of institutions to serve as a control group for comparison with the institutions offering income contingent loans under this part pursuant to section 454(6). The institutions selected for the control group under this paragraph shall select a reasonable cross section of the institutions selected under paragraph (1). The Secretary shall publish an identification of the institutions that are so selected. Any eligible lender of a loan to a student for attendance at any such institution shall, in accordance with regulations prescribed by the Secretary, offer such students the option of repaying such loans on an income contingent basis consistent with such regulations.

"(3) Income contingent terms and conditions.—The Secretary shall, by regulation, establish the terms and conditions for loans that are subject to paragraph (2) of this subsection. Such terms and conditions shall, to the extent practicable, be the same as the terms and conditions of loans made pursuant to section 454(6). The Secretary is authorized to enter into such agreements (and amendments to agreements) under part B of this title as may be necessary to carry out paragraph (2) and this paragraph.

"(e) Treatment of Costs.—In reporting with respect to costs in the reports required by subsections (b) and (c) of this section, the Comptroller General shall report separately the nonrecurrent costs such as start-up costs associated with the loan demonstration program, the administrative costs incurred by institutions of higher education in providing information to enable the Comptroller General to prepare the reports required by subsections (b) and (c) of this section and the normal costs of operating the loan demonstration program.

"SEC. 459. SCHEDULE OF REGULATORY ACTIVITIES BY THE SECRETARY.

"(a) Proposed Regulations.—The Secretary shall publish in the Federal Register not later than April 1, 1993, all proposed regulations for carrying out the program established by this part, including (but not limited to) regulations with respect to—

"(1) payments to institutions of higher education;

"(2) the selection of institutions of higher education to participate in the loan demonstration program;

"(3) application by institutions of higher education to participate in the loan demonstration program;

"(4) agreements between the Secretary and institutions of higher education participating in the loan demonstration program;

"(5) procedures with respect to the withdrawal and termination of institutions of higher education from the loan demonstration program; and

"(6) procedures by which institutions designated by the Secretary pursuant to section 453(d) may decline to participate in the loan demonstration program.

"(b) Final Regulations.—The Secretary shall publish in the Federal Register not later than July 1, 1993, all final regulations for carrying out the program established by this part, including (but not limited to) regulations with respect to the same matters provided for in subsection (a) of this section.

"(c) Closing Date for Applications From Institutions.—The Secretary shall establish October 1, 1993, as the closing date for receiving applications from institutions of higher education desiring to participate in the loan demonstration program pursuant to section 453(c).

"(d) Publication of List of Participating Institutions and Control Group.—Not later than January 1, 1994, the Secretary shall publish in the Federal Register a list of the institutions of higher education selected to participate in the loan demonstration program pursuant to section 453 and a list of the institutions of higher education in the control group required by section 457.

"(e) Procurement Contracts.—The Secretary shall award contracts pursuant to section 457 not later than February 1, 1994.

"SEC. 459A. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and the 5 succeeding fiscal years for administrative expenses necessary for carrying out this part.".

SEC. 452. ADMINISTRATIVE EXPENSES.

Part G of title IV of the Act is amended by adding at the end the following new section:

"AUTHORIZATION OF APPROPRIATIONS FOR ADMINISTRATIVE EXPENSES

"Sec. 492. There are authorized to be appropriated such sums as may be necessary for fiscal year 1993 and for each succeeding fiscal year thereafter for administrative expenses necessary for carrying out this title, including expenses for staff personnel, program reviews, and compliance activities.".

PART E—FEDERAL PERKINS LOANS

SEC. 461. AMENDMENTS TO PART E OF TITLE IV.

(a) Program Title.—

(1) Heading.—The heading of part E of title IV is amended to read as follows:

"Part E—Federal Perkins Loans".

(2) Name of loans.—Section 461(a) of the Act is amended by striking "as 'Perkins Loans' " and inserting "as 'Federal Perkins Loans' ".

(b) Authorization of Appropriations.—Section 461(b) of the Act is amended to read as follows:

"(b) Authorization of Appropriations.—(1) For the purpose of enabling the Secretary to make contributions to student loan funds established under this part, there are authorized to be appropriated $300,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) In addition to the funds authorized under paragraph (1), there are hereby authorized to be appropriated such sums for fiscal year 1997 and each of the 5 succeeding fiscal years as may be necessary to enable students who have received loans for academic years ending prior to October 1, 1997, to continue or complete courses of study.".

(c) Eligibility for Study Abroad.—Section 461(a) of the Act is amended by inserting "or while engaged in programs of study abroad approved for credit by such institutions" after "in such institutions".

(d) Institutional Allocation.—Section 462(a)(1)(A) of the Act is amended by striking "such institution received" and inserting "allocated to such institution".

(e) Default Reduction and Default Penalties.—Section 462(f) of the Act is amended to read as follows:

"(f) Default Reduction and Default Penalties.—(1) For any fiscal year prior to fiscal year 1994, any institution which has a default rate which equals or exceeds 7.5 percent but does not exceed the maximum default rate applicable to the award year under subsection (g), the institution's default penalty is a percentage equal to the complement of such default rate. For any institution which has a default rate that does not exceed 7.5 percent, the institution's default penalty is equal to one.

"(2) For fiscal year 1994 and any succeeding fiscal year, any institution with a cohort default rate (as defined under subsection (h)) which—

"(A) equals or exceeds 15 percent, shall establish a default reduction plan pursuant to regulations issued by the Secretary;

"(B) equals or exceeds 20 percent, but is less than 25 percent, shall have a default penalty of 0.9;

"(C) equals or exceeds 25 percent, but is less than 30 percent, shall have a default penalty of 0.7; and

"(D) equals or exceeds 30 percent shall have a default penalty of zero.".

(f) Applicable Maximum Default Rate.—Section 462(g) of the Act is amended to read as follows:

"(g) Applicable Maximum Default Rate.—(1) For award years 1992 and 1993, the applicable maximum default rate is 15 percent.

"(2) For award year 1994 and subsequent years, the maximum cohort default rate is 30 percent.".

(g) Definitions of Default Rate and Cohort Default Rate.—Section 462(h) of the Act is amended—

(1) by striking the title of the subsection and inserting "Definitions of Default Rate and Cohort Default Rate.";

(2) in paragraph (1), by striking "For the purpose of this section," and inserting "For any award year prior to award year 1994, for the purpose of this section,";

(3) by redesignating paragraph (3) as paragraph (4); and

(4) by inserting after paragraph (2) the following new paragraph:

"(3) For award year 1994 and any succeeding year, the term 'cohort default rate' means, for any fiscal year in which 30 or more current and former students at the institution enter repayment on loans under this part (received for attendance at the institution), the percentage of those current and former students who enter repayment on such loans (received for attendance at that institution) in that fiscal year who default before the end of the following fiscal year. In determining the number of students who default before the end of such fiscal year, the Secretary shall, in calculating the cohort default rate, exclude any loans which, due to improper servicing or collection, would result in an inaccurate or incomplete calculation of the cohort default rate. For any fiscal year in which less

than 30 of the institution's current and former students enter repayment, the term 'cohort default rate' means the percentage of such current and former students who entered repayment on such loans in any of the three most recent fiscal years and who default before the end of the fiscal year immediately following the year in which they entered repayment. A loan on which a payment is made by the institution of higher education, its owner, agency, contractor, employee, or any other entity or individual affiliated with such institution, in order to avoid default by the borrower, is considered as in default for the purposes of this subsection. The Secretary shall prescribe regulations designed to prevent an institution from evading the application to that institution of a default rate determination under this subsection through the use of such measures as branching, consolidation, change of ownership or control or other means as determined by the Secretary.".

(h) Consequences of Failure To Award.—Section 462(j) of the Act is amended—

(1) by inserting "(1)" after the subsection heading; and

(2) by adding at the end the following new paragraph:

"(2) If under paragraph (1) of this subsection an institution returns more than 10 percent of its allocation, the institution's allocation for the next fiscal year shall be reduced by the amount returned. The Secretary may waive this paragraph for a specific institution if the Secretary finds that enforcing it is contrary to the interest of the program.".

(i) Campus Match.—Section 463(a)(2)(B) of the Act is amended to read as follows:

"(B) a capital contribution—

"(i) by an institution that—

"(I) is granted permission by the Secretary to participate in an Expanded Lending Option under the program, and

"(II) has a default rate which does not exceed 7.5 percent,

in an amount not less than the amount of the Federal capital contributions described in subparagraph (A); or

"(ii) by any other institution, in an amount not less than one-third of the amount of the Federal capital contributions described in subparagraph (A);".

(j) Credit Reporting Requirements.—Section 463(c) of the Act is amended by adding at the end thereof the following new paragraph:

"(4) Each institution of higher education, after consultation with the Secretary, shall disclose to any credit bureau organization with which the Secretary has an agreement under paragraph (1)—

"(A) the date of each disbursement and the amount of any loan made under this part to any borrower by such institution; and

"(B) the type of information described in paragraphs (1), (2), and (3) of section 430A(a), as it pertains to such loan.".

(k) Loan Limits.—Section 464(a)(2) of the Act is amended to read as follows:

"(2) The aggregate of the loans for all years made by institutions of higher education from loan funds established pursuant to agreements under this part may not exceed—

"(A) for institutions that have an agreement with the Secretary to participate in the Expanded Lending Option under section 463(a)(2)(B)(i)—

"(i) $32,000 in the case of any graduate or professional student (as defined by regulations of the Secretary, and including any loans from such funds made to such person before he became a graduate or professional student);

"(ii) $20,000 in the case of a student who has successfully completed 2 years of a program of education leading to a bachelor's degree but who has not completed the work necessary for such a degree (determined under regulations of the Secretary, and including any loans from such funds made to such person before he became such a student); and

"(iii) $8,000 in the case of any other student; or

"(B) for all other institutions—

"(i) $25,000 in the case of any graduate or professional student (as defined by regulations of the Secretary, and including any loans from such funds made to such person before he became a graduate or professional student);

"(ii) $15,000 in the case of a student who has successfully completed 2 years of a program of education leading to a bachelor's degree, but who has not completed the work necessary for such a degree (determined under regulations of the Secretary, and including any loans from such funds made to such person before he became such a student); and

"(iii) $6,000 in the case of any other student.".

(l) Loans to Nontraditional Students.—Section 464(b)(2) of the Act is amended to read as follows:

"(2) If the institution's capital contribution under section 462 is directly or indirectly based in part on the financial need demonstrated by students who are (A) attending the institution less than full time, (B) age 24 or older, (C) single parents, or (D) independent students, a reasonable proportion of the institution's loans shall be made available to such students.".

(m) Minimum Monthly Payments.—Section 464(c)(1)(C) of the Act is amended to read as follows:

"(C)(i) for loans made before July 1, 1993, may provide, at the option of the institution, in accordance with regulations of the Secretary, that during the repayment period of the loan, payments of principal and interest by the borrower with respect to all outstanding loans made to the student from a student loan fund assisted under this part shall be at a rate equal to not less than $30 per month, except that the institution may, subject to such regulations, permit a borrower to pay less than $30 per month for a period of not more than one year where necessary to avoid hardship to the borrower, but without extending the 10-year maximum repayment period provided for in subparagraph (A) of this paragraph;

"(ii) for loans made on or after July 1, 1993, may provide, at the option of the institution, in accordance with regulations of the Secretary, that during the repayment period of the loan, payments of principal and interest by the borrower with respect to all outstanding loans made to the student from a student loan fund assisted under this part shall be at a rate equal to not less than $50 per month, except that the institution may, subject to such regulations, permit a borrower to pay less than $50 per month for a period of not more than one year where necessary to avoid hardship to the borrower, but without extending the 10-year maximum repayment period provided for in subparagraph (A) of this paragraph; and

"(iii) may provide that the total payments by a borrower for a monthly or similar payment period with respect to the aggregate of all loans held by the institution may, when the amount of a monthly or other similar payment is not a multiple of $5, be rounded to the next highest whole dollar amount that is a multiple of $5;".

(n) Overaward Tolerance.—Section 464(b) of the Act is amended by adding at the end the following new paragraph:

"(3) Notwithstanding paragraph (1) of this subsection, if the sum of a loan award for any student and the other financial aid obtained subsequently by such student exceeds the amount of assistance for which the student is eligible under this title by $300 or more, the institution such student is attending shall adjust the disbursement of such loan accordingly.".

(o) Elimination of Defense Infancy.—Section 464(c)(1)(E) of the Act is amended by striking "unless the borrower is a minor and the note or other evidence of obligation executed by him would not, under applicable law, create a binding obligation,".

(p) Deferment for Family Service Agency Employees.—Subparagraph (A) of section 464(c)(2) of the Higher Education Act of 1965 is amended—

(1) by striking "or" at the end of clause (viii);

(2) by striking the period at the end of clause (ix) and inserting a semicolon and "or"; and

(3) by inserting after clause (ix) the following new clause:

"(x) is employed full-time by a public or private nonprofit child or family service agency to provide, or supervise the provision of, services to high-risk children who are from low-income communities and the families of such children.".

(q) Repayment Period.—Section 464(c) of the Act is further amended—

(1) in paragraph (2), by striking subparagraph (B) and redesignating subparagraph (C) as subparagraph (B);

(2) by redesignating paragraph (4) as paragraph (5); and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) The repayment period for a loan made under this part shall begin on the day immediately following the expiration of the period, specified in paragraph (1)(A), after the student ceases to carry the required academic workload, unless the borrower requests and is granted a repayment schedule that provides for repayment to commence at an earlier point in time, and shall exclude any period of authorized deferment, forbearance, or cancellation.".

(r) Deferments for Study Abroad.—Section 464(c) of the Act is amended by adding at the end thereof the following new paragraph:

"(6) Requests for deferment of repayment of loans under this part by students engaged in graduate or postgraduate fellowship-supported study (such as pursuant to a Fulbright grant) outside the United States may be approved until completion of the period of the fellowship.".

(s) Special Authority To Compromise Repayment.—Section 464 of the Act is amended by adding at the end the following new subsection:

"(e) Special Repayment Rule Authority.—(1) Subject to such restrictions as the Secretary may prescribe to protect the interest of the United States, in order to encourage repayment of loans made under this part which are in default, the Secretary may, in the agreement entered into under this part, authorize an institution of higher education to compromise on the repayment of such defaulted loans in accordance with paragraph (2). The Federal share of the compromise repayment shall bear the same relation to the institution's share of such compromise repayment as the Federal capital contribution to the institution's loan fund under this part bears to the institution's capital contribution to such fund.

"(2) No compromise repayment of a defaulted loan as authorized by paragraph (1) may be made unless the student borrower pays—

"(A) 90 percent of the loan under this part;

"(B) the interest due on such loan; and

"(C) any collection fees due on such loan;

in a lump sum payment.".

(t) Cancellation for Service.—

(1) Amendment.—Section 465(a)(2) of the Act is amended—

(A) in subparagraph (A), by striking "and such determination shall not be made with respect to more than 50 percent of the total number of schools in the State receiving assistance under such chapter 1";

(B) by inserting before the semicolon at the end of subparagraph (A) the following: ", ex-

cept that in the case of a borrower qualifying for cancellation under this subparagraph, cancellation shall be granted for one year following any year in which the qualifying elementary or secondary school loses its chapter 1 designation";

(C) by striking subparagraph (C) and inserting the following:

"(C) as a full-time teacher of infants, toddlers, children, or youth with disabilities in a public or other nonprofit elementary or secondary school system, or as a full-time qualified professional provider of early intervention services in a public or other nonprofit program under public supervision by the lead agency as authorized in section 676(b)(9) of the Individuals With Disabilities Education Act;".

(D) by striking "or" at the end of subparagraph (E);

(E) by striking the period at the end of subparagraph (F) and inserting a semicolon; and

(F) by adding at the end thereof the following new subparagraphs:

"(G) as a full-time nurse or medical technician providing health care services; or

"(H) as a full-time employee of a public or private nonprofit child or family service agency who is providing, or supervising the provision of, services to high-risk children who are from low-income communities and the families of such children.".

(2) RATE OF CANCELLATION.—Section 465(a)(3)(A)(i) of such Act is amended by striking "(A), (C), or (F)" and inserting "(A), (C), (F), (G), or (H)".

(u) EXCESS CAPITAL RULE.—Section 466(c) of the Act is amended—

(1) by striking out "Upon" and inserting "(1) Upon";

(2) by redesignating paragraphs (1) and (2) as subparagraphs (A) and (B); and

(3) by adding at the end thereof the following:

"(2) No finding, that the liquid assets of a student loan fund established under this part exceed the amount required, under paragraph (1) of this subsection may be made prior to a date which is 2 years after the institution of higher education received the funds from its allocation under section 462 with respect to such funds.".

(v) RECAPTURE OF CERTAIN LOAN FUNDS.—(1) Section 467 of the Act is amended by adding at the end thereof the following new subsection:

"(c) PERKINS LOAN REVOLVING FUND.—(1) There is established by the Perkins Loan Revolving Fund which shall be available without fiscal year limitation to the Secretary to make payments under this part, in accordance with paragraph (2) of this subsection. There shall be deposited in the Perkins Revolving Loan Fund—

"(A) all funds collected by the Secretary on any loan referred, transferred, or assigned under paragraph (5)(A), (5)(B)(i), or (6) of section 463(a);

"(B) all funds collected by the Secretary on any loan referred under paragraph (5)(B)(ii) of section 463(a);

"(C) all funds paid to the Secretary under section 466(c)(1)(A);

"(D) all funds from a student loan fund under this part received by the Secretary as the result of the closure of an institution of higher education;

"(E) all funds received by the Secretary as a result of an audit of a student loan fund established under this part; and

"(F) all funds which have been appropriated and which the Secretary determines are not necessary for carrying out section 465, relating to the cancellation of certain loans under this part for qualifying service.

"(2) Notwithstanding any other provision of law, the Secretary shall, from the Perkins Loan Revolving Fund established under paragraph (1), pay allocations of additional capital contributions to eligible institutions of higher education in accordance with section 462, except that funds described in subparagraph (B) of paragraph (1) shall be repaid to the institution of higher education which referred the loan, as specified in section 463(a)(5)(B)(ii). The Secretary shall make the payments required by this paragraph in a manner designed to maximize the availability of capital loan funds under this part.".

(2) The heading of section 467 of the Act is amended to read as follows:

"COLLECTION OF DEFAULTED LOANS: PERKINS LOAN REVOLVING FUND".

(w) DEFINITIONS; LIMITATIONS.—Part E of title IV is further amended by adding at the end the following new section:

"DEFINITIONS

"SEC. 469. (a) LOW-INCOME COMMUNITIES.—For the purpose of this part, the term 'low-income communities' means communities in which there is a high concentration of children eligible to be counted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

"(b) HIGH-RISK CHILDREN.—For the purposes of this part, the term 'high-risk children' means individuals under the age of 21 who are low-income or at risk of abuse or neglect, have been abused or neglected, have serious emotional, mental, or behavioral disturbances, reside in placements outside their homes, or are involved in the juvenile justice system.

"(c) INFANTS, TODDLERS, CHILDREN, AND YOUTH WITH DISABILITIES.—For purposes of this part, the term 'infants, toddlers, children, and youth with disabilities' means children with disabilities and infants and toddlers with disabilities as defined in sections 602(a)(1) and 672(1), respectively, of the Individuals with Disabilities Education Act, and the term 'qualified professional provider of early intervention services' has the meaning specified in section 672(2) of such Act.".

PART F—NEED ANALYSIS

SEC. 471. REVISION OF PART F.

Part F of title IV of the Act is amended to read as follows:

"PART F—NEED ANALYSIS

"SEC. 471. AMOUNT OF NEED.

"Except as otherwise provided therein, the amount of need of any student for financial assistance under this title (except subpart 4 of part A) is equal to—

"(1) the cost of attendance of such student, minus

"(2) the expected family contribution for such student, minus

"(3) estimated financial assistance not received under this title (as defined in section 480(j)).

"SEC. 472. COST OF ATTENDANCE.

"For the purpose of this title, the term 'cost of attendance' means—

"(1) tuition and fees normally assessed a student carrying the same academic workload as determined by the institution, and including costs for rental or purchase of any equipment, materials, or supplies required of all students in the same course of study;

"(2) an allowance for books, supplies, transportation, and miscellaneous personal expenses for a student attending the institution on at least a half-time basis, as determined by the institution;

"(3) an allowance (as determined by the institution) for room and board costs incurred by the student which—

"(A) shall be an allowance of not less than $1,500 for a student without dependents residing at home with parents;

"(B) for students without dependents residing in institutionally owned or operated housing, shall be a standard allowance determined by the institution based on the amount normally assessed most of its residents for room and board; and

"(C) for all other students shall be an allowance based on the expenses reasonably incurred by such students for room and board, except that the amount may not be less than $2,500;

"(4) for less than half-time students (as determined by the institution) tuition and fees and an allowance for only books, supplies, and transportation (as determined by the institution) and dependent care expenses (in accordance with paragraph (7));

"(5) for incarcerated students only tuition and fees and, if required, books and supplies;

"(6) for a student enrolled in an academic program in a program of study abroad approved for credit by the student's home institution, reasonable costs associated with such study (as determined by the institution);

"(7) for a student with one or more dependents, an allowance based on the estimated expenses incurred for such dependent care, based on the number and age of such dependents. The period for which dependent care is required includes, but is not limited to, class-time, study-time, field work, internships, and commuting time;

"(8) for a student with a disability, an allowance (as determined by the institution) for those expenses related to his or her disability, including special services, transportation, equipment, and supplies that are reasonably incurred and not provided for by other assisting agencies;

"(9) for a student receiving all or part of his or her instruction by means of telecommunications technology, no distinction shall be made with respect to the mode of instruction in determining costs, but this paragraph shall not be construed to permit including the cost of rental or purchase of equipment;

"(10) for a student engaged in a program of study by correspondence, only tuition and fees and, if required, books and supplies, travel, and room and board costs incurred specifically in fulfilling a required period of residential training; and

"(11) for a student placed in a work experience under a cooperative education program, an allowance for reasonable costs associated with such employment (as determined by the institution).

"SEC. 473. FAMILY CONTRIBUTION.

"For the purpose of this title, except subpart 4 of part A, the term 'family contribution' with respect to any student means the amount which the student and his or her family may be reasonably expected to contribute toward his or her postsecondary education for the academic year for which the determination is made, as determined in accordance with this part.

"SEC. 474. DATA ELEMENTS USED IN DETERMINING EXPECTED FAMILY CONTRIBUTION.

"The following data elements are considered in determining the expected family contribution:

"(1) the available income of (A) the student and his or her spouse, or (B) the student and the student's parents, in the case of a dependent student;

"(2) the number of dependents in the family of the student;

"(3) the number of dependents in the family of the student (except parents) who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 and for whom the family may reasonably be expected to contribute to their postsecondary education;

"(4) the net assets of (A) the student and his or her spouse, and (B) the student and the stu-

dent's parents, in the case of a dependent student;

"(5) the marital status of the student;

"(6) the age of the older parent, in the case of a dependent student, and the student;

"(7) the number of dependent children other than the student enrolled in a private elementary or secondary institution and the unreimbursed tuition paid (A) in the case of a dependent student, by the student's parents for such dependent children, or (B) in the case of an independent student with dependents, by the student or his or her spouse for such dependent children who are so enrolled; and

"(8) the additional expenses incurred (A) in the case of a dependent student, when both parents of the student are employed or when the family is headed by a single parent who is employed, or (B) in the case of an independent student, when the student is married and his or her spouse is employed, or when the employed student qualifies as a surviving spouse or as a head of a household under section 2 of the Internal Revenue Code of 1986.

"SEC. 475. FAMILY CONTRIBUTION FOR DEPENDENT STUDENTS.

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each dependent student the expected family contribution is equal to the sum of—

"(1) the parents' contribution from adjusted available income (determined in accordance with subsection (b));

"(2) the student contribution from available income (determined in accordance with subsection (g)); and

"(3) the student contribution from assets (determined in accordance with subsection (h)).

"(b) PARENTS' CONTRIBUTION FROM ADJUSTED AVAILABLE INCOME.—The parents' contribution from adjusted available income is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the parents' available income (determined in accordance with subsection (c)); and

"(B) the parents' contribution from assets (determined in accordance with subsection (d));

"(2) assessing such adjusted available income in accordance with the assessment schedule set forth in subsection (e); and

"(3) dividing the assessment resulting under paragraph (2) by the number of the dependent children of the parent (or parents) who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 during the award period for which assistance under this title is requested.

"(c) PARENTS' AVAILABLE INCOME.—

"(1) IN GENERAL.—The parents' available income is determined by deducting from total income (as defined in section 480)—

"(A) Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4);

"(E) an employment expense allowance, determined in accordance with paragraph (5); and

"(F) an educational expense allowance, determined in accordance with paragraph (6).

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

"Percentages for Computation of State and Other Tax Allowance

If parents' State or territory of residence is—	*And parents' total income is—*	
	less than $15,000 or	*$15,000 or more*
	then the percentage is—	
Alaska, Puerto Rico, Wyoming	*3*	*2*
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands	*4*	*3*

"Percentages for Computation of State and Other Tax Allowance—Continued

If parents' State or territory of residence is—	*And parents' total income is—*	
	less than $15,000 or	*$15,000 or more*
Florida, South Dakota, Tennessee, New Mexico	*5*	*4*
North Dakota, Washington	*6*	*5*
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia	*7*	*6*
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky	*8*	*7*
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico	*9*	*8*
Maine, New Jersey	*10*	*9*
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island	*11*	*10*
Michigan, Minnesota	*12*	*11*
Wisconsin	*13*	*12*
New York	*14*	*13*
Other	*9*	*8*

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by each parent multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

"Income Protection Allowance

Family Size (including student)	*Number in College*					
	1	*2*	*3*	*4*	*5*	*For each additional subtract:*
2	*$10,270*	*$8,560*				
3	*12,840*	*11,130*	*$9,420*			
4	*15,790*	*14,080*	*12,370*	*$10,660*		
5	*18,750*	*17,040*	*15,330*	*13,620*	*$11,910*	
6	*21,830*	*20,120*	*18,410*	*16,700*	*14,990*	*$1,710*
For each additional add:	*2,570*	*2,570*	*2,570*	*2,570*	*2,570*	

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows (or using a successor provision prescribed by the Secretary under section 478):

"(A) If both parents were employed in the year for which their income is reported and both have their incomes reported in determining the expected family contribution, such allowance is equal to the lesser of $2,600 or 35 percent of the earned income of the student or spouse with the lesser earned income.

"(B) If a parent qualifies as a surviving spouse or as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,600 or 35 percent of his or her earned income.

"(6) EDUCATIONAL EXPENSE ALLOWANCE.—The educational expense allowance is equal to the unreimbursed tuition and fees paid by the student's parents for each dependent child, other than the student, enrolled in an elementary or secondary school, not to exceed for each such child the national average per pupil cost as published by the Center for Educational Statistics using the most recent available data.

"(d) PARENTS' CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The parents' contribution from assets is equal to—

"(A) the parental net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)); minus

"(C) the educational savings protection allowance (determined in accordance with paragraph (4)); multiplied by

"(D) the asset conversion rate (determined in accordance with paragraph (5)), except that the result shall not be less than zero.

"(2) PARENTAL NET WORTH.—The parental net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, excluding the net value of the principal place of residence; and

"(C) the adjusted net worth of a business or farm, computed on the basis of the net worth of such business or farm (hereafter in this subsection referred to as 'NW'), determined in ac-

cordance with the following table (or a successor table prescribed by the Secretary under section 478), except as provided under section 480(f):

"Adjusted Net Worth of a Business or Farm

If the net worth of a business or farm is—	Then the adjusted net worth is:
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table (or a successor table prescribed by the Secretary under section 478):

"Asset Protection Allowances for Families and Students

If the age of the oldest parent is—	And there are two parents	And there are one parent
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,700	1,900
27	5,300	3,800
28	8,000	5,600
29	10,600	7,500
30	13,300	9,400
31	15,900	11,300
32	18,600	13,200
33	21,200	15,000
34	23,900	16,900
35	26,500	18,800
36	29,200	20,700
37	31,800	22,600
38	34,500	24,400
39	37,100	26,300
40	39,800	28,200
41	40,800	28,900
42	41,900	29,400
43	42,600	30,200
44	43,800	30,700
45	44,900	31,500
46	46,000	32,300
47	47,200	32,900
48	48,800	33,700
49	50,000	34,500
50	51,300	35,300
51	52,900	36,200
52	54,300	37,000
53	56,000	37,900
54	57,700	39,100
55	59,200	40,000
56	61,000	40,900
57	62,900	42,100
58	65,200	43,100
59	67,200	44,400
60	69,300	45,700
61	71,700	47,000
62	74,300	48,300
63	76,500	49,700
64	79,200	51,100
65 or more	81,900	52,700

"(4) EDUCATIONAL SAVINGS PROTECTION ALLOWANCE.—The educational savings protection allowance is calculated if the parental net worth (determined in accordance with paragraph (2)) minus the asset protection allowance (determined in accordance with paragraph (3)) is greater than zero and the parents' available income is greater than zero. This allowance is determined according to the following table on the basis of the parents' available income (hereinafter in this paragraph referred to as 'AI') as determined under subsection (c), except that this allowance shall not be less than zero:

"Parents' Education Savings Protection Allowance

If AI is—	Then the savings protection allowance is—
Less than $9,300	22% of AI
$9,301 to $11,600	$2,046 + 25% of AI over $9,300
$11,601 to $14,000	$2,621 + 29% of AI over $11,600
$14,001 to $16,300	$3,317 + 34% of AI over $14,000
$16,301 to $18,700	$4,099 + 40% of AI over $16,300
$18,701 or more	$5,059 + 47% of AI over $18,700

"(5) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(e) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (b)(1) and hereafter in this subsection referred to as 'AAI') is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

"Parents' Assessment From Adjusted Available Income (AAI)

If AAI is—	Then the assessment is—
Less than −$3,409	−$750
−$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"(f) COMPUTATIONS IN CASE OF SEPARATION, DIVORCE, REMARRIAGE, OR DEATH.—

"(1) DIVORCED OR SEPARATED PARENTS.—Parental income and assets for a student whose parents are divorced or separated is determined under the following procedures:

"(A) Include only the income and assets of the parent with whom the student resided for the greater portion of the 12-month period preceding the date of the application.

"(B) If the preceding criterion does not apply, include only the income and assets of the parent who provided the greater portion of the student's support for the 12-month period preceding the date of application.

"(C) If neither of the preceding criteria apply, include only the income and assets of the parent who provided the greater support during the most recent calendar year for which parental support was provided.

"(2) DEATH OF A PARENT.—Parental income and assets in the case of the death of any parent is determined as follows:

"(A) If either of the parents has died, the student shall include only the income and assets of the surviving parent.

"(B) If both parents have died, the student shall not report any parental income or assets.

"(3) REMARRIED PARENTS.—Income in the case of a parent whose income and assets are taken into account under paragraph (1) of this subsection, or a parent who is a widow or widower and whose income is taken into account under paragraph (2) of this subsection, has remarried, is determined as follows: The income (but not assets) of that parent's spouse shall be included in determining the parent's adjusted available income only if—

"(A) the student's parent and the stepparent are married as of the date of application for the award year concerned; and

"(B) the student is not an independent student.

"(g) STUDENT CONTRIBUTION FROM AVAILABLE INCOME.—

"(1) IN GENERAL.—The student contribution from available income is equal to—

"(A) the student's total income (determined in accordance with section 480); minus

"(B) the adjustment to student income (determined in accordance with paragraph (2); multiplied by

"(C) the assessment rate as determined in paragraph (5).

"(2) ADJUSTMENT TO STUDENT INCOME.—The adjustment to student income is equal to the sum of—

"(A) actual Federal income taxes of the student;

"(B) an allowance for State and other income taxes (determined in accordance with paragraph (3)); and

"(C) an allowance for social security taxes determined in accordance with paragraph (4).

"(3) ALLOWANCE FOR STATE AND OTHER INCOME TAXES.—The allowance for State and other income taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

"Percentages for Computation of State and Other Income Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming	0
Connecticut, Louisiana, Puerto Rico.	1
Arizona, New Hampshire, New Mexico, North Dakota.	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma.	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico.	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina.	5
Hawaii, Maryland, Michigan, Wisconsin.	6
Delaware, District of Columbia, Minnesota, Oregon.	7
New York	8

"(4) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student multiplied by the social security withholding rate appropriate to the tax year of the earnings, up to the maximum statutory social security tax withholding amount for that same tax year.

"(5) The student's available income (determined in accordance with paragraph (1) of this subsection) is assessed at 50 percent.

"(h) STUDENT CONTRIBUTION FROM ASSETS.—The student contribution from assets is determined by calculating the net assets of the student (not including amounts reported for purposes of subsection (g)) and multiplying such amount by 35 percent, except that the result shall not be less than zero.

"(i) ADJUSTMENTS TO PARENTS' CONTRIBUTION FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS FOR PURPOSES OTHER THAN SUBPART 2 OF PART A OF THIS TITLE.—For periods of enrollment other than 9 months, the parents' contribution from adjusted available income (as determined under subsection (b)) is determined as follows for purposes other than subpart 2 of part A of this title:

"(1) For periods of enrollment less than 9 months, the parents' contribution from adjusted available income is divided by 9 and the result multiplied by the number of months enrolled.

"(2) For periods of enrollment greater than 9 months—

"(A) the parents' adjusted available income (determined in accordance with subsection (b)(1)) is increased by the difference between the income protection allowance (determined in accordance with subsection (c)(4)) for a family of four and a family of five, each with one child in college;

"(B) the resulting revised parents' adjusted available income is assessed according to subsection (e) and adjusted according to subsection *(b)(3) to determine a revised parents' contribution from adjusted available income;*

"(C) the original parents' contribution from adjusted available income is subtracted from the revised parents' contribution from adjusted available income, and the result is divided by 12 to determine the monthly adjustment amount; and

"(D) the original parents' contribution from adjusted available income is increased by the product of the monthly adjustment amount multiplied by the number of months greater than 9 for which the student will be enrolled.

"(j) ADJUSTMENTS FOR ENROLLMENT PERIODS OTHER THAN 9 MONTHS.—For periods of enrollment other than 9 months, the student's contribution (as determined under subsection (g)) is adjusted for purposes other than subpart 2 of part A of this title based on individual circumstances.

"SEC. 476. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITHOUT DEPENDENT CHILDREN.

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each independent student without dependent children, the expected family contribution is determined by—

"(1) adding—

"(A) the family's contribution from available income (determined in accordance with subsection (b)); and

"(B) the family's contribution from assets (determined in accordance with subsection (c)); and

"(2) dividing the sum resulting under paragraph (1) by the number of students who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 during the award period for which assistance under this title is requested;

except that the amount determined under this subsection shall not be less than zero.

"(b) FAMILY'S CONTRIBUTION FROM AVAILABLE INCOME.—

"(1) IN GENERAL.—The family's contribution from income is determined by—

"(A) deducting from total income (as defined in section 480)—

"(i) an allowance for Federal income taxes;

"(ii) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(iii) an allowance for social security taxes, determined in accordance with paragraph (3);

"(iv) an income protection allowance for periods of nonenrollment not to exceed (I) $1,200 per month for single students; and (II) $750 per person, per month for married students; and

"(v) in the case where a spouse is present, an employment expense allowance, as determined in accordance with paragraph (4); and

"(B) assessing such available income in accordance with paragraph (5).

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

"Percentages for Computation of State and Other Income Tax Allowance

If the students' State or territory of residence is—	The percentage is—
Alaska, American Samoa, Florida, Guam, Nevada, South Dakota, Tennessee, Texas, Trust Territory, Virgin Islands, Washington, Wyoming.	0
Connecticut, Louisiana, Puerto Rico.	1
Arizona, New Hampshire, New Mexico, North Dakota.	2
Alabama, Colorado, Illinois, Indiana, Kansas, Mississippi, Missouri, Montana, Nebraska, New Jersey, Oklahoma.	3
Arkansas, Georgia, Iowa, Kentucky, Maine, Pennsylvania, Utah, Vermont, Virginia, West Virginia, Canada, Mexico.	4
California, Idaho, Massachusetts, North Carolina, Ohio, Rhode Island, South Carolina.	5
Hawaii, Maryland, Michigan, Wisconsin.	6
Delaware, District of Columbia, Minnesota, Oregon.	7
New York	8
Other	4

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount earned by the student (and spouse, if appropriate), multiplied by the social security withholding rate appropriate to the tax year preceding the award year, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) EMPLOYMENT EXPENSES ALLOWANCE.—The employment expense allowance is determined as follows (or using a successor provision prescribed by the Secretary under section 478):

"(A) If the student is married and his or her spouse is employed in the year for which income is reported, such allowance is equal to the lesser of $2,600 or 35 percent of the earned income of the student or spouse with the lesser earned income.

"(B) If a student is not married, the employment expense allowance is zero.

"(5) ASSESSMENT OF AVAILABLE INCOME.—The family's available income (determined in accordance with paragraph (1)(A) of this subsection) is assessed at 50 percent.

"(c) FAMILY CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The family's income supplemental amount from assets is equal to—

"(A) the family's net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4));

except that the family's contribution from assets shall not be less than zero.

"(2) FAMILY'S NET WORTH.—The family's net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, excluding the net value in the principal place of residence; and

"(C) the adjusted net worth of a business or farm, computed on the basis of the net worth of such business or farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478), except as provided under section 480(f):

"Adjusted Net Worth of a Business or Farm

If the net worth of a business or farm is—	Then the adjusted net worth is—
Less than $1	$0
$1–$75,000	40 percent of NW
$75,001–$225,000	$30,000 plus 50 percent of NW over $75,000
$225,001–$370,000	$105,000 plus 60 percent of NW over $225,000
$370,001 or more	$192,000 plus 100 percent of NW over $370,000

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table (or a successor table prescribed by the Secretary under section 478):

"Asset Protection Allowances for Families and Students

If the age of the student is—	And the student is	
	married	single
	then the asset protection allowance is—	
25 or less	$0	$0
26	2,700	1,900
27	5,300	3,800
28	8,000	5,600
29	10,600	7,500
30	13,300	9,400
31	15,900	11,300
32	18,600	13,200
33	21,200	15,000
34	23,900	16,900
35	26,500	18,800
36	29,200	20,700
37	31,800	22,600
38	34,500	24,400
39	37,100	26,300
40	39,800	28,200
41	40,800	28,900
42	41,900	29,400
43	42,600	30,200
44	43,800	30,700
45	44,900	31,500
46	46,000	32,300
47	47,200	32,900
48	48,800	33,700
49	50,000	34,500
50	51,300	35,300
51	52,900	36,200
52	54,300	37,000
53	56,000	37,900
54	57,700	39,100
55	59,200	40,000
56	61,000	40,900
57	62,900	42,100
58	65,200	43,100
59	67,200	44,400
60	69,300	45,700
61	71,700	47,000
62	74,300	48,300
63	76,500	49,700
64	79,200	51,700
65 or more	81,900	52,700

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 35 percent.

"SEC. 477. FAMILY CONTRIBUTION FOR INDEPENDENT STUDENTS WITH DEPENDENT CHILDREN.

"(a) COMPUTATION OF EXPECTED FAMILY CONTRIBUTION.—For each independent student with dependent children the expected family contribution is equal to the amount determined by—

"(1) computing adjusted available income by adding—

"(A) the family's available income (determined in accordance with subsection (b)); and

"(B) the family's contribution from assets (determined in accordance with subsection (c));

"(2) assessing such adjusted available income in accordance with an assessment schedule set forth in subsection (d); and

"(3) dividing the assessment resulting under paragraph (2) by the number of family members who are enrolled or accepted for enrollment, on at least a half-time basis, in a degree, certificate, or other program leading to a recognized educational credential at an institution of higher education that is an eligible institution in accordance with the provisions of section 487 during the award period for which assistance under this title is requested;

except that the amount determined under this subsection shall not be less than zero.

"(b) FAMILY'S AVAILABLE INCOME.—

"(1) IN GENERAL.—The family's available income is determined by deducting from total income (as defined in section 480)—

"(A) an allowance for Federal income taxes;

"(B) an allowance for State and other taxes, determined in accordance with paragraph (2);

"(C) an allowance for social security taxes, determined in accordance with paragraph (3);

"(D) an income protection allowance, determined in accordance with paragraph (4);

"(E) an employment expense allowance, determined in accordance with paragraph (5); and

"(F) an educational expense allowance, determined in accordance with paragraph (6).

"(2) ALLOWANCE FOR STATE AND OTHER TAXES.—The allowance for State and other taxes is equal to an amount determined by multiplying total income (as defined in section 480) by a percentage determined according to the following table (or a successor table prescribed by the Secretary under section 478):

"Percentages for Computation of State and Other Tax Allowance

If student's State or territory of residence is—	*And family's total income is—*	
	less than $15,000	*$15,000 or more*
	then the percentage is—	
Alaska, Puerto Rico, Wyoming.	*3*	*2*
American Samoa, Guam, Louisiana, Nevada, Texas, Trust Territory, Virgin Islands.	*4*	*3*
Florida, South Dakota, Tennessee, New Mexico.	*5*	*4*
North Dakota, Washington.	*6*	*5*
Alabama, Arizona, Arkansas, Indiana, Mississippi, Missouri, Montana, New Hampshire, Oklahoma, West Virginia.	*7*	*6*
Colorado, Connecticut, Georgia, Illinois, Kansas, Kentucky.	*8*	*7*
California, Delaware, Idaho, Iowa, Nebraska, North Carolina, Ohio, Pennsylvania, South Carolina, Utah, Vermont, Virginia, Canada, Mexico.	*9*	*8*
Maine, New Jersey	*10*	*9*
District of Columbia, Hawaii, Maryland, Massachusetts, Oregon, Rhode Island.	*11*	*10*
Michigan, Minnesota.	*12*	*11*
Wisconsin	*13*	*12*
New York	*14*	*13*
Other	*9*	*8*

"(3) ALLOWANCE FOR SOCIAL SECURITY TAXES.—The allowance for social security taxes is equal to the amount estimated to be earned by the student (and spouse, if appropriate) multiplied by the social security withholding rate appropriate to the tax year preceding the award year, up to the maximum statutory social security tax withholding amount for that same tax year.

"(4) INCOME PROTECTION ALLOWANCE.—The income protection allowance is determined by the following table (or a successor table prescribed by the Secretary under section 478):

"Income Protection Allowance

Family size (including student)	*Number in college*					
	1	*2*	*3*	*4*	*5*	*For each additional subtract:*
2	*$10,270*	*$8,560*				
3	*12,840*	*11,130*	*$9,420*			
4	*15,790*	*14,080*	*12,370*	*$10,660*		
5	*18,750*	*17,040*	*15,330*	*13,620*	*$11,910*	
6	*21,830*	*20,120*	*18,410*	*16,700*	*14,990*	*$1,710*
For each additional add:	*2,570*	*2,570*	*2,570*	*2,570*	*2,570*	

"(5) EMPLOYMENT EXPENSE ALLOWANCE.—The employment expense allowance is determined as follows (or a successor table prescribed by the Secretary under section 478):

"(A) If the student is married and his or her spouse is employed in the year for which their income is reported, such allowance is equal to the lesser of $2,600 or 35 percent of the earned income of the student or spouse with the lesser earned income.

"(B) If a student qualifies as a surviving spouse or as a head of household as defined in section 2 of the Internal Revenue Code, such allowance is equal to the lesser of $2,600 or 35 percent of his or her earned income.

"(6) EDUCATIONAL EXPENSE ALLOWANCE.—The educational expense allowance is equal to the unreimbursed tuition and fees paid by the student or the student's spouse, or both, for each dependent child, enrolled in elementary or secondary school, not to exceed for each such child the national average per pupil cost as published by the Center for Educational Statistics using the most recent available data.

"(c) FAMILY'S CONTRIBUTION FROM ASSETS.—

"(1) IN GENERAL.—The family's contribution from assets is equal to—

"(A) the family net worth (determined in accordance with paragraph (2)); minus

"(B) the asset protection allowance (determined in accordance with paragraph (3)); multiplied by

"(C) the asset conversion rate (determined in accordance with paragraph (4)), except that the result shall not be less than zero.

"(2) FAMILY NET WORTH.—The family net worth is calculated by adding—

"(A) the current balance of checking and savings accounts and cash on hand;

"(B) the net value of investments and real estate, excluding the net value in the principal place of residence; and

"(C) the adjusted net worth of a business or farm, computed on the basis of the net worth of such business or farm (hereafter referred to as 'NW'), determined in accordance with the following table (or a successor table prescribed by the Secretary under section 478), except as provided under section 480(f):

"Adjusted Net Worth of a Business or Farm

If the net worth of a business or farm is—	*Then the adjusted net worth is—*
Less than $1	*$0*
$1–$75,000	*40 percent of NW*
$75,001–$225,000	*$30,000 plus 50 percent of NW over $75,000*
$225,001–$370,000	*$105,000 plus 60 percent of NW over $225,000*
$370,001 or more	*$192,000 plus 100 percent of NW over $370,000*

"(3) ASSET PROTECTION ALLOWANCE.—The asset protection allowance is calculated according to the following table (or a successor table prescribed by the Secretary under section 478):

"Asset Protection Allowances for Families and Students

If the age of the student is—	*And the student is*	
	married	*single*
	then the asset protection allowance is—	
25 or less	*$0*	*$0*
26	*2,700*	*1,900*
27	*5,300*	*3,800*
28	*8,000*	*5,600*
29	*10,600*	*7,500*
30	*13,300*	*9,400*
31	*15,900*	*11,300*
32	*18,600*	*13,200*
33	*21,200*	*15,000*
34	*23,900*	*16,900*
35	*26,500*	*18,800*
36	*29,200*	*20,700*
37	*31,800*	*22,600*
38	*34,500*	*24,400*
39	*37,100*	*26,300*
40	*39,800*	*28,200*
41	*40,800*	*28,900*
42	*41,900*	*29,400*
43	*42,600*	*30,200*
44	*43,800*	*30,700*
45	*44,900*	*31,500*
46	*46,000*	*32,300*
47	*47,200*	*32,900*
48	*48,800*	*33,700*
49	*50,000*	*34,500*
50	*51,300*	*35,300*
51	*52,900*	*36,200*
52	*54,300*	*37,000*
53	*56,000*	*37,900*
54	*57,700*	*39,100*
55	*59,200*	*40,000*
56	*61,000*	*40,900*
57	*62,900*	*42,100*
58	*65,200*	*43,100*
59	*67,200*	*44,400*
60	*69,300*	*45,700*
61	*71,700*	*47,000*
62	*74,300*	*48,300*
63	*76,500*	*49,700*
64	*79,200*	*51,100*
65 or more	*81,900*	*52,700*

"(4) ASSET CONVERSION RATE.—The asset conversion rate is 12 percent.

"(d) ASSESSMENT SCHEDULE.—The adjusted available income (as determined under subsection (a)(1) and hereafter referred to as 'AAI')

is assessed according to the following table (or a successor table prescribed by the Secretary under section 478):

"Assessment From Adjusted Available Income (AAI)

If AAI is—	*Then the assessment is—*
Less than −$3,409	−$750
−$3,409 to $9,300	22% of AAI
$9,301 to $11,600	$2,046 + 25% of AAI over $9,300
$11,601 to $14,000	$2,621 + 29% of AAI over $11,600
$14,001 to $16,300	$3,317 + 34% of AAI over $14,000
$16,301 to $18,700	$4,099 + 40% of AAI over $16,300
$18,701 or more	$5,059 + 47% of AAI over $18,700

"SEC. 478. REGULATIONS; UPDATED TABLES.

"(a) AUTHORITY TO PRESCRIBE REGULATIONS RESTRICTED.—(1) Notwithstanding any other provision of law, the Secretary shall not have the authority to prescribe regulations to carry out this part except—

"(A) to prescribe updated tables in accordance with subsections (b) through (e) of this section; or

"(B) to propose modifications in the need analysis methodology required by this part.

"(2) Any regulation proposed by the Secretary that (A) updates tables in a manner that does not comply with subsections (b) through (e) of this section, or (B) that proposes modifications under paragraph (1)(B) of this subsection, shall not be effective unless approved by joint resolution of the Congress by May 1 following the date such regulations are published in the Federal Register in accordance with section 482. If the Congress fails to approve such regulations by such May 1, the Secretary shall publish in the Federal Register in accordance with section 482 updated tables for the applicable award year that are prescribed in accordance with subsections (b) through (e) of this section.

"(b) INCOME PROTECTION ALLOWANCE.—(1) For each award year after award year 1992–1993, the Secretary shall publish in the Federal Register a revised table of income protection allowances for the purpose of sections 475(c)(4) and 477(b)(4). Such revised table shall be developed by using the most recent data from the Consumer Expenditure Survey Integrated Survey Data and multiplying it as necessary by the percentage change in the Consumer Price Index. The income protection allowance for a family of three with one in college is equal to the lower living standard less a percentage for sales taxes (determined in accordance with paragraph (2)), less an amount (determined in accordance with paragraph (3)) for education expenditures, and less a student-in-college allowance (determined in accordance with paragraph (4)). The result is multiplied by the percentage change in the Consumer Price Index. The income protection allowance for other families is determined by using the appropriate equivalency scale in paragraph (5).

"(2) From the mean total household expenditures (prevailing standard), a 5 percent allowance is subtracted for sales taxes. The result is multiplied by 75 percent to reach the median total household expenditures and again multiplied by 67 percent to arrive at the lower living standard.

"(3) Education expenditures are those associated with elementary, secondary, and postsecondary tuition as identified in the Consumer Expenditure Survey Integrated Survey Data. The result is multiplied by 75 percent to reach the median total expenditures in these categories and again multiplied by 67 percent to arrive at the lower living standard.

"(4) The student-in-college adjustment is equal to nine months of mean individual expenses for food, apparel, transportation, entertainment, and personal care, minus a 5 percent allowance for sales taxes. The result is multiplied by 75 percent to reach the median total individual expenditures in these categories and again multiplied by 67 percent to arrive at the lower living standard.

"(5) The following equivalency scales are based on an average family size of 3:

"Parents' Assessment From Adjusted Available Income (AAI)

Family Size	*Equivalency*
1	.64
2	.80
3	1.00
4	1.23
5	1.46
6	1.70

"(6) There is an additional adjustment necessary for families of seven or more. This adjustment is determined by applying the appropriate equivalency percentage to derive the income protection allowance amount for a family size of seven and establishing the difference between this figure and the income protection allowance for a family size of six as the standard adjustment.

"(7) There is an additional adjustment necessary for families with more than five students enrolled in postsecondary education. This adjustment is determined by multiplying the student-in-college adjustment (determined in accordance with paragraph (4)) as appropriate by the Consumer Price Index.

"(8) The monthly maintenance allowance for purposes of section 476(b)(1)(B)(iv)(I) is calculated by—

"(A) adding the student in college adjustment (determined in accordance with paragraph (4)) to the income protection allowance (determined in accordance with paragraph (1));

"(B) multiplying the result by 0.64 to derive the income protection allowance for a family size of 1;

"(C) dividing the result by 12 to obtain a monthly amount; and

"(D) multiplying the result by 1.5 and rounding upward to the nearest $50 to derive the prevailing level amount.

"(9) The monthly maintenance allowance for purposes of section 476(b)(1)(B)(iv)(II) is calculated by—

"(A) adding the student in college adjustment (determined in accordance with paragraph (4)) to the income protection allowance (determined in accordance with paragraph (1));

"(B) multiplying the result by 80 percent to derive the income protection allowance for a family size of 2;

"(C) dividing the result by 12 to obtain a monthly amount;

"(D) dividing the result by 2 to determine a per person amount; and

"(E) multiplying the result by 150 percent and rounding upward to the nearest $50 to derive the prevailing level amount.

"(c) ADJUSTED NET WORTH OF A BUSINESS.—For each award year after award year 1992–1993, the Secretary shall publish in the Federal Register a revised table of adjusted net worth of a business for purposes of sections 475(d)(2)(C), 476(c)(2)(C), and 477(c)(2)(C). Such revised table shall be developed—

"(1) by increasing each dollar amount that refers to net worth of a business by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between 1992 and the December next preceding the beginning of such award year, and rounding the result to the nearest $5,000; and

"(2) by adjusting the dollar amounts '$30,000', '$105,000', and '$192,000' to reflect the changes made pursuant to paragraph (1).

"(d) ASSET PROTECTION ALLOWANCE.—(1) For each award year after award year 1992–1993, the Secretary shall publish in the Federal Register a revised table of asset protection allowances for the purpose of sections 475(d)(3), 476(c)(3), and 477(c)(3). Such revised table shall be developed by using the most recent data from the Consumer Expenditure Survey Integrated Survey Data according to paragraph (2) of this subsection.

"(2) Such revised table shall be developed by determining the present value cost, rounded to the nearest $100 and based on annually determined average life expectancy, of an annuity that would provide, for each age cohort of 40 and above, a supplemental income at age 65 (adjusted for inflation) equal to the difference between the prevailing standard level of the Consumer Expenditure Survey (adjusted as appropriate by the Consumer Price Index), and the current average social security retirement benefits. For each age cohort below 40, the asset protection allowance shall be computed by decreasing the asset protection allowance for age 40, as updated, by one-fifteenth for each year of age below age 40 and rounding the result to the nearest $100. In making such determinations—

"(A) inflation shall be presumed to be 6 percent per year;

"(B) the rate of return of an annuity shall be presumed to be 8 percent; and

"(C) the sales commission on an annuity shall be presumed to be 6 percent.

"(e) ASSESSMENT SCHEDULES AND RATES.—For each award year after award year 1992–1993, the Secretary shall publish in the Federal Register a revised table of assessments from adjusted available income for the purpose of sections 475(e) and 477(d). Such revised table shall be developed—

"(1) by increasing each dollar amount that refers to adjusted available income by a percentage equal to the estimated percentage increase in the Consumer Price Index (as determined by the Secretary) between December 1992 and the December next preceding the beginning of such academic year, rounded to the nearest $100; and

"(2) by adjusting the other dollar amounts to reflect the changes made pursuant to paragraph (1).

"(f) DEFINITION OF CONSUMER PRICE INDEX.—As used in this section, the term 'Consumer Price Index' means the Consumer Price Index for All Urban Consumers published by the Department of Labor. Each annual update of tables to reflect changes in the Consumer Price Index shall be corrected for misestimation of actual changes in such Index in previous years.

"(g) STATE AND OTHER TAX ALLOWANCE.—For each award year after award year 1992–1993, the Secretary shall publish in the Federal Register a revised table of State and other tax allowances for the purpose of sections 475(c)(2), 475(g)(3), 476(b)(2), and 477(b)(2). The Secretary shall develop such revised table after review of the Department of the Treasury's Statistics of Income file and determination of the percentage of income that each State's taxes represent.

"(h) EMPLOYMENT EXPENSE ALLOWANCE.—For each award year after award year 1992–1993, the Secretary shall publish in the Federal Register a revised table of employment expense allowances for the purpose of sections 475(c)(5), 476(b)(4), and 477(b)(5). Such revised table shall be developed by using the most recent expense data from the Consumer Expenditure Survey Integrated Survey Data and updating it as appropriate by the Consumer Price Index. Such revised table shall be developed—

"(1) by determining according to the Consumer Price Expenditure Survey for each of the most recent three years, the difference between average expenditures for two-earner and one-earner families on meals away from home,

clothing, transportation, and personal household services;

"(2) multiplying each resulting amount as appropriate by the Consumer Price Index;

"(3) multiplying each result by 70 percent;

"(4) determining a three-year average for such expenditures; and

"(5) rounding the result to the nearest $100.

"SEC. 479. SIMPLIFIED NEEDS TEST.

"(a) General Eligibility.—For purposes of this title and as provided in subsection (b), individuals who do not file an Internal Revenue Service form 1040 shall be considered to have a zero family contribution if—

"(1) for purposes of section 475 of this part, the sum of the adjusted gross income of the parents is less than or equal to the maximum amount of income (rounded annually to the nearest thousand dollars) that may be earned in order to claim the Federal earned income credit; or

"(2) for purposes of section 477 of this part, the sum of the adjusted gross income of the student and spouse (if appropriate) is less than or equal to the maximum amount of income (rounded annually to the nearest thousand dollars) that may be earned in order to claim the Federal earned income credit.

"(b) Special Rule.—To be eligible under this section, an individual is not required to qualify or file for the earned income credit.

"SEC. 479A. DISCRETION OF STUDENT FINANCIAL AID ADMINISTRATORS.

"Nothing in this title shall be interpreted as limiting the authority of the financial aid administrator, on the basis of adequate documentation, to make adjustments on a case-by-case basis to the cost of attendance or the data required to calculate the expected student or parent contribution (or both), or to allow for treatment of an individual eligible applicant with special circumstances. However, this authority shall not be construed to permit aid administrators to deviate from the contributions expected in the absence of special circumstances. Special circumstances shall be conditions that differentiate an individual student from a class of students rather than conditions that exist across a class of students. Adequate documentation for such adjustments shall substantiate such special circumstances of individual students. In addition, nothing in this title shall be interpreted as limiting the authority of the student financial aid administrator in such cases to request and use supplementary information about the financial status or personal circumstances of eligible applicants in selecting recipients and determining the amount of awards under this title. For the purposes of this section, special circumstances include excluding from family income any proceeds of a sale of farm or business assets of a family if such sale results from a voluntary or involuntary foreclosure, forfeiture, or bankruptcy or an involuntary liquidation.

"SEC. 479B. DISREGARD OF STUDENT AID IN OTHER FEDERAL PROGRAMS.

"Notwithstanding any other provision of law, student financial assistance received under this title, or under Bureau of Indian Affairs student assistance programs, shall not be taken into account in determining the need or eligibility of any person for benefits or assistance, or the amount of such benefits or assistance, under any Federal, State, or local program financed in whole or in part with Federal funds.

"SEC. 479C. NATIVE AMERICAN STUDENTS.

"In determining family contributions for Native American students, computations performed pursuant to this part shall exclude—

"(1) any income and assets of $2,000 or less per individual payment received by the student (and spouse) and student's parents under the Per Capita Act or the Distribution of Judgment Funds Act; and

"(2) any income received by the student (and spouse) and student's parents under the Alaskan Native Claims Settlement Act or the Maine Indian Claims Settlement Act.

"SEC. 480. DEFINITIONS.

"As used in this part:

"(a) Total Income.—(1) Except as provided in paragraph (2), for parents of dependent students and for dependent students, the term 'total income' is equal to adjusted gross income plus untaxed income and benefits for the preceding tax year minus excludable income (as defined in subsection (e)).

"(2) For the independent student and, if appropriate his or her spouse, the term 'total income' is equal to adjusted gross income plus untaxed income and benefits minus excludable income as defined in subsection (e) for the period of July 1 to June 30 of the award year.

"(3) No portion of any student financial assistance received from any program by an individual shall be included as income or assets in the computation of expected family contribution for any program funded in whole or in part under this Act.

"(b) Untaxed Income and Benefits.—The term 'untaxed income and benefits' means—

"(1) child support received;

"(2) welfare benefits, including aid to families with dependent children under a State plan approved under part A of title IV of the Social Security Act and aid to dependent children;

"(3) workman's compensation;

"(4) veterans' benefits, including death pension, dependency, indemnity compensation, and veterans' education benefits as defined in subsection (c);

"(5) interest on tax-free bonds;

"(6) housing, food, and other allowances (excluding rent subsidies for low-income housing) for military, clergy, and others (including cash payments and cash value of benefits);

"(7) cash support or any money paid on the student's behalf, except, for dependent students, funds provided by his or her parents;

"(8) the amount of earned income credit claimed for Federal income tax purposes;

"(9) untaxed portion of pensions;

"(10) credit for Federal tax on special fuels;

"(11) the amount of foreign income excluded for purposes of Federal income taxes;

"(12) untaxed social security benefits;

"(13) payments to individual retirement accounts and Keogh accounts excluded from income for Federal income tax purposes; and

"(14) any other untaxed income and benefits, such as Black Lung Benefits, Refugee Assistance, railroad retirement benefits, or Job Training Partnership Act noneducational benefits.

"(c) Veteran and Veterans' Benefits.—(1) The term 'veteran' means any individual who—

"(A) has engaged in the active duty in the United States Army, Navy, Air Force, Marines, or Coast Guard; and

"(B) was released under a condition other than dishonorable.

"(2) The term 'veterans' benefits' means veterans' benefits the student will receive during the award year, including but not limited to the following:

"(A) Title 10, chapter 2: Reserve Officer Training Corps scholarship.

"(B) Title 10, chapter 106: Selective Reserve.

"(C) Title 10, chapter 107: Selective Reserve Educational Assistance Program.

"(D) Title 37, chapter 2: Reserve Officer Training Corps Program.

"(E) Title 38, chapter 30: Montgomery GI Bill—active duty.

"(F) Title 38, chapter 31: vocational rehabilitation.

"(G) Title 38, chapter 32: Post-Vietnam Era Veterans' Educational Assistance Program.

"(H) Title 38, chapter 35: Dependents Educational Assistance Program.

"(I) Title 38, section 207: unnamed program for 1977–78 service academy attendees and 1978 ROTC graduates.

"(J) Public Law 97–376, section 156: Restored Entitlement Program for Survivors (or Quayle benefits).

"(K) Public Law 96–342, section 903: Educational Assistance Pilot Program.

"(d) Independent Student.—The term 'independent', when used with respect to a student, means any individual who—

"(1) is 24 years of age or older by December 31 of the award year;

"(2) is an orphan or ward of the court;

"(3) is a veteran of the Armed Forces of the United States (as defined in subsection (c)(1));

"(4) is a graduate or professional student;

"(5) is a married individual;

"(6) has legal dependents other than a spouse; or

"(7) is a student for whom a financial aid administrator makes a documented determination of independence by reason of other unusual circumstances.

"(e) Excludable Income.—The term 'excludable income' means—

"(1) any student financial assistance awarded based on need as determined in accordance with the provisions of this part, including any income earned from work under part C of this title;

"(2) any living allowance received by a participant in a program established under the National and Community Service Act of 1990;

"(3) child support payments made by the student or parent; and

"(4) payments made and services provided under part E of title IV of the Social Security Act.

"(f) Assets.—(1) The term 'assets' means cash on hand, including the amount in checking and savings accounts, time deposits, money market funds, trusts, stocks, bonds, other securities, mutual funds, tax shelters, and the net value of real estate, income producing property, and business and farm assets.

"(2) With respect to determinations of need under this title, other than for subpart 4 of part A, the term 'assets' shall not include the net value of—

"(A) the family's principal place of residence;

"(B) a family farm on which the family resides; or

"(C) a small business (as that term is defined in regulation prescribed by the Administrator of the Small Business Administration pursuant to the Small Business Act) substantially owned and managed by a member or members of the family.

"(g) Net Assets.—The term 'net assets' means the current market value at the time of application of the assets included in the definition of 'assets', minus the outstanding liabilities or indebtedness against the assets.

"(h) Treatment of Income Taxes Paid to Other Jurisdictions.—(1) The tax on income paid to the Governments of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Northern Mariana Islands, or the Trust Territory of the Pacific Islands under the laws applicable to those jurisdictions, or the comparable tax paid to the central government of a foreign country, shall be treated as Federal income taxes.

"(2) References in this part to the Internal Revenue Code of 1986, Federal income tax forms, and the Internal Revenue Service shall, for purposes of the tax described in paragraph (1), be treated as references to the corresponding laws, tax forms, and tax collection agencies of those jurisdictions, respectively, subject to such adjustments as the Secretary may prescribe by regulation.

"(i) Current Balance.—The term 'current balance of checking and savings accounts' does *not include any funds over which an individual is barred from exercising discretion and control because of the actions of any State in declaring a bank emergency due to the insolvency of a private deposit insurance fund.*

"(j) Other Financial Assistance; Tuition Prepayment Plans.—(1) For purposes of determining a student's eligibility for funds under this title, estimated financial assistance not received under this title shall include all scholarships, grants, loans, or other assistance known to the institution at the time the determination of the student's need is made.

"(2)(A) Except as provided in subparagraph (B), for purposes of determining a student's eligibility for funds under this title, tuition prepayment plans shall reduce the cost of attendance (as determined under section 472) by the amount of the prepayment, and shall not be considered estimated financial assistance.

"(B) If the institutional expense covered by the prepayment must be part of the student's cost of attendance for accounting purposes, the prepayment shall be considered estimated financial assistance, as defined in subsection 480(j).".

PART G—GENERAL PROVISIONS

SEC. 481. DEFINITIONS.

(a) Institution of Higher Education.—(1) Section 481(a)(1) of the Act is amended—

(A) by striking "and part B";

(B) by adding "and" at the end of subparagraph (A);

(C) by striking the semicolon at the end of subparagraph (B) and inserting a period; and

(D) by striking subparagraphs (C) and (D).

(2) Section 481(a) of the Act is amended by striking paragraphs (2) and (3) and inserting the following:

"(2) Notwithstanding paragraph (1) of this subsection, an institution which enrolls 50 percent or more of its students in correspondence courses is not an 'institution of higher education' under this title.

"(3) An institution may not qualify as an institution of higher education if—

"(A) such institution has filed for bankruptcy; and

"(B) the institution, its owner, or its chief executive officer has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under this title, or has been judicially determined to have committed fraud involving funds under this title.

"(4) An institution may not qualify as an institution of higher education for purposes of the Pell Grant program under subpart 2 of part A of this title if such institution is ineligible to participate in a loan program under part B of this title as a result of a default rate determination under section 435(a).

"(5) The Secretary shall certify an institution's qualification as an institution of higher education in accordance with the requirements of subsections (e) and (f) of this subsection.".

(b) Proprietary Institutions of Higher Education.—Section 481(b) is amended by—

(1) inserting "pursuant to section 1205" after "this purpose";

(2) by striking "and" at the end of clause (4); and

(3) by striking the period at the end of clause (5) and inserting the following: ", and (6) which has at least 15 percent of its revenues from sources that are not derived from funds provided under this title.".

(c) Award Year.—Section 481(d) of the Act is amended to read as follows:

"(d) Academic and Award Year.—(1) For the purpose of any program under this title, the term 'award year' shall be defined as the period beginning July 1 and ending June 30 of the following year.

"(2) For the purpose of any program under this title, the term 'academic year' shall require a minimum of 30 weeks of instructional time in which a full-time student is expected to complete at least 24 semester or trimester hours or 36 quarter hours at an institution which measures program length in credit hours or at least 900 clock hours at an institution which measures program length in clock hours. For the purposes of any program under this title, program length for any course of instruction of less than two years which is occupational, vocational, trade, or technical in nature shall be measured in clock hours, except for a program where all of the hours are fully acceptable for credit in a two or four year program at the institution.".

(d) Branches of Institutions; Changes of Ownership; Third Party Servicers.—Section 481 of the Act is amended by striking subsection (e) and inserting the following new subsections:

"(e) Time Limitations on, and Renewal of, Eligibility.—(1) The eligibility for the purposes of any program authorized under this title of any institution that is participating in any such program on the date of enactment of the Higher Education Amendments of 1992 shall expire in accordance with the schedule prescribed by the Secretary in accordance with paragraphs (2) and (3), but not later than 5 years after such date of enactment.

"(2) The Secretary shall establish a schedule for the expiration of the eligibility for purposes of any such program of all institutions of higher education within the 5-year period specified in paragraph (1).

"(3) Such schedule shall place a priority for the expiration of the certification of institutions on those that meet the following criteria: (A) institutions with high default rates, (B) institutions where there is evidence of fraud and abuse, (C) institutions lacking financial responsibility, (D) institutions with a record of having violated or failed to carry out any provisions of this title, or (E) other institutions which the Secretary deems necessary.

"(4) After the expiration of the certification of any institution under the schedule prescribed under this subsection, or upon request for initial certification from an institution not previously certified, the Secretary may certify the eligibility for the purposes of any program authorized under this title of each such institution for a period not to exceed 4 years.

"(5) The personnel of the Department of Education shall conduct a site visit at each institution before certifying or recertifying its eligibility for purposes of any such program. The Secretary may charge reasonable fees to cover the expenses of certification and site visits and, to the extent permitted by appropriations Acts, may retain such fees to cover such expenses.

"(6) The Secretary shall not certify the eligibility of any institution for such purposes unless the Secretary determines that such institution complies with criteria prescribed by the Secretary, pursuant to section 487(a)(3), to ensure the proper and efficient administration of funds received from the Secretary or from students under this title.

"(f) Provisional Certification of Institutional Eligibility.—(1) Notwithstanding any other provision of law, the Secretary is authorized to provisionally certify an institution's eligibility to participate in programs under this title if—

"(A) the institution's administrative capability and financial responsibility is being determined for the first time;

"(B) there is a complete or partial transfer of ownership, as defined under section 481(h), of an eligible institution; or

"(C) the Secretary deems that an institution is, in the judgment of the Secretary, in an administrative or financial condition that may jeopardize its ability to perform its responsibilities under its program participation agreement.

"(2) The Secretary may provisionally certify an institution under this subsection for up to 3 complete award years.

"(3) If, prior to the end of a period of provisional certification under this subsection, the Secretary determines that the institution is unable to meet its responsibilities under its program participation agreement, the Secretary may terminate the institution's participation in programs under this title.

"(g) Branches.—For the purposes of this title, a branch of an eligible institution, as defined pursuant to the regulations of the Secretary, is a separate institution of higher education and therefore must separately meet all the requirements of this title.

"(h) Changes of Ownership.—For the purpose of this section (other than subsection (b)(5)), an eligible institution of higher education that has a change in ownership resulting in a change in control shall not be considered to be the same institution and shall be considered a new institution for the purpose of establishing eligibility. Such actions may include (but are not limited to)—

"(1) the sale of the institution or the majority of its assets;

"(2) the transfer of the controlling interest of stock of the institution or its parent corporation;

"(3) the merger of two or more eligible institutions;

"(4) the division of one or more institutions into two or more institutions;

"(5) the transfer of the controlling interest of stock of the institutions to its parent corporation; or

"(6) the transfer of the liabilities of the institution to its parent corporation.

"(i) Third Party Servicer.—For purposes of this title, the term 'third party servicer' means—

"(1) any State or private, profit or nonprofit organization or individual which enters into a contract with any eligible institution of higher education to administer, through either manual or automated processing, any aspect of such institution's student assistance programs under this title; or

"(2) any State or private, profit or nonprofit organization or individual which enters into a contract with any guaranty agency, or any eligible lender, to administer, through either manual or automated processing, any aspect of such guaranty agency's or lender's student loan programs under part B of this title, including but not limited to, originating, guaranteeing, monitoring, processing, servicing, or collecting loans.".

SEC. 482. MASTER CALENDAR.

(a) Amendment.—Section 482(c) of the Act is amended to read as follows:

"(c) Delay of Effective Date of Late Publications.—Any regulatory changes initiated by the Secretary affecting the programs pursuant to this title that have not been published in final form by December 1 prior to the start of the award year shall not become effective until the beginning of the second award year after such December 1 date.".

(b) Conforming Amendments.—

(1) Section 482(a)(1) of the Act is amended by striking "sections 411E and" each place it appears in subparagraphs (B) and (C) and inserting "section".

(2) Section 482(b) of the Act is amended by striking "subpart 2" and inserting "subpart 3".

SEC. 483. FORMS AND REGULATIONS.

(a) Forms and Processing.—Section 483(a) of the Act is amended—

(1) in paragraph (1)—

(A) by striking "subpart 3" in the first sentence and inserting "subpart 4"; and

(B) by striking out the third and fourth sentences and inserting the following sentences:

"The common financial reporting form prescribed by the Secretary shall be produced, distributed, and processed by the Secretary and no parent or student shall be charged a fee for the collection, processing, or delivery of financial aid through the use of such form. If an institution requires or encourages a student to provide additional data through an approved contractor, the charge to the student must be reasonable and based upon the marginal cost of collecting, processing, and delivering such data, adjusted for any payment received by the contractor to produce, distribute, and process the common financial reporting form prescribed by the Secretary. The need and eligibility of a student for financial assistance under parts A, C, and E of this title (other than under subpart 4 of part A) and the need of a student for the purpose of parts B and D of this title, may only be determined by using the form developed by the Secretary pursuant to this section. No student may receive assistance under parts A, C, and E of this title (other than under subpart 4 of part A) or have his or her need established for the purpose of parts B and D of this title, except by use of the form developed by the Secretary pursuant to this section. Institutions and States may receive without charge the data collected by the Secretary using the form developed pursuant to this section for the purposes of determining need and eligibility for institutional and State financial aid awards. This application will satisfy the requirements of section 411(d) of this title.";

(2) in paragraph (2)—

(A) by striking ", to the extent practicable," in the first sentence;

(B) by striking "not less than 5" in the first sentence; and

(C) by striking the second sentence;

(3) by redesignating paragraph (5) as paragraph (6);

(4) by inserting after paragraph (4) the following new paragraph:

"(5) No approved contractor shall enter into exclusive arrangements with guarantors, lenders, secondary markets, or institutions for the purpose of reselling or sharing of data collected for the multiple data entry process. All data collected for the multiple data entry process is the exclusive property of the Secretary and may not be transferred to a third party by an approved contractor without the Secretary's expressed written approval."; and

(5) by adding at the end thereof the following:

"(7) Individuals determined to have a zero family contribution pursuant to section 479 shall not be required to provide any financial data, except that which is necessary to determine eligibility under that section.".

(b) ADDITIONAL AMENDMENTS.—Section 483 is further amended—

(1) by striking subsections (d) and (f);

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(3) by inserting after subsection (a) the following new subsection:

"(b) STREAMLINED REAPPLICATION PROCESS.—(1) The Secretary shall, within 240 days after the date of enactment of the Higher Education Amendments of 1992, develop a streamlined process for those recipients who reapply for financial aid funds under this title in the next succeeding academic year subsequent to the initial year in which they apply.

"(2) The Secretary shall develop appropriate mechanisms to support reapplication.

"(3) The Secretary shall determine, in cooperation with institutions, agencies, and organizations involved in student financial assistance, the data elements that can be updated from the previous academic year's application.

"(4) Nothing in this title shall be interpreted as limiting the authority of the Secretary to reduce the number of data elements required of reapplicants."; and

(4) by amending subsection (e) to read as follows:

"(e) TOLL-FREE INFORMATION.—The Secretary shall contract for, or establish, and publicize a toll-free telephone number, including a telephone number accessible by telecommunication devices for the deaf (TDD's), to provide timely and accurate information to the general public and to refer students with disabilities and their families to the national clearinghouse on postsecondary education that is authorized under section 633(c) of the Individuals with Disabilities Education Act.".

SEC. 484. STUDENT ELIGIBILITY.

(a) IN GENERAL.—Section 484 of the Act is amended—

(1) in subsection (a)(1), by inserting "(including a program of study abroad approved for credit by the eligible institution)" after "or other program"; and

(2) by striking paragraph (4) of subsection (a) and inserting the following:

"(4) file with the institution of higher education which the student intends to attend, or is attending (or in the case of a loan or loan guarantee with the lender), a document, which need not be notarized, but which shall include—

"(A) a statement of educational purpose stating that the money attributable to such grant, loan, or loan guarantee will be used solely for expenses related to attendance or continued attendance at such institution; and

"(B) such student's social security number;";

(3) by striking the period at the end of paragraph (5) and inserting "; and"; and

(4) by adding at the end the following new paragraph:

"(6) in the case of a student enrolled in an undergraduate program of study, not have previously received a baccalaureate degree.".

(b) EXCEPTIONS TO ELIGIBLE STUDENT DEFINITION.—

(1) AMENDMENTS.—Section 484(b) of the Act is amended—

(A) by striking "subpart 1" each place it appears in paragraph (1) and inserting "subpart 2";

(B) in paragraph (4)—

(i) by striking "part B" and inserting "part B, D, or E"; and

(ii) by inserting before the period at the end the following: "or work-study assistance under part C of this title"; and

(C) by adding at the end the following new paragraph:

"(5) Notwithstanding any other provision of this subsection, no incarcerated student is eligible to receive a loan under this title.".

(2) EFFECTIVE DATE.—The amendments made by paragraph (1)(B) of this subsection shall be effective on and after December 1, 1987.

(c) ABILITY TO BENEFIT.—Section 484(d) of the Act is amended—

(1) by striking "subparts 1, 2, and 3" and inserting "subparts 2, 3, and 4";

(2) by striking "shall" and inserting "shall (1)"; and

(3) by striking the period at the end thereof and inserting the following: "; or (2) be determined as having the ability to benefit from the education or training in accordance with such process as the State or an agency of such State shall prescribe. Any such process described or approved by a State for the purposes of this section shall be effective only upon review and approval of the Secretary in accordance with standards duly promulgated by the Secretary, which standards shall take into account the effectiveness of such process in enabling students without high school diplomas or the equivalent thereof to benefit from the instruction offered by institutions utilizing such process, and shall also take into account the cultural diversity, economic circumstances, and educational preparation of the populations served by the institutions.".

(d) VERIFICATION.—Section 484(f) of the Act is amended by adding at the end the following new sentence: "Nothing in this subsection shall preclude the Secretary from verifying all applications for aid through the use of any means available, including through the exchange of information with any other Federal agency.".

(e) LOSS OF ELIGIBILITY.—Section 484(g) of the Act is amended—

(1) by inserting "(1)" before "No student";

(2) by inserting ", part D" after "part B" each place it appears;

(3) by inserting "fraudulently" before "borrowed" each place it appears; and

(4) by adding at the end the following new paragraph:

"(2) If the institution determines that the student inadvertently borrowed amounts in excess of such annual or aggregate maximum loan limits, such institution shall allow the student to repay any amount borrowed in excess of such limits prior to certifying the student's eligibility for further assistance under this title.".

(f) ADDITIONAL REQUIREMENTS.—

(1) AMENDMENT.—Section 484 of the Act is amended by adding at the end thereof the following new subsections:

"(l) VERIFICATION OF SOCIAL SECURITY NUMBER.—The Secretary of Education, in cooperation with the Commissioner of the Social Security Administration, shall verify any social security number provided by a student to an eligible institution under subsection (a)(4) and shall enforce the following conditions:

"(1) An institution shall not deny, reduce, delay, or terminate a student's eligibility for assistance under this part because social security number verification is pending.

"(2) If there is a determination by the Secretary that the social security number provided to an eligible institution by a student is incorrect, the institution shall deny or terminate the student's eligibility for any grant, loan, or work assistance under this title until such time as the student provides a correct social security number.

"(3) If there is a determination by the Secretary that the social security number provided to an eligible institution by a student is incorrect, and a correct social security number cannot be provided by such student, and a loan has been guaranteed for such student under part B of this title, the institution shall notify and instruct the lender and guaranty agency making and guaranteeing the loan to cease further payments under the loan, but such guaranty shall not be voided or otherwise nullified with respect to such payments made before the date that the lender and the guaranty agency receives such notice.

"(4) Nothing in this subsection shall permit the Secretary to take any compliance, disallowance, penalty, or other regulatory action against any institution of higher education with respect to any error in a social security number, unless such error was a result of fraud on the part of the institution or any action against any student with respect to any error in a social security number, unless such error was a result of fraud on the part of the student.

"(m) DATA BASE MATCHING.—To enforce the Selective Service registration provisions of section 1113 of Public Law 97-252, the Secretary shall conduct data base matches with the Selective Service, using common demographic data elements. Appropriate confirmation, through an application output document or through other means, of any person's registration shall fulfill the requirement to file a separate statement of compliance. Further, in the absence of a con-

firmation from such data matches, an institution may also use data or documents that support either the student's registration or the absence of a registration requirement for the student, to fulfill the requirement to file a separate statement of compliance. The mechanism for reporting the resolution of nonconfirmed matches shall be prescribed in regulations by the Secretary.

"(n) STUDY ABROAD.—Nothing in this Act shall be construed to limit or otherwise prohibit access to approved study abroad programs. Students who are otherwise eligible who are engaged in a program of study abroad approved for academic credit by the student's home institution are eligible for assistance under this title. It is not necessary for such a study abroad program to be required as part of the student's degree program to qualify for such assistance.

"(o) COURSES OFFERED THROUGH TELECOMMUNICATIONS DEVICES.—(1) Students enrolled in courses of instruction at eligible institutions of higher education that are offered in whole or in part through telecommunications devices or mediums shall not be considered to be enrolled in correspondence courses.

"(2) Students shall not have their eligibility to participate in programs under this title restricted or reduced if such restriction or reduction is based solely on their enrollment in courses described in paragraph (1) of this subsection.

"(3) For the purposes of this subsection, the term 'telecommunications devices or mediums' means the use of television, audio, or computer transmission, including (but not limited to) open broadcast, closed circuit, cable, microwave, or satellite, audio conferencing, or computer conferencing.

"(p) SUSPENSION OF ELIGIBILITY FOR DRUG-RELATED OFFENSES.—

"(1) IN GENERAL.—An individual who, after qualifying under this section as an eligible student, has been convicted under any Federal or State law of the possession or sale of a controlled substance shall not be eligible to receive any grant, loan, or work assistance under this title during the period beginning on the date of such conviction and ending after the interval specified in the following table:

"If convicted of:

The possession of a controlled substance:	*Ineligibility period is:*
1st conviction	*1 year*
2nd conviction	*2 years*
3rd conviction	*indefinite*
The sale of a controlled substance:	
1st conviction	*2 years*
2nd conviction	*indefinite*

"(2) REHABILITATION.—A student whose eligibility has been suspended under paragraph (1) shall resume eligibility before the end of the period determined under such paragraph if the student satisfactorily completes a drug rehabilitation program that complies with such criteria as the Secretary shall prescribe for purposes of this paragraph.

"(3) FIRST CONVICTIONS.—A student whose eligibility has been suspended under paragraph (1) and is convicted of his or her first offense may resume eligibility before the end of the period determined under such paragraph if—

"(A) the student demonstrates that he or she has enrolled or been accepted for enrollment in a drug rehabilitation program that complies with such criteria as the Secretary shall prescribe for purposes of this subsection; and

"(B) the student agrees that, if the student fails to complete such program within the earlier of (i) 2 years after the date of student enrolls in such program, or (ii) 3 years after the date the student is accepted for enrollment in such program, the student will reimburse the Federal Government for the amount of grant or work assistance received pursuant to this paragraph and for twice the amount of any loan received pursuant to this paragraph, unless such failure is excused by the Secretary for good cause.

"(4) DEFINITIONS.—As used in this subsection, the term 'controlled substance' has the meaning given in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

"(5) EFFECTIVE DATE.—This subsection shall be effective upon publication by the Secretary in the Federal Register of criteria prescribed under paragraph (2) of this subsection.".

(2) CLERICAL AMENDMENT.—Section 801(a) of the National Literacy Act of 1991 is amended by striking "the Act" and inserting "the Higher Education Act of 1965".

SEC. 485. STATUTE OF LIMITATIONS.

Section 484A of the Act is amended—

(1) in subsection (b)(2)—

(A) by striking "part B of"; and

(B) by inserting "an institution," before "a guaranty agency"; and

(2) by adding at the end the following new subsection:

"(c) OTHER CLAIMS AND DEFENSES.—With respect to any loan made under part B of this title, a lender, except such loans where the lender is an eligible institution or the institution has an origination relationship with the lender, a holder, a guaranty agency or the Secretary shall not be subject to any claim or defense asserted by the borrower which is attributable to an act or failure to act by an educational institution attended by the borrower.".

SEC. 486. INFORMATION.

(a) REFUND POLICIES AND REQUIREMENTS.—Part G of title IV of the Act is further amended by inserting after section 484A the following new section:

"INSTITUTIONAL REFUNDS

"SEC. 484B. (a) REFUND POLICY REQUIRED.—Each institution of higher education participating in a program under this title shall have in effect a fair and equitable refund policy under which the institution refunds unearned tuition, fees, room and board, and other charges to a student who received grant, loan, or work assistance under this title, or whose parent received a loan made under section 428B on behalf of the student, if the student—

"(1) does not register for the period of attendance for which the assistance was intended; or

"(2) withdraws or otherwise fails to complete the period of enrollment for which the assistance was provided.

"(b) DISCLOSURE OF POLICY.—The institution shall provide a written statement containing its refund policy, together with examples of the application of this policy, to a prospective student prior to the student's enrollment and make its refund policy known to currently enrolled students. The institution shall include in its statement the procedures that a student must follow to obtain a refund, but whether or not the student follows those procedures, the institution shall, in accordance with subsection (e), pay to the lender the portion of a refund allocable to the student's loans made, insured, or guaranteed under section 427, 428, 428A, or 428B, and return the portion of the refund allocable to another program under title IV of the Act to the appropriate account for that program as stated in section 485(a)(1)(F). If the institution changes its refund policy, it shall ensure that all students are made aware of the new policy.

"(c) DETERMINATIONS.—The institution's refund policy shall be considered to be fair and equitable for purposes of this section if that policy provides for a refund in an amount of at least the largest of the amounts provided under—

"(1) the requirements of applicable State law;

"(2) the specific refund requirements established by the institution's nationally recognized accrediting agency and approved by the Secretary;

"(3) if no such standards exist, the specific refund policy standards set by another association of institutions of postsecondary education and approved by the Secretary; or

"(4) the pro rata refund calculation described in subsection (d), except that this paragraph will not apply to the institution's refund policy for any student whose date of withdrawal from the institution is after the 75 percent point (in time) in the period of enrollment for which the student has been charged.

"(d) DEFINITIONS.—(1) As used in this section, the term 'pro rata refund' means a refund by the institution of not less than that portion of the tuition, fees, room and board, and other charges assessed the student by the institution equal to the portion of the period of enrollment for which the student has been charged that remains on the last recorded day of attendance by the student, rounded downward to the nearest 10 percent of that period, less any unpaid charges owned by the student for the period of enrollment for which the student has been charged, and less a reasonable administrative fee not to exceed the lesser of 5 percent of the tuition, fees, room and board, and other charges assessed the student, or $100.

"(2) For purposes of paragraph (1), 'the portion of the period of enrollment for which the student has been charged that remains', shall be determined—

"(A) in the case of a program that is measured in credit hours, by dividing the total number of weeks comprising the period of enrollment for which the student has been charged into the number of weeks remaining in that period as of the last recorded day of attendance by the student;

"(B) in the case of a program that is measured in clock hours, by dividing the total number of clock hours comprising the period of enrollment for which the student has been charged into the number of clock hours remaining to be completed by the student in that period as of the last recorded day of attendance by the student; and

"(C) in the case of a correspondence program, by dividing the total number of lessons comprising the period of enrollment for which the student has been charged into the total number of such lessons not submitted by the student.".

(b) INFORMATION DISSEMINATION ACTIVITIES.—Section 485(a)(1) of the Act (20 U.S.C. 1092(a)(1)) is amended—

(1) in subparagraph (F)—

(A) by inserting ", as determined under section 484B," after "of the institution";

(B) by inserting before the semicolon at the end the following: ", which refunds shall be credited first to outstanding balances on loans under part B of this title, second to loans under parts D and E of this title, and third to other student assistance provided under this title".

(2) by striking "and" at the end of subparagraph (K);

(3) by striking the period at the end of subparagraph (L) (as added by section 1 of Public Law 101–542) and inserting a semicolon;

(4) by redesignating subparagraph (L) (as added by section 201 of Public Law 101–610) as subparagraph (M);

(5) by striking the period at the end of subparagraph (M) (as redesignated by paragraph (4)) and inserting a semicolon and "and"; and

(6) by adding at the end thereof the following new subparagraph:

"(N) that enrollment in a program of study abroad approved for credit by the home institution may be considered enrollment in the home institution for purposes of applying for Federal student financial assistance.".

(c) EXIT COUNSELING.—Section 485(b) of the Act is amended to read as follows:

"(b) EXIT COUNSELING FOR BORROWERS.—(1) Each eligible institution shall, through financial aid officers or otherwise, make available counseling to borrowers (individually or in groups) of loans which are made, insured, or guaranteed under part B (other than loans made pursuant to section 428B) of this title or made under parts D or E of this title prior to the completion of the course of study for which the borrower enrolled at the institution or at the time of departure from such institution. The counseling required by this subsection shall include—

"(A) the average anticipated monthly repayments, a review of the repayment option available, together with such debt and management strategies as the institution determines are designed to facilitate the repayment of such indebtedness; and

"(B) the terms and conditions under which the student may obtain partial cancellation or defer repayment of the principal and interest pursuant to sections 428(b), 464(c)(2), and 465.

"(2)(A) Each eligible institution shall require that the borrower of a loan made under part B, part D, or part E submit to the institution, during the exit counseling required by this subsection, the borrower's expected permanent address after leaving the institution, regardless of the reason for leaving; the name and address of the borrower's expected employer after leaving the institution; and the address of the borrower's next of kin.

"(B) Exit counseling shall include a review of the institutions records relating the borrowers name, social security number, and driver's license number. In any case where incomplete or obsolete information is identified, the institution shall collect corrected or complete information.

"(C) The institution shall, within 60 days after the interview, forward the information collected in subparagraphs (A) and (B) to the lender and the guaranty agency indicated on the borrower's student aid records.".

(d) CAMPUS SECURITY POLICY.—

(1) STATISTICS.—Section 485(f)(1)(F) of the Act is amended to read as follows:

"(F) Statistics concerning the occurrence on campus, during the most recent calendar year, and during the 2 preceding calendar years for which data are available, of the following criminal offenses reported to campus security authorities or local police agencies:

"(i) murder;

"(ii) sex offenses, forcible or nonforcible;

"(iii) robbery;

"(iv) aggravated assault;

"(v) burglary; and

"(vi) motor vehicle theft.".

(2) POLICY DEVELOPMENT.—Section 485(f) of the Act is amended by adding at the end the following new paragraph:

"(7)(A) Each institution of higher education participating in any program under this title shall develop and distribute as part of the report described in paragraph (1) a statement of policy regarding—

"(i) such institution's campus sexual assault programs which shall be aimed at prevention of sex offenses; and

"(ii) the procedures followed once a sex offense has occurred.

"(B) The policy described in subparagraph (A) shall address the following areas:

"(i) Education programs to promote the awareness of rape, acquaintance rape, and other sex offenses, and possible sanctions to be imposed following the final determination of an on-campus disciplinary procedure.

"(ii) Procedures students should follow if a sex offense occurs, including who should be contacted, the importance of preserving evidence as may be necessary to the proof of criminal sexual assault, and to whom the alleged offense should be reported.

"(iii) Procedures for on-campus disciplinary action in cases of alleged sexual assault which shall include—

"(I) a clear statement that the accuser and the accused are entitled to the same opportunities to have others present during a campus disciplinary proceeding; and

"(II) a clear statement that both the accuser and the accused shall be informed of the outcome of any campus disciplinary proceeding brought alleging a sexual assault.

"(iv) Counseling students on their options to notify proper law enforcement authorities, both on-campus and local police, and the option to be assisted by campus authorities in notifying such authorities, if the student so chooses.

"(v) Notification of students of existing counseling, mental health or student services for victims of sexual assault, both on-campus and in the community.

"(vi) Notification of students of options for and available assistance in changing academic and living situations subsequent to an alleged sexual assault incident, if so requested by the victim and if they are reasonably available.

"(C) Nothing in this paragraph shall be construed to confer a private right of action upon any person to enforce the provisions of this paragraph.".

(4) EFFECTIVE DATE PROVISION.—The amendment made by this subsection to subparagraph (F)(ii) of section 485(f)(1) of the Act shall be effective with respect to reports made pursuant to such section on or after September 1, 1993. The statistics required by subparagraph (F) of such section shall—

(A) in the report required on September 1, 1992, include statistics concerning the occurrence on campus of offenses during the period from August 1, 1991, to July 31, 1992;

(B) in the report required on September 1, 1993, include statistics concerning the occurrence on campus of offenses during (i) the period from August 1, 1991, to December 31, 1991, and (ii) the calendar year 1992;

(C) in the report required on September 1, 1994, include statistics concerning the occurrence on campus of offenses during (i) the period from August 1, 1991, to December 31, 1991, and (ii) the calendar years 1992 and 1993; and

(D) in the report required on September 1 of 1995 and each succeeding year, include statistics concerning the occurrence on campus of offenses during the two calendar years preceding the year in which the report is made.

(e) USE OF COMMON IDENTIFIERS; INTEGRATION OF SYSTEMS.—Section 485B of the Act is amended by adding at the end the following new subsections:

"(e) COMMON IDENTIFIERS.—The Secretary shall, not later than July 1, 1993—

"(1) revise the codes used to identify institutions and students in the student loan data system authorized by this section to make such codes consistent with the codes used in each database used by the Department of Education that contains information of participation in programs under this title; and

"(2) modify the design or operation of the system authorized by this section to ensure that data relating to any institution is readily accessible and can be used in a form compatible with the integrated postsecondary education data system (IPEDS).

"(f) INTEGRATION OF DATABASES.—The Secretary shall integrate the National Student Loan Data System with the Pell Grant applicant and recipient databases as of January 1, 1994, and any other databases containing information on participation in programs under this title.".

SEC. 487. STUDENT LOAN DATA SYSTEM.

Part G of title IV of the Act is amended by inserting after section 485B the following new section:

"STUDENT LOAN DATA SYSTEM

"SEC. 485C. (a) SYSTEM REQUIRED.—The Secretary shall established a centralized data system for use by schools, borrowers, holders, and guarantors in the confirmation of borrower status, identification of the current holder and servicer of a loan, and confirmation of internship and residency status. Such system shall, at a minimum, contain information for all loans under part B transferred from one eligible lender to another, or serviced by a third party on behalf of an eligible lender, or originated with the proceeds of tax-exempt funds.

"(b) INFORMATION IN SYSTEM.—The information contained in such data system shall be deemed reliable for all program purposes relating to the conduct of loan servicing, including but not limited to, compliance with due diligence and claim filing requirements.

"(c) DEADLINES.—The Secretary shall—

"(1) within 6 months of the date of enactment of this section, submit a plan to the Committee on Labor and Human Resources of the Senate and the Committee on Education and Labor of the House for the establishment of such a data system,

"(2) implement such a data system within 2 years of the date of enactment.

"(d) RESTRICTED ACCESS.—Notwithstanding the provisions of section 552(a) of title 5, United States Code, relating to freedom of information, access to information in the data system established and maintained pursuant to subsection (a) shall be restricted to individuals and entities specifically authorized by the Secretary to have such access.".

SEC. 488. TRAINING IN FINANCIAL AID AND STUDENT SUPPORT SERVICES.

Section 486 of the Act is amended to read as follows:

"TRAINING IN FINANCIAL AID AND STUDENT SUPPORT SERVICES

"SEC. 486. (a) PROGRAM AUTHORITY.—The Secretary is authorized to provide grants to appropriate nonprofit private organizations or combinations of such organizations to provide training for student financial aid administrators and TRIO personnel, at all levels of experience, who provide student financial aid services or TRIO support programs.

"(b) USE OF FUNDS.—Financial assistance under this section may be used for, but is not limited to—

"(1) the operation of short-term training institutes and special training programs for student financial aid administrators or TRIO personnel designed to—

"(A) improve the professional management skills of participants in such institutes and programs;

"(B) improve the delivery of student services;

"(C) improve students' or prospective students' information on the availability and operation of student financial assistance programs;

"(D) improve the understanding and knowledge of the participants concerning the student financial assistance programs' legislative and regulatory requirements and changes in legislation and regulations; and

"(2) the development of appropriate materials.

"(c) LIMITATIONS.—Grants authorized under this section shall be—

"(1) limited to not less than $1,000,000 for single-year grants;

"(2) limited to not less than $1,000,000 per year for multiple-year grants;

"(3) limited to a maximum of 3 years for multiple-year grants; and

"(4) may be renewed at the discretion of the Secretary.

"(d) AUTHORIZATION OF APPROPRIATIONS AND USE OF FUNDS.—In addition to the sums provided pursuant to section 434, there are authorized to be appropriated $5,000,000 for fiscal year 1993 such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the provisions of this section.".

SEC. 489. PROGRAM PARTICIPATION AGREEMENTS.

(a) STATE LICENSING REQUIREMENTS DISCLOSURE.—Section 487(a)(8) of the Act is amended—

(1) by striking "at or before the time of application," and inserting "at or before the time of application (A)"; and

(2) by inserting before the period at the end the following: ", and (B) relevant State licensing requirements of the State in which such institution is located for any job for which the course of instruction is designed for such prospective students".

(b) ADDITIONAL CONDITIONS.—Section 487(a) of the Act is amended by adding at the end the following new paragraphs:

"(13) The institution will not provide any commission, bonus, or other incentive payment based directly or indirectly on success in securing enrollments or financial aid to any persons or entities engaged in any student recruiting or admission activities or in making decisions regarding the award of student financial assistance.

"(14) The institution acknowledges the authority of the Secretary, guaranty agencies, lenders, accrediting agencies, the Secretary of Veterans Affairs, and State review agencies under section 495 to share with each other any information pertaining to the institution's eligibility to participate in programs under this title or any information on fraud and abuse.

"(15)(A) The institution will not employ an individual in a capacity that involves the administration of programs under this title, or the receipt of program funds under this title, who has been convicted of, or has pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under this title, or has been judicially determined to have committed fraud involving funds under this title or contract with an institution or third party servicer that has been terminated under section 432 involving the acquisition, use, or expenditure of funds under this title, or who has been judicially determined to have committed fraud involving funds under this title.

"(B) The institution will not use any individual, agency, or organization that has been, or whose officers or employees have been—

"(i) convicted of, or pled nolo contendere or guilty to, a crime involving the acquisition, use, or expenditure of funds under this title; or

"(ii) judicially determined to have committed fraud involving funds under this title.

"(16)(A) The institution, in order to participate as an eligible institution under part B, will develop a Default Management Plan for approval by the Secretary as part of its initial application for certification as an eligible institution and will implement such Plan for two years thereafter.

"(B) Any institution of higher education which changes ownership and any eligible institution which changes its status as a parent or subordinate institution shall, in order to participate as an eligible institution under part B, develop a Default Management Plan for approval by the Secretary and implement such Plan for two years after its change of ownership or status.

"(17) The institution will not deny any form of Federal financial aid to any student who meets the eligibility requirements of this Act on the grounds that the student is participating in a program of study abroad approved for credit by the institution.

"(18) The institution will complete surveys conducted as a part of the Integrated Postsecondary Education Data System (IPEDS) or any other Federal postsecondary institution data collection effort, as designated by the Secretary, in a timely manner and to the satisfaction of the Secretary.

"(19) The institution will collect and transmit to the Secretary information on students participating in programs under subpart 2 of part A and part C of this title consistent with data collected by the Secretary concerning Pell Grant applicants and recipients, and will report this information to the Secretary annually, in a manner specified by the Secretary, to the satisfaction of the Secretary.

"(20)(A) With respect to any institution that offers athletically related student aid, the institution will—

"(i) cause an annual compilation, independently audited not less often than every 3 years, to be prepared within 6 months after the end of its fiscal year, of—

"(I) the total revenues, and the revenues from football, men's basketball, women's basketball, all other men's sports combined, and all other women's sports combined, derived by the institution from its intercollegiate athletics activities;

"(II) the total expenses, and the expenses attributable to football, men's basketball, women's basketball, all other men's sports combined and all other women's sports combined, made by the institution for its intercollegiate athletics activities; and

"(III) the total revenues and operating expenses of the institution; and

"(ii) make the reports on such compilations and, where allowable by State law, the audits available for inspection by the Secretary and the public.

"(B) For the purpose of subparagraph (A)—

"(i) revenues from intercollegiate athletics activities allocable to a sport shall include without limitation gate receipts, broadcast revenues, appearance guarantees and options, concessions and advertising, but revenues such as student activities fees or alumni contributions not so allocable shall be included in the calculation of total revenues only; and

"(ii) expenses for intercollegiate athletics activities allocable to a sport shall include without limitation grants-in-aid, salaries, travel, equipment, and supplies, but expenses such as general and administrative overhead not so allocable shall be included in the calculation of total expenses only.

"(21) The institution will not impose any penalty, including the assessment of late fees, the denial of access to classes, libraries, or other institutional facilities, or the requirement that the student borrow additional funds, on any student because of the student's inability to meet his or her financial obligations to the institution as a result of the delayed disbursement of the proceeds of a loan made under this title due to compliance with the provisions of this title, or delays attributable to the institution.".

(c) HEARINGS.—Section 487 of the Act is amended—

(1) in subsection (b)(2), by striking out "on the record"; and

(2) in subsection (c)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "is authorized to" and inserting "shall";

(B) in paragraph (1)(D), by striking out "on the record," and inserting in lieu thereof a comma;

(C) in paragraph (1)(F), by striking out "on the record"; and

(D) in paragraph (2)—

(i) in subparagraph (A), by striking out "on the record," and inserting in lieu thereof a comma; and

(ii) in subparagraph (B)(i), by striking out "on the record," and inserting in lieu thereof a comma.

(d) AUDITS; AVAILABILITY OF AUDIT INFORMATION.—Section 487(c)(1)(A)(i) of the Act is amended—

(1) by striking "a financial and compliance audit of an eligible institution," and inserting "a financial audit of an eligible institution with regard to the financial condition of the institution in its entirety, and a compliance audit of such institution";

(2) by striking "at least once every 2 years" and inserting "on at least an annual basis"; and

(3) by inserting "and shall be available to cognizant guaranty agencies, eligible lenders, State agencies (including State review agencies), and the agencies referred to in section 495" after "submitted to the Secretary".

(e) INFORMATION.—Section 487(c) of the Act is amended—

(1) in paragraph (1), by redesignating subparagraphs (C) through (G) as subparagraphs (E) through (I), respectively;

(2) by inserting after subparagraph (B) of such paragraph the following new subparagraphs:

"(C)(i) except as provided in clause (ii), a compliance audit of a third party servicer, with regard to any contract with an eligible institution, guaranty agency, or lender for administering or servicing any aspect of the student assistance programs under this title, at least once every year and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

"(ii) with regard to third party servicer, which is audited under chapter 75 of title 31, United States Code, deeming such audit to satisfy the requirements of clause (i) for the period covered by such audit;

"(D)(i) a compliance audit of a secondary market with regard to its transactions involving, and its servicing and collection of, loans made under this title, at least once a year and covering the period since the most recent audit, conducted by a qualified, independent organization or person in accordance with standards established by the Comptroller General for the audit of governmental organizations, programs, and functions, and as prescribed in regulations of the Secretary, the results of which shall be submitted to the Secretary; or

"(ii) with regard to a secondary market that is audited under chapter 75 of title 31, United States Code, such audit shall be deemed to satisfy the requirements of clause (i) for the period covered by the audit;";

(3) in subparagraph (H) (as redesignated) of such paragraph, by striking out "an individual or an organization" and inserting in lieu thereof "a third party servicer";

(4) in subparagraph (I) (as redesignated) of such paragraph, by striking out "an individual or an organization" and inserting in lieu thereof "a third party servicer";

(5) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively;

(6) by inserting immediately after paragraph (1) the following new paragraph:

"(2) If an individual who, or entity that, exercises substantial control, as determined by the Secretary in accordance with section 490A(b), over one or more institutions participating in any program under this title, or, for purposes of paragraphs (1) (H) and (I), over one or more organizations that contract with an institution to

administer any aspect of the institution's student assistance program under this title, is determined to have committed one or more violations of the requirements of any program under this title, or has been suspended or debarred in accordance with the regulations of the Secretary, the Secretary may use such determination, suspension, or debarment as the basis for imposing an emergency action on, or limiting, suspending, or terminating, in a single proceeding, the participation of any or all institutions under the substantial control of that individual or entity."; and

(7) by adding at the end the following new paragraph:

"(5) The Secretary is authorized to provide any information collected as a result of audits conducted under this section, together with audit information collected by guaranty agencies, to any Federal or State agency having responsibilities with respect to student financial assistance, including those referred to in subsection (a)(14) of this section.".

(f) FINANCIAL RESPONSIBILITY STANDARDS.—Section 487(c) of the Act is further amended by adding at the end the following new paragraph:

"(6)(A) For the purpose of paragraph (1)(B) of this subsection, the Secretary shall consider an institution to be financially responsible if it is able to—

"(i) provide the services described in its official publications and statements;

"(ii) provide the administrative resources necessary to comply with the requirements of this title; and

"(iii) meet all of its financial obligations, including (but not limited to) refunds of institutional charges and repayments to the Secretary for liabilities and debts incurred in programs administered by the Secretary.

"(B) Notwithstanding subparagraph (A), an institution shall provide the Secretary with satisfactory evidence of its financial responsibility if, under the bases of accounting prescribed by regulation by the Secretary, the institution—

"(i) has had operating losses over its 2 most recent fiscal years;

"(ii) had, for its most recent fiscal year, a deficit net worth (the institution's liabilities exceed its assets);

"(iii) had, at the end of its most recent fiscal year, a ratio of current assets to current liabilities of less than one-to-one; or

"(iv) had its unrestricted current fund or operating fund reflect sustained material deficits over its 2 most recent fiscal years.

"(C) The Secretary may determine an institution to be financially responsible, notwithstanding the institution's failure to meet the criteria under subparagraphs (A) and (B), if—

"(i) such institution submits to the Secretary third-party financial guarantees, such as performance bonds or letters of credit payable to the Secretary, which third-party financial guarantees shall equal not less than one-half of the annual potential liabilities of such institution to the Secretary for funds under this title and to students for refunds of institutional charges, including funds under this title, including loan obligations discharged to students pursuant to section 437;

"(ii) such institution has its liabilities backed by the full faith and credit of a State, or its equivalent;

"(iii) such institution establishes to the satisfaction of the Secretary, with the support of a report of an independent certified public accountant prepared under generally accepted accounting principles, that the institution is a going concern capable of meeting all of its financial obligations, including (but not limited to) refunds of institutional charges and repayments to the Secretary for liabilities and debts incurred in programs administered by the Secretary; or

"(iv) such institution has met standards of financial responsibility, prescribed by the Secretary by regulation, that indicate a level of financial strength not less than those required in subparagraph (B).

"(D) The determination as to whether an institution has met the standards of financial responsibility provided for in subparagraphs (B) and (C)(iii) shall be based on an annual audited and certified financial statement of the institution, conducted by a qualified independent organization or person in accordance with standards established by the American Institute of Certified Public Accountants, that is submitted to the Secretary.".

(g) AUDIT REFUNDS.—Section 487(c) of the Act is further amended by adding at the end the following new paragraph:

"(7) Effective with respect to any audit conducted under this subsection after December 31, 1988, if, in the course of conducting any such audit, the personnel of the Department of Education discover, or are informed of, grants or other assistance provided by an institution in accordance with this title for which the institution has not received funds appropriated under this title (in the amount necessary to provide such assistance), including funds for which reimbursement was not requested prior to such discovery or information, such institution shall be permitted to offset that amount against any sums determined to be owed by the institution pursuant to such audit, or to receive reimbursement for that amount (if the institution does not owe any such sums)."

(h) CONFORMING AMENDMENTS.—Section 487 of the Act is amended—

(1) by striking "subpart 3" in subsection (a) and inserting "subpart 4"; and

(2) by striking "435(a)" in subsection (d) and inserting "481".

SEC. 490. QUALITY ASSURANCE; IDENTIFICATION NUMBERS.

Part G of title IV of the Act is amended by inserting after section 487 the following new sections:

"QUALITY ASSURANCE PROGRAM

"SEC. 487A. (a) IN GENERAL.—The Secretary is authorized to select institutions for voluntary participation in a Quality Assurance Program that provides participating institutions with an alternative management approach through which individual schools develop and implement their own comprehensive systems to verify student financial aid application data thereby enhancing program integrity within the student aid delivery system. The Quality Assurance Program authorized by this section shall be based on criteria that include demonstrated institutional performance, as determined by the Secretary, and shall take into consideration current quality assurance goals, as determined by the Secretary.

"(b) EXEMPTION FROM REQUIREMENTS.—The Secretary is authorized to exempt any institution participating in the Quality Assurance Program from any reporting or verification requirements in this title, and may substitute such quality assurance reporting as the Secretary deems necessary to ensure accountability and compliance with the purposes of the programs under this title.

"(c) REMOVAL FROM THE PROGRAM.—The Secretary is authorized to determine—

"(1) when an institution that is unable to administer the Quality Assurance Program must be removed from the program, and

"(2) when institutions desiring to cease participation in the program will be required to complete the current award year under program requirements.

"(d) EXPERIMENTAL SITES.—(1) The Secretary is authorized to select institutions for voluntary participation as experimental sites to provide recommendations to the Secretary on the impact and effectiveness of proposed regulations or new management initiatives.

"(2) The Secretary is authorized to exempt any institution participating as an experimental site from any requirements in this title or in regulations that would bias experimental results.

"(e) DEFINITIONS.—For purposes of this section, 'current award year' is defined as the award year during which the participating institution indicates its intention to cease participation.

"ASSIGNMENT OF IDENTIFICATION NUMBERS

"SEC. 487B. The Secretary shall assign to each participant (including institutions, lenders, and guaranty agencies) in title IV programs, a single Department of Education identification number to be used to identify its participation in each of the title IV programs.".

SEC. 491. INTER-PROGRAM TRANSFERS.

Section 488 of the Act is amended—

(1) by striking "10 percent" and inserting "25 percent";

(2) by striking "section 413D or 442" and inserting "section 442 or 462"; and

(3) by inserting 2 new sentences after the first sentence, as follows: "Up to 25 percent of the allotment of an eligible institution for a fiscal year under section 442 of this Act, may be transferred to, and used for the purposes of, the institution's allotment under section 413D within the discretion of such institution in order to offer a package of types of aid, including institutional and State aid, that best fits the needs of each individual student. Nothing in this section authorizes an institution to use funds allocated under section 413D for any program or purpose other than the purposes of section 413A.".

SEC. 492. ADMINISTRATIVE EXPENSES.

(a) AMOUNT OF PAYMENT.—Section 489(a) of the Act is amended by striking the fourth sentence (relating to payments with respect to section 447).

(b) PURPOSE OF PAYMENT.—Section 489(b) of the Act is amended—

(1) by inserting "(1)" before "The sums"; and

(2) by adding at the end the following new paragraph:

"(2) If the institution enrolls a significant number of students who are (A) attending the institution less than full time, (B) age 24 or older, (C) single parents, or (D) independent students, the institution shall use a reasonable proportion of the funds available under this section for financial aid services during times and in places that will most effectively accommodate the needs of such students.".

(c) CONFORMING AMENDMENT.—Section 489(a) is further amended—

(1) by striking "subpart 2" each place it appears and inserting "subpart 3"; and

(2) by striking "subpart 1" each place it appears and inserting "subpart 2".

SEC. 493. CRIMINAL PENALTIES; EXTENT OF LIABILITY.

(a) CRIMINAL PENALTIES.—Section 490 of the Act is amended to read as follows:

"CRIMINAL PENALTIES

"SEC. 490. (a) IN GENERAL.—Any person who knowingly and willfully embezzles, misapplies, steals, or obtains by fraud, false statement, or forgery any funds, assets, or property provided or insured under this title, or attempts to so embezzle, misapply, steal, or obtain such funds, assets, or property, shall be fined not more than $20,000 or imprisoned for not more than 5 years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud, false statement, or forgery does not exceed $200, the fine shall not be more than $5,000 and imprisonment shall not exceed one year, or both.

"(b) ASSIGNMENT OF LOANS.—Any person who knowingly and willfully makes any false state-

ment, furnishes any false information, or conceals any material information in connection with the assignment of a loan which is made or insured under this title, or attempts to so make any false statement, furnish any false information, or conceal any material information in connection with such assignment shall, upon conviction thereof, be fined not more than $10,000 or imprisoned not more than one year, or both.

"(c) INDUCEMENTS TO LEND OR ASSIGN.—Any person who knowingly and willfully makes an unlawful payment to an eligible lender under part B, or attempts to make such unlawful payment, as an inducement to make, or to acquire by assignment, a loan insured under that part shall, upon conviction thereof, be fined not more than $10,000 or imprisoned not more than one year, or both.

"(d) OBSTRUCTION OF JUSTICE.—Any person who knowingly and willfully destroys or conceals any record relating to the provision of assistance under this title or attempts to so destroy or conceal, with intent to defraud the United States or to prevent the United States from enforcing any right obtained by subrogation under this part, shall upon conviction thereof, be fined not more than $20,000 or imprisoned not more than 5 years, or both.".

(b) EXTENT OF LIABILITY.—Part G of title IV of the Act is further amended by inserting immediately after section 490 the following new section:

"EXTENT OF LIABILITY

"SEC. 490A. (a) FINANCIAL GUARANTEES; ACCURACY OF DATA.—Notwithstanding any other provision of law, the Secretary is authorized, to the extent he determines necessary, to require—

"(1) financial guarantees from an institution participating, or seeking to participate, in a program under this title, or from 1 or more individuals who the Secretary determines, in accordance with subsection (b), exercise substantial control over such institution, or both, in an amount determined by the Secretary to be sufficient to satisfy the institution's potential liability to the Federal Government, student assistance recipient, and other program participants for funds under this title; and

"(2) the assumption of personal liability, by 1 or more individuals who exercise substantial control over such institution, as determined by the Secretary in accordance with subsection (b), for financial losses to the Federal Government, student assistance recipients, and other program participants for funds under this title, and civil and criminal monetary penalties authorized under this title.

"(b) SUBSTANTIAL CONTROL.—(1) The Secretary may determine that an individual exercises substantial control over 1 or more institutions participating in a program under this title if the Secretary determines that—

"(A) the individual directly or indirectly controls a substantial ownership interest in the institution;

"(B) the individual, either alone or together with other individuals, represents, under a voting trust, power of attorney, proxy, or similar agreement, 1 or more persons who have, individually or in combination with the other persons represented or the individual representing them, a substantial ownership interest in the institution; or

"(C) the individual is a member of the board of directors, the chief executive officer, or other executive officer of the institution or of an entity that holds a substantial ownership interest in the institution.

"(2) The Secretary may determine that an entity exercises substantial control over 1 or more institutions participating in a program under this title if the Secretary determines that the entity directly or indirectly holds a substantial ownership interest in the institution.

"(3) For purposes of this subsection, an ownership interest is defined as a share of the legal or beneficial ownership or control of, or a right to share in the proceeds of the operation of, an institution or institution's parent corporation. An ownership interest may include, but is not limited to—

"(A) a sole proprietorship;

"(B) an interest as a tenant-in-common, joint tenant, or tenant by the entireties;

"(C) a partnership; or

"(D) an interest in a trust.

"(4) For purposes of section 487(c)(1)(G), this section shall also apply to individuals or organizations that contract with an institution to administer any aspect of an institution's student assistance program under this title.".

SEC. 494. ADVISORY COMMITTEE ON STUDENT FINANCIAL ASSISTANCE.

(a) INDEPENDENT CONTROL.—Section 491(b) of the Act is amended by inserting after the first sentence the following: "Notwithstanding Department of Education policies and regulations, the Advisory Committee shall exert independent control of its budget allocations and expenditures, personnel decisions and processes, procurements, and other administrative and management functions. The Advisory Committee's administration and management shall be subject to the usual and customary Federal audit procedures.".

(b) MEMBERSHIP.—Section 491(c)(1) of the Act is amended—

(1) in subparagraph (A), by inserting ", at least one of whom shall be a campus financial aid administrator," after "3 members";

(2) in subparagraph (B), by inserting ", at least one of whom shall be a campus financial aid administrator," after "3 members"; and

(3) in subparagraph (C), by inserting ", at least one of whom shall be a campus financial aid administrator," after "5 members".

(c) FUNCTIONS.—Section 491(d) of the Act is amended—

(1) by striking "and in assessing the impact of legislative and administrative policy proposals" in paragraph (3);

(2) by redesignating paragraphs (4), (5), (6), and (7) as paragraphs (5), (6), (7), and (8), respectively; and

(3) by inserting after paragraph (3) the following new paragraph:

"(4) assess the impact of legislative and administrative policy proposals;".

(d) AVAILABILITY OF FUNDS.—Section 491(i) of the Act is amended by striking "$500,000" and inserting "$750,000".

(e) REAUTHORIZATION.—Section 491 of the Act is amended by striking subsection (j) and inserting in lieu thereof:

"(j) TERM OF THE COMMITTEE.—Notwithstanding the sunset and charter provisions of the Federal Advisory Committee Act (5 U.S.C. App. I) or any other statute or regulation, the Advisory Committee shall be reauthorized and its charter shall be renewed for a period of 5 years, or until such time as the Higher Education Act of 1965 is reauthorized or rescinded.".

(f) STUDENT LOAN PROGRAM SIMPLIFICATION.—Section 491 of the Act is amended by inserting after subsection (j) the following new subsection:

"(k) GUARANTEED STUDENT LOAN PROGRAM SIMPLIFICATION STUDY.—(1) The Advisory Committee shall conduct a thorough study of means of simplifying all aspects of the Federal Family Education Loan Program. In carrying out the study, the Advisory Committee shall examine, at a minimum—

"(A) reduction of paperwork burdens experienced by financial aid administrators resulting from the current structure of the Federal Family Education Loan Program;

"(B) promotion of simplification and standardization of forms, procedures, and all other aspects of guaranty agency operations for the purpose of facilitating data exchanges with such agencies (including the National Student Loan Database) and facilitating Department of Education oversight;

"(C) simplification of the bank repayment process to minimize borrower confusion, including encouragement of single holder ownership of all of an individual's loans;

"(D) encouragement of efficient utilization of loan programs to minimize multiple program borrowing in postsecondary education; and

"(E) other proposals which are designed to reduce the administrative burdens and paperwork required by students, educational institutions, guaranty agencies, lenders, secondary markets, and the Secretary submitted in response to a general solicitation by the Advisory Committee.

"(2) The Advisory Committee shall consult with the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate in carrying out the study required by this subsection.

"(3) The Advisory Committee shall, not later than 1 year after the date of enactment of this Act, prepare and submit to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate a report on the study required by this subsection.".

SEC. 495. PERFORMANCE BASED REGULATORY RELIEF.

Part G of title IV of the Act is amended by adding at the end the following new section:

"PERFORMANCE BASED REGULATORY RELIEF

"SEC. 493. (a) For institutions of higher education that satisfy the criteria in subsection (b), the Secretary shall—

"(1) suspend the requirement of section 428G(b)(1);

"(2) consider the institution as having complied with the regulations establishing the requirements for processing the borrower's loan proceeds, counseling borrowers, making and disbursing loans, and contact with the borrower, and any related or successor regulations prescribed by the Secretary;

"(3) require that the minimum sample size, for the purposes of regulations prescribed by the Secretary establishing requirements for audits, and any related or successor regulations and audits required by section 487(c), shall be determined on the basis of the opinion rendered by the auditing entity, without regard to any minimum sample sizes established for the purpose of such audits by the Secretary; and

"(4) notwithstanding section 484(f) of the Act, not require the institution to verify the accuracy of the data used to determine the eligibility for any program under this title for more than 20 percent of the applicants in any award year.

"(b) PERFORMANCE CRITERIA.—In order to be eligible for the provisions in subsection (a), the institution shall—

"(1) have participated in programs under this title for 5 consecutive years;

"(2)(A) have not been required to refund moneys to the Secretary because of audits performed under section 487(c), in the two most recent audits; or

"(B) if required to refund moneys to the Secretary because of audits performed under section 487(c), the refunds may be no more than 2 percent of the amount that the institution received under this title for that year;

"(3) currently not be, and within the last 7 years not have been, subject to any emergency action, any limitation, suspension, or termination imposed by the Secretary or by any guaranty agency;

"(4) have used 97 percent of the funds received under subpart 3 of part A, part C, and part E in the 3 most recent fiscal years;

"(5) for loans under part E, have a cohort default rate, as defined in section 462(h), of not greater than 10 percent for loans made under part E, for the most recent fiscal year;

"(6) have a cohort default rate, as defined in section 435(m), of not greater than 10 percent for the most recent fiscal year; and

"(7) have submitted the application to determine an institution's allocation or reallocation of funds under subpart 3 of part A and parts C and E of this title (34 CFR 674.3, 34 CFR 675.3 and 34 CFR 676.3 and any related or successor regulations), the fiscal operation report required of institutions participating in the programs established by subpart 3 of part A and parts C and E of this title (34 CFR 674.19(d)(3), 34 CFR 675.19(b)(3), 34 CFR 676.(b)(5) and any related or successor regulations), and audits (34 CFR 668.23 (c) and (d)) and any related or successor regulations on or before the date on which they were due, unless the Secretary waives this requirement due to unusual circumstances.".

SEC. 496. REGIONAL MEETINGS AND NEGOTIATED RULEMAKING.

Part G of title IV of the Act is amended by inserting after section 493 (as added by section 495 of this Act) the following new section:

"REGIONAL MEETINGS AND NEGOTIATED RULEMAKING

"Sec. 493A. (a) In General.—(1) The Secretary shall convene regional meetings to obtain public involvement in the development of proposed regulations under this part. Such meetings shall include individuals and representatives of groups involved in student financial assistance programs, such as students, institutions of higher education, guaranty agencies, lenders, secondary markets, third party servicers, guaranty agency servicers, and collection agencies.

"(2) During each meeting described in paragraph (1), the Secretary shall provide for a comprehensive discussion and exchange of information on a limited number of key issues selected by the Secretary concerning implementation of this title. The Secretary shall take into account information received at such meetings in the development of proposed regulations and shall publish a summary of such information in the Federal Register together with such proposed regulations.

"(b) Draft Regulations.—After holding regional meetings and before publishing proposed regulations in the Federal Register, the Secretary shall prepare draft regulations implementing changes to this part pursuant to this Act and submit regulations on a limited number of key issues to a negotiated rulemaking process. The Secretary shall follow the guidance provided in the Administrative Conference of the United States in Recommendation 82–4 and 85–5, 'Procedures for Negotiating Proposed Regulations' (1 CFR 305–82–4 and 85–5) and any successor recommendation, regulation, or law. Participants in the negotiation process shall be chosen by the Secretary from individuals nominated by groups participating in the regional meetings, representing the groups described in subsection (a)(1) and shall include both Washington representatives of such groups as well as industry participants. To the extent possible, the Secretary shall select individuals reflecting the diversity in the industry, representing both large and small participants, as well as those serving local areas and national markets. The negotiation process shall be conducted in a timely manner in order that the final regulations may be issued by the Secretary within the 240-day period required by section 431(g) of the General Education Provisions Act.

"(c) Applicability of Federal Advisory Committee Act.—The Federal Advisory Committee Act shall not apply to activities carried out under this section.".

PART H—PROGRAM INTEGRITY

SEC. 497. ESTABLISHMENT OF NEW PART H.

Title IV of the Act is amended by adding at the end the following new part:

"PART H—PROGRAM INTEGRITY

"SEC. 494. STATE POSTSECONDARY REVIEW AGENCY PROGRAM.

"(a) Purpose.—It is the purpose of this section to authorize the Secretary to enter into agreements that—

"(1) designate one State postsecondary review agency in each State to be responsible for the conduct or coordination of the review of institutions of higher education for the purposes of determining eligibility under this title; and

"(2) provide Federal funds to each State postsecondary review agency for performing the functions required by such agreements with the Secretary.

"(b) Program Authority.—The Secretary shall, in accordance with the provisions of this part, enter into agreements with each of the States, to carry out the purposes of this part. If any State declines to enter into an agreement with the Secretary for the purposes of this part, the provisions of this part which refer to the State, with respect to such State, shall refer to the Secretary, who may make appropriate arrangements with agencies or organizations of demonstrated competence in reviewing institutions of higher education.

"(c) Failure To Comply With Agreement.—If a State fails to enter into an agreement under this section or fails to meet the requirements of its agreement with the Secretary under this part—

"(1) the Secretary—

"(A) may not certify for participation in any program under this title any new institution (including branch campuses) or any institution that has changed ownership, pursuant to section 481; and

"(B) may grant only provisional certification for all institutions in the State pursuant to section 481; and

"(2) the State will be ineligible to receive funds under section 496 of this part, subpart 4 of part A of this title, and chapter 2 of subpart 1 of part A of this title.

"SEC. 495. STATE POSTSECONDARY REVIEW AGENCY AGREEMENTS.

"(a) State Organization Structures.—(1) Each agreement shall describe a State organizational structure responsible for carrying out the review of institutions under this title. Each such agency's or instrumentality's action in reviewing and approving such institutions shall, for purposes of this part, be considered to be the action of the State.

"(2) For the purposes of this part, the designation of a State postsecondary review agency for the purpose of entering into an agreement with the Secretary shall be in accordance with the State law of each individual State with respect to the authority to make legal agreements between the State and the Federal Government.

"(3) Except as provided in paragraph (5), nothing in this part shall be construed to authorize the Secretary to require any State to adopt, as a condition for entering into an agreement, a specific State organizational structure.

"(4) Except as provided in paragraph (5), nothing in this part shall be construed—

"(A) as a limitation on the authority of any State to adopt a State organization structure for postsecondary education agencies, or programs, or institutions of higher education as appropriate to the needs, traditions, and circumstances of that State;

"(B) as a limitation on the authority of a State entering into an agreement pursuant to this part to modify the State organizational structure at any time subsequent to entering into such agreement;

"(C) as a limitation on the authority of any State to enter into an agreement as a member of a consortium of States;

"(D) as an authorization for the Secretary to withhold funds from any State or postsecondary institution on the basis of compliance with a State's constitution or laws;

"(E) as an authorization for any State postsecondary review agency to exercise planning, policy, coordinating, supervisory, budgeting, or administrative powers over any postsecondary institution; or

"(F) as a limitation on the use of State audits for the purpose of compliance with applicable standards under section 497(d).

"(5) Notwithstanding the provisions of paragraphs (2), (3), and (4) of this subsection, the Secretary may require each State to designate an agency or instrumentality responsible for the conduct or coordination of the review of institutions under this title.

"(b) Contents of Agreements.—Agreements between each State and the Secretary shall contain the following elements:

"(1) A designation of a single State postsecondary review agency, which represents all entities of that State which are responsible for—

"(A) granting State authorization to each institution of higher education in that State for the purposes of this title, and

"(B) ensuring that each institution of higher education in that State remains in compliance with the standards developed pursuant to section 497.

"(2) Assurances that the State will review institutions of higher education for the purpose of determining eligibility under this title on a schedule to coincide with the dates set by the Secretary to certify or recertify such institutions of higher education as provided in section 481.

"(3) Assurances that the appropriate State postsecondary review agency will administer the program authorized by this part and will keep such records and provide such information to the Secretary as may be requested for fiscal audit and program evaluation, consistent with the responsibilities of the Secretary.

"(4) A description of the relationship between the State postsecondary review agency designated for the purposes of this part and (A) the agency or agencies designated for the purposes of chapter 36 of title 38 of the United States Code, (B) the State loan insurance program established under section 428(b) of this title, and (C) the State grant agency established under section 415C of this title.

"(5) A plan for performing the functions described in section 497 of this part.

"(c) Federal Responsibility.—Notwithstanding any other provision of law, no State shall be required to fulfill the obligations of an agreement with the Secretary under this part unless the Secretary reimburses that State for the Federal costs, specified in section 496 of this part, for performing the review functions required by such agreement and the Secretary shall not enter into agreements under this part unless the Congress appropriates the funds to pay those Federal costs.

"SEC. 496. FEDERAL REIMBURSEMENT OF STATE POSTSECONDARY REVIEW AGENCY COSTS.

"(a) Payments.—Subject to subsection (b), the Secretary shall reimburse the States for the costs of performing the functions required by agreements with the Secretary authorized under this part. Such costs shall include expenses for providing initial and continuing training to its own personnel and other personnel in its State, including, but not limited to, personnel at institutions of higher education subject to approval, to serve the purposes of this part. Reimbursement shall be provided for necessary activities which supplement, but do not supplant, existing licens-

ing or review functions conducted by the State. The Secretary shall also reimburse such agencies for work performed by their subcontractors and consultants where such work has a direct relationship to the requirements of agreements with the Secretary.

"(b) LIMITATION ON PAYMENTS.—Notwithstanding subsection (a), no State shall receive for any fiscal year an amount that exceeds an amount that bears the same ratio to the amount appropriated under subsection (c) for such fiscal year as the total amount received under this title by students attending institutions of higher education in that State for such fiscal year bears to the total amount received under this title by all students for such fiscal year, based on the most recent year for which such data are available.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of enabling the Secretary to make payments to States which have made agreements with the Secretary under this part, there is authorized to be appropriated for fiscal year 1993 and succeeding fiscal years an amount not to exceed one percent of the amount appropriated for such fiscal year for student financial assistance programs under this title.

"SEC. 497. FUNCTIONS OF STATE REVIEW AGENCIES.

"(a) INITIAL REVIEW.—The Secretary shall review all institutions of higher education in a State which are eligible or which desire to become eligible under this title according to the criteria provided in subsection (b). The Secretary shall report to the State those institutions of higher education which meet one or more of the criteria provided in subsection (b) and these institutions shall be reviewed by the State pursuant to the standards provided in subsection (d). The Secretary shall supply the State with a copy of the institutional audits required pursuant to section 487(c) for the institutions which shall be reviewed by the State. In addition to those institutions identified by the Secretary, the State may review additional institutions which meet one or more of the criteria provided in subsection (b), based on more recent data available to the State, subject to disapproval by the Secretary.

"(b) REVIEW CRITERIA.—The criteria for the initial review of institutions of higher education are as follows:

"(1) a cohort default rate as defined in section 435(m) equal to or greater than 25 percent;

"(2) a cohort default rate as defined in section 435(m) equal to or greater than 20 percent and either—

"(A) more than two-thirds of its total undergraduates enrolled on a half-time or more basis receive assistance under this title (except subparts 4 and 6 of part A), or

"(B) two-thirds or more of the institution's education and general expenditures are derived from funds provided to students enrolled at the institution from the programs established by this title (except subparts 4 and 6 of part A and section 428B);

"(3) two-thirds or more of the institution's education and general expenditures are derived from funds provided to students enrolled at the institution pursuant to subpart 2 of part A of this title;

"(4) a limitation, suspension, or termination action by the Secretary against the institution pursuant to section 487 during the preceding 5 years;

"(5) an audit finding during the 2 most recent audits of the institution's conduct of the programs established by this title that resulted in the repayment by the institution of amounts greater than 3.5 percent of the funds the institution received from the programs established by this title for the year;

"(6) a citation of the institution by the Secretary for failure to submit audits required by this title in a timely fashion;

"(7) a year-to-year fluctuation of more than 25 percent in the amounts received by students in either Federal Pell Grants, Federal Stafford Loans, or Federal Supplemental Loans to students, which are not accounted for by changes in these programs;

"(8) failure to meet financial responsibility standards pursuant to subsection (c)(6)(B) of section 487;

"(9) a change of ownership of the institution that results in a change of control which includes (but is not limited to)—

"(A) the sale of the institution or the majority of its assets;

"(B) the transfer of the controlling interest of stock of the institution or its parent corporation;

"(C) the division of 1 or more institutions into 2 or more institutions;

"(D) the transfer of the controlling interest of stock of the institution to its parent corporation; or

"(E) the transfer of the liabilities of the institution to its parent corporation;

"(10) initial participation in any of the programs established pursuant to subparts 2 and 3 of part A, part B, part C, part D, and part E of this title; and

"(11) a pattern of student complaints related to the management or conduct of the programs established by this title pursuant to subsection (k), which in the judgment of the Secretary are sufficient to justify review of the institution.

"(c) USE OF RECENT DATA.—The criteria provided for in subsection (b) shall be measured on the basis of the most recent data available to the Secretary. Institutions may request verification of the data used by the Secretary.

"(d) REVIEW STANDARDS.—Institutions which meet one or more of the criteria in subsection (b) shall be reviewed by the appropriate State agency or instrumentality in accordance with published State standards, consistent with the constitution and laws of the State, developed in consultation with the institutions in the State, subject to disapproval by the Secretary, for—

"(1) the quality and content of the institution's courses or programs of instruction, training, or study in relation to achieving the stated objectives for which the courses or programs are offered, including the adequacy of the space, equipment, instructional material, staff, and student support services, including student orientation, counseling, and advisement, for providing education or training that meets the stated objectives for which the courses or programs are offered;

"(2) the availability to students and prospective students of catalogues, admissions requirements, course outlines, schedules of tuition and fees and the rules and regulations of the institution relating to students and their accuracy in reflecting the courses and programs offered by the institution;

"(3) assurance that the institution has a method to assess a student's ability to succeed in the course of study for which he or she has applied;

"(4) assurance that the institution maintains and enforces standards relating to academic progress and maintains adequate student records;

"(5) compliance by the institution with applicable laws and regulations relating to insuring the safety and health of all persons on the premises of the institution;

"(6) the financial and administrative capacity of the institution at a specified scale of operations and the maintenance of adequate financial and other information necessary to determine the financial and administrative capacity of the institution;

"(7) for institutions financially at risk, the adequacy of provisions to provide for the instruction of students and to provide for the retention and accessibility of academic and financial aid records of students in the event the institution closes;

"(8) if the stated objectives of the courses or programs of the institution are to prepare students for employment, the relationship of the tuition and fees to the remuneration that can be reasonably expected by students who complete the course or program and the relationship of the courses or programs to providing useful employment in recognized occupations in the State; and

"(9) the success of the program at the institution including—

"(A) the rates of the institution's students program completion and graduation, taking into account the length of the program at the institution and the selectivity of the institution's admissions policies;

"(B) the withdrawal rates of the institution's students;

"(C) the rates of placement of the institution's graduates in occupations related to their course of study; and

"(D) where appropriate, the rate at which the institution's graduates pass licensure examinations.

"(e) SUBSTITUTIONS PROHIBITED.—The appropriate State postsecondary review agency may not substitute either (1) accreditation by a private accrediting agency or body, or (2) compliance audits performed by a State guaranty agency established under section 428(b) of this title, for State review of compliance with standards in subsection (d).

"(f) STATE CONTRACTS.—If the appropriate State postsecondary review agency contracts with a private agency or body for assistance in performing State review agency functions, such contract shall be provided for in an agreement with the Secretary.

"(g) PROHIBITION ON UNRELATED REQUIREMENTS.—Notwithstanding any of the provisions of this part, the Secretary shall not require a State to establish standards that are unrelated to ensuring institutional or program integrity or that violate the provisions of a State's constitution or laws.

"(h) DIFFERENTIAL STANDARDS FOR APPROVAL.—A State may establish different standards of approval and frequency of review for different classes of institutions of higher education, as defined by its relevant State laws and regulations. However, a State shall have a published standard of approval for each subparagraph of subsection (d) for each such class of institutions of higher education, unless the agreement with the Secretary under this part specifically exempts such classes of institutions as defined by the State.

"(i) INSTITUTIONAL ELIGIBILITY.—A State postsecondary review agency may determine that an institution of higher education shall not be eligible to participate in programs under this title based on its own findings or the findings of a Federal entity in accordance with the following procedures:

"(1) STATE FINDINGS.—If the appropriate State postsecondary review agency finds that an institution of higher education does not meet one or more of the standards of subsection (d) of this section, such State postsecondary review agency shall notify the Secretary of its findings and the actions that such agency is taking, or has taken, in response to such findings within a time period prescribed by the Secretary by regulations. If a State postsecondary review agency determines an institution of higher education shall not be eligible for participation in programs under this title, such State postsecondary review agency shall notify the Secretary.

"(2) SECRETARY'S FINDINGS.—If the Secretary or other Federal entity takes, or plans to take,

any action against any institution of higher education (including any actions taken under section 487), the Secretary shall notify the appropriate State postsecondary review agency (or agencies, in the case of multi-State institutions) of such action within a time period prescribed in the Secretary's regulations.

"(3) PROCEDURAL PROTECTIONS FOR DISAPPROVAL.—The Secretary shall, by regulation, prescribe minimum procedural standards for the disapproval of institutions of higher education by the appropriate State postsecondary review agency or agencies for purposes of this title.

"(j) LIMIT ON STATE POSTSECONDARY REVIEW AGENCY FUNCTIONS.—The functions of State postsecondary review agency shall not include performing financial and compliance audits as may be required under sections 428 or 487 of this Act.

"(k) CONSUMER COMPLAINTS.—A State, in consultation with the institutions of higher education in the State, shall establish procedures for receiving and responding to consumer complaints about institutions of higher education and shall keep records of such complaints in order to determine their frequency and nature for specific institutions of higher education. The State shall make such records publicly available.

"(l) ENFORCEMENT MECHANISMS.—Nothing in this part shall restrict the authority of the States to establish mechanisms to enforce the standards established under subsection (d) or require the States to establish specific mechanisms recommended by the Secretary.".

SEC. 497A. DEFINITIONS.

Section 481(a) of the Act is amended by inserting after paragraph (4) the following new paragraph:

"(5) The term 'institution of higher education' does not include institutions of higher education that are removed from eligibility for funds under this title as a result of a review pursuant to part H of this title.".

SEC. 497B. EFFECTIVE DATES.

The amendments made by this part shall take effect one year after the date of enactment of this Act, except that, in the case of any State whose legislature is not in session during such one-year period, such amendments shall take effect two years after such date of enactment.

PART I—CONFORMING AMENDMENTS

SEC. 499. CONFORMING AMENDMENTS.

(a) OBRA AMENDMENT.—Section 3008 of the Omnibus Budget Reconciliation Act of 1990 is amended by striking "1996" and inserting "1997".

(b) HIGHER EDUCATION TECHNICAL AMENDMENTS OF 1991.—Section 3(c) of the Higher Education Technical Amendments of 1991 is amended by striking "November 15, 1992".

PART J—AMENDMENTS TO RELATED PROGRAMS

SEC. 499A. EXCELLENCE IN MATHEMATICS, SCIENCE AND ENGINEERING EDUCATION ACT OF 1990.

Section 601(b) of the Excellence in Mathematics, Science and Engineering Education Act of 1990 is amended—

(1) by striking "1992 and" and inserting "1992,"; and

(2) by striking "1993" and inserting "1993, and such sums as may be necessary for each of the 4 succeeding fiscal years,".

PART K—AMENDMENTS TO RELATED PROGRAMS

SEC. 499B. EXCELLENCE IN MATHEMATICS, SCIENCE AND ENGINEERING EDUCATION ACT OF 1990.

Section 621(o) of the Excellence in Mathematics, Science and Engineering Education Act of 1990 is amended by striking "fiscal year 1991" and inserting "each of the fiscal years 1993 and 1994".

PART L—AMENDMENTS TO RELATED PROGRAMS

SEC. 499C. EXCELLENCE IN MATHEMATICS, SCIENCE AND ENGINEERING EDUCATION ACT OF 1990.

Section 621 of the Excellence in Mathematics, Science and Engineering Education Act of 1990 is amended—

(1) in subsection (b), by amending paragraph (2) to read as follows:

"(2) FUNCTION.—The Advisory Board shall develop an exam for secondary students testing knowledge in science, mathematics, and engineering, or shall select an exam from among existing national exams, and shall annually administer such exam.";

(2) by striking subsections (d), (e), and (f);

(3) by redesignating subsection (c) as subsection (d);

(4) by inserting after subsection (b), the following new subsection:

"(c) RESULTS OF EXAM.—The Advisory Board shall annually certify the top 10 scorers in each congressional district on the exam developed or selected under subsection (b)(2), and award to the top 2 scorers in each district a scholarship under this section.";

(5) in subsection (d)(1), as so redesignated by paragraph (3) of this section, by striking "subsection (n)" and inserting in lieu thereof "subsection (l)";

(6) in subsection (d)(2), as so redesignated by paragraph (3) of this section, by striking "subsection (h)" and inserting in lieu thereof "subsection (f)";

(7) in subsection (d)(3), as so redesignated by paragraph (3) of this section—

(A) by striking "subsection (h)" and inserting in lieu thereof "subsection (f)"; and

(B) by inserting "such additional" after "maximum of 3";

(8) by redesignating subsections (g) through (o) as subsections (e) through (m), respectively;

(9) in subsection (f)(2), as so redesignated by paragraph (8) of this section, by striking "subsection (f)" and inserting in lieu thereof "subsection (d)(3)"; and

(10) in subsection (m), as so redesignated by paragraph (8) of this section, by striking "$2,200,000 for fiscal year 1991" and inserting in lieu thereof "$4,400,000 for fiscal year 1993 and $8,800,000 for fiscal year 1994".

TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

SEC. 501. REVISION OF TITLE V.

(a) AMENDMENT.—Title V of the Act is amended to read as follows:

"TITLE V—EDUCATOR RECRUITMENT, RETENTION, AND DEVELOPMENT

"SEC. 501. STATEMENT OF FINDINGS AND PURPOSE.

"(a) FINDINGS.—The Congress finds that—

"(1) teachers in the classroom are the men and women who must play an integral role in leading our Nation's schools into the 21st century;

"(2) we should encourage individuals to enter the education profession so that our teaching force is representative both of the diversity of our Nation and of the tremendous talents and skills of our citizens;

"(3) the methods used to prepare prospective teachers and the continuing education and support provided to practicing teachers have a significant influence on the effectiveness of classroom teachers;

"(4) the postsecondary education of education professionals has not been linked to local, State and national goals and standards;

"(5) the inservice and continuing professional development of educators has not promoted systematic and sustained improvement of the education system;

"(6) State educational agencies have not been funded and staffed adequately to carry out a mission of supporting a process to achieve local, State, or national goals and standards;

"(7) in order to encourage more women and underrepresented minorities to enter the fields of science and mathematics and succeed in these fields, we must provide proper training for existing mathematics and science teachers and recruit women and underrepresented minorities as teachers in these fields;

"(8) educators must have the expertise and the support that allow them to adapt to the changing environment in our schools and to the evolving skills required of our schools' graduates; and

"(9) the Federal Government plays an essential role in providing support to educator training and professional development that will enable teachers to be classroom leaders and administrators to be school leaders at the forefront of reforming our Nation's schools.

"(b) PURPOSE.—It is the purpose of this title—

"(1) to encourage academically qualified students to become teachers through scholarship assistance;

"(2) to support the recruitment of talented individuals into the teaching profession;

"(3) to provide assistance to schools of education in institutions of higher education in order to reform teacher education programs by encouraging new developments in teacher preparation which provide for greater integration of subject matter and pedagogical training and which prepare classroom teachers to effectively meet changing noneducational challenges in the schools;

"(4) to promote high quality child development and early childhood education specialist training programs, including preschool and early intervention services for infants and toddlers with disabilities;

"(5) to provide assistance to our Nation's teaching force for the continued improvement of their professional skills;

"(6) to assist individuals who are currently employed as school paraprofessionals to obtain the education necessary in order to become a licensed or certified teachers;

"(7) to promote partnerships between institutions of higher education and local educational agencies for the purpose of promoting the restructuring and renewal of elementary and secondary schools and collegiate teacher education programs;

"(8) to promote new learning within colleges of education and State and local educational agencies that will cause greater collaboration among such entities in order to achieve common goals and standards through systemic improvement;

"(9) to provide scholarship assistance to encourage women and minorities who are underrepresented in the fields of science and mathematics to enter the teaching profession in these fields; and

"(10) to improve the leadership and managerial skills of elementary and secondary school administrators.

"SEC. 502. AUTHORIZATION OF APPROPRIATIONS.

"(a) STATE AND LOCAL PROGRAMS FOR TEACHER EXCELLENCE.—For part A there are authorized to be appropriated $400,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(b) TEACHER SCHOLARSHIPS AND FELLOWSHIPS.—

"(1) For subpart 1 of part B there are authorized to be appropriated $25,000,000 for fiscal year 1993 and such sums as may be necessary the 4 succeeding fiscal years.

"(2) For subpart 2 of part B there are authorized to be appropriated $15,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(c) NATIONAL PROGRAMS.—

"(1) For subpart 1 of part C there are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(2) For subpart 2 of part C there are authorized to be appropriated $20,000,000 for the period beginning on October 1, 1992 and ending on September 30, 1997.

"(3) For subpart 3 of part C there are authorized to be appropriated $20,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(4) For subpart 4 of part C there are authorized to be appropriated $50,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(5) For subpart 5 of part C there are authorized to be appropriated $2,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(6) For subpart 6 of part C there are authorized to be appropriated $5,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(7) For subpart 7 of part C there are authorized to be appropriated $15,000,000 for fiscal year 1993.

"(8) For subpart 8 of part C there are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(9) For subpart 9 of part C, there are authorized to be appropriated $20,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(10) For subpart 10 of part C, there are authorized to be appropriated $20,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(11) For subpart 11 of part C there are authorized to be appropriated $100,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(d) PART D.—

"(1) CRITICAL LANGUAGE AND AREA STUDIES.—There are authorized to be appropriated $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of subpart 1.

"(2) FOREIGN LANGUAGE AND CULTURE INSTRUCTIONAL MATERIALS.—There are authorized to be appropriated $4,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 6 succeeding fiscal years to carry out the provisions of subpart 2.

"PART A—STATE AND LOCAL PROGRAMS FOR TEACHER EXCELLENCE

"SEC. 511. AUTHORITY AND ALLOCATION OF FUNDS.

"(a) PURPOSE AND AUTHORITY.—

"(1) PURPOSE.—It is the purpose of this part to provide funds to State educational agencies, local educational agencies and institutions of higher education in order to update and improve the skills of classroom teachers, including preschool and early childhood education specialists and school administrators and to provide for a comprehensive examination of State requirements for teacher preservice and certification.

"(2) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants to State educational agencies for the purposes of enhancing and improving the quality of teaching, including early childhood education, in each of the several States.

"(b) ALLOTMENT OF FUNDS.—

"(1) IN GENERAL.—The Secretary shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-aged population of that State bears to the school-aged population of all States. In making allotments under this part, the Secretary shall use the most recent data available.

"(2) TERRITORIAL GRANTS.—From 1 percent of the amount appropriated under subsection (a) for this part, the Secretary shall make grants to the Virgin Islands, Guam, the Northern Mariana Islands, American Samoa, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99–658).

"(3) ALLOCATIONS FROM STATE ALLOTMENTS.—

"(A) From the sum allotted each year under paragraph (1), the State education agency shall allocate not less than 50 percent to local educational agencies within such state according to the relative enrollments in public schools within the local educational agency for the purposes of section 513, except that any local educational agency that would receive a grant of less than $10,000 shall be required to form a consortium with other local educational agencies. In making allotments under this part, the State educational agency shall use the most recent data available.

"(B) The State educational agency may reserve up to 25 percent of the funds for the purposes of section 514.

"(C) From the sum allotted each year under paragraph (1), the State educational agency shall reserve not more than 25 percent to distribute to institutions of higher education for the purposes of section 515.

"(D) The State educational agency may reserve no more than 3 percent of the funds allotted to the State for the purposes of administering the program under this title.

"(c) STATE DISTRIBUTION.—Notwithstanding subsection (b), if the appropriation for this part for any fiscal year is less than $250,000,000, the State shall distribute the funds reserved for local educational agencies on a competitive basis.

"(d) DEFINITION OF STATE.—For purposes of this subsection—

"(1) the term 'State' includes the several States, the District of Columbia, and the Commonwealth of Puerto Rico; and

"(2) the term 'school-aged population' means the populations aged 5 to 17, inclusive.

"SEC. 512. STATE APPLICATION.

"(a) IN GENERAL.—Any State which desires to receive an allotment under this part shall submit to the Secretary an application which—

"(1) designates the State educational agency as the State agency responsible for the administration and supervision of programs assisted under this part;

"(2) provides for a process of active discussion and consultation with a committee, convened by the chief State school officer, which is broadly representative of the educational interests within the State, including—

"(A) a representative nominated by each of the following:

"(i) the State teacher organizations;

"(ii) the organizations representing preschool and early childhood education specialists;

"(iii) the State school administrators organization;

"(iv) the State parents organizations;

"(v) the State business organizations; and

"(vi) the State student organizations;

"(B) a representative from the State board of education;

"(C) a representative of faculty from departments, schools or colleges of education;

"(D) other representatives of institutions of higher education including community colleges;

"(E) the State director of vocational education; and

"(F) the State director of special education;

"(3) describes the competitive process that the State will use to distribute funds among local educational agencies pursuant to section 511(c);

"(4) describes the process the State will use to conduct the assessment required by section 514;

"(5) describes how the State will allocate funds among activities permitted under section 514;

"(6) describes, if appropriate, the competitive process that the State will use to select applicants to operate the State Academies for Teachers, how Academy participants will be selected, and how the State will monitor the implementation of the Academies;

"(7) describes, if appropriate, the competitive process that the State will use to select applicants to operate the State Academies for School Leaders, how Academy participants will be selected, and how the State will monitor the implementation of the Academies;

"(8) describes the competitive process that the State will use to distribute funds among institutions of higher education pursuant to section 515;

"(9) describes a plan to promote learning among the State educational agency staff in order to support and facilitate systemic improvement of the State educational agency, schools or colleges of education at institutions of higher education, and local educational agencies; and

"(10) includes such other information and assurances as the Secretary may require.

"(b) FUNCTIONS OF COMMITTEE.—The application required by subsection (a) shall identify the procedures by which the committee required by paragraph (2) of such subsection will be engaged in—

"(1) ensuring that activities assisted under this part are effective, coordinated with other State, local, and Federal activities and programs, and meet the needs of the State for improving the quality of teaching and teacher education programs, including those programs concerned with preschool education and the training of early childhood education specialists and school leadership programs;

"(2) advising the State on criteria for awarding funds under section 511(c), section 514(d), section 514(e), and section 515; and

"(3) advising the State on criteria for approving local educational agency applications under section 513(a).

"SEC. 513. LOCAL APPLICATION AND USE OF FUNDS.

"(a) LOCAL APPLICATION.—Any local educational agency which desires to receive an allotment under this part shall submit to the State educational agency an application which—

"(1) describes the needs of such agency with respect to inservice training programs for teachers and preschool and early childhood education specialists, pursuant to the assessment conducted under subsection (b)(2)(A), teacher recruitment, business partnerships, and the provision of other opportunities for teachers to improve their skills;

"(2) describes the process used to determine such needs, including consultation with teachers, preschool and early childhood specialists, principals, parents, representatives from departments, schools or colleges of education, and others in the community;

"(3) describes the activities such agency intends to conduct with the funds provided under section 511(b)(3)(A) consistent with the provisions of this section in order to improve the quality of teaching within such agency;

"(4) describes the processes and methods used to promote systematic improvement through continual learning in order to achieve agreed upon local, State and National standards; and

"(5) any other information that the State educational agency may reasonably require.

"(b) LOCAL USES OF FUNDS.—

"(1) IN GENERAL.—Local educational agencies receiving funds under this part shall use such funds for the inservice training of teachers and preschool and early childhood education specialists and may use funds for—

"(A) development of programs to recruit individuals into the teaching profession and the field of early childhood education,

"(B) business partnerships, and

"(C) other purposes consistent with improving the quality of teaching in the local educational agency, as approved by the State educational agency.

"(2) INSERVICE TRAINING.—

"(A) In order to receive funds under this part, a local educational agency or a consortium of local educational agencies shall first assess the needs of such agency or agencies for inservice training.

"(B) Funds expended for inservice training shall be used for the cost of—

"(i) the expansion and improvement of inservice training and retraining of teachers and other appropriate school personnel, including vocational teachers, special education teachers, and preschool teachers, consistent with the assessment conducted under subparagraph (A);

"(ii) providing funds for grants projects for individual teachers within the local educational agency to undertake projects to improve their teaching ability or to improve the instructional materials used in their classrooms;

"(iii) activities designed to address the effects of chronic community violence on children, such as violence counseling training for teachers and early childhood specialists, and activities and training aimed at resolving conflicts;

"(iv) activities designed to enhance the ability of teachers to work with culturally diverse students;

"(v) activities designed to integrate academic and vocational education;

"(vi) as appropriate, activities designed to assist teacher participation in a Tech-Prep program under section 344(b) of the Carl D. Perkins Vocational and Applied Technology Act, in order to develop the skills of such teachers in activities such as organizational development leadership and interdisciplinary curricula development; and

"(vii) other activities consistent with the goals of this part as approved by the State educational agency.

"(C) Such activities may be carried out through agreements with institutions of higher education, nonprofit organizations, public agencies, and museums.

"(D) Activities related to inservice training shall be coordinated with such activities carried out under part A of title II of the Elementary and Secondary Education Act of 1965.

"(3) RECRUITMENT OF TEACHERS.—

"(A) Local educational agencies may use funds—

"(i) to establish, operate, or expand programs to encourage and recruit interested individuals to pursue a course of study that will lead to a career in education; and

"(ii) to establish, operate, or expand a program where such agency recruits students currently enrolled in a school in the local educational agency to be teachers or early childhood education specialists.

"(B) Activities under this paragraph may include (but shall not be limited to)—

"(i) academic and career counseling of and support services for students;

"(ii) programs whereby students act as tutors while they are enrolled in schools in the local educational agency;

"(iii) programs whereby students enrolled in institutions of higher education and other individuals tutor students within schools in the local educational agency;

"(iv) information and recruitment efforts to attract individuals into the teaching profession; and

"(v) programs to support early childhood education efforts at the preschool and school level.

"(C) In conducting programs under section 513(b)(3), local educational agencies shall place a priority on recruiting students and individuals from minority groups.

"(D) Local educational agencies may conduct programs under section 513(b)(3) in consortia with institutions of higher education.

"(4) BUSINESS PARTNERSHIPS.—Local educational agencies may use funds to establish partnerships with representatives of the business community to sponsor—

"(A) programs which allow representatives of local business or firms to go into the classroom and work with the classroom teacher to provide instruction in subject areas where the expertise of the teacher could be supplemented especially in the subject areas of mathematics, science, and vocational and technology education training;

"(B) internship programs which provide an opportunity for classroom teachers to work in local businesses or firms to gain practical experience or to develop new skills or expertise;

"(C) programs which bring students and teachers into business settings to see applications of course work and in specialized areas, and to learn to use advanced technical equipment;

"(D) programs which allow representatives of local businesses and firms to work with school administrators to develop instructional material; and

"(E) other activities appropriate to forming a working relationship between business leaders and classroom leaders.

"SEC. 514. STATE USES OF FUNDS.

"(a) IN GENERAL.—State educational agencies receiving funds under this part shall use such funds for conducting an assessment of teacher education programs within such State, and may use funds for—

"(1) the establishment of State Academies for Teachers,

"(2) the establishment of State Academies for School Leaders, and

"(3) other purposes consistent with improving the quality of the Nation's teaching force, including efforts to improve the quality and number of preschool and early childhood education specialists, as approved by the Secretary.

"(b) TEACHER EDUCATION STUDY.—Each State educational agency receiving funds under this part shall, in consultation with institutions of higher education, local educational agencies, teachers, parents, the State legislature, the State board of education, and business, undertake a study of teacher education programs and State teacher professional development requirements, including programs and requirements intended to train preschool and early childhood education specialists, and the State laws and regulations relating to such programs and requirements, including any standards or requirements for certification and licensure, in order to determine if such programs and requirements are adequately preparing teachers to effectively educate students. Such study shall include the consideration of the following in order to determine if such programs or requirements—

"(1) would be improved if teacher education programs were required to coordinate courses with other departments on campus in order to provide prospective teachers with a strong background in their subject matter;

"(2) integrate academic and vocational education instruction;

"(3) give enough flexibility in order to allow experimentation and innovation;

"(4) would be improved if such programs provided preparation for students desiring to become teachers, but who are pursuing a bachelor's degree in an area of study other than education; and

"(5) would be improved if teacher certification required a bachelor's degree in a subject area and a masters degree in education.

"(c) DEADLINES.—Such study shall be completed by two years from the end of the first fiscal year in which funding was made available for this part. The results of such study shall be reported to the Secretary. In submitting the report to the Secretary, the State educational agency shall include in the report the most successful practices used to enhance the profession of teaching. The Secretary may disseminate such successful practices in order to assist other States in their efforts to enhance the profession of teaching. Except as provided in subsection (d), beginning in the third fiscal year for which funding is available, State educational agencies shall use at least 75 percent of their funds provided under section 511(b)(3)(C) to implement the program and policy changes flowing from the findings of the study and to assist schools of education throughout the State in meeting any new requirements that result from the study. The State educational agency shall award grants pursuant to section 515(b)(6) to institutions of higher education to implement the programs and policy changes flowing from the findings of the study.

"(d) WAIVER.—If a State demonstrates to the Secretary that it has completed a comparable study within the previous 3 years prior to the fiscal year for which funds were made available under this part, then the Secretary may waive the requirements of subsection (a). States receiving a waiver shall use funds provided under section 511(b)(3)(C) to implement the program and policy changes resulting from the funding of such study. If the State can demonstrate to the Secretary that such program and policy changes have been implemented, then the State shall use funds provided under section 511(b)(3)(C) to carry out the activities authorized under subsections (e) and (f)."

"(e) STATE ACADEMIES FOR TEACHERS.—

"(1) COMPETITIVE AWARDS FOR ACADEMIES.—The State educational agency may use a portion of the State's grant under section 511(b)(3)(C) to make competitive awards to local educational agencies, institutions of higher education, other public and private nonprofit agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate State Academies for Teachers. Such Academies may be operated in cooperation or consortium with those of other States. To the extent practicable, such academies shall coordinate efforts with the teacher inservice activities of local educational agencies.

"(2) EARLY CHILDHOOD ACADEMIES.—Each State educational agency may establish an academy aimed at early childhood education training. Such an academy shall give a priority to recruiting candidates from underrepresented groups in the early childhood education profession and shall provide intensive childhood training in violence counseling.

"(3) TECH-PREP ACADEMIES.—Each State educational agency may establish an academy for (A) assisting educators in secondary schools and community colleges to more effectively understand organizational structures and organizational change strategies; (B) assisting educators to learn effective peer leadership strategies; (C) assisting secondary school teachers and community college faculty to identify the knowledge and skills required in highly technical industries and workplaces; (D) assisting secondary school teachers and community college faculty to apply creative strategies to the development of interdisciplinary curricula; and (E) assisting educators in integrating academic and vocational education.

"(4) AUTHORIZED ACTIVITIES.—

"(A) Each State choosing to establish State academies for teachers may establish a separate academy in each of the 6 core academic subjects (English, mathematics, science, history, foreign languages, and geography) as well as vocational and technology education, or may establish one or several academies which focus on more than one subject. Each academy may have as a focus methods and curricula that stress instruction in applied settings, including the integration of vocational education with the core subject areas of focus for the academy. A State educational agency may establish an early childhood education academy or tech-prep academy either in addition to or in lieu of a core academic subject area.

"(B) Except as provided under paragraphs (2) and (3), each State Academy for Teachers assisted under this title shall conduct a program of intensive instruction, during the summer or the school year, focusing on the core academic disciplines of English, mathematics, science, history, foreign languages, and geography as well as vocational and technology education. Such instruction shall be provided to current elementary and secondary school teachers.

"(C) The instruction provided by each such Academy shall include—

"(i) renewal and enhancement of participants' knowledge of one or more of the 6 core academic disciplines described in subparagraph (A);

"(ii) teaching skills and strategies needed to impart academic subject matter to students, including students who are educationally disadvantaged, limited English proficient, or have disabilities, and other students from diverse backgrounds;

"(iii) at the Academy's discretion, the use of educational technologies in teaching the core academic disciplines;

"(iv) training needed to become a lead teacher or a master teacher in a core subject;

"(v) training needed to participate in curriculum development in a core subject;

"(vi) training in the development and use of assessment tools; and

"(vii) integration of academic and vocational instruction.

"(D) Each Academy assisted under this part shall carry out activities consistent with the purpose of this part, which may include—

"(i) review of existing teacher enhancement programs to identify the most promising approaches;

"(ii) development of a curriculum for use by the Academy;

"(iii) review existing systemic improvement strategies and theories to identify the most promising approaches that will achieve a quality education for all students;

"(iv) recruitment of teachers within the State to participate in the Academy's program, including, recruitment of—

"(I) minority group members;

"(II) individuals with disabilities;

"(III) individuals from areas with high numbers or concentrations of educationally disadvantaged students; and

"(IV) other teachers who have a potential for leadership;

"(v) follow-up activities for previous participants;

"(vi) dissemination of information about the Academy, including the training curricula developed; and

"(vii) evaluation of the impact of the Academy on the teaching practices of participants, and other evaluation activities designed to strengthen the Academy's program.

"(4) ADDITIONAL ACTIVITIES.—

"(A) Each Academy may use a portion of the funds provided for a program of cash awards and recognition to outstanding teachers in the core academic subject or subjects covered by the program of the Academy.

"(B) Each Academy choosing to offer the awards under subparagraph (A) shall select teachers to receive awards from nominations received from local educational agencies, public and private schools, teachers, associations of teachers, parents, associations of parents and teachers, businesses, business groups, and student groups.

"(C) Any full-time public or private elementary or secondary school teacher of a core academic subject or vocational and technology education subject, including an elementary school teacher of the general curriculum, shall be eligible to receive an award under this subsection.

"(D) The Academy shall select award recipients in accordance with criteria developed by the Academy and approved by the State educational agency. The selection criteria may take into account, but are not limited to, teacher's success in—

"(i) educating educationally disadvantaged children, such as children with disabilities, children of limited English proficiency, homeless children, or children who are currently or formerly migratory, in a core academic subject or vocational and technology education subject;

"(ii) educating gifted and talented students in a core academic subject;

"(iii) encouraging students to enroll, and succeed, in advanced classes in a core academic subject or vocational and technology education subject;

"(iv) teaching a core academic subject or vocational and technology education subject successfully in schools educating large numbers of educationally disadvantaged students, including schools in low-income inner-city or rural areas;

"(v) introducing a new curriculum in a core academic subject or vocational and technology education subject into a school or strengthening an established curriculum;

"(vi) acting as a 'master teacher' in a core academic subject or vocational and technology education subject; or

"(vii) training in violence counseling and conflict resolution.

"(E) The amount of a teacher's award under this subsection shall not exceed $5,000 and shall be available for any purpose the recipient chooses.

"(5) RECIPIENT USE OF FUNDS.—Each recipient may use a portion of the funds provided to meet the reasonable start-up and initial operating costs of carrying out the activities described in section 305 (a) through (c), which may include stipends and travel and living expenses for teachers who participate in the Academy's program if no other funds are available to pay those costs.

"(6) COST-SHARING.—Funds received under this subsection may be used to pay up to 75 percent of the cost of a State Academy for Teachers in the first year, 65 percent of such cost in the second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include in-kind contributions, fairly valued.

"(f) STATE ACADEMIES FOR SCHOOL LEADERS.—

"(1) COMPETITIVE AWARDS FOR ACADEMIES.—Each State choosing to establish a State Academy for School Leaders shall make competitive awards to local educational agencies, institutions of higher education, other public and private nonprofit agencies and organizations, or consortia of such agencies, institutions, and organizations, to establish and operate a State Academy for School Leaders. A priority for awards shall be given to entities who received funds under subpart 2 of part C of title V of the Higher Education Act as in effect on September 30, 1991. Such Academies may be operated in cooperation or consortium with those of other States.

"(2) AUTHORIZED ACTIVITIES.—Each Academy assisted under this subsection shall—

"(A) identify models and methods of leadership training and development that are promising or have proven to be successful;

"(B) develop curricula, which focus on instructional leadership, school-based management, and the design and execution of systemic school improvement strategies and accountability mechanisms leading to achievement of local, State, and national goals and standards, for the development of school leaders;

"(C) identify candidates, including members of minority groups, individuals with disabilities, and individuals from schools with high numbers of concentrations of educationally disadvantaged students, to be trained as new school leaders;

"(D) provide intensive training and development programs both for persons desiring and demonstrating outstanding promise to become school leaders, and for current school leaders seeking enhanced and up-to-date knowledge needed to perform their jobs effectively, with a special emphasis on violence training and conflict resolution;

"(E) identify local educational agencies and schools with principal and other school leader vacancies and work with them to match Academy participants with such vacancies;

"(F) as appropriate, facilitate internships for graduates of the program for new school leaders, under the guidance and supervision of experienced administrators;

"(G) provide periodic follow-up development activities for school leaders trained through the Academy's programs;

"(H) disseminate information about the Academy, including the training curricula developed;

"(I) evaluation of the impact of the Academy on the leadership practices of participants, and other evaluation activities designed to strengthen the Academy's program; and

"(J) as appropriate, coordinate activities with those of any State academies for teachers established in the State.

"(3) USE OF FUNDS.—Each recipient of funds under this subsection shall use those funds to meet the reasonable start-up and initial operating costs of carrying out the activities described in paragraph (2), which may include stipends, travel, and living expenses for participants in the Academy if no other funds are available to pay those costs.

"(4) COST-SHARING.—Funds received under this subsection may be used to pay up to 75 percent of the cost of a State Academy for School Leaders in the first year, 65 percent of such cost in the second year, 55 percent in the third year, 45 percent in the fourth year, and 35 percent in the fifth year. The remaining share shall be provided from non-Federal sources, and may include in kind contributions, fairly valued.

"SEC. 515. INSTITUTIONS OF HIGHER EDUCATION USES OF FUNDS.

"(a) APPLICATIONS.—Institutions of higher education desiring to receive a grant under section 511(b)(3)(D) shall submit to the State educational agency an application which—

"(1) describes the types of activities that the school, college, or department of education plans to undertake with funds provided;

"(2) describes the process used by the institution to determine the State's needs for improving teacher education and training for preschool and early childhood education specialists, including consulting with current students, teachers, representatives from local educational agencies, parents, and representatives from preschool and early childhood specialists;

"(3) if such institution is applying for a grant to assist local educational agencies in providing inservice training for teachers, describes the training and services that such institution plans to provide for teachers within the local educational agency and demonstrates that such *training and services are consistent with the needs of the local educational agencies to be served;*

“(4) describes how the institution plans to integrate academic and vocational teacher education programs; and

“(5) other information that may be required by the State educational agency.

“(b) AWARDS.—The State educational agency shall award grants on a competitive basis to institutions of higher education that have departments, schools, or colleges of education. In awarding grants, the State educational agency shall award funds for the following purposes:

“(1) for institutions of higher education in consultation and cooperation with a local educational agency or a consortium of local educational agencies, to develop and provide technical assistance to local education agencies in providing inservice training for teachers;

“(2) for improving teacher education programs in order to further innovation in teacher education programs within an institution of higher education and to better meet the needs of the local educational agencies for well-prepared teachers;

“(3) for improving training for preschool and early childhood education specialists, including preschool and early intervention services for infants and toddlers with disabilities, in order to further innovation in such programs with institutions of higher education and to better meet the needs of preschool and early childhood education programs for well-prepared personnel;

“(4) to integrate the instruction of academic and vocational teacher education programs;

“(5) activities to encourage individuals, especially individuals from minority groups, to pursue a career in education; and

“(6) when the study of teacher education programs is completed under section 514, to implement the new requirements for teacher education programs.

“SEC. 516. FEDERAL FUNDS TO SUPPLEMENT, NOT SUPPLANT REGULAR NON-FEDERAL FUNDS.

“A State educational agency, local educational agency, or institution of higher education may use funds received under this part only so as to supplement and, to the extent practicable, increase the level of funds that would be available from non-Federal sources for the uses of funds under this part and in no case may such funds be so used as to supplant such funds from such non-Federal sources.

“SEC. 517. COORDINATION WITH OTHER PROGRAMS.

“If a State educational agency receives funding under the Neighborhood Schools Improvement Act, then the State educational agency shall ensure that activities conducted under this part shall be consistent with the goals and objectives of the State plan under section 8006 of such Act.

“PART B—TEACHER SCHOLARSHIPS AND FELLOWSHIPS

“Subpart 1—Paul Douglas Teacher Corps Scholarships

“SEC. 521. PURPOSE.

“It is the purpose of this subpart to make available, through grants to the States, scholarships to individuals who are outstanding high school graduates and who demonstrate an interest in teaching, in order to enable and encourage those individuals to pursue teaching careers in education at the preschool, elementary, or secondary level, and to encourage women and minorities who are underrepresented in the fields of science and mathematics to pursue teaching careers in these fields. Such scholarships shall be referred to as Paul Douglas Teacher Corps Scholarships.

“SEC. 522. ALLOCATION AMONG STATES.

“From the sums appropriated for this subpart for any fiscal year, the Secretary shall allocate to any State an amount based on the school-age population in the State compared to the school-age population in all States. In making such allotments, the Secretary shall use the most recent data available.

“SEC. 523. GRANT APPLICATIONS.

“(a) SUBMISSION OF APPLICATIONS.—The Secretary is authorized to make grants to States in accordance with the provisions of this subpart. In order to receive a grant under this subpart, a State shall submit an application at such time or times, in such manner, and containing such information as the Secretary may prescribe by regulation. Such application shall set forth a program of activities for carrying out the purposes of this subpart in such detail as will enable the Secretary to determine the degree to which such program will accomplish such purposes and such other policies, procedures, and assurances as the Secretary may require by regulation.

“(b) CONTENT OF APPLICATIONS.—The Secretary shall approve an application under this subpart only if the application—

“(1) describes the selection criteria and procedures to be used by the State in the selection of scholarship recipients;

“(2) designates the State agency which administers the program under subpart 4 of part A of title IV, relating to State student incentive grants, or the State agency with which the Secretary has an agreement under section 428(b);

“(3) describes the outreach effort the State agency intends to use to publicize the availability of Paul Douglas Teacher Corps Scholarships to high school students in the State;

“(4) describes how the State will inform recipients, upon receipt of the award, of current and projected teacher shortages and surpluses within the State;

“(5) provides assurances that each recipient eligible under section 525(b) who receives a Paul Douglas Teacher Corps Scholarship shall enter into an agreement with the State agency under which the recipient shall—

“(A) within the 10-year period after completing the postsecondary education for which the Paul Douglas Teacher Corps Scholarship was awarded, teach for a period of not less than 2 years for each year for which assistance was received, in a public or private nonprofit preschool, elementary, or secondary school in any State, or, on a full-time basis, children with disabilities or children with limited English proficiency in a private nonprofit school, except that, in the case of (i) individuals who teach in a shortage area established by the Secretary pursuant to section 530, or (ii) individuals from minority groups who teach in public or private nonprofit elementary or secondary schools in any State where there are significant numbers of minority students enrolled, the requirements of this subparagraph shall be reduced by one-half;

“(B) provide the State agency evidence of compliance with section 527 as required by the State agency; and

“(C) repay all or part of a Paul Douglas Teacher Corps Scholarship received under section 524 plus interest and, if applicable, reasonable collection fees, in compliance with regulations issued by the Secretary under section 527, in the event that the conditions of subparagraph (A) are not complied with, except as provided for in section 528;

“(6) provides that the agreement entered into with recipients shall fully disclose the terms and conditions under which assistance under this subpart is provided and under which repayment may be required including—

“(A) a description of the procedures required to be established under paragraph (7); and

“(B) a description of the appeals procedures required to be established under paragraph (8) under which a recipient may appeal a determination of noncompliance with any provision under this subpart;

“(7) provides for procedures under which a recipient of assistance received under this part who teaches for less than the period required under paragraph (5)(A) will have the repayment requirements reduced or eliminated consistent with the provisions of sections 527 and 528;

“(8) provides for appeals procedures under which a recipient may appeal any determination of noncompliance with any provision under this part; and

“(9) provides assurances that the State agency shall make particular efforts to attract students from low-income backgrounds; ethnic and racial minority students; students with disabilities; other individuals from groups historically underrepresented in teaching; individuals who express a willingness or desire to teach in rural schools, urban schools, or schools having less than average academic results or serving large numbers of economically disadvantaged students; or students who show interest in pursuing teaching careers in science and mathematics, especially women and minorities who are underrepresented in these fields.

“(c) SELECTION CRITERIA AND PROCEDURES.—The State educational agency, in cooperation with the State higher education agency, and pursuant to scholarship selection criteria included in section 525, shall establish criteria to select Paul Douglas Teacher Corps Scholarship recipients. These criteria shall be intended to attract highly qualified individuals into teaching, to ensure that these students are enrolled in approved teacher education programs, and to meet the needs of States in addressing teacher shortages, including a demonstrated interest in teaching, or skill or professional experience in fields of expertise in which the State is experiencing teacher shortages.

“(d) SPECIAL CONSIDERATION.—The State educational agency, in cooperation with the State higher education agency, shall give special consideration in the selection of teacher corps members to individuals who—

“(1) intend to teach or provide related services to students with disabilities;

“(2) intend to teach limited English proficient students;

“(3) intend to teach preschool age children;

“(4) intend to teach in schools servicing inner city or rural or geographically isolated areas (as defined by the Secretary by regulations consistent with the purposes of this section); or

“(5) intend to teach in curricular areas or geographic areas where there are demonstrated shortages of qualified teachers.

“(e) PRIORITY CONSIDERATION.—The State educational agency shall give priority consideration in the selection of individuals from disadvantaged backgrounds, including racial and ethnic minorities and individuals with disabilities, who are underrepresented in the teaching profession or in the curricular areas in which they are preparing to teach.

“(f) SOLICITATION OF VIEWS ON SELECTION CRITERIA AND PROCEDURES.—In developing the selection criteria and procedures to be used by the State, the State shall solicit the views of local educational agencies, private educational institutions, and other interested parties. Such views—

“(1) shall be solicited by means of (A) written comments; and (B) publication of proposed selection criteria and procedures in final form for implementation; and

“(2) may be solicited by means of (A) public hearings on the teaching needs of elementary and secondary schools in the State (including the number of new teachers needed, the expected supply of new teachers, and the shortages in the State of teachers with specific prepa-

ration); or (B) such other methods as the State may determine to be appropriate to gather information on such needs.

“SEC. 524. AMOUNT AND DURATION OF AND RELATION TO OTHER ASSISTANCE.

“(a) Limitations on Amount and Duration.—Subject to subsection (c) each Paul Douglas Teacher Corps Scholar shall receive a $5,000 scholarship for each academic year of postsecondary education for study in preparation to become a preschool, special education, elementary, or secondary teacher. No individual shall receive scholarship assistance for more than 4 years of postsecondary education, as determined by the State agency.

“(b) Consideration of Award in Other Programs.—Notwithstanding the provisions of title IV of this Act, scholarship funds awarded pursuant to this part shall be considered in determining eligibility for student assistance under title IV of this Act.

“(c) Assistance Not To Exceed Need.—Paul Douglas Teacher Corps Scholarship assistance awarded by the statewide panel established pursuant to section 525(a) to any individual in any given year, when added to assistance received under title IV of this Act, shall not exceed the cost of attendance, as defined in section 472 of this Act, at the institution the individual is attending. If the amount of the Paul Douglas Teacher Corps Scholarship assistance and assistance received under title IV of this Act, exceeds the cost of attendance, the Paul Douglas Teacher Corps Scholarship shall be reduced by an amount equal to the amount by which the combined awards exceed the cost of attendance.

“(d) Assistance Not To Exceed Cost of Attendance.—No individual shall receive an award under the Paul Douglas Teacher Corps Scholarship established under this subpart, in any academic year, which exceeds the cost of attendance, as defined in section 472 of this Act, at the institution the individual is attending.

“SEC. 525. SELECTION OF PAUL DOUGLAS TEACHER CORPS SCHOLARS.

“(a) Selection by Statewide Panels.—Paul Douglas Teacher Corps Scholars shall be selected by a 7-member statewide panel appointed by the chief State elected official, acting in consultation with the State educational agency, or by an existing grant agency or panel designated by the chief State elected official and approved by the Secretary of Education. The statewide panel shall be representative of school administrators, teachers, including preschool and special education teachers, and parents.

“(b) Eligibility for Selection; Selection Criteria and Procedures.—Selections of Paul Douglas Teacher Corps Scholars shall be made from students who have graduated or who are graduating from high school and who rank in the top 15 percent of their graduating class. The State educational agency shall make applications available to public and private nonprofit high schools in the State and in other locations convenient to applicants, parents, and others. The statewide panel shall develop criteria and procedures for the selection of Paul Douglas Teacher Corps Scholars. Such criteria may include the applicant's high school grade point average, involvement in extracurricular activities, financial need, and expression of interest in teaching as expressed in an essay written by the applicant. The panel may also require the applicant to furnish letters of recommendation from teachers and others. Special consideration shall be afforded to women and minorities who are underrepresented in the fields of science and mathematics and are seeking to enter the teaching profession in these fields.

“(c) Waivers.—For purposes of making priority considerations in section 523(d) States may waive certain criteria in section 525(b) for up to 25 percent of individuals receiving Paul Douglas Teacher Corps Scholarships.

“SEC. 526. SCHOLARSHIP CONDITIONS.

“Recipients of scholarship assistance under this subpart shall continue to receive such scholarship payments only during such periods that the State agency finds that the recipient is—

“(1) enrolled as a full-time student in an accredited postsecondary institution;

“(2) pursuing a course of study leading to teacher certification; and

“(3) maintaining satisfactory progress as determined by the postsecondary institution the recipient is attending.

“SEC. 527. SCHOLARSHIP REPAYMENT PROVISIONS.

“Recipients found by the State agency to be in noncompliance with the agreement entered into under section 523(b)(4) of this subpart shall be required to repay a pro rata amount of the scholarship awards received, plus interest and, where applicable, reasonable collection fees, on a schedule and at a rate of interest to be prescribed by the Secretary by regulations issued pursuant to this subpart.

“SEC. 528. EXCEPTIONS TO REPAYMENT PROVISIONS.

“(a) Deferral During Certain Periods.—A recipient shall not be considered in violation of the agreement entered into pursuant to section 523(b)(4) during any period in which the recipient—

“(1) is pursuing a full-time course of study related to the field of teaching at an eligible institution;

“(2) is serving, not in excess of 3 years, as a member of the armed services of the United States;

“(3) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

“(4) is unable to secure employment of a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

“(5) is seeking and unable to find full-time employment for a single period not to exceed 12 months;

“(6) is seeking and unable to find full-time employment as a teacher in a public or private nonprofit preschool, elementary or secondary school, or a public or private nonprofit preschool, education program for a single period not to exceed 27 months; or

“(7) satisfies the provisions of additional repayment exceptions that may be prescribed by the Secretary in regulations issued pursuant to this subpart.

“(b) Forgiveness if Permanently Totally Disabled.—A recipient shall be excused from repayment of any scholarship assistance received under this subpart if the recipient becomes permanently totally disabled as established by sworn affidavit of a qualified physician.

“SEC. 529. FEDERAL ADMINISTRATION OF STATE PROGRAMS; JUDICIAL REVIEW.

“(a) Disapproval Hearing Required.—The Secretary shall not finally disapprove any application for a State program submitted under section 523, or any modification thereof, without first affording the State agency submitting the program reasonable notice and opportunity for a hearing.

“(b) Suspension of Eligibility.—Whenever the Secretary, after reasonable notice and opportunity for hearing to the State agency administering a State program approved under this subpart, finds—

“(1) that the State program has been so changed that it no longer complies with the provisions of this subpart, or

“(2) that in the administration of the program there is a failure to comply substantially with any such provisions,

the Secretary shall notify such State agency that the State will not be regarded as eligible to participate in the program under this subpart until the Secretary is satisfied that there is no longer any such failure to comply.

“(c) Court Review.—(1) If any State is dissatisfied with the Secretary's final action under subsection (b)(1) or (2), such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Secretary shall forthwith certify and file in the court the transcript of the proceedings and the record on which the action was based.

“(2) The findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Secretary to take further evidence, and the Secretary may thereupon make new or modified findings of fact and may modify any previous action, and shall certify to the court the transcript and record of further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

“(3) The court shall have jurisdiction to affirm the action of the Secretary or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

“SEC. 530. DESIGNATION OF SHORTAGE AREAS.

“For the purposes of this part, the term 'shortage areas' means (1) geographic areas of the State in which there is a shortage of elementary and secondary school teachers, and (2) an area of shortage of elementary and secondary school teachers in specific grade levels and in specific academic, instructional, subject matter, and discipline classifications. Such shortage areas shall be prescribed by the Secretary, in consultation with the chief State school officer or, in the case of nonprofit private elementary or secondary schools, with appropriate officials of nonprofit private schools in each State in accordance with this section. In carrying out the provision of this section, the Secretary shall give special consideration to areas in which emergency certification of individuals in a State is being used to correct teacher shortages; and to States which have retirement laws permitting early retirement.

“Subpart 2—Christa McAuliffe Fellowship Program

“SEC. 531. DECLARATION OF PURPOSE; DESIGNATION.

“(a) Purpose.—It is the purpose of this subpart to establish a national fellowship program for outstanding teachers.

“(b) Designation.—Individuals awarded fellowships under this subpart shall be known as 'Christa McAuliffe Fellows'.

“SEC. 532. USE OF FUNDS FOR FELLOWSHIPS AND ADMINISTRATION.

“Funds appropriated for any fiscal year for fellowships to outstanding teachers under this subpart shall be used to award fellowships in accordance with the requirements of this subpart, except that not more than 3 percent of such funds shall be used for purposes of administering this subpart, including activities authorized under section 537.

“SEC. 533. CHRISTA McAULIFFE FELLOWSHIPS.

“(a) Award Distribution and Amounts.—(1) Except as provided under paragraph (3), sums available for the purpose of this subpart shall be used to award one national teacher fellowship to a public or private school teacher teaching in each congressional district of each State, and in the District of Columbia, and the Commonwealth of Puerto Rico; and one such fellowship in Guam, the Virgin Islands, American Samoa, the Northern Mariana Islands, and Palau (until

the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99–658).

"(2) Fellowship awards may not exceed the average national salary of public school teachers in the most recent year for which satisfactory data are available, as determined by the Secretary. Christa McAuliffe teacher fellows may not receive an award for 2 consecutive years. Subject to the repayment provisions of section 536, Christa McAuliffe teacher fellows shall be required to return to a teaching position in their current school district or private school system for at least 2 years following the fellowship award. The Secretary is authorized, in extraordinary circumstances, to waive or defer all or a portion of the service requirement, or allow fellows to fulfill their service requirement by going into a teaching position in another school or school district.

"(3) If the appropriation for this subpart under section 502(b) is not sufficient to provide the number of fellowships required by paragraph (1) at the level required under paragraph (2), the Secretary shall determine and publish an alternative distribution of fellowships which will permit fellowship awards at that level and which is geographically equitable. The Secretary shall send a notice of such determination to each of the statewide panels established under section 534.

"(b) USE OF AWARDS.—Christa McAuliffe teacher fellows may use such awards for such projects for improving education as the Secretary may approve, including (1) sabbaticals for study or research directly associated with the objectives of this part, or academic improvement; (2) consultation with or assistance to other school districts or private school systems; (3) development of special innovative programs; (4) model teacher programs and staff development; (5) projects or partnerships that involve the business community and the schools; or (6) programs that incorporate the use and the sharing of technologies to help students learn.

"SEC. 534. SELECTION OF CHRISTA McAULIFFE TEACHER FELLOWSHIPS.

"Recipients of Christa McAuliffe teacher fellowships in each State shall be selected (in accordance with section 535) by a 7-member statewide panel appointed by the chief State elected official, acting in consultation with the State educational agency, or by an existing panel designated by the chief State elected official and approved by the Secretary. The statewide panel shall be representative of school administrators, teachers, parents, and institutions of higher education.

"SEC. 535. EVALUATION OF APPLICATIONS.

"(a) SUBMISSION TO AND REVIEW BY STATEWIDE PANEL.—An applicant for Christa McAuliffe teacher fellowship assistance shall submit a proposal for a project under section 533(b), and shall indicate the extent to which the applicant wishes to continue current teaching duties. The applicant shall submit such a proposal to the local education agency for comment prior to submission to the statewide panel (appointed under section 534) for the State within which the proposed project is to be conducted. In evaluating proposals, such statewide panel shall consult with the local education agency, requesting 2 recommendations from teaching peers; a recommendation from the principal; and a recommendation of the superintendent on the quality of the proposal and its benefit to education; and any other criteria for awarding fellowships as is considered appropriate by such statewide panel. Selection of fellows shall be made in accordance with regulations prescribed by the Secretary of Education.

"(b) PUBLIC ANNOUNCEMENT.—Announcement of awards shall be made in a public ceremony.

"SEC. 536. FELLOWSHIP REPAYMENT PROVISIONS.

"Repayment of the award shall be made to the Federal Government in the case of fraud or gross noncompliance.

"SEC. 537. INFORMATION DISSEMINATION.

"The Secretary shall establish a clearinghouse or otherwise provide for the collection and dissemination of information on exemplary projects for improving education that receive funds under section 533(b) of this part. The Secretary may utilize the National Diffusion Network in carrying out the requirements of this section.

"PART C—NATIONAL PROGRAMS

"Subpart 1—National Mini Corps Program

"SEC. 541. NATIONAL MINI CORPS.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants to institutions of higher education to establish partnerships with local educational agencies to carry out the purposes of the National Mini Corps Program.

"(b) DEFINITIONS.—As used in this subpart—

"(1) the term 'individual' (A) has the same meaning as the terms 'first generation college student' and 'low income individual' as defined under section 417A(d) of this Act, or (B) means a student enrolled in an institution of higher education who is the child of current or former migratory workers (including migratory agricultural dairy workers) or of migratory fishermen;

"(2) the term 'children' means children who are eligible to receive services under part A or subpart 1 of part D of title I of the Elementary and Secondary Education Act of 1965.

"(c) PURPOSE OF THE PROGRAM.—It is the purpose of the National Mini Corps Program to—

"(1) provide individuals who are enrolled or plan to enroll in an institution of higher education with advisement, training, and instructional services, and to be role models for children;

"(2) provide outreach and recruitment services to encourage children to enroll in teacher education programs;

"(3) provide support and instructional services to individuals who are enrolled in an institution of higher education to enable such individuals to provide direct instructional services, which are coordinated with the overall educational goals of the State or local educational agency, to children eligible to receive services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965 during the regular or summer term, including—

"(A) lessons and provision of materials that meet the academic needs of children in the classroom;

"(B) supplemental instruction to reinforce the basic skills and concepts provided through instruction by the teacher; and

"(C) instruction in other subject areas.

"(4) designate college coordinators at participating institutions of higher education to train, supervise, and assign individuals to carry out the activities of this subpart in cooperation with State and local educational agencies in which children with special needs have been identified; and

"(5) support other appropriate activities related to encouraging individuals to enter the teaching profession and to provide a link to the community.

"(d) APPLICATION REQUIRED.—Institutions of higher education desiring to receive a grant under this subpart shall submit an application to the Secretary which shall include—

"(1) a written partnership agreement with the State and local educational agency in which the children have been identified for participation in the activities under this subpart;

"(2) a description of the strategies that will be employed to engage the community generally in the activities and programs supported by the programs under this subpart;

"(3) a description of the process by which individuals will be recruited and selected to participate in the programs under this subpart;

"(4) a description of the programs and activities which will be supported by the programs under this subpart; and

"(5) such other information as the Secretary considers necessary to determine the nature of the local needs, the quality of the proposed Mini Corps Program, and the capability of the applicant to implement the proposed Mini Corps Program.

"(e) AWARDING OF GRANTS.—In awarding grants under this subpart, the Secretary shall ensure, to the extent practicable, that—

"(1) grants are equitably distributed on a geographic basis throughout the Nation and among a variety of communities; and

"(2) the amount of the grant awarded is proportionate to the number of individuals and children who, on the basis of the grant application, are expected to be involved in the programs and activities supported by the National Mini Corps.

"(f) USES OF FUNDS.—Funds provided under this part may be used for planning, implementing and operating a National Mini Corps Program; except that not more than 15 percent of any grant received under this part may be used for administrative costs.

"Subpart 2—National Teacher Board

"SEC. 546. NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS.

"(a) DEFINITIONS.—For the purpose of this subpart—

"(1) The term 'Board' means the National Board for Professional Teaching Standards.

"(2) The term 'Committee' means the Fund for Improvement and Reform of Schools and Teaching Board established in section 3231 of the Fund for the Improvement and Reform of Schools and Teaching Act.

"(3) The term 'elementary school' has the same meaning given that term in section 1471(8) of the Elementary and Secondary Education Act of 1965.

"(4) The term 'secondary school' has the same meaning given that term in section 1471(21) of the Elementary and Secondary Education Act of 1965.

"(5) The term 'Secretary' means the Secretary of Education.

"(b) PROGRAM AUTHORIZATION.—

"(1) PROGRAM AUTHORIZED.—From sums appropriated under section 502(c)(2) in any fiscal year, the Secretary is authorized and directed, in accordance with this subpart, to provide financial assistance to the National Board for Professional Teaching Standards, in order to pay the Federal share of the costs of the activities described in subsection (d).

"(2) TERMS AND CONDITIONS.—(A) No financial assistance may be made available under this subpart except upon an application as required by subsection (e).

"(B) No financial assistance may be made available under this subpart unless the Secretary determines that—

"(i) the Board will comply with the provisions of this subpart;

"(ii) the Board will use the Federal funds only for research and development activities in accordance with subsection (d) and such teacher assessment and certification procedures will be free from racial, cultural, gender or regional bias;

"(iii) the Board—

"(I) will widely disseminate for review and comment announcements of specific research projects to be conducted with Federal funds, including a description of the goals and focus of the specific project involved and the specific

merit review procedures and evaluation criteria to be used in the competitive award process; and

"(II) will send such announcements to the Secretary of Education, the Director of the National Science Foundation, the National Research Council, and the educational research community;

"(iv) the Secretary, pursuant to an arrangement with the Board, will publish the announcements described in clause (iii) in the Federal Register (or such other publication deemed appropriate by the Secretary) and in publications of general circulation designed to disseminate such announcements widely to the educational research community;

"(v) the Board will, after offering any interested party an opportunity to make comment upon, and take exception to, the projects contained in the announcements described in clause (iii) for a 30-day period following publication, and after reconsidering any project upon which comment is made or to which exception is taken, through the Secretary issue a request for proposals in the Federal Register (or such other publication deemed appropriate by the Secretary) containing any revised project information;

"(vi) the Board will make awards of Federal funds competitively on the basis of merit, and, in the award process, the Board will select, to the extent practicable consistent with standards of excellence—

"(I) a broad range of institutions associated with educational research and development; and

"(II) individuals who are broadly representative of the educational research and teaching communities with expertise in the specific area of research and development in question;

"(vii) the Board will adopt audit practices customarily applied to nonprofit private organizations and will comply with subsection (g)(3);

"(viii) the Board will not use Federal funds to meet the administrative and operating expenses of the Board;

"(ix) the Board will submit an annual report to Congress in accordance with the provisions of subsection (g)(1); and

"(x) the Board will, upon request, disseminate to States, local educational agencies, or other public educational entities the results of any research or research project produced with funds authorized by this part, upon the payment of the cost of reproducing the appropriate material.

"(3) AVAILABILITY OF FUNDS.—(A) Notwithstanding any other provision of law, funds appropriated to carry out this subpart shall remain available for obligation and expenditure until the end of the second fiscal year succeeding the fiscal year for which the funds were appropriated.

"(B) No funds shall be made available to the Board after September 30, 1997, except as authorized by paragraph (1) of this subsection.

"(c) CONSULTATION.—The Board shall consult at least twice annually with the Committee on the design and execution of its overall research and development strategy, including procedures to assure compliance with the requirements of this subpart. The procedures shall include—

"(1) an outline of specific research and development agenda and activities to be conducted with the Federal funds; and

"(2) provisions to ensure compliance with the open competition and merit review requirements of this subpart for proposals and projects assisted under this subpart.

"(d) AUTHORIZED ACTIVITIES.—

"(1) IN GENERAL.—Federal funds received under this subpart may only be used for research and development activities directly related to the development of teacher assessment and certification procedures for elementary and secondary school teachers.

"(2) PRIORITIES.—(A) The Board shall give priority to research and development activities in—

"(i) mathematics;

"(ii) the sciences;

"(iii) foreign languages; and

"(iv) literacy, including the ability to read, write and analyze.

"(B) The Board shall give priority to research and development activities for the certification of elementary and secondary school teachers and the need and ability of such teachers to teach special educational populations, including—

"(i) limited English proficient children;

"(ii) gifted and talented children;

"(iii) children with disabilities; and

"(iv) economically and educationally disadvantaged children.

"(e) APPLICATION.—

"(1) IN GENERAL.—The Board shall submit applications to the Secretary at such time and in such manner as the Secretary may reasonably require. Each such application shall—

"(A) describe the activities for which assistance is sought; and

"(B) provide assurances that the non-Federal share of the cost of activities of the Board is paid from non-Federal sources, together with a description of the manner in which the Board will comply with the requirements of this paragraph.

"(2) APPROVAL.—The Secretary shall approve an application unless such application fails to comply with the provisions of this subpart.

"(f) FEDERAL SHARE.—

"(1) IN GENERAL.—The Secretary shall pay to the Board the Federal share of the costs of the activities of the Board for the period for which the application is approved under subsection (e).

"(2) AMOUNT OF FEDERAL SHARE.—The Federal share shall be 50 percent of the costs of the activities described in subsection (d).

"(g) REPORTS AND AUDITING PROVISION.—

"(1) NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS REPORT.—The Board shall submit an annual report to the appropriate committees of the Congress not later than December 31, 1993, and each succeeding year thereafter for any fiscal year in which Federal funds are expended pursuant to this subpart. The Board shall disseminate the report for review and comment to the Department of Education, the National Science Foundation, the National Research Council, and the education research community. The report shall—

"(A) include a detailed financial statement and a report of the audit practices described in subsection (d)(3)(B)(vii);

"(B) include a description of the general procedures to assure compliance with the requirements of this subpart as required in subsection (d); and

"(C) provide a comprehensive and detailed description of the Board's agenda, activities, and planned activities for the preceding and succeeding fiscal years, including—

"(i) the Board's overall research and development program and activities;

"(ii) the specific research and development projects and activities conducted with Federal funds during the preceding fiscal year, including—

"(I) a description of the goals and methodology of the project;

"(II) a description and assessment of the findings (or status and preliminary findings if project is not yet completed);

"(III) a description of the competitive bidding process, the merit review procedures, and the evaluation criteria used to award project funds; and

"(IV) a description of the Board's plans for dissemination of the findings described in clause (ii);

"(iii) the specific research and development projects and activities planned to be conducted with Federal funds during the succeeding fiscal year, including the goals and methodologies to be used; and

"(iv) a listing of available publications of the Board, including publications related to policies, standards and general information, research reports, and commissioned papers of the Board.

"(2) FIRST ANNUAL REPORT.—The first annual report required by this subsection shall include a description of the Board's research and development agenda for the succeeding 5-year period. Such first report shall include to the maximum extent practicable, a description of specific research and development projects and activities, and the goals and methodologies of such projects and activities.

"(3) ADDITIONAL REPORTS.—The Department of Education, the National Science Foundation, and the National Research Council shall report to the appropriate committees of the Congress on the compliance of the Board with the requirements of this part not later than 30 days after the Board submits its annual report pursuant to paragraph (1).

"(4) AUDITING PROVISION.—The Comptroller General of the United States, and any of his authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of the Board, and to any recipient of the Board, that is pertinent to the sums received and disbursed under this subpart.

"(h) EVALUATION.—

"(1) IN GENERAL.—After September 30, 1995, the Secretary shall reserve not more than 2 percent of the amount appropriated pursuant to the authority of section 502(c)(2) to provide for an independent, ongoing evaluation of the research program of teacher assessments carried out by the Board and the fairness and the accuracy of the date such evaluations produce. The evaluation shall include an analysis of the impact of teacher assessments on minority teachers. The findings of the evaluation shall be submitted to the Labor and Human Resources Committee of the Senate and the Education and Labor Committee of the House of Representatives.

"(2) SPECIAL RULE.—The Secretary shall enter into a contract for the performance of the evaluation described in subsection (a) with a nationally recognized organization (such as the National Academy of Sciences or the National Academy of Education).

"(i) CONSTRUCTION.—Nothing in this subpart shall be construed to—

"(1) establish a preferred national curriculum or preferred teaching methodology for elementary and secondary school instruction;

"(2) infringe upon the rights and responsibilities of the States to license elementary and secondary school teachers;

"(3) infringe upon the practice or accreditation of home school or private school teaching;

"(4) provide an individual certified by the Board with a right of action against a State, local educational agency, or other public educational entity for any decisions related to hiring, promotion, retention or dismissal; or

"(5) authorize the Secretary to exercise supervision or control over the research program, standards, assessment practices, administration, or staffing policies of the Board.

"Subpart 3—Partnerships for Innovative Teacher Education

"SEC. 551. FINDINGS.

"The Congress finds as follows:

"(1) All students must master challenging subject matter and learn to be critical thinkers and self-directed learners, so that they will be prepared for responsible citizenship, further learn-

ing, and productive employment in our modern economy.

"(2) Teachers must have a thorough understanding of the content they teach and knowledge and skill in how to teach it to all students.

"(3) Teachers learn to teach most effectively in clinical, school-based settings with prospective and novice teachers working under the guidance of master teachers.

"(4) Highly skilled and effective teachers and specialists at all levels of the education system are needed, especially in programs serving very young (early childhood and preschool aged) children.

"(5) Research and development for improving teaching practices and student learning can and should be done by and with teachers for use in their particular schools.

"(6) School-based research and development is an effective way to generate knowledge that is needed for improving teaching and learning.

"(7) To be effective, training provided prospective teachers by institutions of higher education must be responsive to the needs of schools and teachers.

"(8) The business community has an important role to play in encouraging school-based research and development to improve teaching and learning.

"(9) American education needs a comprehensive reform strategy based on 3 principles: creation of a supportive political structure for sustained, school-level change; school-wide interventions that engage the teachers, students, and members of the wider school community in more powerful learning; and promotion of research and development that is close to the action of teaching and learning, but that draws on the best intellectual resources that the Nation has to offer.

"(10) Sustained collaborations between universities, schools, businesses, communities, and Government will provide the means to improve teaching and learning and to support change over the long run.

"SEC. 552. PURPOSE.

"It is the purpose of this subpart to stimulate the development of capacity for educational innovation through assisting in the establishment of teaching schools for the improvement of teacher education and teaching by providing financial assistance to partnerships involving institutions of higher education, elementary, and secondary schools and, where appropriate preschools, local educational agencies, and the business community with the support and collaboration of the State educational agency, of other educational organizations, social or human service agencies, and other community organizations.

"SEC. 553. PROGRAM AUTHORITY.

"(a) AUTHORITY.—The Secretary is authorized to make grants to, and enter into contracts and cooperative agreements with, eligible entities to plan, establish, and operate teaching schools to develop and put into practice the best knowledge about teaching.

"(b) DEFINITIONS.—For the purpose of this subpart—

"(1) the term 'teaching school' means a public preschool, elementary, or secondary school whose mission, in addition to providing the best possible education to its students, is to provide a site for formal collaboration between 1 or more institutions of higher education and the school for the purpose of—

"(A) the training of prospective and beginning teachers (including preschool and early childhood education specialists, where appropriate) under the guidance of master teachers and teacher educators;

"(B) the continuing development of experienced teachers;

"(C) research and development to improve teaching and learning and the organization of schools;

"(D) public demonstration of exemplary learning programs for diverse students; and

"(E) dissemination of knowledge produced in the research and development process;

"(2) the term 'institution of higher education' shall have the same meaning as defined in section 1201(a) of this Act; and

"(3) the term 'eligible entity' means a partnership that includes the participation of at least one institution of higher education, at least one local educational agency, teachers, and the business community, and may include the State educational agency.

"(c) AWARDS AND RENEWALS.—

"(1)(A) An award made under this subpart shall be for a term of 1 year.

"(B) An award made under this part may be in the form of a one-year planning grant or a one-year implementation grant. An implementation grant may be renewed without further competition annually for up to 4 additional years, upon submission of an evaluation of the project to the Secretary and assurances that the recipient—

"(i) has achieved the goals set out in its application for the original term;

"(ii) shows promise of continuing its progress;

"(iii) will meet its share of the project costs; and

"(iv) has developed a plan for continuing the teaching school after Federal funding is no longer available.

"(2) No teaching school may be supported with implementation grant funds provided under this part for a period of more than 3 years.

"SEC. 554. APPLICATIONS.

"(a) APPLICATIONS.—(1) Any eligible entity desiring to receive an award under this part shall submit an application to the Secretary, at such time, in such manner, and containing such information as the Secretary may require.

"(2) Each such application shall include—

"(A) a description of the partnership's plan for systemic change in education, and a description of the activities and services for which assistance is sought;

"(B) an identification of the preschool, elementary, or secondary school, or schools, that will operate as teaching schools;

"(C) assurances that in establishing the teaching schools, the applicant has consulted with teachers, administrators, and parents who will be affected at the teaching school site;

"(D) an identification of the institution, or institutions, of higher education that will be the partner in each teaching school and a description of each institution's capacity to engage in education innovation;

"(E) a statement of the goals to be achieved during the initial period of the award including a statement of the partnership's understanding of and commitment to higher quality teaching and learning;

"(F) a plan for monitoring progress and evaluating the effectiveness of the teaching school in meeting the goals it has developed for teacher and student performance; and

"(G) estimates of the number of prospective and beginning teachers to be trained in the teaching school in each year of the project and assurances that a significant number of prospective and beginning teachers will be trained in the teaching school in each year of the project.

"(b) PRIORITIES.—In making awards under this part, the Secretary shall give priority to applicants that—

"(1) select teaching school sites based on need, as evidenced by such measures as a high rate of teacher attrition or a high proportion of the student body at risk of educational failure;

"(2) propose projects that demonstrate the strong commitment to or previous active support for educational innovation;

"(3) propose projects that demonstrate collaboration with other educational organizations, social or human service agencies, other community organizations, and the business community in the teaching school's operation;

"(4) demonstrate potential for a significant impact on the quality of the future education work force; and

"(5) demonstrate the long-term feasibility of the partnership.

"(c) SPECIAL RULES.—An application from a partnership must describe—

"(1) how the State will assist the partnership by addressing the need to change or waive a State rule or regulation that is found by a teaching school to impede the school's progress in achieving its goals;

"(2) how the local educational agency will address the need to change or waive a local rule or regulation that is found by a teaching school to impede the school's progress in achieving its goals; and

"(3) how partners that are institutions of higher education will involve the School of Education, the School of Arts and Sciences, and the School of Technology or Engineering and any other department of the institution.

"SEC. 555. USES OF FUNDS.

"(a) USES OF FUNDS.—

"(1) Applicants may use funds awarded under this part for the planning, establishment, and operation of teaching schools, including—

"(A) staff development;

"(B) purchase of books, materials, and equipment, including new technology;

"(C) minor remodeling;

"(D) payment of personnel directly related to the operation of the teaching school program;

"(E) participation in the activities of a network of teaching schools;

"(F) other costs incidental to planning, establishing, or operating teaching schools; and

"(G) the evaluation component required in section 533(c)(1)(B).

"(2) The Secretary may limit the amounts of funds that may be used for minor remodeling and the purchase of equipment under this part.

"(b) AUTHORIZED ACTIVITIES.—Teaching schools shall use funds under this part for the following activities:

"(1) Training activities for prospective teachers in the school setting.

"(2) Internship training and other induction activities for prospective and beginning teachers.

"(3) Activities to integrate academic and vocational education.

"(4) Training and other activities to promote the continued learning of experienced teachers, especially in their subject matter knowledge and how to teach it.

"(5) Participation of experienced teachers in the internship training and assessment of prospective and beginning teachers.

"(6) Participation of higher education faculty with expertise in pedagogy in the school-based training and continuing development of teachers.

"(7) Activities designed to increase beginning and experienced teachers' understanding and use of research findings.

"(8) Participation of expert practicing teachers and administrators in the university-based education studies of prospective teachers.

"(9) Participation of faculty with expertise in the liberal arts and sciences in the training of prospective and beginning teachers and in the continuing development of experienced teachers.

"(10) Experimentation and research conducted in the school by teachers and university faculty to improve teaching and learning.

"(11) Activities designed to disseminate information about the lessons learned in the teaching school with other teachers in the district's schools.

"(12) Organizational restructuring, including the introduction of new roles and staffing patterns in the school and university.

"(13) Efforts to link the school and its neighborhood and community to ensure that children are ready to learn when they come to school.

"(14) Activities intended to address the effects of chronic community violence, such as violence counseling and conflict resolution training.

"(15) Training and leadership development of personnel in order to prepare them to assume new roles.

"(16) New technologies to enhance instruction and management.

"(17) Efforts to strengthen linkages between schools, universities and education agencies and the business community, so as to improve the transition of students into the workplace.

"(18) Other activities proposed by the applicant and approved by the Secretary.

"SEC. 556. RESERVATION OF FUNDS; COST SHARING.

"(a) RESERVATIONS.—The Secretary is authorized to reserve up to 3 percent of the amount appropriated for each fiscal year under section 502(c)(3) to—

"(1) study the planning and evaluate implementation processes and the results of the teaching schools established under this program;

"(2) disseminate findings of such studies and evaluations to researchers, practitioners, policy makers, and parents;

"(3) provide technical assistance to teaching schools; and

"(4) support the development of a network or networks of teaching schools.

"(b) COST SHARING.—The Federal share of the cost of the activities set forth in an approved application for a one-year planning or implementation grant shall be 50 percent.

"SEC. 557. DEFINITIONS.

"For the purpose of this subpart, the term 'teacher' includes elementary and secondary school classroom teachers, and preschool and early childhood education specialist.

"Subpart 4—Teacher Opportunity Corps

"SEC. 561. PURPOSE.

"It is the purpose of this subpart to encourage institutions of higher education to offer educational programs and financial assistance that would enable paraprofessionals working in shortage area schools serving disadvantaged students to become certified or licensed teachers.

"SEC. 562. DEFINITIONS.

"For the purpose of this subpart—

"(1) the term 'certified or licensed teacher' means an individual who possesses a document certifying that the individual has met the requirements of a State for employment as a teacher in the public schools of that State (including individuals who have been certified as specialists in preschool and early childhood education);

"(2) the term 'shortage area' means (A) an area the Secretary has designated as an area with a shortage of elementary and secondary school teachers, or (B) a shortage in a designated subject area, under section 530 of this Act;

"(3) the term 'chapter 1' means chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(4) the term 'paraprofessional' means an individual with, at least, a high school diploma or recognized equivalent who is employed in a preschool or elementary or secondary school under the supervision of a certified teacher to assist in providing instruction, which may include (but is not limited to) bilingual education, special education, and migrant education.

"SEC. 563. ALLOCATION AMONG STATES.

"From the sums appropriated for this subpart pursuant to section 502(c)(4) for any fiscal year, the Secretary shall allocate to any State an amount which bears as nearly as possible the same ratio to such sums as the allocation of funds under part A of chapter 1 in that State bears to the total allocation of funds under part A of chapter 1 in all States receiving grants under this subpart, except that no State grant shall be less than $500,000 in any fiscal year.

"SEC. 564. AGREEMENTS.

"Each State receiving a grant authorized by this subpart shall enter into an agreement with the Secretary. Each such agreement shall include provisions designed to ensure that—

"(1) the State educational agency or the State agency which administers subpart 4 of part A of title IV, relating to State student incentive grants, will administer the program authorized by this subpart in the State;

"(2) the State educational agency or higher education agency will use no more than 5 percent of the grant it receives to cover administrative expenses; and

"(3) the State educational agency or higher education agency will keep such records and provide such information to the Secretary as may be required for fiscal audit and program evaluation, consistent with the responsibilities of the Secretary.

"SEC. 565. STATE GRANT APPLICATIONS.

"(a) AUTHORITY.—The Secretary is authorized to make grants to the States to support programs at institutions of higher education that serve the purposes of this subpart.

"(b) SUBMISSION OF APPLICATIONS.—In order to receive a grant under this subpart, a State shall submit an application at such time or times, in such manner, and containing such information as the Secretary may prescribe by regulation. Such application shall set forth a program of activities for carrying out the purposes set forth in this subpart in such detail as will enable the Secretary to determine the degree to which such program will accomplish such purposes and such other policies, procedures, and assurances as the Secretary may require by regulation.

"SEC. 566. GENERAL CRITERIA FOR STATE GRANTS.

"(a) GRANT REQUIREMENTS.—The following criteria shall apply to each State grant made under this subpart:

"(1) The grant shall ensure the involvement of institutions of higher education and schools or local educational agencies that are located in shortage areas.

"(2) The grant shall ensure that all regular and developmental credit-bearing courses taken in educational programs offered under this subpart are fully creditable to a baccalaureate or graduate program leading to teacher certification or licensure.

"(3) The grant shall require that any paraprofessional who receives student financial assistance under this subpart enter into an agreement under which the paraprofessional shall—

"(A) within the 10-year period after completing the postsecondary education for which the assistance was provided, act as an educational professional or a paraprofessional in a shortage area school for a period of not less than one year for each full-time academic year or equivalent for which the assistance was received;

"(B) provide to the State evidence of compliance with subparagraph (A); and

"(C) repay all or part of the student financial assistance received under this subpart, plus interest and reasonable collection costs (if applicable), in the event that the paraprofessional fails to comply with the conditions of subparagraph (A), in accordance with the regulations prescribed by the Secretary under section 527 and except in the circumstances provided in section 528.

"(4) The amount of scholarship awarded under this subpart shall be reduced by the amount that the scholarship exceeds the student's cost of attendance, as defined in section 472. A scholarship awarded under this subpart shall not be reduced on the basis of the student's receipt of other forms of Federal student financial assistance but shall be taken into account in determining the eligibility of the student for those other forms of Federal student financial assistance.

"(5) The grant shall establish a system for the evaluation of the programs conducted.

"(b) DURATION OF GRANT.—Each grant under this subpart shall be for a term of no less than 5 years, subject to the availability of appropriations.

"(c) USES OF FUNDS.—Funds made available under this subpart to any State may be used for—

"(1) providing student financial assistance to paraprofessionals to pay part or all of the costs of attendance (as determined under section 472);

"(2) instructional and supportive services for such paraprofessionals during participation in such programs; and

"(3) child care expenses as provided in paragraph (7) of such section in programs of postsecondary education required for teacher certification or licensure.

"Subpart 5—National Job Bank for Teacher Recruitment

"SEC. 571. STUDY.

"The Secretary, through the Office of Educational Research and Improvement, shall conduct a study on the feasibility of—

"(1) establishing a clearinghouse to operate a national teacher job bank; or

"(2) establishing regional clearinghouses to operate regional teacher job banks.

"SEC. 572. NATIONAL TEACHER JOB BANK DEMONSTRATION.

"(a) PROGRAM AUTHORIZED.—The Secretary, through the Office of Educational Research and Improvement, shall contract with one or more State entities, nonprofit organizations, or institutions of higher education to establish a National or Regional Teacher Job Bank Clearinghouse which shall—

"(1) assist local educational agencies and private schools in locating qualified applicants for teaching-related positions; and

"(2) help individuals in locating teaching-related jobs or the training necessary to enter the teaching profession or the field of early childhood or preschool education.

"(b) APPLICATION REQUIRED.—Each entity desiring to enter into a contract with the Secretary for the establishment of a Teacher Job Bank Clearinghouse shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require. Each such application shall include—

"(1) a demonstration of the applicant's capacity to efficiently and effectively handle a large volume of inquiries from employers and potential employees;

"(2) a demonstration of support from local educational agencies and private schools and institutions of higher education that are likely to use the services provided by the Teacher Job Bank Clearinghouse; and

"(3) a demonstration of ability to provide prospective teachers with information either directly or by contract with another entity regarding the certification and licensure requirements of each State which is served by a clearinghouse and procedures for assisting out-of-State teachers to meet State certification requirements.

"(c) PRIORITY.—The Secretary shall give priority to applications submitted pursuant to paragraph (1) which—

"(1) demonstrate the ability to serve a region of the United States and involve the cooperation of several State educational agencies and institutions of higher education; or

''(2) demonstrate an ability to address shortages of teachers, such as teachers from minority groups, special education teachers, bilingual teachers, or individuals planning to teach in subject areas, geographical areas, or types of schools with shortages.

"SEC. 573. USE OF FUNDS.

''Each entity, organization, or institution receiving funds under this subpart may use such funds to—

''(1) develop, in consultation with local education agencies and other appropriate entities, standardized initial application forms for teaching jobs and related positions, and standardized forms and procedures for announcing available teaching positions;

''(2) coordinate and assist State and local teacher recruitment efforts;

''(3) publish and disseminate information about opportunities for teacher employment and teacher training;

''(4) maintain a system for matching available teachers with job openings for which they are qualified and for tracking the supply of teachers and the demand for teachers among the States;

''(5) encourage the development of programs to recruit and train minorities and individuals with disabilities to become teachers;

''(6) assist employers in checking the background of applicants;

''(7) publicize the availability of scholarships, loans, and other programs that assist individuals wishing to pursue a teaching career;

''(8) assist employers in the development of effective teacher recruitment programs;

''(9) assist in developing reciprocal agreements on teacher certification among States; and

''(10) conduct such other activities and services necessary to carrying out the purposes of this subpart in accordance with the provisions of this subpart.

"SEC. 574. DEFINITION.

''For the purposes of this subpart, the term 'teacher' includes elementary and secondary school classroom teachers, and preschool and early childhood education specialists.

"Subpart 6—Midcareer Teacher Training for Nontraditional Students

"SEC. 581. STATEMENT OF PURPOSE.

''It is the purpose of this subpart to encourage institutions of higher education with schools or departments of education to establish and maintain programs that will provide teacher training to individuals who are moving to a career in education from another occupation. This is particularly important for women and minorities who are underrepresented in the fields of science and mathematics.

"SEC. 582. SELECTION OF PROCEDURES.

''From the funds available for this subpart, the Secretary shall make grants to institutions of higher education on the basis of the competitive selection among qualifying applications. Institutions selected as recipients shall be awarded (1) an initial planning grant for use during the first 2 fiscal years after selection, and (2) for institutions demonstrating successful performance with the planning grant, a renewal grant for use during not more than 2 additional years.

"SEC. 583. APPLICATIONS.

''(a) Contents of Applications.—Applications for grants under this subpart shall demonstrate that—

''(1) the applicant will establish and maintain a program of midcareer teacher retraining designed to prepare individuals for teacher certification requirements who already have a baccalaureate or advanced degree and job experience in education-related fields of study, including preschool and early childhood education and special education, and to prepare teachers in the fields of science and mathematics;

''(2) the applicant has designed a program which includes at least the following elements:

''(A) a screening mechanism to ensure that individuals who are admitted to the program possess the current subject matter knowledge and the characteristics that would make them likely to succeed as classroom teachers;

''(B) a clear set of program goals and expectations which are communicated to participants; and

''(C) a curriculum that, when successfully completed, will provide participants with the skills and credentials needed to teach in specific subject areas, as well as a realistic perspective on the educational process;

''(3) the program has been developed with the cooperation and assistance of the local business community;

''(4) the program will be operated under a cooperative agreement between the institution and one or more State or local educational agencies; and

''(5) the program will be designed and operated with the active participation of qualified classroom teachers, including special education and early childhood education specialists, and specialists in science and mathematics and will include an inservice training component and follow-up assistance.

''(b) Review of Applications.—Applications for grants under this subpart shall be reviewed by a panel of experts in teacher training designated by the Secretary. The Secretary shall, to the extent of available funds, select at least one applicant from each of the 10 regions served by the Department and ensure that programs offered reflect all significant areas of national need in which shortages exist.

"SEC. 584. AMOUNT OF GRANTS.

''The initial planning grant to an institution of higher education under this part shall not exceed $100,000 for the 2 years for which it is available. The renewal grant to an institution under this part shall not exceed $50,000 for each of the 2 years for which it is available.

"SEC. 585. REPORTS AND INFORMATION.

''Each institution of higher education that receives a grant under this subpart shall submit to the Secretary such reports and other information on the program it conducts under this subpart as the Secretary deems necessary. The Secretary shall disseminate such information to other institutions of higher education for the purpose of promoting greater use of midcareer teacher training programs without direct Federal financial assistance.

"Subpart 7—Alternative Routes to Teacher Certification and Licensure

"SEC. 586. SHORT TITLE.

''This subpart may be cited as the 'Alternative Routes to Teacher Certification and Licensure Act of 1991'.

"SEC. 587. FINDINGS.

''The Congress finds that—

''(1) effective elementary and secondary schools require competent teachers and strong leadership;

''(2) school systems would benefit greatly by increasing the pool of qualified individuals from which to recruit teachers;

''(3) many talented professionals who have demonstrated a high level of subject area competence outside the education profession may wish to pursue careers in education, but have not fulfilled the requirements to be certified or licensed as teachers;

''(4) alternative routes can enable qualified individuals to fulfill State certification or licensure requirements and would allow school systems to utilize the expertise of such professionals and improve the pool of qualified individuals available to local educational agencies as teachers; and

''(5) alternative routes to certification or licensure requirements that do not exclude qualified individuals from teaching solely because such individuals do not meet traditional certification or licensure requirements would allow school systems to take advantage of these professionals and improve the supply of well-qualified teachers.

"SEC. 588. PURPOSE.

''It is the purpose of this subpart to improve the supply of well-qualified elementary and secondary school teachers by encouraging and assisting States to develop and implement programs for alternative routes to teacher certification or licensure requirements. Such programs shall place special emphasis on the participation of individuals who are members of minority groups.

"SEC. 589. ALLOTMENTS.

''(a) In General.—(1) From the amount appropriated to carry out this part, the Secretary shall allot to each State the lesser of either the amount the State applies for under section 590 or an amount that is proportional to the State's share of the total population of children ages five through seventeen in all the States (based on the most recent data available that is satisfactory to the Secretary).

''(2) If a State does not apply for its allotment, or the full amount of its allotment, under the preceding paragraph, the Secretary may reallocate the excess funds to one or more other States that demonstrate, to the satisfaction of the Secretary, a current need for the funds.

''(b) Special Rule.—Notwithstanding section 412(b) of the General Education Provisions Act, funds awarded under this subpart shall remain available for obligation by a recipient for a period of two calendar years from the date of the grant.

"SEC. 590. STATE APPLICATIONS.

''(a) In General.—Any State desiring to receive a grant under this subpart shall, through the State educational agency, submit an application at such time, in such manner, and containing such information, as the Secretary may reasonably require.

''(b) Requirements.—Each application shall—

''(1) describe the programs, projects, and activities to be undertaken; and

''(2) contain such assurances as the Secretary considers necessary, including assurances that—

''(A) assistance provided to the State educational agency under this subpart will be used to supplement, and not to supplant, any State or local funds available for the development and implementation of programs to provide alternative routes to fulfilling teacher certification or licensure requirements;

''(B) the State educational agency has, in developing and designing the application, consulted with—

''(i) representatives of local educational agencies, including superintendents and school board members, including representatives of their professional organizations where applicable;

''(ii) elementary and secondary school teachers, including representatives of their professional organizations;

''(iii) institutions of higher education with schools or departments of education;

''(iv) parents; and

''(v) other interested organizations and individuals; and

''(C) the State educational agency will submit to the Secretary, at such time as the Secretary may specify, a final report describing the activities carried out with assistance provided under this part and the results achieved.

''(c) GEPA Provisions Inapplicable.—Sections 435 and 436 of the General Education Provisions Act, except to the extent that such sections relate to fiscal control and fund accounting procedures, shall not apply to this part.

"SEC. 591. USE OF FUNDS.

"(a) IN GENERAL.—(1) A State educational agency shall use assistance provided under this subpart to support programs, projects, or activities that develop and implement new, or expand and improve existing, programs that enable individuals to move to a career in education from another occupation through an alternative route to teacher certification or licensure.

"(2) A State educational agency may carry out such programs, projects, or activities directly, through contracts, or through grants to local educational agencies, intermediate educational agencies, institutions of higher education, or consortia of such agencies.

"(b) USES OF FUNDS.—Funds received under this subpart may be used for—

"(1) the design, development, implementation, and evaluation of programs that enable qualified professionals who have demonstrated a high level of subject area competence outside the education profession and are interested in entering the education profession to fulfill State certification or licensure requirements;

"(2) the establishment of administrative structures necessary for the development and implementation of programs to provide alternative routes to fulfilling State requirements for certification or licensure;

"(3) training of staff, including the development of appropriate support programs, such as mentor programs, for teachers entering the school system through alternative routes to teacher certification or licensure;

"(4) the development of recruitment strategies;

"(5) the development of reciprocity agreements between or among States for the certification or licensure of teachers; and

"(6) other appropriate programs, projects, and activities designed to meet the objectives of this part.

"SEC. 592. COORDINATION REQUIREMENT.

"As appropriate, State educational agencies receiving assistance under this subpart shall coordinate activities with those undertaken pursuant to subpart 6 of this title.

"SEC. 593. DEFINITION.

"For purposes of this subpart, the term 'State' means each of the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Northern Mariana Islands, and Palau (until the Compact of Free Association with Palau takes effect pursuant to section 101(a) of Public Law 99-658).

"Subpart 8—Training for Teachers of Drug-Exposed Children

"SEC. 594. PROGRAM AUTHORIZED.

"(a) GENERAL AUTHORITY.—From the funds appropriated to carry out this subpart, the Secretary may make grants to schools of education at institutions of higher education to support the development and instruction in the use of curricula and instructional materials that provide teachers and other education personnel with effective strategies for educating drug-exposed children. In selecting schools for receipt of grants under this subpart, the Secretary shall give priority to schools located in or near communities with a significant drug problem as indicated by a large number or rate of—

"(1) arrests for, or while under the influence of drugs;

"(2) infants born prenatally exposed to drugs;

"(3) drug-exposed children of preschool or school age; or

"(4) other appropriate data, as determined by the Secretary.

"(b) CONDITIONS FOR GRANT ASSISTANCE.—Any recipient of a grant under this section shall agree, as a condition to receipt of such grant, to disseminate the curricula and materials developed with funds provided under this subpart by either or both of the following methods:

"(1) Instruction of teachers and other education personnel from schools within the State in which the grant recipient is located.

"(2) Designation of personnel of the grant recipient to serve as consultants to such schools for the dissemination of such curricula and materials.

"(c) CLEARINGHOUSE.—(1) The Secretary shall establish a clearinghouse to compile and make available the curricula and instructional materials developed with funds provided under this subpart. The clearinghouse shall make available—

"(A) implementable curriculum plans for educational personnel in classroom and other school settings;

"(B) curriculum plans for schools of education in institutions of higher education that describe drug-exposed children's characteristics and strategies for educating drug-exposed children; and

"(C) other information concerning the characteristics of drug-exposed children and effective strategies for educating such children.

"(2) The Secretary shall consult with the Secretary of Health and Human Services concerning the curricula, materials, and information to be made available through the clearinghouse. The Secretary shall effectively notify State and local educational agencies concerning the availability of such curricula, materials, and information from the clearinghouse.

"Subpart 9—Teacher Recruitment and Placement

"SEC. 594A. PROGRAM AUTHORIZED.

"(a) GRANTS AUTHORIZED.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to institutions of higher education with schools or departments of education to pay the Federal share of developing and carrying out programs designed to—

"(1) recruit, prepare, and train students to become elementary and secondary school teachers; and

"(2) place the students as teachers in urban and rural public or private nonprofit elementary or secondary schools where at least 50 percent of students enrolled are from minority groups.

"(b) SPECIAL CONSIDERATION.—The Secretary is authorized, in making grants under this subpart, to give special consideration to historically Black colleges and universities.

"SEC. 594B. USE OF FUNDS.

"Grants under this subpart may be used for the costs of developing and carrying out the program of teacher recruitment, preparation, training, and placement described in section 594A.

"SEC. 594C. APPLICATION.

"No grant may be made under this subpart unless an application is made by the institution of higher education at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"SEC. 594D. FEDERAL SHARE.

"(a) IN GENERAL.—Except as provided in subsection (b), the Federal share for each fiscal year shall be 75 percent.

"(b) PERFORMANCE INCENTIVE.—In any fiscal year beginning after September 30, 1993, the Secretary may, based upon evaluation and monitoring of programs assisted under this subpart, increase the Federal share for a recipient of funds under this subpart for the succeeding fiscal year to 85 percent, if the Secretary determines that there is demonstrated success in the operation of the program assisted by such recipient.

"Subpart 10—Partnerships for Encouraging Minority Students To Become Teachers

"SEC. 595A. PROGRAM AUTHORIZED.

"(a) IN GENERAL.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to partnerships comprised of institutions of higher education and local educational agencies for developing and carrying out programs designed to identify and encourage minority students in the 7th through the 12th grades to aspire to, and to prepare for, careers in elementary and secondary school teaching.

"(b) CONSORTIA GRANTS AUTHORIZED.—The Secretary is authorized, in accordance with this subpart, to make grants to consortia of institutions of higher education which have a demonstrated record and special expertise in the program authorized by this subpart and have entered a partnership agreement in accordance with section 595B.

"(c) SELECTION CRITERIA.—In making grants under this subpart, the Secretary shall approve applications which contain provision for projects designed to carry out the purposes described in subsection (a) and which include—

"(1) college entry preparation;

"(2) remedial programs;

"(3) teaching mentors;

"(4) motivational activities;

"(5) tutoring;

"(6) teaching skill development;

"(7) future teacher clubs;

"(8) guidance in curriculum selection; and

"(9) instruction in test-taking skills.

"SEC. 595B. PARTNERSHIP AGREEMENT.

"(a) IN GENERAL.—To be eligible for a grant under this subpart, an institution of higher education and a local educational agency must enter into a written partnership agreement. A partnership may include other public agencies or private organizations. All partners shall sign the agreement.

"(b) CONTENTS OF AGREEMENT.—The agreement shall include—

"(1) a listing of all participants in the partnership;

"(2) a description of the responsibilities of each participant in the partnership; and

"(3) a listing of the resources, if any, to be contributed to the partnership.

"SEC. 595C. APPLICATION.

"(a) APPLICATION REQUIRED.—A partnership desiring to receive a grant under this subpart shall submit an application to the Secretary.

"(b) CONTENTS OF APPLICATION.—The application shall include—

"(1) the written and signed partnership agreement required by section 595B;

"(2) a listing of the elementary, if applicable, and secondary schools of the local educational agency to be involved in the program assisted under this subpart; and

"(3) a description of the services and activities to be offered under the program assisted under this subpart; and

"(4) such additional information and assurances as the Secretary may reasonably require.

"Subpart 11—Veterans Teacher Corps

"SEC. 596A. STATEMENT OF PURPOSE.

"It is the purpose of this subpart to provide assistance to local educational agencies to establish programs to inform United States military veterans of teaching opportunities and to provide assistance in the establishment of teaching opportunities for the individuals described in this section.

"SEC. 596B. VETERANS TEACHER CORPS AUTHORIZED.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to local educational agencies to conduct Veterans Teachers Corps activities.

"(b) ACTIVITIES AUTHORIZED.—Grants under this subpart may be used, in accordance with applications approved under section 596C for—

"(1) planning and implementation of informational and outreach programs leading to the de-

velopment of programs specifically designed to inform United States military veterans about teaching opportunities and the qualifications necessary for such opportunities;

"(2) planning and implementation of programs leading to the creation of teaching opportunities for such veterans;

"(3) support for programs to assist such veterans and to meet the qualifications to become teachers;

"(4) disseminating information on the Veterans Teacher Corps program and on sources of students financial assistance available under title IV of this Act and under programs administered by the Department of Veterans Affairs and other Federal agencies; and

"(5) from not more than 65 percent of the funds received under this subpart, make scholarships available to such military veterans under the same terms and conditions specified in subpart 1 of part B of this subtitle.

"SEC. 596C. APPLICATIONS.

"Each local educational agency desiring a grant under this subpart shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require. Each such application shall—

"(1) describe the local educational agency's plan for disseminating information regarding teaching opportunities and necessary qualifications;

"(2) provide an estimate of the number of United States military veterans in the jurisdiction of the agency;

"(3) describe any commitments of support for the program from United States military veterans groups;

"(4) describe in detail the activities to be supported with the grant, including, the specific identification of the personnel to administer the program, the procedures to be used, in awarding scholarships under this subpart, the methodologies to be used for information dissemination, and a timetable for implementation of the program; and

"(5) contain such other assurances and other information as the Secretary may reasonably require.

"SEC. 596D. LIMITATIONS ON AMOUNT AND DURATION OF ASSISTANCE.

"Each grant awarded pursuant to this subpart to establish and operate a Veterans Teacher Corps program shall be for a period of 5 years and shall be for not less than $250,000 for each fiscal year.

"SEC. 596E. PRIORITY IN AWARDS.

"In awarding grants under this subpart, the Secretary shall give priority to applications evidencing commitments of support for the program from veterans and teacher organizations in the jurisdiction of the applicant.

"SEC. 596F. REPORTS AND INFORMATION.

"Each recipient of funds under this subpart shall provide the Secretary with a report and detailed description of the activities supported with funds received. Such report shall include an evaluation of the success of the program and such recommendations as the grantee deems appropriate.

"PART D—FOREIGN LANGUAGE INSTRUCTION

"Subpart 1—Demonstration Grants for Critical Language and Area Studies

"SEC. 597A. DEMONSTRATION GRANTS FOR CRITICAL LANGUAGE AND AREA STUDIES.

"(a) PROGRAM AUTHORITY.—The Secretary is authorized to make demonstration grants to eligible consortia to enable such eligible consortia to—

"(1) operate critical language and area studies programs;

"(2) develop and acquire educational equipment and materials; and

"(3) develop teacher training programs, texts, curriculum, and other activities designed to improve and expand the instruction of foreign languages at elementary and secondary schools across the Nation.

"(b) GRANT LIMITATION.—The Secretary shall not award a grant which exceeds $2,000,000 to an eligible consortium under this section in any fiscal year, but shall award grants of sufficient size, scope and quality for a program of comprehensive instruction of foreign languages.

"(c) SPECIAL RULES.—

"(1) PRIORITY.—In awarding grants under this section, the Secretary shall give priority to eligible consortia with demonstrated, proven effectiveness in the field of critical language and area studies and which have been in existence for at least 1 year prior to applying for a grant under this section.

"(2) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall take into consideration providing an equitable geographic distribution of such grants among the regions of the United States.

"(3) PROGRAM REQUIREMENT.—Each eligible consortium receiving a grant under this section shall include in the activities assisted pursuant to such grant, a study abroad or cultural exchange program.

"(d) ELIGIBLE CONSORTIUM.—

"(1) IN GENERAL.—For the purposes of this section, the term 'eligible consortium' means a cooperative effort between entities in one or more States that must include at least 4 schools, of which—

"(A) one shall be an institution of higher education;

"(B) one shall be a secondary school with experience in teaching critical languages;

"(C) one shall be a secondary school with experience in teaching critical languages and in which at least 25 percent of the students are eligible to be counted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965; and

"(D) one shall be a secondary school in which at least 25 percent of the students are eligible to be counted under chapter 1 of title I of the Elementary and Secondary Education Act of 1965.

"(2) NONPROFIT ORGANIZATIONS.—Each eligible consortium described in paragraph (1) may include a nonprofit organization to provide services not otherwise available from the entities described in paragraph (1).

"(e) ADMINISTRATION.—Each eligible consortium receiving a grant under this section may use not more than 10 percent of such grant for administrative expenses.

"(f) APPLICATION.—

"(1) IN GENERAL.—Except as provided in paragraph (2), each eligible consortium desiring a grant under this section shall submit an application to the Secretary at such time, in such manner and accompanied by such information as the Secretary may reasonably require.

"(2) SPECIAL RULE.—The State educational agency or State higher education agency responsible for the supervision of any one school participating in an eligible consortium may submit the application described in paragraph (1) on behalf of such eligible consortium.

"(g) DEFINITIONS.—For purposes of this section the term 'critical language' means each of the languages contained in the list of critical foreign languages designated by the Secretary pursuant to section 212(d) of the Education for Economic Security Act (50 Federal Register 149, 31413).

"Subpart 2—Development of Foreign Language and Culture Instructional Materials

"SEC. 597B. DEVELOPMENT OF FOREIGN LANGUAGE AND CULTURE INSTRUCTIONAL MATERIALS.

"(a) GRANTS AUTHORIZED.—The Secretary of Education is authorized to provide grants on a competitive basis to qualified State and local educational agencies, institutions of higher education, private nonprofit foreign language organization, nonprofit education associations, or a consortium thereof, to enable such entity or entities to act as a resource center for—

"(1) coordinating the development of and disseminating foreign language and culture instructional material, including children's literature in foreign languages, videotapes and computer software, and teacher's instructional kits relating to international study; and

"(2) encouraging the expanded use of technology in teaching foreign languages and culture at the elementary school level and, when the needs of elementary schools have been met, at the secondary school level, with a particular emphasis on expanding the use of technology in teaching foreign languages and culture at elementary and secondary schools that have proportionally fewer resources available for teaching foreign languages and cultures, including schools in urban and rural areas.

"(b) COORDINATION.—In developing materials and technologies under this section, the Secretary shall, where appropriate, make use of materials and technologies developed under the Star Schools Assistance Program Act.".

(b) EXPIRATION DATE.—Effective July 1, 1995, the Alternative Routes to Teacher Certification and Licensure Act of 1991 (as contained in subpart 7 of part C of title V of the Higher Education Act of 1965) is repealed.

TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

SEC. 601. REVISION OF TITLE VI.

Title VI of the Act is amended to read as follows:

"TITLE VI—INTERNATIONAL EDUCATION PROGRAMS

"PART A—INTERNATIONAL AND FOREIGN LANGUAGE STUDIES

"SEC. 601. FINDINGS AND PURPOSES.

"(a) FINDINGS.—The Congress finds that—

"(1) the well-being of the United States, its economy and long-range security, is dependent on the education and training of Americans in international and foreign language studies and on a strong research base in these areas;

"(2) knowledge of other countries and the ability to communicate in other languages is essential to the promotion of mutual understanding and cooperation among nations; and

"(3) present and future generations of Americans must be afforded the opportunity to develop to the fullest extent possible their intellectual capacities in all areas of knowledge.

"(b) PURPOSES.—It is the purpose of this part to assist in the development of knowledge, international study, resources and trained personnel, to stimulate the attainment of foreign language acquisition and fluency, to develop a pool of international experts to meet national needs, and to coordinate the programs of the Federal Government in the areas of foreign language, area and other international studies, including professional international affairs education and research.

"SEC. 602. GRADUATE AND UNDERGRADUATE LANGUAGE AND AREA CENTERS.

"(a) NATIONAL LANGUAGE AND AREA CENTERS AUTHORIZED.—(1) The Secretary is authorized—

"(A) to make grants to institutions of higher education, or combinations thereof, for the purpose of establishing, strengthening, and operating comprehensive language and area centers and programs; and

"(B) to make grants to such institutions or combinations for the purpose of establishing, strengthening, and operating a diverse network of undergraduate language and area centers and programs,

which will be national resources for teaching of any modern foreign language, for instruction in fields needed to provide full understanding of areas, regions, or countries in which such language is commonly used, for research and training in international studies, and the international and foreign language aspects of professional and other fields of study, and for instruction and research on issues in world affairs which concern one or more countries.

"(2) AUTHORIZED ACTIVITIES.—Any such grant may be used to pay all or part of the cost of establishing or operating a center or program, including—

"(A) the cost of faculty, staff, and student travel in foreign areas, regions, or countries,

"(B) the cost of teaching and research materials,

"(C) the cost of curriculum planning and development,

"(D) the cost of bringing visiting scholars and faculty to the center to teach or to conduct research,

"(E) the cost of establishing and maintaining linkages with overseas institutions of higher education and other organizations that may contribute to the educational objectives of this section for the purpose of contributing to the teaching and research of the center or program,

"(F) the cost of training and improvement of the staff, for the purpose of, and subject to such conditions as the Secretary finds necessary, for carrying out the objectives of this section, and

"(G) subject to such conditions as the Secretary finds necessary, for carrying out the objectives of this section.

"(3) GRANTS TO MAINTAIN LIBRARY COLLECTIONS.—The Secretary may make grants to centers described in paragraph (1)(A) having important library collections for the maintenance of such collections.

"(4) OUTREACH GRANTS AND SUMMER INSTITUTES.—The Secretary may make additional grants to centers designated in paragraph (1)(A) for any one or combination of the following purposes:

"(A) Programs of linkage or outreach between foreign language, area studies, and other international fields and professional schools and colleges.

"(B) Programs of linkage or outreach with 2 and 4-year colleges and universities.

"(C) Programs of linkage or outreach with departments or agencies of State and Federal Governments.

"(D) Programs of linkage or outreach with the news media, business, professional, or trade associations.

"(E) Summer institutes in foreign area and other international fields designed to carry out the programs of linkage and outreach in subparagraphs (A), (B), (C), and (D) of this paragraph.

"(b) STIPENDS FOR FOREIGN LANGUAGE AND AREA STUDIES.—

"(1)(A) GRADUATE STIPENDS.—The Secretary is authorized to make grants to institutions of higher education or combinations of such institutions for the purpose of paying stipends to individuals undergoing advanced training in any center or program approved by the Secretary under this part.

"(B) Stipend recipients shall be individuals who are engaged in an instructional program with stated performance goals for functional foreign language use or in a program developing such performance goals, in combination with area studies, international studies, or the international aspects of a professional studies program.

"(C) Stipends awarded to graduate level recipients may include allowances for dependents and for travel for research and study in the United States and abroad.

"(2) DOCTORAL STIPENDS.—(A) The Secretary is authorized to make grants to institutions of higher education or combinations of such institutions for the purpose of paying stipends to students beginning with their third year of graduate training in any center or program approved by the Secretary under this part.

"(B) Stipends recipients shall be individuals engaged in completing advanced degree requirements in foreign language, foreign area studies, or other international fields.

"(C) Stipends shall be for the purpose of completing degree requirements, such as the predissertation level studies, preparation for dissertation research including the study of less commonly taught languages, dissertation research abroad, and dissertation writing.

"(D) Stipends may be held up to a maximum of 4 years contingent upon satisfactory progress towards completion of the degree program.

"(3) FUNDING LIMITATIONS.—The Secretary is not authorized to make awards under paragraph (2) for any fiscal year unless the amount made available under paragraph (1) for such fiscal year equals or exceeds the current services equivalent of the level of funding during fiscal year 1991 under paragraph (1).

"(c) SPECIAL RULE WITH RESPECT TO TRAVEL.—No funds may be expended under this part for undergraduate travel except in accordance with rules prescribed by the Secretary setting forth policies and procedures to assure that Federal funds made available for such travel are expended as part of a formal program of supervised study.

"SEC. 603. LANGUAGE RESOURCE CENTERS.

"(a) LANGUAGE RESOURCES CENTERS AUTHORIZED.—The Secretary is authorized to make grants to and enter into contracts with institutions of higher education, or combinations of such institutions, for the purpose of establishing, strengthening, and operating a limited number of national language resource and training centers, which shall serve as resources to improve the capacity to teach and learn foreign languages effectively. Activities carried out by such centers may include—

"(1) the conduct of research on new and improved teaching methods, including the use of advanced educational technology;

"(2) the development of new teaching materials reflecting the use of such research in effective teaching strategies;

"(3) the development and application of performance testing appropriate to an educational setting for use as a standard and comparable measurement of skill levels in all languages;

"(4) the training of teachers in the administration and interpretation of performance tests, the use of effective teaching strategies, and the use of new technologies;

"(5) the publication of instructional materials in the less commonly taught languages; and

"(6) the widespread dissemination of research results, teaching materials, and improved pedagogical strategies to others within the postsecondary education community.

"(b) CONDITIONS FOR GRANTS.—Grants under this section shall be made on such conditions as the Secretary determines to be necessary to carry out the provisions of this section.

"SEC. 604. UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.

"(a) INCENTIVES FOR THE CREATION OF UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.—(1) The Secretary is authorized to make grants to institutions of higher education, or combinations of such institutions, to assist them in planning, developing, and carrying out a program to improve undergraduate instruction in international studies and foreign languages. These grants shall be awarded to institutions seeking to create new programs or curricula in area studies, foreign languages, and other international fields. Grants made under this section may be used to pay up to 50 percent of the cost of projects and activities which are an integral part of such a program, such as—

"(A) planning for the development and expansion of undergraduate programs in international studies;

"(B) teaching, research, curriculum development, and other related activities;

"(C) training of faculty members in foreign countries;

"(D) expansion of foreign language courses;

"(E) programs under which foreign teachers and scholars may visit institutions as visiting faculty;

"(F) international education programs designed to develop or enhance linkages between two and four year institutions of higher education, or baccalaureate and post-baccalaureate programs or institutions;

"(G) the development of an international dimension in preservice and inservice teacher training;

"(H) the development of undergraduate study abroad programs in locations abroad in which such study opportunities are not otherwise available or which serve students for whom such opportunities are not otherwise available and which provide courses that are closely related to on-campus foreign language and international studies curricula; and

"(I) the integration of new study abroad opportunities for undergraduate students into curricula of specific degree programs.

"(2) The non-Federal share of the cost of the programs funded under this subsection may be provided either in cash or in-kind. Such assistance may be composed of institutional and noninstitutional funds, including State and private contributions.

"(3) Priority shall be given to those institutions that require entering students to have successfully completed at least 2 years of secondary school foreign language instruction or that require each graduating student to earn 2 years of postsecondary credit in a foreign language (or have demonstrated equivalent competence in the foreign language) or, in the case of a two-year degree granting institution, offer 2 years of postsecondary credit in a foreign language.

"(b) GRANTS TO STRENGTHEN PROGRAM OF DEMONSTRATED EXCELLENCE IN UNDERGRADUATE INTERNATIONAL STUDIES AND FOREIGN LANGUAGE PROGRAMS.—(1) The Secretary is authorized to make grants to institutions of higher education or combinations of such institutions for strengthening programs of demonstrated excellence in area studies, foreign languages, and other international fields in order to ensure their self-sustaining maintenance and growth. These grants shall enhance the capacity-building and dissemination functions of existing programs. Grants made under this subsection may be used to pay up to 50 percent of the cost of project and activities which are an integral part of such a program, such as—

"(A) teaching, research, curriculum development, and other related activities;

"(B) strengthening undergraduate major and minors directly related to the generation of international expertise;

"(C) developing new foreign language courses, especially in those languages previously not taught at the institutions, and improving the quality of existing foreign language programs;

"(D) expanding library and teaching resources;

"(E) establishing linkages overseas with institutions of higher education and organizations that contribute to the educational objectives of this subsection;

"(F) developing programs designed to integrate professional and technical education with area studies, foreign languages, and other international fields;

''*(G) disseminating curricular materials and program designs to other educational institutions;*

''*(H) integrating on-campus undergraduate curriculum with study abroad and exchange programs;*

''*(I) developing study and internship abroad programs in locations in which such study opportunities are not otherwise available or study abroad opportunities which serve students for whom such opportunities are not otherwise available;*

''*(J) training faculty and staff in area studies, foreign languages, and other international fields; and*

''*(K) conducting summer institutes in foreign area and other international fields to provide faculty and curriculum development, including the integration of professional and technical education with foreign area and other international knowledge or skills to government personnel or private sector professionals involved in international activities.*

''*(2) As a condition for the award of any grant under this subsection, the Secretary may establish criteria for evaluating programs and require an annual report which evaluates the progress and performance of students in such programs.*

''*(3) The non-Federal share of the cost of the programs funded under this subsection may be provided either in cash or in-kind. Such assistance may be composed of institutional and noninstitutional funds, including State and private contributions.*

''*(c) PROGRAMS OF NATIONAL SIGNIFICANCE.—The Secretary may also make grants to public and private nonprofit agencies and organizations, including professional and scholarly associations, whenever the Secretary determines such grants will make an especially significant contribution to attaining the objective of this section.*

"SEC. 605. INTENSIVE SUMMER LANGUAGE INSTITUTES.

''*(a) INTENSIVE SUMMER LANGUAGE INSTITUTES AUTHORIZED.—(1) The Secretary is authorized to make grants to institutions of higher education, or combinations of such institutions, for the purpose of establishing and conducting intensive summer language institutes.*

''*(2) ELIGIBLE GRANT RECIPIENTS.—Training authorized by this section shall be provided through—*

''*(A) institutes designed to meet the needs for intensive language training by advanced foreign language students;*

''*(B) institutes designed to provide professional development and improve language instruction through preservice and inservice training for language teachers; or*

''*(C) institutes that combine the purposes of subparagraphs (A) and (B).*

''*(3) AUTHORIZED ACTIVITIES.—Grants made under this section may be used for—*

''*(A) intensive training in critical languages;*

''*(B) training in neglected languages; and*

''*(C) stipends for students and faculty attending the institutes authorized by this section.*

''*(4) INSTRUCTIONAL PROGRAM.—Institutes supported under this section may provide instruction on a full-time or part-time basis to supplement instruction not fully available in centers supported under section 602.*

''*(b) PEER REVIEW.—Grants made under this section shall be awarded on the basis of recommendations made by peer review panels composed of broadly representative professionals.*

"SEC. 606. RESEARCH; STUDIES; ANNUAL REPORT.

''*(a) AUTHORIZED ACTIVITIES.—The Secretary may, directly or through grants or contracts, conduct research and studies which contribute to the purposes of this part. Such research and studies may include but are not limited to—*

''*(1) studies and surveys to determine needs for increased or improved instruction in foreign language, area studies, or other international fields, including the demand for foreign language, area, and other international specialists in government, education, and the private sector;*

''*(2) studies and surveys to assess the utilization of graduates of programs supported under this title by governmental, educational, and private sector organizations and other studies assessing the outcomes and effectiveness of programs so supported;*

''*(3) comparative studies of the effectiveness of strategies to provide international capabilities at institutions of higher education;*

''*(4) research on more effective methods of providing instruction and achieving competency in foreign languages;*

''*(5) the development and publication of specialized materials for use in foreign language, area studies, and other international fields, or for training foreign language, area, and other international specialists; and*

''*(6) the application of performance tests and standards across all areas of foreign language instruction and classroom use.*

''*(b) ANNUAL REPORT.—The Secretary shall prepare, publish, and announce an annual report listing the books and research materials produced with assistance under this title.*

"SEC. 607. PERIODICALS AND OTHER RESEARCH MATERIALS PUBLISHED OUTSIDE THE UNITED STATES.

''*(a) PROGRAM AUTHORIZED.—In addition to the amount authorized to be appropriated by section 610, there are authorized to be appropriated $8,500,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years to provide assistance for the acquisition of, and provision of access to, periodicals and other research materials published outside the United States.*

''*(b) AUTHORIZED ACTIVITIES.—From the amount appropriated under subsection (a) for any fiscal year, the Secretary shall make grants to institutions of higher education or public or nonprofit private library institutions or consortia of such institutions for the following purposes:*

''*(1) to acquire periodicals and other research materials published outside the United States which are not commonly held by American academic libraries and which are of scholarly or research importance;*

''*(2) to maintain in machine-readable form current bibliographic information on periodicals and other research materials thus acquired, and to enter such information into one or more of the widely available bibliographic data bases;*

''*(3) to preserve such periodicals and other research materials; and*

''*(4) to make such periodicals and other research materials widely available to researchers and scholars.*

''*(c) LIMITATIONS.—(1) The Secretary shall evaluate grant applications and award grants according to the following criteria:*

''*(A) the total number of library research materials in an institution's collection;*

''*(B) the comprehensiveness, both current and retrospective, of the institution's collection of periodicals and other research materials published outside the United States;*

''*(C) public accessibility to the institution's collection of periodicals and other research materials published outside the United States;*

''*(D) the institution's technological capability to share its collection of periodicals and other research materials published outside the United States with other institutions of higher education, with public or nonprofit institutions, and with individual scholars; and*

''*(E) the institution's budget and staff capability to build, maintain, and service periodicals and other research materials published outside the United States.*

''*(2) The Secretary shall award no more than 8 grants from the amounts appropriated under subsection (a).*

''*(d) WRITTEN AGREEMENT.—(1) Prior to the awarding of grants authorized under subsection (c), the recipient institution must file a formal written agreement with the Secretary which outlines their collecting responsibilities regarding periodicals and other research materials published outside the United States and ensures public access.*

''*(2) No funds from grants authorized under subsection (c) may be used by a recipient institution to acquire and process periodicals and other research materials published outside the United States other than that specified in the agreement filed with the Secretary under paragraph (1).*

''*(e) COPYRIGHT.—Nothing in this section shall be considered to amend, affect, or define the provisions of title 17, United States Code, relating to copyright.*

"SEC. 608. SELECTION OF GRANT RECIPIENTS.

''*(a) COMPETITIVE GRANTS.—The Secretary shall award grants under section 602 competitively on the basis of criteria that separately, but not less rigorously, evaluate the applications for comprehensive and undergraduate language and area centers and programs.*

''*(b) SELECTION CRITERIA.—The Secretary shall set criteria for grants awarded under section 602 by which a determination of excellence shall be made to meet the differing objectives of graduate and undergraduate institutions.*

''*(c) EQUITABLE DISTRIBUTION OF GRANTS.—The Secretary shall, to the extent practicable, award grants under this part (other than section 602) in such manner as to achieve an equitable distribution of funds throughout the Nation, based on the merit of a proposal with peer review by broadly representative professionals.*

"SEC. 609. EQUITABLE DISTRIBUTION OF FUNDS.

''*(a) SELECTION CRITERIA.—The Secretary shall make excellence the criterion for selection of grants awarded under section 602.*

''*(b) EQUITABLE DISTRIBUTION.—To the extent practicable and consistent with the criterion of excellence, the Secretary shall award grants under this part (other than section 602) in such a manner as will achieve an equitable distribution of funds throughout the Nation.*

''*(c) SUPPORT FOR UNDERGRADUATE EDUCATION.—The Secretary shall also award grants under this part in such manner as to ensure that an appropriate portion of funds are used to support undergraduate education.*

"SEC. 610. AUTHORIZATION OF APPROPRIATIONS.

''*There are authorized to be appropriated to carry out this part $100,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.*

"PART B—BUSINESS AND INTERNATIONAL EDUCATION PROGRAMS

"SEC. 611. FINDINGS AND PURPOSES.

''*(a) FINDINGS.—The Congress finds that—*

''*(1) the future economic welfare of the United States will depend substantially on increasing international skills in the business and educational community and creating an awareness among the American public of the internationalization of our economy;*

''*(2) concerted efforts are necessary to engage business schools, language and area study programs, professional international affairs education programs, public and private sector organizations, and United States business in a mutually productive relationship which benefits the Nation's future economic interests;*

''*(3) few linkages presently exist between the manpower and information needs of United States business and the international education,* *language training and research capacities of institutions of higher education in the United States, and public and private organizations; and*

"(4) organizations such as world trade councils, world trade clubs, chambers of commerce and State departments of commerce are not adequately used to link universities and business for joint venture exploration and program development.

"(b) PURPOSES.—It is the purpose of this part—

"(1) to enhance the broad objective of this Act by increasing and promoting the Nation's capacity for international understanding and economic enterprise through the provision of suitable international education and training for business personnel in various stages of professional development; and

"(2) to promote institutional and noninstitutional educational and training activities that will contribute to the ability of United States business to prosper in an international economy.

"SEC. 612. CENTERS FOR INTERNATIONAL BUSINESS EDUCATION.

"(a) PROGRAM AUTHORIZED.—The Secretary is authorized to make grants to institutions of higher education, or combinations of such institutions, to pay the Federal share of the cost of planning, establishing and operating centers for international business education which—

"(1) will be national resources for the teaching of improved business techniques, strategies, and methodologies which emphasize the international context in which business is transacted,

"(2) will provide instruction in critical foreign languages and international fields needed to provide understanding of the cultures and customs of United States trading partners, and

"(3) will provide research and training in the international aspects of trade, commerce, and other fields of study.

In addition to providing training to students enrolled in the institution of higher education in which a center is located, such centers shall serve as regional resources to businesses proximately located by offering programs and providing research designed to meet the international training needs of such businesses. Such centers shall also serve other faculty, students, and institutions of higher education located within their region.

"(b) AUTHORIZED EXPENDITURES.—Each grant made under this section may be used to pay the Federal share of the cost of planning, establishing or operating a center, including the cost of—

"(1) faculty and staff travel in foreign areas, regions, or countries,

"(2) teaching and research materials,

"(3) curriculum planning and development,

"(4) bringing visiting scholars and faculty to the center to teach or to conduct research, and

"(5) training and improvement of the staff, for the purpose of, and subject to such conditions as the Secretary finds necessary for, carrying out the objectives of this section.

"(c) REQUIRED ACTIVITIES.—(1) Programs and activities to be conducted by centers assisted under this section shall include—

"(A) interdisciplinary programs which incorporate foreign language and international studies training into business, finance, management, communications systems, and other professional curricula;

"(B) interdisciplinary programs which provide business, finance, management, communications systems, and other professional training for foreign language and international studies faculty and advanced degree candidates;

"(C) evening or summer programs, such as intensive language programs, available to members of the business community and other professionals which are designed to develop or enhance their international skills, awareness, and expertise;

"(D) collaborative programs, activities, or research involving other institutions of higher education, local educational agencies, professional associations, businesses, firms, or combinations thereof, to promote the development of international skills, awareness, and expertise among current and prospective members of the business community and other professionals;

"(E) research designed to strengthen and improve the international aspects of business and professional education and to promote integrated curricula; and

"(F) research designed to promote the international competitiveness of American businesses and firms, including those not currently active in international trade.

"(2) PERMISSIBLE ACTIVITIES.—Programs and activities to be conducted by centers assisted under this section may include—

"(A) the establishment of overseas internship programs for students and faculty designed to provide training and experience in international business activities, except that no Federal funds provided under this section may be used to pay wages or stipends to any participant who is engaged in compensated employment as part of an internship program;

"(B) other eligible activities prescribed by the Secretary; and

"(C) the establishment of linkages overseas with institutions of higher education and other organizations that contribute to the educational objectives of this section;

"(D) summer institutes in international business, foreign area studies, and other international studies designed to carry out the purposes of paragraph (1) of this subsection; and

"(E) the development of opportunities for business students to study abroad in locations which are important to the existing and future economic well-being of the United States.

"(d) ADVISORY COUNCIL.—(1) In order to be eligible for assistance under this section, an institution of higher education, or combination of such institutions, shall establish a center advisory council which will conduct extensive planning prior to the establishment of a center concerning the scope of the center's activities and the design of its programs.

"(2) MEMBERSHIP ON ADVISORY COUNCIL.—The Center Advisory Council shall include—

"(A) one representative of an administrative department or office of the institution of higher education;

"(B) one faculty representative of the business or management school or department of such institution;

"(C) one faculty representative of the international studies or foreign language school or department of such institution;

"(D) one faculty representative of another professional school or department of such institution, as appropriate;

"(E) one or more representative of local or regional businesses or firms;

"(F) one representative appointed by the Governor of the State in which the institution of higher education is located whose normal responsibilities include official oversight or involvement in State-sponsored trade-related activities or programs; and

"(G) such other individuals as the institution of higher education deems appropriate.

"(3) MEETINGS.—In addition to the initial planning activities required under subsection (d)(1), the center advisory council shall meet not less than once each year after the establishment of the center to assess and advise on the programs and activities conducted by the center.

"(e) GRANT DURATION; FEDERAL SHARE.—

"(1) DURATION OF GRANTS.—The Secretary shall make grants under this section for a minimum of 3 years unless the Secretary determines that the provision of grants of shorter duration is necessary to carry out the objectives of this section.

"(2) FEDERAL SHARE.—The Federal share of the cost of planning, establishing and operating centers under this section shall be—

"(A) not more than 90 percent for the first year in which Federal funds are furnished,

"(B) not more than 70 percent for the second such year, and

"(C) not more than 50 percent for the third such year and for each such year thereafter.

"(3) NON-FEDERAL SHARE.—The non-Federal share of the cost of planning, establishing, and operating centers under this section may be provided either in cash or in-kind assistance.

"(f) GRANT CONDITIONS.—Grants under this section shall be made on such conditions as the Secretary determines to be necessary to carry out the objectives of this section. Such conditions shall include—

"(1) evidence that the institution of higher education, or combination of such institutions, will conduct extensive planning prior to the establishment of a center concerning the scope of the center's activities and the design of its programs in accordance with subsection (d)(1);

"(2) assurance of ongoing collaboration in the establishment and operation of the center by faculty of the business, management, foreign language, international studies, professional international affairs, and other professional schools or departments, as appropriate;

"(3) assurance that the education and training programs of the center will be open to students concentrating in each of these respective areas, as appropriate; and

"(4) assurance that the institution of higher education, or combination of such institutions, will use the assistance provided under this section to supplement and not to supplant activities conducted by institutions of higher education described in subsection (c)(1).

"SEC. 613. JOINT VENTURING AGREEMENTS.

"(a) PURPOSE.—The purpose of this section is to provide assistance to the Centers for International Business Education and Research in consortia with other institutions of higher education with demonstrated expertise in area studies, foreign language studies, international studies, or global business education in order to utilize such expertise in research, curriculum development, doctoral study, educational exchange programs, or other services for the business community.

"(b) GRANTS AUTHORIZED.—The Secretary is authorized to make grants to the Centers for International Business Education and Research in consortia with an institution or institutions of higher education which have a specialized expertise in area studies, foreign language studies, international studies, or global business education. Of the funds allocated for this section under section 615(a), not more than one-fourth may be allotted to participating centers. The remainder of such funds shall be allotted to partnership institutions. The partnership institution shall provide matching funds, in cash or in kind, of 50 percent of the amount provided from Federal funds. Such match may come from the institution's resources or from the business community.".

"SEC. 614. EDUCATION AND TRAINING PROGRAMS.

"(a) PROGRAM AUTHORIZED.—The Secretary shall make grants to, and enter into contracts with, institutions of higher education to pay the Federal share of the cost of programs designed to promote linkages between such institutions and the American business community engaged in international economic activity. Each program assisted under this section shall both enhance the international academic programs of

institutions of higher education and provide appropriate services to the business community which will expand its capacity to engage in commerce abroad.

"(b) Authorized Activities.—Eligible activities to be conducted by institutions of higher education under this section shall include, but are not limited to—

"(1) innovation and improvement in international education curricula to serve the needs of the business community, including development of new programs for nontraditional, mid-career, or part-time students;

"(2) development of programs to inform the public of increasing international economic interdependence and the role of American business within the international economic system;

"(3) internationalization of curricula at the junior and community college level, and at undergraduate and graduate schools of business;

"(4) development of area studies programs, and interdisciplinary international programs;

"(5) establishment of export education programs through cooperative arrangements with regional and world trade centers and councils, and with bilateral and multilateral trade associations;

"(6) research for and development of specialized teaching materials, including language materials, and facilities appropriate to business-oriented students;

"(7) establishment of student and faculty fellowships and internships for training and education in international business activities;

"(8) development of opportunities for junior business and other professional school faculty to acquire or strengthen international skills and perspectives;

"(9) development of research programs on issues of common interest to institutions of higher education and private sector organizations and associations engaged in or promoting international economic activity;

"(10) the establishment of internships overseas to enable foreign language students to develop their foreign language skills and knowledge of foreign cultures and societies;

"(11) the establishment of linkages overseas with institutions of higher education and organizations that contribute to the educational objectives of this section; and

"(12) summer institutes in international business, foreign area and other international studies designed to carry out the purposes of this section.

"(c) Applications.—No grant may be made and no contract may be entered into under the provisions of this section unless an institution of higher education submits an application at such time and in such manner as the Secretary may reasonably require. Each such application shall be accompanied by a copy of the agreement entered into by the institution of higher education with a business enterprise, trade organization or association engaged in international economic activity, or a combination or consortium of such enterprises, organizations or associations, for the purpose of establishing, developing, improving or expanding activities eligible for assistance under subsection (b) of this section. Each such application shall contain assurances that the institution of higher education will use the assistance provided under this section to supplement and not to supplant activities conducted by institutions of higher education described in subsection (b).

"(d) Federal Share.—The Federal share under this part for each fiscal year shall not exceed 50 percent of the cost of such program.

"SEC. 615. AUTHORIZATION OF APPROPRIATIONS.

"(a) Centers for International Business Education.—There are authorized to be appropriated $12,500,000 for the fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out the provisions of section 612 and section 613.

"(b) Education and Training Programs.—There are authorized to be appropriated $7,500,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years, to carry out the provisions of section 614.

"PART C—GENERAL PROVISIONS

"SEC. 631. DEFINITIONS.

"(a) Definitions.—As used in this title—

"(1) the term 'area studies' means a program of comprehensive study of the aspects of a society or societies, including study of its history, culture, economy, politics, international relations and languages;

"(2) the term 'international business' means profit-oriented business relationships conducted across national boundaries and includes activities such as the buying and selling of goods; investments in industries; the licensing of processes, patents and trademarks; and the supply of services;

"(3) the term 'export education' means educating, teaching and training to provide general knowledge and specific skills pertinent to the selling of goods and services to other countries, including knowledge of market conditions, financial arrangements, laws and procedures;

"(4) the term 'internationalization of curricula' means the incorporation of international or comparative perspectives in existing courses of study or the addition of new components to the curricula to provide an international context for American business education;

"(5) the term 'comprehensive language and area center' means an administrative unit of a university that contributes significantly to the national interest in advanced research and scholarship, employs a critical mass of scholars in diverse disciplines related to a geographic concentration, offers intensive language training in languages of its area specialization, maintains important library collections related to the area, and makes training available in language and area studies to a graduate, post-graduate, and undergraduate clientele; and

"(6) the term 'undergraduate language and area center' means an administrative unit of an institution of higher education, including but not limited to 4-year colleges, that contributes significantly to the national interest through the education and training of students who matriculate into advanced language and area studies programs, professional school programs, or incorporates substantial international and foreign language content into baccalaureate degree programs, engages in research, curriculum development and community outreach activities designed to broaden international and foreign language knowledge, employs faculty with strong language, area, and international studies credentials, maintains library holdings, including basic reference works, journals, and works in translation, and makes training available predominantly to undergraduate students;

"(7) the term 'critical languages' means each of the languages contained in the list of critical languages designated by the Secretary pursuant to section 212(d) of the Education for Economic Security Act (50 Fed. Reg. 149, 31413), except that, in the implementation of this definition, the Secretary may set priorities according to the purposes of this title; and

"(8) the term 'institution of higher education' means, in addition to institutions which meet the definition of section 1201(a) of this Act, institutions which meet the requirements of section 1201(a) of this Act except that (1) they are not located in the United States, and (2) they apply for assistance under this title in consortia with institutions which meet the definition of 1201(a) of this Act.

"(b) Special Conditions.—All references to individuals or organizations, unless the context otherwise requires, mean individuals who are citizens or permanent residents of the United States or organizations which are organized or incorporated in the United States.

"SEC. 632. PRESERVATION OF PRE-1992 PROGRAMS.

"Notwithstanding any other provision of law, amendments to this title establishing new programs or expanding existing programs enacted pursuant to the Higher Education Amendments of 1992 shall not be funded in fiscal year 1993, or the 4 succeeding fiscal years, unless and until Congress enacts appropriations for programs under this title enacted prior to such Amendments at a level no less than the level of funding in effect for such preexisting programs for fiscal year 1992.

"PART D—INSTITUTE FOR INTERNATIONAL PUBLIC POLICY

"SEC. 641. ESTABLISHMENT.

"(a) Establishment.—There is authorized to be established an Institute for International Public Policy through grant or contract between the Secretary and an eligible recipient. The Institute for International Public Policy shall conduct a program to significantly increase the numbers of African Americans and other minorities in the international service, international voluntary service, and foreign service of the United States.

"(b) Definition of Eligible Recipient.—An eligible recipient shall be a consortia of institutions eligible for assistance under part B of title III of this Act, other institutions of higher education which serve substantial numbers of African American and other minority students, and institutions of higher education with programs in training foreign service professionals. Each consortia shall designate an institution of higher education as the host institution for the Institute for International Public Policy.

"SEC. 642. ACADEMIC YEAR ABROAD PROGRAM.

"The Institute for International Public Policy shall conduct an academic year abroad program. The academic year abroad program shall be open to eligible students at institutions of higher education, including historically Black colleges and universities as defined in section 322 of this Act, tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978, and other institutions of higher education with significant minority student populations. Eligible students' expenses shall be shared by the Institute and the institution at which the student is in attendance. Each student may spend up to 9 months abroad in a program of academic study, as well as social, familial and political interactions designed to foster an understanding of and familiarity with the language, culture, economics and governance of the host country.

"SEC. 643. MASTERS DEGREE IN INTERNATIONAL RELATIONS.

"The Institute for International Public Policy shall provide, in cooperation with the other consortium institutions, a program of study leading to a masters degree in international relations. The masters degree program designed by the consortia shall be reviewed and approved by the Board of Visitors. The Institute may grant fellowships in an amount not to exceed the level of support comparable to that provided by the National Science Foundation Graduate Fellowships, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need according to measurement of need approved by the Secretary. A fellowship recipient shall agree to undertake full-time study and to enter the international service, international voluntary service, or foreign service of the United States.

"SEC. 644. INTERNSHIPS.

"The Institute shall enter into agreements with historically Black colleges and universities as defined in section 322 of this Act, tribally controlled Indian community colleges as defined in the Tribally Controlled Community College Assistance Act of 1978, and other institutions of higher education with significant numbers of minority students, and institutions of higher education with programs in training foreign service professionals, to provide academic year internships during the junior and senior year and summer internships following the sophomore and junior academic years, by work placements with an international voluntary or government agency, including the Agency for International Development, the United States Information Agency, the International Monetary Fund, the National Security Council, the Organization of American States, the Organization of African Unity, the Overseas Private Investment Corporation, the Department of State, Office of the United States Trade Representative, the World Bank, and the United Nations.

"SEC. 645. BOARD OF VISITORS.

"(a) BOARD.—There shall be appointed a Board of Visitors for the Institute for International Public Policy, in addition to 3 ex-officio members, 1 of whom shall be designated by the Secretary of Education and 1 of whom shall be designated by the Secretary of State. The President of each of the consortia institutions shall also name 1 representative to the Board of Visitors who shall meet the criteria set forth in section 645(b) of this title. The President of the host institution shall also serve as an ex-officio member of the Board of Visitors. The Board shall review and advise the Institute with respect to all aspects of the academic program and shall submit an annual report to the Secretary of Education and the Secretary of State on the Institute's activities and accomplishments, on the progress of the academic program, and shall include a statistical analysis of the placement of minorities in the foreign service.

"(b) QUALIFICATIONS.—The qualifications for service on the Board of Visitors shall include: (1) previous experience in the foreign service, including appointive service as an Ambassador or another diplomat; (2) academic experience in instruction or research and writing in international political, economic or social areas; (3) extensive practical or professional experience in overseas business, development or international voluntary work; or (4) governmental experience in the foreign service international service or international education.

"SEC. 646. PROGRAM REQUIREMENTS.

"(a) REQUIREMENTS FOR JUNIOR YEAR ABROAD.—As used in this part—

"(1) An eligible student for the junior year abroad program must be enrolled full-time in a baccalaureate degree program at an institution of higher education, and be entering the third year of study at an institution which nominates him/her for participation in the junior year abroad program.

"(2) An institution of higher education desiring to send a student on the junior year abroad enter into a Memorandum of Understanding with the Institute to provide the requisite academic preparation for students participating in the junior year abroad or internship programs, and agrees to pay one-half the cost of each student it nominates for participation in the junior year abroad program, and meets such other requirements as the Secretary of Education may from time to time, by regulation, reasonably require.

"(b) MATCH REQUIRED.—The recipient of a grant or contract under this part shall contribute to the conduct of the program supported by the grant or contract an amount from non-Federal sources equal to at least one-fourth the amount of the grant, which contribution may be in cash or in services, supplies, or equipment.

"SEC. 647. GIFTS AND DONATIONS.

"The Institute is authorized to receive money and other property donated, bequeathed, or devised to the Institute with or without a condition of restriction, for the purpose of providing financial support for the Fellowships or underwriting the cost of the Junior Year Abroad Program. All funds or property given, devised, or bequeathed shall be retained in a separate account, and an accounting of those funds and property shall be included in the annual report of the Board of Visitors to the Secretary of Education and the Secretary of State.

"SEC. 648. AUTHORIZATION.

"There is authorized to be appropriated for fiscal year 1993, $15,000,000 to carry out the purposes of this part and such sums as may be necessary for each succeeding fiscal year.".

TITLE VII—CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF ACADEMIC FACILITIES

SEC. 701. PURPOSES.

(a) PURPOSES.—Section 701 is amended—

(1) by inserting a period after "instructional instrumentation and equipment" in subsection (a);

(2) by striking out "if the primary purpose of such assistance is to enable such institutions—" in subsection (a) and inserting the following: "In making such grants, the Secretary shall include, but not be limited to, assistance to enable institutions—";

(3) by striking out subparagraphs (A) and (B) of subsection (a)(1) and inserting in lieu thereof the following:

"(A) Federal, State, and local laws requiring removal of barriers to full participation by disabled individuals;";

(4) by redesignating subparagraphs (C) and (D) of subsection (a)(1) as subparagraphs (B) and (C), respectively; and

(5) in paragraph (4) of subsection (a), by inserting after "libraries," the following: "(including renovation of libraries to promote the use of new technologies and preservation of library materials)".

(b) PRIORITY.—Section 701(b) is amended by striking out "priority shall be given" and inserting in lieu thereof "priority may be given.".

SEC. 702. AUTHORIZATION OF APPROPRIATIONS.

Section 702 of the Act is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"SEC. 702. (a) PARTS A AND B.—There are authorized to be appropriated—

"(1) $50,000,000 for part A for fiscal year 1993 and each of the 4 succeeding fiscal years; and

"(2) $50,000,000 for part B for fiscal year 1993 and each of the 4 succeeding fiscal years.

"(b) OTHER PROGRAMS.—There are authorized to be appropriated—

"(1) such sums as may be necessary to provide not more than $100,000,000 in loans under part C for fiscal year 1993 and for each of the 4 succeeding fiscal years; and

"(2) $25,000,000 for fiscal year 1993 and for each of the 4 succeeding fiscal years for part D.

"(c) BUY AMERICAN REQUIREMENT.—No funds appropriated pursuant to this section may be expended by an institution of higher education for any procurement contract that an agency of the Government would be prohibited from entering into under the Act of March 3, 1933 (41 U.S.C. 10a et seq., popularly known as the 'Buy American Act').".

SEC. 703. REVISION OF PART A.

(a) AMENDMENT.—Part A of title VII of the Act is amended to read as follows:

"PART A—GRANTS FOR THE CONSTRUCTION, RECONSTRUCTION, AND RENOVATION OF UNDERGRADUATE ACADEMIC FACILITIES

"SEC. 711. GRANTS.

"(a) GRANTS TO INSTITUTIONS; STATE LIMITATION.—(1) Funds available for this part shall be used by the Secretary to make grants to institutions of higher education to construct, reconstruct, and renovate undergraduate academic facilities pursuant to an application for assistance consistent with the objectives of this title.

"(2) The total payment for any fiscal year made to institutions of higher education in any State shall not exceed 12.5 percent of sums appropriated for this part.

"(b) PEER REVIEW REQUIRED.—In making grants under this section, the Secretary shall utilize a national peer review panel. The panel shall be broadly representative of all types and classes of institutions of higher education in the United States. Such panel shall make recommendations to the Secretary based on its assessment of—

"(1) the effectiveness of the program in the proposed use of Federal assistance;

"(2) the extent to which the receipt of the grant will assist the institution in overcoming deficiencies in existing equipment and facilities; and

"(3) the compatibility of the proposal with a State plan, where such plan exists.

"(c) COST LIMITATIONS.—The amount of the grant shall not exceed 50 percent of the development cost of the project. No funds or resources provided through Federal programs shall be used to meet the institution's share of the program supported under this section.

"(d) USE FOR MAINTENANCE.—An amount less than or equal to 10 percent of that portion of an award granted under this part which is allotted by the recipient to meet costs of—

"(1) research and instructional instrumentation and equipment; and

"(2) equipment and structural changes necessary to ensure the proper functioning of such research or instructional instrumentation and equipment;

may be allocated by the recipient for maintenance of equipment and changes described in paragraphs (1) and (2). Part or all of this percentage may also be applied to costs of upgrading such equipment and structural changes within 3 years of the date of initial use, if the recipient deems such upgrading essential to the continued usefulness of such research or instructional instrumentation and equipment.".

(b) CONFORMING AMENDMENT.—Section 1203(f) of the Act is amended—

(1) by adding "and" at the end of paragraph (1);

(2) by striking out "; and" in paragraph (2) and inserting in lieu thereof a period; and

(3) by striking out paragraph (3).

SEC. 704. CONSOLIDATION OF PARTS C AND F AND ELIMINATION OF PART G.

Title VII of the Act is amended—

(1) by striking parts F and G;

(2) by redesignating parts H and J as parts G and H, respectively;

(3) by redesignating sections 781, 782, and 795 as sections 771, 772, and 781, respectively;

(4) by striking section 783; and

(5) by amending part C to read as follows:

"PART C—LOANS FOR CONSTRUCTION, RECONSTRUCTION AND RENOVATION OF ACADEMIC, HOUSING, AND OTHER EDUCATIONAL FACILITIES

"SEC. 731. FEDERAL ASSISTANCE IN THE FORM OF LOANS.

"(a) AUTHORITY AND CONDITIONS FOR LOANS.—To assist institutions of higher education in the construction, reconstruction, or

renovation of housing, undergraduate and graduate academic facilities, and other educational facilities for students and faculties, the Secretary may make loans of funds to such institutions for the construction, reconstruction, or renovation of such facilities. No such assistance shall be provided unless—

"(1) the educational institution involved is unable to secure the necessary funds for the construction or purchase from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title; and

"(2) the Secretary finds that any such construction will be undertaken in an economical manner, and that any such facilities are not or will not be of elaborate or extravagant design or materials.

"(b) AMOUNT AND CONDITIONS OF LOANS.—A loan to institutions of higher education or higher education building agency—

"(1) may be in an amount not exceeding the total development cost of the facility, as determined by the Secretary;

"(2) shall be secured in such manner and be repaid within such period, not exceeding 50 years, as may be determined by the Secretary; and

"(3) shall bear interest at a rate determined by the Secretary which shall be not more than the lower of (A) 5.5 percent per annum, or (B) the total of one-quarter of 1 percent per annum added to the rate of interest paid by the Secretary on funds obtained from the Secretary of the Treasury.

No loan shall be made unless the Secretary finds that not less than 20 percent of the development cost of the project will be financed from non-Federal sources.

"SEC. 732. GENERAL PROVISIONS.

"(a) BUDGET AND ACCOUNTING.—In the performance of, and with respect to, the functions, powers, and duties under this part, the Secretary, notwithstanding the provisions of any other law, shall—

"(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by chapter 91 of title 31, United States Code; and

"(2) maintain a set of accounts which shall be audited by the Comptroller General in accordance with the provisions of chapter 35 of title 31, United States Code, but such financial transactions of the Secretary, as the making of loans and vouchers approved by the Secretary, in connection with such financial transactions shall be final and conclusive upon all officers of the Government.

"(b) USE OF FUNDS.—Funds made available to the Secretary pursuant to the provisions of this part shall be deposited in a checking account or accounts with the Treasurer of the United States. Receipts and assets obtained or held by the Secretary in connection with the performance of functions under this part, and all funds available for carrying out the functions of the Secretary under this part (including appropriations therefor, which are hereby authorized), shall be available, in such amounts as may from year to year be authorized by the Congress, for the administrative expenses of the Secretary in connection with the performance of such functions.

"(c) LEGAL POWERS.—In the performance of, and with respect to, the functions, powers, and duties under this part, the Secretary, notwithstanding the provisions of any other law, may—

"(1) prescribe such rules and regulations as may be necessary to carry out the purposes for this part;

"(2) sue and be sued;

"(3) foreclose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which the Secretary has made a loan pursuant to this part;

"(4) in the event of any such acquisition, notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property, but any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property.

"(5) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as the Secretary may fix;

"(6) obtain insurance against loss in connection with property and other assets held;

"(7) subject to the specific limitations in this part, consent to the modification, with respect to the rate of interest, time of payment of any installment of principal or interest, security, or any other term of any contract or agreement to which the Secretary is a party or which has been transferred to the Secretary pursuant to this part, granting to a borrower of a loan made before October 1, 1992, the option of repaying the loan at a discount computed in accordance with subsection (d) if the repayment is (A) made from non-Federal sources, (B) not derived from proceeds of obligations the income of which is exempt from taxation under the Internal Revenue Code of 1986, and (C) made on a loan that has been outstanding for at least 5 years; and

"(8) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions as may be necessary to assure that the purposes of this part will be achieved.

"(d) COMPUTATION OF ALLOWABLE DISCOUNTS.—The Secretary shall compute the discount which may be offered to a borrower as an inducement to early repayment under subsection (c)(7) in an amount determined by the Secretary to be in the best financial interests of the Government, taking into account the yield on outstanding marketable obligations of the United States having maturities comparable to the remaining term of such loan.

"(e) NONDISCRIMINATION BETWEEN BORROWERS IN OFFERING DISCOUNTED PREPAYMENT.—(1) If the Secretary offers a discount as an inducement to early repayment under subsection (c)(7), such offer shall be available without regard to whether the borrower is delinquent or in default on the loan on or before October 1, 1991, but the Secretary shall refuse to make such offer to a borrower that becomes delinquent or goes into default after that date.

"(2) The discount offered shall apply, in the case of a borrower that complies with paragraph (1), to the entire amount outstanding on the loan (including any amount owed with respect to payments that are overdue).

"(f) CONTRACTS FOR SUPPLIES OR SERVICES.—Section 3709 of the Revised Statutes shall not apply to any contract for services or supplies on account of any property acquired pursuant to this part if the amount of such contract does not exceed $1,000.

"(g) APPLICABILITY OF GOVERNMENT CORPORATION CONTROL ACT.—The provisions of section 9107(a) of title 31, United States Code, which are applicable to corporations or agencies subject to chapter 91 of such title, shall also be applicable to the activities of the Secretary under this part.

"(h) WAGE RATES.—The Secretary shall take such action as may be necessary to ensure that all laborers and mechanics employed by contractors or subcontractors on any project assisted under this part—

"(1) shall be paid wages at rates not less than those prevailing on the same type of work on similar construction in the immediate locality as determined by the Secretary of Labor in accordance with the Act of March 3, 1931 (Davis-Bacon Act), as amended; and

"(2) shall be employed not more than 40 hours in any one week unless the employee receives wages for his employment in excess of the hours specified above at a rate not less than one and one-half times the regular rate at which he is employed;

but the Secretary may waive the application of this subsection in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of such project, voluntarily donate their services without full compensation for the purpose of lowering the costs of construction and the Secretary determines that any amounts saved thereby are fully credited to the educational institution undertaking the construction.

"(i) LIMITATION.—No loan may be made under this part for any facility on the campus of any postsecondary educational institution until 5 years after the date on which a previous loan for another facility on such campus was made under this part, unless the loan is intended to be used to construct or reconstruct a facility damaged as a result of a national disaster, as declared by the President.

"SEC. 733. APPORTIONMENT.

"(a) LIMITATION.—Not more than 12.5 percent of the amount of the funds provided for in this part in the form of loans shall be made available to educational institutions within any one State.

"(b) PRIORITIES.—In awarding loans under this part, the Secretary shall give priority—

"(1) to loans for renovation or reconstruction of graduate or undergraduate academic facilities; and

"(2) to loans for renovation or reconstruction of older graduate or undergraduate academic facilities that have gone without major renovation or reconstruction for an extended period.

"SEC. 734. DEFINITIONS.

"For the purpose of this part:

"(a) HOUSING.—The term 'housing' means—

"(1) new or existing structures suitable for dwelling use, including single-room dormitories and apartments; and

"(2) dwelling facilities provided for rehabilitation, alteration, conversion, or improvement of existing structures which are otherwise inadequate for the proposed dwelling use.

"(b) EDUCATIONAL INSTITUTION.—The term 'institution of higher education or higher education building agency' means—

"(1)(A) any educational institution which offers, or provides satisfactory assurance to the Secretary that it will offer within a reasonable time after completion of a facility for which assistance is requested under this part, at least a 2-year program acceptable for full credit toward a baccalaureate degree (including any public educational institution, or any private educational institution no part of the net earnings of which inures to the benefit of any private shareholder or individual); or

"(B) any public educational institution which—

"(i) is administered by a college or university;

"(ii) offers technical or vocational instruction; and

"(iii) provides residential facilities for some or all of the students receiving such instruction;

"(2) any hospital operating a school of nursing beyond the level of high school approved by the appropriate State authority, or any hospital approved for internships, by recognized authority, if such hospital is either a public hospital or

a private hospital, no part of the net earnings of which inures to the benefit of any private shareholder or individual;

"(3) any corporation (no part of the net earnings of which inures to the benefit of any private shareholder or individual)—

"(A) established for the sole purpose of providing housing or other educational facilities for students or students and faculty of one or more institutions included in paragraph (1) without regard to their membership in or affiliation with any social, fraternal, or honorary society or organization; and

"(B) upon dissolution of which all title to any property purchased or built from the proceeds of any loan which is made under section 731, will pass to such institution (or to any one or more of such institutions) unless it is shown to the satisfaction of the Secretary that such property or the proceeds from its sale will be used for some other nonprofit educational purpose;

"(4) any agency, public authority, or other instrumentality of any State, established for the purpose of providing or financing housing or other educational facilities for students or faculty of any educational institution included in paragraph (1), but nothing in this paragraph shall require an institution included in paragraph (1) to obtain loans or grants through any instrumentality included in this paragraph; and

"(5) any nonprofit student housing cooperative corporation established for the purpose of providing housing for students or students and faculty of any institution included in paragraph (1).

In the case of any loan made under section 731 to a corporation described in paragraph (3) which was not established by the institution or institutions for whose students or students and faculty it would provide housing, or to a student housing cooperative corporation described in paragraph (5), and in the case of any loan which is obtained from other sources by such a corporation, the Secretary shall require that the note securing such loan be cosigned by such institution (or by any one or more of such institutions). Where the law of any State in effect on the date of enactment of the Housing Act of 1964 prevents the institution or institutions, for whose students or students and faculty housing is to be provided, from cosigning the note, the Secretary shall require the corporation and the proposed project to be approved by such institution (or by any one or more of such institutions) in lieu of such cosigning.

"(c) UNDERGRADUATE AND GRADUATE ACADEMIC FACILITIES.—(1) Except as provided in paragraph (2), the term 'undergraduate and graduate academic facilities' means structures suitable for use as classrooms, laboratories, libraries, and related facilities, the primary purpose of which is the instruction of students pursuing at least a 2-year program acceptable for full credit toward a baccalaureate degree, or for administration of the educational programs serving such students, of an institution of higher education, and maintenance, storage, or utility facilities essential to operation of the foregoing facilities, as well as infirmaries or other facilities designed to provide primarily for outpatient care of student and instructional personnel. Plans for such facilities shall be in compliance with such standards as the Secretary may prescribe or approve in order to ensure that projects assisted with the use of Federal funds under this title shall be, to the extent appropriate in view of the uses to be made of the facilities, accessible to and usable by handicapped persons.

"(2) The term 'undergraduate and graduate academic facilities' shall not include (A) any facility intended primarily for events for which admission is to be charged to the general public, (B) any gymnasium or other facility specially designed for athletic or recreational activities, other than for an academic course in physical education or where the Secretary finds that the physical integration of such facilities with other undergraduate academic facilities included under this part is required to carry out the objectives of this part, (C) any facility used or to be used for sectarian instruction or as a place for religious worship, or (D) any facility which (although not a facility described in the preceding clause) is used or to be used primarily in connection with any part of the program of a school or department of divinity.

"(d) DEVELOPMENT COST.—The term 'development cost' means costs of the construction of the housing, academic facilities, or other educational facilities and the land on which it is located, including necessary site improvements to permit its use for housing, academic facilities, or other educational facilities; except that in the case of the purchase of facilities such term means the cost as approved by the Secretary.

"(e) FACULTIES.—The term 'faculties' means members of the faculty and their families.

"(f) OTHER EDUCATIONAL FACILITIES.—The term 'other educational facilities' means (1) new or existing structures suitable for use as cafeterias or dining halls, student centers or student unions, infirmaries or other inpatient or outpatient health facilities, or for other essential service facilities, and (2) structures suitable for the above uses provided by rehabilitation, alteration, conversion, or improvement of existing structures which are otherwise inadequate for such uses.".

SEC. 705. AMENDMENT TO PART E.

Section 752(c)(1) of the Act is amended by inserting before the period at the end the following: ", unless such institution has been declined for primary insurance or guarantees for the assets or obligations by an organization which guarantees, insures, and reinsures bonds, debentures, notes, evidences of debt, loans and interests therein".

SEC. 706. HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING.

Title VII of the Act is further amended by inserting after part E the following new part:

"PART F—HISTORICALLY BLACK COLLEGE AND UNIVERSITY CAPITAL FINANCING

"SEC. 761. FINDINGS.

"The Congress finds that—

"(1) a significant part of the Federal mission in education has been to attain equal opportunity in higher education for low-income, educationally disadvantaged Americans and African Americans;

"(2) the Nation's historically Black colleges and universities have played a prominent role in American history and have an unparalleled record of fostering the development of African American youth by recognizing their potential, enhancing their academic and technical skills, and honing their social and political skills through higher education;

"(3) the academic and residential facilities on the campuses of all historically Black colleges and universities have suffered from neglect, deferred maintenance and are in need of capital improvements in order to provide appropriate settings for learning and social development through higher education;

"(4) due to their small enrollments, limited endowments and other financial factors normally considered by lenders in construction financing, historically Black colleges and universities often lack access to the sources of funding necessary to undertake the necessary capital improvements through borrowing and bond financing;

"(5) despite their track record of long-standing and remarkable institutional longevity and viability, historically Black colleges and universities often lack the financial resources necessary to gain access to traditional sources of capital financing such as bank loans and bond financing; and

"(6) Federal assistance to facilitate low-cost capital basis for historically Black colleges and universities will enable such colleges and universities to continue and expand their educational mission and enhance their significant role in American higher education.

"SEC. 762. DEFINITIONS.

"For the purposes of this part—

"(1) The term 'eligible institution' means a 'part B institution' as that term is defined in section 322(2) of the Higher Education Act of 1965 (20 U.S.C. 1061(2)).

"(2) The term 'Advisory Board' means the Advisory Board established by section 766 of this part.

"(3) The term 'loan' means a loan made to an eligible institution under the provisions of this part and pursuant to an agreement with the Secretary.

"(4) The term 'qualified bond' means any obligation issued by the designated bonding authority at the direction of the Secretary, the net proceeds of which are loaned to an eligible institution for the purposes described in section 763(b).

"(5) The term 'funding' means any payment under this part from the Secretary to the eligible institution or its assignee in fulfillment of the insurance obligations of the Secretary pursuant to an agreement under section 763.

"(6) The term 'capital project' means, subject to section 764(b) of this part—

"(A) any classroom facility, library, laboratory facility, dormitory (including dining facilities) or other facility customarily used by colleges and universities for instructional or research purposes or for housing students, faculty, and staff;

"(B) instructional equipment, research instrumentation, and any capital equipment or fixture related to facilities described in subparagraph (A);

"(C) any other facility, equipment or fixture the construction, acquisition, or renovation of which is essential to the maintaining of accreditation of the member institution by a nationally recognized accrediting agency or association; and

"(D) any real property or interest therein underlying facilities described in subparagraph (A) or (C).

"(7) The term 'interest' includes accredited value or any other payment constituting interest on an obligation.

"(8) The term 'outstanding', when used with respect to bonds, shall not include bonds the payment of which shall have been provided for by the irrevocable deposit in trust of obligations maturing as to principal and interest in such amounts and at such times as will ensure the availability of sufficient moneys to make payments on such bonds.

"(9) The term 'designated bonding authority' means the private, for-profit corporation selected by the Secretary pursuant to section 765(1) of this part for the purpose of issuing taxable construction bonds in furtherance of the purposes of this part.

"SEC. 763. FEDERAL INSURANCE FOR BONDS.

"(a) GENERAL RULE.—Subject to the limitations in section 764 of this part, the Secretary is authorized to enter into insurance agreements to provide financial insurance to guarantee the full payment of principal and interest on qualified bonds upon the conditions set forth in subsections (b) and (c) of this section.

"(b) RESPONSIBILITIES OF THE DESIGNATED BONDING AUTHORITY.—The Secretary may not enter into an insurance agreement described in subsection (a) of this section unless the Secretary designates a qualified bonding authority in accordance with sections 765(1) and 766 and *the designated bonding authority agrees in such agreement to—*

"(1) use the proceeds of the qualified bonds, less costs of issuance not to exceed 2 percent of the principal amount thereof, to make loans to eligible institutions or for deposit into a reserve fund for repayment of the bonds;

"(2) provide in each loan agreement with respect to a loan that not less than 75 percent of the proceeds of the loan will be used—

"(A) to finance the construction, acquisition, equipping, or renovation of a capital project; or

"(B) to refinance an obligation the proceeds of which were used to finance the construction, acquisition, equipping, or renovation of a capital project;

"(3)(A) charge such interest on loans, and provide for such a schedule of repayments of loans, as will, upon the timely repayment of the loans, provide adequate and timely funds for the payment of principal and interest on the bonds; and

"(B) require that any payment on a loan expected to be necessary to make a payment of principal and interest on the bonds be due no less than 60 days prior to the date of the payment on the bonds for which it is expected to be needed;

"(4) prior to the making of any loan, provide for a credit review of the member institution receiving the loan and assure the Secretary that, on the basis of such credit review, it is reasonable to anticipate that the member institution receiving the loan will be able to repay the loan in a timely manner pursuant to the terms thereof;

"(5) provide in each loan agreement with respect to a loan that, if a delinquency on such loan results in a funding under the insurance agreement, the member institution obligated on such loan shall repay the Secretary, upon terms to be determined by the Secretary, for such funding;

"(6) assign any loans to the Secretary, upon the demand of the Secretary, if a delinquency on such loan has required a funding under the insurance agreement;

"(7) in the event of a delinquency on a loan, engage in such collection efforts as the Secretary shall require for a period of not less than 45 days prior to requesting a funding under the insurance agreement;

"(8) create a reserve fund from the proceeds of the bonds to be drawn upon to pay principal and interest on bonds in the event of delinquencies in loan repayment;

"(9) provide in each loan agreement with respect to a loan that, if a delinquency on such loan results in amounts being withdrawn from the reserve fund to pay principal and interest on bonds, subsequent payments on such loan shall be available to replenish such reserve fund;

"(10) comply with the limitations set forth in section 764 of this part; and

"(11) make loans only to eligible institutions under this part in accordance with regulations prescribed by the Secretary to ensure that loans are fairly allocated among as many eligible institutions as possible, consistent with making loans of amounts that will permit capital projects of sufficient size and scope to significantly contribute to the educational program of the eligible institutions.

"(c) ADDITIONAL AGREEMENT PROVISIONS.—Any insurance agreement described in subsection (a) of this section shall provide as follows:

"(1) The payment of principal and interest on bonds shall be insured by the Secretary until such time as such bonds have been retired or canceled.

"(2) The Secretary shall create a letter of credit authorizing the Treasury Department to disburse funds to the designated bonding authority or its assignee.

"(3) The letter of credit shall be drawn upon in the amount determined by paragraph (4) of this subsection upon the certification of the designated bonding authority to the Secretary or the Secretary's designee that there is a delinquency on 1 or more loans and there are insufficient funds available from loan repayments and the reserve fund to make a scheduled payment of principal and interest on the bonds.

"(4) Upon receipt by the Secretary or the Secretary's designee of the certification described in paragraph (3) of this subsection, the designated bonding authority may draw a funding under the letter of credit in an amount equal to—

"(A) the amount required to make the next scheduled payment of principal and interest on the bonds, less

"(B) the amount available to the designated bonding authority from loan repayments and the reserve fund.

"(5) All fundings under the letter of credit shall be paid to the designated bonding authority within 2 business days following receipt of the certification described in paragraph (3) of this subsection.

"(d) FULL FAITH AND CREDIT PROVISIONS.—The full faith and credit of the United States is pledged to the payment of all fundings which may be required to be paid under the provisions of this section.

"SEC. 764. LIMITATIONS ON FEDERAL INSURANCE FOR BONDS ISSUED BY THE DESIGNATED BONDING AUTHORITY.

"(a) LIMIT ON AMOUNT.—At no time shall the aggregate principal amount of outstanding bonds insured under this part together with any accrued unpaid interest thereon exceed $500,000,000, of which—

"(1) not more than $350,000,000 shall be used for loans to eligible institutions that are private historically Black colleges and universities; and

"(2) not more than $150,000,000 shall be used for loans to eligible institutions which are historically Black public colleges and universities.

For purposes of paragraphs (1) and (2), Lincoln University of Pennsylvania and Howard University in Washington, District of Columbia are historically Black public institutions.

"(b) LIMITATION ON CREDIT AUTHORITY.—The authority of the Secretary to issue letters of credit and insurance under this part is effective only to the extent provided in advance by appropriations Acts.

"(c) RELIGIOUS ACTIVITY PROHIBITION.—No loan may be made under this Act for any educational program, activity or service related to sectarian instruction or religious worship or provided by a school or department of divinity or to an institution in which a substantial portion of its functions is subsumed in a religious mission.

"(d) DISCRIMINATION PROHIBITION.—No loan may be made to a member institution under this part if the member institution discriminates on account of race, color, religion, national origin, sex (to the extent provided in title IX of the Education Amendments of 1972), or handicapping condition; except that the prohibition with respect to religion shall not apply to a member institution which is controlled by or which is closely identified with the tenets of a particular religious organization if the application of this section would not be consistent with the religious tenets of such organization.

"SEC. 765. AUTHORITY OF THE SECRETARY.

"In the performance of, and with respect to, the functions vested in the Secretary by this Act, the Secretary—

"(1) shall, within 120 days of enactment of this Act, publish in the Federal Register a notice and request for proposals for any private for-profit organization or entity wishing to serve as the designated bonding authority under this part, which notice shall—

"(A) specify the time and manner for submission of proposals;

"(B) specify any information, qualifications, criteria, or standards the Secretary determines to be necessary to evaluate the financial capacity and administrative capability of any applicant to carry out the responsibilities of the designated bonding authority under this part;

"(2) may sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and any action instituted under this part without regard to the amount in controversy, and any action instituted under this section by or against the Secretary shall survive notwithstanding any change in the person occupying the office of the Secretary or any vacancy in such office;

"(3)(A) may foreclose on any property and bid for and purchase at any foreclosure, or any other sale, any property in connection with which the Secretary has been assigned a loan pursuant to this part; and

"(B) in the event of such an acquisition, notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real property by the United States, complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property, except that—

"(i) such action shall not preclude any other action by the Secretary to recover any deficiency in the amount of a loan assigned to the Secretary; and

"(ii) any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

"(4) may sell, exchange, or lease real or personal property and securities or obligations; and

"(5) may include in any contract such other covenants, conditions, or provisions necessary to ensure that the purposes of this Act will be achieved.

"SEC. 766. HBCU CAPITAL FINANCING ADVISORY BOARD.

"(a) ESTABLISHMENT AND PURPOSE.—There is established within the Department of Education, the Historically Black College and Universities Capital Financing Advisory Board which shall provide advice and counsel to the Secretary and the designated bonding authority as to the most effective and efficient means of implementing construction financing on Black college campuses, and advise the Congress of the United States regarding the progress made in implementing this part. The Advisory Board shall meet with the Secretary at least twice each year to advise him as to the capital needs of historically Black colleges and universities, how those needs can be met through the program authorized by this part, what additional steps might be taken to improve the operation and implementation of the construction financing program, and how minority vendors and historically Black colleges might mutually benefit under this part.

"(b) BOARD MEMBERSHIP.—

"(1) COMPOSITION.—The Advisory Board shall be composed of 9 members as follows:

"(A) the Secretary or the Secretary's designee;

"(B) three members who are presidents of private historically Black colleges or universities;

"(C) two members who are presidents of public historically Black colleges or universities;

"(D) the president of the United Negro College Fund, Inc.;

"(E) the president of the National Association for Equal Opportunity in Higher Education; and

"(F) the executive director of the White House Initiative on historically Black colleges and universities.

"(2) Terms.—The term of office of each member appointed under paragraph (1)(C) shall be 3 years, except that—

"(A) of the members first appointed, 2 shall be appointed for terms of one year, 2 shall be appointed for terms of 2 years, and 3 shall be appointed for terms of 3 years, as designated at the time of their appointment;

"(B) members appointed to fill a vacancy occurring before the expiration of a term of a member shall be appointed to serve the remainder of that term; and

"(C) a member may continue to serve after the expiration of a term until a successor is appointed.

"SEC. 767. MINORITY BUSINESS ENTERPRISE UTILIZATION.

"In the performance of and with respect to the Secretary's effectuation of his responsibilities under section 765(1) and to the maximum extent feasible in the implementation of the purposes of this part, minority business persons, including bond underwriters and credit enhancers, bond counsel, marketers, accountants, advisors, construction contractors, and managers should be utilized.".

SEC. 707. FORGIVENESS OF CERTAIN TITLE VII LOANS.

Part G of title VII of the Act (as redesignated) is amended by inserting after section 773 (as redesignated) the following new section:

"FORGIVENESS OF CERTAIN LOANS

"Sec. 774. (a) Forgiveness Authorized.—The Secretary may forgive the entire balance due on any loan made under part C or part F of this title (as in effect on the day before the date of enactment of the Higher Education Amendments of 1992), or under the College Housing and Academic Facilities Loan program, or any other federally subsidized, insured, or authorized loan program designed to assist institutions of higher education to construct academic or dormitory facilities, whenever the Secretary determines that—

"(1) the institution of higher education seeking loan forgiveness is a historically black college or university as defined in section 322(2) of this Act or is a tribally controlled community college, as defined in section 2(a)(4) of the Tribally Controlled Community College Assistance Act;

"(2) the institution of higher education is current in its payments to the Department or has entered into a moratorium agreement with the Secretary with respect to such payments; and

"(3) the outstanding indebtedness equals at least one-quarter of the annual budget for the most recent fiscal year of the institution of higher education seeking forgiveness of its housing loan indebtedness, exclusive of funds provided under titles III and IV of this Act, and in the judgment of the Secretary the survival of the institution of higher education is threatened.

"(b) Application.—Each institution requesting forgiveness of any loan under this section shall submit an application to the Secretary at such time, in such manner and containing or accompanied by such information, as the Secretary may reasonably require.".

SEC. 708. REPEAL.

Part H of title VII of the Act (as redesignated by section 704) is repealed.

TITLE VIII—COOPERATIVE EDUCATION

SEC. 801. AUTHORIZATION OF APPROPRIATIONS; RESERVATIONS.

(a) Authorization of Appropriations.—Section 801(a) of the Act is amended to read as follows:

"Sec. 801. (a) Appropriations Authorized.—There are authorized to be appropriated to carry out this title $45,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 4 succeeding fiscal years.".

(b) Reservations.—Section 801(b) of the Act is amended—

(1) in paragraph (1)—

(A) by striking out "75 percent" and inserting "53 percent"; and

(B) by striking "section 802" and inserting "section 802(b)";

(2) by redesignating paragraphs (2) through (4) as paragraphs (3) through (5), respectively;

(3) by inserting after paragraph (1) the following new paragraph:

"(2) 22 percent shall be available for carrying out grants to institutions of higher education and combinations of such institutions for cooperative education under section 802(c);";

(4) in paragraph (3) (as redesignated by paragraph (2) of this subsection), by striking out "12½ percent" and inserting "11 percent";

(5) in paragraph (4) (as so redesignated), by striking out "10 percent" and inserting "11 percent"; and

(6) in paragraph (5) (as so redesignated), by striking out "2½ percent" and inserting "3 percent".

SEC. 802. GRANTS FOR COOPERATIVE EDUCATION.

(a) Applications for New Programs.—Section 802(b) of the Act is amended—

(1) by inserting "for New Programs" after "Applications";

(2) by striking "desiring to receive a grant under this title" and inserting "which has not received funds under this title for the administration of the cooperative education program for any of the 10 preceding fiscal years and desires to receive a grant under this subsection";

(3) in paragraph (4), by striking "to assure" and inserting "a formal statement of institutional commitment which assures";

(4) in paragraph (5), by inserting "or associate degree" after "who are certificate";

(5) in paragraph (6)(A), by striking out clauses (i) through (iv) and inserting the following:

"(i) the number of unduplicated student applicants in the cooperative education program;

"(ii) the number of unduplicated students placed in co-op jobs;

"(iii) the number of employers who have hired co-op students;

"(iv) the total income for all students derived from working in co-op jobs; and

"(v) the increase or decrease in the number of students placed in co-op jobs in the program in the second previous year compared to such previous fiscal year; and".

(b) Applications for Existing Programs.—Section 802 is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

(2) by inserting after subsection (b) the following new subsection:

"(c) Applications for Existing Programs.—(1) Any institution of higher education, or participant in a combination of such institutions, which—

"(A) has an existing cooperative education program; or

"(B) has received Federal assistance for at least 5 fiscal years under this section;

may apply to receive a grant under this subsection.

"(2) Each institution of higher education, or combination of institutions, desiring to receive a grant under this subsection shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe. Each such application shall comply with the requirements of paragraphs (1), (2), (3), (5), (6), (7), and (8) of subsection (b).

"(3)(A) Except as provided in subparagraphs (B) and (C), the amount of a grant under this subsection shall be an amount that bears the same ratio to the amount available under section 801(b)(2) as the applicant institution's number of unduplicated students placed in co-op jobs (as defined 34 CFR Part 631.5, as in effect on December 31, 1990) in the previous year bears to the total number of such students in all institutions applying under this subsection.

"(B) No institution of higher education may receive an amount of Federal funds under this subsection in excess of 25 percent of that institution's co-op personnel and operating budget for the previous fiscal year.

"(C) The minimum annual award level for which an institution is eligible under this subsection is $1,000 and the maximum annual award level is $75,000.

"(4) Grants under this subsection shall be used exclusively to extend the quality and participation of the cooperative education program, for outreach in new curricular areas and outreach to potential participants including underrepresented and nontraditional populations.

"(5) No institution that receives funds under this subsection for a fiscal year may receive funds under subsection (b) for such fiscal year.".

(c) Duration of Grants.—Section 802(d) of the Act (as redesignated by subsection (b)(1)) is amended—

(1) in paragraph (1)(A), by striking "Except as provided in paragraph (3), no" and inserting "No";

(2) by striking paragraph (3); and

(3) by redesignating paragraph (4) as paragraph (3).

(d) Federal Share.—Section 802(d)(2) of the Act (as redesignated by subsection (b)(1)) is amended—

(1) in subparagraph (A), by striking out "90 percent" and inserting "85 percent";

(2) in subparagraph (B), by striking out "80 percent" and inserting "70 percent";

(3) in subparagraph (C), by striking out "70 percent" and inserting "55 percent";

(4) in subparagraph (D), by striking out "60 percent" and inserting "40 percent"; and

(5) in subparagraph (E), by striking out "30 percent" and inserting "25 percent".

(e) Consideration of Applications.—Section 802(e) of the Act (as redesignated) is amended—

(1) by inserting "strength of" before "commitment" in paragraph (1)(B);

(2) by striking "education has" in such paragraph and inserting "education as";

(3) by inserting "and formalized institutional commitment statement" after "demonstrated by the plans" in such paragraph; and

(4) by striking "on an institution-wide basis" in paragraph (1)(C).

(f) Amendments to Section 803.—Section 803 of the Act is amended—

(1) in subsection (a)(1), by striking out "section 801(b)(2)" and inserting "section 801(b)(3)";

(2) in subsection (a)(2)—

(A) by striking "and" at the end of subparagraph (D);

(B) by striking the comma at the end of subparagraph (E) and inserting "; and";

(C) by inserting after subparagraph (E) the following new subparagraph:

"(F) encourage model and cooperative education in the fields of science and mathematics for women and minorities who are underrepresented in these fields;"; and

(D) by striking out "section 801(b)(3)" and inserting "section 801(b)(4)"; and

(3) in subsection (a)(3), by striking out "section 801(b)(4)" and inserting "section 801(b)(5)".

TITLE IX—GRADUATE PROGRAMS

SEC. 901. PURPOSE; ADMINISTRATIVE PROVISIONS.

Title IX of the Act is amended by inserting before part A the following new section:

"ADMINISTRATIVE PROVISIONS

"SEC. 900. (a) COORDINATION REQUIRED.—In carrying out the purposes of this title, the Secretary shall provide for coordinated administration and regulation of graduate programs under this title to ensure that the programs are carried out in a manner most compatible with academic practices.

"(b) HIRING AUTHORITY.—For purposes of carrying out this title, the Secretary shall appoint, without regard to the provisions of title 5 of the United States Code governing appointments in the competitive service, such administrative and technical employees, with the appropriate educational background, as shall be needed to assist in the administration of such part. Such employees shall be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to classification and General Schedule pay rates.

"(c) USE FOR RELIGIOUS PURPOSES PROHIBITED.—No fellowship shall be awarded under this title for study at a school or department of divinity.".

SEC. 902. AMENDMENTS TO PART A.

Part A of title IX of the Act is amended—

(1) by amending the heading of such part to read as follows:

"PART A—GRANTS TO INSTITUTIONS TO ENCOURAGE WOMEN AND MINORITY PARTICIPATION IN GRADUATE EDUCATION";

(2) by amending section 901 to read as follows:

"GRANTS AUTHORIZED

"SEC. 901. The Secretary shall make grants to institutions of higher education to enable such institutions—

"(1) to identify talented undergraduate students who—

"(A) demonstrate financial need, and

"(B) are individuals from minority groups underrepresented in graduate education or are women underrepresented in fields of study in graduate education such as the fields of science and mathematics, and

"(2) to provide such students with an opportunity to participate in a program of research and scholarly activities at such institutions designed to provide such students with effective preparation for graduate study in such fields or related fields.";

(3) in section 902(a)(2)—

(A) by inserting "women and" before "minority undergraduates"; and

(B) by inserting ", especially those interested in entering fields in which they are underrepresented" after "minority undergraduates"; and

(4) by inserting after section 903 the following new section:

"INFORMATION COLLECTION

"SEC. 904. In order to assist institutions of higher education to identify talented women and minority undergraduates for graduate study, institutions receiving awards under this part shall provide to the Secretary such information as the Secretary determines is necessary to carry out this section. With respect to students participating in a summer internship under this part, the Secretary shall collect information submitted by such institutions, such as the students' names, addresses, and institutions attended for undergraduate study. The Secretary shall, subject to the authorization of each student, make the information available to institutions of higher education offering graduate programs seeking to identify talented women and minority undergraduates for graduate study.".

SEC. 903. AMENDMENTS TO PART B.

(a) PURPOSE.—Section 921 of the Act is amended to read as follows:

"STATEMENT OF PURPOSE; DESIGNATION

"SEC. 921. (a) PURPOSE.—It is the purpose of this subpart to provide, through institutions of higher education, a program of grants to assist in making available the benefits of masters level and professional education to highly talented individuals from minority groups underrepresented in masters level and professional education and to highly talented women who are underrepresented in masters levels and professional education.

"(b) DESIGNATION.—Each recipient of such an award under this part shall be known as a 'Postbaccalaureate Opportunity Fellow'.".

(b) APPLICATIONS.—Section 922(c) of the Act is amended by striking "graduate or professional degree" and inserting "masters or professional degree".

(c) SELECTION OF APPLICATIONS.—Section 922(d) of the Act is amended—

(1) by striking paragraph (1);

(2) in paragraph (2), by striking "and" at the end thereof;

(3) in paragraph (3)—

(A) by inserting "women and" after "a larger number of";

(B) by striking "in colleges and universities" and inserting "in professional and academic careers requiring master's or professional degrees"; and

(C) by striking the period at the end and inserting a semicolon;

(4) by redesignating paragraphs (2) and (3) as paragraphs (1) and (2), respectively; and

(5) by adding at the end the following new paragraphs:

"(3) take into account the need to expand access by women and minority groups to careers heretofore lacking adequate representation of women and minority groups; and

"(4) take into account the success of the applicant in providing students with access to careers in which women and minority groups are underrepresented.".

(d) PRIORITIES FOR FELLOWSHIPS.—Section 922(e) of the Act is amended to read as follows:

"(e) PRIORITIES FOR FELLOWSHIPS.—The Secretary shall assure that, in making grants under this subpart, a priority for awards is accorded to—

"(1) individuals from minority groups and women who are pursuing masters level or professional study in fields in which they are underrepresented; and

"(2) individuals from minority groups and women who are pursuing masters level study leading to careers that serve the public interest.".

(e) INSTITUTIONAL PAYMENTS.—Section 922(f) of the Act is amended to read as follows:

"(f) INSTITUTIONAL PAYMENTS.—The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship at such institution, $10,000 with respect to such awards made for academic year 1993–1994, to be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for the previous calendar year.".

(f) AWARD OF FELLOWSHIPS.—Section 923 of the Act is amended to read as follows:

"AWARD OF FELLOWSHIPS

"SEC. 923. (a) AWARDS.—The Secretary shall make payments to institutions of higher education for the purpose of paying stipends to individuals who are awarded fellowships under this subpart. The stipends the Secretary may establish shall reflect the purpose of this program to encourage highly talented students to undertake masters level and professional study as described in this subpart. Such stipends shall be set at a level of support comparable to that provided by the National Science Foundation Graduate Fellowships, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need according to measurements of need approved by the Secretary.

"(b) REQUIREMENTS FOR AWARDS.—No student enrolled in graduate study leading to a masters or professional degree shall receive an award except during periods in which such student is maintaining satisfactory progress in, and devoting essentially full time to study or research (including acting as a teaching assistant or research assistant as may be required as a condition to award a degree), in the field in which such fellowship was awarded and is not engaging in gainful employment, other than part-time employment by the institution of higher education involved in teaching, research, or similar activities, approved by the Secretary. Such period shall not exceed the normal period for completing the program in which the student is enrolled or a total of 3 years, whichever is less, except that the Secretary may provide by regulation for the granting of such fellowships for a period of study not to exceed one 12-month period, in addition to the 2-year period for study or research set forth in this section, under special circumstances which the Secretary determines would most effectively serve the purposes of this part. The Secretary shall make a determination to provide such 12-month extension of an award to an individual fellowship recipient for study or research upon review of an application for such extension by the recipient.".

(g) GRADUATE FELLOWSHIPS.—Part B of title IX is further amended—

(1) by striking the heading of part B and inserting the following:

"PART B—POSTBACCALAUREATE OPPORTUNITY AND HARRIS FELLOWSHIP PROGRAMS

"Subpart 1—Postbaccalaureate Opportunity Fellowships"; and

(2) by adding at the end thereof the following new subpart:

"Subpart 2—Patricia Roberts Harris Graduate Fellowship Program

"SEC. 926. STATEMENT OF PURPOSE; DESIGNATION OF AWARDS.

"(a) PURPOSE.—It is the purpose of this subpart to provide, through institutions of higher education, a program of grants to assist in making available the benefits of doctoral education to individuals from minority groups who are underrepresented in doctoral education and to women who are underrepresented in fields of doctoral education.

"(b) DESIGNATION.—Each recipient of such an award under this subpart shall be known as a 'Patricia Roberts Harris Graduate Fellow'.

"SEC. 927. PROGRAM AUTHORIZED.

"(a) GRANT BY SECRETARY.—The Secretary shall make grants to institutions of higher education to enable such institutions to make grants in accordance with the provisions of this subpart.

"(b) DISTRIBUTION AND AMOUNTS OF GRANTS.—(1) In making such grants the Secretary shall, consistent with the allocation of grants based on merit, seek a broad geographic distribution of awards and an equitable distribution among eligible public and independent institutions of higher education.

"(2) Whenever the Secretary determines that an institution of higher education is unable to use all of the amounts available to it under this subpart, the Secretary shall, on such dates during each fiscal year as the Secretary may fix, reallot such amounts not needed to institutions which can use the grants authorized by this subpart.

"(c) APPLICATIONS.—Any eligible institution of higher education offering a program of doctoral education may apply for grants under this subpart. Each such institution may make an application to the Secretary at such time, in such *manner, and containing or accompanied by such information as the Secretary may reasonably require. Such application may be made on behalf of academic departments or similar organizational units within such institution meeting the requirements of this subsection, including interdisciplinary or interdepartmental programs.*

"(d) SELECTION OF APPLICATIONS.—In making grants to institutions of higher education, the Secretary shall—

"(1) take into account present and projected needs for highly trained individuals in academic fields of high national priority;

"(2) consider the need to prepare a larger number of women and individuals from minority groups, especially from among such groups which have been traditionally underrepresented in colleges and universities and in specific fields, but nothing contained in this paragraph shall be interpreted to require any institution to grant preference or disparate treatment to the members of one minority group on account of an imbalance which may exist with respect to the total number or percentage of individuals of such group participating in or receiving the benefits of the program authorized in this section, in comparison with the total number of percentage of individuals of such group in any community, State, section, or other area.

"(e) PRIORITIES FOR FELLOWSHIPS.—The Secretary shall assure that, in making grants under this subpart, awards are made to women and individuals from traditionally underrepresented groups undertaking doctoral study, including those interested in entering the fields of science and mathematics.

"(f) INSTITUTIONAL PAYMENTS.—The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship at such institution, $10,000 with respect to such awards made for the academic year 1993–1994, to be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for the previous calendar year.

"SEC. 928. AWARD OF FELLOWSHIPS.

"(a) AWARDS.—The Secretary shall make payments to institutions of higher education for the purpose of paying stipends to individuals who are awarded fellowships under this subpart. The stipends the Secretary may establish shall reflect the purpose of this program to encourage highly talented students to undertake doctoral study as described in this subpart. Such stipends shall be set at a level of support comparable to that provided by the National Science Foundation Graduate Fellowships, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need according to measurements of need approved by the Secretary.

"(b) REQUIREMENTS FOR AWARDS.—No student enrolled in graduate study leading to a doctoral degree shall receive an award except during periods in which such student is maintaining satisfactory progress in, and devoting essentially full time to study, research (including acting as a teaching assistant or research assistant as may be required as a condition to award a degree), or dissertation work in the field in which such fellowship was awarded and is not engaging in gainful employment, other than part-time employment by the institution of higher education involved in teaching, research, or similar activities, approved by the Secretary. Such period shall not exceed a total of three years, consisting of not more than two years of support for study or research, and not more than one year of support for dissertation work provided that the student has attained satisfactory progress to the dissertation stage. The institution shall provide two years of support for each student, including at least one year of supervised teaching, following the two years of predissertation support under this subpart. The Secretary may provide by regulation for the granting of such fellowships for a period for study not to exceed one 12-month period, in addition to the two-year period for study or research set forth in this section, under special circumstances which the Secretary determines would most effectively serve the purposes of this part. The Secretary shall make a determination to provide such 12-month extension of an award to an individual fellowship recipient for study or research upon review of an application for such extension by the recipient.".

SEC. 904. AMENDMENTS TO PART C.

(a) AWARD OF FELLOWSHIPS.—Section 931 of the Act is amended—

(1) by striking out "Number and" in the heading of subsection (a); and

(2) by striking out "not more than 450 fellowships per year" and inserting in lieu thereof "up to 600 new fellowships per year" in subsection (a).

(b) STIPENDS.—Section 933(a) of the Act is amended to read as follows:

"SEC. 933. (a) AWARD BY SECRETARY.—The Secretary shall pay to individuals awarded fellowships under this part such stipends as the Secretary may establish, reflecting the purpose of this program to encourage highly talented students to undertake graduate study as described in this part. Such fellowships shall be set at a level of support comparable to that provided by the National Science Foundation Graduate Fellowships, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need according to measurements of need approved by the Secretary.".

(c) INSTITUTIONAL PAYMENTS.—Section 933(b)(1) of the Act is amended by striking out "$6,000" and inserting in lieu thereof "$10,000 with respect to such awards made for the academic year 1993–1994, to be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for the previous calendar year".

SEC. 905. AMENDMENTS TO PART D.

(a) AWARDS TO GRADUATE STUDENTS.—Section 945(a) of the Act is amended by inserting after "any point in their graduate study" the following: ", including students pursuing a doctoral degree after having completed a masters degree program at an institution of higher education,".

(b) AMOUNT OF STIPENDS.—Section 945(b) of the Act is amended to read as follows:

"(b) AMOUNT OF STIPENDS.—The Secretary shall make payments to institutions of higher education for the purpose of paying stipends to individuals who are awarded fellowships under this subpart. The stipends the Secretary establishes shall reflect the purpose of this program to encourage highly talented students to undertake graduate study as described in this part. Such stipends shall be set at a level of support comparable to that provided by the National Science Foundation Graduate Fellowships, except such amount shall be adjusted as necessary so as not to exceed the fellow's demonstrated level of need according to measurements of need approved by the Secretary.".

(c) ADDITIONAL ASSISTANCE.—Section 946 of the Act is amended to read as follows:

"ADDITIONAL ASSISTANCE FOR COST OF EDUCATION

"SEC. 946. (a) PAYMENTS AUTHORIZED.—The Secretary shall (in addition to stipends paid to individuals under this subpart) pay to the institution of higher education, for each individual awarded a fellowship at such institution, $10,000 with respect to such awards made for the academic year 1993–1994, to be adjusted annually thereafter in accordance with inflation as determined by the Department of Labor's Consumer Price Index for the previous calendar year.

"(b) USE FOR OVERHEAD PROHIBITED.—Funds made available pursuant to this part may not be used for the general operational overhead of the academic department or program.".

SEC. 906. AMENDMENT TO PART E.

Section 951 of the Act is amended to read as follows:

"PROGRAM REQUIREMENTS

"SEC. 951. (a) PROGRAM AUTHORITY.—The Secretary shall carry out a program to assist minority, low income, or educationally disadvantaged college graduates to successfully pursue a law degree and service in the legal profession through an annual grant or contract with the Council on Legal Education Opportunity (hereinafter CLEO). A grant or contract under this part shall permit CLEO to use up to 6 percent of the funds provided for administrative costs of the grant or contract.

"(b) SERVICES AUTHORIZED.—A legal training project under this subpart may provide the following services—

"(1) assistance and counseling in gaining admission to accredited law schools;

"(2) a 6-week intensive summer program designed to prepare minority, low-income or educationally disadvantaged individuals for the successful completion of legal studies; or

"(3) an academic-year program of tutorial services, academic advice and counseling designed to assist eligible participants successfully complete their legal training, which may include but is not limited to—

"(A) instruction in reading, legal research, legal writing skills and problem analysis;

"(B) academic advice and assistance in course selection;

"(C) advisement about financing their legal education and available student financial aid;

"(D) personal and professional counseling relative to career alternatives in the legal profession and bar examination preparation; and

"(E) any other activity consistent with subparagraphs (A) through (D) which furthers the objectives of this subsection which the Secretary may, by regulation, reasonably require.

"(c) USE OF FUNDS.—The Secretary shall by grant or contract on a biennial basis, with the Council on Legal Education Opportunity, cover all or part of the cost of—

"(1) engaging in such activities as are reasonably designed to publicize the existence and availability of program funds to assist minority, low-income, and educationally disadvantaged individuals to pursue a legal education;

"(2) selecting minority, low-income and educationally disadvantaged individuals for training for the legal profession;

"(3) facilitating the entry of such individuals into law schools at institutions of higher education for the purpose of pursuing a legal education;

"(4) selecting from among all qualified applicants, which shall provide the services authorized by section 951(b)(2) or (3);

"(5) evaluating the quality, impact and continuing feasibility of the programs implemented under section 951(b);

"(6) providing, through the institutions, agencies, and organizations selected under paragraph (3), for not more than 6 months prior to entry of such individuals upon their course of training for the legal profession, or following entry, training designed to assist them to complete successfully such training for the legal profession;

"(7) paying such stipends (including allowances for participant travel and for their dependents) as the Secretary may determine for such individuals for any such period of preliminary training for the legal profession during which such individuals maintain satisfactory academic progress toward the J.D. or L.L.B. degree, as determined by the respective institution; and

"(8) paying for administrative activities of the institutions of higher education, agencies, or organizations which receive subgrants or contracts under paragraph (6), or with which such contracts are entered into, to the extent that such activities are for the purpose of furthering the activities described in paragraphs (1) through (7).".

SEC. 907. AMENDMENTS TO PART F.

(a) PROGRAM AUTHORIZATION.—Section 961(a) of the Act is amended by striking out "establishing or expanding" and inserting in lieu thereof "continuing, expanding, or establishing".

(b) LIMITATION ON AMOUNTS.—Section 961(c) is amended by striking out "$100,000" and inserting in lieu thereof "$250,000".

SEC. 908. ADDITION OF NEW PART; AUTHORIZATION OF APPROPRIATIONS.

Title IX of the Act is further amended by striking part G and inserting the following:

"PART G—GRANTS TO INSTITUTIONS TO ENCOURAGE MINORITIES TO ENTER THE HIGHER EDUCATION PROFESSORATE

"SEC. 971. PROGRAM AUTHORIZED.

"The Secretary shall make grants to institutions of higher education or to nonprofit organizations associated with institutions of higher education with a demonstrated record of enhancing minority access to graduate education to enable such institutions, in consortia with historically black colleges and universities and other institutions with significant enrollments of African Americans, Asian Americans, Hispanic Americans, Native Hawaiians, Pacific Islanders, and Native Americans, to identify talented minority undergraduate students and faculty who wish to enter or continue in the higher education professorate, and to provide such students with stipends and a fellowship to assist them in obtaining the doctoral degree and teach in an institution of higher education.

"SEC. 972. DESIGNATION OF FELLOWS.

"Students receiving awards under this part shall be known as 'Faculty Development Fellows'.

"SEC. 973. APPLICATIONS AND AWARDS.

"(a) REQUIRED INFORMATION.—Each applicant institution of higher education or nonprofit organization shall submit an application under this part to the secretary containing the following information—

"(1) the names of those undergraduate institutions which are historically or predominantly black colleges and universities or other institutions with significant enrollments of African Americans, Asian Americans, Hispanic Americans, Native Hawaiians, Pacific Islanders, and Native Americans which have agreed to cooperate with the applicant institution to carry out the purposes of this part;

"(2) the institution's plan for identifying and recruiting minority faculty and talented minority undergraduates who might participate in the program;

"(3) the program or programs of doctoral study that the institution plans to offer in its doctoral program;

"(4) the institution's plan for using current minority faculty and other faculty as mentors and academic resources in support of the program;

"(5) other institutional resources, including tuition waivers, assistantships or financial aid other than loans, that the institution will make available to successful Faculty Development Fellowship applicants; and

"(6) such other assurances and information as the Secretary may reasonably require by regulation.

"(b) SELECTION REQUIREMENTS.—In making awards to institutions, the Secretary shall give priority to those applications which include the following—

"(1) provide a tuition waiver and a minimum $2,000 stipend to each Faculty Development Fellow;

"(2) provide additional financial support to the Faculty Development Fellow from non-Federal resources, either in cash or in kind, such as contributions from the business community and civic organizations;

"(3) emphasize courses of study leading to the doctoral degrees in disciplines where minorities are underrepresented; and

"(4) ensure that the Faculty Development Fellow will teach in an institution of higher education where minority undergraduate students are likely to benefit from the educational experience and academic achievements of the Faculty Development Fellow.

"(c) GEOGRAPHIC DISTRIBUTION.—The Secretary shall ensure an equitable geographic distribution among the institutional awards and that both public and private institutions are fairly represented among the recipients.

"(d) WAIVER BY THE SECRETARY.—The Secretary may waive all or any portion of the requirement under section 973(b)(1) upon application of any institution which is eligible for funds under title III of this Act, pursuant to criteria established by the Secretary by regulation.

"SEC. 974. FELLOWSHIPS.

"Each institution of higher education or consortium receiving a grant under this subpart shall award fellowships in an amount equal to $15,000, or an amount based on the financial need of the recipient (as determined by the institution in accordance with measurements of need approved by the Secretary) whichever is less.

"SEC. 975. TEACHING REQUIREMENT.

"Each Faculty Development Fellowship recipient shall enter into an agreement with the host institution awarding the fellowship (and the sending institution if the Faculty Development Fellow is a current faculty member), under which the fellowship recipient shall—

"(1) within a 5-year period after completing the doctorate degree for which the Faculty Development Fellowship was awarded, teach, for a period of not less than 1 year for each year for which financial assistance was received, in a public or private nonprofit institution of higher education, or in the case of a for-profit institution, one that offers at least the Associate of Arts degree;

"(2) provide the institution of higher education that awarded the fellowship, with evidence of compliance with section 975(1); and

"(3) repay all or part of the Faculty Development Fellowship received pursuant to this part, plus interest, and if applicable reasonable collection fees, under regulations issued by the Secretary, in the event the conditions of section 976 are not met, except insofar as provided in section 976.

"SEC. 976. CONSEQUENCES OF NONCOMPLIANCE.

"Recipients found by the Secretary to be in noncompliance with the agreement entered into under section 975 of this part shall be required to repay to the Federal Government a pro rata amount of the fellowship awards provided from Federal sources plus interest (but in no event at an interest rate higher than the rate applicable to loans in the applicable period under part B of title IV) and where applicable, reasonable collection fees, on a schedule and at a rate of interest to be prescribed by the Secretary by regulations issued pursuant to this subpart.

"SEC. 977. EXCEPTIONS TO REPAYMENT PROVISIONS.

"(a) DEFERRAL DURING CERTAIN PERIODS.—A recipient shall not be considered in violation of the agreement entered into pursuant to section 974 during any period in which the recipient—

"(1) is pursuing a full-time course of study related to the field of teaching at an eligible institution;

"(2) is serving, not in excess of 3 years, as a member of the armed services of the United States;

"(3) is temporarily totally disabled for a period of time not to exceed 3 years as established by sworn affidavit of a qualified physician;

"(4) is unable to secure employment for a period not to exceed 12 months by reason of the care required by a spouse who is disabled;

"(5) is seeking and unable to find full-time employment for a single period not to exceed 12 months;

"(6) is engaged in full-time employment as a teacher in a public or private nonprofit preschool, elementary or secondary school, or a public or private nonprofit preschool, education program; or

"(7) satisfies the provisions of additional repayment exceptions that may be prescribed by the Secretary in regulations issued pursuant to this subpart.

"(b) FORGIVENESS IF PERMANENTLY TOTALLY DISABLED.—A recipient shall be excused from repayment of any fellowship assistance received under this subpart if the recipient becomes permanently totally disabled as established by sworn affidavit of a qualified physician.

"PART H—AUTHORIZATION OF APPROPRIATIONS

"SEC. 981. AUTHORIZATION OF APPROPRIATIONS.

"(a) PART A.—There are authorized to be appropriated to carry out part A $25,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(b)(1) PART B SUBPART 1.—There are authorized to be appropriated to carry out subpart 1 of part B $50,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(2) PART B SUBPART 2.—There are authorized to be appropriated to carry out subpart 2 of part B $50,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(c) PART C.—There are authorized to be appropriated to carry out part C $50,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(d) PART D.—There are authorized to be appropriated to carry out part D $50,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(e) PART E.—There are authorized to be appropriated to carry out part E $10,000,000 for fiscal year 1994, and such sums as may be necessary for the 4 succeeding fiscal years.

"(f) PART F.—There are authorized to be appropriated to carry out part F $10,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(g) PART G.—There are authorized to be appropriated to carry out part G $25,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.".

TITLE X—POSTSECONDARY IMPROVEMENT PROGRAM

SEC. 1001. AMENDMENTS TO PART A.

(a) PLANNING GRANTS.—Section 1001 of the Act is amended—

(1) by inserting "(a)" after "SEC. 1001.";

(2) by striking "postsecondary" in the matter preceding paragraph (1) and inserting "higher"; and

(3) by adding at the end the following new subsection:

"(b)(1) The Secretary is authorized to make planning grants to institutions of higher education for the development and testing of innovative techniques in postsecondary education.

"(2) Such grants shall not exceed $20,000.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 1005 of the Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1005. (a) There are authorized to be appropriated to carry out this part (except for section 1001(b)) $20,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"(b) There are authorized to be appropriated to carry out section 1001(b) $1,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.".

SEC. 1002. AMENDMENTS TO PART B.

(a) MINORITY SCIENCE IMPROVEMENT PROGRAMS.—Section 1021(b) of the Act is amended by inserting "and minority women" after "ethnic minorities".

(b) SCIENCE AND ENGINEERING ACCESS.—Section 1033(5) of the Act is amended by inserting ", particularly minority women," after "minority students".

(c) REAUTHORIZATION OF PART B.—Section 1047 of the Act is amended to read as follows:

"AUTHORIZATION OF APPROPRIATIONS

"SEC. 1047. (a) AUTHORIZATIONS.—There are authorized to be appropriated to carry out the purposes of this part, $10,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(b) APPROPRIATION LIMITATION.—For any fiscal year, 50 percent of the funds under this part shall be allocated for the purpose of section 1021, 33.33 percent for the purpose of section 1031, and 16.67 percent for the purpose of section 1032.".

SEC. 1003. AMENDMENT TO PART C.

Part C of title X of the Act is amended to read as follows:

"PART C—SPECIAL PROJECTS IN AREAS OF NATIONAL NEED

"SEC. 1061. (a) The Secretary is authorized to make grants to institutions of higher education, or consortia thereof, and such other public agencies and nonprofit organizations as the Secretary deems necessary for innovative projects concerning one or more areas of particular national need identified by the Secretary and the Director of the Fund.

"(b) No grant shall be made under this part unless an application is made at such time, in such manner, and contains or is accompanied by such information as the Director may require.

"(c) Areas of national need shall initially include, but shall not be limited to the following:

"(1) International exchanges.

"(2) Campus climate and culture.

"(3) Evaluation and dissemination.

"(d) There are authorized to be appropriated to carry out this part $5,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.".

SEC. 1004. WOMEN AND MINORITIES SCIENCE AND ENGINEERING OUTREACH DEMONSTRATION PROGRAM.

Title X of the Act is amended by adding at the end the following new part:

"PART D—WOMEN AND MINORITIES SCIENCE AND ENGINEERING OUTREACH DEMONSTRATION PROGRAM

"SEC. 1071. PURPOSE.

"It is the purpose of this part to provide grants to institutions of higher education working in partnership with elementary and secondary schools to establish outreach programs for female and minority elementary and secondary students to increase the participation of those students in science and engineering undergraduate and graduate degree programs.

"SEC. 1072. PROGRAM AUTHORIZED.

"The Secretary shall, in accordance with the provision of this part, carry out a program of providing grants to institutions of higher education that are designed to enhance, coordinate, develop, and expand programs and initiatives which identify and encourage female and minority elementary and secondary students to pursue higher education in preparation for careers in science and engineering. The Secretary is authorized to award grants for women and minority science and engineering outreach demonstration programs to institutions meeting the eligibility criteria defined in section 1073.

"SEC. 1073. ELIGIBLE INSTITUTIONS.

"(a) IN GENERAL.—The Secretary shall provide grants under this program to institutions which meet the following selection criteria:

"(1) Grantees shall be institutions of higher education with science and engineering programs.

"(2) Grantees shall have female and minority enrollment and retention rates significantly higher than national averages but shall not meet the definition for 'minority institution' established in part B of this title.

"(3) Grantees shall demonstrate their ability to conduct outreach activities in science and engineering to female and minority students at the elementary and secondary levels.

"(4) Grantees shall incorporate the use of advanced telecommunications equipment, including fiber optics and interactive video systems, to improve the development of intermodal programs targeted toward female and minority students.

"(5) Grantees shall enter into a partnership agreement with a local educational agency and at least 1 local business or industry and the duties of each partner in the consortium shall be defined in the institution's application to the Secretary.

"(b) LIMITATION.—The Secretary shall award no less than 40 percent of the total funds made available under this section to eligible institutions in the Nation's ten largest metropolitan statistical areas, where minority elementary and secondary school student populations exceed the national average and where the female elementary and secondary school student population's performance in mathematics and science has been consistently below that of the male student population.

"SEC. 1074. AMOUNT, DURATION, AND USE OF FUNDS.

"(a) AMOUNT AND DURATION OF GRANTS.—Grants provided under this section should be no less than $500,000 in a single fiscal year, and shall be continued for a period not to exceed 5 fiscal years.

"(b) USE OF GRANTS.—Grants provided under this section may be used for:

"(1) The operation and administration of outreach programs to elementary and secondary students.

"(2) Faculty development programs in support of outreach programs.

"(3) Curriculum development in support of the outreach programs.

"(4) Disseminating information about the outreach programs to elementary and secondary schools and institutions of higher education.

"(5) Supporting cooperative efforts with elementary and secondary schools, community groups, business and industry and other education-related groups, to expand the scope of the outreach programs.

"(6) Establishing infrastructure necessary to operate programs, specifically including telecommunications equipment providing distance learning capabilities.

"SEC. 1075. APPLICATION.

"To receive a grant under this section, an eligible institution shall submit an application at such time, in such manner, and containing or accompanied by such information, as the Secretary may reasonably require.

"SEC. 1076. EVALUATION.

"(a) INDEPENDENT ANNUAL EVALUATION.—The Secretary shall provide for the annual independent evaluation of programs under this part to determine their effectiveness in providing—

"(1) the operation and administration of outreach programs to elementary and secondary students;

"(2) faculty development programs in support of outreach programs;

"(3) curriculum development in support of the outreach programs;

"(4) disseminating information about the outreach programs to elementary and secondary schools and institutions of higher education;

"(5) supporting cooperative efforts with elementary and secondary schools, community groups, business and industry and other education-related groups, to expand the scope of outreach programs; and

"(6) establishing infrastructure necessary to operate programs, specifically including telecommunications equipment providing distance learning capabilities.

"(b) CRITERIA.—(1) Each evaluation shall be conducted by individuals not directly involved in the administration of the program or project operated under this part. Such independent evaluators and the program administrators shall jointly develop evaluation criteria which provide for appropriate analysis of the factors under subsection (a). When possible, each evaluation shall include comparisons with appropriate control groups.

"(2) In order to determine a program's effectiveness in achieving its stated goals, each evaluation shall contain objective measures of such goals and, where feasible, shall obtain the specific views of program participants about such programs.

"(c) REPORT TO CONGRESS AND DISSEMINATION.—The Secretary shall prepare and submit to the Congress a review and summary of the results of such evaluations not later than September 30, 1997.

"SEC. 1077. FEDERAL SHARE.

"The Federal share of programs assisted under this part shall be 90 percent in the first year, 80 percent in the second year, 70 percent in the third year, 60 percent in the fourth year, and 50 percent in the fifth year. The remaining funds shall be provided from non-Federal sources.

"SEC. 1078. SUPPLEMENT/NOT SUPPLANT.

"An institution of higher education or a local educational agency may use funds received under this part only so as to supplement and, to the extent practicable, increase the level of funds that would be available from non-Federal sources for the uses of funds under this part and in no case may such funds be so used as to supplant such funds from such non-Federal sources.

"SEC. 1079. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $25,000,000 for fiscal year 1993, and such sums as may be necessary for each of the 4 succeeding fiscal years. Not more than 3 percent of the amount appropriated for any fiscal year may be used for purposes of section 1076.".

TITLE XI—STUDENT COMMUNITY SERVICE

SEC. 1101. REVISION OF TITLE.

(a) AMENDMENT.—Title XI of the Act is amended to read as follows:

"TITLE XI—STUDENT COMMUNITY SERVICE

"PART A—HIGHER EDUCATION INNOVATIVE PROJECTS FOR COMMUNITY SERVICE

"SEC. 1101. HIGHER EDUCATION INNOVATIVE PROJECTS FOR COMMUNITY SERVICE.

"(a) PURPOSE.—It is the purpose of this part to support innovative projects to encourage stu-

dents to participate in community service activities while such students are attending institutions of higher education.

"(b) GENERAL AUTHORITY.—The Secretary of Education, after consultation with the Commission on National Service to insure coordination of activities, is authorized to make grants to, and enter into contracts with, institutions of higher education (including a combination of such institutions) and other public agencies and nonprofit organizations working in partnership with institutions of higher education—

"(1) to enable the institution to create or expand community service activities for students attending that institution;

"(2) to encourage student-initiated and student-designed community service projects;

"(3) to encourage students to participate in community service activities that will engender a sense of social responsibility and commitment to the community;

"(4) to encourage students to assist in the teaching of individuals with limited basic skills or an inability to read and write; and

"(5) to provide for the training of teachers, prospective teachers, related education personnel, and community leaders in the skills necessary to develop, supervise, and organize community service activities, taking into consideration the particular needs of a community and the ability of the grantee to actively involve a major part of the community in, and substantially benefit the community by, the proposed community service activities.

"(c) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of each grant awarded under this section shall not exceed 50 percent of the cost of the community service activities carried out with each such grant.

"(2) NON-FEDERAL SOURCES.—That portion of the costs of programs that receive assistance under this part that are to be paid from sources other than Federal funds may be paid in cash or in kind (fairly evaluated).

"(d) APPLICATION FOR GRANT.—To receive a grant under this part, an applicant shall prepare and submit to the Secretary, an application at such time, in such manner, and containing such information as the Secretary may reasonably require, including—

"(1) a description of the proposed program to be established with assistance provided under the grant;

"(2) a description of the human, educational, environmental or public safety service that participants will perform and the community need that will be addressed under such program;

"(3) a description of the procedure for training supervisors and participants and for supervising and organizing participants in such proposed program;

"(4) a description of the budget for the program; and

"(5) assurances that, prior to the placement of a participant in the program, the applicant will consult with any local labor organization representing employees, with any employers, and with any business organizations in the area who are engaged in the same or similar work or business as that proposed to be carried out by such project.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purposes of carrying out part A, $15,000,000 for fiscal year 1993 and such sums as may be necessary for the 4 succeeding fiscal years.

"PART B—STUDENT LITERACY CORPS AND STUDENT MENTORING CORPS

"SEC. 1111. PURPOSE.

"It is the purpose of this part to provide financial assistance to institutions of higher education to promote the development of literacy corps programs and mentoring corps programs to be operated by institutions of higher education in public community agencies in the communities in which such institutions are located.

"SEC. 1112. LITERACY CORPS PROGRAM AND MENTORING CORPS PROGRAM.

"(a) GENERAL AUTHORITY.—From the amount appropriated pursuant to section 1116 for any fiscal year, the Secretary is authorized, in accordance with the provisions of this part, to make grants to institutions of higher education for not to exceed 4 years to carry out literacy corps programs or mentoring corps programs.

"(b) LIMITATION.—An institution of higher education shall only receive 1 grant under this part in each fiscal year.

"(c) CONTINUATION OF LITERACY PROGRAM.—Grants under this section are renewable upon application by the institution of higher education in accordance with section 1114.

"(d) FEDERAL SHARE.—

"(1) IN GENERAL.—The Federal share of carrying out student literacy corps programs under this part shall be—

"(A) up to 100 percent for an initial grant to an institution of higher education; and

"(B) up to 75 percent for a grant renewed under subsection (c).

"(2) NON-FEDERAL SHARE.—The non-Federal share of carrying out student literacy corps programs under this part may be paid from any non-Federal sources.

"SEC. 1113. USES OF FUNDS.

"(a) IN GENERAL.—Funds made available under this part may be used for—

"(1) grants to institutions of higher education for—

"(A) the costs of participation of institutions of higher education in the literacy corps program or mentoring corps program for which assistance is sought; and

"(B) stipends for student coordinators engaged in the literacy corps program or mentoring corps program for which assistance is sought; and

"(2) technical assistance, collection and dissemination of information, and evaluation in accordance with section 1115.

"(b) LIMITATIONS.—(1) No grant under this part to an institution of higher education may exceed $100,000.

"(2) No institution of higher education may expend more than $25,000 of a grant made under this part in the first year in which the institution receives such a grant.

"SEC. 1114. APPLICATIONS.

"(a) APPLICATION REQUIRED.—Each institution of higher education desiring to receive a grant under this part shall submit an application to the Secretary, at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require.

"(b) CONTENTS OF APPLICATION.—

"(1) LITERACY CORPS.—Each application shall—

"(A) contain assurances that the institution will use the grant in accordance with section 1113;

"(B) contain adequate assurances that—

"(i) the institution has established 1 or more courses of instruction for academic credit which are designed to combine the training of undergraduate students in various academic departments such as social sciences, economics, and education with experience as tutors;

"(ii) such individuals will be required, as a condition of receiving credit in such course, to perform, for each credit, not less than 2 hours a week, of voluntary, uncompensated service during the academic term in a public community agency as a tutor in such agency's educational or literacy program;

"(iii) such tutoring service will be supplementary to the existing instructional services, offered in a structured classroom setting, and furnished under the supervision of qualified personnel; and

"(iv) the institution will locate such tutoring services in one or more public community agencies which serve educationally or economically disadvantaged individuals and individuals with disabilities and, as provided in section 1116, will give priority in providing tutoring services to—

"(I) educationally disadvantaged students receiving services under chapter 1 of title I of the Elementary and Secondary Education Act of 1965;

"(II) students with disabilities; and

"(III) illiterate parents of educationally or economically disadvantaged elementary school students, with special emphasis on single-parent households; and

"(C) demonstrate that the institution of higher education has participated, prior to applying for a grant under this part, in community service activities, including the conduct of a cooperative education program; and

"(D) contain such other assurances as the Secretary may reasonably require.

"(2) MENTORING CORPS.—Each application shall—

"(A) contain assurances that the institution will use the grant in accordance with section 1113;

"(B) contain adequate assurances that—

"(i) the institution has established 1 or more courses of instruction for academic credit which are designed to combine the training of undergraduate students of various academic departments with experience as mentors;

"(ii) such individuals will be required, as a condition of receiving credit in such course, to perform not less than 60 hours of voluntary, uncompensated service during the academic term as a mentor to economically disadvantaged children and youth;

"(iii) such mentoring will be complementary to the existing instructional services offered in a structured classroom setting, and will include structured and informal activities geared towards improving the academic, social and emotional development of children in the programs;

"(iv) the institution will locate public community agencies or elementary/secondary schools which serve educationally or economically disadvantaged youth and, as provided in section 1116, will give priority in providing mentoring services to economically disadvantaged children and youth through community-based organizations or elementary/secondary schools;

"(C) demonstrate that the institution of higher education has participated, prior to applying for a grant under this part, in community service activities, including the conduct of a cooperative education program; and

"(D) contain such other assurances as the Secretary may reasonably require.

"(c) WAIVER.—The Secretary may, upon request of an institution of higher education which does not meet the requirements of clause (3) of subsection (b), grant a waiver of the requirement under such clause if the institution of higher education provides assurances that—

"(1) the institution of higher education has conducted another significant program which involves community outreach and service; or

"(2) its failure to engage in community service related programs or activities prior to making application under this part will not impede the ability of the institution to engage in the outreach efforts necessary to carry out the requirements of this part.

An institution of higher education may apply for a waiver as part of the application described in subsection (b).

"(d) REOPENING OF APPLICATION PROCESS.—The Secretary shall accept applications for assistance under this part for 90 days following the date of enactment of this Act.

"SEC. 1115. TECHNICAL ASSISTANCE AND COORDINATION CONTRACT.

"To the extent that funds are available therefor pursuant to section 1116, the Secretary may, directly or by way of grant, contract, or other arrangement—

"(1) provide technical assistance to grant recipients under this part;

"(2) collect and disseminate information with respect to programs assisted under this part; and

"(3) evaluate such programs and issue reports on the results of such evaluations.

"SEC. 1116. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out the provisions of this part $15,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"SEC. 1117. DEFINITION.

"For the purpose of this part—

"(1) INSTITUTION OF HIGHER EDUCATION.—The term 'institution of higher education' (as defined in section 1201 of this Act), in the case of an institution of higher education with a branch campus, means, at the election of the institution—

"(A) a branch campus of the institution, or

"(B) the institution.

"(2) PUBLIC COMMUNITY AGENCY.—The term 'public community agency' means an established community agency with an established program of instruction such as elementary and secondary schools, Head Start centers, prisons, agencies serving youth, and agencies serving the handicapped, including disabled veterans.

"PART C—INNOVATIVE PROJECTS FOR COMMUNITY SERVICES AND STUDENT FINANCIAL INDEPENDENCE

"SEC. 1121. STATEMENT OF PURPOSE.

"It is the purpose of this part to support innovative projects in order to determine the feasibility of encouraging student participation in community service projects in exchange for educational services or financial assistance and thereby reduce the debt acquired by students in the course of completing postsecondary educational programs.

"SEC. 1122. INNOVATIVE PROJECTS FOR COMMUNITY SERVICES AND STUDENT FINANCIAL INDEPENDENCE.

"(a) GENERAL AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this part, to make grants to and contracts with institutions of higher education (including combinations of such institutions) and with such other public agencies and nonprofit private organizations as the Secretary deems necessary for innovative projects designed to carry out the purpose of this part.

"(b) APPLICATIONS.—No grant may be made and no contract may be entered into under this section unless an application is made at such time, in such manner, and contained or accompanied by such information as the Director may require.

"(c) APPLICABLE PROCEDURES.—(1) No application may be approved under subsection (b) unless the National Board of the Fund for Improvement of Postsecondary Education, under procedures established by the Director, approves the application.

"(2) The provisions of section 1004(b) shall apply to grants made under this part.

"(d) DEFINITIONS.—For the purposes of this part, the term 'Director' means the director of the Fund for the Improvement of Postsecondary Education.

"SEC. 1123. AUTHORIZATION OF APPROPRIATIONS.

"(a) There are authorized to be appropriated to carry out this part, $5,000,000 for fiscal year 1993, and such sums as may be necessary for the 4 succeeding fiscal years.

"(b) No funds may be appropriated pursuant to subsection (a) for any fiscal year unless funds are appropriated for part A of this title for such fiscal year.

"PART D—COMMUNITY SERVICE-LEARNING

"SEC. 1131. PROGRAM AUTHORITY.

"(a) PURPOSE.—The purpose of this part is—

"(1) to encourage and enable institutions of higher education to develop workstudy programs involving eligible students in community service-learning designed to develop, improve, or expand services for low-income individuals and families or to solve particular problems related to the needs of low-income individuals; and

"(2) to enable institutions to establish or expand a program under which such institution, separately or in combination with other eligible institutions and through formal or informal consultation with local nonprofit, governmental, educational, and community-based organizations, locates and develops community services jobs for students receiving assistance under part C of title IV.

"(b) DEFINITIONS.—For the purpose of this part—

"(1) 'community service-learning program' means a program of student work that—

"(A) provides tangible community services for or on behalf of low-income individuals or families; and

"(B) to the maximum extent practicable, provides participating students with work-learning opportunities which complement and reinforce their educational programs or vocational goals; and

"(2) 'community services' means services which are identified by an institution of higher education, through formal or informal consultation with local nonprofit, governmental, and community-based organizations, as designed to improve the quality of life for community residents, particularly low-income individuals, or to solve particular problems related to their needs including, but not limited to, such fields as health care, child care, literacy training, education (including tutorial services), welfare, social services, transportation, housing and neighborhood improvement, public safety, crime prevention and control, recreation, rural development, and community improvement.

"(c) COMMUNITY SERVICE JOB LOCATION AND DEVELOPMENT PROGRAM.—The Secretary is authorized to enter into agreements with eligible institutions to provide a program under paragraph (2) of subsection (a) of this part, which agreement shall—

"(1) provide that the Federal share of the cost of any program under this section will not exceed 80 percent of such cost;

"(2) provide satisfactory assurance that funds available under this section will not be used for the location or development of jobs for students to obtain upon graduation, but rather for the location and development of jobs available to students during and between periods of attendance at such institution;

"(3) provide satisfactory assurance that the location or development of jobs pursuant to programs assisted under this part will not result in the displacement of employed workers or impair existing contracts for service;

"(4) provide satisfactory assurance that Federal funds used for the purpose of this part can realistically be expected to help generate student wages exceeding, in the aggregate, the amount of such funds, and that if such funds are used to contract with another organization, appropriate performance standards are part of such contract; and

"(5) provide that the institution will submit to the Secretary an annual report on the uses made of funds provided under this part and an evaluation of the effectiveness of such program in benefiting the students of such institution.

"(d) USE OF FUNDS.—The Secretary shall not regulate the amount or the proportion of funds available to eligible institutions, under this section, that they may use to carry out the activities described in subsections (a), (c), and (e). Such uses of funds shall be solely determined by each such institution.

"(e) USE OF FUNDS TO CONDUCT PROGRAM.—Each institution participating under this part may use funds made available under section 442(e) to conduct that institution's program of community service-learning, including—

"(1) development of mechanisms to assure the academic quality of the student experience,

"(2) assuring student access to educational resources, expertise, and supervision necessary to achieve community service objectives, and

"(3) collaboration with public and private nonprofit agencies in the planning, development, and administration of such programs.

"PART E—GRANTS FOR SEXUAL OFFENSES EDUCATION

"SEC. 1171. GRANTS FOR CAMPUS SEXUAL OFFENSES EDUCATION.

"(a) IN GENERAL.—(1) The Secretary of Education is authorized to make grants to or enter into contracts with institutions of higher education for sexual offenses education and prevention programs under this section.

"(2) The Secretary shall make financial assistance available on a competitive basis under this section. An institution of higher education or consortium of such institutions which desires to receive a grant or enter into a contract under this section shall submit an application to the Secretary at such time, in such manner, and containing or accompanied by such information as the Secretary may reasonably require in accordance with regulations.

"(3) The Secretary shall make every effort to ensure the equitable participation of private and public institutions of higher education and to ensure the equitable geographic participation of such institutions. In the award of grants and contracts under this section, the Secretary shall give priority to institutions who show the greatest need for the sums requested.

"(b) GENERAL SEXUAL OFFENSES PREVENTION AND EDUCATION GRANTS.—Grants may be used for the following purposes:

"(1) to provide training for campus security and college personnel, including campus disciplinary or judicial boards, that address the issues of sexual offenses;

"(2) to develop, disseminate, or implement campus security and student disciplinary policies to prevent and discipline sexual offense crimes;

"(3) to develop, enlarge, or strengthen support services programs including medical or psychological counseling to assist victims' recovery from sexual offense crimes;

"(4) to create, disseminate, or otherwise provide assistance and information about victims' options on and off campus to bring disciplinary or other legal action; and

"(5) to implement, operate, or improve sexual offense education and prevention programs, including programs making use of peer-to-peer education.

"(c) MODEL GRANTS.—Not less than 25 percent of the funds authorized under this section shall be available for grants for model demonstration programs to be coordinated with local rape crisis centers for the development and implementation of quality rape prevention and education curricula and for local programs to provide services to student sexual offense victims.

"(d) ELIGIBILITY.—No institution of higher education or consortium of such institutions shall be eligible for a grant under this section unless—

"(1) its student code of conduct, or other written policy governing student behavior explicitly prohibits all forms of sexual offenses;

"(2) it has in effect and implements a written policy requiring the disclosure of the victim of any sexual offense the outcome of any investigation by campus police or campus disciplinary proceedings brought pursuant to the victim's complaint against the alleged perpetrator of the sexual offense, except that nothing in this section shall be interpreted to authorize disclosure to any person other than the victim; and

"(3) the Secretary shall give priority to those grant applicants who do not have an established campus education program regarding sexual offenses.

"(e) Applications.—(1) In order to be eligible to receive a grant under this section for any fiscal year, an institution of higher education, or consortium of such institutions, shall submit an application to the Secretary at such time and in such manner as the Secretary shall prescribe.

"(2) Each such application shall—

"(A) set forth the activities and programs to be carried out with funds granted under this part;

"(B) contain an estimate of the cost for the establishment and operation of such programs;

"(C) explain how the program intends to address the issue of sexual offenses;

"(D) provide assurances that the Federal funds made available under this section shall be used to supplement and, to the extent practical, to increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purpose described in this part, and in no case to supplant such funds; and

"(E) include such other information and assurances as the Secretary reasonably determines to be necessary.

"(f) Grantee Reporting.—Upon completion of the grant period under this section, the grantee institution or consortium of institutions shall file a performance report with the Secretary explaining the activities carried out together with an assessment of the effectiveness of those activities in achieving the purposes of this section. The Secretary shall suspend funding for an approved application if an applicant fails to submit an annual performance report.

"(g) Definitions.—For purposes of this part, the term 'sexual offenses educational and prevention' includes programs that provide education seminars, peer-to-peer counseling, operation of hotlines, self-defense courses, the prepartion of informational materials, and any other effort to increase campus awareness of the facts about, or to help prevent, sexual offenses.

"(h) General Terms and Conditions.—

"(1) Regulations.—No later than 45 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. No later than 120 days after such date, the Secretary shall publish final regulations implementing this section.

"(2) Reports to Congress.—No later than 180 days after the end of each fiscal year for which grants are made under this section, the Secretary shall submit to the committees of the House of Representatives and the Senate reponsible for issues relating to higher education and to crime, a report that includes—

"(A) the amount of grants made under this section;

"(B) a summary of the purposes for which those grants were provided and an evaluation of their progress; and

"(C) a copy of each grantee report filed pursuant to subsection (f) of this section.

"(3) For the purpose of carrying out this subchapter, there are authorized to be appropriated $20,000,000 for the fiscal year 1993, and such sums as may be necessary for each of the 4 succeeding fiscal years.

"PART F—DWIGHT D. EISENHOWER LEADERSHIP PROGRAM

"SEC. 1181. SHORT TITLE; ESTABLISHMENT OF THE PROGRAM.

"(a) Short Title.—This part may be cited as the 'Dwight D. Eisenhower Leadership Development Act of 1992'.

"(b) Establishment of Program.—

"(1) In general.—The Secretary shall establish a program to be known as the 'Dwight D. Eisenhower Leadership Development Program'.

"(2) Special rule.—The program assisted under this part shall be established in conjunction with institutions of higher education which are specially prepared to undertake the development of new generations of leaders in the areas of national and international affairs.

"(c) Functions of the Program.—The functions of the program assisted under this part shall include—

"(1) stimulating and supporting the development of leadership skills among new generations of American college students;

"(2) directing a national program that identifies, recruits, inspires, and educates outstanding young men and women regarding leadership roles in a wide variety of fields in both the public and private sectors;

"(3) offering opportunities for young, needy, American leaders, with a priority given to those who qualify for assistance under title IV of this Act, to benefit from internships in national and international organizations, with special attention being given to establishing such opportunities in developing countries;

"(4) developing curriculum for secondary and postsecondary education;

"(5) developing a prototype for understanding and teaching critical leadership skills to young Americans and encouraging institutions of higher education to establish similar leadership programs throughout the United States and abroad; and

"(6) stimulating the theoretical and practical study of leadership and leadership development to develop both a better understanding of leadership and improved methods to teach critical skills to young adults.

"(d) Operation of the Program.—The Secretary is authorized to make grants to or enter into cooperative agreements, contracts, or leases with institutions of higher education (as defined in section 1201 of this title) or with nonprofit private organizations in consortia with such institutions to operate the program assisted under this part.

"(e) Authorization of Appropriations.—There are authorized to be appropriated $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years to carry out this part.".

(b) Conforming Amendment.—Section 118 of the National and Community Service Act of 1990 is repealed.

TITLE XII—GENERAL PROVISIONS

SEC. 1201. DEFINITIONS.

(a) Institution of Higher Education.—Section 1201(a) of the Act is amended—

(1) in the first sentence, by striking ", or if not so accredited" through "institution so accredited"; and

(2) in the last sentence—

(A) by inserting after "quality of" in the last sentence "the education or"; and

(B) by inserting before the period ", pursuant to section 1205".

(b) Cross Reference Definitions.—Section 1201 of the Act is amended—

(1) by redesignating subsections (l) and (m) as subsections (m) and (n), respectively; and

(2) by striking subsections (d) through (k) and inserting the following:

"(d) The term 'secondary school' has the same meaning given that term under section 1471(21) of the Elementary and Secondary Education Act of 1965.

"(e) The term 'Secretary' means the Secretary of Education.

"(f) The term 'local educational agency' has the same meaning given that term under section 1471(12) of the Elementary and Secondary Education Act of 1965.

"(g) The term 'State educational agency' has the same meaning given that term under section 1471(23) of the Elementary and Secondary Education Act of 1965.

"(h) The term 'elementary school' has the same meaning given that term under section 1471(8) of the Elementary and Secondary Education Act of 1965.

"(i) The term 'combination of institutions of higher education' means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf.

"(j) The term 'gifted and talented children' has the same meaning given that term under section 4103(1) of the Elementary and Secondary Education Act of 1965.

"(k) The term 'disability' shall have the same meanings as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102).

"(l) The term 'special education teacher' means teachers who teach children with disabilities as defined in the Individuals With Disabilities Education Act.".

SEC. 1202. ANTIDISCRIMINATION.

Section 1202 of the Act is amended—

(1) by inserting "(a) In General.—" after "Sec. 1202."; and

(2) by adding at the end the following:

"(b) Limitations on Statutory Construction.—Nothing in this Act shall be construed to limit the rights or responsibilities of any individual under the Americans With Disabilities Act of 1990, the Rehabilitation Act of 1973, or any other law.".

SEC. 1203. THE NATIONAL ADVISORY COMMITTEE ON ACCREDITATION AND INSTITUTIONAL ELIGIBILITY.

Section 1205 of the Act is amended—

(1) in subsection (c)(1), by inserting "education and" after "quality of"; and

(2) in subsection (f), by striking "1991" and inserting "1997".

SEC. 1204. APPROVAL OF ACCREDITING AGENCY OR ASSOCIATION.

Title XII of the Act is amended by inserting after section 1205 the following new section:

"SEC. 1205A. APPROVAL OF ACCREDITING AGENCY OR ASSOCIATION.

"(a) Standards Required.—No accrediting agency or association may be determined by the Secretary to be a reliable authority as to the quality of education or training offered for this Act or other Federal purposes, unless the agency or association meets standards established by the Secretary pursuant to this section. The Secretary shall, after notice and opportunity for a hearing, establish standards for such determinations. Such standards shall require that—

"(1) the accrediting agency or association shall be a regional, national, or State agency or association and shall demonstrate the ability and the experience to operate as an accrediting agency or association within the State, region, or nationally, as appropriate;

"(2)(A) for the purpose of participation in programs under this Act, such agency or association has a voluntary membership and has as a principal purpose the accrediting of institutions of higher education or is a State; or

"(B) for the purpose of participation in other programs administered by the Department of

Education or other Federal agencies, such agency or association has a voluntary membership and has as its principal purpose the accrediting of institutions of higher education or programs;

"(3) such agency or association is separate and independent, both administratively and financially, of any related, associated, or affiliated trade association or membership organization, except for voluntary professional organizations and agencies or associations which have as their principal purpose the accreditation of programs within institutions, which are accredited by another agency or association recognized by the Secretary;

"(4) such agency or association consistently applies and enforces standards that ensure that the courses or programs of instruction, training, or study at the institution of higher education are of sufficient quality to achieve, for the duration of the accreditation period, the stated objective for which the courses or the programs are offered;

"(5) the standards of accreditation of the agency or association shall assess the institution's—

"(A) curricula,

"(B) faculty,

"(C) facilities, equipment, and supplies,

"(D) fiscal and administrative capacity at a specified scale of operations,

"(E) student support services,

"(F) recruiting and admissions practices, academic calendars, catalogs, publications, grading and advertising,

"(G) program length and tuition and fees in relation to the subject matters taught, the objectives of the degrees or credentials offered,

"(H) measures of program length in clock hours or credit hours,

"(I) success with respect to student achievement in relation to its mission, including, as appropriate, consideration of course completion, State licensing examination, and job placement rates,

"(J) default rates in the student loan programs under title IV of this Act,

"(K) record of student complaints, and

"(L) compliance with its program responsibilities under title IV of this Act, including any results of financial or compliance audits, program reviews, and such other information as the Secretary may provide to the agency or association, and

such standards shall also include an appropriate measure or measures of student achievement;

"(6) such agency or association shall apply procedures throughout the accrediting process, including evaluation and withdrawal proceedings, that comply with due process, including—

"(A) adequate specification of requirements and deficiencies at the institution of higher education or program being examined;

"(B) notice of an opportunity for a hearing by any such institution;

"(C) the right to appeal from any adverse action against any such institution; and

"(D) the right to representation by counsel for any such institution;

"(7) such agency or association shall notify the Secretary and the appropriate State postsecondary agency or agencies in a timely fashion of the accreditation of an institution and any final denial, withdrawal, or termination of accreditation of an institution, together with any other action taken with respect to an institution; and

"(8) such agency or association shall make available to the public a summary of the specific reasons for any final accrediting decisions involving denial, termination, or suspension of accreditation, together with the comments of the affected institution, and shall give the institution at least 30 days notice prior to the release of such summary.

"(b) SEPARATE AND INDEPENDENT DEFINED.—For the purpose of subsection (a)(3), the term 'separate and independent' means that—

"(1) the members of the postsecondary education governing body of the accrediting agency or association are not elected or selected by the board or chief executive officer of any related, associated, or affiliated trade association or membership organization;

"(2) at least 25 percent of the members of the policy and decision making bodies of the accrediting agency or association are representative of the general public (not members of any related, associated, or affiliated trade association or membership organization), and guidelines are established for such members to avoid conflicts of interest;

"(3) dues to the accrediting agency or association are paid separately from any dues paid to any related, associated, or affiliated trade association or membership organization; and

"(4) the budget of the accrediting agency or association is developed and determined by the accrediting agency or association without review or resort to consultation with any other entity or organization.

"(c) OPERATING PROCEDURES REQUIRED.—No accrediting agency or association may be approved by the Secretary for the purpose of this title, unless the agency or association—

"(1) performs, at regularly established intervals, on-site inspections and reviews of institutions of higher education (at least one such visit at each institution whose primary purpose is to provide vocational education and training should be unannounced), with particular focus on educational quality and program effectiveness, and assures that accreditation team members are well-trained and knowledgeable with respect to their responsibilities;

"(2) requires institutions of higher education subject to its jurisdiction which plan to establish a branch campus to submit a business plan prior to opening the branch campus;

"(3) agrees to conduct, as soon as practicable, but within a period of not more than 6 months of the establishment of a new branch campus or a change of ownership of an institution of higher education an on-site visit of that branch campus or of the institution after a change of ownership;

"(4) requires that teach-out agreements among institutions are subject to approval by the accrediting agency or association consistent with standards promulgated by such agency or association;

"(5) maintains and makes publicly available written materials regarding standards and procedures for accreditation, appeal procedures and the accreditation status of each institution subject to its jurisdiction; and

"(6) discloses publicly whenever an institution of higher education subject to its jurisdiction is being considered for accreditation or reaccreditation.

"(d) LENGTH OF APPROVAL.—No accrediting agency or association may be approved by the Secretary for the purpose of this Act for a period of more than 5 years.

"(e) INITIAL ARBITRATION RULE.—The Secretary may not recognize the accreditation of any institution of higher education unless the institution of higher education agrees to submit any dispute involving the final denial, withdrawal, or termination of accreditation to initial arbitration prior to any other legal action.

"(f) LIMITATION ON SCOPE OF STANDARDS.—Nothing in this Act shall be construed to permit the Secretary to establish standards for accrediting agencies or associations which are not provided for in this section. Nothing in this Act shall be construed to prohibit or limit any accrediting agency or association from adopting additional standards not provided for in this section: Provided, That such additional standards are not applied in a manner that is inconsistent with the institution's mission or contrary to the religious beliefs espoused by the institution.

"(g) ACCREDITATION RULE.—The Secretary shall not recognize the accreditation of any eligible institution of higher education if the institution of higher education is in the process of changing its accrediting agency or association, unless the eligible institution submits to the Secretary all materials relating to the prior accreditation, including materials demonstrating reasonable cause for changing the accrediting agency or association.

"(h) DUAL ACCREDITATION RULE.—The Secretary shall not recognize the accreditation of any eligible institution of higher education if the institution of higher education is accredited by more than one accrediting agency or association, unless the institution submits to each such agency and association and to the Secretary the reasons for accreditation by more than one such agency or association and demonstrates to the Secretary reasonable cause for its accreditation by more than one agency or association. If the institution is accredited by more than one accrediting agency or association, the institution shall designate which agency's accreditation shall be utilized in determining the institution's eligibility for programs under this Act.

"(i) IMPACT OF LOSS OF ACCREDITATION.—An institution may not be certified or recertified as an institution of higher education under section 481 or participate in any of the other programs authorized by this Act if such institution—

"(1) is not currently accredited by any agency or association recognized by the Secretary;

"(2) has had its accreditation withdrawn, revoked, or otherwise terminated for cause during the preceding 24 months unless such withdrawal, revocation, or termination has been rescinded by the same accrediting agency; or

"(3) has withdrawn from accreditation voluntarily under a show cause or suspension order during the preceding 24 months unless such order has been rescinded by the same accrediting agency.

"(j) SUSPENSION OF APPROVAL.—The Secretary shall suspend the approval of an accrediting agency or association if the Secretary determines, after notice and opportunity for a hearing, that the accrediting agency or association has failed to effectively apply the standards or operate according to the procedures provided in this section.

"(k) LIMITATION ON THE SECRETARY'S AUTHORITY.—The Secretary may only recognize accrediting agencies or associations which accredit institutions of higher education for the purpose of enabling such institution to establish eligibility to participate in the programs under this Act or which accredit institutions of higher education or higher education programs for the purpose of enabling them to establish eligibility to participate in other programs administered by the Department of Education or other Federal agencies.

"(l) INDEPENDENT EVALUATION.—(1) The Secretary shall conduct a comprehensive review and evaluation of the performance of all accrediting agencies or associations which seek recognition by the Secretary in order to determine whether such accrediting agencies or associations meet the standards established by this section. The Secretary shall conduct an independent evaluation of the information provided by such agency or association. Such evaluation shall include:

"(A) the solicitation of third-party information concerning the performance of the accrediting agency or association; and

"(B) site visits at both the accrediting agency or association and member institutions, including unannounced visits where appropriate.

"(2) The Secretary shall place a priority for review of accrediting agencies or associations on those which accredit institutions of higher education which participate most extensively in the programs authorized by title IV of this Act and on those agencies or associations which have been the subject of the most complaints or legal actions.

"(3) The Secretary shall consider all available information concerning the compliance of the accrediting agency or association with the standards provided for in this section, including any complaints or legal actions against such agency or association. In cases where deficiencies in the performance of an accreditation agency or association with respect to the requirements of this section are noted, the Secretary shall take these deficiencies into account in the approval process. The Secretary shall not, under any circumstances, base decisions on the approval or disapproval of accreditation agencies or associations on standards other than those contained in this section.

"(4) The Secretary shall maintain sufficient documentation to support the conclusions reached in the approval process, and upon disapproval of any accreditation agency or association, shall make publicly available the reason for such disapproval, including reference to the specific standards under this section which have not been fulfilled.

"(m) REGULATIONS.—The Secretary shall by regulation provide for procedures for the recognition of accrediting agencies or associations and for the appeal of the Secretary's decisions.

"(n) DEFINITION.—For the purpose of this section, the term 'accrediting agency or association' includes any organization recognized by the Secretary for the purposes of this section including, but not limited to, boards, commissions and committees.".

SEC. 1205. DISCLOSURE OF FOREIGN GIFTS AND FOREIGN OWNERSHIP.

Title XII of the Higher Education Act of 1965 is amended by inserting after section 1208 the following section:

"DISCLOSURES OF FOREIGN GIFTS

"SEC. 1209. (a) DISCLOSURE REPORT.—Whenever any institution is owned or controlled by a foreign source or receives a gift from or enters into a contract with a foreign source, the value of which is $250,000 or more, considered alone or in combination with all other gifts from or contracts with that foreign source within a calendar year, the institution shall file a disclosure report with the Secretary on January 31 or July 31, whichever is sooner.

"(b) CONTENTS OF REPORT.—Each report to the Secretary required by this Act shall contain:

"(1) For gifts received from or contracts entered into with a foreign source other than a foreign government, the aggregate dollar amount of such gifts and contracts attributable to a particular country. The country to which a gift is attributable is the country of citizenship, or if unknown, the principal residence for a foreign source who is a natural person, and the country of incorporation, or if unknown, the principal place of business, for a foreign source which is a legal entity.

"(2) For gifts received from or contracts entered into with a foreign government, the aggregate amount of such gifts and contracts received from each foreign government.

"(3) In the case of an institution which is owned or controlled by a foreign source, the identity of the foreign source, the date on which the foreign source assumed ownership or control, and any changes in program or structure resulting from the change in ownership or control.

"(c) ADDITIONAL DISCLOSURES FOR RESTRICTED AND CONDITIONAL GIFTS.—Notwithstanding the provisions of subsection (b), whenever any institution receives a restricted or conditional gift or contract from a foreign source, the institution shall disclose:

"(1) For such gifts received from or contracts entered into with a foreign source other than a foreign government, the amount, the date, and a description of such conditions or restrictions. The report shall also disclose the country of citizenship, or if unknown, the principal residence for a foreign source which is a natural person, and the country of incorporation, or if unknown, the principal place of business for a foreign source which is a legal entity.

"(2) For gifts received from or contracts entered into with a foreign government, the amount, the date, a description of such conditions or restrictions, and the name of the foreign government.

"(d) RELATION TO OTHER REPORTING REQUIREMENTS.—

"(1) STATE REQUIREMENTS.—If an institution described under subsection (a) is within a State which has enacted requirements for public disclosure of gifts from or contracts with a foreign source that are substantially similar to the requirements of this section, a copy of the disclosure report filed with the State may be filed with the Secretary in lieu of a report required under subsection (a). The State in which the institution is located shall provide to the Secretary such assurances as the Secretary may require to establish that the institution has met the requirements for public disclosure under State law if the State report is filed.

"(2) USE OF OTHER FEDERAL REPORTS.—If an institution receives a gift from, or enters into a contract with, a foreign source, where any other department, agency, or bureau of the Executive Branch requires a report containing requirements substantially similar to those required under this Act, a copy of this report may be filed with the Secretary in lieu of a report required under subsection (a).

"(e) PUBLIC INSPECTION.—All disclosure reports required by this Act shall be public records open to inspection and copying during business hours.

"(f) ENFORCEMENT.—

"(1) COURT ORDERS.—Whenever it appears that an institution has failed to comply with the requirements of this section, including any rule or regulation promulgated thereunder, a civil action may be brought in an appropriate district court of the United States, or the appropriate United States court of any territory or other place subject to the jurisdiction of the United States, to request such court to compel compliance with the requirements of the Act.

"(2) COSTS.—For knowing or willful failure to comply with the requirements of this section, including any rule or regulation promulgated thereunder, an institution shall pay to the Treasury of the United States the full costs to the United States of obtaining compliance, including all associated costs of investigation and enforcement.

"(g) REGULATIONS.—The Secretary may promulgate regulations to carry out the ministerial duties imposed on the Secretary by this section.

"(h) DEFINITIONS.—For the purpose of this section—

"(1) the term 'contract' means any agreement for the acquisition by purchase, lease, or barter of property or services by the foreign source, for the direct benefit or use of either of the parties;

"(2) the term 'foreign source' means—

"(A) a foreign government, including an agency of a foreign government;

"(B) a legal entity, governmental or otherwise, created solely under the laws of a foreign state or states;

"(C) an individual who is not a citizen or a national of the United States or a trust territory or protectorate thereof; and

"(D) an agent, including a subsidiary or affiliate of a foreign legal entity, acting on behalf of a foreign source;

"(3) the term 'gift' means any gift of money or property;

"(4) the term 'institution' means any institution, public or private, or, if a multicampus institution, any single campus of such institution, in any State which—

"(A) is legally authorized within such State to provide a program of education beyond high school;

"(B) provides a program for which it awards a bachelor's degree (or provides not less than a 2-year program which is acceptable for full credit toward such a degree) or more advanced degrees; and

"(C) is accredited by a nationally recognized accrediting agency or association and to which institution Federal financial assistance is extended (directly or indirectly through another entity or person), or which institution receives support from the extension of Federal financial assistance to any of its subunits; and

"(5) the term 'restricted or conditional gift or contract' means any endowment, gift, grant, contract, award, present, or property of any kind which includes provisions regarding (A) the employment, assignment, or termination of faculty; (B) the establishment of departments, centers, research or lecture programs, or new faculty positions; (C) the selection or admission of students; or (D) the award of grants, loans, scholarships, fellowships, or other forms of financial aid restricted to students of a specified country, religion, sex, ethnic origin, or political opinion.".

SEC. 1206. ADMISSION OF MINORITY STUDENTS.

(a) FINDINGS.—The Congress finds that racial discrimination is indefensible, improper, and immoral.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that—

(1) institutions of higher education should review their admissions policies and, if necessary, revise them to ensure that applicants are not illegally excluded from admission;

(2) the Attorney General should investigate allegations of illegal racial discrimination in the admissions policies of institutions of higher education and pursue legal action against those schools which have violated title IV or VI (relating to desegregation of public education and nondiscrimination in federally assisted programs respectively), or both, of the Civil Rights Act of 1964 (42 U.S.C. 2000c—2000c-8 and 42 U.S.C. 2000d—2000d-6 respectively); and

(3) the Secretary of Education should conclude, as soon as possible, the compliance reviews on admissions policies of certain institutions of higher education being conducted by the Department of Education and should, in addition, initiate additional reviews of the admissions policies of schools alleged to have illegally discriminated on the basis of race.

TITLE XIII—INDIAN HIGHER EDUCATION PROGRAMS

PART A—TRIBALLY CONTROLLED COMMUNITY COLLEGES

SEC. 1301. REAUTHORIZATION OF THE TRIBALLY CONTROLLED COMMUNITY COLLEGES ACT.

(a) GENERAL AUTHORIZATION.—Section 110(a) of the Tribally Controlled Community College Assistance Act of 1978 is amended to read as follows:

"SEC. 110. (a)(1) There is authorized to be appropriated, for the purpose of carrying out section 105 $3,200,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

"(2) There is authorized to be appropriated for the purpose of carrying out section 107, $30,000,000 for fiscal year 1993 and such sums as

may be necessary for each of the 4 succeeding fiscal years.

"(3) There is authorized to be appropriated for the purpose of carrying out sections 112(b) and 113, $10,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

(b) ENDOWMENT GRANTS.—Section 306(a) of such Act is amended to read as follows:

"SEC. 306. (a) There are authorized to be appropriated to carry out the provisions of this title, $5,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

(c) ECONOMIC DEVELOPMENT.—Section 403 of such Act is amended to read as follows:

"SEC. 403. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated for grants under this title, $2,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

(d) NAVAJO COMMUNITY COLLEGES.—Section 5(a)(1) of the Navajo Community College Act is amended to read as follows:

"SEC. 5. (a)(1) For the purpose of making construction grants under this Act, there are authorized to be appropriated $2,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.".

PART B—HIGHER EDUCATION TRIBAL GRANT AUTHORIZATION ACT

SEC. 1311. SHORT TITLE.

This part may be cited as the "Higher Education Tribal Grant Authorization Act".

SEC. 1312. FINDINGS.

The Congress finds that—

(1) there are increasing numbers of Indian students qualifying for postsecondary education, and there are increasing numbers desiring to go to postsecondary institutions;

(2) the needs of these students far outpace the resources available currently;

(3) Indian tribes have shown an increasing interest in administering programs serving these individuals and making decisions on these programs reflecting their determinations of the tribal and human needs;

(4) the contracting process under the Indian Self-Determination and Education Assistance Act has provided a mechanism for the majority of the tribes to assume control over this program from the Bureau of Indian Affairs;

(5) however, inherent limitations in the contracting philosophy and mechanism, coupled with cumbersome administrative procedures developed by the Bureau of Indian Affairs have effectively limited the efficiency and effectiveness of these programs;

(6) the provision of these services in the most effective and efficient form possible is necessary for tribes, the country, and the individuals to be served; and

(7) these services are part of the Federal Government's continuing trust responsibility to provide education services to American Indian and Alaska Natives.

SEC. 1313. PROGRAM AUTHORITY.

(a) IN GENERAL.—The Secretary shall, from the amounts appropriated for the purpose of supporting higher education grants for Indian students under the authority of the Act of November 2, 1921, popularly known as the Snyder Act (25 U.S.C. 13), make grants to Indian tribes in accordance with the requirements of this part to permit those tribes to provide financial assistance to individual Indian students for the cost of attendance at institutions of higher education.

(b) LIMITATION ON SECRETARY'S AUTHORITY.—The Secretary shall not place any restrictions on the use of funds provided to an Indian tribe under this part that is not expressly authorized by this part.

(c) EFFECT ON FEDERAL RESPONSIBILITIES.—The provisions of this part shall not affect any trust responsibilities of the Federal Government.

(d) NO TERMINATION FOR ADMINISTRATIVE CONVENIENCE.—Grants provided under this part may not be terminated, modified, suspended, or reduced only for the convenience of the Administering agency.

SEC. 1314. QUALIFICATION FOR GRANTS TO TRIBES.

(a) CONTRACTING TRIBES.—Any Indian tribe that obtains funds for educational purposes similar to those authorized in this part pursuant to contract under the Indian Self-Determination and Education Assistance Act may qualify for a grant under this part by submitting to the Secretary a notice of intent to administer a student assistance program under section 1313. Such notice shall be effective for the fiscal year following the fiscal year in which it is submitted, except that if such notice is submitted during the last 90 days of a fiscal year such notice shall be effective the second fiscal year following the fiscal year in which it is submitted, unless the Secretary waives this limitation.

(b) NONCONTRACTING TRIBES.—Any Indian tribe that is not eligible to qualify for a grant under this part by filing a notice under subsection (a) may qualify for such a grant by filing an application for such a grant. Such application shall be submitted under guidelines for programs under the Indian Self-Determination and Education Assistance Act, as in effect on January 1, 1991, and shall be reviewed under the standards, practices, and procedures applicable to applications to contract under such Act as in effect on the date the application is received, except that—

(1) if the tribe is not notified that its application has been disapproved within 180 days after it is filed with the Secretary, the application shall be deemed to be approved;

(2) if the application is disapproved, the Secretary shall provide technical assistance to the tribe for purposes of correcting deficiencies in the application;

(3) the Secretary shall designate an office or official to receive such applications, and shall toll the 180-day period described in paragraph (1) from the date of receipt by such office or official; and

(4) applications shall be approved for the fiscal year following the fiscal year in which submitted, unless the Secretary waives the limitation of this paragraph.

(c) TERMINATION OF GRANTS.—

(1) CONTINUING ELIGIBILITY PRESUMED.—An Indian tribe which has qualified under subsection (a) or (b) for a grant under this part for any fiscal year shall continue to be eligible for such a grant for each succeeding fiscal year unless the Secretary revokes such eligibility for a cause described in paragraph (2).

(2) CAUSES FOR LOSS OF ELIGIBILITY.—The Secretary may revoke the eligibility of an Indian tribe for a grant under this part if such tribe—

(A) fails to submit to the Bureau an annual financial statement that reports revenues and expenditures determined by use of an accounting system, established by the tribe, that complies with generally accepted accounting principles;

(B) fails to submit to the Bureau an annual program description, stating the number of students served, and containing such information concerning such students, their educational programs and progress, and the financial assistance distributed to such students as the Secretary may require by regulation;

(C) fails to submit to the Secretary a biennial financial audit conducted in accordance with chapter 75 of title 31, United States Code; or

(D) fails, in an evaluation of its financial assistance program conducted by an impartial third party entity, to comply with standards under this part relating to (i) eligible students, programs, or institutions of higher education, (ii) satisfactory progress, or (iii) allowable administrative costs; as determined under contracts applicable to programs to provide financial assistance to individual Indian students for the cost of attendance at institutions of higher education administered by Indian tribes under the Indian Self-Determination and Education Assistance Act and in effect on January 20, 1991.

(3) PROCEDURES FOR REVOCATION OF ELIGIBILITY.—The Secretary shall not revoke the eligibility of an Indian tribe for a grant under this part except—

(A) after notice in writing to the tribe of the cause and opportunity to the tribe to correct;

(B) providing technical assistance to the tribe in making such corrections; and

(C) after hearing and appeals conducted under the same rules and regulations that apply to similar termination actions under the Indian Self-Determination and Education Assistance Act.

SEC. 1315. ALLOCATION OF GRANT FUNDS.

(a) ALLOCATION OF FUNDS.—

(1) IN GENERAL.—The Secretary shall continue to determine the amount of program funds to be received by each grantee under this part by the same method used for determining such distribution in fiscal year 1991 for tribally-administered and Bureau-administered programs of grants to individual Indians to defray postsecondary expenses.

(2) ADMINISTRATIVE COSTS.—In addition to the amount determined under paragraph (1), a grantee which has exercised the option given in section 1314(a) to administer the program under a grant shall receive an amount for administrative costs determined pursuant to the method used by the grantee during the preceding contract period. All other grantees shall receive an amount for administrative costs determined pursuant to the regulations governing such determinations under the Indian Self Determination and Education Assistance Act, as in effect at the time of application to grants being made.

(3) SINGLE GRANT; SEPARATE ACCOUNTS.—Each grantee shall receive only one grant during any fiscal year, which shall include both of the amounts under paragraphs (1) and (2). Each grantee shall maintain this grant in a separate account.

(b) USE OF FUNDS.—Funds provided by grants under this part shall be used—

(1) to make grants to individual Indian students to meet, on the basis of need, any educational expense of attendance in a postsecondary education program (as determined under the contracts applying to the postsecondary education program administered by tribes under the Indian Self Determination and Education Assistance Act (Public Law 93–638)), to the extent that such expense is not met from other sources or cannot be defrayed through the action of any State, Federal, or municipal Act, except that nothing in this subsection shall be interpreted as requiring any priority in consideration of resources; and

(2) costs of administering the program under this part, except that no more may be spent on administration of such program than is generated by the method for administrative cost computation specified in section 1315(a)(2).

SEC. 1316. LIMITATIONS ON USE OF FUNDS.

(a) USE FOR RELIGIOUS PURPOSES.—None of the funds made available under this part may be used for study at any school or department of divinity or for any religious worship or sectarian activity.

(b) INTEREST ON FUNDS.—No interest or other income on any funds made available under this part shall be used for any purpose other than those for which such funds may be used.

(c) PAYMENTS.—

(1) IN GENERAL.—Except as otherwise provided in this subsection, the Secretary shall make payments to grantees under this part in two payments—

(A) one payment to be made no later than October 1 of each fiscal year in an amount equal to one-half the amount paid during the preceding fiscal year to the grantee or a contractor that has elected to have the provisions of this part apply, and

(B) the second payment consisting of the remainder to which the grantee or contractor is entitled for the fiscal year to be made by no later than January 1 of the fiscal year.

(2) NEW GRANTEES.—For any tribe for which no payment was made under this part in the preceding fiscal year, full payment of the amount computed for each fiscal year shall be made by January 1 of the fiscal year.

(d) INVESTMENT OF FUNDS.—

(1) TREATMENT AS TRIBAL PROPERTY.—Notwithstanding any other provision of law, any interest or investment income that accrues on any funds provided under this part after such funds are paid to the Indian tribe or tribal organization and before such funds are expended for the purpose for which such funds were provided under this part shall be the property of the Indian tribe or tribal organization and shall not be taken into account by any officer or employee of the Federal Government in determining whether to provide assistance, or the amount of assistance, under any provision of Federal law.

(2) INVESTMENT REQUIREMENTS.—Funds provided under this part may be—

(A) invested by the Indian tribe or tribal organization only in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States, or

(B) deposited only into accounts that are insured by an agency or instrumentality of the United States.

(e) RECOVERIES.—For the purposes of underrecovery and overrecovery determinations by any Federal agency for any other funds, from whatever source derived, funds received under this part shall not be taken into consideration.

SEC. 1317. ADMINISTRATIVE PROVISIONS.

(a) BIENNIAL REPORT.—The Secretary shall submit a biennial report to the Congress on the programs established under this part. Such report shall include—

(1) a description of significant administrative actions taken by the Secretary under this part;

(2) the number of grants made under the authority of this part;

(3) the number of applications denied for such grants and the reasons therefor;

(4) the remedial actions taken to enable applicants to be approved;

(5) the number of students served, by tribe;

(6) statistics on the academic pursuits of the students provided assistance under this part the average amount of assistance provided; and

(7) such additional information as the Secretary considered significant.

(b) ROLE OF THE DIRECTOR.—Applications for grants under this part, and all application modifications, shall be reviewed and approved by personnel under the direction and control of the Director of the Office of Indian Education Programs. Required reports shall be submitted to education personnel under the direction and control of the Director of such Office.

(c) APPLICATION OF INDIAN SELF-DETERMINATION AND EDUCATION ASSISTANCE ACT.—All provisions of sections 5, 6, 7, 105, 109, and 110 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450c et seq.), except those provisions pertaining to indirect costs and length of contract, shall apply to grants provided under this part.

(d) REGULATIONS.—The Secretary is authorized to issue regulations relating to the discharge of duties specifically assigned to the Secretary by this part. In all other matters relating to the details of planning, development, implementing, and evaluating grants under this part, the Secretary shall not issue regulations. Regulations issued pursuant to this part shall not have the standing of a Federal statute for the purposes of judicial review.

(e) RETROCESSION.—Whenever an Indian tribe requests retrocession of any program for which assistance is provided under this part, such retrocession shall become effective upon a date specified by the Secretary not more than 120 days after the date on which the tribe requests the retrocession, or such later date as may be mutually agreed upon by the Secretary and the tribe. If such a program is retroceded, the Secretary shall provide to any Indian tribe served by such program at least the same quantity and quality of services that would have been provided under such program at the level of funding provided under this part prior to the retrocession. The tribal governing body requesting the retrocession shall specify whether the retrocession shall be to a contract administered by the tribe, or a tribal entity, under the authority of the Indian Self-Determination Act or to a Bureau administered program.

PART C—CRITICAL NEEDS FOR TRIBAL DEVELOPMENT ACT

SEC. 1321. SHORT TITLE.

This part may be cited as the "Critical Needs for Tribal Development Act".

SEC. 1322. DEFINITIONS.

As used in this part:

(1) The term "federally funded higher education assistance" means any grant assistance provided to an Indian student from funds made available for such purpose by contract or grant to an Indian tribe from amounts appropriated under the authority of the Act of November 2, 1921, popularly known as the Snyder Act (25 U.S.C. 13).

(2) The term "eligible Indian tribe or tribal organization" means any Indian tribe or tribal organization that qualifies to administer federally funded higher education assistance under a contract pursuant to the Indian Self-Determination and Education Assistance Act of 1975 or under a grant pursuant to the Higher Education Tribal Grant Authorization Act of 1991.

SEC. 1323. SERVICE CONDITIONS PERMITTED.

(a) IN GENERAL.—An eligible Indian tribe or tribal organization may, in accordance with the requirements of this part, require any applicant for federally funded higher education assistance, as a condition of receipt of such assistance, to enter into a critical area service agreement in accordance with section 1324.

(b) CRITICAL AREA DESIGNATION.—Any eligible Indian tribe or tribal organization that intends to require critical area service agreements shall, by a formal action of the tribal council or its delegate, designate particular occupational areas as critical areas for the economic or human development needs of the tribe or its members. The tribe or organization shall notify the Secretary of the Interior in writing of such designated critical areas. Such designations shall be applicable to federally funded higher education assistance for any fiscal year following the fiscal year in which the designation is made until such designation is withdrawn by the tribe or organization by formal action. The tribe or organization shall notify the Secretary of the Interior in writing of any designations that are withdrawn.

SEC. 1324. CRITICAL AREA SERVICE AGREEMENTS.

(a) TERMS OF AGREEMENTS.—A critical area service agreement shall be an agreement between an Indian student who receives or who shall receive federally funded higher education assistance and an Indian tribe or tribal organization providing such assistance in which the student agrees—

(1) to undertake a course of study at an eligible institution (as that term is defined in section 435(a) of the Higher Education Act of 1965) in an area of critical need, as determined under section 1323, and to pursue that course of study to its completion; and

(2)(A) to perform, for each academic year for which the student receives federally funded higher education assistance under a critical area service agreement, one calendar year of service to the tribe or organization in an occupation that is in a critical area designated by the tribe pursuant to section 1322(b), commencing not later than 6 months after the student ceases to carry at an institution of higher education at least one-half the normal full-time academic workload as determined by the institution; or

(B) to repay such assistance to the Secretary, together with interest thereon at a rate prescribed by the Secretary by regulation, in monthly or quarterly installments over not more than 5 years.

(b) SERVICE LIMITATIONS AND CONDITIONS.—The tribe or tribal organization shall agree that a student performing services under a critical area service agreement—

(1) shall be provided compensation, benefits, and working conditions at the same level and to the same extent as any other employee working a similar length of time and doing the same type of work;

(2) may be treated as providing services to the tribe or organization if the student provides services for members of the tribe or organization that are approved by the tribe or organization and agreed to by the student even though such services are performed while the student is employed by a Federal, State, or local agency or instrumentality or by a nonprofit or for-profit private institution or organization; and

(3) may obtain the benefits of a waiver or suspension in accordance with the requirements of subsection (c).

(c) WAIVER AND SUSPENSION OF SERVICE AGREEMENT.—

(1) WAIVER.—An Indian tribe or tribal organization may, by formal action, waive the service agreement of an Indian student for just cause, as determined in accordance with regulations prescribed by the Secretary. The tribe or organization shall notify the Secretary in writing of any waiver granted under this subsection.

(2) SUSPENSION.—The obligation of a student to perform services under a critical area service agreement—

(A) shall be suspended for not more than 18 months if, at the request of the student, the tribe or organization determines that there are no employment opportunities available in any critical service area; and

(B) shall be suspended if the student ceases to attend an institution of higher education as a consequence of an institutional determination of unsatisfactory performance.

If, at the end of a period of suspension under subparagraph (A), there are still no employment opportunities available in any critical service area, the student's obligations under the agreement shall terminate. A suspension under subparagraph (B) shall be reviewed by the tribe or organization annually, but may be continued indefinitely.

(d) PRO RATA REDUCTION FOR PARTIAL SERVICES.—The Secretary shall, by regulation, provide for the pro rata reduction of repayment obligations under subsection (a)(2) in the case of any student who partially completes the service obligation of that student under subsection (a)(1).

(e) CERTIFICATION OF SERVICE.—An Indian tribe or tribal organization receiving services under a critical area service agreement—

(1) shall establish procedures for monitoring and evaluating the provisions of this part, and provide a copy of such procedures to the Secretary and to each individual providing services under a critical area service agreement;

(2) shall annually certify to the Secretary the identities of the individuals performing service under such agreements; and

(3) shall annually certify to the Secretary the amount of service performed, and the amount remaining to be performed, by each such individual under such agreements.

SEC. 1325. GENERAL PROVISIONS.

(a) APPLICATION OF EXISTING PROCEDURES.—Except as provided in subsection (b), the requirements relating to student eligibility, needs analysis, and determination of eligibility for the program to be attended regularly incorporated by reference into contracts under the Indian Self-Determination and Education Assistance Act of 1975 (Public Law 93–638) for tribal operation of higher education grant programs prior to January 1, 1991, shall apply.

(b) ADDITIONAL, EXCESS, AND INCREMENTAL COSTS.—The tribe or tribal organization may establish in writing, subject to the review of the Secretary, procedures for determining additional, excess, or inducement costs to be associated with grants for critical area service agreements.

PART D—INSTITUTE OF AMERICAN INDIAN NATIVE CULTURE AND ARTS DEVELOPMENT

SEC. 1331. INSTITUTE OF AMERICAN INDIAN NATIVE CULTURE AND ARTS DEVELOPMENT.

(a) BOARD OF DIRECTORS.—Section 1505 of the Higher Education Amendments of 1986 (20 U.S.C. 4412) is amended—

(1) in subsection (a)(1)(A)—

(A) by striking "The voting" and inserting "Subject to the provisions of subsection (i), the voting"; and

(B) by inserting before the period at the end thereof the following: ", and diverse fields of expertise, including finance, law, and fine arts higher education administration";

(2) by redesignating paragraph (3) of subsection (a) as paragraph (4);

(3) by inserting after paragraph (2) of such subsection the following new paragraph:

"(3) The President shall carry out the activities under subparagraphs (B) and (C) of paragraph (2) through the Board. The Board may make recommendations based upon the nominations received, may make recommendations of its own, and may review and make comments to the President or the President's appointed staff on individuals being considered by the President who were not nominated pursuant to paragraph (2)."; and

(4) by striking subsection (i) and inserting the following:

"(i) APPOINTMENT EXCEPTION FOR CONTINUITY.—

"(1) In order to maintain the stability and continuity of the Board, the Board shall have the power to recommend the continuation of Members on the Board pursuant to the provisions of this subsection. When the Board makes such a recommendation, the Chairman of the Board shall cause such recommendation to be transmitted to the President no later than 75 days prior to the expiration of the term of such Member.

"(2) If the President has not transmitted to the Senate a nomination to fill the position of the Member covered by such a recommendation within 60 days of the date upon which said Member's term expires, such Member will be deemed to have been reappointed for another full term to the Board, with all the rights and responsibilities thereto.

"(3) This subsection shall not be construed to permit less than 7 members of the Board to be Indians. If an extension of a term under paragraph (2) would result in less than 7 members being Indians, the term of the Member covered by the motion under paragraph (2) shall be deemed to expire on the date 60 days after the date upon which it would have been deemed to expire without the operation of this subsection, except that the provisions of subsection (b)(4), relating to continuation of service pending replacement, shall continue to apply.".

(b) GENERAL POWERS OF BOARD.—Section 1507 of such Amendments (20 U.S.C. 4414) is amended—

(1) by redesignating paragraphs (3) through (13) of subsection (a) as paragraphs (4) through (14), respectively;

(2) by striking paragraph (2) of such subsection and inserting the following:

"(2) to make agreements and contracts with persons, Indian tribes, and private or governmental entities and to make payments or advance payments under such agreements or contract without regard to section 3324 of title 31;

"(3) any other provision of law to the contrary notwithstanding, to enter into joint development ventures with public or private commercial or noncommercial entities for development of facilities to meet the plan required under section 1519, provided that such ventures are related to and further the mission of the Institute;";

(3) by striking paragraph (13) of such subsection (as redesignated by paragraph (1) of this subsection) and inserting the following:

"(13) to use any funds or property received by the Institute to carry out the purpose of this chapter, including the authority to designate on an annual basis a portion, not to exceed 10 percent, of the funds appropriated pursuant to section 1531 for investment, without regard to any other provision of law regarding investment or disposition of federally appropriated funds, on a short-term basis for the purpose of maximizing yield and liquidity of such funds; and"; and

(4) in subsection (c) by striking "may be expended" and inserting "shall be expended".

(c) STAFF OF INSTITUTE.—Section 1509(b)(2) of such Amendments is amended to read as follows:

"(2) The president of the Institute shall fix the basic compensation for officers and employees of the Institute at rates comparable to the rates in effect under the General Schedule for individuals with comparable qualifications, and holding comparable positions, to whom chapter 51 of title 5 applies or at rates comparable to those of similar institutions of higher education.".

(d) FUNCTIONS OF INSTITUTE.—Section 1510(b) of such Amendments is amended to read as follows:

"(b) ADMINISTRATIVE ENTITIES.—

"(1) The Board shall be responsible for establishing the policies and administrative organization relating to the administrative control and monitoring responsibilities for all subdivisions, administrative entities, and departments of the Institute.

"(2) The specific responsibilities of each subdivision, entity, and department of the Institute lies solely within the discretion of the Board, or its designee.

"(3) The Board shall establish, within the Institute, departments for the study of culture and arts and for research and exchange, and a museum. The Board shall establish the areas of competency for the departments created under this paragraph, which may include (but are not limited to) Departments of Arts and Sciences, Visual Arts, Performing Arts, Language, Literature and Museology and a learning resources center, programs of institutional support and development, research programs, fellowship programs, seminars, publications, scholar-in-residence programs and inter-institutional programs of cooperation at national and international levels.".

(e) INDIAN PREFERENCE.—Section 1511(a) of such Amendments is amended by inserting "develop a policy or policies for the Institute to" after "is authorized to".

(f) TRANSFER OF FUNCTIONS.—Section 1514 of such Amendments is amended—

(1) in subsection (b)(1), by striking "All personnel" and inserting "Subject to subsection (d), all personnel"; and

(2) in subsection (d)(2), by striking "monetary damage" and inserting "monetary damages".

(g) REPORTS.—Section 1515(b) of such Amendments is amended—

(1) by striking paragraph (1); and

(2) by redesignating paragraphs (2) through (4) as paragraphs (1) through (3).

(h) HEADQUARTERS.—Section 1516 of such Amendments is amended—

(1) by striking "The site of the Institute of American Indian Arts, at"; and

(2) by striking "the Secretary" and inserting "the Board".

(i) COMPLIANCE WITH OTHER ACTS.—Section 1517 of such Amendments is amended by adding at the end thereof the following new subsection:

"(d) CONDITIONS ON FEDERAL ASSISTANCE.—The Institute shall not be subject to any provision of law requiring that non-Federal funds or other moneys be used in part to fund any grant or contract or cooperative agreement or project as a condition to application for, or receipt of, Federal assistance. This subsection shall not be construed to effect in a negative fashion the review, prioritization, or acceptance of any application or proposal for such a program, solicited or unsolicited.".

(j) ENDOWMENT PROGRAM.—Section 1518 of such Amendments is amended—

(1) in subsection (a)(3), by striking "the date of enactment of this Act" and inserting "November 29, 1990"; and

(2) in subsection (b)(4), by inserting ", non-Federal governmental," after "any private".

(k) PROVISION OF FACILITIES.—Part A of title XV of such Amendments is amended by adding at the end thereof the following new section:

"SEC. 1519. PROVISION OF FACILITIES.

"(a) PLAN.—The Board shall prepare a master plan on the short- and long-term facilities needs of the Institute. The master plan shall include evaluation of all facets of existing Institute programs, including support activities and programs and facilities. The master plan shall include impact projections for the Institute's move to a new campus site. This master plan shall evaluate development and construction requirements (based on a growth plan approved by the Board), including (but not limited to) items such as infrastructure and site analysis, development of a phased plan with architectural and engineering studies, cost projections, landscaping, and related studies which cover all facets of the Institute's programs and planned functions. The plan shall be periodically reviewed as determined by the Board.

"(b) DEADLINE FOR TRANSMITTAL.—The plan required by this subsection shall be transmitted to Congress no later than 18 months after the date of enactment of this provision. Such plan shall include a prioritization of needs, as determined by the Board.".

PART E—TRIBAL DEVELOPMENT STUDENT ASSISTANCE REVOLVING LOAN PROGRAM

SEC. 1341. SHORT TITLE.

This part may be cited as the "Tribal Development Student Assistance Act".

SEC. 1342. FINDINGS; PURPOSES.

(a) FINDINGS.—The Congress finds that—

(1) a substantial number of Indian students have partially completed their degrees in postsecondary education, but have been unable, for a number of reasons, to complete the degrees;

(2) in at least some measure these students have been supported by tribal funds or grants of Federal monies administered by the Bureau of Indian Affairs or tribes;

(3) the inability of the students to complete these degrees has led to a hardship for the students and a loss of a potential pool of talent to the tribes or tribal organizations which originally financed, at least in part, these efforts;

(4) this loss has crippled tribal efforts in the areas of economic and social development;

(5) this failure to complete the postsecondary schooling has led to economic loss to the tribes and the Federal Government which could be remedied by completion of the courses of study; and

(6) a program to identify students with a level of postsecondary completion short of the fulfillment of graduation requirements and to encourage them to complete these requirements, including provision of resources, will benefit the students, the tribes, and the Federal Government.

(b) Purposes.—The purposes of this part are—

(1) to establish a revolving loan program to be administered by a tribe or tribal organization for the purposes of increasing the number of college graduates available to work in tribal businesses, tribal government, and tribal services such as schools and hospitals;

(2) to conduct research to assess the situational and educational barriers to participation in postsecondary education; and

(3) to encourage development, through grants, of a model which provides, in addition to loans, transitional and follow-up services needed to encourage persistence in postsecondary education.

SEC. 1343. REVOLVING FUND.

(a) Receipt, Investment, and Accounting.—

(1) Tribes and tribal organizations.—Funds received under a grant under this part or recovered under the provisions of section 1346(a)(2) shall be identified and accounted for separately from any other tribal or Federal funds received from the Federal Government. All funds in this account shall be used for the purposes of this part.

(2) Financial procedures.—The Secretary of the Interior is responsible for establishing, by regulations, such requirements for receipt, investment and accounting of funds under subsection (b) as shall safeguard and financial interests of the Federal Government.

(b) Investment.—Funds provided under this part or recovered by the tribe or tribal organization under the provisions of section 1346 shall be—

(1) invested by the Indian tribe or tribal organization only in obligations of the United States or in obligations or securities that are guaranteed or insured by the United States, or

(2) deposited only in accounts that are insured by an agency or instrumentality of the United States.

(c) Treatment of Income.—Notwithstanding any other provision of law, any interest or investment income that accrues on any funds covered under this provision after such funds have been distributed to a tribe or tribal organization and before such funds are distributed for the purposes of making loans under this part shall be the property of the tribe or tribal organization and shall not be taken into account by any officer or employee of the Federal Government in determining whether to provide assistance, or the amount of assistance, under any provision of Federal law.

SEC. 1344. ELIGIBLE RECIPIENTS.

(a) Tribes and Tribal Organizations.—The Secretary of the Interior shall make grants, in accordance with the requirements of this part, to—

(1) tribes or multitribal organizations not serviced by current federally funded postsecondary institutions authorized for economic development grants; and

(2) tribes or multitribal organizations which lack sufficient numbers of professionally trained tribal members to support established or ongoing economic development initiatives.

(b) Students.—Any tribe or tribal organization that receives funds under subsection (a) shall make such funds available by loan, under terms and conditions consistent with section 1345, to Indian students who have successfully completed 30 hours of postsecondary education and who are eligible for readmission to a postsecondary institution.

SEC. 1345. TERMS OF LOANS.

(a) In General.—A loan under this part to an Indian student shall—

(1) be subject to repayment over a period of not more than 5 years;

(2) not bear interest;

(3) be subject to forgiveness for services to the tribe in accordance with section 1346; and

(4) contain such additional terms and conditions as the initial loan agreement between the tribe or tribal organization and student may prescribe in writing.

(b) Cost of Attendance.—Calculation of the cost of attendance for the student must include all costs as determined by the tribe for the purposes of fulfilling the policy of this part.

(c) Additional Requirements.—Any student seeking a loan under this part shall apply for and accept the maximum financial aid available from other sources. However, for purposes of determining eligibility, loans provided under this program may not be considered in needs analysis under any other Federal law, and may not penalize students in determining eligibility for other funds.

SEC. 1346. SERVICE FULFILLMENT AND CONDITIONS; REPAYMENTS; WAIVERS.

(a) Service Agreement Required.—Prior to receipt of a loan under this part, the tribe or tribal organization and the eligible recipient shall enter into a written agreement, subject to the conditions of this section, which commits the recipient—

(1) to perform, for each academic year for which the student receives assistance under this part one calendar year of service to the tribe or organization in an occupation related to the course of study pursued and an economic or social development plan developed by the tribe or tribal organization, commencing not later than 6 months after the student ceases to carry at an institution of higher education at least one-half the normal full-time academic workload as determined by the institution; or

(2) to repay to the tribe or tribal organization the full amount of the loan, in monthly or quarterly installments over not more than 5 years. Funds recovered under this provision will be reported annually to the Secretary and invested in the account established under section 1343.

(b) Service Limitations and Conditions.—The tribe or tribal organization shall agree that a student performing services under this part—

(1) shall be provided compensation, benefits, and working conditions at the same level and to the same extent as any other employee working a similar length of time and doing the same type of work;

(2) may be treated as providing services to the tribe or organization if the student provides services for members of the tribe or organization that are approved by the tribe or organization and agreed to by the student even though such services are performed while the student is employed by a Federal, State, or local agency or instrumentality or by a nonprofit or for-profit private institution or organization; and

(3) may obtain the benefits of a waiver or suspension in accordance with the requirements of subsection (c).

(c) Waiver and Suspension of Service Agreement.—

(1) Waiver.—An Indian tribe or tribal organization may, by formal action, waive the service agreement of an Indian student for just cause, as determined in accordance with regulations prescribed by the Secretary. The tribe or organization shall notify the Secretary in writing of any waiver granted under this subsection.

(2) Suspension.—The obligation of a student to perform services under this part—

(A) shall be suspended for not more than 18 months if, at the request of the student, the tribe or organization determines that there are no employment opportunities available in any applicable area; and

(B) shall be suspended if the student ceases to attend an institution of higher education as a consequence of an institutional determination of unsatisfactory performance.

If, at the end of a period of suspension under subparagraph (A), there are still no employment opportunities available which fulfill the requirements of this part, the student's obligations under the agreement shall terminate. A suspension under subparagraph (B) shall be reviewed by the tribe or organization annually, but may be continued indefinitely.

(d) Pro Rata Reduction for Partial Services.—The Secretary shall, by regulation, provide for the pro rata reduction of repayment obligations under subsection (a)(2) in the case of any student who partially completes the service obligation of that student under subsection (a)(1).

(e) Certification of Service.—An Indian tribe or tribal organization receiving services under this part—

(1) shall establish procedures for monitoring and evaluating the provisions of this part, and provide a copy of such procedures to the Secretary and to each individual providing services under a critical area service agreement;

(2) shall annually certify to the Secretary the identities of the individuals performing service under such agreements; and

(3) shall annually certify to the Secretary the amount of service performed, and the amount remaining to be performed, by each such individual under such agreements.

SEC. 1347. ADMINISTRATION.

(a) Regulations.—The Secretary shall establish, by regulation, an application process containing such requirements as the Secretary deems necessary for purposes of making grants to eligible entities under this part, providing that the Secretary shall take into account in reviewing applications under this part the number of students with partial completion identified by the applicant, relative to the total number of the members of tribe which would be benefitted by provision of services under section 1346, and shall attempt to achieve geographic and demographic diversity in grants made under this part.

(b) Grant Procedures.—(1) Subject to the availability of funds and acceptable applications, the Secretary shall make 5 grants to tribes or tribal organizations for purposes of this part, each grant to be for a period of 4 years.

(2) The amount of administrative costs associated with grants under this part shall be negotiated by the Secretary with the successful applicants and made a part of the grant agreement.

SEC. 1348. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this part, $2,000,000 for fiscal year 1993 and such sums as may be necessary for each of the 4 succeeding fiscal years.

TITLE XIV—MISCELLANEOUS

PART A—STUDIES

SEC. 1401. DATA ON NONTRADITIONAL STUDENTS.

(a) STUDY REQUIRED.—The Secretary of Education shall conduct a 2-year study regarding the types of programs available for, and determine the success or failure of such programs in, increasing the accessibility for nontraditional students to postsecondary education. The study shall be conducted through the Office of Educational Research and Improvement.

(b) PURPOSE.—The purpose of the study shall be—

(1) to appraise the adequacies and deficiencies of current student financial aid information resources and services and evaluate the effectiveness of these programs as they pertain to the nontraditional student;

(2) to investigate the availability of grants and loans and other financial assistance to nontraditional students (includes independent students, part-time students, students 24 or older, and single parents);

(3) to assess the availability of supportive services for the nontraditional students including (but not limited to) counseling, child care services, campus health center services, and library services;

(4) to make recommendations on how the Department of Education can maintain an effective data base regarding nontraditional students that will include—

(A) a yearly count of the number of students who are nontraditional and breakdown of the institutions they are attending;

(B) the number of nontraditional students who work and go to school;

(C) participation in Federal student aid programs;

(D) unmet costs of postsecondary education for nontraditional students; and

(E) trends over the last decade regarding participation of nontraditional students in title IV programs.

(c) REPORT.—The Secretary of Education shall submit an interim report to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate within 1 year after the date of enactment of this section and submit a final report 2 years after such date of enactment.

SEC. 1402. STUDY OF FEDERAL BENEFIT COORDINATION.

(a) IN GENERAL.—The Secretary of Education shall conduct a study to evaluate the coordination of Federal student financial assistance programs under this title with other programs funded in whole or in part with Federal funds, with particular attention to—

(1) the effect of receipt of program assistance under this title on students eligible for other programs funded in whole or in part with Federal funds, including reduction or denial of such other program funds; and

(2) the attendance cost elements funded in whole or in part by programs under this title for students eligible for other Federal programs and the inclusion of room and/or board costs in such attendance costs.

(b) REPORT.—The Secretary of Education shall prepare and submit to the appropriate committees of the Congress a report on the study conducted pursuant to subsection (a) not later than 3 years after the date of enactment of this Act, together with such recommendations as the Secretary deems appropriate.

SEC. 1403. NATIONAL SURVEY OF FACTORS ASSOCIATED WITH PARTICIPATION.

(a) AUTHORITY OF THE SECRETARY.—In order to assure improved and accurate data on the participation of at-risk students in postsecondary education, the Secretary, acting through the National Center for Educational Statistics, shall conduct a special purpose survey on a biennial basis of factors associated with participation of low-income, disadvantaged, non-English language background, and minority students, including (but not limited to) African American, Native Americans, Native Hawaiians, major Hispanic subgroups, and Asian students from disadvantaged backgrounds in various types of postsecondary education. The survey data shall permit comparisons with other groups that have characteristically participated at higher rates than at-risk students.

(b) DEVELOPMENT OF THE SURVEY.—The Secretary shall consult with the Congress and the elementary and secondary and higher education community in developing such an annual survey. The survey shall include, but not be limited to—

(1) academic preparation of groups at key points in the elementary and secondary education process;

(2) rates of academic progress and graduation from high school;

(3) participation in postsecondary education by type and control of institution and by program of study;

(4) persistence rates in postsecondary programs, or, in the case of short-term programs, completion rates; and

(5) average student financial assistance awarded to groups, including Federal, State, and other assistance.

(c) REPORT TO CONGRESS.—The Secretary shall report relevant data and conclusions from the survey to Congress on an annual basis, including comparisons of important factors for at-risk and other relevant populations.

(d) DEVELOPMENT OF PLAN.—In the event of significant findings related to underparticipation rates of at-risk and other students, the Secretary shall submit a plan containing policies and program modifications for ensuring the participation of at-risk students. The plan shall indicate the modifications the Secretary will make to increase participation, including, but not limited to, increasing information and training, and recommending other relevant changes to the programs under this title.

(e) PANEL SURVEY ON INCOME DYNAMICS.—The Secretary, acting through the National Center for Education Statistics, shall make an interagency agreement with the National Science Foundation to provide for additional questions and an appropriate sample size as part of an existing panel study of income dynamics to provide information on the educational processes and other developmental behavior of Hispanic, black, and non-Hispanic white children and their short-term and long-term consequences. There is authorized to be appropriated $900,000 for fiscal year 1993 and for each of the 4 succeeding fiscal years for this activity.

SEC. 1404. EVALUATION OF ASSISTANCE GUARANTY PROGRAMS.

(a) PURPOSE.—The purposes of this section are—

(1) to require the Secretary to determine the effectiveness of programs for disadvantaged elementary and secondary school students that offer guarantees for postsecondary education, and

(2) to encourage business community involvement through the dissemination of successful programs.

(b) CONDUCT OF STUDY.—

(1) The Secretary shall, through the Office of Educational Research and Improvement, evaluate the effectiveness of programs for disadvantaged children that, in exchange for the child's commitment to achieving a satisfactory elementary and secondary education, promise the child the financial resources needed to pursue a postsecondary education.

(2) The Secretary shall study a sample of the types of programs available, and (A) determine the success or failure of such programs in increasing the access and entry of disadvantaged students into postsecondary education, (B) identify the most successful programs and the causes for success, and (C) determine the responsibilities of sponsors of the programs.

(3) The programs studied shall include a guarantee of postsecondary education for students currently in elementary or secondary grade levels. The programs may include supportive services, mentoring, study skills, and counseling to students participating in the program.

(c) DISSEMINATION.—The Secretary shall disseminate the findings through appropriate agencies and organizations including associations of businesses.

(d) SUBMISSION OF REPORT.—The Secretary shall submit an interim report by January 31, 1995, and a final report by June 30, 1996, to the Committee on Education and Labor of the House of Representatives and the Committee on Labor and Human Resources of the Senate.

SEC. 1405. INFORMATION ON GRADUATE EDUCATION.

(a) ASSESSMENT REQUIRED.—The Office of Educational Research and Improvement shall conduct a study which will provide an assessment of the information currently collected on graduate education and will identify what additional information should be generated to guide the Department of Education in defining and executing its role in the support of graduate education.

(b) SUBJECT OF ASSESSMENT.—The assessment required by subsection (a) shall include the assessment of the total amount of Federal, State, private, foundation, and institutional fellowships, assistantships, loans, or any other forms of financial assistance to all graduate students, including both American and foreign students; and how these amounts are distributed by race, by sex, to nontraditional students, and to students with disabilities. In addition, the assessment shall determine the number of graduate students, cross-referenced by race, sex, and national origin, part-time, full-time, independent versus dependent status, and individuals with disabilities who enrolled and completed all requirements for the degrees master of arts, master of science, master in business administration, doctor of philosophy, doctor of education, juris doctor, medical doctor, doctor in veterinary medicine, and doctor of dental science.

(c) CONSULTATION.—In conducting this study, the Office of Educational Research and Improvement shall consult with other agencies and organizations involved in graduate education policy, including the Congressional Office of Technology Assessment, the President's Office of Science and Technology Policy, the National Science Foundation and the other Federal agencies supporting academic research and graduate education, the National Academy of Sciences and other public and private organizations which participate in the formulation and implementation of national graduate education policies and programs.

(d) DATE FOR COMPLETION.—The study shall be completed within 2 years of the date of enactment of this Act.

SEC. 1406. STUDY OF THE CENTER FOR INTERNATIONAL EDUCATION'S STAFFING REQUIREMENTS.

The Comptroller General shall conduct an evaluation of the staffing requirements of the United States Department of Education's Center for International Education. The evaluation shall consider the effectiveness of the staffing patterns and assess staffing needs in relation to the administration of title VI of the Higher Education Act of 1965 and section 102(b)(6) of the Mutual Educational and Cultural Exchange

Act, including (1) the number and experience of personnel required to achieve the objectives of such programs at a high level of quality, and (2) the extent to which additional staff may be required to administer amendments to such programs made by this Act. In conducting the evaluation, the Comptroller General shall consult institutions of higher education which have participated under such programs, and national organizations of such institutions. Within one year after the date of enactment of this Act, the Comptroller General shall submit to the Congress a report on the results of such evaluation together with such recommendations as the Comptroller General deems appropriate.

SEC. 1407. STUDY OF ENVIRONMENTAL HAZARDS IN INSTITUTIONS OF HIGHER EDUCATION.

(a) STUDY AUTHORIZED.—The Secretary, in cooperation with the Administrator of the Environmental Protection Agency, is authorized to conduct a study of the extent to which asbestos, lead in drinking water, or radon gas pose a threat to the health and safety of students and employees of institutions of higher education.

(b) SURVEY REQUIRED.—Such study shall include a survey of a representative sample of institutions of higher education in order to assess how widespread such hazards are. A sufficient number of institutions shall be sampled and tested in order to provide reasonable estimates on—

(1) the number of institutions which contain friable asbestos (as defined in the Asbestos Hazard Emergency Response Act) and how many students and employees may be exposed to unsafe levels of asbestos fibers,

(2) the number of institutions that have rooms which contain more than 4 picocuries/liter of radon, and

(3) the number of institutions which contain water fountains or faucets or water coolers which discharge water with more than 10 parts per billion of lead.

(c) CONSULTATION.—In designing and carrying out such study, the Secretary shall consult with associations representing institutions of higher education, faculty, and other employees.

(d) REPORT ON STUDY.—The Secretary shall submit a report with the results of the assessment, including the information required by subsection (b), along with recommendations by the Secretary regarding what actions, if any, Congress and the Administration should take to ensure that environmental health hazards, if any, are eliminated. The report shall be presented to Congress not later than July 1, 1995.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $3,000,000 in fiscal year 1993 for the purposes of carrying out this assessment.

SEC. 1408. STUDY OF CIVILIAN EDUCATION TRAINING PROGRAMS.

(a) FINDINGS.—The Congress finds that—

(1) the role of the military as a source of supply of trained pilots and mechanics and other personnel for commercial aviation is severely reduced;

(2) approximately 50 percent of the 52,000 commercial pilots currently flying will retire by the year 2000 and an additional 8,000 to 10,000 pilots will be needed by then;

(3) there is significant underrepresentation of minorities and women currently working in the aviation industry and African Americans constitute less than 1 percent of pilots with the Nation's scheduled air carriers;

(4) there is a substantial projected increase of minorities and women as a proportion of the workforce by the year 2000; and

(5) there is need for a comprehensive study of future human resources needs for the air transportation industry, including a thorough investigation of recruitment, aviation training outside the military context, financial and other incentives and disincentives which affect the flow of people, and especially minorities and women, into the industry.

(b) STUDY REQUIRED.—The Secretary of Education shall enter into appropriate arrangements with the National Academy of Sciences Commission on Behavioral and Social Sciences and Education to study civilian education training programs needed to satisfy the workforce requirements of the commercial aviation industry in the year 2000 and beyond. The specific concerns to be addressed by the study shall include—

(1) the avenues for civilians to enter the aviation industry,

(2) the characteristics of current training and the match with skill requirements in the workplace, and

(3) the impediments and incentives for minorities and women to enter the aviation industry (such as a lack of role models, cost of schooling and flight time, the underutilization of historically black colleges and universities in the educational training process, and institutional barriers).

(c) INTERIM REPORT.—The Secretary of Education shall request that the National Academy of Sciences Commission on Behavioral and Social Sciences and Education submit an interim report of its deliberations, conclusions, and recommendations to the Secretary and the Congress within 1 year after the date of enactment of this Act, and the study shall be completed within 2 years of the date of enactment of this Act.

SEC. 1409. AMENDMENTS TO GENERAL EDUCATION PROVISIONS ACT.

(a) LIBRARY OF CONGRESS ACCESS TO DATA.—Section 406(d)(4)(H) of the General Education Provisions Act is amended by—

(1) inserting "and the Librarian of Congress" after "Comptroller General of the United States"; and

(2) inserting "and the Library of Congress" after "the General Accounting Office".

(b) STUDENT RECORDS.—Section 438(a)(4)(B)(ii) of the General Education Provisions Act (20 U.S.C. 1232g(a)(4)(B)(ii) is amended to read as follows:

"(ii) records maintained by a law enforcement unit of the educational agency or institution that were created by that law enforcement unit for the purpose of law enforcement;".

SEC. 1410. TRAINING AND TECHNICAL ASSISTANCE FOR SCHOOL-BASED DECISIONMAKERS DEMONSTRATION PROGRAM.

(a) IN GENERAL.—The Secretary is authorized to make grants to local education agencies, jointly with one or more institutions of higher education, to establish programs to provide training and technical assistance to school-based decisionmakers in local education agencies implementing system-wide reform.

(b) APPLICATION.—To be eligible to receive a training and technical assistance demonstration grant under this section, eligible entities shall submit an application to the Secretary in such form and containing or accompanied by such information as the Secretary may require. A copy of the application shall also be sent to the State educational agency for notification purposes.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $1,000,000 for fiscal year 1993 and such sums as may be necessary for fiscal years 1994 and 1995.

SEC. 1411. REPORT ON THE USE OF PELL GRANTS BY PRISONERS.

(a) REPORT REQUIRED.—The Secretary of Education shall submit to the Congress a report on the use of Pell Grants by prisoners. Such report shall contain a statement of—

(1) the number of prisoners receiving Pell Grants,

(2) the average amount of the Pell Grants awarded to prisoners,

(3) the average length of Pell Grant subsidized study for prisoners,

(4) the graduation or success rate of prisoners receiving Pell Grants,

(5) an analysis of whether prisoners' lack of income has made them more successful in obtaining Pell Grants over other low-income citizens who are not incarcerated,

(6) an analysis of whether prisoners lack of income provides them within an advantage in receiving Pell Grants, and

(7) the Secretary's recommendations for making the program more equitable with regard to awards to prisoners in relation to other applicants.

(b) DEADLINE FOR SUBMISSION.—The report required by subsection (a) shall be submitted not later than 6 months after the date of enactment of this Act.

PART B—NATIONAL CLEARINGHOUSE FOR POSTSECONDARY EDUCATION MATERIALS

SEC. 1421. NATIONAL CLEARINGHOUSE FOR POSTSECONDARY EDUCATION MATERIALS.

(a) PURPOSE.—The purpose of this section is to coordinate the production and distribution of educational materials in an accessible form, especially audio and digital text production, to college and university based print-handicapped population.

(b) PROGRAM AUTHORITY.—(1) The Secretary is authorized to award a grant or contract to establish a National Clearinghouse for Postsecondary Education Materials (hereinafter referred to as the "Clearinghouse") to coordinate the production and distributon of educational materials, in an accessible form, including audio and digital for students with disabilities.

(2) The grant or contract awarded pursuant to paragraph (1) shall be made on a competitive basis.

(3) The grant or contract awarded under this section shall be awarded for a period of 3 years.

(c) USE OF FUNDS.—The grant or contract awarded under this section shall be used to—

(1) catalog in computer-readable form postsecondary education materials;

(2) identify college campus-based services producing taped texts whose technical and reader quality make them eligible for inclusion in the Clearinghouse and share its quality control standards with campus-based disabled student support services offices;

(3) promote data conversion and programming to allow the electronic exchange of bibliographic information between existing on line systems;

(4) encourage outreach efforts that will educate print-disabled individuals, as defined by section 652(d)(2) of the Individuals With Disabilities Education Act, educators, schools and agencies about the Clearinghouse's activities;

(5) upgrade existing computer systems at the Clearinghouse;

(6) coordinate with identifiable and existing data bases containing postsecondary education materials, including the programs authorized under section 652(d) of the Individuals With Disabilities Act; and

(7) develop and share national guidelines and standards for the production of audio and digital text materials.

(d) FEDERAL SHARE LIMITATION.—The Federal share under this section may not be more than—

(1) 80 percent of the total cost of the program in the first year,

(2) 60 percent of the total cost of the program in the second year, and

(3) 50 percent of the total cost of the program in the third year.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the purpose of this section, $1,000,000 for fiscal year

1993 and such sums as may be necessary for each of the fiscal years 1994 and 1995.

PART C—NATIONAL CENTER FOR THE WORKPLACE

SEC. 1421. PURPOSE; DESIGNATION.

It is the purpose of this part to address the new and previously unknown problems created by the simultaneous convergence of broad economic, social, cultural, political, and technological changes in the workplace through a national center administered by the Department of Labor that will join together workplace experts from America's best institutions of higher education with experts from the public and private sectors to conduct research, share information, and propose remedies.

SEC. 1422. ESTABLISHMENT.

(a) ESTABLISHMENT.—There is authorized to be established the National Center for the Workplace (hereafter in this part referred to as the "Center") through grant or contract between the Secretary of Labor and an eligible recipient.

(b) DEFINITION OF ELIGIBLE RECIPIENT.—An eligible recipient shall be a consortium of institutions of higher education in the United States, each member of which grants graduate degrees in the field of industrial and labor relations and conducts nationally recognized research in that field. The consortium shall be represented and coordinated by a host institution of higher education that meets all of the following criteria:

(1) Broad collective knowledge of and demonstrable experience in the wide range of interconnected employment and workplace issues.

(2) A nationally recognized faculty that, collectively, demonstrates a nonpartisan research and policy perspective joining the several relevant workplace disciplines (labor economics, industrial relations, collective bargaining, human resource management, sociology, psychology, and law) in a multidisciplinary approach to workplace issues.

(3) Established credibility and working relationships with employers, unions, and government agencies on a national scale, and established means of providing education and technical assistance to each of the above groups that include publications, state-of-the-art electronic and video technology, and distinguished extension/outreach programs operating on a national and international level.

SEC. 1423. USE OF FUNDS.

(a) CENTER ACTIVITIES.—Payments made under this part may be used to establish and operate the Center, to bring together major independent researchers from the Center's member-institutions focused on the most significant workplace problems with the aim of analysis and synthesis of policy implications and dissemination of findings, and to support the following activities:

(1) The coordination and funding of research activities of the Center's member-institutions for collaborative collection and evaluation of data on changes and trends in the workplace and in the labor force, on established and emerging public policy issues, on the economic and occupational structures, and on work organizations and employment conditions.

(2) The analysis of the public policy implications of social and demographic changes in the United States as they relate to the workplace.

(3) The conduct of seminars for Federal and State policymakers on policy implications of the Center's findings. Such seminars shall be held at least once each year. In addition, the Center shall utilize electronic technology, such as computer networks and video conferencing, to convey the cumulative value of the Center's activities from year to year and to foster continuous exchange of ideas and information.

(4) The conduct of a National Conference once each year for the leaders of business and organized labor in the United States designed to convey the cumulative value of the Center's activities and to foster an exchange of ideas and information.

(5) The evaluation of the economic and social implications of national and international workplace and employment issues such as the impact of new technologies on job structure and the work organization, new employment concepts in American industry, alternative workplace policies and practices, and existing and proposed government policies.

(6) The provision of ready access to the Center's collective expertise for policy officials in the Federal and State governments and representatives of private and public sector organizations through meetings, publications, special reports, video conferences, electronic mail and computer networks, and other means to share up-to-date information on workplace and employment issues, practices, and innovations, the most promising options, and guidance in management of the change process.

(7) The development of programs, curricula, and instructional materials for colleges, universities, and other educational institutions designed to impart the knowledge and skills required to promote innovations in the design of work and employment conditions that enhance organizational performance and meet worker needs.

(8) The development and administration of a national repository of information on key workplace issues that can be readily accessed by the public and private sector.

(b) FELLOWSHIPS.—Payments made under this part may also be used to provide graduate assistantships and fellowships at the Center to encourage graduate study of the field of industrial and labor relations and to encourage graduate research in areas that are seen as critical to national competitiveness.

SEC. 1424. BOARD OF ADVISORS.

(a) BOARD.—There shall be appointed a Board of Advisors to the Center that shall consist of representatives of the private and public sectors and of the member-institutions of the consortium. Two members shall be appointed by the Chair of the House of Representatives Committee on Education and Labor, and two members shall be appointed by the Chair of the Senate Committee on Labor and Human Resources. Two members shall be appointed by the Secretary of Education. Four members shall be appointed by the Secretary of Labor: two from organizations that represent employers and two from organizations that represent trade unions. In addition, the President of each consortium member-institution shall appoint one member to the Board. Other members may be added to the Board by majority vote of the Board's appointed members.

(b) MEETINGS AND RESPONSIBILITIES.—The Board of Advisors shall meet from time to time, but no less than twice each year, to review and advise the Center with respect to all aspects of its program. The Board shall submit an annual report to the Secretary of Education and the Secretary of Labor on the Center's activities and accomplishments.

SEC. 1425. GIFTS AND DONATIONS.

The Center is authorized to receive money and other property donated, bequeathed, or devised to the Center with or without a condition of restriction, for the purpose of furthering the activities of the Center. All funds or property given, devised, or bequeathed shall be retained in a separate account, and an accounting of those funds and property shall be included in the annual report of the Board of Advisors to the Secretary of Education and Secretary of Labor.

SEC. 1426. AUTHORIZATION.

There is authorized to be appropriated for fiscal year 1993, $2,500,000 which may remain available until expended to carry out the purposes of this part, and such sums as may be necessary for each of the 4 succeeding fiscal years.

TITLE XV—BUY AMERICA

SEC. 1501. SENSE OF CONGRESS.

It is the sense of the Congress that a recipient (including a nation, individual, group, or organization) of any form of student assistance or other Federal assistance under the Act should, in expanding that assistance, purchase American-made equipment and products.

SEC. 1502. NOTICE.

The Secretary of Education shall provide to each recipient of student assistance or other Federal assistance under the Act a notice describing the sense of the Congress stated under section 1501.

Amend the title so as to read: "An Act to amend and extend the Higher Education Act of 1965.".

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. DELAY) to revise and extend their remarks and include extraneous material:)

Mr. RIGGS, for 60 minutes each day, on March 31 and April 1.

Mr. CAMPBELL of California, for 5 minutes, today.

(The following Members (at the request of Mrs. COLLINS of Illinois) to revise and extend their remarks and include extraneous material:)

Ms. KAPTUR, for 5 minutes, today and on April 1 and 2.

Mrs. COLLINS of Illinois, for 5 minutes, today and on April 6, 7, 8, 9, and 10.

Mrs. LOWEY of New York, for 5 minutes, today.

Mr. KLECZKA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ALEXANDER, for 10 minutes, today.

Mr. SAVAGE, for 60 minutes, today.

Mr. MCHUGH, for 5 minutes, on April 1.

Mr. LEVIN of Michigan, for 60 minutes each day, on April 28 and 29.

Mr. HAYES of Illinois, for 60 minutes on April 1.

Mr. OWENS of New York, for 60 minutes each day, on April 1, 2, 7, 8, 9, 28, 29, and 30.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. ROHRABACHER, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. DELAY) and to include extraneous matter:)

Mr. GILMAN.

Mr. SOLOMON.
Mr. TAYLOR of North Carolina.
Mr. RINALDO.
Mr. RHODES, in two instances.
Mr. ROGERS.
Mr. LAGOMARSINO, in two instances.
Mr. FRANKS of Connecticut.
Mr. YOUNG of Florida.
Mr. MILLER of Washington.
Mr. MARLENEE.
Mr. MICHEL.

(The following Members (at the request of Mrs. COLLINS of Illinois):)

Mr. CARDIN.
Mr. TRAFICANT in 2 instances.
Mr. LANTOS.
Mr. REED.
Mr. CLEMENT.
Mr. SWETT.
Mr. AUCOIN.
Mr. ROE.
Mr. REED.
Mr. SABO.
Mr. BACCHUS.
Mr. NEAL of Massachusetts.
Mrs. KENNELLY.
Mr. MCMILLEN of Maryland.
Mr. DINGELL.
Mr. DARDEN.
Mr. RANGEL.
Mr. TALLON.
Mr. LEHMAN of California.
Mrs. SCHROEDER.

ADJOURNMENT

Mr. BONIOR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 o'clock and 5 minutes p.m.), under its previous order the House adjourned until tomorrow, Wednesday, April 1, 1992, at 2 p.m.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Report of a committee of the U.S. House of Representatives concerning the foreign currencies used by them for official foreign travel during the fourth quarter of 1991 pursuant to Public Law 95–354, is as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON GOVERNMENT OPERATIONS, U.S. HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 1991

Name of Member or employee	Date		Country	Per diem[1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]	Foreign currency	U.S. dollar equivalent or U.S. currency[2]
Carol A. Bergman	11/16	11/23	Paris	9,882.18	1,771.00		653.80		329.93		2,754.73
Sheila C. Canavan	12/12	12/13	Canada	277	177.87		277.62				455.49
Committee total					1,948.87		931.42		329.93		3,210.22

[1] Per diem constitutes lodging and meals.

[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

JOHN CONYERS, Jr., Feb. 15, 1992.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3211. A letter from the Secretary, Housing and Urban Development, transmitting a report entitled "State and Local Pension Fund Financing of Housing," pursuant to Public Law 101-625, section 960 (104 Stat. 4424); to the Committee on Banking, Finance and Urban Affairs.

3212. A letter from the Acting Comptroller of the Currency, transmitting the annual report on enforcement actions for the period of January 1, 1991 through December 31, 1991, pursuant to 12 U.S.C. 1833; to the Committee on Banking, Finance and Urban Affairs.

3213. A letter from the Chairman, Federal Financial Institutions Examination Council, transmitting the 1991 annual report; to the Committee on Banking, Finance and Urban Affairs.

3214. A letter from the Acting Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Kuwait for defense articles and services (Transmittal No. 92-18), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3215. A letter from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting copies of international agreements, other than treaties, entered into by the United States, pursuant to 1 U.S.C. 112b(a); to the Committee on Foreign Affairs.

3216. A letter from the Director, Information Security Oversight Office, transmitting their 1991 annual report; to the Committee on Government Operations.

3217. A letter from the Acting Administrator, Federal Aviation Administration, transmitting a copy of the updated Aviation System Capital Investment Plan, pursuant to 49 U.S.C. app. 2203(b)(1); to the Committee on Public Works and Transportation.

3218. A letter from the Assistant Administrator for Enforcement, Environmental Protection Agency, transmitting a report on clean water enforcement mechanisms for fiscal year 1989 and 1990, pursuant to 33 U.S.C. 1375 note; to the Committee on Public Works and Transportation.

3219. A letter from the Deputy Assistant Administrator, Environmental Protection Agency, transmitting a discussion paper entitled, "Analysis of Possible Revisions to the Clean Water Act"; to the Committee on Public Works and Transportation.

3220. A letter from the Secretary of Veterans Affairs, transmitting a report on various legislative proposals submitted by the Department; to the Committee on Veterans' Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BROOKS: Committee on the Judiciary. H.R. 2039. A bill to authorize appropriations for the Legal Services Corporation, and for other purposes; with an amendment (Rept. 102-476). Referred to the Committee of the Whole House on the State of the Union.

Mr. DERRICK: Committee on Rules. House Resolution 412. Resolution providing for the consideration of H.R. 4704, a bill to remove the limitation on the availability of funds previously appropriated to the Resolution Trust Corporation (Rept. 102-475). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ (for himself and Mr. WYLIE):

H.R. 4704. A bill to remove the limitation on the availability of funds previously appropriated to the Resolution Trust Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ALEXANDER:

H.R. 4705. A bill to provide that the President may not prohibit or curtail the export to any country of agricultural commodities produced in the United States unless that country is engaged in war or military hostilities against the United States; to the Committee on Foreign Affairs.

By Mrs. COLLINS of Illinois:

H.R. 4706. A bill to amend the Consumer Products Safety Act to extend the authorization of appropriations under that act and for other purposes; to the Committee on Energy and Commerce.

By Mr. DELLUMS (for himself and Mr. STARK):

H.R. 4707. A bill to amend the Internal Revenue Code of 1986 to modify the involuntary conversion rules for conversions resulting from disasters declared by the President, to exclude from gross income any withdrawal from an individual retirement plan which is used for repairs to or replacement of a principal residence required as a result of such a disaster, and for other purposes; to the Committee on Ways and Means.

By Mr. LAGOMARSINO (for himself, Mr. SKEEN, Mr. BLAZ, Ms. MOLINARI, Mr. DE LUGO, Mr. MARTINEZ, Mr. YOUNG of Alaska, Mr. MARLENEE, Mr. MCDADE, and Mr. STUDDS):

H.R. 4708. A bill to improve the quantity and quality of the quarters of land management agency field employees, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Agriculture, Merchant Marine and Fisheries, and Ways and Means.

H.R. 4709. A bill to improve the quantity and quality of the quarters of land management agency field employees, and for other purposes; jointly, to the Committees on Interior and Insular Affairs, Agriculture, and Merchant Marine and Fisheries.

By Mr. LEVINE of California (for himself and Mr. TORRES):

H.R. 4710. A bill to extend the statute of limitations applicable to civil actions brought by the Federal conservator or receiver of a failed depository institution; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ORTON:

H.R. 4711. A bill to amend the Higher Education Act of 1965 to establish a Veterans Teacher Corps, and for other purposes; to the Committee on Education and Labor.

By Mr. OWENS of New York:

H.R. 4712. A bill to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such Act, and for other purposes; to the Committee on Education and Labor.

By Mr. RHODES:

H.R. 4713. A bill to repeal the fee and tax increases contained in the Omnibus Budget Reconciliation Act of 1990; jointly, to the Committees on Ways and Means and Government Operations.

By Mr. SOLARZ:

H.R. 4714. A bill to remove certain restrictions on United States assistance to and trade with the former Union of Soviet Socialist Republics; jointly, to the Committees on Foreign Affairs, Banking, Finance and Urban Affairs, and Ways and Means.

By Mr. TAUZIN (for himself and Mr. FIELDS):

H.R. 4715. A bill to authorize expenditures for fiscal year 1993 for the operation and maintenance of the Panama Canal, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. GUARINI:

H.R. 4716. A bill to reduce the tariff on certain stone slabs through December 31, 1994; to the Committee on Ways and Means.

By Mr. GUARINI (for himself and Mr. RINALDO):

H.R. 4717. A bill to extend the existing suspension of duty on corned beef in airtight containers; to the Committee on Ways and Means.

By Ms. NORTON:

H.R. 4718. A bill to provide for the admission of the State of New Columbia into the Union; to the Committee on the District of Columbia.

By Mr. OLVER:

H.R. 4720. A bill to permit individuals to waive their rights to unemployment compensation based on military service in order to qualify for other unemployment benefits; to the Committee on Ways and Means.

By Mr. BLILEY (for himself, Mr. BATEMAN, Mr. ALLEN, Mr. WOLF, Mr. OLIN, Mr. MORAN, Mr. SISISKY, Mr. PAYNE of Virginia, Mr. PICKETT, Mr. BOUCHER, Mr. ERDREICH, Mr. TOWNS, Mr. DEFAZIO, Mr. EMERSON, Mr. WALSH, Mr. PASTOR, Mr. COBLE, Mr. SPENCE, Mr. JONTZ, Mr. MARTINEZ, Ms. HORN, Mr. MCDERMOTT, Mr. SKEEN, Mr. POSHARD, Mr. DANNEMEYER, Mr. LEWIS of California, Mr. WOLPE, Mr. OXLEY, Mr. DUNCAN, Mr. AUCOIN, Mr. ANDERSON, Mr. ROGERS, Mr. ENGEL, Mrs. BENTLEY, Mr. ECKART, Mr. FEIGHAN, Mr. HERGER, Mr. ROE, Mr. TALLON, Mr. HOBSON, Mr. EWING, Mr. THOMAS of Georgia, Mr. HARRIS, Mr. NEAL of Massachusetts, Mr. GUARINI, Mr. ESPY, Mr. DE LUGO, Mr. LOWERY of California, Mr. ROHRABACHER, Mr. WYDEN, Mr. WAXMAN, Mr. WILSON, Mr. STOKES, Mr. SAXTON, Mr. TAYLOR of North Carolina, Mr. NATCHER, Mr. BEREUTER, Mr. WYLIE, Mr. GILMAN, Mr. MCNULTY, Mrs. MEYERS of Kansas, Mr. HUGHES, Mr. WASHINGTON, Mr. COUGHLIN, Mr. LAGOMARSINO, Mr. MAVROULES, and Mr. SMITH of New Jersey):

H.J. Res. 457. Joint resolution designating January 16, 1993, as "Religious Freedom Day"; to the Committee on Post Office and Civil Service.

By Mr. MOODY (for himself, Mr. PORTER, Mr. ACKERMAN, Mr. ANDREWS of Maine, Mr. ATKINS, Mr. AUCOIN, Mr. BEILENSON, Mr. BENNETT, Mr. BERMAN, Mr. BLACKWELL, Mr. BOUCHER, Mrs. BOXER, Mr. BROWN, Mr. BUSTAMANTE, Mr. CALLAHAN, Mr. CLEMENT, Mr. COLEMAN of Texas, Mr. COOPER, Mr. COX of Illinois, Mr. CRAMER, Mr. DEFAZIO, Mr. DELLUMS, Mr. DIXON, Mr. DORGAN of North Dakota, Mr. DURBIN, Mr. ESPY, Mr. EVANS, Mr. FALEOMAVAEGA, Mr. FASCELL, Mr. FAZIO, Mr. FEIGHAN, Mr. FOGLIETTA, Mr. FRANK of Massachusetts, Mr. GEJDENSON, Mr. GILMAN, Mr. FROST, Mr. GORDON, Mr. GREEN of New York, Mr. GUARINI, Mr. HAYES of Illinois, Mr. HEFNER, Ms. HORN, Mr. HORTON, Mr. HUGHES, Mrs. JOHNSON of Connecticut, Mr. JOHNSTON of Florida, Mr. JONES of Georgia, Mr. JONTZ, Ms. KAPTUR, Mr. KLECZKA, Mr. KOPETSKI, Mr. KOSTMAYER, Mr. LANTOS, Mr. LAROCCO, Mr. LEHMAN of Florida, Mr. LEVIN of Michigan, Ms. LONG, Mrs. LOWEY of New York, Mr. MACHTLEY, Mr. MARTINEZ, Mr. MATSUI, Mr. MCDERMOTT, Mr. MCNULTY, Mr. MFUME, Mrs. MINK, Mrs. MORELLA, Mr. MRAZEK, Mr. MURPHY, Mrs. MEYERS of Kansas, Mr. NAGLE, Ms. NORTON, Mr. OWENS of Utah, Mr. PAYNE of New Jersey, Mrs. PATTERSON, Ms. PELOSI, Mr. PICKETT, Mr. PRICE, Mr. RICHARDSON, Mr. SABO, Mr. SANDERS, Mr. SAWYER, Mr. SCHEUER, Mr. SERRANO, Mr. SHARP, Mr. SHAYS, Mr. SKEEN, Mr. SLATTERY, Ms. SLAUGHTER, Mr. SMITH of Florida, Mr. SMITH of Oregon, Ms. SNOWE, Mr. THOMAS of Georgia, Mr. TOWNS, Mr. TORRICELLI, Mr. TRAFICANT, Mrs. UNSOELD, Mr. VENTO, Mr. WALSH, Mr. WAXMAN, Mr. WEISS, Mr. WISE, Mr. WOLPE, Mr. WYDEN and Mr. GILCHREST):

H.J. Res. 458. Joint resolution designating the week beginning October 25, 1992 as "World Population Awareness Week"; to the Committee on Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

353. By the SPEAKER: Memorial of the General Assembly of the Commonwealth of Virginia, relative to the release of funds under the Federal Public Works Act; to the Committee on Public Works and Transportation.

354. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to the construction of a veteran's medical facility in northern Virginia; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MCMILLEN of Maryland introduced a bill (H.R. 4719) to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *50–50*; which was referred to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 73: Mrs. MINK, Mr. LOWERY of California, Mr. MILLER of Washington, Mr. IRELAND, Ms. HORN, Mr. LAUGHLIN, Mr. KOLTER, Mr. KANJORSKI, Mrs. SCHROEDER, Mr. OXLEY, Mr. FOGLIETTA, Mr. ROTH, Mr. DOOLEY, Mr. SKELTON, Mr. HANCOCK, Mr. YOUNG of Alaska, and Mr. HOLLOWAY.

H.R. 299: Mr. HOLLOWAY.

H.R. 875: Mr. SANDERS.

H.R. 951: Mrs. ROUKEMA.

H.R. 1126: Mr. DWYER of New Jersey, Mr. TRAXLER, Mr. OWENS of New York, and Mr. EVANS.

H.R. 1218: Mr. SCHIFF.

H.R. 1277: Mr. BLACKWELL.

H.R. 1414: Mr. KOLBE.

H.R. 1468: Mr. BUNNING.

H.R. 1473: Mr. OXLEY.

H.R. 1495: Mr. NEAL of North Carolina.

H.R. 1497: Ms. SLAUGHTER, Mr. COYNE, and Mr. GEREN of Texas.

H.R. 1502: Mr. ANDREWS of Texas, Mr. KOSTMAYER, and Mr. CARDIN.

H.R. 1652: Ms. SLAUGHTER.

H.R. 1664: Ms. NORTON, Mr. OWENS of New York, and Mr. SANDERS.

H.R. 1703: Ms. HORN.

H.R. 1820: Mr. MINETA Mr. LANTOS, Mr. EDWARDS of California, Mr. SANDERS, and Mr. BOUCHER.

H.R. 2012: Mr. KOSTMAYER.

H.R. 2070: Mr. ANDERSON, Mr. MORRISON, Mr. SUNDQUIST, Mr. ALLEN, Mr. MCDADE, Mr. HERGER, Mr. RICHARDSON, and Mr. SIKORSKI.

H.R. 2149: Mr. YATRON.

H.R. 2200: Mr. JOHNSON of Texas.

H.R. 2215: Mr. FLAKE, Mr. KOPETSKI, Mr. MARTINEZ, and Mr. PASTOR.

H.R. 2407: Mr. KASICH, Mr. SHAW, Ms. MOLINARI, Mr. DINGELL, Mr. STARK, Mr. WOLF, and Mr. GALLO.

H.R. 2633: Mr. SENSENBRENNER, Mr. ERDREICH, and Mr. LAGOMARSINO.

H.R. 2663: Mr. FISH, Mr. WEISS, and Mr. RANGEL.

H.R. 2782: Mr. RIDGE, Mr. FOGLIETTA, Mr. ROYBAL, Mr. CONYERS, Mr. LIPINSKI, Mr. MOLLOHAN, Mr. LAROCCO, Mr. OWENS of Utah, Mr. SCHEUER, Mr. YATES, Mr. KILDEE, and Mr. DIXON.

H.R. 2881: Mr. SANDERS.

H.R. 2891: Mr. ENGEL.

H.R. 2898: Mr. SPRATT, Mr. HUCKABY, Mr. RINALDO, and Mr. FEIGHAN.

H.R. 2912: Mr. ENGEL.

H.R. 3030: Mr. DAVIS, Mr. DOOLEY, Mr. KOLTER, and Mr. SLATTERY.

H.R. 3067: Mr. MCNULTY.

H.R. 3373: Mr. DORGAN of North Dakota, Mr. SENSENBRENNER, Mr. AUCOIN, Ms. OAKAR, and Mr. DEFAZIO.

H.R. 3420: Mr. VOLKMER, Mr. DORGAN of North Dakota, and Mr. YOUNG of Alaska.

H.R. 3440: Mr. BAKER.

H.R. 3441: Mr. BATEMAN and Mr. BAKER.

H.R. 3470: Mr. OLVER.

H.R. 3515: Mr. DAVIS, Mr. DOWNEY, and Mr. KOLTER.

H.R. 3598: Mr. ZELIFF.

H.R. 3605: Mrs. MEYERS of Kansas and Mr. ALLEN.

H.R. 3681: Mr. SOLARZ, Mr. LAROCCO, and Mr. ABERCROMBIE.

H.R. 3724: Mr. YOUNG of Alaska.

H.R. 3725: Mrs. MEYERS of Kansas, Mr. ROEMER, Mr. GOSS, Ms. LONG, Mr. LEVIN of Michigan, Mr. KOLTER, and Mrs. ROUKEMA.

H.R. 3764: Mr. RAY.

H.R. 3808: Mr. MFUME, Mr. BAKER, Mr. WISE, Mr. RAHALL, and Mr. MOLLOHAN.

H.R. 3836: Mr. LANCASTER, Mr. JONES of Georgia, and Mr. WELDON.

H.R. 3887: Mr. CARR.

H.R. 3908: Mrs. BOXER.

H.R. 3920: Mr. MCDERMOTT, Mrs. JOHNSON of Connecticut, Mr. RANGEL, and Mr. TOWNS.

H.R. 3939: Mr. EDWARDS of California, Mr. AUCOIN, Mr. LEWIS of Georgia, Mr. COYNE, and Mr. SKAGGS.

H.R. 3953: Mr. MCCLOSKEY, Mr. ROEMER, Mr. MCDADE, Mr. KOSTMAYER, and Mr. JONES of North Carolina.

H.R. 3961: Mr. DELLUMS.

H.R. 3986: Mr. LANCASTER and Mr. BATEMAN.

H.R. 4045: Mr. MCDERMOTT, Mr. GREEN of New York, and Mr. SHAYS.

H.R. 4127: Mr. HERGER.

H.R. 4144: Mr. HARRIS.

H.R. 4178: Mr. ROYBAL and Mr. MATSUI.

H.R. 4206: Mr. DICKS, Mr. GLICKMAN, and Mr. YATES.

H.R. 4212: Mr. EVANS.

H.R. 4213: Ms. NORTON and Mr. ROE.

H.R. 4280: Mr. EMERSON.

H.R. 4314: Mr. MARTINEZ and Mr. ROE.

H.R. 4340: Ms. NORTON and Mr. HAYES of Illinois.

H.R. 4365: Mr. DINGELL and Mr. SANDERS.

H.R. 4366: Ms. KAPTUR, Mr. WEISS, and Mr. EDWARDS of California.

H.R. 4385: Mr. VENTO.

H.R. 4401: Mr. LAFALCE, Mr. DOWNEY, Ms. SLAUGHTER, Mr. NEAL of North Carolina, Mr. HYDE, Mr. RINALDO, and Mr. EMERSON.

H.R. 4430: Mr. SENSENBRENNER and Mrs. VUCANOVICH.

H.R. 4447: Mr. SAWYER, Mr. ZELIFF, and Mr. DANNEMEYER.

H.R. 4453: Mr. RANGEL and Mr. TOWNS.

H.R. 4528: Mrs. MINK, Mr. TRAXLER, Mr. KOSTMAYER, and Mr. CAMPBELL of Colorado.

H.R. 4529: Mr. MAVROULES, Mr. MARTINEZ, Mr. TOWNS, Mr. APPLEGATE, Ms. NORTON, Mr. KOSTMAYER, Ms. HORN, Mr. WEISS, Mr. HAYES of Illinois, Mr. GOODLING, Mr. OWENS of New York, Mr. BLILEY, Mr. FROST, Mr. BILBRAY, Mr. KOPETSKI, and Mr. EMERSON.

H.R. 4530: Mr. SANGMEISTER, Mr. DEFAZIO, Mr. LEWIS of Florida, and Mr. MRAZEK.

H.R. 4533: Mr. Holloway.

H.R. 4564: Mr. POSHARD, Mr. FRANK of Massachusetts, and Mr. SARPALIUS.

H.R. 4566: Mr. POSHARD, Mr. FRANK of Massachusetts, and Mr. SARPALIUS.

H.J. Res. 290: Mr. LAROCCO.

H.J. Res. 318: Mr. MCDADE, Mr. DEFAZIO, Mr. HERTEL, Mr. BEILENSON, Mr. ROYBAL, Mr. MAVROULES, Mr. WALSH, Mr. HEFNER, Mr. GINGRICH, Mrs. LLOYD, Mr. KOPETSKI, Mrs. MEYERS of Kansas, Mr. ENGEL, Mr. VENTO, Ms. HORN, Mr. SWETT, Mr. SERRANO, Mr. QUILLEN, Mr. SANDERS, Mr. SCHEUER, Mr. APPLEGATE, Mr. REED, and Mr. STEARNS.

H.J. Res. 351: Mr. CONYERS.

H.J. Res. 357: Mrs. MEYERS of Kansas.

H.J. Res. 371: Mr. CARPER, Mr. COLEMAN of Texas, Mr. EWING, Mr. JEFFERSON, Mr. OLIN, and Mr. SPRATT.

H.J. Res. 388: Mr. CAMP, Mr. COUGHLIN, Mr. MOODY, Mr. WISE, and Mr. FIELDS.

H.J. Res. 399: Ms. NORTON, Mr. BLILEY, Mr. MCNULTY, and Mrs. ROUKEMA.

H.J. Res. 411: Mr. KOPETSKI, Mr. LANCASTER, and Mr. YOUNG of Florida.

H.J. Res. 427: Mr. BONIOR.

H.J. Res. 430: Mr. CRAMER, Mr. HOCHBRUECKNER, Mr. HALL of Ohio, Mr. SIKORSKI, Mr. BACCHUS, Mr. GEREN of Texas, Mr. TAUZIN, Mr. COLEMAN of Texas, Mr. DINGELL, Mr. HAMILTON, Mr. DORGAN of North Dakota, Mrs. COLLINS of Michigan, Mr. PICKLE, Mr. ALEXANDER, Mr. HUTTO, and Mr. HUNTER.

H.J. Res. 433: Mr. NOWAK, Mr. PICKETT, Mrs. COLLINS of Illinois, Mr. HERTEL, Mr. MURTHA, Mr. NUSSLE, Mr. FALEOMAVAEGA, Mr. PURSELL, Mr. JACOBS, Mr. LIPINSKI, Mr. MCCLOSKEY, Mr. CAMP, Mr. NATCHER, Mrs. COLLINS of Michigan, Mr. FASCELL, Mr. PRICE, Mr. CALLAHAN, Mr. RANGEL, Mrs. ROUKEMA, Mr. SCHEUER, Mr. ENGEL, and Mr. STOKES.

H.J. Res. 441: Mr. SHAYS, Mr. RIGGS, Mr. CALLAHAN, Mr. MONTGOMERY, Mr. MATSUI, Mr. SLATTERY, Mr. STOKES, Mr. LAROCCO, Mr. HAMILTON, Mr. ANDREWS of Texas, Mr. LEVIN of Michigan, Mr. BILIRAKIS, Mr. VANDER JAGT, Mr. KLECZKA, Mr. FALEOMAVAEGA, Mr. MFUME, Mr. HUBBARD, Mr. LEWIS of Georgia,, Mr. LUKEN, Mr. KOSTMAYER, Mr. GINGRICH, Mr. PANETTA, Mr. OXLEY, Mr. HUTTO, Mr. RHODES, Mr. TALLON, Mr. DOWNEY, Mr. TAUZIN, Mr. STALLINGS, Ms. SLAUGHTER, Mr. MORAN, Mr. TOWNS, Mr. DUNCAN, Mr. BARNARD, Mr. SPENCE, Mr. ALEXANDER, Mr. IRELAND, Mr. LANCASTER, Mr. MARKEY, Mr. ENGEL, Mr. ARCHER, Mr. HAMMERSCHMIDT, Mr. ZIMMER, Mr. BENNETT, Mr. WOLF, Mr. JENKINS, and Mr. VENTO.

H. Con Res. 192: Mr. DOWNEY, Mr. MURPHY, Mr. SENSENBRENNER, Mr. BORSKI, Mr. KENNEDY, Mr. INHOFE, Mr. ORTIZ, Mr. SANDERS, Ms. HORN, and Mr. DIXON.

H. Con. Res. 224: Mr. MORRISON, Mr. HERGER, and Mr. FRANKS of Connecticut.

H. Con. Res. 248: Mrs. UNSOELD, and Mr. MCMILLEN of Maryland.

H. Res. 271: Mr. ABERCROMBIE.

H. Res. 359: Mrs. COLLINS of Illinois.

H. Res. 385: Mr. LENT, Mr. GALLEGLY, and Mr. GOSS.

H. Res. 387: Mr. VISCLOSKY, Mr. MCCURDY, and Mr. AUCOIN.

H. Res. 404: Mr. PENNY, Mr. ROHRABACHER, Mr. GOSS, Mr. LUKEN, Mr. GALLO, Mr. PACKARD, Mr. FAWELL, and Mr. BOEHNER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 330: Mr. CAMPBELL of California.

H.R. 1300: Mr. KOLTER.

PETITIONS, ETC.

Under clause 1 of rule XXII,

146. The SPEAKER presented a petition of the Marion Heights Borough, Marion Heights, PA, relative to a National Organ Donor's Medal; which was referred to the Committee on Banking, Finance and Urban Affairs.

SENATE—*Tuesday, March 31, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 11:30 a.m., on the expiration of the recess, and was called to order by the Honorable TERRY SANFORD, a Senator from the State of North Carolina.

PRAYER

The guest chaplain, the Reverend Richard C. Halverson, Jr., director, Church Leadership Seminars, National Prayer Breakfast, Washington, DC, offered the following prayer:

Let us pray:

Father in Heaven, You have revealed in an ancient Hebrew Proverb that: "A good name is rather to be chosen than great riches, and loving favour rather than silver or gold."—Proverbs 22:1.

In the light of this great wisdom, we thank You for the great riches You have bestowed upon us and on this great land. Yet we would rather choose a good name over even silver and gold.

So we beseech You now for a good name. A good name for our country. A good name for this Congress. A good name for ourselves. And a good name for our children.

This prayer is being made by one who is quite cognizant of the riches in the name he has inherited.

And it is requested of Him who, in spite of our refutations, can bestow the greatest name upon all who would receive it. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 31, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable TERRY SANFORD, a Senator from the State of North Carolina, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. SANFORD thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. Under the standing order, the majority leader is recognized.

SCHEDULE

Mr. MITCHELL. Mr. President, this morning following the time reserved for the two leaders, there will be a period for morning business which will extend until 12:30 p.m., with Senators permitted to speak therein for up to 5 minutes each. Senators BOND and HARKIN are to be recognized for additional time under a previous order.

From 12:30 p.m. until 2:30 p.m., the Senate will stand in recess to accommodate the party conferences. At 2:30 p.m., the Senate will vote on the motion to invoke cloture on the motion to proceed to H.R. 2507, the reauthorization for the National Institutes of Health.

I hope that cloture will be invoked on the motion to proceed, and I hope that we will then be in a position to begin consideration of that measure. I encourage those Senators who are contemplating offering amendments to that bill to be ready to offer them once the Senate proceeds to the bill which, as I stated, hopefully will be early this afternoon.

Mr. President, as a reminder to Members of the Senate, the Senate must act by midnight tonight on continuing funding appropriations for foreign operations. We expect to receive that measure from the House during the day today.

RESERVATION OF LEADER TIME

Mr. MITCHELL. Mr. President, I reserve the remainder of my leader time, and I reserve all of the leader time of the distinguished Republican leader.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. REID. Mr. President, could I make a parliamentary inquiry? I understand that my friend, the Senator from Missouri, has 20 minutes reserved, and Senator HARKIN has some time reserved. Senator ADAMS and I are here wishing to speak for 5 minutes, and I am wondering if the Senator from Missouri would allow us to speak prior to starting his 20 minutes.

Mr. ADAMS. Mr. President, may I, if the Senator will yield, make a unanimous-consent request at this point.

Senator BOND has time reserved. We just wish to use 5 minutes of time, Senator REID and myself. If we could enter into a unanimous-consent order that Mr. REID proceed for 5 minutes and I proceed for 5 minutes, then we go directly to Mr. BOND for his period of time, since no other Senators are on the floor, and that way we would have full time without our standing here nervously while the Senator proceeds.

Mr. BOND. Mr. President, as much as I would like to have the presence on the floor of my two colleagues, I can understand why they may want to watch my speech in the comfort of their offices. I would be happy to agree to permit my two distinguished friends to go first.

Mr. REID. And I express, Mr. President, through you to our friend from Missouri, recognizing he is here and has 20 minutes reserved, my appreciation to him for extending that favor.

Mr. ADAMS. I, too, want to thank the Senator from Missouri for his kindness, and I will await the Senator from Nevada.

The ACTING PRESIDENT pro tempore. Who seeks recognition?

Mr. REID addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Nevada.

SENATOR WARREN RUDMAN

Mr. REID. Mr. President, when I come to the Senate, I was asked by the man I served—he was Governor and I was Lieutenant Governor—Michael O'Callaghan, a man who had a distinguished military record, a Silver Star winner, and received a number of other medals for valor during the Korean conflict—to look up somebody with whom he had studied. And I did this because Michael O'Callaghan is a friend of mine. I had so much respect for him. He told me to introduce myself to WARREN RUDMAN, a Senator from New Hampshire.

The reason he asked me to do that was because Senator RUDMAN was in the infantry in Korea with my friend, Governor O'Callaghan. Senator RUDMAN was not only in the infantry during his tour of duty in Korea, but he was a member of the famous Indianhead Division in Korea. The reason this division is so important to the history of this country is that during the Korean conflict the Indianhead Division took 25 percent of all the casualties in the Army. The Indianhead Division is still in the demilitarized zone in Korea. It has been there these many decades.

I did meet Senator RUDMAN, and I can say it is one of the best moves I made. This man not only has a distin-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

guished record from the Korean conflict, as Governor O'Callaghan mentioned, but I learned also in coming to the Senate that Senator RUDMAN is and was unquestionably one of the most popular figures ever to come from the State of New Hampshire, and there is a long line of people from colonial times with distinguished political careers.

I think the main reason WARREN RUDMAN is a person who has this following is that he, as a person who is in touch with people at home, is what we would term in the old days a citizen-politician. WARREN RUDMAN never, Mr. President, took a political opinion poll to find out what he should do, as is vogue in the political world today. But this citizen-politician, WARREN RUDMAN, did what he thought was right. I frequently did not and do not agree with WARREN RUDMAN's stances on various issues, but you can always bet that when he takes a position, he has done it because he thinks it is the right thing to do. I admire and respect him for doing that, as do the people of New Hampshire.

Mr. President, when I learned that Senator RUDMAN was talking about not running, I went to visit with him personally. I told him that I thought not only was it important to the Senate that he remain a Senator, but I thought it was important to the country. I really do believe that the Senate needs more WARREN RUDMANS, people who are independent and who, in effect, are citizen-politicians.

I believe, for example, the person holding the chair today, presiding over these proceedings, is a citizen-politician. We do not have enough people like the Presiding Officer and WARREN RUDMAN who serve in this body.

Senator RUDMAN has made himself felt at the national level in several areas—the Gramm-Rudman-Hollings bill, something that some of us would debate as to whether or not it was a good move but something for which he will always be known. He became vice chairman of the Senate Iran-Contra Committee, in which his nonpartisan approach drew accolades from all over the country, if not all over the world.

I worked with him on a number of occasions with the Senate Ethics Committee, and the work that I did with him in that capacity showed him to be a man of fairness, a man of independence, a person who should be sitting on the Ethics Committee.

That loss will be sorely felt by this entire Congress and by this country.

He was one of the chief architects in the 1980 omnibus crime bill. He was a primary sponsor of one of the new Supreme Court Justices, David Souter.

What will be missed most in the Senate from WARREN RUDMAN, Mr. President, are the measured responses and refusal to rush to judgment that WARREN RUDMAN has displayed during his entire Senate career. He has the toughmindedness of a prosecutor and the temperament of a judge, a combination that has benefited all of us who have had the good fortune to have served with him.

His decision not to seek reelection is a loss to this country.

I yield the floor.

Mr. ADAMS addressed the Chair.

The ACTING PRESIDENT pro tempore. The Senator from Washington.

Mr. ADAMS. Thank you, Mr. President.

LOAN GUARANTEES TO ISRAEL

Mr. ADAMS. Mr. President, during the Persian Gulf crisis, the President spoke of a new world order, where the rule of law would be greater than that of the sword. Revolutionary change in the Soviet Union certainly seemed to bear out the President's prediction.

As Soviet emigration laws eased, hundreds of thousands of Jews saw the possibility of escaping the worsening climate of anti-Semitism amidst a declining Soviet economy and rising nationalism.

Israel has welcomed these Soviet Jews with open arms, offering them a better way of life and an opportunity to raise their children in the Jewish homeland, free from the historic persecution of Jews by the Soviet state.

Faced with the enormous task of absorbing these new immigrants, the Israeli Government prepared to ask the United States for loan guarantees—not loans, not additional aid—to help Israel finance the resettlement of these Soviet Jewish families, who come to Israel with almost nothing.

The administration could have acted on the Israeli request for loan guarantees immediately after the gulf war, but chose to put Israel off, under the guise that the loan guarantees were an impediment to the convening of a peace conference.

When the Israeli Government made its official request for the guarantees in September, the administration asked for a 120-day delay. The assumption, of course, was that the request would be considered at the end of the 120 days.

So now here we are. The loan guarantees are dead and the United States-Israeli relationship has been severely strained.

The administration was allowed to influence the timing of the request and then changed the rules of the game at the last minute. The conditions for the guarantees kept shifting as did the administration's commitment to helping Soviet Jews.

Congress worked closely with the administration to forge some kind of compromise. I compliment our colleagues, Senators LEAHY and KASTEN. They came very close.

While I was not completely happy with the Leahy-Kasten proposal, I could have—and would have—supported it.

But the administration was not bargaining. Its final offer to Congress was the same as its offer to Israel, "Take it or leave it."

Let us remember what we are talking about when we discuss these loan guarantees. We are talking about humanitarian assistance. And we are talking about longstanding U.S. policy.

Ever since the adoption of the Jackson-Vanik amendment, when Scoop Jackson made the free emigration of Soviet Jews a cornerstone of United States-Soviet relations, we have pushed for relaxation of Soviet restrictions and have pledged our assistance for Israeli absorption.

Now, our dreams of freer Soviet emigration have come true—and at this critical moment, the United States has wavered in its commitment. While we hesitate, these Jewish families face the terrible danger of rising anti-Semitism in many of the former Soviet Republics.

We are also talking about loyalty. For the last 40 years, Israel has been our staunchest ally in the region. This was amply proven during the gulf war, when Israel held its fire under attack in deference to United States wishes.

After the war, we rewarded Egypt for its role during the conflict by forgiving $7 billion in official debt. I supported that.

We rewarded Turkey with hundreds of millions of dollars in supplementary military and economic assistance. I supported that.

Additional aid to Israel, too, was approved last spring, but only at congressional insistence.

And now the administration has balked at being asked to guarantee—not to provide, but simply to guarantee—loans to be used to settle these poor Soviet immigrants as they are fleeing from what used to be the Soviet Union.

By delaying consideration and then opposing loan guarantees for Israel, the administration has accomplished little.

Tension in the region has increased. The peace process is stalled. Saddam Hussein is still in power. And there are still hundreds of thousands of Jews in the former Soviet Republics who wish to emigrate to Israel.

Mr. President, this is not a diplomatic backroom shell-game. It is humanitarian assistance for desperate people. I am disappointed with the administration's intransigence on this vital matter. I hope that we will help these people who are fleeing for their lives.

PRIVILEGE OF THE FLOOR

Mr. ADAMS. Mr. President, I ask unanimous consent to allow Laura Brown, a legislative fellow in my office, on the floor for today's proceedings.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate is in a period for the transaction of morning business not to extend beyond the hour of 12:30.

The Senator from Missouri [Mr. BOND] is recognized to speak for up to 30 minutes.

ALARMING SITUATION FORCING CONGRESS WE MUST REFORM THE GAO

Mr. BOND. Mr. President, I rise today to discuss an alarming situation facing Congress and policymakers around the country.

For years Congress has been attempting to bring its investigative oversight and auditing abilities up to speed. The General Accounting Office, the Office of Technology Assessment, and the Congressional Budget Office were each created by Congress to improve the legislative branch's analytical capabilities.

Unfortunately for us and the people we serve, there is a very real credibility gap in one of Congress' own agencies. There has been a deterioration, if not disappearance, of the professionalism of the General Accounting Office.

I do not say this lightly. The GAO report used to be a place to start when beginning a review of an issue, but I believe it is not now the place to start nor to end. For anyone who picks up the GAO report today, I would recommend you read to find out what those who requested the report want, but then do your own work to find the truth.

Mr. President, over the past 2 months, I have had a unique opportunity to see up close and in detail the way GAO thinks, how it puts together a report, what its source-gathering procedures are, how a review is developed, how it responds to factual challenges, its own internal controls, and the GAO's internal review process.

Today I want to spend a little of the Senate's time describing what I found. As a former State auditor, I recognize what I found to be disheartening, perhaps even frightening. There are two specific cases I want to discuss. The first is an issue important to my State and region; the second one important to us all.

In October 1989, the GAO was formally requested to study the various issues relating to the ongoing drought in the Missouri River Basin. This review began officially in December 1989 and was made public February 3 of this year.

At the time of the release of the report, the States of South Dakota, North Dakota, and Montana were locked in a lawsuit against the Army Corps of Engineers over their management of the Missouri River during the 1988 through 1990 drought. Obviously, downstream States like mine were watching the court case very carefully, and some Members of this body were concerned enough to ask the GAO to withhold its final report.

However, that request was not granted, and the GAO published its findings. Immediately, they were trumpeted by the upstream States as a great victory, proof that the corps was wrong and that the South Dakota and North Dakota versus the corps case was now all but over.

Of course, the fact that it was two North Dakota Members who requested this study and came away happy with the result should surprise no one familiar with the way GAO operates today.

As a member of the Senate Appropriations Committee and a member of the Legislative Branch Appropriations Subcommittee, I had the opportunity, only days after release of the Missouri River report, to ask the GAO about its methodology and information-gathering process as they came before the subcommittee.

To say they were able to answer any of my questions would be an overstatement. I asked specifically to whom in my State did they talk? What were the sources for various allegations they made? Why was the Corps of Engineers not allowed to include in the report a written comment in response? Why did they release a report which commented directly on pending litigation?

I pointed out that in their own report. On page 29, it says:

> Three upper basin states have recently filed in federal court a lawsuit that challenges the Corps' policy of categorizing a project's authorized purposes as primary and secondary.

But they had begun that page of the report and that section with the statement that:

> The drought contingency plan currently being followed by the Corps is based on economic assumptions about the uses of water for navigation and irrigation made in 1944 that never materialized and that do not reflect current economic conditions in the Missouri River Basin.

That would be the conclusion of a successful lawsuit, as I understand the issues framed.

On the next page, the GAO said:

> The lawsuit may ultimately settle the legal question. However, in the absence of a court decision adverse to the Corps' position, the Corps will continue to relegate recreation to a lower priority, even if the lower priority results in decreased system benefits.

Mr. President, clearly that is designed at influencing and supplanting a lawsuit.

Finally, I asked the GAO—in an effort to get at one of their central points that was plain wrong—if they truly believed the critical assumption of this report, the assumption on which they based their conclusions, that the corps master manuals and operating plans ever assumed that navigation on the river would be 12 million tons. To this day, I wait for an answer to that question.

But, I get ahead of myself. My staff and I had only a short time to dissect and read the report before the GAO hearing. It was a frustrating process. While implying much, it says very little. Attacking it was a little like trying to fight one's way out of a bowl of jello.

But even more frustrating, Mr. President, were the behavior and actions of the GAO at the hearing itself. My staff informed the GAO that I wanted someone at the hearing who could answer questions about the report because I was serious about trying to understand where the GAO was coming from.

What I got instead were a series of "I don't know," "I'll check into that," and then an appalling effort to imply things which were simply untrue.

Any analysis of the Missouri River which is well balanced must look equally at up and downstream States. How has the drought affected the various industries and communities, is obviously vital when trying to measure economic impact.

Thus, one of our key complaints about the report was the heavy coverage of upstream interests and little or no mention of downstream interests, such as navigation and its impact on agriculture, flood control, and water supply.

Several of my questions to the GAO were to this point: Who was contacted in each State? Why was the North Dakota commissioned study citing economic impacts used, and not a Missouri Department of Agriculture/University of Missouri study also citing economic impacts not used?

I received no answers to these questions, except the Comptroller attempted to get me to believe that the GAO consulted with downstream States in developing the report. The Comptroller turned to a member of his staff and said, "Jim, didn't you meet with Senator DANFORTH's people, and didn't they outline for you what you should look at from the point of view of Missouri and the downstream people?" The staff member nodded in agreement.

Unfortunately, as we checked on this statement after the hearing, we found that the only time Senator DANFORTH'S office was called was well after all the GAO interviews were finished, and there was no discussion of the report or how it was progressing. Instead a contact was requested and given. And the end result of this brief call was that still no one at the key agency in Missouri, the Missouri Department of Natural Resources, was contacted. In fact, the GAO did not sit down with anyone in Missouri after the Danforth call.

They talked to no one in Iowa and after a courtesy call from Senator GRASSLEY, and although told by at least two—if not three Missouri agencies—that they didn't know anything about the issue, and that the GAO should talk to the Missouri Department of Natural Resources, the GAO hasn't yet interviewed one single person from this State agency in charge of river issues. So much for being consulted. So much for the inference that the GAO worked with downstream states to be fair.

Later in the hearing, I asked the GAO specifically why they spent so much of their report on the effects of the drought on recreation in the upstream States. I was curious because the two stated purposes of the report were, one, determine whether in 1988, 1989, or 1990, the corps followed a drought contingency plan in operating the Missouri River reservoir system and whether the plan reduced water releases; two, identify how the corps set operating priorities for the plant. These are two simple questions.

If these were the only questions, I could tell you the answers. The answer to the first is "yes," and to the second, "in accordance with the master manual and the annual operating plan."

Because I did not see any mention of recreation in the stated purpose, I asked GAO why they addressed this issue. They replied it was a logical process that led them to the issue once they began their work. I then specifically asked: "So it was not suggested that you ought to concern yourself with recreation?" Their reply: "No one directed us that we look specifically at recreation versus navigation issues."

Mr. President, since that hearing, I have acquired, for the first time, a copy of the original letter from my North Dakota colleagues in which they request the GAO study. It states:

> Specifically, we would like to know how recreational interests in North Dakota have been balanced with downstream navigational interests.* * *

Mr. President, perhaps now you are beginning to see why the GAO is not as well respected as it may have once been.

Again then I am left with the question of why? Why would the GAO deliberately attempt to mislead me, the committee, and in fact, the Congress? And how many other studies and reports have two agendas or purposes—the stated, and the unstated but understood?

This, of course, led me to wonder what else was wrong. What else have they inferred is not true? That is why my staff and I set out to do a thorough review of the study. We talked to the corps, Omaha and District of Columbia offices. We talked to Missouri officials and other Senate offices. We kept the CRS busy tracking down old committee reports and legislation.

Meanwhile, the GAO agreed to do an "internal review" of their report, and they got back to us in my office early in March. Their internal review consisted of three questions:

Did the GAO have things in their files which they should have used but did not?

Did they follow their procedures in commenting on ongoing litigation? and

Did they follow accepted accounting standards? Not surprisingly their review found no fault with their work.

Mr. President, I say not surprisingly, because the Comptroller General admitted while in my office that he has never retracted a report in the 12 years he's been at GAO.

But I must share with my colleagues what occurred at the meeting.

The GAO finally admitted they did no independent review of economic figures provided to them by upstream sources. At the hearing the GAO had no answer to my questions, but they did admit they simply took the upstream figures claiming $65 million in recreation benefits at face value and put them in the report. This meant two consultant studies commissioned by the States of North Dakota and South Dakota, and used in their lawsuit against the Corps, were simply placed in the report no questions asked.

On the other hand they admitted their report might have been better with the inclusion of a Missouri Department of Agriculture, University of Missouri study, but were not sure. This study noted that without the navigation benefits of the river, Missouri would face an increase in transportation costs of $136 million, and Missouri farmers would see their agriculture cash receipts fall by over $120 million. It was available to the GAO 6 months before their report came out, and was also mentioned to them during the corps exit interviews.

The GAO also admitted that including economic impact on the Mississippi River Basin might also have improved the report—since during a drought 60-65 percent of Mississippi's water comes from the Missouri River feeding into it.

And finally they were forced to admit the additional facts we provided for them at the meeting were such that they should reconsider and continue their internal review.

Mr. President, as a warning to all my colleagues, please understand that the GAO's internal review process clearly rewards the lazy auditor. For if the only critique used to define a competent audit is did you use what you had—then the less you know, the better off you are.

And who benefits when the audit group keeps its information and knowledge levels low? Why the requestor of the report of course, as they are the ones who provide all the initial information.

The key point of the entire GAO report, as described by the GAO, was that the Corps of Engineers is operating on out-of-date assumptions, which leads them to conclude that the corps is operating the river incorrectly; thus upstream recreation interests are being unfairly treated and thus somebody must do something.

Given that, my staff and I spent considerable time trying to track down the sources for the claim that the corps said in 1944 there would be 12 million tons of navigation on the Missouri River. This is important because the GAO, as well as the upstream States in their lawsuit, claim that since we have not gotten to 12 million tons of navigation moving on the river, the corps is out of date and thus is managing and operating the river incorrectly.

I first asked the GAO for their sources and background at the hearing. In response I received a written reply which said the figure was "contained in documents the corps supplied to the Congress as part of its justification for the Missouri River Basin system which Congress approved in 1944. The corps chief of engineers said the assumptions included in these documents were inherent in the Master Manual and the corps operation of the Missouri River reservoir system."

I then asked for the documents and the cite which showed the corps' chief comments.

When my staff was given the so-called documents supplied to Congress, we received a copy of a 1939 Secretary of War report which basically stated that they did not really know the potential but had a series of estimates, the best being a 1929 KC corps report on the lower Missouri, and a 1933 report by KC corps of the midriver. The Secretary of War added them up, said we can't do any better than this because we've been in a drought for several years and submitted the figure in with the overall plan.

But more interesting than the report itself was that it had been faxed to the GAO by an assistant South Dakota attorney general who had highlighted and noted the relevant sections. We also noted that it wasn't received by the GAO until 1½ years into the work on the report. So with much curiosity we asked if GAO had any other materials which referenced the now infamous 12 million tons figure.

Although the GAO clearly was not happy about these repeated requests, they did finally provide us one more document. A law review article written by the self-same South Dakota assistant attorney general in which he lays out an argument that the corps is out of date because the 12 million tons never materialized, and because it is out of date it is treating North Dakota and South Dakota unfairly.

Surprise, surprise—we stumbled into a GAO report, ghostwritten some 7 years before. My staff then followed up one step further and asked the GAO for all the relevant documents footnoted in the 1985 article—just so we could make sure the GAO had done a little work and did not just crib the entire thing.

Imagine then my shock when it appears that the only document referenced in the law review article which purports to connect the 1939 report to the 1944 act is not in the GAO's files. Nowhere to be found.

That means, of course, that the GAO should be citing the law review article, written by an attorney for one of the parties to the lawsuit that they should not have been involved in and it is the sole basis for their conclusion. Let me repeat: The critical underlying assumption of their report was based on the conclusion of an attorney in the lawsuit and they made no effort independently to confirm or challenge that conclusion.

As a further outrage, the GAO auditor in charge actually admitted that they had not read any of the legislative history.

Mr. President, this is just one example of the many we found that show how flawed the GAO's system of internal controls and quality controls actually are.

I have not even mentioned that the second part of the GAO's answer to my question on their source for the out-of-date assumption claim is simply untrue. It is a quantum leap of faith made only because the South Dakota assistant attorney general law review article had already laid the backbone of the report. And this assertion was directly challenged by the corps in their exit interviews with the GAO.

The corps was not given an opportunity to include its written response because the GAO said they were rushing to get the report out. After 22 months? Why the rush? To influence the lawsuit?

But Mr. President, my colleagues must judge. The GAO says the sentence I am about to read means that a 1939 report to Congress which cites 1929 and 1933 preliminary studies of potential navigation—now provides the guiding principles used by the corps as it manages the Missouri River in 1990. The GAO source for that claim is a 1989 letter from the corps discussing the ongoing drought and their management of the river. It states:

> The water control management plan is inherently based on the economics of the formulation of the reservoir system.

Of course, the GAO conveniently leaves out the fact that while Congress may authorize projects based on preliminary data—it does not appropriate funds that way. And thus a mention in the report about the 15-year period between 1945 when the river widening was authorized and 1960 when the master manual was developed might have let the GAO show it actually understood how the water control management plan was developed.

Perhaps a brief discussion of the full fledged corps planning report which was so controversial in 1950-52 would have added some factual underpinnings to the report. During this period the corps fought internally over a 4 versus 5 million ton maximum navigation capacity figure to be reached 20 to 50 years after completion. A simple review of the Appropriations Committee hearings of the period would have brought this information to light—and would have ended the mysterious 12-million ton estimate once and for all.

Neither the corps nor Congress in all those years were operating on an assumed 12-million ton annual figure.

Perhaps the report would have benefited from some discussion of the numerous coordinating, interagency and States committees and commissions set up to insure the master operating plan was done right. The Governors of the 10 basin States were actively involved in lobbying Congress to finish the project and they were actively involved with the corps in developing the operating priorities for the river.

Perhaps some discussion of these key developments in the history of the river basin would have meant the GAO was actually doing some work on this report—instead of trying to interview the right people in order to make the law review thesis stand up.

But perhaps knowledge of this information would have changed the conclusions of the the law review article and the GAO report, and that's why none of it is contained either in the GAO report or the GAO's files.

And thus to no one's surprise, the GAO after rereviewing their materials; flying to Omaha to visit the corps officials again—and being told by the corps engineers in no uncertain terms how wrong their report is and how shallow and superficial their understanding of the issues are; the GAO notified me late last week that "while we agree that the report would have been more complete had we included information concerning the later traffic estimates * * * our report in this instance is nevertheless consistent with GAO's responsibilities."

Thus Comptroller General Bowser's record remains perfect—no reports withdrawn under his tenure.

Mr. President, perhaps I am asking too much. Maybe the GAO is just too busy with so many reports that using the Cliff note approach is the only way they can turn out a product.

It certainly was in this case.

I am sure some will challenge my review on this report and call all this sour grapes or some such nonsense, but they miss the point. You see, I will no longer be able to trust the GAO on any of their reports—good for me or bad, now that I have seen how they operate. I should also note at this point that I am not alone in my condemnation of the GAO and their lack of professional expertise as a "Dear Colleague" letter was recently circulated and enclosed a professional review of three GAO reports on rangeland issues.

Mr. President, I ask unanimous consent to print after my remarks in the RECORD a "Dear Colleague" letter signed by 16 of my colleagues and the attached information.

The PRESIDING OFFICER (Mr. KERRY). Without objection, it is so ordered.

(See exhibit 1.)

Mr. BOND. Mr. President, in that letter they say:

> Attached, you will find a critique of three GAO reports that was produced by several prominent professionals in the fields of range science, ecology and management. These scientists are knowledgeable in range technology and understand resource conditions across the United States, particularly in the West, making them qualified to evaluate the GAO's methodology and conclusions. The consensus reached by this group is that spotty research and an unfamiliarity with western ranching operations have led to inaccurate conclusions and a distorted picture of actual conditions. The GAO reports, according to this group of experts, are not a valid baseline from which Congress should make policy decisions regarding range utilization.

A few years ago I believe Arlo Guthrie had a song "Alice's Restaurant"—you can get anything you want at "Alice's Restaurant." The GAO is a little like "Alice's Restaurant." They even let you provide the recipe by which they want you to cook the outcome.

But, Mr. President, that leads me to a second issue as I also want to spend a little time on another GAO report—one that has captivated the public and the media and has House Members scrambling to reconstruct their financial records.

Given that the 1991 GAO report of extensive overdrafts in the so-called House bank is credited with bringing the outrage to light, I decided to take a closer look at this success story in order to see how a good GAO report would look.

Thus, my staff and I spent countless hours going over the various reports and documents in order better to understand the situation and GAO's work. What we found is that the GAO did much less work than meets the eye.

The GAO began semiannual audits of the House bank after a 1947 embezzlement scandal involving House officials had come to light. These audits were then delivered to the House Speaker and the House Sergeant at Arms but were not made public. I have reviewed all the available reports dating from September 12, 1952, through the 1991 report.

Interestingly, as early as the early 1950's the GAO audit reports noted problems with overdrafts and recommended that additional regulations be developed. For example, a January 4, 1952—July 3, 1952 audit report stated:

> It was noted that some Members still consistently overdraw their accounts, some-

times in excess of their monthly salary and expense allowances, while others make periodic overdrafts. Over 60 accounts showed overdrafts during the period of audit.

Mr. President, I remind you this was in 1952—40 years ago.

In the 1954 report, the GAO stated:

> Some Members frequently overdrew their accounts sometimes in excess of their monthly salary and expenses * * * and one-third of all active Members accounts showed overdrafts at one time or another during the periods covered by the audit.

But this is just the beginning, for throughout the past 40 years the GAO has privately reported on the problems of House Member overdrafts. Audit reports from 1955, 1957, 1958, and 1959 all note the problem and recommend changes in the handling of overdrafts. The 1955 report reminds the Speaker that the Sergeant at Arms should prohibit the honoring of overdrafts except for "inadvertently overdrawn in reasonable amounts."

The 1959 reports stated:

> Our examination indicated that, aside from the doubtful legality of accepting overdraft items and holding them for rather lengthy periods of time, the accounting control over the items is inadequate. * * *
>
> We recommend that general ledger accounts receivable control accounts be maintained, to which there should be posted daily the amount of overdrafts and returned items received and the amount liquidated, and that the control account be supported by detailed records showing for each item the date received and the date liquidated.

By the 1960 report, the "weakness in control of overdrafts" had reached the front page of the GAO report. And the GAO noted that while one-half of their previous year recommendation had been adopted, the request for detailed subsidiary records as well as accounting controls on return checks were ignored. The report also for the first time gave an overall dollar figure for the overdrafts, noting that during fiscal year 1960, overdrafts totaled $653,000 and then stating:

> This practice of honoring overdrafts is becoming more widespread and is not adequately controlled.

Report then went on to say that more than one-half of the Members with accounts had overdrafts during the audit period and that "in some instances the amount overdrawn by a Member was in excess of his net monthly salary."

The 1961 report was more of the same. Total overdrafts were now 5,221 checks, totaling $610,000 and the GAO recommended to the Speaker that a policy be adopted to establish a maximum overdraft level, and a maximum period for the overdraft to be outstanding.

By 1962 the number of checks increased to 5,670 while the dollar value fell to $587,833, but a pattern was clearly developing.

Let me just recite the year by year list:

1963—5,660 checks, $659,900.
1964—8,810 checks, $1,009,696.
1965—7,290 checks, $953,875.
1966—8,430 checks, $1,182,435.
1967—8,620 checks, $1,195,173.
1968—10,369 checks, $1,307,456.
1969—(approx 10,300), $1,801,556.
1970—10,711 checks, $1,872,521.
1971—8,519 checks, $1,509,922.
1972—12,309 checks, (unknown).
1973—8,534 checks, $1,790,103.
1974—9,719 checks, $2,063,435.
1975—9,434 checks, $1,803,272.
1976—8,428 checks, $1,817,550.

These audit reports continue to give the problem page 1 treatment throughout the 1960's until in 1968 the GAO listed proposed reforms in the appendix of their report.

Unfortunately, their 1969 report notes the problem was continuing unabated and that the number of bad checks has more than tripled over the past 10 years.

This process of private GAO complaints, with no public action, and no real changes by Congress continued, until by 1976 the GAO audit report noted that during the 1973-76 period well over one-half of the House Members wrote bad checks—with the high being 12,309 in fiscal year 1972, and the low year being 8,428 in fiscal year 1976.

Mr. President, to put this in perspective, the 1991 GAO report which started Rubbergate exposed a total of 8,331 bad checks.

However, after 1976, no mention was again made until the February 1990 report, and no real controversy was created until the now infamous September 1991 report was released.

So what happened? Did the House change its ways? Did 25 years of prodding of the Speaker finally sink in?

Did the House really clean itself up only to slip back into bad habits in 1990?

Common sense says this probably was not the case, but what else could explain it? Perhaps the GAO, after valiantly year after year pointing out the problem just got tired and simply gave up the ghost as hopeless. Since no one seemed to care, maybe they also felt that it was not worth fighting the status quo anymore.

Certainly this is not the type of behavior one would want from an agency often called watchdog—but maybe that's what occurred.

If only this is what occurred.

Mr. President, the only variable which changed from the 1954-76 period when the GAO issued stern warnings and made frank assessments of the problem listing the number of overdrafts and their ever increasing dollar value, and the 1977-89 period when no mention was made of overdrafts, no criticisms were made and no reforms suggested, was that the early reports were private and the later reports were public.

Let me repeat. The GAO ceased discussing the problem only when the reports became public. They gave no numbers of overdrafts, no dollar value of checks. They provided no analysis of abusers. No commentary on the account control weakness.

Mr. President, the watchdog was a watchdog when no one but the Speaker knew what was going on, but became a lap dog when the reports were for all the world to see.

I find this outrageous. But I also believe it fits the GAO's pattern all too well. Powerful interests request report. If report meets their purposes, it is released, if not it is shelved. Obviously, the House leadership wouldn't want the public criticism of the GAO—so while the problem continued, the criticisms ceased. And when the GAO finally did come forward again, 14 years later, in a February 1990 report, they only attacked non-Member overdrafts as a problem.

They attacked the $232,000 of bounced checks by non-Members, and gave only a passing reference to "checks totaling nearly $18,900" from House Members. GAO also noted in their report:

> We first brought the lack of check cashing procedures to the Sergeant at Arms' attention in August 1988. At that time we were assured that procedures would be established. Although procedures were drafted, they were not implemented. Sound internal accounting controls would require that written procedures be instituted which would instruct the bank's tellers about matters such as who can cash checks at the bank, what limits are placed on those with check-cashing privileges and how to handle persons who repeatedly write checks returned due to insufficient funds.

The report then goes on to point out they have since received a letter from the House Sergeant at Arms outlining his commitment to addressing the problems brought up by the GAO. The GAO concludes by stating:

> We believe that when written operating procedures for the bank are developed, implemented, and enforced by the Sergeant at Arms, they should improve operation of the House bank and reduce the frequency of checks being returned because of insufficient funds. The Sergeant at Arms' letter is presented in Appendix I.

Unfortunately, Jack Russ' letter addresses only the issue of outsiders bouncing checks, and notes that he personally agrees to cease all banking transactions at the House bank.

Thus, GAO has hit only part of the problem—but appears happy with the partial solution outlined by the Sergeant at Arms. Interestingly, the report does note in its balance sheet that Members were overdrawn by $406,895 on just 2 days of the year. But the report makes no specific mention of the total checks overdrawn—which by this time have to be in the millions. In contrast, the $232,000 figure for non-Members was highlighted.

Finally, in September 1991, the GAO makes a case against the House Members themselves, noting 8,331 checks were returned, and that some Members

(134) cashed 581 checks for over $1,000 in which there were insufficient funds to cover it. However, the GAO again made no specific mention of the total overdrafts, only noted that their balance sheet showed $347,482 in accounts receivable from Members.

The rest, of course, is history.

Mr. President, in all this long and sorry story an interesting thread weaves. When given the opportunity to blow the whistle in 1977, when the reports became public, the GAO simply blew it.

GAO had a chance publicly to expose an abuse which they had been complaining about for decades.

But for 12 years, they said nothing. Only a line in their balance sheet under "accounts receivable, due from Members" gave any clues as to whether checks were being held, bounced, or absorbed. And even this line only tells a partial story. For "due from Members" only notes the amount due on the final date of the audit period—and does not address the many overdrafts which may have occurred throughout the year.

If the DOD sat on this type of information, this would be a huge scandal. If the White House sat on this information it would be a page 1 story, so why is not anyone asking the watchdog agency who has a $450 million annual budget to ferret things out, expose auditing scams, frauds, ripoffs, and all the shoddy accounting practices which lead to huge future liabilities—where were they?

Why were they sitting on information which should have been made public in 1977? And probably only became public now because of the behavior of the former Sergeant at Arms and his $100,000 check bouncing habit.

What happened to turn the watchdog into a lap dog? And most important of all, what else is going on that we don't know about because someone powerful does not want a full GAO report on it?

Mr. President, we need a General Accounting Office. We need an agency which sticks its nose in, tells the truth—and if it irritates all around, so be it. But what we have is a bureaucracy beholden to the powerful.

Its work is not really independent, thought-provoking or influential; instead, its work has become fodder for one side's press releases, its standards low enough that it can argue with a straight face that while they didn't review the internal controls of the House bank fully, the ones they did review seemed OK—although their own report is laced with criticisms that arose because the House bank's internal review mechanisms were inadequate.

This circular reasoning process lets the GAO claim:

First, we never said they were inadequate;

Second, we never said they were adequate;

Third, we found problems; and

Fourth, Congress might want to act.

As a former State auditor, I find this extraordinary. Mr. President, Congress must act to bring the GAO back to what it should be—a tough, independent auditor, with expertise and understanding to keep from being snowed, and the ability to lay the facts on the table.

That is the only way we in Congress can then fairly trust the GAO's reports. And we need to be able to trust them.

Interestingly, at one point in this endeavor we were asked if we had ever requested a GAO report. We replied "no," and the GAO officials jumped right in to say, "Oh, you should."

Mr. President, in closing let me outline four simple reforms I believe we must make in the GAO.

First, retain an outside firm to do a complete and thorough review of the GAO's own internal controls and decisionmaking process.

Second, require all GAO reports to include written comments from the party being audited.

Third, require GAO to list their contacts and sources for the report. Let us see how many Assistant Attorney General law review articles or other party-in-interest memos are buried in GAO files and are the real source of GAO conclusions.

And finally, eliminate the use of other studies, reports, and so forth, as sources unless GAO has verified the work as legitimate. In other words, clearly distinguish between documented factual data and hearsay or claimed data.

These last three reforms we should put in place as soon as possible, and I will be introducing legislation to do so in the next week.

But we should also follow carefully whatever recommendation an outside audit of GAO will bring. I believe their internal controls need a major overhaul, but I am willing to have an independent review show us the way.

Mr. President, I do not often take to the floor to deliver these sorts of speeches. And in this case I sincerely wish I did not have to. But I found the conduct and behavior of the GAO so appalling that I had to speak out—if nothing else to warn my colleagues about the quality of work they are receiving. It is like "Alice's Restaurant"—you can get anything you want.

The truly unfortunate fact is that it only takes a few atrocious studies to poison the entire batch. And, we have no way of knowing which GAO reports are the *x* percent which are perfectly fair, accurate, and true.

Therefore, Mr. President, I am forced to be suspicious of them all.

EXHIBIT 1

U.S. SENATE,
Washington, DC, February 24, 1992.

DEAR COLLEAGUE: You may be familiar with recent reports from the General Accounting Office on the state of western rangelands and livestock in the West. As you know, the federal grazing system has come under fire in recent years, and the GAO's reports have added fuel to the flames.

Attached, you will find a critique to three GAO reports that was produced by several prominent professionals in the fields of range science, ecology and management. These scientists are knowledgeable in range technology and understand resource conditions across the United States, particularly in the West, making them qualified to evaluate the GAO's methodology and conclusions. The consensus reached by this group is that spotty research and an unfamiliarity with western ranching operations have led to inaccurate conclusions and a distorted picture of actual conditions. The GAO reports, according to this group of experts, are not a valid baseline from which Congress should make policy decisions regarding range utilization.

We hope that you will take the short amount of time necessary to read this report and that it will help clear up any questions you may have regarding the actual state of western rangelands.

Sincerely,

Malcolm Wallop, Slade Gorton, Hank Brown, Kent Conrad, Quentin Burdick, Tom Daschle, Dennis DeConcini, Conrad Burns, Orrin Hatch, Bob Packwood, Steve Symms, Harry Reid, Larry E. Craig, Pete Domenici, John McCain, and Richard H. Bryan.

FEBRUARY 6, 1992.

DEAR CONGRESSMAN: The U.S. General Accounting Office's (GAO) auditing function works effectively for compiling facts and figures. However, the matter of compiling opinions and presenting them as facts is misleading and dangerous.

As technical experts, because we believe this is a matter of national importance, we have undertaken an unsolicited review of several GAO rangeland management reports. After months of investigation, and out of concern for the people of the West, we must inform you that GAO's characterization of livestock grazing on public land is unjustified and deceptive.

You must rely upon this agency to provide objective investigations of federal programs. However, technical expertise is required to interpret GAO investigate findings. GAO claims no technical expertise: even so, their opinions are frequently incorporated into legislation and management policies. This is often to the detriment of millions of western voters.

Obviously, it is imperative that the information provided to you is accurate and impartial. To be fair, you must question the validity of GAO's reports and recommendations. For example, GAO has alarmed the public by sensationalizing their findings that eight percent of public rangeland is in a downward trend. This dramatization is absurd. As range management professionals, we find this status to be predictable and reason for little concern. Even under pristine conditions, in the complete absence of man, a certain portion of rangeland (in some cases much more than eight percent) would always exist in a downward trend due to wildfires, periodic drought, flood, and or excessive wildlife use. Could Congress have been better served if GAO had emphasized their finding that 67 percent of BLM allotments and 79 percent of Forest Service allotments are in improving condition or maintaining the status quo?

SJR 240 was passed in 1990 to reconfirm a national commitment to multiple use of public lands. It is ironic that GAO has been actively developing reports heavily biased against livestock grazing and making recommendations that could encourage laws that would deny this beneficial use of our public lands. Legislation, agency policy, and regulation will never meet the objective of multiple use until they are based on fact. It is our hope, as range professionals, that this report will provoke questions concerning the validity of GAO's snapshot overviews, prepared by non-technical staff, on extremely complex issues.

We are not ranchers, but we care about the range, its uses and improvement. We also believe in multiple use. Our fields of expertise include range management, soil conservation, watershed management, ecology, animal behavior, forestry and wildlife management. Because we care deeply about rangeland resources, we would like to ensure that Congress and others who rely on GAO reporting be provided accurate information before making critical decisions.

The attached report provides objective information to alert you to some serious misconceptions regarding public land management. Please call any of us at any time if you have any questions, comments, concerns, or would like additional information.

Respectfully submitted,

JOHN L. MCLAIN,
Certified Range Management Consultant.

TECHNICAL REVIEW OF GAO RANGELAND REPORTS

CONCLUSIONS AND RECOMMENDATIONS

The GAO rangeland management and public lands documents reviewed for this report should not be seriously considered by Congress in the deliberation of public land issues. Although GAO referred to reviews of "other reports" and consultations with "other professionals" in an attempt to add credibility to their work, these sources were never identified. Consequently the objectivity of the GAO reports cannot be verified.

An inherent problem with GAO reporting on the merits of rangeland management is that technically unqualified investigations result in formulation of technically invalid conclusions. When GAO was contacted regarding their research procedures and technical expertise on range management, their response was that GAO is a generalist organization and just analyzes facts. Compilation and presentation of facts can be successfully done by objective, non-technical staff if sufficient time is afforded for balanced research in order to develop an understanding of basic technical principles. Neither the GAO reports, nor personal communications with GAO personnel indicated that GAO researchers, writers, or editors were technically qualified to formulate the conclusions presented, based upon the narrow scope of their investigations. Under no circumstances should such far reaching conclusions be developed by GAO without full consideration of their consequences. Such a procedure is particularly inappropriate if the recommendations will be used to influence national legislation and policy.

As a means to improve the validity of information available to Congress for making public land decisions, we recommend that the GAO reporting process on range management issues be modified such that:

1. All references to subjective conclusions construed by technically unqualified researchers be eliminated from GAO reports.
2. GAO broaden their investigations and consult persons and organizations with professional range management expertise such as the Society for Range Management, University Extension Offices, Agricultural Research Service, and research or consulting professionals to provide technical interpretations of findings.
3. GAO be required to provide references and disclose all sources of technical background information, and be required to clearly distinguish between documented factual data and hearsay opinions.
4. GAO be required to contact and accurately report the viewpoints of all opposing factions regarding controversial range management issues in a professional objective manner.

Mr. BOND. I thank the Chair and yield the floor.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that I be permitted to speak through the duration of my remarks as I present them.

The PRESIDING OFFICER. Without objection, it is so ordered.

LOAN GUARANTEES FOR ISRAEL

Mr. LAUTENBERG. Mr. President, today the Senate is likely to be asked to approve a continuing resolution on foreign aid spending. In my view, that bill should include loan guarantees for the State of Israel. But due to the administration's stubbornness, it is going to be very difficult. Nonetheless, I plan to keep exploring options with my colleagues throughout the day on this critical issue.

I am deeply dismayed by the administration's absolute refusal to work out a compromise on loan guarantees. I think the administration was disingenuous in its negotiations with the Israelis and Congress on this issue. I am not convinced that the administration ever wanted to work out a compromise on loan guarantees. I am not convinced that the administration has been negotiating in good faith. And that is a tragedy for the Soviet refugees in Israel who are there because of our insistence that they be permitted to emigrate and who are currently in desperate need of our assistance.

It is not a big secret that I think the administration made a terrible mistake when it linked loan guarantees to settlements. These are separate issues. Loan guarantees have to be decided by America, by this country. Settlements have to be decided by the parties involved in the dispute.

I have stated that time and time again since September when the President created an issue where none existed. At that time he threw down the gauntlet. He said "No loan guarantees unless there is a freeze on settlements." No one asked him to do that. No Arab country demanded it. The President acted unilaterally and incorrectly.

It was a bad policy decision. Loan guarantees are a humanitarian issue and are consistent with United States policy over decades—to provide freedom, to provide emigration for Soviet Jews and to assist further in their resettlement elsewhere. They need absorption assistance.

For years, the United States fought for the right for Soviet Jews to emigrate. We put our prestige and our trade benefits on the line for that policy. For years, there was not a high-level meeting between United States and Soviet Union officials that took place in which the issue of unfettered emigration was not raised. There was not a Soviet Government official who did not know that MFN, most-favored-nation trading status was inexplicably linked to the emigration of Soviet Jews.

Now, they are emigrating in unprecedented numbers. We have won the battle on free emigration. At the same time, we have made very careful decisions about limiting the number of them who can come to the United States. We put a cap on that. So where are they going to go? I believe that we have a moral obligation to help resettle these refugees from the former Soviet Union. And I think the administration is wrong to hold them hostage to a policy over which they have absolutely no control.

The need in Israel for absorption assistance could not be greater. Over 400,000 new immigrants arrived in Israel since late 1989. The population has been boosted by nearly 10 percent. Israel took 200,000 immigrants in 1990 and 170,500 in 1991, despite the gulf war. Some 600,000 more are expected through 1995, for a total of 1 million immigrants. That is a population increase of more than 20 percent. It is comparable to United States over a 1-year period increasing its population by some 50 million people.

Mr. President, by insisting on linkage with settlements, the administration has injected the United States into the peace negotiations. For the first time in four decades, with the exception of Egypt, bilateral discussions are taking place between Israel and her Arab neighbors. Israel is seeking peace agreements with the Arab countries. And she wants assurances that they are not going to try to annihilate her, as they have promised for so many years.

What the Arab countries have said and continue to say, because they are technically at war with Israel, is that: We want to destroy the Nation of Israel; we want her absorbed into the population that exists in the Middle East. Expressions like "We are going to drive Israel into the sea," do not make a very comforting environment to be operating in.

Israel and her Arab neighbors disagree about many issues. All of these ought to be resolved in face-to-face discussions in the context of an overall peace settlement for the Middle East. And hopefully they will be. But it will not happen if there are preconditions.

There are deep-rooted differences, and that cannot be resolved if the United States demands concessions from Israel outside the peace process in the absence of concessions from her Arab neighbors. In that case, she is distinctly disadvantaged.

This situation also emboldens terrorists. We have seen terrorist strike after terrorist strike. We saw what happened in Argentina. A very good friend of my son, who had moved to Israel, served in that Embassy. The father of two children, 42 years of age, he lost his life in that explosion.

Yes, the United States did issue a statement of outrage. But underlying the terrorist activity is a feeling that the United States is wavering in its friendship toward Israel. And that is what happens when we start linking loan guarantees with the settlements issue.

President Bush miscalculated on this point. The policy of linkage is a failure. But the President continues to cling to this policy. Now it is rumored that the administration is putting pressure on the European Community nations to deny any participation in guarantees to Israel if it does not accept a settlement freeze.

Israel knows how to make peace. She did it at Camp David with Egypt. In 1977, I had the privilege of visiting Israel when Egypt's President Sadat came to meet with the late Prime Minister Begin. In the name of peace, they negotiated in good faith. Each had something that they desperately wanted, and that was to be at peace with their neighbors and no longer give Israeli lives or Egyptian lives to the cause of war.

Israel gave back the entire Sinai, with the surplus of oil that otherwise could have permitted her an exported product as well as satisfying a domestic need. She tore down the town of Yamit in the Sinai. They carried out the people bodily and destroyed the town because they had a deal. But peace cannot be achieved if the negotiating deck is stacked against Israel.

By linking loan guarantees to settlements, the administration has made peace less possible. It has ignored fundamental policy differences that the United States has with Arab countries, and sent them the wrong signal.

It is shocking to me to see what has happened with Syria. As Syria encourages Iraq, our sworn enemy, someone who took the lives of American youngsters, to say: "You can do business with us, buddy. Come on, ship your oil through our territory; we will get it out to sea for you." That is the Syrian relationship with Iraq.

Syria does not take the blame that she should for terrorism. In today's New York Times, there is an article by A.M. Rosenthal about the Syrian participation in the downing of Pan Am flight 103. Every one of us felt shock and horror and dismay about that. But Syria has never been taken to task for it and she has yet to agree to eliminate terrorists from her soil.

The administration's unbending position on loan guarantees also smacks of hypocrisy. I was in Egypt on August 21, 1990. I was the first American Member of Congress to visit there. I went from a visit in Europe immediately to the Persian Gulf area to find out what was going on because I knew we were going to have to provide appropriations there one day.

I met with President Hosni Mubarak; I met with his Finance Minister; I met with our Ambassador. We sat and engaged in a very detailed discussion. I thanked the Egyptian Government; I thanked President Mubarak for siding with us because that was a very important step to have Egypt, the largest, most developed Arab country, on our side against Saddam Hussein.

In the course of the discussion one of his senior people asked me to be of help to Egypt. He asked if we could waive 163 million dollars' worth of interest due on loans that already existed. I was there August 20. The interest was due to be paid in September. And I said that I would try to be of help, and I meant it, Mr. President. And when I went to the White House with a group of other Congressmen and Senators, we talked about this obligation. And I expressed to the President what I thought our view ought to be.

The next thing that happened was that the President of the United States requested forbearance on $7 billion worth of loans—$7 billion that was outstanding.

I did not have too serious a problem with it. I think we should have done it differently. I think we should have amortized it over let us say a 10-year period, $700 million a year.

But, nevertheless, with that proposal by the President and his people, I said: "OK, I am on your team." And I fought until 6 a.m. with the House Appropriations Subcommittee on Foreign Operations to get that forgiveness in place. Mr. President, I did it because I thought it was right. It cost every American citizen something to forgive those $7 billion in loans.

The fact is that it will cost the American public nothing if we give Israel loan guarantees. We are not lending the money. We are saying to commercial banks that we are going to help Israel; we are going to underwrite the credit; we are going to help reduce her interest costs. We are not giving them any money.

A March 20 article from the New York Times points to the hypocrisy of the administration's policy as well. According to the article, the administration frustrated its own criminal investigators' efforts to examine Iraq's role in a $4 billion bank fraud scheme in Atlanta, while it was courting Iraq in 1989 and 1990.

Apparently, Government investigators and regulators tried to persuade the Agriculture and State Departments to deny guarantees for $500 million in loans to the Iraqi Government once it became clear that high-level Iraqis were involved in the $4 billion bank fraud.

The occupant of the chair knows this issue very well. He is the one who has carried it through to the investigatory process, who has alerted the public to what was going on at the BCCI. Imagine, we gave Iraq loan guarantees on which they defaulted to the tune of $500 million in 1989. If that is not hypocritical, I do not know what is.

It is ironic as well that at the same time the administration said no to loan guarantees for Israel, it warmly welcomed King Hussein of Jordan to Washington. He was met by the President; embraced, virtually, by the President. King Hussein stayed with Saddam Hussein of Iraq during the war. He encouraged him. He made it possible for them to transport material, war materiel, that killed our soldiers and our service people. And he was invited here as a friend and embraced? A friend of America? Someone who supported the killing of American service people?

At the same time that the administration is denouncing Israel on loan guarantees, it does not express outrage at the fact that Syria has, as I mentioned earlier, decided to press for lifting of U.N. sanctions against Iraq. Or about the fact that Syria has reportedly already shipped $15 million in petrochemicals to Iraq. Or about the fact that Syria is reportedly discussing an oil deal with Iraq that would allow the Hussein government to pump crude oil through Syria. Of course, the administration has a lot to say about guarantees to our good friend and dependable ally, Israel. It just says no.

Mr. President, even as we talk, there is a budget message that came from the White House which asks us to void a prohibition against doing business with companies abroad that acquiesce to the Arab boycott against Israel. It is against American law, and it is now written into the 1992 appropriations bill for the State Department. The administration wants to void that. We also have a prohibition that I wrote in the State Department appropriations bill that says: "No funds shall be used to produce Israel-only passports," and now they want to void it, once more isolating Israel from the rest of the world.

Mr. President, the world seems a bit topsy-turvy when a friend, who stood by us for decades, when a friend who never said no to America, when a friend who destroyed the nuclear reactor in Iraq in 1981 and helped save countless American lives, is turned on at the same time we welcome former enemies to the White House as if they were friends.

Mr. President, we are going to be examining this issue very thoroughly, and I hope we will be able to find a way to fulfill our obligation to our friend and ally Israel.

I thank the Chair and yield the floor.

EXTENSION OF MORNING BUSINESS

The PRESIDING OFFICER. The hour of morning business is not concluded. Under the unanimous-consent agreement of the Senator from New Jersey, the time was extended beyond the hour of 12:30, at which time the Senate was to have recessed.

Mr. HATFIELD. Mr. President, I ask unanimous consent that morning business be extended for 15 minutes and that I be given the privilege to speak for that period of time.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. HATFIELD. I thank the Chair.

(The remarks of Mr. HATFIELD pertaining to the introduction of S. 2491 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress stood at $3,871,340,970,219.40, as of the close of business on Friday, March 27, 1992.

As anybody familiar with the U.S. Constitution knows, no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States.

During the past fiscal year, it cost the American taxpayers $286,022,000,000 just to pay the interest on spending approved by Congress—over and above what the Federal Government collected in taxes and other income. Averaged out, this amounts to $5.5 billion every week, or $785 million every day.

What would America be like today if there had been a Congress that had the courage and the integrity to operate on a balanced budget?

I thank the Chair.

I yield the floor.

EXTENSION OF MORNING BUSINESS

Mr. DURENBERGER. Mr. President, I ask unanimous consent that the period for morning business be extended for 4 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE 500TH ANNIVERSARY OF THE EDICT OF EXPULSION

Mr. DURENBERGER. Mr. President, there is a persistent thread of irony which tinges the fabric of history through the ages.

In this year of 1992, we mark the 500th anniversary of Christopher Columbus' discovery of the New World. This discovery, financed by the Spanish Monarchs Ferdinand and Isabella, forever changed the course of history and allowed for the creation of the world's greatest democracy and haven for the world's persecuted people.

Yet, on the very day that Columbus' fleet was about to set sail, August 2, 1492, another fleet set sail on a journey of great uncertainty and fear. For on that date, the last remaining Jews in Spain set sail for the Muslim domains of the Ottoman Sultan, Tunis, Egypt, The Netherlands, and any other lands that would allow them haven.

Why this exodus? Why this new diaspora? It was because on March 31, 1492, 500 years ago today, Ferdinand and Isabella issued the Edict of Expulsion which demanded that the Jews of Spain convert to Christianity or leave the country.

Mr. President, as an American citizen and a Catholic, I find it difficult to reconcile the forced exile of Jews by the Spanish Catholic monarchs with the teaching of Jesus that "Thou shall love thy neighbor as thyself."

Yet, on reflection, the people who founded this Nation—Catholics, Protestants, Huguenauts, Lutherans, Amish, Baptists, and Jews—were escaping the same type of Old World intolerance and persecution that Ferdinand and Isabella inflicted on the Spanish Jews, and later on Spanish Muslims. That is why our Founding Fathers incorporated the right of religious freedom in our Constitution's Bill of Rights.

Mr. President, I ask the question: Has the world progressed in the 500 years since the Edict of Expulsion? Surely, we have seen technological progress, but as we have learned, there is a price we all pay for technology. And when 20th century technology is harnessed to 15th-century religious intolerance, the results create tragedies beyond the comprehension of the human mind.

I look at the world of 1992 and wonder whether we are living in a new age of barbarism and intolerance. Catholics and Protestants are still killing each other in Northern Island. Muslim Azeris and Christian Armenians are destroying each other in Nagorno Karabakh. Muslims and Hindus, and Hindus and Sikhs engage in reciprocal terror in India. The Kurds continue to struggle for survival living in the lands of the Iraqis and Turks. And the struggle between Jews and Muslims continues unabated in the Middle East.

Mr. President, with the end of the cold war and the defeat of the totalitarian Soviet Socialist state, the world should be looking forward to a time of great material and social progress. Never before in history have so many nations embraced the idea of the rule of a democratic majority.

Yet with the rise of a worldwide democratic movement, we are seeing a concurrent rise of a new and dangerous intolerance of those who are different from those in the majority. It is not unlike the value structure that Ferdinand and Isabella imposed on the Jews 500 years ago. Either conform to the majority religion or leave. This intolerance is becoming most noticed in Europe.

In France, Jean Marie Le Pen wins a larger and larger share of support running for office on a platform of "France First" and "Expel the Immigrants." In Germany, there are regular reports of bands of skinheads wearing swatstikas, attacking foreigners, while chanting "Germany for the Germans."

And whenever intolerance and demands of conformity rise, one thing is certain—anti-Semitism cannot be far behind. Unfortunately, that is what we are witnessing today in Europe, especially in Russia, Poland, Hungary, and Romania. And we are witnessing the same thing in America where reports of anti-Semitic incidents have risen for the fifth year in a row.

So Mr. President, let us pause on this 500th anniversary of the Edict of Expulsion and remember the plight of the thousands of Jews who were forced to leave Spain because they refused to conform to the majority religion. They chose freedom of thought and freedom of religion at the expense of material security. They are not unlike the immigrants who founded our Nation and gave the oppressed minorities of the world a beacon of light and hope.

On this day then, let us recommit our Nation to a greater sense of tolerance and respect for the right of others to live in peace and dignity no matter their race, religion, or ethnic background. Let us work to prevent some future commentator on our times from pointing out the irony of our intolerance in the midst of global progress. And let us be an example to all who would choose racial, religious, or other strife, to divide their country and to keep them from the ideals they seek as they try to emulate us.

NATIONAL LABS=INDUSTRIAL POLICY

Mr. JOHNSTON. Mr. President, I ask unanimous consent to place into the RECORD a copy of an article that appeared in Monday's Washington Post. The article is entitled "National Labs=Industrial Policy" and was written by Robert Kuttner, correspondent for the New Republic and a columnist for Business Week.

Mr. Kuttner points out that with the cold war coming to an end, we are at a crossroads. As funding for nuclear weapons declines, Department of Energy national laboratories such as Los Alamos must be either scaled back or redirected to help American industry and universities. Some may think that we should simply let these laboratories fade away as they are no longer needed. The fact is, however, that the Department's laboratories already do more civilian research than weapons research. For decades, Department of Energy laboratories have built up a research establishment unequaled anywhere in the world. The laboratories have preeminent expertise in virtually every facet of science and technology. Industry has long sought to have access to these laboratories. It has only been recently that the laboratories have had the legal authority to pursue relationships with industry to do joint research.

The Committee on Energy and Natural Resources Committee, which I chair, is now considering legislation that would broaden the existing legal authority and encourage the laboratories to work more with industry and universities to develop technologies that are critical to the United States' economic and national security. The idea is to push the laboratories further into areas of technology such as high-performance computing, advanced materials, advanced manufacturing, transportation, and the environment. A close working relationship between the laboratories, industry, and universities will ensure that technologies important to this country's long-term survival will be developed. We expect to report this legislation very soon to the full Senate.

For now, I want to compliment Mr. Kuttner on a very timely, well-written article about the national laboratories, and commend his article to all of my colleagues.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Mar. 30, 1992]

NATIONAL LABS=INDUSTRIAL POLICY

(By Robert Kuttner)

LOS ALAMOS, NM.—Nearly 50 years ago, J. Robert Oppenheimer led a band of scientists to these mesas and canyons northwest of Santa Fe to develop the world's first atomic bomb. Today, Los Alamos National Laboratory is a crown jewel in a national industrial policy whose very existence is denied by the Bush administration and whose mission is in flux.

The National Laboratory at Los Alamos, one of nine such labs, spends a billion dollars a year and employs some 3,000 scientists, engineers and technicians. In the first years of the Cold War, scientists at Los Alamos did nothing but design weapons. In the '50s, under Eisenhower's Atoms for Peace program, they also began researching nuclear energy. In the Carter years, when the old Atomic Energy Commission became the Department of Energy, scientists at Los Alamos began work aimed at energy self-sufficiency. Under Ronald Reagan, energy funding was cut, and Los Alamos turned its attention to Star Wars.

Today, as the Cold War winds down and funding for nuclear weaponry declines, this lab and others like it operated by the Department of Energy are the closest thing America has to a national technology or industrial policy. Legislation passed by Congress in 1986 and 1989, over the resistance of the two administrations, encourages the national labs to work closely with private business to develop and refine commercial technology.

It turns out that a great deal of research and technology sponsored by government in order to produce weapons has commercial applications. At its advanced computing lab, Los Alamos just installed the world's most powerful computer—the Thinking Machines' CM5, a $35 million massive parallel computing machine whose development was subsidized by another branch of the military, the Pentagon's Defense Advanced Research Projects Agency.

Los Alamos needs extremely powerful computers to design nuclear weapons and simulate their impact. But the same computer used in the design of weapons can, for example, be used to model and research global climate change or to design a more efficient internal combustion engine or to map the human genetic system.

The same laser technology developed for the Strategic Defense Initiative's beam weapons has medical and industrial applications. Research in advanced composite materials developed for weapons can have a variety of industrial uses. Magnetic Resonance Imaging now used in hospital diagnostics is based on military technology devised at Los Alamos.

Technology originally developed to drill holes to test nuclear explosions and monitor their impact has been adapted for oilfield mapping and exploration. Even Los Alamos's need to dispose of nuclear wastes has spawned new technologies for recycling them.

At Los Alamos, the presence of a variety of labs specializing in both basic research and in engineering in diverse fields creates an industrial research facility that none but the biggest private corporations could afford. This year, Los Alamos will still spend about 75 percent of its overall budget on military-related work. But that proportion will gradually drop.

As the need for design and production of nuclear weapons diminishes, the government's aid to commercial technology will no longer be able to hide behind a military mission or to pretend that a commercial application was purely accidental. We must either acknowledge the value of having national laboratories work with civilian industry—or gradually lose this unique resource.

For despite America's official disdain of anything smacking of "industrial policy," labs like Los Alamos are about as close as America gets to Japan's famed Ministry of International Trade and Industry. After some initial skepticism, the Bush administration in its recent National Technology Initiative, has just begun to encourage private industry to view the national labs as the national resource that they are.

Under a Cooperative Research and Development Agreement, as provided by Congress in the 1989 legislation, a private company or consortium of companies may work with a national laboratory or other government facility to develop a technology for commercial application. The government negotiates an agreement that defines how the fruits of the research are to be shared.

In the past two years, several of America's most prominent companies—General Motors, Grumman, Conoco, Boeing—as well as many smaller ones in such fields as energy extraction, superconductivity, fuel cell technology for electric vehicles, biotechnology, lithography—have negotiated agreements to work with Los Alamos and other national labs.

Because of the huge expense involved and the long lead-time before commercial payoff, much of this research simply would not be undertaken by the private sector acting alone. Nor would competing companies be willing to collaborate without a government agency providing both research facilities and neutral territory. The fact that private industry brings its own resources to the table and decides which technologies seem promising makes this approach a far cry from some government commissar "picking winners." Several national labs compete vigorously with each other.

Los Alamos and the other national laboratories are more than labs for scientific research. Increasingly, they are laboratories for policy. And while the administration and Congress continue to debate whether the nation ought to have a technology policy, one is quietly unfolding. The national laboratories are an exceptional example of America's capacity for national purpose, now at last freed for peaceful uses.

We would be insane to throw them on the scrap of the Cold War.

A TRIBUTE TO MANUEL SAPIEN, JR.

Mr. WIRTH. Mr. President, a few days ago Manuel Sapien, Jr., was remembered and honored at a commemorative Mass at the Fort Logan National Cemetery, near Denver, CO. Manuel was a 22-year-old specialist with the U.S. Army's 1st Armored Division and was killed during Operation Desert Storm.

The Sapien family has a long heritage of service to the Armed Forces of our Nation. I know that I join all Coloradans in expressing our appreciation to the Sapien family and to every veteran for their sacrifices and commitment to preserving freedom. The eloquent sentiments expressed in Mr. Tomas Romero's piece remind all of us that our veterans must never be forgotten.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Denver Post, Mar. 25, 1992]

DESERT STORM LOSS SHATTERED FAMILY HOPES

(By Tomas Romero)

Soledad Sapien and her husband returned last week to the quiet place. As chilling breezes rustled deadened greenery, linden, oak and birch trees displayed their bare branches reaching upward as though in supplication and prayer. There they knelt at the grave of Manuel, Jr. and mourned for their son, killed on March 17, 1991, during Operation Desert Storm.

Specialist Sapien was 22 years old and serving with the United States Army's Sixth Battalion, First Armored Division when he stepped on a cluster bomb unit and was killed instantly. Now a young soldier, one of the six Coloradans who died during the Persian Gulf War, rests forever near the mountains he loved so much as a young boy.

United States Army Specialist Hollie Perkins of Whitman, Mass., was called to help identify the remains. To her came the first horror of loss—Manuel Jr. was her fiance. They had met in Germany and after a courtship of six months were to be married in December. Hours later his parents, living in Southern California, received an early morning message. It was their son-in-law in Denver. "Someone is going to call you," he said. "Junior was killed in Kuwait." The Sapiens were stunned. The war had ended quickly, and a recent phone call from their only son indicated that he was anticipating an immediate return home and a discharge from the military. Indeed, it would be his second discharge, as he had officially been released in December, only to be called back to active duty two days later with the buildup of United Nations forces in Saudi Arabia.

A military-escorted casket, draped with an American flag, arrived in Colorado, and at Saint Cajetans Catholic Church, Father Tomas Fraile offered a Mass of the Christian Burial for the fallen young man he'd known as a choir boy. The outpouring of support for the Sapiens and daughters Patricia and Andrea was overwhelming.

Family, close friends and strangers, through letters, gifts, cards and in various other ways, rushed to express their sorrow. A Native American friend gently laid a warrior's feather upon his breast. Yellow ribbon wreaths and flowers filled the church.

And then everyone want away. Politicians who had supported the war basked in their popularity. It had been an "easy war," they said. Veterans were popular again. In Denver, the October Veterans' Day parade drew the largest crowd in years. Through T-shirts, patriotic memorabilia and other means, Americans reasserted their national pride. At the Super Bowl, Whitney Houston's rendition of the Star Spangled Banner brought tears to the eyes of the nation. Then—within months—we began to forget.

A young man who'd competed fiercely as an Abraham Lincoln High School soccer player and intended to go on to Colorado School of Mines was gone, few noticed. Last week, an old friend asked Manuel Sr. about his family: "How's your son doing?" For the first time, a father—through dry-mouthed and chest-tightened anguish—found the strength to say, "My son is dead. He was killed a year ago in Kuwait."

There is a timelessness, a quiet peace at Fort Logan National Cemetery. Manuel Sapien Sr. and Soledad are finding peace.

On March 17, 1992, a commemorative mass in Denver, attended by their son's closest friends, added to the solace. They have accepted God's will. Bound together as a family by their faith and by the continued love and contact with Hollie, they turn the pages of thick albums filled with letters, cards and other remembrances. The parades have stopped. Among the cards is one written in a child's cursive scrawl. "Dear Andrea, we love you and I'm sorry your brother stepped on the gun in the ground. I miss you," it says.

Manuel Sapien Jr. was born in a military hospital in Fort Riley, Kan., while his father was serving in Vietnam. He died an American soldier, and we need to remember that he served with honor, receiving a bronze star for his ultimate sacrifice. His name was Specialist Manuel Sapien Jr. Say his name once—lest we forget, lest he be forgotten.

OBTAINING HIGHER EDUCATION

Mr. SPECTER. Mr. President, the future promise of any nation is dependent on the opportunities and capabilities of its youth. I recently met with groups of students who are attending Temple University, University of Pittsburgh, Point Park College, Chatham College, Carlow College, and Carnegie Mellon University. And if their intellect, creativity, and energy are any indication, then I am certain that our national character as well as our hope for the future will remain as strong as ever.

By way of background, these schools have built a tradition of academic excellence, matched only by their commitment of service to the community.

The young people I met with represented a broad cross-section of the student population. Of course, they voiced concern that affected them personally. But they also demonstrated a keen insight into the issues that this body grappled with just a few weeks ago, when it debated the Higher Education Act reauthorization.

Generally, speaking, the students' concerns centered around the rising cost of education—a concern that is borne out by the fact that over the past 10 years, the costs of a college education have risen 135 percent, compared to only a 65-percent increase in family income. During the same period, the cornerstone of our Federal Student Aid Program—the Pell grant—has actually declined in value. In 1980, Pell grants covered 41 percent of the cost of education; today a Pell grant covers only 23 percent of costs.

At the graduate level, students have revealed similar views. In most cases, tuition costs for graduate courses are higher than undergraduate. Many students come to graduate school with a loan burden ranging from $5,000 to $15,000. The prospect of adding graduate school loans on top of the cumbersome undergraduate loans either deters people from entering graduate school or requires the students to seek employment in a field of "high return." At a time when public service is of the utmost importance in America, financial burdens are preventing our country's best and brightest from pursuing public service positions.

Apart from the overall cost issue, these young people expressed concern over what they described as unrealistic and unnecessarily rigid criteria for calculating how much a family should contribute to a student's education. In particular, they criticized the formula for calculating the family contribution because it ignored other, equally important pressures on the family budget, economic pressures that are especially acute in my home State of Pennsylvania. And in this regard, their concerns extend well beyond this semester, and beyond their education as well.

Several students were particularly troubled about the rigorous Federal regulations regarding the definition of an independent student. These students felt that while their parents were not contributing to the cost of their education, the parents' incomes were still being considered when calculating student aid.

Education has gotten so expensive that these young people are genuinely worried about how they are going to cope with the enormous debt they are incurring—a debt that may leave them wondering why they bothered to pursue a higher education at all. In addition, many of the students I met with revealed that their financial burdens and excess jobs outside of school had adversely affected their ability to succeed academically. Failure to achieve good grades can preclude further advancement to the graduate level or into a job with a salary adequate to pay off the debts these students have incurred. They also expressed concern that many of their friends either were denied or strongly discouraged from pursuing a college education simply because it has become too expensive or because Federal student aid was unavailable.

Again, many of the issues they raised mirrored the concerns that were brought up when the Higher Education Act was recently taken up by this body. And I believe that the legislation we passed goes a long way toward addressing those issues.

The bill would authorize $17.4 billion in fiscal year 1993, the bulk of which would go to college student aid programs. As ranking member of the Labor, Health and Human Services, and Education Appropriations Subcommittee, I want to note that last year we appropriated $11.7 billion for student aid. That, together with other Federal education funding, leverages additional State and private dollars to provide a total of $21.5 billion to 6 million students attending college and trade schools.

The measure that recently passed the Senate would increase the size of loans and grants and expand the number of students eligible to receive them. Among other things, the bill would raise the maximum Pell grant from $3,100 to $3,600 for the coming academic year. Family income limits used in determining eligibility would be excluded from the family income calculation for families earning less than $50,000. These steps will help make a college education a reality for low-income students and more affordable for middle-income families.

In short, Mr. President, the bill I supported will help restore one of the most basic tenants of this Nation's education policy: That any qualified individual should have the opportunity to pursue a higher education. I think we owe the students of these fine Pennsylvania educational institutions and those throughout this country no less than that.

PAUL DOUGLAS OF ILLINOIS

Mr. SIMON. Mr. President, Paul Douglas of Illinois, the People's Senator, would have been 100 years old on March 26. The events that have been organized to commemorate the Paul Douglas Centennial offer us the opportunity to take fresh stock of a Senator whose character, conviction and achievements are an example to us all.

David Broder, the distinguished Washington Post political reporter, reflects on the Paul Douglas legacy in a recent column about Douglas and about the late Friedrich Hayek, the economist and Nobel laureate.

I commend his column to the attention of my colleagues.

I ask unanimous consent that the column be printed in the RECORD following my remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Post, Mar. 29, 1992]

TWO MEN OF PRINCIPLE

(By David S. Broder)

From their graves, two men whose deaths were marked last week spoke louder to today's politicians about the enduring importance of principle and courage than any of the Babel of voices in the halls of Congress or on the presidential campaign trail.

Friedrich Hayek, the Nobel Prize-winning economist whose ideas shaped the thinking of a generation of conservatives, died on Tuesday at the age of 92. And two nights later, by coincidence, a Washington dinner commemorated the 100th birthday of the late Sen. Paul H. Douglas of Illinois, another economist who became a role model to a generation of liberal politicians.

The two men seemingly were opposites, but they shared a stiff-necked stubbornness of conviction. Ostracized during much of their careers, they achieved an influence far more enduring than those who snubbed them.

Hayek's and Douglas's paths crossed briefly 44 years ago at the University of Chicago. Douglas was on his way out of the economics department into the first of his three terms as a senator just about the time that the Austrian-born Hayek arrived from London to take up a scholarly post at the university's Committee on Social Thought—because the economics department would not have him.

Four years earlier, in 1944, Hayek had published "The Road to Serfdom," a book that outraged conventional wisdom by arguing that central economic planning inevitably led to despotic government. He saw the malevolent fruits of the disease both in Nazi Germany and Communist Russia. And he thought he detected the seeds of the same disease in the growing intellectual appeal of socialism in Britain, especially among his fellow academics who were enjoying the taste of power in their wartime government planning positions.

As he wrote in the preface, Hayek understood that his argument "is certain to offend may people with whom I wish to live on friendly terms. . . . It is certain to prejudice the reception of the results of the more strictly academic work to which all my inclinations lead me. . . . In spite of this, I have come to regard the writing of this book as a duty which I must not evade."

The book was viewed as heresy in Britain, where the socialists were about to take power in the 1945 election, and Hayek was exiled to Chicago, where he was still something of an iconoclast.

Meantime, Douglas came to the Senate and immediately made it clear he was not willing to compromise his principles in order to gain popularity and power. As the reminiscences the other night poignantly recalled, the Senate of the 1950s was dominated by southern bourbons who used its arcane procedures to foil every effort to end legal segregation of the races and reduce the tax loopholes that benefited the oil, gas, timber and agriculture millionaires of their states.

Douglas began battling against the lenient filibuster rules and the stacked Senate committee system that protected the privileged positions of the white and the wealthy—earning himself the label of a nuisance. He lost again and again but never quit.

After all, this was a Quaker who enlisted as a Marine Corps private at age 50, insisted on combat duty, and when his arm was destroyed on Okinawa, reached up with his uninjured hand to remove his major's insignia so the medics would treat him no better than anyone else. This was a man so punctilious about honesty, his former colleague William Proxmire recalled, that not only did he reject all the perks of office, but when his secretary would inform him of a phone call from a lobbyist Douglas was trying to duck, he would step into the corridor before allowing the secretary to say, "Sen. Douglas is out of the office."

The Senate powers dealt with Douglas by denying him a committee chairmanship or a leadership position, but he fought them every day and in time saw the measures he had championed—civil rights bills particularly—become law.

As for Hayek, his vindication came even more slowly. It was 1979—35 years after the publication of "The Road to Serfdom"—that a disciple, Margaret Thatcher, became prime minister of Britain and two years after that when Ronald Reagan brought Hayek's ideas to Washington. Jack Kemp and other younger generation Republicans learned from reading Hayek to think of themselves as "classic liberals" who believe that economic freedom empowers people, not "conservatives" seeking to protect the status quo. Another of Hyek's books, "The Constitution of Liberty," "is the book that set me off on my journey," Kemp said. Edwin Feulner, the president of the Heritage Foundation, said "the whole framework of what we believe in—it all started with Hayek."

But the final proof of Hayek's theories came in the last years of his life, when one after another of the Eastern European countries and finally the Soviet Union itself threw off the shackles of communism, emerging to tell the world what it had cost them in prosperity and freedom. Today, his book is sacred text to the post-communist reformers of the old empire.

Douglas and Hayek had very different principles. But they had principles. And the courage to stick to them. That is why they are remembered.

ESCALATION IN IRAQ

Mr. PELL. Mr. President, I am deeply concerned by reports in today's press that Iraq is carrying out renewed attacks against the Kurds. The reports indicate that Iraq is bombarding the Kurdish inhabited areas surrounding Irbil, causing as many as 40,000 Kurdish people to flee their homes. The reports also assert that Iraq is flying helicopters over Kurdish-controlled areas, including the U.N.-mandated safe haven, and moving Republican Guard units into the region. U.N. officials have indicated the latest Iraqi actions are violations of the U.N. cease-fire resolutions.

This marks an alarming escalation of Saddam Hussein's continuing campaign against the Kurds. During the past year, the traditionally Kurdish area of northern Iraq has been subjected to a harsh economic embargo and to periodic harassment by Iraqi forces. The Kurds have mandated nonetheless to establish de facto control over most of the territory, and have gone as far as to organize elections to establish a unified Kurdish leadership, scheduled to be held later this month.

Undoubtedly, the latest Iraqi attacks are designed to force a cancellation of the Kurdish elections. Even more troubling, however, is the fact that these attacks adhere to a demonstrated pattern of Iraqi persecution against the Kurds. Earlier this month, I chaired a Senate Foreign Relations Committee hearing on mass killings in Iraq under the Saddam Hussein regime. The committee heard graphic testimony describing indiscriminate killings of Iraqi Kurdish civilians, based on official Iraqi documents and on tests conducted by forensic specialists. The available evidence suggests that the total number of Iraqi Kurdish deaths and disappearances may be as high as 200,000 to 300,000, or roughly 5 percent of the Iraqi Kurdish population. In my view, the information demonstrates that Iraqi actions against the Kurds are tantamount to an official policy of genocide.

The United States has an abiding responsibility to help protect the Kurds. During the gulf war, the President urged the Iraqi people to "take matters into their own hands" and overthrow Saddam Hussein, leading directly to the Kurdish uprising last year. The international community, too, assumed responsibility when it urged the scores of thousands of Kurdish refugees to return home under the protection of allied air cover. Now that U.N. Security Council resolutions—and, evidently, the borders of the safe haven—are being violated, the international community must ensure that its words are not meaningless. We must reaffirm our commitment to protect the Kurds under Operation Provide Comfort and see that the Kurds are not left open to the brutality of the Iraqi Army. It is not only in our interest, but our moral responsibility to do so.

TRIBUTE TO WILLIAM B. HOYT

Mr. MOYNIHAN. Mr. President, I rise to mourn the passing on March 25, 1992, of Assemblyman William B. Hoyt, educator, environmentalist, and public servant of Buffalo, NY. His obituary in this past Thursday's Buffalo News reads simply: "Hoyt is remembered as 'extraordinary'." And he was. He combined a rare sensitivity to public need with deep intellect, political skill, and determined character.

For 15 years he and I were closely allied on many public issues. Often on environmental matters, a cause to which he was passionately devoted. Not long ago Bill took the lead in creating legislation designed to protect a section of the Genesee River Gorge in Letchworth State Park. The "Grand Canyon of the East," as it is commonly known. He passed and had signed into State law a bill which included this portion of the Genesee in New York's Wild, Scenic and Recreational River System. We then collaborated to do the same on the Federal level with the Genesee River Protection Act of 1989, legislation that recognized the park's importance as a tourist area and its great contributions to the State's economy. Our bill was enacted, and thanks to Bill Hoyt will save for generations to come the beauty and natural qualities of these majestic waters.

In addition to serving in Albany as chairman of the assembly standing committee on energy he presided over the subcommittee on child abuse and was a member of committees on children and families. Child abuse prevention was one of his greatest priorities. Under his watchful eye State agencies and institutions improved their care of children and the elderly. Social service agencies counted him among their strongest advocates. The only thing greater than Bill Hoyt's love of nature was his care for people.

Lawrence O'Brien, John F. Kennedy's great friend, once described politics as an "intensely personal art." None could evoke this image better than Bill Hoyt. The Buffalo News continues, "some say he might not have entered politics if he did not believe that he could make things better." He did, and in so doing set standards for all who aspire to serve in government. There are simply too few people of his caliber in public life, and none to spare. The News got it right—Bill Hoyt was extraordinary. Mr. President, I ask that the text of the Buffalo News' tributes to William B. Hoyt be entered in the CONGRESSIONAL RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From the Buffalo News, Mar. 27, 1992]

HOYT: AN UNCOMMON MAN

William B. Hoyt was the thinking person's politician—able to approach public issues in a far-sighted and intellectual way, able to passionately hold his ground under challenge, able to work within the system to reach significant goals.

From the beginning, Bill Hoyt was a different sort of politician. As a Buffalo Common Council member, he bucked the odds and got a city ordinance on the books in 1974 that phased out the sale of leaded gasoline in the city. It was a pioneering environmental law emanating from a city government not known for pioneering. He organized a fledgling recycling program long before it became a popular environmental cause.

Beginning in 1975, he represented part of Buffalo in the State Assembly. He was in the front line on environmental concerns. He was a friend of Great Lakes protection. He was a major force in preventing a power project at beautiful Leichworth State Park.

He helped preserve low-cost hydropower for Western New York. He was a valuable legislative supporter for the Buffalo Philharmonic Orchestra and other cultural organizations. He worked on behalf of the Buffalo public schools and the State University of New York's units in Buffalo.

As chairman of the Assembly's Energy Committee, he championed conservation and co-generation of electric power. Social service agencies relied on him to be their man in Albany. His efforts breathed life into the Child Care Coalition of the Niagara Frontier. He made the prevention of child abuse a special concern.

Bill Hoyt had another passion—as distant from Albany politics as one can get. His love of the Canadian arctic resulted in long canoe expeditions to uninhabited wilds. "After six months in Albany, with its caterwauling and jabbering, a stint in the North is like breathing pure oxygen," he once wrote in The Buffalo News. Native Crees fighting Quebec's James Bay power project had no better friend south of the border than Bill Hoyt.

The other day—while engaged in a vigorous discussion of energy policy in the Assembly chambers—Bill Hoyt suffered a heart attack and died. His life was only 54 years long. But he made it count for much, and the Buffalo area is better because he did.

[From the Buffalo News, Mar. 26, 1992]

HOYT IS REMEMBERED AS "EXTRAORDINARY"

(By Molly McCarthy)

Western New York friends and colleagues recall Assemblyman William B. Hoyt as a man deeply committed to his community.

Erie County Executive Gorski, who served in the State Legislature with Hoyt, said he was "an extraordinary legislator" who will be remembered for his efforts to protect the environment and improve the quality of life in Buffalo.

"His abilities spanned a wide gamut of subjects," recalled Gorski. "He could quote poetry or sit and talk grass-roots politics. He was a wonderful person, who worked hard in Albany to ensure that Buffalo and Erie County got their fair share of aid."

A memorial service will be held at 11 a.m. Saturday in St. Paul's Cathedral, 182 Pearl St.

Joseph F. Crangle, who was Erie County Democratic chairman when Hoyt was endorsed for Delaware District Council member in 1969 and for the Assembly in 1974, said Hoyt, more than anyone else, was responsible for the restoration of Delaware Park.

"He saved the park by his diligence in pursuing federal and state funds to clean up Delaware Park Lake," stated Crangle.

"He was a perfect example of a public servant—bright, honest, straightforward, always driven by the public interest," added Crangle. "He never catered to a single interest group, and he was widely respected for his frankness in political debates."

Mayor Griffin opened a Buffalo Urban Renewal Agency meeting today by asking members to pause for a moment of silence to honor Hoyt.

"A friend of Buffalo passed away yesterday," the mayor said. "He helped us in a number of ways, the Scajaquada Pathway, Delaware Park and Delaware Park Lake. . . . He's going to be missed.

"He's a 54-year-old man leaving family and friends. It's a sad day."

Richard Tobe, Erie County commissioner of environment and planning and Hoyt's former chief of staff, said: "He will be missed in so many places and very, very badly missed."

"We've lost a great Democrat in Western New York," said Vincent J. Sorrentino, Erie County Democratic chairman. "Someone with his experience, the friends he's made and inroads he's paved . . . . that's something you just don't replace."

Hoyt never aspired to a leadership position in the Assembly, Tobe said. In fact, some say he might not have entered politics if he did not believe that he could make things better.

In 1969, Hoyt was elected as the first Democrat to represent the Delaware District on the Common Council. Before that, he taught American and European history and coached the soccer and hockey teams at the Park School in Amherst.

"He had this belief that you do what's right," said Tobe, who did volunteer work for Hoyt while he served as councilman.

Hoyt, first elected to the Assembly in 1974, announced plans in February to run for a 10th two-year term.

In Albany, Hoyt was chairman of the Assembly Standing Committee on Energy and the Assembly subcommittee on child abuse and a member of committees on children and families, corporations and authorities, the environment, and fiscal matters.

Tobe characterized Hoyt as an unusual politician for his willingness to go beyond the complaints of his constituents and search for a deeper solution. As a legislator, Hoyt launched five investigations into state agencies include the state Division for the Blind and the Buffalo Psychiatric Center.

Mark Mahoney, a Buffalo defense attorney and former neighbor, described Hoyt as the "conscience of the Assembly on environmental and family issues."

Hoyt approached every issue with fervor and a deep commitment, just as he did in his personal life as an avid wilderness canoeist.

Mahoney and D. Bruce Johnstone, chancellor of the State University of New York, accompanied him on one of those trips, a 325-mile canoe journey in 1983 that became the subject of a Ted Turner-produced documentary, "On the Polar Sea. A Yukon Adventure."

His love of open spaces fueled his pursuit of environmental issues in his role as a state lawmaker. He was the leading opponent of the state's controversial power contracts with Hydro-Quebec.

He worked closely with the Cree Indian tribe and environmentalists to battle the contracts, which he said were driving the construction of a huge power plant in James Bay in Northern Quebec.

Sen. Daniel Patrick Moynihan. D-N.Y., who joined with Hoyt in a successful fight to save the Letchworth Gorge State Park from a power project, called the assemblyman "a dear friend and an extraordinary and exceptional legislator."

"There are simply too few people of his caliber in public life, and none to spare," the senator said. "For 15 years, he and I were as closely allied as any two people could be."

Hoyt's son, Sam, is director of Moynihan's Senate office in Buffalo.

Hoyt ran an unsuccessful campaign for mayor against Mayor Griffin in 1989.

Hoyt is survived by his wife, the former Susan Curran; two sons, John H., of Seattle, Wash., and William B. "Sam" III of Buffalo; two daughters, Whitney S. of Fairfax, Calif., and Carolyn H. of Washington, D.C.; a brother, Austin of Cambridge, Mass., and a grandson, Clayton Ballard.

[From the Buffalo News, Mar. 27, 1992]

BILL HOYT'S LEGACY IS HIS DEEP CONCERN FOR THE DISENFRANCHISED

(By Donn Esmonde)

The news came as a shock, as sudden death always does. For family and friends, it put everyday concerns in trivial perspective and made daily routine untidy and dumb.

Thursday, the day after Bill Hoyt collapsed and died at the Assembly in Albany, his staff members here still answered the phone "Assemblyman Hoyt's office." Among the office paperwork was a letter from him to a local organization, regretting that he wouldn't be able to make a dinner engagement last evening due to business in Albany.

Life ends, but time goes on. We leave memories and itineraries. It seems like there should be more.

Bill Hoyt was an intelligent guy, almost intimidatingly so. But his uniqueness really lay in his combination of virtues. He was sensitive enough to understand those of different backgrounds, compassionate enough to care and dedicated enough to work hard. He needed every ounce of empathy: His district included the Hispanic West Side and the well-heeled near Delaware Park, the artists in Allentown and the working folks in Riverside.

Government ought to take care of those least able to take care of themselves, and that's what Hoyt believed. His deepest concern, along with the environment, was abuse of children and the elderly.

A lot of people of Hoyt's quality don't go into politics anymore. There's more money to be made privately, and politics (when done correctly) isn't about fame and glamour. You work, you take abuse, and your best ideas often get buried in the swamp of bureaucracy. Hoyt got involved because he wanted to make the world—or at least the part of it he could affect—a better place.

He wasn't a politician who captivates a room with the force of his personality. There was little flashy or charismatic about him. Hoyt didn't wow the crowd, he just did a lot of good. Because of him, Delaware Park Lake is cleaner, and so is Lake Erie; there's no power plant in Letchworth Park; children in state institutions are protected; high-speed trains may be part of our future.

It's ironic, in a sense, that so cerebral a fellow was such a sleeves-up, head-down plugger. He understood the meaning of public service; the obligation of his office to try, every day, to make things better for the people you serve. That's what politics is about, ideally. Not about taking care of those who can take care of you, but letting conscience be a guide.

It's easy to be cynical about politicians, but Hoyt rose above the stereotype. He wasn't an issue-a-day guy, the sort who attaches himself to whatever gets people's attention and rides it as far as it's worth. He couldn't be bought. At the end, appropriately, he was fighting the power authority to preserve the homes of Native Americans and the sanctity of a wilderness.

Unlike some of his peers, he was no slave to his party affiliation. He worked with whoever could do what needed to be done. One of his recent collaborators was state Sen. John Sheffer, a Republican.

Thursday, in the Assembly in Albany, his colleagues left a red rose on the desk, in front of his vacant chair.

Like most of us, Hoyt was no saint. He could be arrogant, cutting you down with a word or a look.

Just as he wasn't always the easiest guy to be around, he wasn't always easy to work for. When he was in a bad mood in Albany, the dread was felt 300 miles away among his staff in Buffalo. He pushed himself hard, and expected no less from his people. But ultimately, as one staffer said, working for him was like weathering a tough course in college—it brought the satisfaction that comes only with giving all you have.

I didn't know him all that well. We'd run into each other occasionally. More often, he'd drop a line to comment on something I'd written—sometimes favorable, sometimes not. No one sent me to the dictionary as often, as when he wrote that an early piece on his failed 1989 mayoral bid was "obtuse."

It's romantic to think, as an associate of his said, that the end ideally would've come while he was canoeing down a Canadian river or making camp deep in the woods. Somehow, though, the time and place—an Assembly chamber, during a spirited meeting—made sense.

Hoyt relished a good fight, in the best sense of the term. He devoted his life to the sort of informed, spirited discussion that ends in resolution, not hard feelings. He was doing exactly what he loved to do when his time came. I don't know that any of us can ask for more than that.

The best thing to be said about someone is that he did a lot of good, made things better for others, fought for a cause. That's the sort of legacy Bill Hoyt left. His family and friends know that deeply. The rest of us should understand that we lost a good man.

RECESS UNTIL 2:30 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will stand in recess until the hour of 2:30 p.m.

Thereupon, the Senate, at 12:55 p.m., recessed until 2:30 p.m.; whereupon the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

NATIONAL INSTITUTES OF HEALTH REVITALIZATION AMENDMENTS

MOTION TO PROCEED

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to H.R. 2507, an act to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health and for other purposes:

Joseph Lieberman, Jim Sasser, Frank R. Lautenberg, Paul Wellstone, Edward M. Kennedy, Howard Metzenbaum, John D. Rockefeller, Paul Simon, Al Gore, Bill Bradley, Alan Cranston, John F. Kerry, Don Riegle, Claiborne Pell, Pat Leahy, Timothy E. Wirth.

CALL OF THE ROLL

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to H.R. 2507, an act to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, shall be brought to a close?

The yeas and nays are mandatory under the rule. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The yeas and nays resulted—yeas 98, nays 2, as follows:

[Rollcall Vote No. 60 Leg.]

YEAS—98

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—2

Helms **Smith**

The PRESIDING OFFICER. On this vote, the yeas are 98, the nays are 2. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

NATIONAL INSTITUTES OF HEALTH REVITALIZATION AMENDMENT

MOTION TO PROCEED

The PRESIDING OFFICER. Is there any further debate on the motion to proceed to H.R. 2507, which is being considered under the cloture provisions of rule XXII?

There being no further debate, the question is on agreeing to the motion.

The motion to proceed was agreed to.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 2507) to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, and for other purposes.

The Senate proceeded to consider the bill, which had been reported by the Committee on Labor and Human Resources, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION I. SHORT TITLE, TABLE OF CONTENTS

(a) SHORT TITLE.—This Act may be cited as the "National Institutes of Health Reauthorization Act of 1992."

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short Title, Table of Contents.
Sec. 2. References.

TITLE I—REAUTHORIZATION OF CERTAIN INSTITUTES AND EXPANSION OF VARIOUS PROGRAMS

Sec. 101. National Cancer Institute and National Heart, Lung and Blood Institute.
Sec. 102. National Library of Medicine.
Sec. 103. Revision and extension of National Research Service Awards program.
Sec. 104. National Center for Biotechnology Information.
Sec. 105. National Foundation for Biomedical Research.
Sec. 106. Biomedical and behavioral research facilities.
Sec. 107. National Eye Instititue.

TITLE II—RESEARCH FREEDOM

Sec. 201. Short title.
Sec. 202. Establishment of certain provisions regarding research conducted or supported by National Institutes of Health.
Sec. 203. Research concerning the transplantation of fetal tissue.
Sec. 204. Purchase of human fetal tissue; solicitation or acceptance of tissue as directed donation for use in transplantation.
Sec. 205. Nullification of moratorium.
Sec. 206. Requirements for standing approval of unfunded projects.

TITLE III—WOMEN'S HEALTH RESEARCH

Sec. 301. Women's health research.
Sec. 302. Effective date and applicability of requirements.

TITLE IV—CONTRACEPTION AND INFERTILITY

Sec. 401. Contraception and infertility.

TITLE V—PROGRAMS RELATING TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

Sec. 501. Loan repayment program with respect to research at National Institutes of Health.
Sec. 502. Research with respect to acquired immune deficiency syndrome.
Sec. 503. Studies.

TITLE VI—NIH DIRECTOR'S DISCRETIONARY FUND, CHILD HEALTH RESEARCH CENTERS, AND INTERAGENCY PROGRAM FOR TRAUMA RESEARCH

Sec. 601. NIH director's discretionary fund.
Sec. 602. Child health research centers.
Sec. 603. Establishment of interagency program for trauma research.
Sec. 604. Traumatic brain injury.

TITLE VII—NATIONAL CENTER FOR HUMAN GENOME RESEARCH AND REDESIGNATION OF NATIONAL CENTER FOR NURSING RESEARCH AND DIVISION OF RESEARCH RESOURCES.

Sec. 701. Purpose of National Center for Human Genome Research.
Sec. 702. Redesignation of National Center for Nursing Research as National Institute of Nursing Research.
Sec. 703. Redesignation of Division as National Center for Research Resources.

TITLE VIII—DESIGNATION OF SENIOR BIOMEDICAL RESEARCH SERVICE IN HONOR OF SILVO CONTE, AND LIMITATION ON NUMBER OF MEMBERS.

Sec. 801. Silvio Conte Senior Biomedical Research Service.

IX—MISCELLANEOUS PROVISIONS

Sec. 901. Paperwork reduction.
Sec. 902. National Commission on Sleep Disorders Research.
Sec. 903. Chronic fatigue syndrome.
Sec. 904. Transfer of provisions.
Sec. 905. Biennial report on carcinogens.
Sec. 906. National Institute of Allergy and Infectious Diseases.
Sec. 907. Health promotion research dissemination.
Sec. 908. Study on the relationship between the consumption of legal and illegal drugs.
Sec. 909. Experimental program to stimulate competitive research.
Sec. 910. General provisions.

SEC. 2. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—REAUTHORIZATION OF CERTAIN INSTITUTES AND EXPANSION OF VARIOUS PROGRAMS

SEC. 101. NATIONAL CANCER INSTITUTE AND NATIONAL HEART, LUNG AND BLOOD INSTITUTE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 408(a) (42 U.S.C. 284C(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "1,500,000,000" and all that follows through the period in subparagraph (A), and inserting in lieu thereof "2,218,400,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997."; and

(B) by striking out "100,000,000" and all that follows through the period in subparagraph (B) and inserting in lieu thereof "$156,600,000 for fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997."; and

(2) in paragraph (2)—

(A) by striking out "$1,100,000,000" and all that follows through the first period in subparagraph (A), and inserting in lieu thereof $1,500,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997."; and

(B) by striking out "$101,000,000" and all that follows through the period in subparagraph (B) and inserting in lieu thereof "$151,500,000 for fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997.";

(b) RESOURCE PROGRAM.—Section 421(b) (42 U.S.C. 285–3(b)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof "; and"; and

(3) by inserting immediately after paragraph (4) the following new paragraph:

"(5) shall, in consultation with the advisory council for the Institute, support appropriate programs of training and education, including continuing education and laboratory and clinical research training.".

(c) CENTERS FOR THE STUDY OF PEDIATRIC CARDIOVASCULAR DISEASES.—Section 422(a)(1) (42 U.S.C. 285b-4(a)(1)) is amended—

(1) in subparagraph (B), by striking out "and" at the end thereof;

(2) in subparagraph (C), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(D) three centers for basic and clinical research concerning, training in, and demonstration of, advanced diagnostic, prevention, and treatment (including genetic studies, intrauterine environment studies, postnatal studies, heart arrhythmias, and acquired heart disease and preventive cardiology) for cardiovascular diseases in children.".

SEC. 102. NATIONAL LIBRARY OF MEDICINE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 469 (42 U.S.C. 286E) is amended by striking out "$14,000,000" and all that follows through the first period and inserting in lieu thereof "$40,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

(b) GRANTS FOR THE DEVELOPMENT OF NEW EDUCATIONAL TECHNOLOGIES.—Section 473 (42 U.S.C. 286b–4) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall make grants to appropriate public or private nonprofit institutions for the purpose of carrying out projects in the research, development, and demonstration of new educational technologies. Such projects shall assist in the training of health professions students, and enhance and improve the research and teaching capabilities of health professionals. Funding may support projects including those concerning computer-assisted teaching at health professions and research institutions, the effective transfer of new information from research laboratories to appropriate clinical applications, the expansion of the laboratory and clinical uses of computer-stored research databases, and the testing of new technologies for training health care professionals in nontraditional settings.".

(c) REMOVAL OF CAP ON CERTAIN GRANTS.—Section 474(b)(2) (42 U.S.C. 286b–S(b)(2)) is amended by striking out ", except that" and all that follows through "750,000".

(d) NATIONAL INFORMATION CENTER ON HEALTH SERVICES RESEARCH AND HEALTH CARE.—Part D of title IV (42 U.S.C. 286 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart A—National Information Center on Health Services Research and Health Care Technology

"SEC. 478A. NATIONAL INFORMATION CENTER.

"(a) ESTABLISHMENT.—There is established within the National Library of Medicine an en-

tity to be known as the National Information Center on Health Services Research and Health Care Technology (hereafter in this section referred to as the 'Center').

"(b) PURPOSE.—The purpose of the Center is the collection, storage, analysis, retrieval, and dissemination of information on health services research and on health care technology, including the assessment of such technology. Such purpose includes developing and maintaining data bases and developing and implementing methods of carrying out such purpose.

"(c) COORDINATION.—The Secretary, acting through the Center, shall ensure that the activities carried out under this section are coordinated with related activities of the Agency for Health Care Policy and Research.

"(d) INTERAGENCY AGREEMENT.—The Director of the National Library of Medicine and the Administrator for the Agency for Health Care Policy and Research shall enter into an agreement providing for the implementation of this section."

(e) CONFORMING PROVISIONS.—

(1) STRIKING OF DUPLICATIVE AUTHORITY.—Section 904 of the Public Health Service Act (42 U.S.C. 299a–2) is amended—

(A) by striking subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(2) RULE OF CONSTRUCTION.—The amendments made by subsection (d) and by paragraph (1) of this section may not be construed to terminate the information center on health care technologies and health care technology assessment or the interagency agreement established under section 904 of the Public Health Service Act, as in effect on the day before the date of the enactment of this Act. Such center and interagency agreement shall be considered to be the center and agreement established in section 478A of the Public Health Service Act, as added by section 102 of this Act, and shall be subject to the provisions of such section 478A.

SEC. 103. REVISION AND EXTENSION OF NATIONAL RESEARCH SERVICE AWARDS PROGRAM.

(a) ADDITIONAL AUTHORITIES.—Section 487(a)(1) (42 U.S.C. 288 et seq.) is amended—

(1) in subparagraph (A)(iv), by striking out "and" at the end thereof;

(2) in subparagraph (B), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(C) make grants for comprehensive programs to recruit women, underrepresented minorities and individuals from disadvantaged backgrounds, into fields of biomedical or behavioral research and to provide research training to women, underrepresented minorities and such individuals.".

(b) AUTHORIZATION OF APPROPRIATIONS FOR GENERAL PROGRAM.—Section 487(d) (42 U.S.C. 288) is amended by striking out "$300,000,000" and all that follows through the first period and inserting in lieu thereof "415,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

SEC. 104. NATIONAL CENTER FOR BIOTECHNOLOGY INFORMATION.

Section 478(c) of the Public Health Service Act (42 U.S.C. 286c(c)) is amended—

(1) by striking out "$8,000,000" and inserting in lieu thereof "$18,000,000"; and

(2) by striking out "1989" and inserting in lieu thereof "1993"; and

(3) by striking out "fiscal year 1990" and inserting in lieu thereof "each of the fiscal years of 1994 through 1997".

SEC. 105. NATIONAL FOUNDATION FOR BIOMEDICAL RESEARCH.

Section 499A (42 U.S.C. 289i) is amended—

(1) in the second sentence of subsection (c)(1)(A), by inserting, ", except the ex officio members," after "Foundation"; and

(2) in subsection (i)(1), by striking out "1995" and inserting in lieu thereof "1997".

SEC. 106. BIOMEDICAL AND BEHAVIORAL RESEARCH FACILITIES.

Title IV (42 U.S.C. 281 et seq) is amended by adding at the end there of the following new part:

"PART I—BIOMEDICAL AND BEHAVIORAL RESEARCH FACILITIES

"SEC. 499B. DEFINITIONS.

"As used in this part:

"(1) CONSTRUCTION AND COST OF CONSTRUCTION.—The terms 'construction' and 'cost of construction' include the construction of new buildings and the expansion, renovation, remodeling, and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land or off-site improvements

"(2) PUBLIC OR NONPROFIT PRIVATE INSTITUTION.—The term 'public or nonprofit private institution' means an institution that conducts biomedical or behavioral research, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"SEC. 499C. GRANTS FOR CONSTRUCTION.

"The Director of the National Institutes of Health, through the Director of the National Center for Research Resources (hereinafter in this part referred to as the 'Director'), is authorized to award grants on behalf of the National Institutes of Health to public and nonprofit private institutions to expand, remodel, renovate, or alter existing research facilities or construct new research facilities pursuant to this part. Applications for grants shall be evaluated on the basis of merit as provided in section 499J.

"SEC. 499D. TECHNICAL REVIEW BOARD ON BIOMEDICAL AND BEHAVIORAL RESEARCH FACILITIES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established in the National Center for Research Resources of the National Institutes of Health a Technical Review Board on Biomedical and Behavioral Research Facilities (hereinafter referred to in this part as the 'Board") to advise the Director and the Advisory Council established pursuant to section 480 (hereafter in this part referred to as the 'Advisory Council') on matters concerning the construction of facilities, and to conduct the peer review of applications reviewed under this part.

"(2) MEMBERSHIP.—The Board shall be appointed by the Secretary, acting through the Director, and consist of not fewer than—

"(A) 12 members to be appointed without regard to the civil service laws; and

"(B) an official of the National Science Foundation designated by the National Science Board.

"(3) FACTORS FOR APPOINTMENTS.—In selecting individuals for appointment to the Board under paragraph (2), the Secretary, acting through the Director, shall consider factors such as—

"(A) the experience of the individual in the planning, construction, financing, and administration of institutions engaged in the conduct of research in the biomedical or behavioral sciences;

"(B) the familiarity of the individual with the need for biomedical or behavioral research facilities;

"(C) the familiarity of the individual with the need for dentistry, nursing, pharmacy, and allied health professions research facilities; and

"(D) the experience of the individual with emerging centers of excellence as defined in section 499E(d)(2).

"(b) DUTIES.—The Board shall—

"(1) advise and assist the Director and the Advisory Council in the preparation of general regulations and with respect to policy matters arising in the administration of this part;

"(2) make recommendations to the Director and the Advisory Council concerning—

"(A) merit review of applications for grants; and

"(B) the amount that should be granted to each applicant whose application, in its opinion, should be approved; and

"(3) prepare an annual report for the Advisory Council, that shall be available to the public, that—

"(A) describes the activities of the Board in the fiscal year for which the report is made;

"(B) describes and evaluates the progress made in such fiscal year in meeting the facilities' needs for the biomedical research community;

"(C) summarizes and analyzes expenditures made by the Federal Government for such activities;

"(D) reviews the approved but unfunded applications for grants; and

"(E) contains the recommendations of the Board for any changes in the implementation of this part.

"(c) TERMS.—

"(1) IN GENERAL.—Each appointed member of the Board shall hold office for a term of 4 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which such member's predecessor was appointed shall be appointed for the remainder of such term.

"(2) STAGGERED TERMS.—Of the initial members appointed to the Board—

"(A) 3 shall hold office for a term of 3 years;

"(B) 3 shall hold office for a term of 2 years; and

"(C) 3 shall hold office for a term of 1 year; as designated by the Director at the time of the appointment.

"(3) REAPPOINTMENT.—No member shall be eligible for reappointment until at least 1 year has elapsed since the end of such member's preceding term.

"(d) COMPENSATION.—Members of the Board who are not officers or employees of the United States shall receive for each day the members are engaged in the performance of the functions of the Board compensation at the same rate received by members of other national advisory councils established under this title.

"(e) USE OF MEMBERS.—The Director is authorized to use the services of any member or members of the Board, and where appropriate, any member or members of any other national advisory council established pursuant to this title, in connection with matters related to the administration of this part, for such periods, in addition to conference periods, as the Director may determine appropriate. The Director shall make appropriate provision for consultation between and coordination of the work of the Board and the advisory Council, with respect to matters bearing on the purposes and administration of this part.

"(f) ADMINISTRATION.—The administration of the Board's functions shall be the responsibility of the Director and shall be carried out in the same manner as the administration of the functions of the Advisory Council.

"(g) BOARD ACTIVITIES.—

"(1) IN GENERAL.—In carrying out its functions under this part, the Board may establish subcommittees, convene workshops and conferences, and collect data as the Board considers appropriate.

"(2) SUBCOMMITTEES.—Subcommittees established under paragraph (1) may be composed of Board members and nonmember consultants *with expertise in the particular area to be addressed by the subcommittees. The subcommittee may hold meetings as determined necessary to enable the subcommittee to carry out its activities.*

"SEC. 499E. APPLICATION AND SELECTION FOR GRANTS.

"(a) Submission.—Applications for grants under this part shall be submitted at least once each year to the Director by interested public and nonprofit private institutions.

"(b) Awarding of Grants.—A grant under this part may be awarded by the Director if—

"(1) the applicant institution is determined by the Director to be competent to engage in the type of research for which the proposed facility is to be constructed;

"(2) the applicant institution meets the eligibility conditions established by the Director;

"(3) the application contains or is supported by the reasonable assurances that—

"(A) for not less than 20 years after completion of the construction, the facility will be used for the purposes of research for which it is to be constructed;

"(B) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility; and

"(C) sufficient funds will be available, when construction is completed, for the effective use of the facility for the research for which it is being constructed; and

"(4) the proposed construction will expand the applicant's capacity for research, or is necessary to improve or maintain the quality of the applicant's research.

A grant under this part may be made only if the application therefore is recommended for approval by the Advisory Council.

"(c) Eligibility Conditions.—Within the aggregate monetary limit as the Director may prescribe, applications that, solely by reason of the inability of the applicants to give the assurance required by subsection (b)(2), fail to meet the requirements for applications described in this section, may be approved on condition that the applicants give the assurance required by such paragraph within a reasonable time and on such other reasonable terms and conditions as the Director may determine appropriate.

"(d) Awarding Grants.—

"(1) In general.—In acting on applications for grants under this part, the Director shall take into consideration—

"(A) the relative scientific and technical merit of the applications, and the relative effectiveness of the proposed facilities, in expanding the capacity for biomedical or behavioral research and in improving the quality of such research;

"(B) the quality of the research or training, or both, to be carried out in the facilities involved;

"(C) the need of the institution for such facilities in order to maintain or expand the institution's research and training mission;

"(D) The congruence of the research activities to be carried out within the facility with the research and investigator manpower needs of the United States; and

"(E) the age and condition of existing research facilities and equipment.

"(2) Institutions of emerging excellence.—

"(A) In general.—In addition to the considerations required under paragraph (1), the Director shall also consider other criteria for the awarding of grants to eligible institutions that demonstrate emerging excellence in biomedical or behavioral research for the construction of research facilities.

"(B) Eligibility.—To be eligible to receive a grant under this paragraph, an institution shall—

"(i) have a plan for research or training advancement and possess the ability to carry out such plan; and

"(ii)(I) carry out research and research training programs that have a special relevance to a problem, concern, or unmet need of the United States;

"(II) have been productive in research or research development and training in settings where significant barriers to institutional development have been created by—

"(aa) the underrepresentation of minorities in health science careers;

"(bb) the health status deficit of a large segment of the population; or

"(cc) a regional deficit in health care technology, services, or research resources that can adversely affect health status in the future;

"(III) have the capacity to broaden the scope of research and research training programs of such institution by promoting—

"(aa) interdisciplinary research;

"(bb) research on emerging technologies, including those involving novel analytical techniques or computational methods; or

"(cc) other novel research mechanisms or programs;

"(IV) have already demonstrated a commitment to enhancing and expanding the research productivity of such institution; or

"(V) broaden the scope of research and research training programs of qualified institutions by promoting genomic research with an emphasis on interdisciplinary research, including research related to pediatric investigations.

"SEC. 499F. AMOUNT OF GRANT; PAYMENTS.

"(a) Amount.—The amount of any grant awarded under this part shall be determined by the Director, except that such amount shall not exceed—

"(1) 50 percent of the necessary cost of the construction of a proposed facility as determined by the Director; or

"(2) in the case of a multipurpose facility, 40 percent of that part of the necessary cost of construction that the Director determines to be proportionate to the contemplated use of the facility.

"(b) Reservation of Amounts.—On approval of any application for a grant under this part, the Director shall reserve, from any appropriation available therefore, the amount of such grant, and shall pay such amount, in advance or by way of reimbursement, and in such installments consistent with the construction progress, as the Director may determine appropriate. The reservation of the Director of any amount by the Director under this subsection may be amended by the Director, either on the approval of an amendment of the application or on the revision of the estimated cost of construction of the facility.

"(c) Exclusion of Certain Costs.—In determining the amount of any grant under this part, there shall be excluded from the cost of construction an amount equal to the sum of—

"(1) the amount of any other Federal grant that the applicant has obtained, or is assured of obtaining, with respect to construction that is to be financed in part by a grant authorized under this part; and

"(2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

"(d) Waiver of Limitations.—The limitations imposed by subsection (a) may be waived at the discretion of the Director for institutions described in section 499E(d)(2).

"SEC. 499G. RECAPTURE OF PAYMENTS.

"If, not later than 20 years after the completion of construction for which a grant has been awarded under this part—

"(1) the applicant or other owner of the facility shall cease to be a public or nonprofit private institution; or

"(2) the facility shall cease to be used for the research purposes for which it was constructed (unless the Director determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from obligation to do so);

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the current value (as determined by an agreement between the parties or by action brought in the United States District Court for the district in which such facility is situated) of the facility as the amount of the Federal participation bore to the cost of the construction of such facility.

"SEC. 499H. NONINTERFERENCE WITH ADMINISTRATION OF INSTITUTIONS.

"Except as otherwise specifically provided in this part, nothing contained in this part shall be construed as authorizing any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or impose any requirement or condition with respect to the administration of any institution funded under this part.

"SEC. 499I. REGULATIONS.

"Not later than 6 months after the date of enactment of this part, the Director, after consultation with the Advisory Council, shall prescribe regulations concerning the eligibility of institutions for grants awarded under this part, and the terms and conditions applicable to the approval of applications for such grants. The Director may prescribe such other regulations as the Director determines necessary to carry out this part.

"SEC. 499J. PEER REVIEW OF APPLICATIONS.

"(a) In General.—The Director shall require appropriate peer review of applications for grants under this part in accordance with section 492.

"(b) Manner of Review.—Review of grant applications under this part shall be conducted in a manner consistent with the system of scientific peer review conducted by scholars with regard to applications for grants under this Act for biomedical and behavioral research.

"(c) Membership.—Members of a peer review group established under this section shall be individuals who, by the virtue of their training or experience, are eminently qualified to perform peer review functions, except that not more than one-fourth of the members of any peer review group shall be officers or employees of the United States.

"SEC. 499K. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $150,000,000 for fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997.

"SEC. 499L. CONSTRUCTION PROGRAM FOR NATIONAL PRIMATE RESEARCH CENTER.

"(a) Grants.—With respect to activities carried out by the National Center for Research Resources to support regional centers for research on primates, the Director of NIH may, through the Director of the National Center for Research Resources, for each of the fiscal years 1993 through 1997, reserve from the amounts described in section 499K not more than $5,000,000 for the purpose of making grants to, or entering into contracts with, public or nonprofit private entities to construct, renovate, or otherwise improve such regional centers.

"(b) Matching Contributions.—The Director of NIH may not make a grant or enter into a contract under subsection (a) unless the applicant for such assistance agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions in cash toward such costs

in an amount equal to not less than $1 for each $4 of Federal funds provided in such assistance.".

SEC. 107. NATIONAL EYE INSTITUTE.

Subpart 9 of part C (42 U.S.C. 285i et seq.) is amended by adding at the end thereof the following new section:

"SEC. 455A. CLINICAL RESEARCH ON DIABETES EYE CARE.

"(a) GRANTS.—The Director of the National Eye Institute, in consultation with the advisory council for the Institute, may award not to exceed three grants for the establishment and support of Centers for Clinical Research on Diabetes Eye Care.

"(b) USE.—Amounts received under a grant awarded under this section may, in addition to establishing a Center, be used for research, facilities modernization, construction and the purchase of equipment.".

TITLE II—RESEARCH FREEDOM

SEC. 201. SHORT TITLE.

This title may be cited as the "Research Freedom Act of 1992".

SEC. 202. ESTABLISHMENT OF CERTAIN PROVISIONS REGARDING RESEARCH CONDUCTED OR SUPPORTED BY NATIONAL INSTITUTES OF HEALTH.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 492 the following new section:

SEC. 492A. CERTAIN PROVISIONS REGARDING REVIEW AND APPROVAL OF PROPOSALS FOR RESEARCH.

"(a) REVIEW AS PRECONDITION TO RESEARCH.—

"(1) PROTECTION OF HUMAN RESEARCH SUBJECTS.—

"(A) In the case of any application submitted to the Secretary for financial assistance to conduct research, the Secretary may not approve or fund any application that is subject to review under section 491(a) by an Institutional Review Board unless the application has undergone review in accordance with such section and has been recommended for approval by a majority of the members of the Board conducting such review.

"(B) In the case of research that is subject to review under procedures established by the Secretary for the protection of human subjects in clinical research conducted by the National Institutes of Health, the Secretary may not authorize the conduct of the research unless the research has, pursuant to such procedures, been recommended for approval by a majority of the members of the entity conducting such review.

"(2) PEER REVIEW.—In the case of any application submitted to the Secretary for financial assistance to conduct research, the Secretary may not approve or fund any application that is subject to technical and scientific peer review under section 492(a) unless the application has undergone peer review in accordance with such section and has been recommended for approval by a majority of the members of the entity conducting such review.

"(b) ETHICAL REVIEW OF RESEARCH.—

"(1) PROCEDURES REGARDING WITHHOLDING OF FUNDS.—If research has been recommended for approval for purposes of subsection (a), the Secretary may not withhold funding for the research on ethical grounds unless—

"(A) the Secretary convenes an advisory board in accordance with paragraph (4) to study the ethical implications of the research; and

"(B) the majority of the advisory board recommends that, on ethical grounds, the Secretary withhold funds for the research.

"(2) APPLICABILITY.—The limitation established in paragraph (1) regarding the authority to withhold funds on ethical grounds shall apply without regard to whether the withholding of funds is characterized as a disapproval, a moratorium, a prohibition, or other description.

"(3) PRELIMINARY MATTERS REGARDING USE OF PROCEDURES.—

"(A) If the Secretary makes a determination that an advisory board should be convened for purposes of paragraph (1), the Secretary shall, through a statement published in the Federal Register, announce the intention of the Secretary to convene such a board.

"(B) A statement issued under subparagraph (A) shall include a request that interested individuals submit to the Secretary recommendations specifying the particular individuals who should be appointed to the advisory board involved. The Secretary shall consider such recommendations in making appointments to the board.

"(C) The Secretary may not make appointments to an advisory board under paragraph (1) until the expiration of the 30-day period beginning on the date on which the statement required in subparagraph (A) is made with respect to board.

"(4) ETHICS ADVISORY BOARDS.—

"(A) Any advisory board convened for purposes of paragraph (1) shall be known as an ethics advisory board (hereafter in this paragraph referred to as an 'ethics board').

"(B)(i) An ethics board shall advise, consult with, and make recommendations to the Secretary regarding the ethics of the project of biomedical or behavioral research with respect to which the board has been convened.

"(ii) Not later than 180 days after the date on which the statement required in paragraph (3)(A) is made with respect to an ethics board, the board shall submit to the Secretary, and to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report describing the findings of the board regarding the project of research involved.

"(C) An ethics board shall be composed of no fewer than 14, and no more than 20, individuals who are not officers or employs of the United States. The Secretary shall make appointments to the board from among individuals with special qualifications and competence to provide advice and recommendations regarding ethical matters in biomedical and behavioral research. Of the members of the board—

"(i) no fewer than 1 shall be an attorney;

"(ii) no fewer than 1 shall be an ethicist;

"(iii) no fewer than 1 shall be a practicing physician;

"(iv) no fewer than 1 shall be a theologian; and

"(v) no fewer than one-third, and no more than one-half, shall be scientists with substantial accomplishments in biomedical or behavioral research.

"(D) The term of service as a member of an ethics board shall be for the life of the board. If such a member does not serve the full term of such service, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual.

"(E) The Secretary shall designate an individual from among the members of an ethics board to serve as the chairperson of the board.

"(F) In carrying out subparagraph (B)(i) with respect to a project of research, an ethics board shall conduct inquiries and hold public hearings.

"(G) With respect to information relevant to the duties described in subparagraph (B)(i), an ethics board shall have access to all such information possessed by the Department of Health and Human Services, or available to the Secretary from other agencies.

"(H) Members of an ethics board shall receive compensation for each day engaged in carrying out the duties of the board, including time engaged in traveling for purposes of such duties. Such compensation may not be provided in an amount in excess of the maximum rate of basic pay payable for GS-18 of the General Schedule.

"(I) The Secretary, acting through the Director of the National Institutes of Health, shall provide to each ethics board such staff and other assistance as may be necessary to carry out the duties of the board.

"(J) An ethics board shall terminate 30 days after the date on which the report required in subparagraph (B)(ii) is submitted to the Secretary and the congressional committees specified in such subparagraph.".

SEC. 203. RESEARCH CONCERNING THE TRANSPLANTATION OF FETAL TISSUE.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 498 the following new section:

"SEC. 498A. RESEARCH ON TRANSPLANTATION OF FETAL TISSUE.

"(a) ESTABLISHMENT OF PROGRAM.—

"(1) AUTHORITY.—The Secretary may conduct or support research concerning the transplantation of human fetal tissue for therapeutic purposes.

"(2) SOURCE OF TISSUE.—Human fetal tissue may be used in research carried out under the authority of paragraph (1) regardless of whether the tissue is obtained subsequent to a spontaneous or induced abortion or subsequent to a stillbirth.

"(b) INFORMED CONSENT OF DONOR.—

"(1) IN GENERAL.—With respect to research carried out under the authority of subsection (a), human fetal tissue may be used only if the woman providing the tissue provides a signed statement declaring that—

"(A) such woman donates such fetal tissue for use in research of the type described in subsection (a);

"(B) such donation is made without any restriction regarding the identity of individuals who may be the recipients of transplantations of such tissue; and

"(C) such woman has not been informed of the identity of any such individuals.

"(2) CERTIFICATION OF CONSENT.—With respect to research carried out under the authority of subsection (a), human fetal tissue may be used only if the attending physician provides a signed statement declaring that—

"(A) the tissue has been donated in accordance with paragraph (1);

"(B) in the case of tissue obtained subsequent to an induced abortion, consent for such abortion was obtained prior to obtaining or requesting consent for the donation of such tissue; and

"(C) full and complete disclosure has been provided to the donor described in paragraph (1) with regard to—

"(i) such physician's interest in the research to be conducted with the donated tissue; and

"(ii) any known medical risks to such donor or risks to the privacy of such donor that might be associated with the retrieval of such tissue and that are in addition to risks of such type that are associated with the donor's medical care.

"(c) INFORMED CONSENT OF RESEARCHER AND DONEE.—With respect to research carried out under the authority of subsection (a), human fetal tissue may be used only if the individual with the principal responsibility for conducting such research provides a signed statement declaring that such individual—

"(1) is aware that—

"(A) the tissue is human fetal tissue;

"(B) the tissue may have been obtained subsequent to a spontaneous or induced abortion or subsequent to a stillbirth; and

"(C) the tissue was donated for research purposes;

"(2) has provided such information to other individuals with responsibilities regarding the research; and

"(3) will require, prior to obtaining the consent of an individual to be a recipient of a transplantation of the tissue, written acknowledgment of receipt of such information by such individual recipient.

"(d) AVAILABILITY OF STATEMENTS FOR AUDIT.—

"(1) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health, shall require that each entity that applies for a grant, contract, or cooperative agreement under this Act for any project or program that involves the conduct of research of the type described under subsection (a) provide certification that the statements required under subsections (b)(2) and (c)(1) will be available for audit by the Secretary.

"(2) CONFIDENTIALITY OF AUDIT.—Any audit conducted by the Secretary pursuant to paragraph (1) shall be conducted in a confidential manner to protect the privacy rights of the individual involved in such research, including those individuals involved in donation, transfer, receipt, and transplantation of human fetal tissue. With respect to any material or information obtained pursuant to such audit the Secretary shall—

"(A) use such material or information only for the purposes of verifying compliance with the requirements set forth in this section;

"(B) not disclose or publish such material or information, except where required by Federal law, in which case such material or information shall be coded in a manner such that the identities of such individuals are protected; and

"(C) not maintain such material or information after completion of such audit, except where necessary for the purposes of such audit.

"(e) APPLICABILITY OF STATE AND LOCAL LAW.—

"(1) RESEARCH CONDUCTED BY RECIPIENTS OF ASSISTANCE.—The Secretary may not provide financial assistance for research conducted under the authority of subsection (a) unless the applicant for such assistance agrees to conduct the research in accordance with applicable State and local law.

"(2) RESEARCH CONDUCTED BY SECRETARY.—The Secretary may conduct research under the authority of subsection (a) only in accordance with applicable State and local law.

"(f) DEFINITION.—For purposes of this section, the term 'human fetal tissue' means tissue or cells obtained from a dead human embryo or fetus subsequent to a spontaneous or induced abortion, or a stillbirth.".

SEC. 204. PURCHASE OF HUMAN FETAL TISSUE; SOLICITATION OR ACCEPTANCE OF TISSUE AS DIRECTED DONATION FOR USE IN TRANSPLANTATION.

Part G of title IV, as amended by section 203, is further amended by inserting after section 498A the following new section:

"SEC. 498B. PROHIBITIONS REGARDING HUMAN FETAL TISSUE.

"(a) PURCHASE OF TISSUE.—It shall be unlawful for any person to knowingly acquire, receive, or otherwise transfer any human fetal tissue for valuable consideration if the transfer affects interstate commerce.

"(b) SOLICITATION OR ACCEPTANCE OF DONATED TISSUE FOR USE IN TRANSPLANTATION RESEARCH.—It shall be unlawful for any person or entity to knowingly solicit, acquire, receive, or accept a donation of human fetal tissue for the purpose of research involving transplantation of such tissue into another person if the donation affects interstate commerce, the tissue will be or is obtained subsequent to an induced abortion, and—

"(1) the donation will be or is made pursuant to a promise to the donating individual that the donated tissue will be transplanted into a recipient specified by such individual;

"(2) the donated tissue will be transplanted into a relative of the donating individual; or

"(3) the person or entity that knowingly solicits, acquires, receives, or accepts such donation has provided valuable consideration for the costs associated with such abortion.

"(c) CRIMINAL PENALTIES FOR VIOLATIONS.—Any person who violates subsection (a) or (b) shall be fined in accordance with title 18, United States Code, or imprisoned not more than 5 years, or both.

"(d) DEFINITIONS.—For purposes of this section:

"(1) The term 'human fetal tissue' has the meaning given such term in section 498A(f).

"(2) The term 'interstate commerce' has the meaning given such term in section 201(b) of the Federal Food, Drug, and Cosmetic Act.

"(3) The term 'valuable consideration' does not include reasonable payments associated with the transportation, implantation, processing, preservation, quality control, or storage of human fetal tissue.".

SEC. 205. NULLIFICATION OF MORATORIUM.

(a) IN GENERAL.—Except as provided in subsection (c), no official of the executive branch may impose a policy that the Department of Health and Human Services is prohibited from conducting or supporting any research on the transplantation of human fetal tissue for therapeutic purposes. Such research shall be carried out in accordance with section 498A of the Public Health Service Act (as added by section 203), without regard to any such policy that may have been in effect prior to the date of the enactment of this Act.

(b) PROHIBITION AGAINST WITHHOLDING OF FUNDS IN CASES OF TECHNICAL AND SCIENTIFIC MERIT.—

(1) IN GENERAL.—In the case of any proposal for research on the transplantation of human fetal tissue for therapeutic purposes, the Secretary of Health and Human Services may not withhold funds for the research if—

(A) the research has been approved for purposes of section 492A(a) of the Public Health Service Act (as added by section 202);

(B) the research will be carried out in accordance with section 498A of such Act (as added by section 203); and

(C) there are reasonable assurances that the research will not utilize any fetal tissue that has been obtained in violation of section 498B(a) of such Act (as added by section 204).

(2) STANDING APPROVAL REGARDING ETHICAL STATUS.—In the case of any proposal for research on the transplantation of human fetal tissue for therapeutic purposes, the issuance in December 1988 of the Report of the Human Fetal Tissue Transplantation Research Panel shall be deemed to be a report—

(A) issued by an ethics advisory board pursuant to section 492A(b)(4)(B)(ii) of the Public Health Service Act (as added by section 202); and

(B) finding that there are no ethical grounds for withholding funds for such research.

(c) AUTHORITY FOR WITHHOLDING FUNDS FROM RESEARCH.—In the case of any research on the transplantation of human fetal tissue for therapeutic purposes, the Secretary of Health and Human Services may withhold funds for the research if any of the conditions specified in any of subparagraphs (A) through (C) of subsection (b)(1) are not met with respect to the research.

(d) DEFINITION.—For purposes of this section, the term "human fetal tissue" has the meaning given such term in section 498A(f) of the Public Health Service Act (as added by section 203).

SEC. 206. REQUIREMENTS FOR STANDING APPROVAL OF UNFUNDED PROJECTS.

Any proposal for research that has received review and approval in accordance with applicable requirements of section 491 and 492 of the Public Health Service Act on or after January 1, 1988, and prior to the date of enactment of this Act, and for which funding has been withheld or withdrawn by the Secretary of Health and Human Services, the Director of the National Institutes of Health, or any Director of an Institute or Agency of such National Institutes, for reasons other than insufficient funds or disciplinary action, shall be considered to have been recommended for approval for the purposes of section 492A(b)(1) of such Act upon resubmission of such proposal or an amended proposal. Such resubmission shall be made in accordance with the applicable requirements of such section 491 and 492A(a)(1)(A).

TITLE III—WOMEN'S HEALTH RESEARCH

SEC. 301. WOMEN'S HEALTH RESEARCH.

Title IV (42 U.S.C. 281 et seq.) is amended—

(1) by redesignating parts F and G as parts G and H, respectively; and

(2) by inserting after part E the following new part:

"PART F—WOMEN'S HEALTH RESEARCH

"Subpart 1—General Provisions With Respect to Women's Health

"SEC. 486O. INCLUSION OF WOMEN AND MINORITIES IN CLINICAL RESEARCH.

"(a) GENERAL REQUIREMENTS.—In conducting or supporting clinical research for purposes of this title, the Director of NIH shall ensure that women and members of minority groups are included as subjects in each project of such research, subject to subsection (b).

"(b) NONAPPLICABILITY.—

"(1) IN GENERAL.—The requirement established in subsection (a) regarding women and members of minority groups shall not apply to a project of clinical research if the inclusion, as subjects in the project, of women and members of minority groups, respectively—

"(A) is inappropriate with respect to the health of the subjects;

"(B) is inappropriate with respect to the purpose of research; or

"(C) is inappropriate under such other circumstances as the Director of NIH may designate.

"(2) CRITERIA.—

"(A) GUIDELINES.—The Director of NIH, in consultation with the Director of the Office of Research on Women's Health, shall establish guidelines regarding—

"(i) the circumstances under which the inclusion of women and minorities in clinical research is inappropriate for purposes of subsection (b);

"(ii) the manner in which projects of clinical research are required to be designed and carried out for purposes of subpart 2, including a specification of the circumstances in which the requirement of such subpart does not apply on the basis of impracticability; and

"(iii) the conduct of outreach programs for the recruitment of women and members of minority groups as subjects in such research.

"(B) LIMITATIONS.—The guidelines established under subparagraph(A)—

"(i) may not provide that the costs of including women and minorities in clinical research are a permissible consideration regarding the circumstances described in subparagraph (A)(i); and

"(ii) may provide that such circumstances include circumstances in which there are scientific reasons for believing that the variables proposed to be studied do not affect women or minorities differently than other subjects in the research.

"(C) PUBLICATION.—The guidelines required in subparagraph (A) shall be established and published in the Federal Register not later than October 1, 1992.

"(c) ANALYSIS OF EFFECT ON WOMEN AND MINORITY GROUPS.—In the case of any project of

clinical research in which women or members of minority groups are required under subsection (a) to be included as subjects, the Director of NIH shall ensure that the project is designed and carried out in a manner sufficient to provide for a valid analysis of whether the variables being tested in the research affect women or members of minority groups, as the case may be, differently than other subjects in the research.

"(d) NOTIFICATION.—Not later than October 1, 1992, the Director of NIH shall notify appropriate research entities and research grant recipients concerning the requirements of subsections (a), (b), and (c).

"(e) CLINICAL RESEARCH EQUITY SUBCOMMITTEES.—

"(1) ESTABLISHMENTS.—The Director of NIH shall establish within the advisory council of each of the National Research Institutes a subcommittee to be known as the Clinical Research Equity Subcommittee (hereafter in this subsection individually referred to as a 'Subcommittee').

"(2) DUTIES.—Each Subcommittee shall review all clinical research conducted by the agency for which the advisory council involved is established. The purpose of the review shall be to determine the extent to which the research is being conducted in accordance with subsections (a) through (c). Such a review shall be conducted not less than annually. Not later than 60 days after each such review, each Subcommittee shall submit to the Secretary and the Director of NIH a report describing the finding made as a result of the review.

"(3) COMPOSITION.—Each Subcommittee shall be composed of not less than 6 members of the advisory council involved. The Chairperson of such advisory councils, acting on behalf of the Director of NIH, shall designate the membership of each Subcommittee (but in no event less than six members) from among members of the advisory council involved who have expertise regarding clinical research on diseases, disorders, or other health conditions—

"(A) that are unique to women, more prevalent in women, or more serious for women; or

"(B) for which the risk factors or interventions are different for women.

"(4) APPOINTMENT OF ADDITIONAL MEMBERS.—If the Director of NIH determines that an advisory council for a national research institute does not contain a sufficient number of individuals with the expertise required for purposes of paragraph (3), the Director of NIH shall appoint to the advisory council, from among individuals who are not officers or employees of the United States, a number of individuals necessary with respect to complying with such paragraph.

"(5) SUSPENSION OR REVOCATION OF RESEARCH AUTHORITY.—If the Director of NIH determines that any project of clinical research conducted by any agency of the National Institutes of Health is not being conducted in accordance with subsections (a) through (c), the Director shall suspend or revoke the authority for the project under such conditions as the Director determines appropriate.

"(f) DEFINITION.—For purposes of this section, the term 'minority groups' means racial and ethnic minority groups.

"SEC. 486P. PEER REVIEW REGARDING INCLUSION OF WOMEN AND MINORITIES AS SUBJECTS IN CLINICAL RESEARCH.

"(a) EVALUATION.—In technical and scientific peer review, conducted under section 492 or this part, of proposals for clinical research, the consideration of any such proposal (including the initial consideration) shall, except as provided in subsection (b), include an evaluation of the technical and scientific merit of the proposal regarding the inclusion of women and members of minority groups as subjects in the research.

"(b) EXCEPTION.—Subsection (a) shall not apply to any proposal for clinical research that, pursuant to subsection (b) of section 492A, is not subject to the requirement of subsection (a) of such section regarding the inclusion of women and members of minority groups as subjects in clinical research.

"SEC. 386Q. INCLUSION OF WOMEN IN AGING RESEARCH.

"The Director of the Institute on Aging, in addition to other special functions specified in section 444 and in cooperation with the Directors of other National Research Institutes and agencies of the National Institutes of Health, shall conduct research into the aging processes of women, with particular emphasis given to the effects of menopause and the physiological and behavioral changes occurring during the transition from pre- to post-menopause, and into the diagnosis, disorders, and complications related to aging and loss of ovarian hormones in women.

"Subpart 2—Women's Health Research

"SEC. 486R. OFFICE OF RESEARCH ON WOMEN'S HEALTH.

"(a) ESTABLISHMENT.—The Secretary shall establish, within the office of the Director of NIH, an Office of Research on Women's Health (hereinafter referred to in this part as the 'Office') and provide administrative support and support services to the Director of such Office.

"(b) DIRECTOR.—The Office of Research on Women's Health shall be headed by a Director who shall be appointed by the Secretary, acting through the Director of the National Institutes of Health.

"(c) PURPOSE.—It shall be the purpose of the Office to ensure that research pertaining to women's health is identified and addressed throughout the research activities conducted and supported by the National Institutes of Health. The Secretary, acting through the Director of the Office, shall—

"(1) establish an intramural research program in gynecology at the National Institute of Child Health and Human Development; and

"(2) establish a clinical service in gynecology.

"SEC. 486S. FUNCTIONS OF THE DIRECTOR.

"(a) IN GENERAL.—The Director of the Office of Research on Women's Health shall—

"(1)(A) identify women's health research needs, including prevention research;

"(B) identify needs for coordinated research activities, especially multidisciplinary research relating to women's health, to be conducted intra- and extra-murally;

"(C) encourage researchers whose research is funded or supported by the National Institutes of Health to pursue research pertaining to women's health;

"(D) encourage researchers whose research is funded or supported by the National Institutes of Health to pursue research into the aging processes of women, with particular emphasis given to menopause; and

"(E) support the development and expansion of clinical trials of treatments, therapies and modes of prevention that include women of all ages, races and ethnicities; and

"(2) establish a coordinating council that shall be composed of the Directors of the Institutes, Centers, Offices, and Divisions of the National Institutes of Health, to assist in the duties described in paragraph (1).

"(b) ADVISORY COMMITTEE.—

"(1) ESTABLISHMENT.—The Secretary, acting through the Director of the Office of Research on Women's Health, shall establish within such Office an advisory committee to be known as the Women's Health Clinical Research Advisory Committee (hereafter referred to in this section as the 'Committee').

"(2) COMPOSITION. The Committee shall be composed of not less than 12 appropriately qualified representatives of the public who are not officers or employees of the Federal Government. Such members shall include physicians, practitioners, scientists, and other women's health professionals whose clinical practice, and research specialization focus on women's health and gender differences that affect women's health.

"(3) DUTIES.—The Committee shall—

"(A) advise the Director of the Office concerning—

"(i) appropriate research activities to be undertaken by the Agencies of the National Institutes of Health with respect to—

"(I) research on women's health;

"(II) research concerning gender differences involved in clinical drug trials, with emphasis provided to pharmacological response and side effects resulting from such;

"(III) research concerning gender differences involving disease etiology, course and treatment;

"(IV) research concerning obstetrical and gynecological health, conditions, diseases, and treatment;

"(V) research concerning health conditions relating to women that require a multidisciplinary approach; and

"(VI) research concerning the prevention of health conditions that affect women;

"(B) report to the Director of the Office on research concerning women's health that is publicly and privately supported;

"(C) provide recommendations to the Director of the Office regarding the operations of the Office;

"(D) monitor the compliance of all research projects supported or conducted by the National Institutes of Health with laws and regulations relating to the inclusion of women in clinical study populations;

"(E) provide advice to the Director of the National Institutes of Health concerning the manner in which to advance and encourage research on women's health;

"(F) request that a study be conducted by the Institute of Medicine of the National Academy of Sciences that could assist in determining the manner in which to remove obstacles to and advance and encourage research concerning women's health; and

"(G) make recommendations to the appropriate committees of Congress and to the Director of NIH for further legislative and administrative initiatives, as appropriate for achieving the purposes described in section 486O(c).

"SEC. 486T. REPORT TO THE SECRETARY.

"(a) IN GENERAL.—Not later than January 1, 1994, and biennially thereafter, the Director of the National Institutes of Health shall prepare and submit to the Secretary, a report that shall—

"(1) describe and evaluate the progress made, during the period for which such report is prepared, in research, treatment and prevention with respect to women's health conducted or supported by the National Institutes of Health;

"(2) summarize and analyze expenditures, made during the period for which such report is made, for activities with respect to women's health research conducted or supported by the National Institutes of Health; and

"(3) contain such recommendations as the Director of the Office of Research on Women's Health considers appropriate.

"(b) SUBMISSION TO CONGRESS.—The Secretary shall provide a copy of the reports submitted under subsection (a) to the appropriate committees of Congress.

"(c) STUDY.—With respect to the study conducted under a request made under section 486R(b)(2)(G), such study shall include an examination of the infrastructure of the Institutes, the grant approval process, the peer review process with regard to the impact of such on

women's health research, the manner in which to increase the number of women in senior level research positions, and a proposed research agenda for biomedical and biobehavioral research on women's health.

"SEC. 486U. DATA BANK ON WOMEN'S HEALTH AND GENDER DIFFERENCES RESEARCH.

"(a) ESTABLISHMENT OF PROGRAM.—The Director of NIH, in consultation with the Director of the Office of Research on Women's Health for the National Institutes of Health and the National Library of Medicine, shall establish, maintain, and operate a program to provide information on research and prevention activities of such Institutes relating to research on women's health.

"(b) DATA BANK.—

"(1) ESTABLISHMENT.—The Director of NIH shall establish a data system for the collection, storage, analysis, retrieval, and dissemination of information regarding research on women's health that is conducted or supported by the National Institutes of Health. Such a data bank shall be headed by an executive director to be appointed by the Director of the Office of Research on Women's Health. Information from the data system shall be available through information systems available to health care professionals and providers, researchers, and members of the public.

"(2) CLINICAL TRIALS AND TREATMENTS.—The data bank established under paragraph (1) shall compile information concerning clinical trials and treatments with respect to women's health and gender differences.

"(3) INFORMATION.—The executive director of the data bank shall make information compiled by the data bank available through informational systems that provide access to health care professionals and providers, researchers, and members of the public.

"(4) REGISTRY.—

"(A) IN GENERAL.—The executive director of the data bank shall maintain a registry of ongoing clinical trials of experimental treatments that have been developed for women's health.

"(B) INFORMATION.—Information to be maintained in the registry under this paragraph shall include—

"(i) eligibility criteria (including sex, age, ethnicity or race) for participating in clinical trials;

"(ii) the location of the clinical trial sites; and

"(iii) any other information determined to be appropriate by the executive director.

"(C) REQUIREMENT TO PROVIDE INFORMATION.—Not later than 21 days after the date on which the Food and Drug Administration approves the application of the sponsor of a clinical trial for an experimental treatment, such sponsor shall provide information concerning the research to be conducted under such clinical trial to the data bank. The data bank shall include information pertaining to the results of such clinical trials of such treatments, including information concerning potential toxicities or adverse effects associated with the use or administration of such experimental treatment.

"SEC. 486V. DEFINITION.

"As used in this part, the term 'women's health conditions', with respect to women of all age, ethnic, and racial groups, means all diseases, disorders, and conditions—

"(1) unique to, more serious, or more prevalent in women;

"(2) for which the factors of medical risk or types of medical intervention are different for women; or

"(3) with respect to which there has been insufficient clinical research involving women as subjects.

"SEC. 486W. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1993 through 1997.

"Subpart 3—Research Programs With Respect to Cancer

"SEC. 486X. RESEARCH PROGRAMS ON BREAST CANCER AND CANCERS OF WOMEN'S REPRODUCTIVE SYSTEM.

"(a) FINDINGS.—Congress finds that—

"(1) in 1966, one in 14 women in the United States was expected to develop breast cancer in her lifetime, and in 1991 one in 9 women in the United States could expect to develop the disease;

"(2) it is estimated that 45,000 deaths in the United States in 1991 were attributed to breast cancer;

"(3) in 1991, 175,000 women in the United States were diagnosed with breast cancer;

"(4) breast cancer incidence rates in the Unites States have increased more than 2 percent a year since 1973;

"(5) in 1991, the National Cancer Institute spent $1,700,000,000 on all cancer research, but targeted only $93,000,000 toward breast cancer;

"(6) after decades of research and experimentation, there is still no certain cure for, or known cause of, breast cancer;

"(7) the Congress reaffirms women's health as a national public health priority;

"(8) Federal monies are urgently needed to eliminate breast cancer, now reaching epidemic proportions; and

"(9) there is a need to accelerate investigation into the cause, treatment, and prevention of breast cancer.

"(b) EXPANSION AND COORDINATION OF ACTIVITIES.—The Director of the Institute, in consultation with the National Cancer Advisory Board, shall expand, intensify, and coordinate the activities of the Institute with respect to breast cancer, ovarian cancer, and other cancers of the reproductive system of women.

"(c) COORDINATION WITH OTHER INSTITUTES.—The research programs expended or intensified under subsection (b) concerning breast cancer and cancers of the reproductive system of women shall be coordinated with activities conducted by other National Research Institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to breast cancer and other cancers of the reproductive system of women.

"(d) PROGRAMS FOR BREAST CANCER.—The research programs expanded or intensified under subsection (b) concerning breast cancer shall focus on research efforts undertaken to expand the understanding of the cause of, and to find a cure for, breast cancer. Such programs shall provide for an expansion and intensification of the conduct and support of—

"(1) basic research concerning the etiology and causes of breast cancer;

"(2) clinical research and related activities concerning the causes, prevention, detection and treatment of breast cancer;

"(3) prevention and control programs with respect to breast cancer in accordance with section 412;

"(4) information and education programs with respect to breast cancer in accordance with section 413; and

"(5) research and demonstration programs with respect to breast cancer in accordance with section 414, including the development and operation of breast and prostate cancer research centers to bring together basic and clinical, biomedical and behavioral scientists to conduct basic, clinical, epidemiological, psychosocial, prevention and treatment research and related activities.

The centers referred to in paragraph (5) should number at least six, should include support for new and innovative research and training programs for new researchers, and should attract qualified scientists and expedite the transfer of research advances to clinical applications.

"(e) IMPLEMENTATION OF BREAST CANCER RESEARCH PROGRAMS.—

"(1) PLAN.—The Director of the Institute shall ensure that the research programs described in subsection (d) are implemented in accordance with a program plan. Such plan shall include comments and recommendations that the Director of the Institute considers appropriate, with due consideration provided to the professional judgment needs of the Institute as expressed in the annual budget estimate prepared in accordance with section 413(9)(A). The Director of the Institute, in consultation with the National Cancer Advisory Board, shall periodically review and revise such plan.

"(2) SUBMISSION OF PLAN.—Not later than October 1, 1992, the Director of the Institute shall submit a copy of the plan to the President's Cancer Panel, the Secretary and the Director of NIH.

"(3) REVISIONS.—The Director of the Institute shall submit any revisions of the plan to the President's Cancer Panel, the Secretary and the Director of NIHL.

"(4) Submission to Congress.—The Secretary shall provided a copy of the plan submitted under paragraph (2) and any revisions submitted under paragraph (3) to the appropriate committees of Congress.

"(f) OTHER CANCERS.—The research programs expanded or intensified under subsection (b) concerning ovarian cancer and other cancers of the reproductive system of women shall provide for the expansion and intensification of the conduct and support of—

"(1) basic research concerning the etiology and causes of ovarian cancer and other cancers of the reproductive system of women;

"(2) clinical research and related activities into the causes, prevention, detection and treatment of ovarian cancer and other cancers of the reproductive system of women;

"(3) prevention and control programs with respect to ovarian cancer and other cancers of the reproductive system of women in accordance with section 412;

"(4) information and education programs with respect to ovarian cancer and other cancers of the reproductive system of women in accordance with section 413; and

"(5) research and demonstration programs with respect to ovarian cancer and cancers of the reproductive system in accordance with section 414.

"(g) REPORT.—The Director of the Institute shall prepare, for inclusion in the biennial report submitted under section 407, a report that describes the activities of the National Cancer Institute under the research programs referred to in subsection (b), that shall include—

"(1) a description of the research plan with respect to breast cancer prepared under subsection (e);

"(2) an assessment of the development, revision, and implementation of the research plan with respect to breast cancer;

"(3) a description and evaluation of the progress made, during the period for which such report is prepared, in the research programs on breast cancer and cancers of the reproductive system of women;

"(4) a summary and analysis of expenditures made, during the period of which such report is made, for activities with respect to breast cancer and cancers of the reproductive system of women conducted and supported by the National Institutes of Health; and

"(5) such comments and recommendations as the Director considers appropriate.

"(h) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, in

addition to the amounts authorized to be appropriated for the National Cancer Institute under sections 301 and 408, there are authorized to be appropriated $155,000,000 for fiscal year 1993, of which $55,000,000 shall be allocated for research under subsection (d)(1), $25,000,000 shall be allocated for centers, research, and programs under paragraph (2) through (5) of subsection (d), and $75,000,000 shall be allocated for research and programs under subsection (f), and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"SEC. 486Y. RESEARCH PROGRAM ON OSTEOPOROSIS, PAGET'S DISEASE, AND RELATED BONE DISORDERS.

"(a) ESTABLISHMENT.—The Directors of the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the National Institute on Aging, and the National Institute of Diabetes, Digestive and Kidney Diseases, shall expand and intensify the programs of such Institutes with respect to research and related activities concerning osteoporosis, Paget's disease, and related bone disorders.

"(b) COORDINATION.—The Directors referred to in subsection (a) shall jointly coordinate the programs referred to in such subsection and consult with the Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and the Interagency Task Force on Aging Research.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $40,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

SEC. 302. EFFECTIVE DATE AND THE APPLICABILITY OF REQUIREMENTS.

(a) EFFECTIVE DATE.—Subpart I of part F of title IV, as added by the amendment made by section 301, shall apply to research proposals considered after January 1, 1993.

(b) APPLICABILITY.—The amendment made by section 301 shall apply with respect to any project of clinical research whose initial approval by the Secretary of Health and Human Services occurs after the expiration of the 90-day period beginning on the effective date of this Act.

TITLE IV—CONTRACEPTION AND INFERTILITY

SEC. 401. CONTRACEPTION AND INFERTILITY.

(a) RESEARCH CENTERS WITH RESPECT TO CONTRACEPTION AND RESEARCH CENTERS WITH RESPECT TO INFERTILITY.—Subpart 7 of part C of title IV (42 U.S.C. 285g et seq.) is amended by adding at the end thereof the following new section:

"SEC. 452A. RESEARCH CENTERS WITH RESPECT TO CONTRACEPTION AND INFERTILITY.

"(a) IN GENERAL.—The Director of the Institute, after consultation with the advisory council for the Institute, shall make grants to, or enter into contracts with, public or nonprofit private entities for the development and operation of centers to conduct activities for the purpose of improving methods of contraception and centers to conduct activities for the purpose of diagnosing and treating infertility.

"(b) NUMBER OF CENTERS.—In carrying out subsection (a), the Director of the Institute shall, subject to the extent of amounts made available in appropriations Acts, provide for the establishment of three centers with respect to contraception and for two centers with respect to infertility.

"(c) DUTIES.—

"(1) IN GENERAL.—Each center assisted under this section shall, in carrying out the purpose of the center involved—

"(A) conduct clinical and other applied research, including—

"(i) for centers with respect to contraception, clinical trials of new or improved drugs and devices for use by males and by females (including barrier methods); and

"(ii) for centers with respect to infertility, clinical trials of new or improved drugs and devices for the diagnosis and treatment of infertility in both males and females;

"(B) develop protocols for training physicians, scientists, nurses, and other health and allied health professionals;

"(C) conduct training programs for such individuals;

"(D) develop model continuing education programs for such professionals; and

"(E) disseminate information to such professionals.

"(2) STIPENDS AND FEES.—A center may use funds provided under subsection (a) to provide stipends for health and allied health professionals enrolled in programs described in subparagraph (C) of paragraph (1), and to provide fees to individuals serving as subjects in clinical trials conducted under such paragraph.

"(d) COORDINATION OF INFORMATION.—The Director of the Institute shall, as appropriate, provide for the coordination of information among the centers assisted under this section.

"(e) CONSORTIUM.—Each center assisted under this section shall use the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such requirements as may be prescribed by the Secretary, after consultation with the Director of the Institute.

"(f) TERM OF SUPPORT AND PEER REVIEW.—Support of a center under subsection (a) may be for a period of not to exceed 5 years. Such period may be extended for one or more additional periods of not to exceed 5 years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Secretary, acting through the Director, and if such group has recommended to the Director that such period should be extended.".

(b) LOAN REPAYMENT FOR RESEARCH WITH RESPECT TO CONTRACEPTION AND INFERTILITY.—Part G of title IV (42 U.S.C. 288 et seq.) (as redesignated by section 301) is amended by inserting after section 487A the following new section:

"SEC. 487B. LOAN REPAYMENT PROGRAM FOR RESEARCH WITH RESPECT TO CONTRACEPTION AND INFERTILITY.

"(a) ESTABLISHMENT.—The Secretary, after consultation with the Director of the National Institute of Child Health and Human Development, shall establish a program to enter into agreements with appropriately qualified health professionals (including graduate students) under which such health professionals shall agree to conduct research with respect to contraception, or with respect to infertility, in consideration of the Secretary agreeing to repay, for each such service, not to exceed $20,000 of the principal and interest of the educational loans incurred by such health professionals.

"(b) ADMINISTRATIVE PROVISIONS.—With respect to the National Health Service Corps Loan Repayment Program established in subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with subsection (a), apply to the program established in such subsection to the same extent and in the same manner as such provisions apply to the National Service Loan Repayment Program.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—To carry out this section and section 452A, there are authorized to be appropriated $20,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"(2) AVAILABILITY OF FUNDS.—Amounts appropriated under paragraph (1) for a fiscal year shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which the amounts were appropriated.".

"(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1992, or on the date of the enactment of this Act, whichever occurs later.

TITLE V—PROGRAMS RELATING TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 501. LOAN REPAYMENT PROGRAM WITH RESPECT TO RESEARCH AT NATIONAL INSTITUTES OF HEALTH.

(a) EXPANSION OF LOAN REPAYMENT PROGRAMS FOR RESEARCH WITH RESPECT TO AIDS.—Section 487A (42 U.S.C. 288–1) is amended—

(1) in subsection (a), by adding at the end thereof the following new paragraph:

"(3) CONTRACTS FOR THE CONDUCT OF OTHER RESEARCH.—The Secretary, subject to paragraph (2), may enter into agreements with appropriately qualified health professionals under which such health professionals agree to conduct, as employees of the National Institutes of Health, biomedical, behavioral or clinical research in those areas of demonstrated need so identified by the Director of the National Institutes of Health, in consideration of the Federal Government agreeing to repay, for each year of service, not more than $20,000 of the principal and interest of the educational loans of such health professionals."; and

(2) in subsection (c)—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1), the following new paragraph:

"(2) CONDUCT OF OTHER RESEARCH.—There are authorized to be appropriated to enter into agreements under subsection (a)(3), $3,000,000 for each of the fiscal years 1993 through 1997.".

(b) MINIMUM PERIOD OF SERVICE.—Section 487A(a)(2)(B) (42 U.S.C. 288—1(a)(2)(B)) is amended—

(1) by inserting "(i)" after the subparagraph designation;

(2) by striking out the period and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new clause:

"(ii) agrees to serve as an employee of such Institutes for purposes of paragraph (1) for a period of not less than 3 years.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 487A(c)(1) (42 U.S.C. 288–1(c)(1)) is amended by striking out "1991" and inserting in lieu thereof "1997".

SEC. 502. RESEARCH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

Title XXIII (42 U.S.C. 300cc et seq.) is amended—

(1) in section 2304(c)(1)—

(A) in the matter preceding subparagraph (A), by inserting after "Director of such Institute" the following: "(and the Directors of other agencies of the National Institutes of Health, as appropriate)"; and

(B) in subparagraph (A), by inserting before the semicolon the following: ", including recommendations on the projects of research that should be given priority with respect to preventing and treating opportunistic cancers and infectious diseases";

(2) in section 2311(a)(1), by inserting before the semicolon the following: ", including evaluations of treatments for opportunistic cancers and infectious diseases";

(3) in section 2315—

(A) by striking out "international research" in subsection (a)(2) and all that follows through the period and inserting in lieu thereof "inter-

national research and training concerning the natural history and pathogenesis and the development and evaluation of vaccines and treatments for acquired immune deficiency syndrome, opportunistic infections and other emerging microbial diseases."; and

(B) by striking out "and 1991" in subsection (f) and inserting in lieu thereof "through 1997";

(4) in section 2318—

(A) in subsection (a)(1)—

(i) by inserting after "The Secretary" the following: ", after consultation with the Administrator of the Agency for Health Care Policy and Research,"; and

(ii) by striking out "syndrome" and inserting in lieu thereof "syndrome, including treatment and prevention of HIV infection and related conditions among women";

(B) in subsection (b)(2), by inserting "and treatment" after "prevention"; and

(C) in subsection (e), by striking out "1991." and inserting in lieu thereof "1997";

(5) in section 2320(b)(1)(A), by striking out "syndrome" and inserting in lieu thereof "syndrome and the natural history of such infection"; and

(6)(A) in section 2351(a)—

(i) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9); and

(ii) by inserting after paragraph (1) the following new paragraph:

"(2)(A) shall develop and implement a comprehensive plan for the conduct and support of such research by the agencies of the National Institutes of Health, which plan shall specify the objectives to be achieved, the target date by which the objectives are expected to be achieved, and an estimate of the resources needed to achieve the objectives by such date; and

"(B) shall develop and implement a plan for evaluating the sufficiency of the plan developed under subparagraph (A) and for evaluating the extent to which activities of the National Institutes of Health have been in accordance with the plan;"; and

(B) in section 2301(b)(6), by inserting before the semicolon the following: ", including evaluations conducted under section 2351(a)(2)(B)".

SEC. 503. STUDIES.

(a) Certain Drug-Release Mechanisms.—

(1) Contract for study.—The Secretary of Health and Human Services shall, subject to paragraph (2), enter into a contract with a public or nonprofit private entity to conduct a study for the purpose of determining, with respect to acquired immune deficiency syndrome, the impact of parallel-track drug-release mechanisms on public and private clinical research, and on the activities of the Commissioner of Food and Drugs regarding the approval of drugs.

(2) Institute of medicine.—The Secretary of Health and Human Services shall request the Institute of Medicine of the National Academy of Sciences to enter into the contract under paragraph (1) to conduct the study described in such paragraph. If such Institute declines to conduct the study, the Secretary shall carry out paragraph (1) through another public or nonprofit private entity.

(b) Third-Party Payments Regarding Certain Clinical Trials.—The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall conduct a study for the purpose of—

(1) determining the policies of third-party payers regarding the payment of the costs of appropriate health services that are provided incident to the participation of individuals as subjects in clinical trials conducted in the development of drugs with respect to acquired immune deficiency syndrome; and

(2) developing recommendations regarding such policies.

(c) Advisory Committees.—The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall conduct a study for the purpose of determining—

(1) whether the activities of the various advisory committees established in the National Institutes of Health regarding acquired immune deficiency syndrome are being coordinated sufficiently; and

(2) whether the functions of any of such advisory committees should be modified in order to achieve greater efficiency.

TITLE VI—NIH DIRECTOR'S DISCRETIONARY FUND, CHILD HEALTH RESEARCH CENTERS, AND INTERAGENCY PROGRAM FOR TRAUMA RESEARCH

SEC. 601. NIH DIRECTOR'S DISCRETIONARY FUND.

(A) In General.—Section 402 (42 U.S.C. 282) is amended by adding at the end thereof the following new subsection:

"(g)(1) The Director shall have a Director's discretionary fund that may be used—

"(A) to correct imbalances, to be more responsive to new issues and scientific emergencies, and to act on research opportunities of high-priority;

"(B) to support research that does not fit clearly into the research assignment of any existing Institute; and

"(C) for such other purposes, including the purchase or rental of equipment and space, as the Director determines appropriate.

"(2) There are authorized to be appropriated for the fund established under paragraph (1), $25,000,000 in fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997.".

(b) Literacy Requirements.—Section 402(e) (42 U.S.C. 282(e)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(5) ensure that, after January 1, 1993, at least one-half of all new or revised health education and promotion materials developed or funded by the National Institutes of Health is in a form that does not exceed a level of functional literacy, as defined in the National Literacy Act of 1991 (Public Law 102–73).".

SEC. 602. CHILD HEALTH RESEARCH CENTERS.

Subpart 7 of part C (42 U.S.C. 285g et seq.) (as amended by section 401) is further amended by adding at the end thereof the following new section:

SEC. 452B. CHILD HEALTH RESEARCH CENTERS.

"The Director of the Institute shall develop and support centers that will build the research capacity of pediatric institutions and develop pediatric investigators, thereby speeding the transfer of advances from basic science to clinical applications and improving the care of infants and children.".

SEC. 603. ESTABLISHMENT OF INTERAGENCY PROGRAM FOR TRAUMA RESEARCH.

Part B of title IV (42 U.S.C 284 et seq.) is amended by adding at the end thereof the following new section:

SEC. 409. INTERAGENCY PROGRAM FOR TRAUMA RESEARCH.

"(a) In General.—The Director of NIH shall establish a comprehensive program to conduct and support basic, behavioral, and clinical research on trauma (hereafter in this section referred to as the 'Program'). The Program shall include research regarding the diagnosis, treatment, rehabilitation, general management, and prevention of trauma.

"(b) Plan for Program.—

"(1) In general.—The Director of NIH, in consultation with the Trauma Research Interagency Coordinating Committee established under subsection (b), shall establish and implement a plan for carrying out the activities of the Program. All such activities shall be carried out in accordance with the plan. The plan shall be periodically reviewed by the Director and the Committee, and revised as appropriate.

"(2) Submission to congress.—The Director of NIH shall submit to the Congress the plan required in paragraph (1) no later than April 1, 1993, together with an estimate of the funds needed for each of the fiscal years 1994 through 1995 to implement the plan.

"(c) Participating Agencies; Coordination and Collaboration.—The Director of NIH—

"(1) shall provide for the conduct of activities under the Program by the Directors of each of the National Research Institutes and agencies of the National Institutes of Health involved in research with respect to trauma;

"(2) shall ensure that the activities of the Program are coordinated among the institutes and agencies referred to in paragraph (1); and

"(3) shall, as appropriate, provide for collaboration among the institutes and agencies referred to in paragraph (1) in carrying out such activities.

"(d) Certain Activities of Program.—The Program shall include—

"(1) studies with respect to all phases of trauma care including prehospital, resuscitation, surgical intervention, critical care, infection control, wound healing, nutritional care and support, and medical rehabilitation, including the physical, cognitive and emotional sequelae;

"(2) basic, clinical, and behavioral research regarding the response of the body to trauma and the acute treatment and medical rehabilitation of individuals who are the victims of trauma; and

"(3) basic, clinical, and behavioral research regarding trauma care for pediatric and geriatric patients.

"(e) Behavioral Factors Study.—The Director of NIH shall—

"(1) conduct a study to determine, with respect to traumatic injury, the behavioral, psychological, and cognitive factors associated with injury;

"(2) develop a national plan for the conduct of research on the prevention of traumatic injuries based on the results of the study authorizes in paragraph (1).

"(f) Mechanisms of Support.—In carrying out the Program, the Director of NIH, acting through the Directors of each of the Institutes and agencies referred to in the subsection (c)(1), may make grants to public and nonprofit entities, including designated trauma centers, subject to subsection (e).

"(g) Resources.—The Director of NIH shall assure that resources appropriated for the purposes of the Program are made available to carry out Program activities in accordance with the plan referred to in subsection (b).

"(h) Coordinating Committee.—

"(1) In general.—There shall be established a Trauma Research Interagency Coordinating Committee (hereafter in this section referred to as the 'Coordinating Committee').

"(2) Duties.—The Coordinating Committee shall make recommendations regarding—

"(A) the activities of the Program to be carried out by each of the agencies represented on the Committee and the amount of funds needed by each of the agencies for such activities; and

"(B) effective collaboration among the agencies in carrying out the activities.

"(3) Composition.—The Coordinating Committee shall be composed of the Directors of each of the National Research Institutes and agencies of the National Institutes of Health involved in

research with respect to trauma and other individuals the Director of NIH determines appropriate. The Director of NIH shall serve as the chairperson of the Committee.

"(i) Definitions.—For purposes of this section:

"(1) The term 'designated trauma center' has the same meaning given such term in section 1231(1).

"(2) The term 'prevention research' means the study of the causes of behavior associated with traumatic injury and the psychological and behavioral factors predisposing individuals to traumatic injury.

"(3) The term 'trauma' means any serious injury that could result in loss of life or significant disability and that would meet pre-hospital triage criteria for transport to a designated trauma center."

SEC. 604. TRAUMATIC BRAIN INJURY.

"(a) In General.—Part K of title III is amended by inserting after section 393 (42 U.S.C. 280b–2) the following new section:

"SEC. 393A. TRAUMATIC BRAIN INJURY.

"The Secretary, acting through the Director of the Centers for Disease Control—

"(1) shall conduct a survey to determine which Federal and other entities collect data on traumatic brain injuries and the nature of the data collection systems of such entities; and

"(2) may cooperate and enter into agreements with other Federal agencies and provide assistance to other entities with responsibility for data collection to establish traumatic brain injury as a specific reportable condition or disability in disease and injury reporting systems.".

(b) Authorization of Appropriations.—Section 394 (42 U.S.C. 280b–3) is amended—

(1) by inserting "(a) In General.—" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b) Traumatic Brain Injury.—For the purpose of carrying out section 393A, there are authorized to be appropriated $2,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

TITLE VII—NATIONAL CENTER FOR HUMAN GENOME RESEARCH AND REDESIGNATION OF NATIONAL CENTER FOR NURSING RESEARCH AND DIVISION OF RESEARCH RESOURCES

SEC. 701. PURPOSE OF NATIONAL CENTER FOR HUMAN GENOME RESEARCH.

Title VI is amended—

(1) in section 401(b)(2), by adding at the end thereof the following new subparagraph:

"(E) The National Center for Human Genome Research."; and

"(2) in part E, by adding at the end the following new subpart:

"Subpart 4—National Center for Human Genome Research

"SEC. 486B. PURPOSE OF THE CENTER.

"The general purpose of the National Center for Human Genome Research established within the National Institutes of Health (hereafter in this subpart referred to as the "Center') is to characterize the structure and function of the human genome, including the mapping and sequencing of individual genes. Such purpose includes—

"(1) planning and coordinating the research goal of the genome project;

"(2) reviewing and funding research proposals;

"(3) developing training programs;

"(4) coordinating international genome research;

"(5) communicating advances in genome science to the public; and

"(6) reviewing and funding proposals to address the ethical issues associated with the genome project.".

SEC. 702. REDESIGNATION OF NATIONAL CENTER FOR NURSING RESEARCH AS NATIONAL INSTITUTE OR NURSING RESEARCH.

"(a) In General.—Subpart 3 of part E of title IV (42 U.S.C. 287c et seq.) is amended—

"(1) in the subpart heading, by striking "**Center for**" and inserting "**Institute of**";

"(2) in section 483—

"(A) in the heading for the section, by striking "**CENTER**" and inserting "**INSTITUTE**"; and

"(B) by striking "The general purpose" and all that follows through "is" and inserting the following. "The general purpose of the National Institute of Nursing Research (hereafter in this subpart referred to as the 'Institute') is";

(3) in section 484, by striking "Center" each place such term appears and inserting "Institute";

(4) in section 485—

(A) in subsection (a), in each of paragraphs (1) through (3), by striking "Center" each place such term appears and inserting "institute";

(B) in subsection (b)—

(i) in paragraph (2)(A), by striking "Center" and inserting "Institute";

(ii) in paragraph (3)(A), in the first sentence, by striking "Center" and inserting "Institute"; and

(C) in subsections (d) through (g), by striking "Center" each place such term appears and inserting "Institute".

(b) Conforming Amendments.—

(1) Organization of National Institute of Health.—Section 401(b) (42 U.S.C. 281(b)) is amended—

(A) in paragraph (1) by adding at the end the following new subparagraph:

"(N) The National Institute of Nursing Research."; and

(B) in paragraph (2), by striking subparagraph (D) and redesignating subparagraph (E) (as added by section 701(1) as subparagraph (D).

(2) Transfer of Statutory Provisions.—Sections 483 through 486, as amended by subsection (a) of this section—

(A) are transferred to part C of title IV of such Act;

(B) are redesignated as sections 464L through 464O of such part; and

(C) are inserted, in the appropriate sequence, after section 464F of such part.

(3) Heading for New Subpart.—Title IV, as amended by the preceding provisions of this section, is amended—

(A) in part C, by inserting before section 464L the following new heading:

"Subpart 14—National Institute of Nursing Research"; and

(B) by striking the heading for subpart 3 of part E.

(4) Cross-References.—Title IV, as amended by the preceding provisions of this section, is amended in subpart 14 of part C—

(A) in section 464M, by striking "section 483" and inserting "section 464L";

(B) in section 464N(g), by striking "section 486" and inserting "section 464O"; and

(C) in section 464O, in the last sentence, by striking "section 485(g)" and inserting "section 464N(g)".

SEC. 703. REDESIGNATION OF DIVISION AS NATIONAL CENTER FOR RESEARCH RESOURCES.

Title IV (42 U.S.C. 281 et seq.) is amended—

(1) in section 401(b)(2)(B), by amending such subparagraph to read as follows:

"(B) The National Center for Research Resources."; and

(2) in part E—

(A) in the heading for subpart 1, by striking "Division of" and inserting "National Center for";

(B) in section 479, by striking "the Division of Research Resources" and inserting the following: "the National Center for Research Resources (hereafter in this subpart referred to as the Center)";

(C) in sections 480 and 481, by striking "the Division of Research Resources" each place such term appears and inserting "the Center"; and

(D) in sections 480 and 481, as amended by subparagraph (C), by striking "the Division" each place such term appears and inserting "the Center".

TITLE VIII—DESIGNATION OF SENIOR BIOMEDICAL RESEARCH SERVICE IN HONOR OF SILVIO CONTE, AND LIMITATION ON NUMBER OF MEMBERS

SEC. 801. SILVIO CONTE SENIOR BIOMEDICAL RESEARCH SERVICE.

Section 228(a) of the Public Health Service Act (42 U.S.C. 237), as added by section 304 of Public Law 101–509, is amended to read as follows:

"(a)(1) There shall be in the Public Health Service a Silvio Conte Senior Biomedical Research Service, not to exceed 750 members.

"(2) The authority established in paragraph (1) regarding the number of members in the Silvio Conte Senior Biomedical Research Service is in addition to any authority established regarding the number of members in the commissioned Regular Corps, in the Reserve Corps, and in the Senior Executive Service. Such paragraph may not be construed to require that the number of members in the commissioned Regular Corps, in the Reserve Corps, or in the Senior Executive Service be reduced to offset the number of members serving in the Silvio Conte Senior Biomedical Research Service (hereafter in this section referred to as the 'Service').".

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 901. PAPERWORK REDUCTION.

Section 465(d)(2) (42 U.S.C. 286(d)(2)) is amended—

(1) by striking out "Rules" and inserting in lieu thereof "Notwithstanding any other provision of law, rules";

(2) in subparagraph (B), by striking out "or" at the end thereof;

(3) in subparagraph (C), by striking out the period and inserting in lieu thereof ", or"; and

(4) by adding at the end thereof the following new subparagraph:

"(D) under licensing arrangements that provide for quality control and full recovery of access costs.".

SEC. 902. NATIONAL COMMISSION ON SLEEP DISORDERS RESEARCH.

The Secretary of Health and Human Services shall, not later than 6 months after the submission of the final report of the National Commission on Sleep Disorders Research, prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that analyzes the findings and recommendations of the Commission and presents a plan for the conduct and support of sleep disorders research at the National Institutes of Health.

SEC. 903. CHRONIC FATIGUE SYNDROME.

The Secretary of Health and Human Services shall, not later than October 1, 1992, and annually thereafter for the next 3 years, prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that summarizes the research activities conducted or supported by the National Institutes of Health concerning Chronic Fatigue Syndrome. Such report should include information concerning grants made, cooperative agreements or contracts entered into, intramural activities, research priorities and *needs, and a plan to address such priorities and needs.*

SEC. 904. TRANSFER OF PROVISIONS.

(a) IN GENERAL.—Section 12 of the Health Research Extension Act of 1985 (42 U.S.C. 285e-2 note) is—

(1) transferred to subpart 5 of part C of title IV of the Public Health Service Act (42 U.S.C. 285e et seq.);

(2) redesignated as section 445G; and

(3) inserted after section 445F (42 U.S.C. 285e-8).

(b) AVAILABILITY OF APPROPRIATIONS.—With respect to amounts made available in appropriations Acts for the purpose of carrying out the Program transferred by subsection (a) to the Public Health Service Act, such subsection shall not be construed to affect the availability of such funds for such purpose.

(c) TECHNICAL AMENDMENT.—Section 445G(a) of such Act (as so redesignated) is amended by striking out "and its incidence in the United States".

SEC. 905. BIENNIAL REPORT ON CARCINOGENS.

Section 301(b)(4) (42 U.S.C. 241(b)(4) is amended by striking out "an annual" and inserting in lieu thereof "a biennial".

SEC. 906. NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES.

Section 446 (42 U.S.C. 285(f)) is amended by inserting before the period the following: ", including tropical diseases".

SEC. 907. HEALTH PROMOTION RESEARCH DISSEMINATION.

Section 402(f) of the Public Health Service Act (42 U.S.C. 282(f)) is amended by striking out "other public and private entities." and all that follows through the end thereof and inserting "other public and private entities, including elementary, secondary, and post-secondary schools. The Associate Director shall—

"(1) annually review the efficacy of existing policies and techniques used by the national research institutes to disseminate the results of disease prevention and behavioral research programs;

"(2) recommend, coordinate, and oversee the modification or reconstruction of such policies and techniques to ensure the maximum dissemination, using advanced technologies to the maximum extent practicable, of research results to the target audiences; and

"(3) annually prepare and submit to the Director of NIH a report concerning the prevention and dissemination activities undertaken by the Associate Director, that shall include—

"(A) a summary of the Associate Director's review of existing dissemination policies and techniques together with a detailed statement concerning any modification or restructuring, or recommendations for modification or restructuring, of such policies and techniques; and

"(B) a detailed statement of the expenditures made for the prevention and dissemination activities reported on and the personnel used in connection with such activities.".

SEC. 908. STUDY ON THE RELATIONSHIP BETWEEN THE CONSUMPTION OF LEGAL AND ILLEGAL DRUGS

(a) PURPOSES.—The purpose of this study is to provide the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") and the Congress with assistance in designing prevention programs to reduce the likelihood of drug abuse.

(b) STUDY.—The Secretary of Health and Human Services shall review and consider all existing relevant data and research concerning whether there is a relationship between an individual's receptivity to use or consume legal drugs and the consumption or abuse by the individual of illegal drugs. On the basis of such review, the Secretary shall determine whether additional research is necessary. If the Secretary determines additional research is required, the Secretary shall conduct a study of those subjects where the Secretary's review indicates additional research is needed, including, if necessary, a review of—

(1) the effect of advertising and marketing campaigns that promote the use of legal drugs on the public;

(2) the correlation of legal drug abuse with illegal drug abuse; and

(3) other matters that the Secretary determines appropriate.

(c) REPORT.—Not later than 12 months after the date of enactment of this Act, the Secretary shall prepare and submit, to the Committee on Energy and Commerce of the House of Representatives and Committee on Labor and Human Resources of the Senate, a report containing the results of the review conducted under subsection (b). If the Secretary determines additional research is required, no later than 2 years after the date of enactment of this Act, the Secretary shall prepare and submit, the to Committee on Energy and Commerce of the House of Representatives and Committee on Labor and Human Resources of the Senate, a report containing the results of the additional research conducted under subsection (b).

(d) LIMITATION.—For purposes of this section, the terms "legal drugs" and "illegal drugs" do not include beverage alcohol or tobacco products.

SEC. 909. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Part G of title IV is amended by inserting after section 496 (42 U.S.C. 289e) the following new section.

"SEC. 496A. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

"(a) IN GENERAL.—The Director of the National Institutes of Health, acting through the Director of the National Center for Research Resources, shall establish a program, to be known as the 'Experimental Program to Stimulate Competitive Research', to assist those States that—

"(1) have historically received little Federal research and development funding relative to other States; and

"(2) have demonstrated a commitment to developing their research bases and improving the biomedical and biotechnical research and education programs at their universities and colleges.

"(b) GRANTS.—The Director of NIH may award grants under the program established under subsection (a) to States to assist such States in establishing plans to enhance health-related research capabilities. Grants may also be awarded for the purpose of implementing plans made in accordance with the purposes of this section.

"(c) MATCHING REQUIREMENT.—Amounts provided to a State under this section shall be matched by such State at a rate to be established by the Director of NIH.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $2,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"(e) DEFINITION.—For purposes of this section, a State described in subsection (a)(1) shall be a State that has, with respect to institutions in that State, experienced (on average over time) low success rates relative to such rates in other States, in obtaining research awards from the National Institutes of Health.

SEC. 910. GENERAL PROVISIONS.

Section 405 (42 U.S.C. 284) is amended—

(1) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A) of paragraph (1)—

(i) by striking out "human diseases" and inserting in lieu thereof "human disease";

(ii) by striking out "for which the national research institutes were established"; and

(iii) by inserting "and agency of the National Institutes of Health" after "each national research institute";

(B) in subparagraph (K), by striking out "and" at the end thereof;

(C) in subparagraph (L), by striking out the period and inserting in lieu thereof "; and";

(D) by adding immediately after subparagraph (L) the following new subparagraph:

"(M) may, notwithstanding any other provision of law, in disseminating information pursuant to this section and other laws, enter into licensing agreements that provide for quality control and the full recovery of access costs."; and

(E) by adding at the end thereof the following new sentence: "For purposes of Federal income, estate, and gift taxes, any gift accepted under subparagraph (H) shall be considered to be a gift or transfer to the United States.";

(2) in the matter preceding subparagraph (A) of subsection (b)(2), by inserting "and agency of the National Institutes of Health" after "research institute"; and

(3) in subsection (c)—

(A) by inserting "and agency of the National Institutes of Health" after "national research institute" in the matter preceding paragraph (1);

(B) by inserting "or agency" after "institute" in paragraph (1); and

(C) in paragraph (2)—

(i) by inserting "and agencies" after "institutes"; and

(ii) by inserting "or agency" after "institute".

MODIFICATION OF COMMITTEE REPORTED SUBSTITUTE

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I send a modification of the committee-reported substitute to the desk. I have been authorized by a majority of the members of the Labor and Human Resources Committee to make the modification. I ask the modification be considered original text for the purposes of any further amendment.

The PRESIDING OFFICER. The Senator has that right. The substitute, as modified, will be considered as the bill. It is so ordered.

The modification, is as follows:

In lieu of the committee reported substitute insert the following:

SECTION 1. SHORT TITLE, TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "National Institutes of Health Reauthorization Act of 1992".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short Title, Table of Contents.
Sec. 2. References.

TITLE I—REAUTHORIZATION OF CERTAIN INSTITUTES AND EXPANSION OF VARIOUS PROGRAMS

Sec. 101. National Cancer Institute and National Heart, Lung and Blood Institute.
Sec. 102. National Library of Medicine.
Sec. 103. Revision and extension of National Research Service Awards program.
Sec. 104. National Center for Biotechnology Information.
Sec. 105. National Foundation for Biomedical Research.
Sec. 106. Biomedical and behavioral research facilities.

Sec. 107. National Eye Institute.

TITLE II—RESEARCH FREEDOM

Sec. 201. Short title.
Sec. 202. Establishment of certain provisions regarding research conducted or supported by National Institutes of Health.
Sec. 203. Research concerning the transplantation of fetal tissue.
Sec. 204. Purchase of human fetal tissue; solicitation or acceptance of tissue as directed donation for use in transplantation.
Sec. 205. Nullification of moratorium.
Sec. 206. General Accounting Office report on the adequacy of the safeguards in the Act.

TITLE III—WOMEN'S HEALTH RESEARCH

Sec. 301. Women's health research.
Sec. 302. Effective date and applicability of requirements.

TITLE IV—CONTRACEPTION AND INFERTILITY

Sec. 401. Contraception and infertility.

TITLE V—PROGRAMS RELATING TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

Sec. 501. Loan repayment program with respect to research at National Institutes of Health.
Sec. 502. Research with respect to acquired immune deficiency syndrome.
Sec. 503. Studies.

TITLE VI—NIH DIRECTOR'S DISCRETIONARY FUND, CHILD HEALTH RESEARCH CENTERS, AND INTERAGENCY PROGRAM FOR TRAUMA RESEARCH

Sec. 601. NIH director's discretionary fund.
Sec. 602. Child health research centers.
Sec. 603. Establishment of interagency program for trauma research.
Sec. 604. Traumatic brain injury.

TITLE VII—NATIONAL CENTER FOR HUMAN GENOME RESEARCH AND REDESIGNATION OF NATIONAL CENTER FOR NURSING RESEARCH AND DIVISION OF RESEARCH RESOURCES

Sec. 701. Purpose of National Center for Human Genome Research.
Sec. 702. Redesignation of National Center for Nursing Research as National Institute of Nursing Research.
Sec. 703. Redesignation of Division as National Center for Research Resources.

TITLE VIII—DESIGNATION OF SENIOR BIOMEDICAL RESEARCH SERVICE IN HONOR OF SILVIO CONTE, AND LIMITATION ON NUMBER OF MEMBERS.

Sec. 801. Silvio Conte Senior Biomedical Research Service.

TITLE IX—REVITALIZATION OF INTRAMURAL RESEARCH PROGRAM

SUBTITLE A—AUTHORITIES OF THE DIRECTOR

Sec. 901. Management of the intramural program.
Sec. 902. Expedited administration.

SUBTITLE B—PERSONNEL

Sec. 911. Model integrated personnel system for NIH.
Sec. 912. Sabbatical and tuition reduction program.

SUBTITLE C—WARREN GRANT MAGNUSON CLINICAL CENTER

Sec. 921. Renovation and replacement program.

SUBTITLE D—ACQUISITION OF LAND AND FACILITIES

Sec. 931. Acquisition of land and facilities.

SUBTITLE E—PROCUREMENT

Sec. 941. Study.

SUBTITLE F—GENERAL PROVISIONS

Sec. 951. Findings.
Sec. 952. Day care.

TITLE X—MISCELLANEOUS PROVISIONS

Sec. 1001. Paperwork reduction.
Sec. 1002. National Commission on Sleep Disorders Research.
Sec. 1003. Chronic fatigue syndrome.
Sec. 1004. Transfer of provisions.
Sec. 1005. Biennial report on carcinogens.
Sec. 1006. National Institute of Allergy and Infectious Diseases.
Sec. 1007. Health promotion research dissemination.
Sec. 1008. Study on the relationship between the consumption of legal and illegal drugs.
Sec. 1009. Experimental program to stimulate competitive research.
Sec. 1010. Requirements for standing approval of unfunded projects.
Sec. 1011. Study concerning malnutrition in the elderly.
Sec. 1012. General provisions.

SEC. 2. REFERENCES.

Except as otherwise provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Public Health Service Act (42 U.S.C. 201 et seq.).

TITLE I—REAUTHORIZATION OF CERTAIN INSTITUTES AND EXPANSION OF VARIOUS PROGRAMS

SEC. 101. NATIONAL CANCER INSTITUTE AND NATIONAL HEART, LUNG AND BLOOD INSTITUTE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 408(a) (42 U.S.C. 284c(a)) is amended—

(1) in paragraph (1)—

(A) by striking out "1,500,000,000" and all that follows through the period in subparagraph (A), and inserting in lieu thereof "2,218,400,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997."; and

(B) by striking out "100,000,000" and all that follows through the period in subparagraph (B) and inserting in lieu thereof "$156,600,000 for fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997."; and

(2) in paragraph (2)—

(A) by striking out "$1,100,000,000" and all that follows through the first period in subparagraph (A), and inserting in lieu thereof "$1,500,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997."; and

(B) by striking out "$101,000,000" and all that follows through the period in subparagraph (B) and inserting in lieu thereof "$151,500,000 for fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997.";

(b) RESOURCE PROGRAM.—Section 421(b) (42 U.S.C. 285b-3(b)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof "; and"; and

(3) by inserting immediately after paragraph (4) the following new paragraph:

"(5) shall, in consultation with the advisory council for the Institute, support appropriate programs of training and education, including continuing education and laboratory and clinical research training.".

(c) CENTERS FOR THE STUDY OF PEDIATRIC CARDIOVASCULAR DISEASES.—Section 422(a)(1) (42 U.S.C. 285b-4(a)(1)) is amended—

(1) in subparagraph (B), by striking out "and" at the end thereof;

(2) in subparagraph (C), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(D) three centers for basic and clinical research concerning, training in, and demonstration of, advanced diagnostic, prevention, and treatment (including genetic studies, intrauterine environment studies, postnatal studies, heart arrhythmias, and acquired heart disease and preventive cardiology) for cardiovascular diseases in children.".

SEC. 102. NATIONAL LIBRARY OF MEDICINE.

(a) AUTHORIZATION OF APPROPRIATIONS.—Section 469 (42 U.S.C. 286E) is amended by striking out "$14,000,000" and all that follows through the first period and inserting in lieu thereof "$40,000,000 for fiscal year 1993 and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

(b) GRANTS FOR THE DEVELOPMENT OF NEW EDUCATIONAL TECHNOLOGIES.—Section 473 (42 U.S.C. 286b-4) is amended by adding at the end thereof the following new subsection:

"(c) The Secretary shall make grants to appropriate public or private nonprofit institutions for the purpose of carrying out projects in the research, development, and demonstration of new educational technologies. Such projects shall assist in the training of health professions students, and enhance and improve the research and teaching capabilities of health professionals. Funding may support projects including those concerning computer-assisted teaching at health professions and research institutions, the effective transfer of new information from research laboratories to appropriate clinical applications, the expansion of the laboratory and clinical uses of computer-stored research databases, and the testing of new technologies for training health care professionals in nontraditional settings.".

(c) REMOVAL OF CAP ON CERTAIN GRANTS.—Section 474(b)(2) (42 U.S.C. 286b-S(b)(2)) is amended by striking out ", except that" and all that follows through "750,000".

(d) NATIONAL INFORMATION CENTER ON HEALTH SERVICES RESEARCH AND HEALTH CARE.—Part D of title IV (42 U.S.C. 286 et seq.) is amended by adding at the end thereof the following new subpart:

"Subpart 4—National Information Center on Health Services Research and Health Care Technology

"SEC. 478A. NATIONAL INFORMATION CENTER.

"(a) ESTABLISHMENT.—There is established within the National Library of Medicine an entity to be known as the National Information Center on Health Services Research and Health Care Technology (hereafter in this section referred to as the 'Center').

"(b) PURPOSE.—The purpose of the Center is the collection, storage, analysis, retrieval, and dissemination of information on health services research and on health care technology, including the assessment of such technology. Such purpose includes developing and maintaining data bases and developing and implementing methods of carrying out such purpose.

"(c) COORDINATION.—The Secretary, acting through the Center, shall ensure that the activities carried out under this section are coordinated with related activities of the Agency for Health Care Policy and Research.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $6,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

(e) CONFORMING PROVISIONS.—

(1) STRIKING OF DUPLICATIVE AUTHORITY.—Section 904 of the Public Health Service Act (42 U.S.C. 299a-2) is amended—

(A) by striking subsection (c); and

(B) by redesignating subsection (d) as subsection (c).

(2) RULE OF CONSTRUCTION.—The amendments made by subsection (d) and by paragraph (1) of this section may not be construed to terminate the information center on health care technologies and health care technology assessment or the interagency agreement established under section 904 of the Public Health Service Act, as in effect on the day before the date of the enactment of this Act. Such center and interagency agreement shall be considered to be the center and agreement established in section 478A of the Public Health Service Act, as added by section 102 of this Act, and shall be subject to the provisions of such section 478A.

SEC. 103. REVISION AND EXTENSION OF NATIONAL RESEARCH SERVICE AWARDS PROGRAM.

(a) ADDITIONAL AUTHORITIES.—Section 487(a)(1) (42 U.S.C. 288 et seq.) is amended—

(1) in subparagraph (A)(iv), by striking out "and" at the end thereof;

(2) in subparagraph (B), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new subparagraph:

"(C) make grants for comprehensive programs to recruit women, underrepresented minorities and individuals from disadvantaged backgrounds, into fields of biomedical or behavioral research and to provide research training to women, underrepresented minorities and such individuals.".

(b) AUTHORIZATION OF APPROPRIATIONS FOR GENERAL PROGRAM.—Section 487(d) (42 U.S.C. 288(d)) is amended by striking out "$300,000,000" and all that follows through the first period and inserting in lieu thereof "$415,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

(c) TECHNICAL AMENDMENT.—Section 487(d)(3) (42 U.S.C. 288(d)(3)) is amended—

(1) by inserting "785," after "784,"; and

(2) by striking out "one half of" each place that such appears.

SEC. 104. NATIONAL CENTER FOR BIOTECHNOLOGY INFORMATION.

Section 478(c) of the Public Health Service Act (42 U.S.C. 286c(c)) is amended—

(1) by striking out "$8,000,000" and inserting in lieu thereof "$18,000,000"; and

(2) by striking out "1989" and inserting in lieu thereof "1993"; and

(3) by striking out "fiscal year 1990" and inserting in lieu thereof "each of the fiscal years of 1994 through 1997".

SEC. 105. NATIONAL FOUNDATION FOR BIOMEDICAL RESEARCH.

Section 499A (42 U.S.C. 2891) is amended—

(1) in the second sentence of subsection (c)(1)(A), by inserting ", except the ex officio members," after "Foundation"; and

(2) in subsection (i)(1), by striking out "1995" and inserting in lieu thereof "1997".

SEC. 106. BIOMEDICAL AND BEHAVIORAL RESEARCH FACILITIES.

Title IV (42 U.S.C. 281 et seq) is amended by adding at the end thereof the following new part:

"PART I—BIOMEDICAL AND BEHAVIORAL RESEARCH FACILITIES

"SEC. 499B. DEFINITIONS.

"As used in this part:

"(1) CONSTRUCTION AND COST OF CONSTRUCTION.—The terms 'construction' and 'cost of construction' include the construction of new buildings and the expansion, renovation, remodeling, and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land or off-site improvements.

"(2) PUBLIC OR NONPROFIT PRIVATE INSTITUTION.—The term 'public or nonprofit private institution' means an institution that conducts biomedical or behavioral research, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

"SEC. 499C. GRANTS FOR CONSTRUCTION.

"The Director of the National Institutes of Health, through the Director of the National Center for Research Resources (hereinafter in this part referred to as the 'Director'), is authorized to award grants on behalf of the National Institutes of Health to public and nonprofit private institutions to expand, remodel, renovate, or alter existing research facilities or construct new research facilities pursuant to this part. Applications for grants shall be evaluated on the basis of merit as provided in section 499J.

"SEC. 499D. TECHNICAL REVIEW BOARD ON BIOMEDICAL AND BEHAVIORAL RESEARCH FACILITIES.

"(a) ESTABLISHMENT.—

"(1) IN GENERAL.—There is established in the National Center for Research Resources of the National Institutes of Health a Technical Review Board on Biomedical and Behavioral Research Facilities (hereinafter referred to in this part as the 'Board') to advise the Director and the Advisory Council established pursuant to section 480 (hereafter in this part referred to as the 'Advisory Council') on matters concerning the construction of facilities, and to conduct the peer review of applications received under this part.

"(2) MEMBERSHIP.—The Board shall be appointed by the Secretary, acting through the Director, and consist of not fewer than—

"(A) 12 members to be appointed without regard to the civil service laws; and

"(B) an official of the National Science Foundation designated by the National Science Board.

"(3) FACTORS FOR APPOINTMENTS.—In selecting individuals for appointment to the Board under paragraph (2), the Secretary, acting through the Director, shall consider factors such as—

"(A) the experience of the individual in the planning, construction, financing, and administration of institutions engaged in the conduct of research in the biomedical or behavioral sciences;

"(B) the familiarity of the individual with the need for biomedical or behavioral research facilities;

"(C) the familiarity of the individual with the need for dentistry, nursing, pharmacy, and allied health professions research facilities; and

"(D) the experience of the individual with emerging centers of excellence as defined in section 499E(d)(2).

"(b) DUTIES.—The Board shall—

"(1) advise and assist the Director and the Advisory Council in the preparation of general regulations and with respect to policy matters arising in the administration of this part;

"(2) make recommendations to the Director and the Advisory Council concerning—

"(A) merit review of applications for grants; and

"(B) the amount that should be granted to each applicant whose application, in its opinion, should be approved; and

"(3) prepare an annual report for the Advisory Council, that shall be available to the public, that—

"(A) describes the activities of the Board in the fiscal year for which the report is made;

"(B) describes and evaluates the progress made in such fiscal year in meeting the facilities' needs for the biomedical research community;

"(C) summarizes and analyzes expenditures made by the Federal Government for such activities;

"(D) reviews the approved but unfunded applications for grants; and

"(E) contains the recommendations of the Board for any changes in the implementation of this part.

"(c) TERMS.—

"(1) IN GENERAL.—Each appointed member of the Board shall hold office for a term of 4 years, except that any member appointed to fill a vacancy occurring prior to the expiration of the term for which such member's predecessor was appointed shall be appointed for the remainder of such term.

"(2) STAGGERED TERMS.—Of the initial members appointed to the Board—

"(A) 3 shall hold office for a term of 3 years;

"(B) 3 shall hold office for a term of 2 years; and

"(C) 3 shall hold office for a term of 1 year; as designated by the Director at the time of the appointment.

"(3) REAPPOINTMENT.—No member shall be eligible for reappointment until at least 1 year has elapsed since the end of such member's preceding term.

"(d) COMPENSATION.—Members of the Board who are not officers or employees of the United States shall receive for each day the members are engaged in the performance of the functions of the Board compensation at the same rate received by members of other national advisory councils established under this title.

"(e) USE OF MEMBERS.—The Director is authorized to use the services of any member or members of the Board, and where appropriate, any member or members of any other national advisory council established pursuant to this title, in connection with matters related to the administration of this part, for such periods, in addition to conference periods, as the Director may determine appropriate. The Director shall make appropriate provision for consultation between and coordination of the work of the Board and the Advisory Council, with respect to matters bearing on the purposes and administration of this part.

"(f) ADMINISTRATION.—The administration of the Board's functions shall be the responsibility of the Director and shall be carried out in the same manner as the administration of the functions of the Advisory Council.

"(g) BOARD ACTIVITIES.—

"(1) IN GENERAL.—In carrying out its functions under this part, the Board may establish subcommittees, convene workshops and conferences, and collect data as the Board considers appropriate.

"(2) SUBCOMMITTEES.—Subcommittees established under paragraph (1) may be composed of Board members and nonmember consultants with expertise in the particular area to be addressed by the subcommittees. The subcommittee may hold meetings as determined necessary to enable the subcommittee to carry out its activities.

"SEC. 499E. APPLICATION AND SELECTION FOR GRANTS.

"(a) SUBMISSION.—Applications for grants under this part shall be submitted at least once each year to the Director by interested public and nonprofit private institutions.

"(b) AWARDING OF GRANTS.—A grant under this part may be awarded by the Director if—

"(1) the applicant institution is determined by the Director to be competent to engage in the type of research for which the proposed facility is to be constructed;

"(2) the applicant institution meets the eligibility conditions established by the Director;

"(3) the application contains or is supported by the reasonable assurances that—

"(A) for not less than 20 years after completion of the construction, the facility will be used for the purposes of research for which it is to be constructed;

"(B) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility; and

"(C) sufficient funds will be available, when construction is completed, for the effective use of the facility for the research for which it is being constructed; and

"(4) the proposed construction will expand the applicant's capacity for research, or is necessary to improve or maintain the quality of the applicant's research.

A grant under this part may be made only if the application therefore is recommended for approval by the Advisory Council.

"(c) ELIGIBILITY CONDITIONS.—Within the aggregate monetary limit as the Director may prescribe, applications that, solely by reason of the inability of the applicants to give the assurance required by subsection (b)(2), fail to meet the requirements for applications described in this section, may be approved on condition that the applicants give the assurance required by such paragraph within a reasonable time and on such other reasonable terms and conditions as the Director may determine appropriate.

"(d) AWARDING GRANTS.—

"(1) IN GENERAL.—In acting on applications for grants under this part, the Director shall take into consideration—

"(A) the relative scientific and technical merit of the applications, and the relative effectiveness of the proposed facilities, in expanding the capacity for biomedical or behavioral research and in improving the quality of such research;

"(B) the quality of the research or training, or both, to be carried out in the facilities involved;

"(C) the need of the institution for such facilities in order to maintain or expand the institution's research and training mission;

"(D) the congruence of the research activities to be carried out within the facility with the research and investigator manpower needs of the United States; and

"(E) the age and condition of existing research facilities and equipment.

"(2) INSTITUTIONS OF EMERGING EXCELLENCE.—

"(A) IN GENERAL.—In addition to the considerations required under paragraph (1), the Director shall also consider other criteria for the awarding of grants to eligible institutions that demonstrate emerging excellence in biomedical or behavioral research for the construction of research facilities.

"(B) ELIGIBILITY.—To be eligible to receive a grant under this paragraph, an institution shall—

"(i) have a plan for research or training advancement and possess the ability to carry out such plan; and

"(ii)(I) carry out research and research training programs that have a special relevance to a problem, concern, or unmet need of the United States;

"(II) have been productive in research or research development and training in settings where significant barriers to institutional development have been created by—

"(aa) the underrepresentation of minorities in health science careers;

"(bb) the health status deficit of a large segment of the population; or

"(cc) a regional deficit in health care technology, services, or research resources that can adversely affect health status in the future;

"(III) have the capacity to broaden the scope of research and research training programs of such institution by promoting—

"(aa) interdisciplinary research;

"(bb) research on emerging technologies, including those involving novel analytical techniques or computational methods; or

"(cc) other novel research mechanisms or programs;

"(IV) have already demonstrated a commitment to enhancing and expanding the research productivity of such institution; or

"(V) broaden the scope of research and research training programs of qualified institutions by promoting genomic research with an emphasis on interdisciplinary research, including research related to pediatric investigations.

"SEC. 499F. AMOUNT OF GRANT; PAYMENTS.

"(a) AMOUNT.—The amount of any grant awarded under this part shall be determined by the Director, except that such amount shall not exceed—

"(1) 50 percent of the necessary cost of the construction of a proposed facility as determined by the Director; or

"(2) in the case of a multipurpose facility, 40 percent of that part of the necessary cost of construction that the Director determines to be proportionate to the contemplated use of the facility.

"(b) RESERVATION OF AMOUNTS.—On approval of any application for a grant under this part, the Director shall reserve, from any appropriation available therefore, the amount of such grant, and shall pay such amount, in advance or by way of reimbursement, and in such installments consistent with the construction progress, as the Director may determine appropriate. The reservation of the Director of any amount by the Director under this subsection may be amended by the Director, either on the approval of an amendment of the application or on the revision of the estimated cost of construction of the facility.

"(c) EXCLUSION OF CERTAIN COSTS.—In determining the amount of any grant under this part, there shall be excluded from the cost of construction an amount equal to the sum of—

"(1) the amount of any other Federal grant that the applicant has obtained, or is assured of obtaining, with respect to construction that is to be financed in part by a grant authorized under this part; and

"(2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

"(d) WAIVER OF LIMITATIONS.—The limitations imposed by subsection (a) may be waived at the discretion of the Director for institutions described in section 499E(d)(2).

"SEC. 499G. RECAPTURE OF PAYMENTS.

"If, not later than 20 years after the completion of construction for which a grant has been awarded under this part—

"(1) the applicant or other owner of the facility shall cease to be a public or nonprofit private institution; or

"(2) the facility shall cease to be used for the research purposes for which it was constructed (unless the Director determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from obligation to do so);

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the current value (as determined by an agreement between the parties or by action brought in the United States District Court for the district in which such facility is situated) of the facility as the amount of the Federal participation bore to the cost of the construction of such facility.

"SEC. 499H. NONINTERFERENCE WITH ADMINISTRATION OF INSTITUTIONS.

"Except as otherwise specifically provided in this part, nothing contained in this part shall be construed as authorizing any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or impose any requirement or condition with respect to the administration of any institution funded under this part.

"SEC. 499I. REGULATIONS.

"Not later than 6 months after the date of enactment of this part, the Director, after consultation with the Advisory Council, shall prescribe regulations concerning the eligibility of institutions for grants awarded under this part, and the terms and conditions applicable to the approval of applications for such grants. The Director may prescribe such other regulations as the Director determines necessary to carry out this part.

"SEC. 499J. PEER REVIEW OF APPLICATIONS.

"(a) IN GENERAL.—The Director shall require appropriate peer review of applications for grants under this part in accordance with section 492.

"(b) MANNER OF REVIEW.—Review of grant applications under this part shall be conducted in a manner consistent with the system of scientific peer review conducted by scholars with regard to applications for grants under this Act for biomedical and behavioral research.

"(c) MEMBERSHIP.—Members of a peer review group established under this section shall be individuals who, by the virtue of their training or experience, are eminently qualified to perform peer review functions, except that not more than one-fourth of the members of any peer review group shall be officers or employees of the United States.

"SEC. 499K. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated to carry out this part, $150,000,000 for fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997.

"SEC. 499L. CONSTRUCTION PROGRAM FOR NATIONAL PRIMATE RESEARCH CENTER.

"(a) GRANTS.—With respect to activities carried out by the National Center for Research Resources to support regional centers for research on primates, the Director of NIH may, through the Director of the National Center for Research Resources, for each of the fiscal years 1993 through 1997, reserve from the amounts described in section 499K not more than $5,000,000 for the purpose of making grants to, or entering into contracts with, public or nonprofit private entities to construct, renovate, or otherwise improve such regional centers.

"(b) Matching Contributions.—The Director of NIH may not make a grant or enter into a contract under subsection (a) unless the applicant for such assistance agrees, with respect to the costs to be incurred by the applicant in carrying out the purpose described in such subsection, to make available (directly or through donations from public or private entities) non-Federal contributions in cash toward such costs in an amount equal to not less than $1 for each $4 of Federal funds provided in such assistance.".

SEC. 107. NATIONAL EYE INSTITUTE.

Subpart 9 of part C (42 U.S.C. 2851 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 455A. CLINICAL RESEARCH ON DIABETES EYE CARE.

"(a) Grants.—The Director of the National Eye Institute, in consultation with the advisory council for the Institute, may award not to exceed three grants for the establishment and support of Centers for Clinical Research on Diabetes Eye Care.

"(b) Use.—Amounts received under a grant awarded under this section may, in addition to establishing a Center, be used for research, facilities modernization, construction and the purchase of equipment.".

TITLE II—RESEARCH FREEDOM

SEC. 201. SHORT TITLE.

This title may be cited as the "Research Freedom Act of 1992".

SEC. 202. ESTABLISHMENT OF CERTAIN PROVISIONS REGARDING RESEARCH CONDUCTED OR SUPPORTED BY NATIONAL INSTITUTES OF HEALTH.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 492 the following new section:

"SEC. 492A. CERTAIN PROVISIONS REGARDING REVIEW AND APPROVAL OF PROPOSALS FOR RESEARCH.

"(a) Review as Precondition to Research.—

"(1) Protection of Human Research Subjects.—

"(A) In the case of any application submitted to the Secretary for financial assistance to conduct research, the Secretary may not approve or fund any application that is subject to review under section 491(a) by an Institutional Review Board unless the application has undergone review in accordance with such section and has been recommended for approval by a majority of the members of the Board conducting such review.

"(B) In the case of research that is subject to review under procedures established by the Secretary for the protection of human subjects in clinical research conducted by the National Institutes of Health, the Secretary may not authorize the conduct of the research unless the research has, pursuant to such procedures, been recommended for approval by a majority of the members of the entity conducting such review.

"(2) Peer Review.—In the case of any application submitted to the Secretary for financial assistance to conduct research, the Secretary may not approve or fund any application that is subject to technical and scientific peer review under section 492(a) unless the application has undergone peer review in accordance with such section and has been recommended for approval by a majority of the members of the entity conducting such review.

"(b) Ethical Review of Research.—

"(1) Procedures Regarding Withholding of Funds.—If research has been recommended for approval for purposes of subsection (a), the Secretary may not withhold funding for the research on ethical grounds unless—

"(A) the Secretary convenes an advisory board in accordance with paragraph (4) to study the ethical implications of the research; and

"(B) the majority of the advisory board recommends that, on ethical grounds, the Secretary withhold funds for the research.

"(2) Applicability.—The limitation established in paragraph (1) regarding the authority to withhold funds on ethical grounds shall apply without regard to whether the withholding of funds is characterized as a disapproval, a moratorium, a prohibition, or other description.

"(3) Preliminary Matters Regarding Use of Procedures.—

"(A) If the Secretary makes a determination that an advisory board should be convened for purposes of paragraph (1), the Secretary shall, through a statement published in the Federal Register, announce the intention of the Secretary to convene such a board.

"(B) A statement issued under subparagraph (A) shall include a request that interested individuals submit to the Secretary recommendations specifying the particular individuals who should be appointed to the advisory board involved. The Secretary shall consider such recommendations in making appointments to the board.

"(C) The Secretary may not make appointments to an advisory board under paragraph (1) until the expiration of the 30-day period beginning on the date on which the statement required in subparagraph (A) is made with respect to the board.

"(4) Ethics Advisory Boards.—

"(A) Any advisory board convened for purposes of paragraph (1) shall be known as an ethics advisory board (hereafter in this paragraph referred to as an 'ethics board').

"(B)(i) An ethics board shall advise, consult with, and make recommendations to the Secretary regarding the ethics of the project of biomedical or behavioral research with respect to which the board has been convened.

"(ii) Not later than 180 days after the date on which the statement required in paragraph (3)(A) is made with respect to an ethics board, the board shall submit to the Secretary, and to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report describing the findings of the board regarding the project of research involved.

"(C) An ethics board shall be composed of no fewer than 14, and no more than 20, individuals who are not officers or employees of the United States. The Secretary shall make appointments to the board from among individuals with special qualifications and competence to provide advice and recommendations regarding ethical matters in biomedical and behavioral research. Of the members of the board—

"(i) no fewer than 1 shall be an attorney;

"(ii) no fewer than 1 shall be an ethicist;

"(iii) no fewer than 1 shall be a practicing physician;

"(iv) no fewer than 1 shall be a theologian; and

"(v) no fewer than one-third, and no more than one-half, shall be scientists with substantial accomplishments in biomedical or behavioral research.

"(D) The term of service as a member of an ethics board shall be for the life of the board. If such a member does not serve the full term of such service, the individual appointed to fill the resulting vacancy shall be appointed for the remainder of the term of the predecessor of the individual. A member of an ethics board shall be subject to removal from the board by the Secretary for neglect of duty or malfeasance or for other good cause shown.

"(E) The Secretary shall designate an individual from among the members of an ethics board to serve as the chairperson of the board.

"(F) In carrying out subparagraph (B)(i) with respect to a project of research, an ethics board shall conduct inquiries and hold public hearings.

"(G) With respect to information relevant to the duties described in subparagraph (B)(i), an ethics board shall have access to all such information possessed by the Department of Health and Human Services, or available to the Secretary from other agencies.

"(H) Members of an ethics board shall receive compensation for each day engaged in carrying out the duties of the board, including time engaged in traveling for purposes of such duties. Such compensation may not be provided in an amount in excess of the maximum rate of basic pay payable for GS-18 of the General Schedule.

"(I) The Secretary, acting through the Director of the National Institutes of Health, shall provide to each ethics board such staff and other assistance as may be necessary to carry out the duties of the board.

"(J) An ethics board shall terminate 30 days after the date on which the report required in subparagraph (B)(ii) is submitted to the Secretary and the congressional committees specified in such subparagraph.".

SEC. 203. RESEARCH CONCERNING THE TRANSPLANTATION OF FETAL TISSUE.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 498 the following new section:

"SEC. 498A. RESEARCH ON TRANSPLANTATION OF FETAL TISSUE.

"(a) Establishment of Program.—

"(1) Authority.—The Secretary may conduct or support research concerning the transplantation of human fetal tissue for therapeutic purposes.

"(2) Source of Tissue.—Human fetal tissue may be used in research carried out under the authority of paragraph (1) regardless of whether the tissue is obtained subsequent to a spontaneous or induced abortion or subsequent to a stillbirth.

"(b) Informed Consent of Donor.—

"(1) In General.—With respect to research carried out under the authority of subsection (a), human fetal tissue may be used only if the woman providing the tissue provides a signed statement declaring that—

"(A) such woman donates such fetal tissue for use in research of the type described in subsection (a);

"(B) such donation is made without any restriction regarding the identity of individuals who may be the recipients of transplantations of such tissue; and

"(C) such woman has not been informed of the identity of any such individuals.

"(2) Certification of Consent.—With respect to research carried out under the authority of subsection (a), human fetal tissue may be used only if the attending physician provides a signed statement declaring that—

"(A) the tissue has been donated in accordance with paragraph (1);

"(B) in the case of tissue obtained subsequent to an induced abortion, consent for such abortion was obtained prior to obtaining or requesting consent for the donation of such tissue;

"(C) there was no alteration of the timing, method, or procedures used to terminate the pregnancy solely for the purposes of obtaining donated fetal tissue; and

"(D) full and complete disclosure has been provided to the donor described in paragraph (1) with regard to—

"(i) such physician's interest in the research to be conducted with the donated tissue; and

"(ii) any known medical risks to such donor or risks to the privacy of such donor that might be associated with the retrieval of such tissue and that are in addition to risks of such type that are associated with the donor's medical care.

"(c) INFORMED CONSENT OF RESEARCHER AND DONEE.—With respect to research carried out under the authority of subsection (a), human fetal tissue may be used only if the individual with the principal responsibility for conducting such research provides a signed statement declaring that such individual—

"(1) is aware that—

"(A) the tissue is human fetal tissue;

"(B) the tissue may have been obtained subsequent to a spontaneous or induced abortion or subsequent to a stillbirth; and

"(C) the tissue was donated for research purposes;

"(2) has provided such information to other individuals with responsibilities regarding the research;

"(3) will require, prior to obtaining the consent of an individual to be a recipient of a transplantation of the tissue, written acknowledgment of receipt of such information by such individual recipient; and

"(4) will have no part in any decisions as to the timing, method, or procedure used to terminate the pregnancy solely in the interest of the research.

"(d) AVAILABILITY OF STATEMENTS FOR AUDIT.—

"(1) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health, shall require that each entity that applies for a grant, contract, or cooperative agreement under this Act for any project or program that involves the conduct of research of the type described under subsection (a) provide certification that the statements required under subsections (b)(2) and (c)(1) will be available for audit by the Secretary.

"(2) CONFIDENTIALITY OF AUDIT.—Any audit conducted by the Secretary pursuant to paragraph (1) shall be conducted in a confidential manner to protect the privacy rights of the individuals involved in such research, including those individuals involved in donation, transfer, receipt, and transplantation of human fetal tissue. With respect to any material or information obtained pursuant to such audit the Secretary shall—

"(A) use such material or information only for the purposes of verifying compliance with the requirements set forth in this section;

"(B) not disclose or publish such material or information, except where required by Federal law, in which case such material or information shall be coded in a manner such that the identities of such individuals are protected; and

"(C) not maintain such material or information after completion of such audit, except where necessary for the purposes of such audit.

"(e) APPLICABILITY OF STATE AND LOCAL LAW.—

"(1) RESEARCH CONDUCTED BY RECIPIENTS OF ASSISTANCE.—The Secretary may not provide financial assistance for research conducted under the authority of subsection (a) unless the applicant for such assistance agrees to conduct the research in accordance with applicable State and local law.

"(2) RESEARCH CONDUCTED BY SECRETARY.—The Secretary may conduct research under the authority of subsection (a) only in accordance with applicable State and local law.

"(f) DEFINITION.—For purposes of this section, the term 'human fetal tissue' means tissue or cells obtained from a dead human embryo or fetus subsequent to a spontaneous or induced abortion, or a stillbirth.".

SEC. 204. PURCHASE OF HUMAN FETAL TISSUE; SOLICITATION OR ACCEPTANCE OF TISSUE AS DIRECTED DONATION FOR USE IN TRANSPLANTATION.

Part G of title IV, as amended by section 203, is further amended by inserting after section 498A the following new section:

"SEC. 498B. PROHIBITIONS REGARDING HUMAN FETAL TISSUE.

"(a) PURCHASE OF TISSUE.—It shall be unlawful for any person to knowingly acquire, receive, or otherwise transfer any human fetal tissue for valuable consideration if the transfer affects interstate commerce.

"(b) SOLICITATION OR ACCEPTANCE OF DONATED TISSUE FOR USE IN TRANSPLANTATION RESEARCH.—It shall be unlawful for any person or entity to knowingly solicit, acquire, receive, or accept a donation of human fetal tissue for the purpose of research involving transplantation of such tissue into another person if the donation affects interstate commerce, the tissue will be or is obtained subsequent to an induced abortion, and—

"(1) the donation will be or is made pursuant to a promise to the donating individual that the donated tissue will be transplanted into a recipient specified by such individual;

"(2) the donated tissue will be transplanted into a relative of the donating individual; or

"(3) the person or entity that knowingly solicits, acquires, receives, or accepts such donation has provided valuable consideration for the costs associated with such abortion.

"(c) CRIMINAL PENALTIES FOR VIOLATIONS.—Any person who violates subsection (a) or (b) shall be fined in accordance with title 18, United States Code, or imprisoned not more than 5 years, or both.

"(d) DEFINITIONS.—For purposes of this section:

"(1) The term 'human fetal tissue' has the meaning given such term in section 498A(f).

"(2) The term 'interstate commerce' has the meaning given such term in section 201(b) of the Federal Food, Drug, and Cosmetic Act.

"(3) The term 'valuable consideration' does not include reasonable payments associated with the transportation, implantation, processing, preservation, quality control, or storage of human fetal tissue.".

SEC. 205. NULLIFICATION OF MORATORIUM.

(a) IN GENERAL.—Except as provided in subsection (c), no official of the executive branch may impose a policy that the Department of Health and Human Services is prohibited from conducting or supporting any research on the transplantation of human fetal tissue for therapeutic purposes. Such research shall be carried out in accordance with section 498A of the Public Health Service Act (as added by section 203), without regard to any such policy that may have been in effect prior to the date of the enactment of this Act.

(b) PROHIBITION AGAINST WITHHOLDING OF FUNDS IN CASES OF TECHNICAL AND SCIENTIFIC MERIT.—

(1) IN GENERAL.—In the case of any proposal for research on the transplantation of human fetal tissue for therapeutic purposes, the Secretary of Health and Human Services may not withhold funds for the research if—

(A) the research has been approved for purposes of section 492A(a) of the Public Health Service Act (as added by section 202);

(B) the research will be carried out in accordance with section 498A of such Act (as added by section 203); and

(C) there are reasonable assurances that the research will not utilize any fetal tissue that has been obtained in violation of section 498B(a) of such Act (as added by section 204).

(2) STANDING APPROVAL REGARDING ETHICAL STATUS.—In the case of any proposal for research on the transplantation of human fetal tissue for therapeutic purposes, the issuance in December 1988 of the Report of the Human Fetal Tissue Transplantation Research Panel shall be deemed to be a report—

(A) issued by an ethics advisory board pursuant to section 492A(b)(4)(B)(ii) of the Public Health Service Act (as added by section 202); and

(B) finding that there are no ethical grounds for withholding funds for such research.

(c) AUTHORITY FOR WITHHOLDING FUNDS FROM RESEARCH.—In the case of any research on the transplantation of human fetal tissue for therapeutic purposes, the Secretary of Health and Human Services may withhold funds for the research if any of the conditions specified in any of subparagraphs (A) through (C) of subsection (b)(1) are not met with respect to the research.

(d) DEFINITION.—For purposes of this section, the term "human fetal tissue" has the meaning given such term in section 498A(f) of the Public Health Service Act (as added by section 203).

SEC. 206. GENERAL ACCOUNTING OFFICE REPORT ON THE ADEQUACY OF THE SAFEGUARDS IN THE ACT.

Not later than 2 years after the date of enactment of this Act, the Comptroller General shall conduct an audit to determine if the safeguards contained in this Act, and the amendments made by this Act, are being complied with, make recommendations as necessary to insure the adequacy of such safeguards, and shall prepare and submit to the Chairman and ranking minority member of the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the findings of the Comptroller General with respect to such audit.

TITLE III—WOMEN'S HEALTH RESEARCH

SEC. 301. WOMEN'S HEALTH RESEARCH.

Title IV (42 U.S.C. 281 et seq.) is amended—

(1) by redesignating parts F and G as parts G and H, respectively; and

(2) by inserting after part E the following new part:

"PART F—WOMEN'S HEALTH RESEARCH

"Subpart 1—General Provision With Respect to Women's Health

"SEC. 486O. INCLUSION OF WOMEN AND MINORITIES IN CLINICAL RESEARCH.

"(a) GENERAL REQUIREMENT.—In conducting or supporting clinical research for purposes of this title, the Director of NIH shall ensure that women and members of minority groups are included as subjects in each project of such research, subject to subsection (b).

"(b) NONAPPLICABILITY.—

"(1) IN GENERAL.—The requirement established in subsection (a) regarding women and members of minority groups shall not apply to a project of clinical research if the inclusion, as subjects in the project, of women and members of minority groups, respectively—

"(A) is inappropriate with respect to the health of the subjects;

"(B) is inappropriate with respect to the purpose of the research; or

"(C) is inappropriate under such other circumstances as the Director of NIH may designate.

"(2) CRITERIA.—

"(A) GUIDELINES.—The Director of NIH, in consultation with the Director of the Office of Research on Women's Health, shall establish guidelines regarding—

"(i) the circumstances under which the inclusion of women and minorities in clinical research is inappropriate for purposes of subsection (b);

"(ii) the manner in which projects of clinical research are required to be designed and carried out for purposes of subpart 2, including a specification of the circumstances in which the requirement of such subpart does not apply on the basis of impracticability; and

"(iii) the conduct of outreach programs for the recruitment of women and members of minority groups as subjects in such research.

"(B) LIMITATIONS.—The guidelines established under subparagraph (A)—

"(i) may not provide that the costs of including women and minorities in clinical research are a permissible consideration regarding the circumstances described in subparagraph (A)(i); and

"(ii) may provide that such circumstances include circumstances in which there are scientific reasons for believing that the variables proposed to be studied do not affect women or minorities differently than other subjects in the research.

"(C) PUBLICATION.—The guidelines required in subparagraph (A) shall be established and published in the Federal Register not later than October 1, 1992.

"(c) ANALYSIS OF EFFECT ON WOMEN AND MINORITY GROUPS.—In the case of any project of clinical research in which women or members of minority groups are required under subsection (a) to be included as subjects, the Director of NIH shall ensure that the project is designed and carried out in a manner sufficient to provide for a valid analysis of whether the variables being tested in the research affect women or members of minority groups, as the case may be, differently than other subjects in the research.

"(d) NOTIFICATION.—Not later than October 1, 1992, the Director of NIH shall notify appropriate research entities and research grant recipients concerning the requirements of subsections (a), (b), and (c).

"(e) CLINICAL RESEARCH EQUITY SUBCOMMITTEES.—

"(1) ESTABLISHMENT.—The Director of NIH shall establish within the advisory council of each of the National Research Institutes a subcommittee to be known as the Clinical Research Equity Subcommittee (hereafter in this subsection individually referred to as a 'Subcommittee').

"(2) DUTIES.—Each Subcommittee shall review all clinical research conducted by the agency for which the advisory council involved is established. The purpose of the review shall be to determine the extent to which the research is being conducted in accordance with subsections (a) through (c). Such a review shall be conducted not less than annually. Not later than 60 days after each such review, each Subcommittee shall submit to the Secretary and the Director of NIH a report describing the finding made as a result of the review.

"(3) COMPOSITION.—Each Subcommittee shall be composed of not less than 6 members of the advisory council involved. The Chairperson of such advisory councils, acting on behalf of the Director of NIH, shall designate the membership of each Subcommittee (but in no event less than six members) from among members of the advisory council involved who have expertise regarding clinical research on diseases, disorders, or other health conditions—

"(A) that are unique to women, more prevalent in women, or more serious for women; or

"(B) for which the risk factors or interventions are different for women.

"(4) APPOINTMENT OF ADDITIONAL MEMBERS.—If the Director of NIH determines that an advisory council for a national research institute does not contain a sufficient number of individuals with the expertise required for purposes of paragraph (3), the Director of NIH shall appoint to the advisory council, from among individuals who are not officers or employees of the United States, a number of individuals necessary with respect to complying with such paragraph.

"(5) SUSPENSION OR REVOCATION OF RESEARCH AUTHORITY.—If the Director of NIH determines that any project of clinical research conducted by any agency of the National Institutes of Health is not being conducted in accordance with subsections (a) through (c), the Director shall suspend or revoke the authority for the project under such conditions as the Director determines appropriate.

"(f) DEFINITION.—For purposes of this section, the term 'minority groups' means racial and ethnic minority groups.

"SEC. 486P. PEER REVIEW REGARDING INCLUSION OF WOMEN AND MINORITIES AS SUBJECTS IN CLINICAL RESEARCH.

"(a) EVALUATION.—In technical and scientific peer review, conducted under section 492 or this part, of proposals for clinical research, the consideration of any such proposal (including the initial consideration) shall, except as provided in subsection (b), include an evaluation of the technical and scientific merit of the proposal regarding the inclusion of women and members of minority groups as subjects in the research.

"(b) EXCEPTION.—Subsection (a) shall not apply to any proposal for clinical research that, pursuant to subsection (b) of section 492A, is not subject to the requirement of subsection (a) of such section regarding the inclusion of women and members of minority groups as subjects in clinical research.

"SEC. 486Q. INCLUSION OF WOMEN IN AGING RESEARCH.

"The Director of the Institute on Aging, in addition to other special functions specified in section 444 and in cooperation with the Directors of other National Research Institutes and agencies of the National Institutes of Health, shall conduct research into the aging processes of women, with particular emphasis given to the effects of menopause and the physiological and behavioral changes occurring during the transition from pre- to postmenopause, and into the diagnosis, disorders, and complications related to aging and loss of ovarian hormones in women.

"Subpart 2—Women's Health Research

"SEC. 486R. OFFICE OF RESEARCH ON WOMEN'S HEALTH.

"(a) ESTABLISHMENT.—The Secretary shall establish, within the office of the Director of NIH, an Office of Research on Women's Health (hereinafter referred to in this part as the 'Office') and provide administrative support and support services to the Director of such Office.

"(b) DIRECTOR.—The Office of Research on Women's Health shall be headed by a Director who shall be appointed by the Secretary, acting through the Director of the National Institutes of Health.

"(c) PURPOSE.—It shall be the purpose of the Office to ensure that research pertaining to women's health is identified and addressed throughout the research activities conducted and supported by the National Institutes of Health. The Secretary, acting through the Director of the Office, shall—

"(1) establish an intramural research program in gynecology at the National Institute of Child Health and Human Development; and

"(2) establish a clinical service in gynecology.

"SEC. 486S. FUNCTIONS OF THE DIRECTOR.

"(a) IN GENERAL.—The Director of the Office of Research on Women's Health shall—

"(1)(A) identify women's health research needs, including prevention research;

"(B) identify needs for coordinated research activities, especially multidisciplinary research relating to women's health, to be conducted intra- and extra-murally;

"(C) encourage researchers whose research is funded or supported by the National Institutes of Health to pursue research pertaining to women's health;

"(D) encourage researchers whose research is funded or supported by the National Institutes of Health to pursue research into the aging processes of women, with particular emphasis given to menopause; and

"(E) support the development and expansion of clinical trials of treatments, therapies and modes of prevention that include women of all ages, races and ethnicities; and

"(2) establish a coordinating council that shall be composed of the Directors of the Institutes, Centers, Offices, and Divisions of the National Institutes of Health, to assist in the duties described in paragraph (1).

"(b) ADVISORY COMMITTEE.—

"(1) ESTABLISHMENT.—The Secretary, acting through the Director of the Office of Research on Women's Health, shall establish within such Office an advisory committee to be known as the Women's Health Clinical Research Advisory Committee (hereafter referred to in this section as the 'Committee').

"(2) COMPOSITION.—The Committee shall be composed of not less than 12 appropriately qualified representatives of the public who are not officers or employees of the Federal Government. Such members shall include physicians, practitioners, scientists, and other women's health professionals whose clinical practice, and research specialization focus on women's health and gender differences that affect women's health.

"(3) DUTIES.—The Committee shall—

"(A) advise the Director of the Office concerning—

"(i) appropriate research activities to be undertaken by the Agencies of the National Institutes of Health with respect to—

"(I) research on women's health;

"(II) research concerning gender differences involved in clinical drug trials, with emphasis provided to pharmacological response and side effects resulting from such;

"(III) research concerning gender differences involving disease etiology, course and treatment;

"(IV) research concerning obstetrical and gynecological health, conditions, diseases, and treatment;

"(V) research concerning health conditions relating to women that require a multidisciplinary approach; and

"(VI) research concerning the prevention of health conditions that affect women;

"(B) report to the Director of the Office on research concerning women's health that is publicly and privately supported;

"(C) provide recommendations to the Director of the Office regarding the operations of the Office;

"(D) monitor the compliance of all research projects supported or conducted by the National Institutes of Health with laws and regulations relating to the inclusion of women in clinical study populations;

"(E) provide advice to the Director of the National Institutes of Health concerning the manner in which to advance and encourage research on women's health;

"(F) request that a study be conducted by the Institute of Medicine of the National Academy of Sciences that could assist in determining the manner in which to remove obstacles to and advance and encourage research concerning women's health; and

"(G) make recommendations to the appropriate committees of Congress and to the Director of NIH for further legislative and administrative initiatives, as appropriate for achieving the purposes described in section 486O(c).

"SEC. 486T. REPORT TO THE SECRETARY.

"(a) In General.—Not later than January 1, 1994, and biennially thereafter, the Director of the National Institutes of Health shall prepare and submit to the Secretary, a report that shall—

"(1) describe and evaluate the progress made, during the period for which such report is prepared, in research, treatment and prevention with respect to women's health conducted or supported by the National Institutes of Health;

"(2) summarize and analyze expenditures, made during the period for which such report is made, for activities with respect to women's health research conducted or supported by the National Institutes of Health; and

"(3) contain such recommendations as the Director of the Office of Research on Women's Health considers appropriate.

"(b) Submission to Congress.—The Secretary shall provide a copy of the reports submitted under subsection (a) to the appropriate committees of Congress.

"(c) Study.—With respect to the study conducted under a request made under section 486R(b)(2)(G), such study shall include an examination of the infrastructure of the Institutes, the grant approval process, the peer review process with regard to the impact of such on women's health research, the manner in which to increase the number of women in senior level research positions, and a proposed research agenda for biomedical and biobehavioral research on women's health.

"SEC. 486U. DATA BANK ON WOMEN'S HEALTH AND GENDER DIFFERENCES RESEARCH.

"(a) Establishment of Program.—The Director of NIH, in consultation with the Director of the Office of Research on Women's Health for the National Institutes of Health and the National Library of Medicine, shall establish, maintain, and operate a program to provide information on research and prevention activities of such Institutes relating to research on women's health.

"(b) Data Bank.—

"(1) Establishment.—The Director of NIH shall establish a data system for the collection, storage, analysis, retrieval, and dissemination of information regarding research on women's health that is conducted or supported by the National Institutes of Health. Such a data bank shall be headed by an executive director to be appointed by the Director of the Office of Research on Women's Health. Information from the data system shall be available through information systems available to health care professionals and providers, researchers, and members of the public.

"(2) Clinical trials and treatments.—The data bank established under paragraph (1) shall compile information concerning clinical trials and treatments with respect to women's health and gender differences.

"(3) Information.—The executive director of the data bank shall make information compiled by the data bank available through informational systems that provide access to health care professionals and providers, researchers, and members of the public.

"(4) Registry.—

"(A) In general.—The executive director of the data bank shall maintain a registry of ongoing clinical trials of experimental treatments that have been developed for women's health.

"(B) Information.—Information to be maintained in the registry under this paragraph shall include—

"(i) eligibility criteria (including sex, age, ethnicity or race) for participating in clinical trials;

"(ii) the location of the clinical trial sites; and

"(iii) any other information determined to be appropriate by the executive director.

"(C) Requirement to provide information.—Not later than 21 days after the date on which the Food and Drug Administration approves the application of the sponsor of a clinical trial for an experimental treatment, such sponsor shall provide information concerning the research to be conducted under such clinical trial to the data bank. The data bank shall include information pertaining to the results of such clinical trials of such treatments, including information concerning potential toxicities or adverse effects associated with the use or administration of such experimental treatment.

"SEC. 486V. DEFINITION.

"As used in this part, the term 'women's health conditions', with respect to women of all age, ethnic, and racial groups, means all diseases, disorders, and conditions—

"(1) unique to, more serious, or more prevalent in women;

"(2) for which the factors of medical risk or types of medical intervention are different for women; or

"(3) with respect to which there has been insufficient clinical research involving women as subjects.

"SEC. 486W. AUTHORIZATION OF APPROPRIATIONS.

"For the purpose of carrying out this subpart, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 1993 through 1997.

"Subpart 3—Research Programs With Respect to Cancer

"SEC. 486X. RESEARCH PROGRAMS ON BREAST CANCER AND CANCERS OF WOMEN'S REPRODUCTIVE SYSTEM.

"(a) Findings.—Congress finds that—

"(1) in 1966, one in 14 women in the United States was expected to develop breast cancer in her lifetime, and in 1991 one in 9 women in the United States could expect to develop the disease;

"(2) it is estimated that 45,000 deaths in the United States in 1991 were attributed to breast cancer;

"(3) in 1991, 175,000 women in the United States were diagnosed with breast cancer;

"(4) breast cancer incidence rates in the United States have increased more than 2 percent a year since 1973;

"(5) in 1991, the National Cancer Institute spent $1,700,000,000 on all cancer research, but targeted only $93,000,000 toward breast cancer;

"(6) after decades of research and experimentation, there is still no certain cure for, or known cause of, breast cancer;

"(7) the Congress reaffirms women's health as a national public health priority;

"(8) Federal monies are urgently needed to eliminate breast cancer, now reaching epidemic proportions; and

"(9) there is a need to accelerate investigation into the cause, treatment, and prevention of breast cancer.

"(b) Expansion and Coordination of Activities.—The Director of the Institute, in consultation with the National Cancer Advisory Board, shall expand, intensify, and coordinate the activities of the Institute with respect to breast cancer, ovarian cancer, and other cancers of the reproductive system of women.

"(c) Coordination with Other Institutes.—The research programs expanded or intensified under subsection (b) concerning breast cancer and cancers of the reproductive system of women shall be coordinated with activities conducted by other National Research Institutes and agencies of the National Institutes of Health to the extent that such Institutes and agencies have responsibilities that are related to breast cancer and other cancers of the reproductive system of women.

"(d) Programs for Breast Cancer.—The research programs expanded or intensified under subsection (b) concerning breast cancer shall focus on research efforts undertaken to expand the understanding of the cause of, and to find a cure for, breast cancer. Such programs shall provide for an expansion and intensification of the conduct and support of—

"(1) basic research concerning the etiology and causes of breast cancer;

"(2) clinical research and related activities concerning the causes, prevention, detection and treatment of breast cancer;

"(3) prevention and control programs with respect to breast cancer in accordance with section 412;

"(4) information and education programs with respect to breast cancer in accordance with section 413; and

"(5) research and demonstration programs with respect to breast cancer in accordance with section 414, including the development and operation of breast and prostate cancer research centers to bring together basic and clinical, biomedical and behavioral scientists to conduct basic, clinical, epidemiological, psychosocial, prevention and treatment research and related activities.

The centers referred to in paragraph (5) should number at least six, should include support for new and innovative research and training programs for new researchers, and should attract qualified scientists and expedite the transfer of research advances to clinical applications.

"(e) Implementation of Breast Cancer Research Programs.—

"(1) Plan.—The Director of the Institute shall ensure that the research programs described in subsection (d) are implemented in accordance with a program plan. Such plan shall include comments and recommendations that the Director of the Institute considers appropriate, with due consideration provided to the professional judgment needs of the Institute as expressed in the annual budget estimate prepared in accordance with section 413(9)(A). The Director of the Institute, in consultation with the National Cancer Advisory Board, shall periodically review and revise such plan.

"(2) SUBMISSION OF PLAN.—Not later than October 1, 1992, the Director of the Institute shall submit a copy of the plan to the President's Cancer Panel, the Secretary and the Director of NIH.

"(3) REVISIONS.—The Director of the Institute shall submit any revisions of the plan to the President's Cancer Panel, the Secretary and the Director of NIH.

"(4) SUBMISSION TO CONGRESS.—The Secretary shall provide a copy of the plan submitted under paragraph (2) and any revisions submitted under paragraph (3) to the appropriate committees of Congress.

"(f) OTHER CANCERS.—The research programs expanded or intensified under subsection (b) concerning ovarian cancer and other cancers of the reproductive system of women shall provide for the expansion and intensification of the conduct and support of—

"(1) basic research concerning the etiology and causes of ovarian cancer and other cancers of the reproductive system of women;

"(2) clinical research and related activities into the causes, prevention, detection and treatment of ovarian cancer and other cancers of the reproductive system of women;

"(3) prevention and control programs with respect to ovarian cancer and other cancers of the reproductive system of women in accordance with section 412;

"(4) information and education programs with respect to ovarian cancer and other cancers of the reproductive system of women in accordance with section 413; and

"(5) research and demonstration programs with respect to ovarian cancer and cancers of the reproductive system in accordance with section 414.

"(g) REPORT.—The Director of the Institute shall prepare, for inclusion in the biennial report submitted under section 407, a report that describes the activities of the National Cancer Institute under the research programs referred to in subsection (b), that shall include—

"(1) a description of the research plan with respect to breast cancer prepared under subsection (e);

"(2) an assessment of the development, revision, and implementation of the research plan with respect to breast cancer;

"(3) a description and evaluation of the progress made, during the period for which such report is prepared, in the research programs on breast cancer and cancers of the reproductive system of women;

"(4) a summary and analysis of expenditures made, during the period for which such report is made, for activities with respect to breast cancer and cancers of the reproductive system of women conducted and supported by the National Institutes of Health; and

"(5) such comments and recommendations as the Director considers appropriate.

"(h) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, in addition to the amounts authorized to be appropriated for the National Cancer Institute under sections 301 and 408, there are authorized to be appropriated $400,000,000 for fiscal year 1993, of which $300,000,000 shall be allocated for research under subsection (d)(1), $25,000,000 shall be allocated for centers, research, and programs under paragraph (2) through (5) of subsection (d), and $75,000,000 shall be allocated for research and programs under subsection (f), and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"SEC. 486Y. RESEARCH PROGRAM ON OSTEOPOROSIS, PAGET'S DISEASE, AND RELATED BONE DISORDERS.

"(a) ESTABLISHMENT.—The Directors of the National Institute of Arthritis and Musculoskeletal and Skin Diseases, the National Institute on Aging, and the National Institute of Diabetes, Digestive and Kidney Diseases, shall expand and intensify the programs of such Institutes with respect to research and related activities concerning osteoporosis, Paget's disease, and related bone disorders.

"(b) COORDINATION.—The Directors referred to in subsection (a) shall jointly coordinate the programs referred to in such subsection and consult with the Arthritis and Musculoskeletal Diseases Interagency Coordinating Committee and the Interagency Task Force on Aging Research.

"(c) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated $40,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

SEC. 302. EFFECTIVE DATE AND APPLICABILITY OF REQUIREMENTS.

(a) EFFECTIVE DATE.—Subpart I of part F of title IV, as added by the amendment made by section 301, shall apply to research proposals considered after January 1, 1993.

(b) APPLICABILITY.—The amendment made by section 301 shall apply with respect to any project of clinical research whose initial approval by the Secretary of Health and Human Services occurs after the expiration of the 90-day period beginning on the effective date of this Act.

TITLE IV—CONTRACEPTION AND INFERTILITY

SEC. 401. CONTRACEPTION AND INFERTILITY.

(a) RESEARCH CENTERS WITH RESPECT TO CONTRACEPTION AND RESEARCH CENTERS WITH RESPECT TO INFERTILITY.—Subpart 7 of part C of title IV (42 U.S.C. 285g et seq.) is amended by adding at the end thereof the following new section:

"SEC. 452A. RESEARCH CENTERS WITH RESPECT TO CONTRACEPTION AND INFERTILITY.

"(a) IN GENERAL.—The Director of the Institute, after consultation with the advisory council for the Institute, shall make grants to, or enter into contracts with, public or nonprofit private entities for the development and operation of centers to conduct activities for the purpose of improving methods of contraception and centers to conduct activities for the purpose of diagnosing and treating infertility.

"(b) NUMBER OF CENTERS.—In carrying out subsection (a), the Director of the Institute shall, subject to the extent of amounts made available in appropriations Acts, provide for the establishment of three centers with respect to contraception and for two centers with respect to infertility.

"(c) DUTIES.—

"(1) IN GENERAL.—Each center assisted under this section shall, in carrying out the purpose of the center involved—

"(A) conduct clinical and other applied research, including—

"(i) for centers with respect to contraception, clinical trials of new or improved drugs and devices for use by males and by females (including barrier methods); and

"(ii) for centers with respect to infertility, clinical trials of new or improved drugs and devices for the diagnosis and treatment of infertility in both males and females;

"(B) develop protocols for training physicians, scientists, nurses, and other health and allied health professionals;

"(C) conduct training programs for such individuals;

"(D) develop model continuing education programs for such professionals; and

"(E) disseminate information to such professionals.

"(2) STIPENDS AND FEES.—A center may use funds provided under subsection (a) to provide stipends for health and allied health professionals enrolled in programs described in subparagraph (C) of paragraph (1), and to provide fees to individuals serving as subjects in clinical trials conducted under such paragraph.

"(d) COORDINATION OF INFORMATION.—The Director of the Institute shall, as appropriate, provide for the coordination of information among the centers assisted under this section.

"(e) CONSORTIUM.—Each center assisted under this section shall use the facilities of a single institution, or be formed from a consortium of cooperating institutions, meeting such requirements as may be prescribed by the Secretary, after consultation with the Director of the Institute.

"(f) TERM OF SUPPORT AND PEER REVIEW.—Support of a center under subsection (a) may be for a period of not to exceed 5 years. Such period may be extended for one or more additional periods of not to exceed 5 years if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Secretary, acting through the Director, and if such group has recommended to the Director that such period should be extended.".

(b) LOAN REPAYMENT FOR RESEARCH WITH RESPECT TO CONTRACEPTION AND INFERTILITY.—Part G of title IV (42 U.S.C. 288 et seq.) (as redesignated by section 301) is amended by inserting after section 487A the following new section:

"SEC. 487B. LOAN REPAYMENT PROGRAM FOR RESEARCH WITH RESPECT TO CONTRACEPTION AND INFERTILITY.

"(a) ESTABLISHMENT.—The Secretary, after consultation with the Director of the National Institute of Child Health and Human Development, shall establish a program to enter into agreements with appropriately qualified health professionals (including graduate students) under which such health professionals shall agree to conduct research with respect to contraception, or with respect to infertility, in consideration of the Secretary agreeing to repay, for each such service, not to exceed $20,000 of the principal and interest of the educational loans incurred by such health professionals.

"(b) ADMINISTRATIVE PROVISIONS.—With respect to the National Health Service Corps Loan Repayment Program established in subpart III of part D of title III, the provisions of such subpart shall, except as inconsistent with subsection (a), apply to the program established in such subsection to the same extent and in the same manner as such provisions apply to the National Service Loan Repayment Program.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—To carry out this section and section 452A, there are authorized to be appropriated $20,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"(2) AVAILABILITY OF FUNDS.—Amounts appropriated under paragraph (1) for a fiscal year shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which the amounts were appropriated.".

(c) EFFECTIVE DATE.—The amendments made by this section shall become effective on October 1, 1992, or on the date of the enactment of this Act, whichever occurs later.

TITLE V—PROGRAMS RELATING TO ACQUIRED IMMUNE DEFICIENCY SYNDROME

SEC. 501. LOAN REPAYMENT PROGRAM WITH RESPECT TO RESEARCH AT NATIONAL INSTITUTES OF HEALTH.

(a) EXPANSION OF LOAN REPAYMENT PROGRAMS FOR RESEARCH WITH RESPECT TO AIDS.—Section 487A (42 U.S.C. 288-1) is amended—

(1) in subsection (a), by adding at the end thereof the following new paragraph:

"(3) CONTRACTS FOR THE CONDUCT OF OTHER RESEARCH.—The Secretary, subject to paragraph (2), may enter into agreements with appropriately qualified health professionals under which such health professionals agree to conduct, as employees of the National Institutes of Health, biomedical, behavioral or clinical research in those areas of demonstrated need so identified by the Director of the National Institutes of Health, in consideration of the Federal Government agreeing to repay, for each year of service, not more than $20,000 of the principal and interest of the educational loans of such health professionals."; and

(2) in subsection (c)—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1), the following new paragraph:

"(2) CONDUCT OF OTHER RESEARCH.—There are authorized to be appropriated to enter into agreements under subsection (a)(3), $3,000,000 for each of the fiscal years 1993 through 1997.".

(b) MINIMUM PERIOD OF SERVICE.—Section 487A(a)(2)(B) (42 U.S.C. 288-1(a)(2)(B)) is amended—

(1) by inserting "(i)" after the subparagraph designation;

(2) by striking out the period and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new clause:

"(ii) agrees to serve as an employee of such Institutes for purposes of paragraph (1) for a period of not less than 3 years.".

(c) AUTHORIZATION OF APPROPRIATIONS.—Section 487A(c)(1) (42 U.S.C. 288-1(c)(1)) is amended by striking out "1991" and inserting in lieu thereof "1997".

SEC. 502. RESEARCH WITH RESPECT TO ACQUIRED IMMUNE DEFICIENCY SYNDROME.

Title XXIII (42 U.S.C. 300cc et seq.) is amended—

(1) in section 2304(c)(1)—

(A) in the matter preceding subparagraph (A), by inserting after "Director of such Institute" the following: "(and the Directors of other agencies of the National Institutes of Health, as appropriate)"; and

(B) in subparagraph (A), by inserting before the semicolon the following: ", including recommendations on the projects of research that should be given priority with respect to preventing and treating opportunistic cancers and infectious diseases";

(2) in section 2311(a)(1), by inserting before the semicolon the following: ", including evaluations of treatments for opportunistic cancers and infectious diseases";

(3) in section 2315—

(A) by striking out "international research" in subsection (a)(2) and all that follows through the period and inserting in lieu thereof "international research and training concerning the natural history and pathogenesis and the development and evaluation of vaccines and treatments for acquired immune deficiency syndrome, opportunistic infections and other emerging microbial diseases."; and

(B) by striking out "and 1991" in subsection (f) and inserting in lieu thereof "through 1997";

(4) in section 2318—

(A) in subsection (a)(1)—

(i) by inserting after "The Secretary" the following: ", after consultation with the Administrator of the Agency for Health Care Policy and Research,"; and

(ii) by striking out "syndrome" and inserting in lieu thereof "syndrome, including treatment and prevention of HIV infection and related conditions among women";

(B) in subsection (b)(2), by inserting "and treatment" after "prevention"; and

(C) in subsection (e), by striking out "1991." and inserting in lieu thereof "1997";

(5) in section 2320(b)(1)(A), by striking out "syndrome" and inserting in lieu thereof "syndrome and the natural history of such infection"; and

(6)(A) in section 2351(a)—

(i) by redesignating paragraphs (2) through (8) as paragraphs (3) through (9); and

(ii) by inserting after paragraph (1) the following new paragraph:

"(2)(A) shall develop and implement a comprehensive plan for the conduct and support of such research by the agencies of the National Institutes of Health, which plan shall specify the objectives to be achieved, the target date by which the objectives are expected to be achieved, and an estimate of the resources needed to achieve the objectives by such date; and

"(B) shall develop and implement a plan for evaluating the sufficiency of the plan developed under subparagraph (A) and for evaluating the extent to which activities of the National Institutes of Health have been in accordance with the plan;"; and

(B) in section 2301(b)(6), by inserting before the semicolon the following: ", including evaluations conducted under section 2351(a)(2)(B)".

SEC. 503. STUDIES.

(a) CERTAIN DRUG-RELEASE MECHANISMS.—

(1) CONTRACT FOR STUDY.—The Secretary of Health and Human Services shall, subject to paragraph (2), enter into a contract with a public or nonprofit private entity to conduct a study for the purpose of determining, with respect to acquired immune deficiency syndrome, the impact of parallel-track drug-release mechanisms on public and private clinical research, and on the activities of the Commissioner of Food and Drugs regarding the approval of drugs.

(2) INSTITUTE OF MEDICINE.—The Secretary of Health and Human Services shall request the Institute of Medicine of the National Academy of Sciences to enter into the contract under paragraph (1) to conduct the study described in such paragraph. If such Institute declines to conduct the study, the Secretary shall carry out paragraph (1) through another public or nonprofit private entity.

(b) THIRD-PARTY PAYMENTS REGARDING CERTAIN CLINICAL TRIALS.—The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall conduct a study for the purpose of—

(1) determining the policies of third-party payers regarding the payment of the costs of appropriate health services that are provided incident to the participation of individuals as subjects in clinical trials conducted in the development of drugs with respect to acquired immune deficiency syndrome; and

(2) developing recommendations regarding such policies.

(c) ADVISORY COMMITTEES.—The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall conduct a study for the purpose of determining—

(1) whether the activities of the various advisory committees established in the National Institutes of Health regarding acquired immune deficiency syndrome are being coordinated sufficiently; and

(2) whether the functions of any of such advisory committees should be modified in order to achieve greater efficiency.

TITLE VI—NIH DIRECTOR'S DISCRETIONARY FUND, CHILD HEALTH RESEARCH CENTERS, AND INTERAGENCY PROGRAM FOR TRAUMA RESEARCH

SEC. 601. NIH DIRECTOR'S DISCRETIONARY FUND.

(a) IN GENERAL.—Section 402 (42 U.S.C. 282) is amended by adding at the end thereof the following new subsection:

"(g)(1) The Director shall have a Director's discretionary fund that may be used—

"(A) to correct imbalances, to be more responsive to new issues and scientific emergencies, and to act on research opportunities of high-priority;

"(B) to support research that does not fit clearly into the research assignment of any existing Institute; and

"(C) for such other purposes, including the purchase or rental of equipment and space, as the Director determines appropriate.

"(2) There are authorized to be appropriated for the fund established under paragraph (1), $25,000,000 in fiscal year 1993, and such sums as may be necessary in each of the fiscal years 1994 through 1997.".

(b) LITERACY REQUIREMENTS.—Section 402(e) (42 U.S.C. 282(e)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) in paragraph (4), by striking out the period and inserting in lieu thereof "; and"; and

(3) by adding at the end thereof the following new paragraph:

"(5) ensure that, after January 1, 1993, at least one-half of all new or revised health education and promotion materials developed or funded by the National Institutes of Health is in a form that does not exceed a level of functional literacy, as defined in the National Literacy Act of 1991 (Public Law 102-73).".

SEC. 602. CHILD HEALTH RESEARCH CENTERS.

Subpart 7 of part C (42 U.S.C. 285g et seq.) (as amended by section 401) is further amended by adding at the end thereof the following new section:

"SEC. 452B. CHILD HEALTH RESEARCH CENTERS.

"The Director of the Institute shall develop and support centers that will build the research capacity of pediatric institutions and develop pediatric investigators, thereby speeding the transfer of advances from basic science to clinical applications and improving the care of infants and children.".

SEC. 603. ESTABLISHMENT OF INTERAGENCY PROGRAM FOR TRAUMA RESEARCH.

Part B of title IV (42 U.S.C. 284 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 409. INTERAGENCY PROGRAM FOR TRAUMA RESEARCH.

"(a) IN GENERAL.—The Director of NIH shall establish a comprehensive program to conduct and support basic, behavioral, and clinical research on trauma (hereafter in this section referred to as the 'Program'). The Program shall include research regarding the diagnosis, treatment, rehabilitation, general management, and prevention of trauma.

"(b) PLAN FOR PROGRAM.—

"(1) IN GENERAL.—The Director of NIH, in consultation with the Trauma Research Interagency Coordinating Committee established under subsection (b), shall establish and implement a plan for carrying out the activities of the Program. All such activities shall be carried out in accordance with the plan. The plan shall be periodically reviewed by the Director and the Committee, and revised as appropriate.

"(2) SUBMISSION TO CONGRESS.—The Director of NIH shall submit to the Congress the plan required in paragraph (1) not later than April 1, 1993, together with an estimate of the funds needed for each of the fiscal years 1994 through 1995 to implement the plan.

"(c) PARTICIPATING AGENCIES; COORDINATION AND COLLABORATION.—The Director of NIH—

"(1) shall provide for the conduct of activities under the Program by the Directors of each of the National Research Institutes and agencies of the National Institutes of Health involved in research with respect to trauma;

"(2) shall ensure that the activities of the Program are coordinated among the institutes and agencies referred to in paragraph (1); and

"(3) shall, as appropriate, provide for collaboration among the institutes and agencies referred to in paragraph (1) in carrying out such activities.

"(d) CERTAIN ACTIVITIES OF PROGRAM.—The Program shall include—

"(1) studies with respect to all phases of trauma care including prehospital, resuscitation, surgical intervention, critical care, infection control, wound healing, nutritional care and support, and medical rehabilitation, including the physical, cognitive and emotional sequelae;

"(2) basic, clinical, and behavioral research regarding the response of the body to trauma and the acute treatment and medical rehabilitation of individuals who are the victims of trauma; and

"(3) basic, clinical, and behavioral research regarding trauma care for pediatric and geriatric patients.

"(e) BEHAVIORAL FACTORS STUDY.—The Director of NIH shall—

"(1) conduct a study to determine, with respect to traumatic injury, the behavioral, psychological, and cognitive factors associated with injury;

"(2) develop a national plan for the conduct of research on the prevention of traumatic injuries based on the results of the study authorized in paragraph (1).

"(f) MECHANISMS OF SUPPORT.—In carrying out the Program, the Director of NIH, acting through the Directors of each of the Institutes and agencies referred to in the subsection (c)(1), may make grants to public and nonprofit entities, including designated trauma centers, subject to subsection (e).

"(g) RESOURCES.—The Director of NIH shall assure that resources appropriated for the purposes of the Program are made available to carry out Program activities in accordance with the plan referred to in subsection (b).

"(h) COORDINATING COMMITTEE.—

"(1) IN GENERAL.—There shall be established a Trauma Research Interagency Coordinating Committee (hereafter in this section referred to as the 'Coordinating Committee').

"(2) DUTIES.—The Coordinating Committee shall make recommendations regarding—

"(A) the activities of the Program to be carried out by each of the agencies represented on the Committee and the amount of funds needed by each of the agencies for such activities; and

"(B) effective collaboration among the agencies in carrying out the activities.

"(3) COMPOSITION.—The Coordinating Committee shall be composed of the Directors of each of the National Research Institutes and agencies of the National Institutes of Health involved in research with respect to trauma and other individuals the Director of NIH determines appropriate. The Director of NIH shall serve as the chairperson of the Committee.

"(i) DEFINITIONS.—For purposes of this section:

"(1) The term 'designated trauma center' has the same meaning given such term in section 1231(1).

"(2) The term 'prevention research' means the study of the causes of behavior associated with traumatic injury and the psychological and behavioral factors predisposing individuals to traumatic injury.

"(3) The term 'trauma' means any serious injury that could result in loss of life or significant disability and that would meet prehospital triage criteria for transport to a designated trauma center.".

SEC. 604. TRAUMATIC BRAIN INJURY.

(a) IN GENERAL.—Part K of title III is amended by inserting after section 393 (42 U.S.C. 280b–2) the following new section:

"SEC. 393A. TRAUMATIC BRAIN INJURY.

"The Secretary, acting through the Director of the Centers for Disease Control—

"(1) shall conduct a survey to determine which Federal and other entities collect data on traumatic brain injuries and the nature of the data collection systems of such entities; and

"(2) may cooperate and enter into agreements with other Federal agencies and provide assistance to other entities with responsibility for data collection to establish traumatic brain injury as a specific reportable condition or disability in disease and injury reporting systems.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 394 (42 U.S.C. 280b–3) is amended—

(1) by inserting "(a) IN GENERAL.—" after the section designation; and

(2) by adding at the end thereof the following new subsection:

"(b) TRAUMATIC BRAIN INJURY.—For the purposes of carrying out section 393A, there are authorized to be appropriated $2,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.".

TITLE VII—NATIONAL CENTER FOR HUMAN GENOME RESEARCH AND REDESIGNATION OF NATIONAL CENTER FOR NURSING RESEARCH AND DIVISION OF RESEARCH RESOURCES

SEC. 701. PURPOSE OF NATIONAL CENTER FOR HUMAN GENOME RESEARCH.

Title IV is amended—

(1) in section 401(b)(2), by adding at the end thereof the following new subparagraph:

"(E) The National Center for Human Genome Research."; and

(2) in part E, by adding at the end the following new subpart:

"Subpart 4—National Center for Human Genome Research

"SEC. 486B. PURPOSE OF THE CENTER.

"The general purpose of the National Center for Human Genome Research established within the National Institutes of Health (hereafter in this subpart referred to as the 'Center') is to characterize the structure and function of the human genome, including the mapping and sequencing of individual genes. Such purpose includes—

"(1) planning and coordinating the research goal of the genome project;

"(2) reviewing and funding research proposals;

"(3) developing training programs;

"(4) coordinating international genome research;

"(5) communicating advances in genome science to the public; and

"(6) reviewing and funding proposals to address the ethical issues associated with the genome project.".

SEC. 702. REDESIGNATION OF NATIONAL CENTER FOR NURSING RESEARCH AS NATIONAL INSTITUTE OF NURSING RESEARCH.

(a) IN GENERAL.—Subpart 3 of part E of title IV (42 U.S.C. 287c et seq.) is amended—

(1) in the subpart heading, by striking "**Center for**" and inserting "**Institute of**";

(2) in section 483—

(A) in the heading for the section, by striking "CENTER" and inserting "INSTITUTE"; and

(B) by striking "The general purpose" and all that follows through "is" and inserting the following: "The general purpose of the National Institute of Nursing Research (hereafter in this subpart referred to as the 'Institute') is";

(3) in section 484, by striking "Center" each place such term appears and inserting "Institute";

(4) in section 485—

(A) in subsection (a), in each of paragraphs (1) through (3), by striking "Center" each place such term appears and inserting "Institute";

(B) in subsection (b)—

(i) in paragraph (2)(A), by striking "Center" and inserting "Institute";

(ii) in paragraph (3)(A), in the first sentence, by striking "Center" and inserting "Institute"; and

(C) in subsections (d) through (g), by striking "Center" each place such term appears and inserting "Institute".

(b) CONFORMING AMENDMENTS.—

(1) ORGANIZATION OF NATIONAL INSTITUTE OF HEALTH.—Section 401(b) (42 U.S.C. 281(b)) is amended—

(A) in paragraph (1) by adding at the end the following new subparagraph:

"(N) The National Institute of Nursing Research."; and

(B) in paragraph (2), by striking subparagraph (D) and redesignating subparagraph (E) (as added by section 701(1)) as subparagraph (D).

(2) TRANSFER OF STATUTORY PROVISIONS.—Sections 483 through 486, as amended by subsection (a) of this section—

(A) are transferred to part C of title IV of such Act;

(B) are redesignated as sections 464L through 464O of such part; and

(C) are inserted, in the appropriate sequence, after section 464F of such part.

(3) HEADING FOR NEW SUBPART.—Title IV, as amended by the preceding provisions of this section, is amended—

(A) in part C, by inserting before section 464L the following new heading:

"Subpart 14—National Institute of Nursing Research"; and

(B) by striking the heading for subpart 3 of part E.

(4) CROSS-REFERENCES.—Title IV, as amended by the preceding provisions of this section, is amended in subpart 14 of part C—

(A) in section 464M, by striking "section 483" and inserting "section 464L";

(B) in section 464N(g), by striking "section 486" and inserting "section 464O"; and

(C) in section 464O, in the last sentence, by striking "section 485(g)" and inserting "section 464N(g)".

SEC. 703. REDESIGNATION OF DIVISION AS NATIONAL CENTER FOR RESEARCH RESOURCES.

Title IV (42 U.S.C. 281 et seq.) is amended—

(1) in section 401(b)(2)(B), by amending such subparagraph to read as follows:

"(B) The National Center for Research Resources."; and

(2) in part E—

(A) in the heading for subpart 1, by striking "Division of" and inserting "National Center for";

(B) in section 479, by striking "the Division of Research Resources" and inserting the following: "the National Center for Research Resources (hereafter in this subpart referred to as the Center)";

(C) in sections 480 and 481, by striking "the Division of Research Resources" each place such term appears and inserting "the Center"; and

(D) in sections 480 and 481, as amended by subparagraph (C), by striking "the Division" each place such term appears and inserting "the Center".

TITLE VIII—DESIGNATION OF SENIOR BIOMEDICAL RESEARCH SERVICE IN HONOR OF SILVIO CONTE, AND LIMITATION ON NUMBER OF MEMBERS

SEC. 801. SILVIO CONTE SENIOR BIOMEDICAL RESEARCH SERVICE.

Section 228(a) of the Public Health Service Act (42 U.S.C. 237), as added by section 304 of Public Law 101-509, is amended to read as follows:

"(a)(1) There shall be in the Public Health Service a Silvio Conte Senior Biomedical Research Service, not to exceed 750 members.

"(2) The authority established in paragraph (1) regarding the number of members in the Silvio Conte Senior Biomedical Research Service is in addition to any authority established regarding the number of members in the commissioned Regular Corps, in the Reserve Corps, and in the Senior Executive Service. Such paragraph may not be construed to require that the number of members in the commissioned Regular Corps, in the Reserve Corps, or in the Senior Executive Service be reduced to offset the number of members serving in the Silvio Conte Senior Biomedical Research Service (hereafter in this section referred to as the 'Service').".

TITLE IX—REVITALIZATION OF INTRAMURAL RESEARCH PROGRAM

Subtitle A—Authorities of the Director

SEC. 901. MANAGEMENT OF THE INTRAMURAL PROGRAM.

Section 402(b) (42 U.S.C. 282(b)) is amended—

(1) in paragraph (10), by striking out "and" at the end thereof;

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10), the following new paragraph:

"(11) exercise supervision, through the directors of the national research institutes, over the intramural research program of the National Institutes of Health; and".

SEC. 902. EXPEDITED ADMINISTRATION.

(a) REQUIREMENT.—The Secretary of Health and Human Services, Administrator of General Services, Director of the Office of Personnel Management, and Director of the Office of Management and Budget shall provide for the prompt handling of requests from the Director of the National Institutes of Health made pursuant to this Act, or an amendment made by this Act.

(b) APPROVAL.—Requests of the Director of the National Institutes of Health made pursuant to this Act, or an amendment made by this Act, and clearly identified as so by the Director who shall submit a copy of such request to the Secretary, if not acted upon within 90 days of the receipt of such request, shall be considered to be approved.

Subtitle B—Personnel

SEC. 911. MODEL INTEGRATED PERSONNEL SYSTEM FOR NIH.

Part A of title IV (42 U.S.C. 281 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 404. MODEL INTEGRATED PERSONNEL SYSTEM FOR NIH.

"(a) ESTABLISHMENT OF PERSONNEL SYSTEM.—Not later than 1 year after the date of enactment of this section the Secretary, acting through the Director of NIH, shall develop a proposed model integrated personnel system with respect to the personnel of the National Institutes of Health to enable the National Institutes of Health to recruit and retain the highest quality personnel to promote the conduct of efficient, effective and high quality research for the American public. The Director of NIH shall work with appropriate employee organizations and representatives to develop such a system.

"(b) REQUIREMENTS OF SYSTEM.—

"(1) IN GENERAL.—The proposed system developed under subsection (a) shall be designed as an integrated, excepted service system that would provide one type of appointment authority for all employees of the National Institutes of Health, including firefighters, security personnel and procurement officers, with salaries comparable to those prevailing in the private sector for comparable positions.

"(2) TRANSFER RIGHTS AND OTHER FEATURES.—The proposed system developed under subsection (a) shall include—

"(A) provisions to enable employees of the National Institutes of Health currently covered under other personnel systems to transfer to the new system without penalty;

"(B) a flexible benefits program that can be tailored to the needs of the employee; and

"(C) a performance management system (including promotions, portable retirement benefits from universities, rewards, and penalties) that is suitable to the research environment.

"(c) DIRECTOR'S STAFFING AUTHORITY.—Under the proposed system developed under subsection (a), the Director of NIH shall have authority for the staffing of the intramural research program of the Institutes. Such authority may be delegated by the Director of NIH to the directors of the national research institutes.

"(d) SUBMISSION TO CONGRESS.—Not later than 1 year after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report containing the proposed system developed under subsection (a) together with the recommendations of the Secretary concerning the enactment of legislation to apply the proposed system to the National Institutes of Health.".

SEC. 912. SABBATICAL AND TUITION REDUCTION PROGRAM.

Part F of title IV (42 U.S.C. 288 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 490. SABBATICAL AND TUITION REDUCTION PROGRAMS.

"(a) ESTABLISHMENT.—The Secretary, acting through the Director of NIH, may with the approval of the chief executive officer of a State, establish and implement a scientific personnel exchange program with such State.

"(b) OPERATION.—The program established under paragraph (1) for a State shall permit National Institutes of Health scientists to elect to take sabbaticals at State institutions of higher learning, while continuing to be paid as employees of the Federal Government. To be eligible to permit a State institution to accept a scientist on such a sabbatical, the State involved shall offer the children of all intramural scientists at the National Institutes of Health the opportunity to attend such institutions in the State at the rate of tuition applicable to in-State students.

"(c) PLAN.—The chief executive officer of a State desiring to have a program of the type described in subsection (a) implemented in the State shall prepare and submit to the Secretary a plan for such program that shall include—

"(1) a description of the program to be implemented;

"(2) the limitations, if any, on sabbaticals under the program;

"(3) the limitations, if any, on the opportunity of children to attend State institutions; and

"(4) any other information determined appropriate by the Secretary.".

Subtitle C—Warren Grant Magnuson Clinical Center

SEC. 921. RENOVATION AND REPLACEMENT PROGRAM.

Title IV (42 U.S.C. 281 et seq.) (as amended by section 106) is further amended by adding at the end thereof the following new part:

"PART J—RESTORATION AND RENOVATION OF FACILITIES AND INFRASTRUCTURE

"Subpart 1—Warren Grant Magnuson Clinical Center

"SEC. 499N. WARREN GRANT MAGNUSON CLINICAL CENTER RENOVATION AND REPLACEMENT PROGRAM.

"(a) ESTABLISHMENT.—To address the problems existing at the Warren Grant Magnuson Clinical Center (hereafter referred to as the 'Clinical Center'), the Director of NIH may establish and implement a program for the renovation of the existing Clinical Center facility or the construction of a replacement facility. The Director may conduct feasibility studies to determine the appropriate action to be taken concerning the Clinical Center.

"(b) TRANSFER OF LAND.—

"(1) IN GENERAL.—The Secretary, acting through the Director of NIH, is authorized to accept the transfer to the National Institutes of Health of not less than 25 acres of land from other Federal agencies. Such land shall be suitable for the construction of a new research hospital and clinical center. Such land may include land obtained from the Secretary of the Navy, located on the reservation of the National Naval Medical Center, in Bethesda, Maryland.

"(2) USE AGREEMENT AND MEMORANDUM OF UNDERSTANDING.—The Secretary, acting through the Director of NIH, may enter into a Use Agreement and a Memorandum of Understanding with the Administrators, Director, or Secretaries of the appropriate executive branch entity, to accomplish the transfer of property pursuant to paragraph 1.

"(c) REQUIREMENTS.—

"(1) FACILITIES.—Any facility renovated or constructed under this section shall be equipped with a state-of-the-art capacity for beds and necessary laboratories and be comparable to the current Clinical Center complex, with necessary amenities for employees, volunteers, research subjects and visitors, including cafeteria and vehicle parking facilities.

"(2) TRANSFER OF PERSONNEL.—If a new facility is to be constructed under this section, the Secretary may expend amounts necessary to transfer the personnel and administration of the current Clinical Center to the new facility upon its completion.

"(3) COMPLETION.—Notwithstanding any other provisions of law, the renovation or construction performed under this section shall be completed as soon as feasible.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section. Such funds shall be available beginning October 1, 1992, and shall remain available until expended.".

Subtitle D—Acquisition of Land and Facilities

SEC. 931. ACQUISITION OF LAND AND FACILITIES.

Part I of title IV, as added by section 921, is amended by adding at the end thereof the following new subpart:

"Subpart 2—Acquisition of Land and Facilities

"SEC. 499O. PHYSICAL INFRASTRUCTURE FOR RESEARCH.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary, acting through the Director of NIH, may establish and implement a comprehensive program that is designed to provide for the replacement or refurbishment of less than adequate buildings, utility equipment and distribution systems (including the resources that provide electrical and other utilities, chilled water, air handling, and other services that the Secretary, acting through the Director, deems necessary), roads, walkways, parking areas, and grounds that underpin the laboratory and clinical facilities of the National Institutes of Health. Such program may provide for the undertaking of new projects that are consistent with the objectives of this section, such as encircling the National Institute of Health Federal enclave with an adequate chilled water conduit.

"(b) REQUIREMENTS.—

"(1) DESIGN OF PROGRAM.—In establishing the program under subsection (a), the Secretary shall ensure that such program is designed to modernize the existing research and clinical laboratory infrastructure of the National Institutes of Health in the shortest possible time consistent with good stewardship of Federal funds.

"(2) FUTURE EXPANSION.—In designing the program under subsection (a), the Secretary may make reasonable allowance for future expansion and usual employee amenities, such as cafeteria services and vehicle parking.

"(3) NONDISRUPTION OF OPERATIONS.—In carrying out the program established under subsection (a), the Director of NIH shall, to the extent feasible, plan renovations and construction in such a manner that significant elements of the research program at the Institutes are not significantly disrupted.

"SEC. 499P. LEASED FACILITIES.

"The Secretary, acting through the Director of NIH, may lease space as necessary to support the intramural research program of the National Institutes of Health or the related administrative needs in the area near the Bethesda, Maryland, campus or at any satellite facilities without regard to time limit or square foot limit normally required by the Administrator of General Services.

"SEC. 499Q. ACQUISITION OF LAND.

"(a) IN GENERAL.—The Director of NIH may purchase not to exceed a total of 300 acres of land for the establishment of a satellite campus in Maryland for the purpose of enhancing the intramural research capacity of the National Institutes of Health.

"(b) STUDY.—Prior to the purchase of land under subsection (a), the Director of NIH shall conduct a study concerning the expansion needs of the National Institutes of Health and the purpose for which the land is to be purchased. A report concerning such study shall be submitted for approval to the Committee on Appropriations of the House of Representatives, the Committee on Appropriations of the Senate, the Committee on Labor and Human Resources of the Senate, and to the other appropriate committees of Congress.

"SEC. 499R. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary to carry out this subpart. Amounts appropriated under this subsection shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which such amounts are appropriated."

Subtitle E—Procurement

SEC. 941. STUDY.

The Director of the National Institutes of Health and the Administrator of the General Services Administration shall jointly conduct a study to develop a streamlined procurement system for the National Institutes of Health that complies with the requirements of Federal Law.

Subtitle F—General Provisions

SEC. 951. FINDINGS.

Congress finds that participation of women in the National Institute of Health research enterprise and its undertakings is essential to the continued growth of the intramural program and, to this end, efforts should be directed to provide accommodations such as child care so that more women, particularly at the child-rearing stage, can participate as scientists in the intramural research program and as subjects in research programs conducted at the research hospital and clinical center of the National Institutes of Health.

SEC. 952. DAY CARE.

Part G of title IV is amended by inserting after section 496 (42 U.S.C. 289e) the following new section:

"SEC. 496A. DAY CARE.

"(a) PROVISION OF FUNDS.—The Director of NIH may establish a program under which the Director will provide assistance to day care providers in amounts equal to the amounts paid by employees of the National Institutes of Health to such providers to enable such employees to afford appropriate day care for their children.

"(b) SLIDING SCALE.—The amount of funds to be provided by the Director of NIH on behalf of an employee under subsection (a) shall be based on a sliding scale developed by the Director that takes into consideration the income and needs of the employee.

"(c) FEES.—The Director of NIH may assess a nominal fee to employees and day care providers who receive assistance under this section to be utilized to offset the cost of the administration, operation and upkeep of the day care assistance program.

"(d) OTHER SERVICES.—The Director of NIH may provide for the availability of day care service on a 24-hour-a-day basis if the Director considers such appropriate to meet the needs of employees. In order to accommodate these needs, the Director is further authorized to enter into a rental or lease purchase agreements as needed.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section. Amounts appropriated under this subsection shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which such amounts are appropriated.".

TITLE IX—MISCELLANEOUS PROVISIONS

SEC. 1001. PAPERWORK REDUCTION.

Section 465(d)(2) (42 U.S.C. 286(d)(2)) is amended—

(1) by striking out "Rules" and inserting in lieu thereof "Notwithstanding any other provision of law, rules";

(2) in subparagraph (B), by striking out "or" at the end thereof;

(3) in subparagraph (C), by striking out the period and inserting in lieu thereof ", or"; and

(4) by adding at the end thereof the following new subparagraph:

"(D) under licensing arrangements that provide for quality control and full recovery of access costs.".

SEC. 1002. NATIONAL COMMISSION ON SLEEP DISORDERS RESEARCH.

The Secretary of Health and Human Services shall, not later than 6 months after the submission of the final report of the National Commission on Sleep Disorders Research, prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that analyzes the findings and recommendations of the Commission and presents a plan for the conduct and support of sleep disorders research at the National Institutes of Health.

SEC. 1003. CHRONIC FATIGUE SYNDROME.

(a) REPORT ON RESEARCH ACTIVITIES.—The Secretary of Health and Human Services shall, not later than October 1, 1992, and annually thereafter for the next 3 years, prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report that summarizes the research activities conducted or supported by the National Institutes of Health concerning Chronic Fatigue Syndrome. Such report should include information concerning grants made, cooperative agreements or contracts entered into, intramural activities, research priorities and needs, and a plan to address such priorities and needs.

(b) EXTRAMURAL STUDY SECTION.—Not later than 6 months after the date of enactment of this Act, the Secretary of Health and Human Services shall establish an extramural study section for Chronic Fatigue Syndrome Research.

(c) REPRESENTATIVES.—The Secretary of Health and Human Services, acting through the Director of the National Institutes of Health, shall ensure that appropriate individuals with expertise in chronic fatigue syndrome or neuromuscular diseases and representative of a variety of disciplines and fields within the research community are appointed to appropriate National Institutes of Health advisory committees and boards.

SEC. 1004. TRANSFER OF PROVISIONS.

(a) IN GENERAL.—Section 12 of the Health Research Extension Act of 1985 (42 U.S.C. 285e–2 note) is—

(1) transferred to subpart 5 of part C of title IV of the Public Health Service Act (42 U.S.C. 285e et seq.);

(2) redesignated as section 445G; and

(3) inserted after section 445F (42 U.S.C. 285e–8).

(b) AVAILABILITY OF APPROPRIATIONS.—With respect to amounts made available in appropriations Acts for the purpose of carrying out the Program transferred by subsection (a) to the Public Health Service Act, such subsection shall not be construed to affect the availability of such funds for such purpose.

(c) TECHNICAL AMENDMENT.—Section 445G(a) of such Act (as so redesignated) is amended by striking out "and its incidence in the United States".

SEC. 1005. BIENNIAL REPORT ON CARCINOGENS.

Section 301(b)(4) (42 U.S.C. 241(b)(4) is amended by striking out "an annual" and inserting in lieu thereof "a biennial".

SEC. 1006. NATIONAL INSTITUTE OF ALLERGY AND INFECTIOUS DISEASES.

Section 446 (42 U.S.C. 285(f)) is amended by inserting before the period the following: ", including tropical diseases".

SEC. 1007. HEALTH PROMOTION RESEARCH DISSEMINATION.

Section 402(f) of the Public Health Service Act (42 U.S.C. 282(f)) is amended by striking out "other public and private entities." and all that follows through the end thereof and inserting "other public and private entities, including elementary, secondary, and postsecondary schools. The Associate Director shall—

"(1) annually review the efficacy of existing policies and techniques used by the national research institutes to disseminate the results of disease prevention and behavioral research programs;

"(2) recommend, coordinate, and oversee the modification or reconstruction of such policies and techniques to ensure the maximum dissemination, using advanced technologies to the maximum extent practicable, of research results to the target audiences; and

"(3) annually prepare and submit to the Director of NIH a report concerning the prevention and dissemination activities undertaken by the Associate Director, that shall include—

"(A) a summary of the Associate Director's review of existing dissemination policies and techniques together with a detailed statement concerning any modification or restructuring, or recommendations for modification or restructuring, of such policies and techniques; and

"(B) a detailed statement of the expenditures made for the prevention and dissemination activities reported on and the personnel used in connection with such activities.".

SEC. 1008. STUDY ON THE RELATIONSHIP BETWEEN THE CONSUMPTION OF LEGAL AND ILLEGAL DRUGS.

(a) PURPOSES.—The purpose of this study is to provide the Secretary of Health and Human Services (hereafter in this section referred to as the "Secretary") and the Congress with assistance in designing prevention programs to reduce the likelihood of drug abuse.

(b) STUDY.—The Secretary of Health and Human Services shall review and consider all existing relevant data and research concerning whether there is a relationship between an individual's receptivity to use or consume legal drugs and the consumption or abuse by the individual of illegal drugs. On the basis of such review, the Secretary shall determine whether additional research is necessary. If the Secretary determines additional research is required, the Secretary shall conduct a study of those subjects where the Secretary's review indicates additional research is needed, including, if necessary, a review of—

(1) the effect of advertising and marketing campaigns that promote the use of legal drugs on the public;

(2) the correlation of legal drug abuse with illegal drug abuse; and

(3) other matters that the Secretary determines appropriate.

(c) REPORT.—Not later than 12 months after the date of enactment of this Act, the Secretary shall prepare and submit, to the Committee on Energy and Commerce of the House of Representatives and Committee on Labor and Human Resources of the Senate, a report containing the results of the review conducted under subsection (b). If the Secretary determines additional research is required, no later than 2 years after the date of enactment of this Act, the Secretary shall prepare and submit, to the Committee on Energy and Commerce of the House of Representatives and Committee on Labor and Human Resources of the Senate, a report containing the results of the additional research conducted under subsection (b).

(d) LIMITATION.—For purposes of this section, the terms "legal drugs" and "illegal drugs" do not include beverage alcohol or tobacco products.

SEC. 1009. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Part G of title IV is amended by inserting after section 496 (42 U.S.C. 289e) the following new section:

"SEC. 496A. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

"(a) IN GENERAL.—The Director of the National Institutes of Health, acting through the Director of the National Center for Research Resources, shall establish a program, to be known as the 'Experimental Program to Stimulate Competitive Research', to assist those States that—

"(1) have historically received little Federal research and development funding relative to other States; and

"(2) have demonstrated a commitment to developing their research bases and improving the biomedical and biotechnical research and education programs at their universities and colleges.

"(b) GRANTS.—The Director of NIH may award grants under the program established under subsection (a) to States to assist such States in establishing plans to enhance health-related research capabilities. Grants may also be awarded for the purpose of implementing plans made in accordance with the purposes of this section.

"(c) MATCHING REQUIREMENT.—Amounts provided to a State under this section shall be matched by such State at a rate to be established by the Director of NIH.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $2,000,000 for fiscal year 1993, and such sums as may be necessary for each of the fiscal years 1994 through 1997.

"(e) DEFINITION.—For purposes of this section, a State described in subsection (a)(1) shall be a State that has, with respect to institutions in that State, experienced (on average over time) low success rates relative to such rates in other States, in obtaining research awards from the National Institutes of Health.".

SEC. 1010. REQUIREMENTS FOR STANDING APPROVAL OF UNFUNDED PROJECTS.

Any proposal for research that has received review and approval in accordance with applicable requirements of section 491 and 492 of the Public Health Service Act on or after January 1, 1988, and prior to the date of enactment of this Act, and for which funding has been withheld or withdrawn by the Secretary of Health and Human Services, the Director of the National Institutes of Health, or any Director of an Institute or Agency of such National Institutes, for reasons other than insufficient funds or disciplinary action, shall be considered to have been recommended for approval for the purposes of section 492A(b)(1) of such Act upon resubmission of such proposal or an amended proposal. Such resubmission shall be made in accordance with the applicable requirements of such section 491 and 492A(a)(1)(A).

SEC. 1011. STUDY CONCERNING MALNUTRITION IN THE ELDERLY.

(a) STUDY.—

(1) IN GENERAL.—The Secretary of Health and Human Services (referred to in this section as the "Secretary"), acting through the National Institute on Aging, coordinating with the Agency for Health Care Policy and Research and, to the degree possible, working in cooperation with the head of the National Nutrition Monitoring System, established under section 1428 of the Food and Agriculture Act of 1977 (7 U.S.C. 3178), shall conduct a 3-year nutrition screening and intervention activities study.

(2) EFFICACY AND COST-EFFECTIVENESS OF NUTRITION SCREENING AND INTERVENTION ACTIVITIES.—In conducting the study, the Secretary shall determine the efficacy and cost-effectiveness of nutrition screening and intervention activities conducted in the elderly health and long-term care continuum, and of a program that would institutionalize nutrition screening and intervention activities. In evaluating such a program, the Secretary shall determine—

(A) if health or quality of life is measurably improved for older individuals who receive routine nutritional screening and treatment;

(B) if federally subsidized home or institutional care is reduced because of increased independence of older individuals resulting from improved nutritional status;

(C) if a multidisciplinary approach to nutritional care is effective in addressing the nutritional needs of older individuals; and

(D) if reimbursement for nutrition screening and intervention activities is a cost-effective approach to improving the health status of older individuals.

(3) POPULATIONS.—The populations of older individuals in which the study will be conducted shall include populations of older individuals who are—

(A) living independently, including—

(i) individuals who receive home and community-based services or family support; and

(ii) individuals who do not receive additional services and support;

(B) hospitalized, including individuals admitted from home and from institutions; and

(C) institutionalized in residential facilities such as nursing homes and adult homes.

(b) MALNUTRITION STUDY.—The Secretary, acting through the National Institute on Aging, shall conduct a 3-year study to determine the extent of malnutrition in older individuals in hospitals and long-term care facilities and in older individuals who are living independently.

(c) REPORT.—The Secretary shall submit a report to the Committee on Labor and Human Resources of the Senate and the Committee on Energy and Commerce of the House of Representatives containing the findings resulting from the studies described in subsections (a) and (b), including a determination regarding whether a program that would institutionalize nutrition screening and intervention activities should be adopted, and the rationale for the determination.

(d) ADVISORY PANEL.—

(1) ESTABLISHMENT.—The Secretary, acting through the Director of the National Institute on Aging, shall establish an advisory panel that shall oversee the design, implementation, and evaluation of the studies described in subsections (a) and (b).

(2) COMPOSITION.—The advisory panel shall include representatives appointed for the life of the panel by the Secretary from organizations that include the Health Care Financing Administration, the Social Security Administration, the National Center for Health Statistics, the Administration on Aging, the National Council on the Aging, the American Dietetic Association, and the American Academy of Family Physicians.

(3) COMPENSATION AND EXPENSES.—

(A) COMPENSATION.—Each member of the advisory panel who is not an employee of the Federal Government shall receive compensation at the daily equivalent of the rate specified for level V of the Executive Schedule under section 5316 of title 5, United States Code, for each day the member is engaged in the performance of duties for the advisory panel, including attendance at meetings and conferences of the panel, and travel to conduct the duties of the panel.

(B) TRAVEL EXPENSES.—Each member of the advisory panel shall receive travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, for each day the member is engaged in the performance of duties away from the home or regular place of business of the member.

(4) DETAIL OF FEDERAL EMPLOYEES.—On the request of the advisory panel, the head of any Federal agency shall detail, without reimbursement, any of the personnel of the agency to the advisory panel to assist the advisory panel in carrying out its duties. Any detail shall not interrupt or otherwise affect the civil service status or privileges of the Federal employee.

(5) TECHNICAL ASSISTANCE.—On the request of the advisory panel, the head of a Federal agency shall provide such technical assistance to the advisory panel as the advisory panel determines to be necessary to carry out its duties.

(6) TERMINATION.—Notwithstanding section 15 of the Federal Advisory Committee Act (5 U.S.C. App.), the advisory panel shall terminate 3 years after the date of enactment of this Act.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section, and not less than $3,000,000, for each of fiscal years 1993 through 1995.

SEC. 1012. GENERAL PROVISIONS.

Section 405 (42 U.S.C. 284) is amended—

(1) in subsection (b)(1)—

(A) in the matter preceding subparagraph (A) of paragraph (1)—

(i) by striking out "human diseases" and inserting in lieu thereof "human disease";

(ii) by striking out "for which the national research institutes were established"; and

(iii) by inserting "and agency of the National Institutes of Health" after "each national research institute";

(B) in subparagraph (K), by striking out "and" at the end thereof;

(C) in subparagraph (L), by striking out the period and inserting in lieu thereof "; and";

(D) by adding immediately after subparagraph (L) the following new subparagraph:

"(M) may, notwithstanding any other provision of law, in disseminating information pursuant to this section and other laws, enter into licensing agreements that provide for quality control and the full recovery of access costs."; and

(E) by adding at the end thereof the following new sentence: "For purposes of Federal income, estate, and gift taxes, any gift accepted under subparagraph (H) shall be considered to be a gift or transfer to the United States.";

(2) in the matter preceding subparagraph (A) of subsection (b)(2), by inserting "and agency of the National Institutes of Health" after "research institute"; and

(3) in subsection (c)—

(A) by inserting "and agency of the National Institutes of Health" after "national research institute" in the matter preceding paragraph (1);

(B) by inserting "or agency" after "institute" in paragraph (1); and

(C) in paragraph (2)—

(i) by inserting "and agencies" after "institutes"; and

(ii) by inserting "or agency" after "institute".

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that Laura Brown, a legislative fellow in Senator ADAMS' office, be permitted to be on the floor during today's proceedings.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. I ask unanimous consent that a health fellow on Senator MITCHELL's staff, Christie Provost, have privileges of the floor during the consideration of H.R. 2507.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, the legislation now before the Senate to reauthorize the National Institutes of Health is a major opportunity to guarantee American's leadership and excellence in biomedical research through the end of this century.

Today, we are on the threshold of breakthroughs unimaginable even a few years ago when he last reauthorized the NIH in 1988. Congress and the American people should be proud of this investment in NIH and the emphasis placed on maintaining global preeminence in biomedical research.

Today, we are also on the threshold of establishing a new era of freedom of science. The ultimate goal of biomedical research is to improve health and save lives. But because of the rapid pace of progress in biomedical technology, society has had trouble keeping up with the moral and ethical dilemmas posed by new and unfamiliar technology. However, NIH has long predicted the dilemmas that would arise and has addressed these questions head on in a rational manner throughout its history.

I am aware that the bulk of debate on this bill has been devoted to the issue of fetal tissue research. This issue is of vital importance and deserves thoughtful consideration by this Chamber. The measure that Senator ADAMS and I have included in the bill promises to save many lives But I want to emphasize that there is much more to this bill that also promises to advance health research in this country.

The National Cancer Institute has done an outstanding job in the development of new approaches to the treatment of the serious threat posed by cancer, second only to cardiovascular disease as a cause of death. Remarkable progress has been made in the diagnosis, treatment, and prevention of cancer in almost all disease in many of its forms. The gains in all areas of research hold out promise for the development of new cures.

However, over a million new cases of cancer are reported annually, with a death toll of nearly half a million. These numbers, which encompass all age groups, make it essential that the Government support ample research to find cures and better treatments to alleviate the suffering caused by cancer, and to reduce the enormous costs of the disease in terms of lost wages and lost human potential.

The NCI has made significant advances in the development of genetic treatments for cancer. These techniques are opening new doors in our understanding of the origins and treatment of diseases. We cannot allow these advances to stop.

Breast cancer is the most frequent major cancer in women and prostate cancer is the most frequent major cancer in men. In 1992, approximately 180,000 new cases of breast cancer and approximately 132,000 new cases of prostate cancer will be diagnosed. This legislation supports the need for additional research and increased emphasis by NCI on these cancers. The legislation also strengthens the extramural programs at the NCI for the prevention, diagnosis, treatment, and cure of these diseases.

In addition, the legislation authorizes a 43-percent increase over fiscal year 1992 appropriations for the National Heart, Lung, and Blood Institute. The increase will make possible a success rate of 35 percent for new and competing grants, and protect grantees from budget cuts. Despite the budget squeeze of recent years, the National Heart, Lung, and Blood Institute has continued research of the same high quality that has led to the 46-percent reduction in the death rate from cardiovascular diseases since 1970. The Institute will also be receiving support for its exploration and development of new areas of research opportunity, such as molecular biology.

Reauthorization of the NHLBI includes funding for the national research and demonstration centers for heart, blood vessel, lung and blood diseases, sickle cell anemia and blood disorders. These programs mirror the successful comprehensive cancer centers program of the National Cancer Institute, which has led to new discoveries in cancer prevention and treatment and effective dissemination of information to patients, physicians, and other health care professionals.

This bill provides new authority for centers for the study of prevention, diagnosis, and treatment of cardiovascular diseases in children. Cardiovascular diseases causes significant disability and death in children in the United States. Congenital heart disease, the most common birth defect, affects 8 of every 1,000 newborns. Acquired heart diseases, such as rheumatic heart disease, Kawasaki disease, and heartbeat irregularities, accounted for over 50,000 hospital admissions in 1990. These multidisciplinary research centers offer the potential for advancing knowledge in biochemistry, molecular biology, genetics, and bioengineering in all of these diseases.

In the United States heart disease is still the primary cause of total and permanent disability, but lung diseases are the fastest growing cause of total and permanent disability and death. These increases have been particularly great in women.

This bill expands the research programs at NHLBI on the effectiveness of cardiopulmonary disease prevention and control strategies and moreover, the results to this research will be disseminated rapidly to health professionals, health educators, and the general public.

NIH has not had general construction authority since the Health Research Facilities Act of 1956 ran out in 1972. Categorical authorities for the National Cancer Institute, the National Heart, Lung, and Blood Institute, and the National Eye Institute did not receive appropriations for the past several years. Dwindling Federal support over the last 20 years has resulted in a serious backlog of needed construction and maintenance. Much construction and renovation of physical plant goes on continually with non-Federal funds. But the growth of biomedical research has created needs for maintenance, renovation, and expansion that have considerably surpassed the means of the non-Federal sector at a time when Federal construction support has been largely withdrawn.

According to increasing reports, research progress is being curtailed for lack of space or for lack of properly maintained or renovated space. The Nation's health facilities are slowly deteriorating, and a new Federal construction program is needed to replace outmoded facilities, relieve overcrowding, and accommodate changing research requirements.

The program proposed in this bill begins to rebuild the infrastructure necessary for medical research progress to be made at a rapid pace. The legislation creates a matching grants program at the NIH in the Center for Research Resources for construction and maintenance of biomedical and behavioral research facilities.

Another vital issue addressed by this legislation is the lack of information on women's health. Too little effort is made to involve women in clinical research. In 1985, the Public Health Service Task Force on Women's Health Issues released a report assessing the status of women's health in America. One of the Task Force's principal recommendations was that biomedical and behavioral research be expanded to assure adequate emphasis on conditions and diseases unique to, or prevalent among, women in all age groups.

The failure to include women as subjects of research at NIH has had serious consequences. Heart disease, among all diseases, claims the greatest number of women's lives in this country. Yet all of the major studies of the cause and prevention of heart disease have only involved men. A 1988 study of 22,000 physicians funded by the Heart, Lung and Blood Institute found that aspirin prevent heart attacks in men. Doctors subsequently recommended that older men at increased risk for heart disease take an aspirin every other day. They specifically stated, however, that they could not offer women the same advice.

In addition, no women were included in a major study that examined premature heart disease in 13,000 men over a period of 15 years. Nor were women included in the 15-year coronary primary prevention trial that studied the effects of lower cholesterol levels in 4,000 men, despite evidence that women's cholesterol levels typically increase after menopause and are affected by factors such as smoking or the use of oral contraceptives.

The lack of studies on women's health has resulted in second rate care for women. This legislation supports NIH plans to study aging, disease morbidity and mortality in women, and to create an Office of Research on Women's Health.

Finally, on the issue of fetal tissue transplantation research, the tradition of scientists seeking outside guidance on ethical and moral questions are involved led to the controversy in which we are embroiled now. In 1987, James Wyngaarden, then Director of NIH, was prepared to proceed with experimental transplantation of fetal tissue into a patient with Parkinson's disease. It was within his authority to go forward, but he decided to seek guidance from the Assistant Secretary of DHHS. The result was the current administration ban, which is unjustified on scientific, ethical, or humane grounds.

In 1988, the NIH Human Fetal Tissue Transplantation Research Panel, appointed by the Reagan administration, concluded after extensive study that support for such research is "acceptable public policy." The panel proposed guidelines and procedures to address concerns about maintaining a wall of separation between research and abortion. The NIH panel included theologians, physicians, scientists, and lawyers, many of whom are opposed to abortion. They carefully considered, in public forums, the ethical, legal, and scientific ramifications of this research and voted overwhelmingly that it should go forward. The Advisory Committee to the Director of NIH unanimously approved the panel's report. Two NIH directors and one acting director have said that this research should proceed.

The denial of support for merit-approved projects by the administration inhibits research that has great promise for helping millions of Americans with otherwise incurable diseases. Fetal tissue transplantation research has real potential for developing treatments for Parkinson's disease, Alzheimer's disease, diabetes, spinal cord injury, and other chronic diseases and disorders, including cancer and a wide range of birth defects and genetic diseases.

For many of these afflictions, no other area of research offers promise of this magnitude. There is also great potential, through research on in vitro fertilization, for helping thousands of infertile couples.

The sinister picture that opponents have painted of an illicit trade in fetal tissue involving researchers, physicians, donors, and others bears no relation to reality.

Today, privately funded research using fetal tissue, including transplantation research, is conducted with strict, self-imposed guidelines. Researchers do not get involved in the abortion decision or procedure. Indeed, for researchers who are funded publicly, such involvement is prohibited by Federal regulation. Nevertheless, lack of NIH involvement in transplantation research leads to a lack of oversight in the private sector. The pending legislation will correct this omission.

Many of my colleagues are wrestling with this issue. They want very much to move this vital research forward, but they share the concern of the administration that the research may increase the incidence of abortion.

There is no evidence to substantiate that concern. The NIH task force found no evidence to support it—and some evidence to refute it. The task force recommended safeguards to separate abortion from research.

The decision to terminate a pregnancy is highly personal and complex. There is no evidence to suggest that women will be more likely to have abortions because of the knowledge that fetal tissue can be used for medical research. Fetal tissue has been used for research since the 1950's, with no link to the incidence of abortion.

Such an incentive is especially unlikely, since there would be no assurance that the tissue from a particular abortion could or would be used for research. In fact, evidence presented before the committee at a hearing on November 21, 1991, indicates that recent success in the private sector with fetal-to-fetal transplantation to correct genetic defects could actually lead to reductions in the incidence of abortion, if the research were to receive Federal support.

The legislation includes safeguards to prevent any abuse. We have strengthened the safeguards by talking with Members opposed to abortion and incorporating changes to address their concerns.

As Congressman WAXMAN and other witnesses eloquently asked at a hearing before the committee last fall, is it better to discard tissue than to use it to save lives? Do we question the reasons for the death of an organ donor before we accept the donation? Isn't saving a life after another death the most pro-life position we can take? I urge the Senate to lift this current irrational ban and allow this lifesaving research to proceed. And in reaching their decision on this critical issue. I also urge my colleagues to read the eloquent and extremely moving and extremely personal "Dear Colleague" letter that Senator THURMOND has written to each of us in support of this provision.

In this bill as a whole, there are many other worthwhile provisions. We all understand what is at stake, because there are few better investments in our future than the investment we make in health research. Passage of this bill will mark the beginning of a new era of creative support for the Nation's scientists, and insure that the United States remains the world leader in biomedical research. This measure has broad legislative support, and I urge the Senate to approve.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah [Mr. HATCH] is recognized.

Mr. HATCH. Mr. President, I have enjoyed the comments of my distinguished colleague from Massachusetts, and I am pleased the Senate is acting today on H.R. 2507, the National Institutes of Health Reauthorization Act of 1992.

The National Institutes of Health is the world's finest biomedical research institution. For over 100 years, the NIH has demonstrated scientific excellence in its research on diseases and on the fundamental secrets of human health.

In nearly half a century since World War II, the Agency has led our Nation's and the world's biomedical research effort through work both in its own laboratories and by its support of researchers in laboratories all over the country.

Today, the National Institutes of Health is a $9 billion Federal research agency, and it confronts new challenges in the way it must fulfill its mission.

Like all Federal agencies, NIH must try to do more with less. It must deal with the concerns about indirect costs and scientific integrity, and it must face the difficult ethical questions that inevitably flow from progress in biomedical research.

Nonetheless, the National Institutes of Health is responding to these challenges. I want to commend Secretary Louis Sullivan, Dr. James Mason, and Dr. Bernadine Healey for their leadership of this premier research institution.

The NIH is now in the midst of a planning process that will identify specific areas of biomedical research needs and opportunities.

This planning process has solicited the advice and guidance of scientists throughout the country so that scientific thought, not politics, will define NIH goals and objectives.

This is an important and complex process. Moreover, it is an ongoing one. Science is certainly not static. We should give sufficient latitude to the Secretary to permit the Agency to adjust to changing scientific priorities and findings.

The history of biomedical research has not only demonstrated that new knowledge can be readily applied to new therapies, but also that entire new fields, such as biotechnology, can be opened.

Mr. President, I suspect that there is not one Member of this body who does not believe that biomedical research has not paid off handsomely over the years. The support of basic research has the potential to increase jobs and products. Therefore, we must not overlook the fact that our investment in research and in research training leads not only to new knowledge, but also to improved strength of our economy.

I enthusiastically join with my colleagues from both sides of the aisle in singing the praises of the National Institutes of Health. There are many provisions in this bill I wholeheartedly support.

For example, I support the provision concerning the National Research Service Awards, which provide grants to encourage women, underrepresented minorities, and individuals from disadvantaged backgrounds into biomedical or behavioral research.

The wisdom of encouraging students in research fields was recognized years ago by Dr. Vannevar Bush, science adviser to President Franklin Roosevelt and well-known for defining a role for the Federal Government's support of science. He said, and I quote:

> The responsibility for the creation of new scientific knowledge—and for most of its application—rests on that small body of men and women who understand the fundamental laws of nature and are skilled in the techniques of scientific research. We shall have rapid or slow advance on any scientific frontier depending on the number of highly qualified and trained scientists exploring it.

Mr. President, we must support the endless frontier of science; no American should be denied this opportunity regardless of race, creed, or sex.

And, Mr. President, there is the research itself. Science and medicine have added an average 26 years of life to Americans in this century, and the broad ambitions of biomedical investigators are that medical research will add improved quality to those extra years of life.

There is no better example of this than in the area of human genetics. Scientists have just recently identified the genes that cause Duchenne muscular dystrophy, cystic fibrosis, and a little-known disease called the fragile X syndrome, a disorder that results in mental retardation. Moreover, the genetic determinants of asthma, cardiovascular disease, and some kinds of cancer are now within our grasp.

The past year has been an extraordinary year for progress in biomedical research. This winter, scientists in the National Cancer Institute began testing an exciting new form of cancer treatment, treatment that enlists the patient's own immune system in fighting off the disease. The prospect that such a cancer treatment could be added to our arsenal of weapons against cancer, a disease that still kills about 520,000 Americans every year, is thrilling. This hope is precious to patients and families whose doctors tell them, "There is nothing more we can do."

Such discoveries—and discoveries to follow—capture our imaginations. We can hope that our loved ones may not have to suffer the pain of cancer or AIDS; we can hope that they do not die prematurely from heart disease; we can hope that their lives will not be hindered by a disability.

Another devastating disease that affects hundreds of thousands of Americans is Alzheimer's disease. NIH-supported scientists have recently identified a mistake in the normal gene sequence that appears to be responsible for the inheritance of this disease in three generations of a midwestern family.

This genetic research gives us a lead on the possible cause of Alzheimer's. It holds out hope that, ultimately, researchers will discover the cause and develop a treatment, and a cure, to help patients and families burdened by this terrible illness. But medical research offers more than hope; the fruits of scientific investigation deliver tangible benefits to Americans.

This year, for example, an NIH-sponsored study has shown the benefits of a new treatment regimen for chronic congestive heart failure, which affects 2 to 3 million Americans yearly and is the leading cause of hospitalization among people over age 65.

In patients taking the drug called enalapril, there was a 13-percent reduction in cardiovascular deaths and a 21-percent reduction in deaths due primarily to progressive heart failure. Dissemination of this research to practicing physicians saves both lives and medical care for thousands of patients.

Another example is a recently completed clinical trial supported by the National Institutes of Health. It has been shown that treating a certain type of high blood pressure, often thought to be a natural part of aging, with a simple, inexpensive diuretic would result in 24,000 fewer strokes and 50,000 fewer cardiovascular events, such as heart attacks, each year.

The treatment could reduce the incidence of stroke by one-third and save the Nation more than $200 million each year. And, a nice fringe benefit, Mr. President, is that this treatment costs only about 25 cents a day.

In my home State of Utah, several activities are underway in biomedical research funded by NIH. In 1991, Utah scientists were awarded over 250 research project grants totaling about $50 million in supported research funds from the National Institutes of Health. These scientists are all doing front-line research.

For example, Dr. Raymond White in the department of human genetics at the University of Utah is aggressively constructing sets of genetic markers to serve as "tools" to map and identify human genes responsible for common disorders such as cancer, cardiovascular disease, or mental illness.

Dr. Mark Skolnick, also at the University of Utah, is conducting investigations into genetic epidemiology of cancer and predisposing lesions. He has computerized the genealogical records of every family registered in the State and is looking for families that are predisposed for a particular cancer, such as cancer of the colon or breast.

Another Utahn, Dr. Catherine Rappaport, with Technical Research Associates, is developing systems for the extraction and culturing of adult neurons to be used in the process of evaluating various pharmaceuticals, such L–DOPA, for treating neural degenerative disorders, which can be administered in the management of Parkinson's disease.

Americans continue to depend on the NIH for research leadership in conquering some old public health enemies including measles and tuberculosis.

Although we thought that TB was virtually a disease of the past in our country, we have seen an alarming reemergence of TB in the past 6 years. The problem of treating it in the 1990's is compounded by the emergence of TB strains resistant to most of the medications available for treating TB infection.

I am encouraged that the National Institute of Allergy and Infectious Diseases has recently focused increased attention on the need for better tuberculosis diagnosis and treatment.

In the field of AIDS and HIV infection, research supported by the National Institutes of Health led to the development of AZT and other drugs active against HIV, the virus that causes AIDS.

Today, I had visit me in my office Eileen Getty who has HIV, and now full-blown AIDS. She is a heroine to me because she has been fighting for the rights of women, realizing the incidence of HIV positive signs in women are increasing at an annual rate of 15 percent, compared to 4 or 5 percent for males. This is an important mission. I was impressed with her and the willingness to come forward and let people know that she has full-blown AIDS and is willing to stand up and fight against this terrible disease, this terrible virus.

H.R. 2507 has other key provisions that equip the National Institutes of Health to address these challenges.

There are provisions for strengthening the infrastructure of biomedical research by expanding construction grants to improve existing research facilities and to support construction of new research facilities. The bill enhances the scientific expertise at the National Institutes of Health by recruiting and training women and minorities in biomedical or behavioral research.

It reaffirms the importance of senior biomedical researchers by helping to ensure that salaries and opportunities available to scientists in the Federal sector are competitive with those in the private sector. It also enhances the ability of institutions in rural States to compete for the National Institutes of Health research grants.

All of these components will enhance the ability of the National Institutes of Health to conduct and to sponsor first rate research that is critical to our national battle against disease. This fight includes attacking those diseases that uniquely or disproportionately affect women, such as breast, ovarian, and cervical cancers.

Moreover, this bill affirms the absolute necessity of including women and minorities in clinical trials for treatment of diseases that affect both men and women. We recognize the recent efforts of the Department of Health and Human Services to correct the current deficiency of clinical trials in this regard. We urge the National Institutes of Health to continue this progress, and I suspect some of these accomplishments are because of Bernadine Healy, a woman who is running and directing the National Institutes of Health, and doing, in my opinion, a very splendid job.

Mr. President, while I support many of the provisions in the bill, I find a few that are troubling. In fact, I voted against reporting H.R. 2507 from the Labor and Human Resources Committee for three reasons:

First, it divests the Secretary of Health and Human Services of discretionary authority necessary to administer the programs of the National Institutes of Health.

The bill codifies many existing programs that have satisfactorily evolved precisely because the Secretary and the Director of the National Institutes of Health have had the flexibility to amend them from time to time to meet the ever changing health needs of our country.

These programs did not require legislation to create them and do not require legislation to keep them working. I view these micromanagement provisions, such as special requirements and unnecessary advisory committees, as intrinsically harmful to the National Institutes of Health scientific programs and disruptive to their management.

I do not believe that just because a policy or practice at the NIH is desirable today we ought to carve it in stone. Science is so evolutionary that we should not require an act of Congress in order for our health research agency to adapt to it.

Second, this bill, if it were to become law, would not allow the Secretary of Health and Human Services to disapprove peer reviewed scientific research on ethical grounds. We do not believe that science policy develops in a moral vacuum.

In a democratic society, responsible science policy judgments require balancing scientific pursuits, their social consequences, both short- and long-term, and the ethical significance of these considerations. This legislation silences the Secretary and excludes him from the deliberative process.

The Department of Justice has raised important constitutional objections to allowing unelected and unconfirmed ethics advisory panels to usurp the authority of the Secretary in this regard.

Persons exercising significant authority pursuant to the laws of the United States, such as the authority to make grants, confer financial assistance, or to enter into contracts, must be appointed in conformity with the appointments clause of the Constitution and must be subject to the supervisory power vested in the President and his delegates.

To the extent that the provisions of this legislation vest unreviewable control in any panel without allowing for the Secretary's oversight, review, and decision, such provisions would violate the appointments clause and raise serious constitutional questions. One relevant section from the Department of Justice letter reads as follows:

> Proposed new section 492(b)(1) * * * would prevent the Secretary from withholding funding for research on ethical grounds unless he convenes an ethics advisory board to study the ethical implications of the research and unless the majority of the ethics board recommends that he withhold the funds on ethical grounds. Because the members of the ethics advisory board would exercise "significant authority pursuant to the laws of the United States," Buckley, 424 U.S. at 126, they would be "officers of the United States." Consistent with this status, the board members would be appointed by the Secretary under proposed new section 492A(b)(4)(c). As inferior officers under the direction of the Secretary, the work and the preliminary report of the board would be subject to revision by the Secretary.

I ask unanimous consent that this letter, as well as a letter from the Secretary of Health and Human Services, be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF JUSTICE,
OFFICE OF LEGISLATIVE AFFAIRS,
Washington, DC, February 4, 1992.

Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: This letter supplements the letter of the Department of Health and Human Services [HHS] on S. 1523, as amended. As noted in the HHS letter, S. 1523, as amended, is unacceptable, because it would permit federally funded research endeavors to use fetal tissue from induced abortions. If the bill were presented to the President in its current form, his senior advisers would recommend a veto. In addition, this letter provides the views of the Department of Justice on particular constitutional concerns in S. 1523, the "National Institutes of Health Reauthorization Act of 1991," and S. 1902, the "Research Freedom Act of 1991."

Several proposed provisions of S. 1523 raise issues under the Appointments Clause of the Constitution. That clause provides that "Officers of the United States" shall be appointed by the President, by and with the advice and consent of the Senate. In the case of inferior officers, however, Congress may vest their appointments "in the President alone, in the Courts of Law, or in the Heads of Departments." U.S. Const. art. II, §2, cl. 2. An "Officer of the United States," as defined by the Supreme Court, is "any appointee exercising significant authority pursuant to the laws of the United States." Buckley versus Valeo, 424 U.S. 1, 126 (1976) (per curiam). The head of a department must either be a Cabinet-level officer, such as the Secretary, or at least the head of a free-standing, self-contained entity in the Executive Branch. Freytag versus Commissioner, 111 S. Ct. 2631, 2642–43 (1991); *id.* at 2657–61 (Scalia, J., concurring in part and concurring in the judgment).

Proposed new section 499D(a) (pp. 11–12) would establish a Technical Review Board on Biomedical and Behavioral Research Facilities, whose members are to be appointed by the Director of the National Center for Research Resources. This center is an agency of the National Institutes of Health, which is an agency of the Public Health Service, which is, in turn, a component of the Department of Health and Human Services. *See*, 42 U.S.C. §§202, 281. Therefore, the Director is not one of the persons in whom Congress may vest the power of appointment, and so the members of the Board may not exercise "significant authority."

Proposed new section 486R of S. 1523 (p. 30) would direct the Secretary to establish an Office of Women's Health Research, which "shall be headed by a Director who shall be appointed by the Director of [NIH]." Under proposed sections 486R(c), 486S, and 486U(b)(1) (p. 30–35, 37), the Director would exercise "significant authority." Thus, Congress may not vest the power to appoint the Director by the Director of NIH, who is not the head of a department.[1]

This new Director would be required by proposed new section 4865(a)(3) (p. 32) to establish and appoint a Woman's Health Clinical Research Advisory Committee. Because appointment of the Advisory Committee's members by the Director would not, for the reasons given above, comport with the Appointments Clause, the Committee may not exercise "significant authority."

Proposed new section 452A(f) (p. 49) would allow the Director of the National Institute of Child Health and Human Development to extend the period of support for a contraception or infertility research center only "if the operations of such center have been reviewed by an appropriate technical and scientific peer review group established by the Director and if such group has recommended to the Director that such period should be extended." Presumably, the Director would appoint the peer review group members pursuant to 42 U.S.C. §284(c)(3). The Director is not, however, one of the persons in whom Congress may, consistent with the Appointment Clause, vest the power to appoint "officers of the United States." Thus, the peer review group could not exercise "significant authority pursuant to the laws of the United States." Buckley versus Valeo, 424 U.S. 1, 126. Proposed section 452A(f), by purporting to grant peer review groups veto power over extensions of support to certain research centers, might be construed as giving them such authority.

Under proposed new section 486X(d) (p. 42–43), the Director of the National Cancer Institute is to develop and periodically revise a breast cancer research program plan and to submit a copy of the plan to the President's Cancer Panel and "simultaneously submit a copy of the plan [or its revisions] to the Director of NIH, the Secretary, and the appropriate Committees of Congress." Concurrent reporting requirements such as this one would breach the separation of powers by disrupting the chain of command within the Executive Branch and preventing the President from exercising his constitutionally guaranteed right of, supervision and control over Executive Branch officials. These requirements would infringe upon the President's authority as head of a unitary Executive to control the presentation of the Executive Branch's Views to Congress.

Title II of S. 1523, as amended, incorporates provisions of S. 1902 concerning fetal tissue transplantation research.

Proposed new section 492A(b)(1) (slip p. 2) would prevent the Secretary from withholding funding for research on ethical grounds unless he convenes an ethics advisory board to study the ethical implications of the research and unless the majority of the ethics board recommends that he withhold the funds on ethical grounds. Because the members of the ethics advisory board would exercise "significant authority pursuant to the laws of the United States," *Buckley*, 424 U.S. at 126, they would be "Officers of the United States." Consistent with this status, the board members would be appointed by the Secretary under proposed new section 492A(b)(4)(C). As inferior officers under the direction of the Secretary, the work and the preliminary report of the board would be subject to revision by the Secretary.

Proposed new section 492(b) contains two other provisions that deserve comment. To avoid constitutional questions, the construed to apply only to the "final" reports of the ethics advisory boards. Finally, the authority of such board to "have access to all such information possessed by [HHB] or available to [it] from other agencies" under paragraph (4)(G) will be construed to give the boards access "consistent with law."

The office of Management and Budget has advised that there is no objection to the presentation of this report from the standpoint of the Administration's program, and that enactment of S. 1523 and S. 1902 would not be in accord with the program of the President.

Sincerely,

W. LEE RAWLS,
Assistant Attorney General.

THE SECRETARY OF HEALTH
AND HUMAN SERVICES
Washington, DC, February 4, 1992.

Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We wish to offer our views on what we understand is a proposed substitute for S. 1523, the National Institutes of Health Reauthorization Act of 1991. The Administration is strongly committed to the biomedical research endeavors of the National Institutes of Health (NIH). However, S. 1523 as proposed to be amended is unacceptable because it would permit federally funded transplantation research endeavors to use fetal tissue from induced abortions. Many thoughtful physicians, researchers, and women and men from all walks of life strongly believe that this could have the potential of fostering an increased incidence of abortion. If the bill were presented to the President in its current form, his senior advisors would recommend a veto.

Other major general concerns with the bill are as follows:

The bill is too directive in its effort to expand certain research programs;

The bill would allow unwarranted and unwise intrusions into the authority of the Secretary of Health and Human Services; and

The bill would impose activities and a number of advisory committees on NIH that are costly, unnecessary, and in some cases, duplicate existing efforts.

As you know, current law vests broad discretionary authority in the Secretary to determine the kinds of research the Department of Health and Human Services will or will not support; it is necessary to make these decisions using a mix of scientific, social, policy, and ethical considerations. Under title II of the bill, the authority of the

---

[1] We note that the appointment of the Director is also a departure from current practice. Other officers who report to the Director of NIH—the directors of the national research institutes and the appointed members of the Board of Regents of the National Library of Medicine, for example—are appointed either by the President or the Secretary. 42 U.S.C. §§284(a), 286a(1)(A).

Secretary to regulate human fetal tissue transplantation research within the Public Health Service would be seriously undermined. This important responsibility would, in fact, be taken from the Secretary. The authority to define research funding policy should remain under the purview of the Secretary, who has the broad-based knowledge to make these decisions as well as the ultimate responsibility for the outcome of those decisions.

We do not object to fetal tissue transplantation research where the tissue is derived from a source other than an induced abortion, such as from the treatment for an ectopic pregnancy. It is our judgement, however, that the pursuit of transplantation research using human fetal tissue derived from induced abortions has the potential of providing an incentive to abortion. It could also create a demand cycle, dependent upon maintaining the legality of induced abortions. Since such consequences are unacceptable, a moratorium on this research was issued in 1988 and remains in effect. This moratorium was based on careful consideration of not only the potential benefits of such research but also the profound moral and ethical elements that must never be divorced from the highest purposes of medical research.

We understand that the Department of Justice will be providing separately its views on certain constitutional issues raised by the provisions concerning fetal tissue transplantation research.

Additional comments regarding our specific concerns with the bill are attached.

Because of the overall objectionable nature of the proposed substitute for S. 1523, we recommend that it not be favorably considered.

We are advised by the Office of Management and Budget that there is no objection to the presentation of this report and that the enactment of S. 1523 (as amended) would not be in accord with the program of the President.

Sincerely,

LOUIS W. SULLIVAN, M.D.

ADDITIONAL COMMENTS ON THE PROPOSED SUBSTITUTE FOR S. 1523

TITLE III

We strongly object to the provisions regarding the establishment of the Office of Women's Health Research. In September 1990, the Office of Research on Women's Health [ORWH] was established within the Office of the Director, NIH. ORWH has been provided with a broad mandate to increase clinical research on women's health. S. 1523 would give the office three additional responsibilities: to establish an intramural gynecology program within one of the institutes, to establish a clinical gynecology service, and to develop plans for and establish a Center for Women's Health Research. We object to each of these. First, it is inappropriate for ORWH to establish a program within one of the institutes. Second, we strongly believe that women's health issues must be seen far beyond merely reproductive issues, and thus the role of ORWH should not be limited to gynecological issues. Most importantly, we object to the establishment of a separate center as being counterproductive to the mission of ORWH. To place women's health research in a separate center, apart from the scientific expertise of the institutes, is in direct opposition to our established goal to make women's health research an important part of the research agendas of each and every research institute of NIH.

The NIH Guide for Grants and Contracts and the joint NIH-Alcohol, Drug Abuse, and Mental Health Administration [ADAMHA] policy statement provides for the inclusion of women and minorities in clinical research projects. Such inclusion would be best effected without the establishment of new organizational entities or highly specific statutory requirements that might impede, rather than promote, progress.

The proposed clinical research subcommittee are objectionable for several reasons: it might be difficult to identify members with the required expertise, existing councils would be disrupted, their charters would require amendment, and the workloads of the advisory council members would be increased. Further, the National Institute of General Medical Sciences funds very little clinical research and its council would not have the necessary expertise for the subcommittee, thereby requiring additional members and increased administrative expense.

The requirement for an Institute of Medicine study on ways to advance and encourage research concerning women's health, would be duplicative of the year-long process completed by ORWH involving scientists, researchers, and advocates from across the country to plan a trans-NIH research agenda.

TITLE IV

The Fiscal Year 1991 appropriation provided $3 million (to remain available until expended) for five centers on contraception and infertility, which the National Institute of Child Health and Human Development is developing, there is no need to authorize this program. We also object to this provision because it fails to provide definition for such research or allow exceptions for objectionable research and contraceptive methods. For example, we have a long-standing policy prohibiting support of in vitro fertilization or harmful experimentation on live embryos. The failure of this provision to define or provide exceptions for research could result in threats to human life.

We see no need for an educational loan programs for those entering research in contraception and infertility at the present time.

TITLE V

Section 501 would expand the scope of the loan repayment programs for research with respect to AIDS to include other research. We oppose the establishment of new scholarship and loan repayment programs in NIH and ADAMHA as inconsistent with the President's 1993 Budget submission.

We further object to the expanded authorities provided for the AIDS Clinical Research Review Committee of the National Institute of Allergy and Infectious Diseases, as it would be inappropriate for an institute-level committee to advise other components of NIH on research priorities. Such authority should be vested in the NIH AIDS Program Advisory Committee. Other provisions require a study of the policies of third-party payers for health services incidental to participation of subjects in clinical trials. This activity falls outside the mission of NIH and could more appropriately be conducted by another departmental office or by an external organization such as the Institute of Medicine. The proposed parallel-track study should be conducted by the National AIDS Program Office. The study of advisory committee coordination is unnecessary; their purview are distinct.

TITLE VI

The provision to establish an interagency program for trauma research is unnecessary since NIH institutes, centers and divisions fund a variety of research projects in both the biomedical and rehabilitative aspects of trauma. Such a program would require additional committees, plans and reports, boosting administrative costs and diverting money away from the research itself.

TITLE VIII

We object to the expansion of the Senior Biomedical Research Service (SBRS) from its current 350 to 750 positions. We are not yet able to evaluate the effectiveness of SBRS in terms of recruitment and retention. Expanding SBRS at this time would be premature.

(Mr. AKAKA assumed the chair.)

Mr. HATCH. Third, this bill would nullify the administration's current moratorium on human fetal tissue transplantation research.

The terms of the moratorium announced on November 2, 1989, must be understood. This moratorium is very narrow. It applies only to transplantation research that involves transplanting human fetal tissue—taken from induced abortion—into human recipients. It does not prohibit other basic research that uses human fetal tissue from elective abortions, including human fetal tissue transplantation into animals. Neither does it prohibit any type of research using fetal tissue from spontaneous abortions—miscarriages—and ectopic pregnancies.

We are all poignantly aware of the suffering that results from a life plagued by disease. My colleagues and I have all been touched by the real life struggles of those who suffer from Parkinson's disease or insulin-dependent diabetes. Our hearts go out to parents of young children tragically afflicted with Hurler's syndrome.

I recognize that beneficial knowledge can be gained by study of human fetal tissue. The National Institutes of Health has already spent hundreds of millions of dollars and will spend in excess of $450 million this year alone on research directed at Parkinson's and Alzheimer's diseases, diabetes, and spinal cord injury.

Some of these funds are spent on research using human fetal tissue. The current regulations pertaining to human fetal tissue research do not ban any areas of research other than human fetal tissue transplantation into human recipients.

We have all read about the promise of human fetal tissue for alleviating or curing a number of neurological disorders as well as severe forms of diabetes mellitus.

We must realize that human fetal tissue transplantation research is still in its infancy. Less than 60 fetal tissue transplants have been performed in the United States over the last 20 years for all diseases and conditions. Some would have us believe that human fetal tissue transplantation is the only area of research for treating these diseases that holds any promise. It is not.

Others would have us believe that this research is a dead end and hold no promise. The fact is that this research is truly in its beginning phases. We simply do not have evidence that it has promise or disappointment for those many Americans afflicted with conditions that have alluded treatment thus far.

Many other avenues for research are actively being pursued. Research is underway on the potential therapeutic benefits of using adrenal medullary tissue along with the appropriate neurotrophic factors; xenograft tissues—from other animal species—contained within porous capsules to allow hormone release and prevent direct tissue contact; and genetically altered skin fibroblast cells that produce neurotrophic factors that support and nourish brain cells.

Just last Friday, the results were reported in the New York Times of a study showing that brain cells may be coaxed into repairing themselves. This opens up yet another new avenue for research.

It is too early yet to concentrate on only one research approach; it is too soon to put all our eggs in one research basket.

I believe that all of these avenues, including fetal tissue transplantation, can be part of the total research effort to fight the ravages of Parkinson's, Alzheimer's, diabetes, and perhaps many other illnesses.

However, fetal tissue transplantation into human recipients is the one area that has stimulated a long and difficult ethical debate that has impeded research from going forward. The work of the National Institutes of Health must not wait. Regardless of whether a Senator is pro-life or pro-choice, each of my colleagues must realize that a protracted debate over the use of fetal tissue from induced abortions will not get us anywhere.

In order to support these critical NIH programs, we should make sure that our scientific researchers time and energies are devoted to research and advancing scientific knowledge—and are not wasted in lengthy ethical and moral debates.

I will offer an amendment at the appropriate time that will facilitate fetal tissue research. I believe this amendment will strengthen the bill and allow the research to proceed without offending anyone's ethical beliefs concerning human fetal tissue transplantation.

Senior advisers to the President have indicated they will recommend a veto of this bill unless this issue is resolved, and important human fetal tissue transplantation research that might have been done stands a good chance of being sacrificed.

Nothing will have been gained, in my view, for the good of those whose hope for a future rests at the National Institutes of Health, nor for those dedicated scientists who labor on their behalf. Our fellow Americans, crippled by disease, wait for a sensible resolution.

I intend to bring that amendment to the floor, and I hope our colleagues will listen to the debate on both sides, because it will be a significant debate and the decision will be a significant decision. I would like to avoid the ethical conflicts that have tied up America, that have caused the fighting and screaming all over America and do what really will be in essence the same thing by doing it in a more appropriate ethical way or, should I say, more appropriate medical way or more appropriate scientific way.

Be that as it may, I know that people have differing points of view on this. I will make my case and do it the best I can and, of course, allow the Senate to work its will.

I appreciate working with the distinguished Senator from Massachusetts. He is a pleasure to work with. When we get together we are able to do many things that I think are very worthwhile. I hope we can continue to work together and jointly in all ways in the best interest of the National Institutes of Health which I think is one of the truly great agencies of the Federal Government.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. THURMOND. Mr. President, today as the Senate is considering H.R. 2507, the National Institutes of Health Reauthorization Act, I rise to focus on title II of this measure which would lift the current ban on federally sponsored fetal tissue transplantation research that was imposed in 1988.

I have been and continue to be a supporter of efforts to limit abortion in this Country. After careful analysis, I determined that fetal tissue transplantation research should not be lumped together with the debate about abortion and voted in favor of H.R. 2507 during consideration by the Labor and Human Resources Committee.

Fetal tissue transplantation research holds a great deal of promise for curing diabetes, Parkinson's, Huntington's, Alzheimer's and probably other diseases. My daughter Julie, a lovely young lady, has suffered from diabetes for 3 years. As the parent of a diabetic, I have a personal appreciation for the urgent need for a cure. I believe that for the sake of Julie and those individuals who suffer from diabetes and other serious diseases, we cannot afford to lose this opportunity to develop a cure.

Concern has been expressed that allowing this research will lead to more abortions. I do not believe that this bill would, in any way, encourage abortions—I would not support it if this was the case. Title II includes guidelines and safeguards to keep the decision to terminate a pregnancy independent from the retrieval and use of fetal tissue. For instance, the bill prohibits payment, or other forms of compensation, for fetal tissue. It prohibits the pregnant woman from designating the recipient of the fetal tissue, and it requires that informed consent to donate the tissue be obtained only after the decision to abort has been made. In fact, these safeguards are based on the recommendations of the 1988 National Institutes of Health Human Fetal Tissue Transplantation Research Panel which concluded that this research should be allowed.

Mr. President, this is not a debate about abortion. This is a debate about allowing federally sponsored research that will serve humanity and may save thousands of lives. Passage of this bill should improve the quality of life for many people with devastating diseases and disabilities. I will vote to allow this important research to go forward and urge my colleagues to carefully consider supporting this legislation.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I also want to speak on the pending bill. I want to commend the senior Senator from South Carolina for his very excellent statement on a very critical subject.

I rise today in support of the NIH Reauthorization Act of 1992, which contains in title II the Research Freedom Act. I strongly urge my colleagues to do the same, free of any limiting amendments.

The Congress is compelled to act on the issue of fetal tissue research by three undeniable facts. First, as we sit here today, millions of Americans are suffering, and dying from progressive, deadly diseases—Parkinson's disease, diabetes, pediatric disorders, Alzheimer's, and many more—with no cure in sight. Second, fetal tissue transplant research holds enormous promise to give those suffering significant therapeutic help, maybe even cures. Third, against all logic, the administration refuses to allow support for this research to move ahead using fetal tissue.

For 40 years, medical science has thrived on the use of fetal tissue research—the polio vaccine, just to name one, owes its discovery to this work. In 1988, though, the Reagan administration ignored the advice of its own expert panel and refused to allow the NIH to proceed with a human clinical trial using an implant of fetal cells. In the ensuing 4 years, this moratorium has stagnated and stalled scientific progress: The research exists only narrowly in the United States today, and scientific advancements are a pale shadow of what they would be if research freedom were allowed.

If there were any good reason for the moratorium, maybe the added suffering and delays and uncertainty would be justified. But there is not. Strong ethical guidelines, recommended by the Reagan administration's NIH panel and followed by the research community, fully separate the use of tissue from the abortion decision and procedure. The one cannot, and does not, influence the other. If this bill becomes law, those provisions would become Federal law, with criminal sanctions for violation. As the NIH panel found, there is no evidence—none—that any abuses have occurred, or would in the future.

I have carefully considered the arguments raised against lifting the moratorium. I am convinced that the moral, humane, logical choice is to use this tissue to save lives where we can. I also have reviewed the so-called compromise option, of only using the tissue from spontaneous abortions and ectopic pregnancies. If this were truly a viable alternative, it would be in use now. It is not.

As a result, we have only one option that responds to the great need of the millions of Americans who suffer from incurable diseases. This research offers them—and their many millions more loved ones—a gift of hope. The clock is ticking for each one of them. We cannot turn our backs on them any more. It is time for us to act. I feel very strongly that we should vote in favor of the NIH reauthorization bill, including title II.

Mr. President, I thank you. I yield the floor.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. ADAMS. Thank you, Mr. President.

Mr. President, I rise today to speak on behalf of the National Institutes of Health Reauthorization Act, H.R. 2507. I thank the chairman of the committee and the ranking member for having brought this bill forward this far. I thank Senator THURMOND for his strong statement and his leadership which gives hope to many people in the United States, and to the others who will support this bill. I particularly appreciate their support in the strong cloture vote.

I am a strong supporter of biomedical research.

I have fought for increased funding for NIH over the years because it is one of our Nation's most treasured assets.

But I am also deeply troubled by what I see happening to this institution.

The NIH has—until the appointment of Dr. Bernadine Healy—virtually ignored the study of women's health.

For reasons still unclear to me, women were excluded from major clinical trials on heart disease.

Little research has been done on diseases particular to women, like osteoporosis and breast cancer.

In fact, we have made far too little progress in reducing the mortality rates of this dreadful disease.

This reauthorization will change that.

In recent years, the NIH has also fallen prey to political intervention, and that is regrettable.

No longer is research being judged solely on the basis of scientific merit. It is being undermined by ideology and fear.

This bill is directed toward changing that climate and I hope that, on a bipartisan basis, we will change that climate.

Because for the last 4 years—almost to the day—the Reagan-Bush administrations have banned the use of Federal dollars for fetal tissue transplantation research.

They have banned this research, despite the findings of their own panel of experts that voted 18 to 3 to support this type of research; despite the unanimous recommendations by the NIH advisory panel itself to lift the ban—all of this happened during the Reagan administration, so it is not a partisan matter. It is not a debate on abortion as has been pointed out.

Despite the millions of individuals—and I am going to personalize here now, Mr. President, because some dear friends of mine are involved in this; they are not relatives but they are very dear friends—despite the millions of individuals like Mo Udall and Joan Samuelson who suffer from Parkinson's disease; despite the mothers and fathers of children with juvenile diabetes or fatal genetic diseases, like the Reverend Guy Walden, whose testimony I heard when I was presiding over this hearing; despite the tremendous promise the research holds for curing Parkinson's disease, juvenile diabetes, spinal cord injuries, Alzheimer's disease, inborn genetic disease; and despite the more than 40 organizations, representing the medical community, the research and university community, the disease groups.

Organizations we all respect support this research, such as: the American Federation of Clinical Researchers; the Association of American Universities; the American Medical Association; the American Association of Medical Colleges; the March of Dimes; the Juvenile Diabetes Association; and the Cancer Society.

Despite all of this, the Government ban of lifesaving research continues.

What are we going to tell the scientists and medical groups opposed to the ban?

What are we gong to tell people like Mo Udall and his daughter Anne who is watching this debate in the gallery with Joan Samuelson?

That they should wait another decade? That they should stop hoping for a cure?

That, despite the recommendations by two NIH expert panels to lift the ban, the U.S. Congress thinks otherwise?

Well, this is one Senator that will not say that. These people, these friends of ours, these associations, these people throughout the United States cannot wait another day.

It is time for the Federal Government to stop playing scientist. This is not politics. This is medical science. This is something that is a potential cure for many people. This is a movement forward in the world of medical research that all can benefit from.

Now I want to make clear that I understand that this research raises ethical and moral questions. I understand that many of my colleagues have looked thoughtfully at this issue and the concerns it might raise about abortion. But that is exactly what the Reagan-appointed panel did. The panel was made up of 21 scientists, ethical experts, lawyers, and doctors and were asked questions, such as this—and I hope my colleagues and all who are watching this listen to these questions and to the answers, because they clearly build a wall between this vital research and any political debate on abortion regardless of which side any of us may be on, pro-life or pro-choice.

They were asked questions such as whether abortion was of moral relevance? Whether fetal tissue transplant research would encourage or increase abortion? Whether enough animal research had been done? Whether the science was promising?

The panel concluded: the use of fetal tissue is acceptable public policy because the tissue is being used to obtain significant medical goals.

Let me repeat that: The use of fetal tissue is acceptable public policy.

The panel also found that there is no evidence that fetal tissue research has encouraged abortion.

The panel did recommend—that certain safeguards be put in place.

They recommended that a woman's decision and consent to have an abortion must precede any discussion of the possible use of fetal tissue and a woman's consent to donate the tissue.

They also recommended that a woman should be prohibited from designating the transplantation recipient.

Title II does that. In fact, the safeguards in title II go far beyond these recommendations.

Let me briefly summarize these safeguards because they are very critical to this bill because they remove from this bill any question in anyone's mind or any concern they might have, whether they are pro-life or pro-choice. I have them on charts behind me and I brought these charts to the floor so you can focus on them with the exact words—not trying to remember my words but see the written words also of the safeguards that are built into title II of this bill.

First, it is illegal to sell fetal tissue;

Second, it is illegal for the researcher to contribute to any costs associated with the abortion;

Third, a woman must consent to an abortion prior to being approached about donating fetal tissue;

Fourth, a woman may not donate tissue to a friend or relative;

Fifth, the woman making the donation may not be informed about the identities of the transplant recipients;

Sixth, the physician or the researcher may not alter the abortion procedure solely for research purposes;

Seventh, the physician must disclose any interest he or she has in the research;

Eighth, research must be conducted according to applicable State and local laws;

Ninth, researchers must inform individuals participating in the research about the origin of the tissue;

Tenth, physicians and researchers must provide signed statements verifying these procedures for audit purposes; and

Eleventh, GAO will audit the safeguards within 2 years to ensure the safeguards are being followed.

That is what Senator THURMOND is referring to when he stated that he has examined this title II very carefully and that many, many and absolute safeguards have been provided.

As you can see we have carefully drafted the safeguards in this bill to create a solid wall separating the abortion from the decision to donate fetal tissue.

These safeguards have been reviewed by all the major medical and research groups.

They have been reviewed by all of you and your staff.

We have been open to including additional safeguards and have included several requested by our distinguished Senate colleagues.

There is no question but that this research should go forward.

For compassion, for God's sake compassion—for humanitarian interests for our people. There is no question that this research cannot go forward until this ban is lifted because the ban is arbitrary.

The ban stops promising research.

The administration has called the ban "razor sharp." I call it totally wrong and illogical.

BAN IS ILLOGICAL

First, the ban is illogical because the Bush administration currently supports fetal tissue research obtained from induced abortions.

In fact, the Federal Government spends over $14 million dollars a year on such research.

An interesting fact to many is without fetal tissue research we would still be fighting polio today. In other words, the steps that came before this step provided the polio vaccine.

Cultured human fetal kidney cells were essential to growing the polio virus and the research that led to the development of the polio vaccine.

The Government also supports fetal transplantation into animals.

Yet when it comes to saving the lives of humans, the Government has drawn an arbitrary line. That is why I say it is illogical.

Second, the ban is wrong because as a community we support organ transplantations.

The use of fetal tissue is no different from the use of adult organs and tissue in other transplants.

Organ transplants often come from car crashes and shooting deaths. No one involved in transplantation encourages more car crashes or more shooting deaths. There is no connection between the two.

No one involved in fetal tissue transplantation is encouraging more abortions.

The truth is, we can either use the tissue in what we know to be lifesaving research, or we can bury it. That is the choice.

I want to repeat that. We can use the tissue in what we know to be lifesaving research or we can bury it or burn it.

The majority of Americans want us to save lives.

The little fetal tissue transplantation research going on in the United States today is being carried out in the private sector. In the absence of Federal guidelines. In the absence of Federal scrutiny. We need carefully articulated safeguards.

That is what Judge Arlin Adams, who headed the fetal tissue transplantation panel and who is against abortion, called for when he voted to recommend lifting the ban. That is what this bill will do. It will stop the Federal Government from intervening in the scientific process and get it back in its proper oversight role. It calls on the Government to ensure that this research is carried out ethically under carefully developed guidelines. We have set forth these guidelines in detail for everyone.

This bill also restores hope to millions of Americans. To people like Joan and Anne and Reverend Walden, who have worked tirelessly to see common sense and decency prevail. I want to thank them for their work and for their compassion.

I know many of my colleagues have met these three remarkable individuals and heard their stories. I urge you to remember their lives and the lives of millions of Americans like them and vote to lift the ban on promising medical research.

I ask in the name of compassion, in the name of being a human being, of giving hope to other human beings who can see a life stretching before them of agony and death that could be helped by this type of research.

I urge my colleagues to vote for title II, to vote to lift the ban and to vote against any amendments that attempt to remove this very carefully crafted portion from the bill. I thank the President. I yield the floor.

Mr. HATFIELD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. HATFIELD. Mr. President, I know of few issues I have had to wrestle with more in the light of conscience and belief and conviction than on this question of fetal tissue.

I stand here today as one who is unabashedly pro-life. I voted every time for the Hyde amendment and other amendments that delineate through so-called pro-choice and pro-life, both of which are oversimplified labels. I have worked throughout my career to promote pro-life causes because of my deep respect for life. I believe in the sanctity of life. A unifying goal of my political career has been to improve the quality of life for my constituents and all Americans and all humanity everywhere.

I worked to achieve this goal by promoting and supporting world peace, disarmament, improvements in education, access to health care, and increased medical research.

I have long supported the programs such as WIC and Head Start to help women and children, and I have supported efforts to improve the access to prenatal care and childhood immunizations. In addition, my colleagues have heard me speak on this floor on numerous occasions in opposition to capital punishment and nuclear proliferation.

Unfortunately, the term pro-life is increasingly associated with the antiabortion movement only. It is my hope that the term pro-life will return to its original meaning, and that is a respect for the sanctity of all life. And may I say I am just as concerned about life in the womb and life out of the womb. I strongly believe that allowing fetal tissue research is a pro-life position and, as I say, I did not reach this conclusion without careful deliberation.

Mr. President, I spoke with a number of individuals in the medical research field about the moral and ethical implications of fetal tissue transplants. I listened to the concerns of those in the antiabortion community and after careful review of the arguments on both sides, I arrived at two conclusions.

First, fetal tissue transplants hold the promise of saving life, and second, this research will not promote abortion. Having gone through this process of investigation, study, and deliberation, I strongly urge my colleagues to take the time to study this issue for I believe it is of great importance. I believe every Member should pose the question: Should we allow this tissue to be discarded rather than seize the opportunity to support life and provide hope for the millions of people who suffer from Alzheimer's disease, diabetes, Parkinson's disease, and other genetic disorders?

Securing funding for medical research is a top priority for me. Statistics show for every $1 invested in medical research, $13 are returned to our economy. The key to controlling health care costs is finding cures and preventive treatments.

As health care costs continue to rise at an unabated rate, we must approach reform from a farsighted perspective. Clearly, the long-term return from medical research is worth the investment. This is not just an economic argument. The benefits medical research provides are more importantly felt as they relate to improving the quality of life and easing human suffering.

In terms of fetal tissue transplants, the potential is, of course, unlimited. I feel it is unlimited for a number of reasons because researchers have seen the promise of fetal tissue transplants. They should be allowed to continue this research with Federal support. A number of people have questioned the need to use tissue from induced abortions. In 1990, the Federal Government spent $8 million supporting fetal tissue research. However, the current ban only allows the use of fetal tissue from ectopic pregnancies and miscarriages and, unfortunately, researchers have found that this tissue is of little use because it is unreliable and often diseased.

Ironically, federally funded research in fetal tissue from induced abortions is allowed for use in transplants performed on rats but has been prohibited for use in humans. The success of the transplant in rats has led many scientists to believe that fetal tissue from certain types of abortion holds a promise of helping humans who suffer from debilitating diseases. For that reason, from a purely research perspective, fetal tissue research must be allowed to take place.

The administration's ban on Federal tissue research has had a negative effect on the medical community and has become increasingly difficult for researchers to raise private funds to continue their research.

These researchers have tested their theories about the benefits of fetal tissue transplants through basic research, and they have seen positive results. It is time to take this basic research one step further and apply it through research on humans. If we fail to act to lift this ban, we will essentially shut the door to applied fetal tissue research on humans. This is wrong. I have often told my colleagues who are opposed to abortion that in my view our concern for life must extend beyond birth and reach to cover the entire lifespan and experience.

Opponents of fetal tissue research have raised the concern that the success of fetal tissue transplants will lead to increased abortions and will provide an incentive or justification for a woman to have an abortion.

Mr. President, I have to reject that argument. First, let me address the concern that the number of abortions will increase. If true, this is a valid concern and was the most troubling to me, as I examined this legislation.

The legislation provides safeguards against the promotion of abortion. Most important, it requires that consent for the abortion must be received prior to obtaining or requesting consent for the donation of tissue. In other words, no discussions of the donation of tissue can take place until consent is given for the abortion.

The physician must certify that this process was followed or face criminal penalties. In addition, the bill prohibits the direction of tissue to specific individuals. This prevents a friend or a family member from having an abortion to assist an individual known to them. The bill requires that the identities of the recipient and the donor remain confidential. I believe these protections will guard against any increase in the number of abortions performed.

There is also a concern that fetal tissue research will provide an incentive for a woman to have an abortion. As we all know, there are many reasons why a woman chooses to have an abortion. While I do not believe in the right to choose an abortion except when the life of the mother is in danger, I must say, though, I am sympathetic to the situations that force a woman to make that choice.

That is why I have worked hard to support funding for family planning and for sex education. In addition, I have been an ardent supporter of contraceptive and infertility research. Included in this NIH reauthorization bill is legislation to increase the number of contraceptive and infertility research centers. The Senate Appropriations Committee on which I serve has already earmarked $6 million in appropriations over the last 2 years which would allow NIH to begin its research programs immediately.

The reality is that abortion exists because of unwanted pregnancies. Through the efforts I have mentioned above, we can reduce the number of unwanted pregnancies and thus reduce the need for abortion.

I know many of my colleagues agree with me that prevention should be our focus. I find it a weak argument to assert that the benefit of fetal tissue research will become a justification for abortion. It has been argued by the Reverend Guy Walden, who recently testified before two House and Senate subcommittees, that the availability of fetal tissue transplants may even lead to a reduction in the number of abortions. Each year, 195,000 medically necessary abortions are performed because of genetic defects found through prenatal testing. In the Waldens' case, their baby was discovered to have Hurler's syndrome, a genetic defect that eventually leads to death. The Waldens had already lost two children to this crippling disease. But because of their moral opposition to abortion, they decided against aborting the fetus. The transplantation of fetal tissue cells into the baby carried by Terri Walden has apparently been successful. Their son still has signs of the disease, but he is doing much better than his two older siblings who died from this horrible disease.

If fetal tissue transplants are proven through research to be successful, parents who learn that their baby has a genetic defect may have an option other than abortion. If this proves true, the possibility of reducing the number of medically necessary abortions may indeed become a reality.

Opponents have argued that we should not lift the ban because, if research is successful, there will never be enough tissue to satisfy demand. I do not believe this justifies prohibiting fetal tissue research. The point of medical research is to search all avenues to find cures and treatments for crippling diseases. If we censor this one aspect of research, we are hindering a researcher's ability to examine all possible solutions. No one is holding fetal tissue transplants out as a panacea. However, this research may be the key to opening the door to a cure. It serves as an important part in unlocking the mystery behind the cause of genetic defects and nervous system diseases.

If, in fact, fetal tissue transplants are found to be a therapeutic cure, is it right to deny this option to some individuals because we cannot provide it to all individuals? I do not think so. We do not have enough organs to give to everyone who needs an organ transplant, but we still allow it as an option for as many as possible. In addition, the success and desirability of organ transplants has not created a demand for coerced or compulsory demand of organs. For that reason, I do not believe it is a sufficient argument against allowing fetal tissue transplants.

Mr. President, one of my greatest concerns in this debate relates to the abuses that may occur as a result of this research. Unfortunately, it is difficult in any profession or industry to guard against all conceivable abuses. I have carefully examined the safeguards in this legislation. As I have stated before, I am comfortable with those that are now included. I worked behind the scenes to address one area I felt needed stronger protection and that was the ability to alter the timing of the abortion procedure. Working with Senator ADAMS and others of the committee, I was able to include language in the bill that prohibits physicians or researchers from changing the "timing, method, and procedures used to terminate the pregnancy." Furthermore, "no procedural changes which may cause greater than minimal risk to the fetus or the pregnant woman will be introduced into the procedure for terminating the pregnancy solely in the interest of fetal tissue research." While researchers have not indicated a preference for early- or late-term tissue, I feel this language provides adequate protection against abuses that might occur.

It is important to remember that there are currently no laws regulating private fetal tissue transplantation research. Currently, fetal tissue can be sold, women can be compensated for the donation of tissue, and women can conceivably be coerced into having an abortion for this purpose—I emphasize, in private, non-public-funded research. Under this legislation all public and privately funded fetal tissue transplants would be subject to the restrictions and the safeguards included in this bill. This legislation explicitly prohibits the sale of fetal tissue, payment for the donation of tissue, and the transfer of tissue for valuable consideration. Violators of these provisions would be subject to criminal penalties, including fines or imprisonment.

Finally, Mr. President, I would like to take a moment to recognize the groups and individuals who support fetal tissue research and who have worked hard to explain the possible benefits of this research to those with crippling diseases. Supporters of this legislation include the Alzheimer's Association, the Juvenile Diabetes Foundation, Joan Samuelson and the Parkinson's Action Network, the American Federation for Clinical Research, and the National Association of State Universities and Land-Grant Colleges.

I would especially like to applaud Anne Udall, the daughter of former Congressman Mo Udall, for her courage to share her father's battle against Parkinson's disease with us. For those of us who are friends and colleagues of Mo, it has been difficult to watch this disease take its toll. His case illustrates firsthand how debilitating this illness is. His quality of life has been severely diminished, and for him there is no hope. Only a period of waiting remains until he loses his life. The possibility of fetal tissue transplants has given new hope to those who face the reality of death from diseases like Parkinson's. After watching what Mo and his family have gone through, I have to ask the question again: Can we deny this opportunity, can we deny this opportunity of hope to the millions of others who suffer from debilitating diseases? It may not be in time for Mo Udall, but I know that his hope is for the others who are younger and perhaps who can be helped as time goes along.

Mr. President, this is a very difficult issue, and the decision to support this research should not be made lightly. It is important, in my opinion, to view the sanctity of life in the broadest perspective and look at the true benefits of life that this research provides. And given the great promise of fetal tissue transplants and the protections against the abuse of the abortion decision, I believe the truly pro-life position on this issue is that of supporting fetal tissue research.

Mr. President, I yield the floor.

Mrs. KASSEBAUM. Mr. President, I wanted to follow the Senator from Oregon and appreciate very much his thoughtful comments. I think there is nothing that Senator HATFIELD has stood for more consistently in his years in the Senate than quality of life. That is reflected in one issue after another, and I was very anxious to hear his thoughtful comments on this particular and difficult issue. We come at it perhaps from a different background because I am, as they say, pro-choice. Mr. President, I have never believed that meant pro-abortion. In my case, it means I do not believe the Federal Government should make that decision. But nevertheless, the issue surrounding fetal tissue transplantation research is a very difficult one.

It is one that, as has been pointed out in the 1920's was involved in helping develop the polio vaccine when fetal tissue research was undertaken.

In the 1980's when concern arose regarding fetal tissue research, President Reagan appointed a panel, a commission to review this difficult and sensitive issue. They struggled with the scientific promise that had been offered by the research, balanced against the ethical questions involving using tissue from an aborted fetus.

As the Senator from Oregon pointed out, it is not an issue that one faces with any sort of relish or certainty. But I think that we have all felt very confident that indeed there are safeguards in this legislation that would in no way encourage an abortion, would in no way permit a monetary reward for such a decision. In fact, regarding the ethical questions involved, one aspect of this legislation that has some merit is the ethics advisory board which has been proposed. I believe it serves a very beneficial function to help work through some of the ethical questions that are before us.

The Fetal Tissue Transplantation Research Panel that was appointed by President Reagan voted 18 to 3 to lift the moratorium prohibiting the use of fetal tissue for human transplantation research.

I believe, Mr. President, that it is important for us to recognize that this panel gave a great deal of thought, a great deal of time and by that significant vote addressed a case and situation which we have been fearful of addressing here.

Because this legislation before us today has tried to answer the fears and concerns, I think it merits our support. It has been argued that private research can continue; that this has nothing to do with stopping private research. But the moratorium that has been in place since 1988 has not only stopped the federally funded research in the area of fetal tissue transplantation; it has had a chilling effect on privately funded research, an effect that has driven private founders and scientific research away from these areas of scientific inquiry.

The safeguards contained in this legislation will apply not only to fetal tissue transplantation research supported by the National Institutes of Health, but to research conducted in the private sector as well. Senator HATFIELD addressed that, as have others on the floor. So I will not go further into that. But I believe the very fact that this would provide safeguards which hitherto have not been in existence for the private arena will serve a very useful function.

Mr. President, I would make the argument that this debate is not and should not be about abortion. It is about the tragedy of disease and lives lost, and lives that might be saved through this research. As a mother and grandmother, I value life. We all value life. I have always said I think of myself first as a mother and second as a Senator. But research indicates that fetal tissue is very special tissue which could help provide enhanced lives for those who are struggling with disease, and who might have the ability to live longer if they could be able to utilize this special tissue.

The question of abortion in this country will never be an easy issue for us. There will be those who are filled with fear and concern. There will be those who view it as the only issue they wish to address.

I think we have to try and rise above that altercation, and say there are other important considerations. And when in a case such as this we have carefully addressed those issues in a way to provide protection from those who fear that it might be abused, we simply must vote in support of continuing research that could enhance the lives of those who are still living.

I yield the floor, Mr. President.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, first I want to commend my colleagues, Senator KASSEBAUM and Senator HATFIELD, for their thoughtful remarks. I think what they have said is right on the target.

I might add, because the whole question of abortion is obviously involved in this matter, that my hope is that we can in some way pull together people who are pro-choice and pro-life—not that they are going to agree—but if they could agree on some kind of constructive programs together that would reduce the numbers of abortions.

For example, we know that there are about 1 million teenage pregnancies each year, and about 400,000 of those end up in abortions. We also know that when students drop out from school, they are much more likely to become pregnant.

It seems to me both sides ought to be able to work on that.

Now on the immediate question at hand—and it is an awkward thing, an awkward kind of an issue because we all feel a little unsettled dealing with something like this—the point has to be stressed again and again, as Senator KASSEBAUM just did, that there is no payment to anyone for an abortion. It prohibits any sale of a fetus. So I do not see that there is any encouragement for abortion.

I think there are two fundamental questions. Will this legislation, if it is passed, encourage one single more abortion in this country? And I suggest any rational reading of this means that it will not encourage one single additional abortion.

Then the second question, is a question that each of us faces with our own lives; that is, should this fetus or in the case of the Presiding Officer or the Senator from Kansas, or the Senator from Illinois, when we die should our bodies be used for some constructive purpose? Or should these fetuses, in the case of fetuses, simply be tossed away? I would like to see them used to save lives. That, it seems to me, is the right and responsible answer.

When you see what happens on Parkinson's—there is a Business Week article about the first operation performed here in the United States by the University of Colorado on a gentleman named Donald Nelson. It says, "Since then, Nelson's gait has improved enough that he usually does not need crutches." He has regained the use of his left hand and his regular dosage of medicine has been cut by 45 percent.

It is not going to help everyone. The evidence is slightly more than the majority of those with Parkinson's are helped. Some are not. But let us help those that we can.

Someone that the Presiding Officer, Senator GRAHAM, knows, someone Senator KASSEBAUM knows, a great former Congressman from Arizona, Mo Udall—I visited Mo Udall in the nursing home here, a veterans nursing home. He has Parkinson's. Mo Udall used to be a professional basketball player; used to be very, very vigorous. I could tell he could understand what I had to say, but he was able to get out only one word to me, and that was a real struggle to get out that one word. You could tell he wanted to say other things. We can prevent that.

And it is not simply on Parkinson's; Alzheimer's, other problems, where it is possible to use the fetuses to save lives. Again I stress we can do it without any encouragement for a single additional abortion. That was very clear in our hearings.

So I am pleased to join Senator KENNEDY when he offers this. I am pleased to join the sentiments of Senator KASSEBAUM and Senator HATFIELD. I hope that we will reject the amendment that would make it not possible to save lives.

Mr. President, if no one else seeks the floor, I question the presence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I ask unanimous consent that I may proceed for 3 minutes as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Illinois is recognized.

Mr. SIMON. I thank the Chair.

(The remarks of Mr. SIMON pertaining to the introduction of S. 2503 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SIMON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATCH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL INSTITUTES OF HEALTH REVITALIZATION AMENDMENTS

The Senate continued with the consideration of the bill.

AMENDMENT NO. 1748

(Purpose: To provide for the development of a plan for involving HIV-infected women, including pregnant women, infants, and children in studies of the safety and efficacy of HIV vaccines for the prevention and therapy of HIV infections)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 1748.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . STUDY OF HIV VACCINES FOR THERAPY AND PREVENTION OF HIV INFECTION IN WOMEN, INFANTS, AND CHILDREN.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 498 the following new section:

"SEC. 498B. STUDY OF HIV VACCINES FOR THERAPY AND PREVENTION OF HIV INFECTION IN WOMEN, INFANTS, AND CHILDREN.

"(a) IN GENERAL.—The Secretary, acting through the National Institutes of Health, shall develop a plan for the appropriate inclusion of HIV-infected women, including pregnant women, HIV-infected infants, and HIV-infected children in studies conducted by or through the National Institutes of Health concerning the safety and efficacy of HIV vaccines for the treatment and prevention of HIV infection. Such plan shall ensure the full participation of other Federal agencies currently conducting HIV vaccine studies and require that such studies conform fully to the requirements of part 46 of title 45, Code of Federal Regulations.

"(b) REPORT.—Not later than 6 months after the date of enactment of this section, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the plan developed under subsection (a).

"(c) IMPLEMENTATION.—Not later than 12 months after the date of enactment of this section, the Secretary shall implement the plan developed under subsection (a), including measures for the full participation of other Federal agencies currently conducting HIV vaccine studies.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to enable the Secretary to carry out this section, $50,000 for fiscal year 1993, $2,500,000 for fiscal year 1994, and $5,000,000 for fiscal year 1995.".

Mr. HATCH. Mr. President, for 1981, when AIDS reporting began, through the end of February 1992, over 22,000 cases of AIDS have been reported among adult women and adolescent females, 13 years of age and older, in our country. In addition, nearly 3,600 AIDS cases have been reported among infants and children less than 13 years of age.

Although these cases of AIDS in women represent only 10 percent of the total number of 213,641 AIDS cases reported to the Centers for Disease Control, the incidence of AIDS in women has been increasing more rapidly than in other groups. Between 1990 and 1991, the number of women with AIDS increased by 15 percent, compared with a 4-percent increase of AIDS among men.

Although mortality data are not yet complete for 1991, AIDS is expected to be the fifth leading cause of death in America among women 15 to 24 years of age, and the sixth leading cause of death among women age 25 to 44.

The occurrence of AIDS among racial and ethnic minority women confirms the disproportionate burden of HIV infection among these women. Black and Hispanic women make up 17 percent of all American women, but they represent 74 percent of all reported AIDS cases among women.

Until recently, women have not been fairly represented in the studies of treatments for HIV infection and the diseases that result from the immune deficiency caused by HIV infection. But there is a crying demand for effective treatment both for men and for women, as well as infants and children. NIH is supporting trials of drugs against HIV in women, including pregnant women, to determine whether or not such antiviral therapies will prolong the life of the infected women and also prevent HIV infection in their unborn children, without harming these fetuses. Because 60 to 80 percent of the children born to HIV-infected women will not be infected during pregnancy or delivery, the risks and benefits of any treatments to these unborn children must be carefully weighed.

Another avenue of HIV treatment currently generating considerable interest is the use of HIV vaccines to stimulate—or strengthen—the body's own host immune defenses to slow the growth of HIV in those already infected with HIV. Although vaccines are most commonly used to prevent infection, current research is looking at the safety and effectiveness of HIV vaccines as treatment for those with HIV infection. Small trials of such vaccines now are underway in men, but I believe that women, as well as infants and children, should be considered for inclusion in these important studies. All HIV-infected individuals need the best treatments that science can offer; pregnant women with HIV infection especially need access to the best therapies to reduce the risk of transmitting HIV infections to their unborn children. In this amendment that I am offering today, the Secretary of Health and Human Services is asked to develop a plan within 6 months for the appropriate inclusion of HIV-infected women, HIV-infected infants, and HIV-infected children in studies of the safety and effectiveness of HIV vaccines for the treatment of HIV infection, and the prevention of HIV infection in the unborn infants of HIV-infected pregnant women. He is also asked to begin to include women and children in these trials within 12 months.

Certainly there are many important questions that need to be addressed. For example, it is not possible at the present time to determine which infants born to an HIV-infected mother will actually carry the virus that causes AIDS, rather than simply having a positive blood test. All newborn infants test positive because the mother's blood antibodies cross the placenta into the bloodstream of the fetus. However, HIV will cross the placenta to infect the baby at delivery only 20 to 30 percent of the time. Not until all maternal antibodies have disappeared at 6 to 12 months can a doctor be certain that a baby is not infected.

I believe that the studies called for in this amendment are vital to the well-being of all HIV-infected women and children. I believe that we should learn from the experience of all Federal agencies currently conducting HIV-vaccine trials. I know, for example, that scientists at the Walter Reed Army Institute for Research have been actively involved in such studies. They should be full partners in such research.

I am confident everybody here will see the wisdom of this amendment, and since today is the day that Eileen Getty came to visit me—and I would say she has been heroic in her approach to heighten the awareness of the American public about the advancing causes of HIV infection in women—I thought it would be a very appropriate thing to ask for this type of further research out at NIH. I cannot imagine anybody who would not want it and not want to be a cosponsor and support this amendment.

I think it is the right thing to do. I would like to tell our colleagues we had been thinking about the problem a long time, but we thought about the actual amendment in the last minute here, and I think our colleagues should like this amendment.

I hope our distinguished friend from Massachusetts, who has been my friend and one of the great leaders in the Congress on the issue of AIDS legislation, with whom I have worked very hard to pass AIDS legislation, will also agree to support it at this time.

And I wish we would have had more time to inform people of it. It is a very clear-cut amendment; it is a very simple amendment; and it would help to resolve a significant, serious problem. And I think it would show the appropriate compassionate concern for women in our society, one of the groups—in fact, the group—that is increasing in HIV positiveness faster than any other group in society.

Mr. President, I ask that the amendment be accepted. If we can, I will be happy to go to a vote on it, or anything else.

I yield the floor.

The PRESIDING OFFICER. Is there debate?

The Senator from California.

Mr. CRANSTON. Mr. President, I rise to speak to the bill itself, rather than to the amendment that the Senator from Utah offered.

Mr. President, I rise today to speak in favor of the National Institutes of Health Reauthorization Act of 1991.

The National Institutes of Health [NIH] have pioneered a number of advances in biomedical research over the last 100 years. Researchers at the NIH have worked tirelessly and successfully to combat a wide range of debilitating and deadly diseases. However, in the last decade, the NIH's ability to forge new medical breakthroughs has been restricted by budget constraints and administrative bans on research. This bill would focus Federal research funding on a number of chronic and deadly diseases and overturn administrative restrictions on promising biomedical research.

The NIH reauthorization bill would provide for a 30-percent increase in the National Cancer Institute [NCI] budget over last year's appropriations to $2.5 billion. The committee report also notes advances in the treatment of cancer involving a new form of radiotherapy [three-dimensional conformal radiation therapy] which has been available to the public only on a limited basis due to the lack of clinical trials. I am aware of the effectiveness of the three-dimensional conformal radiation therapy and am pleased that the committee supports developing therapeutic modalities that will reduce morbidity and mortality from cancer and encourages expanded efforts at NCI toward this end.

The NIH reauthorization bill makes great strides in including women and minorities in scientific research. Women's health issues have received scant attention both in terms of funding and research. In the past, the NIH spent only about 13 percent of its budget on women's health. Many medical treatments currently used on women are based on studies conducted entirely on men. The NIH reauthorization bill requires the appropriate inclusion of women and minorities in research projects supported or conducted by NIH; creates by statute an office of research on women's health; establishes an intramural research program in obstetrics and gynecology to study osteoporosis and related bone disorders, and centers for research on contraception and infertility. In addition, the bill provides increased authorization for NCI which will go toward expanded research in breast and gynecological cancers.

The NIH reauthorization bill also would overturn a ban on fetal tissue transplantation research, and establish certain safeguards to allow researchers the freedom to use fetal tissue transplantation research in developing treatments for a host of incurable diseases. Federally regulated research of human fetuses had been conducted for about 50 years. Fetal tissue transplantation research has shown great promise in combating a wide range of diseases such as Parkinson's, Alzheimer's, diabetes, spinal cord injury, and other chronic diseases. However, progress in this line of research was halted in 1987. The administration issued the ban based on the belief that fetal tissue transplantation research would increase the incidence of abortion.

Subsequent to issuing the ban, the administration formed the human fetal tissue transplantation advisory panel and the NIH formed the Director's advisory committee consisting of experts to study the fetal tissue transplantation research issue.

After a thorough investigation, the panel found no evidence that the use of fetal tissue for research affected decisions regarding abortion and safeguards could be applied to minimize any possible encouragement of abortion. The panel recommended the lifting of the ban on fetal tissue research with certain safeguards. The advisory committee adopted the panel's report and also recommended that the ban on fetal tissue transplantation research be lifted. Despite the findings and recommendations of the advisory committee and panel, Secretary Sullivan rejected their findings and recommendation and decided to continue the ban on fetal tissue transplantation indefinitely.

The continuation of this ban is groundless and irresponsible based on the panel's findings and recommendations. More importantly, the ban on fetal tissue transplantation is thwarting the discovery of possible treatments for a number of presently incurable diseases. It is irresponsible for the Secretary to prevent biomedical research that may lead to the treatment of the most chronic and deadly diseases such as cancer, Parkinson's, Alzheimer's, and diabetes.

In addition to overturning the ban, the NIH reauthorization bill would provide the safeguards recommended by the NIH panel to ensure that the decision to have an abortion is not linked in any way to a woman's decision to donate the tissue to research. These safeguards provisions require informed consent from the donors, researchers, and recipients and that the donor sign a statement acknowledging the tissue is for use in transplantation research, that the donation is unrestricted and that no information has been provided as to the identity of possible recipients. The safeguards also require that the attending physician certify in writing that consent to the abortion was made prior to obtaining or requesting consent for the donation. Furthermore, the safeguards would make it unlawful to purchase human fetal tissue or to donate tissue to a designated recipient or family member. These safeguards will ensure that any potential for abuse is avoided.

Furthermore, the NIH reauthorization bill would also expand research on AIDS by establishing a loan repayment program for health professionals who agree to conduct AIDS related research at the NIH, directing the NIH's clinical evaluation units to conduct trials of treatment for opportunistic infections and cancers, and recruiting more minorities, women, children, and intravenous drug users for clinical trials. As the incidence of AIDS is growing in minority communities, the need for expanded research in this area is critical.

The NIH reauthorization bill would also ensure that the NIH conduct or support scientifically meritorious research on human sexual behavior designed to address public health concerns.

Research on human sexual behavior is the first and necessary step to prevent unwanted pregnancies and stop the spread of sexually transmitted diseases [STD's] and HIV/AIDS. The number of unmarried pregnant teenagers has climbed to 8.5 percent of all births. The number of people contracting STD's and HIV/AIDS especially among young people and minorities is also on the rise. Fortunately, these problems and diseases are preventable. However, in the absence of accurate and current data on human sexual behavior, researchers, and public health officials are limited in their ability to stop unintended pregnancies and the spread of STD's and HIV/AIDS. Presently, researchers and public health officials must rely on 50-year-old data. Researchers and public health officials cannot hope to stop unintended pregnancies and the spread of STD's and HIV/AIDS using this outdated information.

Mr. President, the NIH reauthorization bill is a comprehensive bill which addresses the most critical health issues facing our Nation today. I commend my colleagues on the Labor and Human Resources Committee for their efforts.

I specifically want to praise Senator KENNEDY for his leadership on this matter. I ask my colleagues to support the NIH reauthorization bill.

I yield the floor.

The PRESIDING OFFICER. Is there further debate on the amendment?

[Mr. KENNEDY addressed the Chair.]

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as my friend from Utah understands, we have included in this NIH legislation a provision for the Department to develop and implement a plan for research on HIV, which includes research on vaccines. The bill also provides for the development of a longer-term plan in this area, including other associated diseases of individuals who have HIV. We have seen that those who are HIV positive develop, in many instances, other kinds of diseases on which there has not been sufficient focus and attention with regard to research. The idea of focusing attention also on pregnant HIV individuals and their children is exceedingly worthwhile.

I am going to urge that the Senate accept the amendment. What has been brought to our attention when we looked at this particular issue is that there are enormously difficult ethical issues involved in considering these questions because of the possibility of the utilization of a drug during pregnancy which may delay the progress of HIV but may have an adverse impact in terms of the fetus.

We do not expect, obviously, to address those complex ethical and medical questions here. But there will be some difficult and complex issues that the Department will have to address, and we have established the mechanisms to try to deal with those complex ethical issues and questions. And we have every indication that, as we proceed in this area, we are going to feel our way and do the best that we can.

But focusing on pregnant women who test positive for HIV and considering the enormous dilemma that we face with children are positive steps. We are just beginning to find out now that a number of infants at the time of birth who test HIV positive do not necessarily develop the full nature of the disease itself. We have even seen examples where children are born HIV positive and then over a very short period of time are virtually free from the disease. It is very difficult to understand how this has developed because apparently there is a good deal of research being done in this area. So I would certainly urge our colleagues to accept this proposal.

We are mindful of the difficulties we are going to have in terms of implementation. I know Senator HATCH and I will be glad to work with NIH to defer on certain protocols in this area, but bringing focus and attention to this particular human dilemma is very worthwhile. I certainly commend the Senator from Utah for the focus and attention that he brings to this issue and we will certainly work with him and others to try to see that the objectives of the amendment are achieved at NIH.

Mr. HATCH. Mr. President, I thank my colleague for his kind remarks and for his willingness to accept this amendment.

All it does and all it calls for is that the Secretary of HHS is directed to develop a plan for including HIV infected women, including pregnant women, HIV infected infants and HIV infected children in HIV vaccine trials at NIH. These studies concern the safety and effectiveness of HIV vaccines in treating HIV infection and in preventing HIV infection in the unborn infants of HIV infected women.

The Secretary is to develop the plan within 6 months, and to begin including women and children in these trials within 12 months following the effective date of this bill.

It is authorized at $50,000 for fiscal year 1993, $2.5 million fiscal year 1994, $5 million fiscal year 1995.

So it is a very simple amendment. I appreciate being able to work with my good colleague. We have worked together on these measures for a long time.

Mr. President I ask that the amendment be agreed to.

The PRESIDING OFFICER. Is there any further debate? If not, the question is on agreeing to the amendment.

The amendment (No. 1748) was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KENNEDY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1749

(Purpose: To provide for the establishment of a physician and hospital registry and a fetal tissue bank)

Mr. HATCH. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Utah [Mr. HATCH] proposes an amendment numbered 1749.

Mr. HATCH. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

Beginning on page 28, strike out line 7 and all that follows through line 15 on page 44, and insert in lieu thereof the following new title:

TITLE II—PROVISIONS CONCERNING FETAL TISSUE

SEC. 201. FETAL TISSUE REGISTRY, FETAL TISSUE BANK AND FETAL CELL LINES.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 498 the following new section:

"SEC. 498A. FETAL TISSUE REGISTRY, FETAL TISSUE BANK AND FETAL CELL LINES.

"(a) ESTABLISHMENT OF REGISTRY.—The Secretary shall establish a nonprofit registry of physicians and hospitals desiring to participate in and facilitate the creation of a nonprofit human fetal tissue bank, established with tissue obtained from spontaneous abortions and ectopic pregnancies, for use in human fetal tissue transplantation. Such registry shall be funded by the Department of Health and Human services and administered through the National Institutes of Health.

"(b) ESTABLISHMENT OF TISSUE BANK.—The Secretary shall establish a nonprofit human fetal tissue bank, for tissue obtained from ectopic pregnancies and spontaneous abortions, for use in human fetal tissue transplantation. Such registry shall be funded by the Department of Health and Human Services and administered through the National Institutes of Health.

"(c) STUDY.—

"(1) CONTENTS.—The Secretary shall conduct a study that shall include—

"(A) an assessment of the adequacy, in terms of quality, of the human fetal tissue obtained from spontaneous abortions and ectopic pregnancies and with respect to the research use of such fetal tissue in human fetal tissue transplantation for diseases and conditions such as, neurological diseases, endocrine diseases (such as diabetes mellitus), and hematopoietic conditions (such as leukemia or aplastic anemia);

"(B) an assessment of the overall availability and potential supply of tissue from such sources with respect to future research needs described in subparagraph (A); and

"(C) an examination of the methods and approaches of recovering, identifying, and characterizing fetal tissue and fetal cells obtained from such sources.

"(2) REPORT.—Not later than 6 months after the date of enactment of this section, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the results of the study conducted under paragraph (1).

"(3) PARTICIPATION OF INVESTIGATORS.—Nothing in this section shall prohibit investigators who are not affiliated with the National Institutes of Health from participating in the registry and tissue bank established under this section for purposes of conducting human fetal tissue transplantation research.

"(d) HUMAN FETAL CELL LINES.—The Secretary, acting through the National Institutes of Health, shall establish human fetal cell lines using cells obtained from spontaneous abortions and ectopic pregnancies.

"(e) ADDITIONAL STUDIES.—

"(1) PRESERVATION OF FETAL CELLS AND TISSUE.—The Secretary shall conduct a study to assess the various methods available for the optimal preservation of viable human fetal cells and tissues, including an assessment of—

"(A) the transportation and storage conditions involved;

"(B) the intervals between the collection of such cells and tissues and the cryopreservation or utilization of such; and

"(C) the methods and conditions for maintaining the optimal viability and functional integrity of both frozen and unfrozen cells and tissues.

"(2) OUTCOMES MONITORING.—The Secretary shall conduct a study to monitor the outcomes of the transplantation of human fetal cells and tissue in recipients.

"(3) ECTOPIC PREGNANCIES AND SPONTANEOUS ABORTIONS.—The Secretary shall conduct a study to determine the causes, and demographic and epidemiological characteristics, of ectopic pregnancies and spontaneous abortions, for the purpose of developing and evaluating strategies for improved treatment and prevention of such complications of pregnancy and for improved fetal survival.

"(4) REPORTS.—The Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the results of the—

"(A) study conducted under paragraph (1), not later than 1 year after the date of enactment of this section;

"(B) study conducted under paragraph (2), not later than 1 year after the date of enactment of this section, and biennially thereafter; and

"(C) study conducted under paragraph (3), not later than 1 year after the date of enactment of this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to enable the Secretary to carry out this section, $25,000,000 for fiscal year 1993, to remain available for 5 years.".

On page 115, strike lines 1 through 17.

Mr. HATCH. Mr. President, this is one of the main issues of contention on this particular bill. This one does involve the fetal tissue issue. My amendment will provide the needed source of tissue for human fetal tissue transplantation research without needlessly embroiling scientists in issues in which the larger community holds polarized views.

I am concerned about fetal tissue research. I want fetal tissue research. I want it to continue, and I want it to be outside of this awful abortion debate that rages up and down America. And I believe the only way to do it is in a way that enhances fetal tissue research while moving it outside of the polarized viewpoints of many people.

The moratorium itself does not prohibit the use of tissue obtained from spontaneous abortions and ectopic pregnancies. Tissue from those sources is free from the controversial baggage that should accompany tissue obtained from elective abortion.

In an April 20, 1989, New England Journal of Medicine article, Stanford University Medical Center Committee on Ethics stated in a paper entitled, "Ethical Use of Human Fetal Tissue in Medicine":

> If tissue from spontaneous abortions could reasonably satisfy medical demands in both quantity and quality, it would be preferable to avoid the ethical problems of using tissue from induced abortions.

Now, in the largest systematic study of miscarriages conducted, they examined 3,518 in-hospital miscarriages from 1975 to 1985 in three New York City hospitals. The data indicates that 5 to 7 percent of all miscarriages occurring in hospitals would be potentially suitable for transplantation. So the criteria would be normal appearance, chromosomally normal, live or recently deceased, and the miscarriage occurs in a hospital; gestational age is 8 to 20 weeks. The number found to be potentially suitable for transplantation was 176, or approximately 5 percent. This is the clinical study of miscarriages occurring in New York City hospitals between 1975 and 1985.

Mr. President, this chart makes it very clear that we have a considerable amount of fetal tissue available for NIH research. And this is just one city, one area. In fact, many investigators at Columbia University requested and were provided tissue from this clinical study for their own studies, and they considered such tissue very satisfactory. An estimated 5 to 7 percent of all in-hospital spontaneous abortions each year are potentially suitable for transplantation.

This study shows that fact. By using spontaneously aborted materials, without induced abortion materials, we avoid the ethical controversies and the screaming and shouting that occurs on this issue and we allow science to go forward without any interference from anybody; without any anguish from anybody; without any major concerns by any particular group. This is a very, very important study and it is one of a number that are going on.

So, an estimated 5 to 7 percent of all those spontaneous abortions each year are suitable for transplantation.

There are over 100,000 ectopic pregnancies. The number of ectopic pregnancies per year in the United States, in 1970 was 17,800; in 1980 this was 52,000; in 1987 this was 88,000; and in 1990 there were 100,000 estimated ectopic pregnancies, rounded to the nearest hundred.

There are, then, over 100,000 ectopic pregnancies every year. And the estimates are that there will be 1,000 to 2,000 such pregnancies yielding tissue potentially suitable for transplantation.

So, if you add the ectopic number of pregnancies of 1,000 to 2,000 with the miscarriages, or spontaneous abortions, you are talking about approximately 5,000 to 7,000 annual number of spontaneous abortions and ectopic pregnancies yielding tissue potentially suitable for transplantation.

There does appear to be enough tissue from those two sources to meet our research needs in this country. The total number of fetal tissue transplants performed in the United States over the last 30 years is shown on this next chart. It is entitled "U.S. Experience With Fetal Tissue Transplantation."

The total number over the last 30 years is around 60. A generous estimate of current research needs in the United States indicates that fetal tissue would be needed for less than 200 transplantations. So you have basically these cell types: pancreas, neural and the liver and thymus, which are used for bone marrow transplants. The gestational ages most often used are, 10–20 weeks for the pancreas; 7 to 11 weeks neural, and 8 to 14 weeks liver, thymus and bone marrow.

The total number of pancreas transplants through 1990 were 38; the number of neural tissue transplants were 3; with 18 scheduled in the area of neural; and a unknown number, a few in the area of liver, thymus and bone marrow. There was only one transplant involving an infant suffering from Hurler's disease. Over the last 30 years in the United States there have only been 3, as I have said, total neural transplants in the whole country. There have only been 19 worldwide, and 38 fetal pancreas transplants in our whole country.

A generous estimate of current research needs in the United States indicates that fetal tissue would be needed for less than 200 transplantations. So there appears to be an adequate supply of tissue out there that we can use that would come from a source that nobody would find morally objectionable or ethically objectionable.

In this chart, we have the annual number of spontaneous abortions and ectopic pregnancies yielding tissue potentially suitable for transplantation. That number is 6,000 to 7,000.

The current annual U.S. research needs is less than 200.

The source, of course, it is based on the estimates, based on discussions with private researchers at NIH and the New York study of miscarriages.

This prior chart, U.S. Experience With Fetal Tissue Transplantation, comes from the report "Use of Human Fetal Tissue: Scientific, Ethical, and Policy Concerns, January 1990," developed by scholars at the University of Minnesota.

The sources for this prior chart, regarding the number of ectopic pregnancies per year, is the Centers for Disease Control, Morbidity and Mortality Weekly Report of December 1990, and National Institute of Child Health and Human Development.

So there appears to be an adequate supply of human fetal tissue for transplantation purposes from sources that no one could find ethically or morally objectionable.

It is important to pursue all avenues of research where possible. No one area should be promoted to the exclusion of all others.

The Hatch amendment, in addition to providing for the needs of human tissue fetal transplantation research, also fosters research in the area of establishing human fetal cell lines. These human fetal cell lines may in the future provide a source of cells that have been genetically engineered to produce specific hormones and other proteins.

The number of ectopic pregnancies in this country has been increasing. From 1970 to 1987, as you can see, the number of ectopic pregnancies have increased—indeed they are increasing. The source on this again is the Centers for Disease Control, taken from its Morbidity and Mortality Weekly Report, December 1990.

From 1970 to 1987, the number of ectopic pregnancies has increased fivefold.

The Hatch amendment authorizes a study of the causes of ectopic pregnancies and spontaneous abortions. Little research has been done in this area to date. Learning more about the causes of these conditions will not only facilitate human fetal tissue transplantation research, but help to improve the treatment and prevention of these conditions; and, therefore, improve fetal survival.

I would like to move the science of this matter outside of the orbit of the abortion debate. Whenever the issue of abortion comes up, we see Supreme Court nominees threatened. We see other people who might possibly be good servants of Government, threatened on that single issue. We see normal people in this body turn into very antagonistic opponents. We see outside groups going at each other all over this country in ways that sometimes seem unseemly. We see it used continuously, the issue of abortion, for political purposes. We see people afraid to even stand up on this issue one way or the other. We see a lot of material that is not true on both sides of the issue. We see ethical and moral considerations completely, sometimes, flung aside—other times raised in imperious and fallacious ways. We see normally cooperative and good people begin to hate each other. We see the county in a turmoil. We see it become an issue in major elections. We see it as an issue in the Presidential elections of this country, even though the polls show that most people are not going to make the selection of who they vote for solely on that issue.

So it becomes an issue of who can present their case the best? Who can raise the most concerns? Who can distort the facts around us? Who can hit home with the 30-second spot? And in the process we now have, the way it is written in this bill, bringing that whole issue with its whole contentions, its whole difficult set of issues, its complete unearthing of issues that could stultify and hurt science—we see that brought into this bill the way it is currently written, in a way that brings all of the ethical and moral, religious and other considerations into the ban.

My amendment prevents all of that. And if my amendment would not provide enough fetal tissue for transplantation purposes, I think I would see it another way myself perhaps, or at least I would certainly give every consideration to a better methodology of trying to resolve these problems.

But the way the bill is written, we are going to get into unnecessary debates and a potential veto, dissatisfaction of people all over this country and a continual uproar that really is not necessary. I think I have made the case that we will get enough fetal tissue from spontaneous abortions, in other words, miscarriages, and from ectopic pregnancies, as many as there are and the small percentage that it is, that it will be way in excess of what we need to conduct the research that is required in this country.

Under this amendment, we can reach every scientific conclusion within the available potential of fetal research, and certainly more than we can currently do.

Some have said, in order to discourage this approach, that although there are thousands of spontaneous abortions, they mostly occur outside of the hospitals which makes it impracticable to obtain usable fetal tissue.

The test is not whether spontaneous abortions are, from a narrow scientific perspective, the best source of fetal tissue or whether tissue from every spontaneous or ectopic abortion may be salvageable. The question is whether a sufficient supply of tissue can be obtained that will allow the science of fetal tissue research to proceed in a scientifically sound and unobjectionable manner.

My amendment attempts to enact measures that will systematically answer the question of the feasibility of the use of both spontaneous and ectopic pregnancies. That we may not be able to use most or even a very small percentage of cells from spontaneous abortions is irrelevant. What is relevant and what my amendment seeks to accomplish is whether we can obtain enough usable fetal material from spontaneous and ectopic pregnancies to allow fetal tissue science to proceed in a socially acceptable manner.

Some have said that in order to discourage the approach that I am making here, that even when spontaneous and ectopic abortions occur in health care facilities, they often do so in sites remote from the research institutions that conduct fetal tissue research. The means with which fetal tissue can be transferred from collection site to research facility I think is a valid logistical concern, but it pales in importance to the social and ethical considerations that lead me to offer this amendment which centers on the source of fetal material.

My amendment seeks to arrive at a compromise by which valuable research can take place consistent with deeply felt concerns over the source of fetal cells. A major purpose of my amendment is to facilitate the transfer of fetal cells from spontaneous and ectopic abortions into the hands of researchers situated around and throughout the whole country. Let us fairly try this approach before we pronounce it a failure, as some have tried to do. It is not a failure. It will work. And it will prevent the inordinately destructive debate later.

It is far more appropriate to accommodate the legitimate social and ethical concerns regarding the sources of tissue than it would be to devise a system whose overriding purpose is to ease the collection of fetal material. What type of cells will be used is much more important than the ease with which we collect them.

Some have also said, to discourage the support for this amendment, that tissues from ectopic and spontaneous abortions generally possess a greater frequency of viral and bacterial contamination than tissues from elective abortions. Because ectopic pregnancies are treated either by entering the abdomen with an endoscope or by opening the abdomen surgically, sterility of the tissue is maintained.

Spontaneous abortions are associated with some increased probability of bacterial infections because such infections are one of the causes of fetal loss during pregnancies. Bacterial infections that enter the uterus through the cervix, so-called ascending infections, may occur during later stages of pregnancies in women who have incompetent uterine cervixes. Other opportunities for bacterial or viral infections can occur during passage of the abortive tissue through the cervix or storage in unsterile containers after delivery. However, antibiotic treatment can reduce the occurrence of bacterial infections. So I think that is a very false argument as well.

Mr. President, some have said, to discourage this amendment, that a good way to address contentious social and ethical questions in biomedical research, such as fetal tissue research, is through the ethics advisory board created by this bill. The recommendations of this board would be binding on the Secretary in cases in which the Secretary wishes to withhold research funding purely on ethical grounds. If there was ever a good example of the old adage, "tough cases make hard law," this is it.

In their zealous desire to overturn the current moratorium on human fetal tissue transplantation, proponents of the bill have adopted an ethics advisory board mechanism that could override the judgment of the Secretary in cases in which the Secretary chose to disapprove peer reviewed scientific research proposals on ethical grounds. The provision is lousy law and very poor policy.

The Justice Department has taken the position that this provision raises important constitutional objectives under the appointments clause. The Justice Department has stated "proposed section 492(B)(1) would prevent the Secretary from withholding funding for research on ethical grounds unless he convenes an ethics advisory board to study the ethical implications of the research and unless the majority of the ethics board recommends he withholds the funds on ethical grounds. Because the members of the ethics advisory board would exercise 'significant authority pursuant to the laws of the United States' they would be 'officers of the United States.' Consistent with this status, the board members would be appointed by the Secretary under the proposed new section 492(A)(b)(4)(C) as inferior officers under the direction of the Secretary, the work and preliminary report of the board would be subject to revision by the Secretary."

The full text of this letter has already been included in the RECORD.

Mr. President, the proponents of this bill, it seems to me, would stand the law of this country on its head by making the recommendations of the advisory committee binding. In addition to being bad law, this provision is bad policy. A wise man once said to me, never ask for advice if you have to take it. This bill violates this principle. I believe that it is a matter of sound policy that the Secretary of Health and Human Services has the responsibility to weigh the ethical considerations attendant to fully supported research. To paraphrase Harry Truman, this particular type of policy should make a final stop at the Secretary's desk and not with some ad hoc committee.

Some have also said, to discourage my amendment, tissues from ectopic and spontaneous abortions generally possess a greater frequency of genetic elective or induced abortions. It is important to distinguish between tissue obtained from spontaneous abortions and ectopic pregnancies because the rates are very different.

Ectopic pregnancies occur because the fertilized ovary is implanted outside of the uterus, not because the embryo is abnormal. Thus, there is no evidence that genetic abnormalities occur with increased frequency in ectopic pregnancies.

Spontaneous abortion is the most common complication of pregnancy, affecting 1 in 4 of all women who become pregnant defined as fertilization of an ovary. Moreover, it is generally recognized 12 to 15 percent of clinically recognized pregnancies will end. Major genetic defects will usually cause the early demise of a fertilized egg and embryo. Thus, the frequency of spontaneous abortions is highest in early pregnancy. For example, the incidence of chromosomal abnormalities may be about 60 percent of nonspontaneous abortions occurring before 12 weeks of gestation while the incidence of such abnormalities above 12 weeks drops to about only 10 or 20 percent.

Causes of spontaneous abortions later in pregnancy are more often the result of internal factors. By selecting fetal issue from spontaneous abortions between 8 and 20 weeks of gestation, the risk of genetic abnormalities will be reduced. Screening cytogenetic and chromosomal studies can determine which tissues are most suitable for transplantation.

Now, some have said also in order to discourage this amendment that the fetal tissue amendment flies in the face of the argument that the Administration and I have made regarding micromanagement of science at the NIH by the political considerations exerted by Members of Congress.

Now, when we object to the micromanagement of NIH, we properly and carefully distinguish between unjustifiably interfering with the detailed research program that should be fundamentally in the purview of the science community and the responsible consultative process between the Congress and the executive branch agencies in charting parameters prior to embarking on a new major avenue of research.

Because of the longstanding tensions associated with the issue of abortion in our society, it is proper to fully discuss and delineate safeguards before we embark down a research path, however promising, that threatens to embroil the NIH into the larger societal conflict over abortion.

Deciding what boundaries to place on federally funded human fetal tissue research is a very different type of question than congressional interference with noncontroversial garden variety research decisions. The passage of the Hyde amendment in the late 1970's established a principle whereby we strived to keep taxpayer funds out of activities that can be fairly interpreted as encouraging abortion.

Far from ill-conceived micromanagement, by amendment is a valid exercise of proper congressional scrutiny into an area of broad societal disagreement and interest. I would urge all of my colleagues to join in my effort to balance the inexorable pressures for science progress with the deeply felt concerns of those many citizens who believe that, if unchecked, fetal research would result in additional abortions.

Regardless of whether you agree or disagree with the balance established by my amendment, it attempts to address a highly contentious social issue that cannot fairly be characterized as mere micromanagement. I suspect that but for this issue there would not have been a Presidential veto last summer and we would not be locked in this fierce debate today. There is a larger issue here.

Let me just summarize the Hatch fetal tissue amendment. It immediately establishes a nonprofit registry and a tissue bank using tissue obtained from spontaneous abortions and ectopic pregnancies for use in human fetal tissue transplantation. And I believe it brings everybody into the orbit of good science without all of the ethical and moral arguments and fights that will inevitably occur if this amendment is not passed.

And I think it does it in a way where we have cooperation and we can march forward in valuable fetal tissue research and study.

My amendment requires a study to be completed within 6 months to look at the quality and the availability of tissue from these sources and to address the logistics of recovering, identifying and characterizing the tissue. It authorizes the Secretary of Health and Human Services to develop human fetal cell lines and study methods of preserving viable human fetal cells and tissues.

For example, the study will examine transportation, storage, preservation and maintaining the viability of frozen and unfrozen cells and tissues. It studies the outcome of the transplantation of human fetal cells and tissue in recipients. It requires the Secretary to study the causes of spontaneous abortions and ectopic pregnancies to help develop strategies for improving the treatment and prevention of these conditions and to improve fetal survival. And it authorizes $25 million for fiscal year 1993 to remain available for 5 years.

Now, Mr. President, I believe this amendment will strengthen the bill. My amendment guarantees that the research will proceed without offending anyone's ethical beliefs concerning human fetal tissue transplantation. Senior advisers to the President have indicated they will recommend a veto of this bill unless the issue is satisfactorily resolved and important human fetal tissue transplantation research that might have been done stands a good chance of being sacrificed. Nothing will have been gained, in my view, for the good of those whose hope for a better future rests with the National Institutes of Health or those dedicated scientists who labor on their behalf.

Our fellow Americans who are crippled by certain diseases wait for a sensible and decent resolution. So I am asking my colleagues to join me in support of this amendment. I believe it is the right way to go. I believe it is the approach that will get us to the best science in the quickest fashion. I believe that it will bring people together rather than tear them apart. I believe that it will allow for fetal tissue transportation more quickly and better than in any other way, and in the process I think we would all be better off.

Mr. President, I do not intend to prolong this. I think I have made the basic points, and at this point I will yield the floor .

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I wonder if the Senator is familiar with Julianne Byrne, who is the senior staff fellow of the Clinical Epidemiology Branch at the National Cancer Institute of NIH who participated in this study.

Mr. HATCH. Yes; I am.

Mr. KENNEDY. I understand that Julianne Byrne was the principal staff individual, as the senior staff fellow, who did the study upon which these charts are based, and which was never published. The information that is being presented here is selective information of a study that was not published in which Julianne Byrne was the senior staff official.

I am wondering if the Senator from Utah would indicate whether there was an evaluation that was done in terms of the fetuses with regard to the brain, which is a principal aspect of transplantation research, particularly in the areas of Alzheimer's disease and other neurodegenerative diseases.

Mr. HATCH. Is the Senator asking a question?

Mr. KENNEDY. Yes

Mr. HATCH. As I understand it, Dr. Julianne Byrne has indicated an intention to publish this material, I have the following letter from Dr. Byrne, who is the senior staff fellow Ph.D. from the Clinical Epidemiology Branch of NCI. This letter is dated March 26, 1992.

It says:

> On Friday, March 20, 1992, Scott Daniels of your staff called to inquire about the proportion of miscarried embryos and fetuses that would be suitable for studies such as fetal tissue transplant.
>
> Please note that the data under discussion resulted from my prior employment and not from my current position as an NCI employee.
>
> The answer is about 7 percent. This percentage comes from a study of all miscarriages less than 28 weeks gestational age occurring in three New York City hospitals between 1975 and 1985—the largest such study ever conducted.
>
> The pathology component of this study, for which I was responsible, ran from 1977 until 1981. Together with William A. Blanc, Professor of Pediatric Pathology, I evaluated more than 3,500 specimens resulting in 14 papers, a book, (Oxford 1991), and a lab manual, (March of Dimes 1983) on the pathology of miscarriage.
>
> Although my active involvement in this area ceased in 1984, the study remains the only systematic survey of the problem yet attempted.

And then she goes on further beyond that.

I ask unanimous consent that that be printed in the RECORD.

Mr. KENNEDY. It should be included.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NATIONAL INSTITUTES OF HEALTH,
NATIONAL CANCER INSTITUTE,
Bethesda, MD, March 26, 1992.

Hon. ORRIN HATCH,
U.S. Senate,
Washington, DC.

DEAR SENATOR HATCH: On Friday, March 20, 1992, Scott Daniels of your staff called to inquire about the proportion of miscarried embryos and fetuses that would be suitable for studies requiring normal fetuses, such as fetal tissue transplants. Please note that the data under discussion resulted from my prior employment, and not from my current position as an NCI employee.

The answer is: about 7 percent.

This percentage comes from a study of all miscarriages (less than 28 weeks gestational age) occurring in three New York City hospitals between 1975 and 1985—the largest such study ever conducted. The pathology component of this study, for which I was responsible, ran from 1977 until 1981. Together with William A. Blanc, Professor of Pediatric Pathology, I evaluated more than 3,500 specimens, resulting in 14 papers, a book (Oxford, 1991) and a lab manual (March of Dimes, 1983) on the pathology of miscarriage. Although my active involvement in this area ceased in 1984, the study remains the only systematic survey of the problem yet attempted.

The pathology study was part of a larger survey of miscarriages, including an interview with the mother and a cytogenetic evaluation of the abortus. The principal investigators were Zena Stein, Mervyn Susser, Dorothy Warburton (responsible for the cytogenetic data) and Jennie Kline (responsible for the interview). All four are research scientists at Columbia University in New York.

The question you asked is not one that we had previously considered, so the data had to be generated. Here are the results of my computer analyses.

First, the number of specimens in this pathology database totals 3,518. You asked for the number which were normal in terms of all the measures we used. To get this, I eliminated all specimens without a known normal cytogenetic constitution, all specimens with structural abnormalities and all specimens that were autolyzed (where the condition of the tissues indicated retention after intrauterine fetal death). This left 241 embryos and fetuses, or 10 percent of all miscarriages in this hospital-based series. For other information about these embryos and fetuses, please see the enclosed article (Byrne et al, 1985). I have also worked out a distribution of the 241 normal embryos and fetuses according to their developmental age at the time of miscarriage, shown on the attached table.

In summary, in this large miscarriage series, 7% or 241 miscarriage specimens were normal in appearance, had a normal chromosome constitution, and seemed to be recently deceased. Therefore, they appeared to be potentially suitable for studies requiring fresh material, such as fetal tissue transplants.

This conclusion is based on the following criteria:

(1) The embryos and fetuses were structurally normal, demonstrated by an autopsy and examination of all organ systems, including a dissection of the heart, but excluding the brain.

(2) All had a normal chromosome constitution, demonstrated by Giemsa banded karyotypes, of fetal tissue—thymus, muscle and placenta.

(3) They seemed to be recently deceased, possibly alive when expelled, based on their appearance.

Many investigators at Columbia University requested and were provided fresh fetal material for their own studies and considered it satisfactory. A paper that resulted from one such study is enclosed (Davidson et al, 1983; page 1 only). Fetal loss in these cases appears to have more to do with maternal conditions, such as incompetent cervix, or ascending infection, than to any fetal defect.

However, a word of caution: On the basis of unpublished work, I suspect that bacterial infection may play a part in a significant number of these miscarriages. In some cases, the fetus itself was septic. Viral infections would be another worry for the area of transplants.

I hope that this information is useful.

Sincerely,

JULIANNE BYRNE, Ph.D.,
Senior Staff Fellow, Clinical Epidemiology Branch.

Distribution by developmental age[1] of 241 miscarried embryos and fetuses

Estimated developmental age, in weeks:	*No.*
4 to 6	4
7 to 8	9
9 to 10	12
11 to 12	22
13 to 14	22
15 to 16	35
17 to 18	42
19 to 20	34
21 to 22	29
23 to 24	24
25 to 26	7
27 to 28	1
Total	241

[1] Developmental age is an estimate of the number of weeks since conception, and is derived by comparing the fetal length to values in published tables.

Mr. KENNEDY. I also ask unanimous consent to include the communication from Julianne Byrne.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

Letter to Scott Daniels:

This letter responds to your recent query. You asked for the proportion of miscarried embryos and fetuses that would be suitable for studies requiring normal fetuses, such as fetal tissue transplants.

The answer is: about 7 percent.

This percentage comes from a study of all miscarriages (less than 28 weeks gestational age) occurring in three New York City hospitals between 1975 and 1985—the largest such study ever conducted. The pathology component of this study, for which I was responsible, ran from 1977 until 1981. I trained a series of research assistants, and together with William A. Blanc, Professor of Pediatric Pathology, evaluated more than 3,500 specimens. During and after this study, I published 14 papers, a book (Oxford, 1991) and a lab manual (March of Dimes, 1983) on the pathology of miscarriage. Although my active involvement in this area ceased in 1984, the study remains the only systematic survey of the problem yet attempted.

The pathology study was part of a larger survey of miscarriages. Besides pathology examinations, the larger study included an interview with the mother and a cytogenetic evaluation of the abortus. The principal investigators were Zena Stein, Mervyn Susser, Dorothy Warburton (responsible for the cytogenetic data) and Jennie Kline (responsible for the interview). All four are research scientists at Columbia University in New York.

The question you asked is not one that we had previously considered, so the data had to be generated. Here are the results of my computer analyses.

First, the number of specimens in this pathology database totals 3,518. You asked for the number which were normal in terms of all the measures we used. To get this, I eliminated all specimens without a known normal cytogenetic constitution, all specimens with structural abnormalities and all specimens that were autolyzed (where the condition of the tissues indicated retention after intrautarine fetal death). This left 241 embryos and fetuses, or almost 7% of all miscarriages in this hospital-based series. For other information about these embryos and fetuses, please see the enclosed article (Byrne et al. 1985). I have also worked out a distribution of the 241 normal embryos and fetuses according to their development age at the time of miscarriage, shown on the attached table.

In summary, in this large miscarriage series, 7% or 241 miscarriage specimens, were normal in appearance, had a normal chromosome constitution, and seemed to be recently deceased. Therefore, they appeared to be potentially suitable for studies requiring fresh material, such as fetal tissue transplants.

This conclusion is based on the following criteria:

(1) The embryos and fetuses were structurally normal, demonstrated by an autopsy and examination of all organ systems, including a dissection of the heart, but excluding the brain.

(2) All had a normal chromosome constitution, demonstrated by Giemsa banded karyotypes, of fetal tissue—thymus, muscle and placenta.

(3) They seemed to be recently deceased, possibly alive when expelled, based on their appearance.

Many investigators at Columbia University requested and were provided fresh fetal material for their own studies and considered it satisfactory. A paper that resulted from one such study is enclosed (Davidson et al, 1983; page 1 only). Fetal loss in these cases appears to have more to do with maternal conditions, such as incompetent crevix, or ascending infection, than to any fetal defect.

However, a word of caution: On the basis of unpublished work, I suspect that bacterial infection may play a part in a significant number of these miscarriages. In some cases, the fetus itself was septic. Viral infections would be another worry for the area of transplants.

I hope that this information is useful.

Sincerely,

JULIANNE BYRNE, Ph.D.,
Senior Staff Fellow, Clinical Epidemiology Branch.

Distribution by developmental age[1] of 241 miscarried embryos and fetuses

Estimated developmental age, in weeks:	*No.*
4 to 6	4
7 to 8	9
9 to 10	12
11 to 12	22
13 to 14	22
15 to 16	35
17 to 18	42
19 to 20	34
21 to 22	29
23 to 24	24
25 to 26	7
27 to 28	1
Total	241

[1] Developmental age is an estimate of the number of weeks since conception, and is derived by comparing the fetal length to values in published tables.

Mr. KENNEDY. As the Senator has pointed out, the letter ends by saying that the conclusion of the study is based on the following criteria:

> The embryos and fetuses were structurally normal, demonstrated by an autopsy and examination of all organ systems, including a dissection of the heart, but excluding the brain.

And then it continues, "However, a word of caution: On the basis of unpublished work I suspect that bacterial infection may play a part in a significant number"—we do not know what the number is—"of these miscarriages. In some cases, the fetus itself was septic,"—which means it was diseased or infected. We do not know how many. "Viral infections would be another worry for the area of transplants."

We do not have any indication with all these wonderful charts as to which tissues are appropriate. There is absolutely no indication, which is the very reason that this legislation is necessary. The overwhelming body of scientific information—and we will put in the appropriate studies—indicates that there is not sufficient material that is appropriate and that can be utilized both with the kind of safety and under the kind of ethical standards that are necessary for pursuing this important opportunity for progress.

I would say that if all this material were available, there would be fetal transplantation taking place today. The fact is that there is not; a principal reason is because the material is not available.

According to Centers for Disease Control, there are approximately 88,000 ectopic pregnancies a year. With early diagnosis, 75 percent of ectopic pregnancies can be treated with surgery and chemical therapy. These methods result in destruction or resorption of the fetal tissue. The remaining 25 percent of ectopic pregnancies are treated after the onset of symptoms, and at that point the woman's health is in danger and emergency surgery is performed.

Of the ectopic pregnancies treated by surgery, about 22,000 per year, 95 percent have no viable tissue because the fetal tissue has been dead for a period of days or weeks. Of the remaining 5 percent, about 1,100, there is a high frequency of genetic abnormalities—the best estimate is about 50 percent—and infection. Therefore, only about 500 ectopic pregnancies per year would provide tissue appropriate for use in humans. The tissue can only be obtained from 7 to 9 weeks gestational age. That is the optimum time for any of the material.

For the 500 remaining ectopic pregnancies, it can take up to 3 weeks to determine whether the tissue does not have any chromosomal abnormalities, and thus is appropriate for use in humans. This is one of the most important studies, "The Use of Human Fetal Issue" by the University of Minnesota. It points out in this study that it takes up to 3 weeks for the clinical examination.

What the country has seen in the last 2 days, or last week, with the small child in that extraordinarily tragic circumstance in Florida, is that even though in this instance the child was breathing—so to speak—organs deteriorated because of the delay, so that, with the exception of the cornea of the eyes, there was no possibility for transplantation.

There may be, then, 500 ectopic pregnancies that may provide the material for transplantations. But it would be unethical and inappropriate to fail to examine those 500 for abnormalities or for any other kinds of disease.

That is basically what the studies say. What the studies also say is that, if you wait for the 3 weeks, you basically undermine the effectiveness of the transplantation.

Also, Mr. President, the clinical trials to date have indicated that methotrexate therapy for ectopic pregnancies results in a 95- to 100-percent resolution of ectopic pregnancies, decreased hospital stays, and limited side effects. This holds great promise as an alternative to surgery, and thus further reduces the tissue available from ectopic pregnancies. It is used to fight cancer and is increasingly being used as a principal instrument. It was used in the treatment of my own son. It is a very powerful drug.

What they are finding with research is that methotrexate holds promise to replace surgery in many of these circumstances. That is the flow line. That is where it is moving. This means that even if you were to take the 500 cases based on the extrapolation of figures provided by CDC, you still will not have the material.

I see my colleague from Rhode Island. Let me touch very briefly on the other statistics dealing with spontaneous abortions.

It is estimated that 15 to 20 percent of recognizable pregnancies, about 700,000, end in spontaneous abortions in the first trimester. This is according to the Journal of the American Medical Association in 1983, and the American Journal of Obstetrics and Gynecology in 1987. Sixty percent of spontaneous abortions are due to abnormality, and not suitable for transplantation according to the current reviews in Obstetrics and Gynecology in 1984. That would leave about 280,000.

About 77 percent of spontaneous abortions do not result in recognizable fetal tissue. That is according to the Journal of the American Medical Association, which leaves about 70,000. Most spontaneously aborted fetuses die in utero 2 or 3 weeks prior to the abortion, which effectively eliminates the possibility of utilizing the material. Or, as basic studies have shown, fewer than 1 in 500 specimens yield tissues that are viable and useful for transplantation. This leaves about 140 nationwide.

Mr. President, I just reviewed very quickly that the statistics are based on the studies that I have mentioned, and I have referenced them rather than include them in the RECORD so that Members can review this over the evening for their own edification. That is basically the extrapolation of the facts based on the CDC studies.

Quite frankly, I am amazed that my good friend would use this kind of a study when it really does not make the point that I know the Senator is attempting to make based upon the words of the principal researchers themselves.

Mr. President, we have answered the concerns raised by our colleagues by incorporating the strictest protections from an ethical point of view, based on the recommendations of the NIH task force. That panel included ethicists, theologians, and members of the scientific and religious community. We have followed these recommendations in terms of the ethical issues to guard against any suggestion that there would be an increase in abortions.

We have added the language which has been suggested by the Senator from Oregon [Mr. HATFIELD] in terms of the procedures to deal with some of the kinds of issues that were raised here in the course of the hearing. I think we deal with that in the most appropriate way.

I believe that the kinds of protections that we have included in this bill would enhance life. This legislation and this provision will enhance life for thousands of individuals with Parkinson's disease, Alzheimer's disease, juvenile diabetes, and other incurable diseases.

I believe, as has been demonstrated in various medical journals, that the range of opportunities for other areas is virtually unlimited. I think all of us would expect that this legislation will provide some hope and opportunity to save people's lives. There will be new opportunities and new treatments that will be coming up next year and the year after, that will hopefully be more effective. But this bill offers a very important opportunity for progress in the areas that afflict millions of Americans. We should move forward.

[Mr. CHAFEE addressed the Chair.]

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, first of all, I want to thank the distinguished senior Senator from Massachusetts for the presentation he has made and for the work his committee has done on this issue. I am a cosponsor of the underlying bill.

First, Mr. President, I would like to address the underlying bill and then make some remarks, if I might, about the Hatch amendment.

First of all, Mr. President, I think it is very important to remember that this bill takes some very important steps toward improving our Nation's commitment to scientific research. What does it do? It reauthorizes the National Cancer Institute and the National Heart, Lung, and Blood Institute, which are the largest two components of the NIH.

The NIH, I think we will all agree—this is not seriously in dispute—is one of the world's premier research institutions. I am encouraged by the fact that the committee that considered this measure did so in order to ensure that recent scientific progress in the areas of cancer research and cardiovascular disease, which are the two biggest killers in our society, receive appropriate Federal support.

The measure also devotes greater resources to the health of women and the health of minorities, two groups which all too often are neglected in clinical research trials.

Mr. President, I am also pleased that this bill includes a provision to lift the ban on Federal funding for fetal tissue transplantation research. What it does is it lifts the moratorium that is on the fetal tissue transplantation research.

A little bit of the background on all of this. The Federal funds for this research have been banned since 1988 by an administratively imposed moratorium. There was a panel appointed of 23 experts in 1988 by the Reagan administration. Was this some wild, far-out group? Well, Mr. President, who was on this panel? The chairman of it was a retired member of the United States Court of Appeals. Included on this was the chairman of the department of obstetrics and gynecology in Brigham Woman's Hospital in Boston, certainly one of the top hospitals in the United States of America. Also, on it was the director for the Center of Bioethics from Georgetown University, a Catholic university here in the city of Washington. Members were a rabbi; a professor of law at Cardoza Law School; Father James Berchail, professor of theology, University of Notre Dame; a professor from the University of North Carolina School of Medicine; chairman of the department of religious studies, Cocal University of Virginia, a Ph.D., a Dr. Childress; Dr. Clausner, chairman, Hershey Medical Center, Pennsylvania State University. On and on the list goes. It had theologians, medical doctors, Ph.D.'s. It had a rabbi, lawyers, and it was chaired by a distinguished retired judge from the circuit court of appeals.

So, Mr. President, this was no fly-by-night group. This was a very distinguished group. What did this group say? They came back with a report with 18 to 3 in favor of going ahead with fetal tissue research, with some restrictions and some guidelines that this panel imposed. All of that is included in this legislation before us.

Unfortunately, thereafter, this moratorium was imposed, and it has remained in effect since. What are we trying to do here? We believe—not we Senators, but distinguished research physicians and others who know the subject, believe—that, pursuing these avenues of research, we can encourage cures for diseases such as Parkinson's, diabetes, leukemia, and other diseases. I suspect most Members of this body have a family member or a friend who is suffering from one of these and, of course, especially Parkinson's, although diabetes and leukemia are widespread. These individuals are being denied the possibility of some treatment and cure because of this moratorium

There are some who oppose this research, claiming that it will encourage women to have abortions and create a demand for fetal tissue; there will be a market for it out there and, therefore, there will be induced abortions. Mr. President, that is nonsense. This measure contains all of the safeguards which were recommended by the NIH panel that I just referred to. That panel, again, included a rabbi, a priest, judges, distinguished lawyers, and they made these recommendations, all of which are included within the legislation before us.

These safeguards will ensure that the decision to donate tissue is made only after a woman has already decided to terminate her pregnancy. It prohibits any form of monetary compensation for the tissue. You cannot go out and sell the tissue. Women will be prohibited from designating who is to receive the tissue. So I ask you, Mr. President, where is the increased incentive for a woman to terminate her pregnancy?

Let me just say, once again, that we are dealing with an issue that is not about abortion. I do not think the word "abortion" should even be mentioned here. It is about sound and ethical medical research. Unfortunately, there are many who would like to support this measure, but they consider it a pro-abortion vote, a pro-choice vote. I maintain that support for this bill is the ultimate pro-life vote, because allowing this critical research to continue will mean that millions of lives, potentially, could be prolonged and saved.

Mr. President, now a word about the Hatch amendment which is here before us. First, I think it is unfortunate that this debate is being prolonged. What Congress is doing involved with this whole matter to start with is beyond me. We ought to put this matter behind us once and for all. This matter has been studied. We have recommendations. Let us just proceed and get it over with.

Mr. President, as best I can understand the Hatch amendment, there are two things—and the Senator is here and can obviously correct me if I am wrong—that the Senator is proposing. He is saying, first, that it will be permissible to use those tissues from those ectopic pregnancies where the tissue is viable.

First of all, that is already permitted. I am not sure what he is suggesting that is not already being done.

The second point is that there are very limited amounts of this tissue available, because through a series of eliminations, if you will 75 percent of these ectopic pregnancies can now be diagnosed with ultrasound in 8 weeks, and they can be treated with medication so the tissue is reabsorbed within the body so you do not even have the tissue. That is not there. Another 25 percent of these cases result in surgery, and in 95 percent of these cases, there is no viable tissue left.

So I think the Senator from Utah would agree that when all is said and done, between 1,000 and 2,000 such pregnancies, where there is the possibility of having tissue available—the possibility; that does not mean you have 1,000 or 2,000 pregnancies in which there is a chance the tissue will be available. Very limited.

What the Senator has then said, as I understand, is that the tissue from spontaneous miscarriages can be used. Well, I think we have already had it pointed out by the distinguished chairman of the committee that this leads to very, very limited numbers of incidences where tissue can become available.

Mr. President, I would like to read, if I might, a letter on this subjecft from Dr. Richard Robbins, associate professor of medicine, Yale, Neural Transplant Program from the School of Medicine at Yale.

This is what he says. First of all, he goes through the statistics of those instances where after spontaneous miscarriages there will be the tissue available. And he concludes that there are 4.3 average annual spontaneous miscarriages where the tissue is available from a total of three hospitals per year. In other words, amongst the three hospitals that they studied, there were 4.3 instances where the tissue that they were seeking was available. In other words, 1.4 fetuses on an average might be available from "An average hospital." OK. That is what you get once a year in a hospital, in effect one and one-half chances, or, over 2 years, you would have three chances.

In order to collect this tissue rapidly with consent, to dissect the small brain region which contains the dopamine-producing cells and to quickly cryopreserve it to retain viability, we need to have a team of three or four people. And then he goes through who these people are: A neuroscientist, a neurosurgeon, a scientist familiar with cryopreservation, a nurse to obtain consent from the donor and a technician to transport and to assist the scientists.

In order to obtain tissue from 1.4 miscarriages per year which might yield potentially useful tissue, we have to station such a team on call each time, any time a pregnant woman came with a threatened miscarriage. This is obviously a ridiculous scenario and a logistical nightmare. It simply would never work. Then he goes on.

> As Dr. Byrne correctly points the tissue is often infected. Our own experience, using the most sterile approach reveals that approximately 10 percent of all appropriate specimens are infected usually with bacteria which normally reside in the vagina.

In summary, this is from a doctor who is very familiar with this in one of the hospitals where they are doing work in fetal tissue:

> In summary, tissue from spontaneous miscarriages is difficult to collect in a safe and timely fashion to preserve the viability of the cells. The number of potentially useful miscarriages is so low that it would require a moderate-sized army of scientists scattered in hospitals around the country to collect even a few specimens each year.
>
> The same can be said for ectopic pregnancies which produce tissue which is likely to be non-viable due to lack of blooc supply and which may be infected. Furthermore, once an ectopic pregnancy is diagnosed, it is a surgical emergency which needs immediate surgical attention.

It is not a situation where you planned for it, it comes up instantaneously and action has to be taken. You cannot call on somebody with a consent form, you cannot call on that physician who is familiar with cryopreservation.

Delaying the procedure to get consent and to an assemble the team to collect an preserve the tissue would be unethical and seriously dangerous to the pregnant woman.

Mr. President, despite the efforts—and well meaning efforts—of the distinguished Senator from Utah, I think this is an amendment that should be defeated. And I would hope, Mr. President, that we could then go on and pass the underlying bill, get this matter settled once and for all and behind us. I thank the Chair.

The PRESIDING OFFICER (Mr. GORE). The Senator from Washington.

Mr. ADAMS. Mr. President, I want to follow through with the very fine remarks that have been made by the Senator from Rhode Island. I would first pick up with the point that he has just made in the letter from Dr. Richard Robbins. The summary that he has made indicates what the fatal flaw is in the well-meaning amendment of my friend from Utah, Senator HATCH.

What that amendment does is it simply leaves us where we are now, because it says that you could use the material from ectopic pregnancies and from spontaneous abortions—in other words, miscarriages—as an alternative means of transplantation.

The most dangerous, the most damning part of this, I want to turn to first as to why we oppose so strenuously the use of the study which was not published. The person who made the study indicated that danger themselves. I want to put this into the RECORD because this is a very technical subject, it is one that we wish we could leave with the doctors, and that is what our amendment does, but unfortunately our amendment is attempted to be changed. I mean the bill is attempted to be changed by an amendment that would endanger people.

For example, that happens in this case is that with the ectopic pregnancy, you have the danger of a septic fetus. A septic fetus, if it is used for transplantation as opposed to being used in some dish for experimentation with the cells themselves, would transmit the viral nature or the septic nature to the transplant.

The second point, as so well stated by the Senator from Rhode Island, is that spontaneous miscarriages—and all of us who have been married for a substantial period of time know what this problem involves, it is that you do not know it is going to happen or you know only on very short notice. And then what you are studying—and this was the study referred to by Senator HATCH—is you are trying to save the life of the mother most often and you are not examining the fetus itself for potential transplantation. And that is what she points out in the letter that she has written.

She has indicated in the last part of it—and this was referred to by both the Senator from Rhode Island and by Senator KENNEDY—is that viral infections would be another worry for the area of transplants. In plain English that simply means that the miscarriage has occurred undoubtedly for a purpose, and that purpose would be transplanted if we had simply the use of miscarriages.

The other thing that was so dangerous about the letter and the study is that they studied the fetuses but, and I quote:

> The embryos and fetuses were structurally normal demonstrated by an autopsy and examination of all organ systems including a dissection of the heart but excluding the brain.

And one of the things that we are hopeful that we can have the doctors—not you, Mr. President, nor me, nor Senator HATCH, but the doctors—look at these transplantation cells, particularly the dopamine cells, as hopes for Parkinson's, Alzheimer's, junior diabetes, many of these causes.

So when we look at the amendment, what it would do is it would leave us right where we are. People who are involved in this research have written—and the letter that I quoted from was from Julianne Byrne, Ph.D., the senator staff fellow that was quoted by Senator HATCH as indicating the dangers of using either spontaneous or ectopic pregnancies, and ectopic pregnancy, a tubal pregnancy. It is a very dangerous situation for the mother and immediate and often very dramatic surgical procedures are required, involving chemicals, involving a whole range of problems that make this again something that people who are in the medical profession have examined and have uniformly not proceeded with for transplants because of the dangers that are involved in ectopic and spontaneous pregnancies.

I would like at this point to ask unanimous consent that the letter from which I have quoted and from which the Senator from Rhode Island quoted, dated March 31, 1992, signed by Richard J. Robbins, MD, FACP, be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MARCH 31, 1992.

Joan Samuelson, Lynn Morrison and Associates.

DEAR JOAN: The letter from Julianne Byrne arrived in readable form on the FAX machine. Several points need to be addressed:

1. As indicated by Dr. Byrne a small percentage of tissue remaining after spontaneous miscarriages may be viable and lack major genetic or structural abnormalities. Assuming that her figures are correct, this means that in 241 fetuses might be suitable for collection of brain tissue. Since our program, and others in the Parkinson's transplantation field only have experience with fetal tissue of 7–12 weeks of age I obtain from her table that 43 (9+12+22=43) fetuses of the correct age were available over a ten year period. Of this 4.3 annual average figure, the tissue was collected from three hospitals, meaning that 1.4 fetuses, on average, might be available from an "average" hospital. In order to collect this tissue rapidly with consent; to dissect the small brain region which contains the dopamine producing cells; and to quickly cryopreserve it to retain viability, we need to have a team of 3 or 4 people (a neuroanatomist, a neurosurgeon, a scientist familiar with cryopreservation, a nurse to obtain consent from the donor, and a technician to transport and to assist the scientists). In order to obtain tissue from the 1.4 miscarriages per year which might yield potentially useful tissue, we would have to station such a team, on call at each hospital, any time a pregnant woman came in with a threatened miscarriage. This is obviously a ridiculous scenario and a logistical nightmare, it simply would never work.

2. As Dr. Byrne correctly points the tissue is often infected. Our own experience, using the most sterile approach, reveals that approximately 10% of all appropriate specimens are infected, usually with bacteria which normally reside in the vagina. If you consider the fact that most tissue from a miscarriage cannot be collected or stored in a sterile fashion this further increases the chance that the tissue might be infected. This does not even consider the fact that many young sexually active women now carry the HIV and/or hepatitis virus which can only be detected by assaying the blood of the pregnant woman. This would have to be done on each potentially useful specimen before it could be considered for transplantation.

In summary, tissue from spontaneous miscarriages is difficult to collect in a safe and timely fashion to preserve the viability of the cells. The number of potentially useful miscarriages is so low that it would require a moderate-sized army of scientists scattered in hospitals around the country to collect even a few specimens each year.

The same can be said for ectopic pregnancies which produce tissue which is likely to be non-viable due to lack of blood supply, and which may be infected. Furthermore, once an ectopic pregnancy is diagnosed, it is a surgical emergency which needs immediate surgical attention. Delaying the procedure to get consent, and to assemble a team to collect and preserve the tissue would be unethical and severely dangerous to the pregnant woman.

RICHARD J. ROBBINS, MD, FACP,
Associate Professor of Medicine,
Yale Neural Transplant Program.

Mr. ADAMS. Mr. President, this follows and is a letter that comments on the letter that was placed in the RECORD that I have previously referred to signed by Julianne Byrne, Ph.D., who was the one that was the basis of the unpublished study here, and who has cautioned they not only did not use the brain but they suspect "that bacterial infection may play a part in a significant number of these miscarriages. In some cases, the fetus itself was septic. Viral infections would be another worry for the area of transplants."

So what we would be left with, if we were to adopt this amendment, is we would be left with a situation of, in effect, a ban on the ability to transplant and to take research transplants which would give hope to people with these horrible, not only debilitating but fatal type diseases. Because, as we all know, the dopamine producing cells are the ones that supply the brain and are the ones most often attacked by not only drugs but by these other infectious, horrifying diseases such as Parkinson's for which we have no cure.

So what we are hopeful is that we can keep the bill as it is, because responsible physicians want to be certain that they do not use improper material but use material that will be safe for the transplant. And since spontaneous abortions rarely occur in sterile circumstances, a responsible physician could not use the remains in another human being. Miscarriages usually occur a day to weeks after the fetus is dead. This tissue could not be used for transplant. And one-third of miscarriages happen in the semester beyond the time the tissue would be useful for transplantation .

Ectopic pregnancies have been mentioned, and I think that we have to reiterate, though this has been touched upon by Senator KENNEDY and Senator CHAFEE very well, but I want to mention it one more time. Ectopic pregnancies are rare. Out of 4 million pregnancies every year, about 88,000 are ectopic, but it is a dangerous situation when it occurs. There is abdominal pain, internal bleeding, and infection. At this point, the woman's life is in danger and emergency surgery must be performed. And that leaves no time to make arrangements for collection of the tissue. And about three-quarters of the ectopics can be diagnosed before the symptoms appear.

Of the ectopics treated surgically, almost all have no usable tissue because the fetus has been dead for days or weeks.

In rare instances that an ectopic pregnancy provides tissue, there is a high frequency of chromosomal abnormalities and infection. So we are talking about an extremely limited number of cases in which ectopic pregnancies could provide tissue.

This information comes from letters, numerous conversations, and briefings by the top doctors and researchers in the country.

Mr. President, when we were holding these hearing, I questioned the doctors. I questioned those that were there who had been saved or had an opportunity for being saved by fetal tissue transplants. And the conclusion that I came to out of that is that the signs on this are unequivocal. I think we need to leave the decision up to the scientists. That is why title II allows for the doctors to make the ultimate choice, not the Government.

We need to allow research freedom and we need to allow promising research to go forward. Our friends with Parkinson's and juvenile diabetes do not have time to wait any longer.

So we should defeat this amendment. I hope we will defeat this amendment, and that we will then be able to pass this bill and proceed with the type of research that the world is waiting for, because the United States leads the world in medical research. And this type of research which is being conducted throughout the rest of the world is waiting for its leader to step forward and simply does not understand why a ban that has no scientific basis and has been recommended to be done away with by the Reagan administration's panel as well as by other researchers should continue to stand.

So I hope this will be defeated and that we will proceed on with this bill. I yield the floor.

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

FETAL TISSUE RESEARCH

Mr. METZENBAUM. Mr. President, I rise in support of the fetal tissue research provision in H.R. 2507 and in opposition of the Hatch amendment.

The provision in the bill overturns the administration's ban on fetal tissue research and includes safeguards to protect against exploitation of the procedure.

The moratorium on fetal tissue research has been in place for 2 years despite findings both by an outside panel that was convened by NIH and by the advisory committee to the Director of NIH. Each of the neutral scientifically respected panels concluded that fetal tissue research is both acceptable and advisable public policy.

Given these findings, the administration's ban on fetal tissue research is not just an affront to the basic principles of scientific investigation; it also is a cruel rejection of the millions of Americans who suffer from incurable diseases. Alzheimer's disease is one of many chronic disorders that may benefit from fetal tissue research. Indeed the Alzheimer's Association, a national voluntary health agency based in 215 local chapters throughout the country, supports the fetal tissue transplantation research provision of this bill.

An estimated 4 million Americans have Alzheimer's disease today.

By the middle of the next century, 14 million Americans—1 in 10 over 65—will have the disease. A vote against ethical fetal tissue research may therefore doom your mother, your grandmother, and maybe even you to the tragedy of Alzheimer's.

Alzheimer's has struck at the families of some of the Members who serve in this body today.

I also understand that some opponents to this bill claim that fetal tissue research will increase the incidence of abortion.

This assertion is in direct contradiction to a finding by the NIH fetal tissue research task force. The task force found that there is no evidence that fetal tissue research will increase the incidence of abortions. Moreover, the NIH panel proposed safeguards to ensure that abortions for research purposes never occur.

Mr. President, in addition to supporting the fetal tissue language in the bill at the present time, I would add that I oppose the Hatch amendment because it does not lift the ban on fetal tissue transplant research.

The amendment does not follow the recommendations of the fetal tissue panel. All the Hatch amendment does is call for a study. Once again we in this body are called upon to study a subject when we instead should be acting on it. It calls for a study for establishing a physician registry and human fetal tissue bank from ectopic pregnancies and miscarriages.

You will not solve the problem by having a study. It is action that is called for. And the legislation pending before us calls for just that action.

Experts have already indicated that tissue from miscarriages is not appropriate for human transplantation. Therefore, the Hatch amendment should be rejected, and the bill in its entirety should be supported.

I yield the floor.

Mr. ADAMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

PRIVILEGE OF THE FLOOR

Mr. ADAMS. I ask unanimous consent that Rush Russell, a congressional fellow in Senator BRADLEY's office, be afforded floor privileges during Senate floor consideration of the NIH reauthorization bill, H.R. 2507.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH addressed the Chair.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I do not think we need to enter into a time agreement. I think we can have the debate finished I would say by 6:30, or 6:45 at the latest.

Just to give our colleagues a little bit of notice, I would say I am going to take about 10 or 15 minutes, and then I think Senator KENNEDY is going to finish off. We can probably be through by 6:30, somewhere between 6:30 and 6:45, and have a vote.

Mr. ADAMS. Does the Senator want to have a unanimous-consent agreement or just proceed?

Mr. HATCH. Let us proceed and see if we can get through. I will try to shorten my time.

Mr. ADAMS. That is fine.

Mr. HATCH. Mr. President, I will take just a few minutes to summarize what has been said here.

What I am trying to do is get fetal research advanced, get it going, put it forward, get it done. Right now it is not going forward. NIH is afraid to do it. They do not have the guidelines to do it. They do not have the fetal tissue bank that my amendment would set up. They are not approaching it in a way that might help solve these problems, that is what all this angst is about on this floor.

The only way we are going to get there is with the Hatch amendment that would set the tone and allow fetal tissue research to go forward, from this day onward. It is the only way we are going to get there.

The administration has said they will veto this bill if it continues to contain the same language that the other side is arguing for. And I believe they will. And I personally believe if not in the Senate, that veto will be sustained in the House.

If we really serious about Parkinson's disease and diabetes and all these other diseases that potentially might be solved through fetal tissue research—although that is not the only way we can get there—then I am giving people the route to get there quicker and better and establish the procedure and establish the format and establish the approach to solve these problems.

If we continue to go with the language in the bill, I think the bill will be vetoed, I think the veto will be sustained, and there goes another year by without formal, effective fetal tissue research.

In a sense, I am arguing for fetal tissue research much more strongly than those who act like they are so compassionate and so concerned. I think they like the abortion issue more than they like getting fetal tissue research done. I do not like the abortion issue. I do not want it to cloud this issue. I want fetal tissue research to go forward, and the only way I can see that it will go forward, ultimately, over a quick period of time and get this procedure established is with the Hatch amendment. And that is why I am proposing it.

So I have to say that those who have tried to belittle this amendment, I think have done so in an inappropriate way. If they really are for fetal tissue research, then they ought to look at the good that is in this amendment. They ought to look at the fact that a lot of people will support fetal tissue research who never would have supported it before. And once it goes forward and we see some of these great happenings occur, then everybody will say, "My goodness, that Hatch amendment got us off the dime. It got us off our brakes. It allowed fetal tissue research to go forward instead of being stultified so some people could have the benefit of saying, 'Oh, those antiabortion people stopped this again.'"

Come on, the pro-life people would support this amendment. They will support fetal tissue research under these terms. We are talking about 60 cases in which humans received transplanted human fetal tissue in the whole United States through 1990, and even the other side has admitted we will certainly have a lot more fetal tissue available than 60 transplants.

So that is what is really involved here. The other side wants the abortion issue, and the heck with fetal tissue research.

Frankly, there are some on the other side who want the same thing. We have had 60 cases of fetal tissue transplantation over 20 years and I have shown the way where you can have somewhere between 5,000 and 7,000 human fetal tissue transplant opportunities in a bank. We are talking about 100 times what actually has occurred.

Concerning the question of available tissue from spontaneous abortions, let me say that 5 percent of all spontaneous abortions occurring in the United States is a very large number. The other side agrees with this. There are some 700,000 spontaneous abortions in the United States each year and about half, or 350,000 of them occur between 8 and 20 weeks of gestation. Thus our estimate of 5,000 potentially useful fetal spontaneous abortions and specimens—it is a conservative estimate. Keep in mind the figure 60 versus the potential of 5,000.

Yes, we are concerned about this issue and we are concerned about bacterial and viral infections. But these are the concerns we have included in the 95 percent that we are rejecting as unsuitable. We can solve these problems.

With regard to the chemicals that have been brought up by Senator ADAMS, he probably refers to methotrexate, which is used to destroy ectopic fetal tissues in some tubal pregnancies. Obviously, fetal tissue treated in this manner cannot be used. But not all hospitals by any means use this type of chemical.

So we recognize the limitations on finding appropriate fetal tissue that is useful. But that is not the same as saying not enough can be found. The other side admits enough can be found with the method I am giving you. And if we go with this method, we will advance the process of fetal tissue research and transplantation.

This issue of human fetal tissue transplantation research is a serious one, and I believe in this amendment we have arrived at a solution of the perplexing question of how to advance our research goals in this area while avoiding, as I said, the contentious ethical issues that have impeded this issue in the past. I have talked about this.

Now I will just mention a few things here.

The amendment requires the Secretary to study the causes of spontaneous abortions and ectopic pregnancies in order to help develop strategies for improving the treatment and prevention of these conditions and to improve fetal survival. We have had discussions with mainstream obstetricians, neurologists, and fetal tissue specialists around the country. They have expressed their support of this. They want this to go forward. This is the way to do it. Six researchers at the college of Obstetrics and Gynecology at the University of California say this:

> We are in support of this amendment since it offers a real opportunity to diffuse a socially divisive issue while still satisfying the need of fetal tissue researchers. We are truly encouraged that the provisions of the amendment call for careful study of each of the steps involved in the usage of fetal cells derived from naturally occurring fetal loss. Because of the size of our service at Women's Hospital, we can comment specifically on one aspect of the usage of fetal cells from naturally occurring loses i.e., procurement.
>
> In our institution we see more than 1,000 cases of spontaneous pregnancy loss occurring at greater than 9 weeks gestation. In addition, we see an average of 350 ectopic gestations per year. Based on the collective experience of numerous colleagues, in 5 to 10 percent of cases a recently dead fetus will be identified at the time of surgery.
>
> Most of these will be suitable for tissue harvesting since the incidence of anomalies or infection in this condition is low. Thus a total of 85 to 100 fetuses suitable for obtaining fetal cells can be expected from our institution alone each year.

Remember, 60 fetal tissue transplants in 20 years. That is the history of this country. From this one hospital, six of these obstetrician/gynecologists, leaders in the field of medicine, have said alone they would have 85 to 100 fetuses suitable for obtaining fetal cells.

Dr. Joanne Kurtsberg of Duke University's Medical Center says "I am writing in support of your effort to establish a registry and fetal tissue bank."

My amendment does that. It establishes the methodology, procedure, and effective medical approach toward this and it gets us off the dime.

Mr. KENNEDY. Will the Senator yield for a question?

Mr. HATCH. I am running out of time. I would like to do that.

"I am writing in support of your efforts to establish a registry and fetal tissue bank. The need is vital if biomedical researchers are to move beyond existing barriers to organ transplantation."

You can go on and on.

Mr. President, I ask unanimous consent that the letter from the University of Southern California School of Medicine, from Women's Hospital, dated March 30, 1992, signed by C. Paul Morrow, M.D., professor, obstetrics and gynecology—all these are professors of obstetrics and gynecology—C. Paul Morrow, M.D.; Kathryn Shaw, M.D.; Laila Muderspach, M.D.; Lynda Roman, M.D.; T. Murphy Goodwan, M.D.; and Richard Paul, M.D. be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF OBSTETRICS AND GYNECOLOGY, UNIVERSITY OF SOUTHERN CALIFORNIA SCHOOL OF MEDICINE, WOMEN'S HOSPITAL
Los Angeles, CA, March 30, 1992.

Re amendment to H.R. 2507.

Senator ORRIN HATCH,
U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: We are writing to support your amendment to H.R. 2507.

We have reviewed the draft amendment regarding fetal tissue transplantation and have consulted with our colleagues on this subject. We are in support of this amendment since it offers a real opportunity to defuse a socially divisive issue while still satisfying the need for fetal tissue researchers. We are particularly encouraged that the provisions of the amendment call for careful study of each of the steps involved in usage of fetal cells derived from normally occurring pregnancy loss.

Los Angeles County—University of Southern California Women's Hospital is the largest Obstetric Unit in North America. Because of the size of our service at Women's Hospital, we can comment specifically on one aspect of the usage of fetal cells from naturally occurring losses—procurement. In our institution we see more than 1000 cases of spontaneous pregnancy loss occurring at greater than 9 weeks gestation (based on ultrasound criteria, not just menstrual history) each year. Based on the data of Byrne (derived from a study of all spontaneous losses at three Hospitals in New York City between 1975 and 1985). We could expect to obtain adequate cells from at least 70 fetuses per year at this institution alone. In addition, we see an average of 350 ectopic gestations per year. Based on the collective experience of numerous colleagues, in 5 to 10% of cases a recently dead fetus will be identified at the time of surgery. Most of these should be suitable for tissue harvesting since the incidence of anomalies or infection in this condition is low. Thus, a total of 85 to 100 fetuses suitable from obtaining fetal cells could be expected from our institution alone each year.

Except for the size of the Obstetric services at Women's Hospital, the conditions here are unique. It should be possible to obtain the same proportion of fetal specimens from any other reasonably large service in various regions of the country.

If we can be of further assistance in clarifying our position with regard to the amendment, please do not hesitate to contact us.

C. Paul Morrow, M.D., Professor OB/GYN; Kathryn Shaw, M.D., Assistant Professor of OB/GYN; Laila Muderspach, M.D., Assistant Professor of OB/GYN; Lynda Roman, M.D., Assistant Professor of OB/GYN; T. Murphy Goodwin, M.D., Assistant Professor of OB/GYN; Richard H. Paul, M.D., Professor of OB/GYN.

Mr. ADAMS. Will the Senator yield for a question on that point—at that letter?

Mr. HATCH. Let me put these letters in if I could.

Let me also ask unanimous consent to print a letter in the RECORD dated March 27, 1992, from the Duke University Medical Center signed by Joanne Kurtzberg, M.D., associate professor of pediatrics and the codirector of the Pediatric Bone Marrow Transplant Program.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DUKE UNIVERSITY MEDICAL CENTER,
Durham, NC, March 27, 1992.

Hon. ORRIN HATCH,
Ranking Minority Member, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR HATCH: I am writing in support of your efforts to establish a registry and fetal tissue bank by amending the Public Health Service Act. The need for such a tissue bank is vital if biomedical researchers are to move beyond existing barriers to organ transplantation.

Fetal tissue can be an invaluable resource in pre-clinical studies, as medical researchers investigate how to decrease the odds of a transplanted organ being rejected, and how to use organ transplantation as a cure for presently incurable and often fatal diseases.

Banked fetal tissue may also be valuable in clinical trials as a source of transplantable tissue. Physician scientists have recently demonstrated that umbilical cord blood, a substance usually discarded, can be as effective as harvested bone marrow in bone marrow transplantation. The advantages of using the cord blood are multiple: the donor is not subjected to the risks of anesthesia; the cord blood is available months before an infant's bone marrow could be harvested, and it is an excellent source of immortal cells for gene therapy before transplantation. It may be possible to use cord blood as a substitute for harvested bone marrow even when the cord blood cells are not a perfect match to the recipient's. Given the positive results of ongoing research with cord blood, it is reasonable to hypothesize that cells in states of early development which are isolated from fetal tissue may be as good—or an even better—source of hematopoietic (blood-forming) cells for transplantation, especially when a living donor with an exact tissue match cannot be found.

In my field of Pediatric Hematology/Oncology, I see many children die. Some of these kids have diseases for which there is not yet a cure, and fetal tissue research may help us to develop cures for those diseases. Many other children who die have diseases curable by bone marrow transplantation, but they die because no suitable marrow donor can be located in time. It is entirely possible that, after the necessary preclinical research, a bank of fetal tissue could be the source of transplantable cells which can save the lives of some of these children.

Without a reliable source of fetal tissue, like the registry and tissue bank you are proposing in your amendment, biomedical researchers and physician scientists may never have the chance to discover both cures for presently incurable diseases and sources of transplantable cells which can be used successfully in situations in which present transplant technology fails.

I think this amendment takes a major step forward in the direction of facilitating fetal tissue research. I urge your colleagues to support this amendment.

Sincerely,

JOANNE KURTZBERG, M.D.,
Associate Professor of Pediatrics; Co-director, Pediatric Bone Marrow Transplant Program; Director, Pediatric Bone Marrow Transplant Laboratory.

Mr. ADAMS. Will the Senator yield for a question at that point on those letters?

Mr. HATCH. Let me put one more letter in. I ask unanimous consent to print in the RECORD a letter dated March 30, 1992, signed by William Krivit, M.D., Ph.D., professor of pediatrics, study inborn errors and metabolism; David Sutherland, M.D., professor of surgery, pancreas transplant for diabetes; Fatih Uckun, M.D., associate professor, therapeutic radiology, Shelly M. Child, M.D., Ph.D., professor of neurosurgery, neurological disorders; Leo W. Twiggs, interim head of obstetrics and gynecology.

I will be happy to yield.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNIVERSITY OF MINNESOTA, TWIN CITIES, DEPARTMENT OF PEDIATRICS,
Minneapolis, MN, March 30, 1992.

Senator ORRIN HATCH,
U.S. Senate, Committee on Labor and Human Resources, Washington, DC:

The undersigned have read and wholeheartedly support the Amendment H.R. 2507 proposed by Senator Hatch: Title II—Provisions Concerning Fetal Tissue Registry, Fetal Tissue Bank and Fetal Cell Lines.

The undersigned note that the establishment of the processes for recovering, culturing and maintaining fetal cells will enhance the treatment and care for many patients. Included would be those suffering from neurological disorders, diabetes, leukemia, immune deficiencies and inborn errors of metabolism.

The undersigned note that Senator Hatch's amendment represents a significant advance in promoting research with fetal tissue and should serve as encouragement for all investigators in this field.

William Krivit, M.D. Ph.D., Professor of Pediatrics (Inborn Errors of Metabolism); David Sutherland, M.D., Professor of Surgery (Pancreas Transplant for Diabetes); Fatih Uckun, M.D., Associate Professor of Therapeutic Radiology (Leukemia); Shelley N. Chou, M.D., Ph.D., Professor of Neurosurgery (Neurological Disorders); Leo B. Twiggs, M.D., Professor and Interim Head, Department Obstetrics and Gynecology.

Mr. ADAMS. Is the Senator aware that there is a letter of March 31, 1992, from the University of Southern California, the dean of the school of medicine saying that they hope that the amendments that have been offered that will weaken the provisions of the bill, that they are opposed to these and in that regard will be opposed to any measure that would limit the source of any fetal tissue and its availability on research; and from Duke University, where the Senator read that letter, that there is a letter of March 31, 1992, directed to Senator HATCH saying that they also feel that the amendment should not be adopted and that they should proceed with the bill as it is; and a letter of March 31, 1992, to Senator WELLSTONE saying that the letter was to clarify his position that he supports research provisions of title II and is opposed to the current ban and my earlier letter was based on the erroneous assumption that Senator HATCH's amendment was in addition to title II rather than substitute for title II?

Mr. HATCH. Mr. President, I have to say a number of these doctors—I am not aware of Krivit's letter, the one you just mentioned and I am surprised that he would withdraw or change his opinion, but that is OK with me.

The other doctors were aware that their deans did not support their position, which makes their opinions, I think, even more valid than they were before. We have a battle between doctors on this issue, there is no question. And every one of them, I believe, if they really knew the true facts and knew that this bill is going to go down with a veto, every one of them, I believe, would support the Hatch amendment, not only because it is the way to get fetal tissue research going, but because we set up the cell bank and everything else necessary to do it and to do it in the right way. It is a far superior way to getting us where we want to go than the approach taken by the majority in this particular instance.

My amendment also calls for much more research into the development of cell cultures in the laboratory. The potential for cell cultures is tremendous. I have just learned that cells may be created with the capacity to produce insulin by introducing the gene that codes for insulin. Such cells may also be altered by genetic manipulation to turn off insulin production when the blood sugar rises.

My point is that my amendment will strengthen the potential for creating these cell lines which have so much potential. And if it is rejected, then all of the arguments in the world on the other side go down the drain if the veto is sustained and I believe it will be, if not here, then in the House. I do not expect it to be sustained here in the Senate. I would like it to be, but I do not expect it to be.

Senator METZENBAUM raises the real tragedy of Alzheimer's disease and suggests that my amendment will condemn those patients to a worse fate. Certainly, I want progress in Alzheimer's disease research as much as Senator METZENBAUM or anybody else, and my record in the area of medicine, in the area of health, I think, certainly proves that.

But my amendment does not block such research, as he, I think, glossed over. It encourages such research. It gets us there. This approach by the majority does not get us there. It is just that simple.

The demand for fetal tissue in such transplantation research is now constrained by a lack of basic studies in laboratories and in animals, not just by a lack of tissue. No surgeon is going to transplant tissue in the brain of a patient with Alzheimer's without a lot more basic research, and my amendment will get us there.

The current language in the bill will not get us there, and I have to tell the majority that if that happens to turn out to be the case, then I am going to hold them responsible for the lack of research, the lack of accomplishments, the lack of development, the lack of crucial discovery that we would have by the months and years that my amendment will save.

We all want the same thing. The question is how do you get there? Do you want the abortion issue more than you want the fetal tissue to go forward? I hate to say this, but I believe some really want the abortion issue in this election year more than they want fetal tissue research to go forward. My amendment gets it forward. It is good policy. It is pro-research. It is pro-woman and it does not offend anybody's ethical beliefs. I happen to think that is pretty important.

If we stick with the current language in this bill, it is bad policy under the circumstances. I think it is policy that will not be implemented, that will be stopped by a veto and a veto that will be sustained in Congress. And I believe that if it did happen to pass and the veto was overridden, you are going to create even more antagonism toward fetal research than we had before. I think that would be unfortunate. I do not want that to occur. I want it to go forward and to go forward for the right reasons.

Mr. President, that is all I have to say about it. I am prepared to vote. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Is the Senator prepared to vote now on the amendment? And the manager is.

Mr. HATCH. Yes.

Mr. MITCHELL. I hope we can get to a vote on this as soon as possible.

The PRESIDING OFFICER (Mr. ADAMS). Is there any further debate? The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, let me try and be brief. I want to, first of all, emphasize, Mr. President, what was said on the floor just a few moments ago. David Sutherland, M.D., professor of surgery at the University of Minnesota, wants to be crystal clear. He sent a letter March 31, today:

> This letter is to clarify my position. I support the research freedom provisions of title II to H.R. 2507. I am opposed to the current ban on such research. My earlier letter was based on the erroneous assumption that Senator Hatch's amendment was in addition to title II, rather than a subtitle for title II.

Mr. President, Dr. Sutherland pretty much underlies my position. I heard the Senator from Utah say that he was concerned that perhaps some people in this debate were speaking against his amendment because maybe they were not "really serious about this research." I also heard him say that perhaps some people, I do not think he certainly meant all of us or maybe very few of us, were more concerned about abortion.

Let me be clear about this. I speak for some people who have been working very hard in the House and the Senate: Joan Samuelson with Parkinson's; Ann Udall whose father Mo Udall suffers from Parkinson's, and I speak for myself as well. I said this in committee and I want to say it one time on the floor: Both my parents had Parkinson's disease; both of them.

I remember very well that at the very end of my father's life, when he was about 80 years old, we want out to lunch. We went out to lunch at McDonald's. My father liked McDonald's because there were lots of colors and lots of children to look at. A close friend of mine, who taught at Carleton College, Michel Minot, came to McDonald's at the same time. Michel, at about the age of 38, had Parkinson's disease. It was a bad day for my father.

I have mentioned this before. Senator HATCH has heard this story before.

I decided that we would take my father not through the front door, where he would have to go past Michel Minot, but out the back door. The reason for that was I did not want Michel to see his future.

I just want to make it crystal clear that those of us who speak against Senator HATCH'S amendment do not speak against that amendment because we are not serious about the potential of this research for Parkinson's, Alzheimer's, diabetes, and many other diseases. We speak against the amendment because we think it is a killer amendment and undercuts the very promise of this research for people like Joan Samuelson and many others.

I have very little time to spend on this tonight because we now are at the point we want to have a vote, but I want to say as clearly as I can, with as much eloquence as I can, with as much conviction as I can, and with as much emotion as I can, I cannot think of a more important vote than this. I hope that Senators will not deny so many citizens in this country who suffer from these diseases the cure that could come from the research that is being done and the procedures that are being done with fetal transplants. I very much hope that we will vote this amendment down.

[Mr. KENNEDY addressed the Chair.]

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. I will take one remaining moment.

Mr. President, with regard to the Hatch amendment, it would be my recommendation that we accept all of the Hatch amendment except substituting it for what is in the bill. The establishment of the bank and the registry all makes sense. But it does not make sense in this context as a substitution. It really is not a compromise; it is a substitution for what has been debated and discussed here today.

I think when all is said and done, Mr. President, the case really has been made that the amendment would not make available the material which is essential to make progress on a wide variety of different diseases. We hope this amendment will be rejected because we believe that when we permit scientific inquiry into this area, it will mean new life for millions of our fellow citizens and, I believe, for millions of people all over the world.

Mr. DANFORTH. Mr. President, the Senate is addressing a very difficult issue in the context of the National Institutes of Health reauthorization: The question of whether a moratorium against fetal tissue transplantation research should be lifted. After careful deliberation over the course of the last several years, I am supporting the lifting of that ban.

Fetal tissue research has been going on since the 1930's. The research and development of the polio vaccine was accomplished through the use of human fetal kidney cells. Now there is a promising field of research involving the transplantation of fetal tissue for those suffering from juvenile diabetes, Parkinson's disease, spinal cord injuries, and Alzheimer's disease. Although nontransplantation laboratory research on fetal tissue has continued unhindered, this promising area of transplantation research has been chilled by a Federal moratorium.

Mr. President, there are 12 million people in this country with diabetes, 2 to 3 million of whom are children. These children, due to the lack of insulin producing cells, experience excessive thirst, hunger, weight loss, energy loss, blindness and ultimately death. If the insulin producing cells of these children could be replaced, all of the complications of diabetes could be avoided. This is an amazing possibility which merits exploration.

Likewise, fetal tissue transplantation research holds out promise for those suffering from Parkinson's disease. Parkinson's disease is an awful, incapacitating disease which is caused when an insufficient amount of dopamine is released in the brain. When dopamine is lacking, the nerves in one's brain are unable to send messages to the rest of one's body—which means when a person wants to get out of bed, she cannot make hands pull back the bedcovers. The study of fetal tissue transplantation could lead to important new treatments and cures for Parkinson's and possibly other neurological diseases such as Alzheimer's, and to a more fundamental understanding of the human brain.

Those with spinal cord injuries, the average age of whom is 19 years, also see promise in fetal tissue transplantation research through the implantation of sensory nerve cells. This research could mean that a paralyzed person could move, maybe even walk, again.

But none of these therapies will evolve if scientists are not able to explore them freely. And the basic scientific knowledge that can come from this research, which may help explain the causes and other cures for these diseases, will not be furthered by this ban.

The Human Fetal Tissue Transplantation Research Panel, convened by the Director of NIH, has recommended several safeguards surrounding the use of fetal tissue in transplantation research, all of which have been included in the legislation to reinstate this research. These safeguards will apply to publicly funded research, as well as privately funded research which currently goes on without any Federal regulation or oversight.

With these safeguards in place, a woman who has an abortion will not be allowed to designate, or be informed of, the recipient of that tissue. Thus, it simply cannot happen that a woman will decide to terminate her pregnancy in order to assist a relative who is ill. Furthermore, the topic of tissue donation may not be raised with a woman until after she has given consent to have an abortion, so that the use of the tissue in research will not factor into her decisionmaking.

As for the concern that public knowledge of fetal tissue research may be the factor that tips the scales in favor of having an abortion, I am not convinced. I have not seen any evidence, for instance, that a person who is considering ending her own life through suicide decides to do so because at least she can save another person's life with her organs. Yet if it proves to be so that fetal tissue transplantation research increases the incidence of abortion in this country, I believe we should reevaluate whether this research should be continued.

Additional safeguards in the legislation make the sale of fetal tissue strictly forbidden, so that no physician, abortion clinic, or any other person or entity will profit at all from the collection and donation of fetal tissue.

The issue of fetal tissue transplantation research has become linked to the abortion debate. There are some who argue that abortion has nothing to do with this issue. I disagree. We cannot ignore the fact that we are talking about drawing some good from an elective abortion, a procedure to which I, and many others, have profound moral objections. But the question is not whether abortion is wrong, but whether the beneficial use of fetal tissue in any way encourages or sanctions abortion. I believe that, with the proper safeguards, it does not.

There are some who argue that no matter how many safeguards Congress enacts, the very nature of fetal tissue transplantation research offers a symbolic sanction of abortion. I simply cannot take that position. As much as I abhor the violence that is tearing apart our cities, I would never deny a dying person the chance to live a new life through the use of an organ from a murder victim. The use of that organ does not constitute an acceptance of violence nor is it likely to increase the number of murders that occur in our country. It will, however, provide hope and a chance at life for a suffering, dying person.

I support allowing this research to resume and I hope that my colleagues will choose to do the same.

Mr. DOLE. Mr. President, this issue is not an easy one for any of us. Under normal circumstances we would leap at the opportunity to support research that held out the promise of advancement in solving the tragedy of diabetes, Alzheimers, Parkinsons, and other similar conditions. But in this instance the debate has been complicated by legitimate ethical concerns raised regarding abortion.

Mr. President, this Senator is a consistent supporter of legislative efforts to place limits on abortion in this country. Those who support the continuation of the ban on the use of fetal tissue obtained from elective abortions argue that the lifting of the ban may, in fact, encourage abortions. But, Mr. President, after careful deliberation I am not persuaded that permitting this research will increase the incidence. Women arrive at the very difficult decision to have an abortion after a great deal of personal thought. This decision, to permit donation of tissue will be made after the initial decision is made. The legislation contains specific safeguards to provide that a wall be erected between the abortion decision and the decision to donate tissue.

There are additional safeguards to prohibit any payments or renumeration and compensation for the tissue in question. The women are also prohibited from designating the recipient of the fetal tissue transplant. These guidelines were developed based on the recommendations of the human fetal tissue transplantation research panel—many of whose members held the same deep reservations regarding abortion that I hold.

This Senator was impressed by the care given to these issues by the panel. They carefully weighed the concerns over abortion against concerns for medical research that could improve the lives of thousands of Americans. No doubt, certain precautions are paramount if the research is to be permitted. I believe the need for these precautions have been addressed in the bill.

Mr. President, I was perhaps most strongly persuaded to support the lifting of the ban by the comments of the Rev. Guy Walden. Reverend Walden, a Baptist preacher from Texas, is also an outspoken pro-life advocate. But, Reverend Walden argued that this debate is not about abortion, it is about life. His own child was a beneficiary of a fetal tissue transplant, and he believes firmly that others should have this opportunity.

We can all agree that there is a tremendous need for a medical breakthrough in the treatment of a myriad of diseases. Given the great promise of fetal tissue transplants and the protections against abuse of the abortion decision, I believe, as do many of my colleagues, that to support this research is the true pro-life position.

The PRESIDING OFFICER (Mr. WELLSTONE). Is there further debate on the amendment? If not, the question is on agreeing to the amendment. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

The result was announced—yeas 23, nays 77, as follows:

[Rollcall Vote No. 61 Leg.]

YEAS—23

Bond
Burns
Coats
Cochran
Craig
D'Amato
Durenberger
Exon
Ford
Gramm
Grassley
Hatch
Helms
Johnston
Kasten
Lott
Lugar
McCain
Nickles
Pressler
Smith
Symms
Wallop

NAYS—77

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Byrd
Chafee
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Fowler
Garn
Glenn
Gore
Gorton
Graham
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Mack
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Thurmond
Warner
Wellstone
Wirth
Wofford

So the amendment (No. 1749) was rejected.

Mr. KENNEDY. Mr. President, I move to reconsider the vote.

Mr. HATCH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KENNEDY. May we have order, Mr. President?

The PRESIDING OFFICER. There will be order in the Chamber.

Mr. DODD. Mr. President, as we debate the NIH reauthorization bill, I want to express my support for a key provision that lifts the moratorium on Federal funding for fetal tissue transplantation research while imposing important safeguards regarding the acquisition and use of tissue for such research. The Reagan and Bush administrations have argued that fetal tissue research would increase the incidence of abortion across the country. This argument, however, is in direct contradiction to the findings of the Reagan administration's own task force that concluded that transplant research is not itself an inducement for women to have abortions.

Mr. President, while I firmly support a woman's right to choose, I would not support Federal funding of research that would serve to encourage abortion. I do, however, support the legislation before us that would nullify the moratorium on NIH-supported fetal tissue research. I support this legislation because I am convinced that the safeguards included in the bill ensure that the decision to terminate a pregnancy will be independent from the retrieval and use of fetal tissue. The safeguards in this bill are not a substitute for—but additions to—the already extensive ethical, technical, and scientific review that all research applications undergo. For example, H.R. 2507 would require that informed consent to donate the tissue be obtained only after the decision to terminate the pregnancy has been made. It would prohibit women from designating the recipient, or being informed of the identity of the recipient. And, the bill would make it illegal for any person to purchase or sell fetal tissue.

Scientists have been using fetal tissue for disease research since the 1950's. For example, cultured fetal kidney cells were essential to growing the polio virus and the research that led to the development of the polio vaccine. Forty years ago, more than 50,000 people were afflicted with polio each year. Fewer than four cases were reported in 1984. There is no evidence to suggest a link between this, or similar research, and increases in the number of abortions.

Fetal tissue transplantation research holds immediate promise for people who suffer from diabetes, Parkinson's disease, and spinal cord injury. Many others who suffer from chronic disorders such as Alzheimer's disease, genetic disorders, cancer, and AIDS, may eventually benefit from the research. I urge my colleagues to put rhetoric and politics aside and act to end this restraint on biomedical research. With appropriate safeguards in place, we have a responsibility to support critical research that holds the promise of eliminating the pain and suffering of millions of people throughout the country.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, if I may have the attention of Senators, I have just discussed the status of the pending legislation with the managers, the distinguished Senators from Massachusetts and Utah. I will, in a few moments, propound a unanimous-consent request with the objective of identifying the remaining amendments to the bill and, if agreed, limiting the amendments to those. The managers have had their staffs working to prepare a list of such amendments, and the proposed unanimous-consent agreement is now being prepared. I will, in a few moments, propound that request.

I have also discussed with the distinguished Republican leader, and the chairmen of the relevant subcommittees, the possibility of obtaining an agreement to proceed with respect to the continuing resolution. That still is being reviewed by the distinguished Republican leader and his colleagues, as he has just received this and has not had time to consult with his colleagues before responding.

So after a period of time during which such consultation can occur, I will be in a position to make an announcement on the continuing resolution. First, we will try to get a unanimous-consent agreement with respect to the pending measure, based upon the discussions of the two managers of the bill. I expect to do that in just a few moments.

Mr. LEAHY. Will the Senator yield for a question?

Mr. MITCHELL. Mr. President, I yield to the Senator from Vermont.

Mr. LEAHY. I am wondering, just for planning purposes, for myself, and Chairman BYRD, and the staff, can we have some idea whether we might know whether we are going to have an agreement on the continuing resolution?

Mr. MITCHELL. Mr. President, I have suggested a method of proceeding, which I will then put forth in a request for unanimous consent, as soon as the Republican leader has had a chance to review that and consult with his colleagues on it. I expect that to be shortly. But I do not have a precise time on that. As the Senator knows, these matters are subject to consultation with a number of Members of the Senate.

Mr. LEAHY. This one especially. I thank the majority leader.

Mr. MITCHELL. If there are no further questions, Mr. President, I am going to suggest the absence of a quorum, but it will be just for a few moments. So if Senators have an interest in the legislation and in the unanimous-consent request, they should remain on the Senate floor, as that request will be put shortly, as it is now being drafted. The list of amendments that has been compiled by the managers is being incorporated in the agreement.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

The Senator is recognized.

Mr. METZENBAUM. Mr. President, I ask unanimous consent that I may be permitted to go into morning business for a period not to exceed 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator is recognized for a period not to exceed 5 minutes as if in morning business.

EDICT FOR THE EXPULSION OF THE JEWS FROM SPAIN

Mr. METZENBAUM. Mr. President, today marks a grim anniversary.

This day echoes with the pain of centuries, with the sorrow of half a millennium.

Mr. President, 500 years ago this very day, on March 31, of the year 1492, a decree was issued by the royal family of Spain. The decree was entitled "Edict for the Expulsion of the Jews From Spain."

The terms of the decree were simple: After hundreds of years in Spain, Jews were forced to pack up, get out, and never return. The alternative was equally clear: summary execution.

And any non-Jew who out of decency and kindness sheltered a Jew suffered immediate forfeiture of all property and possessions.

Mr. President, we recall this day with pain, with pride, and with concern.

Our pain derives from the centuries of tradition and of uncommon tolerance that were shattered by the expulsion decree. This was no peripheral community.

For centuries, the Jewish community of Spain had been the preeminent Jewish community in the world.

Even today, those centuries are recalled as a golden age, a time that produced Moses Maimonides, a giant of philosophy and of medicine, a man who served as a bridge between ancient Greek philosophy and the stirring of the modern age;

It was a time during which Jews served as counselors to kings, wrote poetry that is read and recited to this day, a time when Jews developed scientific methods and instruments that were breakthroughs of the day.

Indeed, the navigational instruments on which Columbus depended when he made his voyage to the New World were perfected by two Spanish Jews.

Mr. President, this terrible tragedy forced the Jews of Spain to flee, and it was not easy for them. The doors of Europe were, with few exceptions, closed.

The prime exception was Turkey. We cannot recall the tragedy of Spanish Jews, without recalling as well the wisdom of Turkey, to which Jews worldwide will ever be grateful.

Mr. President, our pride derives from the fact that the Jews did what Jews had learned from their earlier history, and were to learn again and again from their later history.

They learned how to move on, carrying with them their meager possessions and their wisdom.

Their passion for justice, their devotion to God, their learning and their lore.

They established new homes, built new communities, and contributed immensely to the nations where they came to dwell.

Mr. President, I do not raise this anniversary merely to mark the day.

It is to the concern arising from this day that I would call my colleagues' attention.

Mr. President, Spain did what it did 500 years ago because its rulers had come to the view that there was room in Spain for only one culture, one people, one religion.

And I fear terribly that this disease of intolerance did not end in 1492, that it has not ended in 1992, 500 years later.

In nations and regions around the world, intolerance is precisely the disease that threatens unprecedented destabilization and, ultimately, bloodshed.

Our own country is founded on very different principles. Here, we celebrate our pluralism, and rightly so.

We understand that the diversity of cultures we embrace is a source of great strength, perhaps our greatest strength as a nation.

However, even here, ugly voices are raised that promote intolerance, bigotry.

Whether the voice be that of David Duke;

Whether the voice that of the marginally more subtle demagogues;

Whether it be TV ads calculated to appeal to racism and ethnic prejudice.

We cannot hide from America's would-be inquisitors, and from their voices of bigotry and hate.

Indeed, even in our national election campaigns, intolerance is peddled as bait to catch a few votes:

In 1988, television ads were used to inject race as an issue in our Presidential decision;

In 1990, voters were offered the image of a white worker losing his paycheck to an unqualified minority;

And in the 1992 campaign, voices of intolerance are back with renewed vigor:

Intolerance of foreigners;

Intolerance of ethnic and religious minorities; and

Intolerance of economic minorities.

There is also the continuing scandal of racism in this country.

It causes so many of our fellow citizens to suffer the insults and the injuries of bigotry and intolerance each and every day.

And then there is the newest type of racism:

It is cloaked with terms like "Buy American" and "America For Americans."

But let's not kid ourselves. The Japan-bashing of recent months is no more than Japanese-bashing. The free-trade fair-trade rhetoric is picking up an anti-Japanese racist flavor. It is there, and it is as dangerous as any other kind of discrimination.

We should be tough with our international competitors.

But our fight should be on business, not racial terms.

Mr. President, how many more centuries must we wait before we will all fully absorb the bitter lessons of 1492?

I am happy that Spain has heeded the lessons of its history, and has moved decisively away from its transgression against decency.

In 1954, the first new synagogue since 1492 was opened.

The Jewish community of Spain has sought to reclaim its past vitality.

And today, on this anniversary day, King Juan Carlos will visit the Madrid Synagogue to mark the brutal past and the new day that has come to Spain and to its Jews.

It is, I might add, no accident that Spain hosted the opening round of the Arab-Israeli peace talks last fall.

So there is hope and there is celebration. But who would deny that there is, at the same time, cause for concern?

If an anniversary is to mean anything, it must be more than an act of remembering;

It must also be an act of rededicating.

What we learn from our remembering is a lesson that we have yet fully to embrace—

A lesson to which each of us as individuals must attend;

A lesson to which we as a Nation must urgently give heed;

A lesson that all over the world must lead to a rededication to tolerance;

To decency; and

To the acceptance of human diversity.

This lesson is about rejecting our bias and our fear:

Who among us will resist the urge to fear someone who is different—

A different color;

A different religion;

A different accent; and

A different nationality.

How many Americans easily accept those who are made in a mirror image, but quickly reject those who are not a perfect match?

Mr. President, facing up to intolerance and fear is a fight for both our statehouses and for our homes.

It is a fight that each of us must take on.

Let both our hearts and our doors be ever open to our neighbors, whatever their faith, whatever their race; let both hearts and doors be open to the victims of hate who wander in our midst.

Mr. President, I ask unanimous consent that an English copy of the Expulsion Decree of 1492 be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

XIII, EDICT FOR THE EXPULSION OF THE JEWS FROM SPAIN—GRANADA, 31 MARCH 1492

Whereas, having been informed that in these our kingdoms, there were some bad Christians who judaized and apostatized from our holy Catholic faith, the chief cause of which was the communication of Jews with Christians; at the Cortes we held in the city of Toledo in the year 1480, we ordered the said Jews in all the cities, towns, and places in our kingdoms and dominions, to separate into Jewries and places apart, where they should live and reside, hoping by their separation alone to remedy the evil. Furthermore, we have sought and given orders, that inquisition should be made in our said kingdoms, which, as is known, for upwards of twelve years has been, and is done, whereby many guilty persons have been discovered, as is notorious. And as we are informed by the inquisitors, and many other religious, ecclesiastical, and secular persons, that great injury has resulted, and does result, and it is stated, and appears to be, from the participation, society, and communication they held and do hold with Jews, who it appears always endeavour in every way they can to subvert our holy Catholic faith, and to make faithful Christians withdraw and separate themselves therefrom, and attract and pervert them to their injurious opinions and brief, instructing them in the ceremonies and observances of their religion, holding meetings where they read and teach them what they are to believe and observe according to their religion; seeking to circumcise them and their children; giving them books from which they may read their prayers; and explaining to them the fasts they are to observe; assembling with them to read and to teach them the histories of their law; notifying to them the festivals previous to their occurring, and instructing them what they are to do and observe thereon; giving and carrying to them from their houses unleavened bread, and meat slaughtered with ceremonies; instructing them what they are to refrain from, as well in food as in other matters, for the due observance of their religion, and persuading them all they can to profess and keep the law of Moses; giving them to understand, that except that, there is no other law or truth, which is proved by many declarations and confessions, as well of Jews themselves as of those who have been perverted and deceived by them, which has greatly redounded to the injury, detriment, and opprobrium of our holy Catholic faith.

Notwithstanding we were informed of the major part of this before, and we knew the certain remedy for all these injuries and inconveniences was to separate the said Jews from all communication with Christians, and banish them from all our kingdoms, yet we were desirous to content ourselves by ordering them to quit all the cities, towns, and places of Andalusia, where, it appears, they had done the greatest mischief, considering that would suffice, and that those of other cities, towns and places would cease to do and commit the same.

But as we are informed that neither that, nor the execution of some of the said Jews, who have been guilty of the said crimes and offences against our holy Catholic faith, has been sufficient for a complete remedy to obviate and arrest so great an opprobrium and offence to the Catholic faith and religion;

And as it is found and appears, that the said Jews, wherever they live and congregate, daily increase in continuing their wicked and injurious purposes; to afford them no further opportunity for insulting our holy Catholic faith, and those whom until now God has been pleased to preserve, as well as those who had fallen, but have amended and are brought back to our holy mother church, which, according to the weakness of our human nature and the diabolical suggestion that continually wages war with us, may easily occur, unless the principal cause of it be removed, which is to banish the said Jews from our kingdoms.

And when any serious and detestable crime is committed by some persons of a college or university, it is right that such college or university should be dissolved and annihilated and the lesser suffer for the greater, and one be punished for the other; and those that disturb the welfare and proper living of cities and towns, that by contagion may injure others, should be expelled therefrom, and even for lighter causes that might be injurious to the state, how much more then for the greatest, most dangerous, and contagious crimes like this.

Therefore we, by and with the counsel and advice of some prelates and high noblemen of our kingdoms, and other learned persons of our council, have maturely deliberated thereon, resolve to order all the said Jews and Jewesses to quit our kingdoms, and never to or come back to them, or any of them. Therefore we command this our edict to be issued, whereby we command all Jews and Jewesses, of whatever age they may be, that live, reside, and dwell in our said kingdoms and dominions, as well natives as those who are not, who in any manner or for any cause may have come to dwell therein, that by the end of the month of July next, of the present year 1492, they depart from all our said kingdoms and dominions with their sons, daughters, man-servants, maid-servants, and Jewish attendants, both great and small, of whatever age they may be; and they shall not presume to return to nor reside therein, or in any part of them, either as residents, travellers, or in any other manner whatever, under pain that if they do not perform and execute the same, and are found to reside in our said kingdoms and dominions, or should in any manner live therein, they incur the penalty of death, and confiscation of all their property to our treasury, which penalty they incur by the act itself, without further process, declaration, or sentence.

And we command and forbid any person or persons of our said kingdoms, of whatsoever rank, station, or condition they may be, that they do not presume publicly or secretly to receive, shelter, protect, or defend any Jew or Jewess, after the said term of the end of July, in their lands or houses, or in any other part of our said kingdoms and dominions, henceforward for ever and ever, under pain of losing all their property, vassals, castles, and other possessions; and furthermore forfeit to our treasury any sums they have, or receive from us.

And that the said Jews and Jewesses during the said time, until the end of the said month of July, may be the better able to dispose of themselves, their property, and estates, we hereby take and receive them under our security, protection, and royal safeguard; and insure to them and their properties, that during the said period, until the said day, the end of the said month of July, they may travel in safety, and may enter, sell, barter, and alienate all their movable and immoveable property, and freely dispose thereof at their pleasure.

And that during the said time, no harm, injury, or wrong whatever shall be done to their persons or properties contrary to justice, under the pains those persons incur and are liable to, that violate our royal safeguard.

We likewise grant permission and authority to the said Jews and Jewesses, to export their wealth and property, by sea or land, from our said kingdoms and dominions, provided they do not take away gold, silver, money, or other articles prohibited by the laws of our kingdoms, but in merchandise and goods that are not prohibited.

And we command all the justices of our kingdoms, that they cause the whole of the above herein contained to be observed and fulfilled, and that they do not act contrary hereto; and that they afford all necessary favour, under pain of being deprived of office, and the confiscation of all their property to our exchequer.

Mr. METZENBAUM. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The absence of a quorum having been suggested, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT—H.R. 2507

Mr. MITCHELL. Mr. President, as I stated earlier, I will now propound a unanimous-consent request with respect to the pending bill, and following that a request with respect to the continuing resolution.

First, Mr. President, I ask unanimous consent that the only amendments remaining in order to H.R. 2507, in addition to the committee substitute, be the following: An amendment by Senator HATFIELD regarding ethics of genetic engineering; an amendment by Senator DECONCINI regarding penalties for dealing in human fetal tissue; an amendment by Senator LEAHY regarding a cancer research registry; an amendment by Senator BRADLEY regarding a children's vaccine initiative; an amendment by Senator JEFFORDS regarding the Worker's Family Protection Act; an amendment by Senator HELMS regarding section 1010 of title X of the bill; an amendment by Senator HELMS that is regarding and relevant to title II of the bill—and I should have stated with respect to the first Helms amendment that it would be regarding and relevant to the noted section; an amendment by Senator HATCH that is relevant to the bill; that no motions to recommit be in order; and that the listed amendments all be first-degree amendments subject to relevant second-degree amendments.

Mr. DOLE addressed the Chair.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. DOLE. Mr. President, I wonder, if the majority leader and the manager would agree, if I may offer an amendment on prostate cancer research; I may not. Do they have any objection to that?

Mr. MITCHELL. I ask unanimous consent that the agreement be modified to include a Dole amendment regarding prostate cancer research.

The PRESIDING OFFICER. Is there objection?

Mr. MITCHELL. Mr. President, I wish to make clear that the titles to which I referred in the request are titles in the committee substitute, not the titles in the bill. So a Senator wishing, after reading this list, to cross-reference them and to check them should check the titles in the committee substitute.

The PRESIDING OFFICER. With that understanding, is there objection? The Chair hearing none, without objection the unanimous consent request is agreed to.

Mr. MITCHELL. Mr. President, if I might proceed to try to get the next agreement?

Mr. DOLE. If the majority leader will yield, I know the answer, but just so the RECORD will reflect it, there is not any time agreement other than these amendments to be offered, is that correct?

Mr. MITCHELL. That is correct.

Mr. DOLE. If Senator HATCH and others want additional time, it is debatable?

Mr. MITCHELL. The agreement merely limits amendments to the bill to those amendments which have been identified on the list.

The PRESIDING OFFICER. The majority leader is recognized.

UNANIMOUS-CONSENT REQUEST

Mr. MITCHELL. Mr. President, I will now propound a proposed agreement with respect to the continuing resolution.

I ask unanimous consent that at a time to be determined by the majority leader, following consultation with the Republican leader, Senator LAUTENBERG be recognized to offer a resolution for himself and Senators KASTEN, DECONCINI, D'AMATO, and others regarding Israeli loan guarantees; that there be 2 hours for debate on the resolution equally divided in the usual form with an additional 10 minutes for Senator DECONCINI; that no amendments or motions to commit be in order with respect to the resolution; that upon the use or yielding back of time the Senate, without any intervening action or debate, vote on the adoption of the resolution; and that immediately upon the disposition of the resolution offered by Senators LAUTENBERG, KASTEN, DECONCINI, D'AMATO, and others, the Senate proceed to the consideration of House Joint Resolution 456, the continuing appropriations bill for foreign operations; that there be 30 minutes for debate equally divided in the usual form; that no amendments or motions to commit be in order with respect to the continuing resolution; and that when all time is used or yielded back, the Senate, without any intervening action or debate, vote on passage of the continuing resolution.

The PRESIDING OFFICER. The Republican leader is recognized.

Mr. DOLE. Mr. President, reserving the right to object, and I shall object at this time, I just state for the RECORD that, as the majority leader knows, I think we received the request and the proposed sense-of-the-Senate amendment with reference to loan guarantees at some time around 6. We have been trying to check with the administration and others who have an interest in this issue, and, because of that, I am not in a position to agree to the request at this time. Hopefully, I can be in that position by sometime early tomorrow morning. And I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LEAHY. Mr. President, will the leader yield?

Mr. MITCHELL. Yes.

Mr. LEAHY. Mr. President, I am wondering, is the concern of the distinguished Republican leader directed toward the sense-of-the-Senate resolution or toward the continuing resolution on appropriations or both? I wonder if it would be possible to ask, if he has concern with only one or the other, to get agreement on one.

Mr. DOLE. This Senator may not have any concern about either, but there is concern about both.

Mr. LEAHY. OK. That answers my question. I thank the Chair, and I thank the distinguished Republican leader.

Mr. LAUTENBERG. Mr. President, if the majority leader will yield?

Mr. MITCHELL. Yes; I yield to the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, does it imply that, since the Republican leader has raised an objection, that there would not be an opportunity to object to dealing with the CR as it is presented? I think Senator LEAHY just clarified that, but I would like to be certain because I think I might have an objection to the CR coming up.

Mr. DOLE. It is a package deal, a package request.

Mr. MITCHELL. Mr. President, the request was presented as a single request embracing both the sense-of-the-Senate resolution and the continuing resolution. Objection has been heard on the ground stated by the distinguished Republican leader, and he expressed the hope that he will be in a position to agree to the request tomorrow morning with the intervening time to consult.

Accordingly, Mr. President, that being the case and the Senate already having accepted an agreement with respect to the pending bill, it is my belief that, rather than attempting to proceed to the continuing resolution this evening with the prospect, or at least the possibility, of consent tomorrow morning to the agreement as presented, that we would be best off waiting until the morning and giving the distinguished Republican leader the opportunity to determine whether it will be possible to proceed, pursuant to this proposed agreement.

Mr. LEAHY. If the distinguished majority leader will yield?

Mr. MITCHELL. Yes.

Mr. LEAHY. I totally concur. As the leader knows, I was here today in the hopes of being able to work out a time agreement on this. I note the distinguished majority leader and the distinguished Republican leader, as well as the distinguished ranking member, Senator KASTEN, have been very, very cooperative, as have a number of other Senators, all here on the floor trying to work that out.

As one who will have to manage the bill, I would say—I hope the distinguished chairman of our committee would agree—that naught would be gained by trying to go forward here.

I only note to Senators I hope an agreement can be reached early in the morning because the time does run out on the present continuing resolution. It is my understanding that business can go on as usual for a relatively short period of time. People have been instructed to show up for work tomorrow in the affected agencies. But that could change if we were not able to reach an agreement, for a short time—soon.

I am sure the distinguished Republican leader has heard the same. But it is my understanding from the administration that everybody is to report to work in the morning. I hope people will act as they have this afternoon and we will have an agreement soon.

Mr. DOLE. Mr. President, if the majority leader will yield, it seems, if we reach an agreement, we might want to do the CR first. I do not know why we are doing that—to save that 2 or 3 hours we would spend in debating the first part of the request—if it means uncertainty on the part of the employees. And there is some indication that, if we can reach an agreement, the SBA is in dire need of additional funding.

If that leads to other amendments, I assume that would not be possible on the CR. I have discussed it briefly with the chairman of the Appropriations Committee. But I hope to be in a position tomorrow morning at a fairly early time to convey to the majority leader what we are in a position to do.

Mr. MITCHELL. Mr. President, I am advised that we have requests for morning business speaking time of about 2 hours. So what I am going to suggest is that we come in at 9 and that at 11 I would put the request again with respect to the CR, in the hopes that prior to 11, the distinguished Republican leader will be able to give us a response on it. And that, if we do obtain agreement to proceed in accordance with this agreement or something like it, my intention would be to proceed to do that beginning at 11. And when we complete action on that to return to the pending bill and to complete action on that, on the several amendments and that bill during the day.

If that is agreeable?

Mr. DOLE. Mr. President, I wonder if I might suggest the absence of a quorum, or at least have a chance to meet with the majority leader before everybody leaves here. There may be something developed.

Mr. LAUTENBERG. That is a very simple request. If the distinguished Republican leader will yield for a moment so I can make certain that the RECORD reflects Senator LEAHY, chairman of the Subcommittee on Foreign Operations, Appropriations, is a cosponsor of the resolution that is pending?

Mr. MITCHELL. I thank my colleague.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, it appears that we are not going to be able to make further progress on this matter this evening. Accordingly, there will be no further rollcall votes this evening. We will return tomorrow, as I suggested earlier; at 11 or approximately at 11, I will put the request anew and the distinguished Republican leader will have an opportunity to consult with his colleagues in the interim. We will see if we can reach an agreement on proceeding. If not, obviously, we will have to go to the CR and proceed as best we can.

Mr. President, unless any other Senator wishes to address the subject.

Mr. DOMENICI. Will the majority leader yield for a question?

Mr. MITCHELL. Certainly; yes.

Mr. DOMENICI. Mr. President, I was going to seek to speak 15 minutes as in morning business during the 2 hours that the majority leader described, between 9 and 11. It seems to me that I will not be able to be here during those 2 hours because I am supposed to be at the White House at 10, as I assume the distinguished majority leader is going to be.

I wonder if it would be appropriate for me to ask now for 15 minutes while the bill, which we are going to return to, is pending in that there is no time limit on it and I merely ask for the first opportunity that I can get the floor that I have 15 minutes as in morning business.

Mr. MITCHELL. Mr. President, I inquire of the Chair. I believe the Senator has that right in any event. He can get the floor and speak for however long he wants.

Mr. DOMENICI. It is on a completely different matter than the bill, and I would rather do it this way, if I could. Does the leader have any objection to my doing it that way?

Mr. MITCHELL. No, I have no objection.

The PRESIDING OFFICER. The Senator from New Mexico, Senator DOMENICI, is recognized.

Mr. DOMENICI. I sought unanimous consent and the distinguished majority leader has no objection.

The PRESIDING OFFICER. As the Chair understands the Senator, the Senator requests a period of time to speak not to exceed a period of 15 minutes as in morning business.

Mr. DOMENICI. During the pendency of the bill which we will be on tomorrow.

The PRESIDING OFFICER. During the pendency of the bill. Is there objection? Without objection, it is so ordered.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I am advised, I have now received word that another amendment is to be offered and that the agreement with respect to the pending bill should be modified to include an amendment that was not on the list that I was previously given.

Mr. President, I am now advised there are two amendments. I think we better quit soon or we will have another 15 amendments. This is an amendment by Senator NICKLES regarding a report on the 20 diseases that cause the most deaths. And an amendment by Senator KENNEDY that is relevant to the bill. I ask unanimous consent that the agreement with respect to the pending bill be modified to include those two amendments.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that there now be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Senate proceed to executive session; that the Committee on Commerce, Science, and Transportation be discharged from further consideration of the nomination of Daniel S. Goldin to be Administrator of the National Aeronautics and Space Administration; and that the Senate proceed to immediate consideration of the nomination.

I further ask unanimous consent that the nominee be confirmed; that any statements appear in the RECORD as if read; that the motion to reconsider be laid upon the table; that the President be immediately notified of the Senate's action; and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nomination considered and confirmed is as follows:

Daniel S. Goldin, to be Administrator of the National Aeronautics and Space Administration.

STATEMENT ON THE NOMINATION OF DAN GOLDIN

Mr. GARN. Mr. President, I rise to speak in support of the President's nomination of Dan Goldin to be the ninth Administrator of NASA. Like many of you, I only recently had an opportunity to meet with Mr. Goldin and to learn more about his career and qualifications to serve as Administrator of this important agency. I followed with interest his testimony before the Commerce Committee. I was most impressed with both his statements to the committee, and his clear, forthright answers to questions posed him by the committee members. Clearly, this is a person who intends to provide NASA strong leadership.

Mr. President, there are no reservations in my mind that Mr. Goldin is eminently well qualified, from a technical perspective, to take on the task of managing the incredible array of complex and sophisticated programs of the agency. He is very, very, familiar with space technology. Moreover, beyond being technically well versed, he has served as overall division manager for a variety of different space programs, both military and civil.

The Commerce Committee, however, already has reviewed this information, and has completed its examination of Mr. Goldin's financial disclosures to remove any questions about potential conflicts of interests. I only wish to add a personal perspective about why I am comfortable about recommending confirmation of Mr. Goldin.

As you all know from my previous statements, speeches, and conversations, the opportunity to fly aboard the space shuttle *Discovery* in 1985 really was the high point of my life. There is literally nothing on Earth that can compare, and it absolutely confirmed all my long-held views and conviction about the critical need for our Nation to pursue an aggressive manned-space program. What most people do not bother to note, however, is that it also achieved the purpose that Jim Beggs really had in mind when he finally gave in to my repeated requests.

I learned an incredible amount about how the agency really operates * * * something that few Members of Congress do in all the hearings and after reading all the reports that consume our days on Capitol Hill. Even when we visit Federal facilities, it is usually only for the hour-long tour and the various briefings. Sometimes we bring to our tenure in office an intimate understanding of how certain programs work. For example, as a former mayor, no one had to tell me about Federal paperwork and regulations which made running a city nearly impossible.

With the extraordinary exception of our distinguished colleague from Ohio, JOHN GLENN, operations of a space agency are not yet an activity familiar to many in the Senate. Learning how a space agency is run certainly was new to me. And I will confess that I was like a kid in a candy store, but I did learn a lot. My nose got into everything they did with the dollars we appropriate.

It made coming back to the Senate real hard * * * but it imparted a deep appreciation of the importance and implications of decisions we make daily as legislators. And, while I do not think it inappropriate, it thoroughly convinced me that few uses of taxpayer dollars can compare to the value and necessity of investing in NASA and our space program.

Mr. President, this is a long explanation of what the Senate already knows: I have an absolute bias in favor of our Civil Space Program, manned and unmanned. But one formed on the basis of intense and continuing close association with NASA, combined with direct knowledge of its very diverse and valuable activities which benefit our Nation, and all of mankind, in countless ways.

I see in Dan Goldin a man who shares my deep and profound commitment to the necessity of pursuing an aggressive and vibrant space program. There simply can be no other explanation for a successful business executive to subject himself to the vicissitudes of life in our Nation's capital.

As you all know, I consider myself a good friend of Adm. Dick Truly. Frankly, I was upset with the timing and manner in which he was fired. Moreover, I deeply disagree with any notion that his performance as Administrator merited any such action. In my opinion, it was an unfortunate and ill-advised mistake. But such is the President's prerogative. And while I am extremely sorry to see Dick Truly leave, I must add that part of me is a bit relieved that he will no longer be subjected to the second guessing and interminable debate associated with securing funds necessary to maintain a viable program.

I know that Dick stayed the course because he shares my love of NASA, and that he felt that his service was important to the agency. There is no steadier hand at the helm than Dick Truly, no matter how rough the water.

Indeed, that is why I was surprised, pleased, and relieved when I learned of the President's intention to nominate Dan Goldin. Here is a man who also spent a career in space activities, one who clearly shares an understanding and appreciation of the value of space technology, and, incredibly, is willing to endure the financial sacrifice to take the punishment that Dick Truly has been spared. Moreover, this guy loves the space program.

A decision by the President to select key members of his own administration must be accorded great deference. I am, however, enthusiastic that NASA, we in the Senate, and the Nation, have the good fortune that Mr. Goldin is the nominee.

NASA, along with all other significant Federal agencies engaged in discretionary research and development activities, are confronting enormous challenges in the budget battles that have begun to be waged in the Halls of Congress. Strong leadership, such as that provided by Admiral Truly, is critical if NASA is to move forward in this troubled environment. I believe Dan Goldin can and will provide that leadership. I urge prompt and favorable action on this nomination.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

NATIONAL GEOLOGIC MAPPING ACT OF 1992

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Energy Committee be discharged from further consideration of H.R. 2763, a bill relating to geologic mapping, and that the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

A bill (H.R. 2763) to enhance geologic mapping of the United States, and for other purposes.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

AMENDMENT NO. 1751

Mr. LAUTENBERG. Mr. President, on behalf of Senator JOHNSTON, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from New Jersey [Mr. LAUTENBERG], for Mr. JOHNSTON (for himself and Mr. WALLOP), proposes an amendment numbered 1751.

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 2, delete lines 8 through 10 and insert in lieu thereof the following:

(C) land use evaluation and planning for environmental protection;".

On page 5, line 11, delete "210" and insert in lieu thereof "300".

On page 5, line 17, delete lines 17 through 19 and insert in lieu thereof the following:

"(C) within 210 days after the date of enactment of this Act, submit a report to the Committee on Energy and Natural Resources of the United States Senate and to the Committee on Interior and Insular Affairs of the House of Representatives identifying—".

On page 6, at the end of line 6, delete the period and insert in lieu thereof a semicolon and the following:

"(iv) the degree to which geological mapping activities traditionally funded by the Survey, including the use of commercially available aerial photography, geodesy, professional land surveying, photogrammetric mapping, cartography, photographic processing, and related services, can be contracted to professional private mapping firms.".

On page 6, delete lines 18 through 23 and insert in lieu thereof the following:

"(1) determining the Nation's geologic framework through systematic development of geological maps at scales appropriate to the geological setting and the perceived applications, such maps to be contributed to the national geological map data base;".

On page 7, lines 19 through 20, delete "shall be coordinated through the OMB Circular A–16 (revised) Process and".

On page 10, line 1, insert a period after "priorities" and delete "established through the OMB Circular A–16 (Revised) process coordinated by the Survey."

On page 10 and 11, delete subsection (a) and insert in lieu thereof the following:

"(a) ESTABLISHMENT. There shall be established a sixteen member geologic mapping advisory committee to advise the Director and planning and implementation of the geological mapping program. The President shall appoint one representative each from the Environmental Protection Agency, the Department of Energy, the Department of Agriculture, and the Office of Science and Technology Policy. Within 90 days and with the advice and consultation of the State Geological Surveys, the Secretary shall appoint to the advisory committee 2 representatives from the Survey (including the Chief Geologist, as Chairman), 4 representatives from the State geological surveys, 3 representatives from academia, and 3 representatives from the private sector.

On page 12, lines 12 and 13, delete "consistent with OMB Circular A-16 (Revised)".

On page 13, delete lines 14 through 20 and insert in lieu thereof the following:

"(4) a description of the degree to which the Survey can acquire, archive, and use Side-Looking Airborne Radar (SLAR) or Interferometric Synthetic Aperture Radar (IFSAR) data in a manner that is technically appropriate for geologic or related mapping studies;".

On page 15, line 11, delete "$11,500,000" and insert in lieu thereof "$12,000,000".

On page 1, line 5, delete "1991" and insert in lieu thereof "1992".

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment (No. 1751) was agreed to.

Mr. BURNS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. JOHNSTON. Mr. President, I urge the Senate to support H.R. 2763, the Geologic Mapping Act of 1992. The purpose of the legislation is to establish a national geologic mapping program to expedite the production of a geologic map information base necessary to meet the goal of mapping the geology of the entire United States.

On May 23, 1991, I introduced S. 1179, legislation similar to H.R. 2763. The Subcommittee on Mineral Resources Development and Production held hearings on S. 1179 on July 30, 1991, and on November 15, 1991, the committee favorably reported the bill as amended. On November 21, 1991, the House of Representatives passed H.R. 2763, sending it to the Senate where it was referred to the Committee on Energy and Natural Resources. Today I am asking for unanimous consent to discharge H.R. 2763 from the committee and pass it with amendments.

Geologic maps are the principal sources of geologic information for nearly all basic and applied earth-science research and decisionmaking. Geologic maps provide data essential to assessing energy, mineral, and water resources; screening and characterizing sites for toxic and nuclear waste disposal; land use planning; earthquake-hazard reduction; predicting volcanic hazards; mitigating effects of coastal and stream erosion; and basic earth-science research. Conversely, the lack of proper geologic maps can lead to the poor design of such structures as dams and waste disposal facilities.

Geologic maps are prepared from field surveys and other available information such as geophysical and remote-sensing data and drilling and mining records. Geologic mapping basically involves the gathering of information about surface occurrences of rocks, minerals and other materials at or near the surface of the Earth and plotting this data on maps. Users of geologic maps include Federal agencies, State and local governments, private industry, and the general public.

Despite the pivotal role that geologic maps play in the portrayal and dissemination of geologic information crucial to many of today's pressing issues, this Nation has never committed itself to a sustained, systematic effort to build a comprehensive national geologic data base. Instead, scientific effort has been directed away from the acquisition of long-term baseline information and toward the solution of single-issue problems.

Most of the geologic mapping is carried out by the U.S. Geological Survey and by the State geological surveys. Due to increasing costs and decreasing budgets, current combined geologic mapping is not adequate to meet the geologic mapping needs of the United States. According to the Association of American State Geologists, only two States and Puerto Rico have essentially complete geologic map coverage. To achieve important geologic mapping goals, a focused nationwide effort is required.

H.R. 2763 directs the Secretary of the Interior to establish a nationwide geologic mapping program led by the U.S. Geological Survey, with participation from State geological surveys and agencies and academia.

The mapping program is to be made up of a Federal mapping component to determine national geologic mapping needs and priorities, a State geologic mapping component to determine and fulfill State needs and priorities; a geologic mapping support component to provide interdisciplinary support in areas such as paleontologic, geochronologic, and isotopic studies and geophysical and geochemical investigations, and an education component. Funding for the State component is to be matched on a one-to-one basis with non-Federal dollars.

I believe that this program will provide information necessary to assist in resolving many of today's energy and environment issues, and I urge support of H.R. 2763.

Mr. WALLOP. Mr. President, I rise in support of the legislation now before us, the Geologic Mapping Act of 1992. I am very pleased that we have finally turned the last page in a legislative book which will open vast new doors of geologic information.

It is clear from the impressive abundance and diversity of support for this legislation that the information provided by geologic maps is in great demand. Geologic maps provide the data base upon which determinations are made that affect America's basic economy. Exploration and development of energy, mineral and water resources depend on accurate geologic information. But more importantly, as the pressures on our dwindling resources and strained environment demand better management based on more comprehensive geologic data, this bill, through a cost-sharing program, will produce critically needed maps that previous and existing State and Federal mapping programs have failed to provide.

The failure of the U.S. Geological Survey to provide adequate geologic maps makes passage of this very specific and binding authorization a clear necessity. By matching funds on a 50-50 basis, the States will have both the structural and financial incentives to increase their role in the production of geologic maps. In turn, we will have a greater understanding of the landscape we inhabit; waste-disposal facility siting, land-use planning, construction planning and geologic hazard predictions will all be more accurately defined.

These efforts will be further enhanced by my amendment, accepted by the Energy Committee, to encourage the use of radar imagery—including SLAR and IFSLAR—as a tool in the geologic mapping program. Radar imagery is an important advantage; large areas can be covered in a short time and pictures can be produced and interpreted after only a minimum of processing. And, radar can work under almost any weather condition or in forested terrain, a vital element in military flight planning.

In closing, Mr. President, let me just say that had it not been for the enthusiastic support of the State geologists, we may not be making this commitment today. So I thank them for their foresight, their diligent efforts and their willingness to be full partners in this important program.

The PRESIDING OFFICER. The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

So the bill (H.R. 2763), as amended, was passed.

Mr. LAUTENBERG. Mr. President, I move to reconsider the vote by which the bill, as amended, was passed.

Mr. BURNS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MEASURE INDEFINITELY POSTPONED

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that Calendar No. 323, S. 1179, a bill to stimulate the production of geological map information, be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENDATION OF VICE ADM. RICHARD H. TRULY

Mr. BURNS. Mr. President, I send a resolution to the desk for Senator GARN, commending Admiral Truly for his work, and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 276) commending the long and distinguished service to the Nation of Vice Admiral Richard H. Truly upon his retirement as Administrator of the National Aeronautics and Space Administration.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. GARN. Mr. President, it is with very mixed emotions that I note for the RECORD that this day marks the last day of service of Vice Adm. Richard H. Truly as Administrator of the National Aeronautics and Space Administration, and brings to a close his distinguished career of service to the Nation spanning over 30 years.

As one who will also be leaving the Government soon, with increasing frequency, I find myself reflecting on the nature of roles in public service and office. I know that his departure is more difficult than my own, if only because he respects and loves the agency of Government that he has worked in—and that his contributions and efforts are reflected in the achievements of the last 6 years, and in NASA's readiness to continue to build on the solid foundation of people and programs that he has shaped and lead.

Some have questioned the President's nominee for the next NASA Administrator on the basis that he hasn't had enough political experience dealing with the Congress. I personally find this concern unfounded. As one who has closely followed NASA's leadership from a distinctly political perspective for 18 years, it is my profound conviction that the agency's fate rests not on how it handles Congress, but rather on how it manages its programs.

To this end, those who follow Admiral Truly are well advised to examine his leadership and stewardship of that agency, and to build on that exemplary record of success.

One of the aspects of life in Washington which has always troubled me is that when someone leaves, we all too frequently engage in political hyperbole, that the real human relationships and spirit of confidence, trust, and thanks are lost. I for one, hope that these words are not lost in the standard political knashing of teeth and overblown accolades. Dick Truly has been a good administrator of NASA, and served that agency, and the Nation well, during a very difficult and trying time.

Mr. President, the Senate Resolution before us clearly states the remarkable career and contributions of Vice Adm. Richard H. Truly and expresses our well deserved thanks for a job well done. I urge its adoption.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 276) was agreed to.

The preamble was agreed to.

The resolution, and its preamble, are as follows:

S. RES. 276

Whereas Vice Admiral Richard H. Truly began his career of service to his Nation in 1959 when he was commissioned as an ensign in the United States Navy;

Whereas, as a naval aviator, Vice Admiral Richard H. Truly served as a fighter pilot, instructor at the United States Air Force Aerospace Research Pilot School, and in 1969, transferred to the National Aeronautics and Space Administration, as an astronaut;

Whereas, during his assignment to the National Aeronautics and Space Administration as an astronaut, Vice Admiral Richard H. Truly was pilot for one of the approach and landing test flights in 1977 of the Space Shuttle Enterprise, and pilot of the Space Shuttle Columbia for the Nation's second shuttle mission in space orbit in 1981;

Whereas Vice Admiral Richard H. Truly returned to naval service in 1983 to become the first commander of the Naval Space Command, but returned to the National Aeronautics and Space Administration in February 1986, to lead the difficult and painstaking rebuilding of the Space Shuttle program following the Challenger tragedy;

Whereas, under Vice Admiral Richard H. Truly's leadership, the National Aeronautics and Space Administration celebrated "return to flight" of the Space Shuttle program in September of 1988, and has subsequently flown twenty additional safe and highly successful shuttle missions;

Whereas Vice Admiral Richard H. Truly became the eighth Administrator of the National Aeronautics and Space Administration on July 1, 1989, and the first astronaut to head the Nation's civilian space agency;

Whereas as Administrator, Vice Admiral Richard H. Truly expanded and emphasized the National Aeronautics and Space Administration's role in improving education programs and stimulating the interest of our Nation's youth in mathematics, science, and engineering; increased the dissemination of aerospace technologies to stimulate domestic economic activity; broadened opportunities to develop new commercial enterprises in space; managed the development of a broad array of new science, technology, and exploratory missions; initiated a continuous improvement program; and promoted a culturally diverse work force; and

Whereas, Vice Admiral Richard H. Truly's leadership of the National Aeronautics and Space Administration has emphasized the operation of a safe and reliable space transportation system and a balance between the scientific research and exploration and more focused Earth, environmental, materials, and life sciences research, aeronautics and high performance computing technology development, and expansion of manned missions through the Space Shuttle and Space Station Freedom programs, leading to future manned exploration of our solar system: Now, therefore, be it *Resolved*,

SECTION 1. TRIBUTE.

The Senate pays tribute to Vice Admiral Richard H. Truly in appreciation for his dedication and commitment to promoting the goals and objectives of our Nation's civil space program, sustaining America's leadership in space and aeronautics, and inspiring our youth to continue to reach for the stars.

SEC. 2. COMMENDATION.

The Senate commends Vice Admiral Richard H. Truly for his outstanding leadership of the National Aeronautics and Space Administration through difficult program and policy debates; and wishes him God speed as he brings to a close an exemplary career in Government service to chart new waters.

SEC. 3. COPY OF RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to Vice Admiral Richard H. Truly.

Mr. BURNS. I move to reconsider the vote.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

EXTENDING THE DEADLINE FOR APPOINTMENT UNDER PUBLIC LAW 102-166

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the deadline in Public Law 102-166, section 303(b)(4) for the appointment of the director of the Office of Senate Fair Employment Practices by the President pro tempore, upon the recommendation of the majority leader in consultation with the minority leader, be extended through April 11, 1992; and that the director's appointment take effect within 30 days following that person's appointment, as agreed to by the President pro tempore, upon the recommendation of the majority leader in consultation with the minority leader.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

REPORT ON NATIONAL EMERGENCY WITH RESPECT TO THE EXPIRATION OF THE EXPORT ADMINISTRATION ACT—MESSAGE FROM THE PRESIDENT—PM 189

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

1. On September 30, 1990, in Executive Order No. 12730, I declared a national emergency under the International Emergency Economic Powers Act ("IEEPA") (50 U.S.C. 1701, *et seq.*) to deal with the threat to the national security and foreign policy of the United States caused by the lapse of the Export Administration Act of 1979, as amended (50 U.S.C. App. 2401, *et seq.*), and the system of controls maintained under that Act. In that order I continued in effect, to the extent permitted by law, the provisions of the Export Administration Act of 1979, as amended, the Export Administration Regulations (15 C.F.R. 768, *et seq.* (1991)), and the delegations of authority set forth in Executive Order No. 12002 of July 7, 1977, Executive Order No. 12214 of May 2, 1980, and Executive Order No. 12131 of May 4, 1979, as amended by Executive Order No. 12551 of February 21, 1986.

2. I issued Executive Order No. 12730 pursuant to the authority vested in me as President by the Constitution and laws of the United States, including IEEPA, the National Emergencies Act ("NEA") (50 U.S.C. 1601, *et seq.*), and section 301 of title 3 of the United States Code. At that time, I also submitted a report to the Congress pursuant to section 204(b) of IEEPA (50 U.S.C. 1703(b)). Section 204 of IEEPA requires follow-up reports, with respect to actions or changes, to be submitted every 6 months. Additionally, section 401(c) of the NEA requires that the President, within 90 days after the end of each 6-month period following a declaration of a national emergency, report to the Congress on the total expenditures directly attributable to that declaration. This report, covering the 6-month period from October 1, 1991, to March 31, 1992, is submitted in compliance with these requirements.

3. Since the issuance of Executive Order No. 12730, the Department of Commerce has continued to administer the system of export controls, including antiboycott provisions, contained in the Export Administration Regulations. In administering these controls, the Department has acted under a policy of conforming actions under Executive Order No. 12730 to those required under the Export Administration Act, insofar as appropriate.

4. Since my last report to the Congress, there have been several significant developments in the area of export controls:

—In light of the ongoing changes occurring in Eastern Europe and the former Soviet Union, the Department of Commerce has been working with officials of Bulgaria, Czechoslovakia, Hungary, Poland, and republics of the former Soviet Union to implement and strengthen their export control systems, including pre-license inspections and post-shipment verifications. We are also engaged in activities with these countries to assist in the prevention of proliferation of weapons of mass destruction and corresponding technology. These developments will allow for enhanced and much-needed trade in high technology items and other commodities in the region, while helping to prevent unauthorized shipments or uses of such items.

—In my last report I noted that, following negotiations with our Coordinating Committee (COCOM) partners that produced a streamlined Core List of truly strategic items subject to multilateral national security controls, the Department of Commerce implemented a new Commerce Control List (CCL), effective September 1, 1991 (56 F.R. 42824, August 29, 1991). During the current reporting period, the Department issued a conforming regulation, effective January 7, 1992, to bring the CCL into line with special country- and commodity-based controls. In this action, foreign policy provisions in the Export Administration Regulations (EAR) were revised to adjust and expand controls on Iran and Syria. Controls affecting countries designated by the Secretary of State as supporting international terrorism were also revised, with Iraq added and Yemen deleted from the list. Additionally, the transfer from the Department of State to the Department of Commerce of licensing jurisdiction over certain civil aircraft inertial navigation equipment was implemented (57 F.R. 4553, February 6, 1992).

—Our efforts to address the threat to the national security and foreign policy interests of the United States posed by the spread of weapons of mass destruction and missile delivery systems remain ongoing. In this vein, we continue to work with our major trading partners to strengthen export controls over goods, technology, and other forms of assistance that can contribute to the spread of nuclear, chemical, and biological weapons and missile systems:

—The United States has been working with its partners in the 22-nation Australia Group (AG) to harmonize export controls related to the proliferation of chemical and biological weapons (CBW). At the December 1991 meeting, the participants agreed to control the export of certain biological organisms and CBW-related equipment. The list considered for possible adoption by the AG in this effort is nearly identical to the draft submitted by the United States.

—Additionally, the 27-nation Nuclear Suppliers Group, in which the United States participates, is expected formally to establish a multilateral regime to control nuclear-related, dual-use items along the lines of the nuclear referral list currently administered by the Department of Commerce.

—In the area of supercomputers, we have agreed on a supercomputer safeguard regime with Japan and will be negotiating with our European trading partners to expand this regime. Supercomputer exports involve sensitive national security and foreign policy interests such as cryptology, strategic defense, and submarine warfare; the multilateral safeguard regime is therefore intended to establish uniform and effective international policies and procedures to protect supercomputers from unauthorized end-uses and end-users.

—Developments in the Missile Technology Control Regime (MTCR) include revision of the MTCR control list or "Annex," and the inclusion of missiles capable of delivering all weapons of mass destruction within the scope of the MTCR, not just those capable of delivering nuclear weapons, which were originally designated as the focus of the regime.

—In response to commitments made by the People's Republic of China (PRC) to adhere to the MTCR nonproliferation guidelines, on February 21, 1992, the Department of State announced my decision to remove special missile sanctions imposed upon the PRC for the activities of Chinese entities involved in missile technology proliferation. As a result, certain sanctions, including restrictions on the export of high-performance computers, are being removed. Other controls affecting the PRC, such as those implemented following Tiananmen Square, remain in place.

—Finally, our enforcement efforts have continued unabated:

—During this 6-month reporting period, record civil penalties, totalling in excess of $3.5 million, were assessed in export control enforcement cases. The companies against which the penalties were imposed include the Digital Equipment Corporation; Ecosphere International; Everex Systems, Inc., and its subsidiary Everex Systems (Far East); and Kobe Argentina, the Argentine subsidiary of a U.S. company that was involved in the first case in which both export control and antiboycott violations were alleged.

—On December 19, 1991, special agents from the Department of Commerce's Bureau of Export Administration arrested a French businessman in New York on charges of diverting two shipments of aviation oil valued at over $2 million to Cuba. A German company and two of its executives were also indicted in connection with the diversion scheme. In addition, an American company and two of its executives were indicted and charged with falsifying shipping documents, having knowledge of the diversion, and failing to report the diversion to authorities.

—On February 18, 1992, the Department of Commerce charged L.A. Gear, Inc., an athletic footwear manufacturer, with 46 violations of the antiboycott provisions of the Export Administration Act and Regulations. The Department alleged that, in July 1987 and January 1990, the company complied with boycott requests from a Middle Eastern customer, resulting in antiboycott violations including knowingly agreeing to refuse to do business with other persons in response to a boycott-based requirement, furnishing prohibited boycott-related information, and failure to report receipt of boycott-related requests.

5. The expenses incurred by the Federal Government in the 6-month period from October 1, 1991, to March 31, 1992, that are directly attributable to the exercise of authorities conferred by the declaration of a national emergency with respect to export controls were largely centered in the Department of Commerce, Bureau of Export Administration. Expenditures by the Department of Commerce are anticipated to be $20,254,000, most of which represents wage and salary costs for Federal personnel.

6. The unrestricted access of foreign parties to U.S. goods, technology, and technical data, and the existence of certain boycott practices of foreign nations, in light of the expiration of the Export Administration Act of 1979, continue to constitute an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. I shall continue to exercise the powers at my disposal to retain the export control system, including the antiboycott provisions, and will continue to report periodically to the Congress.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992.*

ANNUAL REPORT OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT—MESSAGE FROM THE PRESIDENT—PM-190

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

Pursuant to the requirements of 42 U.S.C. 3536, I transmit herewith the Twenty-sixth Annual Report of the Department of Housing and Urban Development, which covers calendar year 1990.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992.*

ANNUAL REPORTS ON ACTIVITIES UNDER THE OCCUPATIONAL SAFETY AND HEALTH ACT—MESSAGE FROM THE PRESIDENT—PM—191

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying reports; which was referred to the Committee on Labor and Human Resources:

To the Congress of the United States:

In accordance with section 26 of the Occupational Safety and Health Act of 1970 (Public Law 91-596; 29 U.S.C. 675), I transmit herewith the 1989 annual reports on activities of the Department of Labor, the Department of Health and Human Services, and the Occupational Safety and Health Review Commission.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992.*

MESSAGES FROM THE HOUSE

At 11:32 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House insists upon its amendments to the bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, disagreed to by the Senate; it agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and appoints the following as managers of the conference on the part of the House:

Mr. ROSE, Mr. GEJDENSON, Mr. GEPHARDT, Mr. SWIFT, Mr. PANETTA, Mr. SYNAR, Mr. KLECZKA, Mr. THOMAS of California, Mr. EDWARDS of Oklahoma, Mr. LIVINGSTON, and Mr. WALSH.

As additional conferees from the Committee on Energy and Commerce, for consideration of sections 103 and 202 of the Senate bill, and section 802 of the House amendment, and modifications committed to conference: Mr. DINGELL, Mr. MARKEY, and Mr. LENT.

As additional conferees from the Committee on Post Office and Civil Service, for consideration of sections 104, 404 409, and 411 of the Senate bill, and section 103 of the House amendment, and modifications committed to conference: Mr. CLAY, Mr. MCCLOSKEY, and Mr. GILMAN.

At 2:30 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill and joint resolutions, in which it requests the concurrence of the Senate:

H.R. 3292. An act to require candidates who are eligible to receive amounts from the Presidential Election Campaign Fund to prepare television commercials with closed captioning of the oral content;

H.J. Res. 402. Joint resolution approving the location of a memorial to George Mason; and

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

MEASURES REFERRED

The following joint resolution was read the first and second times by unanimous consent, and referred as indicated:

H.J. Res. 402. Joint resolution approving the location of a memorial to George Mason; to the Committee on Rules and Administration.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2839. A communication from the Acting Assistant Secretary of Agriculture (Science and Education), transmitting, pursuant to law, the annual report on the Food and Agricultural Sciences for fiscal year 1990; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2840. A communication from the Secretary of the Army, transmitting, pursuant to law, notice that the Air Defense Anti-Tank System has breached its unit cost threshold by 15 percent; to the Committee on Armed Services.

EC-2841. A communication from the Director of Defense Research and Engineering, Department of Defense, transmitting, pursuant to law, the annual report on funds obligated in the research, development, test and evaluation chemical/biological programs during fiscal year 1991; to the Committee on Armed Services.

EC-2842. A communication from the Director for Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, the annual report on Extraordinary Contractual Actions to facilitate the National Defense for calendar year 1991; to the Committee on Armed Services.

EC-2843. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the annual report on enforcement of the Fair Debt Collection Practices Act for 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC-2844. A communication from the Director for Congressional Liaison, Office of the Comptroller of the Currency, transmitting, pursuant to law, a revised edition of the annual report on enforcement actions under the Financial Institutions Reform, Recovery, and Enforcement Act for calendar year 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC-2845. A communication from the Secretary of Agriculture, transmitting, pursuant to law, the annual report on the Rural Housing Demonstration Program for fiscal year 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC-2846. A communication from the Chairman of the Securities and Exchange Commission, transmitting a draft of proposed legislation to amend the Securities Act of 1933 and the Investment Company Act of 1940 to promote capital formation for small businesses and others through exempted offerings under the Securities Act and through investment pools that are excepted or exempted from regulation under the Investment Company Act and through business development companies; to the Committee on Banking, Housing, and Urban Affairs.

EC-2847. A communication from the Chairman of the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report on enforcement activities under the Financial Institutions Reform, Recovery, and Enforcement Act for calendar year 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC-2848. A communication from the General Counsel of the Department of Transportation, transmitting, pursuant to law, the fiscal year 1993 budget request of the Federal Aviation Administration; to the Committee on Commerce, Science, and Transportation.

EC-2849. A communication from the Assistant Secretary of State (Legislative Affairs), transmitting, pursuant to law, documentation relative to the legislative proposal to eliminate the mortality of dolphins in the eastern tropical pacific tuna purse seine fishery; to the Committee on Commerce, Science, and Transportation.

EC-2850. A communication from the Secretary of Transportation, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1993 for the United States Coast Guard; to the Committee on Commerce, Science, and Transportation.

EC-2851. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on actions taken under the Powerplant and Industrial Fuel Use Act for calendar year 1991; to the Committee on Energy and Natural Resources.

EC-2852. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on the establishment of an oil and gas leasing program for the non-North Slope Federal lands for fiscal year 1991; to the Committee on Energy and Natural Resources.

EC-2853. A communication from the Chairman of the Pennsylvania Avenue Development Corporation, transmitting a draft of proposed legislation to amend the Pennsylvania Avenue Development Corporation Act of 1972 to authorize appropriations for implementation of the development plan for Pennsylvania Avenue between the Capitol and the White House, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2854. A communication from the Acting General Counsel of the Department of Defense, transmitting a draft of proposed legislation to revise the stockpile requirement and authorize the disposal of cobalt from the National Defense Stockpile; to the Committee on Armed Services.

EC-2855. A communication from the Assistant Secretary of the Interior (Water and Science), transmitting, pursuant to law, a report entitled "High Plains States Groundwater Demonstration Program 1991, Interim Report"; to the Committee on Energy and Natural Resources.

EC-2856. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report of the Office of Surface Mining Reclamation and Enforcement for fiscal year 1991; to the Committee on Energy and Natural Resources.

EC-2857. A communication from the Deputy Assistant Secretary of the Interior, transmitting a draft of proposed legislation to amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund; to the Committee on Energy and Natural Resources.

EC-2858. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2859. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2860. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2861. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2862. A communication from the Inspector General of the Department of the Interior, transmitting, pursuant to law, an audit report entitled "Accounting for Fiscal Year 1990 Reimbursable Expenditures of Environmental Protection Agency Superfund Money, Water Resources Division, U.S. Geological Survey"; to the Committee on Environment and Public Works.

EC-2863. A communication from the Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the annual report on progress in cleaning up the Nation's worst hazardous waste sites for fiscal year 1990; to the Committee on Environment and Public Works.

EC-2864. A communication from the Chairman of the Railroad Retirement Board, transmitting a draft of proposed legislation to amend the Railroad Retirement Tax Act and the Railroad Retirement Act to ease administration of those Acts and for other purposes; to the Committee on Finance.

EC-2865. A communication from the Secretary of Labor, transmitting a draft of proposed legislation to repeal the Trade Adjustment Assistance Program, and for other purposes; to the Committee on Finance.

EC-2866. A communication from the Chairman of the United States International Trade Commission, transmitting, pursuant to law, the annual report of the Commission under the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC-2867. A communication from the Chairman and Members of the Railroad Retirement Board, transmitting, pursuant to law, the annual report of the Board under the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC-2868. A communication from the Executive Director of the Federal Energy Commission, transmitting, pursuant to law, a report on a new Privacy Act system of records; to the Committee on Governmental Affairs.

EC-2869. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-170 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2870. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-171 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2871. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-172 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2872. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-173 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2873. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-174 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2874. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-175 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2875. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-176 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2876. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-177 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2877. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-178 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2878. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-179 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2879. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-180 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2880. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-181 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2881. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-182 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2882. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-183 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2883. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-184 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2884. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 9-185 adopted by the Council on March 3, 1992; to the Committee on Governmental Affairs.

EC-2885. A communication from the Investment Specialist, Tennessee Valley Authority, transmitting, pursuant to law, the 1988, 1989, and 1990 annual reports for the Tennessee Valley Authority's Pension Plan; to the Committee on Governmental Affairs.

EC-2886. A communication from the Acting Comptroller General of the United States, transmitting, pursuant to law, a list of reports issued by the General Accounting Office during February 1992; to the Committee on Governmental Affairs.

EC-2887. A communication from the Executive Director of the United States Holocaust Memorial Council, transmitting a draft of proposed legislation to authorize appropriations to carry out the programs of the United States Holocaust Memorial Council; to the Committee on the Judiciary.

EC-2888. A communication from the Chairman of the Merit Systems Protection Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2889. A communication from the Director of the Office of Government Ethics, transmitting, pursuant to law, the annual report of the Office under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2890. A communication from the Director of the Office of Legislative and Public Affairs, National Science Foundation, transmitting, pursuant to law, the annual report of the Foundation under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2891. A communication from the Director of Selective Service, transmitting, pursuant to law, the annual report of the Selective Service under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2892. A communication from the Washington Representatives of the Girl Scouts of America, transmitting, pursuant to law, the annual report of the Girl Scouts of America for 1991; to the Committee on the Judiciary.

EC-2893. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report of the Department of Health and Human Services under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2894. A communication from the Chairman of the Consumer Product Safety Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2895. A communication from the Executive Director of the Federal Retirement Thrift Investment Board, transmitting, pursuant to law, the annual report of the Board under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2896. A communication from the Executive Director of the Committee for Purchase from the Blind and Severely Handicapped, transmitting, pursuant to law, the annual report of the Committee under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2897. A communication from the Deputy Secretary of Defense, transmitting, pursuant to law, the annual report of the Department of Defense under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2898. A communication from the Postmaster General of the United States, transmitting, pursuant to law, the annual report of the United States Postal Service under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2899. A communication from the Deputy Assistant to the President for Management and Director of the Office of Administration, Executive Office of the President, transmitting, pursuant to law, the annual report of the Office of Administration under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2900. A communication from the President of the Foundation of the Federal Bar Association, transmitting, pursuant to law, the annual audit report of the Association for fiscal year 1991; to the Committee on the Judiciary.

EC-2901. A communication from the Director of the Office of Personnel Management, transmitting, pursuant to law, the annual report of the Office under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2902. A communication from the Archivist of the United States, transmitting, pursuant to law, the annual report of the National Archives and Records Administration under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2903. A communication from the Assistant Secretary of the Interior (Policy, Management, and Budget), transmitting, pursuant to law, the annual report of the Department of the Interior under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2904. A communication from the Acting Commissioner of the National Center for Education Statistics, Department of Education, transmitting, pursuant to law, a report entitled "International Mathematics and Science Assessments: What Have We Learned?"; to the Committee on Labor and Human Resources.

EC-2905. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final priorities for fiscal year 1992—Projects With Industry; to the Committee on Labor and Human Resources.

EC-2906. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the Family Planning and Five Year Plan report for fiscal year 1990; to the Committee on Labor and Human Resources.

EC-2907. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final priorities for fiscal year 1992—Special Projects and Demonstrations for Providing Vocational Rehabilitation Services to Individuals With Severe Handicaps; to the Committee on Labor and Human Resources.

EC-2908. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final priority for fiscal year 1992—Vocational Rehabilitation Service Projects Program for Migratory Agricultural and Seasonal Farmworkers With Handicaps; to the Committee on Labor and Human Resources.

EC-2909. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final priorities for fiscal year 1992—Special Projects and Demonstrations for Providing Supported Employment Services to Individuals with Handicaps; to the Committee on Labor and Human Resources.

EC-2910. A communication from the Secretary of Veterans Affairs and the Secretary of Defense, transmitting jointly, pursuant to law, a report on the implementation of the health resources sharing portion of the Department of Veterans Affairs and Department of Defense Health Resources Sharing and Emergency Operations Act for fiscal year 1991; to the Committee on Veterans' Affairs.

EC-2911. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final priorities for fiscal year 1992—Vocational Rehabilitation Service Projects for American Indians With Handicaps; to the Committee on Labor and Human Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, without amendment:

S. 1882. A bill to authorize extensions of time limitations in a FERC-issued license (Rept. No. 102-265).

By Mr. SARBANES, from the Joint Economic Committee:

Special report entitled "The 1992 Joint Economic Report" (with additional and minority views) (Rept. No. 102-266).

By Mr. JOHNSTON, from the Committee on Energy and Natural Resources, with an amendment in the nature of a substitute:

H.R. 429. A bill to authorize additional appropriations for the construction of the Buffalo Bill Dam and Reservoir, Shoshone Project, Pick-Sloan Missouri Basin Program, Wyoming (Rept. No. 102-267).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. SASSER (for himself, Mr. GORE, and Mr. MCCONNELL):

S. 2490. A bill to provide that employees of the Tennessee Valley Authority who are covered by a collective bargaining agreement shall not be subject to any regulations which take employee efficiency or performance ratings into account in determining the order of retention of competing employees in a reduction in force; to the Committee on Environment and Public Works.

By Mr. HATFIELD:

S. 2491. A bill to amend the Job Training Partnership Act to establish an Endangered Species Employment Transition Assistance Program, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. D'AMATO:

S. 2492. A bill to suspend temporarily the duty on pectin; to the Committee on Finance.

S. 2493. A bill to suspend temporarily the duty on 6-Acetyl-1,1,2,3,3,5,-hexamethyl Indan; to the Committee on Finance.

S. 2494. A bill to extend until December 31, 1996, the temporary suspension of duties on 7-Acetyl-1,1,3,4,4,6-hexamethyletrahydronaphthalene; to the Committee on Finance.

By Mr. INOUYE:

S. 2495. A bill to amend the Civil Liberties Act of 1988 to increase the authorization for the Trust Fund under the Act, and for other purposes; to the Committee on the Judiciary.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 2496. A bill to authorize a certificate of documentation for the vessel Delphinus II; to the Committee on Commerce, Science, and Transportation.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 2497. A bill to authorize a certificate of documentation for the vessel Touch of Class; to the Committee on Commerce, Science, and Transportation.

S. 2498. A bill to authorize a certificate of documentation for the vessel Liquid Gold; to the Committee on Commerce, Science, and Transportation.

By Mr. SPECTER:

S. 2499. A bill for the relief of Elham Ghandour Cicippio; to the Committee on the Judiciary.

By Mr. CHAFEE:

S. 2500. A bill to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

S. 2501. A bill to provide for the appropriation of funds from Harbor Maintenance Trust Fund to the Department of the Army for payment of administrative expenses incurred in administering the port use fee and to clarify funding from the Inland Waterways Trust Fund for rehabilitation costs of existing and future projects for navigation on the inland and coastal waterways of the United States and for other purposes; to the Committee on Environment and Public Works.

By Mr. DECONCINI:

S. 2502. A bill to amend the provisions of title 28, United States Code, to provide for the payment of attorney fees to a prevailing defendant in civil actions, and for other purposes; to the Committee on the Judiciary.

By Mr. SIMON (for himself, Mr. RUDMAN, Mr. PELL, Mr. BUMPERS, and Mr. CRANSTON):

S. 2503. A bill to amend the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, to make available additional funds to the Department of State for the United States contributions to international peacekeeping activities; to the Committee on Appropriations.

By Mr. MITCHELL:

S. 2504. A bill to eliminate restrictions in United States law on the extension of credit and assistance to the successor states of the former Soviet Union; to the Committee on Foreign Relations.

By Mr. WARNER (for himself, Mr. BROWN, Mr. BUMPERS, Mr. CHAFEE, Mr. COCHRAN, Mr. LUGAR, Mr. METZENBAUM, Mr. STEVENS, and Mr. SYMMS):

S.J. Res. 283. A joint resolution designating January 16, 1993, as "Religious Freedom Day"; to the Committee on the Judiciary.

By Mr. SPECTER:

S.J. Res. 284. A joint resolution designating August 4, 1992, as "National Neighborhood Crime Watch Day"; to the Committee on the Judiciary.

By Mr. WARNER:

S.J. Res. 285. A joint resolution to designate September 24, 1992, as "National Patrick Sarsfield Gilmore Day"; to the Committee on the Judiciary.

By Mr. GARN (for himself and Mr. HATCH):

S.J. Res. 286. A joint resolution to designate June 6, 1992, through June 10, 1992, as "International Student Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. BURNS (for Mr. GARN, for himself, Ms. MIKULSKI, Mr. HOLLINGS, Mr. GORE, Mr. D'AMATO, and Mr. GLENN):

S. Res. 276. A resolution commending the long and distinguished service to the Nation of Vice Admiral Richard H. Truly, upon his retirement as Administrator of the National Aeronautics and Space Administration; considered and agreed to.

By Mr. DOMENICI (for himself, Mr. BOND, Mr. LOTT, Mr. SYMMS, and Mr. BROWN):

S. Con. Res. 104. A concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1993, 1994, 1995, 1996, and 1997; to the Committee on the Budget.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATFIELD:

S. 2491. A bill to amend the Job Training Partnership Act to establish an Endangered Species Employment Transition Assistance Program, and for other purposes; to the Committee on Labor and Human Resources.

ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE ACT

Mr. HATFIELD. Mr. President, many of my colleagues are aware of the ongoing debate centered around the northern spotted owl. It has been listed as a threatened species under the Endangered Species Act. I have spoken at length on this issue in the past and today rise to offer legislation to bring relief to the people who are harmed seriously by the application of the Endangered Species Act, without in any way weakening the protection or survivability of the owl.

Because of the way the Endangered Species Act is today being applied, we are on the frontier of change, change at virtually every level of government. In Oregon, we have become accustomed to the idea, though it is not easy to accept.

But change as represented by the Endangered Species Act is not limited just to Oregon. As some of my other colleagues have learned or are beginning to learn, the Endangered Species Act applies not just to the snail darter of Tennessee or the spotted owl of Oregon and Washington. It also applies to the delta smelt of San Francisco Bay; the red cockaded woodpecker of the South; the grizzly bear of Montana; the sturgeon of Alabama; or any of the 2,000 other species which are regarded as sensitive or have, in fact, been listed as threatened or endangered.

For some, these species represent the destruction of the natural systems which sustain them. For others, it confirms the idea that humans are an evil force which will inevitably cause the destruction of the Earth. And for others, these species represent a threat—a threat to them, a threat to their communities, and threat to their children, and a threat to their way of life.

For me, these species represent all these things. That we regard them as sensitive, threatened, or endangered at all means that something has gone wrong. The fact that some are concerned that the loss—perceived or otherwise—of these species confirms their worst fears about the future of the Earth is understandable. For, in just the last century, we have fought two world wars and innumerable other regional wars and we have created the technology and harnessed the physical sciences to the extent that we have brought the entire planet to the edge of total, irretrievable extinction in its totality.

And yet, the manner in which we respond to the plight of nonhuman species is, in itself, a remarkable story. For we have found, as a society, we are not consigned to live a subsistence life because of the bounties bestowed upon us by the blessings of God. Because of this, we are able to consider the interrelatedness of life on Earth and have chosen to try to protect and preserve those qualities.

In the case of the spotted owl, however, we are going about it the wrong way. Instead of developing a plan for conservation and then an economic plan of transition, we have assumed the worst, virtually shut down our entire National Forest System, and forced our people and our communities to play catchup. If you're talking about a few hundred jobs and one dam—well, that's one thing. But if you're talking about the western half of two States and the northern 7 counties of another; if you're talking about 35,000 to 40,000 jobs; if you're talking about $1 billion or more in lost income, then it's another matter entirely.

As everyone now knows, Oregon's economy depends tremendously on our abundant natural resources. The State and local governments depend heavily on timber receipts to finance roads and schools. Rural communities survive on fishing and forestry. Since the end of 1989, Oregon has lost nearly 17,000 full-time jobs in the forest products industry. That industry is facing more losses—losses which could total tens of thousands of additional jobs resulting from greater protection for the northern spotted owl by withdrawing nearly 10 million additional acres of public forest lands from commercial production. Our fishing and river commerce industries are further placed in jeopardy by the potential listing of several salmon species as threatened or endangered.

In fact, this threat has become all the more real due to recent court injunctions which have brought timber harvesting on the national forests and public lands of the Pacific Northwest to a screeching halt. These injunctions are extracting a very high price in my State, both in terms of job losses and social impacts.

There are approximately 81 timber dependent communities in Oregon. Most of these communities are one or two mill towns which depend entirely on Federal-controlled timber. With the recent court actions, the Federal Government has, in effect, condemned many of these communities to a slow and tortuous death. Workers in these communities receive an average salary of $26,400 a year. It is unrealistic to expect these workers to move their families, retrain for a new career, and find a decent job before their savings—if they have any—run out. They certainly cannot support their families on minimum wage jobs.

The spotted owl and the Columbia River Basin salmon are not the only species listed under the Endangered Species Act. Let me just take a moment to give a few other examples. Just yesterday, the Energy and Water Appropriations Subcommittee held a public witness hearing. In that hearing, the subcommittee was told that the Alabama sturgeon is on the verge of being proposed as an endangered species. Witnesses testified that the economic impacts would be in the billions of dollars and the total direct and indirect job losses could be in the 15,000 to 17,000 range. In California, the winter-run chinook salmon has been listed as endangered and is threatening a $5 billion shipping industry in the San Francisco Bay. In fact, two ships have already run aground due to curtailed dredging activities in the bay. The California gnat-catcher, which nests in prime developable coastal areas is the source of contention and could affect 200,000 jobs if that bird is found to be endangered. In the Southeast United States, logging sources have said that the allowable sale quantity of timber in that region may be cut from 1.4 billion board feet to just over 600 million board feet in order to protect the red-cockaded woodpecker. This represents more than a 50-percent reduction in logging in the southeast region.

The human costs resulting from endangered species listings are becoming increasingly evident. Across this country, tens of thousands of people may be affected by the thousands of listing petitions currently pending before the U.S. Fish and Wildlife Service and the National Marine Fisheries Service. In Oregon, Washington, and California, this situation is no longer hypothetical, it has become all too real. Men, women, children, and communities in which they have spent their entire lives are at risk unless we try to create a mechanism to ensure they will have the opportunity to pursue other productive interests.

It is for these people that I am introducing the Endangered Species Employment Transition Assistance Act today as both a free-standing bill and as an amendment to the Job Training Partnership Act amendments, which were recently filed at the desk.

Let me stress at the outset that this legislation does not in any way alter the Endangered Species Act. It does nothing to take away protection from any species. It helps all species by protecting the only species which can offer protection to nature, that species is humankind.

This bill amends title III of the Job Training Partnership Act by establishing an employment transition assistance program, similar to that created by Congress for the Clean Air Act. The new section would authorize $50 million per year for 5 years to assist dislocated workers who are affected adversely by the application of the Endangered Species Act. Ninety-five percent of the funding would go to the worker assistance programs and the remaining 5 percent would be used to administer the program through the Department of Labor.

In addition to the benefits currently available to dislocated workers through this title, new benefits for job search allowances, needs-related payments, and extended monetary assistance would be available. Extended monetary assistance would be available to dislocated workers who have exhausted their unemployment insurance benefits, provided they are participating in a qualified training or educational program.

The intent of providing needs-related payments is to provide a financial floor for workers who are adjusting to career changes. Under this legislation, workers enrolled in training or educational programs exceeding the period of time for which they can receive unemployment insurance, would be eligible to complete training or education with further monetary assistance. These payments would be awarded to dislocated workers enrolled in training or educational programs, if either they or a member of their family has an income level below the poverty level as a result of job loss. Payments would be equivalent to either the amount they received from their unemployment insurance, or the amount necessary to bring their income up to the Federal poverty level.

As the original sponsor of endangered species legislation in 1972, I have long supported laws to ensure that we are responsible stewards of the environment. Through my experiences during the ongoing forestry debate in the Pacific Northwest, however, I am keenly aware of the unintended consequences the Endangered Species Act has on the social structure of our communities. Until Congress provides additional guidance on the application of the Endangered Species Act to the economic viability of an entire region, we must take the steps necessary to protect our people. It is time now to recognize that when we act to protect endangered and threatened species we may have a negative impact on our workers and our economy.

It is this Nation's policy to protect its flora and fauna, and I support that policy. I helped write it. But just as we are preparing programs to retool and reemploy our military in this post-cold-war era, the people affected by the unforeseen application of the Endangered Species Act must be protected from the results of these actions. Such protection must reflect equity, fairness, and a recognition of the extremely serious toll the application of that law is exacting on humans.

Finally, I want to say to the Nation that this bill is not intended to be a cure-all. It will not provide everything our people need, and frankly, Mr. President, I do not intend to stop with this proposal in my efforts to assist those affected by what is, in fact, a Federal decision.

But it is a start. At the very least, it will provide a helping hand to those individuals caught between the Endangered Species Act and the specter of immediate unemployment and cultural dislocation. Oregonians recognize that our economy is in transition. No longer will timber and fishing represent guaranteed employment in rural communities. Diversification efforts are underway all over the State. But the Federal Government must assist in the transition efforts. Our environmental laws have created human suffering not just in my State, but all across this country. We cannot simply turn off one source of jobs and hope something—anything—will come along to take its place.

There is much talk in this chamber about helping rural communities. Rural health, rural education, rural this, rural that. But all of the talk is just that—talk—unless we step up and meet our responsibility of assisting rural Americans when Federal policies directly injure them. We are not so wealthy a nation that we can afford to create vast metropolises while our rural communities die on the vine. Rural America is the lifeblood of urban America. Without strong and vibrant rural communities, America as we know it cannot survive. And there is no clearer case of Federal policies affecting rural Americans than we see with the application of the Endangered Species Act in the Pacific Northwest.

Transitions take time. Many timber jobs already have been lost forever. The Endangered Species Act, as currently applied, does not address what happens to families and communities when actions are taken to protect ecosystems. Instead, all it offers many unemployed Americans is shock, despair, and a ticket to nowhere. We must show compassion for these people by helping them build a floor under themselves and their families as they learn to cope with change. I urge my colleagues to show real support for all of America's endangered species, including workers dependent upon natural resources by enacting this bill.

Mr. President, the authorization for the Endangered Species Act expires at the end of this year. I believe that I face the realism that it will not happen during this Presidential and congressional election year. However, we will fund the program following the expiration, as we have other programs, and in 1993 we will then address the question of reauthorization of the Endangered Species Act.

But in the meantime, I must point out that the application of this act as it relates to the Pacific Northwest and the famous northern spotted owl is beginning to be replicated throughout the entire United States. We now have over 1,200 endangered or threatened species that have been determined under the authority of the act affecting every State in the Union. The map that I have here today illustrates the situation by showing in orange on the map those States which have over 15 listings, such as Texas with 59, Oregon with 21, California with 94. And the white part of the map shows those States and the numbers under the threshold of 15.

Fundamentally, what we are talking about is the entire United States today has over 1,200 species listed as endangered or threatened. So it has gone far beyond the snail darter. It has gone far beyond the northern spotted owl. And let me say there are literally thousands more candidates for listing that are being considered for protection. There are over 1,000 possible candidates to be added to the States of Hawaii and California alone, 300 plus in the State of Texas in addition to the ones already listed as possible further listings.

Mr. President, it is very obvious that the precedent set by the owl in the Northwest and other such listings is ultimately going to have very serious impact on the entire country and in every State. Today there is a $5 billion shipping industry in San Francisco Bay alone that could be affected—in fact, has already been impacted—on the listing of a fish. Two ships have already run aground in San Francisco Harbor because of the reduction of dredging, which maintains that harbor. Just this week we had testimony indicating that for half of the length of the State of Alabama, beginning at Mobile, there is the possibility of a listing of the Alabama sturgeon, which could cost literally billions of dollars and affect 15,000 to 17,000 jobs.

The endangered species as it is applied to the spotted owl in my part of the country affects four counties in California, all of western Oregon and all of western Washington. Furthermore, it has cost about $1 billion in wages, about 2,000 jobs, up to possibly another 30,000 jobs in the Pacific Northwest.

This is happening in Oregon's No. 1 economic base—timber production.

Mr. President, I authored the first Endangered Species Act in 1972, and I am still a supporter of the endangered species concept, which I cosponsored, with Senator Williams of New Jersey, who was the major author of it in 1973. We could not pass it in 1972 because we could not agree on whether we should include both plant life and animal life. So I want to make it very clear I shall work for the reauthorization of the Endangered Species Act.

It is right in concept. It has been wrong in much of its application. I do not think we have to throw the baby out with the bathwater in order to correct those parts of the Endangered Species Act. I would not state, for instance, that all—all—animal life is of incalculable value. When you set that as your premise, you have no corresponding measure being placed to human value, so under the administration, under strict interpretation of the act, it is wildlife over all. It is not a question of how many spotted owls we must save. We must save them all. And we are not at this point able to give any census of how many we have.

Initially, the science was that the northern spotted owl could only exist in old-growth timber. Then we found spotted owls in second-growth timber. Then we found spotted owls in cut-over land. And now we have found spotted owls on a fence post.

Consequently, what I am saying is simply that the science is yet to be precise, yet the application of the law has been total.

I believe there has to be a better balance between people and animals. We do not have any knowledge of what indicator species have had as an impact, such as the dodo bird. We know it had an impact. Yet there is no dodo bird. There are certain species of life surrounding the environment and habitat of the dodo bird that disappeared when the dodo bird became extinct. Therefore, we have to look beyond the boundaries of the given forests and look at ecosystems and their interrelationships.

What I propose today is not in any way to modify the Endangered Species Act. That is premature. It is not in any way to amend the Endangered Species Act. That, too, is premature, but rather to deal with the results of the Endangered Species Act as it has stricken the thousands of households, the jobs of people who depend on the timber industry's prosperity.

Lest you think this is a parochial economic concern of one Senator from Oregon, let me quickly add that the radical fringe of some of the environmental organizations say that animal life above all life—some of the same who say meat is murder, some of the same who say lock up all of the range lands, lock up all the forests. But that is their excuse. They really want to lock up all nature resources of this country—land, water, forests.

Let me say that this has a national impact. We produce in the two States of Oregon and Washington between a fifth and a quarter of all timber products in this country. Let me tell you that the fastest-growing homeless population in this country is families with children being squeezed out of their jobs first, and being forced out of their homes second. There is a social impact.

The radical environmentalists have been very clear in succeeding to polarize this issue as an issue between timber barons, profits, and economics, on one hand, and the preservation of the environment on the other hand. However, they fail again to consider the people whose needs must be calculated into the whole equation.

Therefore, I say to my colleagues, those of us who have been on the forefront of fighting for the homeless cannot ignore the supply of timber to build these people homes. Timber is the most energy efficient building material and is grown with free solar energy. It is the only renewable raw material and can be sustained in perpetuity. It is the best, most efficient, most cost-effective product to build homes for the homeless and to build affordable homes for those who are candidates to becoming homeless or those who are on the track toward homelessness.

So this issue has a people dimension throughout this country.

Let me add one other thing. Too many of the environmentalists are so concerned about locking up the forests and the production of timber products in the Northwest that they do not take into consideration the national environmental impact.

Mr. President, the 13 Southern pine States are also a source of timber products. British Columbia and other parts of Canada are also a source. But if that harvest transfer and that demand in the marketplace is moved exclusively out of the Northwest or entirely out of the Northwest, it will have horrendous environmental impact on the 13 Southern pine States and Canada.

Oregon has a statute on the books which is 50 years old. It commands that every tree that is cut on private land or State land shall be replaced by a tree. We are currently averaging five trees planted for every one tree cut. We have locked up over 60 percent, through my legislation, of the old growth in my State to protect the old growth.

We need timber products and we cannot be ignorant or unconcerned about the harvest transfer to other parts of the States because few, if any, of those 13 Southern pine States have any regulation on the harvesting of timber. Most of that timber is located on small wood lots and is privately owned. It is not federally controlled land which is under five national statutes governing the harvest and the planting and the management of timber.

Canada has yet to establish a comprehensive national forest management act. We are transferring that harvest demand to areas of this country and this hemisphere to areas that have no governing practices in existence. Is that an environmentally sound policy?

We are now talking about importing logs from Siberia, from Central America. We are being unconcerned by this action, this overreaction here in the Northwest, in my view, to the global, regional, and local environmental needs.

Today I offer two pieces of legislation, one a freestanding bill on job retraining, and the other as an amendment. The amendment is the same as the free-standing bill, and I look forward to debating this amendment when we discuss the job training bill that we will be taking up.

This legislation, if passed, will cover the whole Nation. We did this in the Clean Air Act. We said we will establish certain standards in the clean air, and there will be job displacement. But that job displacement shall be given an undergirding of support for retraining and for sustaining those people beyond their unemployment compensation times, because we felt the value of the clean air goals were of such importance.

I am urging today we take the Endangered Species Act, and that we apply the same principle that is going to be—and already is—job displacement all over this country created by the application of the Endangered Species Act. What I am saying in these proposals is that we address the needs of those working people that have been dependent on certain jobs, and industries that are no longer in existence or greatly reduced, greatly diminished because of the application of the Endangered Species Act. It is a simple proposition. I think it is a fair proposition.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2491

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Endangered Species Employment Transition Assistance Act of 1992".

SEC. 2. ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE.

(a) AMENDMENT.—Part B of title III of the Job Training Partnership Act (29 U.S.C. 1662 et seq.) is amended by adding at the end the following:

"SEC. 327. ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE.

"(a) DETERMINATION OF ELIGIBILITY.—

"(1) DEFINITION.—For purposes of this section, the term 'eligible individual' means an individual who

"(A) is an eligible dislocated worker; and

"(B) has been terminated or laid off, or has received a notice of termination or layoff, as a consequence of compliance with the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

"(2) DETERMINATIONS.—The determination of eligibility under paragraph (1)(B) shall be made by the Secretary of Labor, pursuant to criteria established by the Secretary, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of the Army, the Secretary of Commerce, the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Energy.

"(b) GRANTS AUTHORIZED.—The Secretary may make grants to States, substate grantees (as described in section 312(c)), employers, employer associations, and representatives of employees—

"(1) to provide training, adjustment assistance, and employment services to eligible individuals adversely affected by compliance with the Endangered Species Act of 1973; and

"(2) to make needs-related payments to such individuals in accordance with subsection (f).

"(c) PRIORITY AND APPROVAL.—

"(1) APPLICATION.—To be eligible to receive a grant under subsection (b), a State, substate grantee, employer association, or representative of an employee shall submit an application to the Secretary at such time, in such manner, and containing such assurances as the Secretary may require.

"(2) PRIORITY.—In reviewing applications for grants under subsection (b), the Secretary shall give priority to applications proposing to provide training, adjustment assistance, and services in areas that have the greatest number of eligible individuals.

"(3) NEEDS-RELATED PAYMENTS REQUIRED.—The Secretary shall not approve an application for a grant under subsection (b) unless the application contains assurances that the applicant will use grant funds to provide needs-related payments in accordance with subsection (f).

"(d) USE OF FUNDS.—Subject to the requirements of subsections (e) and (f), grants under subsection (b) may be used for any purpose for which funds may be used under section 314.

"(e) ADJUSTMENT ASSISTANCE.—

"(1) JOB SEARCH ALLOWANCE.—Grants under subsection (b) for adjustment assistance may be used to provide job search allowances to eligible individuals. Such allowance, if granted, shall provide reimbursement to the individual of not more than 90 percent of the cost of necessary job search expenses, as prescribed by regulations of the Secretary, and may not exceed $800 unless the need for a greater amount is justified in the application and approved by the Secretary.

"(2) CRITERIA FOR GRANTING JOB SEARCH ALLOWANCES.—A job search allowance may be granted only—

"(A) to assist an eligible individual who has been totally separated in securing a job within the United States; and

"(B) if the Secretary determines that such employee cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.

"(f) NEEDS-RELATED PAYMENTS.—The Secretary shall prescribe regulations with respect to the use of funds from grants under subsection (b) for needs-related payments in order to enable eligible individuals to complete training or education programs under this section. Such regulations shall—

"(1) require that such payments shall be provided to an eligible individual only if such individual—

"(A) does not qualify or has ceased to qualify for unemployment compensation;

"(B) has been enrolled in training by the later of—

"(i) the end of the 13th week of the individual's initial unemployment compensation benefit period; or

"(ii) the end of the 8th week after an individual is informed that a short-term layoff will in fact exceed 6 months; and

"(C) is participating in training or education programs under this section, except that such regulations shall protect an individual from being disqualified pursuant to this clause for failure to participate that is not the fault of the individual;

"(2) provide that to qualify for such payments the individual currently receives, or is a member of a family that currently receives, a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) that, in relation to family size, is not in excess of the lower living standard income level;

"(3) provide that the levels of such payments shall be equal to the higher of—

"(A) the applicable level of unemployment compensation; or

"(B) the official poverty line (as defined by the Office of Management and Budget, and revised annually by the Secretary in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2));

"(4) provide for the adjustment of payments to reflect changes in total family income; and

"(5) provide that the grantee shall obtain information with respect to such income, and changes therein, from the eligible individual.

"(g) ADMINISTRATIVE EXPENSES.—The Secretary of Labor may reserve not more than 5 percent of the funds appropriated under this section for the administration of activities authorized under this section, including the provision of technical assistance for the preparation of grant applications.

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to amounts authorized to be appropriated by section 3(c), there are authorized to be appropriated $50,000,000 for fiscal year 1993, and such sums as may be necessary for each of fiscal years 1994, 1995, 1996, and 1997 to carry out this section. The total amount appropriated for all 5 such fiscal years shall not exceed $250,000,000.

"(2) AVAILABILITY.—Amounts appropriated pursuant to this subsection shall remain available until expended.

"(i) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section not later than 180 days after the date of enactment of this section.

"(j) GENERAL ACCOUNTING OFFICE ASSESSMENT OF EFFECTS ON EMPLOYMENT OF COMPLIANCE WITH ENDANGERED SPECIES ACT OF 1973.—The Comptroller General of the United States shall—

"(1) identify and assess, to the extent possible, the effects on employment that are attributable to compliance with the provisions of the Endangered Species Act of 1973; and

"(2) submit to the Congress on the date 4 years after the date of the enactment of this section a written report on the assessments required under paragraph (1).".

(b) CONFORMING AMENDMENTS.—

(1) The table of contents of the Job Training Partnership Act is amended by adding at the end of the items pertaining to part B of title III the following:

"Sec. 327. Endangered species employment transition assistance.".

(2) Section 3(c) of the Job Training Partnership Act (29 U.S.C. 1502(c)) is amended by striking "section 326" and inserting "sections 326 and 327".

By Mr. D'AMATO:

S. 2492. A bill to suspend temporarily the duty on pectin; to the Committee on Finance.

S. 2493. A bill to suspend temporarily the duty on 6-Acetyl-1,1,2,3,3,5,-hexamethyl Indan; to the Committee on Finance.

S. 2494. A bill to extend until December 31, 1996, the temporary suspension of duties on 7-Acetyl-1,1,3,4,4,6-hexamethyletrahydronaphthalene; to the Committee on Finance.

SUSPENSION OF CERTAIN DUTIES

● Mr. D'AMATO. Mr. President, I rise today to introduce legislation to amend the Harmonized Tariff Schedule of the United States to seek an extension until December 31, 1996, which would temporarily suspend the duties on pectin, tonalid, and phantoid. My colleague, Congressman GILMAN, has introduced companion legislation in the House.

This legislation will help U.S. consumers and manufacturers in three ways. The first purpose of this amendment is to improve the competitive position of pectin users—principally U.S. jams and jelly manufacturers—and lower costs to consumers by reducing manufacturing costs.

The second purpose of this legislation is to delay the expiration of the duty suspension on tonalid. If allowed to expire, it would revert to a duty of 6.5 percent and put U.S. companies at a disadvantage with foreign competition, unnecessarily burdening the U.S. companies because of increased costs. As there is no tonalid/fixolide production in the United States, extension of this duty suspension can have no effect upon producers who manufacture aroma chemicals in the United States.

Finally, the enactment of the duty suspension on phantoid would allow this product to become widely available to consumer companies at a competitive price, therefore benefiting the retail consumer of products containing it.

Mr. President, I ask unanimous consent that the text of my bills be printed in the RECORD.

There being no objection, the bills were ordered to be printed in the RECORD, as follows:

S. 2492

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12	Pectin (provided for in subheading 1302.20.000	Free	No change	No charge	On or before 12/31/93".

SEC. 2. The amendment made by the first section of this Act applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 2493

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.12	6-Acetyl-1,1,2,3,4,5-hexamethyl (provided for in subheading 2914.30.00.	Free	No change	No charge	On or before 12/31/93".

SEC. 2. The amendment made by the first section of this Act applies with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

S. 2494

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That heading 9902.30.16 of the Harmonized Tariff Schedule of the United States is amended by striking out "12/31/92" and inserting in lieu thereof "12/31/96".

SEC. 2. The amendment made by the first section of this Act applies with respect to goods entered, or withdrawn from warehouse for consumption, after December 31, 1992.●

By Mr. SPECTER:

S. 2499. A bill for the relief of Elham Ghandour Cicippio; to the Committee on the Judiciary.

RELIEF OF ELHAM GHANDOUR CICIPPIO

Mr. SPECTER. Mr. President, today I am introducing a private relief bill for Elham Cicippio, wife of former hostage Joseph Cicippio. This bill would grant Mrs. Cicippio permanent resident status of the United States. The legislation also would enable her to apply for U.S. citizenship without the necessary minimum 3-year waiting requirement for foreign nationals married to American citizens.

Mr. President, Joseph Cicippio is a native and had been a long-time resident of Norristown, PA, a suburb of Philadelphia. He and his family recently moved to Princeton, NJ.

In 1984, Mr. Cicippio accepted a position as acting comptroller for the American University in Beirut. In 1985, he married Elham Ghandour, a Lebanese assistant at the American Embassy in Beirut, and they continued to live in Beirut. One year after their marriage, the Revolutionary Justice Organization kidnapped him as he was walking to work on September 12, 1986. In July and August 1989, the Senate shared the anxiety of all Americans over the fate of Joseph Cicippio and other hostages. At one point, the kidnappers had threatened to kill Mr. Cicippio just as they had killed Colonel Higgins in July 1989. Needless to say, until his release on December 2, 1991, Mr. Cicippio endured many atrocities inflicted by his kidnappers.

Mr. President, the world rejoiced when Mr. Cicippio and other Western hostages were released last December. After his release, Mr. Cicippio declared his readiness to start a "new life." Therefore, I introduce this bill which will enable the Cicippios to live together in the United States. In our efforts to help Mr. Cicippio begin that new life, I urge my colleagues to pass this bill and thus allow Mrs. Cicippio to become a citizen of the United States of America. May they never be separated again.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD following my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2499

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PERMANENT RESIDENCE.

For purposes of the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), Elham Ghandour Cicippio shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of enactment of this Act, upon payment of the required visa fee.

SEC. 2. REDUCTION OF THE NUMBER OF AVAILABLE VISAS.

Upon the granting of permanent residence to Elham Ghandour Cicippio, the Secretary of State shall instruct the proper officer to reduce by one number, during the current fiscal year the total number of immigrant visas available to natives of the country of the alien's birth under subsections (a) and (b) of section 203 of the Immigration and Nationality Act (8 U.S.C. 1153).

SEC. 3. WAIVER OF PERIOD OF RESIDENCY REQUIREMENT.

Upon the receipt of permanent residence status under section 1, Elham Ghandour Cicippio shall be considered to have satisfied the requirements of section 316 of the Immigration and Nationality Act relating to required periods of residence and physical presence within the United States, and, notwithstanding section 310(d) of that Act, may be naturalized if she is otherwise eligible for naturalization under that Act.

SEC. 4. LIMITATION OF WAIVER.

Section 3 shall apply only if Elham Ghandour Cicippio files an application for naturalization within two years after the date of the enactment of this Act.

By Mr. CHAFEE (by request):

S. 2500. A bill to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes; to the Committee on Environment and Public Works.

S. 2501. A bill to provide for appropriation of funds from the Harbor Maintenance Trust Fund to the Department of the Army for payment of administrative expenses incurred in administering the port use fee and to clarify funding from the Inland Waterways Trust Fund for rehabilitation costs of existing and future projects for navigation on the inland and coastal waterways of the United States, and for other purposes; to the Committee on Environment and Public Works.

WATER RESOURCES DEVELOPMENT ACT AND AUTHORIZATION OF FUNDS TO PAY CERTAIN EXPENSES RELATIVE TO THE INLAND AND COASTAL WATERWAYS

• Mr. CHAFEE. Mr. President, today I rise to introduce, by request, the Department of the Army's legislative program for the 2d session of the 102d Congress. The program consists of two major pieces of legislation. The first, the Water Resources Development Act of 1992 provides for the conservation and development of water and related resources and authorizes the Secretary of the Army to construct various projects for improvements to our rivers and harbors. The second bill provides for the appropriation of funds from the harbor maintenance trust fund to the Department of the Army for payment of expenses incurred in administering the port use fee and amends the Water Resources Development Act of 1986 with respect to the payment of the rehabilitation costs of inland and coastal waterway navigation projects.

The Department of the Army's legislative proposals in support of the Army Corps of Engineers Civil Works Program represent a continuation of the administration's commitment to approve water resources legislation on a biennial basis. As you know, Mr. President, the 1970's and 1980's saw a departure from the previous practice of approving omnibus authorization bills and predictable appropriations for the construction of water projects. In 1986, however, we broke the logjam. After 16 years of legislative-executive policy confrontations over the role of the Federal Government in water policy, the 99th Congress approved the Water Resources Development Act of 1986.

The 1986 act was truly landmark legislation in the area of water policy and formed the basis of the 1988 and 1990 Water Resources Development Acts. Most importantly, the 1986 Act contains the framework for local cost-sharing of Army Corps of Engineers projects. I support that framework wholeheartedly, and I might add, the intent of cost-sharing is not to prevent the construction of a particular project, but rather to recognize our limited Federal resources and the financial responsibility of local project beneficiaries. The 1986 act has brought a sense of fiscal sanity to the authorization and appropriation process.

As Congress moves forward to enact legislation this year, we must remain faithful to the provisions of the 1986 Act. After reviewing the Department of the Army's proposals, I can see that the administration too, views this as a guiding principle.

Mr. President, the Committee on Environment and Public Works has held two days of hearings on water resources legislation this session and expects to report a bill after the Easter recess. Certainly, the committee needs to review these proposals here more closely, but I commend the administration for laying the groundwork for legislative action.

I ask that the two bills and the section-by-section analyses be included in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2500

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE: TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Water Resources Development Act of 1992".

(b) TABLE OF CONTENTS.—

Sec. 1. Short title: table of contents.
Sec. 2. Definitions.
Sec. 3. Project authorizations.
Sec. 4. Project modifications.
Sec. 5. National inventory of dams.
Sec. 6. "Challenge" cost-sharing program for the management of recreation facilities.
Sec. 7. Recreation user fees.
Sec. 8. Eliminate requirements to provide one free campground.
Sec. 9. Magnetic levitation technology.
Sec. 10. Safety award and promotional materials.
Sec. 11. Upper Mississippi River system fish and wildlife habitat rehabilitation and enhancement projects.
Sec. 12. Contract goals for small disadvantaged business concerns and historically black colleges and universities or minority institutions.
Sec. 13. Beneficial uses of dredged material.
Sec. 14. Work for others, technical amendment.
Sec. 15. Cost-sharing for disposal of dredged materials on beaches.
Sec. 16. Recovery of costs for clean up of hazardous or toxic substances.
Sec. 17. Hydroelectric power project uprating.
Sec. 18. Engineering innovations.
Sec. 19. Cost-sharing of environmental projects.
Sec. 20. Dredge vessel disposal.
Sec. 21. Federal lump-sum payments for Federal operation and maintenance costs.
Sec. 22. Projects for improvement of the environment.
Sec. 23. Collaborative research and development.
Sec. 24. Voluntary contributions for environmental projects.
Sec. 25. Cost-sharing for removal of project features.
Sec. 26. Alternative means for resolution of interstate water disputes.

SEC. 2. DEFINITIONS.

(a) For purposes of the Act, the term "Secretary" means the Secretary of the Army.

SEC. 3. PROJECT AUTHORIZATIONS.

The following projects for water resources development and conservation and other purposes are authorized to be carried out by the Secretary substantially in accordance with the plans and subject to the conditions recommended in the respective reports designated in the section:

(a) CANAVERAL HARBOR, FLORIDA. The project for navigation, Canaveral Harbor, Florida: Report of the Chief of Engineers dated July 24, 1991, as modified by the Secretary in the letter to Congress dated October 10, 1991, at a total cost of $13,270,000, with an estimated first Federal cost of $6,100,000, and an estimated first non-Federal cost of $7,170,000.

(b) SAUGUS RIVER AND TRIBUTARIES, MASSACHUSETTS. The project for storm damage reduction, Saugus River and Tributaries, Massachusetts: Report of the Chief of Engineers dated August 1, 1991, as modified by the Secretary in the letter to Congress dated August 26, 1991, at a total cost of $95,700,000, with an estimated first Federal cost of $61,360,000, and an estimated first non-Federal cost of $34,340,000.

SEC. 4. PROJECT MODIFICATIONS.

ROCHESTER, MINNESOTA. The project for flood control, Rochester, Minnesota, authorized by section 401(a) of the Water Resources Development Act of 1986, is modified to authorize the Secretary to construct the project at a total cost of $123,100,000, with an estimated first Federal cost of $90,800,000, and an estimated first non-Federal cost of $32,300,000.

SEC. 5. NATIONAL INVENTORY OF DAMS.

Section 13 of Public Law 92–367, as added by section 1201(b),

Public Law 99–662 (33 U.S.C. 467l, 100 Stat. 4262), is amended by striking the second sentence in its entirety and replacing it with the following:—

"There is authorized to be appropriated up to $500,000 each fiscal year for the purpose of carrying out this section."

SEC. 6. "CHALLENGE" COST-SHARING PROGRAM FOR THE MANAGEMENT OF RECREATION FACILITIES.

The Secretary is authorized to develop and implement a program to share the cost of managing recreation facilities and natural resources at water resources development projects under the Secretary's jurisdiction. To implement the program, the Secretary is authorized to enter into cooperative agreements with non-Federal public and private entities to provide for operation and management of recreation facilities and natural resources at civil works projects under the Secretary's jurisdiction where such facilities and resources are being maintained at complete Federal expense. For purposes of carrying out this section, the Secretary may accept contributions of fund, materials, and services from non-Federal public and private entities. Any funds received by the Secretary under this section shall be deposited into the account in the Treasury of the United States entitled, 'Contributions and Advances, Rivers and Harbors, Corps of Engineers (8662)', and shall be available until expended to carry out the purposes of this section.

SEC. 7. RECREATION USER FEES.

The second sentence of section 210 of the Flood Control Act of 1968 (82 Stat. 746; 16 U.S.C. 460d-3) is amended to read:

"Notwithstanding section 4(b) of the Land and Water Conservation Fund Act of 1965, as amended (78 Stat. 897; 16 U.S.C. 460*l*–6a(b)), the Secretary of the Army is authorized to charge fees for the use of developed recreation sites and facilities, including, but not limited to, campsites, swimming beaches, and boat launching ramps; however, the Secretary shall not charge fees for the use or provision of drinking water, wayside exhibits, general purpose roads, overlook sites, toilet facilities, or general visitor information. The fees shall be deposited in the special Treasury account for the Corps of Engineers that was established by section 4(i) of the Land and Water Conservation Fund of 1965, as amended (16 U.S.C. 460*l*–6a(i))."

SEC. 8. ELIMINATE REQUIREMENT TO PROVIDE ONE FREE CAMPGROUND.

Section 4 of the Land and Water Conservation Fund Act of 1965, as amended, (78 Stat. 897; 16 U.S.C. 460*l*–6a) is further amended by deleting the next to the last sentence of subsection (b).

SEC. 9. MAGNETIC LEVITATION TECHNOLOGY.

Section 417 of the Water Resources Development Act of 1990 (Public Law 101–640) is amended by deleting the last sentence of subsection (e).

SEC. 10. SAFETY AWARD AND PROMOTIONAL MATERIALS.

(a) The Secretary is authorized to procure materials that, in the judgment of the Secretary, are necessary to promote the Army's safety program. The items purchased pursuant to this section shall be distributed to employees of the Army to advance the goals of the safety program.

(b) The Secretary is authorized to incur necessary expense for the honorary recognition of the outstanding safety performance of Army employees. Such recognition may be in the form of certificates, plaques, cash, or other forms of awards.

(c) There is authorized to be appropriated no more than $350,000 during any single fiscal year for carrying out the purposes of this section.

SEC. 11. UPPER MISSISSIPPI RIVER SYSTEM FISH AND WILDLIFE HABITAT REHABILITATION AND ENHANCEMENT PROJECTS.

Subsection (e)(6)(A) of section 1103 of the Public Law 99–662 (100 Stat. 4082, 4227) is amended to read as follows:

"Notwithstanding the provisions of subsection (a)(2) of this section, the costs of each project carried out pursuant to paragraph (1)(A) of this subsection shall be allocated between the Secretary and the appropriate non-Federal sponsor in accordance with the provisions of section 906(e) of this Act, except that the costs of operation and maintenance of projects located on Federal public lands or lands owned or operated by State and local governments shall be borne by the agency that is responsible for management activities for fish and wildlife on those lands."

SEC. 12. CONTRACT GOALS FOR SMALL DISADVANTAGED BUSINESS CONCERNS AND HISTORICALLY BLACK COLLEGES AND UNIVERSITIES OR MINORITY INSTITUTIONS.

(a) GOAL.—Except as provided in subsection (c), the Secretary shall establish a goal of 5 percent of the total amount of Civil Works funds obligated for contracts and subcontracts entered into by the Department of the Army for fiscal year 1993 for award to small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined by section 8(d) of the Small Business Act (15 U.S.C. 637(d)) and regulations issued under such section), the majority of the earnings of which directly accrue to such individuals, and to historically Black colleges and universities or minority institutions (as defined by the Secretary of Education pursuant to the General Education Provisions Act (20 U.S.C. 1221 et seq.)).

(b) COMPETITIVE PROCEDURE.—To the extent practicable and when necessary to facilitate achievement of the 5 percent goal in subsection (a)—

(1) the Secretary is authorized to enter into contracts using less than full and open competitive procedures, but shall pay a price not exceeding the fair market cost by more than 10 percent in payment per contract to contractors or subcontractors of contracts described in subsection (a).

(2) the Secretary shall maximize the number of small disadvantaged business concerns, historically Black colleges and universities, and minority institutions participating in the program.

(c) For purposes of subsection (b), the same exception that is recognized in section 712(a) of Public Law 100–656 for set asides pursuant to section 1207 of Public Law 99–661 shall apply.

(d) APPLICABILITY.—Subsection (a) does not apply if—

(1) the Secretary determines that the existence of a national emergency requires otherwise; and

(2) the Secretary notifies the Congress of such determination and the reasons therefor.

SEC. 13. BENEFICIAL USES OF DREDGED MATERIAL.

(a) The Secretary is authorized to carry out projects for the protection, restoration, and creation of aquatic and ecologically related habitats, including wetlands, in connection with dredging for construction, operation, or maintenance of an authorized navigation project.

(b) Subject to the limitations of subsection (d) of this section, projects for the protection, restoration or creation of aquatic and ecologically related habitats such as wetlands restoration shall be undertaken in any case where the Secretary finds that—

(1) the environmental, economic, and social benefits of the project, both monetary and nonmonetary, justify the cost thereof; and,

(2) such project would not result in any further environmental degradation.

(c) Any project undertaken pursuant to this section shall be initiated only after non-Federal interests have entered into a cooperative agreement according to the provisions of section 221 of the Flood Control Act of 1970. The non-Federal interests shall agree to—

(1) provide twenty-five percent of the cost associated with the project, including provision of all lands, easements, rights-of-way, and necessary relocations; and

(2) pay 100 percent of the costs of operation, maintenance, replacement, and rehabilitation costs associated with the project.

(d) There are authorized to be appropriated not to exceed $15,000,000 annually to carry out this section. The Federal share of the cost of each project implemented under this section will not exceed $2,000,000.

SEC. 14. WORK FOR OTHERS, TECHNICAL AMENDMENT.

Section 3036(d) of title 10, United States Code, is amended by adding the following additional subsection:

"(3) For purposes of this subsection, the term "State" includes the several states, the District of Columbia, Indian tribes, territories or possessions of the United States, and the Commonwealths of Puerto Rico and the Northern Mariana Islands.".

SEC. 15. COST-SHARING FOR DISPOSAL OF DREDGED MATERIAL ON BEACHES.

Section 145 of the Water Resources Development Act of 1976 (33 U.S.C. 426j), as amended, is further amended by—

(a) adding the following language at the end of the first sentence:

"At the request of the State, the Secretary may enter into an agreement with a political subdivision of the State to place such sands on the beaches of the political subdivision of such State under the same terms and conditions required in the first sentence of this section, except that the political subdivision shall be responsible for providing any payments required under this section in lieu of the State."; and,

(b) amending the last sentence to read as follows:

"In carrying out this section, the Secretary shall give consideration to the schedule of the State, or the schedule of the responsible political subdivision of a requesting State, for providing its sharing of funds for placing such sand on the beaches of such State or such political subdivision, and shall, to the maximum extent practicable, accommodate such schedule."

SEC. 16. RECOVERY OF COSTS FOR CLEAN UP OF HAZARDOUS OR TOXIC SUBSTANCES.

Amounts recovered under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9607) for any response action taken by the Secretary in support of the Army Civil Works Program shall be credited to the principal appropriation from which the cost of such response action has been paid or will be charged.

SEC. 17. HYDROELECTRIC POWER PROJECT UPRATING.

In accomplishing the maintenance, rehabilitation, and modernization of hydroelectric power generating facilities at water resources projects under the jurisdiction of the Department of the Army, the Secretary is authorized to increase the efficiency of energy production or the capacity of these facilities if, after consulting with other appropriate Federal agencies, the Secretary determines that such uprating—

(a) is economically justified and financially feasible;

(b) will not result in significant adverse affects on the other purposes for which the project is authorized;

(c) will not result in significant adverse environmental impacts; and,

(d) will not involve major structural or operational changes in the project.

SEC. 18. ENGINEERING INNOVATIONS.

To encourage innovative and environmentally sound engineering solutions to problems of national significance, the Secretary may undertake surveys, plans, and studies and prepare reports which may lead to work under existing civil works authorities or to recommendations for authorizations. To carry out the purposes of this section, the Secretary may utilize no more than $3,000,000 from available appropriated Civil Works funds during any single fiscal year. The Secretary may also accept and expend additional funds from other Federal agencies, states, or non-Federal entities for purposes of carrying out this section.

SEC. 19. COST-SHARING OF ENVIRONMENTAL PROJECTS.

Section 103(c) of the Water Resources Development Act of 1986 (Public Law 99-662) is amended by adding the following new subsection:

"(7) environmental protection and restoration: 25 percent."

SEC. 20. DREDGE VESSEL DISPOSAL.

Section 945 of the Water Resources Development Act of 1986 [100 Stat. 4200] is amended by—

(a) inserting a period after the word "lease" in the first sentence and striking all that follows in that sentence; and,

(b) striking the second sentence in its entirety.

SEC. 21. FEDERAL LUMP-SUM PAYMENTS FOR FEDERAL OPERATION AND MAINTENANCE COSTS.

(a) At a water resources project where the non-Federal interest is responsible for performing the operation, maintenance, replacement, and rehabilitation of the project and the Federal Government is responsible for paying a portion of the operation, maintenance, replacement, and rehabilitation costs, the Secretary may provide, under terms and conditions acceptable to the Secretary, a payment of the estimated total Federal share of such costs to the non-Federal interest after completion of construction of the project.

(b) The amount to be paid shall be equal to the present value of the Federal payments over the life of the project, as estimated by the Government, and shall be computed using the average market yields for outstanding marketable obligations of the United States with remaining periods of maturity between 15 and 30 years as the rate of discount for payments in future years. This rate shall be determined during the fiscal year in which construction of the project is completed.

(c) The Secretary may make a payment under this section only if the non-Federal interest has entered into a binding agreement with the Secretary to perform the operations, maintenance, replacement, and rehabilitation of the project. The agreement must be in accordance with the requirements of section 221 of the Flood Control Act of 1970 [84 Stat. 1818], and must contain provisions specifying the terms and conditions under which a payment may be made under this section and the rights of, and remedies available to, the Federal Government to recover all or a portion of a payment made under this section in the event the non-Federal interest suspends or terminates its performance of operation, maintenance, replacement, and rehabilitation of the project, or fails to perform such activities in a manner satisfactory to the Secretary.

(d) Except as provided in subsection (c), a payment provided to the non-Federal interest under this section shall relieve the Government of any future obligations for paying any of the operation, maintenance, replacement, and rehabilitation costs for the project.

SEC. 22. PROJECTS FOR IMPROVEMENT OF THE ENVIRONMENT.

Section 1135 of the Water Resources Development Act of 1986, (33 U.S.C. 2294 note), as amended, is further amended by—

—in subsection (b), inserting the following sentence at the end of the subsection: "Not more than $5,000,000 shall be allotted for each modification undertaken pursuant to this section."; and

—in subsection (e), striking "$15,000,000" and inserting in lieu thereof, "$25,000,000."

SEC. 23. COLLABORATIVE RESEARCH AND DEVELOPMENT.

(b) Section 7 of the Water Resources Development Act of 1988 (33 U.S.C. 2313) is amended by—

—deleting "(b)", "(c)", "(d)" and "(e)" in subsections (b), (c), (d) and (e), and redesignating the subsections as subparagraphs (1), (2), (3) and (4); and

—inserting a new subsection (b) as follows:

"(b) Technology developed by the Corps of Engineers which, in the opinion of the Secretary, will be subject to a Cooperative Research and Development Agreement within two years of its development, may, in the discretion of the Secretary, be accorded the coverage of section 12(c)(7)(B) of the Stevenson-Wydler Technology Innovation Act of 1980, as amended."

SEC. 24. VOLUNTARY CONTRIBUTIONS FOR ENVIRONMENTAL PROJECTS.

(a) The Secretary is authorized to accept contributions of cash, funds, materials, and services from nonprofit private entities and from non-Federal public entities other than project sponsors in connection with carrying out projects for environmental protection and restoration.

(b) Any cash or funds received by the Secretary under subsection (a) shall be deposited into the account in the Treasury of the United States entitled, "Contributions and Advances, Rivers and Harbors, Corps of Engineers (8662)", and shall be available until expended to carry out this section.

SEC. 25. COST-SHARING FOR REMOVAL OF EXISTING PROJECT FEATURES.

After the date of enactment of this Act, any proposal submitted to the Congress by the Secretary for modification of an existing authorized water resources development project by removal of one or more of the project features which would significantly and adversely impact the authorized project purposes or outputs shall include the recommendation that the non-Federal sponsor shall bear 50% of the cost of any such modification, including the costs of acquiring any additional interests in lands which become necessary for accomplishing the modification.

SEC. 26. RESOLUTION OF INTERSTATE WATER DISPUTES.

(a) Congress recognizes that there are disputes between States, and on occasion, between a State or States and the Federal Government concerning water flows and water levels in rivers and in associated lakes and reservoirs. In the past, some of these disputes have been effectively resolved through negotiation. Resolution of some of the disputes has required Congressional approval of interstate compacts. It is the sense of Congress that negotiation between the affected States and, when warranted, concerned Federal agencies and affected Indian tribes, is an effective method of settling water disputes and could eliminate the need to settle these disputes in the court system, thereby reducing the time and costs of resolution. Congress encourages such negotiation between all interested parties.

(b) The Secretary is authorized to participate in such negotiations and to provide technical assistance when the Secretary determines that such participation and assistance is in the interest of the Department of the Army.

SECTIONAL ANALYSIS OF THE WATER RESOURCES DEVELOPMENT ACT OF 1992

INTRODUCTION

The Administration and the Congress have firmly established the two-year cycle of water project authorization bills. In 1986, after 16 years of stalemate on water project cost sharing, the Administration and the Congress reached agreement, and the landmark 1986 Water Resources Development Act was signed into law. As a part of the compromise, there was a general understanding that a two-year cycle of water project authorization bills would be reestablished. Thus, the basis for what eventually became the Water Resources Development Act of 1988 and the Water Resources Development Act of 1990 was formed. The 1988 and 1990 Acts adopted a pattern of limited size authorization bills to stay within realistic budget considerations and preserve the cost sharing reforms of the 1986 Act.

It is once again time to follow up with a Water Resources Development Act of 1992. Toward that end, the Department of the Army has developed proposed legislation for the 102nd Congress in support of the Army Corps of Engineers Civil Works program.

There are very pressing public demands for new water resource development. However, these demands can be met only in the context of certain guiding principles. They are as follows:

Cost sharing principles and policy directives developed since the passage of the Water Resources Development Act of 1986 must be preserved, without exception.

Limit the number and cost of authorizations to be consistent with spending objectives.

Projects that have not been fully reviewed by the Executive Branch must not be included.

Projects must be economically justified and environmentally sound.

New or expanded program initiatives and special interest provisions that shift non-Federal responsibilities to the Federal government are unacceptable

The principles of Federal cost recovery in the planning, construction, operation and maintenance of Federal projects must be advanced.

Utilize the Army Corps of Engineers expertise to assist other governmental agencies as a technical, scientific and construction management resource.

The adherence to these principles will assist passage and enactment of the Water Resources Development Act for 1992. It will continue the biennial authorization process that is so important to the orderly execution of the Army's Civil Works program.

SECTIONAL ANALYSIS

Sec. 1. Short title: Table of contents.

Sec. 2. Definitions.

Sec. 3. Project authorizations.

This section includes water resources projects which have met all Executive Branch review requirements and are now ready to be authorized.

(a) Canaveral Harbor Florida.—The recommended plan provides for modifying the existing Canaveral Harbor, which is located in Brevard County on the east coast of Florida approximately 192 miles south of Jacksonville and 200 miles north of Miami, Florida. The project includes extending the channel to the 41-foot contour along the existing navy project alignment, deepening the inner channel reach to 39 feet and widening the channel to 400 feet, deepening a 1,200 foot diameter area in the Middle Turning Basin to 39 feet, deepening the first 1,800 feet of the west access channel to 39 feet, deepening and widening the north branch channel from the Middle Turning Basin to the north end of Berth 4 to a 350 foot width and 39 foot depth, and constructing recreation facilities at the Jetty Park.

Based on October 1991 price levels, the estimated first cost of the proposed project is $13,270,000, of which $6,100,000 would be Federal. Annual operation and maintenance is estimated to be $27,000 Federal and $29,000 non-Federal. Average annual costs, based on 8.50 percent discount rate and a 50 year period for economic analyses, are $1,236,000. The project would improve the navigation features of the existing harbor providing average annual benefits of approximately $1,567,000. The project would also serve recreation, providing average annual benefits of approximately $128,000. The benefit-cost ratio is 1.4.

(b) Saugus River and Tributaries, Massachusetts.—The project for storm damage reduction, Saugus River and Tributaries, Massachusetts, is based on the Report of the Chief of Engineers dated August 1, 1990, as modified by the Secretary in the letter to Congress dated August 26, 1991.

The project is located in the coastal communities of Revere, Lynn, Malden and Saugus, immediately north of Boston and Winthrop, Massachusetts. The flood plain, containing thousands of homes, hundreds of businesses, and four major highways, borders the largest saltwater estuary near Boston. Frequent tidal flooding, major coastal storms, and sea level rise pose a constant threat to the area. A recurrence of the "Blizzard of 78" would result in over $100 million in damages and a storm equal to the standard project northeaster could cause damages in excess of $500 million.

The Regional Saugus River Floodgate Plan is the recommended plan and the National Economic Development Plan. This plan combines over 3 miles of existing flood damage reduction structures with new measures to create a linked defense line that will protect the entire area. The centerpiece of the plan is construction of tidal floodgates across the 1,290-foot mouth of the Saugus River to prevent tidal surges from entering the river and flooding the four communities. Included are 600 feet of gated openings to maintain both safe passage for commercial and recreation navigation and natural tide levels and flushing patterns in the estuary. The plan provides a very high degree of coastal flood protection to the area's standard project northeaster storm (greater than a 100 year event). Damages are also reduced against future sea level rise. Construction of sections of walls and a park dike will benefit recreation at Revere Beach.

Based on October 1991 price levels, the estimated cost of the recommended plan is $95,700,000 of which $61,360,000 would be Federal. Annual operation and maintenance is a non-Federal responsibility and is estimated at $250,000. Average annual costs, based on 8.50 percent discount rate and a 100 year period for economic analysis, are $9,410,000. Average annual benefits are $12,400,000. The benefit-cost ratio is 1.3. All benefits are storm damage reduction except for $480,000 in recreational benefits.

Sec. 4. Project modifications.

Rochester, Minnesota.—This project was authorized by section 401(a) of the Water Resources Development Act of 1986, Pub. L. 99-662 [100 Stat. 4117], at a total cost of $61,500,000, October 1985 price levels. The local cooperation agreement for the project was signed on August 29, 1987. Construction began in FY 87 and the project is scheduled for completion in FY 95. However, project costs have increased beyond the maximum cost allowed under section 902 of WRDA 86 because of changes in price levels, costs of contract awards to date, and the need for more detailed design. A Post Authorization Change Report dated July 1990 and an Economic Supplement dated January 1991 have been reviewed by Office of the Chief of Engineers and the Office of the Assistant Secretary of the Army (Civil Works) and was submitted to the Office of Management and Budget (OMB) on July 24, 1991.

The project is located in Rochester, in Olmstead County, in southeastern Minnesota, approximately 70 miles south of Minneapolis-St. Paul. It consists of channel modifications, including widening and deepening the existing channel, and riprap, concrete and steel sheetpile bank protection on the South Fork Zumbro River, Cascade Creek and Bear Creek. Principal features include 6.6 miles of riprap lined channel, 0.9 miles of architecturally treated concrete channel, 0.5 miles of dredged channel, four drop structures and 2.4 miles of levees. Recreation features include hiking and biking trails, foot-bridges over the channel, river accesses, a canoe launch area, picnic shelters and aesthetic treatment. The project, when combined with a system of upstream reservoirs being constructed by the Soil Conservation Service, will protect Rochester from approximately the 0.5% chance flood (200 year flow frequency).

Based on October 1991 price levels, the project cost inflated through construction ending in September 1995 is $123,100,000, of which $90,800,000 is Federal, and $32,300,000 is non-Federal. The benefit-cost ratio is 1.11.

Sec. 5. National inventory of dams.

This provision ensures the Department of the Army's ability to continuously maintain and update the national inventory of dams compiled by the Corps of Engineers pursuant to Public Law 92-367, the National Dam Safety Act of 1972. That Act authorized and directed the Department of the Army to carry out a national program of inspection of dams and to conduct an inventory of all dams located in the United States. The inventory was initially completed in 1975 and updated in 1981. Continuous demands after 1981 for current information on dams located throughout the Nation amplified the need to continuously maintain a current inventory. In response to that need, Congress authorized appropriations of $500,000 each year for maintaining and updating the inventory for fiscal years 1988-1992. Consequently, the present updating effort will terminate at the end of fiscal year 1992, and the inventory will begin to immediately lapse into a state of obsolescence.

Experiences have shown the need for a current national inventory since using the initial inventory for conducting the national dam inspection program and for facilitating the development of state and Federal dam safety programs since 1972 as directed by Congress in Public Law 92-267. A current inventory, which will include new dams, changes in the hazard potential classification of existing dams due to downstream developments, pertinent data for managing state and Federal dam safety programs, and other vital water resources development information is in the Nation's best interest.

Under this provision, current inventory data would continue to be collected from state and Federal agencies and placed in a computerized database which would be accessible to state, Federal, and private users.

Sec. 6. "Challenge" cost-sharing program for the management of recreation facilities.

This provision authorizes the Secretary of the Army to accept donations of money, materials, and services for the Corps of Engineers management program at water resources projects. The program "challenges" the non-Federal sector to join in partnership with the Army Corps of Engineers to manage recreation facilities and natural resources at projects where such facilities and resources are being maintained at complete Federal expense. Specifically, it would permit the Secretary to enter into cooperative agreements with non-Federal public and private entities for those entities to undertake the operation and management of recreation facilities and natural resources currently being maintained by the Federal Government. It would also permit the Secretary to accept donations of funds, materials, and services from the non-Federal public and private sector, as well as from individuals. The legislation would not affect non-Federal cost-sharing requirements under other laws.

The Department of the Army, through the Corps of Engineers, administers one of the largest systems for the management of outdoor recreation in the entire Federal Government. The Corps currently administers approximately 11.7 million acres of land and water at 459 lakes and waterways reporting recreation use. The public use of water and water-related resources at Corps lakes has increased dramatically over the past three decades. Enactment of this proposal will allow individuals, private groups, and state and local governments to provide needed funds, material, and services to work in partnership with the Corps in ensuring the continued public use and enjoyment of these areas.

Examples of types of work that are conducive to "challenge" cost-sharing partnerships include construction of waterfowl nesting platforms, restoration of historic structures, rehabilitation of restrooms, and research related to cultural resources. Potential partners include businesses, state and local governments, universities, hunting and fishing organizations, local gardening societies, and individuals.

The program would be modeled after the U.S. Forest Service's very successful "challenge"cost-sharing program. In Fiscal Year 1990, the Forest Service matched $5.5 million of Federal funds with donations worth $12.8 million for projects nationwide. Over 600 private groups, state and local government agencies, and individuals contributed to the Forest Service's program. Army expects that it too can achieve similar results through a "challenge" cost-sharing program of its own.

Sec. 7. Recreation user fees.

This provision allows the Secretary of the Army to collect certain recreation user fees at water resources development areas administered by the Department of the Army. The legislation would remove existing restrictions on the authority of the Department of the Army to impose reasonable charges for use of certain developed recreation areas under its administration. The legislation, however, is not intended to authorize the imposition of fees for general public access to water resources development projects.

The Department of the Army, through the Corps of Engineers, administers one of the largest systems for outdoor recreation in the entire Federal Government. In the past, the bulk of the cost of operating and maintaining this extensive program has been borne by the general taxpayers even though an easily identifiable group—those who actually visited recreation areas and used facilities—derived a direct benefit at little or no cost to themselves. User fees are a fact of life at state and local recreation areas.

Certainly, the availability of Federally subsidized outdoor recreation is of indirect benefit to all Americans. However, those who actually visit and use such areas derive greater benefit and should be expected to contribute a higher percentage of the costs of operating and maintaining these areas and facilities. A May 1986 study completed by Market Opinion Research of Detroit (underwritten by the National Geographic Society and presented to the President's Commission on Americans Outdoors) gives additional insight into current public opinion on this issue. As a part of the Study, Market Opinion Research conducted a 2,000-interview telephone survey and found that a 55-percent majority of American adults think the costs of maintaining existing recreation areas should come mainly from user fees, rather than from taxes.

Sec. 8. Eliminate requirement to provide one free campground.

Provision eliminates the requirement that the Corps of Engineers provide one free campground at each of its projects where camping is permitted. Under existing law, the Department of the Army is the only Federal agency with such a requirement. Elimination of the requirement would therefore be consistent with the recreation programs administered by the other Federal agencies and would result also in an increase in revenues generated at recreation areas administered by the Department of the Army through the Corps of Engineers.

Sec. 9. Magnetic levitation technology.

During Fiscal Year 1991, the Corps of Engineers worked closely with the Department of Transportation in a joint effort to develop system concept definitions with U.S. industry. In order for the Department of the Army to further refine its role in the development of this technology, it is necessary for the Department to continue funding and working on its portion of the joint effort. Section 417 of the Water Resources Development Act of 1990 authorizes the Secretary of the Army to carry out research and development activities on magnetic levitation; however, subsection (e) of section 417 prohibits appropriations of funds to carry out the program after Fiscal Year 1991.

The Energy and Water Development Appropriations Act for Fiscal Year 1992 provided funds for the Corps to continue its Maglev research program during Fiscal Year 1992, but there is no clear authority for the Corps to continue its efforts with the Department of Transportation in this important area. This provision would ensure continued budgeting for the Department of the Army's efforts in the jointly managed Federal Maglev initiative and provide for better long-term program management.

Sec. 10. Safety award and promotional materials.

Federal departments and agencies are required by the Occupational Safety and Health Act (OSHA) to establish and maintain safety programs. OSHA also requires the head of a department or agency to promote the safety program. In enacting OSHA, Congress has demonstrated its belief that safety in the Government workplace is a matter of great importance. One critical element to a safety program is promotion to create a high degree of safety awareness among employees. Although the Army currently has the authority to promote its safety program through the distribution of leaflets and posters, opinions of the Comptroller General indicate that the provision of "personal use" items to employees is not a permissible type of safety promotion. This legislation would allow the distribution of items of small cost that have a personal use characteristic but that have the primary purpose of conveying a safety message (e.g., ball point pens, buttons, etc.). The Army intends to provide only items that address and promote safety in the workplace. That is, the safety message provided should have a direct relevance to the performance of an employee's job and should not address a hazard that is faced by all people regardless of whether they are Army employees.

In addition to ensuring employee awareness, another indispensable part of safety promotion is the provision of incentives. As demonstrated by the highly successful Army Incentive Awards program, employees are driven to success by recognition of their outstanding performance. Currently, Army regulations allow the provision of honorary awards to employees who demonstrate outstanding safety practices in the performance of their jobs. While this program is very successful, the Army believes that a program that would provide employees with benefits similar to the cash awards provided by the Incentive Awards program would increase the incentive among employees to ensure safety in the workplace. This section would authorize the provision of cash awards to employees in recognition of safe job performance. Although the Army believes that the Secretary currently has the authority to provide cash awards for safety practices under the Incentive Awards Act, the Army wishes to emphasize its commitment to job safety by providing cash awards under the authority of the safety program independent of any other program. In addition, this provision would authorize the Secretary to recognize outstanding safety performance with awards or certificates, plaques, or with other forms of awards.

Sec. 11. Upper Mississippi River system fish and wildlife habitat rehabilitation and enhancement projects.

Habitat projects implemented under the Upper Mississippi River Plan authorized by section 1103 of the Water Resources Development Act of 1986 (WRDA 86), are cost-shared under the provisions of Section 906(e) of WRDA 86. Section 906(e) provides that "[t]he non-Federal share of operation, maintenance, and rehabilitation of activities to enhance fish and wildlife resources shall be 25-percent." The majority of the habitat projects currently scheduled to be implemented are entirely located on U.S. Fish and Wildlife Service refuges or on Cooperative Agreement lands managed by a State agency, "lands managed as a national wildlife refuge" according to Section 906(e). Cost-sharing of operation and maintenance on these small projects has resulted in an administratively cumbersome system with excessive coordination, documentation, processing, and auditing requirements. The legislation would align cost-sharing of operation and maintenance of projects under the Upper Mississippi River System Environmental Management Program with the actual performance of the work. The amendment would make project sponsors (United States Fish and Wildlife Service, States, or private entities) that manage project areas for fish and wildlife purposes entirely responsible for operation and maintenance of completed habitat rehabilitation and enhancement projects.

The financial impact of this legislation on non-Federal sponsors is minor. It is estimated that the increase in total operation and maintenance costs to non-Federal sponsors would be about $100,000 a year.

Sec. 12. Contract goals for small disadvantaged business concerns and historically Black colleges and universities or minority institutions.

Under Public Law 99-661 and through Administration and Department of Defense guidance, specific goals have been established for the award of Department of the Army contracts to small disadvantaged business concerns and historically black colleges and universities or minority institutions. These goals are being applied to both the military and civil works programs managed by the Corps of Engineers. Concurrent with establishing specific goals for Department of Defense procurement activities, Public Law 99-661 authorized special procurement procedures to attain the goals. It has been determined that these special procedures cannot be applied to Civil Works appropriations to meet the established goals. The proposed legislation is similar to existing authority afforded the Department of Defense for military procurements pursuant to Public Law 99-661, and authorize the Secretary to establish an overall goal of 5 percent of Department of Army contracts entered into in support of the Army Civil Works program for fiscal year 1993 and to implement special procurement procedures required to attain the established goal.

Sec. 13. Beneficial uses of dredged material.

There is an increasing national concern about the loss of coastal wetlands and other coastal aquatic resources. The Water Resources Development Act of 1990 authorized new programs for the Corps of Engineers to protect aquatic resources and made environmental protection a mission of the Corps of Engineers. This provision would enhance the environmental protection mission of the Corps by providing a general program authority for the Corps of Engineers to undertake projects for the protection, restoration and creation of aquatic and ecologically related habitats in connection with dredging for construction, operation, or maintenance of an authorized navigation project. Under this provision, non-Federal interests would be required to enter into cooperative agreements to provide 25 percent of the cost of the project, including the provision of all required lands, easements, right-of-way and relocations, with the value of these contributions included in the 25 percent non-Federal share of the increased cost. In addition, non-Federal interests would be required to pay 100 percent of the operation, maintenance, and replacement and rehabilitation cost of the wetland or other related ecosystem area. Under this initiative, the cost of the project must be justified by the monetary and nonmonetary benefits to be gained. In addition, this provision limits the Federal expenditures for each project undertaken pursuant to this section to no more than $2,000,000.

Sec. 14. Work for others, technical amendment.

Under 10 U.S.C. 3036(d), the Corps can provide reimbursable services to States and political subsdivisions of States in those instances where Federal financial assistance is involved and the agency providing the financial assistance does not object to the Corps providing the services. The current definition of "States and political subdivisions of States" does not include Indian tribes, territories or possessions of the United States, or the Commonwealths of Puerto Rico and the Northern Mariana Islands.

It was clearly not the intent of Congress to deny any of these entities assistance under 10 U.S.C. 3036(d). However, there have been instances in the recent past where the Corps has not been able to provide assistance under this authority to an entity that does not fall under the existing definition, including a request for assistance received by the Corps in the aftermath of Hurricane Hugo.

This provision will clarify that assistance under 10 U.S.C. 3036(d) is available to Indian tribes, territories or possessions of the United States, and the Commonwealths of Puerto Rico and the Northern Mariana Islands.

Sec. 15. Cost-sharing for disposal of dredged material on beaches.

Under existing law the Secretary can place beach quality sand which has been dredged in constructing and maintaining navigation inlets and channels on adjacent State beaches at the request of the State, if the State agrees to certain cost-sharing requirements. There are many instances, however, where non-Federal public entities other than States would like to improve the quality of their beaches through such an arrangement with the Secretary. These other non-Federal public entities cannot be accommodated under current law. This legislation would change that by authorizing the Secretary to place beach quality sand on the beaches of States or political subdivisions of States. The cost-sharing requirements for any political subdivision receiving the sand would be the same as those for the State, and the sand would be placed on the beaches of political subdivisions of States only at the request of the State in which such beaches are located.

Sec. 16. Recovery of costs for cleanup of hazardous and toxic substances.

There are potentially a number of instances where the Corps of Engineers finds itself faced with cleaning up civil works properties that were contaminated with hazardous or toxic substances by other parties. In such instances, the Secretary can seek recovery from the responsible party under section 107 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA).

Currently, section 104 of CERCLA authorizes Federal agencies to respond with remedial or removal actions against actual or threatened releases of toxic substances. In addition, section 107 of CERCLA authorizes the Government to recover all costs of such response actions from responsible parties. However, without specific authority, the funds recovered pursuant to section 107 must be deposited into the General Treasury rather than be used to offset the cost of the response action. This provision, which is similar to authority provided to the Secretary of Defense under the Defense Environmental Restoration Program, would enable a direct credit of the amounts recovered to the principal appropriation from which the costs of the cleanup have been or will be used.

Sec. 17. Hydroelectric power project uprating.

The Corps of Engineers operates and maintains more than 70 hydroelectric power facilities. The energy generated at these facilities is generally marketed to non-Federal electric utilities by the Department of Energy Power Marketing Administration. The rates charged for the energy are based on 100 percent repayment of those costs associated with hydroelectric power production, including both specific and joint costs for development, repair, rehabilitation, and operation and maintenance.

Historically, the Corps has monitored its equipment such that, in addition to recurring preventative maintenance, major maintenance is performed prior to a failure. Often the need for major maintenance or rehabilitation provides the opportunity to replace existing equipment with state of the art technology resulting in increasing the capacity of such facilities or increasing the efficiency of energy production at such facilities.

In other cases, there are economic opportunities to uprate existing hydroelectric power projects by modernizing existing equipment with state of the art technology to lower expected future operation and maintenance and to increase the benefits received from production of power. In each case, however, some question exists regarding the extent to which existing hydropower production capacity can be increased above the levels reflected in the project authorizing documents. The Army supports uprating of existing hydroelectric power projects where such uprating is economically feasible and environmentally acceptable.

The legislative proposal would provide general authority to uprate existing projects. However, the legislation places limits on the Secretary's authority. It limits uprating at existing projects to those cases where the uprating is economically feasible, is environmentally compatible, has only minor impacts to other project purposes, and involves no major structural or operational changes to the project.

Sec. 18. Engineering innovations.

This provision recognizes the critical importance of the ability of the Army civil works program to be ready to respond to future needs and demands for environmentally sound engineering solutions to problems of national significance. Currently there is no clear authority for the Corps to utilize its multifaceted resources to undertake significant preparatory work to respond to such emerging national challenges. This provision will provide that authority and will represent a giant step forward in the Corps' ability to "get ready to be ready" as the country moves towards the 21st century.

The Secretary may utilize no more than $3,000,000 from funds available to the Secretary in carrying out activities under this section during any single fiscal year. However, the Secretary may accept additional funds from other Federal agencies, states, or other non-Federal entities. The funding limitation, coupled with the Secretary's being able to work closely with other Federal agencies, states, or other non-Federal entities, will serve to enhance the Corps' ongoing partnering initiatives.

Sec. 19. Cost-sharing of environmental projects.

The Water Resources Development Act of 1990 (Public Law 101-640) established environmental protection as one of the missions of the Corps of Engineers. In addition, section 307(a) of the Coastal Wetlands Planning, Protection and Restoration Act (Public Law 101-646) generally authorized the Corps to undertake wetlands restoration projects. Section 103(c) of the Water Resources Development Act of 1986 (WRDA '86) sets forth the cost-sharing formulas for water resources development projects, but does not include a cost-sharing formula for environmental projects. Given the continued and increasing involvement of the Corps in environmental projects, it is important that a specific cost-sharing formula for such projects be established.

The purpose of this provision is to create a consistent cost-sharing formula of 75 percent Federal/25 percent non-Federal responsibility for the costs of projects for environmental protection, restoration and/or enhancement that could be applied to the various authorities for the Corps to carry out such projects.

Sec. 20. Dredge vessel disposal.

This provision removes the restriction placed on the disposal of dredge vessels within the United States. Present law requires that these dredging vessels and related equipment not be sold in the United States for the purposes of engaging in dredging activities. These vessels and the related equipment can only be used for training purposes, technical assistance to foreign governments, or sold for scrap. Removal of the present restriction would enhance the competition within the U.S. dredging industry as well as the industry's capability. It would provide an opportunity for generating additional revenues for operating, maintaining, and enhancing remaining plant and equipment currently being used by the Corps.

Sec. 21. Federal lump sum payments for federal operation and maintenance costs.

The purpose of this proposal is to enable the Secretary to make one-time lump-sum payments to non-Federal sponsors for the Federal share of operation, maintenance, repair, replacement, and rehabilitation (OMRR&R) costs of Civil Works projects. The proposal would reduce Corps of Engineers administrative costs for budgeting, auditing, and making payment on an annual basis.

The authority would apply to any project or separable element for which there is a Federal share of OMRR&R. The amount to be paid would equal the present value of the Federal payments over the remaining life of the project, as estimated by the Federal Government. The present value would be determined during the fiscal year in which construction of the project was completed and would be computed using the average market yields for outstanding marketable obligations of the United States with remaining periods of maturity between 15 and 30 years as the rate of discount for payments in future years.

A lump sum payment could only be made with the concurrence of the sponsor under the terms of a local cooperation agreement. The payment could be made immediately upon completion of a project, or after a "track record" of OMRR&R costs has been established over a period of a few years. Most payments would be in advance of the relevant OMRR&R costs being incurred by the local sponsor.

Sec. 22. Projects for improvement of the environment.

This section increases the annual cap on the funding for project modifications undertaken pursuant to section 1135 of the Water Resources Development Act of 1986 as amended and also limits the amount to be allotted for each modification undertaken to $5,000,000. Section 1135 authorizes the Secretary to modify existing projects to improve the quality of the environment in the public interest, where such modifications are feasible and consistent with the authorized project purposes. Originally authorized as a demonstration program, section 1135 has proven to be highly successful and was recently made into a permanent program under section 304 of the Water Resources Development Act of 1990. Increasing the annual cap from $15,000,000 to $25,000,000 will provide the Secretary greater flexibility in budgeting for and implementing modifications to projects under section 1135.

Sec. 23. Collaborative research and development.

This provision amends section 7 of the Water Resources Development Act of 1988 (Public Law 100-676) to authorize the Secretary to apply appropriate protections to technology developed by the Corps. Under current law, Federally developed software can only be protected after the Government enters into a cooperative research and development agreement (CRDA) with a non-Federal entity under the Technology Transfer Act. However, such protection only covers the jointly developed technology, not technology that was originally developed by the Government before entering into the CRDA. Because there is generally no copyright protection of Federally developed software, the software has no commercial value to the private sector. This provision would encourage private entities to market software developed by the Corps, since it would enable the Corps to apply the protections in section 12(c)(4)(6) of the Technology Transfer Act to software developed by the Corps. Under section 12(c)(7)(B) of the Technology Transfer Act, the Secretary could protect from dissemination information that would be considered a trade secret or commercial information if it had been obtained from a private party for a period of up to two years after the development of the information.

Sec. 24. Voluntary contributions for environmental projects.

This provision allows the Secretary to accept contributions from nonprofit private entities and from non-Federal public entities, other than project sponsors. The Secretary's authority to accept such contributions under this provision is limited to contributions for projects carried out by the Secretary for environmental protection and restoration. The intent of this section is to enhance Federal expenditures for environmentally related projects. therefore, any cash or funds received by the Secretary pursuant to this section will be deposited into a special account in the Treasury and will be used solely to carry out the purposes of this section.

This provision is not to be confused with any cost-sharing requirements borne by the non-Federal project sponsor, as its intent is not to place any additional burdens on project sponsors. Therefore, the project sponsor may not make any contributions pursuant to this section.

Sec. 25. Cost-sharing for removal of project features.

The purpose of this section is to clarify the appropriate cost-sharing formula for project modifications at existing authorized water resources development projects where that modification would require removal of one or more of the features of the project and where that removal would significantly and adversely impact the authorized project purposes or outputs. In such circumstances, the non-Federal project sponsor would be required to provide 50% of the cost of the modification.

Sec. 26. Resolution of interstate water disputes.

In recent years, several disputes have arisen between States and, on occasion, between a State or States and the Federal government involving water flows and water levels in rivers and streams in the United States and in associated lakes and reservoirs. Given the various uses of the water in a river system and the often contrary interests of the upstream States and the downstream States, more disputes are likely to arise in the future. The current widespread and long-standing drought conditions throughout much of America will likely serve to increase the number and the intensity of these disputes.

The nature of these disputes is such that the level of public interest is high and rapid resolution of the disputes is crucial. Interested citizens often place considerable pressure on their elected State officials to represent their interests. Currently, the primary recourse for State officials is to attempt to settle such disputes through the Federal court system. The result is that the interested States become involved in a costly, often lengthy, litigation process. Since the flows of water in many of the river systems involved are controlled by the Department of the Army, the Federal government may also be made a party to this litigation. Further, since many of the river systems involved affect the rights of Indian tribes, the tribes are interested in the litigation and often become parties to the litigation.

Often, the interested parties are not well served by the costly and lengthy litigation process. This legislation encourages all affected parties with the assistance of the Department of the Army to negotiate a satisfactory solution to interstate disputes over the control of water flows in order to avoid the costs and delays associated with litigation. The legislation anticipates that the Secretary of the Army may elect to participate in such negotiations and authorizes the Secretary to do so when the Secretary determines such participation to be in the interest of the Department of the Army. It also emphasizes the Secretary's existing authority to facilitate negotiations by sharing data with the negotiating parties, by conducting relevant studies, and by providing access to other resources of the Corps.

It should be stressed that this legislation is designed to promote negotiation and does not limit the already existing right of affected interests to negotiate a solution to water disputes. Congress recognizes that successful negotiation may result in the signing of an interstate agreement or compact and notes that any such agreement or compact is governed by the provisions of Article I, section 10, clause 3 of the Federal Constitution.

S. 2501

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is authorized to be appropriated to the Department of the Army out of the Harbor Maintenance Trust Fund established by section 9505 of the Internal Revenue Code of 1986, for each fiscal year up to $5,000,000, to be used by the Department of the Army to provide payment of administration expenses incurred by the Department of the Army, the Department of Treasury, and the Department of Commerce in administering the tax imposed by section 4461 of the Internal Revenue Code of 1986.

SEC. 2. Section 9505(c)(1) of the Internal Revenue Code of 1986 is amended by striking "(as in effect on the date of enactment of this section)" and inserting in lieu thereof "(as amended by the Water Resources Development Act of 1990)".

SEC. 3. Section 9505(c)(3) of the Internal Revenue Code of 1986 is amended by deleting it in its entirety and replacing it with the following:

"(3) for the payment of all administrative expenses incurred by the Department of the Army, the Department of the Treasury, and the Department of Commerce in administering the tax imposed by section 4461 of this Title, but not in excess of $5,000,000 for any fiscal year.".

SEC. 4. Section 1403(b) of the Water Resources Development Act of 1986 is repealed.

SEC. 5. Section 102 of the Water Resources Development Act of 1986 (100 Stat. 4084) is amended by—

Redesignating subsections (b) and (c) as "(c)" and "(d)"; and

Inserting a new subsection (b) as follows:

"(b) REHABILITATION.—One-half of the costs of rehabilitation of any project for navigation on the inland and coastal waterways of the United States described in section 206 of the Inland Waterways Revenue Act of 1978 shall be paid only from amounts appropriated from the general fund of the Treasury. One-half of such costs shall be paid only from amounts appropriated from the Inland Waterways Trust Fund."

SEC. 6. Subsection (c)(2) of section 9506 of the Internal Revenue Code of 1954 (relating to the establishment of trust funds) is amended by—

Inserting "and rehabilitation" after the word "construction"; and

Inserting "and 102(b)" after "102(a)".

SECTIONAL ANALYSIS

Section 1 authorizes appropriations from the Harbor Maintenance Trust Fund to the Department of the Army to pay the administrative costs incurred by the Department of the Army, the Department of the Treasury, and the Department of Commerce in administering the port use fee. No more than 5,000,000, may be appropriated from the Fund during any one fiscal year.

Section 2 amends the existing language in section 9505(c)(1) of the Internal Revenue Code to conform with the amendment to section 210(a)(2) of the Water Resources Development Act of 1986 (Public Law 99-662) by section 316 of the Water Resources Development Act of 1990 (Public Law 101-640).

Section 3 deletes the provision in the Internal Revenue Code of 1986 that provides for appropriations from the Harbor Maintenance Trust Fund for payment of expenses incurred by the Department of the Treasury in administering the port use fee and replaces it with a provision allowing for appropriations from the Fund to the Department of the Army to be used by the Department of the Army to pay the administrative expenses incurred by all of the agencies involved in administering the port use fee.

Section 4 repeals paragraph (b) of section 1403 of the Water Resources Development Act of 1986 (Public Law 99-662).

Section 5 amends section 102 of the Water Resources Development Act of 1986 to authorize that one-half the costs of rehabilitation of projects for navigation on the inland and coastal waterways can be appropriated from the Inland Waterways Trust Fund.

Section 6 makes the necessary technical amendments of section 9506 of the Internal Revenue Code of 1954 (relating to the establishment of trust funds).●

By Mr. DECONCINI:

S. 2502. A bill to amend the provisions of title 28, United States Code, to provide for the payment of attorney fees to a prevailing defendant in civil actions, and for other purposes; to the Committee on the Judiciary.

ATTORNEY ACCOUNTABILITY ACT

● Mr. DECONCINI. Mr. President, I rise today to introduce the Attorney Accountability Act. This legislation is intended to provide prevailing defendants in Federal court actions reimbursement of their reasonable attorney fees. America's love affair with litigation, and the pursuit of a deep pocket has inappropriately made the courts the forum for redistributing wealth in this country. Accountability, especially on the part of attorneys bringing nonmeritorious cases, needs to be established. I believe making plaintiffs and their lawyers, in certain situations, responsible for the legal fees of winning defendants may help reform the process of initiating civil actions in our Federal court system.

Tort reform has been the subject of heated debate over the past decade. Concerns have been raised about the problems resulting from the high costs of liability insurance, the expense of litigation, and the tremendous backlog in our courts. The costs of malpractice insurance, medical liability, and defensive medicine—the practice of conducting superfluous tests as protection from malpractice suits—arguably have had a significant effect on health care in this country. The Small Business Administration has estimated that the threat of malpractice claims adds an alarming $4 billion to the cost of health care each year and that defensive actions on the part of doctors costs $100,000 per year per physician.

Numerous proposals have been introduced in the Congress seeking to reform medical malpractice liability and product liability. Most see the answer as capping the amount of damages which prevailing plaintiffs can recover. I am very concerned about such an approach because I believe those who are severely injured should be able to completely recover for their losses. Furthermore, these limits tend to harm economically deprived individuals or younger people who receive little compensation elsewhere.

Some of the liability reform bills advocate alternative dispute resolution systems and/or binding arbitration. I am interested in these ideas and will continue to study the merits of such proposals. However, the bill I am introducing today takes a different approach. It provides for prevailing defendants to be reimbursed for their attorney fees.

Let me explain briefly the substance of my bill. First, it provides that in all Federal civil actions prevailing defendants will be awarded reasonable attorney fees after the entry of final judgment. Fee awards to prevailing defendants can be waived by the court if such an award would be against equity and good conscience. This waiver is intended to allow the court the discretion not to impose fees on the poor or other for whom to do so would be wrong.

The bill clarifies that plaintiffs who are required to pay defendants' attorney fees will be reimbursed if the court finds that their attorney violated rule 11 of the Code of Civil Procedure. Rule 11 provides that attorneys must certify that every pleading, motion, or other paper filed is, to the best of his knowledge, "well grounded in fact and is warranted by existing law * * * and that it is not interposed for any improper purpose, such as to harass or to cause unnecessary delay or needless increase in the cost of litigation." Although rule 11 already allows reimbursement for attorney fees, this bill ties the two together and gives recourse for the losing plaintiff to recover fees paid.

This legislation attempts to hold attorneys who take cases on a contingency basis liable for a proportionate share of the attorney fee award. Concerns have been raised that contingency fee arrangements contribute to the litigation explosion. My bill seeks to impose some level of accountability on the part of lawyers who take cases on a contingency fee basis by requiring that they share not only in the possible rewards of filing suit but also the potential risks. Attorneys working on a contingency basis will be required to pay the same percentage that they would receive if they won. Let me provide an example. An attorney agrees to take a personal injury suit for a one-third contingency fee. If he wins, he receives 33.3 percent of the damages awarded. However if he loses, he must pay 33.3 percent of the defendant's attorney fees. Attorneys must be discouraged from filing frivolous lawsuits.

The bill does not intend to preempt other existing Federal statutes dealing with fee shifting, unless they are inconsistent. There are already a number of Federal statutes which provide for the award of attorney fees to prevailing parties. There is nothing in this bill that would prohibit prevailing plaintiffs in civil actions brought under statutes with fee shifting mechanisms from recovering their attorney fees. Finally, the bill does not apply to pending cases or to class actions.

I believe the lack of accountability in civil litigation has created the current sentiment in this country that "anyone can sue for anything." Filing suit, no matter how baseless the charge, requires both parties to hire an attorney. Everyone knows that the cost of defending a lawsuit is skyrocketing; the cost of defending an employment discrimination suit has been estimated to cost over $60,000. Faced with the prospect of defending a suit and paying the lawyers fees, many defendants conclude they should settle. Even if they do proceed and win, their cost generally cannot be recovered and they are never made whole.

Is it fair to defend a senseless law suit, win, and still have to pay the costs of defending the suit when you have proven that you did nothing wrong? Fairness needs to be put back into the system. Prevailing plaintiffs often sue under statutes that provide for fee shifting. This bill would just ensure that prevailing defendants are reimbursed for their lawyer's bill.

The American legal system generally requires both parties to pay their own costs. The reason behind the so-called American rule is the belief that such a system enhances access to the courts. The English rule is used virtually everywhere except the United States. Its goal is to reduce the number of cases filed and to eliminate frivolous cases. Critics, however, think the loser-pays rule would discourage the average citizen from filing suit because of the threat of huge legal fees.

Trial lawyers will not like this bill. They will argue it will hurt the little guy. I say it will require attorneys to think more carefully about the consequences of taking on a case that has little chance of success.

I recognize that this bill will discourage people from filing suit. That is one of its purposes. However, plaintiffs who have valid, meritorious claims have little to fear by this bill, since they will not have to pay. What this bill will do is discourage claims initiated with the goal of settlement, claims without merit and defendant shopping.

Defendant shopping is a practice that needs reform. In a personal injury suit, injured plaintiffs are looking for compensation, the deep pocket. Therefore in many cases they file suit against any number of possibly negligent parties in order to seek out the best possibility for recovery. For example, in an automobile accident claims may be filed against the person who caused the accident, the brake manufacturer, the car manufacturer, the mechanic, the driver's employer, et cetera. The list is nearly endless. Today there is little risk in such an approach. If the plaintiff knew that he could be responsible for each of these defendant's legal fees he may reconsider his strategy. This would reduce the workload in the courts, and cut costs and reduce the time to resolve such suits.

In 1991, there were 240,000 civil cases pending. The United States now has well over 750,000 lawyers. Just 20 years ago, there were 325,000 lawyers and today 35,000 new lawyers are graduating from law school every year. The amount of money many lawyers are earning is absurd. For example, attorneys working on a contingency factor in lawsuits against Drexel Burnham Lambert, Inc., and its former employees, including Michael Milken, may receive as much as $125 to $250 million if compensation is based on usual contingency fees. Forty million dollars alone was paid by the Federal Deposit Insurance Corporation [FDIC] to the Wall Street law firm of Cravath, Swain & Moore that negotiated the settlement on behalf of the FDIC. The Washington Post reported that top litigators at Cravath would collect $600 per hour and others would receive $250 to $150 per hour.

We don't sufficiently understand the incentives and deterrents in filing lawsuits and whether the benefits outweigh the costs of our current system for reimbursement of attorney fees. I am not confident that a major overhaul of our Nation's tort system of justice is necessary or advisable. This bill is my attempt to continue the debate on this most serious issue. I welcome comments, suggestions, and recommendations from my colleagues and other interested parties. I believe there are any number of ways that we can help restore some accountability in the court system, and I hope this will stimulate additional thoughts on this issue.

Mr. President, I ask unanimous consent that the full text of my bill be printed in the RECORD immediately following this statement.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2502

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Attorney Accountability Act of 1992".

SEC. 2. AWARD OF ATTORNEY FEES TO PREVAILING DEFENDANT.

(a) IN GENERAL.—Chapter 123 of title 28, United States Code, is amended by inserting after section 1931 the following new section:

"§ 1932. Award of attorney fees to prevailing defendant

"(a)(1) Except as otherwise provided in this section, in each court of the United States, the court shall award reasonable attorney fees to a prevailing defendant from the plaintiff after the entry of final judgment in any civil action.

"(2) In an action involving multiple parties, the court may apportion the payment of attorney fees under paragraph (1) between or among plaintiffs to defendant or defendants at the court's discretion.

"(3) The provisions of this section shall not apply to any class action suit.

"(b) The court may waive the provisions of subsection (a) in exceptional cases in which the application of such subsection would be against equity and good conscience.

"(c) In any case in which the provisions of subsection (a) apply and the court finds that the attorney for plaintiff has violated rule 11 of the Federal Rules of Civil Procedure, the court shall order such attorney to reimburse the plaintiff for the amount awarded under subsection (a).

"(d) In any case in which the provisions of subsection (a) apply and the attorney for the plaintiff has a contingency fee agreement with the plaintiff, the court shall order such attorney to pay a portion of the fees awarded under subsection (a). Such payment shall equal the amount of the total fees awarded to the prevailing defendant under subsection (a) multiplied by the contingency fee percentage under such agreement.

"(e) The provisions of this section shall preempt and supersede any other Federal law relating to attorney fees to the extent such law is inconsistent with this section.".

(b) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 123 of title 28, United States Code, is amended by adding after the item relating to section 1931 the following:

"1932. Award of attorney fees to prevailing defendant".

(c) EFFECTIVE DATE.—The provisions of this Act and amendments made by this Act shall be effective on and after the date of the enactment of this Act and shall apply only to civil actions filed on and after such date.●

By Mr. SIMON (for himself, Mr. RUDMAN, Mr. PELL, Mr. BUMPERS, and Mr. CRANSTON):

S. 2503. A bill to amend the Foreign Relations Authorization Act, fiscal years 1992 and 1993, to make available additional funds to the Department of State for U.S. contributions to international peace-keeping activities; to the Committee on Appropriations.

CONTRIBUTIONS FOR INTERNATIONAL PEACEKEEPING FUNCTIONS

Mr. SIMON. Mr. President, I am introducing a bill on behalf of myself, Senator RUDMAN, Senator PELL, Senator BUMPERS, and Senator CRANSTON which would, starting in fiscal year 1993, transfer the peacekeeping function of the United Nations from the foreign aid account in the budget, function 150, over to the defense function, which is under the general 050, in the subfunction of 051.

That may sound very technical but, in fact, the United Nations' function is a security function, and I think, as we move ahead in Cambodia, as we move ahead in Yugoslavia, using the United Nations, shifting away from excessive reliance on the United States and U.S. taxpayers, that should come out of the defense function in the budget, not the foreign aid function. As we help people, we should not take money away from hungry people in the Sudan or Somalia, or wherever desperate, hungry people are.

So I am pleased to introduce this. It really grew out of a suggestion made by Senator RUDMAN, which I felt was a very fine suggestion. So I have put it in the form of a bill and, again, it would apply only beginning in the fiscal year 1993 session. I think it makes a great deal of sense, and I hope it will be considered by this body.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2503

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO THE FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993.

The Foreign Relations Authorization Act, Fiscal Years 1992 and 1993 (Public Law 102–138) is amended by adding at the end the following new title:

"TITLE VI—ADDITIONAL SUPPORT FOR INTERNATIONAL PEACEKEEPING ACTIVITIES

"SEC. 601. FINDINGS.

"The Congress makes the following findings:

"(1) Section 175 of the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, demonstrates the importance of United Nations peacekeeping by calling for an exploration of means to expedite the implementation of peacekeeping operations.

"(2) United Nations peacekeeping contributes to a United States national security interest in maintaining global stability and order.

"(3) The United States has a national security interest in fully funding its assessment for United Nations peacekeeping operations.

"(4) As a national security interest, United Nations peacekeeping should be funded from the defense, rather than international affairs, budget.

"(5) There is a critical need for funding for the newly established United Nations peacekeeping operations in Cambodia, Yugoslavia, and El Salvador. Without the expeditious provision of adequate funding for these peacekeeping missions, the risk of failure is high.

"(6) The collapse of these peacekeeping operations for lack of funding would also virtually assure the unraveling of the peace accords or ceasefires which offer the only hope for restoring peace and stability in these regions.

"SEC. 602. AUTHORITY FOR THE DEPARTMENT OF STATE.

"In addition to funds otherwise available before the date of enactment of this title under the 'Contributions to International Peacekeeping Activities' account for the Department of State, the Secretary of State is authorized to use the following sums to carry out the authorities, functions, duties, and responsibilities in the conduct of the foreign affairs of the United States with respect to international peacekeeping activities.

"(1) For fiscal year 1993, $483,323,000.

"SEC. 603. SOURCE OF FUNDS.

"(a) IN GENERAL.—To the extent provided in an appropriation Act or joint resolution, there shall be transferred to the 'Contributions to International Peacekeeping Activities' account for the Department of State—

"(1) during fiscal year 1993, $438,323,000, from appropriations made to such Department of Defense accounts as the President may designate under budget function 051 (relating to Department of Defense—Military).

"(b) PURPOSES.—Funds transferred under subsection (a) to the account described in that subsection shall be merged with, and available for the same purposes as, funds otherwise appropriated to that account.

"(c) RELATIONSHIP TO STATE DEPARTMENT BASIC AUTHORITIES ACT.—Funds transferred under subsection (a) shall not be considered appropriations to the Department of State for purposes of section 15(a) of the State Department Basic Authorities Act of 1956 (22 U.S.C. 2680).

"SEC. 604. EXEMPTION FROM BUDGET SPENDING LIMITATIONS.

"Funds which are transferred pursuant to this title shall not be counted as new budget authority or outlays for fiscal year 1993 under the spending limitations applicable to the international budget category, as provided for in section 601(a)(2) of the Congressional Budget Act of 1974.".

By Mr. MITCHELL:

S. 2504. A bill to eliminate restrictions in United States law on the extension of credit and assistance to the successor states of the former Soviet Union; to the Committee on Foreign Relations.

REPEAL OF CERTAIN CREDIT AND ASSISTANCE RESTRICTIONS TO THE SUCCESSOR STATES OF THE FORMER SOVIET UNION

Mr. MITCHELL. Mr. President, today I am introducing legislation to move beyond the legacy of the cold war in several areas of law that pertain to economics. These changes are long overdue. They are important for both their substance and symbolism.

During his last visit here, President Yeltsin noted that many American economic and trade laws retained restrictions on the Soviet Union which penalized the newly independent states in that region. Our laws do not yet reflect reality.

It is time to recognize the dissolution of the Communist Soviet Union and the emergence of newly independent states that are moving toward democracy and a free market. It is time to adjust our legislation accordingly.

Two of the changes in the bill are included in the Foreign Operations continuing resolution, which the Senate will be considering shortly. But they are not yet law, and I believe there is value in introducing a coherent and comprehensive reform package. This bill therefore proposes several changes in current law.

It would repeal the law which limits the availability of credit, loan guarantees, and insurance for the former U.S.S.R.

It would remove the Union of Socialist Republics from the list of countries ineligible for Export-Import Bank credits.

It also would lift the ceilings on eligibility for Exim credits, known as the Stevenson and Shweiker-Church amendments.

This bill would repeal the Foreign Assistance Act prohibition on assistance to the Union of Soviet Socialist Republics. The President already has indefinitely waived these restrictions, but there is no longer a reason for their existence in statutory law.

Finally, the bill waives the Johnson Act, which has the effect of restricting United States private and public credits to some government banks and organizations in the Commonwealth of Independent States because of overdue czarist and interim government debts.

I hope that these changes will do more than simply bring our trade laws up to date with the real world.

I hope that they will assist the new states of the former Soviet Union in their efforts to successfully implement free market reforms and integrate into the international economic community.

Finally, I believe the states of the Commonwealth can take great satisfaction in seeing these legislative remnants of the cold war swept away.

I hope my colleagues will join me in this effort to swiftly remove the barriers of the past, ending the pariah status of the states of the former Soviet Union. It is time to give them their rightful place among the other nations of the world in their economic dealings with the United States.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2504

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPEAL OF LIMITATION ON CREDIT FOR EXPORTS.

Section 613 of the Trade Act of 1974 (19 U.S.C. 2487) is hereby repealed.

SEC. 2. REPEAL OF INELIGIBILITY FOR EXPORT-IMPORT BANK CREDIT.

Section 2(b)(2) of the Export-Import Bank Act of 1945 (12 U.S.C. 635(b)(2)) is amended by striking out "Union of Soviet Socialist Republics (including its captive constituent republics)".

SEC. 3. REPEAL OF LIMITATION ON EXPORT-IMPORT BANK CREDIT.

Section 7(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635e(b)) is hereby repealed.

SEC. 4. REPEAL OF PROHIBITION ON FOREIGN ASSISTANCE.

Section 620(f) of the Foreign Assistance Act of 1961 (22 U.S.C. 2370(f)) is amended by striking out "Union of Soviet Socialist Republics (including its captive constituent republics)".

SEC. 5. WAIVER OF JOHNSON ACT.

Section 955 of title 18, United States Code, shall not apply with respect to any obligations of the former Soviet Union, or any of the successor states of the former Soviet Union, or any political subdivision, organization, or association thereof.

By Mr. WARNER (for himself, Mr. ROBB, Mr. BROWN, Mr. BUMPERS, Mr. CHAFEE, Mr. COCHRAN, Mr. LUGAR, Mr. METZENBAUM, Mr. STEVENS, and Mr. SYMMS):

S.J. Res. 283. Joint resolution designating January 16, 1993, as "Religious Freedom Day"; to the Committee on the Judiciary.

RELIGIOUS FREEDOM DAY

• Mr. WARNER. Mr. President, I rise today to introduce along with Senator ROBB a joint resolution which would designate January 16, 1993, as "Religious Freedom Day."

The birth of this joint resolution goes back to January 16, 1786—the day the Virginia General Assembly adopted "An Act Establishing Religious Freedom for Virginia." Written by Thomas Jefferson, this statute was the first to institute the separation of church and state and secure for all citizens the freedom of worship. The Virginia statute for religious freedom inspired the first amendment and is regarded by scholars, lawyers, and religious leaders as one of the most influential documents ever created.

On January 16, 1992, the Virginia General Assembly passed a resolution commemorating the Virginia statute for religious freedom as the precursor for the Bill of Rights. A proclamation was then signed by Governor Wilder and Virginia became the first State to establish a day for the appreciation of religious freedom.

The purpose of this joint resolution is to extend to all the States this opportunity to commemorate our religious freedoms. Therefore, I invite my colleagues to join Senator ROBB and myself in designating January 16, 1993, as "Religious Freedom Day."

I will close my remarks by submitting a letter written by A.E. Dick Howard, a professor at the University of Virginia School of Law, who so eloquently addresses the significance of the Virginia statute for religious freedom. I ask unanimous consent that this letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SCHOOL OF LAW,
UNIVERSITY OF VIRGINIA,
Charlottesville, VA, December 20, 1991.

MS. CAROL NEGUS,
President, Council for America's First Freedom, Richmond, VA.

DEAR MS. NEGUS: The Virginia Statute for Religious Freedom is a document whose historical significance transcends the place and time which gave it birth.

One who delves into the circumstances surrounding the Statute's drafting and enactment will better understand the origins and meaning of religious freedom in America. In 1776 the Virginia Declaration of Rights had declared free exercise of religion. When, in 1786, the Virginia Statute was enacted, a more complete statement of religious liberty had thereby come into being.

The history of the Virginia Statute is intertwined with that of the First Amendment to the United States Constitution. The Supreme Court of the United States, in interpreting the First Amendment, has often made reference to the Virginia Statute. That enactment remains a seminal document for any enquiry into the application of the First Amendment's religion clauses even two centuries later.

The Statute's significance is not confined to concerns about church and state or religion in the conventional sense. I can think of no document which more eloquently states Thomas Jefferson's concern for liberating the human mind from any manner of bondage. A splendid emanation of enlightenment thinking at its best, the Statute proclaims that at the heart of our conception of freedom lies freedom to believe what one will.

In an age when many countries are putting a totalitarian past behind them and are laying the foundations for constitutional democracy, the Virginia Statute points the way to aspirations which, if acted upon, would help mute the passions of national and ethnic rivalry. In my own work in Central and Eastern Europe, I have used the Statute as an example of an approach to religious freedom that would be worthy of emulation by constitutional draftsmen in the fledgling democracies.

The Virginia Statute is a document for the ages. I applaud the plans to commemorate its meaning and to undertake public education in its teachings.

Sincerely,

A.E. DICK HOWARD.●

● Mr. ROBB. Mr. President, I rise with my friend and colleague from Virginia as an original cosponsor of legislation to recognize and commemorate January 16, 1993, as "Religious Freedom Day." While many commemoratives pass through this body each year, none to my knowledge celebrates this first and most basic liberty secured in the first amendment. The passage of this resolution will mark an important step in the mission to educate the Nation's public in the significance of Thomas Jefferson's "Statute of Religious Freedom," adopted by the Virginia General Assembly on January 16, 1786. It will also provide Americans with the opportunity to join together in observing the primary liberties secured for the people by the religious clauses of the first amendment.

Mr. Jefferson drafted a bill for religious freedom in 1777, soon after the signing of the Declaration of Independence. Drawing from the ideas of Montesquieu, this charter would be the first in the world to establish the separation of church and state and the freedom of exercise as the complementary components of a secular State. It was defeated by the Virginia General Assembly in 1779, then reintroduced in 1785 by James Madison while Jefferson served as Ambassador to France. Aided by Madison's famous article entitled "Memorial and Remonstrance against Religious Assessments," the "Statute for Religious Freedom" was adopted on January 16, 1786. On that occasion, Jefferson wrote to Madison;

> It is honorable for us to have produced the first legislature with the courage to declare that the reason of man may be trusted with the formation of his own opinion.

The contest to secure these religious freedoms, first in the Virginia statute, and later in the Bill of Rights, was remarkable for the ideals at stake and the triumph of the democratic process which transformed these ideals into law. However, the purpose of Religious Freedom Day is not limited to the celebration of historical events, for the principles behind religious freedom are not frozen in history; rather, they remain central to any debate on the relationship between Government and individual conscience. The faithful protection of those rights guaranteed by the first amendment and the Bill of Rights as a whole requires an electorate which will defend the principles behind those rights.

Religious Freedom Day will be an occasion for all Americans to observe those principles of individual conscience and societal tolerance which form the foundation of the first amendment. This will be a day to reflect on these words of the constitution and the effect they have on our lives: "Congress shall make no law respecting an establishment of any religions, or prohibiting the free exercise thereof * * *".●

By Mr. SPECTER:

S.J. Res. 284. Joint resolution designating August 4, 1992, as "National Neighborhood Crime Watch Day"; to the Committee on the Judiciary.

NATIONAL NEIGHBORHOOD CRIME WATCH DAY

Mr. SPECTER. Mr. President, today I introduce a joint resolution which commends the Nation's neighborhood crime watch groups and designates August 4, 1992, as "National Neighborhood Crime Watch Day."

One such group, the National Association of Town Watch [NATW], has made significant contributions in helping neighborhoods throughout the country in their fight against crime. The association's eighth annual national night out crime prevention project, which was held August 6, 1991, involved citizens and police in 8,370 communities in all 50 States, United States territories, Canadian cities, and military bases around the world. Four years ago, I joined then-Vice President Bush and NATW's executive director, Matt Peskin, for the kick-off ceremony in Philadelphia. Three years ago, the kick-off ceremony was hosted by the Federal Bureau of Investigation [FBI] and its Director, William Sessions, here in Washington, DC.

During national night out, residents in neighborhoods across the Nation will sit on lighted porches, enjoy visits from local police, and participate in a variety of special events such as block parties, cookouts, and parades.

Nationally, 23.4 million Americans participated in national night out in 1991. This unique anticrime effort heightens crime prevention awareness and reunites communities and local law enforcement agencies.

The National Association of Town Watch is a unique organization, serving as liaison among thousands of communities involved in crime prevention programs and representing the entire spectrum of programs concerned with the serious problem of crime in our neighborhoods. As such, it helps coordinate the anticrime efforts of, and provides information and assistance to, the many communities involved in organized crime prevention programs.

Under the leadership of Mr. Matt Peskin, NATW received the prestigious National Constituency Organization Award in 1986 and 1988, presented by the Crime Prevention Council, the Crime Prevention Coalition, and the U.S. Department of Justice, for the association's extraordinary efforts in fighting crime.

In association with other anticrime organizations, NATW works to reduce the neighborhood crime rate and to enhance the police-community relationship. Nearly obsolete in the 1960's and 1970's, the notion of the police and the community cooperating with each other now is being institutionalized. No longer are people as afraid to call the police, and law enforcement organizations now recognize the citizens' role in fighting crime.

In correspondence with my office, the U.S. Department of Justice noted that "NATW has done exemplary work and has made significant contributions to the overall national crime prevention effort." The Department also indicated that "national night out is an excellent program and should be continued."

As a former district attorney, current member of the Senate Judiciary Committee, and cochairman of the Congressional Crime Caucus, I have actively pursued initiatives to fight street crime. Accordingly, I commend the efforts of NATW and all the participants in national night out.

Mr. President, I urge my colleagues to join in supporting this important resolution to recognize the active involvement of neighborhood organizations in the ongoing fight against crime and to designate August 4, 1992, as National Neighborhood Crime Watch Day.

I ask unanimous consent that the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD as follows:

S.J. RES. 284

Whereas neighborhood crime is of a continuing concern to the American people;

Whereas the fight against neighborhood crime required people to work together in cooperation with law enforcement officials;

Whereas neighborhood crime watch organizations are effective at promoting awareness about, and the participation of volunteers in, crime prevention activities at the local level;

Whereas neighborhood crime watch groups can contribute to the Nation's war on drugs by helping to prevent their communities from becoming markets for drug dealers; and

Whereas citizens across America will soon take part in "National Night Out", a unique crime prevention event which will demonstrate the importance and effectiveness of community participation in crime prevention efforts by having people spend the period from 8 to 10 o'clock post-meridian on August 4, 1992, with their neighbors in front of their homes: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That August 4, 1992, is designated as "National Neighborhood Crime Watch Day", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such day with appropriate programs, ceremonies, and activities.

By Mr. WARNER:

S.J. Res. 285. Joint resolution to designate September 24, 1992, as "National Patrick Sarsfield Gilmore Day"; to the Committee on the Judiciary.

NATIONAL PATRICK SARSFIELD GILMORE DAY

• Mr. WARNER. Mr. President, I rise today to introduce a joint resolution, which I hope my colleagues will support, to make September 24, 1992 P.S. Gilmore Day, honoring America's greatest bandleader.

September 24, 1992, marks 100 years since Patrick Sarsfield Gilmore passed away at the height of his career. Even though the world of music in America has changed in many ways in this past century, the impact of his legacy is still felt by many. Patrick Sarsfield Gilmore is recognized across the country as the father of the American band. The band, whether on the concert stage or the football field, in a parade or the town square, is a great institution which is enjoyed by just about everyone. Unfortunately, the band is rarely recognized for its contributions to American life.

P.S. Gilmore's stature in the history of the band has been expressed by many including John Phillip Sousa, who acknowledged him as "The Father of The American Band" and Victor Herbert who said;

> From the old bands to the bands of the present day, which interpret the works of the greatest, it has been a hard but glorious struggle, and to Patrick Sarsfield Gilmore belongs most of the glory.

In addition to honoring this great man, it is our desire to spotlight the 17 million American amateur musicians who play band instruments. In 1992 at least 500 bands from every State in the United States of America will dedicate concerts in Gilmore's honor by taking part in Concerts for P.S. Gilmore. Participants include every kind of band: college, high school, military, and community bands. The program will include music written by Gilmore such as "When Johnny Comes Marching Home."

P.S. Gilmore brought band music of the highest caliber to people across our Nation as music director for many important celebrations. He directed music at both the Republican and Democratic Conventions in 1860 and at the National Peace Celebration in 1869, which commemorated the end of the Civil War. He was also music director for the Independence Day Centennial in Philadelphia in 1876, and the dedication of the Statue of Liberty in 1886. His tour of Europe in 1878 brought respect and prestige to the United States when Europeans, as well as Americans, believed this country to be artistically immature. Equally as important, he established the instrumentation still used in bands today.

When he died in St. Louis in 1892, the Nation was saddened as news of his death was told on the front pages of newspapers across the country. On its front page center column, the New York Times proclaimed: "In the work of his whole life, Patrick Sarsfield Gilmore showed himself the musician of the people."•

By Mr. GARN (for himself and Mr. HATCH):

S.J. Res. 286. Joint resolution to designate June 6, 1992, through June 10, 1992, as "International Student Awareness Week"; to the Committee on the Judiciary.

INTERNATIONAL STUDENT AWARENESS WEEK

• Mr. GARN. Mr. President, I rise today to introduce a joint resolution, along with my colleague and friend, Senator ORRIN HATCH, to recognize the importance and value of the international student exchange programs operating in this country.

International student exchange programs afford high school students from across our country the opportunity to live and participate in the daily activities of many foreign countries. Students from the United States have the chance to attend foreign schools for up to 10 months and study with students of different races and cultures. Foreign students as well have the opportunity to live and attend school in the United States and learn from our students, our schoolteachers, and the families with which these students live.

International student exchange programs provide a fertile training ground for our future world leaders. Firsthand experience of different societies is extremely valuable to understanding the problems that exist in this world and how to solve them. By living among citizens of foreign countries, students can better understand the barriers that divide many countries and learn how to bridge those barriers.

The International Education Forum plays a vital role in facilitating this exchange of students and cultures. Students who participate in the International Education Forum [IEF] are carefully selected based on maturity, academic qualifications, and English language skills. IEF has reciprocal agreements with 23 countries, and the former U.S.S.R. Many of Utah's high school students have participated in the IEF program and many Utah families have welcomed IEF participants from other countries into their homes.

We have everything to gain from these student exchanges. Learning to understand other societies is extremely valuable in bringing us closer to a common goal, that of world peace. I hope many colleagues will join Senator HATCH and I in our effort to bring increased public attention to this valuable source on understanding and knowledge.•

ADDITIONAL COSPONSORS

Due to technical difficulties, the cosponsors for March 31, 1992, will be printed in a subsequent issue of the RECORD.

SENATE CONCURRENT RESOLUTION 104—CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEARS 1993, 1994, 1995, 1996, AND 1997

Mr. DOMENICI (for himself, Mr. BOND, Mr. LOTT, Mr. SYMMS and Mr. BROWN) submitted the following concurrent resolution; which was referred to the Committee on the Budget:

S. CON. RES. 104

Resolved by the Senate (the House of Representatives concurring),

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 1993.

(a) DECLARATION.—The Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 1993, including the appropriate budgetary levels for fiscal years 1994, 1995, 1996, and 1997, as required by section 301 of the Congressional Budget Act of 1974 (as amended by the Budget Enforcement Act of 1990).

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 1993.
Sec. 2. Recommended levels and amounts.
Sec. 3. Debt increase as a measure of deficit.
Sec. 4. Social Security.
Sec. 5. Major functional categories.
Sec. 6. Protection of Social Security.
Sec. 7. Reserve fund for achieving mandatory spending savings.
Sec. 8. Deficit neutral reserve fund for high value economic growth programs.
Sec. 9. Compliance with mandatory savings.
Sec. 10. Control in growth of mandatory spending.
Sec. 11. Extension of the Budget Enforcement Act.

SEC. 2. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 1993, 1994, 1995, 1996, and 1997:

(1) FEDERAL REVENUES.—(A) The recommended levels of Federal revenues are as follows:

Fiscal year 1993: $845,300,000,000.
Fiscal year 1994: $911,300,000,000.
Fiscal year 1995: $968,100,000,000.
Fiscal year 1996: $1,017,800,000,000.
Fiscal year 1997: $1,070,400,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be increased are as follows:

Fiscal year 1993: $62,000,000,000.
Fiscal year 1994: $66,000,000,000.
Fiscal year 1995: $56,800,000,000.
Fiscal year 1996: $49,700,000,000.
Fiscal year 1997: $52,600,000,000.

(C) The amounts for Federal Insurance Contributions Act revenues for hospital insurance within the recommended levels of Federal revenues are as follows:

Fiscal year 1993: $85,300,000,000.
Fiscal year 1994: $91,200,000,000.
Fiscal year 1995: $96,800,000,000.
Fiscal year 1996: $102,900,000,000.
Fiscal year 1997: $109,200,000,000.

(2) NEW BUDGET AUTHORITY.—The appropriate levels of total new budget authority are as follows:

Fiscal year 1993: $1,251,400,000,000.
Fiscal year 1994: $1,266,900,000,000.
Fiscal year 1995: $1,304,700,000,000.
Fiscal year 1996: $1,353,700,000,000.
Fiscal year 1997: $1,430,500,000,000.

(3) BUDGET OUTLAYS.—The appropriate levels of total budget outlays are as follows:

Fiscal year 1993: $1,243,800,000,000.
Fiscal year 1994: $1,258,500,000,000.
Fiscal year 1995: $1,257,100,000,000.
Fiscal year 1996: $1,282,600,000,000.
Fiscal year 1997: $1,349,400,000,000.

(4) DEFICITS.—The amounts of the deficits are as follows:

Fiscal year 1993: $398,500,000,000.
Fiscal year 1994: $347,200,000,000.
Fiscal year 1995: $289,000,000,000.
Fiscal year 1996: $264,800,000,000.
Fiscal year 1997: $279,000,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 1993: $4,467,600,000,000.
Fiscal year 1994: $4,870,300,000,000.
Fiscal year 1995: $5,218,700,000,000.
Fiscal year 1996: $5,540,500,000,000.
Fiscal year 1997: $5,869,500,000,000.

(6) DIRECT LOAN OBLIGATIONS.—The appropriate levels of total new direct loan obligations are as follows:

Fiscal year 1993: $19,700,000,000.
Fiscal year 1994: $19,600,000,000.
Fiscal year 1995: $19,200,000,000.
Fiscal year 1996: $19,000,000,000.
Fiscal year 1997: $19,000,000,000.

(7) PRIMARY LOAN GUARANTEE COMMITMENTS.—The appropriate levels of new primary loan guarantee commitments are as follows:

Fiscal year 1993: $113,300,000,000.
Fiscal year 1994: $111,800,000,000.
Fiscal year 1995: $112,300,000,000.
Fiscal year 1996: $112,700,000,000.
Fiscal year 1997: $113,000,000,000.

SEC. 3. DEBT INCREASE AS A MEASURE OF DEFICIT.

The amounts of the increase in the public debt subject to limitations are as follows:

Fiscal year 1993: $449,300,000,000.
Fiscal year 1994: $402,700,000,000.
Fiscal year 1995: $348,400,000,000.
Fiscal year 1996: $321,800,000,000.
Fiscal year 1997: $329,000,000,000.

SEC. 4. SOCIAL SECURITY.

(a) Social Security Revenues.—The amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1993: $328,100,000,000.
Fiscal year 1994: $350,300,000,000.
Fiscal year 1995: $371,800,000,000.
Fiscal year 1996: $395,300,000,000.
Fiscal year 1997: $419,500,000,000.

(b) SOCIAL SECURITY OUTLAYS.—The amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 1993: $260,000,000,000.
Fiscal year 1994: $271,600,000,000.
Fiscal year 1995: $283,000,000,000.
Fiscal year 1996: $294,500,000,000.
Fiscal year 1997: $306,000,000,000.

SEC. 5. MAJOR FUNCTIONAL CATEGORIES.

The Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, new primary loan guarantee commitments, and new secondary loan guarantee commitments for fiscal years 1993 through 1997 for each major functional category are:

(1) National Defense (050):

Fiscal year 1993:
(A) New budget authority, $281,600,000,000.
(B) Outlays, $292,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:
(A) New budget authority, $282,300,000,000.
(B) Outlays, $284,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:
(A) New budget authority, $285,000,000,000.
(B) Outlays, $283,500,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $286,300,000,000.
(B) Outlays, $286,800,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $291,200,000,000.
(B) Outlays, $290,000,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(2) International Affairs (150):

Fiscal year 1993:
(A) New budget authority, $18,300,000,000.
(B) Outlays, $16,700,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $8,100,000,000.

Fiscal year 1994:
(A) New budget authority, $18,500,000,000.
(B) Outlays, $16,900,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $8,100,000,000.

Fiscal year 1995:
(A) New budget authority, $18,600,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $8,100,000,000.

Fiscal year 1996:
(A) New budget authority, $18,400,000,000.
(B) Outlays, $17,000,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $8,100,000,000.

Fiscal year 1997:
(A) New budget authority, $18,400,000,000.
(B) Outlays, $17,100,000,000.
(C) New direct loan obligations, $2,900,000,000.
(D) New primary loan guarantee commitments, $8,100,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 1993:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $16,600,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,200,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:
(A) New budget authority, $17,500,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $17,400,000,000.
(B) Outlays, $17,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:
(A) New budget authority, $17,700,000,000.
(B) Outlays, $17,700,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

(4) Energy (270):

Fiscal year 1993:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,400,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $200,000,000.

Fiscal year 1994:
(A) New budget authority, $6,000,000,000.
(B) Outlays, $5,600,000,000.
(C) New direct loan obligations, $2,100,000,000.
(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1995:
(A) New budget authority, $5,800,000,000.
(B) Outlays, $5,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1996:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $4,700,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1997:
(A) New budget authority, $5,400,000,000.
(B) Outlays, $4,100,000,000.
(C) New direct loan obligations, $2,200,000,000.
(D) New primary loan guarantee commitments, $300,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 1993:
(A) New budget authority, $21,300,000,000.
(B) Outlays, $20,900,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:
(A) New budget authority, $21,700,000,000.
(B) Outlays, $21,400,000,000.
(C) New direct loan obligations, $0.
(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:
(A) New budget authority, $21,400,000,000.
(B) Outlays, $21,300,000,000.
(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $21,400,000,000.

(B) Outlays, $21,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(6) Agriculture (350):

Fiscal year 1993:

(A) New budget authority, $16,500,000,000.

(B) Outlays, $16,000,000,000.

(C) New direct loan obligations, $8,800,000,000.

(D) New primary loan guarantee commitments, $6,600,000,000.

Fiscal year 1994:

(A) New budget authority, $16,800,000,000.

(B) Outlays, $14,700,000,000.

(C) New direct loan obligations, $8,700,000,000.

(D) New primary loan guarantee commitments, $6,600,000,000.

Fiscal year 1995:

(A) New budget authority, $14,600,000,000.

(B) Outlays, $12,500,000,000.

(C) New direct loan obligations, $8,200,000,000.

(D) New primary loan guarantee commitments, $6,600,000,000.

Fiscal year 1996:

(A) New budget authority, $14,000,000,000.

(B) Outlays, $12,600,000,000.

(C) New direct loan obligations, $8,000,000,000.

(D) New primary loan guarantee commitments, $6,600,000,000.

Fiscal year 1997:

(A) New budget authority, $14,400,000,000.

(B) Outlays, $12,700,000,000.

(C) New direct loan obligations, $8,000,000,000.

(D) New primary loan guarantee commitments, $6,600,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 1993:

(A) New budget authority, $77,900,000,000.

(B) Outlays, $73,600,000,000.

(C) New direct loan obligations, $3,600,000,000.

(D) New primary loan guarantee commitments, $60,400,000,000.

Fiscal year 1994:

(A) New budget authority, $41,900,000,000.

(B) Outlays, $36,100,000,000.

(C) New direct loan obligations, $3,600,000,000.

(D) New primary loan guarantee commitments, $60,400,000,000.

Fiscal year 1995:

(A) New budget authority, $22,000,000,000.

(B) Outlays, −$13,900,000,000.

(C) New direct loan obligations, $3,600,000,000.

(D) New primary loan guarantee commitments, $60,400,000,000.

Fiscal year 1996:

(A) New budget authority, $6,700,000,000.

(B) Outlays, −$42,600,000,000.

(C) New direct loan obligations, $3,600,000,000.

(D) New primary loan guarantee commitments, $60,400,000,000.

Fiscal year 1997:

(A) New budget authority, $7,200,000,000.

(B) Outlays, −$27,600,000,000.

(C) New direct loan obligations, $3,600,000,000.

(D) New primary loan guarantee commitments, $60,400,000,000.

(8) Transportation (400):

Fiscal year 1993:

(A) New budget authority, $41,200,000,000.

(B) Outlays, $35,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $41,400,000,000.

(B) Outlays, $37,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $41,300,000,000.

(B) Outlays, $37,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $41,500,000,000.

(B) Outlays, $37,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $43,700,000,000.

(B) Outlays, $37,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(9) Community and Regional Development (450):

Fiscal year 1993:

(A) New budget authority, $6,400,000,000.

(B) Outlays, $7,000,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1994:

(A) New budget authority, $6,200,000,000.

(B) Outlays, $6,400,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1995:

(A) New budget authority, $6,100,000,000.

(B) Outlays, $5,900,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1996:

(A) New budget authority, $6,000,000,000.

(B) Outlays, $5,500,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

Fiscal year 1997:

(A) New budget authority, $6,000,000,000.

(B) Outlays, $5,600,000,000.

(C) New direct loan obligations, $1,300,000,000.

(D) New primary loan guarantee commitments, $400,000,000.

(10) Education, Training, Employment, and Social Services (500):

Fiscal year 1993:

(A) New budget authority, $51,700,000,000.

(B) Outlays, $49,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $15,200,000,000.

Fiscal year 1994:

(A) New budget authority, $51,400,000,000.

(B) Outlays, $50,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $15,700,000,000.

Fiscal year 1995:

(A) New budget authority, $50,300,000,000.

(B) Outlays, $49,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $16,100,000,000.

Fiscal year 1996:

(A) New budget authority, $50,200,000,000.

(B) Outlays, $45,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $16,400,000,000.

Fiscal year 1997:

(A) New budget authority, $50,600,000,000.

(B) Outlays, $49,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $16,600,000,000.

(11) Health (550):

Fiscal year 1993:

(A) New budget authority, $104,500,000,000.

(B) Outlays, $104,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1994:

(A) New budget authority, $114,700,000,000.

(B) Outlays, $114,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1995:

(A) New budget authority, $126,500,000,000.

(B) Outlays, $125,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1996:

(A) New budget authority, $140,200,000,000.

(B) Outlays, $139,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

Fiscal year 1997:

(A) New budget authority, $155,100,000,000.

(B) Outlays, $153,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $300,000,000.

(12) Medicare (570):

Fiscal year 1993:

(A) New budget authority, $132,400,000,000.

(B) Outlays, $130,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $146,300,000,000.

(B) Outlays, $144,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $162,900,000,000.

(B) Outlays, $160,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $183,000,000,000.

(B) Outlays, $180,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $203,600,000,000.

(B) Outlays, $201,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(13) Income Security (600):

Fiscal year 1993:

(A) New budget authority, $201,800,000,000.

(B) Outlays, $196,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $204,900,000,000.

(B) Outlays, $206,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $213,800,000,000.

(B) Outlays, $216,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $221,500,000,000.

(B) Outlays, $225,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $232,600,000,000.

(B) Outlays, $236,800,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(14) Social Security (650):

Fiscal year 1993:

(A) New budget authority, $5,900,000,000.

(B) Outlays, $8,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $6,500,000,000.

(B) Outlays, $9,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $7,200,000,000.

(B) Outlays, $9,900,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $7,900,000,000.

(B) Outlays, $10,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $8,700,000,000.

(B) Outlays, $11,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(15) Veterans Benefits and Services (700):

Fiscal year 1993:

(A) New budget authority, $34,700,000,000.

(B) Outlays, $34,700,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments, $22,100,000,000.

Fiscal year 1994:

(A) New budget authority, $35,200,000,000.

(B) Outlays, $36,700,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments, $20,000,000,000.

Fiscal year 1995:

(A) New primary loan authority, $35,700,000,000.

(B) Outlays, $35,800,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments, $20,100,000,000.

Fiscal year 1996:

(A) New budget authority, $36,100,000,000.

(B) Outlays, $34,700,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments, $20,200,000,000.

Fiscal year 1997:

(A) New budget authority, $36,500,000,000

(B) Outlays, $36,600,000,000.

(C) New direct loan obligations, $1,000,000,000.

(D) New primary loan guarantee commitments, $20,300,000,000.

(16) Administration of Justice (750):

Fiscal year 1993:

(A) New budget authority, $15,100,000,000.

(B) Outlays, $15,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $15,100,000,000.

(B) Outlays, $15,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $15,200,000,000.

(B) Outlays, $15,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $15,900,000,000.

(B) Outlays, $16,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $16,000,000,000.

(B) Outlays, $16,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(17) General Government (800):

Fiscal year 1993:

(A) New budget authority, $12,400,000,000.

(B) Outlays, $13,000,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $12,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $12,100,000,000.

(C) New direct loan oblgations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $11,700,000,000.

(B) Outlays, $11,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $11,600,000,000.

(B) Outlays, $11,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(18) Net Interest (900):

Fiscal year 1993:

(A) New budget authority, $242,100,000,000.

(B) Outlays, $242,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, $264,100,000,000.

(B) Outlays, $264,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, $283,700,000,000.

(B) Outlays, $283,700,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, $304,300,000,000.

(B) Outlays, $304,300,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, $326,100,000,000.

(B) Outlays, $326,100,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(19) Allowances (920):

Fiscal year 1993:

(A) New budget authority, −$2,700,000,000.

(B) Outlays −$2,200,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, −$2,600,000.

(B) Outlays, −$2,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, −$1,600,000,000.

(B) Outlays, −$5,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$1,200,000,000.

(B) Outlays, −$11,500,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$1,200,000,000.

(B) Outlays, −$37,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

(20) Undistributed Offsetting Receipts (950):

(A) Fiscal year 1993:

(A) New budget authority, −$33,400,000,000.

(B) Outlays, −$33,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1994:

(A) New budget authority, −$32,600,000,000.

(B) Outlays, −$32,600,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1995:

(A) New budget authority, −$33,200,000,000.

(B) Outlays, −$33,200,000,000.

(C) New direct loan obligations, $0.

(D) New primary loan guarantee commitments, $0.

Fiscal year 1996:

(A) New budget authority, −$33,400,000,000.

(B) Outlays, −$33,400,000,000.

(C) New direct loan obligations, $0.

(D) New primary direct loan guarantee commitments, $0.

Fiscal year 1997:

(A) New budget authority, −$34,500,000,000.

(B) Outlays, −$35,500,000,000.

(C) New direct loan obligations, $0

(D) New primary loan guarantee commitments, $0

SEC. 6. PROTECTION OF SOCIAL SECURITY.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that reductions in Social Security revenues should not be enacted unless the current actuarial estimates of the Social Security Trust Funds over the next 75 years indicate the Trust Funds are actuarially sound.

(b) ACCOUNTING TREATMENT.—Notwithstanding any other provision of this resolution, for the purpose of allocations and points of order under sections 302 and 311 of the Congressional Budget Act of 1974, the levels of Social Security outlays and revenues for this resolution shall be the current law baseline levels.

SEC. 7. RESERVE FUND FOR ACHIEVING MANDATORY SPENDING SAVINGS.

(a) IN GENERAL.—An increase in budget authority and outlays may be allocated to a committee or committees when another committee or committees of the Senate or a committee of conference have reported legislation that will, if enacted, reduce budget authority and outlays in an amount that is equal to or exceeds the amount of the increase of such allocation or allocations.

(b) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate (after consultation with the Ranking Member) may file with the Senate appropriate revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels to carry out this section provided that the revisions would not lead to an increase in total budget authority or outlay levels for fiscal year 1993 or for the period covered by fiscal years 1993 through 1997. Such revised allocations and functional levels shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 8. DEFICIT NEUTRAL RESERVE FUND FOR HIGH VALUE ECONOMIC GROWTH PROGRAMS.

(A) IN GENERAL.—A reduction in the revenue aggregates may be made for legislation that would result in a reduction in revenues due to provisions relating to a homebuyers tax credit, investment tax credit, investment tax allowance, individual retirement account (IRA) incentives, passive losses, real estate and pension fund investment, capital gains, extension of expiring tax incentives, or any combination thereof, if such legislation would, if enacted, reduce outlays in an amount that is equal to or exceeds the reduction in the revenue aggregates for fiscal year 1993 and for fiscal years 1993 through 1997.

(b) REVISED ALLOCATIONS.—Upon the reporting of legislation pursuant to subsection (a), and again upon the submission of a conference report on such legislation (if a conference report is submitted), the Chairman of the Committee on the Budget of the Senate (after consultation with the Ranking Member) may file with the Senate appropriate revised allocations under sections 302(a) and 602(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. Such revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this concurrent resolution on the budget.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committee may report appropriately revised allocations pursuant to sections 302(b) and 602(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 9. COMPLIANCE WITH MANDATORY SAVINGS.

For the purposes of allocations and points of order under section 302, 311, 601, 602, 604, or 605 of the Congressional Budget and Impoundment Control Act of 1974, if a committee exceeds its section 602(a) allocation, no direct spending reductions shall be scored with respect to the level of budget authority or outlays under section 302, 311, 601, 602, 604, or 605 of that Act for any provision of legislation that would increase direct spending unless such legislation would, if enacted, bring the committee within its section 602(a) allocation.

SEC. 10. CONTROL IN GROWTH OF MANDATORY SPENDING.

(1) FINDINGS.—The Congress finds that—

(1) mandatory spending has increased from $32 billion in 1962 to $708 billion in 1992;

(2) mandatory spending now accounts for nearly half of all Federal outlays, up from 30 percent in 1962;

(3) over the next five years, mandatory spending will grow by $190 billion over and above inflation increases and increases for new beneficiaries;

(4) the Federal budget deficit, projected to exceed $400 billion in 2002, will remain too high unless the growth in mandatory spending is brought under control; and

(5) the current budget process does not provide adequate controls on the growth of mandatory spending.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that legislation should be enacted that—

(1) would, beginning with fiscal year 1994, phase in a cap by fiscal year 1997 on the growth in mandatory spending for all programs except Social Security at a level that allows for beneficiary and inflation growth;

(2) requires mandatory funding levels in the President's budget and the congressional budget resolution not to exceed the mandatory cap; and

(3) provides a mechanism to reduce the growth in spending for mandatory programs except Social Security if such mandatory spending exceeds the cap.

SEC. 11. EXTENSION OF THE BUDGET ENFORCEMENT ACT.

(a) FINDINGS.—The Congress finds that—

(1) the Budget Enforcement Act of 1990 has reduced discretionary spending, provided an orderly reduction in defense spending, and prevented enactment of legislation expanding existing or creating new mandatory spending authority unless paid for; and

(2) with the expiration of the Budget Enforcement Act in 1995, the American people will lose the major instrument to control the growth in Federal spending, the budget deficit, and the national debt.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the Budget Enforcement Act should be extended, including the extension of the—

(1) individual caps on defense and nondefense spending;

(2) pay-as-you-go discipline for mandatory programs;

(3) maximum deficit amounts;

(4) supermajority points of order enforcement mechanisms; and

(5) sequester mechanisms to enforce the discretionary spending caps, pay-as-you-go discipline, and the maximum deficit amounts.

SENATE RESOLUTION 276—COMMENDING THE LONG AND DISTINGUISHED SERVICE OF VADM RICHARD H. TRULY

Mr. BURNS (for Mr. GARN, for himself, Ms. MIKULSKI, Mr. HOLLINGS, Mr. GORE, Mr. D'AMATO, and Mr. GLENN) submitted the following resolution; which was considered and agreed to:

S. RES. 276

Whereas Vice Admiral Richard H. Truly began his career of service to his Nation in 1959 when he was commissioned as an ensign in the United States Navy;

Whereas, as a naval aviator, Vice Admiral Richard H. Truly served as a fighter pilot, instructor at the United States Air Force Aerospace Research Pilot School, and in 1969, transferred to the National Aeronautics and Space Administration, as an astronaut;

Whereas, during his assignment to the National Aeronautics and Space Administration as an astronaut, Vice Admiral Richard H. Truly was pilot for one of the approach and landing test flights in 1977 of the Space Shuttle Enterprise, and pilot of the Space Shuttle Columbia for the Nation's second shuttle mission in space orbit in 1981;

Whereas Vice Admiral Richard H. Truly returned to naval service in 1983 to become the first commander of the Naval Space Command, but returned to the National Aeronautics and Space Administration in February 1986, to lead the difficult and painstaking rebuilding of the Space Shuttle program following the Challenger tragedy;

Whereas, under Vice Admiral Richard H. Truly's leadership, the National Aeronautics and Space Administration celebrated "return to flight" of the Space Shuttle program in September of 1988, and has subsequently flown twenty additional safe and highly successful shuttle missions;

Whereas Vice Admiral Richard H. Truly became the eighth Administrator of the National Aeronautics and Space Administration on July 1, 1989, and the first astronaut to head the Nation's civilian space agency;

Whereas as Administrator, Vice Admiral Richard H. Truly expanded and emphasized the National Aeronautics and Space Administration's role in improving education programs and stimulating the interest of our Nation's youth in mathematics, science, and engineering; increased the dissemination of aerospace technologies to stimulate domestic economic activity; broadened opportunities to develop new commercial enterprises in space; managed the development of a broad array of new science, technology, and exploratory missions; initiated a continuous improvement program; and promoted a culturally diverse work force; and

Whereas, Vice Admiral Richard H. Truly's leadership of the National Aeronautics and Space Administration has emphasized the operation of a safe and reliable space transportation system and a balance between the scientific research and exploration and more focused Earth, environmental, materials, and life sciences research, aeronautics and high performance computing technology development, and expansion of manned missions through the Space Shuttle and Space Station Freedom programs, leading to future manned exploration of our solar system: Now, therefore, be it

Resolved,

SECTION 1. TRIBUTE.

The Senate pays tribute to Vice Admiral Richard H. Truly in appreciation for his dedication and commitment to promoting the goals and objectives of our Nation's civil space program, sustaining America's leadership in space and aeronautics, and inspiring our youth to continue to reach for the stars.

SEC. 2. COMMENDATION.

The Senate commends Vice Admiral Richard H. Truly for his outstanding leadership of the National Aeronautics and Space Administration through difficult program and policy debates; and wishes him God speed as he brings to a close an exemplary career in Government service to chart new waters.

SEC. 3. COPY OF RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to Vice Admiral Richard H. Truly.

AMENDMENTS SUBMITTED

JOB TRAINING AND BASIC SKILLS ACT

HATFIELD AMENDMENT NO. 1747

(Ordered to lie on the table.)

Mr. HATFIELD submitted an amendment intended to be proposed by him to the bill (S. 2055) to amend the Job Training Partnership Act to strengthen the program of employment and training assistance under the act, and for other purposes, as follows:

At the appropriate place in the Committee amendment, add the following new section:

SEC. . ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE.

(a) AMENDMENT.—Part B of title III of the Job Training Partnership Act (29 U.S.C. 1662 et seq.) is amended by adding at the end the following:

"SEC. 327. ENDANGERED SPECIES EMPLOYMENT TRANSITION ASSISTANCE.

"(a) DETERMINATION OF ELIGIBILITY.—

"(1) DEFINITION.—For purposes of this section, the term 'eligible individual' means an individual who—

"(A) is an eligible dislocated worker; and

"(B) has been terminated or laid off, or has received a notice of termination or layoff, as a consequence of compliance with the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.).

"(2) DETERMINATIONS.—The determination of eligibility under paragraph (1)(B) shall be made by the Secretary of Labor, pursuant to criteria established by the Secretary, in consultation with the Administrator of the Environmental Protection Agency, the Secretary of the Army, the Secretary of Commerce, the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Energy.

"(b) GRANTS AUTHORIZED.—The Secretary may make grants to States, substate grantees (as described in section 312(c)), employers, employer association, and representatives of employees—

"(1) to provide training, adjustment assistance, and employment services to eligible individuals adversely affected by compliance with the Endangered Species Act of 1973; and

"(2) to make needs-related payments to such individuals in accordance with subsection (f).

"(c) PRIORITY AND APPROVAL.—

"(1) APPLICATION.—To be eligible to receive a grant under subsection (b), a State, substate grantee, employer, employer association, or representative of an employee shall submit an application to the Secretary at such time, in such manner, and containing such assurance as the Secretary may require.

"(2) PRIORITY.—In reviewing applications for grants under subsection (b), the Secretary shall give priority to applications proposing to provide training, adjustment assistance, and services in areas that have the greatest number of eligible individuals.

"(3) NEEDS-RELATED PAYMENTS REQUIRED.—The Secretary shall not approve an application for a grant under subsection (b) unless the application contains assurances that the applicant will use grant funds to provide needs-related payments in accordance with subsection (f).

"(d) USE OF FUNDS.—Subject to the requirements of subsections (e) and (f), grants under subsection (b) may be used for any purpose to which funds may be used under section 314.

"(e) ADJUSTMENT ASSISTANCE.—

"(1) JOB SEARCH ALLOWANCE.—Grants under subsection (b) for adjustment assistance may be used to provide job search allowances to eligible individuals. Such allowance, if granted, shall provide reimbursement to the individual of not more than 90 percent of the cost of necessary job search expenses, as prescribed by regulations of the Secretary, and may not exceed $800 unless the need for a greater amount is justified in the application and approved by the Secretary.

"(2) CRITERIA FOR GRANTING JOB SEARCH ALLOWANCES.—A job search allowance may be granted only—

"(A) to assist an eligible individual who has been totally separated in securing a job within the United States; and

"(B) if the Secretary determines that such employee cannot reasonably be expected to secure suitable employment in the commuting area in which the worker resides.

"(f) NEEDS-RELATED PAYMENTS.—The Secretary shall prescribe regulations with respect to the use of funds from grants under subsection (b) for needs-related payments in order to enable eligible individuals to complete training or education programs under this section. Such regulations shall—

"(1) require that such payments shall be provided to an eligible individual only if such individual—

"(A) does not qualify or has ceased to qualify for unemployment compensation;

"(B) has been enrolled in training by the later of—

"(i) the end of the 13th week of the individual's initial unemployment compensation benefit period; or

"(ii) the end of the 8th week after an individual is informed that a short-term layoff will in fact exceed 6 months; and

"(C) is participating in training or education programs under this section, except that such regulations shall protect an individual from being disqualified pursuant to this clause for failure to participate that is not the fault of the individual;

"(2) provide that to qualify for such payments the individual currently receives, or is a member of a family that currently receives, a total family income (exclusive of unemployment compensation, child support payments, and welfare payments) that, in relation to family size, is not in excess of the lower living standard income level;

"(3) provide that the levels of such payments shall be equal to the higher of—

"(A) the applicable level of employment compensation; or

"(B) the official poverty line (as defined by the Office of Management and Budget, and revised annually by the Secretary in accordance with section 673(2) of the Community Services Block Grant Act; (42 U.S.C. 9902(2));

"(4) provide for the adjustment of payments to reflect changes in total family income; and

"(5) provide that the grantee shall obtain information with respect to such income, and changes therein, from the eligible individual.

"(g) ADMINISTRATIVE EXPENSES.—The Secretary of Labor may reserve not more than 5 percent of the funds appropriated under this section for the administration of activities authorized under this section, including the provision of technical assistance for the preparation of grant applications.

"(h) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to amounts authorized to be appropriated by section 3(b), there are authorized to be appropriated $50,000,000 for fiscal year 1993, and such sums as may be necessary for each of fiscal years 1994, 1995, 1996, and 1997 to carry out this section. The total amount appropriated for all 5 such fiscal years shall not exceed $250,000,000.

"(2) AVAILABILITY.—Amounts appropriated pursuant to this subsection shall remain available until expended.

"(i) REGULATIONS.—The Secretary shall prescribe regulations to carry out this section not later than 180 days after the date of enactment of this section.

"(j) GENERAL ACCOUNTING OFFICE ASSESSMENT OF EFFECTS ON EMPLOYMENT OF COMPLIANCE WITH ENDANGERED SPECIES ACT OF 1973.—The Comptroller General of the United States shall—

"(1) identify and assess, to the extent possible, the effects on employment that are attributable to compliance with the provisions of the Endangered Species Act of 1973; and

"(2) submit to the Congress on the date 4 years after the date of the enactment of this section a written report on the assessments required under paragraph (1).".

(b) CONFORMING AMENDMENTS.—

(1) The table of contents of the Job Training Partnership Act is amended by adding at the end of the items pertaining to part B of title III the following:

"Sec. 327. Endangered species employment transition assistance.".

(2) Section 3(b) of the Job Training Partnership Act (29 U.S.C. 1502(c)) is amended by striking "section 326" and inserting "sections 326 and 327".

NATIONAL INSTITUTES OF HEALTH REVITALIZATION AMENDMENTS

HATCH AMENDMENT NO. 1748

Mr. HATCH proposed an amendment to the bill (H.R. 2507) to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, and for other purposes, as follows:

At the appropriate place, insert the following new section:

SEC. . STUDY OF HIV VACCINES FOR THERAPY AND PREVENTION OF HIV INFECTION IN WOMEN, INFANTS, AND CHILDREN.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 498 the following new section:

"SEC. 498B. STUDY OF HIV VACCINES FOR THERAPY AND PREVENTION OF HIV INFECTION IN WOMEN, INFANTS, AND CHILDREN.

"(a) IN GENERAL.—The Secretary, acting through the National Institutes of Health, shall develop a plan for the appropriate inclusion of HIV-infected women, including pregnant women, HIV-infected infants, and HIV-infected children in studies conducted by or through the National Institutes of Health concerning the safety and efficacy of HIV vaccines for the treatment and prevention of HIV infection. Such plan shall ensure the full participation of other Federal agencies currently conducting HIV vaccine studies and require that such studies conform fully to the requirements of part 46 of title 45, Code of Federal Regulations.

"(b) REPORT.—Not later than 6 months after the date of enactment of this section, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the plan developed under subsection (a).

"(c) IMPLEMENTATION.—Not later than 12 months after the date of enactment of this section, the secretary shall implement the plan developed under subsection (a), including measures for the full participation of other Federal agencies currently conducting HIV vaccine studies.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to enable the secretary to carry out this section, $50,000 for fiscal year 1993, $2,500,000 for fiscal year 1994, and $5,000,000 for fiscal year 1995.".

HATCH AMENDMENT NO. 1749

Mr. HATCH proposed an amendment to the bill H.R. 2507, supra, as follows:

Beginning on page 28, strike out line 7 and all that follows through line 15 on page 44, and insert in lieu thereof the following new title:

TITLE II—PROVISIONS CONCERNING FETAL TISSUE

SEC. 201. FETAL TISSUE REGISTRY, FETAL TISSUE BANK AND FETAL CELL LINES.

Part G of title IV (42 U.S.C. 289 et seq.) is amended by inserting after section 498 the following new section:

"SEC. 498A. FETAL TISSUE REGISTRY, FETAL TISSUE BANK AND FETAL CELL LINES.

"(a) ESTABLISHMENT OF REGISTRY.—The Secretary shall establish a nonprofit registry of physicians and hospitals desiring to participate in and facilitate the creation of a nonprofit human fetal tissue bank, established with tissue obtained from spontaneous abortions and ectopic pregnancies, for use in human fetal tissue transplantation. Such registry shall be funded by the Department of Health and Human services and administered through the National Institutes of Health.

"(b) ESTABLISHMENT OF TISSUE BANK.—The Secretary shall establish a nonprofit human fetal tissue bank, for tissue obtained from ectopic pregnancies and spontaneous abortions, for use in human fetal tissue transplantation. Such registry shall be funded by the Department of Health and Human Services and administered through the National Institutes of Health.

"(c) STUDY.—

"(1) CONTENTS.—The Secretary shall conduct a study that shall include—

"(A) an assessment of the adequacy, in terms of quality, of the human fetal tissue obtained from spontaneous abortions and ectopic pregnancies and with respect to the research use of such fetal tissue in human fetal tissue transplantation for diseases and conditions such as, neurological diseases, endocrine diseases (such as diabetes mellitus), and hematopoietic conditions (such as leukemia or aplastic anemia);

"(B) an assessment of the overall availability and potential supply of tissue from such sources with respect to future research needs described in subparagraph (A); and

"(C) an examination of the methods and approaches of recovering, identifying, and characterizing fetal tissue and fetal cells obtained from such sources.

"(2) REPORT.—Not later than 6 months after the date of enactment of this section, the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the results of the study conducted under paragraph (1).

"(3) PARTICIPATION OF INVESTIGATORS.—Nothing in this section shall prohibit investigators who are not affiliated with the National Institutes of Health from participating in the registry and tissue bank established under this section for purposes of conducting human fetal tissue transplantation research.

"(d) HUMAN FETAL CELL LINES.—The Secretary, acting through the National Institutes of Health, shall establish human fetal cell lines using cells obtained from spontaneous abortions and ectopic pregnancies.

"(e) ADDITIONAL STUDIES.—

"(1) PRESERVATION OF FETAL CELLS AND TISSUE.—The Secretary shall conduct a study to assess the various methods available for the optimal preservation of viable human fetal cells and tissues, including an assessment of—

"(A) the transportation and storage conditions involved;

"(B) the intervals between the collection of such cells and tissues and the cryopreservation or utilization of such; and

"(C) the methods and conditions for maintaining the optimal viability and functional integrity of both frozen and unfrozen cells and tissues.

"(2) OUTCOMES MONITORING.—The Secretary shall conduct a study to monitor the outcomes of the transplantation of human fetal cells and tissue in recipients.

"(3) ECTOPIC PREGNANCIES AND SPONTANEOUS ABORTIONS.—The Secretary shall conduct a study to determine the causes, and demographic and epidemiological characteristics, of ectopic pregnancies and spontaneous abortions, for the purpose of developing and evaluating strategies for improved treatment and prevention of such complications of pregnancy and for improved fetal survival.

"(4) REPORTS.—The Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Labor and Human Resources of the Senate, a report concerning the results of the—

"(A) study conducted under paragraph (1), not later than 1 year after the date of enactment of this section;

"(B) study conducted under paragraph (2), not later than 1 year after the date of enactment of this section, and biennially thereafter; and

"(C) study conducted under paragraph (3), not later than 1 year after the date of enactment of this section.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to enable the Secretary to carry out this section, $25,000,000 for fiscal year 1993, to remain available for 5 years.".

On page 115, strike lines 1 through 17.

DECONCINI AMENDMENT NO. 1750

(Ordered to lie on the table.)

Mr. DECONCINI submitted an amendment intended to be proposed by him to the bill H.R. 2507, supra, as follows:

On page 41, strike lines 11 through 14 and insert the following:

"(c) CRIMINAL PENALTIES FOR VIOLATIONS.—(1) A person who violates subsection (a) or (b) shall be fined in accordance with title 18, United States Code, and imprisoned not less than 2 nor more than 5 years.

"(2) A person who receives valuable consideration in connection with an offense under subsection (a) or (b) shall, notwithstanding section 3571 (c) and (d) of title 18, United States Code, be fined not less than twice the amount of the valuable consideration received.

NATIONAL GEOLOGICAL MAPPING ACT

JOHNSTON (AND WALLOP) AMENDMENT NO. 1751

Mr. LAUTENBERG (for Mr. JOHNSTON, for himself and Mr. WALLOP) proposed an amendment to the bill (H.R. 2763) to enhance geological mapping of the United States, and for other purposes, as follows:

On page 2, delete lines 8 through 10 and insert in lieu thereof the following:

"(C) land use evaluation and planning for environmental protection;".

On page 5, line 11, delete "210" and insert in lieu thereof "300".

On page 5, line 17, delete lines 17 through 19 and insert in lieu thereof the following:

"(C) within 210 days after the date of enactment of this Act, submit a report to the Committee on Energy and Natural Resource of the United States Senate and to the Committee on Interior and Insular Affairs of the House of Representatives identifying—".

On page 6, at the end of line 6, delete the period and insert in lieu thereof a semicolon and the following:

"(iv) the degree to which geologic mapping activities traditionally funded by the Survey, including the use of commercially available aerial photography, geodesy, professional land surveying, photogrammetric mapping, cartography, photographic processing, and related services, can be contracted to professional private mapping firms."

On page 6, delete lines 18 through 23 and insert in lieu thereof the following:

"(1) determining the Nation's geologic framework through systematic development of geologic maps at scales appropriate to the geologic setting and the perceived applications, such maps to be contributed to the national geologic map data base;".

On page 7, lines 19 through 20, delete "shall be coordinated through the OMB Circular A-16 (Revised) Process and".

On page 10, line 1, insert a period after "priorities" and delete "established through the OMB Circular A-16 (Revised) process coordinated by the Survey."

On pages 10 and 11, delete subsection (a) and insert in lieu thereof the following:

"(a) ESTABLISHMENT.—There shall be established a sixteen member geologic mapping advisory committee to advise the Director on planning and implementation of the geologic mapping program. The President shall appoint one representative each from the Environmental Protection Agency, the Department of Energy, the Department of Agriculture, and the Office of Science and Technology Policy. Within 90 days and with the advice and consultation of the State Geological Surveys, the Secretary shall appoint to the advisory committee 2 representatives from the Survey (including the Chief Geologist, as Chairman), 4 representatives from the State geological surveys, 3 representatives from academia, and 3 representatives from the private sector.

On page 12, lines 12 and 13, delete "consistent with OMB Circular A-16 (Revised)".

On page 13, delete lines 14 through 20 and insert in lieu thereof the following:

"(4) a description of the degree to which the Survey can acquire, archive, and use Side-Looking Airborne Radar (SLAR) or Interferometric Synthetic Aperture Radar (IFSAR) data in a manner that is technically appropriate for geologic or related mapping studies;".

On page 15, line 11, delete "$11,500,000" and insert in lieu thereof "$12,000,000".

On page 1, line 5, delete "1991" and insert in lieu thereof "1992".

NOTICES OF HEARINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. LEAHY. Mr. President, I would like to announce that the Senate Committee on Agriculture, Nutrition, and Forestry Subcommittee on Agricultural Research and General Legislation will hold a hearing on the efforts by the U.S. Government to resolve the trade dispute with the European Community over the application of the third country meat directive to U.S. meat processing plants. The hearing will be held on Thursday, April 9, 1992, at 9:30 a.m. in SR-332. Senator TOM DASCHLE will preside.

For further information please contact Mark Ulven at 224-2321.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS, AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that an additional measure, S. 2393, a bill to designate certain lands in the State of California as wilderness, and for other purposes, will be heard at the field hearing scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The field hearing will take place on Saturday, April 4, 1992, beginning at 8:30 a.m. and concluding at approximately 6 p.m. The hearing will be held at the Palm Desert High School gymnasium, 43-570 Phyllis Jackson Lane, in Palm Desert, CA.

For further information regarding the hearing, please contact Erica Rosenberg or David Brooks of the subcommittee staff at (202) 224-7933.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a hearing on Wednesday, April 1, 1992, beginning at 9:30 a.m., in 485 Russell Senate Office Building, on S. 2481, reauthorization of the Indian Health Care Improvement Act.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251

SPECIAL COMMITTEE ON AGING

Mr. PRYOR. Mr. President, I would like to announce for the public that the Special Committee on Aging has scheduled a hearing on Medicare charge limits enacted as part of Medicare physician payment reform. The hearing will focus on the problems surrounding the implementation of these limits.

The hearing will take place on Tuesday, April 7, 1992, beginning at 9:30 a.m. in room 628 of the Dirksen Senate Office Building in Washington, DC.

For further information, please contact Portia Mittelman, staff director at (202) 224-5364.

AUTHORITY FOR COMMITTEES TO MEET

SUBCOMMITTEE ON COURTS AND ADMINISTRATIVE PRACTICE

Mr. LAUTENBERG. Mr. President, I ask unanimous consent that the Subcommittee on Courts and Administrative Practice of the Committee on the Judiciary, be authorized to meet during the session of the Senate on Tuesday, March 31, 1992, at 2 p.m., to hold a markup.

Markup of the following bills:

S. 1569. A bill to implement the recommendations of the Federal Courts Committee, and for other purposes—Heflin. (Subcommittee Substitute).

H.R. 2324. A bill to amend title 28, United States Code, with respect to witness fees—Hughes.

H.R. 2549. A bill to make technical corrections to Chapter 5 of title 5, United States Code—Frank.

H.R. 3237. A bill to extend the terms of office of members of the foreign claims settlement commission from 3 to 6 years—Frank.

H.R. 3379. A bill to amend Section 574 of title 5, United States Code, relating to the authorities of the Administrative Conference—Frank.

H.R. 3686. A bill to amend title 28, United States Code, to make changes in the places of holding court in the Eastern District of North Carolina—Hughes.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO EAST HIGH SCHOOL

• Mr. WIRTH. Mr. President, I rise today to pay tribute to an excellent teacher and the students at East High School in Denver, CO. For the third year in a row, East High School has won the opportunity to represent the State of Colorado in the national finals of the "We The People Bicentennial Competition on the Constitution and the Bill of Rights" in Washington, DC. I commend the students of the Advanced Placement American Government and Politics Class at East High School, and their teacher, Deanna Morrison for their noteworthy achievement.

Each year, one high school from every State in the country is chosen to participate in this rigorous competition. The winning team must exhibit the ability to advocate a position effectively and reasonably under pressure. In addition, students must combine their knowledge of current issues with their understanding of the Constitution and the Bill of Rights. The students of East High have repeatedly given superior performance in each of these areas.

Although the students of East High have spent 3 months of hard work and study in order to attend the national competition on the Constitution and the Bill of Rights, they always have one final hurdle to clear. Admirably, each year the students and faculty raise the thousands of dollars necessary to cover the cost of their participation in the competition in Washington. I admire the drive and commitment of East High that keeps the teachers and students working to achieve academic excellence as well as ensure that their goals are realized.

Mr. President, in closing I would like to say that on behalf of the State of Colorado, we have great pride in East High School and Ms. Morrison for their three consecutive victories as State bicentennial competition champions. These students, having been enriched by their experience with constitutional studies and civic lessons, may very well be standing in our shoes one day as the future of Government in our Nation. I wish East High School the best of luck in the national competition, and as they further their studies in this vital area of American history.•

TRIBUTE TO MAKER'S MARK DISTILLERY

• Mr. McCONNELL. Mr. President, I rise today to recognize an outstanding Kentucky business which has remained both autonomous and prosperous following an acquisition by an international corporation. Maker's Mark Distillery in Bardstown, KY, is a distinctly home-operated company, rich in history, and tradition.

Maker's Mark was acquired by Hiram Walker-Allied Vintners, the world's third-largest liquor company, in the early 1980's. Founder T. William Samuels reluctantly decided to sell when his wife became seriously ill, and his son's efforts to buy the company fell through. However, Mr. Samuels did not completely loosen the apron strings—

part of the deal was keeping his son as president, and a written guarantee of autonomy for the distillery.

A decade after Hiram Walker's acquisition, Maker's Mark remains virtually unchanged. Research and development still consist of three guys drinking shots of the sour mash whiskey. Production lines are comparatively slow; only 36 bottles move down the line per minute because each is hand-sealed with trademark red wax. Quality control is President Bill Samuels, Jr., dipping his finger into a cypress tub of fermenting bourbon and saying, "It's ready."

Even with its 32-year-old methods, Maker's Mark thrives financially. Its premium bourbon's pretax earnings of about $3.5 million last year have been growing by about 20 percent annually since the acquisition; sales have tripled to about $12 million.

The agreement reached with Hiram Walker 10 years ago was truly a profitable compromise for both parties. The Samuels family has protected the old-fashioned methods of distilling, and Hiram Walker-Allied Vintners has enhanced the value of the company. Mr. President, I commend Maker's Mark Distillery for its fine product and ask that the following article from the Wall Street Journal be entered into the RECORD.

The article follows:

[From the Wall Street Journal, June 26, 1991]

AFTER BEING ACQUIRED, A SMALL DISTILLER REMAINS AUTONOMOUS—AND PROSPEROUS

(By Alecia Swasy)

LORETTO, KY.—At Maker's Mark Distillery, research and development is three guys drinking shots of bourbon. Production lines move only 36 bottles a minute, so each one can be hand-sealed with fire-engine-red wax. And quality control is Bill Samuels Jr., the founder's son, dipping a finger into a cypress tub of fermenting bourbon and saying: "It's ready."

So imagine the jolt this sleepy little distiller expected when the Samuels family sold out to an international liquor company. "I thought the company would get real big or move out of here," says Johnny Young, who has rolled oak barrels of bourbon into warehouses for the past dozen years.

But unlike other companies that were swept up in the merger mania of the 1980s, Maker's Mark remains virtually unchanged a decade after the sale to Hiram Walker-Allied Vintners, the world's third-largest liquor company. The 51-year-old Mr. Samuels, who remains president, is considered a rebel, but his corporate bosses leave him alone.

"Bill operates under the theory that if he shouts loud enough, you'll go away," says Mr. Samuels's boss, Jim Murphy, chairman of Hiram Walker's North American operations. Sometimes, Mr. Murphy admits, "you want to strangle him."

But Mr. Murphy hasn't taken drastic action against Mr. Samuels, and the relationship between the two illustrates an important lesson for all managers trying to get the most out of an acquired company. Maker's Mark has been given great autonomy, to the benefit of both parties. Today, Maker's Mark premium bourbon is one of the most profitable in Hiram Walker's liquor cabinet. Its pretax earnings of about $3.5 million last year have been growing about 20 percent annually since the acquisition while sales have tripled to about $12 million.

As a major example of the autonomy granted by Hiram Walker to Maker's Mark, Mr. Samuels has retained the right to develop his own advertising. Each ad, which carries his signature, focuses on odd stories and is seemingly unconcerned with selling more whiskey. One ad describes how the Samuels family is related to the outlaw James gang. Another one explains how to open the distillery's wax-sealed bottles.

"He's very opinionated," says Martin G. Jewett, vice president and creative director at Doe-Anderson Advertising Agency Inc., the Louisville firm that handles the $1,250,000 account. "I'd hate to work with more than one of him."

Other companies see the wisdom in autonomy. Corning Inc., for instance, gives a lot of freedom to such subsidiaries as U.S. Precision Lens in Cincinnati. PPG Industries Inc. keeps local managers in place when it buys an overseas company. And USX Corp. has kept Marathon Oil independent from its steel operations.

Typically, however, acquired companies are merged into the mainstream. Senior management is booted out or left with little power. And the culture of the acquired company is lost. "U.S. managers have an overwhelming need for control," says Jordan D. Lewis, author of the book "Partnerships for Profit." "For every one of these acquisitions that works, there are 10 that go bad."

How much autonomy an acquired company gets depends on many factors, including how healthy it is, management experts say. If it's in good shape, then managers will be more inclined not to mess with success. But even healthy companies can get streamrolled by an acquiring company. Consider International Business Machines Corp.'s acquisition of Rolm Corp., which the computer giant bought in 1984 for $1.5 billion and most of which it sold four years later to Germany's Siemens AG. The marriage ended in divorce, partly because IBM tried to impose its own thinking and culture on Rolm, Mr. Lewis says.

BUREAUCRATS AT THE READY

Companies tend to be more patient when they feel less pressure to recoup the purchase price. But even when things are going relatively well, as was the case at Maker's Mark, patience is difficult to maintain. "Being patient is the most difficult thing," says John Giffen, managing director of Hiram Walker. "There are a tremendous number of bureaucrats in any corporation poised to go in and standardize everything."

Though Maker's Mark wasn't making a lot of money when it was bought out in 1981, Mr. Giffen says Hiram Walker knew the company had great potential—and they had confidence in Mr. Samuels. Besides, Hiram Walker recognized that it was getting a niche brand that enjoys high status among bourbon connoisseurs. Maker's Mark, whose fans most often single out its smoothness, counts Paul Newman, Fidel Castro and Secretary of State James Baker among the brand's devotees. Mr. Baker recently mentioned the brand while delivering a eulogy at a funeral, noting that the departed and he enjoyed the "warm glow" of the bourbon.

The 32-year-old brand is still a tiny player in a market dominated by Jim Beam, Jack Daniel's and Early Times. Even so, demand for Maker's Mark bourbon exceeds supply. That comes amid a lackluster period for bourbon sales and hard liquor generally. Last year U.S. sales of bourbon were 16 million cases, half the level of 1975, according to M. Shanken Communications, publisher of industry newsletters. "People are drinking less, but they're drinking better brands," Mr. Giffen asserts. And foreign demand is growing, especially in Japan.

Before the company sold out, founder T. William Samuels swore he would never let a suitor get beyond the front porch. But that changed when his wife, Margie Mattingly Samuels, became seriously ill in the early 1980s and he decided it was time to step down. After his son's attempt to buy the company fell apart, Maker's Mark was then sold for an undisclosed amount to Hiram Walker, maker of Canadian Club, Kahlua and other big brands.

KEYS TO THE HANDCUFFS

Mrs. Samuels died in 1985. The elder Mr. Samuels, now 81 years old, retired. But part of the deal was keeping the junior Samuels as president, with a written guarantee of autonomy. "I need the keys to the handcuffs," he says. "Conforming is the hardest thing for me to do."

His biggest gripe, he says, is dealing with corporate bureaucracy when he wants to spend money. That is because money is tighter at Hiram Walker's parent company, Allied-Lyons PLC. The British liquor and food company is under pressure after losses in its foreign-currency exchange center, as well as heavy debt from acquisitions.

Mr. Samuels says he still gets little interference. He is only required to submit monthly financial reports to Mr. Murphy. And he attends some corporate meetings. At one budget meeting, he wore a T-shirt emblazoned with a suggestion that he needed more cash and less grief from corporate headquarters. At another meeting, Mr. Samuels wore knee pads, so he could get on his knees to ask for more money. "You wouldn't want all of your companies run this way," Mr. Murphy says. "We'd have total anarchy."

Mr. Samuels describes himself as a lousy manager, but there has been virtually no turnover in his crew of about 50 employees. And he has protected the old-fashioned methods of distilling, which he learned in his youth from the bourbon barons on Whisky Row in nearby Bardstown.

A century-old grist mill is still used to crush the corn and winter wheat. Bottle labels are hand-cut, not mass-produced. The bottling line produces 1,300 cases a day, as compared with the 10,000 cases bottled daily at a Canadian Club plant. And a deep fryer from his mother's kitchen is still used to melt the red wax that seals the bottle. Says Mr. Samuels: "We didn't have anymore french fries after the summer of '57."●

FLORIDA'S INTERNATIONAL VOLUNTEER CORPS

● Mr. GRAHAM. Mr. President, the vital contributions of volunteers to the well being and progress of this nation are well known. What may not be so well known are the achievements, beyond our borders, of Florida's International Volunteer Corps. My purpose today is to recognize and salute the dedicated citizen-volunteers of this innovative, unique and exciting program.

Floridians believe that in order for trade and democracy to flourish in the region, our State must foster lasting partnerships with the neighboring Caribbean. Indeed, Florida is very much a Caribbean state. Florida's International Volunteer Corps offers this challenge.

The Volunteer Corps provides our overseas partner short-term people-to-people training and technical assistance in health, education and agriculture. Last year 45 volunteer-consultants, serving an average of 10 days overseas, trained more than 1,400 participants. Serving in 13 nations of the Caribbean and Central America, consultants receive only minimal travel and subsistence expenses in exchange for sharing their skills and expertise. Up to $4 in donated supplies, materials and consultant fees is generated for every dollar of State funds invested. State appropriations have been voted by Florida's Legislature since 1986.

The Volunteer Corp is a program of the Florida Association of Voluntary Agencies for Caribbean Action [FAVA/CA], a unique public-private development partnership with the Caribbean. I am pleased to have had a hand in founding FAVA/CA during my years as Governor.

Private corporations and concerned individuals historically have comprised the membership of this association. Support for our initial projects was provided by the Agency for International Development [AID]. AID continues to provide important resources through the Farmer-to-Farmer Program, administered by FAVA/CA's long time good partner, Volunteers in Overseas Cooperative Assistance.

I am proud to continue my service to FAVA/CA as chair of the Executive Advisory Council as this important organization, on May 10 of this year, celebrates its 10th anniversary. It is this occasion that prompts me to bring to your attention and acknowledge the fine work and dedication of the members of the Florida International Volunteer Corps.•

TRIBUTE TO PEWEE VALLEY

• Mr. McCONNELL. Mr. President, I rise today to recognize the town of Pewee Valley, located in north-central Kentucky.

Pewee Valley, is located in Oldham County, sits on relatively flat ground that is interrupted in places by low-rolling fields. It does not stray far from the traditions of many American small towns. Pewee Valley is remarkably tranquil and serene, and is considered by its citizens to be the perfect place to raise a family.

Pewee Valley has been home to a number of talented journalists, teachers, and artists. W.N. Haldeman, owner of Louisville's Morning Courier and, after the Civil War, founder of the Courier-Journal made the valley his home.

Besides the natural beauty, the real strength of Pewee Valley is its citizens. Residents are willing to lend a helping hand to anyone in need and generously look out for one another.

The railroad has played a major role in Pewee Valley's history. Today, CSX runs through the center of town. Residents enjoy a $13,753 per capita income, $1,756 above the State average. There is no doubt, that Pewee Valley is a confident and viable community.

The town of Pewee Valley is a special place in Kentucky. It should be recognized as one of Kentucky's finest communities. Mr. President, I ask that the following Louisville Courier-Journal article be submitted into the CONGRESSIONAL RECORD.

The article follows:

PEWEE VALLEY—LONG ON HISTORY, SHORT ON BUSTLE, TOWN IS MORE THAN AN AFFLUENT SUBURB

(By Kristi D. Young)

Author Annie Fellows Johnston said wandering Pewee Valley's shady lanes nearly a century ago was like stepping between the covers of an old romance novel.

Despite booming growth elsewhere in Oldham County and bustling commerce in neighboring Crestwood, the same can be said of Pewee Valley today.

"We get the news from the newspapers . . . but also at the post office and the general store," said former mayor and city attorney John Frith Steward. "My wife, Mary, goes to the store to find out if somebody's sick or somebody's married."

It's not unusual for folks to gather at Beard's Grocery in the heart of town in the morning or at lunch time, said Carl Lee Beard, who runs the store with his twin brother, Charles.

"There's six or eight, 10 in here some mornings, aggravating each other . . . lying about lies," Carl Lee Beard said.

Beard's is a typical country store. Country music plays in the background and the Ten Commandments hang on the wall, over a motor oil display. The Beards sell everything from milk to fresh meats and vegetables. But as times changed, the Beards added a couple of gas pumps and a copying machine.

The store also sells T-shirts promoting the "Land of the Little Colonel," a series of nationally known children's books written by Johnston that told the story of a young girl whose adventures revolved around the Locust, her Pewee Valley home.

"Every place tries to find something to hang on to," Carl Lee Beard said of the Little Colonel books. "That's the only thing the city's got, I guess."

But Pewee Valley, which became a city in 1870, hangs on to much, much more, said Vivien Hoskins Reinhardt. That's why she became mayor in 1986.

"They wrote me in," she said. "People said, 'She will keep it as it is.'

"It seems the people who move in here are just as keen on keeping the tradition," Reinhardt said.

The town's six-member council may sometimes disagree on details, but all want to preserve historic Pewee Valley, she said.

The town's charm is a major draw for the affluent in the Louisville area.

"I think they like the atmosphere. It's peaceful and friendly," Reinhardt said.

Majestic houses sit back on tree-shaded lawns along La Grange Road. Some have stone entrance gates, and long, winding drives that make for a peaceful and tranquil setting.

Town historian Virginia Chaudoin, 70, has lived on Tulip Avenue in Pewee Valley all of her life. She has stayed for some of the same reasons that attract new residents to the town.

"Believe me, if you're on vacation the best thing about a vacation is coming home, I had a friend who was a pilot and she said, '. . . Virginia, I'm gonna come and take you off of Tulip Avenue.'

"But I would never leave."

She said one of the things that makes the town special is the closeness of its residents. "Anybody would do anything for anybody," she said.

Chaudoin still doesn't get her mail delivered to her home.

"I want to go to the post office and meet and greet people there," she said.

Pewee Valley has its own volunteer fire department and a three-member, full-time police force. But there is little crime.

"The police can patrol the whole town in no time at all," Reinhardt said.

Police chief Larry Walls measured the city on a recent run and said it's about 1½ square miles. The biggest problem Walls faces is traffic, which "has probably tripled in the city since I've been here."

A main line of the CSX railroad runs through Pewee Valley, paralleling La Grange Road. Reinhardt said the trains rarely disturb the lives of long-time residents, but can be a trial for new folks. So the town got CSX to agree that engineers would not blow their whistles as they passed through town.

Even so, the railroad has played a major role in the town's history. In 1851, the Louisville & Frankfort Railroad put in a stop called Smith's Station.

Development stalled during the Civil War, but picked up when the town's first three congregations—Episcopalians, Catholics and Presbyterians—built churches in the 1860s. In 1866 Henry Smith bought 220 acres for a subdivision and began laying out roads—Ashwood (now Ash), Tulip, Maple and Elm avenues. Their names refer to the trees, many of which residents have preserved, that Smith planted along them.

Some prominent residents paid for a railroad depot that was completed in 1867 at the intersection of Central Avenue and La Grange Road.

The town got its name when community leaders gathered to choose a more suitable name than Smith's Station. They heard a little bird sing "Pe-a-wee, pe-a-wee" and decided to name it after the Eastern Wood Pewee. As a lark, they added "Valley" because, as one man said, the town was really a "valley turned upside down."

It was in the 1960s that the town began to make the transition to one of Louisville's wealthiest suburbs. Lloydsboro, Pewee Valley's first large subdivision, was laid out in 1962. The pace of development picked up in the late 1970s and '80s as more subdivisions were built.

A red caboose sits in the middle of the town square as a tribute to Pewee Valley's railroad days. It is leased on a yearly basis to small businesses that draw traffic from folks visiting Town Hall, the fire department, the Little Colonel Playhouse and the Women's Club across the square.

For entertainment—outside of going to Louisville or attending a church function—Pewee Valley residents might attend amateur theater at the playhouse or play bingo at St. Aloysius Catholic church.

An event residents look forward to each year is the outdoor summer concert. Last year, the band played oldies music.

"They brought in a truck bed and we danced in the street," Reinhardt said. "It was so much fun."

Each year at Christmas time, the town is lighted up for the Yule Log Celebration, when residents gather around a fire and sing carols. Many of the Yule Log decorations, including red and gold ribbons and Christmas lights, stay up across town year round.

In recent years, several historic districts have been created and a number of sites, buildings and homes have been added to the National Register of Historic Places. In 1987, Historic Pewee Valley Inc., a private, nonprofit corporation, saved Edgewood Manor, a two-story brick house, from being torn down. A year later it was moved a short distance to make way for a new subdivision.

Stewart, the former mayor, said the town's residents haven't been too keen on change. He said they resisted an attempt a few years ago to widen La Grange Road, which runs through town as Ky. 146.

"So you had to wait a few minutes to get out on the road . . . It gave you a few minutes to pause," he said.

That's life in Pewee Valley, which seeks to remain slower and simpler than its urban neighbors.

"It is really something that you would think is non-existent in an industrialized society," Stewart said.

A sidewalk, built in 1984, joins the city with Crestwood, and has drawn the two communities closer.

"Pewee and Crestwood work together on many things," Reinhardt said. The two cities recently joined forces to establish a curbside recycling program.

Dorothy Young lives in the more typically suburban Crestwood, but goes to church and shops in Pewee Valley.

"They're together like one big town," Young said.

Nevertheless, Crestwood and Pewee Valley maintain a strong sense of identity, Reinhardt said. "They wanna be Crestwood, and we wanna be Pewee."

While Crestwood and most of the other cities in Oldham County are growing quickly, Pewee Valley doesn't have as much room for development.

"Pewee Valley is mostly built up. We don't have the land left to develop," Reinhardt said. "Real-estate people tell me all the time that they have lots of people who want to live in Pewee Valley who find that they can't afford it or there's no place available."

When most of Pewee Valley's current residents moved in 20 or 30 years ago, land was affordable, Stewart said. Today, the average home is valued at more than $135,000, according to the Urban Studies Center at the University of Louisville.

Stewart also said that Pewee Valley is "probably one of the best integrated communities in the entire country—socially and economically."

"It's not a class- or race-conscious community," he said.

Fewer than 4 percent of Pewee's residents are minorities, according to the 1990 census. William Durham, the city's only black councilman, said folks seem to get along well.

"It's a good little town to be in," he said.

The town's future generations won't be kept out of Pewee Valley by the high living costs, Stewart said, because many residents have set aside some of their own land for their children to use.

Carl Lee Beard's son, Carl Benjamin Beard, a senior pre-med student at the University of Kentucky, was hanging around the store during a recent visit home. He said he plans to come back to Pewee Valley after he graduates.

"Being in the city drives me crazy," he said. "When you're through with the city, you can come back here and get away from everybody."•

THE ELECTIONS IN ALBANIA

• Mr. DECONCINI. Mr. President, 9 days ago, on Sunday, March 22, the citizens of Albania went to the polls for their country's second multiparty elections for seats in the national assembly. This last Sunday, second-round voting in the 11 of 100 electoral zones where no candidate won a majority the week before has completed these elections. The leading opposition party—the Democratic Party led by Dr. Sali Berisha—won by a large margin and will have 92 of the 140 seats in the assembly. Moreover, the Government of Albania will be run by non-Communist forces for the first time since World War II. The Helsinki Commission, which I cochair along with Representative STENY HOYER, observed these elections and will issue a report on its findings in the near future. In the meantime, I would like briefly to comment on the elections, the results, and what they mean in terms of where Albania will go from here and how we can help.

The elections in Albania marked the end of a very tragic period in Albania's history—four and one-half decades of rule by one of the harshest, cruelest Communist regimes ever to exist. Despite this regime's attempts to isolate the people of Albania from the world, political pluralism swept through this country as it did throughout East-Central Europe in 1989 and 1990. As a result of popular protest, especially from students and some intellectuals, multiparty elections were scheduled and held 1 year ago. These elections were a major step forward for Albania, but they nevertheless could not be considered free and fair. Through media manipulation and intimidation of the population, which had a particularly strong effect in the countryside, the ruling Communist Party of Labor won these elections, beating an opposition that had only organized 3 months before and had few resources with which it could spread its political message across the country.

In the 1 year in between, however, major changes took place in Albania. First, the opposition realized that it had to improve its ability to reach the citizenry and, with outside assistance, obtained vehicles and information equipment necessary to overcome tremendous transportation and communication obstacles. Second, the Party of Labor changed its name to the Socialist Party and undertook some internal reforms, but it was nevertheless unable to distance itself from its legacy of repression and to govern the country which it once ruled. Third, the Albanian media was further opened to permit more balanced reporting of the situation in Albania. Fourth, the economic situation, already bad, worsened dramatically despite substantial foreign aid, replacing fear with frustration in the minds of most Albanian citizens. Finally, international factors—such as Albania's full membership in the CSCE process, the reestablishment of relations with the United States and renewed contacts with Albanians living abroad—opened an isolated Albania to the world. In short, political pluralism began to take root, as demonstrated by such developments as the creation of the Society for Free Elections and Democratic Culture which observed the March 1992 elections as did foreign groups from the United States and Europe.

These elections, as a result, were a great improvement over those of only a year before. There were fewer irregularities and reports of intimidation, and people were more aware that they had a free choice. Most importantly, however, all sides seem willing to respect the results, and, in contrast to the situation last year, there have been no mass outbreaks of violence or other disturbances. In a very real sense, therefore, the biggest winners in these elections were not political parties but the people of Albania themselves, and they, along with the winning candidates, deserve our congratulations.

At the same time, the elections in Albania are as much a beginning of a new era with new challenges as they are the culmination of a difficult period of transition. The Democratic Party has many challenges ahead of it that will need quickly to address as it forms a new government. The new government needs to put into effect an economic reform program that addresses immediate problems, especially with the food supply and employment, and will create greater economic prosperity with less reliance on foreign aid in the future. To do this, it will also need to make some changes in governmental administration and hold local elections soon, both of which will help ensure reforms adopted at the top will be followed below. This, we have seen, has been a major problem in many other countries as they go through the transition from Communist to democratic political and economic systems. A related priority will be quickly to restore public order, which is essential to the enhancement of social stability and the attraction of foreign investment. Random violence and a lack of enforcement have recently increased in Albania and endanger the country's chances for recovery.

The new government will also need to reach out and find accommodation with Albania's Greek minority. The one development which detracted the most from the recent election process was the decision to ban ethnically-based parties from participation, which prevented the Greek organization Omonia from running candidates. A political party called the Union for

Human Rights was subsequently created which did put forward a strong minority-rights platform and ethnic Greek candidates, two of whom won seats. Nevertheless, the negative and unnecessary decision to ban ethnically based groups from participation, in violation of CSCE provisions, created tensions between ethnic Greeks and Albanians in the southern region of Albania which, already further encouraged by extremists, the country can ill afford.

The United States, Mr. President, can play an especially important and substantive role in assisting Albania as it meets these new challenges. While various types of humanitarian aid will be vital in the short term, what Albania desperately needs is the technical assistance in many different fields which will allow Albanians to help themselves and improve their own situation in the future. An increased commitment to this assistance, along with the normalization of bilateral economic relations through such actions as the granting of most-favored-nation status, should constitute the United States response to the democratic developments which are taking place in Albania today. Given the strong feelings of friendship that Albanians have historically had toward our country, which is evident to any American who goes there today, as well as the success of many American efforts already underway, both public and private, I am convinced that such a positive response will go a long way to ensure that democratic developments in Albania will continue.●

TRIBUTE TO JOHN SALYERS

● Mr. McCONNELL. Mr. President, I rise today to recognize an outstanding Kentucky citizen who approaches his current occupation as a field representative for Kentucky's Fourth District Congressman, JIM BUNNING, with the same dedication he gave to his previous job as a policeman.

John Salyers spent 16 years as a law enforcement official in Erlanger, KY before becoming a leader in northern Kentucky's Republican Party. He became involved in politics in 1984 when he volunteered to work on Ronald Reagan's reelection campaign. His efforts expanded to Gene Snyder's campaign for reelection as Fourth District Congressman, and to my bid for the U.S. Senate. After the 1984 election, Mr. Salyers was asked to serve on the Kenton County Republican Party's Executive Committee. However, he did not give up police work to pursue a career in politics until 1986 when Congressman BUNNING asked Mr. Salyers to join his campaign full time.

Mr. Salyers often compares his current occupation to his previous job as a police officer. He says working in law enforcement trained him for politics because, "It was constituent services * * * helping people." As Congressman BUNNING'S northern Kentucky liaison, Mr. Salyers deals with constituents on a daily basis. He says he tries to visit each of the 12 counties in the district at least once a month.

According to Mr. Salyers, "There are two things you must have in politics, loyalty and trust." John Salyers certainly has both and is truly an asset to the people of northern Kentucky.

Mr. President, I commend John Salyers for his hard work and dediction, both as a police officer and as leader in Kentucky's Republican Party. Please enter into the RECORD the following article from the Kentucky Post.

The article follows:

FORMER POLICE OFFICER CARRIES BADGE OF GOP

(By Jack Hicks)

He didn't give it much thought at the time but John Salyers recognizes now that police work trained him for politics.

"It was constituent services . . . helping people," Salyers said of his 16 years as an Erlanger policeman.

Helping people who have problems with the federal government is now Salyers' chief vocation. It's one of the two hats he wears as a GOP leader in Northern Kentucky.

Foremost, he is 4th District Congressman Jim Bunning's field representative, keeping in touch with residents of the 12 counties in the district.

But Salyers also has a political side. He serves on the Kenton County Republican Executive Committee and helps GOP candidates win elections. These days, he's concentrating on the gubernatorial campaign of Larry Hopkins.

His involvement ranges from such nuts-and-bolts tasks as putting up signs to offering verbal support. "I let people know I support him, as a good Republican. I believe in him.

Salyers' faith in Ronald Reagan and the conservative tenets of the Republican Party brought him into active politics.

"I was impressed with President Reagan and his philosophy. He had brought pride in America back to the country. As a policeman, I worked with juveniles, and I could see that pride in the kids," Salyers said.

When Reagan ran for re-election in 1984 Salyers decided to help. "I walked into Lawson Walker's office and said. 'I want to get involved in the Reagan campaign.'"

Walker, a state representative, and other Republicans found plenty of work for willing hands. Salyers began putting up campaign signs, making phone calls and knocking on doors.

His efforts expanded to Gene Snyder, seeking re-election as 4th District Congressman, and to Mitch McConnell, who was running for the U.S. Senate.

When the election was over, Reagan, McConnell and Snyder had all won. Ted Smith, then the Kenton County Republican chairman, asked Salyers to serve on the party's executive committee. "I've been there ever since," Salyers said.

In 1986 Bunning ran for Congress for the first time and Salyers again volunteered his services. Bunning asked Salyers to join the campaign full time. Though it meant giving up his career as a policeman, Salyers accepted.

"I really enjoyed politics, the competitiveness of it all. I figured that if I'm going to ride that horse it might as well be a thoroughbred," Salyers said.

When Bunning won, Salyers became his Northern Kentucky field secretary, heading the Ft. Wright office. He deals with constituents and attempts to visit each of the counties in the district at least once a month.

Odds of Salyers holding such a responsible position wouldn't have been good at one point in his life. He dropped out of high school as a sophomore, but overcame the handicap with hard work and good luck.

Salyers enlisted in the Army and served in Vietnam. While home in Grant County on leave, he met a teacher named Connie. She became his wife and the mother of their two children. "She impressed upon me the importance of an education," Salyers said.

He earned his general education diploma (GED) while in the Army. After discharge he became an Erlanger police officer.

Politics has given Salyers his greatest excitement and satisfaction of late. But in a small sense, his involvement dates back to his early teens in Williamstown. Someone payed him a few dollars to pass out flyers for Albert B. "Happy" Chandler, who was running for governor.

Chandler lost. Even though Salyers played a tiny part in the effort, he felt sad.

So far, that emotion hasn't surfaced with Bunning. "He's a fantastic person. I don't think there's an unethical or immoral bone in his body."

Bunning is just as high on Salyers. "He's a people person," the congressman said of his aide. "He has been a real Godsend to me. He has the ability to get along with all kinds of people."

Salyers has thought of running for office. But not now.

"There are two things you must have in politics, loyalty and trust, and it must flow both ways," he said.

That relationship exists with Bunning and other Republicans, including Hopkins.

"It's going to be close," Salyers said of the race between Hopkins and Democrat Brereton Jones.

But Salyers will try to give Hopkins the winning edge.●

TRUTH IN THE MODERN AGE

● Mr. SIMON. Mr. President, last November, Colby College gave its annual Elijah Parish Lovejoy Award to Robert C. Maynard, publisher of the Oakland, CA, Tribune.

Elijah Lovejoy was an abolitionist who was killed in Alton, IL, in 1837, defending the cause of freedom of the press. His antislavery views were not popular, and even law enforcement officials tried to suppress his freedom.

I read an item in the newspaper about Robert Maynard's address at Colby College, and I wrote for a copy of it. Like many of my colleagues in the Senate perhaps, I then put it aside to read when I had a chance.

The other day I had that chance.

Robert Maynard asks us, in the spirit of Elijah Lovejoy, to do better.

One of the fascinating things he mentions is what ABC News did with two gentlemen in St. Louis, one black, one white. They went through a series of potential business transactions, and ABC showed the different treatment that was given to the two people solely on the basis of race.

Robert Maynard calls on our nobler spirits. Unfortunately, we have had too little of that lately.

I urge my colleagues in the Senate and House to read what he had to say at Colby College, and I ask that his address be inserted in the RECORD at this point.

The address follows:

TRUTH IN THE MODERN AGE

(Address by Robert C. Maynard)

You pay me a great honor by conferring upon me this degree and the privilege to speak this evening in commemoration of the life of Elijah Parish Lovejoy. I must say, before I go any further, that Colby took great care to balance its welcome in appropriate New England tradition. I am here with my beloved bride and partner, Nancy Hicks Maynard. We are also fortunate to have with us this evening our daughter, Dori J. Maynard. She is a graduate of Middlebury College next door. Colby's decisive handling of Middlebury last Saturday (the score, as I recall it, was 31–16) helps give some balance to your otherwise warm welcome to our family.

We come today impressed once again by the commitment and sacrifice of Elijah Lovejoy. I must tell you how deeply it has touched me that you chose to honor me tonight in his name. I have been thinking a great deal of late about the fact that Lovejoy was a martyr to the cause of a new moral order. He, thus, has become a hero to those who believe in freedom of the press, as well as those who believe in freedom from oppression.

Heroes in our nation's past who preceded Lovejoy helped to create a new political order. George Washington, James Madison, and Thomas Jefferson come to mind. They set a new standard of self-governance on the face of the earth, yet they left one great moral scourge untouched. Slavery and freedom could not co-exist for long. It was the indomitable spirit of Elijah Lovejoy that helped to clarify this moral contradiction. In so doing, he helped to change the course of our nation's history.

You probably remember that one of his biographers said of Lovejoy that he had been "*bred and nurtured in the belief that slavery was an institution politically incompatible with the Constitution and religiously incompatible with the laws of God.*" Those were precepts he learned in his youth here in Maine, in his formative years in Albion, and later at Waterville.

You probably also are familiar with one of your President Cotter's favorite quotes about Lovejoy that helps to establish his place in the American pantheon of moral ideas. Lovejoy said:

"As long as I am an American citizen, and as long as American blood runs in these veins, I shall hold myself at liberty to speak, to write, and to publish whatever I please on any subject."

And then he said:

"If the civil authorities refuse to protect me, I must look to God, and if I die, I have determined to make my grave in Alton. I have sworn eternal opposition to slavery, and by the blessing of God I will never turn back."

Thus we see in him a pivotal person who exemplified the national need to reconcile our moral practices with our political ideals.

There were many in that day who thought compromise was expedient, but Elijah Lovejoy was not among them. His view of the brotherhood of humanity was implacable. I take from Lovejoy's life, and from his death, a clear and simple message. He felt blessed to have been born an American and to have had many privileges: a fine family and home in Albion, a wonderful education here at Waterville, and a deep love of the liberation that came through the life and death of Jesus Christ. He believed all those blessings beheld him to a great obligation. His soul was bound to the moral truth that bondage and freedom could not co-exist.

It is my thesis tonight that Lovejoy's work is not complete. The ideals for which he stood are still fully to materialize for many Americans. This, even as we commemorate the 154th year since his death. In some larger metaphysical sense, we, as a nation, remain enslaved by race. Not physical bondage anymore, but mental and social enslavement to ancient perceptions.

The very idea of race is itself an artificial one; indeed, ask any number of morticians, and they will tell you that at the end we all look strikingly alike. And we know, as Lovejoy knew, that when we approach the throne of grace in that time when our earthly chores are ended, we will be judged by far more important measures than the color of our skin, the shapes of our eyes, or the texture of our hair. Yet, in all our lives, still today in this nation, we know that our perceptions are shaped by this artificial matter of color: where we go to school, where to work, where to live, whom to love. All of these are powerfully affected by one measure above all: the color of our skin.

Lovejoy had a deep moral hunger for Americans to live together as brothers and sisters. He wrote once:

"I have lived about eight years in a slave state, and excepting one or two instances, I do not recall ever having heard slave holders criticized for neglecting or abusing their slaves. At the same time, I have seen the slaves sitting out in the carriage box through all the service, while their masters and mistresses, whom they drove to church, were worshipping with great devoutness within."

The reason Lovejoy found all this morally offensive is that he took seriously Levitical law and Christian teachings that each of us should treat the other only as we would wish to be treated. To do otherwise, he said so often, was to deny those very principles that made us so fortunate in the first place. We can see the moral richness, and yet the simplicity (one might even say felicity) of such an idea. But if Lovejoy were to return to St. Louis, the city from which he was driven by slaveholders a century and a half ago, he would find his dream had hardly been fulfilled—although, of course, he would see signs of progress. He would find that the bonds of brotherhood had still failed fully to form. I say so because of a remarkable happenstance. It concerns St. Louis, where Lovejoy's journalistic career began in earnest. I told you before that I believe we are prisoners of the perception of race. I find it a striking coincidence that St. Louis turned out to be the city where one of the finest pieces of journalism on the subject of racial perception was done not long ago. I will return to that in a moment.

The point I wish to make first is about the matter of perception. It has something to do with moral truth in the modern age. We are all imprisoned by that which we see when we look at each other across the chasms of race. We see more (and sometimes less) than a whole person. In each encounter, we see the map of social history already implanted in our brains. The physical freeing of peoples of color occurred first with the end of the civil war, and gradually in this century, guaranteed rights evolved through the rule of law. What we have not accomplished through all of this yet is to learn the mastery of the idea of brotherhood for which Elijah Lovejoy, and so many others, have given their lives. These perceptions contribute to the alienation of our society and to its diminishment.

I will tell you that I agree with Elijah Lovejoy, that when we work and live together in a common bond of understanding, we are stronger than when we permit ourselves to retreat to hostile islands. In no place in America today is the hostile island more visible than in our cities. It is alarming to see what has occurred in the once vital centers of so many regions of our nation. Now they are the reserves of the very rich and the very poor. In such a circumstance, there is a constant devaluation of the quality of life. This is a process that has been at work in our nation since the end of World War II.

With the decline of the wartime defense populations, the cities began to lose some of their vitality. Public policy hastened the process. Highways were built through the federal highway trust fund that created cheap and easy transportation out of the cities; housing subsidies helped suburbs to spring up across the landscape; taxation policy and the GI Bill all worked together to create the American suburb; and in most instances, people of color were firmly excluded. The city has been left to founder. You remember that in the 1950s public policy tended to favor tearing down buildings in cities, but replacing them with little. Moreover, the school desegregation decision of 1954 hastened the outflight of the white middle class.

The question that has been asked over and over again—whether by Elijah Lovejoy, or by Harriet Beecher Stowe or more recently by Martin Luther King—has been this: What is it in America that makes it so difficult for Americans to learn to be one people, to view each other mutually through a prism of dignity? For sure, the separation of our society, as visible in many of our cities, is a sign of a social disintegration that would be far less catastrophic if Americans were to find themselves on common ground. But I am here to suggest to you that the single most difficult obstacle to common ground is this issue of ancient misperception and misportrayal.

I mentioned modern-day St. Louis, as a case in point. ABC News did a remarkable piece of journalism in St. Louis not too long ago. It appeared on a Thursday night on "Prime Time Live." The broadcast concerned two young Americans, one whose name was John and the other whose name was Glenn. John and Glenn were of average size, looks and demeanor. They were comparably educated, and from very similar backgrounds. The difference is John was white; Glenn was black. Each was equipped with a concealed camera. Then they went about doing mundane things.

John went to a store; a salesman immediately materialized to wait on him. The salesman was solicitous. After John departed, Glenn arrived at the same store. Was he greeted warmly by the salesperson? No. Was he shunned by the salesperson? Well, not exactly. What the salesman did was to tail Glenn around the store, lurking behind him, waiting to see if he would shoplift, rather than ever approaching him to ask if he could be of service in an actual transaction.

The same sort of outcome occurred when Glenn went to buy a car. Only a few minutes before, the salesman had offered John a no-money-down deal. When Glenn arrived 10 minutes later, he waited for 10 minutes just to be assisted. Then he was told that he would have to pay $2,000 down; indeed, the price he was quoted for the car was $500 higher.

At a St. Louis apartment house, John was cordially welcomed. Immediately, he was given an opportunity to look at an apartment. Only a few minutes later, Glenn was told the apartment had been rented hours before.

At the end of the broadcast, Glenn would say:

"You walk down with a suit and tie and it doesn't matter. Someone will make determinations about you that affect the quality of your life, and the only basis is the one thing that will not change about you. I am not going to take off black skin. I am going to be black forever."

I tell you about this story for two reasons: first, because it was one of the most remarkable examples of how the function of misperception destroys the dignity of individuals and erodes the fabric of our society. This is the slavery of perception that has not died. I do not mean to suggest to you that these are simple issues. What I do mean to suggest to you is that our nation still suffers from the stereotypes that fed the climate that permitted slavery to exist.

Second, I tell you this story because I am struck by the fact that a group of broadcasters found a way to help the nation see, in one poignant picture, what the corrosive power of stereotyping and misperception has done to the quality of life in our nation. Indeed, the very fact that we celebrate Elijah Lovejoy's heroic defense of a free press compels me to ask a question: Just how well are the present-day custodians of that free press performing? I mean especially concerning the portrayal of peoples of color? Does that poor portrayal contribute to our economic social regression?

I believe we are obligated to shed light on all the moral truths of our time. The fact that ABC News fulfilled that obligation so well in this instance is worthy of special note. But what is also noteworthy—and disturbing—about ABC's effort is the rarity of it. Eventually, all Americans suffer from the persistence of bigotry. I mention St. Louis only as one example. Because of the conditions of our cities, and because of the wasted lives within them, I believe we will persistently lose ground in the global arena.

We incarcerate three times as many young black American men as we graduate from colleges and universities. This is a telling signal. It speaks of a society headed in the wrong direction. It is a direction that does no honor to such heroes as Martin Luther King and Elijah Lovejoy. They gave their lives to this cause because they believed their truth would leave us a better America. Moreover, they believed our salvation as a society depended on the freedom of our institutions. They did not anticipate that we might become indifferent about such important matters. They assumed we custodians already understood that eternal vigilance was the price of freedom. Occasions such as this give us an important opportunity to be reminded.

In 1956, when Arthur Hays Sulzberger received your great honor here at Colby, he said:

"We must demonstrate that freedom is not just a passing phase in the history of mankind, not merely a light that was kindled for a few hundred years only to be blotted out by brute force and tyranny. Knowledge released man from the original yoke of oppression. Knowledge can keep that yoke from pressing him back to bondage."

True, but only if we beget an uncommon vigilance in pursuit of human dignity for all Americans. Yet, we know it is not easy to afflict the comfortable and challenge the status quo. Elijah Parish Lovejoy understood that better than anyone.

In tribute to his courage, John Heiskell said in 1958 here at Colby:

"There is a pantheon that is not built of stone. Yet it exists imperishable in annals and in memory. It honors all those brave souls who have suffered for conscience and conviction. In it are inscribed the names of exemplars of freedom of the press who have, in the words of St. Paul, endured afflictions; who have fought the good fight as long as it was granted to them to follow the course; and in dedication and devotion, even unto death, have kept the faith."

This is why we honor Elijah Parish Lovejoy. He set such an example of enduring and unshakable faith. Our times are all but bereft of such figures of courage. By holding this remarkable torch aloft, year in and year out, Colby College bids us all to raise our voices of moral conviction against a tide of indifference. We owe no less to Lovejoy and to our legacy of free institutions in a still free nation.

Good night, and Godspeed.•

CONGRESSIONAL CALL TO CONSCIENCE

• Mr. GORE. Mr. President, I rise today to join in the Congressional Call to Conscience's vigil for Jewish refuseniks. Despite all the positive changes we have seen since the collapse of Soviet communism, things remain frustratingly constant for many Jews trapped in Russia. Although Jewish emigration has reached record levels in recent years, thousands of refuseniks are still forced to stay in a country they desperately want to leave.

I want to take a moment to highlight the case of Igor Gopp, a resident of St. Petersburg who has been blocked by authorities from starting a new life. Because of allegations that Mr. Gopp had access to secret information through his job as a computer software designer at the Leningrad Optico-Mechanical Amalgamation, his application to leave Russia for the United States was rejected. Apparently Russian authorities are following a well-worn path, denying an exit visa to a Jew on the vague basis of state secrecy. Mr. Gopp's wife and young child have received permission to emigrate, but they refuse to leave without him. And so the three of them remain in St. Petersburg.

Mr. President, there is still an urgent need for greater freedom of emigration for Jews in Russia and the other republics. As I said before, many Jews have been able to leave already, and a new immigration law will take effect in 1993. There have also been substantial improvements in official religious tolerance. But dark undercurrents of anti-Semitism continue to run through Russian society. And I believe Russia's spiraling economic decline will inevitably lead many people to search for someone to blame for their hardship. In desperate times, people often look for scapegoats. Throughout history, Jews have been victimized by this tendency, with tragic consequences.

An alarming number of groups in Russia are using these uncertain times to play on people's fears. Ultranationalist organizations like Pamyat hope to use blatantly anti-Semitic messages to unleash a flood of hatred that could overwhelm Russia's fragile experiment with democracy. In the same election that elevated Boris Yeltsin to Russia's Presidency, the rabid anti-Semite Vladimir Zhirinovsky received 6 million votes. What this tells me is that the Jews of Russia who want to leave should be able to do so. And I hope that Russian authorities will specifically review Igor Gopp's case and allow him to live his life as he chooses.•

BYELARUSIAN INDEPENDENCE DAY

• Mr. DECONCINI. Mr. President, on March 29, 1992, Byelarusians all over the world, and for the first time in over 70 years in Byelarusia itself, will openly and triumphantly celebrate the 74th anniversary of the Declaration of Byelarusian Independence in 1918.

For years, Byelarusia appeared to be a loyal Soviet Republic, its freedom denied, its language and culture repressed by the Communists in Moscow and collaborators in Minsk. When the courageous Byelarusian dissident Mikhail Kukobaka raised voice in protest he was sent off to the gulag for several years. He was also one of the last Soviet dissidents to be released by President Gorbachev.

But the Byelarusian people could not be kept down forever. In 1988, as evidence of Stalin's crimes against Byelarusia were dramatically revealed, the Byelarusian people began to take to the streets in public protests against Moscow's dominance and local communist rule. To the world's surprise, massive protests took place in early April 1991 against price increases initiated by President Gorbachev. Indeed, throughout 1991, reformers united under the banner of the Byelarusian Popular Front presented a serious and organized political challenge to the party apparatchiks still trying to cling to power. When the August 1991 coup attempt failed in Moscow, the Byelarusian government, still dominated by old line conservatives, but under growing pressure to listen to the voice of the people, declared independence as the Republic of Byelarusia.

But the restoration of independence is only the beginning of a difficult passage from the repressive legacy of communism to the nation envisioned by its democratic founders. Byelarusian political reformers are continuing to work for democracy and rule of law. We support them in their efforts, and trust that the principles of the Helsinki accords will guide their efforts.

Mr. President, as cochairman of the Commission on Security and Cooperation in Europe, the Helsinki Commission, I congratulate the people of Byelarusia, and members of our own Byelarusian-American community, on the anniversary of the declaration of the first Byelarusian Republic, and am pleased that their long and tragically interrupted dream for independence has finally come true.•

AFRICA FINDS REASONS TO HOPE FOR DEMOCRACY'S FUTURE

• Mr. SIMON. Mr. President, one of the images that is still prevalent is that dictatorships continue to dominate all of Africa, and that democracy simply doesn't work there.

It wasn't very many years ago that that was the image of Latin America, and yet in all of South America today, there is not a single dictatorship left.

In Africa things are moving in a very constructive direction. We know that, and we see that in South Africa; but it is not simply South Africa, it is in much of the rest of Africa.

Yes, there are still dictatorships in Sudan and Zaire and some other countries, but the wave of the future clearly is democracy, and where there are democracies in Africa, we ought to be encouraging them.

An example is the free election that took place in Zambia, where President Kaunda, to his great credit, permitted for the first time a multiparty election in which he and his party lost. A trade union leader was elected the new president, Mr. Chiluba. He recently visited in the United States and met with President Bush and paid me the honor of stopping by my office to visit with me also.

His efforts to improve the economy are thwarted by the devastating famine that has hit several countries in deep southern Africa.

Where there are democracies and new governments that are pledged to democracy, whether it is in Zambia or Ethiopia or where it is, the United States should be doing everything it can to provide assistance to those countries.

I hope we will not be shortsighted.

Our colleague, Senator NUNN, has pointed out that to fail to assist the newly emerged countries in Eastern Europe in stabilizing would be shortsighted indeed. The same is true for the new democracies in Africa.

I ask to insert into the RECORD an article by Michael Clough that was in the New York Times titled "Africa Finds Reasons to Hope for Democracy's Future." And I urge my colleagues to do more to help stabilize and bring hope to the new democracies of Africa and the rest of the world.

The article follows:

[From the New York Times, Mar. 22, 1992]

AFRICA FINDS REASONS TO HOPE FOR DEMOCRACY'S FUTURE

(By Michael Clough)

On Tuesday, white South Africans voted to give President F.W. de Klerk a mandate to end white rule. By a surprisingly large 2-to-1 margin, they approved a measure endorsing negotiations already under way to create a nonracial, democratic constitution. This result marks a historic turning point for Africa.

Many South African conservatives and sympathizers abroad have long argued that democracy cannot succeed on the African continent. They point to the dismal results achieved in the first three decades of the independence era: In country after country democratic constitutions were torn up or ignored. Power was concentrated in the hands of dictators of varying degrees of brutality. Corruption flourished. Economies were destroyed. Civil war and famine became endemic. The litany of horror stories cited by conservatives is often exaggerated. As many Africans have argued, the positive side of the African story is seldom told in the West. Many African leaders have struggled against tremendous odds to find ways to help their people survive and develop. Nevertheless, the conservatives have a point: By almost any measure, the first wave of experiments with democracy in Africa—beginning with Ghana's independence in 1957—failed.

Over the last decade, conservatives have repeatedly used the failure of democracy in Africa as an argument against majority rule. They warned that the end of apartheid would cause a rapid deterioration in living standards. Instead of democracy, majority rule would open the way for black domination or, as many white pundits were fond of saying, "One man, one vote, once."

A majority of South African whites undoubtedly share these fears. Yet, on Tuesday, they voted to take a chance that the conservatives were wrong. They did so for two reasons. First, and most importantly, they have been forced to recognize that white rule has failed just as dismally as black rule; and, second, they have been given reason to hope that with the end of East-West competition, the world has changed in ways that will make it possible for democracy to succeed in South Africa and in the rest of Africa.

The defenders of apartheid were always well informed about the latest foibles and misdeeds of every petty black tyrant north of the Limpopo River. Newspapers in South Africa closely followed the career of Africa's worst dictator, Idi Amin of Uganda. And businessmen in Johannesburg could always be counted on to recite the economic disasters that had followed independence in Mozambique, Zaire, Zambia and other countries where they operated. At the same time, most whites seemed strangely uninformed about the failings of their own country.

In fact, one of the most striking things about the history of the first independence era in Africa—1957 to 1990—is how closely developments in South Africa paralleled those in other parts of the continent.

While South African leaders perceived themselves as democrats, they presided over a de facto one-party state. After coming to power in 1948, the National Party quickly rigged the electoral system to insure that other white parties would have great difficulty challenging its political monopoly. As black protests began to mount in the early 1960's, Pretoria banned the African National Congress and other opposition parties and imprisoned many prominent black leaders, including Nelson Mandela.

The consequences of one-party rule by a small minority were the same for South Africa as they were for most other countries on the continent: Political opposition mushroomed. Thousands of blacks went into exile. Banned parties sought out foreign patrons willing to provide the arms necessary for them to launch guerrilla wars. And violence and repression intensified.

Following a resurgence of black protest in the late 1970's and early 1980's, the security establishment usurped many of the normal functions of government. After President P.W. Botha declared a state of emergency in 1985, South Africa became a quasi-police state with tens of thousands of opposition leaders in jail.

Despite white perceptions of their country as a productive free-market economy, South Africa has followed an economic course not all that different from its neighbors to the north. Like other parties in Africa, the National Party used its political power to construct a large centralized state. Large sectors of the economy were nationalized in order to provide jobs for Afrikaner workers.

A mind-boggling array of regulations was passed to protect the privileges of South Africa's white tribe. As in the rest of Africa, the South African Government's attempt to use economic policy to promote the interests of a narrowly based minority produced dismal results. Weighed down by a bloated bureaucracy and education and labor policies that made it difficult for blacks, who constitute about 80 percent of the population, to be productive citizens, the South African economy stopped growing in the 1980's.

These political and economic trends, combined with growing pressure from the international community, caused President de Klerk to make his historic decision on Feb. 9, 1990, to release Nelson Mandela, lift the ban on the A.N.C. and other opposition parties and begin negotiations to end apartheid and white rule. And it was a dawning awareness that any attempt to halt the process of change would accelerate these trends that caused South Africa's whites to vote "yes" in Tuesday's referendum.

Are there grounds for believing that, despite the experience elsewhere in Africa, South Africa's experiment with democracy will succeed? To answer this question, it is important to understand the changes that have occurred since most African countries became independent in the early 1960's.

In many ways, the early 1960's were a uniquely bad time to begin building democracy in Africa. The cold war was just beginning to heat up in the third world. Both the Soviet leader, Nikita Khrushchev, and the American Presidential candidates in 1960—John F. Kennedy and Richard M. Nixon—believed that Africa was a potentially critical battleground in the East-West war. Newly independent African states were pressed hard to choose sides. Neither superpower championed democracy. Instead, both Washington and Moscow rushed to support any leader willing to pay lip service to their cause and vote the right way in the United Nations. African leaders quickly discovered that they could destroy their countries' economies and brutalize their populations and still count on a steady flow of foreign aid and military protection. With the end of the cold war, this is no longer the case.

In all the discussions surrounding the wave of democratization that has swept Africa over the last three years, not enough emphasis has been placed on the importance of the decision by Moscow, Paris and Washington to abandon their old clients. African populations did not suddenly discover that their governments were corrupt and repressive. They had known that for years. And they did not need developments in Eastern Europe to convince them of the need for transitions to democracy. What changed was that the superpowers stopped propping up their oppressors, causing a sudden shift in the internal balances of force in their countries.

Soviet withdrawal from Africa forced the Government in Angola to agree to hold multiparty elections and it prompted President Mengistu Haile Mariam to flee Ethiopia. Changes in American policy precipitated the collapse of dictatorships in Chad, Liberia and Somalia. Both President Daniel Arap Moi of Kenya, who on Friday banned all political meetings, and President Mobutu Sese Seko of Zaire are now fighting for their political life against mounting odds because they can no longer count on Western support. Without the safety net provided by foreign support, African leaders at long last have no choice but to turn to their people for support.

THE BUILDING BLOCKS

At the same time, the essential building blocks for civil society—committed, honest and pragmatic leaders and a healthy civil society—are now much more in evidence in Africa, especially South Africa, than they were in the early 1960's. Despite independent Africa's failures, over the last three decades it has succeeded in producing a multitude of well educated, talented individuals who are able and prepared to guide the continent.

At independence, many African states were dominated by a single leader whose right to lead was established by the fact that he was one of a small handful of people in his country to have an advanced education and international contacts. Such was the case with Kwame Nkrumah in Ghana, Jomo Kenyatta in Kenya and H. Kamuzu Banda in Malawi. Today, the situation is quite different. In South Africa, for example, even Nelson Mandela has had to accommodate himself to the fact that there are a whole host of leaders within his own party who are able and prepared to question his authority.

Just as important is the development of a strong and diverse network of associations and non-governmental organizations that are in a position to check the power of the central government. In the 1960's the few such organizations that existed in Africa were quickly captured by the state. That will not happen again. In South Africa today, the hundreds of organizations—unions, civic associations, self-help groups and others—that have sprung up inside the country to combat the socioeconomic side of apartheid are actively developing strategies to insure that they are not smothered by a post-apartheid state.

Finally, the prospects for democracy in South Africa are better today than for the rest of Africa in the 1960's because of what Africans and others have learned from the failures of the last three decades. As is evidenced by the discussions that have gone on under the sponsorship of groups like the African Leadership Forum, there is a consensus among African leaders that democracy, human rights and government accountability are essential for development.

There is also a surprising degree of consensus on the need for growth-oriented economic policies. The discussions under way in the working groups established by the convention for a Democratic South Africa on a new constitution and the economic policies of a post-apartheid state reflect the new mood of pragmatism that has swept across Africa.

None of this guarantees that democracy will succeed in South Africa or other parts of the continent. Three decades of failed black and white rule have left a bitter legacy. Millions of Africans have died. Bitter wars still rage in Liberia, Mozambique, Somalia and the Sudan. In South Africa, apartheid and the struggle to overthrow it have created immense bitterness and a "lost generation" of black youths who now lack the skills that will be required to take full advantage of a transition to democracy.

But the prospects for democracy in Africa are now unquestionably brighter than they were three decades ago, if for no other reason than that Africans now know all too well the costs of the failure of democracy.•

REPORT OF GOVERNMENT AFFAIRS SUBCOMMITTEE ON GOVERNMENT INFORMATION AND REGULATION

• Mr. KOHL. Mr. President, I present to the Senate today a report prepared by the Government Affairs Subcommittee on Government Information and Regulation titled "Dividing the Dollars: Issues in Adjusting Decennial Counts and Intercensal Estimates and for Funds Distributions."

During the debate over the Commerce, State, and Justice Appropriations for 1992, Senator HOLLINGS and I discussed the use of adjusted census counts. Due to his concern about the undercount associated with the 1990 census, Senator HOLLINGS wanted statistically adjusted census counts to be used for all purposes other than the reapportionment of congressional seats. I suggested that a thorough investigation into how census data are used was necessary before taking such action. This report is the result of the subcommittee's investigation.

The report demonstrates the complexity of adjusting either the decennial census counts or the intercensal estimates; for example, the annual estimates of the population issued in years between census. In fact, at present time there is no satisfactory methodology for adjusting either of these two data sources used to distribute Federal funds.

In addition, to shift the distribution of Federal funds to either decennial census counts or intercensal estimates is fraught with problems. Decennial census data do not keep up with the shifting geographic distribution of the population, and the intercensal estimates do not contain all of the data used in Federal funding formulas.

If the Congress wishes to change the basis for distributing Federal funds the report presents a number of options to consider. Most options require additional appropriations to fund research to develop the data necessary for the funding formulas. The only option that does not require additional appropriations calls for rewriting the funding formulas in order to use existing data.

My subcommittee staff will be happy to provide each and every one of you a copy. You can call 4-9000 or stop by 605 Hart and pick up a copy. I urge my colleagues to read this report and consider its import. The problems and difficult choices are there for everyone to see.•

THERAPEUTIC WORK PROGRAM FOR STATE HOME VETERANS

• Mr. GORTON. Mr. President, for more than 90 years, veterans have found a place where they can find quality, long-term health care in Washington State; a place where they can live their lives with meaning and dignity. I am speaking, Mr. President, of the Washington Veterans Home and the Washington Soldiers Colony located in Retsil and Orting, WA. These homes, operated by the State Department of Veterans Affairs, provide long-term health care to veterans who are unable to take care of themselves because of physical or mental disabilities.

An important part of a State home's overall mission is to provide treatment and rehabilitation to veterans who are able to return to the community. As part of the rehabilitation process, veterans are given the opportunity to work for a small hourly wage. The Therapeutic Work Program has been overwhelmingly successful among veterans who are recovering from an illness, coping with a disability, or controlling substance abuse. Eventually, these veterans use the self-confidence and skills gained while participating in the Therapeutic Work Program to help them prepare and adjust to the world outside the home. It has been brought to my attention, however, that this highly successful program is being adversely affected in State veterans homes because of a congressional oversight in the law.

In 1986, the pension laws were amended so that those involved in VA work programs would not have their pensions reduced. It neglected, however, to include veterans in State homes. Many of the State home veterans participating in the TWP receive a small pension but, because of this oversight, are having their pensions reduced by $1 for every dollar earned. By reducing the already small pension received by a veteran who chooses to participate in TWP, the therapeutic process is seriously damaged.

S. 2372 will amend the law to give State home veterans participating in TWP, the same exemption from countable income that other veterans in similar programs are given. This change is necessary, Mr. President, because the primary purpose of this program is to enhance rehabilitation; it is not designed for financial gain.

Mr. President, this piece of legislation affects only a small amount of veterans, but is very important to the overall care provided by veterans State homes. I urge those Senators who have veteran State homes in their own States to support S. 2372.•

HEALTH CARE FOR SENATORS AND MEMBERS

• Mr. McCONNELL. Mr. President, my State is not immune from the health care crisis our Nation currently faces. There are some 700,000 Kentuckians who are uninsured or underinsured, and over 60 counties that have health professional shortages. I am keenly aware of the need for reform within our current health care system, and have introduced legislation to make health care more accessible and affordable to all Americans.

I also understand the need for reform within Congress. That is why I decided to cosponsor S. 1830, a bill introduced by Senator WOFFORD of Pennsylvania.

S. 1830 ensures that Senators and Congressmen will not be isolated from our Nation's health care crisis. This legislation requires all Senators and Members to pay full market value for health care services and medications provided by the Office of the Attending Physician. These services are currently provided to Members at no cost.

Many of my colleagues, like me, prefer to go to our own physicians back home, and pay for the care through private insurance, in other words, out of our own pockets, and not the taxpayers. But the mere presence of a free health care facility is something that sets Congress apart, unnecessarily, from the citizens we serve. We cannot allow this to continue. Therefore, Mr. President, this legislation will place Congress on an equal health care footing with the rest of the country.

While the author of S. 1830 advocates nationalized health care as a solution to our current woes, let me make it clear that I do not support such a path to health care reform. In my opinion, we must work with the system currently in place, rather than against it. It may have its flaws, but it provides the highest quality medical care in the world. Nevertheless, I appreciate the efforts of the junior Senator from Pennsylvania to bring this issue forward, and I look forward to the continuing health care debate in Congress in the weeks and months to come.•

MILITARY CONSTRUCTION AT GOWEN FIELD, ID

• Mr. SYMMS. As the chairman of the Readiness, Sustainability and Support Subcommittee of the Senate Armed Services Committee, the Senator from Illinois, Mr. DIXON and his Republican colleague, Senator LOTT, oversee the authorization for the Department of Defense's military construction programs.

As they know, the fiscal year 1992–93 Defense authorization bill contained a congressional add-on of $2.1 million to build a maintenance complex located at Gowen Field, ID.

Mr. DIXON. The Senator from Idaho is correct. The designation of the project as a maintenance complex, however, is incorrect. The project designation in the conference report should read training school facility.

Mr. SYMMS. Is that the understanding of the Senator from Mississippi?

Mr. LOTT. The senior Senator from Illinois is correct. The maintenance complex is authorized in the base closure account. There was an unfortunate error in the printing of the conference report. The amounts for the two projects are identical, but the conference report should read training school facility.

Mr. SYMMS. In the opinion of the distinguished chairman and ranking member, should construction go forward for the training school facility?

Mr. DIXON. That is my opinion. A clerical error should not delay this important project.

Mr. LOTT. I concur with my Chairman. Otherwise, there would be two authorizations for two maintenance complexes at Gowen Field.

Mr. SYMMS. I thank my distinguished colleagues for their time.

Mr. DIXON. I thank the Senator from Idaho for bringing this important matter to the attention of the subcommittee.

Mr. LOTT. I join the chairman in thanking the senior Senator from Idaho, and I would like to voice my regrets that he has chosen to retire from the Senate.•

TRIBUTE TO OLIN CORP.

• Mr. DIXON. Mr. President, I rise today to give recognition and pay tribute to Olin Corp., an Illinois company, which is approaching its 100th birthday on April 30, 1992.

Olin Corp. is a Fortune 200 manufacturing corporation that is known worldwide for its expertise in manufacturing chemicals, metals, and ammunition with special emphasis on electronic materials, defense and aerospace products and systems.

Olin began on May 28, 1892, as the Equitable Powder Manufacturing Co., the first Olin company. It was founded by Franklin W. Olin in East Alton, IL. Its growth has provided employment for thousands of Illinois citizens.

Olin's dedication to quality improvement is reflected in comments made by customers, employees, shareholders, and community leaders. In Japan, one of the most difficult markets in the world, Olin's high performance alloys have done well. Olin's rocket research division has been selected as General Dynamics' Manufacturing Supplier of the Year. These are just some of Olin's successes.

At a time when American companies appear to be floundering from foreign competition, Olin has not only held its ground, but moved forward in research, investment, and the development of high-quality products that are respected worldwide.

I have been asked if American companies can survive into the next century. I look to companies like Olin for my answer. A company that continues to invest in itself and its employees, is innovative, and thinks about the future as well as the bottom line will not only survive, but grow into the next century.

Mr. President, I congratulate Olin Corp. on its 100-year history of corporate and community accomplishments, and commend Olin's management and employees for their commitment to excellence.•

NATIONAL WOMEN'S HISTORY MONTH

• Mr. ADAMS. Mr. President I rise today in recognition of National Women's History Month, and to honor the outstanding women who helped forge the history of Washington State.

Throughout our history, women from Washington have been on the front lines of the battle for women's rights. During the first two decades of the 20th century, women from Washington State were politically active, and were not shy about getting involved in electoral politics. They demanded to stand up and be counted, and they worked to make a difference.

Particularly noteworthy, 1912 was a political year for women of western Washington. It was in 1912 that May Hutton took Baltimore by storm as she became the first woman delegate to a National Democratic Convention. The same year, Nina Jolidon Croake of King County, and Whatcom County's Frances Axtell were the first women to win elections to the State house of representatives. Also in 1912, Walla Walla's Josephine Corliss Preston was elected State superintendent of schools. Two years later, Seattle's Rhea Whitehead stepped into the judicial hierarchy as Washington's first female justice of the peace.

But the women's movement in western Washington was just beginning. Their enthusiasm and commitment spread throughout the State, inspiring women of eastern Washington to become involved in the leadership of our State as well.

In 1922, attorney Reba Hurn from Spokane was elected as the State's pioneer woman senator. While she had some difficulty crossing into the previously male-dominated legislative body, the strong backing of women's groups and populist organizations earned Hurn the position of chairperson of the State libraries and public morals committees.

Another eastern Washington native, Wenatchee's Belle Culp Reeves, was elected to the House of Representatives in 1922. Reeves entered the House as one of four Democrats. By working diligently and effectively to promote a number of social causes, Reeves earned the respect and admiration of her male peers. In 1938, Reeves was appointed secretary of state, which made her the first and only woman to hold that office in our State.

The women I have just mentioned are only a few of the outstanding women leaders that we in the State of Washington honor during Women's History Month. These women and their courageous sisters nationwide are an inspiration not only to all women, but to all Americans.•

IN RECOGNITION OF PROJECT GANGS

• Mr. SEYMOUR. Mr. President, I am pleased to take this opportunity to bring to the attention of this body the work of one of my constituents, Mr. Harry Bey of Los Angeles, in combatting gang crime.

Mr. Bey's efforts to deter gang violence have been widely recognized throughout the Los Angeles community. Since he founded Project GANGS [Gang Actors Needing Group Support] in 1968, he has helped the city and county of Los Angeles and the Los Angeles Unified School District by working with inner-city youths, gang members, and other at-risk juveniles and their families.

Mr. Bey employs a unique approach to redirecting youths from gang membership to more productive lives by casting them in the production of his play, "GANGS." This musical antidrug, antigang show has been in production for over 20 years and played to audiences around the country.

The voluntary efforts of Mr. Bey and those like him have helped spare many lives and turn around many more. They deserve our support. Please join me in extending our heartfelt thanks and best wishes to Mr. Harry Bey and all of those who have participated in Project GANGS throughout the years.•

DICTATORSHIP IN MALAWI

• Mr. SIMON. Mr. President, I rise to call the attention of my colleagues to the situation in the southern African nation of Malawi. Malawi has been ruled since independence by one man, who has given himself the title of "President for Life" and imposed his will on the country by outlawing and repressing all opposition.

A couple of weeks ago, eight Catholic bishops published in a pastoral letter the first criticism of this Government seen in years. The bishops were subsequently interrogated and reports suggest that they were only saved from further harm by the personal intervention of the Pope. The letter was banned and the shop which produced thousands of copies of it for distribution was burned. Hundreds of students then marched in solidarity with the bishops.

All of this led to a conference in Zambia of Malawians who have fled their country, and the launching of a campaign to work for multiparty democracy in Malawi. The growing momentum for democracy in Africa has spread to even the most tightly controlled populations, and I think we ought to recognize and support their efforts.

Mr. President, despite the dictatorial nature of the regime in Malawi and its well-known human rights abuses, Malawi has been a recipient of significant American aid. In fiscal year 1992, Malawi is receiving $30 million in development assistance, and additional amounts for FMF and IMET. The administration's request for fiscal year 1993 is only slightly lower, for a total of $27 million not including Food for Peace deliveries.

There will be a meeting of Malawi's donors in May. We in the Senate should voice our opinion that continued aid to this country, with the exception of emergency funds for the large number of refugees from the war in neighboring Mozambique and for those affected by southern Africa's severe drought, should be dependent on swift movement toward respect for human rights and on the legalization of opposition.

There is no more room in Africa, nor in United States foreign policy, for regimes of this type, which have for so long stifled any protest against their absolute holds on power. I urge my colleagues to reject continued support of them.

MULTIPARTY DEMOCRACY IN AFRICA

Mr. President, on a much more positive note for Africa, Zambia and several other African countries have recently made the transition to multiparty political systems and have held free elections. They are in the forefront of this growing trend I have mentioned in sub-Saharan Africa, toward the elimination of authoritarian rule in favor of what some have called Africa's second independence. I want to congratulate all of them. African people have fought long and hard for democracy and have made many sacrifices along the way. They still face serious problems, including the worst drought of the 20th century affecting southern Africa, but at last they can begin to deal with these problems under free systems which will put the needs of the people first.

I would like to insert into the RECORD an article on democracy in Africa which was written by Mr. Frederick Chiluba, the newly elected President of Zambia and a former trade union official. Mr. Chiluba recently visited the United States and I was impressed with his commitment to undertake difficult reforms and to improve the standard of living of his people.

The article follows:

MULTI-PARTY DEMOCRACY IN AFRICA

(By Fred Chiluba)

I would like to begin by stating that Africa did not begin to agitate for pluralism when the revolution started in Eastern Europe. We started much earlier than that. Obviously, the fight may have been a little sporadic, but the fight was on.

It has to be borne in mind that during the struggle for liberation, Africa was first fighting for decolonization from the Western European countries (including Britain, France, Belgium, and Portugal) that had colonized the continent. This move away from colonization meant that Africa therefore befriended and declared total solidarity with East European countries and the Soviet Union. Unless we understand this phenomenon, we will not be able to understand why most of Africa opted for socialism and the one-party dictatorship.

Following the period of decolonization, there were many military and countermilitary coups that tried to agitate for change. I am not justifying the beauty or merit of any military coup, because those that came actually only tended to exacerbate the problems that already existed. But they took place all the same because there was no better avenue for people to express their political wishes.

These coups did not succeed, however, and in the 1980s when the peaceful democratic revolution began in Eastern Europe, Africa saw a chance to begin to work for change in a different way. Africa had been ready for change since the 1960s, but the world was not ready to go along with the coups and countercoups. In the 1980s when this important peaceful movement toward change began to spread, Africa took advantage of the moment. Today the whole of Africa is engulfed in it.

In Zambia, this movement began in late 1989. The state was forced into adopting certain measures toward change, and now, after 17 years of a one-party dictatorship which has controlled the press, the church, and everything you can think of, political parties are being formed. People are legally free to think for themselves. For the first time in 17 years there will be parliamentary and presidential elections based on a pluralist system of government. If we are to succeed in these elections, we must attract such movements as the trade unions, the church, students and grassroots movements—otherwise it will take a very long time for change from a one-party to a multi-party system of government. In Zambia we are lucky because these organizations are working together for change and we are sure that we will succeed.

It is, I think, with some kind of pride that I would share with my friends in Kenya and all other African countries, my belief that change is coming—the only problem being that it may be very violent because of the resistance of those in authority. Here is where the international community will be called upon to ensure that they render every assistance available in order to pursue this matter of passive transition from dictatorship to pluralist political systems on the African continent.

My experiences and the experiences of the Zambian people will tell you it is like the biblical saying, "All things are possible to those who believe." All things are indeed possible and even dictatorships can be changed. I believe that we simply need the commitment and conviction that the noble course we are about to take is one for which there is no price too high to be paid. Once we are clear that we must pay any price, certainly change cannot be too difficult to bring about.

Democracy, or lack of it anywhere, be it in Latin America, Eastern Europe, the Far East, or Africa—the principle is the same. The moral, material, and financial support for democratic development must be evenly distributed in order to ensure that we live in one world, where all human beings are equal because they were all born equal and must be seen as equals before the law.•

WOMEN'S HISTORY MONTH

• Mr. PACKWOOD. Mr. President, I rise today in support of Women's History Month.

A joint resolution commemorating women's history was first introduced in 1981, because many of us recognized that although women's contributions to society have been great, for the most part they have gone unrecognized. Since 1981, during the week of March 8, and then in 1987, during the entire month of March, events have been held across the country to recall the achievements of women in all areas: Their contribution to our Nation's prosperity in all fields of business; their service to the country in time of conflict; their education and inspiration of children; and their contributions to our great struggles for political and social reform. There has been an increased awareness nationally about women's history. But the goal should be to recognize women's contributions every day. I believe the trend is changing, especially in my own State of Oregon.

First, I would like to mention some of the great women who helped shape Oregon's history. Six women's names were selected to appear in the State capitol in Salem: Sacajawea, the Native American woman who led the Lewis and Clark Expedition; Marie Dorian, who helped establish the Oregon Trail on her way west; Tabitha Moffet Brown, one of Oregon's earliest successful businesswomen who helped found Pacific University; Frances Fuller, Oregon's foremost historian; Narcissa Whitman, a missionary; and Abigail Scott Duniway, a suffragist, who was the first woman to register for the election of 1914 and the first woman to vote.

Mind you, these women are not the only great women in Oregon's history. There are many others, but because of our reluctance to recognize women's contributions and because women have not always been allowed in high-profile positions such as politics and business, only 6 women's names were inscribed in the capitol as compared to 152 men.

But, as I said, I think this trend is changing nationally as well as in Oregon. Oregon may be a good role model for the rest of the country in changing and recognizing women's position in history. Last month, an article appeared in the Oregonian, the State's largest newspaper, titled "Climbing to the Top: Oregon Provides the Ideal Climate for Career Women To Advance Into Higher Levels of Their Profession." The theme of the article was that Oregon provides a unique climate for women to excel in areas typically dominated by men, such as business and politics. It is a place where many influential women shape the way people think. Fully 38 percent of Oregon's businesses are run by women—compared with the 30 percent nationally. Oregon women generate a larger portion of the State's total revenue than women do anywhere else. Currently, Oregon is one of only three States with a female Governor and several other women in powerful political positions. Nationwide women make up 18 percent of State legislators; in Oregon it is 25 percent.

We are also a leader in enacting legislation favorable to women. Oregon was the first State to protect a woman's right to an abortion, 3 years before the U.S. Supreme Court's Roe versus Wade decision in 1973. In addition, Oregon was one of the States to ratify women's suffrage in 1912 and to support the unratified equal rights amendment in 1973.

It is hard to say why Oregon is unique. Perhaps it is what one Oregon businessman said: "* * * a maverick, independent, individualistic, niche in the world. It's not liberal or conservative, but independent, and for that reason is willing to give opportunities to some who would not have them otherwise."

When historians write about Oregon's history during the 1970's, 1980's, and 1990's, they will be hard pressed to ignore the contributions of women, because women are shaping history in Oregon. Hopefully, the rest of the country can follow Oregon's lead.

Women's History Month gives us a chance to continue to acknowledge the contributions women made in the past, are making in the present, and will continue to make in the future. Again, I am pleased to join in support of Women's History Month.•

TARGETS OF THE MEDIA

• Mr. GARN. Mr. President, NASA and America's Civil Space Program have become favorite targets of the media and some in Congress during this period of economic hardship and constrained Federal budgets. Yet a recent public opinion survey clearly demonstrates that the American people remain steadfast in their support of a vibrant civil space program.

That support is particularly strong in urging a continued emphasis on a human presence in space and the safe, long-term operation of the space shuttle. One certainly does not see support for the kind of demands voiced by some of our so-called space experts to abandon the shuttle as too risky or for relying almost entirely on unmanned scientific probes. No, instead one sees a refreshing and mature acknowledgement of the benefits that derive from a balanced space program where manned and unmanned elements work in harmony to maximize the advantages of space research and exploration.

Some specific highlights drawn from the survey include the following: 80 percent believe that America's civilian space program should continue to emphasize a human presence in space; 63 percent agree that the United States should spend whatever is necessary to maintain U.S. leadership in space; By a 2-to-1 margin, Americans support increased funding for NASA; 80 percent concur that the space shuttle is an important national asset and that the Government should invest the resources required to make sure it will be available for many years to come; 68 percent strongly support the effort to build a permanently manned space station; and 70 percent endorse the development of new technologies that may lead to the construction of a new manned space vehicle called the National Aerospace Plane.

Mr. President, we in this Chamber will be asked to make a host of tough policy and budget decisions throughout this and forthcoming years. When we do, let us recall the practical wisdom of our constituents who expect America to invest in its future and in the future of generations to come.•

SEAWOLF ATTACK SUBMARINE

• Mr. D'AMATO. Mr. President, thus far, the debate raging over the termination of the Seawolf attack submarine program has focused exclusively on the impact cancellation will have on Electric Boat and Newport News. The shipyards, however, represent the very tip of the iceberg, and a soft landing for Electric Boat and Newport News must not come at the expense of the overall submarine vendor base or the yards responsible for overhauling and refueling submarines.

For example, the recently released, and suppressed DeMars study recommends procuring additional I688's with funds saved by decommissioning early Los Angeles-class subs ahead of schedule. Accelerating retirement of early 688-class submarines, when we have already adopted an early decommissioning strategy for 637-class subs, would devastate the overhaul and refuel operations at Charleston, Mare Island, Portsmouth, and Pearl Harbor. As for restarting the I688 line, such a plan would not sustain many of the Seawolf technologies vital to the success of the Centurion Program.

Another example of a solution to the industrial base question that offers limited salvation to a chosen few is rejection of the rescission of funds associated with SSN-22 and -23. The work these two submarines represent could keep either Electric Boat or Newport News busy into the late 1990's, but consider this: major forgings for the reactor vessels and steam generators of the SSN-22 and -23 were delivered in early 1989, auxiliary drives were due this June, and wide aperture array hydrophone staves by this September. Rescission or not, the cancellation of SSN-24 and beyond face many long-lead Seawolf vendors with disaster this year.

If we are to save the submarine industrial base and the revolutionary technologies associated with the Seawolf, we must consider the entire vendor stream that flows into the SSN-21. Were we to: First, deny the rescision of SSN-22 and -23; second, artfully fund spares, repairs, modifications, backfits, and stockpiles; and third, begin, using fiscal year 1992 long-lead funds, an extremely modest building program of advanced 688-class subs incorporating Seawolf features where possible, we could generate enough work to preserve the core technologies, facilities, and talent required to design and build the Centurion.

That the executive branch is indifferent to the future ability of this country to produce submarines is painfully obvious. It is up to Congress to build a coalition made up of all interested parties to craft a series of initiatives that will preserve our submarine industrial base. I look forward to working with my colleagues in that endeavor.•

THE COLORADO GEOGRAPHY EDUCATION FUND

• Mr. BROWN. Mr. President, today I would like to bring to the attention of the Senate a unique and innovative educational program that has come to Colorado, the Colorado Geography Education Fund. Colorado is only the second state in the Nation to participate in this educational program conceived and sponsored by the National Geographic Society Education Foundation in conjunction with the State and the private sector.

An international Gallup survey conducted in 1988 for the National Geographic Society found that over half of those Americans questioned felt that geographic knowledge about a country helps to provide insight into its economy and political system as well as the lifestyle and health of its citizens. The importance of programs such as the Colorado Geography Education Fund cannot be underestimated when one considers the following statistics taken from the same survey: one in seven adult Americans are unable to locate the United States on an unmarked map, and one in four cannot identify the Pacific Ocean. Perhaps even more frightening, however, is the fact that in the 18- to 24-year age range, Americans placed lowest of the 10 nations tested.

While the program is still in its organizational stage, I understand that grants from the Colorado Geography Fund will be available to fund geography for children in kindergarten through their senior year in high school. An advisory committee to be made up of teachers, State and local officials, and other educators will review grant applications and make recommendations to the board of trustees of the National Geographic Society Education Fund. To ensure that all contributions are specifically directed to fund geography programs, all of the program's administrative costs will be borne by the National Geographic Society.

In an effort to improve our children's awareness of geography, the National Geographic Education Foundation committed $500,000 to establish this fund in Colorado. Colorado's business and nonprofit community quickly responded with matching contributions.

It is my hope that the Colorado Geography Education Fund may serve as a model for other educational programs by encouraging the joint participation of the private sector and State and local governments. These types of ventures provide excellent opportunities to develop creative and effective solutions to improve our children's education.•

DECRYING THE FAILURE TO PROVIDE ISRAEL WITH LOAN GUARANTEES

• Mr. D'AMATO. Mr. President, I rise today to express my dismay at the situation facing us over the Israeli loan guarantees. It is quite regrettable that our Government has taken this position. The United States has done what we have never done before. By linking settlements to the provision of loan guarantees, the United States has gone farther, publicly than even Israel's Arab enemies. This is wrong.

Time after time, Israel has stood by the United States and defended our interests in the region and in the world. During the height of Soviet-American competition in the Middle East, Israel was there, Israel was on our side. Now we have left hers.

As the only democracy and our only true friend in the Middle East, Israel, at our request, endangered her people and her security, withstanding 39 Iraqi Scud attacks, without returning the fire. We have requested much from Israel. She has responded.

Much has been said of the guarantees. The American public has been mislead into believing that Israel is receiving $10 billion directly from the United States Treasury. This is not the case. What is true is that these guarantees will not cost the United States taxpayer a dime. What the United States is giving Israel is only a guarantee for $10 billion it will receive from private financial sources. We are only cosigning for the loans. Israel has never defaulted on a loan.

Moreover, $5 billion of the commercially borrowed money will be spent in the United States, creating or retaining some 100,000 vital American jobs. Israel has also offered to buy most if not all of the needed equipment in the United States. How can we possibly overlook these possibilities?

This policy is amazingly shortsighted. It is based upon the false assumption that Israel is the enemy. She is not. It presumes that Israel is entirely at fault. She is not. In fact, Israel is only protecting herself from repeated and unrelenting threats of annihilation from her hostile neighbors. Would we do no less.

We have put ourselves into the position of pushing Israel into the corner. No nation wishes to be influenced in this manner. If peace is what we seek, then this is not the course to take. We are embarking down a road to danger. If we continue along this path, there may be trouble ahead. If peace in the Middle East is the ultimate United States goal, then we must reward our friends, not treat them like the enemy.•

COMMEMORATING NATIONAL WOMEN'S HISTORY MONTH

• Mr. BRYAN. Mr. President, to commemorate our recognition of March as National Women's History Month, I would like to share the story of Sarah Winnemucca, a Northern Paiute woman from Nevada. Ms. Georgia Hedrick, a fourth grade teacher at Nancy Gomes School in Reno, NV, became intrigued with Sara Winnemucca, and has worked to educate Nevadans about this remarkable native American woman. Last October 17, 1991 marked the 100th anniversary of Sarah Winnemucca's death. Ms. Hedrick's article about this remarkable native American woman, whose impact reached far beyond Nevada follows:

SUPER SARAH

(By Georgia Hedrick)

"I was born somewhere near 1844, but am not sure of the precise time. I was a very small child when the first white people came into our country.

"They came like a lion, yes, like a roaring lion, and have continued so ever since, and I have never forgotten their first coming."

When Sarah's father heard that there were men in the country with hair on their faces and were white, Sarah says that he jumped up and clapped his hands saying: "My white brothers! My long looked-for white brothers have come at last!"

But the white brothers were not so happy. They kept away. Those that came near tried to starve and cheat and kill their Indian brothers. They did not know the legend that Sarah's father knew. They did not know that they were long-awaited. They would. In time, they would. Sarah would teach them. Sarah would also teach her own people as well. And no one would ever be the same.

All Sarah Winnemucca ever wanted her whole life was justice and truth and peace for her people. All Sarah, and her people, ever got was something else.

All her life, Sarah was controversial. Her enemies hated her and spread their hatred everywhere; her friends loved her and befriended her and invited her to speak on behalf of her people. Her main enemy was the Department of the Interior with most of its Indian Agents. She would tell how most of them had starved and cheated and tried their utmost to exterminate her people. She named names and places and events. They retaliated by calling her horrid names, such as prostitute, gambler, liar, street woman, and irresponsible and untrustworthy and disreputable.

There were many Indian Agents who hated and mistrusted Sarah, but there was one, more full of hatred and venom and spite than all the others. His name was W.V. Rinehart. (It should have been stonehart for so he was.) He forced the Paiute to work the land and raise the wheat and then took the wheat from them giving them not even enough food to last through the winter. He refused to issue clothing and blankets in the winter—he let them freeze and get sick and die. He refused to give any medical care. He denied them any sort of schooling. He would not pay them for their work even after promising to do so before they worked. Most of all, if they complained, he blamed Sarah for all their problems—as she would report him to the Military and to her friends in the East. Yet, he would not change. He simply grew more spiteful, more cruel, more evil.

And Sarah would not change as well—she began to travel and speak on behalf of her people and their needs. All she ever asked for was that promises made be kept. When she spoke, she spoke without notes, and in English, and from the heart. She spoke to packed houses all along the Eastern seaboard as well as on stages and theatres in San Francisco. Her audiences would listen, spellbound, totally captivated by her words, her dress, her depth of feeling.

Yet, even among civilized society, there were those who wrote for newspapers who found it better for sales to print the reports sent in by Rinehart to discredit her or simply to ridicule her dress and even the truth of what she had to say. One newspaper printed the following Rinehart letter:

"* * * her influence with the Indians has always been to render from licentious, contumacious and profligate. This woman has been several times married, that by reason of her adultrous and drunken habits, neither squawmen nor Indians would live long with her; that in addition to her character of Harlot and drunkard, she merits and possesses that of a notorious liar and malicious schemer."

It was to Rinehart's benefit to say whatever he could of Sarah as she knew enough about his evil ways to get him removed from his money-making post as Indian Agent. After all, whatever he didn't spend on the Indians, but told his Washington superiors that he did, he kept for himself. By assassinating her character, he preserved his job and his income and rid himself slowly of the presence of the Indian in the West. He had long believed in the total extermination of the Indians as a policy.

Sarah, on the other hand, had one simple message. It was not to defend herself, although at times she did. It was, instead, a constant cry for help for her Paiute people:

"I am appealing to you to help my people, to send teachers and books among us. Educate us.

Everyone shuns me, and turns a back on me with contempt. Some say I am a halfbreed. My father and mother were pure Indian. I would be ashamed to acknowledge there was white blood in me . . .

I want homes for my people but no one will help me . . ."

Sarah did have one weakness: she was attracted to dependent, dysfunctional men. Her first husband, a military man, was an alcoholic, and her last husband, also a military man, was a compulsive gambler. The two men who were husbands in between these military men, Sarah says little of. We can only assume that they were a serious disappointment to her. She divorced the first three and the last died of tuberculosis after gambling away most of Sarah's funds that she raised through her speaking tours and book sales.

Love her or hate her, no one could ignore her. She spoke too well, too sincerely, too convincingly to be ignored. She was a presence to be acknowledged, and listened to.

And listened to she was—from Virginia City to San Francisco, to cities in New York, Connecticut, Rhode Island, Maryland, Massachusetts, and Pennsylvania, she packed the audiences and hallways and doorways. Thanks to her special patrons—Elizabeth Palmer Peabody and Mary Mann (Mrs. Horace Mann), people such as John Greenleaf Whittier, Ralph Waldo Emerson, Oliver Wendell Holmes and Leland Stanford were well aware of all she stood for. She even spoke at Vassar College as she was invited to speak by its president.

Sarah always dressed for the occasion. She seemed to know what was expected whether it was as a Paiute or as a woman who had to be taken seriously. Her costume was more true to what would make Eastern white people listen to her than it was accurate depiction of her native wear. She knew they wanted to see her in fringed buckskins and beads and leggings and long raven-black hair. She wore whatever would make them pay her the attention and money her people needed.

When she spoke, she spoke with fire and fury in her soul, as well as with heartache and tears. She never failed to touch all those who listened to her plea. Once, when she finally got a private visit with President Hayes, which was set immediately after being given assurance that her people would be given a home and food and clothing, she was asked by the President if she got all she came for. She replied truthfully for that moment: "It would seem so. Yes." The President nodded assent and left. Afterwards, she testified before a Senate Committee as to the Indian problem and condition, and was listened to with great intensity.

The only problem was: the promises made to her by Senators and Cabinet members and the President himself, even in writing, were not kept. Promises were like piecrust—made to be broken. Or so it seemed to Sarah.

Yet, in spite of all the broken promises, all the lies and cheating, all the knavery and thievery and seeming slavery, for all the reasons her people had to never believe her again, still what Sarah achieved over her 47 years can never be denied. The facts remain: over and over, the Army so valued her as to hire her again and again as a scout, guide, and interpreter. After all, she did read and write and speak English fluently, as well as speak Spanish, Paiute, Washoe, and Bannock languages. She was the first Indian woman in the United States to write a book about the history of her people and their treatment, entitled, "Life Among the Paiutes; Their Wrongs and Claims." Her patrons in the East saw to it that it was edited and published as well as documented with character references by well-known and respected persons from across the United States. And, she wrote the book entirely from memory, as most of her family had died by then.

One special achievement of which Sarah was rightly proud was her organization of and teaching in the Peabody Indian School in Lovelock, Nevada, which lasted for almost four years or until the Department of the Interior Indian Agents closed her down, not because the students did not learn, but because it was 'too Indian'. Yet Sarah had taught her pupils to read and write and sing in English as well as to count to numbers in the thousands.

Her school so impressed the local prominent citizens of Lovelock in 1886 that they wrote glowingly of Sarah's school and sent it to Miss Elizabeth Peabody who forwarded it on to The Boston Transcript where it was printed as follows:

"When we neared the school, shouts of merry laughter rang upon our ears, and little dark and sunburnt faces smiled a dim approval of our visitation * * *

"Speaking in her native tongue, the Princess (Sarah) requested the children to name all the visible objects, repeat the days of the week and months of the year, and calculate to thousands, which they did in a most exemplary manner. Then she asked them to give a manifestation of their knowledge upon the blackboard, each in turn printing his name and spelling aloud.

"It is needless to say, Miss Peabody, that we were spellbound * * *"

Yet, the Indian Bureau of the Department of the Interior continued to treat Sarah's school as if it did not exist. No support of any sort was ever given.

Later that year, a Washington official arrived at the school to tell Sarah that if she (Sarah) wanted money, she would have to give up her school and her brother would have to give up the land, his land, upon which the school was built. Sarah, refused.

In the end, the government won: it passed a law requiring Indian children be educated in white English-speaking schools, whether their parents approved or not. Those schools were to be located far away from reservations or their homes and the children were forbidden to speak, do, or act in any way that reflected their Indian Heritage.

One day, a man named Mr. Davis, simply came and took the children that were there away to Colorado to school. Parents were not told and even Lee Winnemucca had his boy stolen in this way. He was told that this was the law and he could do nothing about it.

Sarah, ever the educator, knew what worked to teach her pupils, yet, no one asked her and even though she had written it in her book, no one paid her any attention.

She had once written:

"It seems strange to me that the Government has not found out years ago that education is the key to the Indian problem. Much money and many precious lives would have been saved if the American people had fought my people with Books instead of Powder lead. Education civilized your race and there is no reason why it cannot civilize mine."

"Indian schools are failures at many agencies, but it is not the fault of the children, but of the teacher and interpreter * * * the most necessary thing for the success of an Indian school is a good interpreter, a perfect interpreter, a true interpreter * * * I attribute the success of my school not to my being a scholar and a good teacher but because I am my own interpreter, and my heart is in my work."

The greatness of Sarah is just beginning to be appreciated. Here was an Indian, and a woman, who, more than 100 years ago, spoke five languages, lectured coast to coast, wrote and published a book, started her own Indian school as well as taught in many Reservation Schools, worked for the Army as guide scout and interpreter, and all on 3 weeks of formal private-school education.

Maybe now, exactly 100 years since the day and year she died (Oct. 17, 1891), we can accept her, even praise and honor her, and rejoice that she is one of the special Native Nevadans who has much to enrich and educate us all. Who knows? We might even be wise enough to name a school or a statue or even a day in her honor.●

IN SUPPORT OF SENATE CONCURRENT RESOLUTION 82, URGING GREATER PROGRESS TOWARD DEMOCRATIZATION IN HONG KONG

● Mr. D'AMATO. Mr. President I rise today to cosponsor Senate Concurrent Resolution 82, the resolution regarding democratization in Hong Kong. It is vital that democracy take root in Hong Kong before the colony's transfer to China in 1997. This act urges that steps be taken to accomplish this.

The 1984 agreement between the Governments of the United Kingdom and the People's Republic of China [PRC] will transfer the sovereignty of Hong Kong to the PRC in 1997. In an age when communism is in retreat all over the world, the transfer of Hong Kong will place some 6 million people under a harsh Communist regime. These people are in real danger of losing their claims to a democratic form of government. Upon transfer of the colony, Hong Kong will be transformed into a special administrative region of the PRC.

A little more than 150 years ago, Hong Kong was an impoverished and ignored section of China. Since the cession of the territory to the British in 1842, Hong Kong has become one of the great success stories of the world. Hong Kong has built one of the richest trade areas in East Asia and has done so on the basis of free trade and free enterprise.

The Hong Kong story is in danger of coming to an abrupt end when the July 1, 1997, deadline arrives. With the long record of human rights abuses by the People's Republic of China, most notably the 1989 Tiananmen Square massacre in Beijing, the people of Hong Kong have much to fear.

The United States, with a great stake in the fate of Hong Kong, is currently tied with Japan in its economic stake in Hong Kong with over 800 companies and investments there totaling close to $6 billion. Hong Kong is also one of America's largest trading partners. In 1990, U.S. imports reached $7 billion and exports to the United States approached $9 billion.

As a champion of freedom and free markets, the United States should take the initiative and support a continuance of democratic government in Hong Kong. By doing so, the United States will express to the PRC the importance of human rights and that it will seek to establish democracy in Hong Kong as a foothold on the future. I urge my colleagues to support this important legislation.●

TRIBUTE TO WALT DEAR

● Mr. FORD. Mr. President, I rise here today to take a moment to acknowledge and pay tribute to a fellow Kentuckian and friend, Walt Dear.

Walt, from Henderson, KY, was recently named the Henderson Chamber of Commerce's 1992 Citizen of the Year.

Over the years, Walt has demonstrated a deep love and commitment to his community. He has given of his time, energies, and efforts through a number of organizations and opportunities.

He is an active member and fund raiser on the Henderson County School Foundation for Excellence, a member of the Community Methodist Hospital Foundation Board, and a loyal supporter of the hospital. He also serves as a member of the Henderson Community College Foundation and is an active supporter of the HCC auditorium and academic facilities that are nearing construction. He has played a large role in the formation of the Ellis Park Foundation, which provides thousands of dollars annually for local area charity causes.

Teaching kids to swim at the YMCA, visiting the local nursing home, playing piano at local blood drives and senior citizen gatherings, and reading to young children at the Henderson County Public Library are just a few examples of his tireless commitment to the public.

To add to these efforts, a couple years ago Walt became the cochairman of Henderson's Salvation Army's Capital Campaign for Center of Hope, helping them raise over a million dollars. I am very proud of my friend and I applaud him for receiving this year's Distinguished Citizen Award.

I know I join with many in the community to commend Walt for his many years of hard work and dedication to Henderson and its people. I wish him the best of luck for the future and I am sure that many more successes lie ahead.●

SCHNEERSON-AGUDAS CHABAD

● Mr. GORE. Mr. President, I would like to insert into the RECORD a summary of recent events in the ongoing effort to retrieve the Schneerson-Agudas Chabad Library collection being held in Moscow. I will not ask that the exhibits referred to in the document be reproduced in the RECORD, but my office will make them available to all interested parties.

As my colleagues are aware, the quest to release these books to the custody of the Lubavitch Jewish community has stretched over seven decades. It is my deep hope that the revolutionary changes sweeping Russia will soon lead to the return of these sacred texts to their rightful owners. I will be circulating another letter concerning this important subject to all Members of the Senate shortly.

The partial chronology follows:

A PARTIAL CHRONOLOGY OF THE ATTEMPT TO SECURE THE RETURN OF THE SCHNEERSON LIBRARY

INTRODUCTION

For more than 70 years the sacred 12,000 volume Schneerson, Agudas Chassidei Chabad book collection has been wrongfully kept in the Lenin Library in Moscow—first by the Soviet Government and now by the Russian Government (the legal ruling of iniurcolleguia, the Soviet Association of Lawyers exhibit "1"). This has also been confirmed by Russian court rulings (exhibit "2").

Following the Russian revolution, the collection's rightful owner, Rabbi Y.Y. Schneerson, the Lubavitcher Rebbe, began appealing to Soviet authorities for the return of his property (exhibit "3").

The immediate precursor to the current attempt to retrieve the collection was initiated by Jerry Weintraub and the late Dr. Armand Hammer. Their efforts on behalf of the seventh Lubavitcher Rebbe Shlita, Rabbi M.M. Schneerson occurred during the epoch periods of "glasnost" and "perestroika." The facts relating to those efforts can be found in "a plea for the liberation of the Schneerson-Agudas Chassidei Chabad books in Moscow", published by Agudas Chassidei Chabad, March 1, 1991.

The current phase of the struggle to liberate these books began on November 27, 1990. Rabbis Cunin, Aronov, Kogan and Professor Levinson arrived in Moscow as official representatives of the Lubavitcher Rebbe. To date the rabbis have been here, in Russia, sans their families, and away from their positions as international leaders of Chabad Lubavitch, for over 16 months. What could have been, and should have been, a simple identification and return of the books and manuscripts, has turned into a struggle that has risen to the highest levels of international concern for the concept of justice.

This effort has garnered the support of President Bush, Secretary of State Baker and a majority of the United States Senate. European leaders have also called upon Russia to return the books, including Prime Minister Major, Prime Minister Andreotti and President Kohl (exhibit "4"—Radio Free Europe report). The return of the books has also been requested by many notable personalities including Elie Weisel, Bob Dylan, John Voight, and Peter Max.

We decided to seek justice in court. Under the old Communist regime we would not have dreamt of seeking justice in a court of law. Under the new—democratic—government of President Yeltsin, it seemed possible to attain a verdict based on facts and truth, not political or monetary considerations.

Granted, the present negotiations have been waged during a difficult period for the country of Russia however, the fact remains that the return of the books is directly related to the depth of Russia's commitment to the principles of justice. Especially now, as the new Russia seeks recognition as a democratic state in the eyes of the world, a positive demonstration of the country's judicial and political good faith is critical.

The return of these books has become the litmus test of the existence of justice, and compliance therewith, in the new democratic Russia.

In Senator Gore's letter the full importance of this is fully revealed:

"* * * but the issue has become larger than that at issue now, is the question of whether there is or is not a judicial system in the Russian Republic which is capable of reaching a decision and having it reliably carried out—either voluntarily or through the application of police power if necessary. If it is impossible for the judgement of the Russian courts to withstand the personal willfulness of Soviet Ministers, then nothing has changed. Any Western business thinking of entering into a financial relationship with any Russian institution must take into account that contracts are not enforceable in the Russian Republic any more than they were in the Soviet Union. The United States Government, in presenting any future agreement involving Russia for the Senate's approval will also find it difficult to explain how disputes are to be legally settled if Russian courts are powerless to enforce their decisions." (exhibit "5").

Even though the Russian federation courts have ruled in favor of returning the collection numerous times, politically motivated actions have made enforcement of those rulings impossible. Indeed, these actions have brought about the purported nullification of all of the court rulings, essentially undoing our extended effort to seek a solution through the Russian court system. The following chronology presents the recent history of the attempt by Chabad Lubavitch to find justice in Russia.

CHRONOLOGY

September 6, 1991: Former President Gorbachov's special adviser, Mr. Alexander Yaakovlev, summons us to a meeting to discuss the return of the books.

Afterward, he instructs the director of the Lenin Library, Mr. Volik, to return the collection per order of Mr. Gorbachov, through his special assistant Tchernayov. When we go to the library to collect the books the director, Mr. Volik, refuses to return them.

We remain in the library for the entire Sabbath.

September 7, 1991: After Sabbath we set up a 24 hour information station and begin a prayer vigil outside the Lenin Library.

Week of September 9, 1991: The Russian media runs numerous stories regarding our vigil. A librarian from the Lenin Library approaches us and tells us he has seen some of the books destroyed and offers fragments as proof. He appears on television incognito, with this revelation.

September 15, 1991: We appeal to Mr. Volik to create a "modus operand" to protect the books. He refuses.

September 21, 1991: During a television interview, the chief of the Lenin Library manuscript department, Mr. Deragin, says, "rather than returning the Schneerson books, I would first burn myself together with them" (exhibit "6" newspaper article).

Week of September 23, 1991: We take the book fragments to Russian authorities and appeal for help. They assure us "there is justice in our country" and that "the local obsheena (congregation) Chabad-Lubavitch, has every right to seek justice in our court system."

September 26, 1991: The Russian Republic Court rules in our favor and issues an "order of arrest" to secure the books (exhibit "7"), after 21 days, based on the order, and at the request of the Government, we end the 24 hour vigil outside the library.

September 27, 1991: Lenin Library officials refuse to comply with the court order and attempt to get it rescinded. The court refuses, however there is no compliance. Deputies of the Russian Federation, and members of the Supreme Soviet (including the chairman of the committee on human rights, Mr. Kovalov, and the chairman of the committee on freedom of conscience and religion, V. Polosin) express support for the return of the books (exhibit "8").

Week of September 30, 1991: Our Russian lawyer, Veronika Irina, petitions the court to try the entire issue of the Schneerson collection. The court agrees.

October 9, 1991: A panel of three judges hears the case in open court. Using historical correspondence from the library's own file, our lawyer establishes that the books were never nationalized or abandoned by their rightful owners. The Lenin Library's lawyer cannot substantiate claims to the contrary. Nor, despite great dramatics, could he establish any other legitimate grounds for retaining the books.

The court rules that the books must be returned within 30 days (exhibit "9").

Week of October 8, 1991: Parties opposed to the return try to counter the verdict by asserting political pressure to try to get the ruling rescinded.

The Soviet Minister of Culture, Mr. Guebenko, fiercely protests the decision to the attorney general of the Russian Federation, Mr. Turbin, and to Chief Justice Greebeneukoff. Guebenko demands that the implementation of the court order be stopped, and the case closed.

Chief Justice Greebeneukoff calls a press conference to announce that he has received numerous threats since the ruling. He singles out Mr. Guebenko, as the main perpetrator.

October 10, 1991: Through his press Secretary Mr. Grachov, President Gorbachov says, "The Soviet Government will comply with the Russian court ruling, regardless of the statements of the Minister of Culture to the contrary. If Ministers are unhappy with the court ruling, that is irrelevant."

October 14, 1991: Russian Government officials instruct us to go to the local marshal's office to enlist their aid in gaining compliance with the court order.

October 15, 1991: The Moscow marshal's office refuses to cooperate.

We then go to the marshal's office in Chimkee (sight of a second library storage building holding some of the collection). The Chimkee marshals accompany us to the storage facility, but the librarians refuse admittance, claiming the marshals do not have proper jurisdiction since the main library is in Moscow.

October 16, 1991: We receive notice that the Lenin Library has appealed the court ruling. We had previously been told, by the court, that there were no grounds for such an appeal.

November 18, 1991: After successfully appearing before a panel of judges "the collega" whose job it is to review appellate cases, we went to court to appear before Chief Justice Greebeneukoff.

Anti-Semitic demonstrations, orchestrated by library personnel greet us outside the courthouse. We are physically and verbally abused as we barely manage to enter the building.

During the trial library witnesses once again focus on issues of nationalization and abandonment of property. Once again, the claims are found to have no basis in fact.

In spite of ongoing demonstrations outside the courthouse orchestrated by library personnel, *The Chief Justice rules and orders:*

That the books do not belong to the Lenin Library. That the books have always belonged to Schneerson. He orders that the books be transferred to the National Jewish Library immediately, for safekeeping (exhibit "10").

Note: The National Jewish Library had been taken into the case previously by the court, on the 15th of November. At that time the court recognized the National Russian Jewish Library, Maimonides, Agudas Chassidei Chabad, registered as an applicant in the case at the address of Chabad in Moscow, Dom 6, Bolshaya Bronnaya (exhibit "11").

November 20, 1991: We arrive at the Lenin Library to claim the books. But the staff informs us that Mr. Volik, the director, has just left for Mongolia, and we must wait until he returns. When we persist, they request a written letter of implementation from the court. We stay behind as our lawyer leaves to procure it. The letter is delivered (exhibit "12"), still no compliance. Feeling that there is no alternative, we inform them that we will not leave until they comply with the court order, and give us our books.

After several hours the staff begins taunting us with Anti-Semitic slurs and threats of violence. At 9 p.m., 30 baton-wielding library police charge our group of approximately 20 people. An elderly chassidic Russian war veteran, Avraham Gennin, is injured, our pleas to be allowed to telephone for medical assistance are ignored by the staff.

Shortly after the beating, our lawyer returns and informs us that Mr. Burbulis, vice president of the Russian federation, is fully aware of the incident at the library, and personally promised that the books will be returned and that there would be immediate compliance with the court order.

At his urging, and on the strength of his pledge, we leave the library.

November 22, 1991: After this incident and after a technical inspection of the Lenin Library, the Moscow Federation of Professional Unions closes the facility, claiming that it is physically unsound.

November 26, 1991: The Russian Federation Department of Justice agrees to adhere to its responsibility to have the marshals enforce the court order. But still, no compliance.

November 28, 1991: Vice President Burbulis' staff advises patience. Claiming the delay is a result of the library still being under control of the old Soviet regime. They assure us it will soon be taken over by the Russian Government, and that compliance will then be immediate. "For in Russia there is justice.

Week of December 23, 1991: Despite constant reassurances by Vice President Burbulis' staff, our efforts continue in vain. Their promises include: An official government decree ordering the return of the books; converting the Lenin Library into the Russian National Library and dismissing all staff who had violated the court orders; and naming a new head librarian whose first duty will be to return the books.

Rabbi Kogan and Professor Levinson, chief librarian of the International Chabad movement, meet with incoming Director of the Library Philipov who assures us that his top priority is to return the books. However, he asks for two weeks time to acclimatize himself to his new position.

December 29, 1991: The Government issues a decree, signed by Vice President Burbulis, certifying the National Russian Jewish Library, maimonides, thereby strengthening its standing as the vehicle by which the return the books would occur (exhibit "13").

January 2, 1992: The Lenin Library is reopened.

January 20, 1992: We receive a letter from the marshal's office in Moscow informing us they cannot enforce our court order because of (1), technical errors in the court order and, (2), the supposed lack of a catalogue detailing the contents of the Schneerson collection. We seek clarification from the marshals office, but receive no assistance (exhibit "14").

Both Mr. Burbulis and Russian Foreign Minister Kozyrev call the letter a "horrible mistake" and tell us not to worry because it is from a low level marshal.

We have been told we will get the books, we have been told not to worry about the above mentioned letter. But our experience tells us something is amiss. We call some of the Senators in Washington who have been strong supporters of our cause, among them Senator Dole, Senator Gore, Senator Lieberman and Senator Mitchell. The Senators will take additional measures to convey their disappointment in the latest turn of events to the Russians. Senator Gore writes a strong letter to President Yeltsin with the support of the majority of the United States Senate. 52 Senators personally signed this letter (exhibit "15").

We appealed to the prestigious commission of senators and congressmen that represent the United States at the commission on security and cooperation in Europe ("Helsinki commission"), who consequently sent a strong letter to President Yeltsin, urging the return of the books (exhibit "16").

"If the Lubavitch community is unable to secure return of its property legally through a court decision, foreign investors or persons considering other activities—educational, charitable, etc.—will not be encouraged to undertake serious, long-term commitments in Russia. This would be a serious blow not only to your country's economic development, but to Russia's legitimate place in the world community."

January 22, 1992: President Yeltsin issues a decree nullifying the Lenin Library and creating the new Russian State Library (exhibit "17").

The Lenin Library of the U.S.S.R. no longer exists.

The Russian Government has taken possession of the building and the books. Justice will be done, as the Russian Government has promised, immediate compliance. We will finally get our books.

January 27, 1992: Government officials call a flurry of meetings to demonstrate their good intentions as President Yeltsin's scheduled trip to the U.S. nears. Among the more prominent officials seeking to assure us that the return of the books is imminent are: Foreign Minister Kozyrev and Vice President Burbulis.

January 29, 1992: Vice President A. Schochin issues a decree ordering the new Russian State Library to transfer the books immediately (exhibit "18").

Later that day, Professor Levinson, goes to the library to inspect the books, he is met by a group of demonstrators carrying red flags and signs with anti-Semitic slogans, Mr. Deragin, director of the manuscript department of the library, is actively inciting the crowd with a bullhorn "we will kill the Jews who are trying to take our books." Copies of "Zemsheena", a newspaper that accuses Jews of ritual killing of small children, and the utilization of their blood in religious rituals, is being openly distributed throughout the crowd (exhibit "4"-Radio Free Europe). The professor is physically forced to leave the premises.

January 30, 1992: A larger crowd assembles near the Lenin Library shouting anti-Semitic slogans and carrying signs condemning Rabbi Kogan to death copies of "Zemsheena" are everywhere. After an emergency meeting in Mr. Burbulis department, special emissaries with a KGB escort enter the library through a back door, and Mr. Philipov stated that they will set the books aside immediately for return.

With President Yeltsin about to leave for the United States, we seek the help of President Bush, Secretary of State Baker, and Members of Congress who have been supporting our effort.

Also on January 30, 1992: I called supporting Senators in Washington to inform them of what has just transpired. The Senators write additional letters (exhibit "19").

January 31, 1992: Foreign Minister Kozyrev, through his representative Mr. Golbev, asserts in a meeting with us that despite the recent problems, "the books will soon be in your hands! After all, there is a court order, and now it is backed up by Schochin's decree".

Also on January 31, 1992: Professor Levinson and Rabbi Kogan return to the library, as agreed upon to help library staff in the segregation of our books, where there was yet a larger demonstration taking place. Additional anti-Semitic literature was being distributed. Professor Levinson insists upon being allowed to go to the physical stocks of books, finally he is allowed to do so. He shows them that according to the numerous physical proofs, ex libris, bindings, gold stamping etc. the books are easily identifiable and match the catalogue we had given them months ago.

February 3, 1992: Professor Levinson meets with the newly appointed head of the library, Mr. Philipov. The professor notes a copy of "Zemsheena" on Philipov's desk. When Levinson asks how he obtained the leaflet, Philipov responds "We have taken it from the demonstrators outside out of curiosity." However, a member of his staff states "We have a whole crate of these papers in the room above."

February 4, 1992: The chief of the Liquidation Commission issues an order to prepare and segregate the Schneerson books for their return to us.

February 5, 1992: We receive a letter in the mail dated January 4, 1992, from the Russian Department of Justice, signed by Mrs. Bebeshova. "We are sorry we cannot achieve compliance with the court order to return the books because of numerous technical errors in the implementation letter including but not limited to the absence of a catalogue" (exhibit "20"). In fact, another copy of the catalogue had been handed to Lenin Library officials by Rabbi Yitzchak Kogan at the end of October, 1991. The library acknowledged this in writing (exhibit "21").

Despite further assurances from the Vice President and Foreign Minister, we go back to court to get the order retyped. The court house is in chaos when we arrive. We learn that Chief Justice Greebeneukoff has been removed and the files on our case are now frozen.

Week of February 12, 1992: Demonstrators assault an Israeli journalist, Zev Vagner, in the lobby of the Lenin Library. Vagner is arrested by the militia police and jailed for 2 days before being released at the request of the people's deputies.

President Bush raises the issues with President Yeltsin at Camp David. Senator Dole raises the issue was well during his meeting with President Yeltsin at the Russian Embassy in Washington, DC., the Senator hands President Yeltsin a personal letter calling for the return of the books (exhibit "22"). He also provides Yeltsin a letter issued by Senator Gore, and signed by 52 U.S. Senators urging the immediate return of the books (exhibit "15").

February 17, 1992: Two weeks have passed no compliance. My colleagues and I go to the library to demand the implementation of the court orders, but are not allowed in past the lobby. The staff starts to physically abuse us. A bloody brawl ensues. The library police are ready to use firearms against us, one of them drew his pistol, only the action of the omon (special police force) stave off bloodshed.

February 17 & 18, 1992: Numerous articles appear in the mass media twisting the truth about the incident in the library. Misleading, anti-semitic stories appear in "Sovetskaya Russia", "Russki Vestnik", and "Zemsheena", as well as other newspapers (exhibit "23"). Those newspapers that did not attack us in this fashion still provided slanted coverage of the incident. This information is clearly aimed at spreading anti-Jewish tensions throughout the public sector, attempting to cover the issue with a facade of nationalistic and anti-semitic sentiment.

February 18, 1992: We learn from a newspaper article that assistant chief justice of the Russian Federation, Mr. Puginsky, overrules ex-Chief Justice Greenbeneukoff and invalidates all previous court rulings regarding the case (exhibit "24").

Nobody notified us of any renewed court activity. We never had the opportunity to represent our side at the hearing, if in fact there actually was a hearing. We never had the chance to question the legality of this action, or refute statements in the court's case before the verdict was issued.

Our legal advisers, including the well known jurist Professor A. Kabalkin (Dr. of Law, the leading scientist of the institute of State and law of the Russian Academy of sciences), all concur that there is absolutely no legal ground for the Government's latest action (exhibit "25").

"(Puginsky) the assistant of the chief justice has made great violations of legal procedures. According to Russian law he has no right to reconsider the decisions of the Chief Justice, as stated in article No. 88 of 'the rules regulating arguments.' Therefore violation of the demands of the lawful ruling (the return of the books) produced by a competent body (the court) has taken place."

The original court ruling was final, and legally it just cannot be overturned.

February 19, 1992: Member of Parliament, Nikolai Baburin, a nationalist with very strong ties to anti-Semitic organizations, lobbies heavily to galvanize support of right wing nationalists against the return of the books. Joint sessions of the House of Parliament convene. The liquidation of the Lenin Library is amongst their main topics of discussion. Members do not focus on the poor condition of the library facility. The rotting books, the crumbling building, the water damage, and other conditions, but rather on the February 17th incident and the future of the Schneerson collection. Under the influence of Baburin and his associates, the people's deputies—many of whom were elected during the communist days, before the August coup—vote by majority to recommend nullifying the liquidation of the Lenin Library, and affirm the indivisible nature of all the collections within it, including the Schneerson collection. They create a group of experts to prepare the bills necessary to accomplish the above mentioned goal. These experts include hard core, anti-semitic communists who have been obstructing the returning of the books all along.

Now Vice President Schochin's order to return the books is invalidated. Khasbulatov, the president of the Russian Parliament, is petitioned by United States Senators Dole, Gore, Lieberman, and others (exhibit "26"), and by the U.S. ambassador Robert Strauss, not to allow the parliament to obstruct the return of the books. In disregard of these appeals Khasbulatov signs a statement of the Supreme Soviet of the Russian state federation on the issue of the Russian state library (exhibit "27"). This statement calls for new laws to protect (restrict) the movement, as well as the use of the collections in accordance with new legislation to be enacted by the parliament. We know that Baburin and his associates are working with library personnel to draft legislation making it impossible to return the Schneerson collection. All court orders in our favor have been illegally nullified and our case unjustly closed. The Government decrees of Schochin to return the books have been invalidated under questionable circumstances.

CONCLUSION

How could such a travesty occur within the Russian justice system? Unfortunately, it appears the question becomes the answer.

As it stands now, there is no justice in Russia. We have been informed by Jerry Weintraub, our supporters in the Senate, and the American Embassy in Moscow that on February 17, 1992, in a meeting between President Yeltsin and Secretary of State Baker, in the presence of U.S. Ambassador Robert Strauss, and Russian Foreign Minister Kozyrev.

President Yeltsin promised to return the books. When the books are finally returned, the entire world will note that Russia has passed an important milestone in its struggle for democracy and justice—Rabbi Boruch Shlomo Cunin, Agudas Chassidei Chabad.•

KENTUCKY BASKETBALL

• Mr. FORD. Mr. President, I could not let another day pass without recognizing one of the most exciting college basketball games that I have ever witnessed. I know that I have never seen a Kentucky team exhibit as much heart, determination, and class as they did in Saturday night's 104–103 overtime loss to the No. 1-ranked Duke Blue Devils. Kentucky Coach Rich Pitino aptly compared it to the movie "Rocky" where an underdog won the hearts of all by putting up a courageous fight against the champion. Kentucky may have lost this fight, but there were no losers in this game.

As long as I can remember, Kentuckians have anxiously awaited spring for the crowning of their champions. This time-honored tradition begins with March madness and the playing of the NCAA basketball tournament and is followed by the proud heritage of the Kentucky Derby. We can credit this rich basketball tradition to the "Baron," Adolph Rupp. Over his 40-year coaching career he brought the University of Kentucky four NCAA championships and this country an Olympic gold medal. This tradition was continued by my good friend and fishing buddy, Joe B. Hall. These two men combined to establish the finest college basketball program in America. One cannot think of UK basketball and the NCAA tournament without the names of former stars coming to mind. These men not only succeeded in college basketball but several went on to distinguished careers in professional basketball, and many are today successful Kentucky businessmen. These include such greats as Frank Ramsey, Cliff Hagan, Johnny Cox, Cotten Nash, Pat Riley, Dan Issel, Keven Grevey, Sam Bowie, Melvin Turpin, Jimmy Dan Conners, Kennie Walker, Jack Givens, Kyle Macy, Rick Robey, and Rex Chapman, who I look forward to following with the Washington Bullets.

It is also important to recognize the retirement of a legend in his own right, Cawood Ledford. Cawood has been the voice of the Wildcats for the past 39 years. Generations of Kentuckians have been raised with turning down the television sound and listening to the call of the game by our own Cawood Ledford. He will be sorely missed and in no disrespect to his replacement, his shoes cannot be filled.

It has not always been such a bed of roses for Kentucky basketball as the university was put on 2-years probation by the NCAA in 1989. But, to not recognize these hardships, diminishes the honor and character shown by these young men who have brought us back to the top ranks of college basketball. This is most notably shown by the four seniors, John Pelphrey, Sean Woods, Richie Farmer, and Deron Feldhaus, who remained at Kentucky through all the hard times. These young men are outstanding role models for Kentucky youngsters as to what hard work, honor, and dedication can do for you. Coach Rick Pitino said it best, "Kentucky did it the right way, with integrity first."

All of Kentucky can take great pride in this year's great finish, but also how far we have come in the past 3 years. From the beginning, there have been many obstacles, but in true Kentucky tradition and fashion, we have risen above them.

The Wildcats are back, and from what I have seen, better than ever.•

U.N. SANCTIONS AGAINST LIBYA

Mr. LAUTENBERG. Mr. President, today there was a very important vote taken by the United Nations Security Council to impose sanctions against Libya. If Libya wants to be a member of the world community, it has to play by civilized rules. Harboring terrorists is not playing by those rules.

When Pan Am 103 was brought down by terrorists, 270 innocent people died. The vote at the United Nations expresses the revulsion we all feel for this senseless act of violence. Mu'ammar Qadhafi should heed this call, denounce terrorism, and turn the suspected terrorists over to face justice.

Today's actions are yet another painful chapter in the story of the bombing of Pan Am flight 103. As my colleagues know, that flight was brought down by a terrorist bomb on December 21, 1988. Since that time, exhaustive investigations have been carried out throughout the world seeking to bring those responsible to justice.

Mr. President, I am proud to have served as a member of the President's Commission on Aviation Security and Terrorism. During our work, we met with the Scottish authorities leading the investigation into the bombing.

Their task was daunting. Their dedication, perseverance, and professionalism was incredible.

Since they began their work in the minutes and hours after the bombing, they have never given up in their quest for justice.

With the indictment of two Libyan officials in November 1991, it appeared that progress was finally being made. The investigations had produced enough solid evidence to justify bringing the two Libyans to trial. Unfortunately, Libya has been unwilling to comply with overwhelming international sentiment, and allow these men to stand trial.

That is what brought about today's vote in the United Nations. By a 10-to-0 vote, the Security Council voted to impose trade and air service embargoes on Libya until it surrenders these two, along with four other suspects, for trial. The Security Council resolution also holds out the potential use of force if Libya does not comply.

Mr. President, I hope that such force will not be required.

But, as undesirable as it is, it is essential that State sponsors of terrorism understand that the United States and other countries will not tolerate terrorism, and will use that force if necessary. This was a major point stressed in both the report of the Commission on Aviation Security and Terrorism and the Aviation Security Improvement Act of 1990, which I authored.

I would like to cite for my colleagues three passages included in the "Findings" section of the 1990 act. First,

> The United States should work with other nations to treat as outlaws state sponsors of

> terrorism, isolating such sponsors politically, economically, and militarily;

Second,

> The United States must develop a clear understanding that state-sponsored terrorism threatens United States values and interests, and that active measures are needed to counter more effectively the terrorist threat;

And third,

> The United States must have the national will to take every feasible action to prevent, counter, and respond to terrorist activities.

Mr. President, those are strong words. Today's actions in the United Nations show that we are finally prepared to start backing up those words with action.

Terrorism is a cowardly, despicable act.

It brings death and tragedy to innocent men, women, and children. It has sadly and permanently changed the lives of wonderful people, people I have gotten to know very well like Bert Ammerman, Paul Hudson, Joan Dater, Aphrodite Tsairis, Bob and Eileen Monetti, and Vicky Cummock, to name just a few. They all lost loved ones in the Pan Am 103 bombing. And, over the last 3-plus years, they have worked to try to prevent others from suffering the same fate.

Mr. President, I visited Lockerbie, Scotland, and the site is one that is impossible to forget—young people's possessions, college students returning home for Christmas vacation from England and other places in Europe. I saw counters and cabinets full of little Mickey Mouse watches, funny hats, and T-shirts and slippers, and souvenirs that they intended to bring home to their families for the Christmas holidays. They must have been bursting with joy at the prospect of relating their experiences to their families. And as that airplane took off for the trip home, it was blown out of the sky by a terrorist's bomb. And we should not ever forget that.

The United States will be victimized by terrorism as long as it allows itself to be.

Action like that taken today in the United Nations is long overdue, and I commend Ambassador Pickering for his continuing efforts.

I hope that this will send a signal to all of those nations that sponsor or harbor terrorists that the civilized world just will not tolerate it anymore.

Mr. President, in today's New York Times A.M. Rosenthal writes about Syria, and says that the PFLP, headed by Ahmed Jabril, was part of the conspiracy that brought that plane down.

We have yet to demand of Syria the price that it should rightfully pay, and that is to denounce terrorists and expel those people from their soil. As we try to cultivate Syria's friendship, we ought to make note of her failure to live up to civilized world standards.

I hope that the civilized world and our country will not tolerate terrorism any longer. This is a chance to assert ourselves against terrorism, by helping to enforce the vote that the United Nations took this very day.

I yield the floor.

Mr. EXON. Mr. President, I ask unanimous consent that I might be allowed to proceed as in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE NEED TO REDUCE DEFENSE SPENDING

Mr. EXON. Mr. President, I rise to address the critical and all-encompassing issue of our Nation's future defense spending; more specifically, how much and where the necessary cuts can be made and still maintain a credible and essential national defense posture.

I take second place to none in the Congress over the years in support of a very strong national defense. Reductions, however, are necessary, and they are never easy. They are painful, but necessary. Having reviewed the President's fiscal 1993 proposed defense budget, I am here to make the case that the President's budget can be cut. It can be cut significantly, and it can be cut without pink-slipping troops by the tens of thousands, as many of the administration's witnesses would have Congress believe, if we dare cut a penny below the President's numbers.

There is an artful, emotionally charged, yet inherently dishonest snow job going on as the future of our Nation's military is debated. The Bush defense plan is based on the flawed premise that the administration's proposed 6-year $50 billion cut from defense spending cannot be further reduced without causing harm to our national security.

A $50 billion cut, Mr. President, over 6 years sounds like a significant cut. But, upon closer examination, one finds that $34 billion of the $50 billion, or 68 percent of the total, comes from just two weapons programs—the B-2 bomber and the SSN-1 attack submarine—that are, I might say, only in development and not even part of our Nation's operational forces.

Let us try to put this in perspective. Germany reunifies; Eastern Europe turns to democracy and looks to join NATO; Nicaragua embraces free elections and democratic rule; peace is reached in El Salvador; the autocratic big-men rulers in Africa drop like flies into the dustheap of yesteryear. North Korea and South Korea sign a nonaggression pact, a mutual respect pact, which we hope will lead to reunification. The superpowers have turned away from providing arms to the civil wars in Afghanistan and Yugoslavia, minimizing the risk of escalation. South African whites endorse the end of apartheid.

And, most important, the Soviet Union, for 40 years the boogyman that has driven our defense strategy and spending, collapses and disintegrates, its military partitioned, weak, and in disarray. The CIA confirms that new military production is down 80 percent in the Commonwealth of Independent States. Its navy is tied to the docks; its air force is grounded. In short, the one-time mighty Soviet machine is bankrupt. President Yeltsin knows it; the Republic leaders know it; and, quite frankly, the Pentagon knows it.

All of these developments, coupled with the Russian willingness to drop its nuclear arsenal to one-fourth of the pre-START Treaty levels, make one's head spin.

What is the Bush response to these remarkable, improbable events? Paper savings, Mr. President; illusory cuts of weapons not even yet fielded.

The President says: "This deep, and no deeper." Pentagon officials have come to the Hill and followed up this line in the sand with scare tactics of having to let go career officers if further cuts are taken.

Well, Mr. President, the American public is scared enough as it is. They are scared about the future. They are scared about rising unemployment. They are scared about a $400 billion deficit this year and a $4 trillion debt eating its way through more and more of each person's tax burden. They are scared about making ends meet, and they need the truth about where the defense budget can be cut without compromising our national security.

My analysis of the President's 1993 defense budget convinces me that the Congress can responsibly cut the budget by at least an additional $8.8 billion in budget authority and $4.2 billion in outlays through modest reductions, none of which will come out of the personnel payroll account.

So let us set that aside right now, the issue of pink-slipping servicemen and women. The Exon plan reduces personnel at exactly the same rate as the President's request, no more and no less. Rather, most of my suggested cuts come from large increases in the procurement and research and development accounts of the defense budget.

If my 1993 defense spending plan is open to criticism, it would be that it is too cautious, too conservative. I will outline areas where additional cuts below my figures can be taken if some of my cuts are not adopted, or if additional savings are to be found, or the $8.8 billion cut in budget authority, I am proposing that $5.2 billion come from procurement.

For those of my colleagues who have not had the opportunity to review the President's defense procurement budget, I would like to provide you some background and analysis. The President's defense procurement budget of $54.4 billion—listen carefully to that, Mr. President—is detailed in a document called "Procurement Programs," or "P-1."

The P–1 contains 1,288 separate procurement line items divided among the Army, Navy, Air Force, and the defense agencies. Each of these 1,288 procurement line items contains a brief description of the procurement, as well as the 1991, 1992, and proposed 1993 funding levels.

It is interesting to note that 385 of the 1,288 procurement line items—or 30 percent of the items—have proposed increases over the 1992 spending level. The increases alone in these 385 items total $11.4 billion over the approved 1992 amounts.

Or, to state that another way, in 385 items of all of these line items, they have increased spending, the Pentagon and the President, by $11.4 billion over what they were in the previous year.

This concentrates, I guess, on what many of us have been suggesting for a long time and, that is some kind of a freeze to be put in effect on all spending.

But getting back to the case at hand, if spending in these 385 programs were simply held to the 1992 level, not cut below last year's level, but just not increased, the Bush procurement budget would be reduced by $11.4 billion.

Mr. President, I guess everyone knows that there are high stakes priorities, high-profile programs that the Pentagon says it must have, some programs that the Congress agrees are essential to the modernization of our forces. It may surprise some that if the increases in each service's top 10 most expensive programs, such as the B–2 bomber, the C–17 cargo plane, the new replacement aircraft carrier, and the E/A–6B plane, are protected from any cuts and, therefore, removed from this list, 368 line items remain, totalling $6,7 billion in increases over 1992 spending levels. Let me say this again, because it is important; If you fully protect from any reductions any of the services' top 10 programs, a total of 30 weapons systems, which I do not cut in my proposal, there are still 368 programs in the President's procurement budget that are growing, totaling $6.7 billion. This $6.7 billion growth is over and above the 1992 funding level.

The next question is how much are these programs growing in percentages and dollars?

Of these 368 programs, 157 programs, totaling $3.9 billion, increase over 1992 levels by at least 100 percent.

Of the 368 programs, 214 programs, totaling $5.0 billion in increases, exceed 1992 levels by at least 50 percent.

Of the 368 programs, 296 totaling $5.9 billion, increase over 1992 levels by at least 20 percent.

Mr. President, at this point I ask unanimous consent that the entire list of these 385 programs be printed in the RECORD, and, furthermore, that a list of each service's top 10 most expensive programs, excluded from cuts under the Exon plan, also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Services' top 10 1993 programs[1]

[Cost in millions of then-year dollars]

Army:	
RAH–66	$443.0
UH–60	428.3
ASM	367.2
FHTV	315.7
FMTV	291.1
Longbow Engine	281.8
HMMWV	229.5
SINCGARS	223.2
MLRS Launchers	217.2
ATACMS	188.3
Total	2,985.3
Navy:	
DDG–51	3,369.6
F/A–18	1,808.6
F/A–18E/F	1,079.7
Trident II	986.8
Carrier	832.2
E/A–6B	530.0
CH/MH–53E	513.1
Tomahawk	404.2
FLTSATCOM	326.0
T–45	303.5
Total	10,153.7
Air Force:	
B–2	4,028.0
C–17	3,142.0
ATF (F–22)	2,224.0
MILSTAR	1,552.0
F–16	901.0
AMRAAM	773.0
JSTARS	744.0
Titan IV	525.0
NAVSTAR GPS	509.0
DSP	413.0
Total	14,811.0

---

[1] Includes procurement and R&D programs.

PROCUREMENT ACCOUNT

[Dollars in millions]

No.	Description	Appropriation	1992	1993	Percent change	Change
	Army					
8	Helicopter new training	2031	$23.5	$44.9	91	$21.4
12	Guard rail mods	2031	26.0	93.0	258	67.0
20	Flight data recorder	2031	.5	9.7	1,840	9.2
26	Airborne avionics	2031	0	1.0		1.0
30	Spare and repair parts	2031	0	101.0		101.0
31	Aircraft surv. equipment	2031	49.1	75.2	53	26.1
32	Air comm. and ctrl. consoles	2031	6.0	6.8	13	0.8
33	Avionics supp. equip	2031	27.1	33.7	24	6.6
35	Air traffic control	2031	2.0	5.7	185	3.7
3	Other missile support	2032	0.6	1.4	133	.8
8	Laser Hellfire sys	2032	19.7	103.4	425	83.7
13	MLRS launcher	2032	133.6	197.3	48	63.7
15	ATACMS	2032	146.9	163.2	11	16.3
25	Spare and repair parts	2032	0	42.1		42.1
28	Prod. base supp	2032	1.0	10.2	920	9.2
4	Armored gun system	2033	0	4.7		4.7
10	FAASV pip to fleet	2033	0	25.8		25.8
13	Spare and repair parts	2033	0	52.0		52.0
16	Reg. maint. train. sites	2033	.6	2.4	300	1.8
17	Howitzer, 105mm, M119	2033	36.4	47.8	31	11.4
18	Machine gun 5.56mm	2033	5.8	9.8	69	4.0
23	5.56 carbine M4	2033	5.0	9.7	94	4.7
27	SUAD auto. weapon	2033	2.4	3.1	29	.7
28	M–16 rifle mod	2033	4.6	9.3	102	4.7
29	Mods <$2.0m	2033	.6	2.0	233	1.4
30	Spare and repair parts	2033	0	.6		.6
31	Items <$2.0m	2033	3.4	4.5	32	1.1
32	Prod. base supp	2033	21.1	22.1	5	1.0
4	CTG, 9mm	2034	.5	2.4	380	1.9
5	CTG, .45 cal	2034	.1	2.0	1,900	1.9
10	CTG, 40mm	2034	5.3	29.5	451	24.2
17	CTG, tank, 35mm	2034	0	1.3		1.3
23	CTG, tank, 120mm	2034	31.4	46.1	47	14.7
28	Proj, arty, 155mm	2034	150.9	172.1	14	21.2
29	Proj, arty, 155mm	2034	0	35.5		35.5
47	Grenades	2034	3.9	7.8	100	3.9
49	Simulators	2034	4.7	6.1	30	1.4
51	Cad/pad	2034	9.2	11.4	24	2.2
53	EOD explosive	2034	2.3	2.7	17	.4
58	Comp. for proveout	2034	1.8	2.3	28	.5
59	Layaway of indust. fac.	2034	29.0	31.7	9	2.7
61	Maint. of inactive fac.	2034	67.6	75.2	11	7.6
5	Family of med. tac. vehicle	2035	171.6	291.1	70	119.5
8	Family of heavy tac. vehicle	2035	99.7	315.7	217	216.0

PROCUREMENT ACCOUNT—Continued

[Dollars in millions]

No.	Description	Appropriation	1992	1993	Percent change	Change
13	General purpose veh	2035	4.8	6.0	25	1.2
14	Special purpose veh	2035	4.9	5.7	16	.8
17	Proj. mgmt. supp	2035	3.3	3.7	12	.4
19	Spare and repair parts	2035	0	11.8		11.8
22	Def. sat. comm. sys	2035	47.9	112.4	135	64.5
23	Sat. term, adv. MPIC	2035	0	11.0		11.0
27	Scott	2035	17.9	38.4	115	20.5
32	STACCS	2035	1.4	2.8	100	1.4
39	Eac comm	2035	16.2	37.5	131	21.3
44	Tsec-ted	2035	4.2	6.8	62	2.6
51	Def. data net	2035	3.0	6.1	103	3.1
55	Information sys	2035	48.5	66.2	36	17.7
56	Local area net	2035	5.2	29.3	463	24.1
57	Pent. telec. ctr	2035	2.9	4.1	41	1.2
59	GDIP	2035	3.1	26.0	739	22.9
65	Dtss TIARA	2035	7.3	10.0	37	2.7
73	Mod of EW	2035	0	8.9		8.9
79	Mod of tac surv	2035	26.2	30.2	15	4.0
81	Imets	2035	0	5.9		5.9
82	Fire supp. ada	2035	6.9	11.7	70	4.8
87	Maneuver ctrl. sys	2035	8.0	42.3	429	34.3
89	ADPE	2035	131.6	147.8	12	16.2
93	Calib. sets equip	2035	13.5	15.3	13	1.8
95	Simp test equip	2035	3.2	5.6	75	2.4
96	TMDE mod	2035	9.8	15.8	61	6.0
97	Initial spares	2035	0	68.9		68.9
98	Print and binding equip	2035	0	4.2		4.2
100	Pecip and qrip	2035	5.7	7.5	32	1.8
103	Special programs	2035	14.7	47.8	225	33.1
104	Simp. coll prop. equip	2035	1.6	2.3	44	.7
106	Mask, protective	2035	32.4	42.3	31	9.9
123	Firetrucks	2035	0	4.2		4.2
133	For. area refuel sys	2035	1.0	3.4	240	2.4
141	Combat supp. med	2035	19.2	24.8	29	6.6
145	CCE	2035	0	1.1		1.1
146	Crush./screen. plant	2035	0	3.2		3.2
148	Causeway sys	2035	5.0	10.8	116	5.8
152	Forklift	2035	1.0	8.5	750	7.5
155	Combat train. ctrs. supp	2035	12.3	21.9	78	9.6
156	Training devices	2035	85.9	90.7	7	5.8
159	Spare and repair parts	2035	0	13.3		13.3
163	Arms control comp	2035	0	1.5		3.5
165	Comb. def. improv. proj	2035	3.0	3.9	30	.9
173	Oper. proj. stocks	2035	0	14.4		14.4
	Navy					
2	EA-6B remfg	1506	98.2	482.7	392	384.5
3	EA-6B adv. proc	1506	17.0	47.3	178	30.3
9	CH/MH-53E proc	1506	338.4	464.4	37	126.0
10	CH/MH-53E adv. proc	1506	32.0	48.6	52	16.6
13	SH-60B Seahawk AP	1506	38.5	45.9	19	7.4
14	SH-60F	1506	201.7	221.3	10	19.6
20	HH-60H	1506	0	117.4		117.4
25	A-6 mods	1506	21.5	156.6	628	135.1
36	H-46 mods	1506	68.1	131.2	93	63.1
37	H-53 mods	1506	42.3	43.8	4	1.5
38	SH-60 mods	1506	29.0	35.2	21	6.2
43	EP-3 mods	1506	18.4	33.0	79	14.6
44	P-3 mods	1506	18.4	49.9	171	31.5
46	E-2 mods	1506	57.4	94.1	64	36.7
52	Exec. helo. series	1506	0	27.9		27.9
57	Common avionics	1506	16.6	23.0	39	6.4
59	Common grd. equip	1506	417.5	453.4	9	35.9
62	Other prod. charges	1506	35.8	83.1	132	47.3
11	Hellfire	1507	0	50.5		50.5
14	Tow iia	1507	0	23.9		23.9
19	Sparrow mods	1507	29.8	56.9	91	27.1
20	Sidewinder mods	1507	0	15.3		15.3
24	Standard mods	1507	26.4	27.5	4	1.1
26	Flt sat comm	1507	[3]283.1	[1]326.0	15	42.9
27	Arctic sat comm	1507	0	17.5		17.5
32	ASW targets	1507	18.2	26.2	44	8.0
34	VL ASROC	1507	3.1	38.0	1,126	34.9
35	MK-46 torpedo mods	1507	9.9	48.6	391	38.7
45	CIWS mods	1507	56.6	58.5	3	1.9
52	2.75 inch rockets	1507	12.2	15.0	23	2.8
55	Gator	1507	0	18.8		18.8
58	5/54 gun ammo	1507	36.3	68.5	89	32.2
60	76mm gun ammo	1507	8.9	10.7	20	1.8
63	Pyro and demo	1507	14.7	19.9	35	5.2
2	Carrier replacement	1611	0	832.2		832.2
6	CVN refuel	1611	0	6.8		6.8
7	CGN refuel	1611	0	30.4		30.4
9	DDG-51 adv. proc	1611	8.1	23.1	185	15.0
16	Ocean ship cov	1611	0	19.5		19.5
18	Service craft	1611	35.4	200.2	466	164.8
22	Outfitting	1611	243.6	385.3	58	141.7
23	Post delivery	1611	163.2	223.1	37	59.9
6	other pumps	1810	5.5	7.3	33	1.8
7	HP air compr	1810	.2	5.8	2,800	5.6
9	Other props	1810	3.2	3.9	1,119	.7
12	Underway replen	1810	29.0	35.0	21	6.0
17	Pollution ctrl	1810	28.9	35.1	21	6.2
18	Sub. silencing	1810	18.3	21.6	18	3.3
19	Surf. ship silen	1810	5.5	11.7	113	6.2
25	minesweeping	1810	2.4	3.1	29	.7
27	Surface IMA	1810	7.1	11.3	59	4.2
30	Mini/micro elect rep	1810	.6	1.3	117	.7
31	Chem. war. detect	1810	5.9	8.4	42	2.5
32	Sub. life supp. sys	1810	10.7	17.9	67	7.2
34	Reactor components	1810	247.8	285.6	15	37.8
35	Diving and salvage	1810	6.5	8.3	28	1.8
36	Naval spec. war	1810	3.4	5.4	59	2.0
39	Prod. supp., fac	1810	8.2	13.9	70	5.7
45	AN/SPS-49 radar	1810	1.3	20.5	1,477	19.2
49	Surf. sonar supp	1810	15.4	22.3	45	6.9

PROCUREMENT ACCOUNT—Continued

[Dollars in millions]

No.	Description	Appropriation	1992	1993	Percent change	Change
51	AN/BQQ–5	1810	151.8	179.9	19	28.1
52	Sonar windows	1810	7.8	12.4	59	4.6
54	Switches and trans	1810	28.2	33.1	17	4.9
57	SSTD	1810	25.9	46.3	79	20.4
60	SOSUS	1810	72.7	87.0	12	9.3
64	Surtass	1810	27.7	30.2	9	2.5
70	AN/WLR–8	1810	7.5	14.9	99	7.4
73	C–3 countermeas	1810	24.8	32.0	29	7.2
75	Outboard	1810	5.5	8.6	56	3.1
78	AN/WLQ–4 improv	1810	10.4	18.9	82	8.5
80	Sub. supp. equip	1810	3.6	4.5	25	.9
82	Tac flag command ctr	1810	30.9	39.8	29	8.9
83	Link 16 hardware	1810	40.8	43.0	5	2.2
90	Other training equip	1810	7.3	8.7	19	1.4
97	FACSFAC	1810	1.6	12.3	669	10.7
101	Space sys proc	1810	0	4.4		4.4
102	NCCS ashore	1810	32.8	47.2	44	14.4
105	GPETE	1810	21.7	22.9	6	1.2
109	HEMS <$2M	1810	7.2	10.9	51	3.7
110	Shipbd tac comm	1810	58.7	82.7	41	24.0
111	Flight deck comm	1810	0	3.4		3.4
112	Portable radios	1810	14.9	22.6	52	7.7
114	Items <$2M	1810	23.1	28.7	24	5.6
116	Verdin	1810	1.3	4.7	262	3.4
118	Satcom ship term	1810	144.5	193.6	34	49.1
122	Shore HF comm	1810	15.5	16.8	8	1.3
129	Secure voice	1810	61.3	77.0	26	15.7
139	Key mgmt. syst	1810	4.7	9.8	109	5.1
145	Crypto. reserves	1810	.7	1.5	114	.8
151	Sonobuoys	1810	68.3	74.0	8	5.7
155	Sus sonbuoys	1810	0	1.8		1.8
156	Cartridges	1810	15.3	21.0	37	5.7
158	AEC	1810	62.0	63.8	3	1.8
161	JATOS	1810	7.9	9.0	14	1.1
163	Exped. airfields	1810	4.8	6.3	31	1.4
165	Catapults	1810	50.5	59.9	19	9.4
166	Meteor equip	1810	30.6	31.8	4	1.2
168	Aviation life supp	1810	6.1	12.5	105	6.4
169	Air. mine c/m	1810	3.1	11.0	255	7.9
170	Lamps MKIII	1810	4.2	12.6	200	8.4
174	Gun FCE	1810	15.2	16.6	9	1.4
175	MK 92 FCS	1810	13.7	23.0	68	9.3
176	Harpoon supp	1810	28.4	37.6	32	9.2
177	Terrier supp	1810	19.5	20.6	6	1.1
178	Tartar supp	1810	26.9	33.3	24	6.4
181	Aegis supp	1810	46.4	154.3	233	107.9
184	VLS	1810	42.5	89.3	110	46.8
187	MK–117 FCS	1810	55.2	65.1	18	9.9
189	Surf. ASW supp	1810	13.3	15.0	13	1.7
190	ASW range supp	1810	10.3	14.5	41	4.2
191	Explos. ord. disp	1810	11.0	12.3	12	1.3
192	Unmanned sea targ	1810	5.3	8.4	58	3.4
195	Stock survel. equip	1810	1.7	2.3	35	.6
196	Other ord. equip	1810	.8	1.2	50	.4
200	Ship expend. C/M	1810	25.8	45.2	75	19.4
207	Const. and main. equip	1810	5.0	7.4	48	2.4
211	Combat const. equip	1810	2.4	3.1	29	.7
215	Fleet moorings	1810	3.1	4.1	32	1.0
216	Poll. ctrl. equip	1810	10.4	11.3	9	.9
218	Forklift trucks	1810	7.3	9.9	36	2.6
221	Other supply supp	1810	2.4	3.6	50	1.2
225	Surf. sonar train	1810	1.7	9.8	476	8.1
228	Sub. combat train	1810	3.7	4.1	11	.4
235	Intel. supp. equip	1810	36.7	64.3	75	27.6
239	Envir. supp. equip	1810	13.2	23.2	76	10.0
240	Physic. sec. equip	1810	25.9	33.1	28	7.2
242	Comp. acqu. prog.	1810	75.9	133.3	76	57.4
245	Spare and rep. parts	1810	491.3	580.5	18	89.2
	Marines					
30	83MM rocket	1109	10.6	29.4	177	18.8
38	Rkt motor	1109	0	6.0		6.0
46	Art. mod. kits	1109	.6	5.8	867	5.2
47	Items < $2m	1109	.3	2.2	633	1.9
52	Hawk mod	1109	2.5	24.0	860	21.5
54	Ped. mtd. stinger	1109	4.9	23.9	388	19.0
58	Items < $2m	1109	0	.6		.6
60	GPS	1109	0	12.7		12.7
62	AN/GRC	1109	0	19.0		19.0
63	TSC–96 PIP	1109	0	2.0		2.0
70	TEL	1109	5.0	6.9	38	1.9
71	Single chan. grd	1109	52.4	59.8	14	7.4
73	Items < $2m	1109	1.9	2.4	26	.5
76	Adv. tac air ctr	1109	0	6.8		6.8
77	Marine tact. C2	1109	7.3	8.3	14	1.0
79	Meteor. sys	1109	0	6.0		6.0
90	NDNTEL mods	1109	2.8	3.7	32	.9
94	5/4 HMMWV	1109	40.3	47.3	17	7.0
99	Items < $2m	1109	.4	1.0	150	.6
101	ACE	1109	0	28.0		28.0
103	TFS equip	1109	4.7	14.1	200	9.4
104	TOPD/survey	1109	0	1.4		1.4
106	Tray heating sys	1109	0	3.3		3.3
122	Chem. agent monitor	1109	.2	.9	350	.7
	Air Force					
1	B–1B	3010	62.5	214.9	244	152.4
2	B–2A	3010	1,334.0	2,686.9	101	1,352.9
3	C–17	3010	1,523.5	2,513.9	65	990.4
4	C–17(AP)	3010	172.4	205.6	19	33.2
10	C–130H	3010	289.8	300.4	4	10.6
13	Tanker trainer	3010	156.1	158.6	2	2.4
14	MH–60G	3010	23.5	30.1	28	6.6
16	E–8B	3010	0	310.6		310.6
21	B–52 mods	3010	31.1	76.7	147	45.6
22	F–117 mods	3010	0	24.7		24.7

PROCUREMENT ACCOUNT—Continued

[Dollars in millions]

No.	Description	Appropriation	1992	1993	Percent change	Change
23	A–10 mods	3010	.4	7.8	1,850	7.4
25	F–15 mods	3010	295.9	303.9	23	8.0
26	F–16 mods	3010	246.5	274.5	11	28.0
27	EF–111 mods	3010	0	9.0		9.0
32	C–9 mods	3010	1.4	2.0	43	.6
34	C–22 mods	3010	0	4.7		4.7
36	C–137 mods	3010	3.2	10.7	234	7.5
41	KC–10A mods	3010	3.6	38.6	907	35.0
42	C–12 mods	3010	.2	5.7	29	5.5
48	E–3 mods	3010	50.9	76.4	50	25.5
49	E–4 mods	3010	6.4	18.0	181	11.6
52	Other aircraft mods	3010	46.9	101.6	117	54.7
55	Spare and repair parts	3010	603.4	724.4	20	121.0
56	Common age	3010	330.3	442.4	34	112.1
57	Indust. responsive	3010	15.3	35.5	132	20.2
58	War consumables	3010	25.4	27.9	10	2.4
59	Other prod. charge	3010	547.7	686.6	25	138.9
8	Amraam	3020	532.4	731.4	37	199.0
10	AGM–130 GBU–15	3020	69.8	76.1	9	6.3
12	AGM–88A harm	3020	112.8	218.4	94	105.6
13	Target drones	3020	28.7	60.9	112	32.2
14	Indust. facilities	3020	0	9.9		9.9
20	Sidewinder mods	3020	.9	11.7	1,200	10.8
21	MMII/III mods	3020	152.0	194.6	28	42.6
28	GPS	3020	120.8	188.3	56	67.5
30	Space shuttle ops	3020	31.9	88.3	177	56.4
32	Space boosters	3020	290.5	382.2	32	91.7
34	Med. launch veh.	3020	38.9	46.3	19	7.4
37	Def. support prog	3020	64.3	139.7	117	75.4
38	DSP AP	3020	0	147.0		147.0
41	IONDS	3020	28.2	38.0	35	9.8
42	IONDS AP	3020	3.9	11.4	192	7.5
43	Spec. update prog	3020	78.6	154.2	112	81.6
44	Special progs	3020	2,230.3	2,330.5	4	100.2
1	2.75 rocket motor	3080	0	13.6		13.6
4	5.56 mm cart	3080	0	2.0		13.6
7	30mm cart	3080	44.4	66.7	50	22.3
9	Signal MK–4 cart	3080	0	.6		.6
10	Cart IMP 3000	3080	0	8.8		8.8
20	GBV–15	3080	0	6.6		6.6
21	Bomb practice 25 lb	3080	0	12.9		12.9
23	MK–84 empty	3080	0	21.1		21.1
27	Items < $2M	3080	0	3.6		3.6
29	Flare, IRMJU–7B	3080	6.6	9.3	41	2.7
38	Items < $2M	3080	7.6	8.2	8	.6
42	Squad auto. rifle	3080	0	2.1		2.1
46	M2.50 mach. gun	3080	0	.4		.4
49	Bus, 28 pass	3080	0	2.7		2.7
50	Bus, 44 pass	3080	.1	3.1	3000	3.0
52	Modular ambul	3080	0	7.4		7.4
53	14–23 bus	3080	0	.5		.5
65	Truck, cargo 2½T	3080	0	4.8		4.8
66	Truck tractor	3080	6.2	11.4	84	5.2
68	Truck, utility	3080	0	3.4		3.4
70	Items < $2M	3080	9.9	16.6	68	6.7
71	Truck phone line	3080	0	3.9		3.9
77	Items < $2M	3080	17.6	20.2	15	2.6
79	Truck crash P–23	3080	4.3	22.1	414	17.8
80	Truck water P–26	3080	1.8	2.1	17	.3
81	Heavy rescue veh	3080	0	4.3		4.3
82	Truck pumper P–24	3080	0	2.9		2.9
83	Truck pumper P–22	3080	0	3.0		3.0
95	Spares and repair parts	3080	2.0	2.6	30	.6
97	Items < $2M	3080	9.8	10.8	10	1.0
98	COMSEC equip	3080	49.5	57.0	15	7.5
99	Spare and repair parts	3080	1.1	1.9	73	.8
100	COMSEC mods	3080	.5	.9	80	.4
103	Intell comm equip	3080	3.9	17.7	354	13.8
106	Tact. air ctl. sys	3080	66.3	118.8	79	52.5
107	Weather OBS/FOR	3080	57.0	62.9	10	5.9
108	Def. supp. prog	3080	51.3	57.1	11	5.8
110	SAC comm and ctrl	3080	37.8	63.1	67	25.3
112	BMEWS mod	3080	0	1.0		1.0
113	Navstar ops	3080	3.4	6.1	79	2.7
115	Def. met. sat. prog	3080	7.3	15.2	108	7.9
121	Air base oper	3080	0	9.5		9.5
123	Tact. warn. sys	3080	.6	1.5	150	.9
126	ADP oper. cons	3080	0	124.4		124.4
127	WWMCCS/WIS	3080	16.6	32.3	95	15.7
128	MAC comm and ctrl	3080	19.6	28.8	47	9.2
129	AF phys. sec. sys	3080	28.5	36.2	27	7.7
131	C3 C/M	3080	2.9	4.0	38	1.1
133	Base level data	3080	20.1	23.0	14	2.9
134	AF SAT. ctrl. net	3080	25.8	36.3	41	10.5
137	ESMC/WSMC I and M	3080	61.2	94.0	54	32.8
140	Telephone exchange	3080	59.8	80.5	35	20.7
141	JT. tact. comm. prog	3080	46.8	54.0	15	7.2
142	USTRANSCOM	3080	3.8	4.8	26	1.0
143	USCENTCOM	3080	5.0	5.6	12	.6
144	Auto. tele. prg	3080	4.3	7.8	81	3.5
148	Min. essent. emer	3080	0	33.4		33.4
149	Tact. C–E equip	3080	17.1	37.6	120	20.5
150	Radio equip	3080	2.8	14.2	407	11.4
151	TV equip	3080	4.0	4.5	13	.5
152	CCTV equip	3080	2.7	3.7	37	1.0
154	Spares and repair parts	3080	122.7	210.4	71	87.7
156	Items < $2m	3080	9.1	12.9	42	3.8
157	Comm. elect. mods	3080	25.0	26.1	4	1.1
159	Space mods	3080	12.3	19.7	60	7.1
160	Bace/ALC calib	3080	8.7	14.7	69	6.0
161	Newark AFB calib	3080	2.2	2.6	18	.4
162	Items < $2m	3080	23.4	29.0	24	5.6
163	Night vision goggles	3080	6.2	6.6	6	.4
164	Breathing appar	3080	6.2	8.5	37	2.3
166	Items < $2m	3080	3.3	5.0	52	1.7
167	Base mech. equip	3080	9.0	12.3	37	3.3

PROCUREMENT ACCOUNT—Continued

[Dollars in millions]

No.	Description	Appropriation	1992	1993	Percent change	Change
168	Air term. mech. equip	3080	3.9	5.0	28	1.1
172	Floodlights	3080	11.2	15.3	37	4.1
173	Items < $2m	3080	2.2	4.4	100	2.2
176	Air base oper	3080	13.1	17.3	32	4.2
179	Photo. equip	3080	3.6	6.4	78	2.8
183	Mobility equip	3080	.5	1.4	180	.9
186	Item < $2m	3080	13.2	20.1	52	6.9
187	Int. prod. act	3080	34.5	72.7	111	38.2
190	Selected activities	3080	5,458.5	5,560.1	2	101.6
191	Special update prog	3080	162.1	176.9	9	14.8
	Defense Agencies					
3	Major equip	0300	2.0	53.2	2,560	51.2
4	RPV	0300	138.4	149.0	8	10.6
5	Corp. info. mgmt	0300	56.8	64.0	13	7.2
13	Items < $2m	0300	27.2	67.5	148	40.3
23	Def. supp. act	0300	0	1.9		1.9
29	Other capital equip	0300	20.3	34.0	67	13.7
30	Geodesy equip	0300	.3	2.7	800	2.4
31	Vehicles	0300	2.1	4.0	90	1.9
34	Items < $2m	0300	3.6	5.6	56	2.0
35	Major equip	0300	179.2	463.4	159	284.2
36	Major equip	0300	21.7	30.7	41	9.0
39	SDIO Patriot	0300	25.0	62.5	150	37.5
43	C-130 mods	0300	84.4	110.6	31	26.2
48	Aircraft supp	0300	15.1	138.4	817	123.3
49	Patrol boat	0300	4.2	25.4	505	21.2
51	SOF pyro/demo	0300	20.8	25.3	22	4.5
53	SOF indiv. weapons	0300	13.1	17.5	34	4.4
59	Comm. equip and elec	0300	78.0	81.7	5	3.7
60	SOF intell. sys	0300	0	34.3		34.3

Mr. EXON. Mr. President, I will not go into more detail about these increases, except to say that before any Senator says that we cannot cut below the President's defense budget he or she should take the time to look closely at this $11.4 billion in increases on this list. I have taken a cut of only $5.2 billion out of these increases, but, again, more savings can be found if the political consensus exists.

Remember, I address here only limiting the hefty increases, not the cancellation of any additional programs, which may be possible. For instance, eliminating the B-2 or new aircraft carrier request alone would cut an additional $2.7 billion and $832 million, respectively.

My 1993 defense spending plan reflects a reduction of $2.1 billion from the Bush research and development budget of nearly $39 billion. This cut assumes a $1 billion cut from SDI from the proposed $5.3 billion to $4.3 billion, higher still than last year's $4.1 billion.

Anyone paying close attention to the sentiment in Congress about the increase in SDI spending realizes that a $4.3 billion funding level is a very high number. Once more, my plan assumes a conservative reduction. Other reductions can be taken in suspect requests in the Anti-Satellite and National Aerospace Plane Programs.

By asking that the Air Force hold its 1993 research and development budget, which is proposed to increase by 6.9 percent, to this year's level, $941 million in savings can be realized. Likewise, $71 million in savings can be found if the Director of Test and Evaluation budget is kept to the 1992 level.

In other budget areas, my plan reduces operations and maintenance, military and construction, and family housing by a paltry 1 percent below the President's request. Senator NUNN, the distinguished chairman of the Armed Services Committee and the acknowledged expert in the Senate on defense issues, has already spoken eloquently about how by reducing operational tempos, training levels, and readiness standards the Pentagon can lower our spending in the operations and maintenance account, so I will not go into further detail on this matter now.

Keeping with my philosophy that we need to hold the line on spending, I have taken a $400 million cut in Department of Energy spending, reducing it to the 1992 funding level. Though it is true that the Energy Department's environmental restoration and waste management account should increase as we continue to clean up the legacy of hazardous waste at our weapons facilities, savings can be found in the weapons complex account to counterbalance this increase.

Mr. President, I have outlined a modest proposal for cutting the defense budget by an additional $8.8 billion below the President's request in 1993.

I ask unanimous consent that a recapitulation of my plan and a comparison of my spending cuts with other relevant positions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

DEFENSE SPENDING IN BUDGET AUTHORITY

[In billions of dollars]

	Fiscal year 1993 cut	Dollar level	Fiscal year 1993–97 cut
Bush	8.0	280.9	50.4
Nunn	8.0	280.9	85.0
Aspin	14.0	274.9	98.0
House budget resolution	14.0	274.9	(1)
Exon	16.8	272.1	100–110

[1] No action.

DEFENSE SPENDING IN OUTLAYS

[In billions of dollars]

	Fiscal year 1993 cut	Dollar level
Bush	5.2	285.9
Nunn	5.2	285.9
Aspin	9.0	282.1
House budget resolution	9.0	282.1
Exon	9.4	281.7

ACCOUNT COMPARISON OF BUSH AND EXON PLANS

[In billions of dollars]

Account	Bush-B.A.	Proposed cuts	Exon-B.A.
Military personnel	77.1		77.1
Operations/Maintenance	84.5	0.9	83.6
Procurement	54.4	5.2	49.2
RDT&E	38.8	2.1	36.7
Military construction	6.2	.1	6.1
Family housing	4.0	.1	3.9
Revolving funds transfer	2.0		2.0
All Other	0.6		0.6
DOD total	267.6	8.4	259.2
DOE total	13.3	.4	12.9
National defense total	280.9	8.8	272.1

Mr. EXON. Mr. President, some Senators have correctly pointed out that the President's $8 billion cut in 1993 and $50 billion cut through 1997 are based on the full approval of a rescission package this year totaling $7.7 billion. While I suspect that most of this package—a large part of it being the canceled SSN-21 *Seawolf* funding—which will likely be approved by Congress, we have only received $2 billion of the defense rescission package so far from the administration. Even if the Congress balks at approving a portion of this $7.7 billion in past year money, I have outlined a number of areas, such as SDI or the 30 most expensive weapons programs, where Congress could turn to make up the shortfall.

Though the challenge before the Congress is to address defense spending for the upcoming year, much of the debate inside and outside Congress has concentrated on spending reductions over 5 years, from fiscal year 1993 through fiscal year 1997. Many of the proposals have been short on specifics or fail to tie the reductions in our military force to its ability to meet the security threat, the nature of which is changing for the better, but which is still undergoing a metamorphosis. The spectrum of these 1993 through 1997 budget authority cuts is great.

Between the President's $50 billion cut and Senator ROTH's proposed reduction of $206 billion, you will find Senator NUNN at $85 billion, Representative ASPIN at $98 billion, Senator MCCAIN at $119 billion, and Senators SASSER and SARBANES at $150 billion. I believe a reduction over 5 years in the range of $100 to $110 billion is reasonable assuming that the world threat continues to diminish as we now expect. Such a reduction would take our force structure below the base force concept proposed by the Pentagon. This is a reasonable plan and one that will and should be revisited each year as we learn more about the course of world events and the ongoing results of our downsizing.

Mr. President, I urge all of my colleagues to carefully examine the entire defense budget proposed by the President—all $281 billion of it—before the President's ultimatum of "this deep and no deeper" is accepted. The scare tactics of the Pentagon, as I have just illustrated, do not hold up upon closer scrutiny of the budget. The President's budget cuts can be more than doubled without returning to the hollow Army of the seventies, as the warnings from the Pentagon predict. It's time we manage the Defense Department budget to bring it, kicking and screaming, in line with the post-cold war world.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who seeks recognition?

ORDERS FOR TOMORROW

Mr. EXON. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:30 a.m., Wednesday, April 1; that following the prayer, the Journal of the proceedings be deemed approved to date and the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business, not to extend beyond 11 a.m. with Senators permitted to speak therein for up to 5 minutes each; with Senator SANFORD recognized for up to 12 minutes; Senator WALLOP recognized for up to 5 minutes; Senators GRASSLEY and GORTON recognized for up to 10 minutes each and Senators GLENN and WIRTH for up to 15 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:30 A.M.

Mr. EXON. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess as previously ordered.

There being no objection, the Senate, at 8:05 p.m., recessed until Wednesday, April 1, 1992, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate March 31, 1992:

DEPARTMENT OF STATE

ROMAN POPADIUK, OF NEW YORK, A CAREER MEMBER OF THE FOREIGN SERVICE, CLASS ONE, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO UKRAINE.

SIGMUND A. ROGICH, OF NEVADA, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ICELAND.

THE JUDICIARY

LORETTA A. PRESKA, OF NEW YORK, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF NEW YORK VICE ROBERT J. WARD, RETIRED.

DEPARTMENT OF JUSTICE

JAY D. GARDNER, OF GEORGIA, TO BE U.S. ATTORNEY FOR THE SOUTHERN DISTRICT OF GEORGIA FOR THE TERM OF 4 YEARS VICE HINTON R. PIERCE, TERM EXPIRED.

CHARLES W. LARSON, OF IOWA, TO BE U.S. ATTORNEY FOR THE NORTHERN DISTRICT OF IOWA FOR THE TERM OF 4 YEARS. (REAPPOINTMENT)

SCOTT J. POE, OF KENTUCKY, TO BE U.S. MARSHALL FOR THE EASTERN DISTRICT OF KENTUCKY FOR THE TERM OF 4 YEARS VICE SHERMAN L. HANSFORD, RETIRED.

EXECUTIVE OFFICE OF THE PRESIDENT

KARL A. ERB, OF VIRGINIA, TO BE AN ASSOCIATE DIRECTOR OF THE OFFICE OF SCIENCE AND TECHNOLOGY POLICY, VICE WILLIAM D. PHILLIPS, RESIGNED.

COPYRIGHT ROYALTY TRIBUNAL

BRUCE D. GOODMAN, OF PENNSYLVANIA, TO BE A COMMISSIONER OF THE COPYRIGHT ROYALTY TRIBUNAL FOR A TERM OF 7 YEARS, VICE MARIO F. AGUERO, TERM EXPIRED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

THE FOLLOWING NAMED PERSONS TO BE MEMBERS OF THE NATIONAL COUNCIL ON THE HUMANITIES FOR TERMS EXPIRING JANUARY 26, 1998:

PAUL A. CANTOR, OF VIRGINIA, VICE ARAM BAKSHIAN, JR., TERM EXPIRED.

BRUCE COLE, OF INDIANA, VICE ALVIN H. BERNSTEIN, TERM EXPIRED.

JOSEPH H. HAGAN, OF MASSACHUSETTS, VICE PAUL J. OLSCAMP, TERM EXPIRED.

THEODORE S. HAMEROW, OF WISCONSIN, VICE JOHN SHELTON REED, JR., TERM EXPIRED.

ALICIA JUARRERO, OF MARYLAND, VICE ROBERT HOLLANDER, TERM EXPIRED.

ALAN CHARLES KORS, OF PENNSYLVANIA, VICE CAROLYNN REID-WALLACE, TERM EXPIRED.

CONDOLEEZZA RICE, OF CALIFORNIA, VICE DAVID LOWENTHAL, TERM EXPIRED.

JOHN R. SEARLE, OF CALIFORNIA, VICE ROBERT B. STEVENS, TERM EXPIRED.

CONFIRMATION

Executive nomination confirmed by the Senate March 31, 1992:

DANIEL S. GOLDIN, OF CALIFORNIA, TO BE ADMINISTRATOR OF THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION.

EXTENSIONS OF REMARKS

HOUSING IMPROVEMENT ACT FOR LAND MANAGEMENT AGENCIES

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. LAGOMARSINO. Mr. Speaker, I am pleased today to be able to introduce legislation which would remedy an increasingly serious situation affecting the management of our public lands. This legislation is of interest to anyone who has Federal land management agency personnel living in substandard housing in their district, or who believes that National Park Service rangers, Forest Service employees, and other Federal employees protecting the priceless heritage of our country deserve decent, affordable housing.

I am introducing two versions of a bill which addresses the problem of deficient housing in all the Federal land management agencies: National Park Service, Forest Service, Bureau of Reclamation, Bureau of Indian Affairs, Bureau of Land Management, and Fish and Wildlife Service. These agencies manage 85 percent of the non-Defense Department Government housing throughout the country.

In this age when we continually ask Federal employees to do more with less, employee housing provided by several of our land management agencies has not kept pace with the increasing demands placed upon the agencies. The housing stock is aging and increasingly expensive to maintain. Substandard housing is one major factor in the current, unprecedented decrease in employee retention and reduced ability to recruit the most qualified personnel.

Of the 19,096 Government housing units inventoried by the Bureau of Reclamation, the largest housing inventories are maintained by the U.S. Forest Service who owns 5,262, the National Park Service who owns 5,171, and the Bureau of Indian Affairs with 4,566. The National Park Service estimates the cost of bringing their housing stock up to acceptable levels at $546,081,000. Much of this housing was built by the Government during the 1950's. Approximately 800 trailers, averaging 20 years of age, are being used as temporary housing for employees.

Similar problems exist in all of the major land management agencies. Insufficient and inappropriate housing is an identified problem for the Forest Service in the Pacific Northwest and elsewhere. Forest Service needs are estimated to be in excess of $175 million and Bureau of Indian Affairs is seeking more than $40 million. The total funding need for all Federal land management agency housing is nearly $1 billion.

Well over a year ago, the Subcommittee on National Parks and Public Lands held a hearing on the Endangered National Park Ranger. Members heard first hand about the meager existence of many of these dedicated civil servants. We learned how low pay and substandard housing have become increasingly detrimental to recruiting and retaining valued employees, particularly in high cost of living areas.

In my own district, at Channel Islands National Park, rangers live in a converted land-sea shipping container, excesses by the Navy and put into use as temporary housing by the Park Service 5 years ago. On the Los Padres National Forest, housing for year-round Forest Service personnel includes unwinterized cabins where high rents are charged on the basis of comparable southern California housing. I am sure many Members are aware of similar problems in their districts. Although Congress has allocated some funds to address this problem in recent years, available funds fall far short of the needs.

My bill does not simply throw Federal dollars at this housing problem, but breaks down the existing barriers and provides a number of new authorities to foster Federal/non-Federal housing initiatives. The basic objectives of my bill are to:

First, develop an adequate supply of quality housing for employees of Federal land management agencies within a reasonable timeframe;

Second, substantially expand the alternatives available for construction and repair of essential government housing;

Third, rely on private sector to finance or supply housing to the maximum extent possible in order to reduce Federal appropriations;

Fourth, ensure that housing is affordable to all field employees; and

Fifth, ensure that adequate funds are available to provide for long-term maintenance needs of employee housing.

Additionally, the second version of the bill includes an amendment to the Internal Revenue Code of 1986 which concerns income from sale of residence. In that section, field employees of the Department of Interior or Forest Service would have up to 6 years instead of the current 2 years to reinvest funds from the sale of a primary residence when relocated to an area where government quarters occupancy is the only viable option. While I believe this to be an important part of the solution to this housing crisis, I do not want to impede the progress of the bill through this House and so am offering a second version of the bill which does not affect the Internal Revenue Code.

A 1990 study prepared for the Department of the Interior and the National Park Service indicates that private sector involvement through build-to-lease, rental guarantee and land lease programs may provide cost effective relief to National Park Service employee housing problems. There are similar programs which have been utilized by the Department of Defense to meet employee housing needs, some with greater success than others. The time has passed when we can rely on direct appropriations of Federal funds to address problems of this magnitude—maintenance backlogs and unmet needs approaching a billion dollars—without considering use of alternative funding sources. Joint public-private sector housing programs provide an alternative to the traditional fully government-funded construction process, which as we all know is more costly than similar private-sector construction. A variety of programs utilizing private financing have been tried by several public agencies. The National Park Service itself has extensive experience with public-private ventures in the form of its concessions agreements. For over a half century, the NPS concession system—for providing services to the visiting public— has proven to be a sound way of doing business, understood by both industry and the Government. We must look to our successes and find ways to expand partnerships to other agencies and to other programs. My bill provides the necessary authority to the department heads to utilize joint public-private ventures to provide affordable field employee housing.

Another key component of the bill provides permanent authority to the Secretaries to use rental income for the maintenance and operation of the quarters of that agency. In addition, Federal land managers at the local level would be required to set aside additional funds, if required, from normal operating accounts, to maintain housing in good condition. Joint employee-agency housing programs would be authorized, allowing the Secretaries to lease Federal land to field employees for purposes of constructing employee housing and essential amenities. Various leasing authorities in the bill would enable the agencies the flexibility needed to provide appropriate and essential quarters for field personnel.

This legislation requires the Secretaries to complete a condition assessment of employee housing and to develop agencywide priorities for housing improvements to encourage informed decisions regarding the expenditure of limited and valuable funds.

Another problem that this legislation addresses is that of infrastructure to support employee housing. In many areas of the country, local jurisdictions and Federal agencies could effect significant cost savings by developing water, sewer, and similar infrastructure facilities cooperatively. Under current law, agencies are prohibited from contributing toward the development of mutually beneficial facilities, if those facilities are outside the agencies' jurisdictions. In some areas the agency employee housing is reasonably close to the community, yet two complete support infrastructures, with their associated costs and environmental impacts, have been created because of the agency property boundary. This redundancy is not in the public interest.

Later this week, the Subcommittee on National Parks, Public Lands and Forests of the

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Senate will hold a hearing on similar legislation introduced by Senator WALLOP. I commend Senator WALLOP for his recognition of the problems and his response in the form of legislation to improve the management of public lands through improving the housing for employees needed to effectively manage the lands. I look forward to working with my colleagues in the House of Representatives and the Senate to pass legislation which will accomplish the purpose of improving the quantity and the quality of housing for land management agency field employees, whom we entrust with the protection and preservation of our country's natural and cultural heritage.

AMERICA, INC.

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. AuCOIN. Mr. Speaker, a constituent of mine, Jerry Wilson of Hillsboro, OR, recently published a cogent and compelling essay in the New York Times. "America, Inc." provides a blueprint which Members of Congress would do well to consider as we work on legislation to get the economy moving again.

Jerry Wilson has a keen sense of what this country needs. America doesn't need more defense spending, more tanks, or more high-tech weapons systems. What America needs is investment in infrastructure—in roads, in developing new sources of energy, and in enhancing the environment. And most of all, this country needs to make a substantial investment in human capital.

I commend this essay to my colleagues.

[From the New York Times, Mar. 4, 1992]

AMERICA, INC.

Our state is not answering the right questions. Does it really matter how we re-divide the profits of America by tinkering with the tax code when there are no profits to divide? And how is the country served by our fashioning laws that require us to imprison the highest percentage of any population in the world? Such topics agitate society without adding to its resources. If I had spent my time as the president of Soloflex trying to answer these kinds of questions there would be no Soloflex, Inc. As the president of my company the question I must ask, and answer, is, "What are we going to build first?!" And then get to it!

If the real business of America is business, which it is, then shouldn't we concentrate first on conducting good public business? We are the most successful business in the history of nations. We should pursue that grand tradition with all the vigor and genius that our parents displayed when they built it.

Unfortunately, America was sidetracked from its customary goal of using labor to improve our lives by creating new wealth. World War II and the cold war diverted American labor away from capital building, and into building a war machine. This still continues today. America's military consumes 40% of America's total industrial output. That means that 4 out of every 10 workers in factory America works for or in the security department! Which means everything we produce, sell and consume is costing about twice what it ought to! Surely we must cost in all of our expenses into the goods and services we produce. And how can we possibly compete with a foreign company that costs in only 1 of 100 workers into its security department? Obviously, we can't. Not until we redirect that 40% of our labor resource back in to building productive, wealth producing assets. We can't make that transition, however, without first identifying what we need to build. Those projects that make the best use of our labor force. Those things that back up our paper money most effectively.

Voters become confused when the word "public" is mentioned. This is to be expected because our public servants do not present to us an annual report that is understandable in the standard accounting practice terms under which we all operate our private businesses. Our public wealth is 89%[1] of our total wealth. How can we be accountable for it if we are not given any usable accounting? We would go a long way towards fixing our economy if we would act on the recommendation of the American Institute of Certified Public Accountants and put our federal government on the same standard accounting practices that the rest of us are obliged to use. Only 11% of our total wealth is held privately. That 11% is accounted for to the penny and watched over like a hawk. The 89%, the wealth we hold equally, cannot be accounted for accurately by a single person. This is an intolerable situation that must be remedied immediately. Without a set of books we can understand, we're lost. One share of America, Inc. is valued at $250,000. Since you own one, don't you think you should receive an annual report? This reform can be accomplished quickly, and at no cost above what we already spend.

If it is with a change in perspective that we come to see a clearer picture of where we are and what we should do, then a new and improved perspective would view America as an "Estate". Not a State. The word "estate" implies ownership. It commands our attention, and shows us the direction to proceed. America, Inc. owns 30% of the world's total wealth and productive assets. We comprise only 5% of the world's population. This $62 trillion[1] of co-owned wealth is private property. It belongs to us, the 5%. And nobody else.

So how did we come to own this $62 trillion worth of property? Surely we didn't have it in cash when we began to build this country. What paid for these ports, roads, bridges, canals, dams, rails, docks, sewer and water systems, parks and buildings? Labor. Labor paid for them. Sweat equity. Congress exercised their power to authorize these public projects. They also authorized the banks to invent new money to pay for them. This is only fair. Labor must be paid, and paid fairly for what it produces. This is where the $62 trillion in equity came from! Abraham Lincoln said it best. "Labor is prior to capital. Capital would not exit of labor had not first existed. That labor is superior to capital and deserves the first consideration." Abe was a wise man. Indeed, as capitalists, we can't sell the fruits of our labor if other labor is not productively employed, and thus paid well enough to buy them.

If we understand in our private businesses how to manage, as we do for the most part, then why do we lose sight of the obvious when we view our "estate"? A capital asset is a capital asset, be it co-owned or privately held. What the automated trolley system in my factory does to lower the cost of production by improving productivity—so our interstate rail and road systems do in our factory, America. In a country as vast as our own the food we eat travels 1,500 miles before it finally arrives at our table. Without an automated materials handling system, the cost of food would be astronomical! Or not available at all! College textbooks on factory management say that "materials handling improvements will account for 80% of all new productivity increases". A productivity increase in factory America means lower costs in products and services to you, the consumer. It means higher value in the products and services that you produce to resell. All private companies plug in to these co-op owned material handling systems. We each obtain a private benefit from the public investment. Every employee in private competitive business sees the need to continually capitalize. Opportunities to improve one's position within the company is predicated first upon the company's success, and so we are all for capital improvements. Understanding this, it is not hard for voters to make the jump in understanding that infrastructure is the place to focus our main attention. If a bridge falls in my factory, I and everyone else sees the need to repair or replace it, but in America, with 520,000 bridges, we fail to notice that the Corps of Engineers has declared 20% of them to be obsolete and dangerous. And that 40% of them need repair. Some of the most valuable and productive capital we own is being neglected. And so is the labor that can rebuild it. It is truly heartbreaking to witness this neglect from the generation whose parents built the largest capital project in the history of the world. Our own Interstate Highway System. Our parents learned the value of public works from our grandparents who, among other things, harnessed the flooding rivers and gave us plentiful low cost power. What has our generation built? For years our labor has gone into projects that have subtracted from our wealth, instead of adding to it! Most people thought that this was necessary. That we had the resources to spare. But clearly the threat has vaporized. Russia has cut its military spending by 89%. If it directs its labor properly with the right incentives, it has the potential of becoming a major trading partner. A new customer who can afford what we sell.

Despite our $4 trillion debt, we remain today in a very enviable position. Our assets are enormous. If you walked into a bank with $62 trillion in assets and 4 trillion of debt, your debt-to-equity ratio would entitle you to (62-4) 58 trillion in credit, new paper money. Let's say you bet it all. You pledge, as collateral, the whole thing. If the labor you invest it in builds 58 trillion more in productive capital, then your new net worth is $116 trillion. The bank is happy because the rules of credit are satisfied. Labor has backed up these new dollars, and made them real. On the other hand, had labor built the wrong thing with that same credit the rules of credit would say, "you have twice as many dollars in circulation as before, but your assets are the same. Everything will cost twice as many dollars as before." Inflation is understandable when viewed from this perspective. It is simply the difference between how much labor was paid, and the value of what labor built. America has been misallocating too much of its credit resource, and therefore its labor resource, into building inflationary non-capital items. We pretend that tanks are capital, but this notion flies in the face of standard accounting practices which define capital as something that can be employed to allow production to happen, or increase its productivity; an asset that can be pledged as collateral. Everything else is an expense. The rules of credit dictate that all new credit must be invested into capital, which only makes sense. We bend the rules of credit and pretend not to notice, but watch what happens to our dollar at the world's currency exchanges. Germany, Inc. sees that we have paid ourselves this much new money for this year's work done, but they only count the new capital, and so our dollar weakens against their mark. It now takes more dollars, more hours of our labor, to buy the same thing from them. We do not live in a vacuum.

---

[1] Source: Statistical Abstract of the U.S. Dept. of Commerce.

It is my greatest hope that America will soon enter into the most energetic capital building in our nation's history. We will do our parents proud. If the lesson they taught us by their example was learned by us, then we must also teach it, by example, to our children. We must build bigger and better than our parents. Their technology was crude compared to ours, and their workforce was half the size. They needed armies of draftsmen. We have cad/cams. They had no good roads to the construction sites. We have interstate freeways. Our computers, communications systems and airlines will allow us to build more than they did, with an economy they couldn't imagine. So what should we build first?

Our Corps of Engineers has not been sitting idle. They are ready to accept bids on 1.5 trillion worth of infrastructure improvements, to bring our existing capital back into first-class operating condition. These projects exist in every county of the United States. The private companies that can complete this work are ready, willing and able. They need the work. These projects have gone unbid and undone while our credit and labor was occupied elsewhere. Surely we can redirect this same labor to rebuilding and replacing real capital.

America desperately needs an interstate water system. Half of the country is subject to flooding—while the other half is bone dry. Surely a little plumbing will go a long way. Tunneling today is almost completely automated, and therefore relatively cheap. What would the property values do in the west with a fresh, pure and plentiful water supply to every community? How much would be saved in the east if the proper run offs and collectors were in place? The Ogallala aquifer in the great plains is nearly dry, used up by decades of irrigation. Should we not refill it before the plains dry up and blow away in another dust bowl? Who can calculate the value of readily available water? We should build this water system regardless of the cost. But the fact is that we can have it for a bargain, if we will but do it. Congress has the power to authorize its construction. We need to instruct them to do it. They can and will respond.

The jet propulsion laboratory has invented a machine that directly converts sunlight (one square meter of sunlight=2 horsepower) into electricity and/or hydrogen gas. McDonnell-Douglas has built and perfected this machine for mass production. Using only 10% of the deserted desert southwest we can completely replace all hydro, nuclear and fossil fuel energy requirements in America. For a public investment of less than $4 trillion, these machines can give us non polluting, total energy independence, forever. We will be $4 trillion richer in assets if we will build this system. The earth needs a rest. Hydrogen fueled vehicles and machines are safer than those powered by gas. The air they exhaust is cleaner than the air they breathe in. The U.S. has only 15 years of proven oil reserves and the Middle East only 35. How long are we going to wait before we make this transition? Until there is no oil? We make 10,000 valuable products from oil. We cannot steal this finite reserve from future generations. We must make every effort to save every drop for our children, and their children. This is an energy policy we should be pursuing at wartime speed. We have the surplus capacity in our large assembly lines to manufacture these gensets. Our labor needs the work desperately. Distribution systems already exist to deliver electricity and hydrogen gas to our homes and filling stations. We have everything we need to immediately begin this transition, except the approval of congress to fund and supervise it. Again, they will act, if we give them the go-ahead.

Environmental scrubbing. A cleaner and safer America is a more valuable America. Whatever amount of labor and credit that is devoted to cleaning up the dangerous mess of chemical and nuclear waste will reflect positively on our bottom line. Which is worth more, a house spotlessly cleaned, or the same house polluted and filthy? Any labor and credit spent for cleaning will be well spent. This is so obvious that it is painful to repeat. But America sits and stares at the problem, and makes no valid effort at a remedy. Add to our clean up efforts a real conservation of energy program and our standard of living will improve immediately.

Never in the history of Western civilization has there been a broad improvement in private wealth and upward mobility without first being preceded by a significant public investment. Public works are the key to our private financial success. There will never be a time when our labor cannot be used to improve the land we live on. To make it more beautiful. More productive for commerce and industry. More valuable.

As voters, we are the true managers of American labor. It is our responsibility to find useful employment for 110 million people. We have a tremendous task ahead of us. The work I have suggested as a place to start should take no longer than 10 years to complete. That presumes, of course, that we will act in our own best interest. That we will mobilize our resources and our courage, and exercise the powers that make us masters of our own fate. We Americans need a goal larger than ourselves, so as to pull us together and give us back our pride.

JERRY L. WILSON,
Shareholder,
America Inc.

HILLSBORO, OR, *March 4, 1992.*

TRIBUTE TO RUTH WOLF REHFELD

HON. BENJAMIN L. CARDIN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. CARDIN. Mr. Speaker, today I rise to pay tribute to Ruth Wolf Rehfeld who will receive the Sidney Hollander Award on April 2 for her dedicated community service.

Mrs. Rehfeld recent retired as the first professional executive director of the Black/Jewish forum of Baltimore, known as BLEWS, where she developed and implemented programs to strengthen relationships between the African-American and Jewish communities in Baltimore, through education, advocacy, and dialog. She has developed programs that teach each ethnic group the common histories they share.

Mrs. Rehfeld had helped me and my colleague from Baltimore, Representative KWEISI MFUME, develop a program that sends African-American and Jewish students in Baltimore to Africa and Israel to learn the rich heritages of those countries. She has been instrumental in fundraising and arranging meetings and the like to make operation understanding a well-run organization that caters to the needs of the students, while developing their understanding of their respective cultures. Her input in this project benefits all of us who have worked to put this program together.

Mrs. Rehfeld came to BLEWS from the Associated Jewish Charities and Welfare Fund as assistant-campaign director where she coordinated gift programs and worker programs among her other varied duties. She worked as communications director and executive director of the AJCWF women's division. She worked for the northwest Baltimore corporation which is an umbrella community organization comprised of neighborhood associations, business groups and residents from many different economic, racial, and religious backgrounds. Her community service projects are endless.

Mr. Speaker, Mrs. Ruth Wolf Rehfeld has dedicated herself to bringing about change through public service and community organizations. She has earned the respect, gratitude, and affection of the people of Baltimore, and I salute her.

TRIBUTE TO COACH JIM TRESSEL

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. TRAFICANT. Mr. Speaker, it is my great pleasure to rise today to pay tribute to an outstanding individual of my 17th District in Ohio, Jim Tressel. He has offered the Youngstown State football team the best of his ability for 6 years. Such dedication led the Penguins through an undefeated season and to the NCAA division I–AA Championship.

Coach Tressel continues a tradition begun by his father, the late Lee Tressel, as team player and coach. Such an outstanding pair has earned the distinction of being the only father-son duo to win the national championship.

Coach Tressel has coached several outstanding teams such as the University of Akron football team as offensive backfield coach, as Miami University's quarterback and wide receiver coach, as well as assistant coach at Syracuse University and Ohio State University. His travels have led him to Youngstown State and we not only welcome him to our community, but also revere him as Youngstown's best football coach.

Mr. Speaker, I congratulate the 1991 Kodak division I–AA National Coach of the Year and the 3-year winner of the Ohio College Coach of the Year, Coach Jim Tressel.

LONG-TERM CARE—ADDRESSING THE HEALTH CARE NEEDS OF AMERICA'S SENIOR CITIZENS

HON. CHARLES H. TAYLOR

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. TAYLOR of North Carolina. Mr. Speaker, "For every complex problem, there's a simple answer—and it's wrong." H.L. Mencken's quote is an apt description of the way many Members of Congress tackle our Nation's problems. And many Congressmen have taken a simplistic approach to what I feel is a true national crisis: addressing the long-term health care needs of our people.

First the problem we face: Today, over two-thirds of the 11 million Americans who require long-term care are 65 or older. Over three-quarters of these people rely completely on their families. Just 10 percent rely on paid care. And while the efforts made by our families to care for the elderly are nothing less than heroic, our Nation has a moral responsibility to help those in need.

I would now like to walk through the principles that guide me as I look at how we should tackle America's long-term health care problems and our current health care crisis. First, cutting health care costs should be our top priority—the United States spent $700 billion on health care in 1991. That's 13 percent of our gross national product. By the year 2000, health care costs will grow to $1.6 trillion or 17 percent of our GNP.

Second, we must cut costs in a way that does not sacrifice the quality of care delivered. The two areas where I feel we should focus cutting costs are through medical malpractice reform and better preventive care. Dr. Louis Sullivan, the Secretary of the Department of Health and Human Services, estimates that over 20 percent of our Nation's health care costs are related to malpractice. This includes not only the cost of medical malpractice insurance, legal fees, and exorbitant settlements, but the hidden cost of the unneeded tests and other defensive medical practices doctors perform to protect themselves from malpractice suits. Congress should pass legislation that enacts sweeping malpractice and tort reform, and establish a system similar to the Workmen's Compensation Law that has served small businesses well for years. Forcing lawyers out of the medical profession would save billions of dollars. We must return control to our doctors and allow them to practice their profession.

We can also cut costs without sacrificing the quality of care by creating real incentives for Americans to live healthier. Tying insurance premiums to lifestyle—charging higher health insurance premiums to smokers and obese people, for example, and rewarding clean livers with lower premiums—would encourage all of us to practice preventive medicine.

There are 45 separate health care bills now pending in Congress. I am a cosponsor of a number of bills that incorporate the ideas I have just mentioned. The initiatives will promote better long-term care in the following ways:

H.R. 4054, or The Health Care Access and Security Act, provides tax deductions for long-term health insurance. The bill also allows terminally ill patients to collect their life insurance benefits early to help them defray the costs of their long-term care. H.R. 4130, or the Health Care Saving Plan Act, would create a Health IRA. This innovative bill would simultaneously encourage tax-free savings to cover health care needs while providing people with greater freedom than is allowed under present plans to choose their doctors and hospitals. These bills—and all of the health care reform bills that I have cosponsored—would cut health care costs without sacrificing the quality of care provided.

Because of the complexity of our health care crisis, the pace of reform is glacial at best. And having seen Congress in action during my first term, I am sure that health care legislation will move very slowly.

I am attempting to use the resources of the congressional office to attack the long-term health care problems of western North Carolina. After making a new nursing home at the Oteen Veterans Hospital the top priority of my 10-year improvement plan, the Bush administration put $12.3 million for its construction into its fiscal year 1993 budget. Administrators at the Veterans Hospital tell me that western North Carolina has a tremendous number of World War II and Korean War veterans. This makes a new nursing home vital to upholding our Nation's promise—to provide them with the best care we possibly can.

In December, I organized health care forums in Asheville and Cullowhee. I brought in Dr. Gail Wilensky, the head of the Health Care Financing Administration, which directs our Nation's Medicare Program. At the forums, our mountains doctors and people were able to share their opinions with one of Washington's key health care policymakers. The goal of my health care forums remains my goal today—to ensure that western North Carolinians contribute to the shaping of our Nation's health care policy.

GE TRULY "BRINGS GOOD THINGS TO LIFE"

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. SOLOMON. Mr. Speaker, I can't think of an institution that's more corrupt, more dangerous to the health and morals of America, than Hollywood and the entertainment industry.

On the other hand, I can't think of a better corporate neighbor than General Electric, and I am proud to have them in our district.

I had better things to do than watch the Oscars last night, but I was outraged to read in the papers this morning that the Oscar for best short documentary went to "Deadly Deception, General Electric, Nuclear Weapons and Our Environment."

Mr. Speaker, I am not going to stand by and see General Electric's good name dragged through the mud by the industry that has given us nothing but filth, violence, and drugs.

As it's motto says, GE truly "brings good things to light."

But the entertainment industry brings us into the bedrooms, back alleys, crack houses, and sewers of the world.

And yes, General Electric has played an important role in ending the cold war.

And to this very day they have continued teaching the blessings of free enterprise to the states once enslaved by the Soviet empire.

But the entertainment industry makes billions of dollars in profits enslaving our young people in their worst vices.

Hollywood glorifies those who have the morals of alley cats, take illegal drugs, and hold human life in contempt.

By contrast, GE glorifies inventors, scientists, entrepreneurs, and the noblest spirit of America.

No wonder my hero, Ronald Reagan, was proud to be GE's spokesman.

Who speaks for the entertainment industry?

Last night they give a platform to Debra Chasnoff, who couldn't resist a call to boycott GE for investing in nuclear power.

She's part of the same ilk that demonstrates against Knolls Atomic Lab and the West Milton Naval facility in our district.

She's part of the reason America is behind so many other industrial nations in the development of nuclear power.

But Hollywood's values are not America's values.

The first thing I am going to do this weekend when I get home is stock up on GE lightbulbs, and I am going to ask my constituents to do the same.

Let us boycott the entertainment industry instead, Mr. Speaker—whatever it takes to send a message that we want good, clean, wholesome family entertainment again.

No more filth, no more drugs and violence, and no more left-wing propaganda.

IN MEMORY OF CECIL W. THORNE

HON. STENY H. HOYER

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. HOYER. Mr. Speaker, today I rise to honor the memory of Cecil W. Thorne, a man whose leadership in the Prince Georges County fire services is revered, and a man whose public service is a civil engineer to the county was highly valued.

Mr. Thorne passed away unexpectedly January 15, 1992, at the age of 62. He left behind two sisters, two brothers, many coworkers, and friends. He is remembered not only for his experience and knowledge in the fire services but also for his general knowledge of history and literature. He was a well-read man with a keen interest in learning and sharing his knowledge.

As for his experience in the fire services, it is hard to recount all that he did. Mr. Thorne holds the record for responding to the greatest number of ambulance calls in the history of the Upper Marlboro Fire Department. Moreover, during his entire career, Mr. Thorne responded to more than 8,000 calls. Although this impressive record clearly indicates the expertise that Mr. Thorne developed over the years, it does not reflect the many hours of study he devoted to advanced fire and rescue training. In addition to an 80-hour prehospital care course, Mr. Thorne completed training in fire inspection techniques and hazardous materials.

While this work experience would be impressive by itself, Mr. Thorne also distinguished himself as a civil engineer for the Prince Georges County government. In addition to being recognized as an expert on right-of-way problems, Mr. Thorne holds the record as the longest serving employee of the Prince Georges Department of Public Works.

I believe Mr. Thorne's activities as a volunteer firefighter, and his employment with the Prince Georges County government, show not only a man who was devoted to his community, but a man who committed most of his waking hours to serving that community. Just in time alone, it is incredible to think that in addition to a full-time job, Mr. Thorne compiled one of the best response records in the history of the Upper Marlboro Fire Department, underwent time-consuming and challenging training courses, and helped teach both CPR courses as well as classes for the county's public works department. In this country today, many of us could learn what commitment and devotion to our community means through Mr. Thorne's example. Clearly, this was a man who enjoyed public service, and who went far beyond what most communities expect of their sons and daughters.

In this respect, Mr. Thorne, like many volunteer firefighters represents the best qualities in the best citizens of our communities. People who are not only willing to give freely of their time, but who, tragically, sometimes give up their lives to save another.

Mr. Thorne, I offer my sincere thanks for all that you did during your lifetime in the county I represent and in which I live. To Mr. Thorne's surviving brothers and sisters, I give my sincerest condolences. I also offer my hope that many of us across the country can learn a lot from a man who taught us as much about beneficence, as he taught his colleagues about firefighting.

CHILDREN'S ART FOR PEACE—GIVAT HAVIVA FOSTERS CO-OPERATION BETWEEN JEWS AND ARABS IN ISRAEL

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. LANTOS. Mr. Speaker, on Wednesday, March 4, my distinguished colleague, Congressman JOHN PORTER of Illinois and I, as cochairmen of the Congressional Human Rights caucus, opened an exhibit in the Cannon Rotunda of Children's Art For Peace—an exhibit of Arab and Jewish children's art from the Givat Haviva Institute in Israel.

A number of our distinguished colleagues in the Congress who are leaders for human rights joined us on this occasion. They include GARY ACKERMAN, NEIL ABERCROMBIE, DICK SWETT, BILL GREEN, CHRIS SHAYS, TOM DOWNEY, ROBERT LAGOMARSINO, and BILL BREWSTER.

In addition to this distinguished representation of Members, other special guests who spoke at the opening ceremony were Doran Shohat, head of the Unit for Democracy and Coexistence in the Israeli Ministry of Education; Mohammed Abu-Nimber, Ph.D. candidate in Conflict Analysis and Resolution at George Mason University; Steven Goldberg, executive director of the Givat Haviva Educational Foundation; and our good friend, Dr. Ruth Westheimer.

I would like to take a moment to describe the exhibit and the outstanding work being accomplished in Israel by Givat Haviva. The exhibit of paintings and drawings was made possible by a unique workshop for Jewish and Arab Israeli junior high school students at the art center at Givat Haviva, which is open to Arabs and Jews of all ages on its 50-acre campus in central Israel. The young Arab and Jewish artists who participated in this outstanding experience overcame different cultural backgrounds, religions, and ways of life, as well as decades of suspicion and mistrust between their communities, to share in this exciting and fruitful enterprise.

Founded in 1949, Givat Haviva is the oldest and largest organization in Israel working to improve Jewish-Arab relations. It is named in honor of Haviva Reik, a young kibbutznik who was captured and killed by the Nazis in Slovakia where she volunteered to go to organize the resistance.

Givat Haviva's programs are dedicated to building trust through mutual understanding among the different cultures and religions in Israel. Toward this end, the organization offers seminars and group activities so that Jews and Arabs can begin to understand and empathize with each other's points of view and experiences. Although the participants enter and leave with differences of opinion, they find themselves examining their beliefs, as, for the first time, they see through the eyes of their historic adversaries.

One purpose of the current art exhibit is to bring to the attention of the public in North America the fact that there are large numbers of Jews and Arabs in Israel who are trying to reach an accord through dialog, rather than physical confrontations. It is with great hope that this exhibit will be taken from our Nation's Capital to a dozen cities throughout the United States and Canada so that everyone can appreciate the courage and vision of these young Arab and Jewish artists, and recognize the efforts of those in Israel who have made this program possible.

Givat Haviva also hosts programs and publishes materials, including many in Arabic, on a wide range of subjects including Middle East history, the Holocaust, civics courses for new arrivals from the former Soviet Union and elsewhere, and promoting democracy and economic enterprise in the kibbutz movement and the Arab community in Israel. The campus is often host to conferences on an assortment of topics from the views of the Arab community toward the peace process to educating German school teachers about how to present the Holocaust to their students.

Mr. Speaker, the Givat Haviva Institute is representative of the best Israel has to offer. I am pleased today to pay tribute to the staff of Givat Haviva and to the Arab and Jewish people of Israel, who demonstrate their commitment to a better Israel by taking part in these important Givat Haviva programs.

SALUTE TO CHARLES F. WAGNER

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. LAGOMARSINO. Mr. Speaker, I rise today to pay tribute to a man who has spent 39 years of his life in public service, the last 31 of those in Santa Barbara County. My constituent, Mr. Charles F. Wagner, will retire on March 27 from his post as administrative officer of Santa Barbara County.

Chuck started his career in Santa Barbara in 1961 as a civil engineer with the county road commissioner, and in 1976, he was appointed public works director. His appointment in 1989 to be county administrative officer capped a long career of public service. His professional demeanor and personal style have always been appreciated and will be missed by all.

Chuck's life in Santa Barbara has always been more than just professional. He has taken a keen interest in many aspects of community and family development. Chuck has devoted much of his time to coaching sports for local organizations, including the Goleta Boys Club, the Goleta Valley Girls Club, and the Youth Football League. He is also the recipient of numerous community awards, including the United Way Campaigner of the Year, Santa Barbara County Management Association's Executive of the Year, the County Supervisor's Circle of Service Award, and the Honorary Service Award from the Goleta Council of PTA's.

I ask my colleagues to join me in saluting Santa Barbara County Administrative Officer Chuck Wagner on the completion of a 39-year career in public service. I wish him and his wife of 38 years, Jean, a wonderful retirement and all the best.

TRIBUTE TO VINCE PECCHIA

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to a dedicated athlete, Vince Pecchia of my 17th District in Ohio.

Through hard work and commitment, Mr. Pecchia has earned the honor of competing in the American Gladiators Live Tour. Among 300 other contestants, Mr. Pecchia stood his ground emerging in the top four.

As a Syro Steel Co. employee and senior at Youngstown State University, Vince demonstrates remarkable commitment to both a fun and rewarding cause.

Mr. Speaker, I pay tribute to this young man and wish him luck in his upcoming event.

THE PLIGHT OF SYRIAN JEWS

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. SABO. Mr. Speaker, I want to alert my colleagues to the continuing plight of the remaining Jews in Syria. Emigration from Syria is extremely difficult, and Jews in particular cannot leave the country, for any reason, without posting large monetary deposits and leaving close relatives behind as assurance of their return. In short, the situation is much like it was in the Soviet Union before the recent changes in that country, when Jews were forced to remain in violation of commonly-accepted international standards of human rights.

The case of two brothers provides an example of the impact of this Syrian policy. Eli and Selim Swed, who had been held without charge since November 1987, were recently tried in camera and sentenced to 6½ years imprisonment. Few details of the trial are known, except for earlier reports that the two were to be charged with espionage, apparently for visiting relatives abroad whom they had not seen for 30 years. After the sentencing, the two brothers conducted a hunger strike, but their sentence was recently confirmed.

Mr. Speaker, it is time for the Syrian Government to change its policy. The Swed brothers must be freed. Surveillance and repression of Syrian Jews must end. And Syrian Jews must be allowed to emigrate. At this historic time when the United States has improved its relationship with Syria, and has entered into discussions with Syrian President Assad about peace in the Middle East, we must not forget the human rights of Jews in Syria and other minorities in the Middle East. Just as we made changes in Soviet emigration policy a litmus test for improvements in United States-Soviet relations, so too must changes in Syrian emigration law become a major forces of United States policy toward that country.

At this time of special challenge and opportunity in the Middle East, when men of good will are continuing to talk of peace, we call on President Assad to show Syria's good faith by directing his government to fully and completely observe the human rights of Syrian Jews.

HONORING FLORENCE FOLEY AND DONALD ZEHNDER, SR.

HON. GARY A. FRANKS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. FRANKS of Connecticut. Mr. Speaker, I rise today in recognition of two people who embody the beliefs and goals of America and the Republican Party. They stand unafraid for what they believe, and they are unafraid of acting on these beliefs. As lifelong members of the Republican Party, Florence Foley and Donald Zehnder, Sr., have put a lifetime of commitment into their party and their community. This accomplishment sends an important message to us all.

The message they are sending is one of unending dedication to one's work and one's principles. This steadfast dedication was recognized on March 7, 1992, at Naugatuck's Lincoln Day dinner. In front of friends and colleagues, their seemingly endless energy and service was rewarded. Florence and Donald have worked tirelessly from the ground up to help Naugatuck and the State of Connecticut.

I commend Florence and Donald, for not only saying what they believe, but doing what they believe. I commend them for sticking to their principles. I commend them for being constant leaders, and for being role models to us and to our children. What Florence and Donald have shown us is that hard work and unyielding commitment reap a cherished reward. That reward is one of achievement and fulfillment in your own backyard.

So, although Donald's cheers ring out most frequently to Notre Dame and Florence's patience is somewhat spent on her son, Dick, their hearts belong to the city of Naugatuck, the State of Connecticut, and the Republican Party. Mr. Speaker, today I honor the spirit of commitment so evident in Florence Foley and Donald Zehnder, Sr. Their commitment to their values and to their community is an inspiration to us all.

A TRIBUTE TO HON. CARMEN ORECHIO FOR HIS YEARS OF DISTINGUISHED SERVICE

HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. ROE. Mr. Speaker, it is with the greatest pride that I rise today to pay special tribute to an extraordinary man from my Eighth Congressional District in New Jersey. A man who has given his time, his talent, and his heart to improving his community and the State of New Jersey, making a positive difference in the lives of those around him.

Mr. Speaker, Carmen A. Orechio will be honored with a testimonial dinner on April 7 at the Westmount Country Club in West Paterson. Carmen, a member of a very prominent and publicly active family, has been a close personal friend of mine for many years and has dedicated his life to public service and helping the less fortunate. Carmen retired in January after 18 years of distinguished service as a senator of the New Jersey State Legislature and a lifetime of service to his hometown of Nutley, NJ.

The testimonial dinner committee comprised of elected officials, business and community leaders, as well as friends and local residents from Carmen's former 30th legislative district have banded together to pay tribute to one of New Jersey's most beloved statesman. New Jersey Senate President Donald DiFrancesco and Senate Minority Leader John Lynch are honorary cochairs for the event revealing a truly bipartisan appreciation for the work Carmen has done over the years. Anthony Scardino, general chairman for the dinner, summed up the feelings of all who have known and worked with Carmen, "Carmen Orechio has been, and continues to be, a caring and selfless public servant. His record of accomplishments in the State legislature and in the local communities are without parallel."

Mr. Speaker, Carmen was elected to the New Jersey Senate in 1973 where he served with distinction until his retirement at the end of last year. He rose to the position of senate majority leader and later senate president from 1982 to 1986 and president pro tempore of the senate from 1985; in addition he served as Acting Governor during Governor Kean's administration.

During his long and active tenure in the New Jersey Senate, Carmen was an advocate for legislation in health and child care, tax reform, benefits for senior citizens, the establishment of group homes for the mentally retarded and other initiatives for the disabled, fire safety and law enforcement.

Carmen is a lifelong resident of Nutley, NJ where after earning a business degree from Rutgers University and serving in the Army overseas during World War II, he returned and was elected to the Nutley Town Commission in 1968, where he continues to serve at present as director of public affairs. He previously spent more than 15 years as public safety director and twice was elected mayor, first in 1972 and again in 1980.

Mr. Speaker, Carmen was more than a public servant doing his job. He reached out to his constituents in a fundamental way. Carmen is well known as a fast-pitch softball pitcher whose teams, which played throughout New Jersey and New York, raised thousands of dollars for charitable causes and provided a positive outlet for many institutionalized children. This is only one example of the love and dedication which this man felt for his neighbors, community, and for the State.

Public service can be merely a job or it can be an advocation. Clearly, Carmen Orechio felt that it was more than a job and he has given a great deal of himself to improve the world around him. For his outstanding leadership and humanitarian efforts the people of New Jersey, those who have worked with him his friends and his family are all grateful and honored to have been a part of his life.

FOREIGN OPERATIONS FISCAL YEAR 1992 CONTINUING RESOLUTION

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. VISCLOSKY. Mr. Speaker, as we consider the fiscal year 1992 foreign operations appropriations continuing resolution, I want to call to my colleagues attention an important aspect of our Nation's food assistance programs.

Earlier this year, I expressed my concern about the U.S. Government's policy on the utilization of food aid programs to deliver food to the people in the newly created Commonwealth of Independent States [CIS]. A specific concern I had in this issue as the Subcommittee on Foreign Operations Appropriations considered the budget requests for the Department of State and its various humanitarian relief programs was and is focused on the need to include value added foods packaged in cans in our food aid program.

It is my understanding that while the Department of State has a limited role in this program administration, food aid programs are managed by the Department of Agriculture. While I understand that this subcommittee does not have jurisdiction on this specific issue, I would like to impress upon my colleagues on the subcommittee, members of the Rural Development Subcommittee and the entire House, that an effective and successful United States food aid program to the CIS and to future destinations should include value added goods. Specifically, portions of the food aid package should consist of canned goods packaged in steel containers.

The merits of using steel canned goods are numerous. First, we have plentiful supplies of canned goods, representing a wide variety of vegetables and other foodstuffs packaged in steel cans. Second, their inclusion in an aid package would benefit U.S. steel producers who manufacture tin mill products, which are, in turn, purchased by domestic can manufacturers, and used by American food processors. Third, canned goods can be shipped directly to the Russian Republics for immediate distribution to consumers without causing shortages in this country, while reducing transportation, distribution, and food waste problems in the recipient countries.

It is my understanding that U.S. agricultural policy as directed by the Congress is aimed at providing our farmers and those in related industries including the food processing sector an ample opportunity to participate in U.S. aid programs. I firmly believe that allowing canned goods to be included in future food aid shipments will benefit all of these producers who are vital contributors to our domestic economy.

Mr. Speaker, it is important that canned goods are included in our food aid program. I would ask for the support of all my colleagues as this issue is presented before our colleagues on the Rural Development Subcommittee.

TRIBUTE TO THE ST. PETERSBURG INTERNATIONAL FOLK FAIR SOCIETY

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. YOUNG of Florida. Mr. Speaker, earlier this month, the St. Petersburg International Folk Fair Society held its 17th annual International Folk Fair, and as in past years, thousands of people flocked to the Florida Suncoast Dome to sample the ethnic cuisines of almost 50 nationalities and to walk through the many cultural exhibits.

Highlights of this year's program were the performers from "Li Burgisi" of Sicily, Italy, and the "Evzones" of the Presidential Guard of Greece.

Under the chairmanship of Takis Kapous, SPIFFS has become a symbol of the greatness of America. Seventeen years ago, Bethia Caffery, a now retired news reporter, brought together 13 prominent ethnic leaders in St. Petersburg to form SPIFFS. Today SPIFFS is an organization of 47 ethnic groups providing a variety of programs which promote cultural enrichment for all. Staging dance classes, exchanging recipes, or teaching native arts and crafts is only a small part of what the St. Petersburg International Folk Fair Society means to our community. While each group seeks to retain its heritage, its members cherish the freedoms of America and promote patriotism and pride in their adopted homeland.

During the 3 days of this year's folk fair, those who walked through the many villages of the different societies enjoyed the aromas of a country fair which filled the air. They would get lost in the exhibits of heroes of movements of national independence, which rekindled thoughts of the American Revolution. In the voices of strange tongues singing and talking, the joy of freedom echoed throughout the Suncoast Dome. For while the theme of this year's folk fair was "Proud To Be in America," it was apparent to all that the people who make SPIFFS the special organization it is for the people of my congressional district, make each of us proud to be Americans.

Mr. Speaker, I congratulate SPIFFS, its officers and each of its ethnic societies for the contributions they have made not only to our community, but also to our country. I know that SPIFFS will continue to enrich the lives of each of us as it builds on those foundations laid more than 200 years ago by our Founding Fathers—for their dream of life, liberty and the pursuit of happiness is lived each day by the people of the St. Petersburg International Folk Fair Society.

EDUCATION AND SHARING DAY, U.S.A.

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. REED. Mr. Speaker, last week this House passed House Joint Resolution 410, designating April 14, 1992, as Education and Sharing Day, U.S.A. As a cosponsor of that measure, I am proud to speak today of the value of education and the importance of our strong support for this message.

As most of my colleagues know, the designation of April 14 has special significance because that day is also the 90th birthday of Rabbi Menachem Mendel Schneerson, the leader of the Lubavitch movement and the 42d anniversary of his assuming the leadership of the Lubavitch movement.

As this resolution states,

> The Lubavitch movement through the establishment of over 1,000 social welfare and educational institutions throughout the world under the leadership of the "Rebbe", has long supported and promoted dedication to education and selfless concern for others.

As a member of the House Education and Labor Committee, I am especially pleased to see the dedication of a day to call attention to the importance of education.

Education is the engine that pulls our country both individually and collectively and I am a case in point.

I am the son of working class parents. My father was a custodian and my mother worked in a factory. My parents wanted me to get the kind of education that could lead to a better life.

I was able to get a college education by joining the Army at 17 and attending West Point. I had the opportunity and it made a significant difference in my life.

Education is more important today then ever before. Our economic competitiveness is essentially based on our ability to train our young people and our not so young people.

Not just training for specific skills but developing the ability to learn and relearn in a host of different contexts. The future belongs to those nations who have educated their people and through such educated citizens have the ability to transform their economy to meet the changing demands of global competition.

I salute Rabbi Menachem Mendel Schneerson for his leadership at the head of the Lubavitch movement and for his recognition of the importance of education in today's world.

ABILITY-TO-BENEFIT STUDENTS

HON. RONALD D. COLEMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. COLEMAN of Texas. Mr. Speaker, I rise today to commend the diligent work of my colleague, Mr. MILLER, in his efforts to ensure access to higher education for all Americans, regardless of gender or ethnicity. Mr. MILLER and the committee have returned the process of identifying those students who can benefit from a postsecondary education to the experts—the educators. To provide a little background to the Members: Current law on students who have not completed high school or earned their GED certificate has been interpreted by the Department of Education to require postsecondary institutions to use a single standardized test to determine a prospective student's ability to benefit from higher education. As you all know, there are a multitude of problems inherent in the use of an unvalidated standardized test to determine a student's college ability. These problems resulted in many students who actually could succeed in college being denied that opportunity. Minority students were especially hard hit by this unfair testing.

Fortunately, my colleague recognized the shortcomings of the testing requirement, and drafted into the higher education amendments a provision that looks at a variety of factors in determining whether a student will be able to benefit from a college education. I wholeheartedly endorse the use of this comprehensive matriculation process rather than a single test. In support of Mr. MILLER'S proposal, I would like to cite briefly the results of three national surveys conducted by the American Association of Community and Junior Colleges in conjunction with El Paso Community College, the California Community College System, and the National Center for Fair and Open Testing.

The findings reveal that prior to the Department of Education's decision, which denied many of these students the opportunity for a higher education, ability-to-benefit students were as successful in college as students with high school diplomas and GED certificates. Success was measured by the percent of students making satisfactory academic progress as measured by their college. The preliminary findings show little difference in the performance of students entering college with a high school diploma, a GED certificate, or a favorable ability to benefit assessment. The study suggests that motivation is more important than all other factors in determining student success. These studies prove that the comprehensive college matriculation processes being used by colleges before the Department of Education's decision not only avoided the bias and inaccuracy of standardized tests, but also identified students who could successfully pursue a college course of study. This study, entitled "Ability To Benefit: Resurrecting the Dream—Results and Findings of a National Survey," is available from the American Association of Community and Junior Colleges.

Corroborating these findings was a study completed by the El Paso Community College in which the cumulative grade point average for ability-to-benefit students was comparable to that of high school graduates and GED students. As more of these case studies are completed, the findings will be included in the report.

Again, I commend my colleague for his insight on this issue, and give my unqualified support for his proposal.

LOOK BEYOND YOURSELF

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. GILMAN. Mr. Speaker, I rise today to bring to the attention of my colleagues the invaluable services accomplished by the Rotary Appalachian Project. This project, begun by Joseph Abate, the governor of Rotary International District 7210, includes the collection of food, clothing, tools, toys, books, and other supplies for distribution in Campbell County, TN, in the heart of Appalachia.

Each year district 7210 of the Rotary looks to support an International Rotary governor's project. In the past, district 7210, a group of 64 clubs in 8 New York State counties, including the 15 Rockland clubs, 6 Orange clubs, and 3 Sullivan clubs, has worked internationally in Nigeria, the Philippines, and Colombia. However, Joseph Abate, during his tenure as district governor, has decided it is time to help those right here at home.

And help he has. Mr. Speaker, I am pleased to report that the community response to Rotary District 7210's request for food and clothing for Appalachian areas has been overwhelming, due to Joe Abate's exceptional leadership. I am pleased to call Joe a constituent, the youngest of 491 district governors, representing more than 25,000 clubs and 1.1 million members in 173 countries of Rotary International.

As my colleagues know, the President has called upon our Nation to serve our communities and those in need. It is obvious that Joe Abate has pursued the President's theme of "A Thousand Points of Light." I am hopeful that by communicating district 7210's accomplishments that all of us, old and young alike, will recognize the invaluable work that can be cultivated through community service such as that being provided by Rotary District 7210 and its governor, Joe Abate.

Joe's leadership and the meritorious service of district 7210 Rotarians is an example for all of us who strive to make a difference.

TRIBUTE TO MARIE GEOPFERT

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. RINALDO. Mr. Speaker, I rise today to pay tribute to Marie Goepfert of Union, NJ. Marie was honored recently by her employer, J.L. Hammett Co., on the anniversary of her 50 years of service.

It is rare indeed for an individual to work for one company for 50 years, and Marie Goepfert's loyalty and dedication are worthy of special recognition. She began her employment at J.L. Hammett Co. on January 27, 1942, in the Newark warehouse. On her first day she was taught how to wrap a package and states she didn't think she would last a week. She not only made it through the first week but through the 2,600 weeks that follows. Marie moved from the warehouse into the office and was promoted to purchasing clerk. She progressed through the purchasing department and in 1973 became purchasing supervisor. She has seen many changes during her 50 years with the company and has achieved a remarkable feat.

I extend my congratulations and best wishes to Marie Goepfert on her outstanding accomplishment.

TRIBUTE TO MISSING CHILDREN'S BUREAU IN ORLANDO, FL

HON. JIM BACCHUS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. BACCHUS. Mr. Speaker, it is my honor to rise today and welcome the new Missing Children's Bureau that recently opened in Orlando, FL. This center, staffed through the efforts of Mr. Hugo R. Harmatz and many dedicated volunteers, assists Floridians who are affected by the tragedy of a missing or abducted child.

This outstanding organization was founded in October 1989 and functions as a liaison between local, State, and Federal law enforcement agencies and the families of missing children. Combining superb investigative skills and compassionate interaction with the affected families, the MCB is truly an extraordinary organization.

At this time, I would like to welcome this much needed organization to the central Florida area. I offer my total support and gratitude to the fine members of the MCB. I applaud each of them for their outstanding contribution of aid to our citizens during some of the most traumatic times of their lives.

ARIZONAN NATIONAL VOLUNTEER OF THE YEAR

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. RHODES. Mr. Speaker, today I pay tribute to the National Volunteer of the Year and one of my constituents, Ms. Cheryl Cathleen O'Malley. Ms. O'Malley is the recipient of the Joint Action in Community Service 1992 National Volunteer of the Year Award.

Volunteers form the core of our communities. They provide an important asset to our communities in giving of their time and energy to provide support to their fellow man. Over the past 14 years, Ms. O'Malley has provided exemplary assistance to former Jobs Corps students in the metropolitan Phoenix area. Along with other members of the city of Phoenix Neighborhood Organizing Section [NOS], Ms. O'Malley provides counseling, job planning, and educational referrals for former Job Corps students once they return to the training area in Job Corps.

Mr. Speaker, we all know how important it is to have a helping hand when looking for a job. Through the Phoenix Neighborhood Organizing Section, Ms. O'Malley has provided a valuable service in promoting self-sufficiency and self-worth.

I had the pleasure recently to meet with Ms. O'Malley and her husband in my office. I can certainly attest that she represents the best qualities of a volunteer. I know the city of Phoenix and the State of Arizona is a better place for having people like Cheryl involved in our community.

Mr. Speaker, I ask my colleagues to join with me in congratulating Cheryl on this most deserved award. To gain back the courage and compassion this great Nation once had, we need more citizens like Cheryl O'Malley. I commend Cheryl for her shining example and outstanding contribution to her community.

JESSAMINE COUNTY MIDDLE SCHOOL VISITS WASHINGTON, DC

HON. HAROLD ROGERS

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. ROGERS. Mr. Speaker, I rise today to applaud the 251 eighth graders, parents, and teachers from Jessamine County Middle School in Nicholasville, KY, who visited our Nation's Capital last week. I am delighted that these fine young people have come to visit Washington, DC.

These are promising students who will be the future leaders of our country. They came to witness first hand democracy in action. I know that they leave with a greater appreciation of our Government, and I hope this visit instilled in them the spirit and desire for public service.

While they were here, they saw many of the landmarks that make our Nation's Capital truly unique. They visited the Federal Bureau of Investigations, the U.S. Mint, our beautiful memorials, and many other of our city's wonderful sites.

Again, I am glad to have had these fine young Kentuckians, their families, and their teachers to Washington, DC. I hope they enjoyed their trip, and I am confident this will be an experience they will always remember.

A TRIBUTE TO DUNCAN McGOWEN

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. SWETT. Mr. Speaker, I rise today to remember and pay tribute to Concord resident and architect Duncan McGowen, who died early on the morning of March 18, 1992, from complications that followed a second stroke.

Duncan McGowen was responsible for some of the most prominent and memorable structures in New Hampshire's capital city, Concord, and his memory will live on in the spirit and vitality of his creations.

Mr. Speaker, McGowen designed several landmark structures in downtown Concord, including Bicentennial Square, Eagle Square, the redevelopment of 19th century Cooper-Stevens estate, and the renovation of the Concord Savings Bank building.

As a fellow architect, I've taken special pleasure from walking down Main Street in Concord, marveling at the creativity and boldness of his work.

McGowen is survived by his wife, Mary Strayer McGowen, his daughter Molly, and his other daughter Abigail.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Duncan McGowen and paying tribute to all he has done.

TRIBUTE TO MR. STUART EDINGTON

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. PALLONE. Mr. Speaker, the Lt. Howard J. Schnabolk Post 515 of the Jewish War Veterans of the U.S.A., of Greater Red Bank, NJ, will present its 18th Annual Americanism Award to Mr. Stuart Edington. The presentation will be made at a breakfast to be held at the Red Bank Elks Hall on Saturday, April 5, 1992.

Mr. Edington, commander of the American Legion Post 168 of Red Bank, will be presented with the Morris Miller Americanism Award for his outstanding services to the Red Bank Memorial Day and Veterans Day events. The award is presented each year to the person or persons in the community who have most exemplified the ideals of Americanism, patriotism, democracy and community service.

Stuart Edington was born in West Orange, NJ, and moved to Middletown Township at the age of 9 months. He has lived in the Middletown/Red Bank area ever since. After graduating from Middletown Township High School and Coleman Business College, he served 3 years and 4 months in the Counter Intelligence Corps, U.S. Army, and continues to be a member of the National CIC Association. Mr. Edington has been very active in community and civil affairs, having served on the Red Bank Board of Education, the Red Bank Elks Lodge 233, and the Red Bank American Legion Post 168, whose building he was instrumental in acquiring. He is retired from the Monmouth County courts where he was Civil Assignment Clerk for 37 years. He is a longtime member of the First Baptist Church of Red Bank.

For many years, Mr. Edington worked closely with Morris Miller in the operation of the American Legion, and in planning Memorial Day and Veterans Day services. Since Mr. Miller's passing, Mr. Edington has continued to be program chairman for these events. Through his efforts the American Legion Post 168 placed and presented monuments to the Borough of Red Bank honoring the Korean and Vietnam veterans on April 28, 1985. On November 11, 1991, at the Annual Veterans Day Services, the first Desert Storm Veterans Memorial Monument was presented to the Borough of Red Bank by the American Legion Post 168.

Mr. Speaker, I can think of no one more deserving of recognition and tribute than Mr. Stuart Edington, who exemplifies the best qualities of what our nation represents and stands for. It is a pleasure to share his accomplishments with this body.

REQUIRE FULL PENSION PLAN AUDITS

HON. WILLIAM J. HUGHES

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. HUGHES. Mr. Speaker, over the past two Congresses, the Select Committee on Aging's Subcommittee on Retirement Income and Employment, which I chair, has held a series of hearings concerning the adequacy of the system designed to protect the individual rights and benefits of persons covered by the Nation's more than 900,000 private pension plans.

Yesterday, I, along with Mr. BOEHLERT from New York, the ranking Republican on the Retirement Income Subcommittee, and Mr. ROYBAL from California, the chairman of the Committee on Aging, introduced H.R. 4700, legislation to eliminate a provision that last year permitted nearly $900 billion in pension plan assets to escape audit examination for violations of the Employee Retirement Income Security Act [ERISA]

According to the Department of Labor's Office of the Inspector General, last year about half, 46 percent, of the audits of the Nation's $2 trillion in pension plan assets and transactions are not examined, tested, or evaluated each year for violations of ERISA because they are held in banks or insurance companies.

While the assumption is that these institutions receive adequate audit coverage from Federal agencies, these audits are generally done only once every 2 years and none of these audit steps are designed to test for ERISA violations.

More significantly, when an auditor is restricted from examining significant information in an audit, he or she generally disclaims any opinion about whether the financial statements are correct. Consequently, about half of the Nation's pension auditors render no opinion about the plan's assets or transactions. These auditors then have no liability or accountability for the accuracy of the plan's financial statements.

Mr. Speaker, what comfort is it to pension participants to know that an auditor has no opinion about whether their pension plan is sound or not? And what burden might this policy thrust on the taxpayer, who ultimately is insuring these pension benefits? Hasn't the savings and loan disaster taught us anything about how costly it is to have an industry backed by Federal insurance that does not have tight regulations and full disclosure of assets?

Common sense and prudence dictates that we close this dangerous loophole in the protection and monitoring of the Nation's growing pension plan assets during this session. Workers and taxpayers expect that somebody in the government is watching these assets. Retirees are counting on their pensions to meet their daily living needs. I urge may colleagues on both sides of the aisle to cosponsor this important legislation today.

A TRIBUTE TO THE JUNIOR ORANGE BOWL CHEERLEADERS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize the Junior Orange Bowl cheerleading team, whose members won third place at the National Cheerleading Championships. The team of 13 girls of an honor squad of Miami area cheerleaders were selected last October for their academic talents, community service experience and cheerleading ability. In a Miami Herald article entitled, "Cheerleaders Win 3rd Place, Help Keep Roof Over Heads," Todd Hartman reports on the girls' exceptional achievements. I commend the following article to my colleagues:

> They prefer to be called the Junior Orange Bowl cheerleading team, but you can call them the all-roofing team. That's what they did three weeks ago—built a roof—before making the trek to Anaheim, Calif. last weekend to win third place at the National Cheerleading Championships.
>
> The team of 13 high school and middle school students is an honor squad of Miami area cheerleaders who were selected last Oc-

tober for their academic talents, community service experience and cheerleading ability. They recently showed off two of those attributes.

Working with Habitat for Humanity, the team showed up at a South Miami home construction project armed with brushes and ready to paint. But the house wasn't ready for painting, as it still needed roofing and siding.

"All these little hands went up," to volunteer to do the roofing work, said Kaye Reinhofer, the JOB spirit committee chairman.

"One of the girls, Staci Rainwater, said after we finished, 'Someday I'll drive my kids by this house and tell them I helped build it,'" Reinhofer said.

In Anaheim, the team missed second place by three-tenths of a point, and seven members of the team were selected for the USA Spirit Squad, which will cheer at the 1992 NCAA Final Four basketball tournament. The JOB team also took a trip to Disneyland while in the area.

Megan Hickey, Radimir Aird, Gloria Salazar, Anna Aguilar, William Penny and Claudia Acuna all attend Sunset High. Marisel Martinez and Olga Camacho attend McMillan Middle, Heather Whitten attends Hialeah-Miami Lakes High, Danielle Casey goes to the MAST Academy, Maria Rocha attends Southwest High, Staci Rainwater goes to Arvida Middle, and Jennie Cooper attends Carver Middle.

Camacho, Aguilar, Acuna, Whitten, Aird, Salazar and Rainwater were the team members selected for the USA Spirit Squad.

I am pleased to acknowledge and congratulate the achievements of the Junior Orange Bowl cheerleaders, and I would like to wish them all much success with their futures.

PORT CHESTER/RYE BROOK CHAMBER OF COMMERCE HONORS HAVVA IDRISS

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mrs. LOWEY of New York. Mr. Speaker, it is a great pleasure to join many others as Havva Idriss, president of United Hospital, is honored at the Port Chester/Rye Brook Chamber of Commerce Gala Ball. The United Hospital enjoys a very special place in Westchester, and we are all indebted to Havva Idriss for her many years of service to the hospital and its neighbors.

She began her career in health care when she moved to the United States and studied bacteriology at the University of California at Davis and earned a masters degree in public health from Columbia University. She has held a number of important positions in the field of health care, during the years she has worked as a respiratory therapist, lab technician, and in several administrative positions. She has also developed widely recognized leadership skills. Havva was awarded the Government of France Award of Honor in 1965 for her work with international students promoting intercultural understanding.

We are indeed fortunate that Havva Idriss chose to move to New York and utilize her administrative skills at United Hospital. She has served United Hospital for 12 years in a variety of capacities, including planning, operations, marketing and development. In 1990 she was named president and chief executive officer. She has continued as a member of the board of directors of the Hospital, is a director of the Port Chester/Rye Brook Chamber of Commerce, and is current director of the Westchester County Association and the Northern Metropolitan Hospital Association.

Havva Idriss has touched many people through her dedication to the people of Westchester. Her tireless work to respond to the health care needs of our citizens has helped bring hope and comfort to many. She is indeed an important part of efforts to improve the quality of life, and I know that my colleagues join me in wishing her continued success.

INTRODUCTION OF H.R. 4693

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. TAUZIN. Mr. Speaker, I rise today to announce that I, along with Mr. BATEMAN, Mr. JONES of North Carolina, Mr. DAVIS and Mr. FIELDS have introduced H.R. 4693, a bill prohibiting the Coast Guard from establishing or collecting any fees for the issuance of merchant mariners' documents, licenses or certificates of registry.

H.R. 4693 prevents the Federal Government from singling out merchant mariners to pay what is clearly an employment tax. Other occupations in transportation industries don't have to pay a Federal fee in order to be lawfully employed. Why merchant mariners?

The Omnibus Budget Reconciliation Act of 1990 singled out merchant mariners by lifting the 1886 statute which prohibited the collection of fees for mariners' licenses. Train engineers don't pay Federal licensing fees. Commercial pilots don't pay Federal licensing fees. Truck drivers don't pay Federal licensing fees. The idea of the Federal Government taxing an individual for the opportunity to work is inherently wrong.

We all benefit from the Coast Guard's licensing and documentation requirements. The Coast Guard's Marine Safety Program prevents maritime accidents that could result in loss of life or property or harm to the environment. It is not fair to burden one segment of our society with the expense of supporting a basic Government service from which we all benefit.

Additionally, our national security depends on a strong merchant marine. If anyone doubts this fact, I would only remind them of our merchant mariners heroic contributions to the largest sealift in maritime history. Desert Storm was successful because we had a base of qualified, licensed merchant mariners who were ready to respond to the call of duty.

Mariner licensing fees will discourage merchant mariners who are under employed from their renewing licenses. In an industry that is already depressed, licensing fees will discourage potential merchant mariners from entering the field. At a time when we should be honoring merchant mariners for their national service, we are instead proposing to tax them for the license to provide that service.

The merchant mariner licensing fees are bad tax policy. Mariner licensing fees will slow our economic recovery and are contrary to our national security interests. I ask you to support H.R. 4693. Let's prohibit the Federal Government from taxing our merchant mariners' right to work.

CIVIL RIGHTS CONTINUED

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. PICKLE. Mr. Speaker, the director of the Lyndon B. Johnson Presidential Library, Harry Middleton, makes numerous contributions, large and small, to the cause of improving public discourse and pubic spiritedness. The remarks which I today ask be included in the RECORD reflect Harry Middleton's efforts along these lines. Mr. Middleton gave these remarks upon his receipt of the Anti-Defamation League's Torch of Liberty Award.

Harry Middleton is wise to remind us that the brutality and violence which we witness in society is not something from which we can turn our heads or for which we can deny responsibility. We all need to pause and reflect about the forces in our society which appeal to the darker sides of our nature, and pledge to do something to turn this tide around.

Harry Middleton and those like him who speak out about injustice are cause for hope that these elements in our society can be overcome. He is a deserving recipient of the Torch of Liberty Award, and I commend his remarks to everyone:

REMARKS OF HARRY MIDDLETON

Man, William Faulkner tells us in one of the stirring testaments of our literature, "is immortal not because he alone among creatures has an inexhaustible voice, but because he has a soul, a spirit capable of compassion and sacrifice and endurance."

This is the glory of our inheritance, and our lives are ennobled by its promise.

But we live too with the dark knowledge that man is flawed, the memory of Eden is lost, and the onerous burden of our shared humanity is the brute that lurks beneath the surface of our civility.

"Know thy enemy and thyself," an ancient Chinese philosopher advised. In our own time, a more unlikely philosopher—the cartoon character Pogo—put it more pithily: "We have met the enemy, and he is us."

We are the ones who turn the tools of our progress against ourselves to destroy the environment that has nourished our long march from the marshes. We are the ones who ravage the cities we have built. And we are the ones who punish those among us whose crime is being different. David Duke is not an alien creature, and the 700,000 people who wanted him as their leader a few months ago did not come down from Mars to cast their vote. They are our neighbors.

Those who are spreading the word on American campuses that the extermination of 6 million Jews never happened—the sullen men who brutally beat to death a black youth who wandered into the wrong New York neighborhood—the cross-burners who scar the lawns of Americans of Japanese ancestry—they are the enemies of tolerance; and they are us.

We have learned and re-learned and learned again that we must be ever alert to this frailty in our imperishable spirit, this weakness that can be manipulated by harsh or ugly circumstance. Old animosities and group tensions, feeding on fear and suspicion, flourish in times of trouble. This is evident in America today, so clearly to be seen that one of the country's most prominent newscasters reports that extremism is moving into the political mainstream.

In that direction lies disaster. Demographic patterns of our society are shifting so rapidly that early in the new century we will be a different community than we are now, with the old structures unable to continue, and groups within the community changing roles. Survival will depend on the ability to live together.

A few years ago the philosopher Robert Heilbroner posed a stark proposition. "There is a question in the air," he wrote, "more sensed than seen: Is there hope for man?"

The question was asked in the dark shadow of the threat of nuclear destruction, which clouded our world for half a century. With the shadow lifted, the question loses some of its terror, but it is still chilling considered against all the other destructive forces at play in mankind's world, not least among them this matter of living together in harmony.

In the month before he died, Lyndon Johnson, who had been the agent of powerful changes, reflected on the Civil Rights bills that had been enacted during his administration. "We have proved," he said, "that great progress is possible."

That is still being proved. Just last week, South Africa electrified the world by voting voluntarily to end the encrusted privileged system of apartheid, and in the doing—we hope—eliminated the horrible prospect of violence tearing that nation apart.

Such victories are exhilarating and richly satisfying. The moral energy of the Civil Rights movement, when we linked arms across the nation, and made the march at least in spirit across the bridge at Selma, and felt a surge of pride when a President used the pulpit of his office to repeat the movement's ringing anthem and promise that "We Shall Overcome"—all of that rich memory can still be summoned to fuel our satisfaction in what has been achieved, and stir our hope that the future will work as well.

But if we are realistic we have to acknowledge a sense of disappointment, too. Those victories were not enough. In our idealistic—and innocent—fervor—we put our hopes in ending the old evils of segregation and assuring the vote to those who had been denied the franchise of their birth, believing that when that was done, the scars of a century of injustice would disappear. And some did. But not enough. And the problems revolving around race—problems that are the residue of the one great wrong of this nation—are the most intractable problems we face.

But face them we must. Some, perhaps most, of their solutions lie in the arena of political and economic action. But not all of them. The white American's almost total ignorance of Black culture—and the Black American's resentment of that insensitivity—are not matters for legislation . . . any more than are the Gentile's appreciation of Jewish tradition . . . or the Caucasian's awareness of Oriental beliefs . . . or the willingness of any group to consider the dreams that animate another.

The processes of legislation cannot touch these. But the processes of education can.

I know that the matter of multi-cultural additions to the University curriculum is complicated and not nearly so simplistic as it has been represented to be. In principle, it sounds good and I hope that the complications can be resolved. But at any rate it seems to me that University age is much too late for instilling an awareness of the value of cultural diversity. Prejudice and tolerance begin long before that. I remember the words of a song from "South Pacific," which Miriam and I saw during the days of our courtship (that wonderful old-fashioned word) in New York. As poetry, they're not much—little more than doggerel. But as philosophy, they're sound.

You've got to be taught before it's too late,
Before you are six, or seven, or eight
To hate all the people your relatives hate.
You've got to be carefully taught.

I know that our schools are burdened enough now, with shrinking resources and expanding demands, and with problems never dreamed of a generation ago: crime, and dope and alienation and the breakup of the family unit.

But American education has never been a static thing, indifferent to the changing face of society. Throughout our history, as society has changed, we have placed new and expanded demands on our schools, and our schools have responded to them.

I believe that the times now call for yet another demand: instruction in the varied cultural and ethnic richness of our people.

Trust and tolerance will not come to children of different races and cultures simply by sharing a classroom. Experience has proved that in abundance. Those virtues, like their opposite, have to be carefully taught.

Can our educational system handle another instructional burden? I think it must.

Because, as the face of our nation changes—as we become more and more culturally diverse—our future is going to depend on our learning to live together in an atmosphere of peace and trust. It will not serve us well to build a good educational system if the products of that system regard each other across a no-man's land of racial and cultural ignorance, breeding suspicion and intolerance. Then the best educational system in the world could become little more than a modern Tower of Babel—handsome to behold but ineffective in use.

America's children learn early in their classrooms, as they should, the stirring story of the Pilgrims. It would not take away from the glory of that tale—it would actually embellish it—if they learned with equal emphasis about the settlers from another tradition, just as romantic and historically important, who came here even earlier from the south . . . and, for that matter if they were told about the habits and customs of the people who were already there and had been for centuries, making a civilization of their own. Their minds would be expanded and their understanding broadened if they learned about the richness and color that Jewish immigrants brought to our culture, and about the sons and slaves who fought and fell in battles for the country they loved in spite of its wrongs towards them.

I do not imagine that such a reform, even if it were massively undertaken, would change the course of history. But history is a broad river, fed by many streams, and the streams are built by rivulets and trickles.

At the pinnacle of his power, when he was rallying the nation to fulfill the noble promise of its birth, Lyndon Johnson's thoughts went back to the Mexican-American children he had once taught in the small town of Cotulla "They knew even in their youth," he remembered, "the pain of prejudice."

To work at removing that pain and all the sorrow and anger it spawns in every way we can is God's work—and the work that joins us all here tonight. I am proud to be associated with you in it, and I am deeply honored to receive this award.

IN RECOGNITION OF WOMEN'S HISTORY MONTH MARCH 31, 1992

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. DINGELL. Mr. Speaker, I rise today in recognition of Women's History Month. While women have historically played a vital role in our society, only recently have they begun to receive the public recognition they deserve for the extent and value of their contribution to the growth of our Nation. The past accomplishments of women in all walks of life demonstrate that women will continue to be essential in shaping our future.

Women's achievements and contributions in all areas of endeavor are growing and becoming more visible as the number of women entering industry and commerce continues to rise. Today, our Nation's work force is made up of more women than ever before. Between 1950 and 1990, the female civilian work force grew by 200 percent, to nearly 57 million. This increase includes women from all family situations: single women, married women and mothers with young children. The number of businesses owned by women has also increased dramatically. Businesses owned by women constitute one of the fastest growing segments of our Nation's economy. In Michigan, women own more than 36 percent of our State's businesses, and are projected to own at least 50 percent of Michigan's businesses by the year 2000.

Many women from the State of Michigan have been leaders in their respective fields and all deserve special recognition during Women's History Month. To name but a few, Michigan is home to such politically active women as Martha Griffiths, former Lieutenant Governor and U.S. Representative, and Helen Milliken, wife of former Governor Milliken and an active advocate of women's issues and the arts; to civil rights pioneers such as Rosa Parks, who demonstrated the courage to challenge years of discrimination and catalyzed a Nation into action by refusing to give up her seat on a bus; to labor, education, and women's rights leaders, such as Mildred Jeffrey who served on the board of governors for Wayne State University and was a past president of the National Women's Political Caucus; to distinguished educators such as Margaret Butz, the American Association of University Women's Woman of the Year for 1992; and to other role models and future leaders such as Miss America, KayeLani Rae Rafko.

In recognizing the significant position women occupy in the modern work force, several important issues must be addressed to meet the needs of the changing character of our work force: increased child care services and assistance; flexible work schedules and leave policies; and increased research and funding to address maternal and child health care needs.

The women of our Nation, whether in our workforce or in the home, deserve our recognition and attention during Women's History Month. History has taught us that women are integral to maintaining our Nation's status as a world leader. As a member of the Congressional Caucus for Women's Issues, I applaud these women for their dedication.

IN HONOR OF FRANK TENCZA

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. NEAL of Massachusetts. Mr. Speaker, on May 27, 1944, the lives of four young men were lost after departing from Westover Air Force Base in Chicopee, MA, in an unusual airplane crash on Mount Holyoke, on the South Hadley side. For years, little was known about what caused the crash. At that time, with a war going on and so many others being killed in combat, the lives of Lt. Bill Ashley, Lt. Talbot Malcolm, Lt. Don Dowden, and Lt. John Logan could have been forgotten quickly, had it not been for Mr. Frank Tencza. For 31 years, Frank Tencza dedicated his time, energy, and money to the research and establishment of a monument to honor these men as well as the other 150 fatalities of crews flying out of Westover AFB.

The fact that Mr. Tencza was born and raised in South Hadley, MA, right near the location of the crash and that he is also a Vietnam war veteran could be possible reasons for his interest in this matter. Those who know him say that, honestly, he just wanted to preserve the memories of those who otherwise might be forgotten.

Over the 31 years, Mr. Tencza had a lot to accomplish before a memorial could be erected. He needed to find out what kind of plane it was that crashed and why that happened to it, who exactly was killed, where their respective families are now and what happened to them after the crash. By doing all of this, he also learned about another 150 fatalities of the people of Westover AFB who might have been forgotten, but instead, are also honored by the memorial.

All along, Mr. Tencza kept the families informed of his findings. When he first took on this project and started contacting people about the crash, he learned the families knew even less then he did. Some were even unsure as to whether the body in a particular grave was of their own son. Mr. Tencza pressed on and found the answers to all of these things and also united the families together.

Today, thanks to Mr. Tencza, the monument stands in the exact place where the crash happened, now known as Skinner Park. Visitors who come to it can easily see Westover AFB and the planes flying in and out. But they are more amazed with the monument itself. People walk up to it, read it, and then get closer and touch it. They run their fingers over the names and then touch the propeller blades. As they walk around it, they are surprised to see the other inscription dedicated to all the 150 people who lost their lives. Everyone who visits feels they have been in touch with these unsung heroes. Thank you, Mr. Frank Tencza, for allowing this special time in history to be remembered by all those who go to Skinner Park.

WOMEN'S HISTORY MONTH

HON. BARBARA B. KENNELLY

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mrs. KENNELLY. Mr. Speaker, it is with great pleasure that I rise today in celebration of the observance of Women's History Month. The work of the Sonoma County Commission on the Status of Women has been vital in focusing attention on the role of American women and their long-neglected history. By establishing a local week-long observance of women's achievements, the Sonoma County Commission has been critical in setting the path from a local observance to a month-long national celebration. I am very proud that as one of the original co-sponsors of House Joint Resolution 149, the 102d Congress has designated March 1991 and 1992 as Women's History Month.

In honor of this year's national theme, "A Patchwork of Many Lives," Women's History Month will highlight the enormous achievements women have made throughout our society. Rosa Parks, Alice Walker, Eleanor Roosevelt and Barbara Jordan are just a few of the women who have established themselves as leaders for change and progress in American society. In greater Hartford, women such as Gwen Reed, who was a local actress and storyteller, and Maria Sanchez, who was a State Representative, are remembered for their achievements in formulating a national preschool daycare program and grassroots building of a community-based organization.

Observance of Women's History Month on the Federal, State and local levels has been a positive step in exposing all Americans to the many unheralded contributions women have made to our society in all areas from the political arena to the business world to the entertainment stage. Celebrations like this will enable us to learn from our history in order to strengthen our nation's future and enrich the lives of us all.

TRIBUTE TO MS. ANNA MARIE KLEPEC

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. TRAFICANT. Mr. Speaker, I rise on this occasion to congratulate the work of an outstanding young lady, Ms. Anna Marie Klepec. She was crowned Miss Talent and Activity by the Slovene National Benefit Society.

Ms. Klepec is currently a student at Youngstown State University majoring in business management after earning her high school diploma from Liberty High School.

I take my hat off to Ms. Klepec and encourage her to continue to work toward outstanding goals. I know that the goals this young lady sets for herself will inevitably be achieved, as demonstrated in this most recent award.

Again, Mr. Speaker, I congratulate the efforts of such an outstanding young lady in my 17th District in Ohio, Ms. Anna Marie Klepec.

REMEMBERING THE EXPULSION

HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. RANGEL. Mr. Speaker, I rise today in memory of a bitter event in the history of the world: Five hundred years ago, today, Spain forced its Jews into exile.

We should never forget such an act, lest it happen again—perhaps in some other country, to some other people.

For nearly 15 centuries, hundreds of thousands of Jews had lived peacefully in Spain, serving as doctors, philosophers, bankers, and even advisors to the court. Their communities produced great knowledge and wealth and enjoyed an unmatched harmonious relationship with their Catholic neighbors.

As religious fervor raced through the Spanish church and Government, however, King Ferdinand of Aragon and Queen Isabella of Castile felt compelled to issue their Jewish citizens the following edict: Convert, or leave and never return.

Today, only one synagogue functions in Madrid. The prosperous communities in Toledo and Cordoba have withered. Only 15,000 Jews now live in the whole of Spain.

This is indeed Spain's year: The quincentennial of Columbus' travel to America, the Summer Olympic Games in Barcelona, and the World's Fair in Seville are all cause for reflection and celebration.

But we should also recall the religious zealotry, the fierce Inquisition, and the expulsion and forced conversion of a peaceful and productive people. Spain, admirably, remembers.

Five hundred years later, the Spanish Government is making amends. The parliament will soon approve legislation to grant to all religions the same legal protections and tax exemptions that the Catholic Church now enjoys. And tonight King Juan Carlos will deliver a message of peace and friendship to Jews, asking for their pardon.

Let us today remember the suffering of the past, honor the reconciliation of the present, and guard vigilantly against the tyranny of the future.

A TRIBUTE TO CUBAN PATRIOT WILFREDO BURGOS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to have the opportunity to acknowledge the late Wilfredo Burgos. He was a Cuban patriot who, like so many now in exile, was sentenced to serve years of his life in Castro's miserable and pathetic jail cells for defending his freedom and his land.

Later, he came to the United States fleeing Castro and a Communist Cuba and in search of a free world. He made his new home in the United States where he lived, worked and raised his family. With nothing more than a little hope for brighter future and a lot of courage, Wilfredo Burgos began his new life in the familiar tropical climate of Miami. Jose Sariego of the Miami Herald reports:

> A Cuban patriot died quietly in Miami the other day. He is not the first Cuban patriot to die, nor the last. But he is one I know, so I feel justified in writing of him.
>
> I knew Wilfredo Burgos, Fito to his friends, and family, as my father's lifelong friend. He was an olive skinned, gentle featured, stocky little man, like my father and many of my father's other friends from Camaguey. I knew him as a carpenter and handyman; he was always fixing thing for my family and me. I never thought of him as heroic.
>
> I do not believe that Fito ever adapted fully to life in this country. He left too much emotional baggage behind in Cuba. I was not aware of this until recently, but the stocky little man who hung shutters in my bedroom was once a revolutionary in Cuba. He was exiled in the 1950s for opposing Batista. He later returned to Cuba and supported Fidel Castro's 26th of July movement when it offered hope of freedom and justice.
>
> When Castro revealed his despotic nature and the 26th of July became a mocking symbol of hypocrisy and deceit, Fito fought once again for liberty and justice. For this indiscretion, he was imprisoned for more than 14 years, spending his prime years in Castro's festering prisons.
>
> I only recently have begun to accept my Cubanness, even embrace it. For a long time, I rejected it as I felt it had rejected me. I lived in a seething rage, barely suppressed, at the fate that had wrenched me from my tranquil childhood in Cuba and tossed me into the bubbling cauldron called America.
>
> Only recently have I begun to forgive Cuba, to forgive my parents for sending me alone to a strange land, to forgive Americans for their well-meaning, condescending sympathy. Most important, I have begun to forgive myself for being angry, hurt, sad about my cruel fate.
>
> I confess that I do not understand men like Fito, or my father. Men who would spend years in prison rather than compromise their ideals. Men who would rather send their children to a foreign land, not knowing whether they would ever see them again, than permit them to fall into a tyrant's clutches. I have had the good fortune of not having had to make that choice. If ever forced to choose between comfort and country, I only hope that I could summon the courage of men like Fito.
>
> At Fito's funeral, tears welled in my eyes, tears for him and his family, tears for the years that we all have lost because of the tragedy we call Cuba, tears from the sadness that I had never displayed for being cheated out of a childhood, for having felt a stranger, an outcast, an exile.
>
> The world over, people are enjoying again the fruits of those simple concepts—life, liberty, and the pursuit of happiness. A shame that I cannot extinguish burns in my heart from the realization that my native country is one of the last places on Earth where people are not free. I now realize why a profound sadness always hung over men like Fito, and my father, and, unknown to me, over me. It is the sadness that free men feel when their countrymen are not free.
>
> For Cubans, spiritual peace will not come until we can walk on our native soil as we walk here. Fito will never see that day now; perhaps I will. If I do, I will bring back a handful of Cuban soil and sprinkle it on Wilfredo's grave.
>
> Then I will whisper: "Sleep gently now, dear Fito. Cuba once again is free."

I am pleased to honor Fito, and I offer my condolences to his family, especially his son, Modesto, who is a friend of mine. Fito was a brave man, and his work will not be forgotten. His love for liberty and his will for a free Cuba continues to be present in the minds of many freedom-loving Cubans with great dreams and big plans.

YONKERS FIREFIGHTERS HONOR FOUR MEN FOR THEIR DEDICATION AND BRAVERY

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mrs. LOWEY of New York. Mr. Speaker, it is a true pleasure to honor four of Yonkers' finest firefighters. Firefighters in community after community throughout the Nation regularly risk their lives to protect their neighbors, the four men being honored tonight have exhibited true courage and determination in the face of tragic emergencies. Yonkers is fortunate to have these men dedicated to protecting people of that fine city, and I am pleased to join with local 628 in recognizing their dedication and bravery.

The four Yonkers' firefighters being paid special tribute for their outstanding service are David Roberts, Anthony Ryan, James Menton, and Joseph Murray. David Roberts and Anthony Ryan responded to a report that a construction worker was pinned under a dump truck. A worker had been crushed under the vehicle for several hours and his arm was wrapped around the drive shaft. David Roberts and Anthony Ryan professionally surveyed the situation and began working to remove sections of the truck from above. Through team work and quick action, they were able to disconnect the drive shaft from the vehicle and extricate the victim and save his life. As that individual knows and appreciates, these men demonstrated immense resolve and quick thinking to address this unusual accident.

James Menton and Joseph Murray exhibited resourcefulness and great courage at true personal risk. They responded to a building fire and entered the building alone. Due to a thick blanket of smoke, they were unable to see and were forced to feel their way through the building as they searched the building with an uncharged hoseline. Despite dangerous obstacles and great personal risk, they continued to check rooms and discovered a badly burned woman whom they carried to EMS personnel. These men showed outstanding courage and dedication when faced with an extremely dangerous situation.

David Robert, Anthony Ryan, James Menton, and Joseph Murray exemplify the bravery and conviction which all firefighters recognize may be required in the routine of their high risk jobs. In the Congress, I have been working to secure passage of legislation that will help lessen unnecessary risks which firefighters face in their jobs. I know that the men we honor today are willing to take necessary risks in fulfilling their responsibilities, but as a public official, I feel a special responsibility to take reasonable steps to make a dangerous job less so.

HUMAN RIGHTS VIOLATIONS AGAINST SYRIAN JEWS

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. TAUZIN. Mr. Speaker, March 14 marks the anniversary of the tragic deaths of four young Syrian Jewish women in 1974. The four women were trying to flee the shocking human rights conditions for Jews in Syria. The escaping women were caught, raped and murdered, and their bodies were deposited on their parents' doorsteps.

The 4,000 Jews in Syria live in fear for their lives and safety. They are constantly monitored by the Syrian secret police, who keep files on all Syrian Jews. Syrian Jews are not allowed to emigrate and are only allowed to travel abroad after lengthy interviews with the secret police. When they travel outside Syria, Syrian Jews must give substantial sums of money to the secret police, and they have to leave relatives behind to guarantee their return.

Syrian women are prohibited to marry. There are no high schools for Jewish Syrian children, and Syrian Jews are not allowed to work for their government.

Syrian Jews are frequently arrested without charge and held for undetermined periods of time. For example, two Syrian Jewish men, one the father of seven children, were held in dark underground cells between 1987 and 1990. After the men were incarcerated for 3 years, they were charged with the crime of having visited Israel.

Mr. Speaker, it is unconscionable that we fail to raise these issues with Syria during Middle East peace negotiations. Syria is a signatory of the International Covenant on Civic and Political Rights, an agreement made under the Universal Declaration of Human Rights. Secretary of State Baker must protest these conditions—it is time for Syria to join the community of nations who respect human rights for all their citizens.

IN MEMORY OF JUDGE ZOLLIE STEAKLEY

HON. J.J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. PICKLE. Mr. Speaker, today I submit for inclusion in the RECORD the obituary of one of the most honored and respected jurists in all of Texas history, Judge Zollie Steakley, who died in Austin, TX on March 24, 1992. Zollie Steakley served as a justice on the Supreme Court of Texas for 20 years, and was known for his high standards of fairness and a basic sense of decency and compassion.

Rarely has a man served his State and community as well, as fully, or for as a long time as Zollie Steakley. In addition to his outstanding public service, Judge Steakley was always willing to step forward to give time and effort to his church, his city, his neighbors, and his family.

My city and State have lost a great friend with a big heart. His family and friends will miss him, but we can all take pride in the great accomplishments of his life. Mrs. Pickle and I extend our sympathy to Judge Steakley's dear wife Ruth and all the family. The obituary follows:

[From the Austin-American Statesman, Mar. 26, 1992]

JUDGE ZOLLIE STEAKLEY

Judge Zollie Steakley, retired Justice of the Supreme Court of Texas, age 83, of Austin died Tuesday, March 24, 1992.

Judge Steakley served as Justice of the Supreme Court of Texas from January 1, 1961 until December 31, 1980. He was elected in 1962 to his first elective term and re-elected without opposition in 1968 and again in 1974. He retired from the Court after completing 20 years of service and had since been employed by the Attorney General's Office.

In prior public service, Judge Steakley served as Secretary of State of Texas for four years beginning in 1957 and as assistant attorney general in the early forties.

Judge Steakley was a 1932 graduate of University of Texas Law School and held the degree of Doctor of Jurisprudence. He also held a bachelor of arts degree from Hardin-Simmons University and was, for 18 years, trustee of that institution. He received many campus and law school honors. He had been recognized by two universities with the honorary degree of Doctor of Laws.

He was an active churchman and civic leader. He was a deacon of the First Baptist Church of Austin and for 42 years had been the teacher of the Downtown Men's Radio Bible Class of that church. In his honor, the name of the class had recently been changed to the Judge Zollie C. Steakley Bible Class. He served 10 years as a member of the Christian Education Commission of the Baptist General Convention of Texas and was the chairman of the Commission for two years.

Judge Steakley was a past president of the Austin Lions Club and a past district governor of Lions International. He had served as a director of the United Fund of Austin and as a member of the Executive Board of the Capital Area Council of the Boy Scouts of America. He was a member of the Philosophical Society of Texas. His military service during World War II was in the Navy. He held the rank of lieutenant commander upon separation from the service.

The legal career of Judge Steakley included 18 years in the private practice of law, first in Sweetwater and later in Austin. He had received many professional honors. His recognitions include: member, The Order of the Coif of the Texas Chapter, Rosewood Gavel Award as Distinguished Jurist, presented by the St. Mary's University School of Law; Outstanding Achievement Award Texas Leaders Round Table; The Justinian Order, Sam Houston Senate, Delta Theta Phi Law Fraternity; Distinguished Alumnus Award, Hardin-Simmons University, Top Displaced West Texan Award, the West Texas Chamber of Commerce.

IN RECOGNITION OF PLAY-IT-SAFE INTERNATIONAL

HON. RICHARD H. LEHMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. LEHMAN of California. Mr. Speaker, I would like to commend the efforts of Play-It-Safe International which is an awareness program used to alert parents and children on how to prevent dangerous situations through education. The program helps children understand common sense rules about personal safety and crime prevention.

Play-It-Safe is an all volunteer, nonprofit organization that was founded in 1977 as a cooperative project between law enforcement agencies, concerned citizens, and others who came together in order to provide vital education relating to safety. From its start in Fresno, CA, the program has spread all over the country as well as all over the world.

I would like to take this opportunity to honor and thank all of the volunteers, organizations, and corporations that have helped over 450,000 children and parents avoid situations where potential for injury is great. I appreciate all of the hard work by Play-It-Safe International to bring readily understandable educational materials about safety to youths in 61 countries throughout the world.

LEGISLATION TO CORRECT INEQUITY IN EXTENSION OF UNEMPLOYMENT BENEFITS

HON. JOHN W. OLVER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. OLVER. Mr. Speaker, I rise today to introduce legislation to correct an inequity in the extension of unemployment benefits. Since I was elected this past summer, I have joined with many of my colleagues to fight repeatedly for an emergency extension of benefits. I am extremely pleased that we were finally able to get the President to understand the need for those benefits, to provide 33 weeks of emergency compensation for workers in Massachusetts.

I also supported the provision of the Emergency Unemployment Compensation Act of 1991 which reduced the period of active service which men and women in the Armed Forces Reserves needed to serve to qualify for an unemployment claim. This provision rightfully allowed many of the people who served their country so admirably in the Persian Gulf war to receive unemployment compensation when they returned home.

Unfortunately, Mr. Speaker, the road to Hell is paved with good intentions. In some cases, by creating new unemployment claims for these service men and women, we actually have reduced their weekly benefit below what they would have received had they not gone overseas to serve their country.

To take one example, I have a constituent in my district, Robert Levesque, who was receiving unemployment compensation when he was called up for active service, requiring him to leave his family on 24-hours notice. When we passed the extended benefit bill we stopped him from collecting either extended benefits, or the trade readjustment allowance to which he was entitled. He was forced instead to file a claim on his military service—a claim which was based on a 52-week period when he had been laid off. Because Mr. Levesque served, the State recalculated his benefit—and lowered it by nearly 40 percent. In addition, any extension of benefits he receives will beat that lower level and he may lose his trade readjustment allowance.

Mr. Speaker, this is a simple question of fairness. Should someone who serves their country in the Armed Forces be penalized for that fact? I don't think so, and I hope my colleagues will join me in supporting this change. The legislation I am introducing would end this problem by simply allowing members of the Reserves, if the want to, to forgo any unemployment claim arising out of their service. This is a very simple and reasonable change, and I think it is the least we can do for these people who have served their country with dedication and distinction.

HAPPY 100TH BIRTHDAY TO CECILE RICE

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. MICHEL. Mr. Speaker, I would like to bring to the attention of my colleagues one of my constituents, Cecile Rice, from Peoria, IL. I wish to pay her tribute in celebrating her 100th birthday.

At the age of 100, Cecile couldn't be in better health or spirits. She claims her most favorite card this year is the one she received from President George Bush.

At this time I would like to insert into the RECORD an article by Elizabeth Newberg of the Peoria Journal Star "This 100th Birthday a Healthy Celebration" and wish Cecile a very happy birthday.

THIS 100TH BIRTHDAY A HEALTHY CELEBRATION

(By Elizabeth Newberg)

The best thing about turning 100 years old, said Cecile Rice, is receiving a birthday card from President Bush, even though she did not vote for him.

Rice turns 100 years old today and said it feels all right.

"I always had everything good. I've never been really sick until I had a stroke," she said.

Rice is a resident of Americana Health Care Center in Peoria.

Her daughter, Madalyn Henricks, said her mother is in remarkable health.

"She's never been in the hospital a lot. The only thing really wrong with her is her eyesight. They can hardly get her to take a Tylenol. She says she doesn't want to take any of that dope," Henricks said.

Cookie Bristol, activities director at Americana, said she agrees that Rice is far from feeble.

"She is very independent and is a strong-willed woman. If she wants things a certain way, she will let us know and she should. That's her right," Bristol said.

The centenarian was born in Hanna City across from the Presbyterian Church. The church was built the same year she was born, 1892, which makes her its oldest member, Rice said.

Though Rice is not able to go out to church much these days, Henricks, of Hanna City, said she still enjoys listening to the radio.

"Her favorite programs are the Sunday morning church services by Grace Presbyterian Church," Henricks said.

Henricks, 73, is the eldest of Rice's two daughters. The other, DeLoris Wagner, is deceased.

After Rice's husband, Coy, died in 1932, she managed the family grocery store in Hanna City until she was 60 years old.

Rice said she preferred homemaking to running a business. "I love to cook and bake, especially cakes and pies."

Henricks said her mother was always a good cook and took great care of the family.

"She would always sit us down to a great meal but she would have a cup of tea and some melba toast for herself. She only weighed about 100 pounds."

Rice's eyes lit up as she recalled fishing trips taken with her family in the '60s to Minnesota every summer.

"I caught a northern pike one year this long,' Rice exclaimed, holding her hands about three feet apart.

Bristol said a surprise birthday party is planned for Rice today.

"It's not every day that someone turns 100, so we like to do something special. We've ordered a tier cake for her and a champagne punch fountain and will decorate with helium balloons and special decorations. Cecile's family, and all the residents and staff, are invited," Bristol said.

Rice is most proud of her birthday card from Bush, according to Bristol.

"That just tickled her to death when she got it. She shows it to everybody who comes in to see her."

A TRIBUTE TO TODD ROSEN'S BAR MITZVAH CELEBRATION

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, it is with great pleasure that I recognize Todd Rosen, who will be celebrating his Bar Mitzvah on Saturday, April 4, 1992, at Beth David Congregation in Miami, FL. This important development in Todd's life will be shared with family and friends. Todd's parents, Bob and Gloria Rosen, have dedicated an entire weekend of exciting activities in honor of Todd's Bar Mitzvah.

The weekend begins with a Synagogue Shabbat dinner on Friday evening, April 3, at Temple Zion Israelite. Friday evening services in the sanctuary at Temple Zion Israelite Center will follow the dinner. Todd will chant the blessing over the wine during this service and the Oneg following is in Todd's honor.

Todd's Bar Mitzvah, which takes place on Saturday morning, April 4, will be a momentous event for Todd when he will read from the Torah and Haftorah. The gala reception in honor of Todd will be held on Sunday afternoon, April 5, at the Beth Shmuel Cuban-Hebrew Congregation on Miami Beach.

Mr. Speaker, I am eager to wish Todd and his family the best of times with this most joyous event of Todd's Bar Mitzvah.

EXCEPTIONAL CHILD PTA OF YONKERS RECOGNIZES PARENT AND TEACHER OF THE YEAR

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mrs. LOWEY of New York. Mr. Speaker, it is indeed an honor to join with the Exceptional Child PTA of Yonkers in honoring their Parent/Volunteer of the Year and their Teacher of the Year. This special organization has provided outstanding service to the community on behalf of special education children.

The two people being honored tonight exemplify the spirit of the Exceptional Child PTA. They have given of themselves unselfishly to improve special education programs in Yonkers. The honorees, Marlene Alongi and Louis Salamone, have devoted themselves to working with children, families, and administration to develop programs that respond effectively and sensibly to the needs of these wonderful children.

Marlene Alongi has given of herself to many organizations. She is an active participant in several groups through St. Barnabas Church. In addition, she has worked with scouting programs and fund raising for her children's schools. The depth of her dedication is remarkable. Here we recognize Marlene Alongi for her extensive work as a member of the Exceptional Child PTA of Yonkers. She is past president, chair of the fundraising dinner, member of the scholarship committee, and Parent Volunteer Member of the Committee on Special Education. She has used her skills and energy to support both children and parents through scholarships and programming. In doing so, she has made a remarkable and important difference in individual lives.

Louis Salamone also has an untiring passion for helping children. He has been a teacher at Saunders High School for Exceptional Children since 1980. He has worked to design programs to improve students' self-image. In addition to his work with students in the classroom, he is well known for his ability to work with children on the athletic field. He has coached many teams and provided recreational activities for developmentally disabled students. Both through academics and athletics, Louis Salamone has reached out to children to afford them the opportunity to achieve. His invaluable contributions, in the classroom and on the field, have been an important part of community efforts to ensure that our children develop their abilities and increase their sense of self-worth. We celebrate his untiring passion for our children and the wealth of his skills.

It has been my privilege in the House of Representatives to have worked to strengthen the Federal commitment to special education programs. I will certainly continue that work in the years ahead inspired by all that Marlene Alongi and Louis Salamone are doing and the great things being achieved by the young people the Exceptional Child PTA serves.

Many families in Yonkers have indeed been touched by the dedication of these two people. I am pleased to join in recognizing them as Parent/Volunteer and Teacher of the Year.

THE PANAMA CANAL COMMISSION AUTHORIZATION ACT FOR FISCAL YEAR 1993

HON. W.J. (BILLY) TAUZIN

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. TAUZIN. Mr. Speaker, today, my colleague JACK FIELDS and I introduce the Panama Canal Commission Authorization Act for fiscal year 1993.

On September 9, 1991 and March 12, 1992, the Subcommittee on Coast Guard and Navigation held oversight hearings in an effort to improve the operation of the canal and prepare for its transfer to the Republic of Panama in 1999.

The Panama Canal Act of 1979, as amended, requires an annual authorization for expenditures from funds deposited by the Commission into its revolving fund in the general treasury. Funds deposited are tolls and revenues collected from canal users. No taxpayer funds go toward the operation or maintenance of the canal.

THE PANAMA CANAL COMMISSION

The Panama Canal is a self-sustaining entity of the United States Government. The canal is operated by the Panama Canal Commission. The Commission is overseen by a canal administrator, a deputy canal administrator, a chief engineer and a nine-member supervisory board, all of which are appointed by the President with the advice and consent of the Senate. The canal administrator and four of the board members are Panamanian nationals and are recommended for appointment by the Panamanian Government.

TRANSFER OF THE CANAL

The Panama Canal Treaty of 1977 calls for the transfer of the Panama Canal to the Republic of Panama at noon on December 31, 1999. The Commission is currently training Panamanian nationals in the operation of the canal—over 87 percent of the canal's workforce is now Panamanian—and is periodically turning over to the Republic of Panama title to certain nonessential properties, as called for by the treaty.

PREPARATIONS BY THE PANAMANIAN GOVERNMENT FOR THE TRANSFER OF THE CANAL

On May 14, 1991, Panamanian President Guillermo Endara announced the establishment of a 10 person, ad-hoc commission to form recommendations on the use and development of reverted properties. The commission has since made recommendations for the establishment of two independent agencies of the Panamanian Government for the operation of the canal in the next century and the development of properties then and in the years to come.

PANAMA CANAL COMMISSION AUTHORIZATION ACT FOR FISCAL YEAR 1993

General authorization: The Panama Canal Commission Authorization Act for Fiscal Year 1993 authorizes the Commission to spend money from its revolving fund within the limits of funds and borrowing authority of applicable Federal law. The bill establishes limits on funds expended on official receptions and representation expenses. The bill authorizes the purchase of 35 passenger vehicles needed to transport Commission personnel across the Isthmus of Panama.

Medical services for retired employees: The Commission is authorized under the Panama Canal Act of 1979 to defray health care costs of retired employees of its predecessor agency, the Panama Canal Co. These services are currently provided on behalf of the Commission by the Department of Defense, which is then reimbursed by the Commission for the cost of those services. Due to budgetary constraints and the ongoing curtailment of military activities in Panama, the Department of Defense will no longer be able to offer these services. Section three of the bill will enable the Commission to offer these needed services through other local medical facilities.

CONCLUSION

Mr. Speaker, the Congress has traditionally had a strong commitment to the employees of the Panama Canal Commission, the users of the canal and the people of Panama eager to secure the continued utilization of this remarkable, strategic industrial waterway. I urge your support for the Panama Canal Commission Authorization Act for Fiscal Year 1993.

SPEECH GIVEN BY GOVERNOR OF MONTANA STAN STEPHENS

HON. RON MARLENEE

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. MARLENEE. Mr. Speaker, I would like to bring to your attention a speech recently given by the Governor of Montana, Stan Stephens, at the annual prayer breakfast in my home State. We have a large debate in this country about the impact of private faith on public policy, and the Governor speaks succinctly to this issue. I hope that all my colleagues on both sides of the aisle can benefit from these timely remarks.

REMARKS BY GOV. STAN STEPHENS

The experience of serving as Governor has enriched my faith in many special ways. As Governor, you see and come to understand Montana from a perspective few are privileged to enjoy.

In my travels throughout Montana I enjoy not only this splendorous state, but more importantly, the thousands of people with whom I come in contact. I visit schools and think of the angelic faces of small children that I have seen in all 56 counties . . . of the wise counsel I have received from Montana's old-timers in communities that cover the landscape from Westby to Yaak, to Monida and Alzada and places in between. It has been my good fortune to experience Montana in ways that are unique to the person honored to serve as Governor.

People always have questions for the Governor. Not just on the issues of the day, but they really want to know what makes you tick. I've been asked about my spiritual faith. Such questions as should an elected official's faith be a private matter and not part of his public life? I would agree that as elected officials we should not attempt to impose what we think is God's will on society, but I do believe that an elected official has an obligation to help create a consensus toward moral positions in society.

Another question. Do you decide issues according to your will or that of the people who elected you to office? America is a republic where an elected officeholder is given responsibilities to lead and make decisions, and those decisions may sometimes be contrary to the prevailing public mood. It seems to me that virtually every question today is being decided by public opinion polls. The public official who makes decisions as a matter of conscience and is not dictated to by what the polls say, is a person of courage who is willing to stand between the clamoring crowd and justice.

Today it is fashionable to debate the First Amendment with its emphasis on the right of free speech. But that First Amendment also speaks to freedom of religion. There are those who like to accent the requirement that Congress shall not enact laws establishing religion but they conveniently overlook the fact that the First Amendment also guarantees that people should be free to practice their own religion.

In today's world every group wants its own set of civil rights. Despite the fact that 91 percent of the people in America say they believe in God, a majority continue to pursue the golden egg instead of the Golden Rule and find it tempting to turn to government rather than God in seeking solutions to the challenges in life.

In our Pledge of Allegiance we proclaim ourselves to be one nation under God. The imprint on our currency is "In God We Trust." Next to the national anthem, our best know national song would be God Bless America.

It is of course right that in a free country people should be free of government authority to practice their own beliefs. Atheism has an agenda for America. However, public officials who believe that we are indeed one nation under God have an obligation to demonstrate their faith by the manner in which they conduct their lives and carry out their public duties which, in my judgment, means opposing this vocal minority who preach that truth is simply a matter of personal opinion or that morality is a matter of preference. To believe that would destroy lawful order and bring about anarchy in our country. I believe that we cannot be timid or swayed by those who would distort the constitution to fit their political theories that deny the existence of God.

The ladies and gentlemen that are gathered here this morning are men and women of differing faiths who, in their belief in God, understand there is a higher power in life. That power is unlimited. We should draw upon it and experience its great helpfulness. There is no reason for any of us to be defeated in life when we are free to draw upon that higher power. I believe that through prayer and God's help we are capable of gaining victory over any difficulty in life. I've called upon that higher power facing difficult decisions as Governor and indeed quite recently.

Life is an unpredictable adventure that is constantly changing, and with the passage of time we encounter different experiences. The important thing to remember is that for men and women of spiritual faith there is the abiding belief that we need not face these challenging experiences alone.

Thank you and God Bless you all.

A TRIBUTE TO OUR NATIONAL LAW ENFORCEMENT OFFICERS

HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. QUILLEN. Mr. Speaker, I am privileged and honored to pay tribute today to the more than 12,500 American men and women who have made the supreme sacrifice while wearing a badge of courage and devotion as American law enforcement officers.

Their heroism in giving their lives while standing as stalwart defenders of good against evil, as well as the sacrifices of their families, should not be forgotten. Now, thanks to a 7-year effort by Americans from all walks of life, their priceless gift will be remembered by the building of the National Law Enforcement Officers Memorial in Washington, DC, dedicated by President Bush on October 15, 1991.

This tribute deserves a renewed commitment by all Americans, not only to those who have fallen in the line of duty, but to all of the half-million men and women who now wear this badge of honor and protect our precious way of life. They represent the epitome of devotion to duty, and it is a privilege to pay homage to their courage, to their dedication, and to their sacrifices.

This newest national monument will salute the memories of those who gave their all, and it will allow us to place the highest value on those still serving as the finest law enforcement officers in the world.

NUCLEAR REACTOR LICENSING ACT OF 1992

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. CLEMENT. Mr. Speaker, over the last few months, our colleagues in both the House and Senate have worked diligently to craft omnibus energy legislation which is desperately needed in this country. I am encouraged by the swift action of the House Energy and Commerce Committee and am especially interested in the work the Senate did with regard to nuclear powerplant licensing process contained in title IX that passed by a vote of 94–4. The Senate-passed measure covered the political spectrum with cosponsors including Senators JOHNSTON, WALLOP, BUMPERS, and WIRTH, among others. The administration, the Nuclear Regulatory Commission [NRC], and the industry support the Senate-passed measure.

When the House Energy and Commerce Committee marked up its version of an omnibus energy bill, H.R. 776, it did not address the issue of licensing reform due to the decision of the committee leadership to only consider consensus amendments. Nonetheless, I think this is an issue that can be satisfactorily addressed in a House-Senate conference.

Last year at about this time, I introduced the Nuclear Powerplant Standardization and Licensing Reform Act, H.R. 1184, because I am a firm believer in the need for this Nation to reestablish nuclear energy as a viable option. H.R. 1184 currently has 55 cosponsors and enjoys bipartisan support. On March 18, Congressman JOE BARTON from Texas and I introduced H.R. 4488, the successor to that bill which is modeled after title IX of the Senate-passed bill.

H.R. 4488 and title IX not only address the problems associated with the current licensing process, but also deal with a number of issues that were raised during congressional hearings about key sections of various proposals to reform the nuclear energy plant licensing process.

I know first hand the problems associated with the current licensing procedure from when I served on the Tennessee Valley Authority [TVA] Board of Directors from 1979 to 1981. At that time, I experienced the problems associated with its nuclear program. TVA originally planned to construct 17 reactors at a total cost of $6 billion. The total cost today is over $18 billion. The Watts Bar plant in Tennessee has been under construction for 19 years and may still have several years to go before it is completed.

This has proved to me that we need to add certainty and predictability to the licensing process while at the same time preserving the Nuclear Regulatory Commission's [NRC] authority to take action necessary to protect public health and safety.

The NRC took a major step forward to providing predictability when it issued its rule that established procedures for obtaining design certifications on advanced standardized reactors, early approval of sites and the issuance of a combined construction permit and operating license. The rule represents an improvement over the previous "design as you go" licensing process, but failed to ensure that full and final resolution of all safety issues before plant construction begins.

The Senate-passed language contained in H.R. 4488 would provide the stability and predictability needed by the financial community and the utility industry to construct advanced, standardized nuclear energy plants. It also enhances public participation early in the process when this involvement is the most meaningful.

The key differences between what is contained in the new Clement-Barton bill and H.R. 1184 include an explicit requirement for the NRC to find that a nuclear energy facility constructed pursuant to a combined license is in conformance with the inspections, tests, analysis, and acceptance criteria contained in the license once plant construction is completed and before the plant goes into operation. H.R. 1184 does not have such a provision.

The new legislation also requires the NRC to determine that the plant is safe to operate before allowing operation on an interim basis during the pendency of any hearing held after construction is complete. This differs from H.R. 1184, which allows commercial operation to begin, pending the final decision of the Commission at any postconstruction hearing unless it is determined that interim operation would threaten public health and safety.

The new legislation gives the NRC the discretion of determining what type of hearing procedure is appropriate for preoperational hearings. H.R. 1184 only required the hearing to be informal, nonadjudicatory.

In addition, the new legislation explicitly states that all NRC operations, including Commission decisions to allow or deny plant operation or to grant or deny requests to amend the combined license, are judicially reviewable. H.R. 1184 is silent on this issue.

I understand that my distinguished colleague from Pennsylvania, Mr. KOSTMAYER, has introduced his version of a licensing reform bill, H.R. 3629, which does not provide for a stable regulatory environment nor does it resolve issues raised before construction begins. In fact, in a March 4, 1992, letter, Department of Energy Secretary James Watkins told Representative KOSTMAYER that H.R. 3629 "Falls short of the Administration's goals for licensing reform and, if passed by the Congress in its present form, I would have to recommend that it be vetoed." I am submitting a copy of that letter to be included with my statement.

A principal concern with the Kostmayer proposal is that it provides for an open-ended hearing on any issue after facility construction is complete. Thus it does not encourage complete up-front issue resolution and finality. This process is very similar to what was labeled the "Graham-Fowler" amendment during Senate floor debate which was not only defeated by the Senate, but was opposed by the NRC and DOE.

A licensing process is needed which will balance the utility and financial communities' need for a stable regulatory process, while encouraging public participation early in the process when it is the most meaningful.

Congress should oppose any effort to enact licensing reform legislation which, in fact, would increase regulatory and judicial burdens and impose unnecessary delays in the resolution of nuclear energy plant licensing issues without improving plant safety.

Mr. Speaker, I would urge my colleagues in joining me and Mr. BARTON in cosponsoring H.R. 4488.

THE SECRETARY OF ENERGY,
Washington, DC, March 4, 1992.
HON. PETER H. KOSTMAYER,
Chairman, Subcommittee on Energy and the Environment, Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: We appreciate the interest that your subcommittee has shown in acting on licensing reform legislation for nuclear powerplants. Reform of the procedure for licensing nuclear powerplants is needed urgently to preserve nuclear energy as a viable option for generating electricity in this Nation.

Nuclear power can enhance environmental quality while sustaining future economic growth because it produces electricity without emissions of sulfur dioxide, nitrogen oxide, or greenhouse gases. Even with aggressive conservation efforts, the U.S. will need substantial additional base-load electricity generating capacity to fuel a growing economy. Nuclear power can cleanly and safety meet a significant portion of those needs.

However, a streamlined licensing approach is required if the Nation is to achieve these benefits. A single license for construction and operation of a nuclear plant would eliminate the costly, drawn-out post-construction proceedings that prevent the operation of a safely constructed nuclear plant.

Unfortunately, H.R. 3629 falls far short of the Administration's goals for licensing reform and, if passed by the Congress in its present form, I would have to recommend that it be vetoed.

In its present form, H.R. 3629 would increase regulatory and judicial burdens and delays without improving plant safety or increasing effective public participation in the regulatory process. The regulatory uncertainty and hurdles that would be created by the bill would, in effect, preclude consideration of investment in new nuclear powerplants and would hinder efforts to renew the license of safe, existing plants that currently produce about twenty percent of our Nation's electricity without emissions of greenhouse gases or acid rain precursors.

RECOGNITION OF NATIONAL FRANCHISING WEEK

HON. GEORGE (BUDDY) DARDEN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. DARDEN. Mr. Speaker, today I rise to recognize National Franchising Week, which will be observed April 5 to 12.

National Franchising Week was first brought to my attention by a friend of mine, Michael J. Coles, who is founder and chairman of the board of The Original Great American Chocolate Chip Cookie Company in Atlanta, Georgia. He reminded me that franchising has enabled thousands of people—including women, minorities, and other aspiring entrepreneurs—to achieve their dreams of business ownership. Franchising now accounts for a significant part of all U.S. retail sales, and it is this kind of private enterprise and individual initiative that has helped to bring greater prosperity to our Nation and to most of the free world.

According to the National Franchising Week proclamation, sales of goods and services by franchised businesses will contribute more than $758.5 billion to the U.S. economy in 1992, accounting for more than one-third of all retail sales; franchised businesses provide employment for more than 7.2 million people in more than 60 different industries; millions of people benefit from the high quality of goods and services provided by franchised businesses throughout the United States.

Mr. Speaker, it is important—especially during these trying times—to support our Nation's businessmen and women. I ask my distinguished colleagues to join me in recognizing National Franchising Week, April 5 to 12, and I also would like to encourage them to promote this declaration in their districts' communities.

A TRIBUTE TO EDUCATOR ANNE SPARKS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to acknowledge Ms. Ann Sparks for her work as a Dade County teacher at Everglades Elementary. Ms. Sparks' innovative and exciting lesson plans offer her students new and interesting ways to learn some of the oldest lessons.

Her commitment and dedication to our community's young people is evident in the students' enthusiasm for learning as well as their level of understanding of the lessons covered in the classroom. Jon O'Neill of the Miami Herald reports:

Everglades Elementary teacher Anne Sparks is a performer, and all the school is a stage.

Sparks, a teacher for 33 years, knows she has to compete with MTV and Nintendo to keep her kids interested. So she works hard to make her classroom a relevant place.

"A lot of things are different today," Sparks said. "So I guess I'm sort of a performer. But I'm a performer with a purpose."

Over the years, she has given quite a bit to her students.

"She has a special chemistry with kids," said Stanley Dansky, principal of Everglades, 8375 SW 16th St. "She's not an old fuddy-duddy teacher. We've both been here a while, and we've seen a lot of changes. She adjusts without missing a beat. She's great."

This year, Sparks teaches a combined fourth- and fifth-grade class. Twenty-one of her 32 students are boys—10-year-old boys at that. Yet she handles them with ease.

"I deal with what's here," Sparks said. "I meet them where they are and we work from there. I try to build their confidence and keep things positive."

She's found a variety of ways to keep her rambunctious class entertained. Because most of the kids are interested in football, she used the 28 NFL teams for a geography lesson.

"Now, all of them know where Green Bay, Wisconsin is," Sparks said.

To help the kids learn their states and capitals, she has a special rap tape. Earlier this school year, she used her allegiance to her alma mater, Florida State University, as a basis for a discussion of freedom of expression and freedom of choice.

"They were wondering why I didn't root for the Hurricanes when they thought I should," she said. "So we turned it into a lesson."

Because Sparks tries to make what she teaches relevant, the kids listen and learn.

"She's nice and I learn a lot from her," said Jemel Davila, 10, a fifth-grader. "We do fun things, like all that football stuff. Plus, she doesn't give a lot of homework, either."

Born in Edinburgh, Scotland, Sparks lived for a while in Brooklyn before moving to Miami at age 8. She graduated from Miami High and went to Florida State University, where she got a degree in education.

Sparks went to work for the Dade school system in 1958, as a teacher at Melrose Elementary. She earned $3,800 that year. After five years at Melrose, she moved to Everglades in 1963. She has been there ever since, except for the two years she took off to have her two children.

Last year, Sparks taught the son of a student she had many years ago, something she says makes her a "grandteacher."

I am pleased to have the opportunity to honor the work of this very special Dade County educator. Her exciting lesson plans have changed the learning perspective for many youngsters in our community and made a difference in the way they understand what they learn. I hope that other South Florida educators take Ms. Sparks' lead in this creative learning technique.

Mr. Speaker, I congratulate Anne Sparks for her wonderful work with our future's young minds.

THE CHANGING WORK FORCE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mrs. SCHROEDER. Mr. Speaker, the work force has changed. It is changing. It will continue to change. There are more women workers, more minorities, and more older workers than ever before. And it's about time that we accepted this fact and started adopting workplace policies to accommodate this reality.

The Select Committee on Children, Youth, and Families has heard this at its hearings, most recently at one last month on "America's Families: Conditions, Trends, Hopes and Fears." And now GAO has documented these changes in a new report on the Federal labor force, "The Changing Work Force: Demographic Issues Facing the Federal Government."

The Federal labor force has more women, more minorities and more older workers than the work force in general. So, it's even more imperative that the Federal Government lead the way in implementing family-friendly workplace policies. High on the list: childcare, flexible work schedules, and family and medical leave.

The Feds have moved ahead on some of these fronts, such as in the development of on-site childcare centers. But much still needs to be done. The Federal Government still adheres to an outmoded personnel policy that refuses to let employees use their sick leave to care for sick children. Instead, Federal workers are put in a position of having to lie about why they aren't coming to work. Changing this policy will cost the Federal Government absolutely nothing, since workers are taking the time off anyway. Let's get real here.

I will be sharing copies of the GAO report with Members in the next few days. I urge you to consider the findings of this well-documented report. The labor force of the future is here now and we need to address it, or the Federal Government won't attract the best and brightest of young labor force entrants to its work force.

CLASH OF CULTURES

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my on-going series this year, I am providing for the consideration of my colleagues an article published by the National Geographic Society, written by D'Arcy McNickle, and entitled "The Clash of Cultures".

[From the National Geographic Society]

THE CLASH OF CULTURES

In the bitter winter of 1831 the French traveler Count Alexis de Tocqueville stood on the banks of the Mississippi at Memphis and watched a band of Choctaws crossing to take up new lands in the confines set aside as "Indian Territory." They had been forced from their homes in the east by the U.S. Government.

Tocqueville wrote: "The Indians had their families with them, and they brought in their train the wounded and the sick, with children newly born and old men upon the verge of death. They possessed neither tents nor wagons, but only their arms and some provisions."

As the Indians filed into the boats that would take them forever from their ancestral domain, there was "no cry, no sob . . . all were silent. Their calamities were of ancient date, and they knew them to be irremediable."

The pathetic spectacle moved Tocqueville, but he shrewdly perceived its deeper meaning. The Indian tribes of North America, he wrote, "have been ruined by a competition which they had not the means of sustaining. They were isolated in their own country, and their race constituted only a little colony of troublesome strangers in the midst of a numerous and dominant people."

Yet that "little colony" had one great strength to cling to: the dynamic of Indian life which, against all defeats and humiliations, still tries to gather up the pieces and maintain a moral order, a harmony between man and his universe. For a living society is always an extension of its past. And the clash of cultures between red man and white was essentially a continent-wide effort by tribal groups to hold fast to the values and life-ways which had evolved in the course of centuries of New World adaptation.

Since the first crossing of the Bering land bridge, human occupation of that New World had spread from the Arctic to Tierra del Fuego. Every climate, every terrain between those continental extremes had been tested and men had come to terms with what they found. The accommodation which made possible survival in unfamiliar and sometimes harsh and hostile lands was a natural process—like that of a plant population expanding its tolerance for strange soils and growing seasons. No massed invasions occurred: When migrating groups came together unexpectedly, they sometimes blended. More often they drew away from the encounter and kept identities distinct.

So natural was the spread of human habitation across two continents that the contours of the land were little changed Streams ran clear in channels of their own making. Burden carriers followed a web of trails and waterways that led everywhere and made the land a familiar place. A Pawnee Indian boy knew of "no reason why he should hesitate to set out alone and explore the wide world." To the Huron, the world itself was just an island carried on the back of a turtle that swam in a primeval sea.

The white men who came afterward on voyages of "discovery," finding a countryside so seemingly unadulterated by man's presence, could only conclude that the New World was but casually occupied—and by a race more brutish than human. Certainly, they felt there as no serious moral obstacle to the displacement of that race.

The French explorer Jacques Cartier on his probe of the St. Lawrence River in 1536 reported to his king, "By what we have seen and been able to understand of these people it seems to me that they should be easy to tame."

The Europeans who came to discover, and later to conquer, were motivated by experience which differed profoundly from that of the people who had accommodated themselves to the wide range of two continents. The Spanish, first to come in numbers, had just completed a centuries-long conquest of the Moors in their own Iberian Peninsula. Their forceful entrance into the New World was in effect a continuation of that old struggle between Christians and infidels. As one scholar has pointed out, they "were armed with an ideology that included the medieval theory of the 'just war' of Christians against infidels and the thinking of the Renaissance about the relations of 'prudent men' with barbarians."

Thus while Columbus found Arawaks of the Caribbean "a loving people, without covetousness . . . their speech is the sweetest and gentlest in the world," the Spanish colonists did not hesitate to put them to work on farms or in mines. The Indians, scorning such toil, fled or perished.

When missionaries protested the abuse, the Spanish crown faced a dilemma: allow the forced labor to continue and receive constant criticism, or stop it and bring bankruptcy to the colonists and loss of revenue to the crown. The crown sought to satisfy both sides. The governor of the Indies was instructed to compel the Indians "to gather and mine the gold . . . to till the fields"; but the reason given was to cure their "idleness" and to facilitate their conversion to Christianity by having them associate with the colonists.

Armed with such logic, the Spanish went on to conquer much of South and Central America and to settle Florida, California, and the southwest. . . .

A TRIBUTE TO HIALEAH DETECTIVE LARRY WARMOTH

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, March 31, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to acknowledge Hialeah Detective Larry Warmoth who has dedicated 24 years on the force at the Hialeah Police Department. Detective Warmoth was honored by the members of his department with the Officer of the Year award. Detective Warmoth's work in the force has assisted other officers in their fight against crime. Through his skills in the field of electronics and his knowledge of telecommunications, Detective Warmoth has made a serious difference in the way the department assists our community. Bill Gato of the Miami Herald reports:

> Hialeah detective Larry Warmoth has been an actor, photographer, recording engineer and electronics whiz. Saturday, he added Officer of the Year to the list.
>
> It has all come in handy in his police career.
>
> "I certainly don't consider myself separate from the average police officer. I'm just extremely interested in the work that I do, and I try to bring all my experience from all of my outside work into it," said Warmoth, 44.
>
> Those experiences are broad. Warmoth the photographer snapped all the album and publicity photos for KC and the Sunshine Band during the group's heyday in the 1970s. That stint qualified him to be a voting member of the National Academy of Recording Arts and Sciences—which means he gets to nominate and vote on the Grammy Awards each year.
>
> "It's not that exclusive. There are more than 40,000 of us," he said.
>
> His specialty, though, is electronics. In 1991, Warmoth worked with state agents to find kidnappers in West Palm Beach who were communicating through cellular phones. That work earned him Officer of the Month honors last May. It was his second such award in 1991; he had won it in March for his work with detective Joe Ubeda in another kidnapping case.
>
> In his current post in the communications division, Warmoth "baby-sits" a host of complex electronic equipment, some of which he has helped organize and improve.
>
> The award caught Warmoth by surprise. "I sort of campaigned for someone else to get it," he said. "I feel extremely honored. This is my 24th year on the force; it was the greatest honor I've ever received."
>
> "Warmoth brings to the police department some very technical expertise that very few departments enjoy," said Chief Rolando Bolaños.
>
> "The award was well deserved. It was not just for a single act, but a multiplicity of acts, involving kidnappings, missing children, serious crime scenes and drug cases where we needed to have access to some technical capabilities that he provided."
>
> The award, sponsored by the Fraternal Order of Police's 12th Lodge, was voted on by 64 people in the police department. The nominees were the officers who had won the monthly awards. This year, there were 15 nominees because more than one officer receive the award in several months, said Lt. Lowell Coffin, who coordinated the awards programs.
>
> Warmouth "is a genius when it comes to telephones, communications systems and hookups," Coffin said. In the mid-'70s, for example, he helped plan and oversee the 911 telephone system used today.
>
> After graduating from Hialeah High in 1967, Warmoth enrolled in Miami-Dade Community College, and later earned a bachelor's degree in criminal justice from Florida International University.
>
> Aside from stints as a patrol officer, Warmouth worked in the intelligence section between 1983 and 1988.
>
> "I enjoy my work as a detective, but I also always enjoy the work of a uniformed patrolman because at the end of his day, his work is finished," he said.

Mr. Speaker, I would like to congratulate Detective Warmoth for his dedication and commitment to our community. It is his sense of responsibility and courage that has earned him this special recognition from his colleagues and the members of our community.

SENATE—*Wednesday, April 1, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 9:30 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. As we submit our petitions and make our praises to the Lord of Lords and the Prince of Peace, the Senate will be led in prayer by the Chaplain, the Reverend Dr. Richard C. Halverson.

Dr. Halverson, please.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

* * * *happy is that people, whose God is the Lord.*—Psalm 144:15.

"We the people * * *." Mighty God, help the people to comprehend the immeasurable significance of those three words. Help them understand the vision of the Founding Fathers which birthed this great Nation—a government whose foundation is a sovereign people. In the words of the constitution of the State of Virginia, 1776: "* * * all power is vested in, and consequently derived from, the people; that the magistrates are their trustees and servants, and at all times amenable to them."

God of the nations, at a time of great anger and cynicism make the people realize they get what they want. Power is with the people! Business produces what they will buy. Publishers print what they will read. Pornographers produce what they will watch. Without customers, there would be no drug traffic. Politicians tell them what they think they want to hear. People represent the largest, strongest special-interest group in America.

Patient Father, may anger become involvement. Help them exercise their sovereignty by voting for the common good rather than their personal passions. Help them see that if they abdicate their sovereignty, all that America stands for is imperiled.

In Jesus' name, Lord of life and liberty. Amen.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the order entered previously, the leadership time has been reserved.

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 11 a.m., with Senators permitted to speak therein for not to exceed 5 minutes each.

Also under the order, the Senator from North Carolina [Mr. SANFORD] will be recognized to speak for up to 20 minutes; the Senator from Wyoming [Mr. WALLOP] will be recognized to speak for up to 5 minutes; the Senator from Iowa [Mr. GRASSLEY] will be recognized to speak for up to 10 minutes; the Senator from Washington [Mr. GORTON] will be recognized to speak for up to 10 minutes; the Senator from Ohio [Mr. GLENN] will be recognized to speak for not to exceed 15 minutes; and the Senator from Colorado [Mr. WIRTH] will be recognized to speak for up to 15 minutes, after which morning business will be closed.

THE 1992 APRIL QUARTERLY REPORTS

The PRESIDENT pro tempore. The mailing and filing date of the April Quarterly Report required by the Federal Election Campaign Act, as amended, is Wednesday, April 15, 1992. All principal campaign committees supporting Senate candidates in the 1992 races must file their reports with the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510-7116. You may wish to advise your campaign committee personnel of this requirement.

The Public Records Office will be open from 8 a.m. until 9 p.m. on April 15 to receive these filings. In general, reports will be available 24 hours after receipt. For further information, please do not hesitate to contact the Office of Public Records on (202) 224-0322.

Mr. SANFORD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. A point of no quorum having been made, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SANFORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator is recognized under the previous order for not to exceed 20 minutes.

THE PRESIDENT'S BUDGET

Mr. SANFORD. Mr. President, as long as I have served in the Senate, I have served on the Budget Committee, and I have been first distressed and later outraged that year after year, budget after budget, we have seen an increasing deficit and an increasing Federal debt of unprecedented proportions.

It seemed to me, as I examined every budget document my first year here, attempting to understand the budget part of my assignment, that the Federal budget was one of the most massive deceits with which I had ever come into contact. The President, year after year, would send over a budget out of balance, and at the same time would blandly ask for a constitutional amendment for the line-item veto, when the budget was proposed out of balance by the President in the first place—in the first step on the Federal budget process.

I have a difficult time, sometimes, explaining to people in North Carolina that Congress works with the President's budget. Now, it is true, as is often said by those who want to help the President in his coverup, that the President cannot spend any money that Congress does not appropriate. The Constitution provides that.

But all of us know that the budget procedure begins with the President's budget proposal, as he is required by law to prepare and submit. He may be required by law to send us a balanced budget. But year after year, it is submitted out of balance.

I think a little history is necessary to understand just how this has happened, what is happening, and why. If Congress is going to do anything significant to bring annual deficits under control, we must have leadership in the White House.

There is not any other way that this can be done. It is absolutely impossible to put a responsible budget together in this Government without leadership from the White House.

The leadership from the White House since 1981 has been leadership of deceit, of coverup.

The first thing that struck me as I first viewed the President's budget in 1987 was that we had to be paying more interest than was shown in the budget as net interest. As I dug back through the documents, because it was not easy to find, I found one place that exposed the honest interest number—gross interest. Federal budgets do not count the interest that is paid to Social Security and other trust funds. They just do not count it. That is hidden and helps to cover up and make the deficit look smaller than it really is.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Then I found another big discrepancy. The real deficit, as any accountant knows, is the increase in the debt at the end of the year. But that was not what the Federal deficit reflected at all. I looked through the budget documents and found that part of that deficit was covered up with funds that do not belong to the Government—funds that belong to a trust for which the Government is a trustee. Social Security is one of those trust funds. The President's budget took those trust funds, pretended they were the Government's funds, and used them to cover up part of that deficit.

We heard President Reagan, year after year, say we are bringing the deficit down. If Congress would just cut more expenditures, we would bring it down more. That was absolutely not the truth. The truth was the debt was going up year after year under the Reagan administration and has continued to go up even faster in the Bush administration. This is important for people to know, and voters, who can do something about it. Those deficits are recommendations of the President in the President's budget.

The current and previous administrations have expressed, in an extremely crass and hypocritical manner year after year to give them a constitutional amendment to have a balanced budget. Give us a balanced budget amendment. Give us the line-item veto.

Presidents have the authority to balance the budget now. Let me just trace a little bit of history here, Mr. President, because it is important to know that it has not always been this way. I want to go back to President Truman, who was there, for all practical purposes, for two terms; and to President Eisenhower, who was there for two terms; and Kennedy and Johnson, Nixon and Ford, and President Carter, and then to Ronald Reagan for two terms and now President Bush. Let us look at the Presidents' deficits during that period of time. How much did these Presidents add to the national debt? What kind of irresponsibly covered-up deficits did President's before Ronald Reagan send Congress? Well, let us look at it.

If you go back to the Truman administration through to Eisenhower, Kennedy and Johnson, there was a very gradual increase in the Federal debt, but not going up very much. The debt increased a little bit more during the Nixon and Ford and Carter administrations, but still not that much. If this is $1 trillion, by the time all of these Presidents had sent their budgets to Congress with their recommendations, the Federal debt had not reached $1 trillion.

Just to get a fuller understanding, carry it all the way back here to George Washington. All the Presidents of this country in all of the years through President Carter accumulated a debt of less than $1 trillion. When President Reagan took office this national debt was under $1 trillion.

What has happened with the Presidential deficits since 1981—year after year of Presidential deficits, presented to Congress? Here is what has happened.

Looking at this year's estimated budget numbers, if deficits had increased at about the same rate as was the case before President Reagan, the debt would have accumulated to about $1.3 trillion, $1.5 trillion. But that is not what happened. Debt took off like a rocket—to almost $5 trillion in another year and a half. It will exceed $4 trillion in this fiscal year. The debt increased past $2 trillion in such a hurry no one noticed it. The record shows that under this President so far and the previous President, three times more has been added to the Federal debt than was added by all other Presidents before them. The responsibility for controlling the debt begins with the President. Only the President can correct the President's deficit. And only the President can send Congress a balanced budget.

We cannot let this go on. No President in the last 12 years of proposing budgets thought we could balance the budget because there is one piece of the budget that keeps it from being balanced—a new entitlement called interest. The operating budget could be balanced now. That part of the budget could be balanced tomorrow. The one piece of the budget that cannot be balanced so easily is the President's ongoing compound interest on this massive debt that these two Presidents have allowed to build up.

This sounds, perhaps, like a political statement. Is this a campaign speech? Not at all. It is the truth. And it is the sad truth. And we need to do something about it. We need to have a President who will take the responsibility this country so desperately needs and send Congress a budget that can be put in balance. We need a President that will take the responsibility—provide the leadership—of doing something about this massive debt. If we do not bring this debt under control, we will get to the place soon where we cannot bring it under control.

I am not sure now how you can bring a $4 trillion debt under control. You have to keep paying the interest on debt, and the interest keeps compounding, adding more and more to the debt. I think it is time to call a halt.

The President wants the line-item veto. You and I, Mr. President, know that does not mean what it sounds like. You and I know that is the kind of authority that, under the Constitution, under the separation of powers, should not be granted to a President. You and I also know that, not just over the span of time but in particular over these last 12 years, the budgets finally passed by Congress have essentially been budgets that reflect spending requests sent to Congress by the President in the first place. There have been a few changes, a few adjustments, but a very, very small percentage of spending has been juggled around and changed over the years. Perhaps Congress wanted to put a little more emphasis on education and a little less emphasis on something else and juggled around the figures. But overall spending has reflected requests in Presidential budget proposals.

This is an interesting point. If you look at these past 12 years of budgeteering, counting this most recent budget proposal for fiscal year 1993, one we are working on now, the total appropriations by Congress have been less—not a whole lot less—but less than the total requests by the Presidents. The Presidents budget proposals have not requested that the budgets be cut, not in a real way. To the contrary, they have recommended, year after year, a larger and larger and larger deficit. Their recommendation for this year, in this 6-pound budget—the real deficit recommendation in President Bush's budget for fiscal year 1993 is almost one-half trillion dollars.

This is outrageous. Who would have believed that a fiscally sound President would send Congress a budget recommending one-half trillion dollars additional debt? I think it is $464 billion. This figure is not included in the President's budget for fiscal year 1993. Four or five other kinds of figures are in there, because this administration tries to cover real debt income up and make it look a little bit better. The budget is out of hand. The deficit is out of hand. The debt is out of hand. But I think one of the most startling things and something that says we have to take action right now is this one-half trillion dollar deficit in President Bush's fiscal year 1993 budget. It is almost one-half trillion dollars.

To put that in perspective, from Ford back to Truman, all these Presidents together in all of those years accumulated less debt—that is an accumulation of all their deficits, total debt—than President Bush's deficit for this 1 year.

So you see, Mr. President, as you already know, the Federal debt is getting out of hand and something must be done about it. It must be clearly understood by the American people that there is not any way to bring the massive debt under control without proper leadership from the White House. Had there been proper leadership, it would have been done. Congress tried with Gramm-Rudman-Hollings, which was a good idea. But Congress could not control the one item that only the President can control, and that is the mounting compound interest on the debt.

I implore President Bush to look at this again and to provide some leadership. We have a problem with our economy. We are in a recession. Maybe we are coming out, and I hope we are, but we cannot ever get totally out of this bad economic situation as long as we must spend more to service a national debt than we spend to service the entire cost of national defense. And that is where we are.

I want to call on the President to give us the leadership this country needs. Give Congress the bipartisan congressional body, the kind of leadership it needs, so, on behalf of the people of America, we can get this deficit and this debt under control. I do not think we can wait any longer. I thank the President.

Mr. WALLOP addressed the Chair.

The PRESIDENT pro tempore. The Senator from Wyoming, Mr. Wallop.

PRIVILEGE OF THE FLOOR

Mr. WALLOP. Mr. President, I ask unanimous consent that Mr. Mike Hill, a Bevinetto fellow, be permitted privilege of the floor during the speech that I intend to make after the Senator from Washington speaks.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. The request is granted.

The Senator from Washington [Mr. GORTON] under the order, is recognized for not to exceed 10 minutes.

MOUNT ST. HELENS

Mr. GORTON. Mr. President, 12 years ago, Mr. President, the landscape of Washington State was permanently altered. On May 18, 1980, Mount St. Helens erupted and with it, thousands of acres of forestland, wildlife habitat and recreation area were destroyed. In the aftermath, the people of southwest Washington, in partnership with this Senator and the rest of the Washington State congressional delegation, successfully worked to create a national monument to the volcano, managed by the Forest Service.

Today, the roads and facilities and trails on the monument are near completion and, with a 2- to 3-year burst of funding, we can make our vision of Mount St. Helens a reality. It will be unique among all our parks and monuments in its graphic illustration of the works of an active volcano. I support full funding at Mount St. Helens in this year's Interior appropriations bill and I will work to see that work at the monument is completed as soon as possible.

Last year, Congress appropriated nearly $10 million to keep construction of the Coldwater Ridge Visitor Center at Mount St. Helens on schedule. That project is approximately 50 percent complete and will open at about this time next year. To date, the development of the Mount St. Helens is 75 percent complete.

Last week, I met with county commissioners from Cowlitz County. They presented their priorities for this year and I am committed to see their goals realized. Without their hard work, Mount St. Helens would remain but a dream. They deserve much of the credit for the progress we have made at Mount St. Helens.

Cowlitz County, working for the Forest Service, is asking for a total appropriation of $13,872,000 in fiscal year 1993. Of this amount, the lion's share will be devoted to construction of the next recreational facility at Mount St. Helens—the Johnston Ridge Observatory. Just 5 miles from the crater, the Johnston Ridge Observatory will give visitors a spectacular view of the north side of Mount St. Helens. The observatory will house a theater and interactive interpretive exhibits. The $10.6 million request for Johnston Ridge will pay for construction of the observatory, and the installation of power, communication, and water systems. An additional $1 million will support the construction of administrative facilities, entry stations, trailheads and interpretive displays.

Also among the needs at the monument is the construction of roads and trails. The Forest Service estimates that $850,000 will be needed for trail construction and $1,427,400 is needed for road construction.

The Forest Service has not been alone in its financial support of development at Mount St. Helens. A partnership of private, State, and local organizations has contributed millions of dollars to projects at the monument. The State of Washington contributed $5.6 million for construction of facilities at Coldwater Ridge and Johnston Ridge. Cowlitz County has contributed a total of $800,000 for facilities construction. Pacific Power & Light helped pay for an interpreter. The Skamania County Sheriff's Department provides law enforcement services. The Coalition of Handicapped Citizens provided assistance in planning for accessibility to projects. Trinity Lutheran Church provides for the maintenance of Landscape Island. And the list goes on. We are not pouring Forest Service funds into a bottomless pit. The people of southwest Washington, and the State, are dedicated to making Mount St. Helens a wonderful experience for millions of visitors each year.

I support this appropriation for another reason: these projects at Mount St. Helens employ thousands of people in an area of the State hit hard by restrictions on timber harvesting. This area of our State depends almost exclusively on the timber industry for its economic base. When that base dries up, as it has over the past several years with increasing spotted owl set-asides, the families and communities that depend on a supply of timber are being destroyed. Fortunately, we can help moderately ease their troubles by injecting much-needed infrastructure dollars into the region. Mount St. Helens national monument is a major attraction and with visitors come jobs.

It has been estimated that nearly 5,000 of the approximately 20,000 Washington State jobs lost due to spotted owl restrictions will come from southwest Washington—that is one quarter of all the jobs lost in Washington State. Mount St. Helens cannot fill the entire void, but I can assure my colleagues that the funds we appropriate here will make a big difference in the lives of a lot of people. Because the diminishing Federal timber supply remains the cause of the current economic depression in timber communities, a $13 million investment will pay particularly important dividends.

As a member of the Interior Appropriations Subcommittee, I will work to see that the projects at Mount St. Helens are completed. A $13 million appropriation this year will keep the vision on track. We can finish the projects at the monument in a few years if we remain committed. The people of southwest Washington, and the State at large, support our work at Mount St. Helens and, thus, I urge my colleagues to support a full appropriation for the Forest Service work at that national monument.

Mr. GORTON. Mr. President, how much of my time do I have remaining?

The PRESIDENT pro tempore. The Senator has 4 minutes and 50 seconds remaining.

THE FAST FLUX TEST FACILITY

Mr. GORTON. Mr. President, I have come to this floor many times in the past several years to argue the need to preserve the Fast Flux Test Facility, or FFTF, at the Hanford site in Washington State. The FFTF is the Nation's safest and most modern test reactor, and is a national resource that should be utilized to the fullest extent possible.

Unfortunately, the Department of Energy has no primary mission for the FFTF. Although the reactor is tremendously capable and flexible, the Breeder Reactor Program of which it was originally a part has been scaled back dramatically. The Department, therefore, announced in 1990 its intention to shut down the reactor.

Since that time, Governor Gardner, the Westinghouse Hanford Co., and the Washington congressional delegation have worked together to solicit non-Federal entities that would be interested in using the reactor for scientific or commercial purposes. Turning FFTF into an international user facility in this fashion would reduce reactor operating costs for the Department of Energy, and enable the Department to maintain FFTF for future missions.

While Congress has consistently supported the marketing effort, last year's Energy and Water appropriations bill set a deadline of March 31 for the marketing effort to succeed. This deadline has arrived, and the Department of Energy has determined that the marketing effort was not successful. I do not agree with the Department's conclusion.

The marketing team generated a great deal of interest, both at home and abroad, and with both Government and private enterprises. Japan's Science and Technology Agency included the equivalent of $8 million in its fiscal year 1992 request for work at FFTF, and this request is awaiting approval by the Japanese Diet. Indications are that Japan's financial commitment would grow in future years should DOE demonstrate a commitment to operating the reactor. Japan understandably questions DOE's desire to shut down the FFTF, but is willing to pay for access to the facility.

The European nuclear community has also expressed its intention to contribute more than 50 million dollars' worth of components and funding for FFTF. An international cooperative program for passive safety testing is also in the works, and private firms have showed renewed interest in producing medical isotopes in the reactor. Medical isotopes can be produced at FFTF at a level of purity that can be achieved in no other reactor.

To quote from the marketing team's report, "* * * if DOE were to commit to longer term operation of FFTF, over the next 4 to 6 years, the level of non-DOE funding could be brought up to a level of about half the FFTF operating costs." This, Mr. President, indicates to me that the marketing effort was quite successful.

DOE has nevertheless announced that it plans to place FFTF on standby status. Though I disagree with the Secretary's assessment of the marketing effort, I am pleased that the Secretary has chosen not to move toward full reactor shutdown. There are vital Federal missions that FFTF could still accomplish, and at this stage it would be imprudent to eliminate the facility as an option.

Perhaps the most appropriate mission for the FFTF would be to provide NASA with a reliable supply of high-quality plutonium-238, an isotope used as a power source for long-term space missions. U.S. stockpiles of Pu-238 are currently very low, and will just be sufficient to meet projected needs until the year 2000. Missions beyond that date will require a new supply of Pu-238.

Some of my colleagues may have noted in this weekend's Washington Post that the United States plans to purchase an amount of Pu-238 from the Commonwealth of Independent States. This material has been offered at an attractive price, and will be useful in augmenting our currently lean supplies. As a taxpayer, I think this is a good buy for the United States.

Over the long term, however, I am convinced that the United States needs a Pu-238 supply of its own. Aside from the policy question of whether it is in U.S. interests to fund the continued operation of the Commonwealth's defense reactors, I am concerned about the reliability of the CIS as a Pu-238 supplier. My colleagues may have seen a second article that appeared in last weekend's Post, detailing enormous safety problems in the Commonwealth's civilian reactors. These problems are at least as rampant in the Commonwealth's defense reactor system, and raise serious doubts about the reliability of the CIS as a source of high quality Pu-238.

By contrast, the FFTF is our Nation's safest test reactor, and has undergone stringent safety reviews by not only the Department of Energy, but by the Nuclear Regulatory Commission. The FFTF is the only DOE reactor to have ever undergone an NRC technical safety review.

Pu-238 could be produced at FFTF in concert with many of the other reactor uses identified by the marketing team. The result would be a reliable Pu-238 supply at a reasonable price, as well as an international user facility that would be a model for further international collaborative science efforts.

As the Department of Energy and NASA consider Pu-238 supply options, I hope they will carefully consider the great possibilities presented by the FFTF. If we can meet U.S. Pu-238 needs at a reasonable price while preserving an important Federal resource, we should seize the opportunity.

The PRESIDENT pro tempore. Under the order previously entered, the Senator from Wyoming is recognized for not to exceed 5 minutes.

Mr. WALLOP. Mr. President, I thank the Chair.

(The remarks of Mr. WALLOP pertaining to the introduction of S. 2505 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDENT pro tempore. The Senator from Iowa [Mr. GRASSLEY] is recognized for not to exceed 5 minutes.

Mr. GRASSLEY. I thank the Chair.

NEA FUNDING

Mr. GRASSLEY. Mr. President, it was just during the past week that the outgoing Chairman of the National Endowment for the Arts, John Frohnmayer, criticized Members of this body who voted to require that the NEA consider general standards of decency when awarding grants. I believe that Mr. Frohnmayer's criticisms are based on an erroneous view of constitutional law.

Voting to prevent funding of works depicting sexual activities or organs has no relation whatsoever to free expression. No one has a constitutional right to have taxpayers' funds subsidize their views. When the Government chooses not to fund offensive expressions, the artist, however, is still very free, as he or she should be, to engage in constitutionally protected artistic expression. However, he or she just will not receive public funds for exercising that constitutional right.

The first amendment rights that are at stake in the NEA controversy are not those of the artist. They are instead the rights of the taxpayers of the United States. Citizens do have the first amendment right not to be taxed to support expression with which a majority disagrees. Citizens also have the right not to be taxed to subsidize the production and the dissemination of obscenity. This is a category that is not entitled to first amendment protection.

It is a right of our constitutional system not to pay for someone else's expression with which one might disagree.

The Supreme Court has zealously guarded the first amendment right of citizens not be compelled to speak.

Let me refer to a few instances of the Supreme Court speaking on this issue.

Citizens cannot be forced to display on their private cars a State mandated message on license plates with which they disagree. Nonunion members of a collective bargaining unit cannot be compelled to pay for union political advocacy activity unconnected with the collective bargaining process.

Utility companies cannot be forced to include in their billing envelopes messages from organizations whose views they oppose. When Mr. Frohnmayer complains that voting not to fund indecent material "is unconstitutional under every test he knows," the appropriate response is, learn more tests.

Public funding represents the policy's view that the object funded is worthy of public support.

Mr. Frohnmayer's argument to the contrary is inaccurate and contrary to all existing constitutional precedent. Indeed, when he contends that Government funding does not suggest endorsement of a word any more than Federal campaign funds constitute an endorsement of a candidate's political views, he proves my point and not his.

The only reason why Federal matching funds for Presidential candidates do not violate the first amendment is that the source of the funds is not Federal tax payments, but voluntary contributions. Indeed, one of the reasons why I believe that fewer and fewer taxpayers are checking off the $1 contribution box is precisely because they do not want their money used to support the political views of candidates that differ from their own.

In a democracy, the majority chooses how taxpayer money will be spent. If the taxpayers decide that they do not want to fund offensive material, then we validate rather than destroy the first amendment by respecting their views. The threat to the first amendment is the insistence of a minority of artists and elitist Government officials that taxpayers be compelled to fund whatever that minority may deem worthy.

Mr. Frohnmayer is free to express whatever views he wishes as to the types of art that should be publicly supported, and he is free to criticize this body for its votes any time he wants to. But, Mr. President, after this month, taxpayers will not be paying for him to criticize this body.

Mr. President, how much time do I have left?

The PRESIDENT pro tempore. The Senator has 3 minutes and 50 seconds.

THE CONGRESS IS OUT OF TOUCH

Mr. GRASSLEY. Mr. President, it is no surprise that the American public has lost its confidence in Congress. The House banking scandal is just the latest reason for the public to stop trusting Congress.

Most everyone recognizes that Congress is going to have to clean up its act in order to restore public confidence and trust. But there are some inside the beltway players who still do not get it.

A recent Sunday New York Times had a story about some Washington insiders who will resist the needed reform and restored accountability. The article said that:

> Many here are gloomily assessing whether it is worth living in a world where they are expected to behave like ordinary mortals.

But Americans want their public servants to be ordinary mortals, and those who cannot live by that standard better retire from doing the public's business here.

That is why I was quite surprised to read in that same article about the former National Chairman of the Democratic Party, John White, who was complaining that with the new ethics scrutiny, "you might as well be in Des Moines."

Of course, I take offense with his insult of Des Moines and the good people of Iowa. Iowans have standards of decency and morality, and if we had a little more of that around here, Congress would not be in the trouble it is right now. White's attitude explains how out of touch Congress is with the American people.

Well, the American people have finally caught on, and they are announcing, all over the country, that they are not going to put up with the nonsense that goes on here in Washington. Congress is supposed to be about representative government. Our constituents send us here to make the Federal Government responsive to their needs, not to live by some different set of rules or standards, and certainly, not to listen to some inside pols who do not speak for anyone but themselves.

The Congress would do well to adopt moral and ethical standards of the people of the Midwest. Chances are we would accomplish a great deal of more significant work on behalf of the American people, if we were to do that.

I yield the floor, Mr. President,

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The absence of a quorum having been suggested, the clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. PYROR. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The Senator from Arkansas is recognized for not to exceed 5 minutes.

REFORMING THE WAY THE FEDERAL GOVERNMENT RECEIVES ADVICE

Mr. PRYOR. Mr. President, I have spent some 14 years researching, investigating, and seeking to reform the way our Federal Government receives its advice. Today, I want to discuss one aspect of this system, and that aspect is the Federal advisory committees.

When I attempted to cut the funding of nerve gas and the production of nerve gas in the early 1980's, I was told then that the Defense Science Board had advised the Department of Defense that the nerve gas production was vital to our security. I was not surprised to later learn that the Defense Science Board is made up of the very movers and shakers of the defense contractor community. If we want to learn about the military industrial complex, all we need to do is to analyze the membership of the Defense Science Board, and we will discover that the buck starts there.

Mr. President, DOD is not the only agency using these advisory committees. There are over 1,000 of these committees advising virtually every part and every aspect of our Federal Government today.

Today, I want to highlight one Federal entity and their inept, negligent, and outrageous usage of these advisory committees.

I am speaking today of the Office of U.S. Trade Representative, the USTR. In the course of conducting some routine oversight, I discovered two amazing facts about the USTR. First, they had persons serving on their advisory committees who were registered as foreign agents. If that is not outrageous enough, the second discovery was that the USTR did not even know of this situation.

Mr. President, this is unthinkable. These advisory committees have access to some of the most sensitive information in our Nation. They often meet in closed sessions. They have input into some of the most fundamental trade decisions that affect the lives of millions of Americans. And, coming as no surprise, some of the people on these committees were signed up to be advocates for foreign governments and foreign corporations.

What was the reaction of the USTR, our U.S. Trade Representative, when I brought this matter to her attention on May 10, 1990? Months after I wrote to Ms. Carla Hills, I got back a letter. On October 29, 1990, 6 months later, I received a response. Yes, there are foreign agents serving on U.S. Trade Representative advisory committees, I was told. No, our U.S. Trade Representative did not actually know of this fact. And what swift action did the USTR take? Well, they wrote a letter to the Department of Justice to see if there was anything wrong with these arrangements.

Was there a sense of urgency to correct the situation? Of course not. Was there a public disclosure of this scandal? Of course not.

Mr. President, we have battles we need to fight in the arena of international trade. We have to stand up for our interests, just as our friends and adversaries will stand up for their interests. But does anyone think for a moment that the highest levels of internal trade deliberations of the German or the Japanese Governments are open to lobbyists for United States corporations or United States interests? Do they allow agents of American trade interests to sit in the inner circles of their deliberations? Of course not.

When I consider the potential conflicts of interest and the potential harm done to U.S. agricultural, commercial, or other sectors, I take no comfort in the sentence contained in the October 29 letter from the U.S. Trade Representative that states:

> We are unaware of any advice given by any of the advisers listed above to the U.S. Trade Representative that could have affected their foreign clients.

Mr. President, I have no doubt that our USTR is unaware. Remember, they were unaware that a foreign trade agent served on their advisory committees until I pointed them out.

Here are some of the clients represented by these foreign interests that have been sitting on some of the advisory committees, advising our U.S. Trade Representative. Here are some of the clients: the Embassy of Iraq.

The PRESIDING OFFICER (Mr. BRYAN). The Chair will inform the Senator that the time under the special order assigned to him has expired.

Mr. PRYOR. Mr. President, seeing no other Senators seeking to gain recognition of the floor I ask unanimous consent for four additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PRYOR. Mr. President, here are some of the clients represented by these foreign agents. The Embassy of Iraq, the Government of Chile, the Canadian Sugar Institute, Nippon Steel Corp., and the Brazil-United States Business Council. I have news for our Trade Representative, Mr. President. Registered lobbyists, foreign agents, that are being paid to advance the clients I just listed should not be allowed in top-level Government meetings to discuss U.S. trade policy much less to advise our own trade negotiators.

Mr. President, how long did it take the Department of Justice to respond to this situation? Not days, not weeks, but months. Six months, as a matter of fact. Not until April 29, 1991, did the Department of Justice respond. What was that response? The fact is that no one has seen the actual letter besides our U.S. Trade Representative, a White House attorney and the Justice Department lawyer who wrote it. I have been unable to obtain it.

But apparently this ruling said that it is illegal to have foreign agents on the advisory committees. In fact, there is a specific violation in this instance of 18 U.S.C. 219. That section calls for criminal penalties, but to this day no one has ever been criticized for these violations, let alone penalized. U.S. Trade Representative, apparently, Mr. President, again I have not been informed by them directly, politely asked the foreign agents to kindly leave the advisory committees or maybe to stop representing their foreign clients. Twelve months later, a full year after I brought this matter to attention of our Trade Representative, the foreign agents were quietly taken off the advisory committees.

Mr. President, we have no way of knowing what advice these persons gave on those advisory committees, how it could have affected their clients. But the point is that they should never have been on there in the first place. There were no checks, no red flags, to see if any of these advisers were foreign agents; I see no adequate check or red flags in existence today or in the system today to advise us in the future of foreign agents advising our Trade Representative in trade negotiations.

Furthermore, once I brought this situation to the attention of our U.S. Trade Representative it should not have taken a year for those foreign agents to have been taken off of the advisory committees.

Mr. President, this ruling was apparently not sent to other agencies. Is it appropriate for advisory committees of the Department of Agriculture, State, Commerce, or defense to have registered foreign agents on them? I ask that question. I believe the same potential for abuse is there and I wonder why the Department of Justice has not taken swift action on this matter.

My own quick look yesterday at the Department of Justice foreign agent registration data base reveals this: There is a registered foreign agent on the Defense Science Board. There is a registered foreign agent on the Department of State's Advisory Committee on International Investment. There is a registered foreign agent on the Advisory Committee to the Arms Control and Disarmament Agency.

Are these people criminals? Do the respective agents know about this? Has Justice informed the respective agents of their ruling? Is anyone concerned that sensitive, internal, governmental meetings, often closed to the public, often with no minutes of the meetings taken, are attended by registered foreign agents? I ask those questions, Mr. President, and thus far I have received no response.

Mr. President, this is a callous disregard for potential conflicts of interest and it is unacceptable. While it is no surprise to me that the present U.S. Trade Representative was aware of these foreign agents it raises real questions in my mind about the type of advice on trade matters being given to the President of the United States over the past few years. I take no comfort in the USTR's one-sentence claim they are unaware of any advice given by these foreign agents that could be effecting their foreign clients. The USTR has permitted this situation to exist for several years and this represents an unthinkable an unacceptable breech in the integrity of our Government.

Mr. President, this situation is outrageous.

In conclusion I ask unanimous consent that a letter I wrote to the Honorable Carla Hills on this matter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENTAL AFFAIRS,
Washington, DC, March 16, 1992.

Hon. CARLA HILLS,
U.S. Trade Representative, Office of the U.S. Trade Representative, Washington, DC.

DEAR MS. HILLS: I just learned today that the Department of Justice, Office of Legal Counsel has informed you that persons who are registered as foreign agents may not serve on federal advisory committees. Although I find it unthinkable that these foreign agents were allowed onto advisory committees in the first place, especially advisory committees involved in U.S. trade matters, I am anxious to learn as to what specific actions you have taken since you received the Justice Department letter from Deputy Assistant Attorney General John Harrison on April 29, 1991.

As you know, before I informed you that registered foreign agents were serving on your advisory committees, your office had no procedures to routinely stop this from occurring. What procedures have you put into place to prevent this from occurring in the future? What specific actions did you take with the particular individuals that were serving on your advisory boards while they were registered foreign agents? Are these individuals still on your committees?

Furthermore, as you stated to me in your letter of March 15, 1990, USTR obtains advice from 40 advisory committees throughout the federal government. As the Justice Department's ruling was very clear as to the law of the land, please inform me as to what, if any, specific actions you have taken to ensure that USTR is not receiving any advice from an advisory committee that has a registered foreign agent serving on it? Please provide me with a list of these committees.

Again, in my long history of investigating who is advising the federal government I have seldom seen such an outrageous example of conflict of interest. I am disappointed that I had to uncover this situation and point it out to your office. I hope to discover that you have taken swift and effective action to ensure that no future policy position of the USTR will be tainted by suspect advice from someone who has registered to advance the interests of a foreign nation or company.

I would like to hear from you as soon as possible. Thank you for your assistance on this matter.

Sincerely,

DAVID PRYOR.

Mr. PRYOR. Mr. President, I ask unanimous consent that a March 16 letter I wrote to the Honorable J. Michael Luttig, Assistant Attorney General, Department of Justice, on this matter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENT AFFAIRS,
Washington, DC, March 16, 1992.

Hon. J. MICHAEL LUTTIG,
Assistant Attorney General, Office of Legal Counsel, Department of Justice, Washington, DC.

DEAR MR. LUTTIG: I have just learned today that the Department of Justice, Office of Legal, wrote to the White House General Counsel to inform them that persons that are registered as foreign agents cannot serve on federal advisory committees. Your office made this ruling in response to my informing the Office of the U.S. Trade Representative that the advisory committees upon which they were relying for trade advice, had several persons and firms that were registered as foreign agents. As you know, the letter of April 29, 1991, from Deputy Assistant Attorney General John Harrison to the White House Counsel stated that 18 USC, Section 219(a) was grounds for this decision.

While I agree with your decision, I am disappointed that it took six months for your office to respond to the USTR's inquiry. Furthermore, I question when you planned on making a broad government-wide announcement on this matter. I do not think that anyone else in the federal government knows that it is illegal for registered foreign agents to serve on federal advisory committees. Has this ruling been sent to other agencies? If so, when? If not, why not?

As you know, there are criminal penalties associated with the part of the U.S. Code that you cited. Are you recommending that registered foreign agents serving on advisory committees be prosecuted? Or is the absolute ineptness and negligence of agencies, like USTR, in neglecting to ask for this information a defense for these individuals?

In addition, the USTR informed me that they receive advice from 40 advisory committees. Did you review the membership of those committees? Were there foreign agents on those advisory committees? Who were they and what foreign clients did they have?

As you know, there are over one thousand federal advisory committees and hundreds of person serving on them. These committees advise the USTR, the Departments of Commerce, State, Defense, Treasury, and in fact, every significant part of the federal government. How many registered foreign agents have served on these advisory committees since January 1989? How many registered foreign agents are presently serving on these committees? What specific actions do you plan to take to investigate the conflicts of interest that are inherent in these situations?

It is unthinkable that such a situation has been allowed to exist. These advisory committees have access to some of the most sensitive advice in our nation. The advice of these committees is relied upon by senior officials in each agency. The conflicts of interest in even one agency, like the USTR, staggers the imagination. In conducting my government-wide review of who is advising the federal government, I discovered this situation. I shudder to think what other undiscovered and unexamined conflicts of interest are out there.

Again, while I agree with your decision, I am disappointed that no one seems committed to acting swiftly and effectively to prevent such conflicts of interest from occurring again.

I look forward to receiving answers to the above questions by March 31, 1992. Thank you for your assistance with this matter.

Sincerely,

DAVID PRYOR.

Mr. PRYOR. Mr. President, I thank the Chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from Colorado [Mr. WIRTH] is recognized under the previous order to speak for a period up to 15 minutes.

Mr. WIRTH. Mr. President, I thank you for your courteous recognition.

(The remarks of Mr. WIRTH pertaining to the introduction of S. 2506 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GLENN addressed the Chair.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Pursuant to the previous order, the Senator is recognized for 15 minutes and the additional time that has been yielded to him.

Mr. GLENN. I thank the Chair.

(The remarks of Mr. GLENN pertaining to the introduction of S. 2506 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MACK addressed the Chair.

The PRESIDING OFFICER (Mr. ROBB). The Chair recognizes the Senator from Florida [Mr. MACK].

Mr. MACK. Mr. President, I ask unanimous consent to address the Senate as in morning business for not to exceed 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Florida is recognized for up to 10 minutes.

REPEALING THE LUXURY TAX

Mr. MACK. Mr. President, there are many things that the Congress could do to help give people the opportunity to work and to find jobs and to help in the creation of jobs. This morning I would just like to focus on one.

Several weeks ago, there was an effort on the part of the Congress to put together in growth package that, frankly, many of us believed almost from the beginning was doomed, that it was going nowhere. But I think there was something that was positive that came out of the process, and that is that both sides, both the Democrats and the Republicans in the Senate, both Democrats and Republicans in the other body, and the administration all supported the idea of repealing luxury taxes.

And so what I would like to suggest this morning is that we ought to try to find those things that we agree upon and, in particular, the luxury tax, and that in a bipartisan approach we work together to try to see if we cannot craft a piece of legislation that would be passed by June 1 that, in essence, would eliminate the luxury tax.

I am going to be circulating a letter in the next couple of days that will basically encourage Members to sign on indicating their willingness to support repeal of the luxury taxes and at the same time to make a commitment that they would oppose any amendments to that particular bill or that particular piece of legislation.

What we would do is we would pass the bill and we would hold it at the desk until the other body had passed similar legislation.

Let me touch on the history of the luxury tax for just a moment. In the 1990 budget agreement, a 10-percent luxury tax was placed on the following items above a certain amount: automobiles, for example, $30,000 and above; boats, $100,000 and above; nonbusiness aircraft, $250,000 and above; jewelry and furs, $10,000 and above.

The theory was that by imposing this luxury tax, we would tax those who are most able to pay, and the conclusion was drawn that there were no consequences for that decision; that, in essence, everything else would remain the same with the exception of the 10-percent luxury tax. Many Members of both bodies voted for the budget agreement not really believing that a 10-percent luxury tax was going to put people out of work; that a 10-percent luxury tax, they believed, would not have an effect on those who buy those kinds of products. We now know from experience and we know from the data that has been collected that is not the case.

I think probably our colleague from Maryland, Senator MIKULSKI, said it best. She said, "America doesn't need a tax system that puts people out of work. That's just what the luxury tax * * * is doing. We thought we were going after the Donald Trumps and the Leona Helmsleys when we put this tax into the budget package. It turns out that we're just hurting the mom and pop small businesses * * * around the country." Again, I think she says it very well.

In my own State, there have been some very real effects. Florida retailers sold just 45 luxury boats in the first 3-month period following the luxury tax which went into effect in 1991. In the same period a year earlier, Florida retailers sold 164 of those boats. In other words, it dropped from 164 to 45. In 1990, 1,353 Floridians were employed by luxury boat manufacturers. In 1991, that number fell to 668. The State of Florida expected to lose $3.5 million in sales taxes alone as boat buyers delayed purchases, buy tax-exempt used boats or register their boats outside the United States. At Wellcraft Marine in Bradenton, FL, sales have declined by approximately 60 percent. Approximately 400 jobs have been lost at Wellcraft, and they are directly attributable to the boat tax.

I paid a visit to the Wellcraft boat manufacturing operation last August, I believe it was, and had an opportunity to meet both with the managers of Wellcraft and with employees, both those who were working and those who lost their jobs. Many of those people who had lost their jobs had been working for Wellcraft for some 13 or 14 years. The people at Wellcraft called the luxury tax a layoff tax because they were trying to make the point that the only one who paid as a result of the 10-percent luxury tax were the people who lost their jobs because, again, a higher tax affected the purchasing patterns of the wealthy in the country.

There are several other items I would like to mention, one of which, again, talking about Wellcraft Marine, Robert Long, president of Wellcraft Marine in Sarasota, estimates he had to lay off about 1,200 people, about 60 percent of his work force. Bob Smith, the president and CEO of Bertram Yachts in Miami said he sold 34 boats to dealers in the first 3 months of last year. That was in 1990 before the luxury tax. After the tax went into effect, he sold only four boats in the same period.

I might just add, it is not a surprise, since Congress did not act to repeal the luxury tax, that Bertram Yachts filed for bankruptcy just a few days ago.

Again, the intention, without debating political sides of this, was to raise more revenue. But the reality is it did not work. In fact, there have been some estimates that it cost more money to collect the few dollars the luxury tax is bringing in than what is actually being brought in.

There is another article entitled "May Day! May Day! May Day!" And referring to the luxury tax, it says:

> The rich have decided they won't be taxed—at least not with the 10 percent luxury tax. They have all but stopped buying $100,000 plus boats.
>
> That is right. For the first 2 months of this year so few new boats over $100,000 were sold at retail that the boating industry is now on the verge of complete collapse. This is not hyperbole.
>
> The finest, oldest, and best names in the business are, at this very moment, teetering on the precipice of disaster. At least three large yacht builders have gone out of business in the last 30 days. More, undoubtedly, will follow.
>
> A weak economic situation in 1989, 1990, and now the 1991 luxury tax, is simply too much for many of the low volume boat builders to withstand?

An interesting thing also has occurred, and that is that we are now seeing that the purchase of so-called luxury boats is not taking place outside the country. So not only are we shutting down operations in this country, but we are now finding that boats are being purchased outside the United States. It says the luxury tax is driving potential boat buyers into the hands of our capable foreign competitors from Germany, Holland, and England, who have been successfully luring American customers away, in order to avoid the 10-percent luxury tax, going to places and flagging these new yachts in locations like the Bahamas and in Bermuda.

Here is what one boat manufacturer had to say about the fairness of the boat tax.

> A yacht costing $1 million to build contains about $200,000 in direct labor costs that goes straight into the worker's pocket. Another $200,000 goes into overhead which includes more labor cost. The remaining 60 percent goes for materials, engines, fiberglass, wood products, electrical and mechanical equipment, appliances, furnishings and electronics—all products that are made by real people with real families. What's wrong with taking the rich guy's million bucks for a yacht and spreading it around a little?

The overall effect of the boat tax has been to destroy 7,600 jobs nationwide in 1991 alone, according to an estimate by the Joint Economic Committee.

Mr. President, again I am going to ask my colleagues to join with me in this idea of signing on to a letter that in essence says we want to bring legislation to the floor here in the Senate by June 1 to repeal the luxury tax. By signing on to that letter, we agree that we would not accept any other amendments, and we would hold that legislation at the desk until the other body were to do something similar to this approach. I ask my colleagues to take a look at that letter. It, in fact, will give us the opportunity to help put more Americans back to work.

I thank the Chair.

Mr. STEVENS addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska [Mr. STEVENS].

Mr. STEVENS. Mr. President, I ask unanimous consent to proceed as if in morning business for just a brief period, a minute or so.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ATTENDING PHYSICIAN

Mr. STEVENS. Mr. President, there has been a lot of discussion lately about the Office of the Attending Physician. The permanent staff of the Rules Committee has made a study of the history and the operations of that office. I will ask unanimous consent to insert it in the RECORD and commend it to Members of Congress and to others who are talking about the Office of the Attending Physician.

This does detail its history and what it does, and I think it demonstrates that Admiral Krasner and his staff provide a very vital service not only to the Congress and those people who visit the Capitol but to the staff of the Capitol Police, the pages, members of the Supreme Court, and others who are in need of emergency medical service within the scope of their jurisdiction.

Again, Mr. President, I urge Members to understand the valuable asset that exists in the Office of the Attending Physician and keep that in mind as we deal with the subjects that are before us now.

I ask unanimous consent that the statement prepared by the Rules Committee staff be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE OFFICE OF THE ATTENDING PHYSICIAN

BRIEF HISTORY

The Office of the Attending Physician (OAP) was established in 1928, 70th Congress, 2d session, after the collapse of several Members of Congress and the death of one Member of the House of Representatives. In each case, the arrival of a doctor was delayed several hours. After those incidents, Representative Fred Britten of Illinois, chairman of the House Naval Affairs Committee, consulted Speaker Nicholas Longworth about the placement of a naval medical officer at the Capitol.

On December 5, 1928, Representative Britten introduced House Resolution 253, which passed unanimously that same day. It stated:

"*Resolved*, That the Secretary of the Navy is hereby requested to detail a medical officer of the Navy to be in attendance at the Hall of the House of Representatives during the sessions of the House."

Lieutenant Commander George Calver was assigned by the Secretary of the Navy, Curtis Wilbur, to this position on December 8, 1928. He remained in this position until his retirement in October 1966.

Dr. Calver initially worked in the Democratic Cloakroom and later was assigned office space in rooms H–165 and H–166 of the Capitol where the office still remains.

On June 4, 1929, Senator Royal Copeland of New York introduced Senate Concurrent Resolution 14 to request the Secretary of the Navy to detail a medical officer for duty as physician to the House and to the Senate; and thus, extend Dr. Calver's services to Senators. The measure was referred to the Senate Committee on Naval Affairs, reported favorably (S. Rept. 71–328) in April 1930, and passed unanimously by the Senate on April 7, 1930. It was then referred to the House Committee on Accounts which took no action on it. However, Dr. Calver later stated that after this resolution passed the Senate, the Secretary of the Navy ordered him to "look after both houses." Since that time, the Office of the Attending Physician has been continually maintained for the provision of medical services of Members of Congress.

Although the Attending Physician has always been on the payroll of the Navy, it was not until the enactment of the 1931 Legislative Branch Appropriation Act (P.L. 71–311) on June 30, 1930, that Congress appropriated funds for necessary supplies and equipment in the Office. In its report accompanying this appropriations bill, the House Appropriations Committee stated:

"The contingent fund has not heretofore been available for medical supplies and equipment for the emergency room and physician's office and the committee is of the opinion that some amount should be available for the purpose instead of relying entirely upon the Navy Department for such necessities."

A survey of the Legislative Branch Appropriation Acts since then indicates that expenses for supplies and equipment have continued to be paid from the contingent fund of the House, often listed in those Acts as "Joint Items."

Congress has also appropriated money for allowances such as technicians and hospital corpsmen, who have assisted in the office since 1929. House resolution 279, passed July 1, 1930, stated:

"*Resolved*, That until otherwise provided by law there shall be paid out of the contingent fund of the House an allowance not to exceed $30 per month each to two assistants in the office of the attending physician starting December 1, 1929."

This allowance has been included in subsequent Appropriations Acts and the House has passed resolutions which increased the number of assistants in the office. A more recent practice has been for the legislative branch appropriations act to authorize an increase in the amount of the allowances and the number of Navy personnel who may receive such allowances, rather than the authorizing resolutions.

Since the enactment of the Second Deficiency Appropriations Act of 1940, P.L. 76–668, the Attending Physician has received an allowance which is presently $1,000 per month.

In addition to medical personnel, there is a non-medical technical assistant appointed by the Attending Physician, subject to the approval of the Speaker of the House. He is on the payroll of the Clerk of the House. A survey of past Appropriations Acts indicated that this position did not exist until the enactment of the 1947 Legislative Branch Appropriations Act, P.L. 79–479. There are also presently 16 nurses on the payroll of the Architect of the Capitol who assist the Attending Physician. They staff the first aid rooms in the Capitol and Office buildings.

Beginning with the 1976 Legislative Branch Appropriations Act, P.L. 94–59, Congress began the present practice of reimbursing the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician. These reimbursements are now credited to the Navy's annual appropriations. Consequently, Congress now appropriates the reimbursements to the Navy as well as the allowances for the Navy personnel assigned to the Office of the Attending Physician.

P.L. 94-50 also began the present revolving fund in the U.S. Treasury for the Office of the Attending Physician. As recommended by the GAO, this fund is for the deposit of money received from the sale of drugs and any other sources and is available for the purchase of drugs for resale.

SCOPE OF SERVICES

Members may voluntarily open medical records with the Attending Physician and are encouraged to participate in a preventive health program through annual physical examinations. Medical information about members and the results from examinations conducted by the Attending Physician are kept confidential but may be sent to Members' private physicians upon written request by a Member. In addition, the Office provides a 24-hour telephone answering service. The OAP has expanded from its original mission to include the following functions:

a. Provides comprehensive ambulatory care to meet the health care needs of the Members of Congress, and Capitol Officials consistent with professional and facility capabilities.

b. Maintains liaison with military and civilian hospitals to facilitate necessary referral of Members and other eligible beneficiaries requiring hospitalization.

c. Provides limited ambulatory health care services to other eligible beneficiaries to include: Staff, Pages, and the U.S. Capitol Police.

d. Cooperates, and when requested, participates in planning medical support for mass casualties with Military District Washington, Chief of the U.S. Capitol Police, Architect of the Capitol and other officials as appropriate.

e. Supervises the operations of nine satellite first aid rooms located in House and Senate Office Buildings that provide support to the over 20,000 staff personnel who work for Congress.

f. Provides CPR and First Aid instruction to Congressional staff.

g. Medical consultant to the 1,200 man U.S. Capitol Police.

h. Provides medical support for Inaugurations, Joint Sessions of Congress, visiting Heads of State, and a myriad of other special events at the Capitol.

i. Serves as medical consultants for various medical screening programs, blood drives, bone marrow registries, and health fairs for the over 20,000 staff personnel who work for the Congress.

j. Oversees certain aspects of the environment and occupational health requirements of the Capitol and other House and Senate Office Buildings.

k. Provides supervision of the sanitary handling of food and the health of food service workers in the Capitol complex.

l. Provides emergency care, utilizing a highly trained medical response team, for the over one million tourists, medically handicapped visitors, school children, church organizations, and service groups that visit the Capitol each year.

m. Provides allergy shots to staff conditional on their providing the serum. Immunizations are provided to Members of Congress and their staffs for approved Congressional travel. Annual flu shots are provided to Congressional staff for a nominal fee.

n. Specialized services provided to Members include: a Medical Response Team with emergency equipment which is on call when the Office is open; ambulance service; complete laboratory, X-ray, pharmacy and physiotherapy services; electrocardiographic service (each Member is furnished with a wallet-size copy of his/her electrocardiogram).

Anecdotes about incidents in which Attending Physician has been involved recently:

Cared for 5 Catholic Nuns who had gotten frostbite of toes protesting in snow in front of Capitol;

Cared for protesters on hunger strike for homeless when they passed out;

First on scene and stabilized Vietnamese protester who tried to commit "Hari Kari" with sword on steps of Capitol;

First on scene and tried to resuscitate man who doused self with gasoline and burned self to death on West Front;

Aided and probably saved life of groundskeeper who had tree limb fall on head near Grotto;

First on scene, helped resuscitate and evacuate a policeman and two visitors who had heart attacks during Inauguration;

Treated and "patched up" Lech Walesa's translator when he had fever and laryngitis so that he could work during Joint Meeting;

Treated several visiting members of foreign Parliaments, including Italian, Japanese, and English during official visits;

Assisted after a young woman delivered a baby in capitol bathroom;

Assisted in treating illnesses of Congressional witnesses; and

Assisted on numerous occasions when large group of handicapped or other groups of people with such disorders as diabetes, epilepsy, multiple sclerosis, sarcoidosis, who have come to the Capitol and have subsequently become acutely ill.

The PRESIDING OFFICER. The Chair recognizes the Senator from Pennsylvania [Mr. SPECTER].

Mr. SPECTER. I thank the Chair.

Mr. President, I ask unanimous consent that I might speak for a period up to 8 minutes as if in morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 2508 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. The period for morning business is now closed.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER. The Senator from Maryland.

EXTENSION OF MORNING BUSINESS

Ms. MIKULSKI. Mr. President, I ask unanimous consent to proceed in morning business for no more than 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI. I thank the Chair.

(The remarks of Ms. MIKULSKI pertaining to the introduction of S. 2508 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MITCHELL addressed the Chair.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, last evening, I sought to obtain consent to proceed to the consideration of House Joint Resolution 456, the continuing appropriations bill for foreign operations. At that time, the distinguished Republican leader indicated that he was not able to give that consent since he had received a copy of the proposed agreement and the resolution by the distinguished Senator from New Jersey only a couple of hours before that time and had not had the opportunity to fully consult with his colleagues.

I am now advised that such consultation is underway at this moment, and that at approximately noontime, the distinguished Republican leader will be in a position to respond.

Accordingly, Mr. President, I am going to, momentarily, seek consent to extend the period for morning business until noon, and will at that time, at approximately noon or shortly thereafter, proceed to renew the request and to gain approval for the Senate to proceed to the consideration of the continuing appropriations bill for foreign operations.

If we can proceed to that, it is my intention that we will remain on that measure until it is disposed of, and then we will proceed to complete action on the NIH authorization bill, which we began consideration of yesterday, with respect to which we obtained an agreement limiting amendments, which agreement is published at page 2 of today's Calendar of Business.

EXTENSION OF MORNING BUSINESS

Mr. MITCHELL. Mr. President, I now ask unanimous consent that the period for morning business be extended until 12 noon, with Senators permitted to speak therein for up to 5 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

FOREIGN OPERATIONS CONTINUING APPROPRIATIONS

Mr. LEAHY addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, I do not intend to speak beyond emphasizing what the distinguished majority leader has just said. He has stated his intent that when we go on the continuing resolution, to stay on that. I commend him for his efforts in seeking a time agreement. I hope that Senators will join in a time agreement on this matter. Otherwise, we face unnecessary expenditures in Government, as we find the Peace Corps, refugee assistance, and other areas absent funds.

In my own discussions with Senators of both parties, I find general agreement. If we had, for example, a vote on the continuing resolution right now, it would pass overwhelmingly. We ought to get on with it.

Senator LAUTENBERG has a sense-of-the-Senate resolution that is straightforward and certainly far less than he would have liked to have seen on his bill. We ought to be able to dispose of that. Seventy or more Senators last fall joined in something much more far-reaching. Senator LAUTENBERG in his resolution has allowed that to be disposed of. I hope that we will do this quickly. We have a number of very serious matters here.

Again, I commend the majority leader, and I commend Senator LAUTENBERG, and others, who have worked with him in trying to move this forward. I commend my distinguished ranking member on this bill. Let us get on with it.

Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, first, I want to thank my distinguished colleague and friend, the chairman of the Subcommittee on Foreign Operations of the Appropriations Committee, the Senator from Vermont [Mr. LEAHY]. He has tried to fashion a compromise that would take care of a humanitarian obligation that we have. A centerpiece of U.S. foreign policy for years was Jackson-Vanik, which said to the Soviet Union: we are not going to do any business with you, in terms of commerce or trade, unless you observe the most basic of human rights, and permit people to emigrate or travel as they choose.

So it has been more than 15 years of pursuing the issue of freedom to emigrate, particularly for Soviet Jews, and also for other religious groups in the Soviet Union that wanted to go to freer lands.

So we are now faced with a situation where the debate, as I see it, is going to enlarge substantially, unfortunately.

I have a resolution that is going to be offered that simply confirms the fact that we have, for years, believed that it is a responsibility of the United States to try and help one of our most important allies absorb a population growth of about 20 percent of its base population.

Can you imagine what would happen if the United States were suddenly called upon to absorb 50 million immigrants in a year? It would strain our system totally and would cause chaos in our society.

Well, the Israelis are apparently willing to do that. I respect their welcoming of these possible distant relatives into their society as full-fledged members. They want to do it in a year.

They have asked us to do one very simple thing, and that is to provide loan guarantees. This does not mean loans. There is a lot of confusion in the American public. I agree that our economic problems here at home are overwhelming for millions of Americans. Jobs are at risk, homes are at risk, families are at risk, education is at risk. We ought not to, in any way, diminish our seriousness about helping those people in thousands of communities across the country. That comes first on my list. There is no doubt about it.

But almost on a parallel track, Mr. President, are decisions about where we stand in terms of our friendships, where we stand in terms of international leadership. Do we want to preserve our opportunity to lead this world, not only politically and functionally, but economically? And you have to do a lot of things to maintain that leadership, not the least of which is to step up when other countries cannot. Soon to be formally announced, were are hearing about billions of dollars worth of aid to a former significant enemy, because of which we spent more than a trillion dollars in defense preparation. And now this former enemy has become a current friend. We hope that they remain stable and viable, and we ought to think about helping them.

But does that mean we turn our back on old friends, friends who have been there for decades, a friend like Israel who destroyed the nuclear reactor that Iraq was building in 1981?

Mr. President, you know very well what that would have meant in the Persian Gulf conflict, if madman Hussein had nuclear weapons. They do not have to be missiles. They do not have to be bombs. The occupant of the chair knows something about the military and war, because he served in Vietnam. I served in World War II. Nuclear artillery is almost as devastating. Artillery shells are believed to have the power of the bombs dropped at Hiroshima and Nagasaki.

Had Saddam Hussein had nuclear weapons, not only might we have faced the loss of thousands of American lives, but maybe we would have been so disadvantaged that we would not have been able to respond to that need.

So, Mr. President, what I am looking at here today is to assert our good intentions. The Senator from Vermont was absolutely right. This does not satisfy what I think is an American obligation. This does not satisfy an implied promise that was made over the years, but at least it says in this body we individually believe or do not believe that we ought to respect the relationship that we have with an ally and friend, one who we are liable to need even more in the future than we did in the past.

Today, Mr. President, I was shocked to hear the news that the United Nations, this body of world opinion and force, this body of world government, if we can call it that, approved sanctions against Libya because she refuses to turn over two suspects and four accomplices that it is believed participated in the bringing down of an American airliner, Pan Am 103. That incident will be forever marked in American history, and will forever define the ultimate in terrorism: 270 people, many of them young, many of them college students, returning home for the Christmas holiday. None of them participated in any activities that beget or deserve that kind of response.

Well, today or yesterday, the United Nations approved sanctions. And what did we hear from the Middle East this morning, from Cairo? Protest by dear friends, by the Arab League, that has now established its headquarters back in Cairo, that this is imposing too much force, too much pressure. And we heard that also from Morocco, and other people who were or are currently friends.

Mr. President, I ask unanimous consent that I be permitted to speak for 2 additional minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. That, from these friends, Mr. President; Egypt, whom I consider a friend, for whom I worked very hard, when the President proposed forgiving 7 billion dollars' worth of funds owed. When the Egyptians asked me, when I was at a meeting on August 20, 1990, for a $160 million waiver of interest due in September, the President so generously—I might even say correctly—agreed to forgive 7 billion dollars' worth of loans. I say correctly with some misgiving; I think we could have done it better. It cost every taxpayer in America a contribution to that 7 billion dollars' worth of loan forgiveness.

The President made the decision. I was called to the White House with other members of the Appropriations Committee to help defend the President's commitment, his honor, his integrity, his credibility. I disagreed. I said: Take that $7 billion and amortize it over 10 years and make it $700 million a year we can forgive, and that way we can kind of attach a little bit of a chain, a little bit of linkage to the forgiveness of the debt.

But once the decision was made, I was determined to permit the United States the honor of fulfilling its commitment, and I fought hard. And I sat in the conference, Mr. President, over on the House side, at 6 a.m. in the morning from the day before, trying to make sure that the commitment made by the President of the United States was upheld and that we did forgive the 7 billion dollars' worth of loans.

Now, what we are talking about is loan guarantees to an old friend, someone who is not going to stand up and criticize because we want those terrorists in our hands. We want to try them, and we are willing to have them tried by the United Nations. I wish we could get our hands on them. But the fact is that Israel will never say no to something like that.

And so we have a chance to help this democracy, this democratic society, different than almost every other one in that region, to honor its commitment to absorb refugees—they never say no to someone who wants to come there—to help them provide housing, provide jobs, and provide some infrastructure.

I intend to offer a sense-of-the-Senate resolution or amend the CR; I am going to take whatever vehicle I can to make sure that the United States honors a commitment.

Mr. President, if I am running out of time, I see my distinguished friend and colleague from Ohio ready to speak.

Mr. METZENBAUM. The Senator may finish.

Mr. LAUTENBERG. I get the signal here it is all right for me to continue for a few more minutes, and I ask unanimous consent that I be permitted to speak for another 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from New Jersey is recognized for an additional 5 minutes in morning business.

Mr. LAUTENBERG. I thank my friend from Ohio.

Mr. President, we are talking about a means of establishing or reestablishing our credibility on this issue. Do we or do we not mean what we say, whether "say" means to speak the words or to imply it. When governments like the United States wink an eye or shake a head or quietly agree to something, that means an awful lot. And that was the promise made over the last roughly 15 years, since Jackson-Vanik was enacted into law.

Again, Mr. President, to reestablish the concept upon which the loan guarantees are made, what we are asking is the United States, say, says: We will underwrite loans made from the commercial institutions, maybe even individuals—I am not sure what the structure is—that we will guarantee that there will be no default. Israel's record is so good on this issue. She has never defaulted, never missed a deadline for funds that she owed. I wish we could say the same for all of our nations around the globe that we extended those credits to.

It will permit her to borrow money at a lower rate. It will cost the American taxpayers nothing. Israel has agreed to pay the origination fees on these loans; Israel has agreed to absorb whatever costs. As a matter of fact, under the Leahy-Kasten plan, any money spent in the administered territories will be deducted from these loan guarantees.

I do not agree with that policy. I think that issue has to be settled across the table with the parties negotiating for peace. But nevertheless, that is the kind of proposal that is out there, and frankly I would accept that.

What I am asking for is my colleagues to stand up and say yes or no, we believe that that obligation, a moral obligation, is really there, and we ought to consider—consider—it; not do it. Because this resolution, Mr. President, a sense-of-the-Senate resolution, as the Chair very well knows, has no force of law; it simply declares an intent.

And I will ask my colleagues, when debate is going to follow, whether they have the courage to stand up and say yes or no. I know there is pressure back home from people who want to see investments in the community, and I said earlier and I still say yes, those investments have to be made; 100 economists yesterday, including 6 Nobel laureates, said we have to invest more in the infrastructure of this country, regardless of the deficit implication, because of the severity of the recession we are under. They say it, and I agree: Let us invest more in the infrastructure.

I helped author a bill that provides $151 billion over the next 6 years in investment in infrastructure to repair our deteriorating roads, our obsolete bridges, to permit traffic to move faster, to permit us to be more competitive, to conform to clean air, and reduce dependency on foreign oil. I agree with that. That has nothing to do with the loan guarantees that are asked for.

I will say to my colleagues: Listen, you have to have a clean conscience when you go home. This is part of a price for maintaining America's strength in the Middle East, because if Israel had not been there over these years, we would have spent billions, far more than it cost us to maintain our presence there. Stability there would have been an impossible condition to achieve.

You know, Mr. President, the irony of all of this. We went to war ostensibly to save Kuwait and Saudi Arabia from being invaded and coopted by Iraq, and what happens? These are among the richest people on the face of the Earth, people whose profligacy is known to many, people who have giant airplanes at their beck and call, people with castles and palaces and homes all over the place. And we saved their country. We saved it from invasion and capture and occupation.

And the Saudi Arabians still owe us $1 billion. It is an insult to every American who had an interest in what was taking place there, to those who perished in pursuit of democracy, allegedly democracy, in Kuwait and Saudi Arabia. They still owe us $1 billion.

And when I asked the Secretary of State, "When is this money going to be collected?" He said, "We have no prescribed date for this. It is not on the calendar." Not on the calendar? We went there and placed our whole military force in the region to take the risk to fight for what, again, was alleged to be a democratic society. Yesterday, or last week, King Fahd said he is not going to permit voting. He did not want to go that far with reform. Spread the jobs out a little bit, but vote, heavens no.

They still owe us a billion bucks. Iraq had a loan guarantee in 1989 of $500 million upon which they defaulted as they prepared to make war on their neighbors.

Mr. President, if I may ask the Chair, what is the prescribed time for morning business?

The PRESIDING OFFICER. The period for morning business, by unanimous consent, has been extended to the hour of 12 noon. The time allocated to the Senator from New Jersey has expired.

Mr. LAUTENBERG. Mr. President, I will have a chance to talk about this at some length later on. I just hope that my colleagues in their offices hear the plan, hear the program, and will give us the support to honor an obligation of understanding. With that, I yield the floor and I thank the Chair, and I suggest the absense of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. NICKLES. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NICKLES. Mr. President, I ask unanimous consent to proceed as in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator is recognized to speak for 5 minutes.

Mr. NICKLES. I thank the Chair.

(The remarks of Mr. NICKLES pertaining to the introduction of S. 2509 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. NICKLES. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Nevada is recognized.

Mr REID. It is my understanding, making a parliamentary inquiry, we are now in morning business and will be until 1:45?

The PRESIDING OFFICER. The Senator is correct.

WOMEN'S HEALTH RESEARCH

Mr. REID. Mr. President, I rise today in support of the National Institutes of Health reauthorization bill, and I rise specifically as it addresses an underrepresented group in the U.S. Congress, namely women.

Mr. President, several years ago in my Las Vegas office, I was approached by three women. They asked if they can come and visit with me in my office, and I of course agreed to that. When we met, these women were not happy to be there; they were embarrassed that they had to come to my office.

They proceeded to tell me, each of them in their own way, that they had a disease called interstitial cystitis. This is a disease of the bladder. It is a disease that afflicts approximately half a million women, 500,000 women, in the United States today, as it did then.

These women proceeded to tell me that there was no research being done as to why people got sick with this disease. There was no research being done as to how they could get well. They, in effect, were crying out for help.

As a result of their meeting with me, I came to realize that this disease that these women had was a disease specific to women, and, as I looked around, I found there were other diseases that were specific to women that we, in effect, as a national body, had failed to recognize, had failed to do any research, and had failed basically to do anything to help women with these diseases. Why? Probably 200 years of male-dominated legislatures, both on the national level and the State level, has left its mark on women in many areas, but no area more particularly than that of medical research.

Mr. President, traditionally men have decided, and still do, to a lesser degree, of course, what types of medical research get funded and at what levels they get funded. Men are in the majority in the Congress. Men are in the majority in medical research. This means and has meant for many years past that the needs of women are overlooked. So here this afternoon, for a few minutes, I would like to speak of those women currently suffering from specific female diseases and for those who may die from these female-specific diseases. If men suffered from illnesses such as the disease about which I spoke, interstitial cystitis or multiple sclerosis—not everyone who has multiple sclerosis but the vast majority of people who have that disease are women. Lupus. Approximately 90 percent of the people who have lupus are women. Osteoporosis. If men suffered at the same rate women do from these diseases, I would wager that a lot more research would be done on these illnesses. Perhaps there would even be cures now if we had started on these diseases some time ago.

I can see this inequity as nothing less than medical sexism, Mr. President. Last year, as a member of the Appropriations Committee of this body, I was able to help secure $50 million for breast cancer screening programs, $40 million to establish an Office of Women's Health at the National Institutes of Health, and $3 million, which was the second track of money, for research on interstitial cystitis, the disease about which I have previously spoken.

These appropriations, while not a cure-all, a save-all, were a significant step toward placing women's health and research on women's health on a par with men's. Today, we are fortunate to have the opportunity to step forward, to go further.

The bill we are debating today, is a bill to provide permanent authority for an Office of Research on Women's Health within the Office of the NIH Director. This office will ensure that NIH complies with the congressional mandate for inclusion of women in clinical research and will coordinate among the institutes the various research projects involving women. For too long women have been excluded from research projects due to arbitrary considerations. Researchers evidently have believed that women have a more complicated hormone system and results of studies on women would be difficult to interpret and more costly to gather. Therefore, Mr. President, women have been considered a special case and men have been considered the norm.

How can we consider a majority of the population—and that is what women are—as a special case? How can we refuse to test more than half our population because we say they are not the norm? This makes no sense. It is, Mr. President, blatant medical sexism.

The bill to which I refer, the NIH authorization, establishes a Clinical Research Equity Subcommittee in every institute in the National Institutes of Health to ensure that women and minorities are included as subjects in each project.

Millions of women have read the studies that suggest that an aspirin a day may prevent heart disease. In fact, a baby aspirin a day, we are told, will help alleviate a heart condition. But these same people, do they realize that the sample group that was taken to come to these conclusions was entirely male? Twenty thousand men were tested, not a single woman, to arrive at this result. In fact, we really do not know scientifically whether an aspirin a day, a baby aspirin or otherwise, is harmful or beneficial to women with heart disease. Probably they are, but we do not know for sure. It is patently unfair to assume that men and women are not different in response to aspirin or to ignore any difference as not technically significant. Heart disease claims the greatest number of female lives in this country, yet all major studies of causes and prevention have involved exclusively men. Once again, women are left in the dark because of medical sexism.

Unfortunately, Mr. President, physicians have a poor understanding of the effects of aging on the development of diseases in older women. One-third—and some even say as much as one-half—of women in America are postmenopausal, and doctors are without the tools to treat the accompanying aging problems. This bill, the bill to which I referred earlier, requires research on the aging process in women, especially on the effects of menopause and the loss of ovarian hormones. Further, $40 million is appropriated in this bill for research of osteoporosis, a disease some say affects again as many as one-half of postmenopausal women and resulting in 50,000 deaths annually. In addition to research in osteoporosis, the effort shall include a study of Paget's disease and related bone disorders.

Information is the greatest necessity in women's health today. This bill establishes a clearinghouse and data bank to provide information on research and prevention activities in women's health. A registry is established to provide a sample pool and data for continuing research projects. Despite our advances in technologies, the number of women diagnosed with breast cancer each year has increased from 1 in 14 to 1 in 9. In my State, the State of Nevada, it is estimated that in such a sparsely populated State, this year 200 women will die from breast cancer. This, Mr. President, is unacceptable. The bill will appropriate $80 million in title III for breast cancer research, prevention, education, and establishment of research centers. We, as a body, must continue to provide the assistance needed to investigate and combat this pervasive, deadly disease.

As I have said before, women have been underrepresented in positions that affect this Nation's health policy. Health problems unique to women have received inadequate attention. I intend to work to change that trend. I urge all my colleagues to support this important legislation for the health of our wives, daughters, mothers, and all American women.

Mr. President, I extend my congratulations and appreciation to the chairman of the committee, Senator KENNEDY, and the entire committee for reporting this legislation, which will not only help in the specific area about which I have spoken, namely, women's health, but also a great deal to maintain the one area where we can say without question we are still predominant in the world, and that is research on health issues. And so, again, I congratulate and I applaud the committee for its fine work in reporting this bill to the floor.

Mr. KENNEDY. Mr. President, I express my appreciation to the Senator from Nevada. I would like to ask if his comments could be included at the appropriate place in the RECORD when the Senate reverts to the debate on the legislation, which is the pending legislation, dealing with the reauthorization of the NIH bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. If that is agreeable with the Senator.

Mr. REID. I thank the Senator.

Mr. KENNEDY. I might add to what the Senator has pointed out, which I think is an excellent summation of the disparity that exists in terms of research programs at NIH focusing on women. As the Senator pointed out, not only have the kinds of diseases which most affect women not received the attention and the funding, as he has mentioned, but from even those clinical trials for diseases which include a very high percentage of women, women have been excluded. When we look at the fact that such diseases as ovarian cancer, for example, cancer of the breast, which are some of the major killers of women, our fellow citizens, the Senator ought to take a sense of pride that in those areas, particularly in cancer of the breast, we have taken independent action as well.

We know we cannot mandate cures for particular cancers, but what we can do is try to bring a greater focus and attention on some of the research that has been done that offers hope and opportunity to women in those particular areas.

I want to commend him for emphasizing that aspect of the legislation.

We had a very good debate yesterday focusing on the fetal transplantation issue. But the Senator has identified one of the other very important aspects of this legislation. I commend him, and as a member of the Appropriations Committee I note his continued involvement in trying to fund these issues, which will be very, very important. I express my appreciation to him for his work.

Again, I recognize as well Senator MIKULSKI who has been so much involved in this effort.

I thank the Senator.

ORDER OF PROCEDURE

Mr. PELL. Mr. President, I first ask unanimous consent to proceed as if in morning business for 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

TIME FOR BIPARTISANSHIP ON POLICIES TOWARD THE FORMER SOVIET UNION

Mr. PELL. Mr. President, I welcome the President's decision to offer leadership in responding to one of the greatest events of the 20th century: the fall of communism in what was the Soviet Union. Since the Soviet Union's breakup on Christmas day, I and others in the Congress have been urging the administration to respond swiftly to the situation to ensure that democracy and free market economy will take root in the 11 new countries.

Three days after the break up of the Soviet Union, I traveled to Moscow and, in the days following, to Minsk, Kiev, and Yerevan for a firsthand look at the situation in those capitals. I came away from that trip concerned about the prospects for the success of the reform efforts in each of those countries.

Upon returning from the former Soviet Union, I made a series of recommendations for the United States response to the situation in the newly independent republics. Among other things, I suggested that the United States should monitor closely the humanitarian needs in the new countries of the former Soviet Union and respond with sufficient urgency to any situation that might reverse the democratic trend in Russia and the other former Soviet republics; that the United States should support efforts to keep nuclear scientists employed in the Commonwealth of Independent States in projects not involving weapons for other countries; and that the United States should respond positively and quickly to requests from the leaders of the new countries for technical cooperation and training in areas such as small business development and banking reform. I continue to believe that the United States should view cooperation with the new republics in these areas as an opportunity to build markets for United States goods, to increase United States output and employment, and to create greater economic and political stability in the former Soviet Union.

In February and March, I chaired several hearings of the Foreign Relations Committee at which witnesses ranging from the Librarian of Congress, Dr. James Billington, to our Ambassador to Russia, Robert Strauss, agreed on the urgency of helping the former Soviet Union. All our witnesses agreed that it will be difficult for the new democracies to survive if their people perceive that they are worse off than they were when the Soviet Union existed. I was particularly struck by Dr. Billington's thesis that it may be the peoples' anger, not hunger that threatens the fledgling democratic and free market reforms in the former Soviet Union. I have said time and again that I am concerned that Russia might be vulnerable to an authoritarian demagog if economic conditions do not improve.

Last month, President Nixon served a warning notice when he called the U.S. response "pathetically inadequate." In a speech on the Senate floor on March 12, I outlined my view that it is an act of fundamental national self-interest for us to help Russia and the other countries of the former Soviet Union.

I welcome the administration's readiness to move ahead with a program of cooperation with the newly independent countries of the former Soviet Union. I—and I am sure many of my colleagues share this sentiment—have been frustrated by the apparent slowness in our Government's response to the situation thus far.

I heard it said recently that the timing could not have been worse—the Soviet Union disintegrates during a Presidential election year in which the domestic economic situation is dismal, leaving little room for a broad United States response. The challenge now is to demonstrate that it is in our vital national interest to extend the hand of friendship to the people of the former Soviet Union, to demonstrate that in this greatly changed and ever smaller world, domestic, and foreign policies cannot be separated.

Despite the fact that this is an election year, the time has come to put aside partisanship and to forge a consensus response to the disintegration of the Soviet Union. If the Congress could muster bipartisan support to fight communism in the 1950's, surely we can cooperate in helping to rebuild countries devastated by 70 years of dictatorship and repression.

Many of us in Congress have been prodding the administration to take a greater leadership role on this issue. I believe that we in Congress have a duty to follow through on our challenge and work with the administration on this issue. During a recent Foreign Relations Committee hearing with Ambassador Strauss, several of my colleagues pledged their support for a Presidential initiative, should it be forthcoming, and we prayed that it was.

The President has, at last, responded to our appeals, and it is now time to work with him to enact a program that will advance our vital national security interests. For my part, I will do all that I can to help enact legislation as quickly as possible. Now is the time to step forward and assert American leadership. If democracy and economic reform do not survive in the former Soviet Union, new threats to peace and stability in Europe and elsewhere are likely to arise. We must not allow that to happen.

Looking back in history, in 1919, there was a democratic revolution in Russia and Kerenski was elected. He was not helped by the West, and conditions grew more and more miserable. The Russian people rose to welcome a man on a white horse, in this case Lenin, coming in with an authoritarian system. We do not want to see now, by lack of response on our part, the opening of the door for some other authoritarian system, and not a democracy, which would render useless all of the advances made in the last few years.

I yield the floor.

Mr. MITCHELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEAHY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. LEAHY. Mr. President, the distinguished majority leader has worked extremely hard in trying to get people to agree to a time limit on the continuing resolution. The distinguished chairman of the committee, the senior Senator from West Virginia, has certainly been cooperative in trying to move forward on this. As chairman of the relevant subcommittee, both I and the ranking member of that subcommittee have said that we would agree to as short a time limitation as possible.

Mr. President, all I can say is that we ought to get on with it. Everybody tells me they want to get this matter taken care of. The fact is that time has run out.

Let us vote up or down. If people feel a particular way on a particular issue on the foreign aid bill, vote it up or down. That is what we are paid to do around here, not to sit around contemplating the best way to avoid having to be responsible for something. So let us just vote one way or the other. The American people would like to see that.

Mr. President, I suggest the absence of a quorum.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SIMON). Without objection, it is so ordered.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOX SCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress stood at $3,871,749,320,523.67, as of the close of business on Monday, March 30, 1992.

As anybody familiar with the U.S. Constitution knows, no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States.

During the past fiscal year, it cost the American taxpayers $286,022,000,000 just to pay the interest on spending approved by Congress over and above what the Federal Government collected in taxes and other income. Averaged out, this amounts to $5.5 billion every week, or $785 million every day.

What would America be like today if there had been a Congress that had the courage and the integrity to operate on a balanced budget?

NOMINATION OF DANIEL S. GOLDIN TO BE NASA ADMINISTRATOR

Mr. HOLLINGS. Mr. President, yesterday the Senate confirmed Daniel S. Goldin to be Administrator of the National Aeronautics and Space Administration. Mr. Goldin will replace Adm. Richard Truly, who has resigned and will be leaving NASA this week.

Mr. President, the Committee on Commerce, Science, and Transportation held a hearing on Mr. Goldin's nomination on Friday, March 27, which I chaired. Mr. Goldin responded to a variety of questions from many Members of the Commerce Committee. Clearly, Mr. Goldin will face many tough issues in the management of NASA and our civil space program.

Mr. Goldin will be serving at a time when NASA faces a difficult situation. For the last several years, in the belief that funding increases would continue indefinitely, NASA has been adding to its list of projects and missions. Certainly, there are many meritorious proposals for getting into space being advanced by the scientific and engineering communities. However, Federal spending must be controlled by choosing among these proposals.

I am concerned about NASA's ambitious agenda not because I am opposed to continued space exploration or aeronautical research. Quite the opposite. I am concerned because I have been a strong supporter of these programs and am committed to seeing that we make the necessary choices to ensure that the United States retains its leadership position in space.

In a year when budget deficits exceed $400 billion, I question whether there will be support in the Congress for a 5-year NASA budget that exceeds $92 billion, as NASA currently has planned. The ongoing debate about whether to continue funding for the space station stems from the fact that, for the next several years, we will not be able to fund all of the NASA budget. Something has to give.

Mr. President, it is my hope that, working with the new NASA Administrator, we will move forward with the debate about the future direction of NASA and the U.S. space program. As chairman of the Commerce Committee, I look forward to working with Mr. Goldin as we undertake that effort.

Mr. HOLLINGS. I yield the floor.

The PRESIDING OFFICER. Does anyone seek the floor?

TRIBUTE TO WILLIAM MAUPINS

Mr. DURENBERGER. Mr. President, today I rise to pay tribute to a great Minnesotan and a great American, the late William Maupins of Duluth. He died of cancer on March 28. His life as a civil libertarian and community leader is an important piece of U.S. history.

I would like to present for the RECORD the following Duluth News-Tribune account written by Susan Stanich:

> Maupins, 69, served as president of the Duluth branch of the National Association for the Advancement of Colored People for 11 years, was considered by many the patriarch of the northern Minnesota black community and a voice of conscience of the community at large.
>
> "I'm just proud to be his daughter," said Carrie Lindahl of Wayzata. He affected the life of virtually every black person in the area said Lurline Baker-Kent, state assistant commissioner of corrections and former Duluth School Board member and Woman of the Year. "I don't think I would have been personally successful without him," she said. "He was my mentor. He was the mentor of most of us."
>
> His biographer, historian Gary Brueggemann of St. Paul, who has been researching Maupins' letters in the University of Minnesota-Duluth archives, said his legacy is that of a "great leader." "He tackled the real big state and national issues; but at the same time he tackled the little daily problems: a man who couldn't get a job, a woman falsely arrested. He'd help them out * * * I've been slowly piecing together what a magical guy this was."
>
> Abandoned as a newborn in a Duluth hotel, orphaned by his adoptive mother at age 4, Maupins was raised by his adoptive father, a college graduate who worked at jobs then available to black men in Duluth: elevator operator and shoe-shiner.
>
> Maupins graduated from Duluth Central High School, served in the Navy during World War II and attended the University of Minnesota-Duluth, where he studied political science and graduated in three years with the class of 1951.
>
> He said in a 1975 interview that none of the major Duluth companies would accept his job applications at first. Eventually he landed a job with the Duluth, Missabe and Iron Range Railway and then at UMD, where he worked as a laboratory supervisor in the Chemistry Department for 33 years until his 1982 retirement.
>
> He married a Texan, "Dimples" Ellison, who gave birth to four children before dying in 1957. Maupins raised the children alone, working two jobs and pursuing an active community life.
>
> In the early days of the civil rights movement, Maupins organized a food drive for Mississippi blacks that Southern white truckers threatened to block. Maupins persuaded the Teamsters Union local of Duluth to help, and Duluth Teams successfully delivered truckloads of food, Lindahl said.
>
> Maupins was active in the DFL Party and pressed action on the Fair Employment Practices Act. When some residents of the Lakeside neighborhood attempted to keep a

black family from moving into the area, he helped launch a campaign that resulted in the city's fair housing ordinance, one of the first such ordinances in the nation. He continued to the end of his life to be concerned about public school education and its effects on black children, and would call teachers and liaisons to tell them to check up on a particular child, said his friend and neighbor, Duluth educator Gerry Stalling.

During the past few days, Maupins called his friends and family and told them goodbye, Lindahl said. "He thanked us. He said he had had a wonderful life and had no regrets in leaving. We couldn't have asked for more."

In 1990, he received the UMD Chancellor's Distinguished Service Award. He worked in Congress for the 1964 Voting Rights Act and was a delegate to the 1968 Democratic National Convention.

William Maupins was a visionary, and he possessed God given strength to accept challenges. He rightly refused to accept injustices of this world and contributed to righting many of those wrongs. Mr. Maupins certainly made a difference and left this world a better place for future generations.

He is survived by two sons, Michael A. of Duluth and William M. of Rosemount; two daughters, Carrie Lindahl of Wayzata, and Sylvia Herndon of Eagan; and six grandchildren. My best wishes go out to all of them. May we never forget the lessons taught by this great man.

ALBANIA'S ELECTIONS

Mr. DOLE. Mr. President, March 22 was a historic day for Albania; the people of Albania took a giant step to end the reign of communism in their country.

In parliamentary elections held that day, the Democratic Party won 62 percent of the vote. There is no doubt that Dr. Sali Berisha, the energetic and committed leader of the Democratic Party, deserves a lot of credit for his efforts to promote democracy. He traveled throughout Albania to get the message of democracy to people in urban and rural areas. But, ultimately though, I believe the credit for this resounding victory lies with the Albanian people. The Communists changed their name and tried to change their image, but the Albanian people were not fooled. The Albanian people were not taken in by the doom and gloom predictions the Socialists made about a possible democratic victory. They knew the truth—they knew that the previous 4 decades of extreme poverty and severe repression were years of doom and gloom and that the Communists were responsible.

Mr. President, these elections ushered in a new era of hope and opportunity for the people of Albania who have suffered for so long under one of this century's most brutal regimes.

Clearly, the Democratic Party has a tough road ahead. It must overcome abject poverty and social unrest. And it must develop a comprehensive plan to rebuild Albania. But, now that the democrats control the Albanian parliament, I am confident that political and economic reforms will be successful—despite current conditions and obstacles. However, I also believe that the United States will need to be supportive of Albania, both politically and economically. No doubt, industrious and entrepreneurial Albanian-Americans will be at the forefront of efforts to bring investment to Albania; they will also be able to provide economic advice. But, in my view now that Albania has chosen democracy, the United States Government has an important role to play, as well.

In the short term the Albanians desperately need humanitarian assistance—food, clothing, medicine and medical equipment. A large percentage of Albanian children suffer from malnutrition. Many Albanian babies are born prematurely because their mothers' diets are deficient. Yet, there are not enough incubators for these premature infants, nor is there a sufficient supply of antibiotics to treat them or older children when they become ill.

In addition to these urgent humanitarian needs, Albania needs technical assistance to help it manage and exploit the resources it has—such as chrome, oil, copper and fertile farmlands—and to get people back to work.

Mr. President, the people of Albania are looking to America to guide and assist them at this critical time. I am hopeful that we will do what is right and provide the Albanians with the help they so desperately need.

UNITED STATES AID TO FORMER SOVIET UNION

Mr. DURENBERGER. Mr. Speaker, in recent weeks, there has been increased public discussion about United States aid for the former Soviet Union. Given the significance of events in that region and the critical juncture at which we find ourselves, this attention comes not a day too soon.

Today, President Bush announced a substantial, comprehensive plan of action to help consolidate the democratic advances in the former Soviet Union. This plan is important because it recognizes, quite appropriately, that United States national interests are best served by doing as much as we can to ensure the success of democracy, liberty, and freedom in Russia and the other republics.

I also want to commend and congratulate our colleagues Senators NUNN and LUGAR for their persistent leadership on this issue in the Senate. Perhaps more than any other Senators, these two distinguished colleagues have provided the guidance and good counsel that has otherwise been lacking on this issue of critical importance to the future security of our Nation.

We are living in the most extraordinary of times, a period of opportunity and hope unparalleled since the end of the Second World War. Having finally laid the cold war to rest, we are at the threshold of a new era. We have a unique opportunity to participate in the shaping of this new era.

Russia and the other republics are among the most critical test cases of whether emerging democracy and free market economics will successfully replace totalitarianism and central planning. If the ideas of freedom prevail there, the prospects for success in Eastern Europe expand dramatically. And success will inevitably influence events in the world's last bastions of communism—China, North Korea, Vietnam, and Cuba.

This Senator is firmly committed to ensuring that the United States retains a leadership role in the world. But participating productively in the process of shaping the future requires engagement. As former President Nixon has noted: Being engaged requires backing up our leadership aspirations with real resources. And that's what President Bush announced earlier today.

Foreign aid is never among the most popular Government programs. It is certainly even less popular in these days of economic slump. Yet, the challenge of leadership is to convince the people that what is unpopular may well be in the Nation's best interest after all. Never was this maxim more true than it is today regarding United States assistance for the building of democracy in the former Soviet Union.

It is essential that we recognize the unavoidable link between our foreign and domestic policies, between international events and conditions here at home. It is simple and superficial to argue that taking care of our problems at home requires us to withdraw from the rest of the world. Just the opposite is true. Peace and prosperity abroad impact us directly at home. To the extent that we can promote these conditions throughout the world, so are we enriched right here in the United States.

No one seriously believes that the United States and the West alone can ensure the success of the democratic experiment in the former Soviet Union. Success there ultimately depends on the Russian people themselves and the people of the other former republics. With a sensible, well-crafted aid and policy package, however, we do have the capacity to markedly increase the probability for success.

Such success will not only serve United States national interests, but will do so at bargain basement costs compared to the price we'll have to pay in the future if democracy and freedom fail in Russia.

If freedom and democracy succeed in Russia and the other republics, future generations of Americans will have a much diminished security burden. Stability around the world will be enhanced as cooperation replaces competition.

If market reforms succeed and trade continues to expand, wealth in America will be created at vastly greater rates because of expanded trading opportunities. The more we trade, the more wealth we create. That means jobs at home. It means markets for our exports and access to more imports.

Mr. President, I believe it is in our national interest to provide assistance to the former republics. We too have a stake in the success of their experiments in democracy and free markets. We should provide immediate assistance to address pressing food and medical shortages. We should help them get started, get over the hump so to speak.

We need to focus on the longer term as well. Our aid in this respect should center on programs that are intended to help the Russians help themselves. We can provide all manner of technical expertise and assistance to teach them how democratic and market institutions work. We should help them build the foundations for democracy and free markets. In that way, the reforms will take root, grow stronger, and prosper.

That will be the real measure of success of Russia's experiment with democracy. It must last for the long term. We will benefit immeasurably from the success. To the extent that we can influence events and shape the future, we should do just that. It's an investment in the future—theirs and ours.

Thank you, Mr. President, I yield the floor.

THE ADMINISTRATION'S PROPOSAL TO CUT THE NATIONAL GUARD AND RESERVE UNDERMINES OUR DEFENSE BUDGET PRIORITIES

Mr. DASCHLE. Mr. President, on March 26, Defense Secretary Cheney sent Congress a list of 830 National Guard and Reserve units that the Department of Defense is targeting for reduction or deactivation during the next 2 years. This plan calls for the closure of National Guard and Reserve units in all 50 States, the District of Columbia, and Puerto Rico.

In my State of South Dakota, 154 positions in the National Guard would be eliminated in fiscal year 1993 by the proposed deactivation of the headquarters detachment of the 137th Engineer Battalion and the headquarters battery of the 147th Field Artillery Brigade. In fiscal year 1994, South Dakota would lose still another 60 guard and reserve members through the proposed deactivation of the 1087th Medical Unit and the 139th Transportation Battalion.

Overall, the administration's proposal would end the military careers of more than 140,000 guard and reserve members around the country. While the number of personnel cuts in South Dakota may seem small compared to the forced reductions in other States, the contribution of these National Guard units to their communities and to our country is unparalleled.

I am strongly opposed to the administration's proposal for two important reasons.

First, the administration's plan fails to take into account the cost-effectiveness of maintaining a strong National Guard and Reserve. In his State of the Union Address, President Bush outlined his proposal to cut $50 billion in defense spending over the next 5 years. An integral part of the President's proposal calls for the Department of Defense to implement what is known as the base force strategy. This strategy includes the reduction in the number of active military personnel by about 25 percent from its level in fiscal year 1987 to fiscal year 1997.

The more the Department of Defense reduces its active military personnel, however, the more I believe it should rely upon our National Guard and Reserve Forces. I agree that global political changes will make some cuts in all components of military personnel inevitable. However, the base force strategy proposed by the Department of Defense refuses to acknowledge the value of the National Guard and Reserve. The fact of the matter is it simply does not make sense to make drastic cuts in the National Guard and Reserve that have proven to be one of our most cost-effective means of maintaining a strong national defense.

A report recently released by the National Guard Association of the United States and the Adjutants General Association of the United States effectively points out the substantial cost differential between the Active, Guard, and Reserve Forces. The report stated:

> Ground forces in the Guard and Reserve are approximately 25 percent of the recurring costs of active forces all the same level of organization. For example, the animal operating cost of a light infantry division was reported to be $400 million for an Active unit and $103 million for an Army Guard unit.

This example effectively illustrates the fact that the Department of Defense can retain approximately four guard or reserve members for what it costs to retain one active-duty person. Simply stated, we can do a lot more with a bit less by utilizing the National Guard and Reserve.

Second, I am frustrated by the fact that the administration is proposing drastic cuts in the National Guard and Reserve and at the same time, continuing to request funding for the procurement of unnecessary and unworkable defense systems.

The administration's plans call for our Nation's defense budget to be reduced by $10 million in fiscal year 1993. The Department of Defense is requesting that over $2 billion, or approximately one-fifth of these savings, be made by cutting the National Guard and Reserve. The President is also proposing that our defense budget be reduced by $50 billion by fiscal year 1997. The Department of Defense apparently expects almost one-half of these reductions, or approximately $20 billion, to come from cuts in the National Guard and Reserve.

I applaud the President for acknowledging the fact that the uninhibited defense spending that has paralyzed the economy of this country since the 1980's must come to a halt. I also commend the President for taking the first step toward reducing our Nation's defense spending and beginning to address our Nation's domestic problems. Unfortunately, however, the President's proposal simply fails to establish the priorities that we desperately need within our defense budget. The administration's announced intention to close 830 National Guard and Reserve units is a testament to that failure.

For example, while the President is proposing to save $2 billion by cutting the National Guard and Reserve, he is simultaneously requesting $4 billion for 4 additional B-2 bombers. The President also hopes to use an additional $1 billion for a fifth bomber for a total request of $5 billion. Five billion dollars in fiscal year 1993 alone.

We all know the B-2 was originally designed as a nuclear bomber to penetrate Soviet defenses. However, the disintegration of the Soviet Union, the demise of the Warsaw Pact, and the limited capabilities of the bomber, have led many of us to describe the B-2 bomber as a plane in search of a mission. I wonder whether the majority of the people in this country would agree with the President that it is more important to spend $5 billion on the B-2 program than to spend half that amount on the National Guard and Reserve forces? I submit that most people in South Dakota and, I suspect, throughout the country, would not agree. I raise the question, then, "Where are the President's priorities?"

Perhaps the most blatant flaw in the President's priorities is unveiled in the administration's commitment to the strategic defense initiative, also known as SDI. While the President is proposing to save $2 billion by cutting the National Guard and Reserve, he is simultaneously requesting $5.4 billion for SDI—$5½ billion in fiscal year 1993 alone.

No one should be confused. While the administration is requesting $2 billion in cuts for the National Guard and Reserve, he is not requesting a dime's worth of cuts for SDI. In fact, the administration is requesting a $1.5-billion increase in spending for SDI. Would the majority of the people in this country agree with the President that it is more important to spend $5.4 on SDI than to spend less than half on the National Guard and Reserve? I submit that most people would not agree. Again, I ask, "Where are the President's priorities?"

I find it deeply disturbing that the administration is trying to sell the American public on the idea that deep cuts in the National Guard and Reserve are essential. What is so appalling is that it is doing so as it requests tens of billions of dollars for the procurement of unnecessary and unworkable defense systems like the B-2 bomber and SDI. Until the administration establishes sensible priorities in our defense budget, we will never achieve any sort of peace dividend that our nation has fought for, deserves, and desperately needs to turn our economy around. Moreover, I submit that the American people will not accept drastic cuts in their National Guard and Reserve while the wasteful spending reminiscent of the cold war continues.

For these reasons I am strongly opposed to the administration's attempt to make drastic cuts in our National Guard and Reserve Forces. The National Guard and Reserve units in South Dakota, like those around the country, play an important role in their communities and in the defense of this country. As we continue to debate the future of our military, I hope that my colleagues will resist the drastic cuts proposed by the administration and continue to support our National Guard and Reserve Forces.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that upon disposition of House Joint Resolution 456, Senator LAUTENBERG be recognized to offer a resolution on behalf of himself and Senators KASTEN, INOUYE, D'AMATO, and others regarding Israeli loan guarantees; that there be 2 hours for debate on the resolution equally divided in the usual form with an additional 10 minutes under Senator DECONCINI's control and an additional 1 hour under Senator BYRD's control; that no amendments or motions to commit be in order with respect to the resolution; that upon the use or yielding back of time, the Senate, without any intervening action or debate, vote on the adoption of the resolution.

I further ask unanimous consent that the Senate now proceed to the consideration of House Joint Resolution 456, the continuing appropriations bill for foreign operations; that there be 30 minutes for debate, equally divided in the usual form; that the only amendment in order to this bill be one to be jointly offered by the managers of the bill that would provide, as a Presidentially and congressionally declared emergency, $82 million as a supplemental appropriation for additional SBA disaster loans plus an additional $25 million for salaries and expenses of SBA employees who administer the disaster loan program; that no motions to commit be in order with respect to the continuing resolution, that, when all time is used or yielded back, the Senate, without any intervening action or debate, vote on passage of the continuing resolution.

The PRESIDING OFFICER. Is there objection?

The Republican leader is recognized.

Mr. DOLE. Mr. President, reserving the right to object, and I shall not object, I think we can accommodate Senator GORTON, who would like 10 minutes on the CR?

Mr. LEAHY. Mr. President, reserving the right to object, and I obviously shall not object, I understand we have half an hour on the CR, 15 minutes on the side—this is the one that has the actual money in it—and then 3 or 4 hours to talk about a meaningless sense-of-the-Senate resolution.

Of course, we would be willing to give up the 10 minutes to talk about real money. Why do we not just ask the distinguished Senator to take some of those 3 or 4 hours on issues we have already talked about and leave the 15 minutes to talk about the real expenditure of the taxpayers' money?

Mr. MITCHELL. Mr. President, I ask unanimous consent my request be modified to add 10 minutes under Senator GORTON's control to the debate on the continuing appropriations bill.

The PRESIDING OFFICER. Is there objection?

Senator DOLE is recognized.

Mr. DOLE. Does the Senator from Colorado have a reservation?

Mr. BROWN. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. BROWN. Mr. President, it had been my intention to offer an amendment to the continuing resolution that would require the President to certify that Jordan is observing the embargo on Iraq before this Nation delivers additional foreign aid to the State of Jordan.

If there is one thing I think Americans who served in Vietnam carry in their heart, it is the bitterness over a Nation asking them to risk their lives in combat and then that Nation not standing behind them once they went onto the battlefield.

Once again, Americans served in combat in the Middle East while we watched a nation that received substantial aid from this country trade with the enemy in a variety of products, both those authorized and those not authorized.

This was an amendment I thought appropriate. I thought it appropriate to condition any aid we would send to Jordan in the future. But I understand offering an amendment at this time would open the bill to other, additional amendments. I also have had an opportunity to speak with Secretary Baker, and he has assured me of several things. One, that he will monitor the situation closely and use the best efforts of his good office to make sure that no further breakage of the embargo takes place.

With those assurances, Mr. President, I will withdraw my reservations.

The PRESIDING OFFICER. Is there reservation?

The majority leader is recognized.

Mr. MITCHELL. Mr. President, I ask that my request be further modified to provide an additional 10 minutes on the continuing resolution under the control of Senator LEAHY.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues for their cooperation, and I especially thank the distinguished chairman of the full committee and the chairman of the subcommittee for their patience.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1992

The PRESIDING OFFICER. Under the unanimous-consent agreement, the pending resolution is House Joint Resolution 456. The clerk will report.

The bill clerk read as follows:

A joint resolution (H.J. Res. 456) making further continuing appropriations for the fiscal year 1992, and for other purposes.

The Senate proceeded to consider the joint resolution.

Mr. LEAHY. Mr. President, first I should note I speak of the resolution of the distinguished Senator from New Jersey [Mr. LAUTENBERG]. I do not mean it to be meaningless insofar as its substance or symbolism. It is very meaningful. What I meant is that I suspect the Senator from New Jersey feels great distress over this. It is meaningless in the sense that it does not send the money that the distinguished Senator from New Jersey feels is justified and needed.

Mr. LAUTENBERG. Will the Senator yield?

Mr. LEAHY. The Senator from New Jersey has been a very strong advocate for much needed humanitarian aid, and I applaud him for that effort.

Mr. LAUTENBERG. If the Senator from Vermont will yield for just a quick response. I knew the term meaningless was not meant to denigrate since the Senator from Vermont is the No. 4 cosponsor on this.

Mr. LEAHY. Five.

Mr. LAUTENBERG. Five, but he would not be cosponsoring a meaningless amendment. I thank the Senator.

Mr. LEAHY. I do not know if I would make quite that leap of faith, I say to my distinguished friend from New Jersey.

Mr. President, the Senate now has before it House Joint Resolution 456 which amends the current continuing resolution covering foreign assistance for fiscal year 1992. I regret the necessity of funding the entire fiscal 1992 foreign operations, export financing and related programs appropriations in a continuing resolution.

The House reported a fiscal 1992 bill last June. Working with the distinguished ranking member of the subcommittee, Mr. KASTEN, I prepared the chairman's mark of a bill to present to the Foreign Operations Subcommittee earlier this month. I think we had a good bill to recommend to the committee and to the Senate. In fact, we twice scheduled subcommittee markup in the hopes of reporting a bill.

Everything hinged on reaching an agreement with the administration on a program for immigrant absorption loan guarantees for Israel. Unfortunately, no agreement was possible. I spoke about that at some length on the Senate floor at another time. I will not go into that all over again other than to say we had a reasonable compromise which we worked out between myself and other members of the subcommittee, many of whom wanted to go much further than I, many of whom wanted to have far fewer restrictions than I. But all agreed on a package that could pass. We submitted that to the White House. It was rejected by the administration. It was obvious that the administration's proposal, after it was shown to some Senators, would never have passed this body.

So the President's rejection of the Leahy-Kasten proposal is what brought us to this impasse. That is why we need a continuing resolution for the remainder of the fiscal year, rather than a freestanding bill. The continuing resolution before the Senate is a bare minimum that Congress can responsibly do in funding the foreign aid program for an entire fiscal year. It continues funding the foreign operations programs, with certain very limited exceptions, at the fiscal 1991 rate or the level in H.R. 2621, the House-passed foreign operations appropriations bill, whichever is lower.

The exceptions are the Foreign Service Retirement Fund, the Peace Corps, Migration and Refugee Assistance, AID, AID Inspector General operating expenses, the administrative expenses of the Export-Import Bank, and the subsidy appropriations for certain credit programs, particularly the Overseas Private Investment Corporation. Those few programs affecting health and safety, the operating budgets of agencies, or the application of the Credit Reform Act are funded at the levels recommended by the House in H.R. 2621. Increases in these essential programs are offset by an across-the-board percentage reduction and a reduction of the fiscal 1991 level for the Philippines multilateral assistance initiative.

So the effect of the continuing resolution, Mr. President, is to cut programs under the jurisdiction of the Foreign Operations Subcommittee by over $1 billion from the levels allocated to our subcommittee for fiscal 1992 and over $1.5 billion from the level appropriated for fiscal 1991, including the supplementals.

In the 602(b) process, the Appropriations Committee allocated $15.285 billion in discretionary budget authority to the Foreign Operations Subcommittee for fiscal 1992. This continuing resolution provides $14.448 billion in discretionary budget authority. But it also includes the President's supplemental request for $270 million for assessed contributions for U.N. peacekeeping. Assessed contributions for peacekeeping is under the jurisdiction of the Commerce, Justice, and State subcommittee.

If you subtract that funding from the continuing resolution total, as it should be for the purposes of considering the amounts available for the foreign assistance program, the foreign operations, export financing and related programs will be funded at $14.178 billion for fiscal year 1992, a reduction of just over $1.1 billion.

Let me go over some of the principal provisions of the continuing resolution. First, the continuing resolution provides not less than $150 million for humanitarian technical assistance to the republics of the former Soviet Union. These funds are to be absorbed from the existing foreign aid levels. That is not new money. In addition, the President can propose reprogramming of funds from other programs to the former Soviet republics if he so decides. We expect him to propose at least $80 million in reprogrammings out of the economic support fund account.

This means Congress will make funds available for aid to the republics in fiscal 1992, the level requested by the President. Of course, those programs go through the regular notification process.

Second, the continuing resolution prohibits any additional military aid to El Salvador beyond that already allocated under the continuing resolution of last October, but that may only consist of nonlethal items—no weapons, no ammunition. I am disappointed that the House did not adopt in full the provision on El Salvador aid that I developed with the distinguished Senator from Connecticut [Mr. DODD]. That provision would have cut off any new military aid. I do not believe additional military aid is justified or necessary now that a peace agreement and cease-fire are in place. I hope the administration will use restraint in making available the military aid that was allocated last October.

The balance of the administration's $85 million request for military assistance to El Salvador is instead to be deposited in the demobilization and transition to peace fund that was created in the fiscal 1991 foreign operations appropriations bill. It is to be used solely to support the peace accords and assist the former combatants of both sides in the transition of peaceful pursuits.

Expiring authorizations for several multilateral development banks are extended. If we did not have that, the United States would be unable to participate in the International Finance Corporation, Asian Development Bank, and African Development Bank.

The continuing resolution also provides for the appropriation of $270 million to the international organizations account of Commerce, State, and Justice appropriations for United States contributions to U.N. peacekeeping operations, principally in Cambodia and El Salvador.

Mr. President, I want to emphasize that we could have had a far better bill. We could have had a bill that better reflected some of the real needs in the world today, the great humanitarian needs of the former Soviet Union. The President has taken a positive step forward today. It is not a great step. It is not a grand step. It is not the Marshall plan. It is far from it, but it is a positive first step. Certainly, I am ready to work with him and set aside any partisan considerations in helping him to go not only for that first step but to go the many, many, many steps beyond that will be necessary to really help democracy take hold in the former Soviet Union.

There are many other ways that we could help countries become democratic, where we could feed hungry people, where we could help people grow food to help feed themselves, eradicate disease, enhance the security of the United States, help our export markets, put hundreds of thousands of Americans back to work. There are a lot of steps that remain to be taken but are not taken in this continuing resolution.

It is unfortunate that some of the steps that Senator KASTEN and I were able to agree on could not be presented to the Senate because of the crisis caused by the inability to come to a conclusion on the question of Israeli loan guarantees. Be that as it may, Mr. President, we have done a number of other good things in this bill.

I hope, however, that the administration and interested Senators on both sides of the aisle will ignore that it is an election year, ignore the onus that foreign aid has, and work together for those things that are in the best interests of our country, are in the best interests of world peace, reflect the responsibilities we have as a world power, and which coincidentally make good economic sense by creating jobs here at home and creating markets overseas.

I yield to my good friend from Wisconsin.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. Mr. President, this continuing resolution funds foreign operations for the remainder of fiscal year 1992, and provides a supplemental amount of $270 million in peacekeeping operations under the jurisdiction of the Commerce, State, Justice Subcommittee.

The rate of operations for this bill is approximately the same as the current continuing resolution except for the additional amount being provided for those peacekeeping activities. This will provide a rate of operations which is $1.1 billion below the fiscal year 1991 level.

There is no way that very important foreign policy programs can be funded under this continuing resolution. The proposal which the administration strongly advocated for Latin America, the Enterprise for the Americas Initiative, will get no funding under this CR.

The only assistance available for the former Soviet Union under this CR is reprogrammed money from other programs. Obviously, that greatly limits resources for the former Soviet Union, and further punishes accounts from which that money must be taken.

It is almost ironic, Mr. President, that we end up by taking this up on the floor of the Senate on the afternoon of the morning when the President makes a major breakthrough announcement with regard to the Soviet Union, and yet no dollars are really there.

On the other hand, one very good provision for the former Soviet Union, developed by myself, Congressman OBEY and Senator LEAHY has been included in this bill. it will allow the President to use $50 million to purchase and provide American-made foods traditionally used in maternal and child nutrition programs. These foods would be purchased over the next few months in time for the next school year, and be distributed, where feasible, through ministries of education throughout the republics of the former Soviet Union.

The purchase of dairy products in March, April, May, and June will greatly help strengthen farm prices during the flush months.

Dairy farmers in Wisconsin and across the Nation are barely surviving on the prices they currently receive for their milk. By reducing the Government surplus, we will promote higher prices for American farm products. This humanitarian program is an ideal opportunity for the United States to assist families abroad and at the same time help family farmers here in the United States of America. This is an important provision and I am pleased that it will be adopted.

There are a number of other provisions in this continuing resolution which either adopt House positions or eliminate Senate positions, including Senate earmarks like contributions to the National Science Foundation's International Biological Diversity Program, assistance for Morocco, and others.

Most important, this continuing resolution does not contain any assistance for Soviet Jewry. The distinguished senior Senator from Hawaii and I, the distinguished senior Senator from Ohio, the chairman of the subcommittee, and many others worked very hard to come up with a proposition acceptable to the administration in order to provide badly needed assistance to Soviet Jews. The administration would not accept any provision of assistance—including a proposition from Senator METZENBAUM which would have provided investment guarantees from American corporations to invest in Israel, with no money going to Israeli Government.

This is a most unfortunate situation.

We were given this continuing resolution on the day the current one ran out, and are expected to simply rubber stamp what the House has put together. We all know that this is not good practice. I know of a number of amendments which Members on both sides of the aisle would like to offer. I think we ought to bring up those amendments, and consider each on its merits. However, opening this resolution to amendments could delay this measure for weeks.

Mr. LEAHY. Mr. President, earlier I described the contents of the House-passed continuing resolution. Since there will not be a committee report on this year's foreign aid program, I want to set forth my special concerns as chairman of the subcommittee, as well as those of other members of the subcommittee who wrote letters to me expressing their views as I prepared my markup of the fiscal 1992 bill. It is my intent, as chairman of the Foreign Operations Subcommittee, and the intent of Senator KASTEN, the ranking member of the subcommittee, that this statement will provide guidance to the foreign assistance agencies on the remainder of the fiscal 1992 foreign aid program.

ITEMS OF SPECIAL INTEREST

AID FOR DEMOCRACY

U.S. foreign aid should be provided, to the maximum extent possible and consistent with the national interest, to achieve the goal of promoting democracy around the world. Therefore, the Secretary of State is requested to submit a report by August 1, 1992, describing for each recipient country whose government was not democratically elected, how foreign military financing and economic support fund assistance has been used to obtain progress toward holding democratic elections and strengthening democratic institutions, and what progress was made toward these goals during the previous fiscal year.

AID MANAGEMENT AND ACCOUNTABILITY

In the fiscal year 1991 Foreign Operations bill, a provision was included which established a Presidential commission to examine persistent management and accountability problems at AID. The General Accounting Office is conducting its own review of management at AID. The White House announced that a special OMB team had been established to review specific management weaknesses at AID. AID itself is undertaking management reforms and improvements on its own initiative. The Administrator has launched a major reorganization of the Agency in an attempt to strengthen and rationalize management control and policy direction in the foreign aid program. These efforts by the Agency to reform itself are welcome. However, reports of the effects of this structural reorganization are mixed and inconclusive to date. It remains to be seen whether the reorganization will actually improve management or whether the principal result will be more bureaucratic layering and isolation of the senior management from program development and implementation.

ANDEAN DRUG INITIATIVE

The administration's Andean drug initiative [ADI] is a 5-year, $2,200,000,000 program to combat cocaine production through eradication, interdiction, and targeting the leaders of the drug cartels. Despite the administration's ambitious goals and optimistic predictions, its own data shows that during the first 2 years of the ADI, after expenditure of about $630,000,000, there has been a 39,200-metric-ton increase in coca production.

The administration should conduct a comprehensive reexamination of its counternarcotics strategy in the Andes, and submit a report by August 1, 1992, comparing the flow of cocaine into the United States in 1989 with the flow projected in 1992, 1993, 1994 and 1995, and describing the ADI's expected impact on that flow.

COUNTRY ISSUES

Cambodia

Public Law 101-513, which the continuing resolution extends, provides up to $20,000,000 for humanitarian and development assistance for needy Cambodians, and an additional $5,000,000 for Cambodian children. These funds should be utilized throughout the country, for civilians only, and allocated on the basis of need.

Land mines.—Millions of unexploded land mines lie scattered throughout Cambodia. An international program was recently begun to locate and remove the mines, and that AID has announced it will contribute to this program. AID should generously support this effort. There are also various NGO's in Cambodia supporting prosthetics projects to aid the amputees, including the Vietnam Veterans of America Foundation. AID should promptly determine whether these projects are deserving of support from the War Victims Fund.

Colombia

There are disturbing reports of widespread human rights violations by the military and police in Colombia. Because of resistance by the Colombian Government to expanding the army's role in counternarcotics activities, the administration plans to shift its priority to the Colombian police. Yet, according to the State Department, "the police . . . participated in extrajudicial killings of suspected drug traffickers and young residents of urban neighborhoods. . . . [T]he police . . . frequently beat and torture detainees. . ." The reports of torture and killings of street children by Colombian police, and of police complicity in drug trafficking, are particularly disturbing. In considering any request for military or police assistance for

Colombia, attention will be given to whether the Colombian Government is addressing these human rights problems.

Costa Rica

The dual pressures of debt and population growth threaten Costa Rica's most important conservation area, La Amistad Biosphere Reserve. La Amistad is a World Heritage Site and an internationally recognized reserve under UNESCO's Man and the Biosphere Program. AID and the MDB's should assist the Costa Rican Government to protect La Amistad from exploitation.

El Salvador

The administration should implement US assistance programs in coordination with United Nations reconstruction and reconciliation programs to implement the peace agreements. AID should consult closely with all participants in the political and economic processes, including nongovernmental organizations [NGO's], on the uses of assistance, and give priority to programs which address basic human needs. It is important that existing community organizations and indigenous NGO's be utilized to the maximum extent practicable in designing, implementing, and evaluating reconstruction and development projects.

AID should consult closely with community representatives and indigenous NGO's with experience in the conflictive areas on the design and implementation of economic and development assistance projects in the former conflictive zone. AID has already provide assistance to Santa Marta, one of the repatriated communities in a conflict zone.

IMET.—A substantial portion of any IMET assistance for El Salvador should be used for expanded IMET initiative courses developed by the Defense Security Assistance Agency to implement a new program mandated by Public Law 101-513 to promote civilian control over the military, an effective military justice system, and training of the military in the observance and protection of human rights.

CIREFCA.—Assistance continues to be needed for the International Conference on Central America Refugees (CIREFCA) as a means of supporting regional peace. Reintegration of the uprooted populations in El Salvador and Nicaragua is an important part of reconciliation in those countries. CIREFCA can contribute to the safety and support of these refugees as they return.

Corruption.—Last year in its report the Appropriations Committee discussed the case of Banco Agricola Commerical, from which approximately $40,000,000 was allegedly disbursed in the 1980's in the form of unsecured loans, apparently with little or no provision for, intention, or assurance of repayment. Recently, fraud indictments were issued against 21 individuals in connection with these case. There is concern, however, that the Salvadoran Government has not acted aggressively to collect these outstanding loans at the same time that it is seeking hundreds of millions of dollars in assistance from American taxpayers. Vigorous efforts should be undertaken to seek repayment of these loans.

Torture victims.—During the way, thousands of Salvadorans were subjected to torture. AID should support, through NGO's the treatment and rehabilitation of torture victims.

Guatemala

The administration should submit a report by August 1, 1992, describing actions taken by the Guatemalan Government to investigate and bring to justice those responsible for the cases mentioned in last year's Appropriations Committee report, as well as the following cases; the September 11, 1990, murder of Myrna E. Mack; the January 12, 1990, abduction and murder of Salvadoran Hector O. Colindres and Guatemalan lawyer Gilda Flores; the December 2, 1990, massacre of villagers at Santiago Atitlan; the October 6, 1990, kidnapping and murder of CERJ member Sabastian Velasquez Mejia and the February 17, 1991, murders of CRFJ members Juan Perebal Xirum and Manuel Perebal Morales, in Chunima, El Quiche; the December 16–26, 1990, torture of Julio Chalcu Ben, in Escuintla; the April 14, 1991, murder of Camilo Ajqui Jimon, a CERJ member, in Potrero Viejo, Zaculapa, El Quiche; the May 26, 1991, abduction and suspected murder of Santos Toj Reynosa, a CEFJ member, in Guatemala City; the June 28, 1991, murder of Celestino Julaj Vicente, a CRFJ member, in San Pedro Jocopilas, El Quiche; the August 5, 1991, murder of Jose Miguel Merida Escobar; the November 8, 1991, disappearance of Diego Domingo Martin in Ixcunen, La Democracia, in Huehuetenango; and the October 10, 1991, murder of Miguel Tiub Imut, in Parraxtut, Sacapulas, El Quiche.

Street children.—There is an alarming level of violence against street children in Guatemala. An estimated 5,000 children live on the streets of Guatemala City alone, and many have been abducted, beaten and murdered, reportedly by Guatemalan police. AID should continue its commendable efforts to assist these children. Casa Allianza, the Guatemalan branch of New York's Covenant House, has been providing hundreds of Guatemalan street children with shelter, food, clothing, counseling, and health care, and is the country's only refuge for homeless children.

Indonesia

There are reports of ongoing human rights abuses in Indonesia, particularly in Aceh and East Timor. The world was shocked by the killing by Indonesia soldiers of civilians in Santa Cruz, East Timor on November 12, 1991. Although the Indonesian Government appointed a commission to investigage the November 12 massacre, human rights groups have severely criticized the commission's investigation and findings. It is too soon to say whether the Indonesian Government's response to this tragedy will be adequate to deter future abuses.

Indonesia has been a major recipient of U.S. and miltilateral assistance, including military assistance. The Administration should submit a report, by August 1, 1992, on the extent to which the Indonesian Government has:

Cooperated fully with United Nations human rights initiatives, including an international investigation of the Santa Cruz massacre;

Fully accounted for the bodies of those killed in the massacre;

Brought to justice members of the security forces responsible for human rights abuses, in particular those committed during and after the Santa Cruz massacre;

Permitted the free and regular monitoring of human rights in East Timor and Indonesia by domestic and international human rights organizations;

Established a registry of detainees that is accessible to the public.

Malawi

There are concerns about the continued imprisonment of Malawians for their political beliefs or those of their relatives, including Orton and Vera Chirwa, Goodluck Mhango, Aleke Banda, and Ms. Sikwese. The administration should seek the release of remaining political prisoners and measurable progress toward democratization in Malawi, including an end to restrictions on freedoms of speech, press, and assembly.

Nicaragua

A serious constraint on addressing Nicaragua's many environmental problems is the weakness or absence of local institutions focusing on land conservation and natural resource management. There is an urgent need to improve the training of resource professionals both in Nicaraguan Government and academic institutions. AID should consider establishing a pilot program for training future national resource professionals. This training should include a scholarly exchange program with an appropriate United States academic institution; training programs in Nicaragua with experienced United States instructors; and training programs with Central American institutions.

Peru

Last year in its report the Appropriations Committee discussed the serious human rights situation in Peru. The Committee stated that no military assistance should be provided to Peru until the Peruvian Government commits itself to strong measures to bring the military under civilian control and to enforce respect for basic human rights.

Despite these concerns, in January 1992 the administration released 40 percent of the fiscal year 1991 economic and military aid. In considering any future notification of intention to provide counternarcotics assistance to Peru, attention will be given to whether: the Peruvian President is exercising control over disbursements of military aid funds; the ICRC has unimpeded access to military and police detention facilities; a central registry of military and police detainees is functioning under the control of the Public Ministry, and readily accessible to the ICRC, human rights groups, lawyers and the public; the Peruvian Government has acted vigorously to investigate and bring to justice those responsible for the following human rights abuses: November 8, 1988, murder of Jugo Bustios; June 1989 murder of Fernando Mejia Egocheaga; September 1990 murders of Zacarias Pasca Huamani and Marcelino Valencia Alvaro; August 1990 massacre at Iquicha, Ayacucho; September 1990 murders at Vilcashuaman, Ayacucho; July 1991 massacre at Santa Barbara, Huancavelica; March 1991 murders at Chuschi, Ayacucho; June 1991 murders of medical student and two minors; September 1991 murders of 12 people at Mohena, Department of San Martin; September 1991 detention and torture of Limber Garcia Mozambite at Tarapoto; September 1991 abduction and murders of Salvador Carrazco Gomez and Carlos Vasquez Reinell in Tarapoto, Department of San Martin; September 1991 disappearance of Alvaro Hachiguy Izquierdo in Aucayacu; August 1991 disappearance of Wilmer Guillermo Jara Virgilia in Aucayacu; August 1991 disappearance of Geronimo Villar Salome in Aucayacu; August 1991 disappearance of Jules Tarazona Jaipen in Aucayacu; August 1991 disappearance of Jules Tarazona Jaipen in Aucayacu; August 1991 abduction and murder of Sara Luz Mozambite Quinones, and disappearance of Camilo Alarcon Espinoza in Aucayacu; October 1991 disappearance of Ricardo Fernado del Rio Adrian at Tocache, Department of San Martin; November 1991 murders of 16 people in Barrios Altos, Lima; December 1991 murders of 12 people in San Martin de Pucate and

Puerto Primavera, Huallaga; and January 1992 murders of five members of the Jualberto Rodriquez family in Huaura, Lima.

Philippines

NGO's and cooperatives have been instrumental in carrying out humanitarian and development activities on behalf of needy Filipinos. AID has consulted regularly with these organizations on project selection and design, and is encouraged to expand its contacts with indigenous NGO's in the future.

Human rights.—Last year in its report the Appropriations Committee reiterated its concern about human rights. AID has taken steps to initiate a program to improve the administration of justice in the Philippines. The administration should use its influence in the Philippines to seek justice in many of the outstanding cases involving reports of human rights abuses by Philippine security forces or individuals within their control.

Natural resource management.—AID is to be commended for its initiation of a Natural Resource Management Program which will support protection of remaining old-growth forests and recognition of secure tenure for local people. These actions are crucial to ensuring environmental sustainability in these areas. AID should submit a report on the Philippine Government's progress in meeting these program goals, no later than August 1, 1992.

The coastal zone which provides the Philippines with much of its food, tourism, and commerce is suffering severe degradation from pollution from heavy metals, fisheries depletion, and the destruction of coral reefs. AID should seriously consider utilizing the expertise of the U.S. marine science community in assisting their Filipino counterparts to develop scientific and management capability that is needed for effective coastal zone management.

South Cotabato.—In the past 2 years the Committee has emphasized in its reports the priority it places on development which directly benefits the rural poor, particularly measurable improvements in health care and education. If the proposed South Cotabato projects in Mindanao are any guide, the thrust of the MAI does not adequately reflect the Committee's priorities.

Uganda

There are serious deficiencies in the Uganda justice system and AID should study the feasibility of developing an Administration of Justice Program for Uganda and submit a report by August 1, 1992. If the report concludes such a program is feasible and desirable, it should describe its likely structure, the level of funding required for its implementation, and the response of the Ugandan Government to such an initiative.

TITLE I—MULTILATERAL ECONOMIC ASSISTANCE

MULTILATERAL DEVELOPMENT BANKS

Population.—There is an urgent need to strengthen the international response to the global population problem. The Secretary of the Treasury should instruct the U.S. Executive Director to the World Bank to vigorously promote the following reforms in an effort to give population, like the environment, the attention it deserves in the Bank decisionmaking process:

Substantially increasing Bank lending for population in fiscal year 1992 and future years.

Placing a population and family planning adviser within the office of each regional vice president.

Changing the Population Adviser's Office of Policy, Research and External Affairs into a population department, separate from the present Population and Health Resources Department, to reflect the importance and interdisciplinary nature of population.

Discontinuing the traditional Bank practice of consolidating population, health, and nutrition into PHN projects, in order to show explicitly the population content of these projects.

The other MDB's should likewise support family planning and programs which will promote the role of women in development. This includes strengthening their operational staffs to ensure that family planning and the role of women receives full consideration in MDB lending decision.

Environmental concerns.—The World Bank and the other multilateral development banks (MDB's) should adopt 2-year benchmarks in four areas—energy efficiency, tropical forest protection, environmental assessment, and resettlement of forcibly displaced populations—as a basis for measuring progress on the environment. Such benchmarks should include the following:

In the area of sustainable energy development—

"Least-cost"/integrated resource plans should accompany all loan proposals for energy development. Such plans should include analyses of possible end-use energy efficiency measures and nonconventional renewable energy options, and such plans should reflect the quantifiable environmental costs of proposed energy developments;

A substantial portion of loans and grants in the energy, industry, and transportation sectors should be devoted to end-use energy efficiency improvements and nonconventional renewable energy development; and

All organizational units within the MDB's that maintain technical expertise on energy should create staff positions for an End-Use Efficiency Coordinator and a Renewable Energy Coordinator, which positions should be staffed by individuals with professional training and experience in program design and management.

In the area of tropical forests—

Forestry loans should not directly or indirectly support commercial logging in relatively undisturbed primary forests unless management systems which maintain the ecological functions of the natural forest and minimize impacts on biological diversity have been demonstrated in practice;

Forestry loans should not be disbursed until legal, economic, land tenure, and other policy conditions needed to ensure sustainability are in place;

Forestry loans should not support mineral, petroleum, or other industrial development in, or construction or upgrading of roads through, relatively undisturbed primary forests unless adequate safeguards and monitoring systems, developed in consultation with local populations, are in place;

Forestry loans should be consistent with and support the needs and rights of indigenous peoples and other long-term forest inhabitants; and

Support for protection of biological diversity, in close consultation with local communities, should be increased.

In the area of forced displacement of populations—

The World Bank, Inter-American Development Bank, and Asian Development Bank, should maintain a listing, available to the Secretary of the Treasury, of all ongoing projects involving forced displacement of populations, including the number of people displaced and a report on the status of implementation of their resettlement policy guidelines for each project;

Obtain agreements with borrowers to ensure that all ongoing projects involving forced displacement will be in full compliance with their resettlement policy guidelines by mid-1993; and

The African Development Bank should adopt and implement policy guidelines on forced displacement similar to such guidelines of the other MDB's.

In the area of procedures for environmental impact assessments (EIA's)—

Each MDB should require that draft and final EIA reports be made available to the public in borrowing and donor countries and that the public be offered timely opportunities for comment on the EIA process;

Each MDB should apply EIA requirements to all sector and structural adjustment loans;

Each MDB should require that the EIA process include analyses of the potential impact of proposed projects on the global environment.

Given the commitments made by the World Bank on the first three of these areas in the IDA–9 agreement, it is reasonable to expect substantial progress by mid-1993—the end of the IDA–9 period. With respect to resettlement of displaced populations, the Bank has had a clear policy on this matter since 1980. In the event that these benchmarks are not met by that time, the Congress will have a clear basis to consider appropriate actions, including withholding a portion of World Bank and other MDB appropriations, in fiscal year 1994 or future years.

The Secretary of the Treasury, in cooperation with the Secretary of State, should undertake bilateral discussions with appropriate government officials of the OECD with a goal of building greater international support for the benchmarks discussed above.

European bank for reconstruction and development

Public Law 101–513 contains a requirement that the Secretary of the Treasury seek the establishment of procedures and policies to ensure that a substantial portion of EBRD funds are used to support environmental protection and restoration in Eastern Europe. The EBRD's response has been unsatisfactory. The Secretary of the Treasury should continue to implement section 584 of Public Law 101–513.

DEPARTMENT OF STATE

Voluntary contributions to international organizations and programs

United Nations Development Program

Over the past 2 years UNDP has joined in the global fight against AIDS. UNDP, with its long history of implementing health and education programs at the local level, should immediately become significantly more involved in this critical effort.

In addition, the State Department should actively seek to assist UNDP in leveraging other donors to contribute to trust funds as an innovative means to provide technical assistance to the newly independent republics of the former Soviet Union. These trust funds should be directed toward supporting privatization, environmental protection and electoral and constitutional reform.

United Nations Children's Fund

The world Summit for Children set specific and measurable goals for the year 2000. These goals give AID an opportunity to design a program which can be evaluated on a yearly basis. The administration should honor the promises made at the World Summit for Children by executing paragraph 34 of the plan of action for implementing the world summit's goals. This paragraph asks each nation to prepare a national plan of action to implement the commitments and promises made at the world summit. The administration should announce which Federal agency is to carry out the review of our child-specific programs and prepare a national plan of action. The President should provide a report, by August 1, 1992, which describes the contributions the United States will make toward the fulfillment of the goals of the World Summit for Children.

UNICEF should significantly expand its support, in cooperation with other international and bilateral donors, in the global fight against AIDS. UNICEF should submit a plan, including anticipated budget, for combating AIDS in the coming years.

United Nations Voluntary Fund for Victims of Torture

According to information from human rights groups, there are tens of thousands of torture victims in need of psychological and other assistance, many of whom reside in countries whose governments receive substantial amounts of aid from the United States. The administration should strongly support the UN Torture Fund.

TITLE II—BILATERAL ECONOMIC ASSISTANCE

AGENCY FOR INTERNATIONAL DEVELOPMENT

Development assistance

Sustainable agriculture.—AID should assist in devising national efforts to achieve agricultural sustainability. In support of these efforts, AID should emphasize programs that enable groups of poor farmers to join together to form competitive, agriculturally based enterprises. AID should increase its support for farmer-oriented sustainability research and development through appropriate collaborative research support programs. It should strengthen its efforts to reach farmers through local farm organizations and universities, NGO's, cooperatives, and official extension systems. And it should give special attention to the needs of women who are often the primary food producers. These programs should be on a large enough scale to have a significant impact over the long term, rather than a scattershot effect of many small, short-lived projects.

United States, Israel, and development country cooperative projects

Public Law 101-513 provides not less than $7,500,000 in development assistance funds to be used for cooperative projects among the United States, Israel, and developing countries. A significant portion of these funds should benefit countries in sub-Saharan Africa. Serious consideration should be given to supporting such projects in Ethiopia and Eritrea, where there is an urgent need for technical assistance to develop water conservation and irrigation systems.

AID title XII memoranda of understanding and program support grants, and university development linkages

AID should support the existing title XII memoranda of understanding and program support grants, and honor its existing commitments to universities holding MOU's and PSG's. AID has also proposed a University Development Linkages Program and other programs of the Center for University Cooperation in Development.

Coca substitution

AID should support the silk for life project in coca-producing regions in Colombia. This project provides Colombian coca farmers with silk worms to raise on mulberry bushes in place of coca. The resulting cultivated silk is a lucrative alternative to coca production, with markets both locally and in the United States. AID is also encouraged to closely examine how it could expand crop substitution programs in countries trying to reduce coca production, such as increasing export opportunities for Bolivian coffee.

South Pacific region agricultural development

AID is encouraged to expand its support for existing and new agriculture projects (commercial agricultural development project; market access and regional competitiveness project) for the development of agriculture in the South Pacific, as well as providing technical services to increase trade and investment between the region and the United States.

IPM collaborative research support program

Implementation of an integrated pest management [IPM] program at AID has been slow and tentative. The development of a collaborative research support program [CRSP] on IPM research (as recommended by the National Academy of Sciences), as well as continuation of IPM support activities under a sustainable agriculture CRSP, are important and useful ways to support IPM. However, CRSP's are research mechanisms. The IPM CRSP will not provide practical on-the-ground training or technical assistance in IPM. Technical assistance and training have been provided by the Consortium for International Crop Protection [CICP]. It is doubtful that the collective expertise of CICP can be replaced by an ad hoc in-house AID-staffed program. AID should provide for collaboration between the IPM CRSP and CICP in order to maintain an effective research, technical assistance, and training capability.

HUMAN RESOURCE DEVELOPMENT

International AIDS prevention and control program

Public Law 101-513 provides $52,000,000 for global AIDS programs, of which $23,000,000 is to be made available to the WHO Global Program on AIDS (GPA).

According to recent WHO estimates, by the year 2000, 40,000,000 people will be infected with the AIDS virus, an increase of 10 to 15 million above previous estimates, and 10 million people will have AIDS. This terrible epidemic requires a more aggressive response from the United States and other donor countries.

The Appropriations Committee is on record in support of community-based prevention and education activities which deal directly with the cultural barriers to changes in sexual behavior which contributes to the spread of AIDS. These activities, especially programs to train people to educate their peers about how to protect themselves against AIDS and programs which increase the availability of condoms, should be central to international AIDS programs and expanded significantly and immediately. Support for local NGO's that can deliver such services is essential, and funding for these purposes should be made available to the maximum extent possible.

The World Health Organization's GPA is making efforts to improve its management capabilities and address many of the problems that have impeded its effectiveness in the past. It will be another year or two before the impact of these changes are fully known. However, ongoing deficiencies with the GPA continue to impede its effectiveness.

There is an essential place for WHO as the lead agency in health policy development regarding AIDS and in technical support to national AIDS programs. However, it does not appear that WHO has the capacity or the expertise to implement the kinds of education and prevention programs described above. Rather, these activities, which can directly and immediately reduce the spread of AIDS, are best carried out by AID, NGO's, and agencies such as UNICEF and UNDP which have a long history of working at the community level to improve health and family planning in developing countries. In order to maximize its own effectiveness, AID should promptly update its global AIDS prevention policy and develop mechanisms for evaluating the results of its global AIDS prevention strategy.

There is concern that there is no effective mechanism among donors for coordinating and increasing the availability of condoms. AID and WHO should explore with other donors ways of addressing this urgent problem. Additional funds should be provided by both AID and WHO to support condom social marketing programs aimed at sectors most at risk of infection. Other multi- and bi-lateral donors should become more involved in purchasing and supplying high-quality condoms for AIDS prevention programs.

HEALTH ACTIVITIES

River blindness

Public Law 101-513 provides $5,000,000 for U.S. participation in the WHO Onchocerciasis Control Program [OCP] and for other river blindness activities. Due to the costs of aerial application of insecticides, the leveraging power of a substantial U.S. contribution to this multilateral effort is essential to the success of the final stage of the OCP.

To complement vector control efforts provided by aerial spraying and research efforts to find a safe and effective drug which will kill the adult onchocerca worm, the drug ivermectin is being utilized to alleviate symptoms and reduce the risk of impending blindness caused by the infant worm. In its report last year, the Appropriations Committee recommended that AID provide a portion of the $5,000,000 river blindness earmark to PVO's for distributing the drug ivermectin. This amount should be adequate to mount effective programs. PVO's will distribute the ivermectin, as well as transfer to local health institutions the technical skills necessary to design, implement, and monitor a long-term program of drug delivery.

Cholera

The rate at which this epidemic is spreading illustrates the continuing, seemingly intractable problem of poverty and the unavailability of clean water and proper sanitation in many Latin American communities. AID should increase and expand its cholera prevention, treatment, and control strategies in the region, and coordinate closely with PAHO and NGO's in these efforts.

Women's health

Sexually transmitted diseases and other debilitating reproductive tract infections affect many millions of women in developing countries. The lack of awareness of these infections increases the likelihood that they remain untreated, are spread further and result in long-term complications. More attention should be given to health problems that uniquely afflict women. AID should submit a report by August 1, 1992, on the incidence of these infections in developing countries, the steps AID is taking to prevent them, and where additional resources are needed.

Education activities

Last year in its report the Appropriations Committee expressed strong support for basic education. Funds should be used for basic education, including early childhood education, teacher training, and literacy training for adults which is so necessary for earning income and learning to care for young children. Fifty percent of these funds should be targeted to primary and secondary education.

Population assistance

In its last two reports the Appropriations Committee expressed serious concern about the population explosion in developing countries and the insufficient priority AID has given this global problem. Despite severe budgetary constraints, Congress significantly increased the funding for population activities in each of the last two years, not only in terms of the previous year's appropriation, but also relative to the administration's request. Yet, despite this clear indication of strong congressional commitment, the administration has continued to request levels considerably below the previous year's appropriated level.

AID lacks a clear, focused population program and a global population strategy. The responsibility for planning and implementing the program is diffused throughout some 40 units in AID. There is no single locus of responsibility or leadership. Each unit seems to design and implement its program in isolation. It is important that AID begin to distribute its funds and staff in ways that makes strategic sense. Congress' intent in this area is expressed in section 104(b) of the Foreign Assistance Act, which states that population assistance should "increase the opportunities and motivation for family planning and * * * reduce their rate of population growth * * *."

AID should develop a population plan that will enable it to respond to its legal mandate. There should be a focal point, such as the Office of Population, that is directly responsible for the development of this plan and is accountable for its coordination and implementation. This plan should have several features.

There should be an Agency worldwide budget for the population account. This budget should be produced annually and should distribute funds in a way consistent with the alleviation of the world's population problem.

There should be indicators that measure the success or failure of this plan on an ongoing basis.

The plan should be monitored continuously to ensure that the disparate parts of AID remain in accordance with the plan.

A plan that lays out a strategy for dealing with the world's population problem must include a staffing component. It appears that staffing levels of population personnel are much too low and have not kept pace with the increased budget levels. AID should allocate sufficient staff to population in order that appropriated funds are used effectively.

There is concern that the Development Fund for Africa [DFA] is not being used fully to meet the population challenge in Africa. As in the past, in addition to central population funds used in Africa, 10 percent of the DFA should be devoted to population activities. AID should give the highest priority to population in Africa, both in terms of funding and personnel.

Last year AID submitted a report on its population programs and activities. This year, AID should submit a report by August 1, 1992, which addresses the following issues:

World plan of action.—AID needs a population plan that shows how it expects to achieve the objectives of making high-quality family planning services available throughout the world and in ways that have the maximum impact on the world's population growth rate.

Staffing plan.—The number of people working in population, where they are working, and how the size of the population staff compares with other sectors relative to their funding levels. The size of the population staff should reflect the high priority AID should be giving population. If this analysis shows that the population staff is too small, AID should present the specific steps it intends to take to correct the situation.

Population budget process.—What is needed is a budgeting system that is an integral part of the action plan and reflects the global nature of the population problem. As with any good budgeting system, this one should not only provide an efficient way to distribute population funds but it should also maximize their intended impact.

Management locus.—There is no single unit in AID that one can turn to for a complete overview of AID's population program. The Office of Population comes the closest to fulfilling this basic and critical need and its role could be enhanced to serve as a managerial locus for the program. Last year the Committee asked AID to address this management and organizational flaw and received a totally inadequate response to the GAO report. The report should give special attention to management and coordination of AID's overall population plan.

Africa—The report should give special emphasis to Africa. Congress created the DFA to ensure that the continent gets the attention it deserves. AID should document that it is doing what is required to alleviate the population problem in Africa.

Romania

Public Law 101-513 provides $1,500,000 for voluntary family planning in Romania. There is concern that by the end of 1991, less than one-half of these funds had been expended. The problems in Romania are tragic and acute. AID should expedite the use of these funds to help the children of Romania.

Sub-Saharan Africa

Public Law 101-513 provides $800,000,000 for development assistance for sub-Saharan Africa, $230,000,000 above the previous year. AID should focus assistance in countries where the need is greatest and whose governments have shown a commitment to political and economic reforms and alleviating poverty. As in past years, AID is expected to target at least the equivalent of 10 percent of DFA funds for each of the following: environment, health, and family planning programs. AID should consult closely with African and United States PVO's to ensure the equitable, participatory, and environmentally sustainable use of these funds. AID should increase its support for public health programs in Africa.

Namibia.—In just over 1 year Namibia has transformed itself from an occupied territory into an independent country. When Namibia was under South African rule it suffered from the sanctions imposed under the Comprehensive Anti-Apartheid Act, at the same time that black Namibians did not receive any of the benefits under that act which were extended to black South Africans. AID should support employment generation and vocational training projects for black Namibians.

Kenya.—Bernardo House, the oldest orphanage in Kenya, plans to construct a facility to care for infants and children with AIDS in the Nairobi area. AID should seriously consider supporting this effort, as Kenya braces itself for the thousands of children who will contract AIDS in the next decade.

OTHER DEVELOPMENT ISSUES

Environment

A July 1991 GAO report entitled "AID Energy Assistance and Global Warming" concludes that "no substantial shift in energy funding patterns can be attributed to the global warming initiative legislation." The primary goal of the global warming initiative is to maximize the effectiveness of scarce resources by focusing them in the key countries that are the major contributors of greenhouse gas emissions that cause global warming. It is intended that the allocation of these funds reflect the relative contributions of each of these countries to global warming.

AID office of energy

Public Law 101-513 provides $20,000,000 for the Office of Energy. The Office should continue to support the transfer of technical information and assistance for renewable energy projects in developing countries; the use of VITASAT for rapid and accurate electronic information flow to and from remote areas; and expand support for an established technical information service currently funded by AID which will use VITASAT.

A portion of the funds for the Office of Energy should be used to continue funding the preinvestment facility for preparation of energy efficiency, renewable energy, and least cost planning projects.

Renewable energy

AID has not done enough to promote renewable energy and energy efficiency activities in the developing countries. These activities should include greater use of photovoltaics, wind, and solar water heating, such as envisioned in the Africa 1000 USA project and AID's wind energy initiative. Future AID energy investment should be made only in least cost/integrated resource planning selected programs or programs which promote energy conservation and efficient uses. To the maximum extent possible, integrated resource planning should include quantification of the environmental costs of potential projects. AID should give serious consideration to supporting renewable energy development, including wind energy, in Mexico.

Montreal protocol

There is new evidence that depletion of the ozone layer is far greater than previously believed. Public Law 101-513 provides not less than $10,000,000 for the Interim Multilateral Fund for the Implementation of the Montreal Protocol. The US representative to the Executive Committee that oversees the implementation of the Interim Multilateral Fund should:

Seek assurances that none of these funds are contributed to any developing country that is not a party to the protocol and operating under article 5 of the protocol;

Seek assurances that these funds will be used only for environmentally sound projects that are ozone-safe and energy-efficient, and do not contribute to global warming;

Take steps to encourage the involvement of relevant nongovernmental organizations in all aspects of the Fund's operations, including review of project proposals; and

Take steps to establish procedures for public access to information concerning the institutional and economic elements of the Fund.

Early warning system

Last year in its report the Appropriations Committee expressed support for AID's early warning system for identifying proposed MDB loans which may cause damage to the environment, public health, or indigenous people. With the MDB's beginning to prepare environmental assessments of project proposals the task of reviewing these assessments for accuracy and completeness will greatly increase the importance of and demands on the Early Warning Office. However, since then, AID has downgraded the Early Warning Office and allowed its key functions to languish. AID should establish a full-time career path position to manage the Early Warning Office filled by an individual with appropriate formal environmental training and relevant experience to properly oversee the operation of the early warning system.

African elephants

Public Law 101-513 provides $5,000,000 for African elephant conservation. Two key deficiencies in ongoing AID programs have been the lack of coordination with other management initiatives (such as those undertaken by the Fish and Wildlife Service), and formal systems to train local personnel to oversee the long-term protection of elephants and associated wildlife and habitat. To address these shortcomings AID should consult with the Fish and Wildlife Service in order to coordinate the two programs and ensure that Federal funds are used effectively. AID should also include a representative from the Fish and Wildlife Service on its project selection and review teams.

AID should submit a report by August 1, 1992, on a program to achieve the objectives of the protected area conservation strategy [PARCS] to develop a cadre of trained personnel to manage wildlife sanctuaries and other protected areas in sub-Sahara Africa. The report should contain an analysis of the cost of implementing such a program.

Sustainable non-timber forest products

The sustainable use of a renewable natural resource base is essential to the long-term conservation of biologically rich ecosystems and to the indigenous communities that depend on these ecosystems for their survival. The unsustainable harvesting of timber and other forest products has already resulted in significant loss of biological diversity and local economic options. AID should identify and develop the economic potential of the sustainable use of threatened forests.

AID should address these concerns by working closely with foreign governments, NGO's and local communities. A program should be developed that supports research, training, and field projects that demonstrate economic approaches to the conservation of biodiversity. In seeking partners in such projects, AID should work with organizations that emphasize the role of communities, women and indigenous people in conservation-based development. There should be a particular focus on community-oriented enterprises such as ecotourism and sustainable extraction of non-timber forest products. AID should also address the significant national policy barriers that inhibit community-based forest management and marketing of non-timber forest products.

Microenterprise

Public Law 101-513 provides not less than $75,000,000 for programs of credit and other assistance for microenterprise activities in developing countries. AID should target this program to the poorest 50 percent of the population of the poorest AID-assisted countries. AID should also target at least 50 percent of all microenterprise resources to support productive activities managed by women. Credit and other forms of assistance should be channeled primarily through private community organizations.

According to a February 1991 GAO report, AID has not targeted women in the poorest 20 percent of the population, loans frequently exceeded $300, and AID does not have an adequate system for monitoring these loans. In its report to Congress "AID and Microenterprise, 1990-92," AID states its commitment to "ensure that a substantial portion of the microenterprise program supports credit for the poor," and to "maximize the participation of women." These are both primary goals of the original microenterprise legislation.

Too few microenterprise resources are being used for small loans for women and the poorest entrepreneurs. A substantial portion of these funds should be used for loans of less than $300, and special attention given to the acute needs of women.

War victims fund

Public Law 101-513 provides $5,000,000 in development assistance funds for the War Victims Fund. Last year, the Committee expanded the mandate of the War Victims Fund to cover all medical and related assistance, including vocational rehabilitation and training. Thus, the Fund is now available to enable blind and other disabled individuals to become self-supporting. Last year, the administration initiated a war victims program in Vietnam. The funds will be made available through American NGO's with prior experience in humanitarian activities in Vietnam, and will be used to support training of Vietnamese technicians and medical personnel as well as to produce prostheses. These funds should be used for solely humanitarian purposes, to assist Vietnamese in both the north and south regardless of which side they may have supported in the war.

AID has begun to use funds from the War Victims Fund in Angola, where tens of thousands of civilians have lost limbs from the extensive use of land mines by both sides in the civil war there. Now that a peace agreement and ceasefire are in place in Angola, AID should act expeditiously to determine what further action can be taken to assist these people.

AID should immediately investigate ways to use the War Victims Fund in Cambodia, where it is estimated that several hundred people are losing limbs from land mines each month. Several NGO's, the Vietnam Veterans of America Foundation, are assisting Cambodian amputees and may be deserving of support.

AID apparently plans to allocate $3,000,000 of the War Victims fund in Africa from the Development Fund for Africa. While there are significant needs in Africa there is concern that by fencing over one-half of the War Victims fund for Africa before any assessment of how those funds would be spent, AID may be unable to respond to the needs of war victims in other countries. AID should allocate these funds according to need and its ability to implement programs, not according to region.

Women in development (WID)

Public Law 101-513 provides not less than $5,000,000 in development assistance funds to be used to encourage and promote the participation and integration of women in the development process in developing countries. Not less than $3,000,000 is to be used as matching funds to support the activities of AID field missions to integrate women into their programs.

AID should maintain a Women in Development Office. While the responsibility for incorporating and promoting WID goals lies with all AID offices, a WID office is needed to encourage other AID offices to implement these goals, to manage the matching fund, and to serve as a point of accountability and as an advocate for WID programs.

To achieve full participation in development, women must have equal access to economic, political, civil, and social rights. There is concern that the administration has failed to give the Senate a review and recommendation on the Convention on the Elimination of All Forms of Discrimination Against Women. The convention addresses many critical issues affecting the status of women around the world and complements women-in-development efforts. The United States was a major force behind the treaty and signed it in 1980. The President should submit his review of the convention to the Senate.

ECONOMIC SUPPORT FUND

Portugal

Since 1980, over $391,000,000 in local currency generated through the ESF program has been allocated to the Azores Island, a part of Portugal and the site of the United States air base at Lajes. The population of the Azores Islands is approximately 300,000 people. Virtually the entire amount of assistance dedicated to the Azores is used for the investment and operating budget of the local government. The assistance clearly relates to the presence of the Lajes Air Base.

There is concern about the uses of such a large amount of local currency in the Azores to support the operating budget of the local government. The State Department and AID should submit a report by August 1, 1992, providing a detailed funding history and justification for this program.

Israeli-Palestinian activities

Activities which bring Palestinians and Israelis together to work on projects of mutual benefit are an important way to bridge the gap created by years of violence and distrust. AID is encouraged to make available funds from the ESF account to private voluntary organizations in Israel and the West Bank and Gaza for educational, cultural, and humanitarian purposes involving both Israelis and Palestinians.

Eastern Europe

Public Law 101-513 provides $369,675,000 for the Eastern Europe special assistance initiative.

Program coordination and cooperation with the private sector

There has been progress by the State Department and AID in strengthening the role of the U.S. business community in the Eastern European initiative. However, there continue to be complaints from U.S. businesses that the administration does not have well-defined procedures and processes for assisting and involving the American private sector in the transformation of Eastern Europe. The administration should develop further programs such as the American Business Initiative to provide for maximum involvement of the U.S. private sector, including business and labor organizations, so that its expertise and resources can contribute to the development of a market economy and democratic institutions in Eastern Europe.

Technical assistance

The United States has a wealth of technical expertise available to assist emerging democracies. Emphasis should be given to the development of democratic trade unions, scholarship programs, medical assistance, and support for public and private sector development, and for technical and other assistance to support housing sectors. The National Academy of Public Administration could be a valuable resource to AID for technical assistance in the area of public administration.

Environment and energy assistance

Assistance should continue to enable these countries to deal with the legacy of four decades of Communist mismanagement. These programs should emphasize assistance encouraging, and providing incentives for, end-use energy efficiency, conservation and reliance on renewable energy resources. They should also include training and technical assistance for related energy and environmental investments or regulations, and the local production of environmental or energy-related equipment. Further emphasis should be on the promotion of U.S. technologies and dealing with health problems directly associated with pollution.

Energy and Environmental Institute.—Last year in its report, the Appropriations Committee urged the allocation of up to $500,000 to fund a prototype United States-Polish energy and environmental institute as a counterpart to the Budapest Regional Environmental Center. While the primary mission for the Budapest Center is policy education and dissemination of information, a companion demonstration institute in the fields of energy and environment is needed to establish effective models of technical collaboration between U.S. national laboratories and federally sponsored research programs and their counterparts in Eastern Europe.

Democratic pluralism

Democratic forces in Albania are in dire need of assistance as they begin to construct the foundations of a democratic society, and AID should continue to encourage their efforts with technical assistance in drafting a new constitution and other basic legislation.

Enterprise funds

Support for the Polish-American and the Hungarian-American enterprise funds is intended for the capitalization of other enterprise funds for the region and for other private enterprise activities. All of the funds under this category should be for activities with an emphasis on technical assistance and training for the development of market-oriented policies and the restructuring and creation of financial institutions such as stock markets, insurance companies, and banks. Private enterprise activities should also include the creation of private businesses organizations and the privatization of state business organizations.

Agriculture assistance

The emergencies of an efficient private agricultural sector is central to the development of strong private enterprise economies in Eastern Europe. U.S. agricultural assistance program should focus on technical assistance and training for the development of rural economies and market-oriented policies. There should also be programs concentrating on the restructuring and creation of agricultural financial institutions and marketing systems and the development of food processing, food transport, and food storage systems. Also necessary are programs to help in the creation and management of agribusiness organizations, the privatization of state farms, agribusiness, and credit institutions.

Legal initiatives

There is a need to continue to provide support for the Central and East European Law Institute [CEELI]. CEELI is a cooperative effort to facilitate the process of law reform in Eastern Europe. American lawyers have volunteered their time and expertise and USIA, the National Endowment for Democracy, the ABA, and the International Academy of Trial Lawyers have provided startup funds.

Former Republics of the Soviet Union

After spending an estimated $4,000,000,000,000 to win the Cold War, the United States has a fundamental national interest in helping Russia and the other former republics in the difficult transition to democracy and free market economies. This aid, which is designed to prevent a return to the totalitarian past, is a sound investment for the United States as well as the former Soviet republics.

Foreign aid dollars are scarce, and there are great risks that our aid will be wasted or stolen. Moreover, the results from aid to the former Soviet republics must be tangible and visible, particularly in these times of domestic economic problems in the United States. It must be clear our limited aid dollars are being productively used. The following general guidelines should be followed regarding aid to the former Soviet republics:

Focus on technical assistance.—The United States is blessed with intelligent, experienced people who can help the people of the former Soviet republics understand how a market system works and aid the transition to a western system of democracy;

Insist on burden-sharing and coordination.—Other developed nations must share in the effort to help the republics change and develop;

Involve the US private sector.—The assistance program should depend heavily on coordination and cooperation with US firms and organizations with experience in creating western-style institutions and privatization.

Get tangible returns for our aid.—Require that a substantial portion of our aid be used to buy US goods and services which help both our economy and that of the recipient.

Delivery of humanitarian assistance

In addition to long-term assistance, the United States also has a humanitarian interest in preventing mass suffering and starvation in the republics during their difficult and troubled transition. There should continue to be strict monitoring of the distribution of this humanitarian aid to ensure that it reaches the intended recipients who are most in need. Just as the United States utilized the services of the Catholic Church in early efforts to assist Poland, it is clear that private organizations in the former Soviet Union should be used to deliver food and humanitarian assistance. Such help is particularly necessary in the former Soviet Union because there are logistical problems with government sources. It has become clear that many minorities have been excluded from humanitarian programs. We must ensure delivery of services to those groups, partially by using them as agents of the program. The Administration should utilize other Christian churches, including the Russian Orthodox, Pentecostal groups, and others. As well, in order to ensure that Jews who live in former Soviet republics are reached, organizations such as Helping Hand, Inc., which has operated in the Soviet Union for nearly 40 years, should be used.

Types of assistance

The funds made available for the former Soviet republics should be used to provide technical assistance, training, and other assistance in support of democratic institutions and processes and market-oriented reforms. Several activities should be emphasized:

Scholarship programs, support for the health sector, and support for the development of democratic trade unions;

Support for private sector development, including development of market-oriented policies, restructuring and creation of financial institutions, privatization of state enterprises, creation and management of private enterprise; and

Support for the agricultural sector, including restructuring and creation of agricultural financial institutions and marketing systems, development of food processing, food transport and food storage systems, privatization of state farms, and support for agribusiness.

Eligible recipients

AID should be limited to the former Soviet republics that are making progress toward the establishment of democratic systems and economic reforms. The Administration should make clear that the republics must also demonstrate a respect for a commitment to internationally recognized human rights, and show a willingness to build a friendly relationship with the United States, including establishment of responsible policies and practices regarding the non-proliferation of nuclear and other weapons.

Reports on implementation of program

The Secretary of State should, within 90 days of enactment of the Continuing Resolution, submit a report on the coordination among the various agencies and programs involved in providing assistance to the former Soviet Union, including State, Treasury, AID, Exim Bank, OPIC, TDP, EPA and Commerce. The report should focus on identifying lead agencies for the different components of US assistance, as well as procedures and mechanisms for providing the US private sector access to support for eligible activities.

Within 180 days of enactment of the Continuing Resolution, the Secretary of State should submit a report on the implementation of US programs of assistance to the former Soviet Union. In the preparation of that report, US labor, business and other organizations involved in US activities in the former republics should be consulted and their views on coordination, implementation and access to information, programs and assistance should be reflected.

Agriculture and nutrition

The humanitarian assistance provided by the recent airlift of food and medical supplies will help with immediate food needs of people trying to get through a different transition. To further that effort over the long run, the Administration should establish a special commodity import assistance program for the former Soviet republics. This would allow the President to use funds to purchase and provide American-made foods traditionally used in child and mother/baby nutrition programs. These foods would be distributed, where feasible, through ministries of education, and should be made available in time for the next school year.

Any local currencies generated under this program should be deposited in a special account, monitored by the President. These currencies would be available to pay the local expenses for American volunteers to provide long-term management and policy advice to key decisionmakers in the various republics as well as in the private food and agriculture industry, among others. They could also be used to pay certain expenses in connection with the program, including the cost of acquiring such commodities; the costs associated with packaging; enrichment, preservation, and fortification of such commodities; and the processing, transportation, handling and other incidental costs.

Agriculture and agribusiness management training

One of the most urgent needs in the former Soviet Union is training and technical assistance to improve agricultural production and marketing. Reform of the agriculture sector of the economy is crucial to the success of economic reform. Agriculture and agribusiness will be a driving force in a commercialized Soviet economy and will spur future commercial development in US-Soviet agribusiness and for US investments. Agriculture programs should focus on bringing competition into the food system in the former Soviet Union by developing agribusiness and cooperatives and by breaking up state collectives and farms in order to support private farms.

Support should be given for training agricultural and agribusiness managers in US technology and management practices; for technical assistance projects geared specifically to assisting agricultural and agribusiness enterprises in establishing commercially viable, market-driven businesses; for feasibility studies for commercialization and productivity improvement in the agricultural sector; and for the establishment of commercially viable demonstration projects, either for existing enterprises or for startups. Funds should be made available for training, technical assistance and demonstration projects in the dairy industry.

AID is encouraged to make technical assistance available through US private sector organizations including those already involved in similar programs in Eastern and Central Europe. Hands-on, practical technical assistance by agribusiness executives, experts and volunteers is strongly encouraged through two-way exchanges with effective private farmer organizations such as AKKOR and VASKhNIL.

AID is further encouraged to accelerate technical assistance for agribusiness development by opening existing contracts for agricultural assistance in Eastern Europe to the former Soviet Union. The following programs should be extended to the former republics: the VOCA Farmer-to-Farmer program, the ACDI Agribusiness Exchange Program, Land O'Lakes model dairy and agribusiness efforts, and the American Cooperative Enterprise Center by NCBA.

There are several examples of agricultural projects already initiated between US and Russian entities. These projects provide intensive training in dairy management, technical cooperation and assistance to dairy enterprises, training of agribusiness managers in Western management practices and the US agribusiness industry, and the development of demonstration projects with enterprises in the former Soviet republics. For example, one proposal has been prepared to help privatize the collective farms surrounding the town of Pereslavl in the Yaraslav region. These kinds of programs represent the type of training and assistance the Committee believes should be funded in support of agricultural market-oriented reforms.

Technical assistance to democratic trade unions

Independent trade unions have played an important role in the democratic development of the former Soviet republics and have been consistent advocates of democracy and economic reform, providing mass support and legitimacy to democratic political leaders at critical times over the past few years. During what is likely to be a lengthy period of uncertainty for the peoples of the former Soviet Union, independent trade unions can continue to give momentum to the transition to democracy and also perform an important stabilizing function. AID should support the involvement of US labor unions in programs of technical assistance for the creation and effective functioning of free trade unions.

Democratic education

Basic to any society's movement toward a more democratic system are reforms of the constitutional basis and law-making capability of policy-making institutions and government structures. These reforms will be at the core of any democratic changes in the former Soviet republics. Funds should be used for programs designed to assist with these reforms. Such programs would assist with the training of democratically-elected republic legislatures, and other constitutional officers, involved in law-making for democracy, enforcement of constitutional rights, and development of governmental structures based on the principles of separation of powers, political pluralism and the rule of law.

One existing project, "Law-Making for Democracy," draws on the experience of United States legislators, law professors, lawyers and other governmental professionals to provide relevant educational and training experiences in the United States for Moscow and St. Petersburg city counselors and Russian legislators. This project represents the kind of training that should be funded for technical assistance in support of democratic reforms.

Free market and economic education

Helping the former Soviet republics move toward market economies will require education and the transfer of economic and free-market knowledge.

Future business managers in the republics will need to gain expertise in business planning, accounting, budgeting, finance, production and personnel management, marketing, and many other entrepreneurial skills. Management education is sorely lacking in the former republics, where there are perhaps 30 management schools, all created since 1989. The United States has over 1,000 schools and departments of business management developed over the last century. Some schools have already initiated management training programs in the former Soviet Union. One program, "Toward A Market Economy," is an example. AID should utilize the pool of American academic management experts when considering technical assistance in free-market and economic education.

INDEPENDENT AGENCIES

Overseas private investment corporation

Environmental Investment Fund.—While there are many other efforts to promote private sector investment in environmentally beneficial and profitable enterprises, OPIC's is the only one backed by a U.S. Government entity with loan guarantees. Input by the public and environmental NGO's concerning Fund projects is vital and will help ensure that they contribute significant benefits to the environment. At the same time, there is a need to protect trade secrets or financial data that should legitimately be protected from disclosure. OPIC and the Fund should continue to consult closely with NGO's in order that the maximum practicable disclosure of information concerning fund projects is afforded. OPIC and the Fund should submit a report by August 1, 1992, on the following concerns:

The specific environmental criteria OPIC and the Fund will use to judge potential investments;

What independent, impartial review process is provided for evaluating potential investments before fund resources are committed;

What mechanisms or systematic procedures exist to enable OPIC and the Fund to consult with foreign governments, and environmental NGO's in the United States and target countries, on potential investments;

How OPIC and the Fund will promote innovative ideas to the point where they are of investment quality; and

What procedures and criteria OPIC and the Fund will use to monitor and evaluate investments to ensure they produce the expected environmental benefits.

It is intended that OPIC and the Fund will vigorously promote investment in activities which enhance environmental quality, over those which simply reduce harm to the environment.

DEPARTMENT OF STATE

International narcotics control

Public Law 101-513 provides $150,000,000 for the State Department's International Narcotics Control Program. There is concern that only $420,000 of the $150,000,000 appropriated for 1991 for INM programs will be used for public awareness and education programs. INM should consider increasing its support for public awareness and education where such programs would be effective. Consideration should also be given to a U.S. contribution to the World Health Organization's Programme on Substance Abuse (PSA). Established in September 1990, PSA funds global activities to reduce the demand for addictive substances, including assisting countries to develop national drug plans and the establishment of treatment centers, training of in-country personnel, and public awareness and education campaigns.

TITLE III—MILITARY ASSISTANCE

INTERNATIONAL MILITARY EDUCATION AND TRAINING

Expanded IMET initiative.—Last year, the Appropriations Committee proposed and expanded IMET initiative to address ongoing concerns about the relevance and effectiveness of the traditional IMET program. That initiative emphasizes training programs that contain courses for both defense and civilian managers and administrators of defense establishments. These courses focus on training in management of defense ministries, forces and budgets, and creating and implementing effective military justice systems and codes of conduct, with a special emphasis on the protection of human rights. There has been notable progress in implementing the expanded IMET program. The Defense Security Assistance Agency [DSAA] should carefully examine its traditional IMET programs for opportunities to shift funds into expanded programs. DSAA should submit a report, by August 1, 1992, on the anticipated implementation and costs of this initiative in fiscal years 1993 and 1994, and including an evaluation of the program's effectiveness to date.

Malaysia

For over 2 years the Malaysian Government continued to violate the comprehensive plan of action [CPA], by pushing back to sea well over 11,000 Vietnamese refugees. This CPA violation caused the Congress to prohibit IMET funds for Malaysia in 1991.

There is concern about Malaysia's unwillingness to adopt a policy of adherence to the CPA. However, the flow of refugees to Malaysia has virtually stopped, partly because the overall flow has decreased and presumably partly because refugees are trying to avoid Malaysia. Malaysia is once again eligible for IMET funding, but the Malaysian Government should provide assurances that if the flow of Vietnamese asylum-seekers resumes, it will permit them to land.

AMENDMENT NO. 1752

Mr. KASTEN. Mr. President, I send an amendment to the desk on behalf of myself and Senator Bumpers, who is the Chairman of the Small Business Committee, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KASTEN], for himself and Mr. BUMPERS, proposes an amendment numbered 1752.

Mr. KASTEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the end of the pending resolution, add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, the following appropriation is made:

SMALL BUSINESS ADMINISTRATION

Disaster Loans Program Account

For an additional amount for the cost of direct loans, $82,025,000, to remain available until expended: Provided, That these funds are available to subsidize additional gross obligations for the principal amount of direct loans not to exceed $241,748,000.

In addition, for administrative expenses to carry out the disaster loan program, an additional $25,000,000, which may be transferred to and merged with the appropriations for "Salaries and expenses".

Congress hereby designates these amounts as emergency requirements pursuant to section 251(b)(2)(D) of the Budget Enforcement Act of 1990.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KASTEN. Mr. President, this amendment has the support of the chairman of the Appropriations Committee and it has been cleared on both sides. It provides the funds necessary to keep the Small Business Administration's Disaster Loan Program running for the balance of the fiscal year. Without this funding, the SBA will be unable to respond to any new disaster declarations. According to SBA, it will have to shut down this program by the end of April.

The President has declared the disaster loan program shortfall an emergency appropriation. This amendment is the only amendment to this CR that has the support of the administration.

Many areas of the country have been hit hard by disasters this year and spring flood and tornado season is upon us. I, therefore, ask that this amendment be accepted. I also ask that a statement by Senator BUMPERS be placed in the RECORD at this point as if read.

The PRESIDING OFFICER. Is there further discussion?

Mr. BUMPERS. Mr. President, the Small Business Administration is facing a rather desperate situation with respect to its Disaster Lending Program. SBA is the only agency of the Federal Government which makes long-term loans to victims of natural disasters such as floods, earthquakes, tornadoes, hurricanes, and the rest. The program covers only uninsured—or underinsured—losses, and eligible borrowers include both large and small businesses, as well as homeowners. This program has saved many American communities from being utterly wiped out by accidents of nature.

Last year, the Appropriations Committee provided funding for the Disaster Lending Program equal to an average year's disasters. Unhappily, because of the devastating floods in Texas and California and other States, and also some severe storms in Puerto Rico and some of the Pacific territories, this has been much worse than an average year. SBA has virtually exhausted its salaries and expenses appropriations, and it has only about 2 more months of loan money remaining.

A few weeks ago, the administration submitted a request for supplemental funding for both business loans and disaster loans. The request, however, did not provide for the disaster funds to be treated as an emergency under the Budget Act, meaning that an offset from some other program would be necessary. I wrote to OMB Director Darman on March 18, and I strongly urged him to make another request for disaster lending and to make it as an emergency request under the Budget Act. I am gratified that the administration has now seen the urgency of this situation and has made such a request of the Congress. I ask unanimous consent that my letter to Mr. Darman be included in the RECORD at this point, as well as a response signed by Ms. Janet Hale.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF MANAGEMENT AND BUDGET,
Washington, DC, March 26, 1992.

Hon. DALE BUMPERS,
Chairman, Committee on Small Business, U.S. Senate, Washington, DC.

DEAR SENATOR BUMPERS: In your March 18, 1992, letter to Director Darman, you requested the Administration's support for an emergency funding increase in the Small Business Administration's disaster loan program. Due to the abnormally high level of disasters this fiscal year, we agree that emergency funding is necessary to ensure continued delivery of this program. To this end, the President transmitted an emergency supplemental appropriations request to the Congress on March 23, 1992.

The President's request would provide a supplementary appropriation of $25 million for disaster-related salaries and expenses and $82 million for credit subsidies—to increase total 1992 disaster lending authority to $600 million. Because the Congress provided regular appropriations in an amount sufficient to fund an average year, the full request for SBA has been designated by the President as an emergency requirement pursuant to the Budget Enforcement Act of 1990 (BEA).

We also agree with your concern that the present system of budgeting fixed amounts for both disaster loan authority and administrative expenses is not compatible with the unpredictable nature of natural disasters. In response to this difficulty, the President is also proposing a FY 1993 budget amendment to establish a contingency fund to meet unanticipated increases in disaster loan activity in FY 1993 and beyond. These emergency funds could be used for both loans and administrative expenses in abnormally severe disaster years. However, these funds would only be available to the extent that the Congress enacts regular appropriations each year sufficient to cover the average level of obligations incurred over the most recent ten year period. The fund would be capitalized with $75 million—an amount sufficient to support $350 million in additional lending in 1993.

We believe that this approach is greatly preferable to that taken by the House Small Business Committee in reporting out H.R. 3304. That bill would authorize the use of disaster loan repayments for new loan making, and would exclude the expenditure of such funds from counting toward the Federal budget deficit.

There is no reason to exclude SBA disaster loan expenditures from the deficit totals. Such action would have the effect of breaching the 1990 budget agreement. Moreover, H.R. 3304 would directly violate the credit reform provisions of the BEA. Fortunately, the Administration's emergency contingency fund proposal addresses the disaster funding problem without violating any provisions of the BEA.

Thank you for sharing your views on this issue. I look forward to working with you to secure enactment of both the emergency supplemental for FY 1992 and the contingency fund for FY 1993.

Sincerely,

JANET HALE,
Associate Director for Economics and Government.

U.S. SENATE,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, January 28, 1992.

Hon. RICHARD G. DARMAN,
Director, Office of Management and Budget, Washington, DC.

DEAR DICK: I am writing to urge you and President Bush to give full support to a significant increase in funding for Small Business Administration lending programs. In recent weeks, I have met with Administrator Saiki and with every expert I could find on small business finance. The sentiment is universal that the present funding level of $3.5 billion for Sec. 7(a) guaranteed loans is inadequate to meet the market's needs and that

Congress must act soon if small business is to play its essential role in reviving the economy.

As you well know, the importance to small businesses to the American economy can hardly be overstated. They employ half of all workers and produce over 40 per cent of GNP. The current financial regulatory climate has had a devastating effect on the ability of many smaller firms to obtain the capital needed for everyday operations, much less for expansion and job creation. This has been especially acute in New England where many banks are in the hands of the FDIC, which is unwilling to extend credit to anyone.

For FY 1992, Congress provided last year's level of funding for the largest SBA program, Sec. 7(a) guaranteed loans. Mrs. Saiki informs me that SBA lending in the first quarter of 1992 was up over 26 per cent nationally over the previous year's activity. Additionally, lending activity for the Agency can always be expected to increase in the spring and summer months.

SBA has initiated a major effort to stimulate the New England economy, and particularly that of New Hampshire. Some members of Congress have questioned whether SBA's New Hampshire efforts are motivated by the approaching Presidential primary. Mrs. Saiki reports that almost 150 candidates for SBA loans have been identified in this one state. Regardless of motivations, it is clear to me that SBA does not now have the resources in either lending authority of salaries and expenses to provide similar treatment to other states in the region without violating the Anti-Deficiency Act.

If SBA is not able to take the New Hampshire program to other states in the region which are facing equal economic troubles, then the program must be discontinued immediately.

It appears to me that at least $1 billion in additional Sec. 7(a) lending authority and probably $150 million in additional Sec. 504 Development Company authority will be needed in Fiscal 1992 if SBA is to meet its mission of providing adequate long-term capital for small business growth and expansion. Fortunately, these increases can be made without any increase in the 1992 deficit because of the influx of cash to the Treasury from the program's guarantee fees. Nonetheless, the mood of Congress toward any additional federal spending, regardless of the merits, is not good and should not be taken for granted by the Administration. If this program is to succeed, the Administration will have to strongly support additional funding for small business loans.

Equally troubling is the issue of salaries and expenses for SBA disaster lending. I understand that SBA has virtually exhausted the limited amount of salaries and expenses for disaster loan-making provided in the current appropriation. Just as others and I predicted, so-called "credit reform" has proved disastrous for this program. It is impossible to predict from year to year what natural disasters may occur, and it is politically and morally unacceptable to help only those disasters which occur early in the fiscal year. This program should be entirely exempted from the inappropriate restrictions of credit reform. I plan to urge the Appropriations Committee to approve legislation to that effect in the next supplemental vehicle.

Sincerely,

DALE BUMPERS.

Mr. BUMPERS. The administration is seeking, and the pending amendment provides, for a total of $107 million total funding for the SBA Disaster Program. This includes $25 million for salaries and expenses, and $82 million for loan subsidies. Because this lending program is scored at about 30-percent subsidy rate by OMB, the $82 million will provide for a total of $241,748,000 in new lending authority. These are direct loans with an interest rate of either 4 or 8 percent, depending on whether the borrower has credit elsewhere.

I cannot resist saying, Mr. President, that this crisis would not exist but for the credit reform provisions of the 1990 Budget Act amendments. Before credit reform was enacted, SBA disaster loans were made from a revolving fund, with repayments from old loans ordinarily being more sufficient to cover the costs of new loans. The Appropriations Committee rarely needed to add funds to this account. Only in the instances of the Mount St. Helens eruption in 1980 and the twin disasters of Hurricane Hugo and the Loma Prieta earthquake in 1989 were appropriated funds added to the disaster loan fund in the decade of the 1980's. In fact, repayments of old loans were even sufficient to pay the costs of disaster lending salaries and expenses. There were few systems in Government which worked as well as this program, in my view.

It was a terrible mistake in policy which did away with this system under the guise of credit reform. This new regime allowed OMB to gobble up the disaster loan revolving fund, making the gargantuan Federal deficit appear a little smaller for a while, and placed the Appropriations Committee in the difficult and unnecessary position of having to appropriate funds every year for disaster loans. Without a doubt, the only real effect on SBA programs, and this program in particular, has been to make these loan programs appear more expensive than they actually are.

I might add that the House Small Business Committee has reported legislation to repeal this portion of credit reform and place the SBA Disaster Lending Program back on the same footing as it was before. I hope the House will approve that bill and that it will receive serious consideration in the Senate.

Mr. President, I support the amendment to provide badly needed funding for SBA disaster lending, and I urge all Senators to do the same.

Mr. SEYMOUR. Mr. President, I rise to support the emergency supplemental appropriation to permit the Small Business Administration's disaster assistance program to continue its very important work for the balance of the fiscal year.

Because of the unprecedented number of natural disasters this year, including many in my home State of California, the Disaster Loan Program is in jeopardy of running dry by April. This amendment will provide an additional $240 million to the SBA Disaster Assistance Program. This request is needed because of the higher than average number of physical disasters that have occurred in fiscal year 1992. In California alone, we have suffered through numerous physical disasters, from residential fires in Oakland which consumed a large acreage of homes to torrential rains and flooding in five southern California counties.

SBA's disaster loans are the primary form of Federal assistance for private sector disaster losses from earthquakes, wildfire, hurricanes, tornadoes, floods, and other physical disasters. This assistance is not limited to small businesses; it is available to homeowners, renters, businesses of all sizes, and nonprofit organizations. These loans are a critical source of economic stimulation in disaster ravaged communities, helping to spur employment and stabilize tax bases. Swift passage of this appropriation would enable SBA to continue the program without interruption.

I ask my colleagues to support this very important measure.

The PRESIDING OFFICER. Is there further discussion of the amendment? If not, the question is on agreeing to the amendment.

The amendment (No. 1752) was agreed to.

Mr. KASTEN. I move to reconsider the vote.

Mr. LEAHY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Who yields time? The Senator from Vermont is recognized.

Mr. LEAHY. Mr. President, what is the time?

The PRESIDING OFFICER. The Senator from Wisconsin has 8 minutes, and the Senator from Vermont has 2 minutes and 28 seconds.

Mr. LEAHY. I thank the Chair.

The PRESIDING OFFICER. Plus the additional 10 minutes on both sides.

Mr. LEAHY. I thank the Chair. I retain the remainder of my time.

The PRESIDING OFFICER. Does any Senator yield time? If no Senator yields time, the clerk will call the roll and the time will be charged equally to both sides.

Mr. KASTEN. Mr. President, I suggest the absence of a quorum, the time to be allocated to both sides.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll and the time will be charged to both sides.

The bill clerk proceeded to call the roll.

Mr. KASTEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. KASTEN. Mr. President, I ask unanimous consent that 10 minutes previously allocated to Senator GORTON now be allocated to the Senator from New York [Mr. D'AMATO].

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from New York is now recognized.

Mr. D'AMATO. Mr. President, I rise this afternoon to convey a sense of distress and disappointment, that an amendment that was carefully crafted and which I cosponsored with my colleague, Senator BROWN from Colorado, has been withdrawn. Had I been aware that it was going to be withdrawn, I would have asked to submit my own legislation. This amendment was crafted to ensure that Jordan complies with the United Nations embargo of Iraq before releasing United States taxpayers' dollars to King Hussein of Jordan.

Mr. President, I say this was a carefully crafted resolution. It is one which provided an opportunity for the President to certify on a regular basis that, indeed, Jordan was complying with the embargo.

One need only look at the activities of the King of Jordan to say that obviously his word means little, if anything.

Let us look at the record. Immediately after Iraq's invasion of Kuwait, King Hussein was quoted as saying that "Saddam Hussein is a person to be trusted and dealt with." He went further by saying that "he was a patriot."

Mr. President, you cannot have it two ways. While we had 600,000 young men and women battling Saddam Hussein with billions of dollars of our resources committed to undertake this effort; with the whole world on the precipice, facing perhaps an international conflict that may not have been resolved as quickly and as successfully; while hundreds of casualties were endured by Allied forces and the deaths of United States men and women took place, we had a cheerleader for Saddam Hussein—King Hussein of Jordan.

In so doing, he joined the likes of Yemen, Libya, and the PLO, in supporting Iraq. The King put his words into action when the Arab League voted to condemn the invasion of Jordan. What did Jordan do? It abstained.

Mr. President, the fact is that the Port of Aqaba in Jordan served as an entry point for goods destined for Iraq during the embargo. Indeed, I wrote to Secretary Baker and I questioned why we were continuing aid to Jordan. I got back a letter dated January 17, 1992. It came from Janet Mullins, Assistant Secretary of State for Legislative Affairs. I will read just part of it. I ask unanimous consent that the letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
Washington, DC, January 17, 1992.

Hon. ALFONSE D'AMATO,
U.S. Senate.

DEAR SENATOR D'AMATO: Secretary Baker has asked me to respond to your letter concerning the provision of assistance to Jordan.

Like you, the Administration was deeply disappointed by Jordan's rhetorical support of Iraq during the Gulf War. We told the King so in the most direct terms. I wish to note, however, that we have no evidence that Jordan supplied military equipment to Iraq at any point during the Gulf crisis or since.

Since the end of the Gulf war, King Hussein has demonstrated his willingness to play a central role in our peace initiative, even at risk to himself and his government from radical, anti-peace factions. At the same time, Jordan's society has been placed under great stress by the return of nearly 300,000 Jordanians long resident in the Gulf states, the presence of tens of thousands of Iraqis seeking respite or escape from Saddam, and the cut off of assistance from traditional Gulf donors. To cope with these stresses and to continue to control its borders with Iraq and Israel, Jordan's military, a main support of King Hussein's liberalizing government, must have immediate access to minimum levels of assistance.

On September 16, the President decided to use the flexibility provided by law to waive the statutory restrictions on FY 91 military assistance to Jordan. The Department immediately informed appropriate Congressional committees of this action. We have briefed appropriate Congressional committees on the full extent of deliveries of military assistance since August 2, 1990 and our plans to deliver additional equipment funded by FY 90 and prior year FMF. After consultations, we had earlier released FY 90 economic assistance.

On December 6, the Secretary decided to release FY 90 and prior year FMF to Jordan. He also decided to release lethal materiel based on Letters of Offer and Acceptance signed before August 2, 1990.

This assistance will enhance Jordan's ability to control its borders, thereby preventing infiltration by terrorists into Israel and smuggling into Iraq. The Jordanian army's role in preventing such infiltration was noted most recently in an October 23 Radio Israel broadcast.

I hope this information alleviates your concerns. Let me assure you that in providing assistance to Jordan the Administration has first and foremost in its focus the cause of peace and stability in the region.

Sincerely,

JANET G. MULLINS,
Assistant Secretary,
Legislative Affairs.

Here is a portion of the letter:

Like you, the administration was deeply disappointed by Jordan's rhetorical support of Iraq during the gulf war. We told the King so in the most direct terms. I wish to note, however, that we have no evidence that Jordan supplied military equipment to Iraq at any point during the gulf crisis or since.

The fact is, Mr. President, that tons of Jordanian ammunition were received after Iraq's retreat from Kuwait. Much of it was shipped as late as January 1991 and, indeed, these incidents were captured on film by CNN, despite the State Department's denial that arms and supplies were being shipped to Iraq by—or at least through—Jordan.

Mr. President, the fact is that Jordan has not abided by the U.N. embargo of Iraq. It continues to buy oil and provide fuel, medicine, and building materials. In fact, the administration was forced to seek a waiver to resume aid to Jordan, because they could not certify that Jordan was abiding by the embargo.

Jordan has cooperated in the establishment of Iraqi front companies in Jordan, backed by a fleet of aircraft and trucks, dedicated to the continued circumvention of the U.N. sanctions.

To forgive and forget may be the manner in which the State Department and Secretary Baker want to conduct foreign policy. It is inappropriate and it is wrong. We are talking about trivializing the lives of those who have served this country in the cause of world peace.

I cannot and will not vote for a bill, this continuing resolution, that would permit and authorize the continuance of aid to King Hussein of Jordan that would not, at the very least, put in language that would set up a process, setting up a monitoring process to see that the circumvention of the U.N. resolution and embargo is not provided for.

This is ludicrous. This is wrong. This is the politics of expediency. This is the same politics that brought us to the situation where we encouraged Saddam Hussein to build his war machine, looked the other way as he was using poison gas against innocent women and children, and provided him with loan guarantees, which he defaulted on.

I remember coming down to the Senate floor 4 or 5 months before the war broke out asking for a curtailment of those loan guarantees. I was criticized because I called Saddam the "Butcher of Baghdad." You would have thought I was attacking Mother Teresa; Democrats and Republicans alike, were saying that he is "misunderstood." Is the King of Jordan misunderstood now? Do we misunderstand him? We ought to be ashamed of ourselves.

I do not know where the loyal opposition on the other side is. Where is the moral correctness in continuing aid? There is someone at every turn who has worked against the principles that this country is supposed to stand for, with a cheerleader for Saddam Hussein, who supported Saddam Hussein, and who still does.

I would not have withdrawn that amendment. I wish my colleague had consulted me. It was brilliantly crafted. Once again—the State Department, under the glibness of Secretary Baker—we have succumbed to Hussein's oratorical wizardry.

Well, check the facts, not the oratorical wizardry. How can we be providing the King of Jordan, after what he has done to us; after encouraging Saddam Hussein to invade—and I get that from reliable sources, who have told me that the King of Jordan understood and knew Saddam Hussein was going to conduct that invasion—how do we continue to provide her aid? He knew it.

There are enough Members in this body who understand and have heard the same story. Yet, we continue business as usual. Why does it take an invasion for us to stand up and do what is right.

(Mr. LIEBERMAN assumed the chair.)

Mr. LEAHY. Will the Senator yield?

Mr. D'AMATO. Certainly.

Mr. LEAHY. Do I understand the Senator correctly to say that the State Department referred to the King of Jordan supporting Saddam Hussein as merely rhetorical?

Mr. D'AMATO. Yes; in a letter that I have of January 17, that is exactly the language that is used. I have put that into the RECORD.

Mr. LEAHY. I find that amazing, I say to my friend from New York. I do not think there is a Member of this body who, having reviewed the facts—not even going into things classified, what was not in the open record—would consider the support to be limited only to rhetoric, and not feel that the support was material support, significant support, and not just in support of others.

I wonder if my friend from New York recollects when we had farm legislation on the floor. The Senator from Vermont and others felt that we should limit the credits that were being given to Iraq.

The Senator from New York was very much in favor of such limitations and spoke very strongly regarding Saddam Hussein as he has here. The Senator will recollect that the Senator from Vermont also felt there should be such limitations. The Senator from Vermont and others were lobbied by the White House and told that we had to keep these credits going to Saddam Hussein.

If the Senator will recollect further it was just about the same time Saddam Hussein's tanks were beginning to mass to roll into Kuwait. We were told to keep on the credits, which turned out to be a complete foreign aid gift.

Now we find that we are even paying off some of these credits to Iraqi controlled banks. At the time we are trying to put the squeeze on Iraq the United States is actually sending foreign aid today to Iraq. I wish to put it into perspective.

Mr. President, this was not my time. I do not want to interrupt the time of the Senator from New York, and I thank him for yielding.

Mr. D'AMATO. Mr. President, if I might be permitted to respond just momentarily, let me say this to my colleague from Vermont: There is a shared responsibility. There is a failure on the part of this body. When I came to this floor and offered an amendment to cut off loan guarantees of the Commodity Credit Corporation to Saddam Hussein, on the basis of parliamentary objections on my first try, I was forced to withdraw that amendment. There was an almost united opposition to cutting off those loan guarantees that stemmed not only from the State Department and the administration but from this body as well.

It was not our finest day. It was a tragic day. We got into the local parochial interests of how it would be and how this cutoff was of loan guarantees to Iraq would be damaging. We did not care that they were killing innocent women and children.

The PRESIDING OFFICER. The time allocated to the Senator from New York has expired.

Mr. D'AMATO. Mr. President, if I might be permitted 30 seconds by way of unanimous consent.

Mr. LEAHY. I yield 30 seconds of my time.

Mr. D'AMATO. I thank my friend.

Mr. President, it is therefore with deep regret that I will vote against this continuing resolution. I believe that this is an absolute contemptible act given the suffering that so many have endured to simply turn the other way to Jordan's actions and to continue business as usual with the King of Jordan.

Thank you, Mr. President.

Mr. LEAHY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 4 minutes and 5 seconds.

Mr. LEAHY. I yield 2 minutes to the Senator from Illinois.

Mr. SIMON. I thank my colleague from Vermont.

Mr. President, in the continuing resolution is $270 million for peacekeeping. That compares to the $350 million that the administration agreed to with the United Nations.

I think it is vital that we support peacekeeping operations, whether we are talking about Cambodia, El Salvador, other places that may arise.

There is a deep yearning on the part of the people of the United States not to police the entire world and the answer is obviously to share that responsibility, and my strong belief is that for each dollar we can give the United Nations for peacekeeping we probably save taxpayers in this country $5 to $10 plus we help world stability.

So my hope is that, while this contains $270 million for peacekeeping for the United Nations, before this fiscal year is out or certainly in the next fiscal year we provide the balance of what we have agreed to with the United Nations.

I think we have a moral responsibility to do this. I think it is important for world stability, and it is important for American taxpayers.

Mr. President, whatever remainder of my 2 minutes is left I yield to the Senator from Vermont.

The PRESIDING OFFICER. Who yields time?

The Senator from Wisconsin.

Mr. KASTEN. Mr. President, I yield what time is remaining to the Senator from Oregon.

The PRESIDING OFFICER. The Senator from Oregon is recognized for 3 minutes and 20 seconds that are remaining.

Mr. HATFIELD. Mr. President, there is good news and bad news in this bill, and I know there is not a great popular base out in the electoral for foreign aid at any time. But I think we have an opportunity at this moment in history to deal with some of the causes of violence and war by taking preventive action. I think we have a responsibility for the long-term stability of this world to take the action of providing $270 million for peacekeeping forces under the United Nations.

I am sorry that we had to have $21 million for military aid to El Salvador. I do not like it. It should have all been humanitarian aid from my perspective.

I do not like the fact we released Malaysia from the ban as Malaysia has not foresworn pushoffs of refugees that are seeking their shores.

By the same token, I have to recognize the efforts to help the children of the world to survive and to help them survive and to help through the Child Implementation Act for a world summit for children.

I have to vote for this bill because of the help it gives to refugees seeking some home and some kind of new life fleeing for their lives from the troubled parts of the world.

So, in all balance, Mr. President, I will be voting for this foreign aid bill to help stabilize the world of today and tomorrow.

The PRESIDING OFFICER. The Senator from Vermont controls the remainder of the time which is 2 minutes and 40 seconds.

Ms. MIKULSKI. Mr. President, our foreign aid program finds itself in troubled times. The only appropriations bill handled in a continuing resolution, today's bill maintains fiscal year 1991 funding through September, with a few adjustments for key programs. It is likely that the fiscal year 1993 bill will receive the same treatment. Recent press articles have questioned AID's management, even its future as an independent agency.

AID must take its hits in today's budget squeeze like everybody else, but I hope that AID officials will make every effort to find funding within the foreign aid budget for the truly critical programs.

Family planning assistance is tied to all our efforts in economic development because all our progress will be wiped out if current population growth rates continue. Today's bill contains only approximately $250 million for family planning rather than the $300 million slated for the fiscal year 1992 bill. AID needs to do a far better job of spending the money it has in order to make the most of this reduced funding.

Many programs which had received small but significant assistance from AID will suffer as well, in particular programs funded under the American Schools and Hospitals Abroad Program.

ASHA programs are the kind of aid that Americans feel best about—schools modeled after the U.S. system that teach democratic values and hospitals which provide desperately needed medical treatment to areas of the world where there is no other source of care.

There are many fine examples of United States schools: In Nanjing, China, Johns Hopkins University provides Chinese students with the only United States-style education available in the country—even during the troubles of 1989, the school kept teaching. Hopkins also has an outstanding facility in Bologna. The American Schools of Oriental Research are in the forefront of archaeological study and digs in the Middle East. Beirut University College and the American University in Beirut have valiantly taught vital coursework and American values during the hellish years since 1975.

Hospitals like Shaare Zedek and Hadassah in Jerusalem provide high quality medical care to both Arab and Jewish populations.

AID deserves a word of praise for the efforts of the Office of Foreign Disaster Assistance in its relief efforts among the Kurds, in Bangladesh, and in Africa during the past year.

Another project which deserves AID attention is a proposal by Life International to outfit a retired U.S. Navy hospital ship for service near the Horn of Africa. This sort of innovative approach could prevent countless deaths and terrible suffering by the people of Somalia, Ethiopia, and the Sudan.

The House has wisely and humanely increased funding for refugee assistance. Refugees from Vietnam, Burma, Cambodia, Iraq, Liberia, Somalia, Ethiopia, Sudan, Mozambique, Angola, and elsewhere have strained the current relief system and need additional aid just to stay alive.

Finally, I am glad to note that today's bill also increased AID operating expenses above the 1991 levels. If it did not, AID employees would have been faced with at least 1 day per week on furlough, disrupting not only our aid programs but also the lives of these Federal workers.

Mr. DOLE. Mr. President, I note that the chairman of the House Appropriations Subcommittee on Foreign Operations indicated in his floor statement on the continuing resolution for foreign operations appropriations that the administration should provide $20 million for vitamin A deficiency, iodine deficiency, and other micronutrient deficiencies. I hope that any expanded micronutrient deficiency research effort includes iron deficiency research as a priority. There is an emerging consensus among international organizations active in the areas of health and development that iron deficiency, along with vitamin A deficiency and iodine deficiency, is one of the three major micronutrient deficiencies in the developing world.

Iron deficiency is the most prevalent nutrition problem in the world. Anemia, due primarily to iron deficiency, is believed to affect well over 1 billion people globally and roughly two-thirds of all pregnant women. Anemia in pregnancy is associated with a sharp increase in premature delivery, low birth weight, and fetal mortality. Iron deficiency in infancy is known to produce defects in learning and cognitive performance.

The Agency for International Development is to be commended for the important work on iron deficiency that it has supported in the past, and I encourage the agency to ensure that iron deficiency will be given the emphasis it deserves.

Mr. HELMS. Mr. President, all of us were hopeful this past January when both sides in the Salvadoran conflict signed a peace accord. Most of us would like to see the FMLN Communist guerrillas dismantle, and return to civilian life to help rebuild their country which they spent so many years destroying.

I continue to hope that genuine peace will become a reality in El Salvador. But today as we consider this legislation which will drastically reduce military assistance to El Salvador, the inescapable reality is: The peace accord is no more than a piece of paper.

Until, and only until, the Communist guerrillas in El Salvador completely disband, military aid is the only insurance policy available to the United States to safeguard the Cristiani government's stability and survival.

Mr. President, the cease-fire in El Salvador cannot and should not obscure the very real problems that persist. It is the height of folly to trust the Communist FMLN guerrillas, and discard precautions to ensure the permanency of President Cristiani's great achievements in his country.

President Cristiani is a man of his word; he is tried and proven. As a leader of great wisdom and courage, his entire life has been committed to free market values, and to basic individual liberties. He signed the peace accord in good faith.

But can the same be said of the Marxist guerrillas? The record clearly indicates that it cannot. The FMLN Communists have never given us the slightest reason to trust them. They have made a career of lying, and of terrorizing and murdering their own people.

Already, FMLN spokesmen are making excuses for the guerrillas not giving up their weapons. The FMLN has used cease-fires before to deceive the Salvadoran Government into awarding them the upper hand on the battlefield. Indeed, it would be fully in keeping with the FMLN's past record for the January peace accord to be merely a tactical retreat.

The Communist guerrillas, judging by their past conduct, jubilantly hope that Salvador's military will be dismantled, leaving President Cristiani no way to defend his people.

Mr. President, this Senator believes that we should provide as much military assistance as necessary to El Salvador in order to enable the people of that country to continue to work toward real peace from a position of strength. Jerking the rug from under the Cristiani government will send a clear signal to the FMLN guerrillas that the United States is not prepared to stand by President Cristiani if the Communist terrorists fail to live up to the peace accord with they signed.

Too many people equate the collapse of the Soviet empire with the end of communism. In Cuba, Castro still represses his people and continues to export revolution. In Nicaragua, the Communist Sandinistas still maintain absolute control of the military and security apparatus. In fact, the Sandinistas are the de facto rulers of Nicaragua, and still constitute a grave threat to peace and security in this hemisphere.

In Guatemala, Marxist terrorists roam the countryside, causing havoc and disrupting society. Honduras, too, has been plagued by bands of terrorists These Central American allies need our continued military security assistance as long as Castro and the Sandinistas remain in the business of destabilizing the region.

Mr. President, the Salvadoran military has demonstrated its commitment to the peace process by agreeing to abdicate its police function, reduce its intelligence capacity, and cut its personnel almost in half. But these unprecedented reforms cannot take place until the FMLN dismantles its entire operation. It makes sense that the Salvadoran Army should also become involved in the peace process in a positive, constructive way. And it is in our own national security interest to help them reach their goal.

The Salvadoran people fought, bled, and died for this triumph. I am absolutely persuaded that Congress should help the Salvadoran people safeguard their hard-won peace, and to take steps to ensure the consolidation of that victory.

I feel that, in our own interest, the United States should continue to support military assistance in El Salvador, and in other countries in our hemisphere-like Honduras and Guatemala—where there is still a ligitimate national security threat. The United States should continue to aid in the defeat of Marxist terrorists and guerrillas, and provide effective assurance that will deter them from taking up arms again. Nowhere else should be more vital to us as our own backyard.

By acting now, Congress can promote the security aid essential to the economic and political reconstruction of Salvador and the rest of Central America.

Sadly, that cannot, and will not, be accomplished by the language in this continuing resolution.

The best way to achieve peace in this region is to continue military aid until the Communist FMLN is completely demobilized and reintegrated into civilian society. It is now more important then ever to come to the aid of our Central American friends. To abandon them when they are on the verge of victory will result in a defeat for all freedom-loving people in the Americas.

Mr. President, the majority of us had no opportunity to participate in the El Salvador portion of the bill. But I can assure you that we will have another chance to debate this issue in the near future. And at that time, I will do everything I can to assist the people of El Salvador in their struggle for victory. The fight is not yet over.

Mr. BREAUX. Mr. President, I rise today to voice my support for a specific provision of the Foreign Operations continuing resolution that will create jobs and boost the economy in my home State of Louisiana and across the United States.

The provision that I am referring to repeals restrictions on Export-Import Bank financing which limit aggregate loans and loan guarantees for projects with the former Soviet Republics to $300 million. These restrictions, which are part of the Trade Act of 1974 and the Export-Import Bank Charter Act, are collectively known as the Byrd-Stevenson amendments. Restrictions on Exim financing with the Soviet Union made sense during the cold war when our economic interests were in conflict with the Soviets and when the U.S.S.R. officially impeded emigration of its citizens. The Byrd-Stevenson restrictions no longer make sense in view of the political changes that have taken place in that part of the world.

The United States needs jobs, Mr. President, and the former Soviet Republics need United States expertise and assistance to help build a stable economy that will allow the growth of democracy and individual freedom. The Export-Import Bank needs to be free to finance projects that will address both of these needs.

The Eximbank has authorized $172 million toward the allowable $300 million aggregate cap. After we repeal the Byrd-Stevenson amendment, the Eximbank will be permitted to extend loans and loan guarantees on the basis of economic considerations and the viability of individual projects.

The potential for Louisiana industries that have experience in natural resources development and shipbuilding, to name a few, to participate in job-creating projects with the former Republics is great and we should encourage them.

Mr. President, I commend the chairman of the Appropriations Committee, Senator BYRD, and all of the other Senators who have brought this important measure before us today and I yield the floor.

FAMILY PLANNING ASSISTANCE TO THE FORMER SOVIET UNION

Mr. WIRTH. Mr. President, I would like to engage in a brief colloquy with my colleague, Senator LEAHY, chairman of the Appropriations Subcommittee on Foreign Operations.

There is a desperate need in the former Soviet Union for humanitarian assistance of all kinds. We have heard of the insufficient drugs and of the food shortages, and of the hurt this has caused to the elderly, to children and in all segments of society. The shortage of medical supplies is particularly dramatic in the area of family planning services.

The sad fact, Mr. President, is that the Commonwealth of Independent States is largely incapable of providing the family planning services. This inability is taking its toll on women in CIS Republics. I am concerned that the tragic shortfall in reproductive and maternal health is being overlooked in the debate on humanitarian assistance for the former Soviet Republics.

Ninety-five percent of Russian woman do not have access to contraceptives. Consequently, the average woman has between six and eight abortions during course of her reproductive lifetime. Some women have up to 20, often illegal, abortions. We all know that the best way to reduce abortions is to prevent unwanted pregnancies—and that is what family planning is all about.

The need for basic family planning services in the Commonwealth of Independent and Baltic States is immediate and severe. The almost total lack of these services is only exacerbated by economic disruption of whatever existing health support systems are still functioning. Governments are eager to enhance family planning programs and provide prenatal and postpartum care, but simply do not have the means.

Given this situation, I encourage the Agency for International Development [AID] to use a portion of the humanitarian assistance provided to the former Soviet Union for family planning and maternal health. The women of these republics face unnecessary threats to their well-being, and the effective use of funds in family planning would greatly reduce suffering resulting from unsafe abortions. I would like to ask my friend and colleague, Chairman LEAHY if he shares this view.

Mr. LEAHY. I thank my friend for raising this issue. The Senator from Colorado and I have worked together often to enhance the role of the United States in international family planning. AID is certainly able to use the funds in this bill for family planning and maternal health and I would concur that efforts should be made to ensure that services are provided so we can reduce the number of abortions in these Republics.

Mr. WIRTH. I know that the Senator from Vermont supports stronger family planning and maternal health programs. We can, and should, provide support to the women in the former U.S.S.R. Humanitarian assistance most certainly should include services that support the women of these new republics.

INTERNATIONAL MONETARY FUND QUOTA INCREASE

Mr. BRADLEY. Mr. President, I rise today to express my concern that the bill before us does not provide for the U.S. contribution to the International Monetary Fund quota increase. I understand that such a proposal will be contained in President Bush's upcoming request for aid to the new Republics of the former Soviet Union. I hope that a way can be found in the near future to provide for this needed increase for the IMF.

We are standing at a crossroads in the postwar era. An expansion of IMF resources is critical to a healthy international environment for America's economy, including growing markets in developing countries and the emerging democracies in Eastern Europe, the Baltics and the new Republics of the former U.S.S.R. At a time when the United States is not providing more foreign aid directly, lending by international financial institutions is even more important. Yet, U.S. inaction on this quota increase is blocking an international consensus and preventing the vital expansion of IMF activities.

Just as the IMF was designed to assist in the economic reconstruction of a free postwar Europe, the international community now is looking to the Fund to play a critical role in changing former Communist economies into free market democracies. The task is as daunting as that facing the IMF in 1947. Fund discussions with these increasingly market-oriented countries are well advanced. Significant resources already have been committed to Eastern Europe and more resources will be needed as new Republics join the Fund by this summer.

Mr. President, the Fund's mission will falter unless we take action soon. Without the United States, the quota increase cannot be completed by the other IMF members because of its linkage to an amendment to the IMF articles.

The U.S. contribution involves no net budgetary outlays since each dollar we provide the Fund is balanced by their provision to us of a liquid, interest-bearing financial instrument. Yet, our $12 billion contribution is a good investment for the future of this country. Moreover, it will be matched by $48 billion from other countries. So, it will expand the available resources of the IMF by $60 billion.

Let me make clear, however, that the infusion of IMF money should be directed toward real economic restructuring in the new Republics. It should not simply constitute a recycling of assets from international financial institutions through countries in need and back out to private financial interests who extended commercial loans based on imprudent judgments. Using official assistance to bail out private creditors diverts funds desperately needed for economic development and simply promotes an economic muddling-through by countries that are in a weak position to bargain otherwise with the IMF. If our efforts are to be truly successful, we need to ensure that IMF assistance is coupled with an effective debt reduction program.

Mr. President, we cannot afford to be shortsighted or partisan on this quota increase issue. We also cannot afford repeated delays. Further inaction will weaken U.S. influence and endanger American interests in a healthier international economy.

The administration's timidity, and the reluctance of Congress to confront it on this issue, is jeopardizing the provision of vital help by the IMF to countries struggling to build or reform free market economies. We must lead international efforts to help these countries or we will be judged by history as having failed to ensure the prosperity and long-term security of our country and the international community.

SWORDS TO PLOUGHSHARES: CONVERT U.S. MILITARY ASSISTANCE TO DEMOBILIZATION AID

Mr. WELLSTONE. Mr. President, I rise to express my views about the provisions regarding military aid to El Salvador in the continuing resolution we are considering today.

I need not rehearse the tragic tale of El Salvador, what that famed Latin poet Pablo Neruda called a slender waist of tears. For more than a decade, the people of El Salvador have struggled under the weight of a brutal and ruthless military that has engaged in widespread human rights abuses, including brutal torture and frequent extra-judicial executions. During the past decade, over 70,000 people have been killed, including tens of thousands of innocent civilians. While the violence has waned somewhat, there is still much to be done to bind up the wounds of this terrible war.

Since I came to the Senate, I have urged the suspension of all further military aid to the Government of El Salvador, and the transfer of that aid to the peaceful purposes of demobilization, demilitarization, and postwar reconstruction. Converting United States military aid to peaceful economic purposes and maintaining our economic support during this critical period will help to support a transition to a new postwar economic and political system in El Salvador.

In a March 26 letter to President Bush, I joined 40 of my Senate colleagues in urging a complete transfer of all military aid already appropriated to the demobilization and transition fund, and urging him to withdraw immediately his administration's request for additional military assistance. I ask unanimous consent to include that letter in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
Washington, DC, March 26, 1992.

Hon. JAMES A. BAKER III,
Secretary of State, Department of State, Washington, DC.

DEAR MR. SECRETARY: The historic peace accords signed by the Government of El Salvador and the Farabundo Marti Liberation Front [FMLN] are a tribute to all those who committed themselves to the cause of peace. We appreciate the role your department played in helping the parties through difficult negotiations during the closing months of 1991.

The end of the civil war brings new challenges to the surface. Successful implementation of the peace accords must be of highest priority to the administration.

It is therefore disturbing to learn of the administration's request for additional bilateral military aid to the Salvadoran armed forces for FY 92–93. The peace accords call for a dramatic reduction in the structure and mission of the military. Given the significant stockpile of weapons in El Salvador, and the amount of hardware to be delivered, there is no justification for additional bilateral military aid. We urge you to withdraw such a request. Should the request not be withdrawn, we will oppose such assistance.

We urge the transfer of all previously appropriated military assistance to the demobilization and transition to peace fund to support United Nations peacekeeping forces and reintegration of former combatants on both sides to productive civilian lives. Our aid must support and advance the peace process. The transfer of funds to the demobilization and transition fund will reflect our commitment to the peace accords.

Further, we urge you to support long-range economic and development aid to fund those reconstruction programs that arise from the consultative process envisioned in the peace accords. In the spirit of reconciliation, the Agency for International Development should seek a variety of funding channels which will insure that U.S. aid reaches the widest possible spectrum of non-governmental organizations, with particular emphasis given to those organizations which have demonstrated their ability to assist the poorest in El Salvador.

The Salvadoran accords offer a blueprint for peace. United States policy towards El Salvador must work in concert with the letter and spirit of the accord. We urge you to reconsider the Administration's request for funding to El Salvador in light of the accords.

Thank you in advance for your attention to this matter.

Kindest personal regards.

(Signed) PAUL DAVID WELLSTONE
(And 40 other Senators).

Mr. WELLSTONE. The bill before us today does not provide for any new military assistance to the Government of El Salvador. It does require that $21 million in military aid already approved last year—which I opposed—be nonlethal, to be used for maintenance, and demobilization efforts in strict accordance with the newly defined mission of the Salvadoran Armed Forces as set forth in the peace accords. Further, it transfers $63.7 million in military aid already approved to the demobilization and transition fund. Finally, it gives the appropriate congressional committees of jurisdiction an opportunity to review any aid decisions of the administration through normal budget reprogramming procedures under the Foreign Assistance Act.

While I had hoped that all U.S. military aid would be transferred to that fund, and worked to ensure that result, we did not completely prevail. I will continue to push for the conversion of all remaining U.S. military assistance to peaceful purposes. To continue to send military aid to a country which is retooling for peace is unnecessary, shortsighted, and foolish. I fear that it will undercut efforts of the people of El Salvador to limit the power of the Salvadoran military and strengthen civilian controlled democratic institutions there. Considering the existing stockpiles of military hardware, and the dramatic reduction in the size and mission of the armed forces required by the peace accords, there is no justification for further bilateral military aid.

The peace accords between the Salvadoran Government and the FMLN create new opportunities for greater political pluralism. They provide for broader civilian participation in the political system, which in turn will begin to alter the social and economic inequities that gave rise to the civil war in the first place. In his speech at the signing ceremony in Mexico City, President Cristiani observed that the postwar peace cannot be simply a return to the prewar peace, but rather must be rooted in a new political pluralism which allows all Salvadorans to participate fully in the economic and social life of their nation. The agreements represent blueprints for change toward a more just society there. In every way we can, we must support that process.

We have spent hundreds of millions of dollars in the last decade in support of brutal, ruthless, and corrupt military officers who held real power in El Salvador. Now we must renew our commitment to peace by providing this critical postwar reconstruction assistance. Now we must help the Salvadoran people beat swords into plowshares.

The conversion to peaceful purposes of $63.7 million in funds appropriated earlier for military aid is a big step forward. But we must continue to monitor closely the remainder of U.S. military assistance, to ensure that it is used only for the peaceful, demobilization related purposes required by this legislation.

It is also vitally important that the economic and social reforms required by the peace accords, especially those regarding land tenure, the judicial system, and the military, be fully implemented. Further, the consultative process used to develop a comprehensive national reconstruction plan must include the recommendations of nongovernmental and popular organizations with grassroots experience in the regions they serve. I understand from consultations with leaders of the nongovernmental community in El Salvador that there have been some problems with this planning process. I hope those problems can be resolved as the Salvadoran people move forward with the reconstruction effort. Only a reconstruction effort that establishes the bases for participatory and equitable socio-economic development in El Salvador can ultimately be successful.

Mr. President, I hope my colleagues will continue to support a peaceful postwar transition in El Salvador which reflects the needs and aspirations of all the Salvadoran people, especially the poor. Only through such a broadly participatory process can we hope to encourage real change in the socio-economic conditions of the Salvadoran people who have suffered for so long, and who only recently have begun to taste the fruits of peace.

Mr. PELL. Mr. President, I rise in support of Senate Joint Resolution 456, the foreign operations continuing resolution, which I urge my colleagues to support.

This resolution extends the fiscal year 1991 appropriation through September 30 of this year. I am pleased to note, however, that it is not just a dollar for dollar continuation of fiscal year 1991 funding levels. There are several noteworthy adjustments in certain areas that I consider to be vital to American national security and foreign policy interests.

Foremost among them is a $270 million U.S. contribution to U.N. peacekeeping activities. On March 12, I addressed the Senate and lamented the fact that at that time many in Congress seemed unwilling to support the relatively modest sums required for peacekeeping forces to consolidate the victories we helped to win in such areas as Cambodia, Angola, and El Salvador. I am pleased that the opposition I sensed on March 12, has dissipated and that the legislation before us now ensures that the United States will pay its fair share of costs to preserve the peace in areas of longstanding conflict.

I am also pleased that the resolution before us gives the administration authority to transfer economic support fund moneys to the republics of the former Soviet Union. This is a welcome first step in providing support to fledgling democracies that have thrown off the oppressive yoke of Soviet communism.

The second step in the process of helping to ensure that democracy survives in the former Soviet Union will occur tomorrow when President Bush meets with congressional leaders to outline the comprehensive programs that he will announce after the meeting. The formulation of a comprehensive program is long overdue, but at least it is coming; and I plan to do everything I can to help move it forward on a bipartisan basis.

The other items of particular interest to me in this bill are increases of $2.6 million in funding for the U.N. Environmental Program, $4 million for the International Atomic Energy Agency, $10 million for UNICEF, $14 million for the Peace Corps and $144 million for refugee programs.

Finally, I would note that the bill restricts military aid to El Salvador to $21 million in nonlethal items. I would prefer to have absolutely no military assistance for El Salvador but at least we will be reducing from the 1991 level of $85 million.

I commend the managers for bringing this bill to the floor, and I urge my colleague to support it.

SUPPORTING THE MAI LEVEL OF $160 MILLION

Mr. INOUYE. Mr. President, I rise to express my concern over the status of the United States-Philippine relationship at this time of transition for both our two countries, and specifically the desire of some individuals to reduce the fiscal year 1992 contribution to the multilateral assistance initiative. Our ties are long-standing and have evolved dramatically from the days when the Philippines was a United States colony, to the years of occupation by Japan in World War II, through the years of independence beginning in 1946. The Philippines is our oldest ally in Asia and we share a commitment to democracy and freedom.

As we enter the post-cold war world, it is important to recognize that the ties that bind us go beyond the bases which the United States maintained at Subic Bay and Clark Air Base. The Republic of the Philippines is a nation of some 66 million people. It is one of our closest allies in Asia. The Philippines and the United States share an interest in maintaining peace and stability in the Asia-Pacific region.

Although the United States is withdrawing from the bases in the Philippines, we remain committed to the welfare of the Filipino people and their efforts to achieve economic prosperity. It is for this reason that I support efforts to maintain United States aid to the Philippines at traditional levels. It is vital that we not retreat from past commitments or harm the longstanding development programs we have carefully nurtured throughout the country.

The progress we have made over the years in bringing new economic opportunities to the Philippines: Health care to rural villages, agriculture and aquaculture to those in need of better nutrition, and the promotion of environmental protection as a national policy—these are impressive achievements. They should not be squandered. Our success can only be maintained if the Administration remains true to our tradition of standing with our close friends even during the most difficult of times.

The end of the cold war is changing the nature of our overseas military presence. It need not change the content of our political and social relationships. The United States will continue to support nations, like the Philippines, which share our commitment to freedom and democracy. These mutually held values, as well as our extensive economic links, transcend whatever momentary differences there may be in the relationship.

In July 1989, 19 nations and 7 multilateral institutions gathered in Tokyo to launch the multilateral assistance initiative, known as the MAI. Secretary Baker called the MAI "a concrete expression of the kind of partnership and 'creative responsibility sharing' we see as the basis of a new era in East Asia and the Pacific."

As a multilateral effort, the MAI reflects the desire of the United States and other donors to assist the Philippine Government to improve the daily lives of its people and to build a foundation for a prosperous future.

I supported the establishment of the MAI and continue to believe that it remains critical to the growth of the Philippine economy and the strengthening of the democratic process. As part of this program, the role of the private sector in bringing about sustained economic growth is essential.

In fiscal year 1990 and 1991 the United States appropriated $160 million for the MAI and allowed for an additional $40 million to be transferred to this program. This commitment should be maintained in fiscal year 1992. I firmly believe these are commitments the United States should continue to support.

It is important, however, to remember that the MAI is a multilateral effort, requiring other countries to contribute funding, as well as talent, to the task of building a strong Philippine social and commercial infrastructure. I will continue to be a strong voice in the effort to maintain the broad participation of all MAI signatories in this effort. Similarly, I will work with the institutions like the World Bank and the Asian Development Bank to ensure their long-term financial commitment to Philippine development.

Unfortunately, the Philippine development effort has not been spared the ravages of natural disaster. In 1991, the country suffered through two large-scale disasters which seriously hampered its efforts at smooth economic reform. In June 1991, Mount Pinatubo, a long-dormant volcano, erupted and took the lives of hundreds of people and left more than 200,000 homeless. Later that year, a typhoon claimed over 5,000 lives on the island of Leyte.

Coming on top of a devastating earthquake in central Luzon in 1990, these disasters have affected the Philippine economy and drained resources that would otherwise have been used for economic development. In the face of such adversity, I commend the Philippine Government for its determination to overcome these disasters and proceed with economic reform and pledge my best efforts to assist with that process.

Mr. LEAHY. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back.

The question is on the engrossment of the amendment and third reading of the joint resolution.

The amendment was ordered to be engrossed and the joint resolution to be read the third time.

The joint resolution was read a third time.

The PRESIDING OFFICER. The question occurs on the joint resolution, as amended.

The Senator from Wisconsin.

Mr. KASTEN. Mr. President, there is a request for on side for the yeas and nays. I, therefore, ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The joint resolution having been read the third time, the question is, shall the joint resolution pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

The result was announced—yeas 84, nays 16, as follows:

[Rollcall Vote No. 62 Leg.]

YEAS—84

Adams
Akaka
Bentsen
Biden
Bingaman
Bond
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Chafee
Coats
Cochran
Cohen
Cranston
Danforth
Daschle
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Inouye
Jeffords
Johnston
Kassebaum
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Thurmond
Warner
Wellstone
Wirth
Wofford

NAYS—16

Baucus
Boren
Burns
Byrd
Conrad
Craig
D'Amato
DeConcini
Helms
Hollings
Kasten
Lott
Nickles
Smith
Symms
Wallop

So the joint resolution (H.J. Res. 456), as amended, was passed.

Mr. LEAHY. Mr. President, I move to reconsider the vote by which the joint resolution, as amended, was passed.

Mr. KASTEN. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. LEAHY. Mr. President, I thank the Senators who worked together on this. It has been a very difficult time and extraordinarily difficult 6 months because of the question of Israeli loan guarantees.

Mr. President, the question of Israeli loan guarantees has created and did create a very difficult time on this foreign aid bill. I think we would have had a normal foreign aid bill absent that.

I was willing and did support the request to hold up the foreign aid bill last September, as we tried to work out that issue, until this spring.

I should note that Senators of both parties worked extremely hard to try to resolve this. I have high praise for the Senator from Wisconsin, Senator KASTEN, who came to this with certainly a different view than I. He worked with both the Senate and the U.S. foreign policy in trying to bridge the gap between it.

The distinguished Senator from Ohio, Senator METZENBAUM, and numerous other Senators worked with us constantly in trying to put together a piece of legislation that would fulfill commitments that the United States had made of a humanitarian nature and allow us to come in with a far better foreign aid bill than we were able to pass today. Notwithstanding the herculean efforts of individual Senators of both parties, that was unable to be done.

I do want to thank Senators who worked with us, and their staffs. I want to take special note of Eric Newsom who spent weekends, evenings, gave up time with his family and everything else to work on this in the true professional nature that he has always shown in a number of very difficult and extraordinarily demanding situations in the Senate.

I want to thank the distinguished Senator from West Virginia who counseled with me throughout all this and gave me excellent advice. He always does and gave the subcommittee chairman much leeway, which is appreciated.

Lastly, I want to thank the distinguished majority leader, Senator MITCHELL, who has probably spent far more hours on this than Senator MITCHELL would like as he has tried to bring parties together to work this out, to meet with all of us, and to guide us through it. It has been a very, very difficult time. It is, at best, a partial victory.

We have all shown a responsibility that this country, the greatest country on Earth, the most powerful nation on Earth, leader of the democratic world, the responsibility this Nation has and, notwithstanding the disappointment of the individual Senators, to make sure we fulfilled our responsibilities as U.S. Senators.

SENSE OF THE SENATE REGARDING LOAN GUARANTEES FOR REFUGEE RESETTLEMENT IN ISRAEL

The PRESIDING OFFICER. Under the previous order, the Senator from New Jersey [Mr. LAUTENBERG] is to be recognized to offer a resolution regarding the Israeli loan guarantees.

Under the order, there will be 2 hours of debate on the resolution equally divided and controlled in the usual form, with an additional 1 hour controlled by the Senator from West Virginia [Mr. BYRD] and 10 minutes controlled by the Senator from Arizona [Mr. DECONCINI].

The clerk will now report the resolution.

The legislative clerk read as follows:

A resolution (S. Res. 277) expressing the sense of the Senate regarding loan guarantees for refugee resettlement in Israel.

The Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, I appreciate the fact that we have achieved an agreement on dealing with this problem, on making sure that those who want to be heard are heard.

It seems that there is a time pressure. Our friends on the other side of the aisle have a function that they would like to attend. Perhaps we can collapse the time and get an earlier vote.

The time is separated, Mr. President, to be perfectly clear, into three blocks. If I may restate that just for the record, the proponents and the opponents have 2 hours equally divided; that the chairman of the Appropriations Committee has an hour to be managed and dealt with by himself; that the Senator from Arizona has 10 minutes included in the UC that he will deal with himself.

Is that the situation?

The PRESIDING OFFICER. The Senator from New Jersey is correct.

Mr. LAUTENBERG. Mr. President, I want to be sure that we appropriately identify the list of cosponsors, of course, including myself, Senator KASTEN, Senator DECONCINI, Senator INOUYE, Senator METZENBAUM, and Senator D'AMATO. That is followed by chairman of the Subcommittee on Foreign Operations Appropriations, Senator LEAHY, Senator DODD, Senator CRANSTON, Senator GRAHAM, Senator WOFFORD, Senator DURENBERGER, Senator MIKULSKI among the approximately 30 cosponsors. I ask unanimous consent to print in the RECORD, these original cosponsors.

There being no objection, the original cosponsors were ordered to be printed in the RECORD, as follows:

Leahy, Dodd, Cranston, Graham, Wofford, Durenberger, Mack, Mikulski, Simon, Gorton, Bradley, Adams, Harkin, Warner, Kennedy, Akaka, Bob Kerrey, Hatch, Wirth, Robb, Moynihan, Specter, Levin, Pressler, Murkowski, Nickles, Brown, Mitchell, McConnell, Packwood.

Mr. LAUTENBERG. Mr. President, this resolution is straightforward. It simply puts the United States Senate on record in support of loan guarantees to Israel for refugee absorption.

Earlier today, the Senate considered the continuing resolution on foreign aid and that passed, as it was expected to. I am sorry that that bill did not include loan guarantees for Israel. But due, as we heard from several speakers, to the administration's objection, it did not.

Mr. President, I met for many hours over these last few days with colleagues in the Senate exploring various options on this critical issue. We went through them one by one and they all led to one unalterable conclusion. Regrettably, that would be a Presidential veto. I am sorry and dismayed by the administration's absolute refusal to work out a compromise on loan guarantees for Israel.

I think the administration was disingenuous in its negotiations with the Israelis and Congress on this issue. I am not convinced that the administration ever wanted to work out a compromise on loan guarantees. I am not convinced that it has been negotiating in good faith either.

That is a tragedy for the Soviet emigres who went to Israel in desperate need of our assistance. It is not a big secret that I think the administration was absolutely wrong to link loan guarantees with the settlements issue. The settlements issue should have been dealt with at the peace table, unencumbered by any tilt or any leverage that the administration wanted to apply against Israel.

I have stated time and time again since September: The President created an issue where none existed. At that time, President Bush threw down the gauntlet. He said, "No loan guarantees unless there is a freeze on settlements." No one asked him to do that. No Arab country demanded it. The President acted unilaterally and, in my view, incorrectly.

That was a bad policy decision. Loan guarantees are a humanitarian issue. Soviet refugees need absorption assistance.

For years, the United States fought for the right for Soviet Jews to emigrate. We put our prestige and our trade benefits on the line for that policy. For years, there was not a high-level meeting between an American and Soviet Union official that took place in which the issue of unfettered emigration was not raised. There was not a Soviet official who did not know that MFN, most-favored-nation trading status, was inextricably linked to free emigration for Soviet citizens. And now Soviet Jews are emigrating in unprecedented numbers. We won the battle on free emigration. At the same time, we have limited the number of Soviet refugees who can come to the United States. I believe that we have a moral obligation to help resettle these people from the former Soviet Union; these refugees who seek freedom. The administration is wrong to hold them hostage to a policy over which these people have absolutely no control.

The need in Israel for absorption assistance could not be greater. Over 400,000 new immigrants arrived in Israel since late 1989. The population has been boosted by nearly 10 percent, and it is expected that it will increase by more than 20 percent. Can you imagine the United States having to absorb 50 million new residents in a period of a couple years and the kind of stress and strain it would put on our systems and on our people?

Mr. President, by insisting on linkage with the settlements, the administration has injected the United States into the peace negotiations. With the exception of Egypt, for the first time in four decades, bilateral discussions are taking place between Israel and her Arab neighbors. Israel is seeking peace agreements with Arab countries. She wants assurances that they no longer stand by what they said when they talked about annihilation of the citizens of Israel, or driving her into the sea. They are hoping that they did not mean it when they said war is a constant condition for them and Israel.

Israel and her Arab neighbors disagree about many issues. All of these issues should be resolved in the context of an overall peace settlement in the Middle East. Hopefully they will be, but not if there are preconditions. These deep-rooted differences cannot be resolved if the United States demands concessions from the Israelis outside the peace process and in the absence of concessions from her Arab neighbors.

President Bush miscalculated on this point. His policy of linkage is doomed to fail. But now he continues to cling to this policy. Now, the administration reportedly is putting pressure on European allies to deny credit guarantees to Israel as long as she does not accept a settlement freeze. That is a new wrinkle that does not deserve to be there.

Israel knows how to make peace. She did it at Camp David starting in 1977 with Egypt. In the name of peace, Israel gave back the Sinai and its valuable oil reserves. She even tore down a town that was established; throwing the citizens of that community out bodily to satisfy her commitment to peace.

By linking loan guarantees to the settlements issue, the administration has made peace less likely. It has ignored fundamental policy differences that the United States has with Arab countries and sent him the wrong signal. It has emboldened the Arabs. It has emboldened terrorism. It ultimately makes them less serious about negotiating peace.

Mr. President, the administration's unbending position on loan guarantees smacks somewhat of hypocrisy. I was in Egypt on August 21, 1990. I was the first American Senator or Congress person to be in the region. I met with President Mubarak and his finance people and his assistants. They said to me that it would be of enormous help to Egypt if they could simply get a waiver on 160 million dollars' worth of interest due at that time—a waiver of interest due. They asked for nothing more.

We got back here, and we had a discussion with the President and other people from the Congress. I related to the President in that meeting what I thought the conditions were, and within a very short few days there was a request by the White House for 7 billion dollars' worth of loans to be forgiven.

Mr. President, it was not asked for. Certainly, it was appreciated. And I committed, on behalf of American interests, on behalf of protecting the word of the United States, that it was going to be done. I committed to work for it, and stayed on the floor until 6 o'clock in the morning one day meeting with the House in conference as a Member of the Senate Subcommittee on Foreign Operations, to insist that the United States deliver on its word and forgive 7 billion dollars' worth of loans to Egypt.

I did it because I thought it was in our best national interests. But I must tell you, Mr. President, it cost every citizen in this country something. Every man, woman, and child had to pay something to forgive the $7 billion of loans that Egypt received. But now, when Israel looks for loan guarantees that cost nothing, the administration says no. And it will not cost the American people a dime.

Mr. President, you heard speeches by others that when loan guarantees were sought by some people who are our enemies, like Iraq, loan guarantees were given as a perquisite to try to soften their views.

On May 20, an article in the New York Times points to the hypocrisy of the issue. According to the article, the administration frustrated its own criminal investigators' and regulators' efforts to examine Iraq's role in a $4 billion bank fraud scheme in Atlanta while it was courting Iraq in 1989 to 1990. Apparently, Government investigators and regulators tried to persuade the Agriculture and State Departments to deny guarantees for $500 million in loans to the Iraqi Government once it became clear that high-level Iraqis were involved in the $4 billion bank fraud.

But the administration prevailed and the guarantees were approved. And now, according to the article, the Iraqis have defaulted on those loans, leaving the American people to foot a bill of about $500 million for the Iraqis' inability or unwillingness to pay. If that is not hypocrisy, I do not know what is.

It is ironic, as well, Mr. President, at the same time the administration said no to loan guarantees, it was dignifying Jordan's King Hussein by meeting and greeting him here in Washington. Mr. President, the American people know very well that King Hussein was not our friend during the Persian gulf war. He was our enemy. He supported the President of Iraq, who declared war on our allies, Kuwait and Saudi Arabia, and on the Americans who fought to protect those countries. He supported the man who is responsible for the deaths of American service people.

At the same time the administration denounces Israel and loan guarantees, it has not expressed outrage about the fact that Syria's President Assad has reportedly decided to press for the lifting of U.N. sanctions against Iraq, or the fact that Syria has reportedly shipped $15 million in petrochemicals to Iraq, or the fact that Syria is discussing an oil deal with Iraq that would allow Saddam Hussein's government to pump crude oil through Syria to the marketplace.

Of course, the administration has a lot to say about loan guarantees to a good friend and dependable ally for more than four decades: It says no. Mr. President, sadly for the refugees who plead for our help, the administration has dug in its heels and has refused to work with the Congress in good faith. At a time when those refugees are looking for compassion, the hearts of those at the White House have hardened.

It is my desire that the Senate will come back to this issue and that we will approve loan guarantees one day in the near future. Refugees should not become pawns in an international diplomatic chess game.

Mr. President, we do not have to look back very far for reaffirmation of the alliance that exists between this country and a dependable ally and good friend, the State of Israel. Look at the votes in the United Nations and you will see that Israel, almost without fail, always votes on behalf of the American view and American interests. Yet, America was more critical of Israel over an issue than we were of Saddam Hussein, using more strident language, more critical by a large measure than at any time we had been with Saddam Hussein.

Thank God, Mr. President, that in 1981 Israel had the skill, the courage, and the determination to knock out that nuclear reactor in Iraq because, otherwise, the toll for the Persian Gulf war would have been significantly greater. First of all, lives. We could have lost thousands of our young people in that war if Saddam Hussein had developed that nuclear capability. And he did not need a nuclear bomb. All he needed was nuclear artillery.

I discussed earlier today that the force of nuclear shells was, in some cases, equal to the bombs we dropped in World War II when I fought, and those that were dropped on Nagasaki and Hiroshima.

If those weapons had been in Saddam Hussein's hands, there would have been no question about his determination to use anything he darned well pleased. He used gas on innocent Kurds—men, women, and children—and it never bothered him one bit. He never apologized, and has not stopped his assault yet—first on the Kurds and then other different Moslem factions in the southeastern part of the country.

So we have to be grateful that Israel had the courage and had the capability of destroying that nuclear reactor.

I remember what the response was in Washington in 1981. It was condemnation at the White House and applause in the Pentagon. They knew very well what happened. And Defense Secretary Cheney, just a few days ago, talked about how significant it was that the Israelis had destroyed that nuclear capability when they did, and lost one life in the process. They arranged that raid at a time—it was a Sunday; I remember it very clearly—when the place was vacant with the exception of one poor soul who was on duty that day. He lost his life. That was it.

But when the Iraqis shot back Scuds, they did not care that those Scuds might strike civilian targets or innocent people.

So there is a lot that we owe Israel. There is a lot the Israelis owe us, Mr. President, there is no doubt about it, but it is a two-way street.

When we look at what it is going to cost and we look at what the American people need today, Mr. President, I do not have to remind you, or others here in the Chamber, of my efforts on behalf of writing a surface transportation bill that has $150-plus billion to put people back to work in this country, to lift our economic opportunity, to make us more competitive, to conform with laws that are on the books, like the Clean Air Act, and to relieve us of a dependency in some measure from foreign oil coming primarily from the Middle East.

We must invest in our society. We have to give people some hope. We have to provide the job opportunities that people so desperately need. Yes. That is a primary concern of this U.S. Senator, absolutely.

But this, Mr. President, has nothing to do with that. This is an honor commitment. This is a moral commitment. It is a humanitarian commitment at zero cost to the American public. That is what we are talking about.

We ought not to turn our back on friends of long standing.

We suddenly embrace all kinds of past enemies. I understand the administration has a program to lend support to Eastern Europe, Russia, and other republics to get them on their feet. I think that it is probably not a bad idea to remember that we have an international obligation. But to welcome the King of Jordan to the White House like an old buddy when he was one of the few who stood side by side with Saddam Hussein and wanted to destroy everything that we were supporting.

So, Mr. President, it is a sad moment that we are facing. Yes. This a resolution. Yes. I hope that every U.S. Senator here will support this resolution as part of a moral commitment. It is not the same as law.

Senator LEAHY was right when he said it. He also said that it has meaning, that this is a very significant, symbolic effort that is going to be on the record. And when we look at aid in the future, it is going to tell us what the U.S. Senate thought about these loan guarantees.

We are talking about people; we are talking about obligation; we are talking about a great country that always honors its obligations, or at least should honor its obligations—our country, Mr. President. I hope that we will see overwhelming support for this resolution.

Before I relinquish the floor, I ask for the yeas and nays.

The PRESIDING OFFICER (Mr. CONRAD). Is there a sufficient second? There appears to be a sufficient second. There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. Mr. President, I yield the floor. The President pro tempore has the floor, has 1 hour of time to be managed by himself. Senator DECONCINI, likewise, from Arizona, has 10 minutes to be managed by himself.

ISRAELI LOAN GUARANTEES

Mr. ADAMS. Mr. President, I had an opportunity to speak on the Israeli loan guarantees yesterday. This was in support of the granting of the loan guarantees. I wish that was being passed today. This is a sense of the Senate resolution, which I support. But I regret we are not granting humanitarian help to the emigrating Jews. I hope this resolution helps to urge the administration to reconsider its position in opposition to these guarantees.

It was the late Senator from the State of Washington, Henry "Scoop" Jackson, who led the fight to condition most-favored-nation trade status on free emigration.

Little did we know that this victory would come so soon. We do not know how long this will last.

Many of us had fought through the years, one family at a time, to establish emigration—like the Besprozvannys—the daughter of Mr. and Mrs. Beinus of Mercer Island, WA.

I ask unanimous consent to put in a series of letters from October 1, 1987, to July 25, 1988.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

JULY 25, 1988.

Mr. and Mrs. ARKADI BEINUS,
Mercer Island, WA.

DEAR MR. and MRS. BEINUS: I am writing to you to express my elation upon the Soviets' decision to grant your daughter and her family the permission to emigrate to the United States.

I am sure you are awaiting your daughter's and her family's arrival with great anticipation. After 12 years of separation, I imagine your excitement must be difficult to contain!

I wish you great happiness in your reunion.

Sincerely,

BROCK ADAMS,
U.S. Senator.

MAY 18, 1988.

Hon. RONALD REAGAN,
President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: As the Summit with the Soviet Union approaches, I am requesting your help to resolve a matter of particular importance to me involving a Soviet refusenik family, the Besprozvannys.

The Besprozvannys live in Leningrad. They have been denied permission to emigrate for fourteen years. Elena Besprozvanny is married to Ilya Besprozvanny and is the daughter of Mr. and Mrs. Arkadi Benius of Mercer Island, Washington. Elena and Ilya have one son, Edward. Soviet officials say the Besprozvannys have been denied because of "state secrets." The fact is that only Ilya Besprozvanny has had any access to possible "state secrets" and that was over 18 years ago while he was working at the Gedro Prebor Institute of Marine Design. Further, when Elena and Edward applied for emigration rights without Ilya, their application was denied on the basis of "state secrets." Elena has worked as a music teacher since 1970 and Edward has worked in a vegetable store. Obviously, their jobs would not have exposed them to such secrets.

During my recent visit to the Soviet Union, I had the opportunity to meet with the Besprozvannys. I saw the sadness in their faces. I heard the desperation in their voices. Their only hope is that the pressure exerted on the Soviet Union by our government will be successful and they will be granted their exist visas. As you know, Secretary of State Shultz has also had the opportunity to meet with both the Besprozvannys and their relatives in Washington State, the Beinuses. I, along with the family themselves, am very grateful for these meetings because they have increased the visibility of their case.

I have been informed that you intend to take with you to the Summit a "short list" of refuseniks to discuss with General Secretary Gorbachev. I am told that this list is separate from the State Department list and drawn up by members of your immediate staff. I implore you to include the Besprozvannys on this list. I believe including them on this list could make the difference in their case. Your discussing this case with Gorbachev could be the last push necessary to gain approval for their emigration.

Thank you for your help in reuniting the Besprozvanny family; hopefully, we will make a difference in this case. Your time and attention is most appreciated.

Sincerely,

BROCK ADAMS,
U.S. Senator.

MAY 19, 1988.

Hon. MIKHAIL SERGEYEVICH GORBACHEV,
General Secretary, Central Committee, Communist Party of the Soviet Union, The Kremlin, Moscow, U.S.S.R.

DEAR MR. GENERAL SECRETARY: We are writing to you on behalf of the Besprozvanny family of Leningrad. Ilya, Elena, and Edward Besprozvanny have been attempting to emigrate for the last 14 years so that they may be reunited with their relatives in Washington State.

Ilya first applied for emigration rights in 1974, five years after leaving his job at the Gedro Prebor Institute of Marine Design. His request was rejected and he was told that he would be prohibited from leaving for fourteen years after termination of his job, making him eligible for emigration in 1983. It has now been over 18 years since he worked at the Gedro Prebor Institute and his requests are still being refused. In January of 1988, Elena and son Edward applied for exit visas alone, without Ilya, and once more their application was denied. Again, possession of "state secrets" was given as reason for denial. Since neither Elena or Edward have been exposed to "state secrets" I do not understand how this reason could be used to deny them the right to emigrate.

The Besprozvannys, so disheartened by their latest denial, have renounced their citizenship. While we can understand concerns about allowing people to leave who hold state secrets, we do not feel the authorities handling this case understand the full circumstances. For example, we fail to understand how Illya, who has not worked in a job sensitive to state security for eighteen years, could possess any information still considered to be a "state secret." Surely, advances in technology have made any knowledge Illya gained from that job of little or no consequence to the Soviet Union's security. Also, Elena has been a music teacher since 1970 and her son, Edward, works in a vegetable store. These jobs are certainly not jobs that would expose either Elna or Edward to "state secrets."

Once again, we urge you to promptly grant emigration visas for Ilya, Elena, and Edward. Please restore to them their right to emigrate as agreed to by the Soviet Union in various agreements, the Helsinki accords, and in the international spirit of goodwill.

Thank you for your thoughtful and thorough consideration.

Sincerely,

BROCK ADAMS,
U.S. Senator.

OCTOBER 1, 1987.

Commission on OVIR,
President ANDREI GROMYKO,
Supreme Soviet of the U.S.S.R., The Kremlin, Moscow, U.S.S.R.

DEAR MR. GROMYKO: I am writing you out of concern for Elena and Ilya Besprozvanny, two relatives of a constituent of mine.

Elena Besprovzvanny is a music teacher and Ilya is a marine engineer who has not worked in his profession since 1975, the year after they began seeking permission to emigrate to the United States. They have applied for exit visas every six months since 1974. Their most recent refusal came in April, 1987. It is my understanding that officials at the Office of Visas and Registration in Moscow have agreed to reconsider the case under the auspices of the new commission set up by the Supreme Soviet. I respectfully request that you do all in your power to expedite consideration of the Besprovzvanny case and to see that they are granted the permission they seek to emigrate to the United States.

The length this case has been pending is of considerable concern to residents throughout the state of Washington. The people of Washington State have always sought improved relations with the people and government of the Soviet Union. In that context, we are looking forward to hosting the 1990 Goodwill Games as a way of advancing understanding between our nations. I sincerely hope that this case will be resolved long before then and that those Games can reach their full potential for bringing our people closer together.

I appreciate your serious consideration and prompt attention to my humanitarian appeal on behalf of the Besprozvanny's.

Sincerely,

BROCK ADAMS,
U.S. Senator.

Mr. ADAMS. Mr. President, since enactment of the Jackson-Vanik amendment nearly 20 years ago, the United States has stood strongly for free emigration. Now we have it. And all that has been requested are loan guarantees. We had hoped that with the end of Operation Desert Storm that it would be in the fall of 1991. Now in April 1992 we still do not have this humanitarian aid for the Russian Jews.

This action is inconsistent with this long-standing United States commitment which would have been to provide loan guarantees to help Israel resettle hundreds of thousands of Jews from the former Soviet Union.

The United States helped these people take the first step on their journey to freedom. We have a moral obligation not to abandon them now.

Israel has welcomed these Soviet Jews with open arms—offering them a better way of life and an opportunity to raise their children in the Jewish homeland, free from the historic persecution of Jews by the Soviet state.

Faced with the enormous task of absorbing these new immigrants, the Israeli Government sought from us loans, not additional aid. Instead, the Bush administration turned away.

Let us remember: We are talking about the resettlement of Soviet Jews. We are talking about humanitarian assistance. And we are talking about longstanding U.S. policy—to finish the victory of the Jackson-Vanik struggle.

Mr. President, this is humanitarian assistance for a close and valued ally. I am profoundly disappointed with the administration's intransigence on this vital matter.

I want to commend Senator LAUTENBERG for his persistence in this matter, and am proud to be a cosponsor of his resolution.

Mr. LAUTENBERG. I thank the Senator. He is very sincere and he has been there for a long time. We appreciate his courtesy.

The PRESIDING OFFICER. Who seeks recognition?

Mr. METZENBAUM addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Ohio [Mr. METZENBAUM].

Mr. METZENBAUM. Mr. President, I am pleased that the Senator from New Jersey has indicated he is prepared to offer a resolution expressing sense of this body in support of loan guarantees for Israel. As an original cosponsor of this resolution, I rise to speak on the subject.

It is no secret that this resolution is not what Senators had hoped to bring to the floor. It is not what I had hoped would be on the floor. It is a sense-of-the-Senate resolution which expresses our view but does not make law. It is a symbolic expression by the Senate. It is a resolution that recognizes a number of inescapable facts:

The fact that anything resembling foreign aid is extremely unpopular in this election year; the fact that the foreign aid continuing resolution ran out at 12:01 a.m. this morning; the fact that the leadership of the relevant House committees was not supportive of loan guarantees to Israel; the fact that the President and the Secretary of State have themselves been unwilling to publicly support the foreign aid programs that they value so highly, for fear of a voter backlash; and the fact that the President and the Secretary of State have been strongly opposed to loan guarantees for Israel as well.

This resolution recognizes one more fact. It recognizes the attitude of the Senate and the intent of the Senate with regard to loan guarantees. And I think it is appropriate that this Senate express its view on loan guarantees so that the Nation may know, so that the world may know, and so that the President and the Secretary of State may know how deep are our feelings on this matter.

When this resolution comes to the floor, it will reaffirm our view that the loan guarantees are good policy: good for the United States, good for Israel, good for the hundreds of thousands of refugees for whom this country has fought for so many years. Regrettably, the situation right now leaves us with few legislative options.

There is no secret about the votes here. There are enough votes in the U.S. Senate to add an amendment to the continuing resolution which would provide for the $10 billion in loan guarantees. I do not think anybody in this body questions that there would be more than 51 votes on that question.

It is an accepted fact that the Inouye-Kasten proposal on loan guarantees had 74 cosponsors when it was introduced. But the fact is that we all know that even if we passed loan guarantees and even if the House accepted the measure, which is questionable, it is a certainty that the President would veto it, and he would make the veto a political issue.

This is not a political issue. This is a matter of man's concern about his fellow man, about our concern for the people whom Israel has accepted as they were escaping from anti-semitism and ethnic violence in the former Soviet Union. We would have few legislative options except to send loan guarantees down to the President to a certain veto.

Mr. President, I think the President somehow believes that by threatening the veto, the issue is going to fade away. But it is not going to fade away. The commitment to human rights that this country trumpeted for 50 years, we say to the President of the United States, is not going to fade away. The 400,000 Soviet and Ethiopian refugees who have fled oppression and landed in Israel, and the challenges they face, will not fade away. The thousands of refugees who continue to arrive in Israel each month are not going to fade away.

We attempted to work with the administration on this issue. When I say "we," I mean many Members of this body. This resolution represents the end of a wearisome road that began last September.

When loan guarantees were originally offered as the Inouye-Kasten proposal, President Bush requested a 120-day delay before Congress took up the issue. Congress assented. None of us disagreed. If the President wanted a 120-day delay, if he felt that more time was needed, we would agree. Before we went out of session, I remember speaking to the Secretary of State and suggesting that we sit down at an early date so that when Congress reconvened we might have a package that Congress could accept and that the President would accept. He suggested that we not do that until we reconvened. Senators INOUYE and KASTEN had their loan measure printed in the RECORD last fall, but they did not introduce the legislation, as a courtesy to the President.

I want to say publicly that the efforts of Senator INOUYE and Senator KASTEN have been absolutely magnificent. They have provided leadership on this issue which is incomparable. They have stood up and indicated that they were uncompromising, that they believed that the $10 billion loan guarantees were right, and all of us owe them a great debt of gratitude.

But then time passed. With the new year and the expiration of the 120-day delay, we began negotiations in good faith. Senator LEAHY joined the talks, and I will say publicly that he has been tireless in seeking a compromise. He has probably spent as much time in trying to bring about a compromise on this matter as almost any other issue that he has dealt with since he has been in Congress.

During the negotiations, President Bush continued to feel strongly about the issue of settlements in the occupied territories. So we crafted language that deducted a dollar from the guarantees for each dollar Israel spent in the territories. That became known as the Leahy-Kasten formula, and those of us who are strongly supportive of Israel said we would accept that deduction.

President Bush felt strongly about the issue of East Jerusalem—no small emotional and religious matter for the Jewish community and for Israel, I might add. But we agreed that East Jerusalem would be considered part of the occupied territories for purposes of the loan guarantees.

President Bush felt strongly that he alone should have discretion to issue loan guarantees even after the legislation was passed. So Senators LEAHY and KASTEN crafted a compromise that gave President Bush his discretion.

And yet, President Bush was not satisfied. It seemed that each new day brought a new objection.

Mr. President, at every step in this process, the Government of Israel was fully cooperative, and fully understanding of the policy and political needs of our Government. I know, because I, as well as others were in contact with the representatives of the State of Israel for their response to each new condition. Their attitude was on of continued cooperation—even on some of the more difficult provisions.

Mr. President, we reached an impasse last week. Despite receiving virtually everything he requested, President Bush turned thumbs down on loan guarantees, jeopardizing the entire foreign aid program in the process.

Indeed, our foreign aid program is without legal authority as of this very moment to spend $1.

Senator LEAHY took the floor last week and commented that Bush was looking for "capitulation, not compromise." No more incisive words were ever spoken on the floor of the Senate.

Last Thursday, March 26, when it appeared that it was a question of confrontation, this Senator felt it still was worthwhile trying to find a new approach, some way to come in through a different door, rather than just have the whole question of the loan guarantees or no loan guarantee.

Mr. President, last Thursday, March 26, I presented the Secretary of State with a final compromise proposal. My proposal had nothing to do with loan guarantees for the Government of Israel. It was an attempt to take a private sector approach to this problem that has vexed the two governments.

My proposal would have established an enterprise fund for Israel within the Overseas Private Investment Corporation, more generally known as OPIC. The fund would identify private United States, Israeli, or joint venture concerns interested in investing in Israel. The Government of Israel would be required to issue a guarantee for 100 percent of the value of the investments. Then, OPIC would be authorized to issue a guarantee to U.S. banks in order to raise the necessary capital. OPIC would be authorized to issue up to $2 billion in such guarantees for this enterprise fund through the end of fiscal year 1994.

The State of Israel would have been behind those guarantees. And, as is well known, Israel has never defaulted on any of its debt obligations.

Mr. President, there would have been no loan guarantee, virtually no risk to the U.S. taxpayer, and a new private sector avenue for the U.S. Government to stimulate American business opportunities abroad.

The language even provided these new corporations would be obligated to buy their materials and products from the United States. Every effort was made to make it a pro-American business type of proposal, with the State of Israel standing behind the guarantees and with the hope and expectation that those American businesses involved in Israel would seek United States suppliers for goods and services they needed.

But President Bush turned thumbs down on this proposal, as well.

Mr. President, this has been a long and tiring road indeed. This is a disappointing day, a disheartening day. Our entire foreign aid apparatus has ground to a halt over this issue.

I understand the President's concerns about settlements, about discretion, and about east Jerusalem—although I do not agree with him.

The Congress understood the President's concerns, and the Congress accommodated the President at each and every step along the way.

Yet the President was not listening. The former Soviet Union is collapsing, Yugoslavia is in flames, China continues on as a repressive enigma, and yet our President is fixated on construction in the West Bank.

Mr. President, I am truly disappointed. Looking back over the past 6 months, I wonder if President Bush ever had any inclination at all to move forward. I wonder if our foreign policy has not become just a chip in a coolly calculated political game.

I regret that we could not reach agreement in time for this continuing resolution. I look forward, however, to continuing our discussions on this issue. I am committed, the Senate is committed, to seeing this country live up to its commitments.

Mr. President, I ask unanimous consent that a draft of the OPIC proposal that I shared with Secretary Baker be printed in the RECORD at this point, as well as a summary of the language.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MEMORANDUM—DRAFT LEGISLATION CREATING ISRAEL ENTERPRISE FUND, MARCH 26, 1992

The following is a summary of the principal provisions of the attached draft legislation (draft of 3/23/92), authorizing the issuance of $2 billion in loan guarantees to support the creation of the Israel Enterprise Fund.

1. Establishment of Fund; Issuance of U.S. Guarantees: The legislation would establish the Israel Enterprise Fund, and authorize the issuance of $2 billion in loan guarantees from the United States, acting through the Overseas Private Investment Corporation ("OPIC"). The entire amount of the loan guarantees would be available immediately, and could be used in their entirety through the end of the U.S. fiscal year ending September 30, 1993; if any portion of the $2 billion in guarantees is not used during that period, the remainder would be carried forward, and available for use in the fiscal year ending September 30, 1994. The purposes for which the Fund is being formed are set forth in paragraph (a)(1), and include the promotion of U.S. private investment in Israeli companies, projects, or infrastructure, the support of joint ventures by U.S. and Israeli firms, the purchase of U.S. goods and services for export to Israel, and the encouragement of privatization in Israel and the development of the Israeli private sector.

2. Terms of Loans; Government of Israel Guarantee: The standard loan terms authorized by the legislation would be similar to those of the AID program, including 30-year term, payment of interest only in the first ten years, and level payments of principal and interest in the last 20 years. Loans having different terms would also be permitted, as long as the loans issued in a single transaction would, in the aggregate, have scheduled debt service equal to that of the standard loans. The legislation would permit the issuance of loans directly guaranteed to investors by OPIC, or through a trust, and would permit the issuance of zero coupon obligations.

The borrower under the loans would be the Fund. The legislation provides that, in addition to the OPIC guarantee, the loans borrowed by the Fund would be guaranteed by the Government of Israel ("GOI"). The GOI, under those guarantees, would have the first obligation to pay any loan amounts not paid by the Fund. OPIC would be required to pay only those amounts that are not paid by either the Fund or the GOI. The legislation recognizes the principle of subrogation, under which the Fund would be obligated to repay to the GOI and OPIC any amounts paid under their respective guarantees.

3. Eligible Investors and Projects: The Fund may provide financing to eligible investors in the form of loans, grants, guarantees, equity investments, and otherwise. The investors eligible for financing from the Fund include U.S. persons and entities; certain foreign companies wholly owned by U.S. persons; U.S./Israeli joint ventures; and Israeli entities provided that at least 50% of the goods and services (determined on the basis of cost, including shipping costs) to be used in the proposed project would be of United States origin. The projects to be financed would include any projects designed to support the purposes described in paragraph (a)(1) of the legislation.

4. Administration of the Fund: The Fund would be governed by a six-member board of directors, comprised of three U.S. citizens and three Israelis. The chairman of the Fund would be one of the U.S. directors, and the president and chief executive officer would be one of the Israeli directors. It is expected that the Fund would retain professional advisors, managers and consultants, and would employ such personnel as the Board of Directors may consider necessary.

The Board of Directors would have complete discretion regarding the timing and terms of the loans to be taken out by the Fund, the projects to be financed by the Fund, and other matters, except that funds could only be borrowed when the GOI gives notice that it is prepared to issue its guarantee. Decisions of the Board of Directors would be made by majority vote. The Board would also establish the terms and conditions of any financing provided by the Fund; the legislation contemplates that the Fund would become self-supporting, through the charging of fees, royalties, interest and other charges in connection with the projects financed.

5. Miscellaneous: Projects financed by the Fund may be conducted only in the geographic areas which were subject to GOI administration prior to June 5, 1967. The Fund will be required to publish an annual report, describing the Fund's operations, finances, and accomplishments during each year. The fees charged for the OPIC loan guarantees will be payable by the Fund, in an amount of $20 million, and the legislation provides that such fees will be the only fees chargeable in connection with the program.

Add as new section 231B (22 U.S.C. §2191b) of the Foreign Assistance Act of 1961:

SEC. 231B ENTERPRISE FUND.

(a) IN GENERAL.—

(1) During the period beginning on April 1, 1992 and ending on September 30, 1994, the Overseas Private Investment Corporation (hereinafter referred to as the "Corporation") shall issue guarantees against losses incurred in connection with loans to the Israel Enterprise Fund, created under subsection (c) of this section (hereinafter referred to as the "Enterprise Fund"), to provide economic assistance in connection with the extraordinary costs occasioned by Israel's humanitarian undertaking to resettle and absorb Soviet and Ethiopian refugees, to promote the economies of Israel and the United States through investment by United States persons and entities in Israel (including, without limitation, investment in Israeli companies, projects or infrastructure), through joint ventures between United States and Israeli firms and through the purchase of United States goods and services for export to Israel, and to encourage privatization in Israel and the development of the Israeli private sector and capital markets.

(2) As a condition to the issuance of the loan guarantees referred to in the preceding paragraph, the Government of Israel shall unconditionally guarantee the repayment of 100 percent of the principal and interest payable on such loans, upon terms which provide for prior recourse to the Government of Israel's guarantee before payment is required under the guarantees issued by the Corporation. Payments under the guarantees issued by the Corporation shall be required only to the extent that both the Enterprise Fund and the Government of Israel have failed to make payments required under such loans. In addition, the Government of Israel shall unconditionally guarantee to the Corporation the repayment of any amounts that the Corporation may be required to pay under the terms of such loan guarantees.

(b) TERMS AND CONDITIONS OF LOAN GUARANTEES.—

(1) The total principal amount of guarantees which may be issued by the Corporation under this section shall not exceed $2,000,000,000. The total amount of guarantees authorized hereunder shall be made available during the period from April 1, 1992 through September 30, 1993, except that, in the event that less than $2,000,000,000 of guarantees is issued in such period, the authority to issue the balance of such guarantees shall be available in the fiscal year ending on September 30, 1994. Each guarantee issued by the Corporation under this section shall guarantee 100 percent of the principal and interest payable on such loans. Loan guarantees shall be made in such increments as the Enterprise Fund shall request, following notification by the Government of Israel of its readiness to issue its guarantee for such increment. The guarantee for each such increment shall be obligated and committed by the Corporation within 30 days of the request therefor, and the issuance of the guarantee for each such increment shall occur within 60 days of such request, unless a later date is selected by the Enterprise Fund.

(2) Guarantees, once issued by the Corporation hereunder, shall be unconditional and fully and freely transferable.

(3) Guarantees issued by the Corporation pursuant to this section shall constitute obligations of the United States and the full faith and credit of the United States of America is hereby pledged for the full payment and performance of such obligations.

(4) The standard terms of any loan or increment guaranteed by the Corporation under this section shall be 30 years, with semiannual payments of interest only over the first 10 years, and with semiannual payments of principal and interest, on a level-payment basis, over the last 20 years thereof, except that the guaranteed loan or any increments issued in a single transaction may include obligations having different maturities, interest rates, and payment terms if the aggregate scheduled debt service for all obligations issued in a single transaction equals the debt service for a single loan or increment of like amount having the standard terms described in this sentence. Neither the Corporation nor the Government of Israel, as guarantors, shall have the right to accelerate any guaranteed loan or increment or to pay any amounts in respect of the guarantees issued other than in accordance with the original payment terms of the loan. For purposes of determining the maximum principal amount of any loan or increment to be guaranteed under this section, the principal amount of each such loan or increment shall be—

(A) in the case of any loan issued on a discount basis, the original issue price (excluding any transaction costs) thereof; or

(B) in the case of any loan issued on an interest-bearing basis, the stated principal amount thereof.

(6) Projects financed by the Enterprise Fund shall be conducted only in geographic areas which were subject to the administration of the Government of Israel prior to June 5, 1967.

(c) ESTABLISHMENT OF ENTERPRISE FUND.—

(1) to mobilize and facilitate the participation of United States private capital and skills in the development of the Israeli private sector, there is hereby established the Israel Enterprise Fund (the "Enterprise Fund"). The proceeds of the loans authorized to be made under subsection (b) of this section, net of all related financing expenses including the fees required under subsection (f) of this section, shall be used by the Enterprise Fund for the purposes provided herein.

(2) In carrying out the purposes set forth herein, the Enterprise Fund shall undertake to make available loans, grants, guarantees, equity investments, feasibility studies, technical assistance, training, insurance, and other measures as it deems appropriate, to eligible investors, as defined in paragraph (3), taking into account in its financing operations the economic and financial soundness of projects. All income and receipts of the Enterprise Fund (other than the proceeds of loans guaranteed hereunder but including income from the temporary investment of such proceeds), after payment of administrative and financing expenses, shall be used for the repayment of loans guaranteed hereunder, including the repayment of any amounts which may have been paid under the guarantees issued by the Corporation or the Government of Israel.

(3) "Eligible investor" means (A) United States citizens; (B) corporations, partnerships, or other associations, including nonprofit associations, created under the laws of the United States, any state or territory thereof, or the District of Columbia, and substantially beneficially owned by United States citizens; (C) foreign corporations, partnerships or other associations wholly owned by one or more United States citizens, corporations, partnerships or other associations, provided, however, that the eligibility of any such foreign corporation shall be determined without regard to any shares, in aggregate less than five per centum of the total of issued and subscribed share capital, held by other than United States citizens; (D) a joint venture undertaken by one or more of the entities described in subparagraphs (A) to (D) of this paragraph and one or more Israeli citizens, corporations, partnerships or other associations; (E) Israeli corporations, partnerships, or other associations, including nonprofit associations, provided that at least 50% of the goods and services (determined on the basis of cost, including shipping costs) to be used in the project proposed to be financed by an entity described in this clause (E) will be of United States origin.

(4) The Enterprise Fund shall be governed by a Board of Directors comprised of six members (or such larger number as may be determined by the Board of Directors), including an equal number of private citizens of the United States and citizens of Israel who have demonstrated experience and expertise in those areas of private sector development in which the Enterprise Fund is involved. The United States members of the Board of Directors shall be appointed by the Overseas Private Investment Corporation and the Israeli members shall be appointed by the Government of Israel. The Chairman of the Fund shall be appointed by the Overseas Private Investment Corporation from among the United States members of the Board, and the president and chief executive officer of the Fund shall be appointed by the Government of Israel from among the Israeli members of the Board.

(5) The Board shall act as an independent, non-governmental body, solely for the purposes of the Fund. The Fund shall retain such professional advisors, fund managers, consultants and hire such personnel as the Board may determine. The Board, acting by majority vote, shall have the exclusive authority to take such actions as may be necessary or advisable to carry out the purposes of this Act, including to:

(A) establish the annual budget of the Fund, including provision for the payment of reasonable administrative and operating expenses;

(B) adopt rules defining the policies, organization and procedures of the Fund;

(C) establish the timing and terms of Fund borrowings pursuant to this section and the timing and terms of any other financing to be obtained by the Fund;

(D) approve projects to be financed by the Fund;

(E) pay the Fund's administrative and operating expenses; and

(F) prepare the annual report required by subsection (e) of this section.

(6) Nothing in this section shall be construed to make the Enterprise Fund an agency or establishment of the United States Government, or make the officers, employees, or members of the Board of Directors officers or employees of the United States for purposes of title 5 of the United States Code.

(7) The Enterprise Fund may provide assistance pursuant to this subsection only for programs and projects which are consistent with the purposes set forth in paragraph (1) of this subsection.

(8) The terms of any financing provided by the Enterprise Fund shall be determined by the Board of Directors, and shall include such fees, royalties, interest and other charges as the Board may deem necessary in order for the Enterprise Fund to pay its operating, administrative and financing expenses, including the repayment of any loans guaranteed hereunder and the repayment of any amounts which may have been paid under the guarantees issued by the Corporation or the Government of Israel.

(9) The Enterprise Fund, including its franchise, capital, reserves, surplus, advances, intangible property, and income, shall be exempt from all taxation at any time imposed by the United States, by any territory, dependency, or possession of the United States, or by any State, the District of Columbia, or any county, municipality, or local taxing authority.

(d) PROCUREMENT OF U.S. GOODS.—Congress expects that raw materials and equipment used in connection with projects financed by the Enterprise Fund pursuant to this section shall be purchased from the United States to the extent that suitable materials or equipment are not available in Israel.

(e) ANNUAL REPORT.—The Enterprise Fund shall publish an annual report, which shall include a comprehensive and detailed description of the Fund's operations, activities, financial condition, and accomplishments under this section for the preceding fiscal year. This report shall be published not later than January 31 each year, beginning in 1993.

(f) FEES.—Fees charged for the loan guarantee program under this section shall be an aggregate origination fee of $20 million, payable by the Enterprise Fund on a pro rata basis as each guarantee for each loan or increment is issued. Such fees may be financed as part of the loans or increments guaranteed hereunder. Except for the fees provided herein, no other fees or charges shall be payable to the Corporation in connection with the loan guarantee program.

(g) SUBSIDY APPROPRIATION.—The loan guarantees authorized hereunder for fiscal year 1992 and for each of the two succeeding fiscal years shall be made available without need for further appropriations of subsidy cost as the fees required to be paid by the borrower under subsection (f) of this section reduce the subsidy cost to zero.

(h) NONAPPLICABILITY OF OTHER LAWS.—The loan guarantees authorized to be issued hereunder may be made available under the terms and conditions specified in this section notwithstanding any other provision of law, rule, regulation or practice.

Mr. CRANSTON. Mr. President, I rise today as a cosponsor of this resolution on loan guarantees to Israel which will shortly be before this body. We should approve loan guarantees without delay to let the Israelis move forward in their challenging humanitarian task of absorbing hundreds of thousands of refugees.

There is an urgent need in Israel—a need we can and should help meet immediately. We have witnessed truly remarkable events in the past several years in this world of ours.

Who could have predicted that hundreds of thousands of immigrants from the Soviet Union, Eastern Europe, and Ethiopia would flood Israel over the course of a few years?

As cochair of the congressional caucus for Ethiopian Jewry, and as a longtime advocate for freedom for Soviet Jews, I feel a great moral imperative to help this historic immigration succeed.

These loan guarantees should be considered on their own merit. President Bush argues that extending loan guarantees to Israel will jeopardize the peace process. As a staunch supporter of these ongoing talks, I do not believe such a linkage exists. There certainly is no evidence that the opposition of the Bush administration to the loan guarantees has improved the attitude of Palestinians and Arabs toward the peace process. The Bush administration is playing rank domestic politics with this issue, and dangerous international politics with the peace process.

From a financial point of view, it should be noted that Israel, even in times of war, has never missed a debt payment. We can only believe that given the infusion of talent the new immigration brings, the country can only thrive and meet its obligations.

For 20 years, the United States made human rights in the U.S.S.R. a cornerstone of our foreign policy. Democrats and Republicans alike united on the issue of freedom for Soviet Jews.

We should recognize that there are natural problems of adjustment and absorption in the lands where they go. Now we should recognize that we cannot ignore these problems. We have an obligation to help resolve them. We should join in this celebration of freedom. The United States of America should rejoice in this great victory for a cause in which bipartisan support here has resulted in the chains of oppression being broken there.

Today, the task before us is that of helping to ensure that the fruits of our victory are realized. I cannot think of a more rewarding opportunity for our country to make good on a historic promise to a long-term friend and ally.

I urge support of this resolution.

Mr. President, I suggest the absence of a quorum.

Mr. SIMON. Mr. President, I rise to speak in support of the sense-of-the-Senate amendment offered by my colleague from New Jersey, Senator LAUTENBERG.

I think there are several questions here. No. 1, how much risk is the United States taking if we provide the loan guarantees? And here, up to this point, Israel has not reneged on a single penny that has been owed to the United States. So the loan guarantees do not pose any great risk to the United States.

The second question is: If we move ahead with this, does this, in any way, impair the peace process in the Middle East? I think it is essential for Israel, for the Arab countries, and for peace and stability in that area of the world, that we resolve this thing peacefully, and I do not see this is an impairment to that in any way.

The third question is: If we approve the Lautenberg amendment, does this mean that we approve of all of Israeli policy? Obviously, it does not. I happen to disagree with Israel on the settlements question. But, Mr. President, we have an obligation. We pushed the Soviet Union to let these people go free, but we said that we are only going to let so many come in here. These people who have emigrated from the Soviet Union—what was the Soviet Union—now are welcomed into Israel. Can we simply say, "sorry, we have no responsibility whatsoever here?" I think not. My hope is that we will agree to the Lautenberg amendment and agree to it overwhelmingly.

I yield the floor.

Mr. WIRTH. Mr. President, I am a proud cosponsor of the resolution offered by the distinguished Senator from New Jersey [Mr. LAUTENBERG]. I find it enormously unfortunate that we find ourselves where we are today. If we had passed the foreign operations bill last fall and included the loan guarantee program extended out over a 5-year period then it would have passed in a second. It should have been passed then and been done with.

We would have passed the loan guarantees because we all know of the historic commitments that this Senate and the House of Representatives have made to Soviet Jewry. In the 1970's my wife and I were involved in a number of delegations to the Soviet Union, including one with Congressman Vanik, the father of the Jackson-Vanik amendment.

We were in the Soviet Union about 3 weeks before the Soviet invasion of Afghanistan. At that time the window was opening and we were beginning to get positive responses from the Soviets. There were large numbers of Soviet Jews coming out of the Soviet Union. Congressman Vanik, was in that delegation and had a number of negotiations and discussions with the Soviet government about continuing this process, possibly leading to granting them most-favored-nation status.

Unhappily, that fall the Soviets invaded Afghanistan and the wall went up again. After that we had this brutal confrontation over a period of time at an enormous cost to tens of thousands of people, extremely brave individuals to whom the ideals of America and the promise of America had been laid out in no uncertain terms.

Those were very moving times for so many of us as we saw the remarkable bravery and consistency of a small group of people, embattled as they were, looking to us in the United States, for purpose and reinforcement. their ideals were, in fact, based in all that the United States of America stands for.

We have had this obligation for a long period of time. We encouraged these people to leave and they are now fortunate enough to be able to do so. Our immigration laws are such that they cannot all come to the United States. We have very tight ceilings on immigration and consequently there is a vast number of people moving to the State of Israel. In the long-term these people carry enormous promise for Israel.

If we look at our long-term interests, Mr. President, we would be much better off if we had gotten these loan guarantees behind us 6 months ago, so that we could now be thinking about some of the incredibly promising things that we can do in that region. If we did not have this problem sitting out there, we could be working on creating for example, a common market in the whole Middle Eastern area. If we were not part of this engagement, our opportunity to establish a comprehensive energy policy would be increased, giving us greater leverage around the world. If we were less dependent on foreign oil, we would be more able to take the kind of brave stance that we ought to be taking. There are a whole series of things that we can and should be doing in the Middle East for our own interest and that of the International Community. But much of that has now been braked by this very unfortunate administration position on the loan guarantees.

We can debate why the administration has chosen to take this position. However, I am not sure that I really understand the reasoning behind it. I have heard the explanation that the administration opposition to the loan guarantees is connected with the Middle East peace negotiations, but I do not really believe it. I do not think that the issue of the loan guarantees ever came up in the negotiations. I do not think that happened.

Rather, I think there are some other political reasons for this. However, it is unbecoming and inappropriate for us to be pointing fingers and casting stones. And I do not want to get into that. I just want to speak about my own beliefs regarding this historic obligation.

These loan guarantees are an opportunity for us in the United States as well. They would not be a huge loan on the American taxpayer as some people have suggested. Israel, as we know, has met all of its obligations in terms of past loan guarantees. Those have all been met.

The economic case for these guarantees is good. The bulk of this money would be spent in the United States generating much more income and economic activity than any costs connected with guaranteeing these loans. The national security case is very good in terms of our obligations in the Middle East, and our moral case, it seems to me, is very good as well.

Unhappily, we are in this position and we do not have the votes to override a veto. But I think the right decision has been made, given the dynamics of this, to avoid a huge confrontation which would raise the stakes here even higher. Our relationship with the State of Israel is better off without that kind of confrontation.

I think we should have dealt with this last fall, when we were not in this unpleasant political environment in which everything appears to be done for political reasons and there is very little sense of purpose. I would hope that our sense of purpose and our reinforcement of our joint purpose with Jews coming out of the Soviet Union and our joint purpose with Israel will in small part be reinforced by the adoption of the Lautenberg resolution.

I pay tribute to the distinguished Senator from New Jersey [Mr. LAUTENBERG] who has been a bulldog on all of this, and I respect enormously his consistency and the fact that even when it got uncomfortable in various meetings I have been in, he was right out there on a steady basis. I respect that and I wish we, as a country, had shown that same kind of dogged determination.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, the distinguished Senator from Oregon awaits the floor and I will not take but a minute of time to say thank you to my friend and colleague from Colorado. His portrayal of the obligation is, as I see it, a reminder that this is not going to be at the expense of any domestic programs. Our people are out of jobs. They are frightened when they look at the prospects for the future; homes disappearing, foreclosures still moving at a very rapid rate; despite the fact that there is a glimmer of hope for recovery, more job layoffs. Sears announced a significant layoff. We see it as a continuum.

This is not going to cost the American taxpayers anything, unlike the 7 billion dollars' worth of forbearance that we gave Egypt on its loans.

So I hope that the comments that we have heard here will encourage our colleagues to look at this resolution in perspective. If not, Mr. President, this is likely going to be an amendment to the continuing resolution.

We are trying to work that out now. I appreciate the support and friendship of so many, but in particular the Senator from Colorado has been steadfast. I appreciate that. I yield the floor.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, first I ask unanimous consent that my name be added as a cosponsor of the resolution.

The PRESIDING OFFICER (Mr. KERRY). Without objection it is so ordered.

SETTLEMENTS IN THE WEST BANK

Mr. PACKWOOD. Mr. President, we have battled for a long time over the last 9 months, over a longer period of time than that, over settlements in the West Bank. No matter what we say about this resolution today, behind it is a feeling in the administration, I think very passionately felt, that there is something immoral or illegal or wrong with Jews living on what is called the West Bank or what historically would have been called Judea and Samaria in traditional Old Testament history, and if Israel would just give up its settlements on the West Bank, then peace would come.

So, with the indulgence of the Chairman, I would like to go through a bit of history, if I might, first from ancient times to now, and then lay the case for the legitimate right of Jews to settle and live in the West Bank.

First, I want to go back to what would have been called historical Israel, probably at the zenith of the Jewish kingdom at the time of David and Solomon, and it included all of that which you see in green on this map. And because we do not have contemporary borders, I will simply say that what we now call Israel would be nothing more than roughly this right in here. This part of the green would be Jordan. This would be most of Syria, some portion of Lebanon. And the little orange way down here was populated by the Phoenicians, a maritime trade people.

Now that was the zenith of the Kingdom of Israel. And you had the heartland around Jerusalem. If you were to draw a circle 20 or 30 miles around Jerusalem in ancient days that would have been the heartland. But you had the Jewish settlement in what is now Jordan of the 12 tribes. And you had significant settlements of Jews in other areas more than 30 or 40 miles from Jerusalem. But Jerusalem would have been the center of the center. The West Bank, as we now call it, or Judea and Samaria as it was called historically, was certainly a major part of historic Israel.

And then, the kingdom diminished and Israel was overcome by other powers, the Babylonians. The Babylonians in the 6th century B.C. undertook what was probably the first dispersal of the Jews, as the Jews congregated were a powerful force. So the Babylonians attempted to disperse the Jews in these areas but were not nearly as successful as the Romans.

The Romans controlled this area for the better part of 600 years. The term diaspora, disposing, was when the Romans said the Jews are too much trouble and we going to scatter them. And they were scattered into what I will show to be Iraq, Syria, and Lebanon, in an attempt to get them out so that they could not cause the Romans trouble.

Indeed, cause them trouble they did. Funny, we use the term revolt. When we talk about the Maccabees, or talk about Masada, or talk about Bar Kokba, this was a revolt of people trying to reclaim their own land.

I know nothing in Anglo Saxon law, I know nothing in the Judeo-Christian religion or law that says you lose your land when you are forcibly ejected from it against your will. But that is what happened.

And the Jews were dispersed all over the Middle East, the diaspora. I know that the argument will be made that is a long time ago; that is not relevant to current day legitimacy. So for purposes of argument, I do not rest solely the right of the Jews to settle in the West Bank on that argument, but I will make the claim legitimately that they did settle in the West Bank, they would have remained in the West Bank, and they would be in the West bank today had they not been forcibly ejected from it against their will.

Now you go through a long period of turmoil in the Middle East, and again the claim in terms of legitimacy as to who should get what, if you were to take a look at the longest effective rule in this area, after the diaspora, it was the Romans. Brutal, but effective. And I have yet to see any claim made that Italy should get the West Bank because of this long Roman rule. And it is ancient history. It is just before and just after the birth of the Christ.

The next longest rule was Turkey. Turkey has all of this area and more in roughly 1500 to the end of World War I. And then Turkey made the mistake in World War I of allying itself with Germany. And so Britain and France decided in the midst of the war that at the end of the war they would take the area and divide it up, sort of to the victor belong the spoils, and Turkey chose the wrong side. And when it was over they were going to take it. And indeed they did. Lord Balfour was the Foreign Secretary and he very specifically said, of the area that we take, we will promise the Jews a homeland.

And this is the area. It was divided between England and France. This very dark line along here is called the Palestinian mandate. It includes all of what is now Jordan and Israel. That was all British. Iraq was also British, but it was not part of the Palestinian mandate. And France took this area that became Syria and Lebanon. That was ratified by the League of Nations. Everybody said this was legitimate. They won it fair and square in the war. Turkey is out.

Now, importantly, all during this time that the Romans had this area, all during the time the Turks had it, the Jews were allowed to live in the West Bank. There is no serious argument. And despite the fact that the Jews had still been dispersed and not many had yet returned, the Jews that were there and others that did come lived in the West Bank and lived as freely there as Arabs or anybody else did. There was no argument about is there any legitimacy to Jews living in the West Bank under the Turkish rule or under the British mandate after World War I.

Then an unusual thing happened. The one Arab ruler that had been dealt out after World War I was the grandfather of the present King Hussein, the Emir Abdullah. He had a good army. The best army of any of the Arab forces. And he was centered in here.

Here is Amman, which is the capital of present day Jordan. But as there was no Jordan at the time, he began to move his forces toward Damascus in the French sector. And the French said to the British: This guy is your problem. And this guy is in your sector and we agreed upon the division of this land. We get the northern part and you get the southern part. As he is come in the southern part, you have to do something to quiet him.

So the British created the country of Transjordan—trans, across; across the Jordan River. Everything east of the Jordan River became Transjordan.

The country had no ethnic background. If you were to trace this biblically, historically, or otherwise, you could have found no conceivable pretext for this as a separate country.

But the Emir did have a good army. So the British gave him the country. And, as I had said, there had been settlements in Jordan of Jews for several thousand years. There were Jews living there at the time. And on the day this country was created in 1921, it was closed to Jewish settlement and the Jews that were there were expelled or worse.

And that is 80 percent, what you see in green, that is 80 percent of the Palestinian mandate. Twenty percent of the area the British promised to give the Jews homeland in, and world Jewry never complained. This was created because this was not really the heartland. The heartland was still in here. So Transjordan was created; nobody complained.

Then the British discovered that they simply were not liked by anybody. They could not keep peace. The Arabs did not like them. The Jews did not like them. They were having their troops and occupation forces beset by both sides. I am not going to get in an argument here as in the twenties and thirties as to who was at fault for what.

But the British could not keep order and they were not liked. And the British finally decided they were going to have to eventually get out. So they suggested, finally, in 1937, a partition. It was called the Peel Commission.

Now you see, this is roughly what you call present-day Israel. The British suggested that the Arabs take all of the Negev, the desert in the south, the bulk of the West Bank—that the Jews get this part in green, and that the British would keep Jerusalem and this little corridor to the sea.

If there was a heartland to traditional historical Israel, this was it. And Jerusalem at the center.

So in this partition that the British suggested, most of what is the West Bank and was traditionally part of Judea and Samaria, the Arabs would get it. The Jews would not even get any part of their historical, religious, political center, Jerusalem.

The Jews agreed to this partition. The Arabs did not. And had the Arabs agreed, they could have had the West Bank, they could have had the Negev, its port down here, Aqaba down here and the Gulf of Aqaba. They could have had all that. They could have had land and peace. They chose to turn it down.

So, in 1938 the Jewish Agency suggested a partition. It is not significantly different than the previous partition with one exception, the Jews would get the area in green. This was the Jewish Agency itself that suggested it. The Arabs would get this portion in yellow, including a fair portion of the West Bank. But in the Jewish Agency-suggested plan, Britain would keep the Negev. Britain would keep this little corridor to the sea, and Jerusalem would be divided.

This was the Jews suggesting this. They did not ask for the West Bank. They did not ask for sovereignty over Jerusalem. They did not ask for the Negev. They said let the British keep it. Let it be determined later. The Arabs turned it down when they could have had land and peace.

Then comes World War II, and after the war, the Jewish Agency again suggests a partition plan in which the Jews would take the green.

Now for the first time it was suggested this be part of the State of Israel, the Negev, and they would take the part all the other partitions had given them but still leave the West Bank with the Arabs. In this case, Jerusalem would be an international zone—not governed by the Israelis, not governed by the Arabs, but an international city. Again the Jews were willing to give up the holiest of their cities, at least give up their exclusive sovereignty over Jerusalem; willing to give up the West Bank; and the Arabs could have had land and peace, and they turned it down.

Finally, the British said, "We are leaving."

By this time, they had the King David Hotel blown up by Jewish terrorists. By this time, they had their soldiers picked up and hanged and tortured. They said "We are leaving. We are giving this to the United Nations. Let the United Nations do what it wants." And the United Nations suggested this partition.

Here, in the Negev—this was not an area that people seriously wanted early on. It is desert. It is not arable. The wonderful, arable part of Israel is up in this area. But in this U.N. partition, the Arabs got Gaza, the strip along here, they got an immense West Bank, they got an enclave around Jaffa. And the United Nations said we will keep Jerusalem as an international zone.

This was the biggest suggested partition, where the Arabs would have had as much land as they got. And the Jews would not have gotten Jerusalem. The Jews, of course, accepted it. The Arabs turned it down. And on May 15, when the Union Jack came down, when the British just said, "We are leaving," Israel was attacked from all sides: from Lebanon up here, Syria, Jordan, Egypt on this side. How this country survived in the 1940's in what is called its war for independence I will never know. We were not giving them aid. We were then not giving them any aid. There was a very small, relative to the Arabs, Jewish population; and relatively unarmed in respect to modern weapons. Everyone thought it was the end of the Jewish State as all of this happened. But somehow they hung on.

After a little less than a year, an armistice was signed; not a treaty, an armistice. These are the boundaries, if you want to call them that, the armistice lines at the end of the 1949 armistice. I emphasize again—armistice; not a treaty, not a recognition, just an armistice. These are the lines that were held by the Israeli Defense

Forces. Jordan held all of this. They held all the West Bank. Jerusalem was literally divided. Jordan held half of it and Israel held half of it. And these are the lines that remain, with the Arabs in the West Bank—Jordan in the West Bank. This is Israel. And this is now Egypt, although Egypt never formally incorporated Gaza. They did not really want it. They administered it but it really was not a part of Egypt, but it was held by the Arabs.

This was the only time during this period, 1949 to 1967, the only time in history that the Jews were not allowed to live on the West Bank. They had lived there all during the British mandate—although the British mandate only lasted 27, 28, almost 30 years. They had been allowed to settle there then. They had been allowed to settle there during the reign of the Turks for 400-and-some years. Prior to Turkey it was almost a no-man's land and anyone could live where they wanted to live. The Jews lived on the West Bank. It was only when Jordan held this area for those 18 years that the Jews were verboten from settling there at all.

At this stage I suppose that, had Jordan chosen to do so, a Palestinian state could have been created. Jordan instead tried to annex it. They wanted to make it a legal part of Jordan but the only countries that recognized the annexation were Pakistan and Great Britain. None of the Arab world—Pakistan, of course, not being an Arab country—none of the Arab world would recognize it.

So, up until 1967—and this is after the forming of the PLO, and up until this time there probably would have been an independent state created by Jordan or by the Arab League or something. I do not know what Israel would have done. During these 18 years, Israel made no effort to take the West Bank.

Now comes a crucial day in this history. We are up into very modern history now. I want to emphasize again from the first Peel Commission report in 1937 suggesting the division of this territory, through the Jewish Agency division of 1938, through the Jewish Agency division of 1946, through the U.N. division of 1947, the Arabs could have had most of the West Bank; Jerusalem would have been divided or internationalized. Israel never would have gotten it all, and the Arabs would have gotten land and peace.

Now we come to the Six-Day War of 1967. It is only about 9 miles from here to the Mediterranean. If you ever stand on the bluffs along here, you have a sense of how fragile was Israel's existence.

Jordan still had the best army among the Arab countries. Through good intelligence, partially ours and partially that of Israel, Israel learned that the Arabs were going to attack them, again from all sides, in 1967.

So in a preemptive strike, Israel's Air Force came low across the Mediterranean and destroyed, in the areas through here, the Egyptian Air Force on the ground early in the morning. The Egyptian pilots, interestingly, had been in their planes every day, every morning, waiting for the order to take off. They did not want to be caught in their barracks. But they were caught flatfooted this day and the entire Egyptian Air Force was destroyed on the ground.

Just before the strike, but not so soon that he could warn his allies, the present ruler of Jordan, King Hussein was warned just to hold his place. "Do not move your troops. Do not try to conquer the rest of the Jerusalem. Do not try to move on Israel and we will not attack you. Hold the West Bank. Keep your land and you can also have peace."

But King Hussein could not resist. He tried to drive a salient right across here and divide Israel north and south in an attempt to take the rest of Jerusalem. But with the Egyptian Air Force destroyed, Israel was now in a position to turn its air force eastward. And in bloody, bloody fighting, Israel succeeded, and probably the worst fighting taking place in Jerusalem, Israel succeeded in putting together what is now the state of Israel.

This is now what I would call the state of Israel. For those who think the occupation of the West Bank is illegal—I do not think it is—but for those who say it is, this at least, including Gaza now, is the border defended by the Israel Defense Force. It is the armistice border now.

And now, for the first time, the argument—not for the first time since 1967—the argument is being made that Israel should give up this land in here. And the argument is made that Israel is obturate, and that Israel will not trade land for peace. The question is asked wrong. Israel has been willing to trade land for peace. They were willing to trade it in 1937, 1946, and 1947, when they could have had a treaty; and the Arabs turned it down, when they would have had land for peace.

Israel was willing to do it in 1967 by telling King Hussein: Hold your position and do not attempt to invade, and Jordan would still have the West Bank land and peace. But on every occasion, when Israel was willing to accept peace and give up land, they got neither.

So to me, the question should be posed really the other way, to the Arab countries: Are you willing to guarantee peace for land? If any country has ever been willing to show that it was willing to run the risk for peace by giving up land, it is Israel. Not only in all of these divisions were they willing to give up the West Bank—and I want to emphasize again, this is the heartland of historic Israel. Not only were they willing to say: for the sake of peace, we will give up our traditional homeland three times in 20 years—the Suez war in 1966; and then again in 1967, Israel took the Sinai and three times gave it back to Egypt, including oil, of which Israel has none, in the Gulf of Suez. They gave it back and got peace with Egypt because a courageous Egyptian leader, President Sadat, was finally willing to say: This is not worth it. He realized that Egypt was the cannon fodder. He realized without Egypt, there was not going to be a war with the other countries. And if Egypt did not go to war, that was in their interest.

So they got all their land back and Israel gave them a peace treaty. It is not as warm a relationship as that which we have with Great Britain, the special relationship, as we have referred to it so often. But it is better than war, and there has been no war between Egypt and Israel since that treaty was signed; and there will be no war between Israel and its Arab neighbors so long as that treaty holds.

But when we now get to the issue of the loan guarantees, we have the arrogance or the presumption to want to qualify these loans by saying Israel may not use any of this to build settlements in the West Bank, to build settlements in Judea and Samaria, your heartland, because it will endanger peace.

First, Israel's right to live there and to build there is as firm and legal and moral as any right you can think of. And if an American who is not Jewish or a Frenchman who is not Jewish can go to the West Bank and settle and build, then there is no reason why an American who is Jewish or a Frenchman who is Jewish or an Israeli who is Jewish should not be allowed to do the same thing.

But scratch all that. The worst mistake the United States could make would be to make the mistake that Britain made; and that is to think that we know how the land should be divided and who should live where or how the Jordan River should be divided for purposes of irrigation, because the only peace that is going to work in this part of the world is a peace that is bargained by the parties that have to live with it. It cannot be imposed from the outside.

It could not be imposed by the Soviet Union, before it collapsed, on its Arab surrogates if they did not like it. It cannot be imposed by the United States on Israel if it does not like it. Because if the parties that have to live with it—Israel and its neighbors—do not like it, then the peace will not hold.

And if we try to impose our idea of what a peace should be, then we had better be prepared to police it with 250,000 or 500,000 troops, and we had better be prepared for snipers and kidnapings and tortures and barracks blown up, like they were in Lebanon with several hundred of our marines killed, and we pulled out. We do not have the stomach or staying power to stay there a quarter of a century.

What our policy should be is this: Patience and supply. Patience, because these peoples in the Middle East have lived together for a long period of time, the better part of 3,000 years. They know each other. They know each other's strengths, weaknesses and foibles, and dangers. And if it takes another 10 or 15 or 20 or 30 or 50 years for peace to come, that is not a long time in the history of the Middle East.

One day, there will be another Sadat in another Arab country—maybe Syria, maybe Saudi Arabia, maybe Jordan—that will step forward and say: Enough is enough; let us bargain.

And then my guess is—and I am not suggesting it, because it is not our position to do so—then my guess is that Israel will reasonably give up some land in the hopes of getting peace. In my experience in dealing with leaders of the Israeli Government and dealing with Israeli citizens themselves, they are more willing to run the risk of peace and more willing to give up land than I would be, given similar circumstances. If I were an Israeli, I would hang onto every inch, and I would say: I am not giving up so much as a grain of sand until I have an irrevocable commitment that cannot be broken that you will never, never, never again invade us.

So if I can put it succinctly, this ought to be the policy of the United States and Israel: We seek not to impose our system of government on others. We shall, however, against all odds, preserve that system for ourselves. America and Israel, now and forever one and inseparable, will survive. And if it be necessary for survival, we will fight. And be assured, if we fight, we will win.

I thank the Chair.

Mr. KENNEDY. Mr. President, I want to commend Senators LAUTENBERG, DECONCINI, D'AMATO, INOUYE, METZENBAUM, and KASTEN for bringing an important issue before the Senate. I hope we will have an opportunity to address it and support it. This is with regard to loan guarantees with the State of Israel. Soviet Jews in Israel deserve and need assistance, and we have delayed too long in providing it.

For decades, the United States has made freedom of immigration a priority in our relations with the former Soviet Union.

I was here when we passed the Jackson-Vanik program. I had opportunities to visit the Soviet Union four times before there was the major change on immigration with former President Gorbachev.

I visited Professor Lerner in his apartment; with those who were being persecuted on the basis of religion. And their only desire was to be able to practice their religion, and to be able to live with their families; and, they do. But when they held those particular meetings, the next morning either they or their families may very well have been picked up and sent out to Siberia—at enormous risk, to themselves and to their families, of persecution, torture, and even death.

The United States took a principal position at that particular time, and now that we see the changed circumstances we are being asked to address this issue. I believe that we should.

We raised the issue at the highest levels of government. We suspended normal trading relations over the issue. And we supported the courageous men and women struggling to win their basic human rights.

And now, just as our goals are being achieved, the administration turns back, denying Israel's humanitarian request and unconscionably linking this well-deserved assistance to the separate dispute over Israel's settlement policy.

The settlement policy can only be resolved as part of the peace process. Secretary of State Baker deserves credit for his persistence in bringing the parties together at the negotiating table. But the administration is wrong to take the 350,000 innocent men, women and children who have fled repression and anti-Semitism in the former Soviet Union and turn them into pawns of the administration's attempt to wring political concessions from Israel on the settlement issue.

This linkage is irresponsible and unacceptable. Less than 1 percent of the new immigrants have settled in the West Bank, Gaza and the Golan Heights. For the remaining 99 percent, there is no policy dispute whatever. Yet they are all being asked to pay a heavy price for the controversy over settlements.

The debate over loan guarantees is not a theoretical one. The needs in Israel are urgent and real. Denying this request will increase hardships borne by as many as 1 million men, women, and children seeking to begin new lives in Israel. These difficulties threaten to reverse the important gains we have made so far.

Israel faces an increase of one-quarter in its population by the middle of this decade. If the immigrants are to be successfully integrated into Israeli life, the international community will have to provide assistance.

It will be as if the United States absorbs some 40 million additional individuals into the United States. Contrary to public perception, the United States is not being asked to provide housing loans to Israel.

Rather, we are simply being asked to provide our stamp of approval to Israel's efforts to borrow capital on the international market. Israel is prepared to pay any reasonable expense, so the guarantees can be provided virtually cost-free to the American taxpayers.

While we debate whether to lend our help to Israel in this monumental task, the needs increase for the immigrants. Unemployment among the new arrivals is over 40 percent, four times the already high rate of unemployment for other Israelis.

Let us also not forget that the United States benefits from our close relationship with Israel. Twenty percent of all Israeli imports are from the United States. In 1991, imports from the United States totaled $3.3 billion. In the next 5 years, Israel is expected to purchase as much as $30 billion in American goods—items that will provide needed benefits and jobs to the United States economy.

The unnecessary controversy surrounding this issue has gone on long enough. The United States has a responsibility to assist in helping Soviet Jews begin their new lives in Israel. This resolution sends an important message to the administration that the Senate of the United States does not support any effort to use Israel's new immigrants to achieve unrelated policy objectives.

I urge my colleagues to support this resolution, and I urge the administration to resolve the dispute over Israel's settlement policy by other, more appropriate means. The courageous Soviet Jews deserve no less from the United States of America.

Mr. GRAHAM. Mr. President, we will soon be discussing the issue of U.S. policy relative to the extension of loan guarantees to the State of Israel. I rise with a sense of disappointment, first because it is possible that the nature of the debate that we will be having is over a sense-of-the-Senate resolution, a statement of the expectations, the hopes, of the U.S. Senate, but not an action which will result in U.S. policy.

I am disappointed that we are not today about to establish U.S. policy on an important fundamental issue of human rights in an area of the world in which we have had such a sustained role, and as seen within the last few months, a role for which we were willing to sacrifice American lives.

I am also disappointed, Mr. President, because what we should be having today is a celebration, a celebration of victory, a victory that has been long sought, a victory that is the reward of a sustained partnership among the free nations of the world, and particularly between the United States of America and the State of Israel, a celebration which is in our proudest tradition.

From the very beginnings of this country, the words that Thomas Jefferson wrote in the Declaration of Independence, the United States of America has seen itself as a nation who has a universal responsibility for human rights. We were not a parochial country that looked at its interests around the world strictly from the standpoint of European realpolitik. We saw ourselves as having a different responsibility, a responsibility for fundamental human liberties, democracy, the freedom of all men and women.

That standard of the United States in the world has never been more aggressively, appropriately, or for a longer period of time demonstrated than as it relates to the issue of the former Soviet Union's treatment of its own Jewish citizens. Until the 1960's, Mr. President, the former Soviet Union never recognized the right to emigrate as a legal right, and therefore imposed very severe restrictions on its citizens, particularly its Jewish citizens who had expressed a desire to emigrate.

As a result of United States pressure, the Soviets began allowing limited emigration in the sixties in the name of family reunification. The number of Soviet Jews who emigrated climbed during the early 1970's to a high of 34,000. At that point, the Soviet Union instituted what was known as an education tax, charging those wanting to emigrate the cost of their Soviet education.

The United States response to the education tax was the Jackson-Vanik amendment, linking most-favored-nation status and Government credit to an opening of emigration by the Soviet Union. Senator Jackson stated on this floor, in support of the amendment which bears his name:

> The most dramatic violation of basic human rights is the decision to demand a ransom from Jews wishing to leave the Soviet Union. It violates our most deeply held convictions about human freedom and dignity. I must express my fear that the current ransom program, wicked in itself, carries with it the potential to exacerbate anti-Semitism in the Soviet Union to an extent and a depth that we hoped had perished for all time with the collapse of the Third Reich.

It was in that spirit, Mr. President, that the United States people, through their Congress, committed themselves to a linkage of improvement in our relations with the Soviet Union to the Soviet Union allowing its citizens to emigrate.

After the adoption of the Jackson-Vanik amendment, Soviet emigration dipped again. In the late 1970's, in 1979, after the completion of the negotiations on SALT II, emigration rose again and reached a peak of 51,000 Soviet Jews. During the 1980's, emigration fell, averaging approximately 1,000 Soviet Jewish emigres throughout that decade.

Mr. President, if I could inject a personal experience, it was in 1988 that I had the opportunity to share Passover seder with the Zelenchonick family of what was then called Leningrad—now St. Petersburg—in the Soviet Union.

The Zelenchonick family was typical of thousands and thousands of families within the Soviet Union. Mr. Zelenchonick was an acoustical engineer. Earlier in his career, he had worked in the Soviet naval construction industry, assisting in their efforts to make their submarines less subject to sonar detection. It was because of that that he was considered to hold state secrets, although it had been many years since he had worked in that particular application of his acoustical engineering profession.

His wife was an accomplished musician; their teenaged son an extremely bright young man. Over a period of approximately 10 years in which the Zelenchonick family had indicated its desire to emigrate, they had seen their lives, which once had hope and promise and respect and dignity, deteriorate.

Mr. Zelenchonick lost his academic position and was reduced to menial jobs. Mrs. Zelenchonick was denied her opportunities to perform. Their son was not allowed entry into the academic institutions appropriate to his ability. Year after year, the Zelenchonick family had been denied the right to emigrate to Israel.

As we celebrated that Passover seder together, at the end of the service, we stood holding hands and expressed that Biblical wish: Next year in Jerusalem. For the Zelenchonick family, their hope was granted. By Passover of 1989, they had been one of the few—soon to become many—who were the beneficiaries of a new Soviet policy on emigration. They were to lead what has become a floodtide, which in 1990 reached 180,000 Soviet Jews emigrating to the State of Israel.

And so, Mr. President, it is in that historical context that we approach this debate. It is a context of victory. We have achieved what we have sought for a quarter of a century in terms of a change in Soviet policy. Little did we know that the change in policy was soon to be followed by a collapse—and now a disintegration and evaporation—of the very political system which had captured, jailed, and imprisoned, so many of its citizens.

It was fully to be expected, Mr. President, that as part of this celebration, part of this act of victory, that there would be some further implications; that there would be the need for continued assistance in victory, as there had been in the striving to achieve the emigration of the Soviet Jews to the State of Israel; that there would be the need for the United States and other Western allies' assistance in the transition of this large number of very talented persons into full participation as citizens of the State of Israel.

It was fully expected that a request such as this would be made—and the request that has been made is a modest one; it was made more than a year ago—that the United States would provide not grants, not loans, but loan guarantees of $2 billion a year for 5 years, for a total of $10 billion of loan guarantees, in order to facilitate the financing of the housing, job training, job creating, and other necessities of the transition of this large population.

It is a modest request—a request, Mr. President, I suggest, that probably would have been adopted with the kind of act of celebration and enthusiasm that I think we should be experiencing today, but for Saddam Hussein's invasion of Kuwait almost 2 years ago.

That event froze in place a number of United States policies in that region in spite of the great restraint shown by the State of Israel throughout that Persian Gulf war, including the restraint of not responding to unprovoked attacks against civilian populations.

The State of Israel was asked to defer its request from the spring of 1991 until the fall of 1991. September came. Again they were asked to defer this 120 days until after the beginning of this current year, 1992.

Now, on April 1, 1992, we are faced with a political circumstance in which delay is being asked yet again.

The policy that we are being asked to adopt, the policy of loan guarantees, is fully consistent with actions we have taken within this region. We are all aware of the fact that recently a vote of the Congress provided loan forgiveness to the State of Egypt of an amount almost as much as the loan guarantees that are being asked by the State of Israel. We forgave large amounts of loans to the State of Egypt in recognition of their service to the cause of the democracies in the Persian Gulf war. Yet, for the State of Israel, we are unwilling to extend even loan guarantees for the natural, expected consequence of an action of which the United States was a principal cause.

The context of the decision that is being made, a decision of not to move forward with the loan guarantees at this time, I think has some ominous implications.

One, it has the implications that we are linking loan guarantees and potentially other aspects of the United States assistance to the State of Israel to the State of Israel's settlements policy. The United States, since 1967, has had an official position in opposition to the development of permanent settlements in the territory occupied by the State of Israel at the conclusion of the 1967 war. But we have never used those settlements as a precondition to the various forms of aid and assistance we have rendered the State of Israel over those many years.

Second, this is occurring at a time when, we hoped, as a consequence of the Persian Gulf war we would have created an environment in which there could be movement toward real peace in the Middle East, a recognition of the right of states to exist, a resolution of longstanding disputes, a lowering of the high level of armaments which have come to characterize the Middle East. By the position which the United States has taken, which essentially says to the State of Israel, "You take off the negotiating table the issue of settlements as a precondition to our assistance to you in the transition of Soviet Jews," we are thus weakening the ability of the State of Israel to enter into negotiations with its Arab neighbors. The consequence of our action is not to advance the cause of peace but to make peace more elusive.

Finally, this all occurs at a time of tremendous instability and turmoil within the former Soviet Union. Every day we are required to learn new difficult-to-pronounce names of towns and regions within the former Soviet Union where some latest civil disturbance or civil war has broken out. Those are exactly the kinds of circumstances in which old prejudices and biases can emerge. The potential of a new round of pogroms and anti-Semitism within the former Soviet Union and States in Central and Eastern Europe is a real one. This is the most inappropriate time for the United States to be indicating that we do not have full support for the policy of the last 25 years of emigration of all Soviet citizens, and particularly those who have been most discriminated against, to a land in which they can live in freedom and dignity.

That is exactly the message that this recalcitrance of the administration to accept the principle of the appropriateness, the necessity, the consistency with our national character that the loan guarantee request represents.

Mr. President, I close by citing these points because I do not want to be part of an America which walks away from a policy which is consistent with our tradition and which has been successful in achieving its result by providing freedom for literally hundreds of thousands of men, women, and children. The Zelenchonick family is illustrative of those who have been the beneficiary of our sustained commitment to the cause of human rights.

This is a humanitarian issue. This is not a political issue. This is an issue which should unite this country, not divide it. This is an issue in which we should take great pride, not resort to partisan bickering.

Mr. President, Israel is the only democracy in the region. It is a country with which we have strong cultural and historical as well as security ties. I hope my disappointments prove to be exaggerated, that in fact we will move forward by completing this act of celebration and extending loan guarantees to the State of Israel to assist that brave country in the transition of a brave population of former Soviet Jewish citizens who are now finding a new life of respect and freedom in Israel.

Ms. MIKULSKI. Mr. President, in a few short minutes we are going to be speaking on the issue of foreign aid, and specifically on a Lautenberg resolution.

Mr. President, people talk about foreign aid, and they think it is a giveaway program around the world. But foreign aid has the capacity to generate jobs in the United States of America, particularly where we send food around the world, food that can leave from America ports in American ships, feeding the hungry. That is the kind of foreign aid we support.

We also support those countries that enable people to help themselves, emerging democracies.

Last but not least, foreign aid is a tool of our foreign policy to help those who could face persecution.

In a few short minutes, Senator LAUTENBERG will be offering a resolution, a sense-of-the-Senate resolution, to support the consent of loan guarantees for the State of Israel.

I support the Lautenberg resolution because I support the framework for providing loan guarantees to the State of Israel. What many Americans do not understand is that this is not a handout. This is not cash grant. It is not a loan. It is simply a backing for Israel to be able to go on the world market, to borrow money, to practice self-help, to deal with the immigration issues, dealing with the flood of immigration coming from the Soviet Union.

This backing of the loan guarantees is a modest effort on our part. Israel has always paid back its loans. And in fact, it is a better risk probably than many of the S&L's that we are bailing out. At the same time, we know with the millions flooding into the State of Israel what this means.

Mr. President, I am not of the Jewish faith. But I have followed their traditions and admire their heritage. I know one of the most sacred feasts that they honor is the feast of Passover commemorating when Moses came into the promised land. We are now only 19 days from Passover, and the members of the Jewish faith the world over will say "Next year this time in Jerusalem" as their commitment to an exodus.

We have now Soviet Jews sitting on their suitcases, wondering if they can be absorbed, and when they say: "Next year this time in Jerusalem," they wonder if it can happen. And it rests on the type of help the world gives to create a new world order.

I support the Lautenberg amendment, and I yield the floor and thank the Senate for its consideration of my remarks.

ORDER OF PROCEDURE

Mr. BYRD. Mr. President, I ask unanimous consent that I may yield to Mr. DECONCINI so that he may utilize the time under his control without any time being charged to me during the time of his statement.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DECONCINI addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. DECONCINI. Mr. President, I thank the President pro tempore, chairman of the Appropriations Committee, for letting me proceed with the 10 minutes allocated to me. I have to go to a Judiciary Committee hearing, and I am grateful to be able to speak now.

Mr. President, I want to compliment the Senator from New Jersey for laying out what the problem is here and why we are here. He has, indeed, provided a background of this resolution offered by the Senator from New Jersey. It is a sense-of-the-Senate resolution. We know it is not binding, but it does send a clear signal. I trust we will pass it with heavy votes in favor of it because it is the right thing to do.

Providing refugee settlement loan guarantees for Israel is in the best interests of the United States. Our policy since 1974 has been focused on gaining the freedom of emigration from the former Soviet Union.

With the passage of the Jackson-Vanik amendment to the Trade Act of 1974, this country went clearly on the record that it will not tolerate the then Soviet Union refusing and discriminating against any of its citizens who seek permission to leave that country.

How many in this body have visited the Soviet Union? How many have gone out and talked to the refuseniks? Not all are Jews; some are Baptist, some are of other Christian faiths who wanted to emigrate from that country, and by merely filing an application for immigration, they lost their jobs and their housing. Some of them were actually put in jail.

Then comes the 1975 Helsinki Final Act which the Soviet Union signed, along with 34 other countries, including the United States, which guarantees to each citizen of each signatory country the right to emigrate and to travel without the Government arbitrarily refusing their right to so do.

The former Soviet Union said no. And it was not until the brave leadership of Gorbachev did the Soviets finally realize that you cannot—you cannot—snuff out the inherent freedom of movement, freedom of conscience, and the freedom of press.

We have seen this issue develop over a long period of time. The United States can take great pride, and up until this moment this administration could take pride, in standing by this longstanding moral commitment to see that those people were permitted to leave if they wanted to. I, like many of my colleagues, have been to those people's homes, and have looked them in the eye and said we will not forget you.

Now you can look those people in the eye in Israel. They are looking for a place to live. That is what this is about. It is not a Jewish or Israeli issue. It is an issue of morality, about what kind of a commitment the United States will make? How good is the word of the Secretary of State, the President of the United States, or a U.S. Senator who says, I am going to support your efforts to be able to go to Israel or anyplace else you want to go. That is what we are talking about here.

The money that is involved is nothing. If we had a loan guarantee, it would cost the U.S. taxpayers nothing because out of that guarantee, the Israelis have agreed to pay any losses, No. 1, and any finance charges, or administrative charges necessary to see that the loan guarantee is implemented. So we have no cost to the United States.

Will the Israeli Government go bankrupt? I suppose that is possible. But they have never defaulted on any line of credit or any loan guarantee or any loan whatsoever thus far. It is on record. Their record is clear.

We are saying, by not going through with the loan guarantees, that we are not prepared to stand by our word. So we are stuck here today with a resolution that is a sense-of-the-Senate. The least we can do is indicate to the White House that the President had better get back on track. He may think it is politically popular to bash Israel in the middle of their election, but people understand what a moral commitment is, and they understand what it is to have the right to be free and to express themselves.

The National Conference of Soviet Jewry states that through February of this year there have been 517,678 Jews which left the former Soviet Union for Israeli. That is something to be proud of. That would not have happened had the administration and this body and the House not continuously pressured the former Soviet Union. In 1991 alone, over 145,000 immigrated to Israel from the various republics; 14,000 more refugees arrived last May in an emergency evacuation from Ethiopia. I have been to Ethiopia. I can tell this Senate that nobody else would extend a hand, except Israel, to those people who were being absolutely mutilated by Mr. Mengistu and his Communist regime. The Israelis said come home, come home, and they have welcomed them. It has been a big problem, integrating these people into that society, but they were willing to do it.

This is what the Jackson-Vanik amendment was all about. This is what the human rights principle of the Helsinki Act has been all about. What has the administration been doing? Almost behind the backs of the American public, in 1990, it was keen enough to grant loan guarantees to Iraq for $650 million in commodity credits; to Egypt, $214 million; to Morocco, $116 million for the Eximbank, $5 million in commodity credits and $82 million from AID for a total of $203 million.

To Jordan we granted AID loans totaling $121 million. In 1991, Bahrain got $367 million from the Eximbank; Egypt got $2 million; Kuwait, $15 million for commodity credits; Jordan $25 million in commodity credits; Yemen, $15 million in those credits, and on and on. Israel got some, too, $36 million in 1990, from the Eximbank on a loan guarantee.

It just indicates to me, Mr. President, that we are not playing on a level field here. I think it is unfair that the administration has decided to politicize a very important moral issue. That moral issue is to be a partner and to assist a nation which has committed itself to absorb refugees, in part, because of the commitment that we made that we would do everything possible to help these people.

I have spoken in opposition to settlements on the West Bank and Gaza, and I have attempted to use whatever little bit of influence I have to be sure that Mr. Baker and Mr. Bush do not link the settlements with the loan guarantee—to no avail, I must say. I think it was unfairly thrust upon this country that these guarantees be linked, so that there would be the political pressure put on them, so that we would be exactly where we are today. In Israel, there is almost no place for these people to live and work. There is no opportunity, without some assistance. We are not talking about a handout; we are talking about the Israeli Government and the people of Israel standing up and putting their pocketbooks behind these loan guarantees.

It is my hope that this administration will learn something, assuming this sense-of-the-Senate resolution passes. I hope that it will learn that this body is willing at least to stand up and be voted and counted in support of a commitment to free emigration that this country made in 1974.

It has been estimated that the projected effects of $10 billion loan guarantee program could result in more than 200,000 jobs being created here in the United States alone. So it is a good jobs bill. But that is not why we are here. We are here because it is the right thing to do. It is the right thing to do when you have made a promise—and this country has made a promise for years—to stick up for one person's individual rights, no matter where that person lives. That we will not forget them, whether they are lost in Vietnam, or whether they are being persecuted in China, or whether they are still not getting out of Russia. Indeed, there are some 50 refusenik cases pending in the Republic of Russia today that cannot get out. I would remind those leaders.

I have had Soviet Union officials ask me: Senator, why do you care about the Yelistratov family living in Moscow? What is one family that cannot get out? Are there not bigger things to negotiate, such as disarmament treaties, border disputes in the Baltics, and what-have-you?

What I said is what any American would say: There is nothing more important in the United States than one individual's rights, because that is what makes a democracy, and that is what this country was founded upon.

Mr. President, it is time we do what is right and pass this resolution with overwhelming support. I thank the Senator from West Virginia for his patience and will permit him to speak at this time.

The PRESIDING OFFICER. Who yields time?

Mr. METZENBAUM. Mr. President, I ask unanimous consent, with permission of the Senator from West Virginia, that I may speak for not to exceed 3 minutes.

The PRESIDING OFFICER. I assume that the Senator's time would be coming on the time controlled by the Senator from West Virginia.

Mr. METZENBAUM. I ask unanimous consent that it not be charged against any particular Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. METZENBAUM. Mr. President, I rise to commend the Senator from Arizona for his remarks and for his longtime commitment and concern for the Jews of the Soviet Union. I know that it is not a newfound concern.

I remember when I visited the Soviet Union with him, when we visited the home of one of the Soviet refuseniks who was attempting to leave the Soviet Union for Israel at that time. And I remember the warmth of the reception that we received when we walked into that home. I think the man at that time was earning a living as a tennis pro because he had lost his job as a professor or as an engineer in the Soviet hierarchy.

During the recent negotiations that we had on this particular subject, there has been no Senator who has been more resolute and more determined to fight for the loan guarantees than has the Senator from Arizona. He has been steadfast in his concern. He has been willing to stand out and stubbornly resist others who might have suggested alternative routes to follow. It is the concern of the human rights of fellow human beings, those human beings who are in the Soviet Union, among others, that drives the Senator from Arizona.

I commend him for his concern, for his leadership, for his willingness to stand out and to speak up. And I just wish to make it clear that there are many of us who were proud not only of his role throughout this entire effort regarding the loan guarantees but, also the time, concern and commitment he has expended for the many Soviet Jews who wanted to emigrate to Israel over the years whom he has helped.

Mr. President, I thank the Senator from West Virginia for his courtesy in permitting me to speak at this time.

The PRESIDING OFFICER. The Senator from West Virginia.

Mr. BYRD. Mr. President, I wish to state my respect for the distinguished Senator from New Jersey [Mr. LAUTENBERG] in offering the resolution. I am sorry that I have to oppose the resolution. I respect the views of all those who support it.

It is a sense-of-the-Senate resolution and, therefore, has no legally binding effect. But, Mr. President, it is a policy statement, nevertheless. The distinguished Senator from New Jersey [Mr. LAUTENBERG] himself, stated when he introduced the resolution, it puts the Senate on record in support of loan guarantees to Israel.

I have found in the past that these sense-of-the-Senate resolutions, although they are not binding on anyone, they nevertheless, as I say, do constitute policy statements. Anyone who wishes may interpret the resolution as he wishes to interpret it. But I think it does send a message which is not the right message.

Mr. President, I, therefore, rise to speak in opposition to the resolution now pending before the Senate, and I do so because I have come to the conclusion that the loan guarantee program, as it has been proposed, does not serve the interests of the United States and, indeed, is not in the best interests of Israel. I am taking the Senate's time to outline my views on this important issue in some detail because the United States-Israeli relationship is extremely complicated with an extensive history. That relationship continues to have many ramifications, for both countries, which need exposition and examination. I think it deserves our careful attention and study. There is sometimes a tendency to oversimplify and view such issues from one perspective. I hope to provide a contribution to this debate that shows where we have been and where we are going in our relationship with Israel.

This resolution touches on many important issues for this body and for our country, and I hope that during our debate we will be able to address these issues—the real issues, not red herrings. We cannot be distracted by the false argument of whether this is a vote for or against Israel; we are all for Israel. This body and this country remain committed to Israel's right to exist, and to promoting peace and stability in the Middle East as the only way to ensure Israel's long-term security.

We must also not allow this vote to be cast as a decision as to whether the Senate supports the continued migration of thousands of Soviet Jews seeking to find safety and begin a new life in Israel. The Senate and this country have been rock solid in their support for Soviet Jews during the dark years of virtual imprisonment in a country hostile to their faith and way of life. We took many steps, from trade restrictions against the Soviet Union to personal intervention by many of the Members of this body, including myself, to relieve the plight of the Soviet Jews. The last thing this Senator would want to do is to prolong this dire situation, or make their escape to freedom from oppression any more difficult. Once again, the most effective way to provide that escape route is to work for a secure and economically viable Israel.

Our overriding concern must always be the interests of the United States. Does the proposal serve our interests and support our policies, which include working for peace in the Middle East and ensuring the well-being of Israel? If our policies help to foster a period of peace in the Middle East, then those policies will benefit Israel, allowing it to reduce defense expenditures and shift to a more steady and stable peacetime economy that will be able to absorb the new immigrants. A real question is whether or not this proposal contributes to that goal. It is not a question of support for Israel.

The real question is this, does the loan guarantee program that we have heard so much about, support U.S. policy by encouraging the ongoing peace process and by contributing to the security and economic stability of Israel? Our position on this issue could have a profound effect on the ongoing peace process in the Middle East; the region of the world most likely to draw the United States and others into continued conflagrations until the underlying causes of friction and poverty are relieved. The question is whether the longstanding policy of the United States opposing Israeli settlements in the disputed zones should be discouraged or encouraged. That issue is a fulcrum of our policy toward the future of the Middle East. The stated and demonstrated policy of the state of Israel is in direct contradiction to that of the United States regarding such settlements.

Our position could also have a major impact on the economic situation in Israel and we must consider a broad range of factors before embarking on such a massive new assistance program. Several important questions come to mind immediately. First, what in fact is the so-called Housing Loan-Guarantee Program money for? Is it, as we have heard it described, an important humanitarian program of housing loans for immigrants? Or is it for something else, something much broader? Second, what is the likely impact on the U.S. taxpayer? Is the risk of default substantial and will huge liabilities accrue to our taxpayers? Third, what are the ramifications in terms of U.S. policy toward settlements and ultimate peace in the Middle East?

My view is that the economic rationale is questionable, and most of the funds may not end up as a direct humanitarian program for Soviet immigrants at all. Further, economic reforms which are needed in order for Israel to continue to be able to repay its debts are in some doubt. Infusion of new funds guaranteed by the United States, along with the additional money made available from other sources as a result of United States guarantees, may well work directly against economic reform and long-term stability in Israel, as well as running counter to United States policy toward settlements in the occupied territories and the peace process in the Middle East.

The distinguished chairman of the House Appropriations Subcommittee on Foreign Operations, Mr. OBEY, held detailed hearings on this matter earlier this year.

I have read the record of those hearings, and a reading of that record suggests that the sums the United States is being asked to guarantee are not just for housing, or even principally for housing. Rather, the record suggests that the money is to be used in a comprehensive program of infrastructure development. Indeed the whole request might be more accurately labeled as a vigorous economic growth package for an economy which is weak, overly dependent on public sector and socialistic practices, and in need of market-oriented economic reforms.

Mr. OBEY had three leading economists, all experts on the Israeli economy, who testified unanimously that any additional United States aid to Israel should be conditioned upon implementation of economic reforms. Otherwise, the aid would result in postponement of needed reforms, as has already happened several times in the past. Economic self-sufficiency is just as important as peace for Israel's long-run security. Israel's near economic collapse in 1985 proved that. Out of that experience, the Israeli Government has formulated detailed plans for economic reforms. Some have been carried out, but nowhere near as many as are necessary to become self-sufficient. The longer these reforms are postponed, the longer the United States will be called upon for more aid to Israel.

The American people are apparently being asked to underwrite major new economic growth programs for Israel when we cannot develop them for our own desperately-in-need economy. We are being asked to guarantee funding for what appears to be wide-ranging infrastructure projects, running far afield from anything directly connected to Soviet immigration, at a time when United States spending on its own infrastructure is far lower than that being infused by our European allies into their economies. It is no wonder that foreign aid is held in such disrepute by the American people.

Mr. Emanuel Sharon, a former Israeli Finance Minister, testified before Mr. OBEY's subcommittee that we are not really talking about housing guarantees here, but more so about money to be used for a wide variety of economic purposes. This is confirmed in a document provided by the Embassy of Israel, "Absorption of Soviet Jewry Immigration," that indicates that about half of the loan guarantees would go to the private sector for investments, and the rest would be divided equally between housing and infrastructure. There is no agreement between the Government of Israel and the Government of the United States as to how thw money will be channeled, and the specific uses to which it will be put. The fact is that we really do not have any specific understanding as to how the money will be used. That should be an elementary predicate to even the consideration of a loan guarantee request. How many houses will be built? How much money will go for low-income housing, how much for moderate-, and upper-income housing? More particularly, who is going to be living in the housing—Soviet immigrants? Where will this housing be? The document of the Israeli Ministry of Finance is silent on these very salient questions. It does, however, talk about major projects in the infrastructure area, including transportation, energy, communications, and water resources. We have here plans for a new multibillion-dollar road system, a national arterial highway, billions more for a railway system and expansion of civil aviation, ports for $1 to $2 billion, sewer expenditures. What does all this have to do, except in the most indirect ways, with Soviet immigration? Are the American people prepared to simply underwrite a separate, very substantial, economic infrastructure package on top of the aid we are already giving Israel every year on terms more generous by far than for any other country?

Provision of the loan guarantees by the United States would have wider ramifications by enhancing Israel's ability to attract additional money. Additional billions of dollars are reported to be available from private credit markets if the U.S. loan guarantee program is approved. Otherwise, these additional resources are reported to be unavailable. As Herbert Stein testified before Mr. OBEY's subcommittee, the money will simply be "in addition to the total resources of the Israeli economy and society." Indeed, the package being requested by Israel is not really a package at all; it is simply a massive infusion of new funds for a flagging economy, on top of the billions we annually provide for such purposes already.

Let us examine what existing Israeli economic policy is and how it needs to be reformed, not only so that we may be assured of Israel's ability to repay the loans and relieve the United States of the liability such guarantees would incur but, even more fundamentally, so that we can address the question of whether providing these funds will tend to encourage the Israeli Government to stand pat on economic reform, or to waffle on it, creating a negative effect on the long-term health of the Israeli economy. Our goal should be to stabilize that economy by weaning it off of foreign loans and remittances so that it may stand on its own two feet. We must not encourage Israel to go down the path of deeper and deeper debt.

We have heard and read a great deal about Israel's outstanding record of debt repayment. The resolution states that loan "guarantees will not result in any cost to the United States taxpayer." Proponents say we are risking nothing by guaranteeing loans to Israel because it has never defaulted on a loan to the United States Government. This, as best I can tell, is a true statement; however, it may not tell the whole story. The 1973 Congressional Quarterly Almanac contains a discussion of the $2.2 billion in emergency aid requested by the President and subsequently approved by the Congress in December 1973. Between the outbreak of the war and the consideration of the supplemental request, Israel had purchased over 1 billion dollars worth of military equipment that we had rushed to them without hesitation. The CQ Almanac points out that "the Foreign Military Sales Act provided that payment was due within 120 days of delivery. During congressional hearings, administration witnesses repeatedly stressed that without United States military grant assistance or credits Israel might default on these payments when they came due in February-March 1974." In other words, in effect, we give Israel the money to pay back its debt to us.

Again, in 1985, when the Israeli economy was facing a crisis and suffering from hyperinflation, the United States responded with a $1.5 billion supplemental appropriation. Then in 1988 and 1989, Israel was allowed to refinance high-interest foreign military sales loans owed to the United States Government. In an August 1989 report, the General Accounting Office estimated that the cost to the United States Government of allowing Israel to refinance these loans was $1.2 billion. This refinancing not only made it easier for Israel to make its debt payments to us, but also saves Israel about $150 million a year in interest charges.

A final point to consider when evaluating Israel's record of prompt repayment is a provision included in every Foreign Operations Appropriation bill since 1985. I will quote from the fiscal year 1991 bill. "Therefore, the Congress declares that it is the policy and the intention of the United States that the funds provided in annual appropriations for the Economic Support Fund which are allocated to Israel shall not be less than the annual debt repayment, interest and principal, from Israel to the United States Government. * * *" It seems to me that by guaranteeing to make repayment to ourselves, and backing up that guarantee by rushing in with supplemental appropriations whenever there is a crisis, then Israel certainly ought to have a spotless record of repayment. But it also strikes me that this does not mean that loans and loan guarantees to Israel do not cost the United States anything.

The Department of the Treasury reported that, as of September 30, 1991, Israel owed the United States Government $4.209 billion directly and we had contingent liability for another $6.199 billion in the form of loan guarantees. This resolution would endorse an increase in the U.S. Government's exposure. That endorsement could ultimately lead to a sizable, additional risk to the U.S. taxpayer.

Beyond the question of repayment to the United States, there is a consensus that the Israeli economy needs to reform and move toward a more market-oriented system. Government there is too big. The share of government-owned corporations is still about 15 percent. The focus of reform should be in the direction of liberalizing capital markets, liberalizing trade, abolishing subsidies, privatizing government-owned corporations, easing labor laws and regulations that obstruct the adjustment of wage rates to market conditions, and reducing a web of economic regulations that tend to produce cartels and other inefficiencies in the economy.

These reforms are so important and basic that there has been a general feeling, shared, I know, by the chairman of the Foreign Operations Appropriations Subcommittee in the Senate, the distinguished Senator from Vermont [Mr. LEAHY] that the reforms must be implemented and that our aid should be conditional upon their being implemented. This is a task that is difficult but can be accomplished, according to informed witnesses, if enough political will is available on the part of the Israeli leadership. Mr. President, the resolution before us, unfortunately, is silent on the question of reforms. There is no requirement here that Israel should begin to put its own house in order as a condition of receiving any guarantees in the future.

Recent actions of the Government of Israel do not resolve my doubts on the determination of that Government to implement needed reforms. Last year, the Government created 16 new monopolies, whereas one would hope that the trend would be in the opposite direction, which is to demonopolize the economy and infuse new competition into it. As Dr. Alvin Rabushka, of Stanford University, testified before Mr. OBEY's subcommittee the worry is that the "whole reform process will get nipped in the bud and the very changes that are required to make that economy grow, the people to be prosperous and free and to make the immigrant system work, will be stopped because there won't be the financial pressure to do it." So, there is an economic case to be made that provision of the loan guarantee package may be undesirable for those reasons, that it will relieve the financial pressure for reform and delay needed change. Other economists may disagree with this assessment, but the economic package itself and how it affects the necessary reform measures need examination and study, and that has apparently not been done. In addition, there is debate over whether there exists in Israel itself the resources that could be made available to substitute for this loan package. In other words, it may not be needed at all.

In February of this year, the GAO released a report, done at my request, that indicates the Israeli Government would be able to fully service its external debt if it fully implements its major absorption plans. An internal Export-Import Bank report dated last July 10 states that the "expected buildup of external debt gives rise to concerns about Israel's ability to meet its future debt service obligations on a timely basis." It says the debt service burden should be manageable "if the country's domestic and external political and economic conditions encourage large capital inflows." Such capital infusion from private sources has not yet appeared. It goes on to say that the Government has not implemented adequate economic reforms to deal with its looming financial and economic problems. So the assumptions of repayment are based on implementation of reforms, and that is certainly a big question mark. Where is the evidence that the current Israeli Government will implement such reforms?

Israel has maintained a highly socialized economy since its inception in 1948. The government runs every aspect of production, either directly, or indirectly through the Histadrut labor union, which fixes wages for 85 percent of the work force and owns companies which account for 23 percent of business revenue in Israel. The Institute for Advanced Strategic and Political Studies in Jerusalem recently reported that Government expenditures will comprise 68 percent of GDP this year.

New business ventures arise only after a governmental grant of monopoly power. In 1991, the Israeli Government granted 16 new monopolies. Investment capital and debt financing can only be obtained through the Government, through Government-owned banks, or through the Histadrut. There are no privately-owned banks in Israel. There is very little foreign investment in Israel, and there are no foreign banks. This means that the Government is the primary source for Israeli job creation.

To cope with approximately 400,000 Soviet and Ethiopian immigrants since the fall of 1989, Israel offers to pay employers one-third of an immigrant's first-year wages and one-quarter of their second-year wages. These subsidies result in make-work jobs which are unlikely to survive the end of the subsidy. Even with these subsidies, immigrants have suffered a 30-percent unemployment rate. Another 30 percent are enrolled in language classes. The remainder tend to be severely underemployed. These immigrants are highly, skilled—25 percent are engineers, and 6 percent are doctors—but most of them can find only menial jobs. Israel estimates that 450,000 jobs would have to be created over the next 5 years to accommodate the estimated 1 million Soviet immigrants. Another 170,000 jobs would be needed for normal population growth over the same period. Israel actually created only 132,900 jobs between 1985 and 1990. Israeli unemployment was running at historically high levels, in excess of 8 percent, prior to 1989, and it now stands near 10 percent. Per capita real GDP growth has been less than 1 percent annually for the past 3 years and shows little prospect of increasing beyond that level in the future.

Without job creation, retaining the immigrants will prove difficult. Recent polls find that a majority are advising relatives back in the former Soviet Union against coming to Israel. On July 12, 1991, the Jerusalem Post reported that a Tazpit Research Institute survey of Soviet immigrants found that 37 percent advised relatives to delay immigration to Israel, 15 percent counseled against coming to Israel at all, 8 percent recommended going to another country, 7 percent urged remaining in Russia, and only 32 percent said to come to Israel immediately. A follow-up poll reported in the November 8, 1991, Jerusalem Post found that 30 percent of all Soviet Jews who had arrived in Israel since September, 1989, wished to emigrate from Israel, and over half now advised relatives to delay immigration to Israel. Peak monthly immigration in November, 1990, reached 25,000, but immigration in January of this year, 1992, fell to only 6,200.

The original $10 billion loan request was apparently based upon an estimate of over 400,000 Jewish immigrants arriving in Israel from the Soviet Union in 1991 and over 1 million over a 5-year period. However, only 175,000 arrived in 1991, and the request has not been adjusted to reflect that reduction, as far as I know, so there is a rather loose connection between the request and the need as demonstrated by the facts. Taking on long-term debts to finance what could well prove to be only a temporary rise in immigration levels would postpone vitally needed economic reforms in the short run and increase the possibility of repayment difficulties in the long run.

Of real concern is the virtual lack of private foreign investment in the Israeli economy. From 1980 to 1990, the whole range of cash transfers from abroad, reparation payments from Germany, personal remittances, United States aid, et cetera, amounted to $40 billion, in comparison with only $1 billion in direct foreign investment. So, the entire economy is dependent on a collection of unilateral grants and transfers, augmented by loans. What is needed is some serious foreign investment in order to tie the Israeli economy to the global economy.

The Israeli economy has been in trouble and has experienced little growth since the mid-1980's. It has become more and more dependent on these external grants and loans. That is not a healthy situation, and we should not be taking action to further such dependence, and allow the avoidance of needed reform measures. Are we helping Israel in the long run to continue its dependence and to delay the implementation of measures which would make its economy more market oriented and attractive to private investors? In Dr. Stein's testimony, he said, "If the immigrants are successfully integrated into the Israeli economy, and if reasonable prospects of peace are established in the area, Israel will be able to dispense with aid from the United States Government."

Certainly an atmosphere of peace would allow the Israeli Government to reduce its defense expenditures and make for a more attractive investment environment. It seems clear, therefore, that the road to economic growth will go hand in hand with the creation of a more secure political and strategic environment in the Middle East. Thus, it is the peace process that is the key to political and economic stability, not additional aid programs that perpetuate Israel's dependence, and are conducive to the delay in making reforms.

In the face of all of the uncertainty in Israel, this proposed program would ask the American taxpayer to cosign a total of $10 billion in investment guarantees intended to prop up this unstable foreign economy at a time when we are telling the American people that we cannot afford to invest at home. Last week, the Senate failed to pass S. 2399, a measure that would have allowed us to move savings from the defense budget into the domestic discretionary accounts in order to fund desperately needed investment in infrastructure, housing, and job training, among other areas. These are exactly the kinds of programs that Israel will fund with this $10 billion loan that we are being asked to guarantee.

The U.S. economy is barely strong enough to support our own needs, let alone to take on additional burdens overseas. This new month of April, our economy entered its 22d month of recession. In this century, only the 43-month Great Depression lasted longer. Unemployment stands at a 6-year high of 7.3 percent, but if we count discouraged workers, who have given up looking for work, and underemployed workers, who want full time jobs but cannot find them, then the unemployment rate is really 13.3 percent.

The duration of this recession and the weak recovery expected from it are not temporary phases in the business cycle. This structural weakness will be with us for a long time—too long. This weakness arises from our failure to invest on a par with our trading partners. Reversing these trends will not be accomplished easily. We need to retrain our work force and make the public and private investments necessary to keep up in an increasingly competitive world economy. We must upgrade our own infrastructure and our own work force first, before we start worrying about similar problems in Israel or elsewhere. Our effort to restore the health of the American economy will require resources which dwarf—which dwarf—the administration's paltry $50 billion peace dividend, and which will force us to reconsider our budgetary priorities on a number of fronts, including this one.

At this point, I think it might be instructive to review the history of the relationship between the United States and Israel, and to examine in a little more detail exactly what support we have provided to Israel in the past and continue to provide at present.

In fiscal years 1949 through 1991, the United States provided $50.5 billion starting with a "B", billion dollars, in military assistance, economic support and food aid to the State of Israel. This represents approximately 13 percent of total United States foreign aid to all countries since the end of World War II, despite the fact that Israel did not become a major aid recipient until the early 1970's. Their $50.5 billion is more than we gave to Vietnam or Korea, and more than we provided to Great Britain during the Marshall plan. During the time period of 1949 to 1991, Israel also received an additional $2.5 billion in other aid programs. Of the $53 billion in total aid, $40.1 billion has been given since the Camp David accords were signed in 1978.

We can see on this graph that during the 1950's and 1960's, the United States provided a small amount of assistance to Israel. This started as primarily food aid and loans for economic development. In the 1960's, we introduced a modest level of military assistance, also in the form of loans. That level increased significantly, to around $500 million a year, in the early 1970's. Then, following the 1973 Arab-Israeli war, we saw a major policy shift as total aid rose from $492.8 million in 1973 to $2.6 billion in 1974, a jump of 427 percent. The composition of the aid also began to shift from loans, for which we expected repayment, to outright grants. Of the $2.6 billion in aid which we provided to Israel in 1974, $1.6 billion was in the form of grants.

The aid level then bounces around a little for the next 3 or 4 years, but averages out to around $1.85 billion, almost $2 billion a year. Then in 1979, following the Camp David accords, the Congress approved a huge supplemental aid package for Israel and Egypt. Israel's assistance for fiscal year 1979 was $4.9 billion, almost $5 billion; 1980 saw the aid level drop back to just over $2.1 billion, but it has increased steadily since then to $3.7 billion in 1991. In 1985, we responded to an economic crisis in Israel by converting all military and economic support assistance to cash grants instead of loans, and by passing a $1.5 billion supplemental aid package bringing the total appropriated in 1985 to $4.1 billion in grants.

Since 1979, Israel has accounted for 21.5 percent of our total foreign aid budget, including all multilateral as well as bilateral aid. During these years, the United States has pursued foreign policy objectives around the world and dealt with many crises. Over the 13-year period from 1979 to 1991, we pumped $2 billion into Honduras while that country was serving as the base for the United States-backed Nicaraguan Contras. During that same period, we gave El Salvador $4.2 billion in aid to fight the leftwing insurgents there, and we provided $3.9 billion in support for the Philippines. We also spend $5.9 billion in combined aid to the Afghan freedom fighters and the Pakistan Government. More recently, we have bolstered the failing economies of Nicaragua and Panama as they continue to struggle with the transition to democracy. Since 1979, we also have provided almost $8 billion in assistance to Turkey, another important strategic, democratic ally in the Middle East region. Yet, during that period, 1979 through 1991, Israel has not only remained the No. 1 recipient of American largess, it has received $14.7 billion more than all of these other countries taken together. I repeat, Israel's 13-year total of $40.1 billion was $14.7 billion more than Honduras, El Salvador, the Philippines, the Afghan freedom fighters, Pakistan, Nicaragua, Panama, and Turkey combined.

Nor have we forgotten Israel in times of crisis. I have already mentioned the 427-percent jump in aid following the 1973 war, and the $1.5 billion supplemental appropriation during the economic crisis of 1985. And, of course, in 1990, the United States responded to the increased immigration of Soviet and Ethiopian Jews by providing $400 million in housing loan guarantees.

The United States also rushed to provide additional assistance during the Persian Gulf war. Early in the war, President Bush used his emergency authority under section 506(a) of the Arms Export Control Act to transfer to Israel two Patriot missile batteries valued at $117 million. The Congress appropriated an additional $650 million economic assistance grant, allowed the use of $200 million of Economic Support Fund money for the purchase of military equipment, and earmarked $300 million for the prepositioning in Israel of United States defense equipment that can be used by Israel in an emergency. Congress also authorized the President to transfer another $700 million in United States military equipment to Israel. Although the President has yet to make use of this authority, the Defense Department is preparing to transfer 10 F-15 aircraft, valued at $45 million.

Despite this unmatched foreign aid program, this is only part of the story. Israel derives many other benefits, both direct and indirect, from its special relationship with the United States. In addition to the $3.7 billion already identified in fiscal year 1991, Israel also received another 80 million dollars' worth of excess military equipment under the authority of section 516(c) of the Arms Export Control Act. So far in 1992, DOD has transferred $5.2 million using this same authority. And, as I mentioned, during the gulf war the President used emergency authority to transfer to Israel two Patriot missile batteries valued at $117 million.

Additionally, items of assistance or special treatment that were contained in fiscal years 1991 and 1992 legislation are: Continued participation in the American Schools and Hospitals Grant Program representing $2.7 million for 1991; $7 million for Arab-Israeli cooperative programs, of which approximately half is spent in Israel; $42 million for joint research and development on the Arrow antitactical ballistic missile follow-on program. This amount increased to $60 million in the fiscal year 1992 Defense Appropriations Act; also, authority to use up to $475 million of its military aid in Israel instead of spending it in the United States. Although the President has the authority to allow countries to engage in non-United States procurement in certain limited cases, Israel is the only country that receives specific legislative authority and a designated dollar amount for such procurement; moreover, priority over every other country, except Turkey, to receive excess defense articles; additionally a major new petroleum reserve of 4.5 million barrels, worth $180 million, which is available for Israel's use in the case of an emergency; furthermore, $15 million to improve military facilities at the Israeli port of Haifa in 1991 and another $2 million in 1992 to study the costs of further improving the facilities to allow for full-scale maintenance and support of an aircraft carrier battle group; in addition thereto, specific inclusion in the Overseas Workload Program, allowing Israel to bid on contracts for the repair, maintenance, or overhaul of United States equipment overseas; and additionally $1 million in investment insurance in Israel, provided by the Overseas Private Investment Corporation.

Other, earlier legislative initiatives that provide continuing benefits to Israel include:

Immediate transfer each year of the $1.2 billion Economic Support Fund grant and the $1.8 billion military assistance grant. Thus, our grants to Israel are turned into interest-bearing assets for Israel while our own budget deficit is increased, resulting in higher interest charges to us. This immediate transfer created approximately $86 million in interest income for Israel in fiscal year 1991. Such an arrangement has been in place for the Economic Support Fund since 1982 and was extended to military aid in fiscal year 1991 and applies to no other country; moreover, debt restructuring that took place in the late 1980's allowed Israel to lower interest payments by an estimated $150 million annually; additionally, the fair pricing initiative within the Foreign Military Sales Program that allows Israel to avoid certain administrative fees normally charged on foreign military sales. This benefit saved Israel an estimated $60 million in 1991.

Mr. President, I have gone through this litany of aid, assistance, and special treatment not necessarily because I feel that any particular program is unwarranted or excessive, but because I think it is important, if we are going ultimately to endorse a huge new assistance program, to remain aware of the current high level of support that we already provide to this single nation. We have provided Israel with multibillion-dollar aid packages since 1974, and both the United States and Israel have very little progress to show for it. Israel has become dependent on both our economic and military assistance. Our aid has enabled Israel to maintain its enormous military capability, put off much needed economic reforms, and avoid making serious progress in solving its problems with its neighbors. Israel must, for its own good, start to stand on its own and cut itself free of a dependence that is really a roadblock to progress, both economically and from the standpoint of achieving security, and it is a dependence that will have no end otherwise.

As we consider increasing Israel's reliance on the United States and conversely, United States involvement in Israel, we should examine how well another aspect of that friendship has been functioning recently. Over the last 2 weeks, the press has been rife with reports of questionable arms transfers from Israel to such countries as China and South Africa—transfers that may involve United States technology, in violation of agreements between our two nations.

Of the more than $40 billion that the United States has provided in aid to Israel since 1979, $23.3 billion has been military assistance. As we can see on this chart (chart 2), Israel's arms exports have grown considerably during that time, and our assistance has certainly helped promote the arms export industry in Israel. Since 1984, Israel has been allowed to use a portion of its foreign military financing credits for procurement of Israeli-made military items. Unlike other countries that receive United States military assistance, Israel does not have to spend all of those funds to purchase United States equipment. In 1991, of a $1.8 billion military assistance grant, we allowed Israel to use $475 million to buy the output of its own defense industry instead of American-made products. Moreover, Israel was allowed to spend an additional $150 million of the 1991 grant for its own research and development in the United States. We also have provided $126 million in funding for the development of the Arrow antimissile defense system in Israel, with another $60 million appropriated for the Arrow follow-on in fiscal year 1992, and the prospect of several hundred million more dollars in the future.

Given our involvement with, and support of the Israeli defense industry, I think it is quite proper for us to fully air these charges of improper arms transfers. An article in the Wall Street Journal of March 13, 1992, lays out the charges that will reportedly be made in an upcoming report by the State Department inspector general. The Wall Street article says that the report "will summarize intelligence reports of the apparent Israeli violations of United States regulations and agreements." It goes on to say that "The classified intelligence provides 'overwhelming' evidence, according to senior U.S. officials, that Israel has reexported weapons containing United States technology without first obtaining Washington's approval for the sales, as the United States requires."

Israel is accused of taking United States components and including them in its own products and then selling those products to third countries. The kinds of products we are talking about are such things as the Israeli versions of the United States-made AIM-9L Sidewinder air-to-air missile and TOW-2 antitank missile. Obviously, we want to maintain strict control of this kind of sophisticated technology, and, if the reports are true, Israel certainly has violated the spirit, if not the letter, of agreements between our two countries. The staff of the Inspector General's Office has informed my staff that they expect to release the report and a classified annex within days. I look forward to that release so that any further discussion on this topic will not have to be based on press reports only.

To whatever extent these charges have merit, I consider them to be symptomatic of the problems caused by the attitude that Israel is somehow exempt from the laws, rules, regulations, policies, et cetera, that apply to other countries. Those who hold this view seem to think that we are still immersed in the cold war, when Israel was a bulwark against Soviet expansionism in the region, when Israel's strategic importance in the East-West conflict may have outweighed the necessity to focus on a solution to the region's own intractable, internal problems. We should wake up to the reality which has been slow to dawn on many, including our own Pentagon, that the cold war is over and the real threat to stability in the Middle East lies in the tension between Israel and its Arab neighbors. And that tension only increases as a result of the continued expansion by Israel of settlements in the occupied territories.

Every United States President since Lyndon B. Johnson has called for Israel to withdraw from the occupied territories with the caveat that some adjustment might be made to ensure Israel's security. The Congress has always supported this policy, and, in 1990, when the United States provided $400 million in housing loan guarantees, it was explicitly linked to the settlements so that none of the money could be spent in the occupied territories. Unfortunately, this linkage was not enough to influence Israeli policy in any way. The GAO report issued in February found that the guarantee program, as restricted, "did not influence the Israeli Government's decisions on where to build new housing or on how much settlement activity to undertake in the occupied territories." Indeed, the number of settlers in the occupied territories has risen from 75,000 in 1989 to 104,000 in 1991.

I would like to point out, Mr. President, that the Israeli Government's policies and practices regarding the settling of the disputed territories—the West Bank, East Jerusalem, the Golan Heights and Gaza Strip—is very clear: settlement has greatly accelerated during the last 2 years; two to three times, in comparison with a period a year earlier. There is no restraint, as one might reasonably expect with the development of the peace process and the rising concerns from the United States over the settlement policy—no restraint whatsoever. There is clearly a clash of policy goals between the current Government of Israel and the United States.

The problem is that the recent policy of the Israeli Government is to aggressively promote settlement in the disputed territories. There is the appearance of preemption here—fill the territories with Israeli settlers and thus exert maximum leverage to forever keep the lands and have de facto sovereignty over them. According to Geoffrey Aronson, of the Foundation for Middle East Peace, who testified before Mr. OBEY, the Government of Israel in 1991 allocated $2 billion for settlement-related purposes, funding construction of 19,999 housing units in the West Bank and Gaza. This figure is larger than the combined construction expenditures from 1968 to 1984. According to Mr. Aronson, there is a Government of Israel plan for 106,000 housing units in the West Bank, which would increase the Israeli population in the West Bank by 400,000, at a cost of some $13–$14 billion. The Israeli Government will not publish statistics on its plans, but enough information is available to raise the alarm over the accelerated pace of settlement taking place at the same time that a historic negotiation is underway with the Palestinians over the future of those lands. Public information and reports put the Israeli investment in settlement activity in the occupied territories at more than $3 billion in 1991.

The Israeli Government's key policy priority seems to be that of settling the occupied territories at the fastest possible pace, a policy priority that seems to be ahead of absorbing Soviet immigrants per se. It seems fair to conclude that the loan guarantee money may well be used to further that key Israeli policy, rather than primarily for immigrant housing.

How many of these settlers are Soviet immigrants? Perhaps 10 to 20 percent. The Israeli Government has put together a package of mortgage and other financial incentives to entice Soviet settlers into the occupied territories. So, Mr. President, we have a right to ask how much of the housing guarantee, or economic development package, that is before us in this amendment will go toward creating a market for settlement on the West Bank and in other occupied territories.

There are some who argue that settlement activity enhances Israeli security. That is a somewhat dubious theory. The Israeli Army would be hamstrung in its defense efforts if it first had to deploy to the settlements and protect the settlers. The choice would be to defend the State of Israel from an invasion and leave the settlers to their own devices, or to split its forces to include defense of the settlements. This is a security nightmare and a military planning nightmare. It is not an enhancement of Israel's security.

The Bush administration's policy, as I understand it, is that any loan guarantees must be accompanied with a complete and permanent freeze in Israeli civilian construction and related expenditures in the occupied territories. There is no freeze provision in the resolution before the Senate. A freeze has been rejected by Mr. Shamir. So the question raised by the pending resolution is clear: Do we support Mr. Shamir's policy of rapid settlement of the occupied territories through provision of U.S. financial largess even though such policy runs counter to longstanding U.S. policy? If the answer is yes, then the prospects for a negotiated settlement, including the disposition of those lands between the Israelis and the Palestinians, would, in my opinion, be dealt a severe blow. If the negotiations fail and there is not any prospect for a lessening of tensions in the Middle East, all of the negative long-term economic consequences follow: little or no foreign investment in Israel, high Israeli defense spending, continued confrontations with Israel's neighbors, further delay of economic reforms, and continued long-term dependence on United States aid. This is a formula to continue a cycle of dependency. The administration is working hard to break that cycle, and I believe this Senate should endorse that policy by rejecting the resolution before us.

We have poured foreign aid into Israel for decades at rates and terms given to no other nation on Earth. And we are the only nation to have done so. Our European allies provide, by comparison, nearly nothing. Beyond the massive economic and military aid, however, in our so-called strategic relationship with Israel, we have served as a protector almost in the same sense as the Government of the United States would protect one of our 50 States.

Now, we hear the disturbing allegations that Israel has made a market of weapons around the world with the aid of components provided by the United States, violating bilateral export control agreements under which the technology was provided. It has also become clear that the previous housing guarantees of some $400 million provided by the United States had no effect on settlement policies in the disputed territories, and that no restraint has been evident in connection with those guarantees, according to the February GAO report.

It is clear that despite this massive infusion of foreign aid, Israel is no closer to economic sufficiency than it ever was. The United States must take steps to wean Israel from the pipeline of United States foreign aid, and to discourage that government from relying on arms exports to help shore up a flagging economy.

Likewise, it is just as important for the United States to encourage Israel's Arab neighbors to demonstrate a commitment to the peace process. The Arab States should immediately end their economic boycott of Israel, and I would encourage President Bush and Secretary Baker to push hard for the removal of this barrier to peace. The boycott is a continuing reminder of Arab hostility toward Israel, and we should work to bring it to an end.

In summary, Mr. President, my principal objection to this resolution is that it puts the U.S. Senate on record in favor of American financial support for a policy which is in direct opposition to the central pillar of longstanding U.S. policy on land disputes in the Middle East. It could easily be interpreted as support for the continued establishment of Israeli settlements in the occupied territories. This will work against an equitable negotiated settlement on the status of those lands, which is a keystone to peace in the Middle East.

Second, provision of yet more financial transfers, via a loan guarantee program, perpetuates Israeli dependency on nonmarket factors to prop up its economy. Israel's dependency on the United States is too deep, and such an overly dependent situation inevitably breeds resentment on the part of the dependent entity. Everyone agrees that market-oriented reforms in Israel are desperately needed to infuse real economic growth from within and attract foreign investment from abroad. Only economic reforms, not continued transfers of money, will put Israel on the road to true independence and economic stability.

In essence then, there is no reference or conditionality in the resolution linking loan guarantees either to the need for fundamental economic reform of the Israeli economy or to an end to the settlement practices in the occupied territories of the current Israeli Government.

Mr. President, my opposition to this resolution is about our commitment to the deeply important values that underpin U.S. policy aimed at peace in the Middle East. The resolution does not further the peace process, and if loan guarantees were in fact issued, they would increase Israel's dependence on foreign assistance and make it easier to delay much needed economic reforms. Let us carefully weigh the consequences of our decision and send a message which is in the best interests of both Israel and the United States.

Mr. President, I ask unanimous consent that the following documents, to which I referred in my speech, be included in the RECORD following my remarks:

A GAO report of February 12, 1992, executive summary, "Israel-U.S. Loan

Guarantees for Immigrant Absorption."

An Export-Import Bank document: "Israel—Country Review."

A Wall Street Journal article of March 13, 1992.

A Jerusalem Post article of July 12, 1991, and another of November 8, 1991.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[U.S. General Accounting Office, February 1992]

ISRAEL: U.S. LOAN GUARANTEES FOR IMMIGRANT ABSORPTION

(Report to the Chairman, Committee on Appropriations, U.S. Senate)

U.S. GENERAL ACCOUNTING OFFICE,
NATIONAL SECURITY AND INTERNATIONAL AFFAIRS DIVISION.
Washington, DC, February 12, 1992.

B-247481.

Hon. ROBERT C. BYRD,
Chairman, Committee on Appropriations, U.S. Senate.

DEAR MR. CHAIRMAN: As you requested, we reviewed the $400 million housing loan guaranty program authorized for Israel in May 1990 and evaluated the effect on Israel's debt burden of the U.S. Government's granting the additional $10 billion in loan guaranties that Israel requested in September 1991. Our objectives were to (1) examine the use of the $400 million loan guaranty to see whether it was used in accordance with applicable agreements and understandings between the United States and Israel, (2) determine whether Soviet Jewish immigrants are being offered special incentives or are receiving subsidies to settle in occupied territories, and (3) evaluate whether Israel's basis for estimating the future immigration of Soviet Jews is reasonable.[1] With regard to the proposed $10 billion loan guaranty program, our objective was to analyze the impact of the guaranties on Israel's debt-servicing capabilities.

RESULTS IN BRIEF

Israel is expected to certify in February 1992 that it used the $400 million U.S. loan guaranty to finance about 12,300 loans valued at about $425 million for Soviet immigrant housing mortgages within Israel's pre-1967 borders. Such use would be consistent with the key provisions of the guaranty. The program was implemented by attributing the loan guaranty to local currency expenditures for mortgages; however, because of the fungibility of money, other Israeli government funds were made available for use as the government determined, including use in the occupied territories.

As part of the assurances given by the Israeli government in connection with the release of the loan guaranty, Israel agreed to provide periodic data on its settlement activities and spending in the occupied territories. Incomplete information was provided on settlement activities, but Department of State officials provided no evidence that any information on government spending in the occupied territories was provided.

Israel has not directed or required Soviet immigrants to settle in the occupied territories, and it does not offer special incentives that are unique to Soviet immigrants for settling there. However, Israel's stated policy is to encourage settlements in the occupied territories, and it offers numerous incentives and allowances to all Israelis, including Soviet immigrants, who will settle there. The State Department estimates that as many as 8,800 of the Soviet immigrants who entered Israel in 1990 have settled in the occupied territories, including East Jerusalem.

We found that the Israeli government has a reasonable basis for its estimate that about one million Soviet Jews will immigrate to Israel during the current wave. There is no consensus, however, on how quickly this level will be reached. Israel estimates that about 200,000 additional immigrants will arrive each year through 1994, but Israeli officials we interviewed said the influx could be more than 200,000 or less than 100,000 per year.

Our analysis indicates that if the United States provides the $10 billion in loan guaranties requested by the Israeli government, Israel will likely be able to fully service its external debt and to continue its past record of payment under most foreseeable circumstances. However, the large size of these guaranties makes them more risky to the U.S. Government. The level of risk involved, if these loans are guarantied to Israel, will depend to a great extent on Israel's implementation of its absorption plans and the economic reforms urged on it by U.S. and Israeli experts. The more fully and rapidly the reforms are adopted and the more closely Israel follows its strategy to employ new immigrants in the private sector rather than in the public sector, the stronger Israel's ability to repay the loans will be.

COUNTRY REVIEW: ISRAEL

(Prepared by Alice L. Mayo, Country Risk Analysis Division, Export-Import Bank of the United States, July 10, 1991)

SUMMARY AND CONCLUSIONS

Israel faces an enormous challenge in absorbing one million immigrants over the next few years. The process will place tremendous strains on the economy and entail appreciable domestic and external costs.

Fiscal and external current account balances are expected to deteriorate markedly. The Israeli government is seeking additional U.S. A.I.D. housing guarantees and transfers to cover a significant portion of the financing requirement. The remainder of the country's projected increased foreign borrowing is likely to come from export credit agencies and commercial sources. The expected buildup of external debt gives rise to concerns about Israel's ability to meet its future debt service obligations on a timely basis.

The Eximbank staff scenario for developments over the next several years suggests that Israel's debt service burden should remain in a manageable range if the country's domestic and external political and economic conditions encourage large capital inflows. Even so, Israel's financial resources will be strained, and thus far, the government has not implemented adequate economic reforms to deal with its looming financial and economic problems.

Eximbank expects a substantial increase in demand for financing exports to Israel. The Bank should also be prepared for Israeli government requests to extend new financing to private sector companies and to parastatals—without government guarantees—to ease the growing debt burden on the central government.

Should the assumptions regarding Israeli export growth, higher levels of transfers, and new financing not materialize as envisioned in the staff scenario, or adverse political developments occur, then Israel may well be forced to seek some form of relief in its debt servicing by the end of the decade.

STRUCTURE OF THE ECONOMY

There are some noteworthy fundamental features of the Israeli economy:

The State of Israel and the General Federation of Labor Unions (Histadrut) own considerable portions of the means of production. Reflecting the socialist bent of its founders, the Israeli state accounts for 20% of industrial production and employs 39% of the labor force. Complementing this is the role played by the Histadrut which owns 25% of the country's enterprises and employs another 16% of the labor force. Together, these two entities employ over 50% of the labor force and greatly diminish the role played by the private sector in the Israeli economy.

The Histadrut exercises an effective veto over labor reforms, largely dictates nationwide wage rates, and can assure continuation of wage indexation. While wage indexation has been around since the founding of the Israeli state, indexation has now been expanded to financial assets, contracts, mortgages, tax payments, and other arrangements.

Israel has shown a pattern of large fiscal and external deficits to finance high defense expenditures, an extensive social welfare system, and a relatively high standard of living. These deficits must be covered by debt, transfers from abroad, or foreign investment in Israel. Foreign investments have not been a major factor, and while transfers remain appreciable, more reliance is now being placed on debt financing (both domestic and foreign).

ECONOMIC PERFORMANCE IN THE 1980S

The founders of the Israeli state saw a need for government investment and ownership if a viable economic entity was to be quickly established. Private capital was scarce and hardly likely to take on the considerable risks of establishing a Jewish state in the late 1940s. Further, an extensive social welfare system was required to address the basic needs of the immigrants making up the country's initial population.

The Histadrut complemented the government's role and has been a major force in defending labor's interests as interpreted by Histadrut's leadership. Between 1948 and the early 1970s, this approach to growth and development—considerably aided by massive external capital transfers—was relatively successful and Israel enjoyed rapid economic growth.

By the early 1970s, the limits of state-led extensive growth policies began to be evident. Over the past two decades economic growth has slowed considerably, and the country has been beset by frequent bouts of price and fiscal instability.

In the early 1980s the government finally incurred an unsustainable fiscal deficit equal to 34% of GDP and an equally unsustainable inflation rate. (See graph below.) With financial assistance from the United States the government was able to bring the fiscal deficit back into balance and embarked on an emergency Economic Stabilization program which lowered inflation to a relatively stable annual rate below 20%. The costs of the government's delayed action were high. In 1983 the government was forced to step in and buy up shares in the commercial banks to prevent their collapse after stock values plunged on the Tel Aviv stock exchange. This expended even further the government's involvement in the economy, and it became the majority shareholder in the country's commercial banks.

---

[1] The term "Soviet immigrants" in this report refers to immigrants from the former Soviet Union.

Government direct involvement in commercial activity expanded again in 1988. After the Histadrut industrial conglomerate—Koor Industries—defaulted on $25 million in payments to Bankers' Trust, the bank sought to force the liquidation of the company in an Israeli court. The default, and the subsequent action by Banker's Trust, was unprecedented in Israeli history and sent shock waves throughout the economy.

Although insisting that Koor was private, the government approved a $50 million supplemental grant to Koor. In addition, the kibbutzim, the Histadrut affiliated agricultural cooperative, began to have cash flow difficulties stemming from both poor investments and inefficient management. Commercial bank debt obligations could not be met. To prevent defaults, the government interceded and directed the banks to reschedule the kibbutzim debt on longer terms with government subsidized interest rates. These bail-outs, combined with the budgetary impact of the Palestinian uprising in the occupied territories—the Intifada—have contributed to a renewal of significant budget deficits since 1988.

The experience of the past two decades indicates the government has put off free-market reforms and has been willing to adopt emergency economic measures only when confronted with a crisis. Further, the Histadrut continues to resist all major economic proposals adversely affecting labor.

ECONOMIC IMPACT OF INCREASED IMMIGRATION

Israel expects 1 million immigrants from the U.S.S.R. and Eastern Europe over a 5 year period. This represents a 22% increase from its 1989 population of 4.5 million. Absorbing this increase has serious financial and economic implications for the country.

Exim staff has examined the budgetary and external impact of the expected increased immigration. In our scenario it is assumed that GDP growth will be high enough to employ most of the additional labor provided by the surge in immigration. The assumed average annual real GDP growth rate of 5.6% through 1995 is consistent with the expected increase in population and an increase in per capita real income. Our scenario (which is presented in the attached Tables 1–5) indicate the following:

The budget deficit: While the fiscal deficit is projected to show a sharp increase in 1991 to over 5% from 4% of GDP in 1990, the data suggest even higher deficits in the future. In the staff scenario, the budget deficit will show a steady deterioration to a high 8%–9% of GDP by 1995.

Unemployment: Immigration will add appreciably to the unemployment rolls. To keep unemployment from surpassing 12% of the labor force, government expenditures will likely rise from the current 55% of GDP to 60% by 1995 and private investment from 18% to 21% of GDP.

External balances: Merchandise imports are expected to rise appreciably to meet housing and other needs of the much larger population. But export growth is not likely to keep pace with imports, and the trade deficit is expected to widen from $2.9 billion in 1990 (5.8% of GDP) to $8.7 billion by 1995 (over 12% of GDP). Net interest, tourism and other services, together with the trade balances, are likely to result in current account deficits (before transfers) that rise from $5.1 billion (10% of GDP) in 1990 to over $13 billion (18% of GDP) by 1995.

EXTERNAL FINANCING NEEDS

Given the high degree of private and official support Israel is receiving for the immigration surge, the staff scenario assumes a higher level of transfers over the period covered. A steady increase in transfers is seen from $5.8 billion in 1990 to over $8 billion in 1995. Even so, the increase will not be enough to prevent a deterioration in the current account (after transfers) from a small surplus equal to 1.4% of GDP in 1990 to a deficit equal to 7.0% of GDP by 1995.

These deficits have to be financed by foreign investment or debt. The staff scenario allows for an increase in investments from $100 million in 1990 to $300 million in 1995. However, the current account deterioration is expected to overwhelm these investment flows and require appreciable new debt to meet the deficit and debt amortization needs. Thus, Israeli external debt is expected to increase by 59% and rise from $32 billion in 1990 to $51 billion by 1995.

Were it not for assumed much higher transfers during the forecast period over current levels—an assumption which lowers the borrowing requirement as well as the debt service ratio—the larger borrowing requirement over the next several years would substantially increase Israel's external debt servicing burden. Even with these higher transfers, the downward trend in the debt service ratio will be reversed by 1994.

Since the repayment period of Eximbank's transactions would extend beyond 1995, the staff scenario covers the period through the year 2000. Even with generous assumptions about transfers, all the debt indicators deteriorate. Between 1990 and the year 2000, the debt to GDP ratio goes from 64% to 101%; the debt to current account income ratio goes from 167% to 186%; and the debt service ratio goes from 18% to 24%.

IMPLICATIONS FOR EXIMBANK

Absent systemic reforms, the Israeli economy is becoming ever more dependent on external capital flows to cover larger current account deficits and amortization payments on previous debt. Instead of becoming more self-sufficient, Israel is becoming less so. Without a narrowing of the current account deficit—which could only be done by the politically difficult task of enforcing a much lower standard of living—prospects for timely repayment of external debt depends on the degree to which creditors would be willing to extend new debt. Such willingness depends on creditors' perceptions of Israel's political stability, and stability in the region in general.

The projected debt servicing burden is not beyond Israel's ability to pay—provided new credits and generous grants are forthcoming. Rescheduling is not yet viewed as a probable course for the government. But rescheduling at some point over the forecast period has a higher probability than before.

The government is already pressuring foreign lenders, including Eximbank, to extend financing to parastatals, such as El Al, without government guarantees. In the event of debt repayment difficulties by such borrowers, the Government calculates that it would not reflect negatively on its own credit rating.

The government is also pressuring foreign lenders to extend credit to private borrowers for the housing program. However, the experience with Koor Industries where lenders are faced with debt write-offs has sounded a warning signal about the overall creditworthiness of the private sector in Israel. This experience is likely to deter lenders from extending large amounts of new credit to private companies.

Lastly, the U.S. government is a major lender to Israel—currently holding approximately 31% of total external debt—and provides more in new financing than it receives in repayments. If new lending is sharply increased, the U.S. will continue to be a net creditor over the next few years. However, it is likely that by the end of the decade, the U.S. Government will be in a position where scheduled repayments exceed disbursements. Thus, the U.S. government would become a net capital importer from Israel.

Should Eximbank become a net capital importer in the future, Israel could be expected to pressure Exim to increase its disbursements or adjust scheduled repayments.

RISKS TO THE SCENARIO

Domestic instability. Israel faces two domestic threats to its political stability. The first is the country's continued building of settlements in the occupied territories which will likely exacerbate the Intifada. The second depends on the government's ability to create jobs for the large number of immigrants. Higher unemployment levels than envisioned in the staff's scenario could trigger domestic unrest.

External threats. Israel continues to face the possibility of a military challenge from Syria.

U.S.-Israeli relations. Israeli insistence on building settlements in the occupied territories could effect a cooling of relations and jeopardize Israel's request for $10 billion in new A.I.D. housing guarantees in the next fiscal year. It should be noted that President Bush has stated that the building of settlements in the territories is the biggest obstacle to peace in the region.

ATTITUDE OF OTHER ECA'S

The attached table shows that other Export Credit Agencies are generally open for short and longer-term business without restrictions. In March of this year Belgium reported dropping Israel's rating to a 3 on a scale of 1–5. Additional information on ECAs current attitudes and risk ratings is being sought.

[From the Wall Street Journal, Mar. 13, 1992]

Explosive Issue: U.S. Sees New Signs—Israel Resells Its Arms To China, South Africa

(By Edward T. Pound)

WASHINGTON.—U.S. intelligence agencies have developed strong evidence indicating that Israel has been arming nations such as China and South Africa through unauthorized sales of sensitive American weapons technology.

The classified intelligence provides "overwhelming" evidence, according to senior U.S. officials, that Israel has re-exported weapons containing U.S. technology without first obtaining Washington's approval for the sales, as the U.S. requires. The weapons include air-to-air missiles sold to China, antitank missiles sold to South Africa and cluster bombs sent to Ethiopia and Chile, as well as various sophisticated aircraft radars and jamming devices.

Such evidence of unauthorized sales is certain to add to the current tensions between the U.S. and Israel. Relations between the allies have been strained recently, largely as a result of President Bush's efforts to get Israel to stop settlement construction in the occupied territories in return for $10 billion in U.S. loan guarantees. (See page A7.)

HOW IT CAN BE DONE

Information obtained from government officials during a six-week investigation by this newspaper suggests Israel uses several schemes to transfer, or re-export, U.S. items to other countries. In some cases, they say, the Israelis acquire U.S. components, install them in their own systems and sell the finished products to third countries. In others, Israel employs reverse engineering—disassembling a weapon to acquire its design secrets—and then copies it with changes before selling the item to another country.

U.S. officials have privately been pressuring Israel for months to halt the practice, officials say. But Israeli officials have repeatedly denied any wrongdoing.

An Israeli government spokeswoman, Ruth Yaron, declines to answer specific questions about arms sales, but she says Israel hasn't violated U.S. regulations. "Our policy is to adhere strictly to the procurement and technology transfer regulations," she adds.

The State Department's inspector general, Sherman Funk, is expected to issue a report later this month that will summarize intelligence reports of the apparent Israeli violations of U.S. regulations and agreements, the officials say. That report will exclude many of the sensitive details revealed in classified intelligence, and it probably won't list Israel by name.

FAILURE TO MONITOR

Mr. Funk's public report is also expected to criticize the State Department for failing to monitor defense sales adequately. Israel spends about $900 million in U.S. military aid each year to make commercial purchases from American contractors, including sophisticated weaponry and technology. But Mr. Funk's auditors last year found the State Department over several months hadn't checked on how high-tech items sold to Israel were used, according to an official familiar with the inquiry.

Separately, the Washington Times reported yesterday that the Bush administration is investigating intelligence reports that Israel secretly supplied a U.S. Patriot missile or its technology to China. Israeli officials strongly denied the report, and U.S. officials say they are attempting to verify the intelligence information.

Intelligence and State Department officials say that physical inspection and disassembly of Israeli military hardware would be required to prove unequivocally that Israel was diverting U.S. technology and arms. But reports have been so pervasive as to leave no doubt in the U.S. intelligence community that Israel has repeatedly engaged in diversion schemes.

ARMING CHINA AND SOUTH AFRICA

Israel's role in arming nations such as South Africa and China has long been a matter of public knowledge. But at the highest levels, Israel repeatedly has denied to the U.S. that the arms it exports involve unauthorized use of U.S. technology. Mr. Funk's report will mark the first time the government has publicly released evidence that without naming Israel, will strongly suggest it has exported U.S. weapons technology without authorization.

The U.S. discourages trading with certain countries, including South Africa and China, in some cases because they promote terrorism or have poor human rights records. The U.S., for instance, won't sell arms to South Africa's military or police and complies with a United Nations arms embargo of South Africa because of apartheid racial policies.

Mr. Funk didn't start out investigating Israel exclusively. His investigation began as a broad look at the department's failure to prevent unauthorized diversions of U.S. arms and technologies by companies in Brazil, South Korea and Singapore, as well as Israel. And his final report will cover some other countries. But the investigation eventually focused on Israel because in the words of one senior American official, "bucketsful of intelligence data" tied companies owned by the Israeli government to illicit sales.

Mr. Funk briefed Secretary of State James Baker and Deputy Secretary Lawrence Eagleburger on Israel's purported activities last June. Mr. Eagleburger began an immediate review of Mr. Funk's preliminary findings. In an Aug. 24 memo sent to 10 senior officials, Mr. Eagleburger ordered that procedures be adopted to ensure that information on unauthorized reexports involving any arms purchaser be investigated and reported to Congress, department records show. Mr. Eagleburger also went to Capitol Hill and at least twice briefed congressional leaders, including Speaker Thomas Foley and members of the Senate Foreign Relations Committee.

Soon after the meeting with Messrs. Baker and Eagleburger, documents show, the State Department began holding up export licenses for Israel, including U.S. equipment for Israel's heat-seeking Python 3 air-to-air missile. Companies need export licenses to ship arms that are on the official U.S. Munitions List. In a blunt letter, the department warned the Israeli government that licenses wouldn't be granted for certain high tech equipment unless Israel could ensure that the technology wouldn't be diverted.

"We would like to be assured you will seek the usual [U.S. government] approval before third-party transfer occurs," wrote Charles Duelfer, a State Department official. Israel's Defense Ministry said it would do so, but the State Department continues to closely scrutinize Israeli export applications, according to senior U.S. officials.

The only public hint of this tug-of-war came last October, when Mr. Bush slapped Israel on the wrist after the U.S. discovered that an Israeli-owned company had exported ballistic missile components to a South African government firm. Mr. Bush imposed trading sanctions on the South African firm, but waived them for the Israeli company. Under pressure from the U.S., however, Israel agreed to adhere to international missile controls aimed at preventing the proliferation of missiles capable of carrying nuclear warheads.

CRIPPLING A COMPANY

The Israeli company wasn't publicly named, but according to U.S. officials, it was Israel Aircraft Industries, or IAI. U.S. sanctions would have crippled IAI, Israel's largest exporter of military items and the prime contractor on the Israel-U.S. Arrow ground-to-air defense missile, which is being developed to protect Israeli cities from missile attacks. U.S. officials say the sanctions, if imposed, would have barred IAI from receiving U.S. technology, obtaining export licenses from the State and Commerce Departments or doing business with U.S. agencies.

Surrounded by hostile neighbors, Israel has steadily built its defense industry, getting a helping hand from the U.S., which provides a basic military grant of $1.8 billion a year. In the past decade, Israel acquired billions of dollars in weapons and technology from U.S. companies and also joined the ranks of the world's top exporters of military items. Government companies such as Israel Aircraft Industries and Rafael are among the principal exporters.

American officials with access to extremely sensitive information say IAI and Rafael and a third, government-owned company, Israel Military Industries, are among the Israeli concerns listed in intelligence reports as having made unauthorized transfers of U.S. technology.

Rafael, they say, has sold its Python 3 air-to-air missile to China and Thailand and is suspected of having sold the missile to South Africa. The Python 3, they say, is listed in intelligence reports as having a "high degree" of U.S. technology and was adapted from the U.S. AIM-9L Sidewinder.

ISRAEL TO CHINA TO IRAQ

China is Israel's largest arms customer, according to the officials. Officials say China, itself a major arms exporter, sells arms to Iraq, including its own version of the Python 3, called the "PL-8." "That shows you how the system breaks down," says one senior official. "Once you let the genie out of the bottle, there are no controls."

IMI, the officials say, has sold the Mapats anti-tank missile to South Africa and Venezuela, and is suspected of having sold it to China. The Mapats, intelligence reports show, is a close copy of the Hughes Aircraft Co.'s TOW-2 missile. Israel, they add, also has sold cluster bombs to Chile, South Africa and Ethiopia. Intelligence reports list many other systems, including aircraft, airborne electronic countermeasure systems and other sophisticated electronics equipment.

Marvin Klemow, an IAI official in Washington, said he couldn't comment on Mr. Funk's report or any allegations. An IMI official here declined comment and referred all questions to IMI officials in Tel Aviv, who weren't available last night. Rafael is part of Israel's defense ministry.

Intelligence data reviewed by officials includes a September 1990 report by the Technology Transfer Intelligence Committee, a group representing several U.S. agencies and headed by the Central Intelligence Agency.

The classified report, entitled "Israel: Marketing U.S. Strategic Technology," listed several countries—including South Africa, China, Venezuela, Chile, Ethiopia and Thailand—to which Israel has sold weaponry allegedly containing U.S. technology. The report's authors include officials from the CIA, the Defense Intelligence Agency, the National Security Agency, the National Security Council and the Federal Bureau of Investigation.

IT'S THE LAW

In many cases, re-exports of high-tech defense items acquired from U.S. sources are forbidden by the Arms Export Control Act, unless approved by the U.S. The law requires reports to Congress whenever the State Department receives reliable information on re-export violations.

Some State Department officials in the bureau of politico-military affairs maintain that reporting requirements apply only to re-export violations that involve equipment furnished directly by the U.S. government and not on commercial transactions. Moreover, they argue, U.S. sanctions, including termination of military aid, can only be imposed on violations that involve direct U.S. government sales. But Mr. Funk argues that sanctions can be imposed by the president as long as the items re-exported are on the official U.S. Munitions List, people familiar with his inquiry says.

A senior State Department official says the CIA was especially helpful to Mr. Funk in his investigation. His auditors discovered that the CIA's intelligence reports on Israeli sale weren't widely circulated within the State Department.

Indeed, Richard Clarke, assistant secretary of state in charge of the bureau of politico-military affairs, wasn't convinced by the intelligence, although he occasionally filed protests with the Israeli government, according to three American officials. Mr. Clarke previously served as the department's Deputy Assistant Secretary for Intelligence and Research, which initially receives U.S. intelligence from other agencies and distributes it within the department.

CRACK DOWN

One government agency, the Arms Control and Disarmament Agency, has long been pressuring State Department licensing officials to crack down on Israel.

Last spring, the ACDA notified licensing officials that it wanted to review export applications for U.S. components if they were to be used in certain Israeli weapons systems, State Department records show. The notification covered more than a dozen systems, including the Phalcon Awacs aircraft (Airborne Warning and Control System), a lethal unmanned aerial vehicle, surface-to-air missiles and anti-missile flares used in combat aircraft, the records show. Several license applications were stopped as a result of ACDA's inquiry, a U.S. official says. ACDA was among the agencies that cooperated with the inquiry by the State Department inspector general.

The State Department's Office of Defense Trade Controls, which is part of the bureau of politico-military affairs, issues more than 55,000 licenses a year for items on the U.S. Munitions List, and must enforce export laws, making sure that foreign end-users listed in license applications actually receive the items. In a 1989 inquiry, Mr. Funk's inspectors found the office seldom did end-user checks to verify how the items were put to use, and the State Department reorganized the office in January 1990.

Last spring, Mr. Funk sent his auditors back to see how the office was doing, and found a curious pattern. Reviewing licenses for shipments to several countries, they noticed that end-user checks has improved markedly, except in the case of Israel. Indeed, despite thousands of commercial sales to Israel, the State Department had done only three or four end-user checks on exports to that country—and none involved significant major weapons systems, according to people familiar with the inquiry.

The inspector general's auditors pulled together intelligence reports on Israel arms activities and found repeated instances where Israel was reported to have made unauthorized sales of U.S. technology, the people says. Further, they add, CIA officials briefed Mr. Funk, and State Department files contained a 1990 letter from William Webster, then the CIA director, confirming that U.S. intelligence on unauthorized Israeli sales was considered highly credible.

Israeli officials have hinted in the past that they received tacit approval from the Reagan administration to re-export U.S. equipment without first seeking U.S. approval, according to current and former U.S. government officials. The subject came up at high levels of the Defense Department in the mid-1990 after officials reviewed U.S. intelligence reports linking Israel to such schemes.

This prompted Henry Rowen, then assistant secretary of defense for international security affairs, to check out the story. He was told by former Defense Secretary Caspar Weinberger and Mr. Rowen's predecessor, Richard Armitage, that no such agreement had been made, these officials say. Mr. Rowen reported his findings to Defense Secretary Richard Cheney.

In an interview, Mr. Armitage confirms there was no tacit understanding and says that more than once he told Israeli officials of American suspicions that Israel was diverting U.S. technology. "I do recall cautioning Israeli military attaches that if I found proof that Israel was involved in diverting technology, friendship aside, I would come down hard on the State of Israel," says Mr. Armitage, now a senior State Department official.

[From the Jerusalem Post, July 12, 1991]

POTENTIAL SOVIET OLIM ADVISED BY NEWCOMER TO DELAY PLANS

(By Herb Keinon)

More Soviet immigrants are advising friends and relatives to put off their aliya than are encouraging them to pack their bags and get on the next plane, according to a survey released yesterday.

In addition, the survey found that the percentage of Soviet immigrants satisfied with life in Israel has declined steadily since December, although it is still above two-thirds.

According to the survey, carried out by Dr. Aharon Fein of Jerusalem's Tazpit Research Institute, 37% of the new immigrants advised relatives to put off their aliya, as opposed to 32% who are encouraging immigration now.

Fully 15% of the respondents advised against Israel altogether, with 7% telling friends and relatives to stay in the USSR and 8% recommending emigration to a country other than Israel. The other 16% were undecided.

The survey also found that about 68% of the new Soviet immigrants said they were either satisfied or very satisfied with life here, compared with 72% who responded positively to the same question in March, and 75% in December.

The survey also indicated that younger immigrants were more satisfied here than elderly newcomers, and also more likely to encourage others to make aliya. Regarding the immigrants' expectations, the survey found that 42% of the respondents said that life in Israel is worse than what they expected, while 6% said it is better and 52% said that Israeli reality matched their expectations.

The survey, carried out in June amount 809 Soviet immigrants who arrived between September 1989 and May 1991, is one of a series the Taxpit Institute is conducting for various governmental agencies on immigrant attitudes.

Another study released yesterday, the Absorption Ministry's statistical breakdown of immigrants who arrived in the first five months of the year, points to a continued trend among the new immigrants to live in the center of the country, despite massive building taking place in the south.

According to Ministry figures, fully 47% of the 76,000 immigrants who arrived between January and the end of May settled in the Tel Aviv area; some 33% in Haifa and the north; 12% in Jerusalem; and 8% in the south.

[From the Jerusalem Post, Nov. 8, 1991]

WITH 52 PERCENT ADVISING TO DELAY ALIYA 30 PERCENT OF SOVIET OLIM WANT OUT SOON

(By Herb Keinon)

Nearly 30% of the Soviet immigrants who have arrived since September 1989 would like to live elsewhere five years from now, according to a survey on immigrant attitudes released yesterday.

According to the survey, conducted by the Tazpit Research Institute, nearly 10% of those surveyed said they would like to live in Western Europe, 7% said they would like to live in the U.S., 5% want to return to the Soviet Union and 7% want to move to other countries. But 71% of the respondents said they want to continue living here.

In addition, 52% of the new immigrants said that they are advising friends and relatives in the Soviet Union to delay their aliyas. This is a marked increase over an identical survey conducted in June, when 37% of the immigrants advised relatives to remain in the Soviet Union.

Aharon Fein, who conducted the survey in October among 809 Soviet immigrants, said that 22% of the respondents are advising friends and relatives to immigrate to Israel now, while 16% recommend going to another country, and 10% advise staying in the Soviet Union. In June the number who advised remaining in the Soviet Union was only 7%.

Uri Gordon, head of the Jewish Agency's immigration and absorption department termed these findings "grave." "This indicates a worsening absorption crisis in Israel. The crisis in absorption is the main reason preventing a significant increase in the number of immigrants," he said.

Gordon said that barring, a dramatic change in absorption policy, Soviet immigration—which now stands at just under 10,000 a month—will continue to slow down.

Absorption Minister Yitzhak Peretz, however, termed Gordon's charges "nonsense." He said that his ministry has also been carefully following immigrant attitudes, and that in a survey published in August the ministry found that 90% of the immigrants said they would make aliya if they had to do it all over again.

Peretz said that immigrants may be advising against friends and relatives making aliya now merely because they don't want to be responsible if the immigrants encounter absorption problems, and not necessarily because they themselves are unhappy here.

The PRESIDING OFFICER (Mr. BINGAMAN). Who yields time?

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. Mr. President, I ask unanimous consent that I control the time on this side, regardless of my position for or against the resolution.

I support the resolution of the Senator from New Jersey.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSOR

Mr. KASTEN. I ask unanimous consent that Senator GRAMM from Texas be named a cosponsor of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL COSPONSOR

Mr. LAUTENBERG. If the Senator from Wisconsin will yield, I ask unanimous consent to add Senator PELL as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LAUTENBERG. Mr. President, I thought we would have the majority leader on the floor to clarify an understanding. It is believed, if I may say, that a unanimous-consent agreement is going to be propounded that would have a vote at a time certain. But, meanwhile, operating under the old rules, if the Senator from Wisconsin, who is handling the Republican side, wishes to speak, I yield.

Mr. KASTEN. Mr. President, I will yield 10 minutes to the Senator from Pennsylvania [Mr. SPECTER] with the understanding that he follow the majority leader who will speak at this time.

Mr. SPECTER. I note the distinguished majority leader is indicating an interest in seeking recognition at this point and I would be delighted to yield to him at this time, Mr. President.

The PRESIDING OFFICER. The majority leader is recognized.

Mr. MITCHELL. Mr. President, I thank my colleague.

UNANIMOUS CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the vote on adoption of Senate Resolution 277, occur at 7:40 p.m. today; further that once all time is used under the previous order, any time until the hour of 7:40 p.m., be equally divided and controlled in the usual form; that the provisions of the previous agreement regarding disposition of Senate Resolution 277 remain in effect.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, Senators should therefore be aware that a vote will occur at 7:40 p.m. on the resolution.

I thank our colleague for his courtesy.

Mr. LAUTENBERG. Mr. President, just to clarify, if the majority leader will yield, the Senator from Pennsylvania controls 10 minutes. That leaves, therefore, some extra time and if it is acceptable the Senator from Wisconsin and I will work out the distribution of that time according to the time used and the time remaining. It comes out to approximately 80 minutes for the Senator from Wisconsin and 50 minutes for this side.

Mr. MITCHELL. Mr. President, it is my understanding that the Senators from New Jersey and Wisconsin are on the same side on this issue so I think the allocation of time for the opponents should be by someone who is opposed to the resolution.

Who is allocating the time currently for the opposition?

Mr. KASTEN. If the majority leader will yield, I recently asked for unanimous consent that I be allowed to control time on our side, notwithstanding the fact I support the resolution of the Senator from New Jersey. There are, I believe, only a few people on our side who are opposed and I am going to be yielding to some people opposed some of my time and that has been allocated. The Senator from West Virginia has spoken now in opposition to the resolution. I am trying to control the time recognizing people who are both opposed and in favor of, in effect trying to keep the train running on time.

Mr. MITCHELL. If that is agreeable with the Republican leader it is agreeable with me. I do not have opposition to that. But the common practice is for someone to control time in opposition that he be someone in opposition. If the Republican leader is agreeable, then I have no objection.

Mr. KASTEN. I thank the leader.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 10 minutes.

Mr. SPECTER. Mr. President, I have listened with great interest to the entirety of the presentation of the distinguished Senator from West Virginia, and in the course of the 10 minutes, I wish to reply to the observations advanced by the Senator from West Virginia.

The bulk of time was spent on the issue of Israel's ability to pay. Notwithstanding a number of comments by the distinguished Senator from West Virginia, I have this verbatim:

"Proponents say we are risking nothing by guaranteeing loans to Israel, because it has never defaulted on a loan to the United States Government." This, as best I can tell, is a true statement.

Moving from that statement, acknowledging that Israel has always repaid its obligations, I shall quote first of all from a General Accounting Office report dated February 12, 1992, referring to the $10 billion loan guarantee request. "Israel's government will likely be able to fully service its external debt and to continue its past record of payments."

I next, Mr. President, cite a report by Salomon Brothers in September of 1991 in analyzing Israel's economic conditions and saying that Israel is considerably higher in credit quality than is generally understood. Salomon Brothers' report went on to say, "Israel's record of timely payments and no defaults has established it as a reliable long-term borrower in the international credit market."

I then cite a Bank of America report in 1991 which concluded in relation to economic issues defining Israel as a nonproblem country and after analyzing 10 recognized economic measures concluded on the strength of Israel's economy it ranked higher than the countries such as Australia, Canada, Denmark, and Finland.

I would say, Mr. President, on the state of the record, and on the state of what expert evaluations have been articulated and what Israel's repayment record has been that Israel is indeed an excellent credit risk.

Next the distinguished Senator from West Virginia went to some length to point out the amount of aid Israel has received over the years.

Mr. President, the foreign aid allocation bears substantial familiarity to our national defense allocation. If you take a look at our support in the Mideast and contrast that with our support in NATO, in NATO we have spent, in recent years, approximately $150 billion contrasted to the Mideast of $5.1 billion in foreign aid, $3 billion to Israel, and $2.1 billion to Egypt.

I would suggest that the value received for United States' national interests from the Mideast is considerably more proportional in returned benefits than the 30 times amount of aid spent on NATO. And, when you take a look at the allocation between Israel and Egypt, and note the forgiveness in excess of $7 billion to Egypt within the course of the past year, the allocation to Israel on United States national self-interest is very, very profound.

When the distinguished Senator from West Virginia makes a statement of concern about the form of the Israeli Government, and wonders about Israel's economic conditions for the future, I would point out that in 1985 Secretary of State Shultz, himself an expert in economic matters, negotiated with the State of Israel economic reforms that cut hyperinflation from a figure estimated to be about 800 percent down to about 20 percent. So if there is a concern as to Israel's internal economic situation, it may well be that there could be an arrangement worked out to satisfy any conditions which the United States Government might have. So if economic fungibility considerations are really the reason for opposition to loan guarantees, that certainly is a negotiable issue.

When the Senator from West Virginia points out that immigration fell from 450,000 in 1991 to 175,000 and there had been no adjustment in the figures, there again there might be an adjustment if that were to be a realistic factor which separated U.S. policy in this respect. However, it should also be noted that the uncertain economic conditions in Israel as a result of the delay in loan guarantees are probably a significant factor in the drop in immigration figures.

When the Senator from West Virginia talks about two Patriot missile batteries having been allocated to Israel for $117 million, I would suggest that the United States of America has never made a better investment than that $117 million.

Remember, Mr. President, too many people forget too fast, the State of Israel sustained 39 unanswered Scud missile attacks. Its civilian population, its cities, were subjected to Scud missiles. Women and children were maimed, wounded, and killed. There was extensive property damage. Thankfully, the United States had provided those Patriot missile batteries which provided some protection, not total protection. There was still enormous damage—property damage and personal injury—and Israel absorbed a $3 billion loss on property damage and loss in tourism. Again, I challenge anyone to find a better United States investment of $117 million when Israel agreed with United States policy not to respond to those missile attacks.

Mr. President, when the Senator from West Virginia talks about sales of missiles to third countries, I would submit that that is largely unestablished. We have recently had a major controversy about an alleged sale to China. Israel opened up its borders and opened up its facilities for an inspection and at the conclusion of that inspection, the statement was made by the Government of Israel that it was in total compliance with its obligations and as yet there has been no statement by anybody in the United States contrary to that notion.

Certainly, the willingness of the State of Israel to open its facilities for inspection, and the absence of finding a technology transfer violation certainly supports that kind of a conclusion.

Mr. President, the statement by the distinguished Senator from West Virginia deals only in minor part on the political considerations about the settlements on the West Bank.

I would submit that when we are dealing with a humanitarian issue and a policy commitment which has been solid in the United States since 1974 based on the Jackson-Vanik legislation, that we ought not to impose political conditions. When we consider what the security interests are for those Israelis who live on the proximity of hostile Arab borders, we should recognize that they alone can determine their own security interests.

Mr. President, the totality of the 1 hour argument by the distinguished Senator from West Virginia boils down to a couple of issues. Is Israel likely to make a repayment? I think the answer is a resounding yes, but if there is any doubt and this has not been voiced by the United States Government, there could be negotiations as there were in 1985 to shore up any concerns about Israel's ability to repay.

When the Senator from West Virginia talks about a change in the cold war and claims that the strategic interests of the United States are now different, I would suggest today that Israel is still as valuable an ally as ever. The reality is that Iraq is still a major menace and there are simply no other pro-American democracies in this vital region. Moreover, Israel was a major ally in the recent gulf war and Iraq and Libya continue to flaunt the rule of law in the United Nations. The concerns in the Mideast are still paramount and what was a cold war with the Soviet Union erupted into a hot war with Iraq. I would argue that the value of Israel as a strategic partner is still very, very important and has not diminished.

I believe that the approval of humanitarian loan guarantees for Israel for resettlement of Jews from the former Soviet Union is in the best interests of the United States. I strongly urge the administration to reconsider its opposition to these vital loan guarantees and immediately approve Israel's request without reservation or political linkage.

While I applaud the efforts of President Bush and Secretary Baker in bringing the Arabs and Israelis to the peace table, I am of the opinion that opposition to the loan guarantees request endangers the peace process and removes the United States from the honest broker role. The longtime humanitarian cause of freedom for Jews of the former Soviet Union should not be linked to collateral political considerations, including settlements. Moreover, Israel should not have to be compelled into making preliminary concessions on issues that can be addressed in bilateral negotiations with Arab delegations.

It should be recalled that loan guarantees were not previously a factor in the evolving Arab-Israeli peace process. The Arab countries invited to the conference accepted the original invitations without any concession by Israel to cease settlements. Also, we should remember that Israel abided by a special United States request not to bring up the loan guarantees issue last Spring while it was enduring 39 Scud attacks from Iraq without retaliation. The Israelis suffered over $3 billion in physical damage and a loss in tourism as a result of the attacks. Because of the Persian Gulf war, Israel agreed to the special administration appeal to wait until fall before making the loan guarantees request. This agreement was well known, and it was public knowledge for months that the Israelis would repeat the postponed request in September 1991.

The reality of this situation is that the United States routinely grants foreign governments loan guarantees without political linkage. In fact, a recent House Republican study committee analysis concluded that over $12 billion in United States guarantees were disbursed to Israel's Arab neighbors during the last 5 years, including $3.4 billion to Iraq. No Arab country was asked to recognize Israel or abandon its illegal boycott of Israeli and Jewish products in order to receive loan guarantees.

As the son of Russian Jewish immigrants, for me the most distressing aspect of the administration's rejection of the loan guarantees, is that it puts at risk the thousands of men, women, and children seeking refuge from anti-Semitism and political uncertainty. No one knows when the doors will shut on emigration. The changes in the former Soviet Union have been rapid and the current government is still very unstable. With the rise of nationalistic movements in Eastern Europe, virulent anti-Semitism has again been unleashed and should not be underestimated as it was in the 1940's.

There are many reasons why we should support loan guarantees for Israel. On the fiscal merits alone, the loan guarantees for Israel make good sense. Israel is one of the few nations that has never defaulted on a loan and maintains a highly favorable debt portfolio. Loan guarantees are not in the same category as the $7 billion in foreign aid debt that the administration urged Congress to forgive earlier last session. Loan guarantees are not part of the foreign aid budget. By extending such guarantees, the U.S. Government would not in any way limit its ability to provide capital for domestic programs. The guarantees would simply allow Israel to borrow at lower interest rates for longer periods of time.

The proposed loan guarantees, allocated at $2 billion a year for the next 5 years, would also have a positive impact on the U.S. economy. Much of the money borrowed is expected to come from the American banking community, who would benefit by servicing the loans. A major portion of the loan money would also be spent on American builders and suppliers in the construction and housing industries, generating tens of thousands of jobs for American citizens and revenue for American business. Judging from past experiences, the Government of Israel estimates that over $30 billion in goods and services will be imported from United States businesses.

While the approval of the loan guarantees is a winning proposition for the American economy, failure to approve them would be disastrous for Israel. Guaranteed loans are essential for Israel's absorption of immigrants, especially since the Israelis are already heavily taxed to meet their national security needs. In 1991 alone, Israel will have to spend over 20 percent of its budget on immigrant absorption. The harsh reality is that former Soviet immigrants are only permitted to leave with about $100 and a few belongings; the recently rescued Ethiopian Jews came to Israel with even less. Because of these circumstances, the cost to transport these immigrants to Israel, feed, house, and then assimilate them into the culture and economy is astounding. Estimates are that it will cost more than $50 billion to settle the immigrants. The situation is analogous to the United States absorbing some 60 million people, or the entire population of France.

The challenge of emancipating and resettling over 1 million Soviet and Ethiopian Jews has been a moral quest for many in Congress over the years, including myself. Now that this historical opportunity has finally arrived, we must meet the obligation of ensuring their welfare. To abandon the cause of these immigrants at this stage and link it to political considerations is immoral and just simply wrong. I sincerely hope that the administration will recognize the concerns of Congress and reconsider providing Israel with the loan guarantees it so desperately needs and deserves.

To better communicate the urgency and the case for the loan guarantees, I have attached a summary of the fundamental humanitarian and economic issues concerning the request; which I ask to have printed in the RECORD.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

LOAN GUARANTEES TO ISRAEL FOR RESETTLEMENT OF SOVIET JEWRY: THE HUMANITARIAN AND ECONOMIC CASES

HUMANITARIAN ISSUES

Overwhelming refugee numbers: Israel is faced with the challenge of absorbing one million Soviet, Ethiopian, and other Jews in Israel during 1990–95. This is an additional 25% to Israel's population—equivalent to the U.S. absorbing and providing for the whole of the population of France (60 million)!

Resurgence in anti-semitism: Delaying loan guarantees jeopardizes the safety of thousands of Jewish refugees from the former Soviet Union and Eastern Europe who wish to emigrate to Israel. Instability and increased nationalism in Eastern Europe make resurgence of violent anti-semitism a likely prospect and should never be underestimated.

U.S. moral obligation: For years the U.S. has promoted the emigration of Soviet Jews to live in freedom. To reverse U.S. policy and risk this historic opportunity is a betrayal of morality. Political conditions should not be imposed on a humanitarian issue. The U.S. should respect the sovereign national security interests of Israel. Moreover, "linkage" to the settlement issue also undermines the U.S. role as an "honest broker" in the Arab/Israeli peace process.

Israel is a strong U.S. ally: While many Mid-Eastern countries have fluctuating allegiances, Israel has always been a reliable U.S. friend and military ally in the region, especially in the Gulf War, when Israel refrained from retaliation against Iraq despite 39 Scud attacks. (Ironically, the Administration earlier supported the proposition of $5.5 billion in loan guarantees to Iraq) Israel is the *only* Democracy in the Middle East, providing true religious pluralism, justice, and other basic freedoms for its people.

Linkage to "settlements": Despite having a moral, legal, strategic, political and religious claim to the "territories," Israel strictly adheres to restrictive guidelines on U.S. foreign assistance, and each year provides a full, detailed report on the expenditure of all U.S. assistance (which will also hold true for the loan guarantees).

It is wrong for the Administration to link the issue of settlements with the humanitarian issue of Soviet refugees. As it stands now, less than 1% of the already settled exiles from the former USSR have chosen to move to Judea and Samaria in the West Bank and Gaza communities.

LOAN GUARANTEES—HOW THEY PROVIDE ECONOMIC BENEFITS TO AMERICA

U.S. budget

The U.S. taxpayer will not pay for this program. The only cost involved is a small percent to be set aside by law in the event that Israel cannot meet its debt obligations. Israel has indicated that it is prepared to cover this cost. This is starkly contrasted with the United States' forgiveness of Egypt's $7.5 billion debt in return for a minor role in the Gulf War, a debt forgiveness paid for by the U.S. taxpayer!

Exports/U.S. economy

Estimates are that the net effect of the loan guarantees will be to stimulate an additional $10–15 billion in U.S. exports to Israel for the period 1992–1996. The four U.S. industries that will benefit the most are (1) mineral, chemical and plastic, (2) misc. metals, (3) machinery and electrical equipment, and (4) transport vehicles (cars, airplanes, ships).

Jobs

The U.S. Dept. of Commerce estimates that for every $1 billion in U.S. exports, an additional 20,000 jobs are created in the U.S. Thus, an additional $2 billion in exports per year to Israel will create an additional 40,000 jobs for U.S. workers.

Investment/economic catalyst

A major portion of the loan money would also be spent on American builders and suppliers in the construction and housing industries, generating jobs for American citizens and revenue for American businesses.

Already, a number of U.S. housing and construction firms, suffering from a depressed economy at home, have been awarded contracts in Israel. In 1990 alone, U.S. companies won 75% of tenders, leading to contracts worth an estimated $250 million.

As a center of strong and steady economic growth, Israel has already attracted an ever-increasing number of U.S. businesses, including Intel, Toro, Microsoft, and Octel Communications Corp., many of whom are steadily expanding their Israeli facilities.

The U.S. financial and banking community, shaken by the S&L crisis, will benefit by servicing the loans to a country with such an immaculate credit history as Israel. As the GAO report indicates: "We believe that if the Congress authorizes the $10 billion in loan guarantees requested by the Israeli government, the Israeli government will likely be able to fully service its external debt and to continue its past record of payment."

FISCAL CONSIDERATIONS

Massive cost of provisions: Israel's absorption costs have eclipsed defense expenditures. $6 billion, or 20% of Israel's budget, is needed simply to provide adequate transportation, housing, water, sewage, education and employment for these immigrants, most of whom are only allowed to emigrate with a few belongings and only $100 in cash.

Unrelated to U.S. Gov't funds: Despite Secretary Baker's P.R. campaign to convince the American public so, these loan guarantees are not the same as foreign aid—Israel is neither requesting grants nor applying for loans. It merely requests guarantees which will enable it to raise the necessary funds in the private banking sector. No cash outlay is required, and the U.S. domestic programs will not be affected.

Israel is a sound investment: Israel's debt repayment history is unblemished. It has a zero default record. Looking toward the future, the influx of immigrants will increase Israel's labor force by 36% by 1996, producing greater GDP growth rates, improved export capabilities, and enhanced economic competitiveness. This helps ensure Israel's ability to fully repay the loans.

BACKGROUND STATEMENTS ON THE LOAN GUARANTEE ISSUE

Jack Kemp (HUD Secretary): "It is not a political issue—it is a humanitarian issue, and this country owes it to Israel to help . . . They need our help. I plan to see to it that Israel works out a compromise with America to get those loan guarantees to house the Soviet and Ethiopian Jews. . . . Of course, America first. But America first with friends and allies."

Standard & Poor: "Israel's outlook is revised to positive from negative, reflecting a significant lessening of the external threat facing the nation. . . . Over the next few years, the economy as a whole is set for rapid growth, involving significant investment in housing and industry, as well as opening up new consumer markets."

Salomon Brothers: "We believe that the State of Israel is considerably higher in credit quality than is generally understood . . . Improved diplomatic relations between Israel and many foreign countries are expected to result in increased integration of the Israeli economy into world markets."

Yoram Ettinger (Minister for Congr. Affrs., Israeli Embassy): "May the culmination of 'Let My People Go' not be held hostage to the complexities of the unpredictable and violent nature of Mideast politics, as we hopefully move toward peace."

William Brown (Former U.S. Ambassador to Israeli): "Israel asks neither for grants nor loans but rather for guarantees that will enable her to borrow funds needed for investing in the rich human potential represented by the new immigrants, funds that will be expended to a considerable extent in our country. These guarantees will cost American taxpayers next to nothing."

Called loan guarantees "an essential element of a great humanitarian enterprise that has enjoyed bipartisan American support—the rescue of Jews in danger."

On American policy toward Israel: "It is not in our country's advantage to strong-arm the freely-elected Gov't of Israel into concessions it believes it cannot make. Nor is it in the American interest to jeopardize Israel's qualitative military edge by making available to Israel's Arab enemies the same high-tech equipment Israel has been receiving from the U.S., such as the 72 F–15 fighter-bombers that the Pentagon is considering selling to Saudi Arabia."

Frank Gaffney, Jr. (Former Deputy Ass't Secretary of Defense and coordinator of Committee on U.S. Interests in the Middle East): "We wish clearly to demonstrate that concerns about U.S.-Israeli relations and the security of our only democratic ally in the Middle East are not the exclusive interest of the American Jewish community. . . . Though President Bush prides himself on pragmatism, his Administration's policy toward Israel is far from pragmatic."

The U.S. "should not engage in pressure diplomacy against Israel that may bring on the war we are hoping to prevent. This applies in particular to efforts to foist on Israel territorial concessions."

Mr. BYRD. Mr. President, will whoever controls the opposition time yield me 2 minutes?

The PRESIDING OFFICER. The Senator's 10 minutes has expired.

Who yields time?

Mr. LAUTENBERG. Mr. President, I had made a commitment to the Senator from Tennessee to yield 10 minutes to him following the Senator from Pennsylvania. And if we could proceed in that order, I would be happy to discuss it with the President pro tempore.

Mr. BYRD. If the Senator would allow me, if the Senator would get the floor and would yield to me, then I would ask unanimous consent that I might have 1 minute, inasmuch as the distinguished Senator from Pennsylvania has made reference to the Senator from West Virginia a number of times.

Mr. LAUTENBERG. I would certainly not have any problem with that. I am sure the Senator from Tennessee would be happy to yield to the chairman of the Appropriations Committee.

Mr. GORE. Mr. President, am I recognized?

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 10 minutes.

Mr. GORE. I yield to the President pro tempore.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. SPECTER. I do not object, but I would like 30 seconds for rebuttal.

The PRESIDING OFFICER. There was no unanimous consent request posed. The Senator from West Virginia was recognized.

Mr. BYRD. Mr. President, I do not intend to debate this. The Senator from Pennsylvania may stand on his feet all afternoon if he wishes to debate it. I merely made my statement and I did not intend to direct my statement to any Senator in this body.

But the Senator has called my attention to the Scud attacks that occurred on Israel. And, of course, Israel sacrificed, no doubt about that. But let us not forget that the United States sacrificed far more. There were 28 Americans killed and 98 wounded in the Scud attack on February 24, 1991. That attack was on a United States position in Saudi Arabia. And all of those Americans who died and, as far as I know, all those who were wounded were from Pennsylvania. So, I state that for the record in view of the fact that the Senator has reminded me of the Scud missile attacks on Israel.

Also, the Senator from Pennsylvania has mentioned the waiver of the Egyptian debt. Mr. President, on the vote which occurred on that matter, I voted against canceling Egypt's debt to the United States. But the distinguished Senator from Pennsylvania did not vote against the waiver.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. Mr. President, I ask unanimous consent that the time just consumed not be charged against the time allocated to me by the Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, if the Senator will yield, I will now yield 10 minutes to the Senator from Tennessee.

Mr. BYRD. Mr. President, I thank the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 10 minutes.

Mr. GORE. Thank you very much, Mr. President, and I thank my colleague from New Jersey for his generous yielding of time to me.

I rise in support of the resolution. I feel very strongly about this, Mr. President.

The current exodus of Jews from Russia and other former Soviet Republics is the fruit of a long American effort, supported by both parties, whether in or out of power at the White House, or in or out of power as the majority of power in Congress. This is not just a victory for Israel. It is a victory for U.S. policy. That is why it is so deeply troubling that United States-Israeli relations are more strained than at any time in recent memory: worse still, that our relations are strained precisely over an issue, the housing loan guarantees, the outcome of which will weigh very heavily in determining whether Israel can readily absorb its returning people or will have to stagger under that burden for a long time to come.

Despite all the publicity surrounding this issue, I doubt that most people fully realize the magnitude of the challenge confronting Israel at this point in time. And although I am sure that all of my colleagues are fully current, perhaps it will not do any harm to sketch out the full dimensions. According to a recent study by the Congressional Research Service, between January 1990 and December 1991, Israel received 400,000 immigrants, mostly from the Soviet Union but also in substantial numbers from Ethiopia. Israel expects between three quarters of a million to 1 million additional immigrants over the next 4 years.

The cost to absorb these people is not $10 billion, but somewhere between $45 and $50 billion: of which $10 billion is supposed to come in the form of loan guarantees—not grants, not loans from the United States but guarantees, a tiny portion of the cost of the loans themselves, a very tiny portion, attributable for accounting purposes in the form of guarantees; then $10 billion from other nations; $5 billion from donations; and $25 billion from the national budget of Israel, from its own citizens.

The stakes here are immense. For Israel, this is nothing less than a defining moment. With the access to credit that the United States can provide, Israel can not only house its new citizens but eventually harness their skills. The intellectual capital they bring with them, combined with the kinds of assistance we can provide with others, will enable Israel to burst forth as a great powerhouse of scientific and cultural talent.

On the other hand, failure to meet this challenge means that the dream of Israel as the homeland for oppressed Jews cannot be met. Failure will create tens of thousands of Israeli citizens disaffected from the Israeli state; not just the immigrants, but Israelis who are already in place whose lives are going to be powerfully influenced by this flood of new people. Failure will also result inevitably in a slowing of immigration from the former Soviet Union. Indeed, some few are already moving back. That could be tragic, and I would like to share with you a peculiar insight as to why.

Recently, Radio Free Europe published the translation of an article from the newspaper Sovietskaya Rossiya. The article, referring to efforts by the Lubavich community to recover a collection of sacred texts from the former Lenin Library, claimed that the books contain proof of Jewish blood rituals involving the sacrifice of Christians. As we all know, this is one of the deadliest slanders against the Jewish people, and its surfacing at this time in a mass circulation newspaper is an extremely sobering matter.

It reminds us that, despite the substantial easing of conditions in Russia for Jews, and despite the fact that the Yeltsin government itself has done nothing to suggest that it is motivated by anti-Semitism, a murderous hatred of the Jewish people still exists within parts of Russian society. There is abundant evidence of it and it is extremely troubling. It also reminds us that there are people engaged in an effort to fan that hatred and to use it as the spark with which to burn down Russia's experiment with democracy. Should this come to pass, we already have some insight as to what might follow. I am sure many of you may have heard of Vladimir Zhirinovsky, a rabid anti-Semite who, as it happens, polled 6 million votes in the same election that made Boris Yeltsin Russia's President.

What that tells me is that the Jews of Russia, who want to leave, should be able to leave at the fastest possible rate. The current improvements in their circumstances may be temporary. This is a historic moment. We should not be standing by and failing to take the minimal action to make it possible for these people to escape circumstances that are extremely dangerous for them. It follows that Israel's ability to absorb such people at maximum speed could turn out to be a very critical matter.

And yet, at precisely this moment, the Bush administration and the government of Prime Minister Shamir are in bitter deadlock. As of February 24, when the Secretary of State testified on this matter, the U.S. Government's position is very stark. It can be paraphrased as follows: First, if Israel agrees to completely stop any settlement activity, the administration would support loan guarantees of up to $2 billion a year for 5 years; however, if Israel only halts new construction, but continues to develop old construction, then the administration will support no more than $1 billion a year, with provision to deduct money spent on finishing old construction from the $1 billion.

That in my view is a drastic position, and the administration has insisted upon it despite efforts by Senator LEAHY and Senator KASTEN to reach a compromise well within the orbit of the administration's intentions.

What brought the Bush administration to this point? Ironically, it was the search for peace in the Middle East. Like all of its predecessors since 1967, the present administration believes that Jewish settlement in the occupied territories is an obstacle to peace. Indeed, the administration holds that Jewish settlement is not only unwise but seems close to holding the idea that it is a violation of international law. I could spend a lot of time on the fine points. There is a credible legal case, advocated by no less an authority than former Yale Law school dean Eugene Rostow, that a Jewish right of settlement in the West Bank has existed without interruption since the British mandate over Palestine under the League of Nations. There is a counterargument to the claim that Israel is violating the fourth Geneva Convention, which holds that the occupied territories do not fall within its sphere. And there is a very compelling reading of U.N. Resolution 242, according to which one would conclude that whatever "Land for Peace" means, it does not mean the return of all the occupied lands to Palestinian control, nor does it mean Palestinian sovereignty.

But the core of the matter is power politics. One can understand that the administration would not want to appear to be in lock-step with the Shamir government and still be able to urge the Arab states and the Palestinians to come to the conference table. But there is a line between the administration's wanting to distinguish American policy from that of the Shamir government on the one hand, and an attempt to use American financial leverage in an attempt to break the will of the people of Israel in this matter on the other hand. There is a line between the administration's wanting to get the Arabs to begin to negotiate with Israel, and trying to pry out of Israel concessions that ought only to be made by Israel herself in return for values offered by the Arab side.

In my view, the administration has crossed those lines, and is in effect expressing the Palestinian point of view in this matter. They have overshot the goal of presenting themselves as an honest broker to all sides and have skidded into the Palestinian camp on this question. In this, I do not think the Congress supports the administration. But neither does the Congress presently have any means to break this stalemate on its own.

In other areas of the negotiations, other areas, to give credit where it is due, the administration's vision has been steadier. I believe it is to their credit that they have criticized the Palestinian attitude in the last round of talks as being essentially frivolous. Israel came to the table ready to open a dialog about some form of limited autonomy. That is what Camp David provided. It is what the terms of reference of the negotiations provided. Clearly, the Palestinians were of a mind to spend their time angling for a sovereign Palestinian state. That kind of outcome is not in the cards, unless Israel herself were to offer it someday for her own reasons. It certainly is not in the cards to be part of the outcome of this negotiation. The hallmark of Palestinian seriousness is to negotiate on the subject of limited autonomy. It is good that the administration has made that clear.

I also would add that it is a relief to see the administration finally come to full alert about Syria's drive, evidently with the help of Iran, to acquire advanced Scud missiles from North Korea. For too long, the administration has indulged Syria with the same mild eye it once turned on Iraq. In my opinion, Syria will pursue peace only so long as it thinks that war is not an option. If Syria has reason to change that view, by virtue of the proliferation of these missiles or other advanced weapons, that equation will change. So the current awakening is late, and in this instance, the North Korean ship has eluded us. But at least one can welcome the administration's heightened awareness.

Nevertheless, the administration's own conduct in the matter of the loan guarantees encourages the Palestinians to believe that the United States can be dragged in to reinforce their demands. That is a dangerous position, and the President should get out of it.

It is critical to the cause of peace that the administration do this. With the Soviet Union no longer a factor, the United States alone has the ability to nurture the peace process. The administration's evident hostility toward the Shamir government, which after all does legitimately represent the people of Israel, is suggesting to the Arab governments and the Palestinians that they need not exert themselves to obtain the goal of peace. Instead, they will believe that nearer at hand—and much to be preferred—is the goal of breaking the United States-Israeli entente and of shattering Israel's base of support in the United States. I do not believe that this support is nearly that fragile, but am speaking here of an Arab perspective, which might well be distorted by excessive optimism on their part, encouraged by the administration's bitter treatment of Israel.

For those and other reasons I strongly and enthusiastically support this resolution and I hope it will be adopted with a solid vote on both sides of the aisle.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized for 2 minutes.

Mr. GRAMM. Mr. President, from 1867 to 1914, 20 million immigrants came to America looking for opportunity and freedom, and they found both. Israel is trying to do in 5 years what the United States of America, in proportional terms, took 45 years to do. It is going to be a very difficult task under the best of circumstances. It is going to be difficult to absorb roughly a projected 25-percent increase in population in 5 years.

Mr. President, I want to remind our colleagues here today that although there are many elements involved in the loan guarantee issue, and despite disputes having to do with the peace process and settlements, that what we are talking about here is people. We are talking about people who, for the first time in their lives, as they leave the former Soviet Union, have an opportunity to use their God-given talents to advance themselves and to advance their families in freedom in Israel.

I want both the Government of the United States and the Government of Israel to redouble their efforts to work out their differences and ensure that this loan guarantee goes through. In doing so, they will make it possible for a million people to enjoy opportunity and freedom. In the process, this will enrich Israel, creating an economic base that will generate capital for the purchase of exports from the United States to Israel as a result of this absorption process. Markets will be created that could generate up to 400,000 new jobs in the United States and thereby guarantee that the United States will benefit from the economic expansion that will occur.

I ask both our Government and the Government of Israel to remember that amid all of the differences that exist, as we look at disputes over issues that are important, that the loan guarantee question is ultimately about people and about their aspiration to freedom and opportunity. I hope that we will be able to work out these differences.

I want to state here on the floor of the Senate my strong support for doing what we have to do to make these loan guarantees a reality.

The PRESIDING OFFICER. Who yields time? The Senator from Wisconsin?

Mr. KASTEN. Mr. President, I yield to the Senator from Washington [Mr. GORTON], 10 minutes.

The PRESIDING OFFICER. How much time was that?

Mr. KASTEN. Ten minutes.

The PRESIDING OFFICER. The Senator from Washington is recognized for 10 minutes.

Mr. GORTON. Mr. President, I regret that the debate over Israeli loan guarantees has reached this pass. I voted with some reservations for the continuing resolution an hour or so ago. I will vote for this resolution.

Nevertheless, every Member of this body, whether he or she votes for or against this resolution, knows that it will have little, if any, impact on driving us toward a solution to the challenge presented to us by the request for loan guarantees by the State of Israel.

Mr. President, I supported the entire $10 billion guarantee which was a reasonable response to an unprecedented challenge in the history of both the former Soviet Union and of the State of Israel.

Even though I supported that original unlimited guarantee, I have nothing but admiration for the distinguished Senators from Vermont and from Wisconsin who attempted to work out a compromise which must have moved 80 or 85 percent from the position which the Senator from Wisconsin first took, toward that of the administration.

I am deeply sorry that the administration was unwilling to agree to that compromise.

I say all of this, Mr. President, because I believe that the administration's position to be bad policy, as a matter of substance, and to be a serious impediment in the search for peace in the Middle East.

In the view of this Senator, Mr. President, Israelis have a perfect right to settle on the West Bank. Israel is taking in a number of immigrants almost unprecedented in the history of any other nation in the history of the world as a proportion of its original population. It lives in a handful of square miles, hugged up against the coast of the Mediterranean. It is surrounded by enemies who have offered almost no compromise whatsoever with its quest for security and for existence.

The fact that people from the State of Israel, both original settlers and new immigrants from Russia, are settling unoccupied portions of the West Bank is, in the view of this Senator, both legal and appropriate.

But beyond that, Mr. President, this policy of the United States denying these loan guarantees unless the settlement policy is frozen in its entirety departs very profoundly from the appropriate position of an honest broker seeking peace. We should not be in the position of requiring a unilateral concession on a major point on the part of one of the parties and no comparable concessions on the part of the other party.

This country, this administration, simply has not acted as a facilitator. It has taken the part of one side and ironically it has taken the part of the side which dislikes the United States, has created turmoil in the Middle East and has refused consistently over the last several decades to work for peace itself.

My own preference, Mr. President, would have been that we acted as that honest broker without imposing preconditions on either side. But if we were going to do so, they should have been balanced conditions, and the only conditions as profound as this request for a cessation of settlement activity on the other side would either be the end of the entire Arab boycott against Israel or the formal recognition by the various Arab nations backing the Palestinians of the existence of Israel and the extension of the trading of Ambassadors between those nations.

These conditions, of course, are at the heart of the peace process itself, and certainly further settlements should not have been required to be given up by Israel until at least one and perhaps both of these conditions of the other side were equally imposed by the United States.

Finally, Mr. President, it seems clear to me that the very settlement policy itself was an incentive rather than an impediment to peace; that if settlements are frozen, we will simply have taken almost all of the incentives away from the Palestinians and their allies from engaging in serious negotiations toward a permanent peace. It is the very fact that they were losing lands which they claimed were their own which required them seriously to seek out these negotiations and, in the absence of our conditions, seriously to pursue them.

So, in summary, Mr. President, the policies of the United States have not only been wrong in substance but I think have provided a lack of incentive to the creation of a permanent peace in the Middle East.

Mr. President, I deeply regret we are not going ahead with the substance of loan guarantees. I support this resolution as an expression of the vast majority of the Members of the Senate of the United States, but we are substituting form for substance, and I deeply regret that action.

The effects of this decision will extend beyond our refusal to help a vital ally in its absorption process—in assuming this uncompromising stand, we have also slowed the peace process. I not only believe that we should not have conditioned the guarantees upon stopping the settlements in the occupied territories, but that Israel's ability to continue settling these territories will speed the peace process.

Mr. President, these Middle East talks represent an unprecedented opportunity for peace in this region because extraordinary events have brought once reluctant parties to the negotiating table. The Palestinians came out of necessity. In the past few years, they have lost Soviet assistance in their struggle against Israel and the United States, they have lost much Arab backing by supporting Saddam Hussein, and they have watched the flow of thousands of Soviet Jews into Israel, and anticipated their settlement in the West Bank and Gaza Strip.

The people who occupied the East Bank from 1948 to 1967 were unwilling to negotiate peace because they had little incentive to do so. They had Soviet and Arab backing, and little cause to expect that others would settle their land. Last October, the Palestinians approached Madrid with a decidedly different attitude. They had lost Arab and Soviet patronage and had watched the erection of 170 Israeli settlements in the West Bank and Gaza Strip.

These circumstances have made the conference, and a peace settlement, possible. Curtailing Israeli development provides the Palestinians—a people who were against us in the gulf war, and who still espouse terrorism—with another patron, and removes their incentive to negotiate. As a broker, we should see that the process provides sufficient incentive to keep the parties engaged. Settlements in the occupied territories provide much of that incentive.

Already, the Palestinians realize the alternatives afforded them by our policy. In September, they approached Madrid with a hard opening position: they talked of a Palestinian Self-Government Authority which would control executive, legislative and judicial powers in the occupied territories and would permit no Israeli security forces once the authority was established. They had not, however, thought of conditioning negotiations on a settlement freeze. Seven months later, by which time we had hoped for serious progress on the form of an interim government, the Palestinians have moved backward, suggesting that their interim government have a foreign policy, and, unsurprisingly, that American-subsidized development in the occupied territories will end their participation in discussions. I am confident that the Palestinians and Israelis would be closer to peace had the United States quietly and unconditionally offered the loan guarantees in September. We made demands of substance on the Israelis; we made no comparable demands on the Palestinians and their allies. We are the cause of the inevitable stalemate.

Furthermore, as brokers we have done Israel a disservice by bringing the issue of settlements into these first three stages of negotiations. The talks' agenda, which comes from a prenegotiated Camp David framework, dictates that discussions should now center only on the interim management of the territories, and that final status not be discussed until that interim government has been established for 3 years. Our demand for a settlement freeze began discussions on the final status of these territories and therefore began this process with its most controversial issue. We assured Israel that discussion on final status would not begin for at least 3 years, but before the talks had begun, we had implicitly asked for a compromise on settlements.

The most recent proposal to extend the guarantees took into account the President's aversion to financing settlements in the West Bank and Gaza Strip. It included a penalty, or deduction, for any development in those territories and gave the President authority to revoke $9 billion of the $10 billion requested. The bill was fashioned to concede to the President's position on settlements, so that we might extend some assistance to Israel in its absorption process.

Mr. President, 400,000 Soviet Jews have arrived in Israel since 1989 and an additional 1 million are expected in the next 5 years. The estimated cost to Israel is $26.5 billion. Without the guarantees, Israel's unemployment could rise substantially. Even those reluctant to finance settlements in the occupied territories should nonetheless consider the enormity of Israel's task and extend what support is possible. In this case, that would be support that could not be spent on developing the West Bank and Gaza Strip. I regret that we have just missed such an opportunity.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. WELLSTONE). Who yields time?

Mr. KASTEN. Mr. President, I yield 5 minutes to the Senator from Florida [Mr. MACK].

The PRESIDING OFFICER. The Senator from Florida is recognized.

Mr. MACK. Mr. President, I rise in strong support of the resolution on loan guarantees for Israel before us today and want to congratulate both the Senator from New Jersey and the Senator from Wisconsin for putting this resolution forward at this time.

I support the resolution because I believe that we should finish what we started so many years ago and, in essence, an obligation, a moral obligation, on our part to do so. This is not an issue about settlements, per se, it is not an issue about economics and specific dollar amounts and technical legal requirements that might be related to loans and loan guarantees. This is an issue about people. Let me just relate to you a conversation that I had in Israel not too long ago with Benjamin Netanyahu, Deputy Minister of the Government of Israel. What Mr. Netanyahu said was if we are not careful, the world could find itself in a period like back in 1939, when the warning signs, the signals were all there, the feeling of hatred, potential conflict, signs being carried in the former Soviet Union that say: "Today the Armenians, tomorrow the Jews."

Benjamin Netanyahu says, in essence, the Jews of Russia are living next to a volcano. Natan Sharansky, in a separate meeting on my trip to Israel, indicated that 50 percent of all the entrepreneurs in Russia today are Jews who are successfully making their way in this new society where freedom and capitalism are just beginning.

As a result of their success, they are finding themselves subject, once again, to the hatred and envy with which the Jews of Russia are all too familiar. Unfortunately, the messages that are coming back to those people from Russian Jews who have already gone to Israel is that it is a great country, one that will provide you freedom and opportunity, but now is not the time to come because you might not be able to get a job, and you should wait until there is a place for you. And what the United States is doing with its policy is sending a second message that says: "Now is not the right time to come."

My concerns are, what if we do have an explosion of that volcano? What then would happen to those hundreds of thousands of Jews who have not been able to leave Russia and come to Israel? Benjamin Netanyahu put it best: The issue is no longer an issue about immigration, it is an issue about evacuation.

The United States ought to provide the guarantee for those loans to make sure that the Jews of Russia will not hesitate and this evacuation can, in fact, take place.

Mr. President, U.S. policy that links settlements and loan guarantees, in my opinion, is immoral and should be reversed. Israel should not back down one iota on settlements, on Gaza, on Judea, on Samaria outside of the negotiations with her neighbors. What happens in those cases should be the end result of negotiations between Israel and Jordan, Israel and the Palestinians, Israel and its Arab neighbors, not between Israel and the United States.

So, Mr. President, again, I rise in strong support of this resolution, and I hope that Senators on both sides of the aisle will support it overwhelmingly, because it is important we send a message that we are in full support of the people of Israel and their desire to support Soviet Jews in Russia, and giving them the opportunity to come to Israel.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I yield 5 minutes to the Senator from Oklahoma [Mr. NICKLES].

The PRESIDING OFFICER. The Senator from Oklahoma is recognized.

Mr. NICKLES. Mr. President, I compliment Senator MACK of Florida for his statement and also Senator GORTON from Washington for his statement. I echo their comments. I also wish to compliment Senator KASTEN and Senator LAUTENBERG for their leadership on this resolution.

It disappoints me that we did not do something on the continuing resolution that passed today because, frankly, I think we should have. The need is there now. We have had hundreds of thousands of Soviet Jews since 1989 who have emigrated to Israel, I believe something like 400,000. There are hundreds of thousands of other Soviet Jews who wish to emigrate to Israel, a very small country that needs some help.

Many of us for years have been urging the Soviets to allow Jews to emigrate to Israel. Now that that opportunity is there we feel some obligation to assist, not to pay for it, not to pay for half of it, not to pay for a third of it, but to provide some loan guarantees as a way in which we can help. The nation of Israel is going to be ultimately responsible for the settlements and taking care of this massive flow of new immigrants into Israel. These immigrants are, in a way, returning to the homeland as a result of commitments that go all the way back, if you read the Old Testament, to covenants made to Abraham, Isaac, and Jacob.

Many people say there should not be settlements on the West Bank and therefore we cannot give any loan guarantees unless Israel agrees to freeze settlement activity in the occupied territories. I think that is a mistake. I do not think there should be a linkage between settlements and loan guarantees. I, for one, am not troubled by the settlements. Other people are opposed to settlements. Other people say the question of settlements should be left up to negotiation.

I particularly object to linkage between loan guarantees for assisting refugees moving back to Israel and a freeze on settlements in East Jerusalem. I think linkage is a serious mistake, one that I regret has been made and one I hope will be changed. I also hope there will continue to be negotiations with this administration. I am still hopeful that yet at some point this year we might work out a package that is both acceptable to the administration and to Congress and to Israel, one that will help settle hundreds of thousands of Soviet Jews who wish to emigrate to Israel.

I wish to make one additional comment, Mr. President. I do not think the United States should indirectly use pressure to force Israel into territorial concessions in any way, shape, or form.

I know I have heard the administration say they do not have any desire to do that, but I am troubled by the posture that we are now in as a result of pressuring Israel to freeze settlements. I think that is a mistake. I think we have a commitment, an obligation to help our friend and ally in this area, I might say one of our best friends and allies.

I might add that Israel showed great tolerance and patience at our request in the Persian Gulf war a year ago not to respond to the Scud attacks on Israel, including Tel Aviv and other cities. I might mention I was in Israel a week before that war started. Frankly, I was surprised that Israel showed such great restraint. We might remember that our Secretary of State Mr. Baker, Mr. Eagleburger and others, strongly urged them not to respond, or to retaliate against Iraq for the Scud missile attacks. They did not do so. Israel proved to be a very steadfast ally to the United States, which they have been since their re-creation in 1948. And despite Israel's steadfast support for the United States in the Persian Gulf war since the beginning of the peace talks I think we have given a lot more criticism and a lot more pressure toward Israel than we have other parties to the negotiations. I regret that.

I hope maybe we will have a change in administration policy and one that will help make this loan guarantee possible for Jewish immigrants returning to their native land of Israel.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I yield 5 minutes to the Senator from Rhode Island [Mr. CHAFEE].

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

MOVING TO HIGHER GROUND

Mr. CHAFEE. Yesterday, Governor Clinton, in New York City in an appearance before the Jewish Community Relations Council, charged that the Bush administration has "ever so subtly * * * broken down the taboo against overt anti-Semitism."

The impression Governor Clinton clearly and not so subtly wanted to convey was that the Bush administration is anti-Semitic.

This is a disgusting charge, and Governor Clinton does the voters a disservice with such tactics.

No one cares if Governor Clinton desperately wants to ingratiate himself with one group of voters or another, but to advance his cause by charging President George Bush with anti-Semitism leaps into not only the area of total falsehood but also crosses any bounds of decency.

Mr. Clinton may wish to reverse the position of every administration in the past 20 years by condoning expansion of Israeli settlements in the occupied territories—that is his choice. It is not the choice of President Bush, who strongly and correctly believes that the settlements are an obstacle to peace and that U.S. guarantees should not be used to further these obstacles.

The American people are clamoring for a serious discussion about the problems that face our Nation. But what type of political discourse is Governor Clinton engaging in? Have we reached the point in American politics where policy differences cannot be debated without ascribing religious, racial, ethnic, or gender prejudice?

Let us give the voters of New York, and across the country, more credit. Let us debate the issues, aggressively if need be. But let us not stifle debate with reckless accusations and charges of bias.

It is time for Governor Clinton to move to higher ground.

SENSE OF THE SENATE REGARDING LOAN GUARANTEES FOR REFUGEE RESETTLEMENT IN ISRAEL

The Senate continued with the consideration of the resolution.

Mr. CHAFEE. Now, Mr. President, I join with many of my colleagues in voting for the Lautenberg resolution. I would like to comment on what I believe the term "appropriate" means, where the language is "the United States Government should support appropriate loan guarantees to Israel for refugee absorption." I would like to comment on what the term "appropriate" means and what I hope we will see occur in the Middle East in the coming years. It should be stated that loan guarantees for Israel are needed to help absorb the hundreds of thousands of Jewish refugees from the former Soviet Union and Ethiopia.

It is my desire that these refugees have homes in which to live, schools in which to learn, roads on which to drive, and jobs at which to work. This we can all agree upon. It would seem that we also should be able to agree upon finding some way to bridge the gap between Israel and its Arab neighbors in order to reach a lasting peace accord in this troubled and volatile region. Secretary of State James Baker has clearly outlined the American policy of linking the granting of loan guarantees to the cessation of construction of new housing in the Israeli occupied territories of the West Bank and Gaza strip. I believe this to be a reasonable and prudent approach. This approach is not intended, as some have suggested, to manipulate the Israeli elections or unilaterally impose conditions on Israel without any conditions on Arab countries. After all, the American Government has consistently held that unilateral settlement construction is counterproductive to the Middle East peace process. Why is this the case? The answer is that building settlements makes it more difficult to negotiate a peace with the Arab countries and with the Palestinians. The United States cannot and should not tell Israel it must return the occupied territories.

That issue must be resolved through negotiations between the various parties. The critical question here is how can there be negotiations on the final status of the occupied territories if Israel has virtually annexed the territories because of its settlement construction? That is the question, Mr. President.

Clearly, without a settlement freeze, these loan guarantees will free up Israel's own money so that the settlement construction can continue at a brisk pace.

The resolution states that "appropriate loan guarantees" should be granted. To me, "appropriate" means that the United States should hold firm to its position and not grant any loan guarantees until the Israeli government agrees to stop all new settlement construction in the occupied territories.

"Appropriate" also means, Mr. President, that the details of the program be rational. In other words, the amount of the loan guarantees should be tied to the actual number of refugees going to Israel. In recent weeks, far fewer Jewish immigrants have been arriving in Israel than had been previously estimated. We must not remain locked in at any particular amount of loan guarantees. Common sense suggests that we should carefully examine Israel's needs relative to the actual number of refugees arriving.

In addition, Mr. President, the resolution states:

> Whereas the General Accounting Office found that 'if the Congress authorizes the $10 billion in loan guarantees requested by the Israeli Government, the Israeli Government will likely be able to fully service its external debt and to continue its past record of containment.'

I, too, have read the GAO report, and this resolution leaves out some critical language. The language, which said as follows:

> * * * the Israeli Government will likely be able to fully service its external debt and to continue its past record of payment under most foreseeable circumstances. However, the large size of the guarantees makes them more risky to the U.S. Government. The level of risk involved, if these loans are guaranteed to Israel, will depend to a great extent on Israel's implementation of its absorption plans and the economic reforms urged on it by U.S. and Israeli experts. The more fully and rapidly the reforms are adopted and the more closely Israel follows its strategy to employ new immigrants in the private sector rather than in the public sector, the stronger Israel's ability to repay the loans will be.

I hope, Mr. President, that Israel will adopt these economic reforms as suggested by their own experts.

I thank the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, will the Senator from California withhold while I put an inquiry to Senator CHAFEE, the last speaker?

I ask the Senator if he thinks that before we ask the Israelis to refrain from any further settlements, that we should ask those Arab countries who have declared war on Israel to remove that declaration? Or does he think that the Israelis ought to freeze their settlements before her neighbors end their declaration of war and say they no longer intend to destroy Israel?

Mr. CHAFEE. It was my hope, Mr. President, that the Arab nations would remove their declaration of war. This is a matter that is part of the negotiations that we hope will take place; and indeed, the negotiations are underway, as the distinguished Senator thoroughly knows. He is very familiar with those.

But the point that we are making here is that if the West Bank and the Gaza strip are fully settled, there is no chance of negotiating philanthropies, as the Senator fully knows. My fear is, and the fear of this administration—and the fear, I might say, of every other prior administration, Republican or Democrat—is that the subject will be foreclosed, and that one of the great opportunities to achieve a lasting peace in that area will have been lost through these settlements.

Mr. LAUTENBERG. Mr. President, I will accept whatever time was required to be charged to my time allocation.

I just wanted to hear the Senator express himself on the declaration of war. And I will now relinquish the floor.

Mr. KASTEN addressed the Chair.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KASTEN. I yield 4 minutes to the Senator from California [Mr. SEYMOUR].

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. SEYMOUR. Mr. President, thank you.

First, Mr. President, let me thank the distinguished Senator from Wisconsin [Mr. KASTEN] for his leadership on this issue, and Senator LAUTENBERG, who has been a very forceful leader on the Israeli housing loan guarantee issue.

Mr. President, I would respectfully disagree with my distinguished colleague from Rhode Island. Although I find many areas that he and I agree on, in this particular issue we are far from agreement.

Although, Mr. President, I rise in strong but disappointed support for this resolution on the concept of housing loan guarantees for the State of Israel, my support is strong because the measure before us outlines a clear series of principles regarding the moral and humanitarian nature of this issue. But it is equally disappointing because Congress and the administration failed to reach a workable agreement on the extension of these loan guarantees that ultimately would not have cost the American taxpayers a single penny.

Furthermore, the effort to achieve any compromise failed during a critical year for Israeli Government and society. Early this summer, the Israeli electorate will vote in parliamentary elections that many observers view as a referendum on how the Jewish state should address the interwoven issues of peace, land, and security. At the same time, our State Department imprudently sought to link the matter of housing loan guarantees for Soviet and Ethiopian emigrants to a cessation of West Bank settlement activity by the Israeli Government before these elections and before the completion of the Arab-Israeli peace process. Therefore, they are predetermined.

This bizarre coordination of policy and timing put the United States in the position of dictating diplomatic concessions to a government before it had the opportunity to develop its diplomatic approach towards neighboring adversaries that do not even acknowledge the right of the government to exist. Furthermore, we sought to impose our judgments on the leadership of a sovereign state in advance of allowing the Israeli voters to impose their own will.

I cannot think of a point in the history of U.S. foreign policy during which we so closely linked the promotion of American strategic interests with such ineffective attempts to leverage the policies of an allied government.

The absence of the housing loan guarantees in this bill, Mr. President, will not enhance Israel's security. It will not contribute to the country's financial independence. And it will not make Israel more confident in its negotiations with the Arab representatives of the West Bank.

But it will leave the country with a severe challenge to absorb hundreds of thousands of immigrants who need jobs and shelter.

I therefore submit that both sides lost this debate. We now have a result that leaves Israel struggling to face its most significant demographic challenge since 1948 while nothing has been done to advance either the peace process or our own political and economic interests in the Middle East.

But at least, if we decisively adopt the resolution now before us, it will make the necessary statements of fact and leave a permanent record not simply of our mistake today, but also of our willingness to correct it, and hopefully in the very near future.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I yield 4 minutes to the Senator from Kentucky [Mr. MCCONNELL].

Mr. MCCONNELL. Mr. President, this should have been worked out a long time ago. We have been aware that these housing guarantees were needed. We have been aware that granting these guarantees was the right thing to do; the right thing to do as a matter of principle, the right thing to do as a matter of money, and the right thing to do as a matter of politics.

Mr. President, I am confused as to how we got to this point, having been involved in a number of discussions with the administration on this issue over the last few months. I rise tonight with some degree of disappointment that we have not been able to achieve a compromise that was acceptable to both sides so that we could go forward with these housing loan guarantees, which should be offered to the Government of Israel.

It is important to remember, Mr. President, that for decades, the United States has applied pressure, the United States encouraged the Soviet Union to open up to allow freedom of emigration for those who had suffered persecution and repression for their religious beliefs.

Now we won that case, and the very reforms in Soviet law which have allowed for a record flow of emigrants, we now have a humanitarian obligation, having encouraged that for so many years, to support their absorption into Israel. To do any less is to abandon a principled cause, the cause of religious freedom.

In addition, we would be abandoning that cause when no money is at stake. I repeat, no money is at stake for the U.S. Government. Virtually every package that I looked at, every offer on the table, was cost-free to the American taxpayer, not a penny. Whatever fees were involved were to be assumed by the Government of Israel in the loan base.

So, Mr. President, we are only being asked to back loans, not to make them. I repeat, we are being asked to back loans, not to make them. There is an important distinction. I, for one, am absolutely confident of Israel's commitment and ability to meet every payment, to clear every financial hurdle.

Finally, I am left with a feeling of confusion on the politics of this issue. Without the guarantees, Mr. President, who wins? My constituents, and people across this country, were willing to pause for peace. They put their hopes on hold for 120 days. Now, not one bit closer to a peace agreement, new terms are put forward which complicate their resettlement process and create doubts about America's good faith.

Mr. President, I continue to hope, I continue to believe in the common sense of the participants involved in the discussion of these guarantees, that the humanitarian needs of those who have suffered so long will carry the day, and we will resolve the differences.

To have been victims of religious repression is bad enough, but to become victims of a pointless dispute between governments which are allies and friends, why, these emigrants must be wondering why they left. They must be wondering why they left. We should send a message of support and hope today by supporting this resolution. I hope, Mr. President, that sometime in the near future, we will be able to do a lot more than just support this resolution.

I yield the floor.

Mr. DURENBERGER. Mr. President, I rise to support the pending resolution regarding the loan guarantees that Israel has requested to assist with its massive immigrant absorption efforts. I ask unanimous consent that I be added as an original cosponsor.

I will not take the Senate's time now by re-stating the compelling case for this assistance. But I will express my deep disappointment that the administration has repeatedly hardened its negotiating positions, both with Israel and with Congress.

I honestly do not understand the administration's total unwillingness even to consider a serious compromise. I am just not sure what the administration is trying to do, what their ultimate objectives really are.

I have stated on numerous occasions my view that Israel's current settlement policies and practices are not helpful in the peace process. I continue to support financial linkage between the settlements and the loan guarantees, such that no money secured through the U.S. guarantees would be used in the territories. I believe this is appropriate and in conformance with U.S. policy.

But the fundamental issue at hand is the political linkage between U.S. aid and matters that are integral to the peace process. I am deeply concerned about the potentially very negative effect that such linkage has on the peace process.

Notwithstanding the United States opposition to the settlements, this issue is a central element in the negotiations between Israel and the Arab participants. Whether by design or happenstance, introducing this form of linkage has a direct, substantive, and critically important bearing on the negotiations themselves.

Such United States-imposed linkage has the practical effect of bringing the United States directly into the negotiations as a de facto participant, effectively deciding an issue in advance of the direct talks between Israel and the Arabs that are otherwise supposed to resolve the matter. This approach would seem contrary to the President's and Secretary of State's own assertions that the path to just and lasting peace will come only as a result of direct negotiations.

The precedent set by the administration's policy in this regard has real implications for efforts to resolve other, equally contentious disputes that will inevitably arise in the future. It is unavoidable that some of these issues will in some way relate to United States assistance to Israel.

I believe one can legitimately ask, for example, what incentive an Arab participant would have to make the concessions necessary for agreement if it believes that the United States will secure the necessary Israeli concession at no cost to the Arab participant. The same concern applies if the Israeli and Arab perspectives are reversed. In my view, this would not represent an effective negotiating process that would likely yield real peace.

Mr. President, these considerations cut to the issue of trust between Israel and the United States and the relationship that trust has to the peace process.

In any kind of settlement that emerges from this process, Mr. President, Israel will no doubt have to take certain risks for peace. It has done so in the past, most prominently when Israel returned the Sinai in exchange for peace with Egypt.

Israel, in large measure, was willing to take that security risk because it trusted that the United States would stand by it, that in normal times and in crisis, Israel could count on us to be there if she needed us. This trust and confidence is all the more important given the undemocratic nature of the regimes with whom Israel is seeking to make peace.

As Henry Kissinger once wrote, Israel is being asked to exchange the tangible for the revocable. That won't be easy under any circumstances, but it will be all the more difficult, perhaps impossible, if Israel no longer believes it can trust the United States to be there if she needs us.

It seems to me, Mr. President, that if we permit our relations with Israel to degenerate into hostility, distance, and mistrust, we will be sowing the seeds of failure for the peace process and our own objectives of achieving real and lasting peace in the Middle East.

Relations with Israel have clearly been strained. I believe that our national interests are best served by stepping back from the high tensions and looking calmly and soberly at our relations with Israel. Let us step back from these controversies that seem to be spiralling out of control, with repercussions that would be damaging to each country's own national interests.

Let us renew our commitment to keeping the proper perspective on these matters, and to never forgetting that Israel is a close friend and important ally of the United States. Differences will always arise, even between the closest of friends, but let us not permit those differences to weaken or obscure the deeper, longer-term value that this close relationship brings both to our country and to Israel.

Let us not forget that Israel is a true democracy in a region otherwise characterized by dictators, monarchies, and puppet regimes. Let us not forget who our friends truly are. Israel has stood by us and we by them. And I submit to my colleagues that both countries have substantially benefited from this relationship.

Mr. President, I will vote for this resolution on the loan guarantees. I urge my colleagues to show their support for Israel's absorption efforts. Let us also send a message to the administration that there is very deep concern in the Senate about the policies it has pursued on this matter.

Thank you, Mr. President, I yield the floor.

Mr. KASTEN. I ask unanimous consent that the Senator from Utah [Mr. HATCH] be added as a cosponsor.

The Senator from Utah has been a strong supporter of this effort from the very beginning, and he, along with many other Members of this body—but he in particular—recognizes the humanitarian aspect of the issue before us. Because he has now asked to be made a cosponsor, I know he intends to support this resolution. He has been supporting this idea, this concept steadfastly. I thank him for his help and support.

The PRESIDING OFFICER. Without objection, the Senator from Utah will be added as a cosponsor.

Mr. KASTEN. I rise in support of the extension of $10 billion in loan guarantees to the State of Israel and in support of the resolution before us. I want to outline, if I can, the grave humanitarian threat that makes these loan guarantees absolutely necessary, and the warning signs of a dangerous rise in anti-Semitism in the former U.S.S.R. I want to discuss today the fact that our humanitarian loan guarantees would help confront the threat—at zero cost to American taxpayers.

This issue has received a great deal of attention over the last 6 months, but I think that the focus of the debate has largely been misplaced. The opponents of these loan guarantees, and even some of the supporters of the loan guarantees, have paid too much attention to the diplomatic issues at stake and far too little attention to the humanitarian issue.

The central issue, the real issue, the key issue, is the rescue of Soviet Jewry. The loan guarantees are just another step in the implementation of the longstanding policy favoring Jewish emigration from the Soviet Union.

For decades now, we have had a bipartisan consensus—bipartisan and bicameral, I might say—in favor of freedom of emigration. With the collapse of the Soviet Union, and establishment of the Commonwealth of Independent States, this policy is finally bearing fruit. Jews are being allowed to emigrate. The problem now is to help them resettle in their ancient homeland.

Our debate on this issue has been sidetracked by the focus on the issue of settlements. For the last quarter century, United States administrations of both parties have opposed settlements in the territories occupied by the State of Israel since the way of 1967.

In my opinion, opposition to the settlements may be a praiseworthy policy. We need to keep the door open to a negotiated settlement about the disputed territories. But, that being said, I want to stress that American policy on settlements should not be allowed to dominate the current debate on loan guarantees.

I think the most important issue in this debate, the humanitarian issue, has gotten lost. I would like to help correct this by focusing on the real issues at stake in the loan guarantees to the State of Israel.

The former Soviet Union is undergoing a period of great turbulence. Some have compared this period of Russian history to the "Time of Troubles" at the beginning of the 17th century, a time when famine and political distrust toppled the regime of Boris Godunov and led to the establishment of the Romanov dynasty that ruled for three centuries until the Bolshevik revolution.

Others have compared today's Russia to Weimar Germany. We have references to that in previous speeches. I think this is an appropriate comparison and one that ought to be extremely chilling to anyone familiar with the brutal history of our own century.

After the First World War, Germany faced disgrace abroad and economic disaster at home. The new democratic leaders did not have the stature to cope with the crisis. The result of their failure was the rise of Hitler, a global war, and extermination of European Jewry. Can history repeat itself? Can an anti-Semitic regime take over the government from Russian President Boris Yeltsin, imperiling the lives of the estimated 1.5 to 2 million Jews remaining in the country?

Mr. President, to rule this out entirely would be to ignore some very serious storm warnings from the former Soviet Union. The Soviet Union is one of a number of European nations experiencing a resurgence of nativism and anti-Semitism. In France, the anti-immigrant National Front of Jean-Marie Le Pen is gaining strength. In Germany, 2,074 hate crimes were perpetrated against foreigners in 1991. That is over 2,000 hate crimes—up from only 246 the previous year.

And this trend appears to be taking an especially strong hold in Russia. Even before the economic hardship recently occasioned by the Yeltsin reforms, an openly anti-Semitic candidate received 6 million votes for President of Russia.

Vladimir Zhirinovsky is the founder of the misnamed "Liberal Democratic Party" in Russia. He was one of seven presidential candidates in the last election—and while he came in third behind Yeltsin and Communist Nikolai Ryzhkov, his 6 million votes represented 7 percent of the electorate.

Before the campaign, he was a complete unknown with no political experience. He had no experience either in the Communist Party or in the Russian democratic movement. He succeeded because his message resonated with a frightening number of people. And his message was a simple one: Jews are the chief danger to Russia's future.

In an unintentionally hilarious attempt to reassure Western opinion, Zhirinovsky compares himself to one of our own political candidates: David Duke. Zhirinovsky says about Duke—and I quote: "His views are closest to ours."

I hope I speak for all Wisconsinites when I say that we do not find this reassuring. I find it frankly terrifying that an unknown David Duke-style anti-Semitic demagog can come out of nowhere and attract 6 million votes—even before the current economic crisis.

Zhirinovsky is dismissed as a buffoon, much as Hitler was. He was even born, like Hitler, in a country other than the one he seeks to rule. Hitler was born in Austria. Zhirinovsky was born in newly independent Kazakhstan.

But Zhirinovsky represents a longstanding Russian tradition. The anti-Jewish pogroms of the Romanov years, the allegation that Jewish doctors plotted the murder of Stalin's Politburo, the simultaneous blaming of Jews for the excesses of Stalin himself—all these historic events point to the deep roots of anti-Semitism on Russian soil.

Today, Zhirinovsky is the tip of an anti-Semitic iceberg in Russia. Another nationalist leader, Valeri Yemelyanov, explains the Communist period of Russian history in the following way: "Since 1917 we have been living under the occupation of Jewish fascists."

In Russia, hardline Communists and rightwing nationalists are finding common ground on one issue—the belief that Jews are to blame for all the problems the country faces.

How deep is this anti-Semitic iceberg that lies underneath Zhirinovsky? I will be honest with you—I do not know and I do not think any of us know. But I do know what happened when America ignored this kind of warning signal in the past. And I want to make sure that never happens again.

As early as March 1933, Americans of Jewish background were protesting the excesses of the Hitler regime. Cordell Hull, Franklin D. Roosevelt's Secretary of State, reassured them that the anti-Jewish violence in Germany was over.

Throughout the 1930's, America turned away Jewish refugees from Germany. The permitted quota of immigrants from Germany was 25,957 per year. This quota never came close to being filled. In 1936, only 6,642 immigrants were admitted under the quota; in 1937, only 11,536 were admitted.

According to Deborah Lipstadt, author of the important book "Beyond Belief: The American Press and the Coming of the Holocaust," this shortage of immigrants was "due not to any lack of applicants, but to the many roadblocks placed in their path by State Department immigration officers."

Mr. President, to say that this was a failure of policy would be a tragic understatement. It was nothing short of a devastating blow to the future of European Jewry. And this policy persisted even after the dimensions of the Holocaust began to be known in the allied countries.

In June 1941, the State Department issued a ruling that Jewish refugees who had relatives in Nazi concentration camps could not be admitted to the United States—on the grounds that they might be spies for the Nazi enemy.

In June 1942, newspapers all over the world featured headlines about the exterminations taking place in Europe. From the London Times: "Massacre of Jews—Over 1,000,000 Dead Since the War Began." From the Atlanta Constitution: "1,000,000 Jews Killed by Nazi Treatment."

Six months later, the State Department's specialist on Jewish issues was still reassuring Congress that the reports were unconfirmed.

Thanks in large part to the pressure of Treasury Secretary Henry Morgenthau, Franklin Roosevelt in January 1944, established an agency called the War Refugee Board to help organize the rescue of European Jews. But officials in the State Department urged Cordell Hull to weaken the War Refugee Board—on the grounds that Hitler might embarrass and inconvenience the Allies by flooding them with unwanted Jewish immigrants.

Mr. President, are we not capable of learning from the past?

It is my contention that by concentrating on secondary issues like the housing starts on the West Bank, we are forsaking a truly historic opportunity for American foreign policy. From Jackson-Vanik to the Persian Gulf war, we have been promoting the resettlement of Soviet Jews. "Next year in Jerusalem" is now a reality. It would be unconscionable for us to abandon this policy now.

These loan guarantees are essential to the success of our humanitarian policy. They will make it possible for Israel to resettle the refugees—that is their only purpose.

The campaign of misinformation on this issue would lead you to believe that the loan guarantees are U.S. grants. That is a falsehood. Under the loan guarantee proposal, the United States taxpayer will not be spending a single dollar to subsidize Israeli housing.

And the loan guarantees are not U.S. loans either. The U.S. Treasury will not be lending a single dollar to the effort to resettle the refugees. It will merely guarantee that when private sector lenders lend money for that purpose, the U.S. Government will stand surety for the loan.

And there is practically no risk in that, because Israel has never defaulted on United States loan guarantees.

The only U.S. budget funds involved in the loan guarantee process are the origination fee, which we estimate will amount to $100 million. Israel itself will pay for this origination fee—making United States taxpayer funding completely unnecessary.

In short, America has an opportunity to render essential humanitarian aid to a loyal friend—to rescue hundreds of thousands of people—at no charge to taxpayers.

Mr. President, if we were to turn our backs on an opportunity like that, what would it say about us as a nation?

Throughout the four decades of its existence, Israel held the line for democracy in the Middle East region. It remained America's friend when friends were scarce. During the Persian Gulf war, the Israelis failed to retaliate for the terrorist acts of Saddam Hussein—for the simple reason that America asked them not to.

Israel kept faith with America. Now, they face an immigration crisis of monumental proportions and they need our help.

Much more may be at stake here than any of us know. That's why I will do everything in my power to ensure that we do the honorable thing—and approve these loan guarantees.

As a first step, Mr. President, I urge adoption of the resolution before us and I think I join with all who are going to vote in favor of this resolution and are cosponsoring this resolution. This effort does not end here. This effort, in fact, is accelerated here, is pushed harder here because now the danger is clearly before us. Now we must work together, convince the administration to abandon this wrong policy and to work with us for a compromise on loan guarantees for the humanitarian effort to help the Soviet Jews come to Israel.

Mr. GRASSLEY and Mr. LAUTENBERG addressed the Chair.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. LAUTENBERG. Mr. President, we have been alternating for the benefit of the Senator from Iowa between across the aisle and I would at this juncture like to yield 3 minutes to the senior Senator from California [Mr. CRANSTON].

The PRESIDING OFFICER. The Senator from California is recognized.

Mr. CRANSTON. Mr. President, I thank the Senator from New Jersey and I thank him for his leadership in offering this resolution on a vitally important matter.

Mr. President, we have worked for years and decades to persuade the powers that be in the Soviet Union to let the people go, to let Soviet Jews who wish to emigrate, emigrate. Due to the leadership of some remarkable men like President Gorbachev, President Yeltsin, Foreign Secretary Shevardnadze, and Alex Yakovlev, policies were changed and people were let go.

We should recognize that that creates problems in the lands where the people choose to move to, and plainly there is a major problem for housing in Israel. We should recognize our obligation to help deal with the problem of absorption and adjustment that are involved in this, and I strongly oppose the efforts of the Bush administration to relate this to the peacekeeping problems of the Middle East.

There is no link and to demonstrate that there plainly has been no progress among the Palestinians and the Arabs due to the opposition of the Bush administration to this loan guarantee. That demonstrates very clearly that there is no substantive talk.

We should approve these loan guarantees for humanitarian reasons. We have an obligation to do so, and I hope that eventually we will achieve this. It is plain that there is no great financial risk. Israel has never defaulted on a loan. Israel has always come through on schedule even in wartime and now in time of peace, and when many of these people who are now in Israel are adding to the economic strength and capacity and creativity of that country, we should be even more certain that Israel will meet her obligations in regard to any loan.

Let me say, parenthetically, that while I strongly oppose what the Bush administration has been doing on this front, I want to express very strong support for what President Bush has done on a related other front upon this very day. He has made a strong statement to the public and to the Congress of support for efforts to assist the people of the former Soviet Union and Russia, and elsewhere, to achieve the stability that is so important to the achievement of real democracy and freedom and a free enterprise system in those countries.

I applaud the President for disregarding those who said it is dangerous to support anything like that abroad. I for one will stand up to support the President against any criticism that comes to him from any quarter for his leadership on this front, and I will support the package totally that he has submitted to the Congress in regard to aid to the people of the governments of the former Soviet Union.

Again I applaud the leadership of Senator LAUTENBERG on the measure that is before us relating to the loan guarantees for Israel and I strongly support his resolution.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I yield 3 minutes to the Senator from Iowa [Mr. GRASSLEY].

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. GRASSLEY. Mr. President, I rise in support of this resolution. The main purpose we all ought to be supporting this resolution is because it is a humanitarian issue.

We have worked tirelessly, many of us in this body, for the freedom of Russian Jewry. Now the gates are open and the people are leaving. Some 400,000 have already arrived in Israel. It is estimated that 1 million or more may make their way to Israel in the next several years. This would be the equivalent of the United States absorbing England or France. We in the United States should do our part to help, because we were there at the beginning of this crusade.

Israel did not ask for a handout. Israel did not ask for a blank check. Israel asks for loan guarantees, and our Government could respond positively without one cent of cost to the taxpayers because Israel pays its bills and Israel has a good credit rating.

The issue has gotten caught up needlessly in political considerations. The administration has seized upon the peace process and linked it to this humanitarian assistance. But that linkage is misguided because it signals to Israel's negotiating partners that they do not have to talk to Israel. It signals that all they have to do is come to Washington and negotiate with America, and that somehow we will deliver Israel at the peace table. Well, Israel, like her negotiating partners, is an independent nation. That will not happen.

Israel is willing to make historic concessions to get these loan guarantees. Israel will take offsets for West Bank construction and deduct amounts spent there from the total loan guarantee amount. Israel recognizes that there is a policy difference with the United States and that in effect settlements have a cost. Israel is willing to pay that cost. And Israel will give the United States full rights to inspect and monitor how the money secured by the guarantees is spent. What more should we ask?

Mr. President, much has been said in recent weeks about the status of relations between the United States and Israel. Some are writing the obituary for this very important alliance. But, I would caution against that. Israel is the only democracy in a very hostile part of the world, a part of the world that has not fundamentally changed in the last year since the gulf war. We know we can count on Israel. What other ally would withstand 39 Scud attacks without response, because the United States asked it to?

Let us help Israel with this humanitarian request. I join with many of my colleagues to support loan guarantees for Israel. Let us send a signal to those fleeing persecution and anti-Semitism that we want them welcomed in Israel now and that they should not wait to leave Russia and the Commonwealth States.

The PRESIDING OFFICER. The Senator has used the 3 minutes yielded to him.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. I yield 5 minutes to the senior senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. DODD. Thank you very much, Mr. President.

Let me begin by commending our distinguished colleague from New Jersey, Senator LAUTENBERG, for bringing this resolution to the floor.

Mr. President, I also would be remiss if I did not recognize the efforts of the Senator from Vermont [Mr. LEAHY] and the Senator from Wisconsin [Mr. KASTEN] who have spent countless days and hours trying to come up with a formula that would have been acceptable to the administration.

In some sense, it is with a note of sadness that I rise to support this resolution, because, while the resolution certainly is deserving of support, it is nothing more than a sense-of-the-Senate resolution. And I suspect there will be 90-plus votes for it, a vote without any pain at all, according to some, because it really does not do anything but in a sense express what we would like to do, what we should be doing.

I think it is unfortunate that we have arrived at this point here because the administration refuses to accept the fact that an ally of ours is doing something which ought to be receiving overwhelming support and commendation. Here is a nation the size of my home State of Connecticut, 3.5 million people. As the Senator from Iowa just said, it is in the process of absolving what would be the equivalent of this country absorbing the entire population of France.

What they are asking for is not foreign aid but a guarantee on loans of private money in order to assist in housing and employment and other matters. The way the administration has cast this particular situation is as if to suggest somehow it is unique, that this is a unique occurrence, that the United States never before has ever been asked to step forward to provide loan guarantees to anyone else.

Well, Mr. President, I will ask unanimous consent to have printed in the RECORD a list of those nations which have received loan guarantees without any conditionality whatsoever. This list comes from the "Center for Foreign Policy Options," as part of a paper presented by Steven L. Spiegel and Mayer Alan Brenner.

There are 60 nations on this list, Mr. President, that have received loan guarantees without a single condition being placed on them. Only one country has ever had to face the prospect of conditionality, and that is the State of Israel. So when the American taxpayer is concerned about the wisdom of this program because of the potential impact on our budget, let them read the list of 60 other nations that have received loan guarantees.

And it is some list, Mr. President, when you go down some of the names on here, Algeria, for one. In the month of February, 2 months ago, reports from the opposition in that country indicated that there were some 30,000 people that have been detained, some 150 people have been brutally beaten, and some 700 other people have been tortured. This is a nation that receives loan guarantees from the United States.

You can go on down that list and look at some of the nations that have gotten them over the years. El Salvador, for example, is one on there that certainly has less than a positive human rights record.

And let's look at some of the other nations. Last year we gave unconditional guarantees to Algeria, Yemen, Tunisia, and Egypt. Now, Egypt is a good ally. But the Bush administration on its own forgave $7 billion of debt the country of Egypt owed the American taxpayer; not a loan guarantee but $7 billion in hard money that we said Egypt no longer had to pay back to the United States. Where was the outcry when that occurred about fiscal responsibility?

It is disingenuous—it is hypocritical, in my view—to be talking about those issues and applying a standard that is entirely different for some. It is tragic, in my view, that, as has been said earlier by others, that we cannot provide some assistance here. It does not cost the taxpayer a nickel to assist in humanitarian efforts.

And no other country has a better credit rating, Mr. President. It is common knowledge, for those who will look, that there is no better credit risk, when you look at all the nations who have owed us money and do not provide assistance or repay those loans. The State of Israel has repaid its debt every time we have asked them to accept a loan rather than a direct grant. Few other countries can make that same claim.

Mr. President, there are plenty others on this list—and I will submit this for the RECORD—that have received unconditional loan guarantee assistance. Saudi Arabia, for example: $22 billion dollars' worth of arms since 1989; $1.1 billion in unfulfilled pledges for the gulf war yet to be paid by that nation. That is far in excess what the potential exposure to the American taxpayer is for these loan guarantees.

Mr. President, I would just say in conclusion that I commend my colleague from New Jersey for his efforts here, but in a sense I rise with some regret that we are not doing what we ought to be doing. And that is not just a sense of the Senate but providing some assistance here that helps people, people who come from a country that is a strong ally, and I regret it deeply.

Mr. President, I ask unanimous consent that the list to which I referred be printed in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

POLITICAL CONDITIONS ON LOAN GUARANTEES

Countries that have recently received loan guarantees:

Algeria, Argentina, Armenia, Azerbaijan, Bahrain, Barbados, Belarus, Brazil, Burkina Faso, Canada, Chile, China (Mainland), Colombia, Czechoslovakia, El Salvador, Georgia, Ghana, Greece, Guatemala, Hungary, India, Indonesia, Iraq, Israel, Jamaica, Jordan, Kazakhstan, Kenya, Kuwait, Kyrgyzstan, Lesotho, Malawi, Mauritius, Mexico, Moldova, Morocco, Nigeria, Oman, Pakistan, Panama, Paraguay, Philippines, Poland, Portugal, Russia, Rwanda, Senegal, South Korea, Tajikistan, Thailand, Trinidad/Tobago, Tunisia, Turkey, Turkmenistan, United Kingdom, Uzbekistan, Venezuela, Yemen, Yugoslavia, and Zimbabwe.

Countries that have had political conditions placed on the extension of loan guarantees:

Israel.

The PRESIDING OFFICER. Who yields time?

Mr. KASTEN. Mr. President, I yield 5 minutes to the Senator from Wyoming [Mr. SIMPSON].

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. SIMPSON. Mr. President, I thank my friend from Wisconsin. I commend Senator LAUTENBERG and Senator KASTEN for consistent and extraordinary work.

Let me say this. This vote will not be tough for anybody, but the issue will remain tough for all of us. That is what I want to comment on.

We do not like to say no to anyone. We do not like to say no to our veterans, to our aged, to our young, to agriculture, to anyone, or to our closest ally. Who likes to do that? But increasingly we are going to have to do just that and we will have to do an awful lot of it in years to come.

There is no need to review the facts that have been put forward by the Senators here. We all understand this is not a grant or a loan but rather a guarantee. But we are coresponsible for it.

We are $4 trillion in debt at the present time. Foreign aid, sadly enough, has become a whipping boy in the current political climate. I frequently do the very unpopular. I defend foreign aid, and aid to Israel and aid to Egypt and the other countries of the world—$15 billion out of a budget of $1.5 trillion. Go have a town meeting and you will find out how the citizens feel about foreign aid in America today.

Our interests and Israel's often coincide, and sometimes they do not. Our President, and we heard a bit of it a moment ago, has been roundly criticized for doing something unpopular that serves the American interests—ensuring that our foreign assistance serves U.S. interests and U.S. policy. That is his job.

It is shocking to hear—no one here has said it, but others have said this, about this President—especially a candidate for President of the opposing faith, who prattles on about the divisions in America and the need for healing. So much for healing with the remarks that he just made—incendiary remarks about subtle anti-Semitism of the President of the United States and this administration. So much for healing from that source.

So, it is shocking to hear, and others have said it that this administration is anti-Israel or worse, anti-Semitic, merely because it seeks to ensure that our aid serves our own national interests, our Untied States interests, our national interest. Not another country's goals.

No President has done so much to guarantee Israeli security as this one. Americans fought and Americans died to destroy their greatest military threat. And Iraq threatened Israel more than many other nations in the region. And in doing so, we defended American interests as well as Israeli interests.

We were the ones who struck the death blow to the Zionist resolution in the United Nations. It was this Reagan-Bush administration, with its representative to the United Nations and Vice President George Bush who personally arranged the transport and emigration of the Ethiopian Jews. George Bush did that. He brought them forward into the light.

We are the ones that give an annual allocation of $3 to $5 billion to Israel in aid and guarantees and grants. And I vote for those things and am ready to do that again. No other administration has done so much.

When the war was over, Secretary baker sought the use of all our newly available leverage to bring the Arab world into peace talks with Israel. It is this administration's work that may mean a peaceful future for all of the citizens of Israel.

Finally, let it not be said that we are being coldhearted or uncaring in our position on the loan guarantees. Surely, our first humanitarian obligation is to help refugees coming to our own country. We have increased by $37 million the funding assistance to Israel while decreasing our own spending on refugees in this country.

The bill that we passed—today, in fact—contained $80 million for the resettlement in Israel of Soviet refugees. It is in there at a time we are cutting back drastically on our own country's refugee resettlements from $416 to $227 million—by $189 million we are cutting our own.

Let us not place ourselves in opposition to the administration position. Somehow we have tragically reached a point where it is now anti-Israel, or anti-Semitic to disagree with those who believe the only proper United States policy toward Israel is the policy approved by the Israeli Government. No matter how thoughtful your opposition, if you do not support the policy advocated by the State of Israel and its well-committed and able and organized supporters in this country, you are suspect—suspect of being as ugly as anti-Semitic. That is enough of that.

That gets tiring to us all. I am pro-Israel. My parents lived there for a time. I care about Israel's security. I think they are the pioneers of the world and I also agree with our Government's position on the loan guarantees and I do not believe there is any contradiction there at all.

One final thought. Israelis would be offended if their own government followed blindly and without question the policies of the United States or any other government. I believe just as validly that the American people can have that same feeling when we allow our national policies and interests to be dictated by the Israeli Government or any other government.

So in the long run the administration policy, which only strives to make long-term peace possible in this region, is the correct and honest humanitarian policy. It is a good policy for the United States and it is a good policy for Israel.

I thank my colleagues.

The PRESIDING OFFICER (Mr. DASCHLE). Who yields time?

Mr. LAUTENBERG. I yield 10 minutes to the Senator from Ohio.

The PRESIDING OFFICER. The Senator from Ohio is recognized for 10 minutes.

Mr. METZENBAUM. I thank my colleague from New Jersey.

I just heard the Senator from Wyoming say that we do not like to say no to anyone, particularly with respect to foreign aid. But it should be pointed out that there is no foreign aid at issue here. We are talking about a guarantee of a loan to a country that has always paid its debts and has never failed to make those obligations.

My colleague from Wyoming talked about serving our own national interests. He then went on to say that Americans fought to defend Israel's interests in our most recent war. Let us not overlook the fact that Israel had to restrain itself from going to war against Iraq. It wanted to retaliate against Saddam's unprovoked attack. Israel wanted to destroy the Iraqi missiles that were being fired. And it took all that Israel could do to restrain itself. Let me remind my colleagues that Israel is a vibrant democracy. The public pressure to strike back at Iraq was intense. To suggest that Americans went to war to defend Israel is just absurd. It is just illogical, and I resent it. It is just not true.

Every American knows that the Israelis wanted to strike back and that the Israelis have always struck back when they have been attacked. But they were importuned by this Government not to do so.

Now to suggest that American boys went to war to defend Israel is just not correct. And I resent it being said on the floor of the Senate.

I also heard on the floor of the Senate today about how American aid to Israel has increased over the years.

Let me point out to my colleagues that there has indeed been American aid to Israel. But let me also point out that we have not had to spend any money in the Middle East on our own forces to defend the interests and the concerns of the State of Israel.

But the situation is different elsewhere in the world. We spend $150 billion a year, about one half of our annual defense budget to defend Europe. We spend about $19 billion a year to defend Japan and the sea lanes in the part of the world. We spent about $15 billion a year to defend South Korea.

We never have had to spend anything on United States forces for the defense of the State of Israel.

The figures that I have just mentioned do not include the priceless value of the many American lives that have been on the line in Europe, and in Korea, and in Japan in order to defend those countries. Israel has never asked this country for any direct assistance for self-defense. Israel never asked any individual to risk his or her life in its defense. We provide Israel with military aid in order that Israelis, not Americans, may defend their land.

I remember very well many years ago when Alexander Haig was up for confirmation as Secretary of State.

And I said to Mr. Haig at that time: You have been a strong supporter of the State of Israel, very strong. Explain it to me. How do you account for your position on Israel?

I will never forget him saying to me in reply that Israel's 700,000 troops, on the ready alert, within 48 hours have been an assurance that the United States will never have to place our military in the Middle East in order to protect our concerns in that part of the world. Haig was correct. We hear about American troops in Europe; we hear about them being in the northern Pacific; we hear about them being in other places in the world to protect our varied allies, but until the gulf crisis, there had never been a need to send our young men and women to the Middle East. This was due to Israel's strength and steadfastness.

So when we talk about the dollars that were spent to help Israel, which has opened its arms to refugees throughout the world, including many who had to leave Arab lands, had to leave the former Soviet Union, let us not forget that Israel has been our only self-sufficient ally with regard to national defense. It is only a shame there was no strong Jewish State 50 years ago so that those who suffered in the Holocaust could have left Germany and Poland and would have been able to go to a safe and secure haven and there would not have been 6 million lives lost. Israel has had an open-door policy.

Our aid to Israel has been peanuts compared to the kind of money that this country has spent to defend our former enemies in Europe and in Asia.

Even today as we meet here, Israel's deterrent force, which used to be a major factor as far as the Soviet threat to the Middle East, no longer is as important because there is not that Soviet threat. But now a strong Israel keeps Syria in check. And who knows how much earlier Saddam Hussein might have lashed out had Israel not been there as a deterrent force? And what would have been the situation during the recent war had Israel not destroyed Iraq's nuclear facilities 10 years ago?

I say to my colleagues in this body, for this country to provide a guarantee of Israeli loans would have been right. It is right. It will be right when we pass it. We will come back to the subject at a future date. The President's threat to veto any loan guarantee measure caused many of us who were prepared to move forward not to do so, knowing full well we could have obtained more than a majority of the Members of this body to vote in support, but recognizing that the President's veto would really achieve very little and only be a divisive factor.

The issue is alive. It is an issue to which we will be turning to in the not-too-distant future. I think the vote this evening, which as I understand it will be pretty close to unanimous, is an indication that the United States Senate does, indeed, believe that the loan guarantees are justified and we say to all of this country and to the world and to Israel, that we will return to this subject. Israel's request is justified. It will not cost the American people one single dollar. It is not an aid request; it is a request for a loan guarantee. It is an appropriate and right request, and we should be acting on it in substance tonight. Instead, we will have a sense-of-the-Senate resolution indicating the views of the Members of this body.

I regret that a sense-of-the-Senate measure is all we are able to do tonight, but President Bush's position leaves us no other option.

Mr. President, I yield the floor.

Mr. COATS. Mr. President, I support the sense-of-Senate resolution before us calling for the United States Government to support loan guarantees to Israel. I commend my colleagues who have offered it. I am dismayed that no agreement was reached to provide the $10 billion in loan guarantees prior to the deadline on the foreign operations continuing resolution.

Israel, a longtime ally of the United States is being denied fundamental humanitarian assistance necessary to help settle 400,000 Jews who have arrived from the former Soviet Union and from Ethiopia. A staggering 600,000 more are expected over the next few years to emigrate to Israel. This would be the equivalent to close to 100 million people arriving in the United States. This $10 billion, only a small part of what Israel intends to raise, is absolutely essential in order to provide the infrastructure, jobs, housing, and education to these immigrants. I am disappointed that we have allowed this very clear humanitarian need to become clouded over in a discussion about the distinct issue of the Middle East peace process.

The assistance Israel seeks is not $10 billion in direct aid from the United States but a loan guarantee. They ask only that the United States cosign loans from private banks thereby ensuring a lower interest rate. Israel has had a perfect record on previous loans—they have never defaulted. The United States has provided humanitarian assistance to nations all over the world and yet when a key American ally requests only loan guarantees, we reject him. We have called for the free immigration of Jews from the Soviet Union for many, many years. What a contradiction that while we celebrate the demise of the Communist Soviet state and all it represented, we are now unwilling to provide the necessary support to allow hundreds of thousands of Jews to resettle in a new land.

We have an unprecedented opportunity and responsibility and yet we seem unwilling to recognize our obligation to these people and this nation. The monetary cost to Americans is nil. In fact, Israel has even offered to pay the 2- to 3-percent set-aside costs associated with the loan. I believe that the issue is not whether the United States can afford to assure these loans but rather can we afford not to?

A vast majority of the $10 billion Israel receives from banks will be spent in the United States—thereby boosting U.S. economy and adding jobs. It is estimated that Israeli spending in the United States will increase United States exports $10 billion to $15 billion. The Commerce Department estimates that for every $1 billion in U.S. exports, an additional 20,000 jobs are created in the United States. Exports to Israel amounting to $2 billion a year could create an additional 40,000 jobs in the United States. In 1990 Israel received a $400 million loan. Of this amount, 70 percent came back to the United States through the housing industry which sold thousands of prefabricated homes to Israel.

I've monitored the news accounts very closely over the last several months, and I've been disheartened at the turn of events regarding our support of the loan guarantees and the perception that there has been a change in our relationship with Israel. Our ties with Israel are deep and strong. Israel, the only democracy in the region, has defended United States interests in that area of the world, while surrounded by nations hostile to her very existence. Israel is not just a strategic ally, but one to which we are historically and morally bound. Just a year ago, we congratulated Israel for her self-restraint in the midst of Scud attacks from Saddam Hussein. Now our current policy seeks to excoriate her and penalize her for efforts to resettle Jews.

I commend the efforts of my colleagues who worked diligently to resolve satisfactorily the issue of loan guarantees. I know they are disappointed, as am I, that it has become captive to the Middle East peace process. Mr. President, I support the dialog between Israel and its Arab neighbors and genuine efforts to achieve peace in the region. But it is outrageous that Israeli settlements are being called an obstacle to peace and that we have so far refused the loan guarantees because of them.

Denying these loans will hurt Israel's economy, lead to higher unemployment, and lower growth. The innocent victims will be those we have sought for two decades to help—Jews at last free to leave the former Soviet Union.

I support this resolution which I believe sends a clear signal to the administration that this body supports unconditional loan guarantees to Israel.

Mr. HATCH. Mr. President, I rise in support of this sense-of-the-Senate resolution that endorses loan guarantees for Israel. During the last year, I have consistently endorsed the need for the United States to offer unconditional loan guarantees for three basic reasons.

First, I am extremely concerned about the plight of Jews in the former Soviet Union. The CIS is in a state of flux, and it seems quite plausible that during a period of internal instability a wave of anti-Semitism could rise in that country. It is important that we address this problem immediately.

Second, the free standing emigration of Jews from the Soviet Union has long been an objective of every administration since the end of WW II. It would be a tragic error—after securing the legal right of Soviet Jews to emigrate—to reject policies that would enable them to exercise that right.

Third, I believe that loan guarantees are essential to help Israel shoulder the burden of assimilation for 400,000 Soviet emigres that have arrived in the last 2 years, and the 1 million who might soon file application forms. The loan guarantees are strictly for humanitarian purposes and I believe that we should help Israel in this important endeavor.

During my tenure in the Senate, I have spent years working to help free one individual or family in the former Soviet Union. Today, we risk losing the chance to help get 1 million out. In my opinion, this resolution is symbolically important because it reaffirms the Senate's support for helping Israel complete this historic and humanitarian mission. Consequently, it is imperative that the full $10 billion in loan guarantees be issued to Israel as soon as possible.

Mr. President, I also would like to take this opportunity to enter into the RECORD an article that I drafted recently on loan guarantees. The article was published in the Washington Times last Friday and outlines my concerns on this important matter.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Times, Mar. 27, 1992]

LOAN GUARANTEES AND HUMAN RIGHTS

(By Orrin Hatch)

In May 1939, the liner St. Louis left Germany with 937 Jewish emigres fleeing Nazi anti-Semitic violence and almost all of them held visas for Cuba. While they were in route, a new government took power in Havana and refused to honor the emigres' visas. After an indifferent American administration refused to admit the refugees, the ship was forced to return to Europe where historians believe that most of the passengers were later sent to Hitler's concentration camps.

Today, we face an equally compelling humanitarian issue—whether to help Soviet Jews emigrate to Israel and escape the danger of a rising wave of anti-Semitism in Russia and some other republics of the former Soviet Union. Already, extremist Russian nationalists, such as the neo-fascist Vladimir Zhirinovsky, have been organizing to take power should President Boris Yeltsin's reforms falter, and have made the worst kinds of anti-Semitic remarks.

We have a momentary window of opportunity. The United States should provide $10 billion in loan guarantees over five years to help Israel shoulder the burden of assimilating the 400,000 Soviet emigres who arrived in the last two years and the 1 million who might soon file immigration applications. But by haggling about fine print, we are about to fritter that opportunity away.

The Bush administration's recent rejection of the loan guarantee request was a tragic error. Americans suffering in the current recession would sympathize with the people of Israel, where the unemployment rate is at a 25-year peak and where about 50 percent of new emigres cannot find jobs. The flood of immigrants—which is the equivalent of the United States absorbing the population of France—has strained Israel's economy, schools, health services, housing and infrastructure to the breaking point.

Opposition to the loan guarantees is based on two myths. The first is that this assistance would cost the American taxpayer a bundle. But guarantees—which are not grants—simply involve U.S. co-signature on loans that cost us virtually nothing but allow Israel to obtain much lower interest rates. Moreover, since Israel has never defaulted, we would face no financial risk.

The second myth is that the aid would undercut the peace process. In fact, the opposite is true. Israel, besieged by hostile forces for almost five decades, wants peace and hardly needs to be bludgeoned to come to a fair agreement. In reality, holding the loans hostage reduces the incentive of the Arab states and the Palestinians to negotiate seriously, and undermines the confidence in U.S. security guarantees that Israel must have in order to make concessions.

Every postwar American administration has supported the cause of the Soviet Jews. It would be tragic if the United States—after achieving its fundamental objective of securing the legal right of Soviet Jews to emigrate—rejected the policies that would enable them to exercise that right.

First, both sides need to rein in their rhetoric. Our agendas are complementary, not contradictory. The present confrontation, fed by irresponsible and inaccurate leaks from some in the administration, ignores Israel's vital role as the only democracy in the Middle East and as our only reliable strategic partner.

Second, the United States should stop meddling in Israel's internal debate about its security requirements. Since the United States—isolated by two oceans—still chose to deploy troops in Europe and Asia to counteract the Soviet threat during the Cold War, it is hypocritical for the United States to try to force Israel to accept a mere 12 miles of strategic depth, which would be the result of a total withdrawal from the West Bank.

Third, while the United States should ultimately back the full $10 billion in loans, Congress should provide a one-year, $2 billion package to address acute needs, overriding the president's veto if necessary. It should also establish a small, bipartisan group of House and Senate members that would confer with the administration and the Israeli government in order to craft a compromise for the remaining $8 billion in loans. While the Bush administration's demand for a settlement freeze represents an unacceptable interference in Israel's domestic affairs this panel would prescribe the kinds of data Israel must provide to verify its pledge that no monies from these loans would be used to build new settlements in the West Bank or Gaza Strip.

I spent 10 years working diligently to help free two Jewish families denied the right to leave the Soviet Union, the Khassin and Uspensky families. I remember when it was a great triumph to get one refusenik out of the Soviet Union. Today, we risk losing the chance to get 1 million out. No one wants to repeat the tragic failure of America to respond to the pleas of the passengers of the St. Louis. But if we hold back our help, we will be gambling with the lives of Soviet Jews.

Mr. CRAIG. Mr. President, after many months of delay charged with political posturing, we have before us a sense of the Senate resolution on Israeli absorption loan guarantees. It is only one small step toward resolving this issue, but it is one that I support. This is a worthy resolution, Mr. President, because it clearly lays out the issue of the loan guarantees and resolves concerns about the issue of cost to the American taxpayer. I would not support this issue if it would lay an additional burden on the American taxpayer.

Israel is a very small country, and the absorption of the wave of immigrants from the former Soviet Union and Ethiopia has taken its toll on their economy. That will continue into this decade as the flood continues.

Our Nation led the fight to free the Soviet Jews and open the doors for the flow of immigration. Now, Mr. President, when we have succeeded in opening the doors of freedom for millions of Jewish people fleeing persecution in the Soviet Union, let us work wisely to prevent those doors from being shut. This resolution is the first step toward that goal.

It is important to remember the credit guarantee request has been made in response to the need for assistance in handling the increase in the influx of Soviet and Ethiopian Jews into Israel. It is a humanitarian issue. The country is facing a serious financial crisis. In order to provide jobs for these immigrants the Israeli economy needs to expand its growth. Israeli officials have been working on attracting direct investment, quickening the pace of privatization and cutting back on bureaucratic redtape that has restricted economic growth. But more needs to be done in order to absorb the more than 1 million Soviet Jews who are expected to arrive.

Again, Mr. President, loan guarantees referred to in the legislation are not cash. The guarantees are not even loans from the U.S. Government. They simply assist Israel in borrowing from private banks by providing those institutions a United States Government guarantee to cover the loan repayment if Israel defaults.

The resolution before us speaks for itself, Mr. President. Let me highlight a couple of important points:

The General Accounting Office found that if the Congress authorizes the $10,000,000,000 in loan guarantees requested by the Israeli Government, the Israeli Government will likely be able to fully service its external debt to continue its past record of payment; and

The Government of Israel has agreed to pay origination fees for loan guarantees so that the guarantees will not result in any cost to the United States taxpayer.

Mr. President, this issue needs to be resolved, and in a manner that will not affect the American taxpayer. Let me be very clear that I will not support legislation that would contribute to this Nation's debt burden. The financial condition of Israel and the commitment of the Israeli Government to repay their loans are our guarantee that these loans will not be left for the American taxpayer to cover.

Mr. BRADLEY. Mr. President, today I rise to cosponsor the sense of the Senate resolution before us and to express my deep disappointment that loan guarantees for Israel were not included in the foreign aid bill. I am deeply concerned about the continued opposition by the Bush administration to these guarantees. Despite the commendable efforts of my colleagues Senators LEAHY, KASTEN, and others to find a compromise acceptable to all parties, agreement could not be reached. I was, and remain disturbed that the administration's desire to alter Israel's policies superseded its wish to help Israel accommodate the influx of Soviet and other immigrants.

But though I am disturbed by the administration's handling of this issue, I am not surprised.

From the beginning of the discussion on loan guarantees, Secretary of State Baker made clear that the guarantees were to be used as a lever, a tool, to push Israel to conform to the administration's own policy agenda. He determined this would be the mechanism to stop Israeli settlements in the occupied territories.

Mr. President, this has been a seriously flawed position. Its end result has been to hold the loan guarantees hostage to politics. With the demise of the Soviet Union, many Jews are for the first time able to consider the option of leaving. Israel, having been established as a haven for all Jews, is turning none away. Over 1 million immigrants are expected to arrive between 1990 and 1996, the largest wave of immigrants since the state's creation. No one can deny that Israel's need for access to capital is great.

But while Israel is making good on its commitment to accept the emigres, the United States has not made good on its own commitment to Israel. This despite our long-standing policy of pushing the Soviet Union to allow free emigration of all its citizens, and despite our long-standing policy of supporting successive Israeli Government attempts to bring Jews home.

Mr. President, I remain convinced that the settlement issue has no place in a discussion on humanitarian aid. Certainly, settlements need to be addressed, but by Israel and her neighbors in the context of regional peace talks, not by the United States Government; by doing so, now we would in effect be predetermining the outcome of the peace talks.

And what's been the result of the administration's linkage attempt, Mr. President? We have ended up helping no one. Worse, this approach plants the seed for failure in the peace negotiations, the very talks Secretary Baker simultaneously tries to keep afloat. Now that President Bush has denied their request, Israelis feel more vulnerable, and less inclined to make any concessions in negotiations.

The ramifications of this could be devastating. For peace talks to work, both sides have to believe that they can reach a solution that is in their long-term interest. Yet, in the wake of President Bush's denial of their loan guarantees, Israelis probably are reassessing their ability to take risks, including any over the negotiating table.

Mr. President, some have argued that we should not provide loan guarantees because we already spend too much on foreign aid. The loan guarantees are not foreign aid; they are guarantees for loans made by private banks—in other words, they are private loans backed by the U.S. Government. I believe that backing Israel makes good sense. Israel has an outstanding credit record. Since 1949, Israel has never defaulted on a loan nor received debt forgiveness from the United States. So the actual dollar cost of these guarantees would be virtually zero.

Mr. President, I hope that we can still work out something this year for Israel. Their need is legitimate. Providing loan guarantees is not only proper and just. It's also the moral thing to do.

ON ISRAELI HOUSING LOAN GUARANTEES

Mr. MOYNIHAN. Mr. President, last year Israeli officials indicated their interest in securing loan guarantees from the United States Government that would allow them to borrow $10 billion over 5 years at competitive rates from commercial banks. This money was, and is, needed to help provide housing and jobs for the hundreds of thousands of immigrants who wish to leave the former Soviet Union and settle in Israel. The administration asked the Israeli Government to postpone this request until September and it did so even though the dramatic rescue of Ethiopian Jews added to its already enormous immigrant absorption costs.

Then the administration asked the Israeli Government to again postpone requesting—and Congress was asked to postpone considering—these loan guarantees until after the Mid-East Peace Conference planned for October. We were told that this further postponement would avoid a clash with Israel over the administration's demand that Israel stop building settlements in the occupied territories as a condition for securing loan guarantees.

The future of the territories that Israel occupied in 1967 is, no doubt, one of the major issues to be discussed in any peace conference. It seems to me most unhelpful, therefore, to demand that Israel make a major—and absolutely unilateral—concession prior to a peace agreement with its belligerent neighbors. What comparable concession does the administration demand of the other conference participants, the nations who have repeatedly waged war against Israel?

As a sponsor of the talks, the United States should not set preconditions which appear to take a position on the future of the disputed territories. Imagine if the United States had demanded that Israel raze Israeli settlements in the Sinai prior to the convening of the Camp David peace conference. The Members of the Senate will recall that Prime Minister Sadat came to Jerusalem without preconditions and was subsequently rewarded with the return of every square centimeter of Egyptian territory that Israel had occupied in 1967. Israel has not demanded that Jordan and Syria accept the loss of territory as a precondition to direct negotiations; the United States should not implicitly place such a precondition on Israel.

Freedom for Soviet and Ethiopian Jewry has long been a foreign policy objective of the United States. Helping Israel provide these people with homes and jobs is a logical extension of this policy. How ironic it would be for the freedoms we have helped to achieve to wither on the vine due to a lack of funds. I know that Scoop Jackson—long my closest friend in the Senate—would support Israel's request for loan guarantees in order to secure in reality the freedom which we have helped to bring about in theory and I most certainly do. And I believe that the request should be granted without preconditions which are more appropriately hammered out between Israel and its neighbors at the negotiating table.

The size of the request may at first appear large, but it is important to remember that loan guarantees do not require the expenditure of a single American tax dollar. Moreover, these guarantees will amount to less than 1 percent of all Government backed loans issued during this period. It should also be noted that Israel has never defaulted on a loan or note.

Mr. President, the administration received the delay it requested. And we sought a reasonable compromise during that period. But the emigres—seeking freedom from fear—should be made to wait no longer for the United States to grant the reasonable request that it guarantee loans to this credit-worthy friend and sister democracy. In short, I believe that our guarantee is an appropriate and humanitarian step and that it should be granted without further delay.

Mr. HARKIN. Mr. President, I rise in support of the resolution offered by the distinguished Senator from New Jersey [Mr. LAUTENBERG]. As an original cosponsor of the Kasten-Inouye amendment which would have provided Israel with loan guarantees, I'm also proud to be a cosponsor of this resolution (S. Res. 277). Although I would have preferred that we have the opportunity to vote on the loan guarantee legislation, I view this vote as an important demonstration of our commitment to help resettle Soviet and Ethiopian Jewish refugees.

Mr. President, let me make a few points clear regarding humanitarian assistance to Soviet and Ethiopian Jewish refugees. First, I believe the United States has a moral and historic obligation to help Israel resettle these refugees. Moral because we have made Soviet emigration our cause for decades. Historic because we must not forget what happened when the world shut their doors the last time Jews tried to escape oppression. The United States should honor its historic commitment to freeing and helping settle Soviet Jews. Second, Israel has not asked for either grants or loans from the United States but is only asking us for loan guarantees—for our Government simply to cosign loans so that Israel could secure funding from the United States private sector.

Third, the loan guarantees would not cost American taxpayers. A recent GAO report stated:

> We believe that if Congress authorizes the $10 billion in loan guarantees requested by the Israeli Government, the Israeli Government will likely be able to fully service its external debt and continue its past record of payment.

In its 43 years of existence, Israel has never failed or been late with a loan payment. The loan guarantees would not only have benefited Israel. It is estimated that the loan guarantees would have stimulated an additional $10–$15 billion in United States exports to Israel for the period of 1992–96; $1 billion in exports creates an additional 20,000 jobs in the United States according to our United States Trade Representative. In sum, our private sector would have provided loans, the United States would be paid back with interest, and in the process export an additional $10–$15 billion, creating approximately 200,000 jobs in the United States. That's a good deal.

Mr. President, I would also like to address the question of the loan guarantees, settlements, and the Middle East peace process. I believe the settlement issue is best dealt in Arab-Israeli negotiations. It should also be viewed in light of the Arab League's embargo against Israel and refusal to recognize Israel's right to exist. In fact, if preconditions are going to be set—as the Bush administration is doing with these loan guarantees—why not require the Arab League to recognize Israel and lift its economic embargo?

Mr. President, the Bush administration's sincerity in its dealings with Congress over the loan guarantee issue, recent news leaks by the administration concerning unsubstantiated reports of Israeli proliferation and a host of other incidents have led to a deterioration in our relations with Israel. I do not believe that the administration's current treatment of our most reliable and important ally in the Middle East is in the best interest of our Nation. I do not believe that having Israel question its security and fundamental relationship with the United States will give Israel the confidence to move forward in the peace process. I also do not believe that by associating itself with Arab demands, the Bush administration will advance the bilateral negotiations between Israel and its Arab neighbors.

I support the current Middle East peace process. In fact, I believe we should go even further in bringing lasting peace to the region. The United States needs to promote democracy throughout the region and democracy should be on the agenda at the Middle East peace conference. Peace and stability in the Middle East can be lasting only if all countries in the region take care of the needs of their people and allow greater freedom of expression and greater participation in their governance.

The United States should also take the lead in advancing a temporary multilateral moratorium on the sale or transfer of arms to the Middle East. Stopping the flow of conventional, chemical, and nonconventional weapons to the region would help defuse an explosive situation. And, while President Bush has called for restraining destabilizing arms transfers and taken some steps in that direction, the administration has sold $18.223 billion in weapons to Arab States from August 1990 to January of this year. Next year, the administration plans on selling 72 advanced model F–15 fighter-bombers, worth $5 billion to Saudi Arabia. Such sales will not help the peace process. I wonder how the administration can expect Russia, North Korea, China, as well as Western and Eastern Europe to limit their arms sales to these countries, if the administration continues to sell vast amounts of technologically advanced weapons to the Arab League. I also wonder whether the administration intends to condition its sale of weapons to an Arab countries formal recognition of Israel's right to exist?

Mr. President, I question the administration's overall policy in the Middle East as well as President Bush's "even handed" approach. Where he is so quick to condemn Israel and quick to accommodate Arab leaders and the PLO. How is it evenhanded for George Bush to join with the United Nations in strongly condemning Israel while it remained silent on the killing of the four Jewish settlers earlier this year? How is it evenhanded for George Bush to strongly condemn Israel when he excuses the Emir of Kuwait when he ejected 200,000 Palestinians from his country? Requiring Israel, our democratic ally, to take unilateral action without requiring anything of the Arab League is not evenhanded.

Mr. President, I ask President Bush to reconsider his take-it-or-leave-it position on the loan guarantees. And, I ask my colleagues to join me in voting for the Lautenberg resolution. The United States should assure our ally that we remain committed to helping Israel absorb the 400,000 Soviet Jewish immigrants now in Israel and the 600,000 Soviet immigrants expected to arrive in the current wave of immigration.

Mr. BINGAMAN. Mr. President, I support the United States provision of loan guarantees to Israel to assist in the settlement of Soviet Jews. The United States made the free emigration of Soviets, and Soviet Jews in particular, a high priority in its dealings with the Soviet Union over the last 45 years. Though the dissolution of the Soviet Union has led to a much more open emigration policy, our commitment to the freedom of Jews in the former Soviet Union has not ended. I believe that we have a moral and historical obligation to do what we can to assist Israel in absorbing the 750,000 to 1 million Soviet Jews expected to arrive there over the next few years.

Last fall, it seemed that the debate over providing loan guarantees was focused on when the guarantees would be provided rather than whether they would be provided at all. At that time I supported delaying the loan guarantees until after the peace process had begun and been given a chance to show progress. The process is underway, and it appears at this time that negotiations may drag on for years. I do not believe we can afford to wait for the outcome before providing guarantees. Unfortunately, that no longer appears to be the administration's position. The debate today has changed from one of when it would be appropriate to provide loan guarantees to the question of offering guarantees at all.

As we all know, the central issue in the debate revolves around Israeli settlements in the occupied territories of the West Bank and Gaza Strip. Over the years, the United States has not supported Israel's policy of continuing with settlements in the occupied territories. Economic aid given to Israel in previous years, whether in the form of loans or loan guarantees, has included language that limited the use of those funds to activities within Israel's pre-1967 border. I support this policy, and I believe that we must be sure that guarantees do not have the effect of encouraging increased settlement in the occupied territories. We must also be sure that granting loan guarantees does not create the appearance that we condone such settlements.

Like many of my colleagues, I support providing the guarantees, yet oppose their use in the settlements. I do not believe that these are mutually exclusive positions. This issue is important enough that we should find a way to address both concerns. In fact, various options for providing guarantees while addressing concerns over Israeli settlements have been put forth by the chairman of the Foreign Operations Subcommittee, Senator LEAHY, and by Senators INOUYE and KASTEN. Each of the proposals deserved careful consideration. Unfortunately, this administration has refused to consider alternatives other than its own.

Mr. President, I believe that we should seek a way to assist Israel in absorbing immigrants from the former Soviet Union in the form of loan guarantees. I will support the resolution pending before the Senate, because no language in the resolution gives me a reason to vote "no." However, in doing so, I feel compelled to point out the resolution's serious shortcomings. By its language, it purports to endorse loan guarantees to Israel without regard to how these funds are used. There is no indication that we stand by the historic position of our Government against expansion of settlements in the occupied territories. It does not state in a balanced way the policy the United States has consistently adhered to during all administrations since the time Lyndon Johnson was President.

In addition, Mr. President, the resolution is offered at an extremely delicate time in the efforts of our own Government to bring the parties in the Middle East into substantive negotiations.

I sincerely hope that a proper way to assist Israel with the absorption of immigrants can be agreed to along the lines most recently suggested by Senator LEAHY. The resolution does not help us find that way. It sidesteps the real issues and gives the false impression that we are dealing seriously with the needs of our longstanding and valued ally.

Mr. LEVIN. Mr. President, I support the Lautenberg resolution. I have been disappointed that Israel's request for $10 billion in loan guarantees was not incorporated in the President's request. I also believe that the loan guarantees should not be linked to the Middle East peace process.

There would be no cost to the American taxpayer because of these guarantees. Israel has never defaulted on its international obligations.

The President was strong in his support for emigration of Soviet and Ethiopian Jews and their absorption in Israel.

But the President then turned his back on a critical humanitarian need. This is not about land—this is not about the peace process. This is about tens of thousands of immigrants who sought Israel as a safe haven and home. And this is about our strongest democratic ally providing for its own citizens without any cost to the United States.

Mr. JEFFORDS. Mr. President, I regret that this matter of providing loan guarantees to Israel has become such a contentious issue.

The real issue here is how we can best help Israel absorb the influx of almost a million Jewish refugees, most coming from Russia after the United States long campaign for free emigration finally bore fruit. We cannot afford to absorb all these emigres ourselves, and we cannot afford to give Israel the necessary funds to provide for these people. So the American and Israeli Governments agreed that the best course of action was for the United States to provide guarantees for loans that Israel would assume from the international financial community. This agreement would allow Israel to borrow money quicker and at a lower rate without much cost to the United States. Israel has since agreed to pay the origination fees so that there would be no direct cost to the American taxpayer.

Unfortunately, the general agreement to provide the guarantees began to unravel almost a year ago over the issue of settlements in the occupied territories. The Bush administration became concerned by the increase in settlement activity in the occupied territories, an activity that U.S. policy has always opposed. All United States funding for Israel comes with the stipulation that no moneys be used to support settlement activity. When it came to enabling a loan guarantee of such magnitude, $10 billion, the administration felt that it could not support a program within the pre-1967 boundaries of Israel if an aggressive program of settlements was underway simultaneously in the occupied territories. And Prime Minister Yitzhak Shamir remained firm in his conviction that the settlements must go forward. Months of discussion between the administration, Congress and the Israeli Government have failed so far to produce an acceptable compromise.

But I don't believe the issue is dead. The resolution before us indicates that the United States Senate supports the concept of assistance for Israel in its difficult task of absorbing an influx of refugees numbering almost a quarter of its current population. And this resolution stresses that these loan guarantees be appropriate. To me, this means that they must be in accordance with long-standing U.S. policy and not in direct conflict with the process of negotiating a solution to the Middle East conflict. For if there is to be any long-term peace in the region, which I believe Israelis and Palestinians truly desire, than it must come through a negotiated solution to the issues and tensions that plague the region now.

I must commend the senior Senator from Vermont [Mr. LEAHY] for his tireless efforts to find an acceptable solution to this impasse, and I hope he will not give up the fight. It is unfortunate that this issue has come to be interpreted as a rift in United States-Israeli relations. I don't believe that a fundamental rift has occurred in what is at its core, a strong and vibrant alliance. I am confident that an acceptable way can be found to get beyond this impasse and once again get back on track, both in supporting Soviet Jewish emigres and in a cooperative United States-Israeli relationship.

Mr. WARNER. Mr. President, I rise today as a cosponsor of the pending resolution regarding loan guarantees for refugee resettlement in Israel. This sense of the Senate resolution reaffirms the Senate's strong support for aiding Israel in its quest to absorb the influx of Jewish immigrants arriving daily from the former Soviet Union and Ethiopia. Prior to the dissolution of the Soviet Union, one of the highest priorities of the United States policy on human rights was to work to allow Soviet Jews to emigrate. Now that they are virtually free to leave, there is a continuing obligation for the United States to assist. Provided, of course, that the potential emigres have had full opportunity to evaluate their opportunities in a new land compared with their improving opportunities by remaining in the states of their choice to foster democracy and free markets.

The arguments for granting the loan guarantees are well known and need not be restated. What must be said, however, is that it is extremely unfortunate that disagreements over the terms of the guarantees have prevented their approval. It stands to reason that the United States and Israel, two nations with such a long and mutually beneficial relationship, must find a common ground of agreement in the future.

The importance of the relationship between our nations goes without saying, and to create a long-term problem over this issue would be a serious mistake in view of our mutual security interests. The continuation of a positive and constructive relationship between the United States and Israel is crucial to peace and stability in the Middle East. I therefore call on the American Jewish community to join in a constructive, equitable resolution of the differences.

Since the beginning of the debate over the loan guarantees, I have received many letters and phone calls on the issue from constituents throughout the Commonwealth of Virginia. Their views and opinions, each of which I value highly, are both knowledgeable and informative. Mr. President, I would like to insert into the record an excerpt of one such letter which represents the feelings of many Virginians. Mr. David Rosenbaum, a northern Virginia resident, wrote the letter and I ask that the excerpt be inserted into the Record at the conclusion of my remarks.

In closing, I reiterate my support for the pending sense of the Senate resolution and look forward to working with my colleagues here in Congress, the Bush administration and the Government of Israel to insure that our two nations work together to maintain a mutually beneficial relationship. Without such an alliance, there is no realistic chance of achieving the goal we all strive for: a Middle East peace agreement.

Dear Senator Warner: I am deeply grateful that you have signed on as a co-sponsor of the Kasten bill on the guarantee of loans to Israel for the absorption of immigrants. I think the President's news conference on the subject was unreasonably harsh and uncalled for. The right to peacefully petition the government was put in the Bill of Rights by the founders of this country for very good reasons. It is unseemly for the President to criticize citizens for exercising their rights. I'm not too happy about many of the insensitive and insulting comments coming out of the Government of Israel either, but that's not my country or my government. I have a higher standard for us than for other countries, even other democracies. I hope and expect that the issue will eventually be resolved to everyone's satisfaction.

Sincerely,

David Rosenbaum.

The PRESIDING OFFICER. The majority leader.

Mr. MITCHELL. Mr. President, I am pleased to join in cosponsoring this resolution, which expresses the Senate's support for loan guarantees to support the absorption of immigrants in Israel.

I have long argued that Israel's successful absorption of immigrants is an issue of humanitarian concern. It is unfortunate that the administration has insisted on conditioning the provision of such humanitarian assistance.

I agree with longstanding United States opposition to Israeli settlements in the occupied territories. But I do not believe that we should link these issues, for this has the effect of penalizing immigrants for the settlements policy of the Israeli Government.

It is equally unfortunate that the Bush administration has chosen to view the emigration of Soviet Jews as a problem.

I believe this emigration vindicates American policy of the last 40 years. It should be viewed as an unqualified success of American foreign policy. And the United States should be doing what we can to help fully realize this success.

Soviet Jewish immigration should be viewed as a shared Israeli and American triumph, and a cause for celebration. Instead, the Bush administration has transformed it into a major source of tension between our two governments. This is deeply regrettable. I believe it is unnecessary, unwarranted, and wrong.

That is why I am pleased to cosponsor this resolution. In this resolution, the Senate clearly expresses its alternative view of the recent immigration to Israel.

The resolution conveys the Senate's belief that America now has an opportunity to support our longstanding policy by providing loan guarantees to support the resettlement of Soviet Jews in Israel.

I regret the Bush administration's drastically different approach, and I urge the President to reconsider his unwise policy.

Mr. President, I ask that the time that I have used be taken from my leader time and not charged against the time of the supporters of the resolution.

The PRESIDING OFFICER. Who yields time? The Senator from Wisconsin.

Mr. KASTEN. Mr. President, first of all, I ask unanimous consent that the Senator from South Dakota [Mr. Daschle] be named as an original cosponsor of this legislation.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KASTEN. Mr. President, I yield 5 minutes to the Senator from Colorado [Mr. Brown].

The PRESIDING OFFICER. The Senator is recognized for 5 minutes.

Mr. BROWN. I thank the distinguished Senator from Wisconsin.

Mr. President, for 11 years in this Congress, both in the House and now in the Senate, I have worked for the day when the citizens of the Soviet Union would have the right to emigrate. Over the years, we have sent hundreds of letters, sometimes that many every year, to Soviet officials urging the release of those who wanted to leave that country and find a better way of life. My guess is that over the years, there have been millions of prayers by Americans of all faiths that the freedom to emigrate, the freedom to find a better way of life, would come to the Soviet Union. Thankfully, that has transpired.

Mr. President, I support the resolution and am pleased to join as a cosponsor. As I have studied the issue, I see the following facts. First of all, there are over a million people in the former Soviet Union who wish to emigrate to Israel. That is a fact. They want to leave and they want to go to Israel.

Second, this is the fulfillment of a goal that Americans have worked to achieve for more than 50 years. It is not just a goal of Russia's. It is not just a goal of those in Israel. This is a goal that Americans have shared in for over half a century.

Mr. President, I also believe that if they do not have the right to leave, they face great danger, great personal danger. How many of us, with the knowledge we have today, would not cringe at the failure of countries to act to allow those who later faced the Holocaust to leave Germany in the thirties while they still could? We all pray that this is not an eventuality or even a possibility in the former Soviet Union. But we have no guarantee. Mr. President, I must tell you I believe many who would emigrate to Israel face real danger, and they face it now.

Fourth, I believe allowing them to emigrate would be of enormous help in protecting their safety. Fifth, these guarantees provided by American people can be the instrument that will achieve this. Let me be clear. These guarantees are not going to cost the American taxpayers any money. They are going to be paid back. Any administrative costs associated with them will be paid back as well.

What is the argument then? The argument is that America may need leverage, leverage over Israel to achieve a peace settlement. I guess Members of this body might disagree with whether that is wise policy or not, but, Mr. President, let me share my view.

This is not the tool, this is not the weapon, this is not the instrument that America ought to use to put leverage on Israel for the peace process. Gambling with the lives of a million people is not the right tool.

The United States Congress appropriates billions of dollars every year in foreign assistance to Israel. We can put enormous leverage on this tiny country. Some, like me, question the wisdom of running a foreign policy based on telling others what to do. But if the United States wants to do so, it does not lack weapons or leverage. We have all the leverage anyone could ever want. These loan guarantees are not the instrument we ought to use to put pressure on the State of Israel.

Helping people emigrate from the Soviet Union fulfills American goals, American dreams, and American prayers.

I just make this observation in closing. We have heard some bitter remarks on this floor tonight; some have attributed blame to the executive for the failure to provide loan guarantees to Israel. But, Mr. President, I am a Member of the Senate, and there are other Members of the Senate, and together with the House we can pass these loan guarantees by ourselves. It is not the President who has stopped loan guarantees from coming to the floor. It is the Members of this body. Let us get on with the work. Let us get on with our job. Let us pass the loan guarantees.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Mr. President, I note with respect and admiration the comments of the Senator from Colorado. I wish we had been able to drum up the enthusiasm at a time earlier than this so that we would not have to resort to what I think is a qualified fallback position. I wish we could have dealt with the issue head on. But the President put up obstacles. He threatened to veto our efforts.

I thank the distinguished Senator from Colorado and so many other colleagues who have expressed their support and given me and Senator KASTEN credit for bringing this issue before the Senate. It is not without great significance, in my view, that this resolution will have overwhelming support. It will be part of the legislative history that is going to be referred to in the future on loan guarantees, especially as we deal with foreign aid and Israel and our responsibilities in the Middle East.

Mr. President, one of the things talked about earlier was the word "appropriate," which, if you look at the text of the resolution, was inserted after the printing was done. It apparently gives some solace or comfort to those who would oppose the previous version of this resolution.

I see it differently. I approved of the word "appropriate" in the negotiations. To me "appropriate" means unlinked; it means separating loan guarantees from the settlements issue. We are talking about absorption loan guarantees; we are not talking about the peace negotiations. "Appropriate" further means a $10 billion proposal. That is what was on the table. So that is the way I interpret "appropriate."

Mr. President, there has been discussion back and forth. I think it has been reasonable. I am glad to hear the pledges of support that come from one after another. I want to commend the Senator from Wisconsin for his steadfast work on behalf of the loan guarantees and in support of our critical ally, Israel. I commend him also for the retracing history a few minutes ago. It is important to remember how all of this began.

When we talk about Israel, we are not talking about some emirate or monarchy or kingdom in the Middle East. We are talking about a democratic nation that arose from the ashes. It arose from a people whose lives and families were destroyed systematically in a process this world never before witnessed. Six million Jews were killed and maybe we'll learn of more from the records we get from the Soviet Union.

Israel was the last refuge for this proud and durable people. Israel was a nation that was started with a very small number of pioneers who fought the desert, who fought malaria, who fought intolerable conditions to start a country. It was begun with about 600,000 citizens.

By the way, I think it is important to remember that when the partition was created and a new country established, I remind those who are listening or will be viewing the RECORD, that the city of Jerusalem, a holy city, was originally presented as an international city with access to all people.

What happened? In 1948 this group of pioneers—not a group of soldiers, not an army, not with equipment—people who felt that they had to fight to preserve their heritage and the future with the few people that remained after World War II, fought. They fought valiantly against the Arab legion, the military force from Jordan. And they lost in the contest for Jerusalem, and the city was divided.

But do you know what happened? From 1948 to 1967 no Jew was permitted access to the holy places, and the Jordanians, to add insult to injury, made urinals out of ancient headstones so that they could describe their hatred.

This is the Israeli history that we forget so quickly. Israel is a country so young—44 years in being—with five medical schools, colleges, universities, scientists, aircraft builders. Israel, a tiny little country in a hostile place, has been allied with this country because it is a democratic state and because we share values and because it is in America's interest. That is what we are looking at in the Middle East. The democracy of Israel is a tiny country surrounded by more than 100 million hostile Arabs, many of whose lives are controlled by monarchs, many of whom are kept in a state of deprivation and poverty. Their undemocratic governments do not want their people to understand what is going on in the world, to be permitted to vote, to be permitted to participate in government.

We went to war to save Kuwait and Saudi Arabia from total occupation by Saddam Hussein. What happened to those people who by birth claim they are Palestinians in Kuwait? They are not even welcome back in the country they lived in and worked in and raised their families in because they are Palestinians. I think it's 600,000. But, we do not hear cries at the United Nations or pressure to let those people return to their normal lives. No. The cries are saved for Israel.

Mr. President, I will close because I see that my colleague from Wisconsin wants some time. He deserves it, and I am going to give it to him. I think it's important to remember that the territories, the West Bank as it is defined, were taken in a defensive war when Arab armies amassed to finally complete the task that they had in front of them.

That task is the destruction of the Jewish people and the Jewish nation that existed there.

Settlements are a result of that war, and they must be discussed directly by the parties. There ought not to be any leverage tilting against Israel. There should not be preconditions.

It is an unfortunate development, Mr. President, that we have seen here, that the administration connected loan guarantees with settlements and the peace negotiations. The administration inhibited rather than promoted peace. I yield the floor.

Mr. KASTEN. Mr. President, how much time is remaining on either side?

The PRESIDING OFFICER. The Senator has 3 minutes 16 seconds.

Mr. LAUTENBERG. I yield time.

Mr. KASTEN. I thank the Chair. I thank the Senator from New Jersey. I congratulate the Senator from New Jersey on his leadership on this issue.

Just in a few closing minutes, we are about to vote, I want to emphasize that this vote is not a vote without consequence. This is not, as someone referred to earlier, I am not sure exactly, some kind of a meaningless, throwaway vote.

Mr. President, this is the first vote that either the House of Representatives or the Senate of the United States has cast on the issue of absorption loan guarantees in the history of the U.S. Congress. This is it. Vote No. 1. We now have 74 cosponsors of Kasten-Inouye.

We delayed a vote on this subject at the request of the administration for a period of months.

Yes, this is a sense-of-the-Senate resolution but I believe we are going to have over 90, it could be over 95, U.S. Senators that will stand here today and vote in favor of this resolution, in effect voting in favor of absorption loan guarantees totaling $10 billion over 5 years to the State of Israel.

Some are worrying about how we are going to define "appropriate." Well, Webster's Dictionary defines "appropriate" and picks some appropriate synonyms, such as: proper, fit, suitable, fitting, et cetera. Stick with the Webster dictionary definition of appropriate.

The Senator from Colorado [Mr. BROWN] reflected the mood of the Senate at this moment when he said that the Senate can act and will act on this issue. This is the beginning. This is the first vote, the first vote in history on this issue. The next votes may come on a supplemental appropriations bill. The next vote may come as an amendment on a Soviet aid supplemental bill.

We are going to need one based on the speech this morning by the President. The next vote may come on the 1993 foreign operations bill, the regular bill that must be passed this September. The next vote on this issue will come. This vote is a key vote because this vote demonstrates the support or lack of support which the concept of loan guarantees has from the Senate.

I am confident of the support that this concept has in the House of Representatives, and I know now that in addition to the 74 cosponsors of Kasten-Inouye we will see an even stronger vote today on this issue.

This vote is a critical vote. This vote is a historic vote. This vote is an indicating vote. This vote is a vote that shows where the United States Senate stands on the issue of loan guarantees to Israel; notwithstanding the position of this administration, and the State Department today.

The majority leader said the Senate has an alternate view. The majority leader was correct. The Senate does have an alternate view, a different view, a very different view. And the vote that we are about to cast indicates how strong that alternate view is, and our view I believe will prevail in this overall debate as we continue to work for and seek some kind of effort, some kind of compromise, some kind of middle ground here. The fact that the Senate feels very strongly about this issue is important, is historic, and I think should not in any way be diminished by any of the discussions we have had here this evening.

Mr. KASTEN. Mr. President, I yield to the Republican leader, either on leader's time or what time that we may have available to us.

Mr. President, excuse me, I would like to add the Senator from Mississippi [Mr. COCHRAN] as an original cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KASTEN. I yield the remainder of the time to the Republican leader.

The PRESIDING OFFICER. There are 6 minutes remaining to debate on the resolution.

Mr. DOLE. Who has the 6 minutes?

The PRESIDING OFFICER. The Senator from New Jersey has 6 minutes remaining.

Mr. LAUTENBERG. I yield 5 minutes to the majority leader.

Mr. DOLE. I will use 5 minutes of my leader time.

Mr. LAUTENBERG. Is there a unanimous consent for a vote to kick off at 7:40?

Mr. DOLE. Except I have the right to use my leader time.

The PRESIDING OFFICER. There is an order for a 7:40 vote.

Mr. DOLE. I ask that I be permitted to use 5 minutes. It may not take 10 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOLE. Mr. President, I am pleased the Senate has agreed on a responsible way to deal with this resolution. We had a meeting with Secretary Baker on the loan guarantees issue the other day. In fact, it was yesterday, and the Senators there represented a wide spectrum of views on the issue. But there was a unanimity that showdowns on this issue—"showdowns" between the United States and Israel; showdowns here on the Senate floor—are definitely a lose-lose proposition. Everybody involved loses in the long run no matter how the showdown comes out in the shortrun.

So in avoiding this particular showdown, we have achieved a win-win.

I want to say a few words about why I will vote for this resolution.

First, I support the principle of loan guarantees to help Israel to absorb Soviet and other Jews. I always have, and always will, accept that in principle. Second, among the changes we succeeded in making to this resolution, two are particularly important.

We have made it clear that the Senate supports these guarantees only on the condition that Israel agrees to pay for the actual costs involved so that the cost to the American taxpayer will be zero. I happen to note, by the way, there is no agreement yet on what those costs will actually be. But the point is my support for the resolution is conditioned on my understanding that what we have passed requires Israel to pay that cost.

The other important change was the notation that the Senate was supporting "appropriate" loan guarantees. I think anybody can interpret it in any way they wish, Webster, whatever. We can each interpret it as we see fit. It seems to me, though, that at a bare minimum the "appropriate" program of guarantees issued by the United States of America would be one that serves the national interest and of the United States of America, which is something we ought to think about in this debate.

As I read the Constitution, the President has the primary responsibility to make the determination about an America's national interests in the field of foreign policy.

I might say as an aside, I was a little surprised to read about Governor Clinton who, in effect, was suggesting that President Bush might be anti-Semitic. He also said it a little earlier—that settlements were an obstacle to peace. And he also is quoted in one publication saying there ought to be a Palestinian State. This is the Governor Clinton who wants to be the Democratic nominee, trying to have it three different ways in a matter of 3 or 4 days.

Maybe he will finally focus on whatever position he has. But I think it certainly is not becoming to him and certainly not accurate to suggest that about President Bush.

I believe the President has laid out the right policy: Loan guarantees ought to advance an America's national interests; they ought to be affordable; they ought not interfere with the peace process; they ought not to pay directly or indirectly for programs that we have declared an obstacle to peace such as the settlements in the occupied territory. That is how I look at "appropriate," when I interpret the word "appropriate." Those are the kind that I am willing to support by voting for this resolution.

Third, and finally, I would like to make note of some of the very important things that are not in this resolution.

There is no mention of the fact that the United States over the years has given Israel tens of billions of dollars in aid.

There is no mention of the fact that the United States this year will give Israel $2.3 billion in direct dollar aid, and several billion more in indirect aid; subsidies and support. That means a thousand dollars for every man, woman, and child in Israel—more than 15 times greater than the per capita aid we give to any other nation on Earth.

There is no mention of the fact that the Bush administration is ready to sign on to a loan guarantee program today, today—and has indeed proposed one in great detail—provided only that the deal does not compromise longstanding American policy since 1967 on settlements and the peace process.

There is no mention of the fact that this President has been the best friend that Israel has ever had, when measured by the most important standard of all: results.

It is this President, President Bush, who has led our Nation brilliantly in turning back Saddam Hussein's naked aggression, committing 500,000 American soldiers and tens of billions of American dollars to that effort.

It is this President, President Bush, who led that war that destroyed the most powerful Arab military machine in the Middle East, and one of the most threatening to Israel.

It is this President, President Bush, who led us to our final victory in the cold war, leading to the collapse of the Communist Soviet State and the virtual elimination overnight of the rear base of the radical Arab forces aligned against Israel.

It is this President, President Bush, who brought the Arab States to the peace table for direct talks with Israel, the fundamental goal of Israel's policy for four decades.

It is this President, President Bush, who led the effort in the United Nations to overturn the hideous Zionism-racism resolution.

It is this President, President Bush, who has year after year supported and won approval of multibillion-dollar aid programs.

It is this President, President Bush, who launched new strategic and tactical cooperation programs with Israel.

And the list goes on and on and on and on. But for some, it is not enough. For them, the question is not: What have you done for me? The question is: What have you done for me lately? And have you done every last little thing I demanded, even a sacrifice of your own independent judgment as to what is best for your own country? That is the litmus test that some apply.

It is unfair, and sad, and self-defeating, because that is not the litmus test that Americans apply to George Bush's leadership. The American people by and large want the President to support Israel. We want President Bush to support Israel and to stand by her as our best friend in the Middle East. And the American people by and large believe the President has done just that and gone, not one, but many extra miles to do just that.

We have avoided a showdown here, but if we ever get to one, the American people are going to support George Bush for one very good reason: They understand what he is doing is right, right for America, right for Israel, and right for the cause of peace.

So I regret that these sentiments were not reflected in the resolution, but I wanted to make certain they were reflected in our debate, so there would be no misunderstanding of the views of this Senator on this very important issue.

This is, as my friend pointed out, a very important issue. The resolution does not mention settlements. We skirt that particular question. But it is an important vote, an important issue. I think those of us who have long supported Israel will vote yes on the resolution with the reservations that I have stated in my remarks.

I yield back any time I may have.

The PRESIDING OFFICER. The Senator from New Jersey has 1 minute.

Mr. LAUTENBERG. Mr. President, I just say in response to the distinguished Republican leader, first, that the administration never indicated, in any way, that it would accept a compromise or a move toward providing those loan guarantees. The proof is that there was a veto message already written on loan guarantees. We all heard about it. The administration was well prepared with a veto message. The President was ready to go, ready to challenge anything that we offered by way of loan guarantees.

Second, I must say to the Senator from Kansas, the distinguished legislator, that it is in our interest to support Israel. And if you think about how much more it might have cost us during the war by way of lives, resources, and equipment, and what we saved for America by supporting a strong and independent Israel, I think we can all view this objectively as good for the United States.

I hope we will have the kind of vote that appears to be developing.

The PRESIDING OFFICER (Mr. AKAKA). All time has expired. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 99, nays 1, as follows:

[Rollcall Vote No. 63 Leg.]

YEAS—99

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Burns
Chafee
Coats
Cochran
Cohen
Conrad
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—1

Byrd

So the resolution (S. Res. 277) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 277

Whereas the United States has a longstanding policy of supporting free emigration for people living in the former Soviet Union;

Whereas since 1974 the United States has linked nondiscriminatory trade treatment (most favored nation status) for the former Soviet Union to free emigration through the Jackson-Vanik amendment;

Whereas anti-Semitism continues to be a threat to Jews in the former Soviet Union;

Whereas Israel faces an untenable burden in absorbing unprecedented numbers of Soviet refugees;

Whereas the success of United States policy on human rights regarding the former Soviet Union and Ethiopia has resulted in approximately 400,000 refugees to Israel since 1989;

Whereas the General Accounting Office found that "Israel appears to have a reasonable basis for estimating that about one million Soviet immigrants will arrive during the current immigration wave, which began in late 1989";

Whereas the General Accounting Office found that "if the Congress authorizes the $10,000,000,000 in loan guarantees requested by the Israeli Government, the Israeli Government will likely be able to fully service its external debt and to continue its past record of payment"; and

Whereas the Government of Israel has agreed to pay origination fees for loan guarantees so that the guarantees will not result in any cost to the United States taxpayer: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States Government should support appropriate loan guarantees to Israel for refugee absorption.

Mr. KASTEN. Mr. President, I move to reconsider the vote by which the resolution was agreed to.

Mr. LAUTENBERG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. FORD. Mr. President, I ask unanimous consent that there be a period for morning business, with Senators permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

AID TO THE CIS

Mr. DOLE. Mr. President, at a meeting this morning with the bipartisan leadership, President Bush outlined a new package of measures to aid the Republics of the former Soviet Union, the Commonwealth of Independent States. The administration's package builds on the solid foundation of previous U.S. humanitarian and technical assistance to the CIS, and represents a major and timely initiative in our evolving relations with these new States.

Mr. President, the President's initiative reflects the fact that this is a historic moment in world history. If we act wisely and boldly now, we can help create a more peaceful, stable, and prosperous future for the people of the former Soviet Union—and even more to the point, for the people of the United States of America.

If we make the investment now, that investment can pay enormous dividends for ourselves, and for our children. That is the opportunity before us now.

The administration's proposals are intended to be part of an international effort in which other prosperous nations with a stake in the future of the CIS would pay their fair share. But the proposals also underscore the President's conviction—which I share—that America, as the leader of the free world, must act like the leader. We must be not only a player, but a leading player. That means we must come to the table with some chips.

The President's proposals will work—will change from proposals into policy—only with bipartisan support from the Congress. I think the meeting today represents an excellent start in forging that kind of cooperative effort. I have already spoken to a number of Senators on both sides of the aisle, and I am optimistic that we have a strong core group ready to roll up our sleeves and get to work.

We have the President's proposals, which I believe are sound, and responsible, and forward-looking. Some parts of the President's package can be implemented through executive action. Those elements require no new resources, or legislation

Other parts of the package will require congressional approval. Certainly, we in Congress also have many ideas—some of them overlapping the President's proposals, some of them complementing what the President announced today. Without doubt, the legislation we finally pass will include important input from the Members of the Senate and the House. The President has indicated both publicly and in private discussions with me that he welcomes that kind of active congressional role, and indeed believes it is essential because of the importance of this issue, and the urgency of responding to the problems and the opportunities which confront us in the CIS.

It is a tall order especially for an election year. Congress must rise above posturing and partisanship, and work responsibly and expeditiously to craft a final package. It will not be easy, but it is imperative that we succeed.

I might note that, within a few minutes after the President announced his package, Governor Clinton made a speech generally welcoming the President's initiative, and outlining some of his own ideas in this area. So, hopefully, this is one subject, at least, that will not be dragged into the partisanpotshooting of a Presidential campaign.

This is far too important for the Nation. As President Bush stated this morning, this is a defining moment in history, both for these new States and for American security interests. The Democratic leaders of the new States of the former Soviet Union—people like Yeltsin, Kravchuk, and Ter Petrossian—are providing courageous and determined leadership. It is up to us to match their boldness, and seize this moment, for ourselves and for our children.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Might I say to the acting majority leader, I want to be accommodating. I want maybe 10 or 15 minutes.

Mr. FORD. Mr. President, will the Senator yield to me for just one second? I want to thank him for his courtesy. He is very nice to try to expedite it. We want him to go ahead, and we will close up after his remarks.

SAVING OUR CHILDREN FROM POVERTY

Mr. DOMENICI. Mr. President, I want to speak on a theme I believe I will be speaking on so long as I am a Senator and unless and until we get the deficit of the United States under control. My theme is, and I truly believe this is an accurate statement: Saving our children from poverty.

We have heard a lot of people talk about saving our children from various things, saving them from the scourge of crime, from drugs. We have heard some talk about we ought to provide more health care so we can save their health. I want to talk about the basic idea of prosperity in America. And so I choose to discuss that in terms of saving our children from poverty which I believe is going to be the fate, if not of the next generation, then the one after it unless we are able to bring the deficit of the U.S. Government under control.

Why are so many Americans down on the economy? There are signs that the economy is recovering. Retail sales, industrial production are up; housing starts have climbed 20 percent in the last 3 months alone, which is rather significant growth; consumers are starting to come back. But the sentiment in the surveys shows that people continue to be concerned.

The economic recovery has been rather slow, some might even say anemic. One economist has suggested that what the American people have been witnessing since last year has been a very slow liftoff of this economy. Perhaps it is this slow growth characteristic of the current recovery that is translating into Americans' attitudes about the long-term economic landscape. Perhaps Americans are more worried about their children's future than the short-term outlook. And maybe this is because they have come to understand that our children are going to pay for our persistent Federal budget deficits with lower standards of living, fewer Government resources, and higher taxes.

I would like to speak for just a moment about budget deficits, investment, productivity, and living standards and see if I can tie them together.

How do deficits affect our children? When the Government runs deficits, we take a bite, in some instances a small one, in some a huge bite, and what we have been doing regularly now is taking a huge bite out of our available national savings. It is only through savings that we can invest, which in turn leads to productivity growth, expanding markets, job creation, and rising living standards for everyone.

The links between national savings and investments, productivity growth, and rising standards are very clear. In the sixties, net national savings was 10 percent of our gross national product; productivity rose at almost 3 percent each year, and the economy grew at just about 4 percent a year.

Today, we have a national savings which is less than 3.5 percent largely because we are running huge budget deficits. And productivity and economic growth are less than half of the 1960's levels. Worker productivity has declined steadily since the fifties. This is not a Republican or a Democratic phenomenon.

It is all our problem. The key to economic growth is increased productivity. The key to increased productivity is increased national savings. The key to increased national savings, at least in America, is reducing the Federal deficit.

Why did not the budget agreement solve the whole problem? After the 1990 budget agreement, there was a sigh of relief at both ends of Pennsylvania Avenue because many thought we might have finally brought budget peace. Looking back at the events of that particular fall, I still believe we made some very important inroads into the Federal deficit. We set caps on national defense and domestic spending. And while defense spending is declining and will continue to decline, domestic discretionary spending makes up only about 15 percent of all Federal spending.

So here we are today, and even though the Congressional Budget Office is projecting the deficit will come down over the next few years in part because of the 1990 budget agreement, CBO and others expect to resume an upward course in their deficit predictions which will exceed $400 billion by the year 2002. So for those who think if we leave everything alone and let defense come down, as it is most probably doing, we ought to be getting things under control, maybe it will be a shock for them to know that the experts say even with sustained economic growth, which we are not too sure we will have, the deficits will exceed $400 billion a year in 2002 and be going up from there.

I have heard it said many times the reason we have budget deficits is because we cut taxes in 1981. Frankly, I think that is overly simplistic. And many ways of looking at that would indicate that the explanation ignores the more fundamental long-term trend in the budget of the United States, the unrelenting growth of entitlement spending over the last 30 years. It is growth, the mandatory spending, that is pushing these deficits back up again.

As a percentage of our total gross domestic product, revenues, that is, the total receipts taken in by our various tax programs, have remained relatively stable over the past 30 years. Believe it or not, for all the talk, revenues hover at about 19 percent of our gross national product, up a little, down a little, but right around there. The Congressional Budget Office expects revenues will remain close to that level over the next 10 years.

Not so, Mr. President, for mandatory spending which is, believe it or not, catching up with revenues and doing so quickly. In 1990, revenues totaled just over $1 trillion while mandatory spending including interest was $750 billion. That means that 75 percent of the entire revenue take of our country was eaten up by just the mandatory programs of our Federal Government, those that are on automatic pilot, so as to speak, those that run their course without us doing anything in Congress, those to which if the American people really understood we have put that much of our budget on automatic pilot, they would clearly respond asking us what we are here for. Since we claim they are on automatic pilot and we can do nothing about it, they have a right to ask us why are you here?

The Congressional Budget Office projects that revenues will grow about 6 percent a year over the next decade and be $2 trillion by 2002. Frankly, Mr. President, with revenues growing at 6 percent a year, we ought to be able to live within our means. Six percent a year is substantial growth in the revenue pattern, and that means we do not change anything and revenues go up because the economy is growing. But mandatory spending will grow even faster so that by 2002 it will total $1.8 trillion. Ninety-two percent of the entire revenue package of America on current policy will be eaten up in that year by the mandatory expenditures built into the budget of the United States because of the programs we already have that we have committed to and that we do not have the courage to change.

The 1990 budget agreement largely left entitlement spending untouched.

As part of that agreement, there was originally a plan to reduce non-Social Security entitlements by $120 billion. Much of that vanished in the political firestorm which swept the Congress during the early consideration of the agreement. We were left with $75 billion and much of that was illusory. We extended three expiring provisions of the Medicare law including mandatory maintaining of the 25-percent floor for Medicare part B on those premiums that we have committed to and said that we have saved $17 billion. We also added a new Medicaid benefit that was supposed to cost only $1.1 billion over 5 years but it will cost much more than that because it was phased in and the full brunt of its expense did not occur within the five but will occur thereafter.

We did, however, institute a very important discipline, the pay-as-you-go for mandatory spending and taxes. That new discipline says that if Congress wants to enact a new entitlement, we have to pay for it with new taxes or cut some other programs. But the emphasis there is a new program. I am not talking about new programs tonight. I am talking about old ones that we will not change that continue to grow, so at least Congress cannot make the situation any worse.

But the budget agreement did nothing to slow the mandatory programs already written into law. Unless we do something to slow them down, the Congressional Budget Office projects that mandatory spending will exceed inflation by nearly $1.6 trillion over the next 10 years. That means if we took the programs we have in existence, let them grow by whatever inflation is every year, made that current policy, as we do in other programs, the mandatory programs will nonetheless in addition grow $1.6 trillion over the next 10 years. They are in essence about $1.6 billion more than they ought to be for reasonable fiscal policy and deficit control.

The missing piece from that budget control is a cap on non-Social Security mandatory spending. What is missing from that budget agreement is exactly what I have just described, the missing link. We have a cap on defense. We have a cap on domestic spending, foreign aid, all of which we appropriate every year within our control.

If we want to ratchet it back, we can. If we want to increase it, we vote on it. If we spend over those caps, an automatic cut occurs, one of the best enforcement programs we have had.

We can place a similar cap on mandatory spending. We can exclude Social Security. It is only growing by inflation plus new entitlees, so it has no reason to be capped, as I see it, because if the other mandatory programs were only growing at the rate of whatever new entrants plus inflation, we would not have any problems.

So I read with interest suggestions that say we cannot control these, we ought not do anything about it. Frankly, I believe if that is the case, we are destined to leave an America where our children will be in poverty.

We will leave an America where the standard of living of our children and grandchildren will not go up but down; where the expectation of every American will be the status quo, and not success and not opportunity.

So I believe that a mandatory spending cap which allows all of the new beneficiaries to be taken care of—and adds inflation on top of that; then has an allowance of about 2 percent on top of that, as the extra; and that we begin to phase that down over a period of time—is a solution that clearly has a chance of working, and we ought to try it.

The intent would be to force Congress and the President to examine ways to control this spending; not necessarily to cut programs, but to do them differently, to pay differently. If we are talking about medical programs, delivery system have to be changed.

As soon as I can put legislation together, I will introduce legislation that will replace the missing link, the missing piece from the 1980 budget agreement. I hope it will start a badly needed discussion on this 50 percent of the budget that is growing at nearly 7 percent a year, automatic, by itself—just as the days occur, the checks are written, people receive the benefits. And as Senator DANFORTH so eloquently said on the floor of the Senate, everyone grows to expect it. They believe it is automatic, and no one even knows that we are not paying for an awful lot of it. But we are borrowing it from the wealth of our children and from their standard of living.

The simple proposal to restrain the growth in these programs, through caseload growth, inflation alone as our ultimate objective, would turn the red ink of deficits into the green light of budget surpluses.

I know no one really believes that that day will occur when we have budget surpluses. But I submit that if we continue to have the deficits that are currently expected, someday we are going to have budget surpluses because that debt will be so big that there will be no way out—either we will be at the hands of those who loaned us the money, foreigners in foreign countries, or indeed America will be bankrupt.

This clock is ticking. It is not going to strike high noon next week or next year, or even the year after. But clearly the increases in mandatory spending are alarming. They are nothing compared now to what we are going to face when the baby-boom generation reaches old age.

I will not bore the Senate tonight with the statistics about how the entitlements will turn upward and grow well beyond that $400 billion deficit that I just described a while ago. I will not do that tonight. There is time to discuss this issue not once, but many times—many times until Congress begins to listen and take seriously a proposal to fill in the missing link, the missing piece in budget control, that which is most important: some way to control the growth of entitlements.

HEALTH CARE COSTS

I would not feel that I had adequately discussed the notion that I bring before the Senate tonight unless I talk for a moment about health care because some are saying why do not we reform the health care programs instead of imposing caps? Some who have praised my efforts and others to try to control the deficit, and speak out have said just reform the health care programs, do not bother with the caps.

Well, I submit that health care in the United States must be reformed, but in reforming it, we must set a target as to how much we can afford and how much we can spend. As a matter of fact, if I were the committee chairman and the ranking member of the committee that was going to write health care reform, I would sign on the Senator DOMENICI's cap because it seems to me that unless we know in advance what we can afford, we will never control the cost because health care is almost without limits in terms of cost.

Tonight, I will not take time to explain how much more we are paying for health care costs in America than any country on Earth. It is safe to say that it is twice the amount, at least twice the amount, of the closest industrial competitor in the world. In fact, Japan does it for less than half. Most of the

European countries are half; Canada for about two-thirds. They are the closest in terms of cost per capita or percentage of GNP or cost per care coming out of the assembly line, whichever you choose to talk about.

So I will not do that in detail. But I submit that unless we have a dollar figure that is built into the reform costs to the Federal Government—that ought to be a figure that is arrived at based upon the knowledge we all have now of what the budget looks like and what the tax revenue looks like, and we cannot get rid of all the other programs in the Federal Government to pay for health care. So we have to arrive at a ceiling or cap.

I believe we ought to set it in advance—maybe even 2 years out so that it is not next year. Maybe it ought to be out there long enough to put the reform in place and measure it against that cap.

But sooner or later medical costs must be measured against limitations on American resources. If that means changes in the way we deliver the system, or way the system delivers, changes in the way new procedures and new technologies filter into health care, and all different aspects of what costs versus what we need, so be it. We will have to do that.

So tonight I close by saying that I do not intend to serve in the Senate and leave this Senate saying that I left a legacy of debt, a legacy of predictable poverty, a legacy of predictable standards of living that are less for our children than for us. I do not believe that is a legacy that I want to be part of. And I think before we are through there will be an army ready to march against this problem because it is truly the American problem that we have left at the doorstep of our children and grandchildren. They do not deserve it, and the country ought not to stand for it. I believe they will not. I believe we will do something about it.

Mr. President, I yield the floor. I thank the Senate for the time.

REPUBLICAN BUDGET RESOLUTION

Mr. SYMMS. Mr. President, as a cosponsor of this legislation I rise in support of the Republican budget resolution. I believe this budget resolution is a step in the right direction in achieving fiscal constraint. I am particularly pleased that included in this proposal is a 25-percent reduction in funding for the Senate and House budget over the next 2 years. If we are going to be talking about fiscal restraint and budget cuts, I believe we should begin right here.

For too long Congress has exempted itself from budgetary scrutiny and has labeled too many areas of the budget as untouchable. For years I have been hearing we can't touch mandatory spending. Well now that policy has caught up to us. Mandatory spending will consume about 65 percent of the entire budget this year and about 75 percent of all revenue taken in by the Government will go toward funding mandatory programs. The time has come to leave no stone unturned in search of savings. Nothing can be labeled off limits.

Today we have begun the mandatory spending debate by calling for a spending cap on mandatory programs excluding Social Security. Under this proposal the mandatory spending cap would be calculated to permit caseload growth, inflation growth, and an additional 2-percent growth, that would be phased out to zero by 1997.

Opponents of this spending cap will argue that this is too much of a cut—it will hurt too much. Or that these proposals must be funded at the current level or in some cases calling for increased funding. Although this proposal will require some adjustments in these mandatory programs, spending will still increase. In fact, under this proposed cap the total spending for mandatory programs continues to grow as a percentage of the total budget from 50 percent in 1992 to 56 percent in 1997.

This proposal uses the President's defense numbers to ensure an orderly reduction in the military. Any decreases below the President's figures would be in haste. The freeze on domestic and international spending is necessary. We cannot allow spending to increase while we have a deficit approaching $400 billion.

I believe anything less than a freeze would be imprudent and mark fiscal and budgetary irresponsibility.

Under this proposal the fiscal year 1993 deficit would be reduced by $22 billion. Over the next 5 years the deficit would be reduced by $381 billion. Assuming growth of 3.3 percent a year this budget resolution would balance the budget by the year 1997.

I hope my colleagues will examine this budget resolution. I believe it ensures fiscal responsibility. For too long the Congress has not faced up to the difficult budgetary decisions that we must make in order to get the deficit under control. I believe the Republican budget resolution is a good start to achieving this goal.

Until we here in the Congress critically evaluate every line of the budget for excesses and waste we will not solve the deficit problem. I have said time and time again the only way to get the budget and the deficit under control is to cut spending. I hope all of my colleagues realize that the time has come to make a balanced budget a reality.

IN DEFENSE OF SEAWOLF

Mr. PELL. Mr. President, in the protracted debate over how and where to cut the defense budget, one of the biggest bones of contention is the Seawolf submarine. While there has been general acceptance of the administration's proposal to discontinue the long-range Seawolf program, which at one point contemplated a fleet of 30 vessels, the debate is now focused on whether the second and third Seawolf subs, already authorized and funded by Congress, should still be built. The first Seawolf is under construction by the Electric Boat division of General Dynamics, which operates facilities in Rhode Island and Connecticut.

Among the many views expressed on this issue was a New York Times editorial on March 24, 1992, which took Gov. Bill Clinton to task for supporting construction of the two additional Seawolfs and suggested that both the submarines and Electric Boat may no longer be needed. The Times is entitled to its views, of course, but there are a number of other factors that need to be considered, including the fact that it may be prohibitively costly to cancel a procurement on which millions of dollars in advance funding have already been spent.

Moreover, there is widespread concern that in our haste to trim defense expenditures to levels justified by current circumstances, we could jeopardize future national security if we jettison important elements of the military industrial base such as Electric Boat, which would take years to recreate. And in the immediate future, the most important factor is the drastic effect of an abrupt cancellation on the lives of the thousands of people who work for Electric Boat and its suppliers.

For all these reasons, I was very pleased to note in the New York Times of April 1, a letter of rebuttal to the March 24 editorial from my House colleague, Congressman JACK REED who represents Rhode Island's Second Congressional District. The district includes Electric Boat's Quonset Point facility, employing some 4,000 people, and also is home to many of the 3,000 Rhode Islanders who commute to Connecticut to work at EB's main facility at Groton.

Congressman REED makes a good point, I believe, in calling the Times' viewpoint simplistic and lacking in compassion for the human cost of hasty action. I ask unanimous consent that Congressman REED's letter be printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Apr. 1, 1992]

RECIPE FOR VICTORY

To the Editor:

Your March 24 lead editorial summarily dismisses the importance of the Electric Boat division of General Dynamics and of submarines to our nation's defense.

Rather than your simplistic suggestion to create a supermarket for ships in one, all-purpose production facility, the better approach is to maintain the country's pre-eminent submarine builder and concentrate surface ship work at other shipyards, including Newport News.

We were victorious in Operation Desert Storm because we had advanced technology combined with the heroism of our fighting forces. That's the real key to our long-term security, and the Seawolf submarine moves this technology forward.

Finally, it may be easy for you to regard the issue of workers as being of no consequence, but as a member of Congress representing thousands of Electric Boat employees and others dependent on that revenue, I think it is abhorrent that the President would give them their notice of the end of the cold war in the form of a pink slip with no plan for the future. But then what would you expect from a President whose economic advice is to do nothing?

JACK REED,
Member of Congress, 2d Dist., RI.
WASHINGTON, *March 24, 1992.*

U.N. CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 418 (S. Con. Res. 89) regarding the U.N. Conference on the Environment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

MOTION TO PROCEED

CLOTURE MOTION

Mr. FORD. Mr. President, on behalf of the majority leader, I now move to proceed to Senate Concurrent Resolution 89, and I send to the desk a cloture motion on the motion to proceed.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair, directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on the motion to proceed to Senate Concurrent Resolution 89, a concurrent resolution regarding the United Nations Conference on Environment and Development:

AL GORE, HARRY REID, CLAIBORNE PELL, WENDELL FORD, BROCK ADAMS, PATRICK LEAHY, J. LIEBERMAN, TOM DASCHLE, ALAN CRANSTON, PAUL SIMON, JAY ROCKEFELLER, FRANK LAUTENBERG, JEFF BINGAMAN, HOWARD METZENBAUM, BOB GRAHAM, CARL LEVIN, JOHN F. KERRY.

Mr. FORD. Mr. President, on behalf of the majority leader, I ask unanimous consent that the live quorum as required under rule XXII be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I now withdraw the motion to proceed.

The PRESIDING OFFICER. The motion to proceed is withdrawn.

AMENDMENT TO UNANIMOUS CONSENT AGREEMENT ON H.R. 2507

Mr. FORD. Mr. President, I ask unanimous consent that the consent agreement on H.R. 2507 be modified to provide for an amendment by Senator GLENN striking the following sections of the committee substitute: Section 499(p) of section 931 on page 103; section 902 on page 95; section 911 on page 95; and section 912 on page 98.

The PRESIDING OFFICER. Without objection, it is so ordered.

The text of the amended unanimous consent agreement is as follows:

Ordered, That during the further consideration of H.R. 2507, an act to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health and for other purposes, the only amendments in order, in addition to the committee substitute, be the following:

Hatfield: Regarding ethics of genetic engineering;

DeConcini: Regarding penalties for dealing in human fetal tissue;

Leahy: Regarding cancer research registry;

Bradley: Regarding children's vaccine initiative;

Jeffords: Regarding Workers Family Protection Act;

Helms: regarding and relevant to Section 1010 of Title 10 of the committee substitute;

Helms: Regarding and relevant to Title 2 of the committee substitute;

Hatch: Relevant to the bill;

Dole: Regarding prostate cancer;

Nickles: Regarding a report on the 20 diseases that cause the most deaths;

Kennedy: Relevant to the bill; and

Glenn: Amendment striking the folowing sections of the committee substitute: section 499(p) on page 103; sections 902, 911, 912

Ordered further, That the listed amendments all be first degree amendments and subject to relevant second degree amendment.

Ordered further, That no motions to recommit be in order.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NO. 102–26

Mr. FORD. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the Treaty with Nigeria on Mutual Legal Assistance in Criminal Matters, Treaty Document 102–26, transmitted to the Senate today by the President, and ask that the treaty be considered having been read the first time; that it be referred, with accompanying papers, to the Committee on Foreign Relations in order to be printed; and that the President's message be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The message of the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Treaty between the Government of the United States of America and the Federal Republic of Nigeria on Mutual Legal Assistance in Criminal Matters, signed at Washington on September 13, 1989. I transmit also, for the information of the Senate, the report of the Department of State with respect to the treaty.

The treaty is one of a series of modern mutual legal assistance treaties being negotiated by the United States in order to counter criminal activities more effectively. The treaty should be an effective tool to assist in the prosecution of a wide variety of modern criminals, including members of drug cartels, "white collar criminals," and terrorists. The treaty is self-executing.

The treaty provides for a broad range of cooperation in criminal matters. Mutual assistance available under the treaty includes: (1) the taking of testimony or statements of witnesses; (2) the provision of documents, records, and evidence; (3) the execution of requests for searches and seizures; (4) the serving of documents; and (5) the provision of assistance in proceedings relating to the forfeiture of the proceeds of crime, restitution to the victions of crime, and the collection of fines imposed as a sentence in a criminal prosecution.

I recommend that the Senate give early and favorable consideration to the treaty and give its advice and consent to ratification.

GEORGE BUSH.
THE WHITE HOUSE, *April 1, 1992.*

RELIEF OF TIMOTHY BOSTOCK

RELIEF OF CARMEN VICTORIA PARINI, FELIX JUAN PARINI, AND SERGIO MANUEL PARINI

Mr. FORD. Mr. President, I ask unanimous consent that the Senate proceed, en bloc, to the immediate consideration of Calendar Nos. 412 and 413; that the bills be deemed read the third time, passed, the motion to reconsider the passage of these items be laid upon the table en bloc; that the consideration of these items appear individually in the RECORD, and any statements appear at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 120) was deemed read a third time and passed, as follows:

S. 120

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY RESIDENT STATUS FOR BENEFICIARY

(a) TEMPORARY RESIDENCE.—Notwithstanding section 212(a)(23) of the Immigration and Nationality Act (8 U.S.C. 1182(a)(23)) or any other provision of that Act, Timothy Bostock shall be issued a visa and admitted to the United States to the status of an alien lawfully admitted to the United States for temporary residence if—

(1) he is found to be otherwise admissible as an immigrant under the provisions of that Act; and

(2) a petition for immediate relative status is filed on his behalf with the Attorney General by a United States citizen spouse of the alien within 60 days after the date of enactment of this Act.

(b) PREVIOUSLY KNOWN GROUND FOR EXCLUSION.—The exemption under subsection (a) shall apply only to grounds for exclusion of which the Department of State or the Department of Justice had knowledge before the date of enactment of this Act.

(c) ADJUSTMENT TO PERMANENT STATUS.—The Attorney General shall, at the end of the 3-year period beginning on the date on which the beneficiary was granted lawful temporary residence status under subsection (a), adjust the status of the beneficiary to that of an alien lawfully admitted for permanent residence if—

(1) the Attorney General finds that the beneficiary has exhibited conduct during such period which demonstrates good moral character (including community ties and the performance of community service, prescribed by the Attorney General at the time of adjustment of status under subsection (a), directed toward publicizing the dangers of using controlled substances);

(2) the beneficiary establishes that he has resided continuously in the United States since the date he was granted such temporary status; and

(3) the beneficiary establishes that he—

(A) is admissible to the United States as an immigrant, and

(B) has not been convicted of any felony or three or more misdemeanors committed in the United States.

(d) TREATMENT OF BRIEF, CASUAL, AND INNOCENT ABSENCES.—During the period the beneficiary is in temporary status under subsection (a), the beneficiary shall not be considered to have failed to maintain continuous residence in the United States for the purposes of subsection (c) by virtue of brief, casual, and innocent absences from the United States.

(e) AFFIDAVITS.—The Attorney General may require the beneficiary to submit affidavits for the purposes of the determinations made under subsection (c).

So the bill (S. 800) was deemed read a third time and passed, as follows:

S. 800

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding section 301(g) of the Immigration and Nationality Act (8 U.S.C. 1401(g)), as in effect on the dates of their births, Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini shall each become a citizen of the United States upon taking the oath of allegiance to the United States prescribed by section 337(a) of that Act (8 U.S.C. 1448). Each such oath of allegiance shall be entered in the records of the appropriate naturalization court, and a certified copy of the same under the seal of the naturalization court shall each be delivered to Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini, which certified copy shall be evidence of his or her admission to United States citizenship before any court of record or administrative agency.

EDUCATION AND SHARING DAY U.S.A.

Mr. FORD. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of House Joint Resolution 410, designating "Education and Sharing Day U.S.A."; and that the Senate then proceed to its immediate consideration; that the joint resolution be deemed read the third time, passed, and the motion to reconsider be laid upon the table, that the preamble be agreed to, and any statements regarding the joint resolution be placed in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the joint resolution (H.J. Res. 410) was deemed read a third time and passed.

The preamble was agreed to.

MEASURE INDEFINITELY POSTPONED—SENATE JOINT RESOLUTION 279

Mr. FORD. Mr. President, I ask unanimous consent that the Judiciary Committee be discharged from further consideration of Senate Joint Resolution 279, the Senate companion, and that the measure then be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and a treaty which were referred to the appropriate committees.

(The nominations and treaty received today are printed at the end of the Senate proceedings.)

REPORT ON EMIGRATION LAWS AND POLICIES OF THE REPUBLIC OF HUNGARY AND THE CZECH AND SLOVAK FEDERAL REPUBLIC—MESSAGE FROM THE PRESIDENT—PM 192

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

In June 1991 I determined and reported to the Congress that Hungary continues to meet the emigration criteria of the Jackson-Vanik amendment to, and section 409 of, the Trade Act of 1974 (19 U.S.C. 2432 and 2439). In October 1991 I determined and reported to the Congress that Czechoslovakia also meets the emigration criteria contained in title IV of the Trade Act of 1974. These determinations allowed for the continuation of most favored nation (MFN) status for Hungary and Czechoslovakia without the requirement of an annual waiver.

As required by law, I am submitting an updated formal report to the Congress concerning emigration laws and policies of the Republic of Hungary and the Czech and Slovak Federal Republic. You will find that the report indicates continued Hungarian and Czechoslovak compliance with U.S. and international standards in the areas of emigration and human rights policy.

The Administration is taking steps to exercise the authority provided me in section 2 of Public Law 102-182 to terminate the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992.*

MESSAGES FROM THE HOUSE

At 7:13 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House agrees to the amendments of the Senate to the joint resolution (H.J. Res. 456) making further continuing appropriations for the fiscal year 1992, and for other purposes.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker has signed the following enrolled joint resolution:

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

The enrolled joint resolution was subsequently signed by the President pro tempore [Mr. BYRD].

MEASURES PLACED ON THE CALENDAR

Pursuant to section 300 of the Congressional Budget Act of 1974, as amended, the Committee on the Budget was discharged from the further consideration of the following concurrent resolutions, which were placed on the calendar:

S. Con. Res. 104. A concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 1993, 1994, 1995, 1996, and 1997.

H. Con. Res. 287. A concurrent resolution setting forth the congressional budget for the United States Government for the fiscal years 1993, 1994, 1995, 1996, and 1997.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations, with an amendment and with a preamble:

S. Res. 258. A resolution expressing the sense of the Senate regarding needed action to address the continuing state of war and chaos and the emergency humanitarian situation in Somalia.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. PELL, from the Committee on Foreign Relations:

Thomas R. Pickering, of New Jersey, a Career Member of the Senior Foreign Service, with the personal rank of Career Ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: Thomas R. Pickering.
Post: U.S. Ambassador to India.
Contributions, amount, date, and donee:
1. Self.
2. Spouse.
3. Children and spouses names, Timothy R. Pickering, Margaret S. Pickering Schmidt.
4. Parents names, Hamilton R. Pickering (deceased, August, 1987), Sarah C. Pickering.
5. Grandparents names, deceased.
6. Brothers and spouses names, none.
7. Sisters and spouses names, Marcia S. Hunt, Bruce Hunt, $50, September 1988, Robt Mrazk, MC; $50, October 1988, DNC; $50, October 1990, Robt Mrazk, MC.

—

Edward Joseph Perkins, of Oregon, a Career Member of the Senior Foreign Service, Class of Career Minister, to be the Representative of the United States of America to the United Nations with rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

(Contributions are to be reported for the period beginning on the first day of the fourth calendar year preceding the calendar year of the nomination and ending on the date of the nomination.)

Nominee: Edward Joseph Perkins.
Post: U.S. Representative, USUN.
Contributions, amount, date, and donee:
1. Self, none.
2. Spouse (Lucy Liu), none.
3. Children and spouses names, Katherine, Sarah, none.
4. Parents names, Ms. Tiny Holmes, father deceased, none.
5. Grandparents names, deceased, none.

Mr. PELL. Mr. President, for the Committee on Foreign Relations, I also report favorably a nomination list in the Foreign Service which was printed in full in the CONGRESSIONAL RECORD of March 18, 1992, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar, that these nominations lie at the Secretary's desk for the information of Senators.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

By Mr. BOREN, from the Select Committee on Intelligence:

Vice Admiral William O. Studeman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of Admiral while so serving.

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. WALLOP (for himself, Mr. DOLE, Mr. HATFIELD, Mr. MACK, Mr. LUGAR, Mr. BAUCUS, and Mrs. KASSEBAUM):

S. 2505. A bill to amend the Land and Water Conservation Fund Act of 1965 to provide for the establishment of the America the Beautiful Passport to facilitate access to certain federally-administered lands and waters, and enhance recreation and visitor facilities thereon, to authorize the Secretary of the Interior and the Secretary of Agriculture to enter into challenge cost-share agreements, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. WIRTH (for himself, Mr. GLENN, Mr. GORTON, and Mr. GORE):

S. 2506. A bill to ensure fair treatment of Department of Energy employees during the restructuring of the Department of Energy defense nuclear facilities workforce, to provide medical examinations to certain current and former such employees, to provide medical reinsurance for certain former such employees, and for other purposes; to the Committee on Armed Services.

By Mr. MCCAIN (for himself and Mr. DECONCINI):

S. 2507. A bill to amend the Act of October 19, 1984 (Public Law 98-580; 98 Stat. 2698), to authorize certain uses of water by the Ak-Chin Indian Community, Arizona; to the Select Committee on Indian Affairs.

By Mr. SPECTER:

S. 2508. A bill to amend the Unfair Competition Act to provide for private enforcement of the Unfair Competition Act in the event of unfair foreign competition, and to amend title 28, United States Code, to provide for private enforcement of the customs fraud provisions; to the Committee on the Judiciary.

By Mr. NICKLES (for himself, Mrs. KASSEBAUM, Mr. GORTON, and Mr. SHELBY):

S. 2509. A bill to provide grants to establish an integrated approach to prevent child abuse, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. D'AMATO:

S. 2510. A bill to freeze domestic discretionary spending for fiscal years 1993 and 1994 at fiscal year 1992 levels; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports, the other Committee have thirty days to report or be discharged.

By Mrs. KASSEBAUM:

S. 2511. A bill to exempt certain financial institutions from the examination requirements of the Community Reinvestment Act of 1977; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. CRANSTON (for himself, Mr. DECONCINI, Mr. ROCKEFELLER, Mr. GRAHAM, Mr. AKAKA, and Mr. DASCHLE):

S. 2512. A bill to amend title 38, United States Code, to establish a program to provide certain housing assistance to homeless veterans, to improve certain other programs that provide such assistance, and for other purposes; to the Committee on Veterans Affairs.

By Mr. SIMON (for himself, Mr. ADAMS, Mr. AKAKA, Mr. BIDEN, Mr. BRYAN, Mr. BURNS, Mr. CHAFEE, Mr. COHEN, Mr. CONRAD, Mr. CRANSTON, Mr. DIXON, Mr. DODD, Mr. DOMENICI, Mr. HEFLIN, Mr. JEFFORDS, Mr. LIEBERMAN, Mr. MACK, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. PELL, Mr. SEYMOUR, Mr. WARNER, and Mr. WELLSTONE):

S.J. Res. 287. A joint resolution to designate the week of October 4, 1992, through October 10, 1992, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. LAUTENBERG (for himself, Mr. KASTEN, Mr. DECONCINI, Mr. INOUYE, Mr. METZENBAUM, Mr. D'AMATO, Mr. LEAHY, Mr. DODD, Mr. CRANSTON, Mr. GRAHAM, Mr. WOFFORD, Mr. DURENBERGER, Mr. MACK, Ms. MIKULSKI, Mr. SIMON, Mr. GORTON, Mr. BRADLEY, Mr. ADAMS, Mr. HARKIN, Mr. WARNER, Mr. KENNEDY, Mr. AKAKA, Mr. KERREY, Mr. HATCH, Mr. WIRTH, Mr. ROBB, Mr. MOYNIHAN, Mr. SPECTER, Mr. LEVIN, Mr. PRESSLER, Mr. MURKOWSKI, Mr. NICKLES, Mr. BROWN, Mr. MITCHELL, Mr. MCCONNELL, Mr. PACKWOOD, Mr. COATS, Mr. GRAMM, Mr. PELL, Mr. GORE, Mr. DASCHLE, and Mr. COCHRAN):

S. Res. 277. A resolution expressing the sense of the Senate regarding loan guarantees for refugee resettlement in Israel; considered and agreed to.

By Ms. MIKULSKI (for herself, Mr. WOFFORD, and Mr. ROCKEFELLER):

S. Res. 278. A resolution expressing the sense of the Senate that the President should continue the bilateral arrangements limiting the export of steel to the United States until the President concludes a multilateral steel agreement; to the Committee on Finance.

By Mr. DASCHLE (for himself, Mr. BINGAMAN, Mr. CONRAD, Mr. DODD, Mr. LIEBERMAN, Mr. METZENBAUM, Ms. MIKULSKI, Mr. SIMON, Mr. WIRTH, and Mr. WOFFORD):

S. Res. 279. A resolution to prohibit the provision to members and employees of the Senate, at Government expense, of unnecessary or inappropriate services and other benefits; to the Committee on Rules and Administration.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WALLOP (for himself, Mr. DOLE, Mr. HATFIELD, Mr. MACK, Mr. LUGAR, Mr. BAUCUS, and Mrs. KASSEBAUM):

S. 2505. A bill to amend the Land and Water Conservation Fund Act of 1965 to provide for the establishment of the America the Beautiful Passport to facilitate access to certain federally administered lands and waters, and enhance recreation and visitor facilities thereon, to authorize the Secretary of the Interior and the Secretary of Agriculture to enter into challenge cost-share agreements, and for other purposes; to the Committee on Energy and Natural Resources.

AMERICA THE BEAUTIFUL PASSPORT ACT

Mr. WALLOP. Mr. President, today I am introducing the America the Beautiful Passport Act of 1992. I am pleased that Senators HATFIELD, DOLE, MACK, LUGAR, BAUCUS, and KASSEBAUM are original cosponsors of this measure.

Mr. President, America is blessed with outstanding recreational opportunities on Federal lands all across the country. Yet isn't it ironic that the very citizens who pay for these facilities are so often not fully aware of the wide variety of opportunities available to them. One of the major purposes of the America the Beautiful Passport is to provide a convenient means of informing people of the full range of opportunities available to them on Federal lands.

The intent of my bill is to create and sell a passport-sized booklet which not only contains a window decal and a wallet-sized card for admission to all fee areas; but also has information about the recreational facilities and services available from the full spectrum of Federal land managing agencies. Most people know about America's wonder-filled national parks—such as Yellowstone and Grand Teton. Many people know about Big Horn National Forest and various Army Corps of Engineer sites. Nonetheless it is sad to me is that more people across the country don't use areas reasonably close to them simply because they do not know they exist.

National wildlife refuges are much more than a place for ducks to live. The Bureau of Land Management has many extraordinary areas that are virtually unknown to people outside their immediate vicinity. By making this information widely available, perhaps we can reduce some of the pressures on our overused sites, while simultaneously providing higher quality recreational experiences for our citizens.

One important way to accomplish this is to make the America the Beautiful Passport widely available. The present Golden Eagle Passport—which the new passport would effectively replace—is only available from the agencies themselves through limited sales outlets. My bill would use those same outlets, also allowing for the sale of the America the Beautiful Passport by State and local governments and private enterprise. For a maximum 10-percent commission to cover costs, private industry can help market the passport, much the way hunting and fishing licenses are sold now.

L.L. Bean and the Coleman Co., among others, are very interested in cooperating in these sales. It is a win-win situation. The American people get the convenience of easily available passports and information. The agencies get broader recognition of their work and the benefit of cost share projects. The Government gets more revenue and more efficient use of that money.

By employing this wider distribution network, the recreation roundtable estimates that an additional $56 million would be generated. This money would be used, under the challenge cost share title of the bill, for cost sharing projects to develop or improve outdoor recreation lands, resources, or facilities. I have long been concerned about the deteriorating condition of facilities in many of our Federal areas. This is a source of new money which is effectively doubled by the challenge cost share program. We keep getting farther behind in facility maintenance. This is a great opportunity to reverse the trend.

The America the Beautiful Passport Act also creates a Federal Recreation Fee Advisory Commission. One of the primary responsibilities of this Commission is to analyze the entire recreation fee program on our Federal lands and make recommendations to the Secretary of the Interior and Secretary of Agriculture. This is an important function. There should be a reasonable consistency in fees charged among all the agencies. This Commission would not only make recommendations about the price of admission to fee areas, but help to assure that use fees are equitable across the board for similar facilities and services. In addition, this Commission would help the Secretaries set priorities for funding projects through the Challenge Cost-Share Program.

While the Challenge Cost-Share Act is a significant component of the America the Beautiful Passport Program, the bill also authorizes the use of other appropriated funds in cost sharing projects to carry out any function or responsibility of the Agency. In this way, cooperators can directly assist the agencies in accomplishing projects of mutual interest or concern.

Mr. President, I have every confidence that this bill will be embraced by outdoor enthusiasts. It's good for the future of our Federal lands. The recreation infrastructure of this country is, in some areas, sadly neglected. With the current budgetary situation, there is a minuscule chance that these problems will be corrected if we rely totally on Federal outlays to do it. This measure will help to correct these problems as rapidly as possible and in a fiscally responsible manner.

Mr. President, I urge prompt consideration and passage of this bill, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2505

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be referred to as the "America the Beautiful Passport Act of 1992".

TITLE I—RECREATION ADMISSION FEES AND USE FEES

SEC. 101. AMERICA THE BEAUTIFUL PASSPORT.

(a) Section 4(a) of the Land and Water Conservation Fund Act of 1965, (16 U.S.C. 4601–6a) is amended by:

(1) striking the first sentence and inserting in lieu thereof the following:

"The Secretary of the Interior and the Secretary of Agriculture are authorized to charge admission fees at any land and water area which they administer and which they designate for such charges: *Provided*, That the Secretary of Agriculture is authorized to charge admission fees only at National Recreation Areas, National Monuments, National Volcanic Monuments, National Scenic Areas, and developed recreation complexes within the National Forest System. All fees shall be established in accordance with subsection (d) of this section.";

(2) striking subparagraphs (1)(A) and inserting in lieu thereof the following:

"(1)(A) For admission into any such designated area, an admission permit, known as the 'America the Beautiful Passport', valid for 12 months beginning in the month of sale, shall be available for a fee set by the Secretary of the Interior, with the advice and consent of the Secretary of Agriculture: *Provided*, That such fee shall be set at $30: *Provided further*, That the Secretary of the Interior, with the advice and consent of the Secretary of Agriculture, may change such fee upon the recommendation of the Federal Recreation Fee Advisory Commission established pursuant to subparagraph (D) of this paragraph. The permittee and all persons accompanying the permittee in a single, private, noncommercial vehicle, or alternatively, the permittee and the permittee's spouse, children, and parents accompanying the permittee where entry to the area is by any means other than private, noncommercial vehicle, shall be entitled to general admission into any area designated pursuant to this subsection and subsections (b), and (c) of this section: *Provided*, That the permit shall not waive fees for overnight camping or the use of group facilities. The permit shall be nontransferable, and the unlawful use thereof shall be punishable in accordance with regulations established pursuant to subsection (e) of this section. The permit shall be available for purchase at any such designated area.";

(3) striking subparagraph (1)(B) and inserting in lieu thereof the following:

"(1)(B) The Secretary of the Interior and the Secretary of Agriculture are further authorized to make available an admission permit, valid for 12 months beginning in the month of sale, for one or more designated areas in a particular geographic area. Such a permit shall convey the privileges of, and shall be subject to the same terms and conditions as, the American the Beautiful Passport, except that it shall be valid only for admission into the specific unit or units indicated at the time of purchase. The fee for such a permit shall be $15: *Provided*, That neither Secretary may change such fees for areas they administer upon the recommendation of the Federal Recreation Fee Advisory Commission established pursuant to subparagraph (D) of this paragraph.";

(4) adding the following new subparagraphs following subparagraph (a)(B):

"(C) The Secretary of the Interior, with the advice and consent of the Secretary of Agriculture may authorize units of State or local government, individuals, organizations, businesses, or nonprofit entities to sell and collect fees for the America the Beautiful Passport, subject to such conditions as the Secretaries may jointly prescribe. The Secretaries may authorize the seller or sellers to maintain an inventory of America the Beautiful Passports for periods not to exceed 12 months and to withhold reasonable amounts up to, but not exceeding, 10 percent of the gross fees collected from America the Beautiful Passport sales as reimbursement for necessary expenses of the sales. The sellers shall provide information to America the Beautiful Passport purchasers about recreation activities on Federal lands. Notwithstanding any other provision of law, all net receipts from the sales of permits pursuant to this subparagraph shall be deposited into a special account in the Treasury. Amounts deposited into the special account during each fiscal year shall, after the end of such fiscal year, be available for appropriation to any agency collecting fees under this section to fund the agency's share of challenge cost-share agreements negotiated and implemented pursuant to the provisions of title II of this Act. Allocations from the special account established under this subparagraph shall be at least ten per centum of the available account each to: (1) United States Forest Service; (2) National Park Service; (3) United States Fish and Wildlife Service, and (4) Bureau of Land Management and five per centum each to: (1) Bureau of Reclamation; and (2) Tennessee Valley Authority. The remaining fifty per centum shall be allocated by the Secretary of the Interior in consultation with the Secretary of Agriculture based on recommendations of the Federal Recreation Fee Advisory Commission established in subparagraph (D) of this paragraph. Projects to be funded under this subparagraph shall repair, maintain, construct, or rehabilitate outdoor recreation lands, resources, or facilities at Federal sites in cooperation with non-Federal entities that provide not less than 50 percent of the total cost of the project, in cash or in-kind services. Funds appropriated from the special account shall remain available until expended.

"(D) Subject to the requirements of the Federal Advisory Committee Act (5 U.S.C. App. 2), there is hereby established the Federal Recreation Fee Advisory Commission (hereinafter, "the Commission") which shall consist of five persons appointed by the President of the United States. Members of the Commission shall be appointed within 90 days of the date of enactment of this Act, serve 3-year terms, and shall not receive compensation: *Provided*, That members of the Commission may be reimbursed for reasonable travel and other expenses associated with the performance of their duties pursuant to this subparagraph. Vacancies on the commission shall be filled in the same manner in which they were originally appointed. Within one year of the date of enactment of this Act, and biannually thereafter, the Commission shall prepare an advisory report for the Secretary of the Interior and the Secretary of Agriculture regarding the admission fee system established by this Act, including, but not limited to, the fee charged for the America the Beautiful Passport, the designation of sites where admission fees are collected, the amount of fees at designated and proposed sites, whether or not the America the Beautiful Passport should waive other existing recreation fees, and recommendations on projects to fund under the provisions of title II of this Act. The Commission shall terminate upon the transmittal of its fourth report to the Secretary of the Interior and the Secretary of Agriculture. The Secretary of the Interior and the Secretary of Agriculture are authorized to provide support staff and services to the Commission, at the request of the Commission.

"(E)(i) For the purposes of this subsection, 'developed recreation complexes' are areas administered by the Secretary of Agriculture and include:

"(A) Seely Lake, Montana;

"(B) Brainard Lake, Rampart Motorcycle Complex, Cottonwood Lake, and O'Haver Lake, Colorado;

"(C) Hopewell Lake, New Mexico;

"(D) Sabino Canyon, Bear Canyon, and Lower Salt River, Arizona;

"(E) Current Creek, Soldier Creek and Strawberry Bay, Utah;

"(F) Big Tujunga Canyon, Corral Canyon, and Jenks Lake, California;

"(G) Sand Lake All-Terrain Vehicle Complex, Horsfall All-Terrain Vehicle Complex, and Applegate Reservoir, Oregon;

'(H) Lake Kachess, Washington;

"(I) Chadwick Motorcycle Complex, Missouri; and

"(J) Tuckerman Ravine, New Hampshire.

"(ii) By using the criteria in subsection (d) of this section, the Secretary of Agriculture may, 60 days after notifying the Committee on Interior and Insular Affairs and the Committee on Agriculture of the United States House of Representatives and the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate, charge an admission fee at additional developed recreation complexes within the National Forest System: *Provided*, That such complexes (1) are managed primarily for outdoor recreation purposes; (2) provide facilities and services necessary to accommodate heavy public use; (3) contain at least one major recreation attraction including, but not limited to, a lake, river, historical site, or geologic feature; and (4) provide public access such that admission fees can be efficiently collected at one or more centralized locations rather than at individual sites."; and

(5) amending paragraph (2) by striking out the fourth, sixth and seventh sentences and inserting at the end of the following: "*Provided*, That the Secretary of the Interior, with the advice and consent of the Secretary of Agriculture, may change such fee upon the recommendation of the Federal Recreation Fee Advisory Commission established pursuant to subparagraph (D) of paragraph (1) of subsection (a) of this section. *Provided further*, That no single visit admission fee increase shall become effective prior to 60 days from the date notification of such proposed increase is received by the Committee on Interior and Insular Affairs and the Committee on Agriculture of the United States House of Representatives and the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the United States Senate."

(6) amending paragraph (7) to read:

"(7) No admission fee may be charged pursuant to this subsection of any person less than 16 years of age."

(7) striking out paragraph (11) and redesignating paragraph (12) as paragraph (11).

SEC. 102. RECREATION USE FEES.

(a) Section 4 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601-6a) is amended by:

(1) striking the last sentence of paragraph (1)(1);

(2) adding the following new subsection at the end thereof:

"(n) NATIONAL FOREST SYSTEM RECREATION USE RECEIPTS.—Notwithstanding any other provision of law, receipts collected by the Secretary of Agriculture pursuant to subparagraphs (a)(1)(A) and (a)(1)(B) and subsection (b) of this section shall—

"(1) be collected at the place of use or other location reasonably convenient to the user and the authorized collector;

"(2) be available for the purpose of distribution to States and counties pursuant to the Act of May 23, 1908 (16 U.S.C. 500) and section 33 of the Act of July 22, 1937 (7 U.S.C. 1012); and

"(3) not be subject to the provisions of section 1 of the Act of March 4, 1913 (16 U.S.C. 501)."

TITLE II—CHALLENGE COST-SHARE AGREEMENTS

SEC. 201. DEFINITIONS.

For the purposes of this Act—

(1) "challenge cost-share agreement" means any agreement entered into between the Secretary of the Interior or the Secretary of Agriculture and any cooperator for the purpose of sharing costs or services in carrying out any function or responsibility of the land management agencies administered by the respective Secretary; and

(2) "cooperator" means any State or local government, public or private agency, organization, institution, corporation, individual, or other legal entity.

SEC. 202. CHALLENGE COST-SHARE AGREEMENTS.

The Secretary of the Interior and the Secretary of Agriculture are authorized to negotiate and enter into challenge cost-share agreements with cooperators.

SEC. 203. FEDERAL FUNDS FOR CHALLENGE COST-SHARE AGREEMENTS.

In carrying out challenge cost-share agreements, the Secretary of the Interior and the Secretary of Agriculture are authorized, subject to appropriation, to provide the Federal funding share from any funds available to the land management agencies administered by the respective Secretary.

By Mr. WIRTH (for himself, Mr. GLENN, Mr. GORTON, and Mr. GORE):

S. 2506. A bill to ensure fair treatment of Department of Energy employees during the restructuring of the Department of Energy defense nuclear facilities work force, to provide assistance to communities affected by such restructuring, to provide medical examinations to certain current and former such employees, to provide medical reinsurance for certain former such employees, and for other purposes; to the Committee on Armed Services.

DEPARTMENT OF ENERGY NUCLEAR WORKERS ACT

Mr. WIRTH. Mr. President, today I am introducing legislation to assure that this country's defense nuclear workers are fairly treated in the transition from weapons production to cleanup in the Department of Energy [DOE] complex. I am joined in this important effort by Senator JOHN GLENN, who has broad experience on defense nuclear issues in his State of Ohio, on the Armed Services Committee and as chairman of the Government Affairs Committee. Senator GORE and Senator GORTON join us in offering the defense nuclear workers' bill of rights today.

The United States has built and deployed over 60,000 nuclear weapons since the dawn of the atomic age in the New Mexico desert in 1945. Over 4 decades of cold war, we built up a vast establishment—now often referred to as the nuclear weapons complex—to research, develop, manufacture, test and store these weapons. Seventeen major DOE defense facilities employ nearly 100,000 people in an area greater than the States of Delaware and Rhode Island combined.

Today, this vast nuclear complex is undergoing a dramatic transition. The end of the cold war has resulted in the cancellation of all of the various nuclear warhead systems in the DOE pipeline—from SRAM to W-88. Today, the United States is not building any new nuclear weapons—nor do we have plans to do so.

Mr. President, we now face the challenge of dealing with these changes responsibly—for the people who have worked in the DOE weapons industry and for their communities.

Last December, Energy Secretary Watkins outlined the scope of the restructuring that will be required in the nuclear weapons complex in the 1990's. Today, DOE employs roughly 27,000 people in weapons production; that number will decline to 15,000 in 12 years. At the same time, DOE workers engaged in environmental work will increase from 15,000 in 1990 to over 27,000 by 1995. The cleanup effort alone is expected to last for decades and cost over $150 billion.

This enormous redirection of the DOE complex will cause great turbulence in the lives of workers and their communities—unless we plan well for this change. The need to plan for change applies also to the men and women in uniform, in defense industry and in defense communities as we make the transition to the post-cold war world—a need I hope we will address in a comprehensive way in this year's Defense authorization bill.

The focus of this bill is a special and, in many ways, unique group within the Defense Establishment—defense nuclear workers—to whom we have a twofold obligation: to help with the immediate transition for workers and communities and to take care of the special medical needs of the nuclear work force.

Many defense nuclear workers have been exposed to very dangerous medical risks. They have committed their lives to the defense of this country. They have been exposed to plutonium, berrylium, and other toxic heavy metal exposures. It is going to be extremely difficult for them to become reemployed elsewhere in the private sector, when they carry with them those medical liabilities, which make it increasingly difficult for them to get health insurance elsewhere. We have an obligation to those workers just as we have an obligation to the areas surrounding communities to clean up the facilities and surrounding them. We owe it to them to learn what the medical consequences of such exposure may be and to see that they are cared for.

No DOE site will be more affected in this transition than Rocky Flats in Golden, CO. Since 1953, Rocky Flats has produced plutonium components for the Nation's nuclear weapons. The future of Rocky Flats changed when the Berlin Wall came down in 1989 and was changed utterly with the collapse of the Soviet Union last year.

The handwriting has been on the wall for all to see, and some of my colleagues and I have long been urging the DOE to face this reality by shifting resources from weapons production into clean-up and long-term worker security programs. Even after the fall of the Berlin Wall, the DOE was pressing ahead with plans to build a new plutonium facility at Rocky Flats—the so-called plutonium recovery and modification [PRMP] project—rather than getting on with the challenge of planning realistically for the post-cold war world.

Since 1988, many of us in the Colorado delegation have been pressing DOE to prepare a long-range plan for the work force at Rocky Flats. In 1990, I authored legislation making Pentagon economic adjustment assistance—community grants, job training programs—available to nuclear defense workers and plants. Today, it is clear we need to go significantly beyond that effort.

The DOE's failure to heed these warnings—to plan for the human transition in the nuclear weapons complex—has been further aggravated in Colorado by an enormous build-up of the work force at Rocky Flats. Incredibly, over the last 3 years—and despite clear evidence that closure was on the horizon—the DOE and its prime contractor, EG&G, have actually increased the work force from its 1980's-level of roughly 4,500 to nearly 9,000. Most—if not all—of these new hires may have to be let go as the work force shrinks to meet the new mission of cleanup and decommissioning at Rocky Flats.

Congress and the Bush administration have an obligation to provide a smooth transition for the workers and the community surrounding Rocky Flats. Coloradans have played a key role in forging our cold war victory. The men and women who have worked at Rocky Flats have taken significant health risks from exposure to berrylium, plutonium, and other hazardous substances. If we could meet the awesome technological challenge of nuclear defense against the Soviets, we ought to be able to meet the human needs of the work force that brought us our cold war victory. The Federal Government owes this work force more than just a thank you and a pink slip.

The bill Senator GLENN and I are introducing today addresses four key issues facing this work force in transition:

First, restructuring: Section 1 of our bill requires the Secretary of Energy—in consultation with labor unions, State and local governments, and the Secretary of Labor—to develop and issue a work force restructuring plan for the DOE weapons complex within 60 days of enactment. The intent of this requirement is to minimize the economic impact of the transition in the nuclear weapons complex through:

Early notice of plant closures;

Job preference for existing workers based on seniority;

Timely retraining for environmental cleanup work;

Relocation assistance for workers transferred;

DOE aid for education and retraining for non-DOE work; and

Assistance to impacted communities.

DOE workers are true veterans of the cold war and deserve to be treated fairly and with respect. The purpose of this section is to formalize the DOE's commitment to its workers to retrain and retain as many hourly workers as possible, and to provide adequate assistance to those who cannot be employed on-site. In addition, the DOE has an obligation to work with local governments and communities to assist with the local impact of restructuring.

We have already made an important start in this direction with the Defense Economic Adjustment Act of 1990. Senator RIEGLE, Representative MAVROULES, and I helped put together this legislation in the fiscal year 1991 Defense authorization bill, providing $200 million for job training and community assistance for DOD and DOE workers and communities. After nearly 2 years of refusal to implement and fund this initiative, the Bush administration recently and reluctantly acquiesced in this crucial program. We need to do more

Second, environmental restoration contracts: Section 2 of our bill requires the DOE, upon entering into a contract for environmental restoration and waste management activities at DOE sites, to:

Recognize the existing bargaining units;

Employ bargaining unit employees;

Honor and assume the existing agreements with the bargaining units that include pension benefits, wage levels, health insurance, and sick leave; and

Credit employees with all benefits due.

This section is modeled after DOE's own requirements for the new environmental restoration contractor at the Fernald facility in Ohio. Our intent is to make certain that the transition from production to clean-up is not used by DOE or its contractors as an opportunity to undercut organized labor. At Rocky Flats, EG&G has been hiring salaried workers at a rapid rate, even as they reduce the union work force onsite—giving rise to significant concerns about the future of the union work force. This section is not intended to be exclusionary or to favor any one union over another, but seeks to protect the rights of the many men and women now working at DOE facilities whose lives will be affected by this transition.

Third, medical monitoring: This section requires the Secretary of Energy to work with the Department of Health and Human Services in establishing and carrying out an ongoing medical evaluation of current and former employees who have been exposed to more than the acceptable dosages of radiation or hazardous substances while employed by DOE.

Many DOE workers have been exposed to dangerous levels of radiation and hazardous materials on the job. A comprehensive medical program of surveillance of current and former employees is needed to better understand the medical consequences of such exposures. Our bill does not presume to dictate guidelines for this program, but stipulates that the DOE Secretary shall consult with the American College of Physicians, the National Academy of Sciences.

Since 1985, I have been proposing that we transfer the authority and funding for radiological medical research from the DOE to HHS. Some progress on this front has been made and should help pave the way for the more comprehensive program outlined in this bill. Basic fairness requires that we learn what is to be learned about the health consequences of DOE worker exposure and provide adequate coverage for treatment of those work-related illnesses.

Fourth, health insurance: Section 4 of this bill would do just that by requiring the DOE to pay all reasonable health care costs for specified radiation- and toxic-related illnesses of former DOE workers who are deemed to have been exposed to dangerous levels of radiation or toxic substances while employed by the DOE and who are not otherwise covered.

The purpose of this section is straightforward: If a worker becomes ill with a disease caused by his DOE weapons work, the DOE should pay for treatment. Again, we do not presume to dictate the standards that should apply in implementing this section, but direct the DOE, HHS, American College of Physicians, and National Academy of Sciences to cooperate in identifying reasonable guidelines.

Mr. President, this legislation is enormously important not only for Rocky Flats but for communities all across the country that have been impacted by their commitment to the nuclear weapons program. The people who have worked over the last 40 years in nuclear weapons programs ought to be treated no differently than other people in the military who have committed their lives and their careers to the military. We have an obligation to these individuals working in these nuclear plants for their retraining, for their continuing employment, for their own pensions and medical benefits. We have the same commitment to them as we do to other people who have worked within the defense establishment.

Finally, Mr. President, this is just the first step in a number that we must be taking in this country in terms of the transition of our defense industries. The transition, the change, the domestic impact of closing down many defense plants, slowly building down our armed services, the changes in our defense industries, the changes in the people who have worked in these, this represents a long-term commitment of billions of dollars, hundreds of thousands of very, very well-trained individuals and an obligation of the Federal Government to think this through.

We are doing our best to do this in the Congress because we have gotten preciously little support for this effort and almost no leadership at all in the administration. And while we introduce this legislation, we hope that the administration will focus not only on this bill but will focus on the overall package of the transition that our economy is going through. It is going to be extremely difficult in many, many communities, but it is a problem that we cannot duck. We cannot deny this problem. We have to take it on and take it on in a frontal fashion.

Mr. President, we simply cannot turn our backs on the workers at Rocky Flats and other DOE sites. Their health and economic future must be a top priority for the Nation they have worked so hard to defend. This bill is a starting point in that effort. I look forward to working with Senator GLENN and other Senators in shaping legislation this year to address this critical need.

Mr. President, I ask unanimous consent that the text of the bill, as well as a brief summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2506

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES WORK FORCE RESTRUCTURING PLAN.

(a) IN GENERAL.—Subject to subsections (b) through (e) and not later than 60 days after the date of the enactment of this Act, the Secretary shall develop, issue, and commence implementation of a plan for the restructuring of the employee work force of the Department of Energy defense nuclear facilities.

(b) PLAN REQUIREMENTS.—In developing and implementing the plan referred to in subsection (a), the Secretary shall provide—

(1) that any changes in the function or mission of the Department of Energy defense nuclear facilities be carried out by means that minimize the economic impacts of such changes on Department of Energy employees at such facilities, including the provision of notice of such changes not later than 120 days before the commencement of such changes to such employees and the communities in which such facilities are located and the use of retraining, early retirement, attrition, and other similar means to minimize the number of layoffs of such employees that result from such changes;

(2) that such employees whose employment in positions at such facilities will be terminated as a result of the restructuring plan receive first preference in any hiring of the Department of Energy (consistent with applicable employment seniority plans or practices of the Department of Energy and with section 3152 of the National Defense Authorization Act for Fiscal Years 1990 and 1991 (Public Law 101–189; 103 Stat. 1682)) that occurs after the issuance of the plan;

(3) that such employees be retrained in a timely fashion and as necessary for work in environmental restoration and waste management activities at such facilities or other facilities of the Department of Energy;

(4) that the Department of Energy provide relocation assistance to such employees who are transferred to other Department of Energy facilities as a result of the plan;

(5) that the Department of Energy provide appropriate employment retraining, education, and reemployment assistance (including employment placement assistance) to such employees who express an intent in writing to seek employment outside of the Department of Energy before such employees complete employment with the Department of Energy; and

(6) that the Department of Energy provide local impact assistance to communities that are affected by the restructuring plan and coordinate the provision of such assistance with—

(A) programs carried out by the Department of Labor pursuant to the Job Training Partnership Act (29 U.S.C. 1501 et seq.);

(B) programs carried out pursuant to the Defense Economic Adjustment, Diversification, Conversion, and Stabilization Act of 1990 (10 U.S.C. 2391 note); and

(C) programs carried out by the Department of Commerce pursuant to title IX of the Public Works and Economic Development Act of 1965 (42 U.S.C. 3241 et seq.).

(c) PLAN UPDATES.—Not later than one year after issuing the plan referred to in subsection (a) and on an annual basis thereafter, the Secretary shall issue an update of the plan. Each updated plan under this subsection shall—

(1) provide for the requirements referred to in subsection (b), taking into account any

changes in the function or mission of the Department of Energy defense nuclear facilities and any other changes in circumstances that the Secretary determines to be relevant;

(2) contain an evaluation by the Secretary of the implementation of the plan during the year preceding the report; and

(3) contain such other information and provide for such other matters as the Secretary determines to be relevant.

(d) CONSULTATION.—(1) In developing the plan referred to in subsection (a) and any updates of the plan under subsection (c), the Secretary shall consult with the Secretary of Labor, appropriate representatives of local and national collective-bargaining units of Department of Energy employees, appropriate representatives of departments and agencies of State and local governments, appropriate representatives of State and local institutions of higher education, and appropriate representatives of community groups in communities affected by the restructuring plan.

(2) The Secretary shall determine appropriate representatives of the units, governments, institutions, and groups referred to in paragraph (1).

(e) SUBMITTAL TO CONGRESS.—The Secretary shall submit the plan referred to in subsection (a) and any updates of the plan under subsection (c) to the following:

(1) The Governmental Affairs Committee of the Senate.

(2) The Armed Services Committee of the Senate.

(3) The Energy Committee of the Senate.

(4) The Appropriations Committee of the Senate.

(5) The Government Operations Committee of the House of Representatives.

(6) The Armed Services Committee of the House of Representatives.

(7) The Energy and Commerce Committee of the House of Representatives.

(8) The Appropriations Committee of the House of Representatives.

SEC. 2. REQUIREMENTS RELATING TO CONTRACTS FOR ENVIRONMENTAL RESTORATION AT DEPARTMENT OF ENERGY DEFENSE NUCLEAR FACILITIES.

(a) CONTRACT REQUIREMENTS.—Except as provided in subsection (b), in entering into a contract (including a contract entered into as a result of renegotiation) for the procurement of environmental restoration and waste management activities at a Department of Energy nuclear defense facility, the Secretary shall require that the contractor and any subcontractor of the contractor—

(1) recognize (A) any collective-bargaining agreements in force at the facility on the date of the contract, and (B) any labor organizations (as defined in section 2(5) of the Labor Management Relations Act, 1947 (29 U.S.C. 152(5)) or other bargaining agents authorized to act on behalf of the employees of the facility on that date;

(2) employ under that contract any employees in the collective-bargaining units at the facility on that date;

(3) assume the liability and obligations of the pension programs of the preceding employer at the facility, if any, for the employees of that preceding employer (including employees covered by collective-bargaining agreements and employees not so covered) that the contractor retains under the contract;

(4) continue the pension programs in force for such employees; and

(5) credit any period of employment of such employees with the preceding employer toward the requirements of the contract relating to vacations, sick leave, and other employment related benefits (including health insurance benefits).

(b) LIMITATION.—The requirement referred to in subsection (a)(5) shall not apply to any severance payment, benefit, bonus, or entitlement of a salaried employee of a preceding employer under that subsection.

SEC. 3. PROGRAM TO MONITOR DEPARTMENT OF ENERGY WORKERS EXPOSED TO HAZARDOUS AND RADIOACTIVE SUBSTANCES.

(a) IN GENERAL.—The Secretary shall establish and carry out a program for the identification and on-going medical evaluation of current and former Department of Energy employees who are subject to significant health risks as a result of the exposure of such employees to hazardous or radioactive substances during such employment.

(b) IMPLEMENTATION OF PROGRAM.—(1) In establishing and carrying out the program referred to in this section, the Secretary shall—

(A) identify the hazardous substances and radioactive substances to which current and former Department of Energy employees may have been exposed as a result of such employment;

(B) prescribe guidelines for determining the levels of exposure to such substances that present such employees with significant health risks;

(C) prescribe guidelines for determining the appropriate number, scope, and frequency of medical evaluations and laboratory tests to be provided to such employees to permit the Secretary to evaluate fully the extent, nature, and medical consequences of such exposure;

(D) identify (pursuant to the guidelines referred to in subparagraph (B)) each employee referred to in subparagraph (A) who received a level of exposure referred to in subparagraph (B); and

(E) provide (pursuant to the guidelines referred to in subparagraph (C)) the evaluations and tests referred to in subparagraph (C) to the employees referred to in subparagraph (D).

(2)(A) The Secretary carry out his responsibilities under subparagraphs (A) through (C) of paragraph (1) with the concurrence of the Secretary of Health and Human Services.

(B) In prescribing guidelines under paragraph (1)(C), the Secretary shall permit the participation of appropriate representatives of the following entities:

(i) The American College of Physicians.

(ii) The National Academy of Sciences.

(iii) Any labor organization or other bargaining unit authorized to act on the behalf of employees of a Department of Energy defense nuclear facility.

(C) The Secretary of Health and Human Services shall carry out his responsibilities under this paragraph with the assistance of the Director of the Centers for Disease Control and the Director of the National Institute for Occupational Safety and Health.

(3) The Secretary shall notify each employee identified under paragraph (1)(D) and provided with any medical examination or test under paragraph (1)(E) of the identification and the results of any such examination or test. Each notification under this paragraph shall be provided in a form that is readily understandable by the employee.

(4) The Secretary shall collect and assemble information relating to the examinations and tests carried out under paragraph (1)(E).

(5) The Secretary shall commence carrying out the program described in this subsection not later than one year after the date of the enactment of this Act.

(c) AGREEMENT WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall enter into an agreement with the Secretary of Health and Human Services pursuant to which the Secretary and the Secretary of Health and Human Service shall carry out the respective activities of the Secretary and the Secretary of Health and Human Services under this section.

SEC. 4. HEALTH INSURANCE PROGRAM FOR FORMER DEPARTMENT OF ENERGY EMPLOYEES.

(a) PROGRAM.—The Secretary of Energy shall carry out a program to provide for the insurance of the Department of Energy employees referred to in subsection (b) to cover all reasonable expenses for the health care services referred to in subsection (c) incurred (whether through insurance or out-of-pocket) by such employees.

(b) EMPLOYEES COVERED.—(1) Subject to subsection (d), employees described in this section are any individuals who—

(A) were (but are no longer) Department of Energy employees employed at defense nuclear facilities;

(B) as a result of such employment, have received a level of exposure to hazardous substances or radioactive substances that poses a significant risk to the health of such employees;

(C) as a result of that level of exposure, have developed a significant illness, disease, or clinical sensitivity; and

(D) are not entitled to benefits relating to the illness, disease, or clinical sensitivity under the medicare program or any other health insurance plan or program.

(2) In this subsection, the term "medicare program" means the program described under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.).

(c) REASONABLE EXPENSES FOR CERTAIN HEALTH CARE SERVICES COVERED.—Subject to subsection (d), reasonable expenses for health care services described in this subsection are expenses in a reasonable amount for health care services which are medically reasonable and necessary for the treatment of any employee referred to in subsection (b) for any illness, disease, or clinical sensitivity developed by that employee (as determined by the Secretary pursuant to subsection (b)(1)(C)).

(d) STANDARDS FOR DETERMINATIONS.—(1) The Secretary (with the concurrence of the Secretary of Health and Human Services) shall prescribe any standards that are necessary to facilitate any determinations relating to the eligibility of employees for insurance under subsection (b)(1) and the reasonableness and necessity of services and expenses under subsection (c).

(2) The Secretary of Health and Human Services shall carry out his responsibilities under this subsection with the assistance of the Director of the Centers for Disease Control and the Director of the National Institute for Occupational Safety and Health.

(3) In establishing standards under this subsection, the Secretary shall permit the participation of appropriate representatives of the following entities:

(A) The American College of Physicians.

(B) The National Academy of Sciences.

(C) Any labor organization or other bargaining unit authorized to act on the behalf of employees of a Department of Energy defense nuclear facility.

(e) ADMINISTRATION.—The Secretary of Energy may carry out this section directly, through a memorandum of understanding with an appropriate Federal department or agency, or through a contract with an appropriate health insurance carrier or administrator.

(f) EFFECTIVE DATE.—The Secretary of Energy shall establish the reinsurance program under this section not later than 6 months after the date of the enactment of this Act. The program shall apply to expenses incurred for services furnished on or after the date the program first becomes effective.

SEC. 5. DEFINITIONS.

In this Act:

(1) The term "Secretary" means the Secretary of Energy.

(2) The term "Department of Energy defense nuclear facility" means—

(A) a production facility or utilization facility (as that term is defined in section 11 of the Atomic Energy Act of 1954 (42 U.S.C. 2014)) that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the tritium loading facility at Savannah River, South Carolina, the 236 H facility at Savannah River, South Carolina; and the Mound Laboratory, Ohio), but the term does not include any facility that does not conduct atomic energy defense activities;

(B) a nuclear waste storage or disposal facility that is under the control or jurisdiction of the Secretary;

(C) a testing and assembly facility that is under the control or jurisdiction of the Secretary and that is operated for national security purposes (including the test site facility in Nevada; the Pinnellas Plant, Florida; and the Pantex facility, Texas);

(D) a nuclear weapons research facility that is under the control or jurisdiction of the Secretary (including the Lawrence Livermore, Los Alamos, and Sandia National Laboratories); or

(E) any facility described in paragraphs (1) through (4) that—

(i) is no longer in operation;

(ii) was under the control or jurisdiction of the Department of Defense, the Atomic Energy Commission, or the Energy Research and Development Administration; and

(iii) was operated for national security purposes.

(3) The term "Department of Energy employee" means any employee of the Department of Energy employed at a Department of Energy defense nuclear facility, including any employee of a contractor or subcontractor of the Department of Energy employed as such a facility.

DOE NUCLEAR WORKERS' BILL

SUMMARY

Section 1. Department of Energy Defense nuclear facilities work force restructuring plan.

DOE Workforce Restructuring Plan.—No later than 60 days after enactment, the Secretary shall develop and issue a workforce restructuring plan for the DOE weapons complex.

Plan Requirements.—In developing the plan the Secretary shall—

(1) minimize the economic impacts associated with changes in the mission of DOE weapons facilities through early notice of such changes and the use of retraining, early retirement, attrition and other options to minimize layoffs;

(2) provide first hiring preference based on seniority to workers whose employment would be terminated by restructuring;

(3) provide retraining for environmental clean up work;

(4) provide relocation assistance to workers who are transferred to other DOE sites; and

(5) provide appropriate reemployment retraining, education and reemployment assistance to workers who seek employment outside of the DOE.

(6) provide economic assistance to impacted communities.

Consultation.—In developing the plan the Secretary shall consult with the Secretary of Labor, representatives of labor at DOE sites, and appropriate representatives from state and local governments, educational institutions and community groups.

Section 2. Requirements relating to contracts for environmental restoration at Department of Energy defense nuclear facilities.

Contract Requirements.—Upon entering into a contract for environmental restoration and waste management activities at DOE sites, the Secretary shall require the contractor and subcontractors to—

(1) recognize the existing collective bargaining agreements in force at the facility and the labor organizations at the sites;

(2) employ bargaining unit employees at the facility on that date;

(3) assume all liabilities and obligations of the pension programs of the preceding employer;

(4) continue the pension program in force;

(5) credit employees of the preceding employer with employment-related benefit, including health insurance, sick leave.

Section 3. Program to monitor Department of Energy workers exposed to hazardous and radioactive substances.

Identification and Medical Evaluation of Employees.—Not later than one year after the date of enactment, the Secretary shall identify employees exposed to hazardous and radioactive substances and provide such employees with comprehensive medical examinations to evaluate the medical consequences of their exposures.

Medical Surveillance Guidelines.—The Secretary of DOE and the Secretary of Health and Human Services shall establish guidelines for the provision of medical examinations and laboratory tests. The Secretary of HHS shall be assisted by the Centers for Disease Control and the National Institute for Occupational Safety and Health.

In establishing these guidelines the DOE and HHS shall consult with the: The American College of Physicians and Surgeons, the National Academy of Sciences, labor organizations.

Worker Notification.—The DOE shall notify each employee who is given a medical examination, the results of the examination and shall collect and assemble information from these medical examinations for research purposes.

Covered Employees.—The DOE Secretary in the implementing section is given responsibility to determine the criteria for medical surveillance with the concurrence of the Secretary of Health and Human Services, with the same above-mentioned groups serving in an advisory capacity.

Section 4. Health insurance program for former Department of Energy employees.

Establishment of Program.—The Secretary of Energy shall within 6 months of enactment provide for the health insurance for certain work-related illnesses of former DOE employees who are not otherwise covered.

Employees and Illnesses Covered.—The DOE Secretary is responsible for determining eligibility with the concurrence of the Secretary of HHS and with the advice of the groups mentioned in Section 3.

Reasonable expenses for Health Care Services Covered.—Reasonable expenses for health care services cover treatment of illnesses resulting from exposures to radioactive and non-radioactive hazardous substances.

Health care expenses shall be based on a typical payment methodology used under FEHBP plans; and treatment of an illness shall be considered to be medically reasonable and necessary if meets the criteria under either an FEHBP or Medicare program.

Mr. GLENN. Mr. President, I appreciate very much the kind remarks of my distinguished colleague from Colorado who has been at the forefront of trying to work on this particular problem for so many years. It is a pleasure to work together with him in this regard.

Mr. President, let me take us back about 6 or 6½ years. I received complaints from the people at Fernald in Ohio that they were having problems at the plant there. Workers were being exposed to materials that they thought were unsafe. The filter system in the plant there that had uranium dust in it was not working right. On occasion, they would turn the "bag house," it was called, the filter system, and the bag house when it would not operate or got a split in the bags that were doing the filtering, they would just turn the flow off or turn the filter system off there and it meant uranium dust out of that plant was going out in the general community, coming down in the plant, and that is just one example of how things were going.

I could not believe some of the things they were telling me at that time. I could not believe that people operating the plant were callous enough with regard to the safety and health of the workers in the plant that they would be doing some of the things that they were doing.

So I went out there and visited the plant, saw some of these things for myself, which resulted in a series of hearings here and has resulted, in the years since then, in something like I think we now have 32 or 35 reports by the General Accounting Office of the situation. And starting with that Fernald situation that we moved to correct, we then wondered whether we had the same situation in other parts of the nuclear weapons complex in other parts of the country.

So we started asking the GAO to look into some of these places and there were studies at Rocky Flats, and Hanford, Savannah River and the 17 different States. As I say, we now have some 32, 34, 35, something like that, GAO reports detailing what had happened through all those years.

Now what had happened? The Russians are coming, the Russians are coming. That used to be it. We have to produce fissile material, produce nuclear material. And I supported that as did other people here. But, watch out, we have to have a fissile material. "Here is the radioactive waste product, here is the toxic waste. What are we going to do with them?" "Put them out behind the plant. Do not worry about that. We will worry about it later."

Now is later. As a result of the efforts of the last 6 years by a lot of people, including myself, we now have estimates that it is going to cost, we do not know for sure, $120, $150, $160 billion to clean up all this mess that we delayed into some 40 years of the nuclear weapons complex operations when we did not clean things up.

Put it out behind the plant. We will worry about it later. Some of those areas had contaminated aquifer levels when this material sank down into the soil and got into the water tables down below the surface.

How do you clean that up? Nobody really know how you clean that. So we need a lot of research in that area. But how about the people involved? How about the people that received some of the unfair treatment, also? Certainly that is important. These are people who dedicated their lives to working in these complexes.

I would say we know an awful lot more about some of these areas today than we did back even 6 years ago, knowing about what happened, what releases were made, what workers were exposed to toxic materials or to radioactive materials, unknowingly, sometimes; or certainly inadvertently at others.

That is what has led us to this situation we are in today, to try to deal faily—deal fairly—with people who devoted there lives for the protection of this country. They were not over in Desert Storm. They were working in a nuclear plant someplace. But they have sacrificed, in many cases, their health and their families, living in some of these communities, to this whole process. Fairness calls for dealing with this situation. That is what my distinguished colleague from Colorado talked about just a moment ago.

Everyone knows the Russians are not coming now. They have gone into eclipse over there. So we do not see the requirement for the same size nuclear system we had. So we are downsizing now and we are consolidating. We are doing a lot of things. We are downsizing America's nuclear arsenal.

Of course, we welcome this end of the nuclear arms race that loomed for so many years. But along with that downsizing comes a number of social, of economic, of health-related impacts that are starting to emerge in almost every one of those communities I mentioned that hosts a Department of Energy nuclear weapons facility.

The rapid reduction in the U.S. nuclear arsenal is already leading to the closure of several DOE facilities, and a dramatic shift in the entire mission of the U.S. nuclear program from production to waste management, and now cleanup.

The people who now stand to bear the brunt of these impacts are the DOE workers who have provided for this Nation's security. The loss of thousands of jobs over the next few years has already been announced by DOE Secretary Watkins in December of last year. But even while we downsize and even while we cut down the work force that is required, at the same there time are very troubling questions emerging about the health impacts of DOE operations, particularly those that may affect the thousands of workers who handled radioactive and other hazardous material.

Let me give a couple of examples. A large number of workers throughout the DOE complex have been exposed to plutonium, one of the most toxic materials known to man. At DOE's Savannah River site, DOE estimated at least 739 workers—739 workers—show evidence that plutonium is lodged in their bodies. A recent study in the respected scientific journal, Nature, indicates that the long-term damage from plutonium may be far more serious than now assumed. This fact alone is quite disturbing in its implications for many DOE workers.

Let me pause. Imagine yourself working in one of those plants all these years. You took precautions. Through no fault of your own, you now find you have plutonium contamination. You go home, you look at your kids at night, and you wonder how long you are going to last. How does that make you feel?

Thousands of workers, particularly at the Rocky Flats facility in Colorado and the Oak Ridge Y-12 facility in Tennessee, have been exposed to beryllium, a substance well known to cause health damage. In a recent study, DOE workers exposed to this substance at Rocky Flats showed greater blood cell sensitivity, and it has caused DOE to launch a beryllium surveillance program.

In your mind's eye, once again think of going home, think: I have been exposed to beryllium. You sit down, look around at your kids, and you wonder how long you are going to be around. And you do not really know, because we do not know too much about what is going to happen. But you know it is not good; that is for sure.

Many workers throughout the DOE complex have been exposed to levels of radiation which a current study sponsored by DOE itself suggests may create a much higher risk of contracting cancer than current protection standards assume. At the Fernald facility in Ohio, it was common for workers to be subjected to high concentrations of radioactive dust that frequently exceeded the standards.

During the late 1940's and early 1950's, excessive exposures to thousands of nuclear weapons workers became a matter of high concern. Official recommendations by the Government's scientific advisers to launch cancer studies of these workers were ignored.

In your mind's eye, you are now a worker at one of these plants. You have been exposed to radiation through the years. Recommendations were made by these advisers to launch cancer studies to see what your odds are, to see what kind of protection you might ask for, what kinds of cancer you might get, what kinds of difficulties you might have as a result of this exposure. Those studies were not made. And you sit down once again and look at your kids, and you wonder what is going to happen to you. And you do not really know. It is beyond your control, and you do not know what to do about it.

Unfortunately, we do not know with any degree of certainty what kinds of health risks these worker exposures portend.

It is not at all clear if the Department of Energy knows with reasonable certainty how many workers have been exposed to which dangerous substances. These uncertainties are not lost on prospective employers and their health insurance carriers, who decide whether or not to hire a former DOE weapons worker.

Once again, you are changing jobs, but you have been a nuclear worker. And the new person you are going to work for, if they have health insurance, says: "But this carrier will not cover you in case you have a problem because you worked out at the nuclear plant."

You sit and look at your kids, and you do not have health insurance because of that. Is that fair to people who devoted their lives to helping protect everybody, and who helped to maintain and work in the nuclear weapons complex? That is not fair. That absolutely is not fair. And that is what has led Senator WIRTH and I to put this legislation together. It is a situation no more apparent, as I said, than in Ohio.

But at issue are two basic problems. First, those of a large institution like the Department of Energy, which has operated for decades in secrecy and isolation. Once again, the Russians are coming; it is secret. What goes on in there, nobody knows; it is secret. We cannot let production figures out.

We understand that. I agreed with all that stuff. At the same time, we now know we should certainly not have been so blind as to ignore the safety and health aspects of this thing as we went along. So you know we are having to pay catchup. So all this secrecy and isolation that went on through the years, we have to adapt now to a rapid sea change in U.S. policies, and it is proving to be extremely slow and very disjointed.

Second, the magnitude of the environmental safety and health legacy of the nuclear and arms race continues to grow, with everything we know about it, in severity and importance, and has put the issue of DOE plant closures into a very special category of seriousness all of its own.

The legislation we are sponsoring is designed to face these two problems head on. It has four sections. Senator WIRTH already went through them, but I will just repeat them very briefly.

One, requires DOE to prepare a work force restructuring plan within 60 days which provides for early notice of plant closures, rehiring preference for existing workers, provides for retraining, education, and relocation assistance for workers who may be shifted to other DOE sites.

Two, requires DOE, when site contracts change from production to cleanup, to assure existing bargaining units are at least offered employment if feasible—in some places, it may not be feasible—and to honor existing bargaining agreements.

Three, establishes a comprehensive medical surveillance program for current and former DOE workers who have been exposed to radiation and other hazardous substances.

And, four, it provides, through the DOE, health insurance coverage for former DOE workers who cannot obtain insurance, and who fit a risk profile for eligibility.

We are trying to make certain we correct some of these inequities that have developed through the years.

This is a difficult process of transition. I believe it is prudent to develop a comprehensive program to assure we can mitigate the social, the economic, the health impacts that are arising from this unprecedented circumstance that we now face.

We must address the new emerging questions at DOE sites that must be answered if he were going to safely clean them up, safely, safely, clean them up.

It is of vital importance we maintain as much stability and continuity with the existing work force as possible. These are people, as I have said, who dedicated their lives to this. They knew there were some dangers of radiation, but they went ahead and took that risk and worked there. The existing DOE workers possess the knowledge of how these plants operate. That is a valuable asset as the DOE now begins the process of decontamination and decommissioning.

As DOE begins to change its contracting system to accommodate this cleanup task—it is now estimated it may be as much as $160 billion over a 20-year period—the first step toward a successful transition is to prevent major work force disruptions. Our legislation is meant to give existing workers the opportunity to maintain employment and to maintain the benefits for which they have worked hard.

At the same time, this bill represents a significant departure from the way we have been trying to address the health risks associated with the nuclear weapons program by integrating medical surveillance with health insurance coverage. And by doing this, we are developing the necessary scientific information to determine what kinds of health risks there are at DOE sites that can be used to develop the standards to clean them up.

We are recognizing the need to face up to the potential health legacies that are implied by DOE's disturbing history of environment, safety, and health problems. What we are proposing in this legislation is not inconsistent with what DOE has started to do on its own, and we must give credit. For instance, at the Fernald facility in Ohio, the department has made it mandatory for the new cleanup contractor, who is yet to be selected, to offer the existing bargaining unit employment and to honor the existing labor agreements, and that is to their credit.

DOE is beginning to establish a beryllium surveillance and notification program involving thousands of current and former workers, and that is to their credit.

Unless we begin to address these and the other programs associated with the restructuring of our nuclear weapons program in a fashion that assures labor stability and addresses the extraordinary risks that come with making nuclear weapons, then we stand to pay far more down the road and face evergrowing obstacles in cleaning up these contaminated sites.

Finally, we must recognize the important contribution of the men and women who have borne the risks of providing for our nuclear deterrence. If we are willing to spend billions of dollars to deal with contaminated dirt, we must be willing to spend some of this money to address the real human dimensions of this problem, and that is the least we can do.

When it comes right down to it, once again, as I said, imagine you are a worker at one of these plants, and you have been there for a long time. You are now finding the whole process downsized through no fault of your own. You have dedicated your life to this. Are you going to be dealt with fairly by our Government? That is what this bill is all about. We think this brings fairness to this downsizing process and is the least that we can do to keep faith with these workers who are out there right now.

• Mr. GORE. Mr. President, I am pleased to join Senator WIRTH and Senator GLENN in introducing S. 2506, legislation to protect the well-being of Department of Energy workers during the upcoming restructuring of our nuclear weapons complex. For decades, the men and women who have worked for the Department of Energy's nuclear weapons programs made a real contribution to our Nation's defense. Now that the cold war is over, it is time for us to come to their defense.

America has an obligation to protect those workers who have made a commitment to our country. The DOE worker protection bill we are introducing today includes provisions to help DOE employees in a number of areas. This legislation will provide them and their families with critical educational, health, and employment support as we clean up and restructure our nuclear weapons facilities for the post-cold war world.

The bill requires the Secretary of Energy—in consultation with Secretary of Labor, State, and local governments, unions, and education officials—to develop a work force restructuring plan for the transition from weapons production to clean up. This plan should outline the steps that DOE will take to minimize the economic impact of the changes—steps like advance notice, retraining, and early retirement. DOE should also be required to retrain workers for clean up projects and provide hiring preference for these projects to workers affected by restructuring. In addition, the Department of Energy ought to give relocation assistance to transferred workers and provide aid for the education and retraining of those who are moving on to work outside of the Department of Energy. And finally, DOE should provide economic assistance for communities impacted by the restructuring.

The bill sets conditions for environmental restoration contracts. It requires new cleanup contractors and subcontractors to recognize existing collective bargaining agreements and labor organizations at the sites, assume their pension obligations, and credit nonsalaried employees with all benefits due them.

This legislation has two important provisions to protect the health of DOE workers. First, the bill directs the Secretary of Energy to establish a medical monitoring program for current and former employees who have been exposed to unacceptable levels of radiation or hazardous substances. Second, the bill addresses the key issue of health insurance for former DOE employees—many of whom are essentially denied coverage because they have worked at nuclear plants—by requiring DOE to pay all reasonable health care costs for certain work-related illnesses resulting from exposure to radioactive and nonradioactive hazardous substances. The guidelines for these health programs are to be established through consultation with the Department of Health and Human Services, labor organizations, the National Academy of Science, and the American College of Physicians.

Mr. President, although the stunning collapse of Soviet communism is a blessing, it also involves a drastic shift in the lives of hundreds of thousands of American workers—especially those involved in our nuclear weapons complex. We have an obligation to provide for those who have done some of the most sensitive work in maintaining our nuclear deterrent. I believe this legislation is critical if we are going to have a smooth transition for Department of Energy employees. They have stood by us, and now we must stand by them.•

By Mr. MCCAIN (for himself and Mr. DECONCINI):

S. 2507. A bill to amend the Act of October 19, 1984 (Public Law 98-530; 98 Stat. 2698), to authorize certain uses of water by the Ak-Chin Indian community, Arizona; to the Select Committee on Indian Affairs.

AK-CHIN WATER USE AMENDMENT ACT

• Mr. MCCAIN. Mr. President, I am pleased to join with my colleague, Senator DECONCINI, in introducing legislation to authorize the Ak-Chin Indian community in Arizona to make use of portions of their water entitlement off their reservation.

Under the terms of the 1984 amendments to their 1978 water rights settlement, the community is entitled to receive 75,000 acre-feet of surface water annually through the main works of the Central Arizona project [CAP]. The 1984 legislation authorized the community to devote their water to "any use, including but not limited to agricultural, municipal, industrial, commercial, mining, or recreational use". However, language that would have authorized use of the water off-reservation was dropped, primarily in response to concerns of water resource officials from Western States about off-reservation leasing by Indian tribes generally.

In 1984 the community was assured that the question of off-reservation use of their settlement water would be revisited in the future. After 8 years, during which the concept and practice of water marketing has become increasingly common in Western States, the community has asked that those assurances be honored. I agree that now is an appropriate time to do so.

Since enactment of the settlement, the Ak-Chin community has worked hard to develop a successful farming operation, which now covers approximately 16,500 acres of the community's 21,840-acre reservation. The operation requires consistent use of approximately 85 percent of the settlement water, more in some years depending on crop economics. This means that in many of the next 20 to 30 years the farm operation will not require use of the community's full water entitlement. Accordingly, the community wants to be able to realize value from the otherwise unused water by making it available to off-reservation users.

The legislation which we introduce today would simply amend the 1984 Ak-Chin settlement amendments (P.L. 98-530; 98 Stat. 2698) to authorize the community to use and lease their settlement water off-reservation for periods not exceeding 100 years, provided that the water right is not permanently alienated. The off-reservation area where the water could be used would be limited to within the Pinal, Phoenix, and Tucson active management areas as those areas were designated under Arizona's Groundwater Management Act. Any off-reservation use would be pursuant to a contract ratified by the community council and executed by the Secretary of the Interior.

The water that would be available for leasing by the Ak-Chin community would be Colorado River water made available to the community pursuant to the 1984 settlement amendments. None of the so-called Ak-Chin surplus water that would be left to the Secretary under the Ak-Chin settlement after he has met his obligations to the community would be available to the community for leasing or any other purpose under the terms of this legislation.

Mr. President, enactment of this legislation will put the Ak-Chin Indian community on a footing comparable to other tribes in Arizona and elsewhere in the West who have had their water rights claims settled through legislation. While the terms and conditions have varied from one settlement to another, those enacted since 1984 have included provisions authorizing tribes to use settlement water off-reservation. The legislation we introduce today limits such off-reservation use to within the State of Arizona. It does not authorize interstate leasing or other interstate water use.

For the Ak-Chin community the authority to provide for off-reservation use of unused settlement water by entities other than the community—for short or long periods of time—will enable them to realize maximum economic benefits from their water entitlement. Over the course of the next 20 to 30 years, during which the community has committed itself to maintaining its farming operation, the benefits to the community could be substantial. The opportunity to use some of the community's water would obviously also be beneficial to the entities that would lease or otherwise use it.

Mr. President, I believe this Ak-Chin water use amendment is fair, appropriate, and in the best interests of all concerned. There is not, to my knowledge, any opposition to the proposal. Accordingly, I am hopeful that the Senate and House of Representatives will be able to consider and quickly pass this legislation so that it may become law this year.•

By Mr. SPECTER:

S. 2508. A bill to amend the Unfair Competition Act and Clayton Act to provide for private enforcement of the Unfair Competition Act in the event of unfair foreign competition, and to amend title 28, United States Code, to provide for private enforcement of the customs fraud provisions; to the Committee on the Judiciary.

PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION

Mr. SPECTER. Mr. President, I have sought recognition to introduce legislation to provide a private right of action for injured parties to sue in the Federal court to stop imports from coming into the United States which are subsidized or dumped.

This action is being taken today because yesterday the voluntary restraint agreements program was permitted to terminate by the Office of the Trade Representative, and there was a failure to reach agreement for a multilateral steel accord. In the absence of any approach where we can stop subsidized and dumped goods from coming into the United States, the American steel industry, especially the specialty steel industry, will be victimized by trade practices which violate the basic principles of free trade.

Mr. President, the essence of free trade is the cost of production and a reasonable profit. Where you have subsidies by foreign governments, it is the antithesis, the direct opposite, of free trade. Where you have dumping—that is the sale in the United States at prices lower than what is being sold by the producing companies in their own country or in some other country, that is dumping—that again is exactly the opposite of free trade.

Mr. President, we have seen a long history where American industries have been prejudiced, and American jobs have been lost, where there have been imports coming into this country which violate the basic principles of free trade when those imports are subsidized or when those imports are dumped. There is no adequate remedy at the present time to stop those imports from coming into this country. The range of violation is much broader than the steel industry or the specialty steel industry. My action is being prompted today because of what happened yesterday.

Mr. President, I have introduced similar legislation over the period of a decade, going back to March 4, 1982—in fact, slightly more than a decade—and I will later ask to be incorporated into the RECORD a detailed statement of the efforts which I have made to try to bring a private right of action. At one time it came to a 51-to-47 tabling vote. On another occasion in 1986, we were very close to working out an agreement on a private right of action.

But as I say, this is being brought at this time because of what happened yesterday with respect to specialty steel. The Office of the U.S. Trade Representative issued a very unusual release yesterday, starting off by noting that "countries negotiating a multilateral steel accord failed to reach agreement today to eliminate subsidies and other barriers to steel trade." And then in a later part of the release there was the notation that, "The United States voluntary restraint program will terminate today."

This is somewhat strange, Mr. President, if not incomprehensible. Where the steel industry—and this goes beyond specialty steel—has been awaiting an agreement on the multilateral steel accord which would have prevented subsidized and dumped goods from coming into the United States, and then there is a specific recognition by the Trade Representative that that effort failed, not to extend the voluntary restraint program is just a bit mystifying.

Mr. President, we have seen a long history in this country where foreign policy and defense policy have superseded basic fairness on trade policy.

I received a comprehensive education in that line back in 1984 when there was a favorable ruling by the International Trade Commission for the American steel industry, but it was subject to review by the President.

At that time my colleague, Senator Heinz and I visited every one of the Cabinet Officers in an effort to get support to see to it that that International Trade Commission ruling in favor of the American steel industry was upheld. Then Secretary of Commerce Mac Baldrige was favorable, and International Trade Representative Bill Brock was favorable. We got favorable hearings in all quarters until we came to then Secretary of State Shultz and Secretary of Defense Weinberger who were absolutely opposed to seeing to it that there was basic fairness to the American steel industry because foreign policy and defense policy superseded.

Mr. President, the only way to handle this important issue is to see to it that there is a private right of action. This is a time-honored approach for private prosecution, illustrated by the antitrust laws where there are treble damage actions, and I believe this is absolutely necessary if the specialty steel industry is to have fairness to stop foreign subsidies and foreign dumping from coming into this country. This law would extend in a much broader way to other industries where the private right of action would be accorded to stop subsidies in Government.

Mr. President, on March 4, 1982, I introduced S. 2167 to provide a private right of action in Federal court to enforce existing laws prohibiting illegal dumping or subsidizing of foreign imports. Hearings were held on this bill before the Judiciary Committee on May 24 and June 24, 1982. On December 15, 1982, I offered the text of this bill on the Senate floor as an amendment, which was tabled by a slim margin of 51 to 47.

During the 96th Congress, I reintroduced this legislation as S. 416 on February 3, 1983. The Judiciary Committee held a hearing on this bill on March 21, 1983. I offered the text of S. 418 as an amendment to the omnibus tariff bill on September 19, 1984; the amendment was tabled.

During the 99th Congress, I reintroduced this legislation as S. 236; I expanded the scope of this bill to include customs fraud violations and introduced S. 1655 on September 18, 1985. The Judiciary Committee held a hearing on S. 1655 on November 20, 1985, and favorably reported the bill by unanimous voice vote on March 20, 1986. The Finance Subcommittee on International Trade also held a hearing on S. 1655 pursuant to a sequential referral agreement. Significant progress was made toward reaching a unanimous-consent agreement for full Senate consideration of S. 1655 prior to adjournment of the 99th Congress, but the press of other business prevented its coming up for floor action.

In the 100th Congress, I reintroduced comprehensive legislation, S. 361, to provide a private right of action in Federal court to enforce existing laws prohibiting illegal dumping or customs fraud.

I expanded the scope of this bill in S. 1396, which I introduced on June 19, 1987, to revise the subsidy provision to include a private right of action to allow injured American parties to sue in Federal court for injunction relief against, and monetary damages from, foreign manufacturers and exporters who receive subsidies and any importer related to the manufacturer or exporter.

This bill would have provided a comprehensive approach to address three of the most pernicious unfair export strategies used by foreign companies against American companies: Dumping, subsidies, and customs fraud.

During full Senate consideration of the Omnibus Trade and Competitiveness Act (S. 490), I filed the text of S. 1396 as amendment No. 315 on June 19, 1987, and offered it as an amendment to the trade bill on June 25, 1987. This amendment, however, was tabled.

I again filed the text of this bill as an amendment to the Textile and Apparel Trade Act, S. 2662, on September 9, 1988, and to the Technical Corrections Act, S. 2238, on September 29, 1988.

On July 15, 1987, I joined Senator Heinz as an original cosponsor of an amendment to S. 490 to provide a private right of action in the U.S. Court of International Trade for damages from customs fraud. Although the amendment was accepted by the Senate, it unfortunately was dropped in conference.

The expanded private right of action bill I am introducing today provides a private right of action for injunctive and monetary relief in Federal court to individuals or corporations who have been injured by dumping, subsidies, or customs fraud violations. The bill will enable industry to seek immediate relief through the Federal courts to halt the illegal importation of products.

There is nothing like the vigor of private plaintiffs when it comes to the enforcement of our trade laws. We desperately need the vigorous private enforcement this bill would spur if we are to successfully chart a course between the grave dangers of increased protectionism and the certain peril which would result from unabated illegal foreign imports.

Industry suffers the dual dilemma of competing against foreign protectionism legislation and having no forum to pursue their grievances other than the executive branch. Hank Barnette, senior vice president and general counsel of Bethlehem Steel, who testified at the Judiciary Committee field hearing in Pittsburgh, provides a level of support for this legislation, which, I might add, was typical throughout the committee hearings. Mr. Barnette is very familiar with the broad range of our trade issues and was appointed by President Bush to serve on his Advisory Committee on Trade Policy and Negotiations. He appeared before the Judiciary Committee to echo the support he voiced for private right of action legislation when appearing first in 1985:

> I said then, and am equally convinced today, the current prospective antidumping remedies provide an inadequate deterrent to dumping. We know that to be a fact. In our industry the practice of dumping has continued unabated for nearly 20 years and it is rampant today. The establishment of an effective private right of action against dumping in the United States Federal Courts would provide a much-needed remedy.

I believe the bill I am introducing would have an important deterrent effect on the practices of our foreign trading partners. Under this bill, an injured domestic business could file suit in the U.S. District Court for the District of Columbia or the Court of International Trade for an injunction against the import and sales of the goods which it could preliminarily demonstrate were violating customs laws. The Court's order could be modified to provide a more permanent remedy based on a more detailed finding. If dumping, subsidies, or customs fraud and injury are found, the plaintiff would be entitled to compensatory damages.

A reason to support this bill lies in its simplicity. We can enact this legislation immediately without interfering with or precluding a more complex set of initiatives. The essence of this bill is to promote enforcement of existing trade laws and agreements and, therefore, use our existing trade laws as our best defense against unfair foreign practices. The bill I am introducing today will free private enterprise to pursue remedies without delay and put an immediate halt to many discriminatory trade practices.

I ask my colleagues to join me now in supporting this legislation to provide some immediate relief to the unfair trade practices which constrain our industry. We are all familiar with the $1 trillion trade deficit we have incurred over the past decade and the additional impact of our currently stalled economy. We should also, however, be proud of the many improvements made by our industrial base over the past decade. Our corporations invested capital, the quality of our products has risen dramatically—but our people have suffered significant job losses while our corporations have tried to become more lean and competitive. Clearly our business sector and each and every American has participated in and borne the burden of improving our competitive position.

Even these significant advances, however, are insufficient to truly compete in the face of illegal trade practices such as dumping, subsidies, and customs fraud.

Mr. President, I ask unanimous consent at this time that the proposed legislation be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2508

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PRIVATE ACTIONS FOR RELIEF FROM UNFAIR FOREIGN COMPETITION.

(a) CLAYTON ACT.—Section 1(a) of the Clayton Act (15 U.S.C. 12) is amended by inserting "section 801 of the Act of September 8, 1916, entitled 'An Act to raise revenue, and for other purposes' (39 Stat. 798; 15 U.S.C. 72);" after "nineteen hundred and thirteen;".

(b) ACTION FOR DUMPING VIOLATIONS.—Section 801 of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 72) is amended to read as follows:

"SEC. 801. (a) PROHIBITION.—No person shall import or sell within the United States an article manufactured or produced in a foreign country if—

"(1) the article is imported or sold within the United States at a United States price that is less than the foreign market value or constructed value of the article; and

"(2) the importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States; or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) CIVIL ACTION.—An interested party whose business or property is injured by reason of an importation or sale in violation of this section may bring a civil action in the United States District Court for the District of Columbia or in the Court of International Trade against—

"(1) a manufacturer or exporter of the article; or

"(2) an importer of the article into the United States that is related to the manufacturer or exporter of the article.

"(c) RELIEF.—In an action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1)(A) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by the defendant of the article in question; or

"(B) if injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

"(2) recover the costs of the action, including reasonable attorney's fees.

"(d) STANDARD OF PROOF.—(1) The standard of proof in an action brought under subsection (b) is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a); or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 735 of the Tariff Act of 1930 (19 U.S.C. 1673d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

"(e) OTHER PARTIES.—(1) Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

"(2) A foreign manufacturer, producer, or exporter which sells products, or for which products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, upon whom may be served all lawful process in any action brought under subsection (b) against the manufacturer, producer, or exporter.

"(f) LIMITATION.—(1) An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while there is pending an administrative proceeding under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.) relating to the product that is the subject of the action or an appeal of a final determination in such a proceeding, and for 1 year thereafter.

"(g) NONCOMPLIANCE WITH COURT ORDER.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h) CONFIDENTIALITY AND PRIVILEGED STATUS.—(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) In an action brought under subsection (b) the court may—

"(A) examine, in camera, any confidential or privileged material;

"(B) accept depositions, documents, affidavits, or other evidence under seal; and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) EXPEDITION OF ACTION.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) DEFINITIONS.—For purposes of this section, the terms 'United States price', 'foreign market value', 'constructed value', 'subsidy', and 'material injury', have the respective meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

"(k) SUBSIDY.—If—

"(1) a subsidy is provided to the manufacturer, producer, or exporter of an article; and

"(2) the subsidy is not included in the foreign market value or constructed value of the article (but for this paragraph),

the foreign market value of the article or the constructed value of the article shall be increased by the amount of the subsidy.

"(l) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

"(m) NULLIFICATION OF ORDER.—An order by a court under this section is subject to nullification by the President under authority of section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(c) ACTION FOR SUBSIDIES VIOLATIONS.—Title VIII of the Act of September 8, 1916 (39 Stat. 798; 15 U.S.C. 71 et seq.) is amended by adding at the end the following new section:

"SEC. 807. (a) PROHIBITION.—No person shall import or sell within the United States an article manufactured or produced in a foreign country if—

"(1) the foreign country, any person who is a citizen or national of the foreign country, or a corporation, association, or other organization organized in the foreign country, is providing (directly or indirectly) a subsidy with respect to the manufacture, production, or exportation of the article; and

"(2) the importation or sale—

"(A) causes or threatens material injury to industry or labor in the United States; or

"(B) prevents, in whole or in part, the establishment or modernization of any industry in the United States.

"(b) CIVIL ACTION.—An interested party whose business or property is injured by reason of an importation or sale in violation of this section may bring a civil action in the United States District Court for the District of Columbia or in the Court of International Trade against—

"(1) a manufacturer or exporter of the article; or

"(2) an importer of the article into the United States that is related to the manufacturer or exporter of the article.

"(c) RELIEF.—In an action brought under subsection (b), upon a finding of liability on the part of the defendant, the plaintiff shall—

"(1)(A) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into, or sale or distribution within, the United States by the defendant of the article in question; or

"(B) if injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

"(C) recover the costs of the action, including reasonable attorney's fees.

"(d) STANDARD OF PROOF.—(1) The standard of proof in an action filed under subsection (b) is a preponderance of the evidence.

"(2) Upon—

"(A) a prima facie showing of the elements set forth in subsection (a); or

"(B) affirmative final determinations adverse to the defendant that are made by the administering authority and the United States International Trade Commission under section 705 of the Tariff Act of 1930 (19 U.S.C. 1671d) relating to imports of the article in question for the country in which the manufacturer of the article is located,

the burden of proof in an action brought under subsection (b) shall be upon the defendant.

"(e) OTHER PARTIES.—(1) Whenever, in an action brought under subsection (b), it appears to the court that justice requires that other parties be brought before the court, the court may cause them to be summoned, without regard to where they reside, and the subpoenas to that end may be served and enforced in any judicial district of the United States.

"(2) A foreign manufacturer, producer, or exporter which sells products, or for which products are sold by another party in the United States, shall be treated as having appointed the District Director of the United States Customs Service of the Department of the Treasury for the port through which the product is commonly imported as the true and lawful agent of the manufacturer, producer, or exporter, upon whom may be served all lawful process in any action brought under subsection (b) against the manufacturer, producer, or exporter.

"(f) LIMITATION.—(1) An action under subsection (b) shall be commenced not later than 4 years after the date on which the cause of action accrued.

"(2) The running of the 4-year period provided in paragraph (1) shall be suspended while there is pending an administrative proceeding under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) relating to the product that is the subject of the action or an appeal of a final determination in such a proceeding, and for 1 year thereafter.

"(g) NONCOMPLIANCE WITH COURT ORDER.—If a defendant in an action brought under subsection (b) fails to comply with any discovery order or other order or decree of the court, the court may—

"(1) enjoin the further importation into, or the sale or distribution within, the United States by the defendant of articles that are the same as, or similar to, the articles that are alleged in the action to have been sold or imported under the conditions described in subsection (a) until such time as the defendant complies with the order or decree; or

"(2) take any other action authorized by law or by the Federal Rules of Civil Procedure, including entering judgment for the plaintiff.

"(h) CONFIDENTIALITY AND PRIVILEGED STATUS.—(1) Except as provided in paragraph (2), the confidential or privileged status accorded by law to any documents, evidence, comments, or information shall be preserved in any action brought under subsection (b).

"(2) In an action brought under subsection (b) the court may—

"(A) examine, in camera, any confidential or privileged material;

"(B) accept depositions, documents, affidavits, or other evidence under seal; and

"(C) disclose such material under such terms and conditions as the court may order.

"(i) EXPEDITION OF ACTION.—An action brought under subsection (b) shall be advanced on the docket and expedited in every way possible.

"(j) DEFINITIONS.—For purposes of this section, the terms 'subsidy' and 'material injury' have the respective meanings given those terms under title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

"(k) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in any action brought under subsection (b) as a matter of right. The United States shall have all the rights of a party to such action.

"(l) NULLIFICATION OF ORDER.—An order by a court under this section is subject to nullification by the President under authority of section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(d) ACTION FOR CUSTOMS FRAUD.—

(1) AMENDMENT OF TITLE 28, UNITED STATES CODE.—Chapter 95 of title 28, United States Code, is amended by adding at the end the following new section:

"§ 1586. Private enforcement action for customs fraud

"(a) CIVIL ACTION.—An interested party whose business or property is injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)) may bring a civil action in the United States District Court for the District of Columbia or in the Court of International Trade, without respect to the amount in controversy.

"(b) RELIEF.—Upon proof by an interested party that the business or property of such interested party has been injured by a fraudulent, grossly negligent, or negligent violation of section 592(a) of the Tariff Act of 1930, the interested party shall—

"(1)(A) be granted such equitable relief as may be appropriate, which may include an injunction against further importation into the United States of the merchandise in question; or

"(B) if injunctive relief cannot be timely provided or is otherwise inadequate, recover damages for the injuries sustained; and

"(2) recover the costs of suit, including reasonable attorney's fees.

"(c) DEFINITIONS.—For purposes of this section:

"(1) The term 'interested party' means—

"(A) a manufacturer, producer, or wholesaler in the United States of like or competing merchandise; or

"(B) a trade or business association a majority of whose members manufacture, produce, or wholesale like merchandise or competing merchandise in the United States.

"(2) The term 'like merchandise' means merchandise that is like, or in the absence of like, most similar in characteristics and uses with, merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

"(3) The term 'competing merchandise' means merchandise that competes with or is a substitute for merchandise being imported into the United States in violation of section 592(a) of the Tariff Act of 1930 (19 U.S.C. 1592(a)).

"(d) INTERVENTION BY THE UNITED STATES.—The court shall permit the United States to intervene in an action brought under this section, as a matter of right. The United States shall have all the rights of a party.

"(e) NULLIFICATION OF ORDER.—An order by a court under this section is subject to nullification by the President under authority of section 203 of the International Emergency Economic Powers Act (50 U.S.C. 1702).".

(2) TECHNICAL AMENDMENT.—The chapter analysis for chapter 95 of title 28, United States Code, is amended by adding at the end the following new item:

"1586. Private enforcement action for customs fraud.".

SEC. 2. ACCORDANCE WITH GATT.

It is the sense of the Congress that this Act is consistent with, and in accord with, the General Agreement on Tariffs and Trade (GATT).

Mr. SPECTER. Mr. President, I ask unanimous consent that the testimony of Mr. Robert E. Heaton, who is president and chief operating officer of Washington Steel Corp., which was introduced in hearings before the Steel Caucus on February 20, 1992, be introduced because it is a very important statement in support of the voluntary restraint program for specialty steel, and in the absence of that voluntary restraint program it would logically follow through to a private right of action.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF ROBERT E. HEATON

Senator Rockefeller, Senator Specter, Members of the Senate Steel Caucus. My name is Bob Heaton. I am President & Chief Operating Officer of Washington Steel Corporation in Washington, Pennsylvania. I am also the Chairman of the Executive Committee of the Specialty Steel Industry of the United States.

On behalf of the Specialty Steel Industry of the United States, and in cooperation with the United Steelworkers of America, I am pleased to appear before this distinguished Senate body to solicit your support for the specialty steel industry's and the Union's request for a three-year extension of the voluntary restraint arrangements (VRAs) with respect to specialty steel products.

For those of you who are unfamiliar with our segment of the industry, the Specialty Steel Industry of the United States represents virtually all U.S. producers of stainless and alloy tool steels, heat-resisting steels, electrical steels, super alloys, and other high technology metals. Our industry employs approximately 35,000 people, with annual shipments of over $6 billion, although on a tonnage basis we represent less than 2 percent of annual steel production in the U.S. I would remind you that the record shows that prices of specialty steels during the VRA period have been maintained well below the growth rate in the CPI and indices for other industrial product. Consumers have not been hurt.

Specialty steel represent the high value, high technology segment of the steel industry. Because of their high alloy content, technical properties and special processing techniques, our products are used in extreme environments demanding exceptional hardness, toughness, strength, resistance to heat, corrosion or abrasion—or any combination of these characteristics. A healthy specialty steel industry is vital to the economic and industrial well-being of the United States. Indeed our society could not function without them. Specialty steels are essential for many critical applications in both the capital goods and consumer durable sectors of our economy, automotive, power generation, chemical processing, health care, marine and aerospace, to name a few areas. Moreover, the unique characteristics of specialty steels make these products essential to the production of all major weapon systems, as well as aircraft and other defense-related equipment. Our products were crucial to the success of Desert Storm, and we responded to urgent requests by the Department of Defense to supply materials on extremely short notice—as little as twenty-four hours—often halting normal commercial production schedules to meet the demands of the war effort.

The gains achieved by the specialty steel industry as a result of the VRAs are threatened by their scheduled expiration on March 31, 1992. So too, are the many thousands of jobs we directly provide or support indirectly. Worldwide capacity to produce specialty steel products has expanded dramatically during the VRA period to a level that exceeds the demands of today's global marketplace. Foreign government subsidization of specialty steel production continues unabated and dumping of specialty steel products persists, notwithstanding the disciplines of the current VRA program. Efforts to address these problems in the framework of a multilateral consensus arrangement have not borne fruit. Most compelling, however, is the fact that most specialty steel import restraint levels have been fully utilized and in many instances exceeded. Elimination of the VRAs will result in an immediate import assault that could have sever consequences for U.S. producers, their workers, and the American economy.

The VRAs have served the specialty steel industry well, and have helped control the import surges that devastated the industry during the early 1980s. The VRAs have also provided the opportunity for the industry to maintain its worldwide technological advantage through investment in research and development; construction of modern facilities; and improved productivity. Economic conditions, unique to specialty steel, are such that termination of the VRA program at this time will undermine those gains and have dire consequences for U.S. specialty steel producers, their employees and families, a number of communities, as well as the customers served by the industry. Let me briefly address these conditions. They provide compelling testimony as to why the specialty steel industry must seek an extension to the VRA program at this time, and why we are seeking your support for this effort.

First, overcapacity problems in the industry have worsened. The long-standing problem of structural overcapacity in the world's specialty steel market has not been addressed: indeed, by all accounts the excess capacity problems have worsened during the VRA period. Total worldwide capacity additions by foreign specialty steel producers, including all of the major VRA signatories, are expected to exceed 3.0 million tons by March 31, 1992—an amount far exceeding the U.S. annual consumption of specialty steel. Much of the new foreign capacity has been targeted to come on stream as the VRA terminate—for obvious reasons.

Second, dumping and foreign subsidization continue to be a major factor in the U.S. market. And, let us be reminded that 'subsidies are fungible' so damage is pervasive. The VRAs have not prevented subsidized and dumped imports from entering the U.S. market; they have only helped control the volume of such unfair imports. The fundamental conditions of subsidization and dumping were to be addressed in the framework of the multilateral steel arrangement (MSA), a structure which, as announced by the Administration, was to be in place by the time the VRAs were being phased out.

"Let me quote the President's July 25, 1989 order:

"I am also directing Ambassador Hills to seek to negotiate, through the Uruguay Round of Multilateral Trade Negotiations and complementary bilateral agreements, an international consensus to provide effective disciplines over government aid and intervention in the steel sector and to lower barriers to global trade in steel. The international consensus will contain three elements:

"Strong disciplines over trade-distorting government subsidies;

"Lowering of trade barriers so as to ensure market access; and

"Enforcement measures to deal with violations of consensus obligations."

Unfortunately, the MSA negotiations have been characterized primarily by the efforts of other producing nations to exempt themselves from the reach of U.S. trade laws; to undermine the effectiveness of those laws; to "grandfather" past subsidy programs; and to broaden the scope of permissible subsidy programs. Furthermore, foreign producing nations have utilized the MSA effort to establish an alternative dumping regime for steel that would virtually eliminate any possibility for U.S. steel producers to obtain relief for injurious dumping. Significantly, these efforts are being mirrored in the GATT where many of our principal trading partners are insisting on a substantial weakening of U.S. trade laws as a precondition of any multilateral trade agreement. These efforts, if successful, will remove the industry's most effective weapon in its battle against unfair imports.

Third, the U.S. specialty steel market has weakened. As a result of a combination of factors—the economic downturn, structural overcapacity and continued dumping/subsidy practices—the U.S. specialty steel industry is experiencing uncertainties in its markets. Imports are up, prices are soft, and profitability has sharply deteriorated. These conditions, though typical of a cyclical industry in the recessionary phase of the business cycle, deeply concern U.S. specialty steel producers because they come at a time when the benefits of the VRA structure are about to be removed. It is precisely these depressed conditions that led to the dislocations of the early 1980s, the filing of unfair trade cases by the steel industry, and the government-initiated VRA program.

Perhaps most significantly, the VRA quotas for specialty steel products have been fully utilized. An analysis of recent import statistics reveals that VRA quota levels for most specialty steel products have been filled. Indeed, in many instances, those limits have been exceeded. For example, in 1991, the VRA ceilings on specialty steel will experience utilization rates ranging from 96 to 113 percent, which has been typical for most years during the duration of the program. For certain products and signatories, utilization rates have been even higher, which has led the Department of Commerce to require special release authorization on the entry of certain specialty steel imports from Austria and Brazil, as well as from the European Community, where authorization is required on four of the seven specialty steel categories.

These trends support the long-standing position of the industry that even where import restraints are in place, foreign producers will focus their export activities on higher value products, which are largely comprised of specialty steel products. The trends also confirm the industry's belief that imports, which have been increased steadily during the recent VRA period, will surge to unprecedented levels if the VRAs are allowed to expire.

The proposed phasing out of the VRA program was premised on a number of conditions, which, notwithstanding the sincere intentions of the Administration, have not come to pass. Global capacity still exceeds global demand for specialty steel by substantially larger margins than before the VRAs were initiated. Subsidization continues worldwide, and, despite the strong efforts by the Administration, there is no MSA in place to impose discipline on foreign governments that have been willing to support their specialty steel sectors through periods of substantial losses. Finally, dumping remains the market development tactic of choice among foreign producers who seek to inject themselves in the U.S. marketplace at any cost.

Overlying these fundamental structural problems is a recession which has shrunk worldwide demand for specialty steel products, thereby increasing the incentive for foreign producers to ship even more high valued specialty steels to the U.S. market. Sound policy in today's international steel market dictates a continuation of the VRAs for specialty steel. The VRAs have enabled the specialty steel industry to maintain its technological superiority and thereby meet the changing demands of the U.S. industrial and defense base and the demands of the global marketplace and assure jobs, both directly and indirectly, for American workers. Until fundamental international trading conditions change, or are placed under adequate control, the VRAs must be extended. We must ensure that the essential American specialty steel industry remains strong to serve the critical needs of an imperfect marketplace.

The specialty steel industry and its workers must not be held hostages to external international factors over which it cannot exert control.

Mr. SPECTER. Mr. President, I further ask unanimous consent that the testimony of Richard P. Simmons, chairman of the board of Allegheny Ludlum Corp., which was presented during field hearings by the Judiciary Committee which I presided over in Pittsburgh on January 13, 1992 be included in the RECORD because this statement has a comprehensive review of the surge in imports of subsidized dump goods where the voluntary restraint programs are not present.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TESTIMONY OF RICHARD P. SIMMONS

Senator Specter, I am pleased to be here today to discuss the U.S. specialty steel industry's longstanding struggle against unfair trade practices, and the crucial role U.S. trade legislation has played in that struggle.

For more than two decades, the U.S. speciality steel industry has waged a continuous legal and political battle against injurious and unfairly traded imports. A multifaceted patchwork of trade remedies has resulted from these efforts, including VRAs, quotas, increased tariffs, antidumping and countervailing duties. These remedies have helped the industry maintain its technological superiority in the intensely competitive international market for specialty steel by providing a viable financial environment for research and development in new products and new product applications, investment in new facilities, and the development of more efficient production methods.

I want to emphasize, however, that no combination of legal remedies can eliminate the fundamental conditions of overcapacity and subsidization that have been the cause of the industry's import problems. Until these conditions are removed, the U.S. speciality steel industry, like other high-technology segments of the U.S. economy, will be vulnerable to the unfair import practices of foreign producers. The industry must, therefore, continue to rely on the effectiveness of our trade laws to mitigate the adverse impact of these practices, and the conditions that give rise to them.

I. HISTORY OF THE INDUSTRY'S STRUGGLE AGAINST UNFAIR TRADE PRACTICES

It is instructive, at the outset, to focus on the long history of the speciality steel industry's two decade long battle against unfair trade practices. The speciality steel industry's experience combatting these practices provides a compelling case history of how an industry can adapt the trade laws to its individual commercial circumstances. The history also provides a unique perspective on the strengths, as well as the limitations, of those laws.

A. 1969–1974: Voluntary Quota Programs

As a people of Western Pennsylvania are no doubt aware, steel imports into the United States increased more than tenfold over the period 1958–1968, with the great bulk of imports coming from Japan and the European Community. The surge was attributable to the same conditions we in specialty steel face today—excess foreign capacity, foreign government subsidies, and lower labor costs.

The Johnson Administration's solution to the domestic steel industry's problems was to seek voluntary quota programs with foreign producer associations. Both Japanese and European steel producers agreed to limit steel shipments to the United States to specified maximum tonnages for each of the years 1969–1971. These "voluntary quotas" were subsequently extended from 1972–1974 in response to pressure from the domestic industry and Congress.

The first voluntary quotas did not distinguish between ordinary carbon steel and specialty steel. This encouraged foreign producers to change their products mix from mostly carbon steel to an increasing proportion of specialty steel. At that time, carbon steels, were selling in the $120–200 range. In comparison, stainless was selling for over $1,000 per ton and certain tool steels were selling for more than $7,000 per ton. By increasing their exports of specialty and alloy steel products, Japanese and European producers increased their dollar value of export sales during the restraint period, even though they reduced or maintained their overall export volumes.

The sharp and sudden increases in specialty steel imports under the 1969–1974 voluntary quotas provide a compelling lesson that is relevant even to this day. Foreign producers have the willingness and capability to shift production to specialty steels, if such products are excluded from a VRA program or any other comprehensive program of import relief. Accordingly, any comprehensive initiative undertaken on behalf of the steel industry generally must take into account this shifting phenomenon and not exclude high value specialty steel products.

B. 1975–1984: Import Quotas, Tariffs, and Antidumping and Countervailing Duties

In 1975, the year after the first steel voluntary quota program expired, imports of specialty steel increased 20 percent while American consumption decreased by 40 percent. The specialty steel industry laid off 25 percent of its work force and was utilizing only one-half of its productive capacity. Given these conditions, the U.S. specialty steel producers and the United Steel Workers of America filed a Section 201 petition seeking relief from the flood of steel imports which threatened the future of the American specialty steel industry and the security of American jobs. This was one of the first such cases ever filed.

The ITC determined the specialty steel imports were a "substantial cause of serious injury" to the domestic industry. In response to this finding, President Ford set three-year quotas for imports of certain specialty steel from Sweden, Canada, France, Great Britain, Austria, and West Germany. The United States simultaneously negotiated an orderly marketing agreement with Japan. The import quotas were scheduled to expire in July 1979, but President Carter extended the quotas through February 13, 1980.

In the first five months of 1980, following removal of the quotas, specialty steel imports increased 29 percent. The pattern continued—no restraints, surges of imports. The industry again turned to the trade laws, unleashing an aggressive attack on unfair imports of specialty steel. During the period 1982–1984, the Specialty Steel Industry of the United States and the United Steel Workers of America filed and won numerous antidumping and countervailing duty petitions against specialty steel producers from around the world.

In addition to filing antidumping and countervailing duty petitions, the industry filed a Section 301 petition with the United States Trade Representative in January 1982. The 301 petition alleged that several EC countries, including Austria, France, Italy, Sweden, the U.K., and Belgium, were subsidizing specialty steel products in violation of the GATT. In November 1982, President Reagan, after confirming the industry's allegations of subsidization, directed the ITC to initiate a Section 201 investigation—like the one we filed in 1975—with respect to stainless plate, rod, bar, sheet and strip, and alloy tool steel. The ITC completed the requested investigation in May 1983, finding once again that the specialty steel industry has suffered serious injury, and that the most important factor in causing that injury was the dramatic growth in imports during the 1980–1983 period. President Reagan, accordingly, instituted in July 1983 an import relief program for specialty steel, which included a four-year series of gradually lowering tariffs on stainless steel flat-rolled products and four-year import quotas on stainless steel bar and wire rod, and alloy tool steel.

C. 1984–1989: Voluntary Restraint Agreements

Of course, there were other developments. In 1983, Bethlehem Steel and the U.S. Steelworkers filed a Section 201 case on carbon steel products. While the case resulted in an affirmative injury determination, President Reagan chose not to provide—as he had in the case of specialty steel—specific import relief. Instead, on September 18, 1984, President Reagan established a national policy for the steel industry that included the negotiation of voluntary restraint agreements with 19 countries and the European Community. The VRA program was initially designed to limit imports of carbon steel into the United States. It eventually incorporated a number of specialty steel products, which were previously covered by the 1983 section 201 import relief program.

D. 1989–1992: Renewal of the Voluntary Restraint Agreements

As it has in past restraint periods, the specialty steel industry benefited greatly from the VRAs. During the first five-years of the VRA program, the industry made tremendous increases in productivity, shipments, employment levels, exports, net sales, net operating profitability, and capacity utilization. These improvements were accompanied by increases in investment, including research and development.

The industry, however, recognized that the VRA's had not cured the endemic overcapacity and persistent unfair trade practices that led to the imposition of the import restraints in the mid-1980s. If the VRAs were dismantled prematurely, the same problems that had distorted the market in the early 80s would recur. To prevent this recurrence, domestic producers argued that the VRAs should be extended for five years.

On July 25, 1989, President Bush announced the "Steel Trade Liberalization Program," under which the VRAs were extended for 2½ years—a concession to steel consumer groups. All specialty steel products were included within the framework of the extended VRA program, despite efforts on the part of many consumer groups to exclude them altogether. Thankfully, the specialty steel industry's proven vulnerability to shifting convinced the President that the effectiveness of the VRA extension would be undermined if any specialty steel products were excluded.

II. PRESENT AND FUTURE INITIATIVES TO ADDRESS UNFAIR TRADE PRACTICES IN STEEL

I am pleased to say that we have survived this challenge. We are a modern technologically advanced industry capable of competing worldwide. The aggressive application of our trade laws has been an important factor in our survival. Still, history is not without its lessons, and I would like to point out a number of troubling aspects of this history. First, the specialty steel industry has always had to act defensively in defending its markets. Most foreign specialty steel markets have been closed to U.S. exports, either as a result of overt tariff barriers or through more subtle non-tariff measures similar to those the President addressed in his recent trip to Japan. The industry, therefore, has been unable to take the battle to foreign shores. Another troubling aspect of this history is the fact that the import relief measures granted pursuant to U.S. trade laws were always prospective in nature—that is to say, they were available only after substantial damage had been caused. There were no compensatory remedies available for the harm caused over two decades by unfair import competition. For this reason, the specialty steel industry sought passage of legislation, sponsored by Senator Specter in the 99th and 100th Congresses, which have provided a private right of actions for companies injured as a result of dumping and subsidization. The legislation made sense in 1988 when the industry urged its passage, and it continues to make sense today.

Private right of action legislation would give private parties access to the courts to seek redress from injurious unfair trade practices. The specialty steel industry is appreciative of Senator Specter's introduction of legislation not once but several times to provide a private right of action to U.S. industries facing these unfair trade problems. We support this initiative and, in particular, the pending bill (S. 986) that would provide a private right of action against customs fraud.

Perhaps most troubling in our present struggle against unfair trade practices is the fact that some interest groups believe our trade laws are too effective and have attacked those laws in a number of settings. The most recent example of this concerted effort on the part of our trading partners to undermine these important trade laws is the ongoing negotiations on the international Antidumping and Subsidies Codes that are taking place in the Uruguay Round of GATT negotiations. Unfortunately, despite valiant efforts by U.S. negotiators to achieve stricter controls on unfair trade practices in these negotiations, the "final draft" texts issued by GATT Director General Arthur Dunkel in the areas of dumping and subsidies would achieve just the opposite. Rather than strengthening U.S. trade laws as Congress had urged in 1988 by setting out issues to be achieved, the proposed text significantly weakens U.S. antidumping and subsidy laws.

The Dunkel text undermines current U.S. trade laws in virtually all areas. The proposed dumping and subsidies texts would make it more difficult to file cases initially by raising the "standing" requirements and eliminating unions as petitioners. New substantive changes in the dumping and subsidy texts would make it more difficult to impose duties offsetting the unfair trade practices, allowing greater dumping of goods sold at below the cost of production, "green-lighting" certain subsidies that are prohibited by current law, and increasing the levels of dumping and subsidies needed to obtain an order. The injury standard would also be more difficult to meet under the current draft which does not authorize cumulation of unfairly traded imports from a variety of countries in dumping cases. Finally, if a domestic industry could obtain an order, the "sunset" provision would eliminate that order after five years in most cases.

Perhaps even more important than any of these substantive issues is the change in the dispute settlement process conducted by the GATT. All U.S. dumping and subsidy orders will be subject to review by a GATT Dispute Settlement Panel, whose conclusions the United States will be required to accept. Given that there is no limitation on the standard of review to be applied by these panels, and given the predilection of past panels to interpret these laws against the country applying them, this process will effectively remove from Congress the ability to make law in this area. Instead, we will be forced to accept and abide by decisions of panels comprised of representatives of our various trading partners whose views are directly at odds with our views on these matters. I cannot stress strongly enough the concern that we have, and that the Congress should have, over this proposed relinquishment of U.S. control over our unfair trade laws.

Today is an important day because negotiators from around the world are reconvening in Geneva today to begin what may be the final negotiations in these trade talks. It is vital that the members of Congress convey to our negotiators that the United States simply cannot accept an agreement that will seriously weaken our unfair trade laws and that will vest in an international panel power to overrule the United States' interpretation and application of these laws.

I would like to conclude with some thoughts about the future. As you know, the VRAs are scheduled to expire in approximately 2½ months. The multilateral steel consensus structure, the foundation upon which the post-VRA period was to be built, has not come about—President Bush's assurances notwithstanding.

Given the softness of world demand for specialty steel at the moment, I am concerned that when the VRAs end, foreign producers will take advantage of the situation and we will experience a new flood of specialty steel imports. It is no coincidence that the VRA levels for specialty steel products have already been reached, and in many instances, exceeded. It is not blind speculation to suggest that the scenario of weak demand, excess global capacity and unfair foreign pricing will recur.

The specialty steel industry will therefore have no choice but to defend its markets through reliance on our trade laws. The Congress, in turn, must ensure that those laws are not weakened in the GATT or anywhere else. We must not abdicate the United States' ability to develop effective laws against unfairly traded imports to an international panel. Further, the serious diminishment in the effectiveness of the subsidy and dumping laws currently proposed in the GATT text will lead to an increase in unfairly traded imports and a consequent decrease in U.S. manufacturing capability and employment.

I would also recommend that every effort be made to strengthen those laws so that U.S. manufacturers are not forced to seek protection only after markets have been lost. Private right of action, both as a disincentive to unfair trade, and as a remedy for past harm, is an idea whose time has come.

Finally, I would ask the Congress, as well as the Administration, to consider how best to deal with the fundamental problems of subsidization and overcapacity. The VRAs are a good interim solution, and their continuation should be considered if we have not made progress in eliminating these problems. We must, however, be creative and seek permanent solutions to these problems.

I remain excited about the commercial opportunities available to our industry, and the contributions that our industry can make to our industrial economy. Those opportunities, however, will only be available if we can solve the fundamental problems that have plagued our industry for more than two decades. Alternatively, we must have a legal regime in place that will enable high technology industries like specialty steel to insulate themselves from the endemic practices, like dumping, that are the by-product of these problems.

Mr. SPECTER. Mr. President, I further ask unanimous consent that there be included in the RECORD a memorandum dated March 26, from Mr. Skip Hartquist, attorney with Collier, Shannon & Scott, to Morrie Ruffin, my staff assistant, which encloses a memorandum from the Georgetown Economic Services to Mr. Skip Hartquist of Collier, Shannon & Scott, a law firm which has been retained by Specialty Steel, together with the report by the Georgetown Economic Services which contains an expansive list of subsidies and other government aid intervention in the specialty steel industry. This material sets forth their representations on a factual basis what other governments are doing by way of subsidy and by way of dumping.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COLLIER, SHANNON & SCOTT,
ATTORNEYS-AT-LAW,
Washington, DC, March 26, 1992.

To: Morrie Ruffin.
From: Skip Hartquist.
Re Foreign government subsidies to specialty steel producers.

Per your request, enclosed is a comprehensive report prepared by Georgetown Economic Services, our economic consulting firm subsidiary, identifying subsidies provided to specialty steel producers by foreign governments. I hope this will be helpful to you in pursuing the VRA legislation and for other purposes.

GEORGETOWN ECONOMIC SERVICES,
Washington, DC, March 26, 1992.

To: Skip Hartquist.
From: Patrick J. Magrath, Director.
Re Background factors for analysis of subsidy list.

Attached please find a listing of subsidies, state aids, and government aided investments and acquisitions benefitting specialty steel producers in some 20 foreign countries. For the most part, the programs and activities listed are only those interventions from 1988 to March 1992, and do not include benefits to foreign specialty steel makers still flowing from government aided investments of the mid and early 1980's.

Several factors are necessary to keep in mind while perusing the attached list:

COMMON OWNERSHIP OF CARBON AND SPECIALTY STEEL PRODUCTION FACILITIES

With only one or two exceptions, U.S.-specialty steel producers are distinct and independent from the larger tonnage companies producing carbon steel. The United States, however, is almost unique in this arrangement. By far the more common situation abroad is one in which the bulk of specialty steel production is carried out by a division or subsidiary of the country's dominant carbon steel producer. For example, the U.K.'s largest stainless steel producer, BSC Stainless, is a division of the country's dominant integrated carbon steel producer, British Steel. So too, France's largest stainless producer, Ugine SA, is 95 percent owned by the integrated carbon steel giant Usinor Sacilor. Similar ownership ties between specialty and larger carbon steel concerns are also the rule in Italy, Japan, Germany and almost all other foreign specialty steel producing countries.

These ownership ties are important to the subsidy story because it is the giant integrated carbon steel firms that are state-owned and receive direct subsidies from their governments. British Steel, before it was privatized in 1986, was the recipient of massive subsidies—part of which was used to benefit BSC Stainless.

THE INHERENT FUNGIBILITY OF SUBSIDIES

Subsidies and other state aids can be directly linked to specialty steel production, even though the original recipient was the carbon steel parent, because of the inherent fungibility of subsidies. In most instances, subsidies are granted to the carbon steel parent to cover operating losses, or to forgive debt, with no stipulations as to where or in what manner the state-generated funds are to be applied. Obviously, the specialty steel making division or subsidiary benefits from the aid provided the parent, even if the specialty steel affiliate is profitable. Even if state aid comes with "strings attached"—for instance, as is the case with aid earmarked for a specific region or environmental expenditure—the monies provided for these projects frees up general corporate funds to finance capital improvements, modernization, and wages increases for all affiliated companies of the steel group, including specialty steel.

It is because a conferred subsidy is fungible that we have included in our list a variety of programs, which may or may not technically constitute a red-light subsidy under GATT, or the proposed MSA. All programs listed confer a real monetary benefit, which are used to aid the specialty steel maker directly, or to free up funds generated by the specialty steel affiliate which would otherwise be earmarked for other purposes.

PAST SUBSIDIES AND GOVERNMENT SUPPORT CONFER CURRENT AND FUTURE BENEFITS

Included in this list, in appropriate cases, is a partial record of investments and acquisitions of state-owned or subsidized foreign specialty steel producers. A particularly pernicious effect of subsidies/state ownership is the luxury of being able to make ongoing investments or acquisitions regardless of the firm's financial track record, poor credit rating, or, in some cases, technical insolvency. With knowledge that subsidies and the state stand behind the firm, foreign specialty steel producers and their carbon steel parents are able to expand capacity, invest in plant and equipment, and make key acquisitions regardless of suffering financial losses year after year. U.S. specialty steel makers, on the other hand, are subject to the profit discipline and must prove their credit worthiness without recourse to government bailouts. The simple fact is that many of the U.S. industry's chief foreign competitors, including the U.K.'s BSC Stainless and ILVA of Italy, would not be in existence if it were not for the massive subsidies provided on a continued basis by their governments in the 1970's and 1980's. The universal knowledge held by international lenders—that, in the end, the host governments are committed to maintaining the viability of certain privileged steel companies—is perhaps the most valuable state "aid" of all.

LIST OF SUBSIDIES AND OTHER GOVERNMENT AIDS/INTERVENTION IN THE SPECIALTY STEEL INDUSTRY

JAPAN

MITI provided $5 million to a consortium of mills in 1988 to pursue an experimental smelting-reduction furnace built at Kawasaki's Chiba works. MITI is expected to pick up the tab on roughly 70 percent of total expenditures on the project, which would amount to $60–100 million over four years. The experimental furnace would replace conventional blast furnaces for carbon steelmaking; however, most members of the consortium also produce stainless (Nippon Steel, NKK Corp., Kawaski Steel, Sumitomo Metal Industries, Nisshin Steel and Nakayama Steel). MITI's contribution in this endeavor is more than 3 times the corresponding investment by the mills combined.

KOREA

1992: The Trade & Industry Ministry (MTI) plans to provide $6.6 million in financial support of R&D expenditures to the iron & steel industry in 1992. In addition, the ministry will also provide "tax favors" for R&D projects to help improve the international competitiveness of Korean steel.

1991: Market research reports done for the U.S. specialty steel industry indicate that the government continues to provide favorable export financing to Sammi Steel (Korea's major specialty steel producer) for its shipments to the U.S. (Source can be provided in confidence.)

1990: MTI encouraged a consortium of mills to form the Korea New Steel Technical Research Cooperative, which is undertaking a five-year, $38 million joint R&D program. About $1 million was explicitly earmarked for developing new special steel making technology. It is uncertain how much the government is injecting into the cooperative.

In the midst of Posco's (Korea's major carbon steel producer, which also produces specialty steel) financial difficulties, it was revealed that the government is still very much involved in the timing and structure of the company's financing activities.

1989: The government was still restricting imports through licensing procedures, citing Korea's balance of payments position as justification. Since that time, Korea has continued to amass large foreign currency reserves and has become a net creditor nation.

The government has had a history of manipulating exchange rates as a policy tool for export promotion. The manipulation was achieved through currency market intervention, capital controls and other administrative mechanisms.

The American Iron and Steel Institute (AISI) has identified other state aids including preferential access to credit at preferential rates, equity infusions, infrastructure subsidies, preferential prices and terms on imported raw materials and capital goods, relatively high tariffs, export subsidies, special depreciation rates and other tax breaks.

BRAZIL

1991: The head of BNDES noted that prior to the privatization of Acos Finos Piratini, (a stainless steel producer) the government reduced the company's debt from $92 million to $21 million. In the case of the larger privatized carbon steel mills, debt reduction was accomplished through "debt matching operations." These operations would be deemed subsidies if applied to companies which were incurring operating losses, which might be the case with Piratini. In August 1991, U.S. and Brazilian officials met to discuss apparent transfers of steel company debts to the government, as well as steel price controls and government equity infusions prior to privatization. The Brazilian officials asserted that such transactions occurred but were within the limits established when the VRAs were renewed in 1989 (i.e., the government was allowed to assume all but $6 billion in debt, which would remain the responsibility of the operating companies).

With the start of the privatization program, stainless flat-rolled producer Acesita is the only state-owned mill in which the government is still investing money. Acesita is controlled by the state bank Banco do Brasil.

1990: Unlike the flat-rolled producers, Brazilian long product producers negotiated controlled prices which were higher than prevailing international prices. As a result, exports declined, as is indicated in U.S. import statistics. Obviously, domestic prices could not have been maintained at this level without restrictions in imports.

The World Bank is providing a $400 million line of credit to BNDES, of which $300 million is targeted for modernization and technological improvements at companies following their privatization.

A private Brazilian consultant estimated that environmental clean-up costs for the Brazilian steel industry was $86 billion, as of November 1990, due to lax enforcement in the past. Given the tenuous financial condition of the country's steelmakers, these expenditures seem to be prime target for direct or indirect subsidization.

ARGENTINA

The Argentinean National Bank is renegotiating $800 million in debt from Somisa, prior to its privatization.

Ongoing: Although the government does not control prices directly, it was reported that it attempts to keep prices low, by offering companies incentives to do so.

INDIA

1992: Quote from a Metal Bulletin article: "Taken as a whole the public sector iron and steel industry in India is a heavily loss making enterprise." (Metal Bulletin Monthly, (MBM) January 1992).

1991: Government sanctioned the addition of a Steckel mill at Salem (a stainless steel producer) at a cost of 6 billion rupees. A second Z-mill costing 700 million rupees commissioned, doubling Salem's cold-rolled capacity.

The Steel Development Fund, was retained, and is funded via a levy on consumers. This fund accumulates resources for expansion and modernization and is charged with allocating funds to individual companies.

1990: Mukand was reportedly interested in establishing a ferro-nickel plant in Orissa. Costs are estimated a 1.5 billion rupees and scheduled for completion in 1993. Financing possibilities include joint ventures, foreign loans and money from the Orissa state government.

Steel Authority of India (SAIL) loses 700 rupees/tonne on pig iron it sells domestically. Since among its customers are the specialty steel industry, this would seem to constitute an upstream subsidy.

Bohler and Powmex are planning to build a powder metal plant with a capacity of 3,750 tpy of high speed steel. Cost estimated at 700 million rupees. Promoters providing 900 million rupees and Orissa (State) Industrial Promotion & Investment Corp. also to provide funds.

Ongoing: Salem and Durgapur, two of India's largest stainless producers, are owned by the government through SAIL. Durgapur is reportedly the least efficient and poorest performing state-owned plant. (Jan. 1992 MBM).

The government exercised wide control over the steel industry through import licensing and price controls. Low controlled prices, as in Brazil, produced staggering losses by the Indian industry. Free market prices were often double or triple those set by the Joint Plant Committee. Largely as a result of government intervention, the Indian steel industry moved from being the cheapest world producer to one of the costliest in the 1980s.

Over the last five years, administered prices have increased rapidly to levels far higher than international prices, enabling SAIL to turn profitable (most recent reported increase = 5% in 9/90). Without the performance of SAIL's Bokaro plant, however, it would not be profitable overall. The higher level of administered prices was reported to more than offset the end of government funding for investment.

SOUTH AFRICA

1990: South African steel exporters claim that the government cut export subsidies substantially in mid-1989 and they are currently negligible.

1991: In an apparent move to provide protection to Iscor (the largest carbon steel producer), import duties on certain "import sensitive" products were increased by 100%. The government monitors the price of imports and monitors tariffs according to whether they are above or below determined reference prices, which are based on prices prevailing in 1983 and which have not been adjusted for inflation or currency fluctuations. Critics say this reference price system is not recognized by GATT. The duty paid prices of imports are far higher than Iscor list prices, which it undersells by substantial margins in its export markets. The system effectively limits import competition to the point where it is expected to engender differential pricing by which large domestic producers undercut the reference prices in order to pressure their smaller domestic competitors. The reference price system may also be in effect for specialty producers.

EC Countries

U.K.

Ongoing: Since its privatization, British Steel (BS) has been aggressively pursuing acquisitions: Purchased U.S. stainless stockist TS Alloys; purchased U.K. stainless stockist Simpson Stainless; purchased Walker & Sons, U.K.'s largest independent stockist, for 330 million pounds; and made unsuccessful bid to take over German mill Klockner.

As a result of its domestic stockholding acquisitions, British Steel controls more than 35% of the domestic market, compared to 15% prior to the acquisition.

1988: British Steel privatized, with government retaining "golden share" in order to prevent takeovers. Past subsidies noted by German mills, as well as BS' substantial cash holdings. Prior to privatization, BS added a new billet caster at Panteg works for stainless bar and rod production and ladle furnace installations at Teeside and Scunthrope. The latter (a carbon facility) also received a new continuous caster. In addition, BS spent 30 million pounds to modernize and upgrade its stainless finishing facilities in Sheffield.

ITALY

1992: British officials asked EC commission to investigate direct and indirect subsidies to Ilva, the state-owned carbon and speciality steel producer.

Government planning 650 billion lire capital injection to Ilva as final payment of its aid package. Ilva lost 400 billion lire in 1991. Includes 350 billion lire integration of financial firm Soffin into Ilva, along with a 300 billion direct injection. Ilva initially requested 1.2 trillion lire final payment and plans to raise 1 trillion through private sector and from sales of assets. The total subsidy package since Finsider's (former state-owned steel holding company) dissolution amounted to 5.2 trillion lire (⅔ paid), notwithstanding the status of the final payment. Germany initially vetoed the final payment on the grounds that it would be used to finance acquisitions rather than increase capital.

Speciality producer Falck restructuring and cutting costs, which will help fund new continuous caster at its Bolzano special steel facility. Falck is private but has a 22 percent stake in Ilva's Cogne subsidiary, which produces stainless long products.

1991: Ilva buys 30% stake in Zanoletti Metalli, an Italian distributor of stainless and other products—60,000 tpy.

Ilva interested in privatization of Argentina's Altos Hornos Zapla mill.

1990: Ilva has earmarked $600 million through 1993 for acquisitions, joint ventures and other partnerships. Looking to expand activities in the high-value added sector of speciality steel. Government support to date reported to be $4 billion.

Finsider injected 143 billion lire into Dalmine (stainless tubing producer) in 1990 and 117 billion in 1988. The latter was determined to constitute illegal state aid by the EC Commission.

Ilva makes takeover bid for Spanish producer Acenor. Proposing to integrate w/ Bolzano-Cogne link, which would yield largest EC long products (bar, wire rod, wire) producer of stainless steel.

Ongoing: Since Finsider's dissolution, Ilva has made it a habit to delay closures to which the payment of state aid was initially linked. Moreover, Ilva continues to pursue new investments and acquisitions despite its continued reliance on government funding. Examples include interest in AHZ's privatization in Argentina, installation of new CR stainless mill at Turin, 45% stake in Falck's Bolzano plant, joint venture with Hungary Salgotarjan to establish stainless service center in Hungary and modernize Salgotarjan's CR mills.

SPAIN

1992: Acenor's (a stainless bar and rod producer) main shareholder, Banco Exterior de Espana, reported no longer willing to fund Acenor losses without government guarantee of firm's solvency.

EC warns Spain over subsidies to non-viable companies (carbon steel producers Ensidesa, AHV and special steel group Sidenor—holding company for Acenor and Foarsa[1]). Restructuring of Sidenor envisions closing Llodio and Hernani plants (in which 3 billion ptas have already been spent for modernization) and investing 3.2 billion ptas in Larrondo (60,000 tpy stainless long products; accounts for 30% of Acenor's overall losses), Reinosa and Vitoria. An additional 2 billion ptas are slated for "maintenance investments" in Basauri, Vitoria and Reinosa plants.

Both Larrondo and Foarsa facilities are reported to have dubious long term prospects.

1991: Costs of rehabilitating Acenor estimated at $740 million to "refloat" the company and make needed acquisitions, plus $460 million for refinancing and redundancy payments. A state-owned bank—Banco de Credito International (BCI)—is already owed 50 billion ptas and is unwilling to finance further. A regional government is expected to contribute 6 billion ptas for assistance.

1988: Acenor received 29.5 billion ptas ($254 million) to close three blooming mills. EC Commission stated that Acenor must achieve 11% operating margins in order to be deemed competitive and viable (it lost 7 billion ptas in 1988, which was higher than in both 1987 and 1988). The Spanish steel industry also received an additional 40 billion ptas ($347 million) to cover other capacity closures. These closures were in relation to Spain's entrance into the EC.

The EC Commission blocked further state aid until the Acenor companies were completely merged, citing doubts about its viability. Acenor claims to need an additional 20 billion ptas, of which the commission has approved 15 billion pending completion of the merger. The merger would give Acenor monopoly control of some specialty steel products in Spain.

FRANCE

August 1991: Eramet-SLN, a state-owned company also controlling Commentryenne, bought 85% of Sweden's Kloster Speedsteel for 800 million Skr. Kloster was the largest high-speed producer in the world. When combined with Commentryenne, it will become more than twice as large as its nearest global competitor. Speedsteel also owned Aciers de Champagnole.

July 1991: EC competition commission investigating direct or indirect transfers of public funds to Ugine, France's state-owned specialty steel producer.

Ugine suffered net loss in 1991, which the company attributed to extraordinary items, mainly closure costs. UK & German producers protesting 2.5 billion FFr ($463 million) capital injection from Credit Lyonnais (for 20% stake), alleging that it was not a reasonable and viable investment given Ugine's performance (debt=50% of total capitalization and net loss in year). Ugine claimed that its stainless operations were profitable.

Credit Lyonnais to receive 9–10% stake directly, and additional 10% stake in exchange for giving government 3–4% additional stake in the bank. The bank is already 51% owned by the state.

State-owned carbon and specialty producer Usinor Sacilor (Ugine's parent company) has injected capital into Italian alloy steel producer Falck, becoming a significant shareholder, supplying slabs on favorable terms and discussing further joint ventures.

Ugine entered into long term nickel supply contact with state-owned SLN of France.

Ugine taking 49% stake in 60,000 tpy CR stainless venture Thainox in Thailand, which is expected to cost 3.1–5.1 billion baht. Ugine will supply majority of needed hot band.

Summary of Ugine Acquisitions

Despite the fact that Ugine was consistently unprofitable between 1973 and 1987, it bought more than 10 companies in France, Italy, Spain and USA between 1988 and 1990. It spent more than $1 billion (7.1 billion FFr) in 1990 alone for acquisitions. It spent 2.3 billion FFr in 1989.

1991:

Increased stake in Italy's Lutrix to 49% at cost of 545 million FFr. Previously gained 25% stake in 1988.

September: Took 100% control of Aceros Inoxidables, Spain's third largest special steel distributor; had gained 42% stake in 1988.

August: Increased stake in Vallourec, a stainless seamless tube maker.

November: Raised Acerinox stake from 3.1 to 5.4% for 2.2 billion Ptas and given permission to raise stake as high as 10%. Also controls special steel stockholder Coafisa in Spain.

Purchased 60% of UK's second largest stockholder (10% market share) ASD. Initially took 20% in 1990. (Already owns specialty strip stockists Hammer Steel, Altone Stainless, special steel firm James Fairley[2] and 30% stake in Howard Perry). Total UK share raised from 2.5% to 9.5%.

---

[1] Sidenor was expected to post losses of 14 billion ptas in 1991, requiring injection of new capital.

[2] In July 1990, Fairley expanded its operations to include stainless round and hollow bar, after opening a new 60,000-square-foot warehouse.

Aug 1991: Increased stake in Allevard subsidiary, a producer of alloy steel rounds and flats, from 72 to 78%.

1991: Completed takeover of Ancofer Feinstahl, a German stockholder.

Sept 1991: Plans to take stake in new galvanizing line in Spain built by Sidmed.

1990:

January: Purchased Interstate Steel Co, a U.S. service center, for $130 million.

February: Bought Techalloy, a U.S. producer of special steel bar, wire and strip (13,200tpy).

March: Bought J&L, a U.S. stainless flat-rolled producer, for 3 billion FFr.

March: Short term contract to take over Cockerill's 140,000 tpy electrical sheet plant in Belgium.

April: Completed takeover of U.S. stainless bar stockholder Alloy & Stainless.

Fall: Set up International Specialty Tube in Chicago as US subsidiary of Le Meusienne, in association with J&L.

Bought Altone Stainless, a U.K. stainless long product stockholder.

Bought 36% stake in Paturle Aciers, a French special sheet producer.

Bought Acinoxsa, a Spanish stockholder.

Purchased 20% of UK's second largest stockholder (10% market share) ASD.

1989:

January: Bought 30% stake in Howard Perry, a UK flat-rolled stockholder.

1st qtr: Bought Nuova Sait and CP Inox, both stainless trading and distribution companies in Italy.

1st qtr: Took 70% stake in Germany's Saarstahl Volklingen, now named Dillenger Hutte Saarstahl.

March: Signed agreement to take 50% stake in Georgetown Steel Corp, a U.S. wire rod producer.

June: Bought Tacke & Lindemann, a German steel stockholder.

Fall: Took 49% stake in Alessio Tubi, an Italian producer of welded tubes.

November: Bought Castelli Acciai Inossidabili, an Italian producer of tubes and part of stainless division of Castek (Castelli Inox Service), a large Italian distributor.

1988:

January: 146m Ffr takeover of Le Meusienne (17,000 tpy welded stainless pipe & tube).

November: Bought 42% stake in Aceros Inoxidables, Spain's third largest special steel distributor (10,000 tpy of stainless products) for 24m FFr.

November 1988: Purchased 25% stake in Lutrix, a majority shareholder of Italian steel coater La Magona d'Italia (Italy's largest tinplate and galvanized sheet producer). Increased stake to 49% in 1991 at cost of 545 million FFr.

SWEDEN

1991: Despite stainless producer Avesta's loss the company proceeded with plans to install a new 270,000 tpy hot stainless strip facility and acknowledges that mill will run far below capacity for time being. Cost of new mill=600 million SKr.

FINLAND

Outokumpu Oy is 81 percent owned by the government. It suffered net losses in 1990 and 1991, leading to further restructuring plans and further delaying any solid plans to privatize the company. It has made the following investments recently: 150m Fmk for new cut-to-length and slitting lines in the Netherlands; 400 m Fmk for new A/P line at its Tornio works to increase CR capacity by 100,000 tpy.

PHILIPPINES

Government offering incentives for steel-related and infrastructure projects, including financial assistance, tax concessions and tariff barriers. More specifically, companies can avail themselves of financing from the Official Development Assistance program, tax and duty exemption for capital equipment, tax credits for domestically-sourced capital equipment, tariff protection, and additional incentives available under the Omnibus Investment Code.

TAIWAN

Stainless producer Tang Eng is state owned. Will double capacity by 1993 to 260,000 tpy to produce bar and rod. Included: New furnace, degassing unit, continuous billet caster and related components. Tang Eng was struggled in the mid-1980s, losing nearly NT $1 billion between its founding in 1983 and 1985, due to strong import competition from Japan.

Government investing Krupp/Tuntex stainless project (150,000 mt/yr). First phase to cost $255 million for CR sheet facilities. Second phase involves adding additional melt capacity and continuous caster. Taiwan's quasi-governmental Investment & Development Co will invest 10% of the company's $113 million initial capital.

Evergreen Superior Alloy Corp (ESAC) spending $115 million of new melt shop and rolling facilities. The government owns a small stake in the company.

In early 1980s, government established a 50,000 tpy special steel plant to produce components for military via Taiwan Machinery and Manufacturing Corp (TMMC). TMMC lost NT $2 billion through March 1988, depleting its NT $1.5 billion initial capital.

TURKEY

State producer Asil Celik to be privatized. Government-owned since 1982, due to debt insolvency, the producer's debt will have been completely repaid by the end of 1991. Most existing liabilities held by Is Bankasi and state agricultural bank. In June 1990, Asil Celik was accused of dumping special steel in the EC.

IRAN

August 1990: Government to allocate $200 million over next two years to build new 140,000 tpy alloy steel plant. Additional $400-500 million expected to come from export credits. Plant could be further expanded to 200,000 tpy.

CZECHOSLOVAKIA

Stainless producer Poldi scheduled for privatization in 1992. Planned restructuring likely to lead to capacity cuts, although planning to install new 100-ton EF, new ladle furnace, new special steel mill and revamping continuous caster. The estimated cost of these projects is 174 million DM. Poldi has a virtual monopoly over special steels.

Hungary alleges that Czechoslovakia's steel industry receives direct export subsidies and low cost subsidized energy supplies which enable its firms to undercut domestic prices by one-third.

POLAND

1992: Huta Baildon, a special steel producer, is reportedly having difficulty completing its modernization program without government guarantees of foreign credits.

EAST GERMANY

Sachsische Edelstahlwerke Freital has filed restructuring plan with the government—wants to build two new furnaces, continuous caster and revamp bar and blooming mills. Outsiders believe survival of mill may be in jeopardy if it must complete in open market. Freital produces 300,000 tpy of stainless, bearing, spring, tool and high speed steel.

BELGIUM

Cockerill Sambre, a state-owned producer of electrical steel as well as carbon steel, is in a dispute with the government over 500 million BFr of unpaid tax contributions from a 3 percent tax levy imposed beginning in 1987. The company was exempted from the levy in 1987 due to its financial difficulties. In 1988, Cockerill returned to profitability, leading the government to claim that the company must pay the levy. Cockerill is protesting the government's claim saying that although the company was profitable in 1988, its financial difficulties continued. Thus, the company claims it should be exempted for that year. Cockerill has paid the levy since 1989.

PORTUGAL

Seeking exemption from EC ban on state aid in order to restructure its Siderurgia Nacional, as well as special bar producer Acos Tome Feteria. The former has received state aid since Portugal joined the EC in 1986, while the latter has not.

Mr. SPECTER. Mr. President, in offering that memorandum from Collier, Shannot & Scott, and the Georgetown Economic Services, I am explicit in making the representation to its source, but I think it is factually accurate, and in the RECORD it will provide an opportunity for others to review it if anyone wishes to disagree.

On the basis of this record, Mr. President, and the impossibility of acting in a prompt way on legislation which was introduced on March 12 by 12 U.S. Senators and myself, S. 2345, I ask for the support of my colleagues on this legislation to provide for private right of action to stop subsidized and dump goods from coming into this country.

I thank the Chair.

Ms. MIKULSKI. Mr. President, thank you.

Mr. President, first I rise in support of what the Senator from Pennsylvania has said about the need to protect our steel industry.

Mr. President, the American people now fear for their future, and they want jobs today. They want jobs tomorrow. One of the industries that was once one of the most robust sectors of the United States of America was the steel industry. It provided jobs in Maryland for many years.

Now they have slimmed down, trimmed down and modernized themselves in order to be competitive both within the United States of America, and abroad. We had a quota system that gave them a breather in order for them to modernize in a way that would generate jobs tomorrow, and lay the groundwork for tomorrow.

I regret that this administration has not extended that quota system to continue the ability of the U.S. steel industry to be a viable sector. That quota system was not a form of protectionism that built a moat around America. It gave it a breather.

I am concerned because by the lifting of the restraint of the quotas, we might end up having to put the steel industry on a respirator, when in fact that would not be needed.

I call upon the administration to reconsider its lifting of the quotas that enabled the American steel industry to organize itself to be competitive.

By Mr. NICKLES (for himself, Mrs. KASSEBAUM, Mr. GORTON, and Mr. SHELBY):

S. 2509. A bill to provide grants to establish an integrated approach to prevent child abuse, and for other purposes; to the Committee on Labor and Human Resources.

NATIONAL CHILDREN'S ADVOCACY PROGRAM ACT

Mr. NICKLES. Mr. President, today I rise, on the first day of Child Abuse Awareness Month, on behalf of myself, Senator KASSEBAUM, Senator GORTON, and Senator SHELBY to introduce legislation entitled the National Children's Advocacy Program Act of 1992. This legislation will bring a ray of hope to the lives of children who live in the shadow of abuse and neglect.

It disturbs me, as it should disturb every Member in this body, that this legislation is even necessary. It disturbs me that in the United States child abuse and neglect have been designated as a national emergency, that there are over 2.5 million reports of child maltreatment each year, and that the number of confirmed cases of child abuse has increased so dramatically over the last 5 years.

We can see by this chart that there were 2 million child abuse cases reported in 1985. In 1990, there were over 2.5 million cases reported.

Until we eliminate the prevalence of child abuse in America, it is imperative that governments, law enforcement agencies, health care providers, and all concerned citizens across the country use every means necessary to aid and comfort innocent victims of those most heinous crimes. The National Children's Advocacy Program Act of 1992 will create a Federal program to facilitate the development of community-based, child-focused centers aimed at alleviating much of the trauma the criminal justice system has brought to the victims of child abuse.

Currently, victims of child abuse face an uncompassionate maze of interviews and bureaucracy. Implementing programs that will reduce the revictimization of these children as they go through the judicial system is a necessity. National children's advocacy centers will improve the efficiency and humanity of society's response to young victims of sexual and physical abuse. But creating a compassionate setting for these victims and cutting down on the repetition of interviews, the children who are faced with the ordeals of being a victim of child abuse will not face the trauma that is so abundant in the current system.

As stated earlier, child abuse in America has been designated as a national emergency. Throughout the Nation efforts are being undertaken to create on-site multidisciplinary children's advocacy centers. This legislation will aid this movement to improve the lives of all too many kids in our country.

The National Children's Advocacy Program Act of 1992 is a bipartisan effort. Today in the House of Representatives, Representative BUD CRAMER, a Democratic colleague from Alabama, and 21 Members from both sides of the aisle have introduced a companion bill to this legislation. I urge my colleagues to join me in this much needed legislation. We cannot afford to delay implementation of this program which is so vital to the children of our Nation who require the services of these facilities.

While it is true that children are only about 25 percent of our population, they are 100 percent of our future. This legislation will help to ensure that their future is one that is bright and one that is full of hope.

By Mr. D'AMATO:

S. 2510. A bill to freeze domestic discretionary spending for fiscal years 1993 and 1994 at fiscal year 1992 levels; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

DOMESTIC SPENDING FREEZE ACT

• Mr. D'AMATO. Mr. President, today is April Fools' Day. But, the American people are not laughing. Our 1992 deficit seems certain to reach a projected $352 billion. Just weeks ago we were faced with a conference report on the tax bill that increased spending by another $70 billion. To pay for the increased spending, the final package proposed over $85 billion in tax increases. Deficits increase, spending increases, and taxes increase. I once again opposed this package of tax and spend practices. The only thing this liberal Congress should be increasing is our fiscal restraint.

In the fall of 1990, I strongly opposed efforts by the Democrat-controlled Congress to sell one of the largest tax-increase bills in history as a deficit reduction package. I wish that more of my colleagues had joined me in voting against this misguided legislation. The Deficit Reduction Act of 1990 did not cut spending at all. In fact, it increased spending by $380 billion over 5 years and increased taxes by $158 billion over the same period. Those tax increases did not go to deficit reduction. They went to increased spending. Instead of making tough choices to cut back spending or eliminate unnecessary programs, Congress raised taxes on everything that moved. And, the deficit hit an all time high.

Mr. President, the original Gramm-Rudman-Hollings deficit reduction law, enacted in 1985, would have established a balanced budget by fiscal year 1991. Amendments to Gramm-Rudman-Hollings in 1987 changed the date in which the budget must be balanced to fiscal 1993. The 1990 so-called deficit reduction law eliminated the requirement for a balanced budget. It only goes so far as to establish a minimum deficit of $83 billion by fiscal year 1995. Now how can we expect the American people to take us seriously unless we begin to take ourselves seriously. Mr. President, though it may now be April 1, the American people are no fools.

Mr. President, today I rise to introduce the "Domestic Spending Freeze Act of 1992". This legislation will freeze domestic discretionary spending for fiscal year 1993 and fiscal year 1994 at fiscal year 1992 levels. It will save $10 billion in the first year and $58 billion over 5 years. I urge my colleagues to join me in this effort. We cannot continue to allow tax increases as a substitute for spending cuts. We must show fiscal restraint and responsibility. Our efforts must reflect what is right and what is fair. It is not fair to continue to increase spending and raise taxes on the backs of the middle-income taxpayers of America. Please join me in this effort.

Mr. President, I ask for unanimous consent that the full text of my legislation be printed at the conclusion of my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2510

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Domestic Spending Freeze Act of 1992".

SEC. 2. SPENDING FREEZE FOR FISCAL YEARS 1993 AND 1994

(a) SPENDING FREEZE.—The spending limits set forth in section 601(a)(2) of the Congressional Budget Act of 1974 for the domestic category with respect to fiscal years 1993 and 1994 shall not exceed the limits provided for fiscal year 1992.

(b) ENFORCEMENT.—The limits on domestic spending provided in this Act shall be enforced as provided in the Budget Enforcement Act of 1990 and the amendments made by such Act, except that for purposes of fiscal year 1994 the discretionary spending limit shall be enforced as provided for fiscal year 1993.•

By Mrs. KASSEBAUM:

S. 2511. A bill to exempt certain financial institutions from the examination requirements of the Community Reinvestment Act of 1977; to the Committee on Banking, Housing, and Urban Affairs.

COMMUNITY REINVESTMENT ACT EXEMPTION

Mrs. KASSEBAUM. Mr. President, there are those who believe that small rural banks have no role in our financial future. These self-styled experts assert that the only way for small banks to survive is by merging into large interstate holding companies.

These experts are simply dead wrong. Many have never lived in a rural community or banked at a rural bank. If they did, they might realize that there is more to a banking relationship than account numbers and automatic tellers. Many would be surprised to find that most depositors do not pick their banks merely on the basis of which has the slickest television commercial or newspaper advertisements. In rural communities, bankers do not have to look up an account number to know the customer's name. Most not only know the customer's name but also his entire family tree. In many of the small towns that dot my State, small banks literally are the cornerstones of both Main Street and the entire community.

If these banks are put out of business, it will not be because of bad loans or uncompetitive rates. Rather, it will be because they are being asked to shoulder compliance and regulatory burdens designed to address the abuses of interstate and metropolitan banks.

The Community Reinvestment Act is a good example. The CRA would serve its purpose better if CRA examiners annually reviewed every inner-city branch of the large metropolitan banks. As it is, a rural, home-owned bank with assets of less than $20 million is subject to a full-scale CRA compliance review while the inner-city branch of a multibillion-dollar interstate holding company may go years without being examined.

Mr. President, I support the CRA. Inner-city redlining must be eradicated. To be effective, however, the CRA should be better focused. It makes little sense to send a CRA examiner out to audit a small rural bank where the owner can be found behind the teller cage and doubles as the community's economic development leader and little league coach. Instead, that CRA examiner should audit as many inner-city branches as possible and as often as possible.

Accordingly, I am introducing legislation freeing small banks located in rural communities of less than 15,000 from the CRA examination requirements. To qualify, such banks must have assets of less than $75 million and at least half of their deposits in loans.

Many will claim this examination exemption is far too narrow, and others will claim it is too large. The goal is to provide the basis for a consensus which can be enacted in the immediate future. This examination exemption is not an attempt to eviscerate the CRA but rather an attempt to make it more effective. CRA examiners preoccupied with little rural banks should be reassigned to examine metropolitan and interstate branches. This will focus regulatory resources on the actual problem.

By Mr. CRANSTON (for himself, Mr. DECONCINI, Mr. ROCKEFELLER, Mr. GRAHAM, Mr. AKAKA, and Mr. DASCHLE):

S. 2512. A bill to amend title 38, United States Code, to establish a program to provide certain housing assistance to homeless veterans, to improve certain other programs that provide such assistance, and for other purposes; to the Committee on Veterans' Affairs.

ASSISTANCE FOR HOMELESS VETERANS

• Mr. CRANSTON. Mr. President, as chairman of the Veterans' Affairs Committee, I have today introduced S. 2512, legislation that would help to address the tremendous problem of homelessness among our Nation's veterans. I am very pleased that committee members DENNIS DECONCINI, JOHN D. ROCKEFELLER IV, BOB GRAHAM, DANIEL J. AKAKA, and TOM DASCHLE have joined me in introducing this measure. Our bill would enhance the Department of Veterans Affairs' ability to assist homeless veterans by expanding the authority of the Secretary to sell and lease VA-repossessed homes for use as housing for homeless veterans and to lease, for periods longer than currently allowed, VA properties made available to nonprofit organizations under the Stewart B. McKinney Homeless Assistance Act. In addition, the bill would extend for 2 years the homeless veterans reintegration projects [HVRP] program administered by the Department of Labor pursuant to the McKinney Act and increase the authorized level of appropriations for that program.

BACKGROUND

Mr. President, during the past year, several reports focusing on homeless veterans and governmental assistance to assist them have been issued. On June 12, 1991, the 1990 Annual Report of the Interagency Council on the Homeless was submitted to the committee. Later, on August 5 and October 3, VA submitted to the committee the fourth progress report on VA's homeless chronically mentally ill [HCMI] veterans program and the homeless veterans programs evaluation, respectively. On Veterans Day, November 11, 1991, the National Coalition for the Homeless released its report, entitled "Heroes Today, Homeless Tomorrow?: Homelessness Among Veterans in the United States," which examined the scope of homelessness among veterans and the Federal response to the problem. These reports, considered together, indicate that the representation of veterans among homeless persons in the United States is significant and that many of the wide-ranging needs of homeless veterans are not being adequately met by the existing array of VA and other Federal, State, and community-based programs.

Although the precise number of homeless veterans is not known, the 1990 annual report of the Interagency Council noted that "recent studies suggest that between 29 and 47 percent of homeless males are veterans, which roughly corresponds with the percentage of veterans among all adult U.S. males, about 32 percent." The report further noted that, for 1991, the Congressional Budget Office had estimated a 1-day homeless population of 700,000, which was based on a comprehensive week-long 1987 survey conducted by the Urban Institute. Based on those studies, it seems reasonable to assume that, at any given time, there are between 200,000 and 330,000 veterans who are homeless. VA estimates are somewhat lower—between 110,000 and 250,000 homeless veterans on any given night. Either estimate reflects a problem of great magnitude.

VA HEALTH-CARE PROGRAMS TO ASSIST HOMELESS VETERANS

Mr. President, to provide the background for our legislation, I will briefly describe VA's current programs and new initiatives to assist homeless veterans.

VA's homeless chronically mentally ill [HCMI] veterans program was first established by Congress in 1987 by section 2 of Public Law 100-6 as a contract authority. In 1988, section 115 of the Public Law 100-322 replaced the contract authority with a requirement that VA conduct, in fiscal years 1988 and 1989, a pilot program for homeless chronically mentally ill veterans. VA was authorized to include in the program veterans with service-connected chronic mental illness disabilities as well as chronically mentally ill veterans who were VA hospital and nursing home patients. Public Law 100-628, the Stewart B. McKinney Homeless Assistance Amendments Act of 1988, authorized for VA's homeless programs fiscal year 1989 and 1990 appropriations of $15 million for the HCMI Program and the same amount for VA's domiciliary care for homeless veterans [DCHV] program. Public Law 101-237 extended the HCMI Program's authority through fiscal year 1992. Through the HCMI and DCHV Programs, VA has provided shelter and medical and psychiatric treatment to over 50,000 homeless veterans in desperate need of help.

The HCMI Program is a community-based program that combines aggressive outreach with health care services, intensive case management, and, where appropriate, time-limited care in non-VA contract residential treatment centers. The program is carried out at 45 sites in 26 States and the District of Columbia. The fourth annual report on the program, which I noted earlier, indicated that, since the program's initiation in 1987, over 30,000 veterans in 26 States have been assisted by the program and over 8,000 have been placed in non-VA residential treatment programs. VA estimates that the HCMI Program makes contact with about 10,000 homeless veterans each year, approximately one-fourth of whom are referred to VA's 200 community-based contract residential treatment facilities.

The DCHV Program, operated at 27 VA medical centers in 21 States, provides a comprehensive range of treatment and rehabilitative services to homeless veterans. VA staff contact homeless veterans through outreach efforts, and eligible veterans are provided extended live-in treatment and rehabilitative services at a VA domiciliary. The program is operated solely by VA staff and does not include a contract-care component as exists in the HCMI Program. Nationwide, the DCHV Program provides over 1,100 beds and serves approximately 2,000 veterans each year.

Mr. President, the HCMI and DCHV Programs are the two main programs of VA's Veterans Health Administration [VHA] to assist homeless veterans. VHA also operates several other programs. At The Brooklyn and Manhattan VAMC's, VA has established drop-in centers for homeless veterans which provide food, shower facilities, laundry facilities, therapeutic activities, and linkages with other VA programs. Under legislation I authored, which was enacted in Public Law 102–54, VHA has initiated a program of transitional therapeutic housing and compensated work therapy which provides an opportunity for homeless veterans to earn income through rehabilitative work while learning independent living skills in a supervised residence located in the community. VHA has also established, through its social work service, new policies to improve discharge planning for homeless veterans who are receiving care in VA facilities so as to avoid discharging a veteran from the hospital back to the street. In addition, VA and HUD are undertaking a new collaborative program under which HUD will provide section 8 housing vouchers to veterans who are receiving care from VA and who are being assisted by VA case managers.

VA NON-HEALTH ASSISTANCE TO HOMELESS VETERANS

VA's Veterans Benefits Administration [VBA] provides assistance to homeless veterans through outreach efforts designed to ensure that homeless veterans are informed of and receive any benefits to which they are entitled. Many VA regional benefits offices have designated staff to do outreach to veterans at homeless shelters and to coordinate with community agencies that provide services to homeless persons. In addition, VBA is responsible for identifying and making available under title V of the McKinney Act unused VA properties and for selling to nonprofit organizations for use to shelter homeless veterans and their families properties VA has acquired because of foreclosure on homes purchased with VA-guaranteed mortgages.

SUMMARY OF PROVISIONS

Mr. President, our bill contains amendment to title 38 and to the Stewart B. McKinney Homeless Assistance Act that would:

First, authorize VA, in selling VA-repossessed properties to nonprofit organization and States pursuant to section 3735 of title 38, to make loans directly to such organizations to finance the sales.

Second, authorize VA, in making these loans, to modify or waive one or more of the credit underwriting standards that would otherwise apply to VA direct financing and to charge lower-than-market-rate interest.

Third, establish a new VA program under which 10 percent of VA's hard-to-sell repossessed properties would be made available by lease for a nominal fee to nonprofit organizations and States for the purpose of providing housing for homeless veterans and their families.

Fourth, require that an organization leasing a property under this program be responsible for payment of taxes, utility bills, and maintenance costs.

Fifth, require that an organization leasing a property under this program collect rent from the occupants of the property, but allow it to charge no more than what is necessary to cover the costs of maintaining the property.

Sixth, require that an organization leasing a property under the program, to the maximum extent practicable, utilize the services of homeless veterans in maintaining, operating, and renovating the property.

Seventh, authorize VA, with respect to VA properties made available under title V of McKinney Act, to enter into leases in excess of 3 years if the organization approved to use the property agrees to use the property to provide services to homeless veterans and their families.

Eighth, authorize appropriations for fiscal years 1993 through 1995 for the homeless veterans reintegration projects program administered by the Department of Labor under section 738 of the McKinney Act. The authorized appropriations would increase from the currently authorized fiscal year 1993 level of 2.2 to 10 million dollars for fiscal year 1993, $12 million for fiscal year 1994, and $14 million for fiscal year 1995.

FINANCING SALES OF PROPERTIES TO ASSIST HOMELESS VETERANS

Mr. President, our bill would improve the viability of VA's program, carried out pursuant to section 3735 of title 38, of selling acquired properties at a discount, currently 50 percent, to nonprofit organizations and Government agencies that will use them to shelter or house homeless veterans and their families. To date, fewer than 10 properties have been sold under this authority since it was established in 1987 in section 9 of Public Law 100–198.

For the first year and a half that the discount sale authority existed, only one property was sold. In 1989, I requested that VA advise me of the reasons for low participation in this program and what steps could be taken to facilitate and encourage additional sales. In response to my request, VA field stations contacted 967 community-based agencies and nonprofit organizations and, in a January 5, 1990, memo, VA advised that "more than half, of the agencies contacted, indicated that they are insufficiently funded to purchase real estate incident to their public assistance program." VA attempted to improve participation in the program by increasing the discount from 35 to 50 percent and by reducing from 12 to 6 months the time prior to sale that the properties must be in VA's inventory. VA advises that approximately 4,800 acquired properties in VA's current inventory are eligible for sale through this program.

Section 1 of the bill is intended to improve the viability of the acquired property sale program. It would amend section 3735 of title 38 to authorize VA to make loans directly to nonprofit organizations and State agencies to give many of them a more realistic opportunity to purchase acquired properties under the discount program. VA would be authorized to modify or waive one or more of the credit underwriting standards that would otherwise apply to such a loan and to charge the purchaser less than the market rate of interest on the loan. No loan fee would be charged.

Mr. President, I believe these changes should improve participation in the acquired property sale program by providing a source of funding for nonprofit organizations interested in purchasing a property. As I mentioned earlier, VA's 1990 survey of nonprofit organizations found that over half of them were insufficiently funded to make such purchases. Under the current program, an organization must finance a purchase either through its own cash reserves or by a conventional mortgage from a lending institution—options which are extremely difficult for often cash-poor nonprofit organizations. By allowing VA to finance such sales directly, this provision should allow many more nonprofit organizations to purchase acquired properties to provide housing for homeless veterans and their families.

PROGRAM OF LEASING REPOSSESSED PROPERTIES FOR USE BY HOMELESS VETERANS

Mr. President, section 2 of the bill would establish a new program, based on HUD's successful Dollar-Per-Year-Lease Program that should significantly increase housing opportunities for homeless veterans and their families. Under the proposed program, during each fiscal year, 10 percent of VA-acquired properties that are vacant and have remained unsold for 60 days would be made available by lease for a nominal fee to nonprofit organizations and

State agencies for the purpose of providing housing for homeless veterans and their families. To lease a property under the program, an organization would be required to be approved by VA and agree to use the property as housing for homeless veterans and their families. The organization would be responsible for payment of taxes, utilities, and maintenance costs associated with the property and would be required to collect rent from homeless veterans and family members occupying the property. Rent would be limited to the cost of maintaining and operating the property. VA would be authorized to make the properties available by lease or by lease with an option to purchase at a discount under section 3735 of title 38.

Mr. President, I note that the costs of maintaining these VA-owned properties would be borne by the nonprofit lessees and thus would save VA property management costs, and the value of leased properties may appreciate during the term of the lease. This would ultimately benefit VA when the property is sold. I believe VA could have successes similar to HUD's under the similar HUD Program. The November 1991 report of the National Coalition for the Homeless noted that, as of October 1991, HUD had leased 1,700 properties under its leasing program.

AUTHORITY TO LEASE CERTAIN VA PROPERTY FOR EXTENDED LEASE TERMS

Section 3 of the bill would allow VA additional flexibility in leasing properties made available under title V of the McKinney Act if the leasing organization agrees to use the property to provide services for homeless veterans and their families. Under current law, section 8122 of title 38, VA is prohibited from leasing its properties for longer than a 3-year term, and this limitation can frustrate the efforts of nonprofit organizations wishing to sue VA properties under the McKinney Act to provide services to homeless veterans.

TITLE V OF THE STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT

Mr. President, title V of the Stewart B. McKinney Homeless Assistance Act, first enacted in 1987 (Public Law 100-77) and subsequently amended in 1988 (Public Law 100-628) and 1990 (Public Law 101-645) is designed to make available for the purpose of assisting homeless persons Federal properties that are surplus, excess, or unutilized or underutilized. The 1990 amendments to title V, which were derived from legislation reported by the Senate Governmental Affairs Committee, were made "to improve [the title V program's] efficiency and effectiveness" because the original process established in 1987 of making such properties available had "proved to be extremely confusing to Federal agencies" (S. Rept. No. 101-458, page 3).

Mr. President, I will describe briefly the process under title V of the McKinney Act through which Federal properties are made available for sue to assist homeless persons. For a more detailed explanation, I refer my colleagues and other interested parties to the report of the Governmental Affairs Committee (S. Rept. No. 101-458) which accompanied the 1990 legislation.

Under the process established by the 1990 amendments, the Secretary of Housing and Urban Development is required to survey, on a quarterly basis, each Federal landholding agency to determine which Federal public buildings and other properties are excess, surplus, unutilized, or underutilized under the standards of the Federal Property and Administrative Services Act. HUD then determines which of these properties are suitable for use to assist homeless persons and notifies each agency as to which of its properties have been so designated. HUD has adopted a broad definition of suitability to allow homeless service providers maximum flexibility as to potential uses. For example, a property that cannot be used for human occupancy may be found suitable because it can be used as a food warehouse.

After HUD determines that a property is suitable, the Federal agency that has jurisdiction over it must inform HUD whether the property will be made available. If an agency determines that a property cannot be made available for use to assist homeless persons, it must provide HUD with a statement of the reasons for that determination. HUD publishes in the Federal Register lists of properties that are suitable and available, and service providers may then apply to use them.

An organization desiring to use an available property must submit an application to the Department of Health and Human Services. Upon HHS approval of an application, the agency whose property it is must make it available by lease or permit to the approved organization for a term of not less than 1 year. The specific terms of the lease agreement are negotiated between the applicant and the agency. Upon expiration of the lease, permit, or license, the property, including any improvements, is returned to the Federal Government. Excess and surplus properties may be conveyed by deed in some circumstances.

VA's efforts to assist homeless persons under title V of the McKinney Act can be tempered by the provision in section 8122 of title 38, United States Code, which prohibits VA from leasing VA-controlled property for more than a 3-year term. If the property requires substantial renovations to make it useable for providing services to homeless individuals, the prospect of only a 3-year lease term may allow so little return on the necessary investment in the property as to render the use of it highly cost-ineffective. I am aware of at least one situation in which the 3-year limitation has caused such a problem for an approved applicant seeking to use an unutilized VA building that is in need of extensive renovation.

Mr. President, it is clear that existing VA programs for homeless veterans are currently much too small in scale to address the problems fully and that, in light of the limited resources likely to be available to VA in the foreseeable future, non-VA programs will always play a very substantial role in meeting homeless veterans' needs. Thus, a rule such as the 3-year limit on leases of VA properties that can impede VA's efforts to cooperate with or assist non-VA programs serving homeless veterans is counterproductive. By enabling VA to provide to an applicant under McKinney who desires to use an unneeded VA property to assist homeless veterans and possibly their families a lease for a term longer than 3 years, section 3 of the bill would enable VA in an appropriate way to provide greater assistance to others who are combating homelessness among veterans.

AUTHORIZATION OF APPROPRIATIONS FOR HOMELESS VETERANS REINTEGRATION PROJECTS

Mr. President, section 4 of our bill would extend the program authority, and increase the authorized levels of appropriations, for the homeless veterans reintegration projects [HVRP] administered by the Department of Labor pursuant to section 738 of the McKinney Act. HVRP is a grant program under which grantees hire formerly homeless veterans to reach out to homeless veterans and provide supportive services, job training, job readiness skills, and job placement. I believe the focus of HVRP on the employment needs of homeless veterans is a necessary component to the overall Federal response to the problem and complements the health care programs for homeless veterans currently offered by VA and the expanded housing opportunities that would be afforded by this bill. The November 1991 report of the National Coalition for the Homeless noted that, in its first year of operation, HVRP outreach workers contacted over 10,000 homeless veterans, completed approximately 5,800 intake assessments, and placed over 2,200 homeless veterans in jobs.

Mr. President, the committee has received very favorable comments regarding HVRP from community service providers, the National Coalition for the Homeless, and individual veterans who have been assisted. Up to this point, however, it has been a very small-scale demonstration program with 18 projects in 15 cities. The program has shown more than sufficient promise to warrant a modest increase in its scope. Thus, section 4 of the bill would increase the authorized level of appropriations from the current fiscal year 1993 level of $2.2 million to $10 million for fiscal year 1993, $12 million for fiscal year 1994, and $14 million for fiscal year 1995.

CONCLUSION

Mr. President, I am deeply committed to addressing the tremendous problem of homelessness among our Nation's veterans. The needs of homeless veterans are great and must be addressed in a coordinated way. I have long supported VA's efforts in outreach, health care, and mental-health care for homeless veterans, and I believe we must now do more to address the housing and employment needs for which existing programs are simply insufficient. This legislation would foster better coordination within VA and among other Federal, State, and community organizations to provide the wide range of needed services among the many veterans who have served our Nation and are now homeless and desperately need assistance. I urge all of my colleagues to support this measure.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2512

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINANCING OF PROPERTIES TO ASSIST HOMELESS VETERANS.

(a) FINANCING.—Section 3735 of title 38, United States Code, is amended—

(1) by redesignating subsection (b) as subsection (c); and

(2) by inserting after subsection (a) the following new subsection (b):

"(b)(1) Subject to paragraphs (2) and (3), the Secretary may make loans to organizations described in paragraph (1)(A) of subsection (a) to finance the purchase of property by such organizations under such subsection.

"(2)(A) In making a loan under this subsection, the Secretary—

"(i) may modify or waive one or more of the credit underwriting standards that would otherwise apply to the loan under section 3710(g)(2)(A) of this title;

"(ii) shall, in underwriting the loan, take into account the amount of equity in the property that a purchasing organization will have as a result of the purchase;

"(iii) may provide that the loan will bear interest at a rate below the rate that prevails for similar loans in the market in which the loan is made;

"(iv) may not collect a loan fee for the loan under section 3729 of this title; and

"(v) shall include such other terms and conditions with respect to the loan as the Secretary determines are necessary to facilitate the making of loans under this subsection and to protect the interests of homeless veterans and the Federal Government.

"(B) The Secretary shall, to the maximum extent practicable, ensure that the terms and conditions that the Secretary applies to loans under subparagraph (A)(v) are similar to the terms and conditions that the Secretary applies to loans made under section 3733 of this title.

"(3) The Secretary, in order to protect the interests of the Federal Government, may limit the number of loans or the amount any loan that the Secretary makes to an organization under this subsection.".

(b) CONFORMING AMENDMENT.—Section 3729(a)(1) of title 38, United States Code, is amended by striking out "section," and inserting in lieu thereof "section or section 3735(b)(2)(A)(iv) of this title,".

SEC. 2. PROGRAM OF LEASING OF REPOSSESSED PROPERTIES FOR USE BY HOMELESS VETERANS.

(a) PROGRAM.—Subchapter III of chapter 37 of title 38, United States Code, is amended by adding at the end the following new section:

"§3736. Availability of properties for homeless veterans

"(a) The Secretary shall carry out a program to make the properties referred to in subsection (b) available to approved entities under subsection (c) for the purpose of permitting such entities to provide housing for homeless veterans and their families.

"(b) The Secretary shall make available for use as housing for homeless veterans and their families during each fiscal year a number of properties that is not less than 10 percent of the total number of eligible properties that are in the possession of the Secretary at the commencement of that fiscal year as a result of a default on a loan made, insured, or guaranteed under this chapter.

"(c)(1) The Secretary shall lease properties under this section to eligible entities—

"(A) that submit to the Secretary (under regulations prescribed by the Secretary) applications for the lease of such properties; and

"(B) whose applications are approved by the Secretary in accordance with such regulations.

"(2) For the purposes of this subsection, an eligible entity is any of the following entities that provide housing for homeless veterans and their families:

"(A) Non-profit organizations, with preference given to organizations named in or approved by the Secretary under section 5902(a)(1) of this title.

"(B) State or local governments.

"(d)(1) The Secretary shall make available properties to entities approved under subsection (c)(1) as follows:

"(A) By lease.

"(B) By lease, with an option to purchase under section 3735 of this title.

"(2) The Secretary shall collect from each approved entity that leases a property from the Secretary under this section a nominal rental charge for the property.

"(e)(1) An approved entity that leases a property from the Secretary under this section shall use that property solely to provide housing for homeless veterans and their families. The entity shall ensure that rent is collected from occupants of the property, the amount of which rent in any month may not exceed the amount of the costs incurred by the entity during the preceding month in operating and maintaining the property.

"(2) An approved entity that leases a property from the Secretary under this section shall be responsible for the payment of any taxes, utilities, and other maintenance charges that apply to the property.

"(f) An approved entity that leases a property from the Secretary under this section shall, to the maximum extent practicable, utilize the services of homeless veterans in maintaining, operating, and renovating the property.

"(g) In this section, the term 'eligible property' means a property that—

"(1) is acquired by the Secretary as a result of a default on a loan made, insured, or guaranteed under this chapter;

"(2) is vacant;

"(3) has been listed for sale by the Secretary for not less than 60 days; and

"(4) is not subject to a sale contract.

"(h) The Secretary may not make any properties available for acquisition under this section after September 30, 1997.".

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of chapter 37 of title 38, United States Code, is amended by adding after the item relating to section 3735 the following new item:

"3736. Availability of properties for homeless veterans.".

SEC. 3. AUTHORITY TO LEASE CERTAIN PROPERTY OF THE DEPARTMENT OF VETERANS AFFAIRS FOR EXTENDED LEASE TERMS.

(a) AUTHORITY.—Notwithstanding section 8122(a)(1) of title 38, United States Code, and subject to subsection (b), the Secretary of Veterans Affairs may lease to a representative of the homeless for a term in excess of three years any real property for which an application of the representative for the use of the property has been approved by the Secretary of Health and Human Services under section 501(e) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11411(e)). Any such lease shall be subject to the provisions of section 501(f) of such Act (42 U.S.C. 11411(f)).

(b) LIMITATION.—The Secretary may not lease real property under subsection (a) for a term in excess of three years to a representative of the homeless unless the representative agrees to use the property as a location for the provision of services to homeless veterans and the families of such veterans.

(c) DEFINITION.—In this section, the term "representative of the homeless" has the meaning given such term in section 501(g)(4) of such Act (42 U.S.C. 11411(g)(4)).

SEC. 4. AUTHORIZATION OF APPROPRIATIONS FOR HOMELESS VETERANS' REINTEGRATION PROJECTS.

(A) AUTHORIZATION OF APPROPRIATIONS.—Section 738 of the Steward B. McKinney Homeless Assistance Act (42 U.S.C. 11448) is amended by adding at the end the following new subsection:

"(e) AUTHORIZATION OF APPROPRIATIONS.—(1) There are authorized to be appropriated to carry out this section the following amounts:

"(A) $10,000,000 for fiscal year 1993.

"(B) $12,000,000 for fiscal year 1994.

"(C) $14,000,000 for fiscal year 1995.

"(2) Funds obligated for any fiscal year to carry out this section may be expended in that fiscal year and the succeeding fiscal year.".

(b) CONFORMING AMENDMENTS.—(1) Section 739 of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11449) is amended—

(A) in subsection (a)(3)—

(i) by striking out "$17,000,000" and inserting in lieu thereof "$14,800,000"; and

(ii) by striking out "1993," and all that follows through "this subtitle" and inserting in lieu thereof "1993."; and

(B) in subsection (b), by striking out "other than section 738 of this subtitle and for the program under section 738 of this subtitle".

(2) Section 741 of such Act (42 U.S.C. 11451) is amended by inserting "738 and" before "740".

• Mr. DECONCINI. Mr. President, I am pleased to be an original cosponsor of Chairman CRANSTON's much needed legislation in support of homeless veterans. Though a small portion of the total veteran population, homeless veterans represent almost one-third of all homeless single men. Conservatively, on any given night a deplorable 110,000 to 250,000 veterans are homeless. This tragedy is intolerable.

This important legislation offers expanded housing opportunities to homeless veterans. The VA already has authority to sell acquired properties to nonprofit organizations and States as shelters for homeless veterans and their families. However, many such organizations simply do not have the funds to purchase available properties. This bill would authorize the VA to provide nonprofit organizations and States with direct loans at lower than market rate interest to help them purchase VA properties.

The bill would also establish a new VA program under which 10 percent of the VA's hard to sell repossessed properties could be leased to house homeless veterans. It would also allow leases of more than 3 years under the Stewart B. McKinney Homeless Assistance Act for properties used to provide services to homeless veterans and their families. In addition, the bill would authorize increased appropriations for the Homeless Veterans Reintegration projects.

We owe special consideration to the men and women who have defended, often at personal sacrifice, the integrity and well-being of our country. None should be homeless.●

By Mr. SIMON (for himself, Mr. ADAMS, Mr. AKAKA, Mr. BIDEN, Mr. BRYAN, Mr. BURNS, Mr. CHAFEE, Mr. COHEN, Mr. CONRAD, Mr. CRANSTON, Mr. DIXON, Mr. DODD, Mr. DOMENICI, Mr. HEFLIN, Mr. JEFFORDS, Mr. LIEBERMAN, Mr. MACK, Ms. MIKULSKI, Mr. MOYNIHAN, Mr. PELL, Mr. SEYMOUR, Mr. WARNER, and Mr. WELLSTONE):

S.J. Res. 287. Joint resolution to designate the week of October 4, 1992, through October 10, 1992, as "Mental Illness Awareness Week"; to the Committee on the Judiciary.

MENTAL ILLNESS AWARENESS WEEK

● Mr. SIMON. Mr. President, today, along with 22 of my colleagues, I am introducing a joint resolution designating the week of October 4, 1992, through October 10, 1992 as "Mental Illness Awareness Week."

For the past 10 years, Congress has designated this period of time as Mental Illness Awareness Week. The goal of this resolution is to educate the American public about mental illness and dispel the stigma associated with this type of disease. The American Psychiatric Association has played a leading role in the effort to educate the American public.

The statistics show the significance of addressing mental illness in our society. Approximately 50 million Americans suffer from diagnosable mental disorders. This type of illness affects all social, ethnic, and national groups. Available statistics reveal that approximately 7.5 million children under the age of 18 suffer from serious mental disorders. Approximately 12½ percent of our youth experience an episode of mental illness during their adolescent years. One-third of our elderly population suffer from significant symptoms of mental illness. In total, 22 percent of all U.S. residents will experience a period of mental disturbance during their lifetimes.

Approximately one-third of homeless individuals suffer from psychiatric disorders. Often, these individuals have been discharged from hospitals and receive inadequate followup services. Individuals who are HIV infected are vulnerable to mental illness as well; 10 percent of those with the HIV virus will develop psychiatric problems as the first sign of this disease. Sixty percent of AIDS patients will suffer neuropsychiatric consequences. Statistics also reveal that the vast majority of the 29,000 individuals who commit suicide annually suffer from a mental or addictive disorder.

Mental illness affects our society in many ways, and we should be responding with appropriate resources. Direct treatment costs and indirect costs from lost productivity associated with mental illness amount to billions of dollars. Last year, however, total Federal expenditure on research into the causes and treatment of mental illness was only $622 million. We must do much better.

Each day the media reveals the human tragedies associated with mental illness. We do not really understand the severity of the problem until it affects someone close to us, however. At that point the stigma attached to mental illness becomes very real.

This resolution attempts to educate our society and to combat the myths surrounding mental illness. People struggling with mental disorders are not evil. They are not incapable of surviving in society. In fact, with proper treatment, the vast majority of those who confront a period of mental illness during their lives can move on to be fully productive, self-sufficient members of society.

Public apathy and lack of understanding of the seriousness of this type of disease must be overcome if we are to help the mentally ill work with their disability and lead productive lives. I ask my colleagues to join in this effort by cosponsoring this joint resolution.●

ADDITIONAL COSPONSORS

The following additional cosponsors were added on March 31, 1992:

S. 240

At the request of Mrs. KASSEBAUM, the name of the Senator from Oregon [Mr. HATFIELD] was added as a cosponsor of S. 240, a bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans.

S. 474

At the request of Mr. DECONCINI, the name of the Senator from Montana [Mr. BURNS] was withdrawn as a cosponsor of S. 474, a bill to prohibit sports gambling under State law.

S. 640

At the request of Mr. KASTEN, the names of the Senator from Oregon [Mr. HATFIELD] and the Senator from Vermont [Mr. JEFFORDS] were added as cosponsors of S. 640, a bill to regulate interstate commerce by providing for a uniform product liability law, and for other purposes.

S. 664

At the request of Mr. THURMOND, the name of the Senator from Iowa [Mr. HARKIN] was added as a cosponsor of S. 664, a bill to require that health warnings be included in alcoholic beverage advertisements, and for other purposes.

S. 891

At the request of Mr. MACK, the names of the Senator from Utah [Mr. HATCH] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of S. 891, a bill to amend the Internal Revenue Code of 1986 to provide a refundable credit for qualified cancer screening tests.

S. 1381

At the request of Mr. GRAHAM, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 1381, a bill to amend chapter 71 of title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive military retired pay concurrently with disability compensation.

S. 1578

At the request of Mr. THURMOND, the names of the Senator from Oklahoma [Mr. BOREN] and the Senator from Virginia [Mr. ROBB] were added as cosponsors of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1830

At the request of Mr. WOFFORD, the names of the Senator from Nevada [Mr. REID] and the Senator from Kentucky [Mr. MCCONNELL] were added as cosponsors of S. 1830, a bill to require Senators and Members of the House of Representatives to pay for medical services provided by the Office of the Attending Physician, and for other purposes.

S. 1927

At the request of Mr. D'AMATO, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 1927, a bill to authorize the Secretary of Agriculture to carry out a grant program to increase the international competitiveness of the forest products industries in the United States, and for other purposes.

S. 2023

At the request of Mr. KENNEDY, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 2023, a bill to provide for the admission of the State of New Columbia into the Union.

S. 2106

At the request of Mr. CRANSTON, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

S. 2112

At the request of Mr. INOUYE, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 2112, a bill to amend the Communications Act of 1934 to encourage competition in the provision of electronic information services, to foster the continued diversity of information sources and services, to preserve the universal availability of basic telecommunications services, and for other purposes.

S. 2117

At the request of Mr. SASSER, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 2117, a bill to ensure proper service to the public by the Social Security Administration by providing for proper budgetary treatment of Social Security administrative expenses.

S. 2167

At the request of Mr. LAUTENBERG, his name was added as a cosponsor of S. 2167, a bill to restrict trade and other relations with the Republic of Azerbaijan.

S. 2201

At the request of Mr. BROWN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of S. 2201, a bill to authorize the admission to the United States of certain scientists of the Commonwealth of Independent States as employment-based immigrants under the Immigration and Nationality Act, and for other purposes.

S. 2204

At the request of Mr. DURENBERGER, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of S. 2204, a bill to amend title 23, United States Code, to repeal the provisions relating to penalties with respect to grants to States for safety belt and motorcycle helmet traffic safety programs.

S. 2205

At the request of Mr. LEAHY, the names of the Senator from Vermont [Mr. JEFFORDS] and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 2205, a bill to amend the Public Health Service Act to provide for the establishment or support by States of registries regarding cancer, to provide for a study regarding the elevated rate of mortality for breast cancer in certain States, and for other purposes.

S. 2239

At the request of Mr. PRYOR, the names of the Senator from New York [Mr. D'AMATO] and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 2239, a bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights.

S. 2290

At the request of Mr. WIRTH, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 2290, a bill to require public disclosure of examination reports of certain failed depository institutions.

S. 2327

At the request of Mr. HATFIELD, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2327, a bill to suspend certain compliance and accountability measures under the National School Lunch Act.

S. 2328

At the request of Mr. BROWN, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 2328, a bill to provide that for taxable years beginning before 1980 the Federal income tax deductibility of flight training expenses shall be determined without regard to whether such expenses were reimbursed through certain veterans educational assistance allowances.

S. 2357

At the request of Mr. DOMENICI, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 2357, a bill to reduce and control the Federal deficit.

S. 2361

At the request of Mr. BOND, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 2361, a bill to enhance the competitiveness of United States processed and high-value agricultural products in export markets and expand domestic employment opportunities.

S. 2389

At the request of Mr. BRADLEY, the name of the Senator from Delaware [Mr. ROTH] was added as a cosponsor of S. 2389, a bill to extend until January 1, 1999, the existing suspension of duty on Tamoxifen citrate.

S. 2413

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2413, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2414

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2414, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2415

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2415, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2416

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2416, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2417

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2417, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2418

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2418, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2419

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2419, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2420

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2420, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2421

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2421, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2422

At the request of Mr. MCCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2422, a bill to approve the President's recission proposals submitted to the Congress on March 20, 1992.

S. 2423

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2423, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2424

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2424, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2425

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2425, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2426

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2426, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2427

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2427, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2428

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2428, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2429

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2429, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2430

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2430, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2431

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2431, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2432

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2432, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2433

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2433, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2434

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2434, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2435

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2435, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2436

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2436, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2437

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2437, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2438

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2438, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2439

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2439, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2440

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2440, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2441

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2441, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2442

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2442, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2443

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2443, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2444

At the request of Mr. McCain, the name of the Senator from Colorado [Mr. Brown] was added as a cosponsor of S. 2444, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2445

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2445, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2446

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. Smith] and the Senator from Colorado [Mr. Brown] were added as cosponsors of S. 2446, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2447

At the request of Mr. McCain, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2447, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2448

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2448, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2449

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2449, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2450

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2450, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2451

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2451, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2452

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2452, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2453

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2453, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2454

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2454, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2455

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2455, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2456

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2456, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2457

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2457, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2458

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2458, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2459

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2459, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2460

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2460, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2461

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2461, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2462

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2462, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2463

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2463, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2464

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2464, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2465

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2465, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2466

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2466, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2467

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2467, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2468

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2468, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2469

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2469, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2470

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2470, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2471

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2471, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2472

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2472, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2473

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2473, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2474

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2474, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2475

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2475, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2476

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2476, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2477

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2477, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2478

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2478, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2479

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2479, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2480

At the request of Mr. McCAIN, the names of the Senator from New Hampshire [Mr. SMITH] and the Senator from Colorado [Mr. BROWN] were added as cosponsors of S. 2480, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

SENATE JOINT RESOLUTION 35

At the request of Mr. HOLLINGS, the name of the Senator from New Mexico [Mr. BINGAMAN] was added as a cosponsor of Senate Joint Resolution 35, a joint resolution proposing an amendment to the Constitution of the United States relative to contributions and expenditures intended to affect Congressional and Presidential elections.

SENATE JOINT RESOLUTION 166

At the request of Mr. DOLE, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of Senate Joint Resolution 166, a joint resolution designating the week of October 6 through 12, 1991, as "National Customer Service Week."

SENATE JOINT RESOLUTION 226

At the request of Mr. DODD, the name of the Senator from North Dakota [Mr. CONRAD] was added as a cosponsor of Senate Joint Resolution 226, a joint resolution designating the week of January 4, 1992, through January 10, 1992, as "Braille Literacy Week."

SENATE JOINT RESOLUTION 230

At the request of Mr. REID, the names of the Senator from Pennsylvania [Mr. SPECTER], the Senator from Michigan [Mr. LEVIN], the Senator from Illinois [Mr. SIMON], the Senator from Kansas [Mr. DOLE], and the Senator from Ohio [Mr. GLENN] were added as cosponsors of Senate Joint Resolution 230, a joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps.

SENATE JOINT RESOLUTION 231

At the request of Mr. THURMOND, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of Senate Joint Resolution 231, a joint resolution to designate the month of May 1992, as "National Foster Care Month."

SENATE JOINT RESOLUTION 248

At the request of Mr. CONRAD, the names of the Senator from Illinois [Mr. DIXON], and the Senator from Connecticut [Mr. DODD] were added as cosponsors of Senate Joint Resolution 248, a joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day."

SENATE JOINT RESOLUTION 251

At the request of Mrs. KASSEBAUM, the names of the Senator from California [Mr. CRANSTON], the Senator from Alaska [Mr. STEVENS], the Senator from Indiana [Mr. LUGAR], the Senator from Arizona [Mr. McCAIN], the Senator from Delaware [Mr. ROTH], the Senator from North Dakota [Mr. CONRAD], the Senator from Mississippi [Mr. COCHRAN], the Senator from Connecticut [Mr. DODD], the Senator from Washington [Mr. ADAMS], and the Senator from Washington [Mr. GORTON] were added as cosponsors of Senate Joint Resolution 251, a joint resolution to designate the month of May 1992 as "National Huntington's Disease Awareness Month."

SENATE JOINT RESOLUTION 252

At the request of Mr. DIXON, the names of the Senator from Kansas [Mrs. KASSEBAUM], the Senator from Connecticut [Mr. DODD], the Senator from Rhode Island [Mr. CHAFEE], the Senator from West Virginia [Mr. BYRD], the Senator from Mississippi [Mr. COCHRAN], the Senator from Colorado [Mr. BROWN], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Joint Resolution 252, a joint resolution designating the week of April 19–25, 1992, as "National Credit Education Week."

SENATE JOINT RESOLUTION 257

At the request of Mr. LAUTENBERG, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of Senate Joint Resolution 257, a joint resolution to designate the month of June 1992, as "National Scleroderma Awareness."

SENATE JOINT RESOLUTION 261

At the request of Mr. CRANSTON, the names of the Senator from South Carolina [Mr. THURMOND], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Virginia [Mr. ROBB], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Illinois [Mr. DIXON] were added as cosponsors of Senate Joint Resolution 261, a joint resolution to designate April 9, 1992, as a "Day of Filipino World War II Veterans."

SENATE JOINT RESOLUTION 266

At the request of Mr. THURMOND, the names of the Senator from Colorado [Mr. BROWN], the Senator from Pennsylvania [Mr. SPECTER], the Senator from California [Mr. SEYMOUR], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Missouri [Mr. DANFORTH], and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 266, a joint resolution designating the week of April 26–May 2, 1992, as "National Crime Victims' Rights Week."

SENATE JOINT RESOLUTION 273

At the request of Mr. SEYMOUR, the names of the Senator from Colorado [Mr. BROWN], the Senator from New Jersey [Mr. BRADLEY], the Senator from Pennsylvania [Mr. SPECTER], and the Senator from South Carolina [Mr. THURMOND] were added as cosponsors of Senate Joint Resolution 273, a joint resolution to designate the week commencing June 21, 1992, as "National Sheriffs' Week."

SENATE JOINT RESOLUTION 274

At the request of Mr. DODD, the names of the Senator from Missouri [Mr. BOND], the Senator from North Dakota [Mr. BURDICK], the Senator from Rhode Island [Mr. CHAFEE], the Senator from Michigan [Mr. LEVIN], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Minnesota [Mr. WELLSTONE], the Senator from Minnesota [Mr. DURENBERGER], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 274, a joint resolution to designate April 9, 1992, as "Child Care Worthy Wage Day."

SENATE JOINT RESOLUTION 277

At the request of Mr. D'AMATO, the names of the Senator from Kansas [Mr. DOLE], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of Senate Joint Resolution 277, a joint resolution to designate May 13, 1992, as "Irish Brigade Day."

SENATE JOINT RESOLUTION 279

At the request of Mr. BIDEN, the names of the Senator from Connecticut [Mr. DODD], the Senator from Alaska [Mr. STEVENS], the Senator from Colorado [Mr. BROWN], the Senator from Rhode Island [Mr. PELL], the Senator from Minnesota [Mr. WELLSTONE], and the Senator from South Dakota [Mr. DASCHLE] were added as cosponsors of Senate Joint Resolution 279, a joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A."

SENATE JOINT RESOLUTION 282

At the request of Mr. BOREN, the name of the Senator from Michigan [Mr. LEVIN] was added as a cosponsor of Senate Joint Resolution 282, a joint resolution to provide for the expeditious disclosure of records relevant to the assassination of President John F. Kennedy.

At the request of Mr. MCCAIN, his name was added as a cosponsor of Senate Joint Resolution 282, supra.

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. DOMENICI, the name of the Senator from Utah [Mr. GARN] was added as a cosponsor of Senate Concurrent Resolution 57, a concurrent resolution to establish a Joint Committee on the Organization of Congress.

SENATE CONCURRENT RESOLUTION 97

At the request of Mr. WARNER, the names of the Senator from Arkansas [Mr. BUMPERS], the Senator from New York [Mr. D'AMATO], the Senator from New York [Mr. MOYNIHAN], the Senator from Michigan [Mr. LEVIN], the Senator from Montana [Mr. BURNS], the Senator from Utah [Mr. GARN], the Senator from Utah [Mr. HATCH], the Senator from Nebraska [Mr. EXON], the Senator from Kansas [Mr. DOLE], the Senator from Alaska [Mr. STEVENS], the Senator from Mississippi [Mr. COCHRAN], the Senator from Arizona [Mr. MCCAIN], the Senator from South Carolina [Mr. HOLLINGS], the Senator from Tennessee [Mr. SASSER], the Senator from Ohio [Mr. GLENN], the Senator from Ohio [Mr. METZENBAUM], and the Senator from Georgia [Mr. NUNN] were added as cosponsors of Senate Concurrent Resolution 97, a concurrent resolution to commemorate the 50th anniversary of the Battle of Midway.

SENATE CONCURRENT RESOLUTION 99

At the request of Mr. PELL, the names of the Senator from California [Mr. CRANSTON] and the Senator from Pennsylvania [Mr. WOFFORD] were added as cosponsors of Senate Concurrent Resolution 99, a concurrent resolution expressing the sense of the Congress concerning travel to Taiwan.

SENATE RESOLUTION 249

At the request of Mr. D'AMATO, the names of the Senator from Mississippi [Mr. COCHRAN], the Senator from Colorado [Mr. BROWN], and the Senator from California [Mr. SEYMOUR] were added as cosponsors of Senate Resolution 249, a resolution expressing the sense of the Senate that the United States should seek a final and conclusive account of the whereabouts and definitive fate of Raoul Wallenberg.

SENATE RESOLUTION 273

At the request of Mr. MCCAIN, his name was added as a cosponsor of Senate Resolution 273, a resolution to amend the Standing Rules of the Senate to provide guidance to Members of the Senate, and their employees, in discharging the representative function of Members with respect to communications from petitioners.

ADDITIONAL COSPONSORS

The following additional cosponsors were added on April 1, 1992:

S. 4

At the request of Mr. BENTSEN, the names of the Senator from Nevada [Mr. REID], the Senator from Alabama [Mr. SHELBY], and the Senator from Georgia [Mr. FOWLER] were added as cosponsors of S. 4, a bill to amend titles IV, V, and XIX of the Social Security Act to establish innovative child welfare and family support services in order to strengthen families and avoid placement in foster care, to promote the development of comprehensive substance abuse programs for pregnant women and caretaker relatives with children, to provide improved delivery of health care services to low-income children, and for other purposes.

S. 588

At the request of Mr. MITCHELL, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 588, a bill to amend the Internal Revenue Code of 1986 with respect to the tax treatment of certain cooperative service organizations of private and community foundations.

S. 911

At the request of Mr. WOFFORD, his name was added as a cosponsor of S. 911, a bill to amend the Public Health Service Act to expand the availability of comprehensive primary and preventative care for pregnant women, infants and children and to provide grants for home-visiting services for at-risk families, to amend the Head Start Act to provide Head Start services to all eligible children by the year 1994, and for other purposes.

S. 972

At the request of Mr. BRADLEY, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 972, a bill to amend the Social Security Act to add a new title under such Act to provide assistance to States in providing services to support informal caregivers of individuals with functional limitations.

S. 1002

At the request of Mr. SHELBY, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of S. 1002, a bill to impose a criminal penalty for flight to avoid payment of arrearages in child support.

S. 1372

At the request of Mr. GORE, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 1372, a bill to amend the Federal Communications Act of 1934 to prevent the loss of existing spectrum to Amateur Radio Service.

S. 1557

At the request of Mr. LAUTENBERG, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 1557, a bill to improve the implementation and enforcement of the Federal cleanup program.

S. 1614

At the request of Mr. GRAHAM, the name of the Senator from Idaho [Mr. SYMMS] was added as a cosponsor of S. 1614, a bill to amend the Rehabilitation Act of 1973 to revise and extend the program regarding independent living services for older blind individuals, and for other purposes.

S. 1698

At the request of Mr. SARBANES, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of S. 1698, a bill to establish a National Fallen Firefighters Foundation.

S. 1755

At the request of Mr. BUMPERS, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1755, a bill to reform the concessions policies of the National Park Service, and for other purposes.

S. 1786

At the request of Mr. BAUCUS, the name of the Senator from Colorado [Mr. BROWN] was added as a cosponsor of S. 1786, a bill to amend the Internal Revenue Code of 1986 to more accurately codify the depreciable life of semiconductor manufacturing equipment.

S. 1830

At the request of Mr. WOFFORD, the names of the Senator from Connecticut [Mr. DODD] and the Senator from Virginia [Mr. ROBB] were added as cosponsors of S. 1830, a bill to require Senators and Members of the House of Representatives to pay for medical services provided by the Office of the Attending Physician, and for other purposes.

S. 1838

At the request of Mr. PRYOR, the names of the Senator from New Jersey [Mr. BRADLEY], the Senator from Washington [Mr. ADAMS], the Senator from Alabama [Mr. SHELBY], the Senator from North Dakota [Mr. BURDICK], and the Senator from Hawaii [Mr. INOUYE] were added as cosponsors of S. 1838, a bill to amend title XVIII of the Social Security Act to provide for a limitation on use of claim sampling to deny claims or recover overpayments under Medicare.

S. 1970

At the request of Mr. DURENBERGER, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 1970, a bill to expedite the naturalization of aliens who served with special guerilla units in Laos.

S. 2083

At the request of Mr. SYMMS, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2083, a bill to provide for an extension of regional referral center classifications, and for other purposes.

S. 2084

At the request of Mr. SYMMS, the name of the Senator from Louisiana [Mr. JOHNSTON] was added as a cosponsor of S. 2084, a bill to provide for a minimum Medicare payment level of 90 percent for rural referral centers allowable capital-related costs.

S. 2106

At the request of Mr. CRANSTON, the name of the Senator from Arkansas [Mr. BUMPERS] was added as a cosponsor of S. 2106, a bill to grant a Federal charter to the Fleet Reserve Association.

S. 2109

At the request of Mr. BAUCUS, the names of the Senator from New York [Mr. D'AMATO], and the Senator from New Hampshire [Mr. SMITH] were added as cosponsors of S. 2109, a bill to amend the Internal Revenue Code of 1986 to permit certain entities to elect taxable years other than taxable years required by the Tax Reform Act of 1986, and for other purposes.

S. 2174

At the request of Mr. DASCHLE, the names of the Senator from New Mexico [Mr. BINGAMAN], the Senator from Connecticut [Mr. DODD], the Senator from Ohio [Mr. METZENBAUM], the Senator from Maryland [Ms. MIKULSKI], the Senator from Illinois [Mr. SIMON], and the Senator from Colorado [Mr. WIRTH] were added as cosponsors of S. 2174, a bill to prohibit the provision to Members and employees of Congress, at Government expense, of services and other benefits that are not typical benefits of employment or are not otherwise necessary to the performance of their office.

S. 2239

At the request of Mr. PRYOR, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 2239, a bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayer rights.

S. 2244

At the request of Mr. THURMOND, the names of the Senator from California [Mr. CRANSTON], and the Senator from Mississippi [Mr. COCHRAN] were added as cosponsors of S. 2244, a bill to require the construction of a memorial on Federal land in the District of Columbia or its environs to honor members of the Armed Forces who served in World War II and to commemorate U.S. participation in that conflict.

S. 2319

At the request of Mr. NICKLES, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of S. 2319, a bill to require analysis and estimates of the likely impact of Federal legislation and regulations upon the private sector and State and local governments, and for other purposes.

S. 2388

At the request of Mr. MCCAIN, the names of the Senator from Kansas [Mr. DOLE] and the Senator from New York [Mr. D'AMATO] were added as cosponsors of S. 2388, a bill to provide for a Democracy Corps to mobilize and coordinate the expertise and resources of United States citizens in providing targeted assistance to support the development of democratic institutions and free market economies in the former Soviet Republics and the Baltic States.

S. 2481

At the request of Mr. INOUYE, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 2481, a bill to amend the Indian Health Care Improvement Act to authorize appropriations for Indian health programs, and for other purposes.

SENATE JOINT RESOLUTION 148

At the request of Mr. BRYAN, the name of the Senator from Nevada [Mr. REID] was added as a cosponsor of Senate Joint Resolution 148, a joint resolution designating October 8, 1991, as "National Firefighters Day."

SENATE JOINT RESOLUTION 166

At the request of Mr. DOLE, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of Senate Joint Resolution 166, a joint resolution designating the week of October 6 through 12, 1991, as "National Customer Service Week."

SENATE JOINT RESOLUTION 230

At the request of Mr. REID, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from Connecticut [Mr. DODD], the Senator from Louisiana [Mr. JOHNSTON], the Senator from Wisconsin [Mr. KOHL], and the Senator from Tennessee [Mr. SASSER] were added as cosponsors of Senate Joint Resolution 230, a joint resolution providing for the issuance of a stamp to commemorate the Women's Army Corps.

SENATE JOINT RESOLUTION 231

At the request of Mr. THURMOND, the name of the Senator from Nebraska [Mr. KERREY] was added as a cosponsor of Senate Joint Resolution 231, a joint resolution to designate the month of May 1992, as "National Foster Care Month."

SENATE JOINT RESOLUTION 238

At the request of Mr. RIEGLE, the names of the Senator from Connecticut [Mr. DODD], and the Senator from Utah [Mr. GARN] were added as cosponsors of Senate Joint Resolution 238, a joint resolution designating the week beginning September 21, 1992, as "National Senior Softball Week."

SENATE JOINT RESOLUTION 248

At the request of Mr. CONRAD, the names of the Senator from Illinois [Mr. SIMON] and the Senator from Kansas [Mrs. KASSEBAUM] were added as cosponsors of Senate Joint Resolution 248, a joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day."

SENATE JOINT RESOLUTION 252

At the request of Mr. DIXON, the names of the Senator from Nevada [Mr. REID] and the Senator from Louisiana [Mr. JOHNSTON] were added as cosponsors of Senate Joint Resolution 252, a joint resolution designating the week of April 19 through 25, 1992, as "National Credit Education Week."

SENATE JOINT RESOLUTION 258

At the request of Mr. RIEGLE, the names of the Senator from Hawaii [Mr. AKAKA], the Senator from Arkansas [Mr. BUMPERS], the Senator from California [Mr. SEYMOUR], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Ohio [Mr. METZENBAUM], the Senator from Rhode Island [Mr. PELL], and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 258, a joint resolution designating the week commencing May 3, 1992, as "National Correctional Officers Week."

SENATE JOINT RESOLUTION 261

At the request of Mr. CRANSTON, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from South Dakota [Mr. PRESSLER], the Senator from North Dakota [Mr. BURDICK], the Senator from Alabama [Mr. SHELBY], the Senator from Connecticut [Mr. LIEBERMAN], the Senator from Louisiana [Mr. JOHNSTON], and the Senator from Oklahoma [Mr. BOREN] were added as cosponsors of Senate Joint Resolution 261, a joint resolution to designate April 9, 1992, as a "Day of Filipino World War II Veterans."

SENATE JOINT RESOLUTION 262

At the request of Mr. KASTEN, the name of the Senator from Oklahoma [Mr. BOREN] was added as a cosponsor of Senate Joint Resolution 262, a joint resolution designating July 4, 1992, as "Buy American Day."

SENATE JOINT RESOLUTION 266

At the request of Mr. THURMOND, the names of the Senator from Washington [Mr. GORTON], and the Senator from Massachusetts [Mr. KENNEDY] were added as cosponsors of Senate Joint Resolution 266, a joint resolution designating the week of April 26 to May 2, 1992, as "National Crime Victims' Rights Week."

SENATE JOINT RESOLUTION 270

At the request of Mr. THURMOND, the names of the Senator from South Carolina [Mr. HOLLINGS], the Senator from New Jersey [Mr. BRADLEY], the Senator from Kansas [Mr. DOLE], the Senator from Colorado [Mr. BROWN], the Senator from Virginia [Mr. WARNER], and the Senator from Delaware [Mr. ROTH] were added as cosponsors of Senate Joint Resolution 270, a joint resolution to designate August 15, 1992, as "82d Airborne Division 50th Anniversary Recognition Day."

SENATE JOINT RESOLUTION 279

At the request of Mr. BIDEN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of Senate Joint Resolution 279, a joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A."

SENATE CONCURRENT RESOLUTION 62

At the request of Mr. SEYMOUR, the name of the Senator from Rhode Island [Mr. PELL] was added as a cosponsor of Senate Concurrent Resolution 62, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Martha Raye.

SENATE CONCURRENT RESOLUTION 99

At the request of Mr. PELL, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Concurrent Resolution 99, a concurrent resolution expressing the sense of the Congress concerning travel to Taiwan.

SENATE RESOLUTION 109

At the request of Mr. RIEGLE, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of Senate Resolution 109, a resolution exercising the right of the Senate to change the rules of the Senate with respect to the "fast track" procedures for trade implementation bills.

SENATE RESOLUTION 277—RELATIVE TO LOAN GUARANTEES FOR REFUGEE RESETTLEMENT IN ISRAEL

Mr. LAUTENBERG (for himself, Mr. KASTEN, Mr. DECONCINI, Mr. INOUYE, Mr. METZENBAUM, Mr. D'AMATO, Mr. LEAHY, Mr. DODD, Mr. CRANSTON, Mr. GRAHAM, Mr. WOFFORD, Mr. DURENBERGER, Mr. MACK, Ms. MIKULSKI, Mr. SIMON, Mr. GORTON, Mr. BRADLEY, Mr. ADAMS, Mr. HARKIN, Mr. WARNER, Mr. KENNEDY, Mr. AKAKA, Mr. KERREY, Mr. HATCH, Mr. WIRTH, Mr. ROBB, Mr. MOYNIHAN, Mr. SPECTER, Mr. LEVIN, Mr. PRESSLER, Mr. MURKOWSKI, Mr. NICKLES, Mr. BROWN, Mr. MITCHELL, Mr. MCCONNELL, Mr. PACKWOOD, Mr. COATS, Mr. GRAMM, Mr. GORE, Mr. PELL, Mr. DASCHLE, Mr. COCHRAN, and Mr. HATCH) submitted the following resolution; which was considered and agreed to:

S. RES. 277

Whereas the United States has a longstanding policy of supporting free emigration for people living in the former Soviet Union;

Whereas since 1974 the United States has linked nondiscriminatory trade treatment (most favored nation status) for the former Soviet Union to free emigration through the Jackson-Vanik amendment;

Whereas anti-Semitism continues to be a threat to Jews in the former Soviet Union;

Whereas Israel faces an untenable burden in absorbing unprecedented numbers of Soviet refugees;

Whereas the success of United States policy on human rights regarding the former Soviet Union and Ethiopia has resulted in approximately 400,000 refugees to Israel since 1989;

Whereas the General Accounting Office found that "Israel appears to have a reasonable basis for estimating that about one million Soviet immigrants will arrive during the current immigration wave, which began in late 1989";

Whereas the General Accounting Office found that "if the Congress authorizes the $10,000,000,000 in loan guarantees requested by the Israeli Government, the Israeli Government will likely be able to fully service its external debt and to continue its past record of payment"; and

Whereas the Government of Israel has agreed to pay origination fees for loan guarantees so that the guarantees will not result in any cost to the United States taxpayer: Now, therefore, be it

Resolved, That it is the sense of the Senate that the United States Government should support appropriate loan guarantees to Israel for refugee absorption.

SENATE RESOLUTION 278—RELATIVE TO STEEL IMPORT QUOTAS

Ms. MIKULSKI (for herself, Mr. WOFFORD, and Mr. ROCKEFELLER) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 278

Whereas the steel industry and its 200,000 employees are vital to America's economy;

Whereas over the past decade American steel mills and American steelworkers have invested resources, time, and effort to successfully modernize much of America's steel industry;

Whereas the voluntary restraint agreements on foreign steel imports to the United States have helped the domestic steel industry modernize and improve its competitiveness;

Whereas United States trade laws are important as a last resort for steel makers threatened by foreign steel imports;

Whereas there are ongoing negotiations for a new international steel agreement;

Whereas a fair and enforceable international steel trade agreement is the best method for dealing with the steel trade; and

Whereas the Steel Import Stabilization Act expired on March 31, 1992: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) the President should expeditiously conclude a fair and enforceable multilateral steel agreement;

(2) the President should continue the bilateral arrangements limiting the export of steel products to the United States until a multilateral steel agreement is concluded; and

(3) the President should maintain the strength and integrity of trade relief laws of the United States, especially the provisions relating to antidumping and countervailing duties.

Ms. MIKULSKI. Mr. President, I rise today to speak up for America's steelworkers. Steelworkers helped build this country, and I want to make sure they can keep building in the next century. That's why I'm introducing a sense-of-the-Senate resolution to support American steel.

Over the past 8 years, America has given our steel industry a breather from unfair imports—and that has been good for everyone. American steel has modernized under quotas. They have spent billions of dollars to be competitive, and our workers now compete with anyone in the world. Costs are down and prices are down and productivity is up—so it's pretty clear that quotas have worked.

I've been a big supporter of using Government quotas—or voluntary restraint agreements—to help our steel industry get back on its feet. I've also fought for tougher U.S. trade laws for steel and other industries. We need those trade laws to defend our workers against subsidized and dumped low-priced imports. And I'm not going to stand by and let the administration drop quotas or weaken our trade laws.

Just last night, President Bush let America's quotas on foreign steel imports expire. That means our steel mills don't have any Government protection and thousands of our workers are left vulnerable to unfair foreign imports. I think it's time to stand up for American workers and protect American steel.

That's why I'm introducing this sense-of-the-Senate resolution in support of the steel industry. My resolution endorses a new international trade agreement—or M.S.A.—and getting it soon.

But it also says we need to keep our quotas until we get that agreement. Quotas have worked, and we shouldn't abandon them until we have a good replacement. America needs a plan for steel, and we can't just abandon quotas while we wait for bureaucrats to work out a deal.

My resolution also says that America should keep our strong trade laws, not give them away in any international so called free trade deal. A new steel agreement should look out for America's interests—and our interests include keeping trade laws that work.

We need a plan to make sure that our steel industry won't be forgotten. So let's keep up the V.R.A.'s until we get a new international steel agreement. And let's not give up our trade protection laws to the ideals of free trade. Let's put America back to work and put our Government back on the side of our workers and our businesses.

Mr. President, I ask unanimous consent that an article from yesterday's New York Times be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Mar. 31, 1992]

An Industrial Comeback Story: U.S. Is Competing Again in Steel

(By Jonathan P. Hicks)

The American steel industry, long a symbol of decay in industrial America, has undergone a transformation in the last decade that has drastically sharpened the industry's competitive position.

Now, after the Government has provided a decade of protection from imported steel, the Bush Administration has decided not to extend quotas on imported steel that expire today. The move reflects the industry's improved condition and the Administration's preference for using existing laws to fight what it sees as unfair trade practices.

American steelmakers have so improved their productivity that the industry now often rivals—and in ways outperforms—it competitors in Germany and Japan. Japanese auto makers, like Toyota, Honda and Subaru, are using American steel in their plants in the United States.

Thanks partly to the lower value of the dollar, foreign steel shipments into the United States have fallen in recent years to the point that they are below the limit the Government had set. And the industry's bellwether efficiency measure—the man-hours needed to produce a ton—is at a record level.

Exports, which in the last 20 years have rarely accounted for more than 2 percent of all the steel shipped from American mills, soared last year to 6.3 million tons, or about 8 percent. And customers contend that the quality of American steel is better than ever, comparable with that from foreign steelmakers.

QUALITY AND EFFICIENCY

"The steel made in the United States is equal in quality to steel made anywhere in the world now," said James M. Glazebrook, director of the General Electric Company's trading operation. "And the industry is now being recognized more and more throughout the world, not only for having top quality, but for being among the best in the world in efficiency. You could never have said that 15 years ago."

Trade protectionism gets some credit for the comeback of the big steelmakers, but so does domestic competition from low-cost nonunion mini-mills that pushed the big mills to change their ways. The value of the dollar played a big role, too. When the dollar was strong in the mid-80's, American producers recognized that they had to become more efficient to block inroads by imported steel. When the dollar later weakened, foreign steel prices rose and imports fell.

Over all, the effectiveness of protectionist measures is mixed. Protection has been a boon to some industries, like motorcycle makers, who have been rejuvenated after four years of tariffs on foreign makes, but it has backfired for the automobile industry, where Japanese manufacturers got around the import limits by building plants in the United States and capturing still more market share from Detroit.

The steel import quotas "have been an important help to the industry's recovery," said the Rev. William T. Hogan, a professor of economics at Fordham University and the author of a number of books on the steel industry. "The agreements have given them an opportunity to catch up." He added that the steel industry spent $23 billion in the 1980's to modernize plants and buy efficient equipment. Some of the money came in the form of joint ventures with Japanese and Korean steel companies. "Without the agreements," Father Hogan said, "we would have a high influx of imports, and I doubt they would have been able to invest as much."

The decision by the Administration, which was confirmed yesterday by Gary R. Edson, the general counsel for the Office of the United States Trade Representative, suggests that American trade negotiators and some steel industry executives would prefer to open the market to steel imports but would insist that foreign governments commit themselves to wiping out subsidies for foreign steelmakers.

TRYING TO CURTAIL RELIANCE ON QUOTAS

The Administration is negotiating in Geneva for a multilateral agreement with steel-producing nations, hoping to determine levels of imports through a more flexible policy centered not on import quotas but on restricting government subsidies.

"The foreign producers are not using their quotas, and demand in the United States is down," said John I. Griffin, president of the Maurice Pincoffs Company, a Houston-based steel-trading company that buys both domestic and imported steel.

Mr. Griffin, who is also president of the American Association for International Steel, said the voluntary-restraint agreements that produced the steel quotas were "designed to give the American steel industry time to catch up with foreign steel." He added, "But the industry in the United States is certainly catching up, if it has not caught up already."

American steelmakers still have weapons for trade battles. They can file legal cases against foreign producers accusing them of selling steel below cost or of benefiting from government subsidies; several of these legal cases have already been prepared.

EXERCISING THEIR OPTIONS

"We have to do whatever we have to do to protest unfair trade practices," said Frank W. Luerssen, chairman and chief executive of Inland Steel Industries, the nation's fourth-largest steel company. Under the terms of the steel import limits, American steel companies had given up some rights to battle the pricing practices of foreign steel manufacturers.

Despite the emergence of big steel companies as more efficient, trimmer operations, they are still plagued by the effects of continued overcapacity. There is more steel than demand, and that has caused prices—and profits—to remain in the doldrums. In fact, a ton of the sheet steel that goes into cars is priced at about $440 now, compared with $504 in 1980. And while the lower cost of producing steel has meant that steelmakers have profited in good times—the six largest producers earned $1.2 billion in the robust economy of 1989—they have been ravaged by economic downturns and those same companies lost a combined $2.3 billion last year.

A PARTIAL COMEBACK AT A CLASSIC BIG MILL

Nowhere have the industry's changes been more pronounced than in Gary, Ind., where the USX Corporation operates a sprawling plant along a five-mile strip on the shores of Lake Michigan. For decades, the mill operated by the company—formerly known as United States Steel—epitomized the vastness of big steel. Whatever steel product a customer desired could be manufactured here, from nails to railroad tracks to sheets for automobile hoods.

The Gary Works, or the Big Mill as it was known inside the company, is still the largest steel plant in North America, but it has shrunk considerably. At one time in the 1970's, more than 28,000 people worked here; today there are fewer than 8,000 employees. In earlier decades, the Gary plant housed everything from a hospital, a railroad and a cement plant to a factory that made bridge parts. But now, most of that has been closed or sold, scores of buildings are empty or were demolished and much of the sites 3,400 acres sit idle.

A SHRUNKEN PRODUCT LIST

The mill's production is now confined principally to two types of steel: flat-rolled steel used in automobiles and appliances, and plate steel used in construction and in heavy machinery.

What is made here, however, is produced more efficiently than ever. At the Gary Works, it takes 2.7 man-hours to produce a ton of steel, compared with a USX average of 3.6, and 7.1 man-hours 10 years ago. The national average for the steel industry is about five hours a ton. With the opening last fall of a new caster that converts molten steel into slabs, the Gary plant now produces all its steel by the more cost-efficient continuous casting method rather than the conventional method of producing steel from ingots.

The big plant is primarily a maker of sheet used for automobiles and appliances, tin for food and beverage cans and plates for construction and shipbuilding.

LABOR AND MANAGERS MAKE ADJUSTMENTS

After a bruising labor dispute that shut the plant for six months in late 1986 and early 1987, relations between the union and management have become noticeably less hostile. A steelworker here is no longer confined to one specific duty, like pipefitting. Workers in the highly automated and computerized plant are likely to be assigned to teams to discuss their tasks and determine more efficient ways of working.

"I would say we've seen a complete turnaround from the way things used to be," said Cary B. Kranz, president of Local 1066 of the United Steelworkers union here. Mr. Kranz whose father worked at United States Steel and was also president of the local, said that union members have a far greater role now in making decisions. "They now involve union people and make us feel that we are a part of something," Mr. Kranz said. "They meet with us and they recognize that we have all the knowledge in the world within these gates. It's not happening as fast as we would like, but it is happening."

Analysts and steel industry historians suggest that the changes in Gary mirror the changes in the industry as a whole. The 5.3 man-hours per ton for the steel industry in the United States compares with 5.4 in Japan, and 5.6 in both Germany and Britain, according to statistics by the WEFA Group, a consulting firm in Bala-Cynwyd, Pa. And the American figures look even better when compared with 6.4 manhours a ton in South Korea, 7.2 in Taiwan and 8.9 in Brazil.

GLOBAL FACTORS GET MORE EMPHASIS

In part, analysts attribute the changes in the mills to a new generation of steel managers whose views have been shaped by global competition in the steel business and a proliferation of joint ventures between American steel companies and partners from Japan and Korea. In fact, a total of $3 billion of foreign capital mostly from Japan and Korea has been invested in the American steel industry. Many American executives have been exposed to foreign steel companies' methods of operation and labor relations.

"Many American managers, particularly the younger ones, have started to criticize themselves now rather than blindly defend themselves," said Kiichi Mochizuki, president of the United States arm of the Nisshin Steel Company of Japan. "And that is healthy. It is the first step to improvement. They are developing the courage to say that they have problems and that they need to be attacked."

While the large steel companies have scaled down, their smaller competitors, the mini-mills, have become far more significant challengers, having systematically usurped markets once dominated by big steel. These mini-mills, with names like Nucor, Birmingham Steel and Oregon Steel, typically operate with far lower costs because they melt scrap to produce steel and have largely nonunion work forces with wages about a third lower than those of the unionized steelworkers at the big mills.

BIG PLAYERS LEARN NOTHING IS SACRED

Mini-mill companies, too, are gradually changing the competitive balance of the industry. Once these smaller companies were confined to producing such lower-quality items as reinforcement bars for concrete used in highways and bridges and material for fences, wires and nails. Today, they have a virtual lock on items like beams that support buildings. And some are moving toward the big companies' bread and butter: the flat-rolled steel used in automobiles and appliance parts. As a result, big steel companies consider the mini-mills to be as much a competitive threat as foreign steel is, perhaps even more so.

"Nothing is sacred any more as far as the big integrated steel companies' nonopoly," said John Jacobson, an analyst with AUS Consultants in Philadelphia. "Mini-mills had to get into different pastures to continue their growth, and flat-rolled steel is the new area of opportunity."

The importance of steel produced by these smaller steel companies has grown sharply. In 1980, the five largest steel producers accounted for more than 60 percent of all of the domestic industry's shipments. By 1990, that figure had dropped to slightly more than 40 percent. And mini-mills now account for about 21 percent of domestic consumption, slightly more than the 18 percent accounted for by imported steel.

Unlike big steel, mini-mills have weathered the current economic recession robustly. Last year, the six largest steel producers posted operating losses of about $27 for every ton of steel they shipped, nearly $1 billion. But the 10 largest mini-mill companies earned, on average, $10 a ton, or about $100 million.

Some in the industry contend that the big American steel producers will bounce back with vigor once the economy rebounds, noting that despite the improvement in efficiency, steel remains a highly cyclical business. "They will always have ups and downs," Mr. Jacobson said. "But, because of the improvements among the big steel companies, their ups will be a little brighter, and they will be able to sustain themselves better during the down periods."

• Mr. WOFFORD. Mr. President, I am dismayed that the steel voluntary restraint agreements [VRA's] have expired and this administration has no plan for the steel industry.

The President has had 2½ years to negotiate a multilateral agreement that would bring about global, market-based trade in steel. We have no such agreement and we have no VRA's—our only recourse is the trade laws, which our trading partners are working to dismantle through the GATT negotiations.

The steel industry is the heart of our Nation's manufacturing strength. It's also a model for businesses willing to rise to meet the challenges of a growing global economy. As the New York Times said yesterday, steel is "an industrial comeback story." It is unthinkable that we should send our steel industry and steelworkers a message that their hard work was for nothing, that we in Washington are going to sit back and watch while subsidized foreign steel is dumped on the U.S. market, capturing the market share they have worked so hard to regain.

A strong multilateral agreement that preserves our trade laws would be in everybody's best interest, and the steel industry supports such an agreement. I encourage the President to maintain the strength of our trade laws while continuing these negotiations. However, until a multilateral agreement is reached the VRA's should be extended. I support this resolution and I commend it to my colleagues.•

SENATE RESOLUTION 279—RELATIVE TO PROVISION OF UNNECESSARY OR INAPPROPRIATE SERVICES TO MEMBERS AND EMPLOYEES OF THE SENATE

Mr. DASCHEL (for himself, Mr. Bingaman, Mr. Dodd, Mr. Lieberman, Mr. Metzenbaum, Ms. Mikulski, Mr. Simon, Mr. Wirth, and Mr. Wofford) submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. Res. 279

Resolved,

SECTION 1. COMMISSION ON SENATE PERQUISITES.

(a) Establishment.—There is established the Commission on Senate Perquisites (referred to as the "Commission").

(b) Duties of the Commission.—It shall be the duty of the Commission to review the report of the Sergeant at Arms and Doorkeeper of the Senate described in section 2(b) and other sources of pertinent information and to submit to the Senate a report described in section 2(c).

(c) Members.—(1) The Commission shall be composed of 3 members appointed by the majority leader, 1 of whom the majority leader shall designate as chair, and 3 members appointed by the minority leader of the Senate.

(2) The membership of the Commission shall not include officers or employees of the Federal Government or of a State or local government.

(d) Travel Expenses.—Members of the Commission shall be reimbursed for travel, subsistence, and other necessary expenses incurred by them in the performance of their duties.

(e) Hearings and Meetings.—The Commission or, on authorization of the Commission, a member of the Commission, may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers appropriate. The Commission or a member of the Commission may administer oaths or affirmations to witnesses appearing before it.

(f) Official Data.—The Commission may secure directly from any Federal department or agency information necessary to enable it to carry out its duties under this Resolution. Upon request of the chair of the Commission, the head of a Federal department or agency shall furnish such information, consistent with law, to the Commission.

(g) Facilities and Support Services.—The Committee on Rules and Administration shall provide to the Commission on a nonreimbursable basis such facilities and support services as the Commission may request.

(h) Termination.—The Commission shall cease to exist on the date that is 30 days after the date on which it submits its report under section 2(c)

SEC. 2. PROHIBITION OF UNNECESSARY OR INAPPROPRIATE SERVICES AND OTHER BENEFITS.

(a) Prohibition.—A member or employee of the Senate may not receive from any office, officer, employee, or other entity in the Congress or in a department or agency of the United States a service or other benefit, at Government expenses or at a discounted cost, except such a service or other benefit as—

(1) is of a kind and in an amount that is provided by employers, not atypically, as part of the compensation of their employees; or

(2) is otherwise necessary or appropriate to enable the member or employee to perform the duties of a member or employee of the Senate.

(b) Survey of Services and Benefits.—Not later than 30 days after the date of adoption of this Resolution, the Sergeant at Arms and Doorkeeper of the Senate shall—

(1) ascertain what services and other benefits are available to members and employees of the Senate that are not equally available to all other persons or are available in or near the Senate buildings at below fair market value; and

(2) submit to the Commission a report describing those services and benefits and the manner in which each service or other benefit contributes to the performance of the duties of members and employees of the Senate, if at all.

(c) REVIEW BY THE COMMISSION.—(1) On receipt of the report described in subsection (b), the Commission shall review the services and other benefits that are provided to members and employees of the Senate, respectively, in light of—

(A) services and benefits that are provided to persons employed in other positions in government and in the private sector;

(B) the differing missions and functions that employers of various kinds and employees at various levels of responsibility perform in the economy and in the governance of the Nation; and

(C) the resources that are available to employers of various kinds to provide those services and benefits.

(2) The Commission may solicit public comments, hold hearings, and utilize the services of the Library of Congress and other legislative branch organizations to determine facts pertinent to its review under paragraph (1).

(d) IDENTIFICATION OF UNNECESSARY SERVICES AND BENEFITS.—(1) Not later than 60 days after receiving the report described in subsection (b), the Commission shall submit to the majority leader and minority leader of the Senate a report proposing introduction of a resolution that—

(A) describes each service and benefit that may properly be made available to members and employees of the Senate at Government expense because it—

(i) is of a kind and in an amount that is provided by public and private sector employers, not atypically, as part of the compensation of their employees; or

(ii) is otherwise necessary or appropriate to enable the members and employees to perform their duties as members and employees of the Senate;

(B) describes each service and benefit that may not properly be made available to members and employees of the Senate at Government expense, but may appropriately be made available in or near thee Senate buildings, at the expense of members and employees of the Senate, and provided by employees of the Government or by private contractors;

(C) includes an explanation of each recommendation made pursuant to subparagraph (A) and (B); and

(D) directs the appropriate officers of the Senate to make arrangements for the provision of the services and other benefits described in subparagraph (B) at fair market value.

(2) In formulating its report under paragraph (1), the Commission may rely on sources of information other than the report described in subsection (b).

(e) IMPLEMENTATION.—Upon receipt in the Senate of the report described in subsection (d), any member of the Senate may introduce a resolution implementing the recommendations of the Commission. Such resolution shall not be referred to any Committee. Not later than 30 days after such resolution is introduced in the Senate, it shall be in order for any member of the Senate to call for consideration of the resolution on third reading. No amendments to such resolution shall be in order.

SEC. 3. PAYMENTS TO REDUCE THE PUBLIC DEBT.

All payments received from members and employees of the Senate for services and other benefits described in subsection (d)(1)(B) that are provided by Government employees and all rent or other payments received from private contractors that provide such services and other benefits shall be paid into the account described in section 3113(d) of title 31, United States Code, to pay down the public debt.

SEC. 4. PAYMENT OUT OF CONTINGENT FUND.

The expenses of implementing this resolution shall be paid out of the contingent fund of the Senate.

AMENDMENTS SUBMITTED

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1992

KASTEN (AND BUMPERS) AMENDMENT NO. 1752

Mr. KASTEN (for himself and Mr. BUMPERS) proposed an amendment to the joint resolution (H.J. Res. 456) making further continuing appropriations for the fiscal year 1992, and for other purposes, as follows:

At the end of the pending resolution, add the following new section:

SEC. . Notwithstanding any other provision of this joint resolution, the following appropriation is made:

SMALL BUSINESS ADMINISTRATION

DISASTER LOANS PROGRAM ACCOUNT

For an additional amount for the cost of direct loans, $82,025,000, to remain available until expended: *Provided*, That these funds are available to subsidize additional gross obligations for the principal amount of direct loans not to exceed $241,748,000.

In addition, for administrative expenses to carry out the disaster loan program, an additional $25,000,000, which may be transferred to and merged with the appropriations for "Salaries and expenses".

Congress hereby designates these amounts as emergency requirements pursuant to section 251(b)(2)(D) of the Budget Enforcement Act of 1990.

NOTICES OF HEARINGS

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. BUMPERS. Mr. President, I would like to announce for the public that hearings have been scheduled before the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources.

The hearings will take place on Wednesday, April 29, 1992, and Thursday, April 30, 1992, beginning at 2 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearings is to receive testimony on the following bills currently pending before the Subcommittee. The bills are:

S. 21, to provide for the protection of the public lands in the California Desert;

H.R. 2929, the California Desert Protection Act of 1991; and

S. 2393, a bill to designate certain lands in the State of California as wilderness, and for other purposes.

Because of the limited time available for the hearings, witnesses may testify by invitation only. However, written statements or comments may be submitted by sending two copies to the Subcommittee on Public Lands, National Parks and Forests, Committee on Energy and Natural Resources, 304 Dirksen Senate Office Building, Washington, DC 20510. Although it may not be possible to include all materials in the printed hearing record, every effort will be made to include as many statements as possible.

For further information regarding the hearings, please contact Erica Rosenberg or David Brooks of the subcommittee staff at (202) 224–7933.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON FOREIGN RELATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, April 1, immediately following the first rollcall vote after 2, to vote on pending noncontroversial business items.

The committee will consider and vote on the following nominations:

NOMINATIONS

Mr. Thomas R. Pickering, of New Jersey, to be Ambassador to India.

Mr. Edward Joseph Perkins, of Oregon, to be the U.S. Representative to the United Nations with rank and status of Ambassador, and the U.S. Representative in the U.N. Security Council.

Foreign Service Officers' appointments and promotions lists: Mr. George Mu, et al., dated March 18, 1992.

LEGISLATION

Senate Resolution 258, Simon resolution regarding needed action to address the continuing state of war and chaos and the emergency humanitarian situation in Somalia, as amended.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON PUBLIC LANDS, NATIONAL PARKS AND FORESTS

Mr. FORD. Mr. President, I ask unanimous consent that the Subcommittee on Public Lands, National Parks and Forests of the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate, 2 p.m., April 1, 1992, to receive testimony on S. 1174, to establish the Cache La Poudre River National Water Heritage Area in the State of Colorado; S. 1537, to amend the National Trails System Act to designate the America discovery trail for study to determine the feasibility and desirability of its designation as a National Trail; and S. 1704, to improve the administration and management of public lands, National Forests, units of the National Park System, and related areas by improving the availability of adequate, appropriate, affordable, and cost-effective housing for employees needed to effectively manage the public lands.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Wednesday, April 1, 1992, at 9:15 a.m., in open session, to receive testimony on the submarine and nuclear propulsion industrial base in review of the amended defense authorization request for fiscal year 1993 and the future year defense plan.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on April 1, 1992, beginning at 9:30 a.m., in 485 Russell Senate Office Building, on S. 2481, reauthorization of the Indian Health Care Improvement Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, April 1, at 11:30 a.m. to hold an ambassadorial nomination hearing.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Wednesday, April 1, 1992, at 2 p.m. to hold a hearing on the nomination of Edward E. Carnes, to be U.S. circuit judge for the 11th circuit, Joseph E. Irenas, to be U.S. district judge for the eastern district of Virginia, Wayne A. Budd, to be Associate Attorney General and George J. Terwillinger III, to be Deputy Attorney General.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLGIENCE

Mr. FORD. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, April 1, 1992, at 2 p.m. to hold a joint open hearing with the House Intelligence Committee on Intelligence Reorganization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. FORD. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Wednesday, April 1, 1992, at 10 a.m. to conduct a hearing on the condition of the banking industry, the bank insurance fund, and its treatment in the President's budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

CHRONICLE OF HIGHER EDUCATION STORY ON MINORITY SCHOLARSHIPS

• Mr. SIMON. Mr. President, 20 of my colleagues recently joined me in asking the Department of Education not to adopt its proposed policy on minority scholarships. A recent article in the Chronicle of Higher Education shows that we are not alone in concluding that the policy is wrong-headed. At least 74 of the comments submitted emphasized the importance of allowing minority scholarships in order to promote campus diversity or to reverse the effects of past discrimination or underrepresentation. For example, Dolores Cross, the president of Chicago State University, notes that minority scholarships, while a small part of the overall financial aid that is available, are an important welcome mat, encouraging students who might not otherwise apply for college.

I ask that the article be printed in the RECORD.

The article follows:

U.S. PROPOSAL TO BAR MINORITY SCHOLARSHIPS DRAWS HEAVILY NEGATIVE RESPONSE FROM ACADEME

(By Scott Jaschik)

WASHINGTON.—Education Secretary Lamar Alexander's proposed rules to bar most minority scholarships appear to satisfy very few people.

Last week was the deadline for the public to comment on the proposed regulations. Of the 111 responses (excluding those submitted as part of a high-school class assignment) only 14 endorsed the Secretary's plan.

A total of 74 groups and individuals wrote to say that colleges should be allowed to restrict some scholarships to members of certain ethnic or racial groups. An additional 19 responses criticized Mr. Alexander for not going far enough to eliminate minority scholarships, and 4 took no clear position on the regulations.

IMPASSIONED DEBATE

Debate about the issue continued to be impassioned. Supporters of minority scholarship wrote that abolishing the awards would encourage black and Hispanic students from going to college. Dolores E. Cross, president of Chicago State University, wrote: "It is true that many minority students would qualify for scholarships on the basis of need. However, after reading about the proposed elimination of minority-targeted scholarships, will those students take the trouble to apply for financial aid? Or for admission to college?"

Critics of minority scholarships argued that the awards violated federal anti-bias laws and actually hurt minority students. Robert E. Kribel, vice-president for academic affairs at Jacksonville State University, wrote: "It is counterproductive to implement financial aid policies which focus on racial re ethnic differences. Much of the intolerance on campuses today is the result of ill-conceived programs which grant exclusive privileges to special groups of students."

Secretary Alexander said he would use the responses to help him decide whether to enact his proposed regulations. He issued a statement last week saying there was no timetable for his final decision.

WE HAVE A LAW TO ENFORCE

Although most of those who responded to his proposal criticized it, Mr. Alexander again said his plan would help minority students while following the law. "We have a law to enforce, passed by Congress, which says that a college receiving federal funds can't discriminate based on race, color, or national origin," the statement said. "Our purpose in developing policy guidelines is to help clarify how colleges can use scholarships to create diversity on campuses and to help minority students without violating the federal anti-discrimination law."

CONTROVERSY BEGAN IN 1990

The controversy over minority scholarships has been raging since December 1990, when Michael L. Williams, the Assistant Secretary of Education for civil rights, declared that most such awards were illegal. When Mr. Alexander became Education Secretary last year, he said colleges could continue to offer minority scholarships while the department developed a policy on them. The department issued a proposed version of the policy in December.

Under that proposal, colleges would generally be barred from using their own money to set up minority scholarships. The exceptions would be in cases where a college was operating under a court-ordered plan to remedy past discrimination or where a donor gave money to a college for the specific purpose of supporting minority scholarships.

The regulations would permit colleges to award "diversity scholarships" designed to attract a range of different kinds of students to their campuses, but race or ethnicity could not be a requirement. Mr. Alexander said that colleges, by using diversity scholarships and aid based on financial need, could continue to attract minority students.

In their responses, officials of colleges that offer minority scholarships said Mr. Alexander's proposed rules did not take into account the impact the changes would have on minority students, and the difficulties that colleges have in recruiting them. Some of the responses also said the Education Department's proposals could have dangerous ramifications for civil-rights law.

VERY PERPLEXING SITUATION

Bernard H. Uhlmann, a special education coordinator at Saginaw High School, wrote of the positive effects of minority scholarships on the predominantly black student body at his school. He cited awards offered by the nearby Michigan Technological University.

"Not long ago, very few black males would take the trigonometry, calculus, and chemistry classes. Students felt that there was no opportunity for them to go to college, so why deal with the difficult classes," he wrote. "That is changing. Now word is getting back to the community that if a student is willing to work hard, they can be successful at Michigan Tech, and the money is available for a student who is willing to try. Now the number of black males in these more difficult classes is increasing every year."

The Rev. Msgr. James Barta, president of Loras College, wrote that the proposed regulations left his institution in a "very perplexing situation." The college is in a community that is 99 percent white, but it has recruited minority students—in part by offering minority scholarships—in the belief that its students need to be exposed to those from other backgrounds.

The Iowa Student Aid Commission has been urging the college to continue efforts to recruit minority students, Monsignor Barta wrote, but the Education Department's proposed regulations would make that difficult.

GRADUATE STUDENTS CITED

D. Bruce Johnstone, chancellor of the State University of New York System, wrote that colleges would face a particularly difficult time recruiting minority graduate students. At the undergraduate level, he said, there is "a virtual sea of financial aid," for needy students, but because almost all graduate students are financially needy, colleges need to be able to direct limited resources to students they most want to attract, such as minority students.

Officials of graduate schools of education, business, and law made similar points.

Several of those responding to the proposed regulations said the proposed rules would confuse civil-rights enforcement. A group of 20 Democratic Senators, led by Sen. Paul Simon of Illinois, submitted a response stating that the proposed rules could lead colleges to discriminate against members of minority groups in the awarding of aid.

The Senators cited the portion of the proposed regulations that said it was legitimate for colleges to award aid based on financial need, even if the college knew that such a policy would result in a disproportionate amount of aid going to minority students. Under the same principle, the Senators said, the Education Department would have to allow colleges to have policies of providing aid only to students from counties with small minority populations.

Another response, submitted by the National Women's Law Center on behalf of 40 women's groups, said the proposed regulations would violate the Civil Rights Restoration Act. The act states that civil-rights laws apply to all of the funds used by an institution receiving federal funds. The National Women's Law Center argued in its response that the law would not allow for the distinction in the proposed regulations between funds the college receives from a donor and funds it already has.

Those who wrote to the Education Department arguing against minority scholarships also questioned the distinctions made in the proposed regulations. Charles A. Akemann, a professor of mathematics at the University of California at Los Angeles, predicted that if the regulations were carried out, colleges would continue their minority scholarships but under different names, such as diversity scholarships.

Wrote Mr. Akemann: "In short, 'race as one factor among many' creates such a large loophole as to render the principles useless as a guide to policy. You had it right in your own pronouncement of a little over a year ago. No discrimination period."

Robert L. Pecotte, director of financial aid at Northern Michigan University, wrote: "Such scholarships will only create more hate and more racism on our campuses."

SCHOLARSHIPS CRITICIZED

Only one college president—William L. Proctor of Flagler College—wrote to the Education Department to criticize minority scholarships. Mr. Proctor wrote: "I suspect that my opinion will be at odds with most of those expressed by the academic community, but my experience in working with minority students leads me to conclude that they can and will achieve quite well, apart from any provision of programs that make suspect their accomplishments."

He added: "In my judgment, it is not necessary to single them out on the basis of race, but simply to deal with their problems, talents, and aspirations as you would any other student."

The presidents of the following institutions wrote to the department, urging it to continue to allow minority scholarships: Albany State, Bryn Mawr, Central Piedmont Community, Loras, and Savannah State Colleges; Bowie State, DePauw, Dillard, Drake, Texas Woman's, Washington, and Winston-Salem State Universities; and the University of Montana.

Two organizations—the American Jewish Congress and the National Association of Scholars—sent responses to the department endorsing the proposed regulations. Eleven organizations, some of them writing on behalf of coalitions, wrote to oppose the proposed regulations, arguing that minority scholarships are legal and necessary.

GROUPS OPPOSE POLICY

Those groups were: the Association of American Medical Colleges, the American Council on Education, the American Library Association, Congreso de Latinos Unidos, the National Alliance of Black School Educators, the National Association of Independent Colleges and Universities, the National Association of State Universities and Land-Grant Colleges, the National Urban League, the National Women's Law Center, the United States Commission on Civil Rights, and the University of California Student Association.

As the responses arrived in the mail at the Education Department, several student groups held small rallies outside the department to protest the proposed regulations.

At one of the rallies, a small shanty was built. Organizers said it symbolized the way the Education Department, which they called "the Department of Miseducation," treated black students.

Said Hatem Bazian, president of the Associated Students at San Francisco State University: "This is a grassroots effort. We're getting people to demonstrate that you can fight their racist approach."•

THE MISSION OF AMERICA IN THE POST-COLD WAR WORLD

• Mr. SYMMS. Mr. President, in the course of being a Senator, one has an ample supply of reading material. Occasionally, however, one finds something right on the mark, which is worth sharing with our colleagues.

Recently I had the opportunity to visit Congressman Fred Schwengel, who now serves as the president of the congressionally chartered U.S. Capitol Historical Society. Prior to this important role, he served the people of Iowa in the U.S. House for eight terms where he was a tireless proponent of the development of our Interstate Highway System.

Incidentally, the purpose of the Society is to "heighten public awareness of the historic events which shaped the destiny of our Nation, and to explore and institute new and creative ways to bring the fascinating history of the Capitol to the people."

During the course of our meeting, Fred gave me a copy of an essay he wrote recently called "The Mission of America in the Post-Cold War World." Simply, it is a powerful, convincing mandate which lays out many of the contributions to liberty, worldwide, which owe their roots to events and people from the United States.

Mr. President, Fred and the chief historian at the U.S. Capitol Historical Society, Don Kennan, remind us of the value of the free flow of information.

As stated in the essay: "Perhaps in no other period of time have we seen such a large-scale extension of the domain of human freedom and self-government." We are reminded of the poignant moment when Czechoslovakia's President Vaclav Havel spoke to a joint meeting of Congress and cited the writings of Thomas Jefferson as influences of the people in his nation who sought freedom throughout the decades of Communist tyranny.

The stated purpose of my meeting with Congressman Schwengel was to officially accept the U.S. Capitol Historical Society's endorsement of legislation to allow the private sector to honor Thomas Paine here in Washington at the intersection of Pennsylvania and Constitution Avenues.

When I left, however, I was very thankful to have had the chance to talk with Fred about a variety of things, not the least of which is the importance of continuing the society's charge, to spread the story of democracy and individual liberty throughout the Nation and the world—now more than ever as freedom is breaking the chains of oppression worldwide.

As Thomas Paine wrote in "The Rights of Man":

> Such is the irresistible nature of truth, that all it asks, and all it wants, is the liberty of appearing * * * no sooner did the American governments display themselves to the world, than despotism felt a shock, and man began to contemplate redress.

Mr. President, I ask that the essay, "The Mission of America in the Post-Cold-War World" be entered in the RECORD for the pleasure of our colleagues at the conclusion of my remarks. I would also like to note for the RECORD that I am a cosponsor of the legislation mentioned in the essay calling for the minting of a coin in honor of the 100th anniversary of the Pledge of Allegiance which was introduced by our colleagues Senator HARKIN and Senator GRASSLEY.

The essay follows:

THE MISSION OF AMERICA IN THE POST-COLD-WAR WORLD

(By Fred Schwengel, president, and Donald Kennon, chief historian)

All eyes now seem to be focused upon the current presidential campaign and our own domestic economic problems. This creates a kind of historical myopia. We miss sight of the larger picture and the broader meaning of the truly historic changes that have occurred in the recent past. Thus it becomes the historian's role to help place the present in a proper perspective, in order that we can prepare for the future.

"History will be the judge." How often we hear that phrase, yet those words perhaps have never been so apt as in the context of current world affairs. The events of the past five years have brought changes of such an unexpected and unpredictable nature that it almost defies comprehension. Certainly we are witnessing a new epoch in human history. The forces of freedom and democracy sweeping through the world have torn down the Berlin Wall, destroyed the communist stranglehold on Eastern Europe, and broken up the Soviet Empire. Perhaps in no other period of time have we seen such a large scale extension of the domain of human freedom and self-government.

All American citizens can take no small measure of satisfaction from the fact that our example of democratic self-government, our principles of freedom in religion, speech, and expression, and our generosity in sharing the blessings of liberty worldwide have helped motivate and channel the events taking place in Eastern Europe and the former Soviet Union. It would be well to recall, for example, that when Czechoslovak President Vaclav Havel spoke to a joint meeting of our Congress in 1990, he cited the writings of Thomas Jefferson and the Declaration of Independence for their influence upon the events taking place in his country.

Today it seems that we are continually reminded of how far short we as a nation have fallen from the ideals we espouse for others to emulate. Yet it is well to remember that in spite of our shortcomings the United States has always striven to be a beacon of freedom and liberty. The very concept of liberty has evolved and expanded considerably since the early days of our colonization. Those early settlers often sought freedom from religious or economic oppression for themselves, but then were not willing to extend similar liberties to other groups or peoples in the New World. The Puritan settlers of Massachusetts, for example, sought to build a "city upon a hill" whose shining example would reform what they believed were the corrupt religious practices of the Old World, but they persecuted other religious groups in their community. Yet the Puritan concept of mission bequeathed a legacy to the young nation. Ever since, Americans have been conscious of their mission to reform the world.

The Bill of Rights to the Constitution guaranteed religious liberty, and as a result religious diversity has flourished to the point that we now have over 350,000 churches of all denominations and sects in the United States. Over time the definition of mission changed from religious reformation to that of democratization, and this purpose has found expression in a number of ways. The Monroe Doctrine, for example, sought to preserve a sphere of liberty by closing the Western Hemisphere to further European colonization and exploitation. Abraham Lincoln saw the Civil War as necessary to preserve democracy and the Union, which he firmly believed was "the last, best hope of mankind." Woodrow Wilson argued that our role in World War I and his wish for our participation in the League of Nations were motivated out of an idealistic desire to make the world safe for democracy. In a similar fashion, Franklin Delano Roosevelt's Four Freedoms provided a purpose and a program for our sacrifices in World War II. We believe there is a Fifth Great Freedom—free enterprise—that can be added to the list of America's guiding principles. The United States led in founding and supporting the United Nations and its peacekeeping, humanitarian roles. In numerous other ways, from private philanthropy to organized relief efforts, the people of our nation have carried the mission of America to the world.

During the Cold War it may have seemed that our sacrifices, human as well as economic, were simply aimed at containing the spread of communism. But thanks to a communications revolution primarily pioneered by the United States in satellite telecommunications and microwave transmission, we have been able to plant the seeds of democracy worldwide. Our efforts through the Voice of America, the Peace Corps, the Agency for International Development, and the World Bank all helped demonstrate the virtues of democracy, self-government, and free enterprise. The developments in Eastern Europe and the Soviet Union did not happen in spite of us, but because of us. Our message and our mission have been heard and the response is taking place now for us to see and to influence.

A magnificent new book from CNN Reports: Seven Days that Shook the World: The Collapse of Soviet Communism chronicles the failed August coup against Gorbachev and its aftermath. The movement toward democratization in the former Soviet Union owes much to the example provided by the United States and our determined resistance to totalitarianism. This development was not without a high cost. There have been 125 wars and an estimated 40 million deaths since the end of World War II.

But lest we fall into the easy trap of self-congratulation, we must be aware that freedom and democracy are no panacea for all the ills of the world. They offer no magic wand to remove the stains of decades of authoritarian rule, or to cure the accumulated economic malaise of totalitarian planned economies. Nor is the success of democracy assured in these countries. The specter of counterrevolution, charismatic dictators, ethnic tension, boundary disputes, religious differences, and nationalistic strife all threaten to undo the work of the current generation. Democracy is a fragile thing. We need to recall Jefferson's words, "Eternal vigilance is the price of liberty."

Nor is the work of freedom nor the mission of America completed in the world or at home. Large numbers of people continue to live under harsh dictatorships. Cultural, ethnic, and religious differences still divide nations and peoples, and economic inequalities prevent the full realization of freedom and equality. I am reminded of the great historian Allan Nevins' definition of Lincoln's understanding of democracy. "Democracy," he wrote, "is a process, an unending struggle, a hard, grueling battle. . . Democracy is not a serene attainment; it is an incessant effort, marked by ignominious falls, heartbreaking defeats, and almost intolerable trials."

As a result of the changes of the past five years, the United States has emerged as the acknowledged world leader. The burden of leadership is a heavy and humbling one, and one that we need not share alone. The valiant role of our Armed Forces in the Gulf War and the cooperation and initiative taken by the United Nations point the way to the future. The outlines of the post-Cold War world are dim and difficult to perceive. Like democracy itself, the New World Order pronounced by President Bush will be a process of incessant effort. But just perhaps we can see a day when the mission of America becomes the mission of a changed world.

Our ideals are lofty, perhaps unattainable given the imperfection of human beings. Our failures have been many and tragic. But I think more and more of the wisdom of Abraham Lincoln, a man who was only too well acquainted with the difference between our ideals and our reality. Like Lincoln, I believe that guided by "the better angels of our nature" we should "do all which may achieve and cherish a just and lasting peace among ourselves and with all nations." Perhaps then history will judge that we, like Lincoln, met the challenge of our days.

One principal way in which we can meet the challenge of the present is to educate ourselves and the world about the history of our system of representative democracy. Commemorative events provide a meaningful opportunity to promote an informed understanding of American democracy, which is one of the charter responsibilities of the United States Capitol Historical Society. This year marks the one-hundredth anniversary of the Pledge of Allegiance to the Flag of the United States of America. Written by Francis Bellamy for the occasion of the World's Columbian Exposition in Chicago in 1892, the Pledge of Allegiance was officially recognized by Congress in 1945. Because the Flag is the preeminent symbol of American democracy, the Society has taken the leadership in seeking legislation to commemorate the Centennial of the Pledge of Allegiance. Two bills (HR2385 and S1087) have been introduced to authorize the minting of commemorative coins. One half of the total surcharges from the sale of these coins would be returned to the Treasury to reduce the national debt, and the other half would be used for educational programs that would help explain and interpret our system of representative democracy not only to our own citizens, but to all peoples of a changed world.

You can help the U.S. Capitol Historical Society meet the challenge and fulfill its educational mission by urging your Representative and Senators to become a cosponsor of the Pledge of Allegiance Commemorative Coin Bill (HR2385, S1087).

[The authors acknowledge the assistance of Executive Secretary Cornelius Heine, Vice President Joanne Hanson, Symposia Director Ronald Hoffman, and Historian and Editor Rebecca Rogers in writing this statement.]●

STEEL INDUSTRY GETS MUCH DESERVED RECOGNITION

● Mr. ROCKEFELLER. Mr. President, on March 31, the New York Times published—on its front page—a long overdue article: "An Industrial Comeback Story: U.S. Is Competing Again in Steel." For those of us who care about the steel industry and follow its fortunes closely, this is not news. We are well aware of the tremendous effort the industry has made over the past decade to restore its competitiveness, despite the handicap of having to deal with outrageous unfair trade practices in steel by most of our trading partners.

Over the years, I think it is fair to say that no industry has filed so many unfair trade cases—dumping and subsidies—as the steel industry, and no industry has won so many. As a result of their efforts, we have all learned a great deal about how dumping and subsidies distort the operation of the market and effectively export other nations' unemployment to the United States. And we have come to respect the steel industry for its toughness in the face of these practices and its commitment to bringing them to a halt.

As a result of that commitment, and the determination of many of us in the Congress not to let this critical industry slip away, President Reagan and President Bush first instituted and then renewed a Voluntary Restraint Agreement [VRA] Program as a means of disposing of the many unfair trade cases that the industry had won and at the same time imposing some discipline on the market so that the industry would have time to restore its competitiveness.

As the New York Times article makes clear, Mr. President, that strategy worked. The American steel industry is now one of the most competitive in the world. Its primary measure of efficiency—man-hours per ton—is at a record low and better than virtually every other country. Record levels of exports provide visible evidence of our competitiveness.

It is also worth noting that this success has come without cost to consumers. Prices today are 35 percent lower in constant dollars than they were 10 years ago before the VRA's began. The domestic industry has become the low-cost producer and has passed its savings and efficiency on to its customers and ultimately to consumers.

While the article makes clear that the industry continues to have serious problems, the tremendous progress it has made under the VRA Program is worth noting.

At the same time, Mr. President, I want to express my regret at our failure to conclude negotiations on the proposed Multilateral Steel Agreement [MSA]. I am disappointed in that outcome but hardly surprised. In recent days the European Community's positions had come more outrageous, as they insisted on weaker language limiting subsidies and on more waivers for their own subsidy practices. Ultimately, their demands were unacceptable to the administration, the Congress, and the entire domestic industry.

That is unfortunate, as a strong and effective MSA would be our best means of restoring market discipline to the global steel industry. That failure, coupled with the President's unreasonable refusal to consider a further extension of the VRA's, leaves the industry exposed to the dumping and subsidization that has plagued this industry for years. It can exercise its legal rights and file unfair trade complaints, but that process is expensive and time consuming for all parties.

In the President's 1988 letter to Senator Heinz, he promised to continue the VRA's until a satisfactory multilateral agreement were in place to bring discipline to the market. He renewed the VRA's in 1989 and committed himself to reaching such an agreement. I give him credit for the effort, Mr. President, and I regret he has not succeeded. At the same time, I remind him of his 1988 promise not to abandon the domestic industry to unfair trade, and I call on him to redeem it. His promise has not been forgotten in steel-producing areas, and I have no doubt he will be reminded of it as he travels around the country this year.

Mr. President, I ask that the New York Times article be printed at this point in the RECORD.

The article follows:

[From the New York Times, Mar. 31, 1992]

AN INDUSTRIAL COMEBACK STORY: UNITED STATES IS COMPETING AGAIN IN STEEL

(By Jonathan P. Hicks)

The American steel industry, long a symbol of decay in industrial America, has undergone a transformation in the last decade that has drastically sharpened the industry's competitive position.

Now, after the Government has provided a decade of protection from imported steel, the Bush Administration has decided not to extend quotas on imported steel that expire today. The move reflects the industry's improved condition and the Administration's preference for using existing laws to fight what it sees as unfair trade practices.

American steelmakers have so improved their productivity that the industry now often rivals—and in ways outperforms—its competitors in Germany and Japan. Japanese auto makers, like Toyota, Honda and Subaru, are using American steel in their plans in the United States.

Thanks partly to the lower value of the dollar, foreign steel shipments into the United States have fallen in recent years to the point that they are below the limit the Government has set. And the industry's bellwether efficiency measure—the man-hours needed to produce a ton—is at a record level.

Exports, which in the last 20 years have rarely accounted for more than 2 percent of all the steel shipped from American mills, soared last year to 6.3 million tons, or about 8 percent. And customers contend that the quality of American steel is better than ever, comparable with that from foreign steelmakers.

QUALITY AND EFFICIENCY

"The steel made in the United States is equal in quality to steel made anywhere in the world now," said James M. Glazebrook, director of the General Electric Company's trading operation. "And the industry is now being recognized more and more throughout the world, not only for having top quality, but for being among the best in the world in efficiency. You could never have said that 15 years ago."

Trade protectionism gets some credit for the comeback of the big steelmakers, but so does domestic competition from low-cost nonunion mini-mills that pushed the big mills to change their ways. The value of the dollar played a big role, too. When the dollar was strong in the mid-80's, American producers recognized that they had to become more efficient to block inroads by imported steel. When the dollar later weakened, foreign steel prices rose and imports fell.

Over all, the effectiveness of protectionist measures is mixed. Protection has been a boon to some industries, like motorcycle makers, who have been rejuvenated after four years of tariffs on foreign makes, but it has backfired for the automobile industry, where Japanese manufacturers got around the import limits by building plants in the United States and capturing still more market share from Detroit.

The steel import quotas "have been an important help to the industry's recovery," said the Rev. William T. Hogan, a professor of economics at Fordham University and the author of a number of books on the steel industry. "The agreements have given them an opportunity to catch up." He added that the steel industry spent $23 billion in the 1980's to modernize plants and buy efficient equipment. Some of the money came in the form of joint ventures with Japanese and Korean steel companies. "Without the agreements," Father Hogan said, "we would have a high influx of imports, and I doubt they would have been able to invest as much."

The decision by the Administration, which was confirmed yesterday by Gary R. Edson, the general counsel for the Office of the United States Trade Representative, suggests that American trade negotiators and some steel industry executives would prefer to open the market to steel imports but would insist that foreign governments commit themselves to wiping out subsidies for foreign steelmakers.

TRYING TO CURTAIL RELIANCE ON QUOTAS

The Administration is negotiating in Geneva for a multilateral agreement with steel-producing nations, hoping to determine levels of imports through a more flexible policy centered not on import quotas but on restricting government subsidies.

"The foreign producers are not using their quotas, and demand in the United States is down," said John I. Griffin, president of the Maurice Pincoffs Company a Houston-based steel-trading company that buys both domestic and imported steel.

Mr. Griffin, who is also president of the American Association for International Steel, said the voluntary-restraint agreements that produced the steel quotas were "designed to give the American steel industry time to catch up with foreign steel." He added, "But the industry in the United States is certainly catching up, if it has not caught up already."

American steelmakers still have weapons for trade battles. They can file legal cases against foreign producers accusing them of selling steel below cost or of benefiting from government subsidies; several of these legal cases have already been prepared.

EXERCISING THEIR OPTIONS

"We have to do whatever we have to do to protest unfair trade practices," said Frank W. Luerssen, chairman and chief executive of Inland Steel Industries, the nation's fourth-largest steel company. Under the terms of the steel import limits, American steel companies had given up some rights to battle the pricing practices of foreign steel manufacturers.

Despite the emergency of big steel companies as more efficient, trimmer operations, they are still plagued by the effects of continued overcapacity. There is more steel than demand, and that has caused prices—and profits—to remain in the doldrums. In fact, a ton of the sheet steel that goes into cars is priced at about $440 now, compared with $504 in 1980. And while the lower cost of producing steel has meant that steelmakers have profited in good times—the six largest producers earned $1.2 billion in the robust economy of 1989—they have been ravaged by economic downturns and those same companies lost a combined $2.3 billion last year.

A PARTIAL COMEBACK AT A CLASSIC BIG MILL

Nowhere have the industry's changes been more pronounced than in Gary, Ind., where the USX Corporation operates a sprawling plant along a five-mile strip on the shores of Lake Michigan. For decades, the mill operated by the company—formerly known as United States Steel—epitomized the vastness of big steel. Whatever steel product a customer desired could be manufactured here, from nails to railroad tracks to sheets for automobile hoods.

The Gary Works, or the Big Mill as it was known inside the company, is still the largest steel plant in North America, but it has shrunk considerably. At one time in the 1970's, more than 28,000 people worked here; today there are fewer than 8,000 employees. In earlier decades, the Gary plant housed everything from a hospital, a railroad and a cement plant to a factory that made bridge parts. But now, most of that has been closed or sold, scores of buildings are empty or were demolished and much of the site's 3,400 acres sit idle.

A SHRUNKEN PRODUCT LIST

The mill's production is now confined principally to two types of steel: flat-rolled steel used in automobiles and appliances, and plate steel used in construction and in heavy machinery.

What is made here, however, is produced more efficiently than ever. At the Gary Works, it takes 2.7 man-hours to produce a ton of steel, compared with a USX average of 3.6 and 7.1 manhours 10 years ago. The national average for the steel industry is about five hours a ton. With the opening last fall of a new caster that converts molten steel into slabs, the Gary plant now produces all its steel by the more cost-efficient continuous casting method rather than the conventional method of producing steel from ingots.

The big plant is primarily a maker of sheet used for automobiles and appliances, tin for food and beverage cans and plates for construction and ship-building.

LABOR AND MANAGERS MAKE ADJUSTMENTS

After a bruising labor dispute that shut the plant for six months in late 1986 and early 1987, relations between the union and management have become noticeably less hostile. A steelworker here is no longer confined to one specific duty, like pipefitting. Workers in the highly automated and computerized plant are likely to be assigned to teams to discuss their tasks and determine more efficient ways of working.

"I would say we've seen a complete turnaround from the way things used to be," said Cary B. Kranz, president of Local 1066 of the United Steelworkers union here. Mr. Kranz, whose father worked at United States Steel and was also president of the local, said that union members have a far greater role now in making decisions. "They now involve union people and make us feel that we are part of something," Mr. Kranz said. "They meet with us and they recognize that we have all the knowledge in the world within these gates. It's not happening as fast as we would like, but it is happening."

Analysts and steel industry historians suggest that the changes in Gary mirror the changes in the industry as a whole. The 5.3 man-hours per ton for the steel industry in the United States compares with 5.4 in Japan, and 5.6 in both Germany and Britain, according to statistics by the Bala-Cynwyd, Pa. And the American figures look even better when compared with 6.4 man-hours a ton in South Korea, 7.2 in Taiwan and 8.9 in Brazil.

GLOBAL FACTORS GET MORE EMPHASIS

In part, analysts attribute the changes in the mills to a new generation of steel managers whose views have been shaped by global competition in the steel business and a proliferation of joint ventures between American steel companies and partners from Japan and Korea. In fact, a total of $3 billion of foreign capital mostly from Japan and Korea has been invested in the American steel industry. Many American executives have been exposed to foreign steel companies' methods of operation and labor relations.

"Many American managers, particularly the younger ones, have started to criticize themselves now, rather than blindly defend themselves," said Kiichi Mochizuki, president of the United States arm of the Nisshin Steel Company of Japan. "And that is healthy. It is the first step to improvement. They are developing the courage to say that they have problems and that they need to be attacked."

While the large steel companies have scaled down, their smaller competitors, the mini-mills, have become far more significant challengers, having systematically usurped markets once dominated by big steel. These mini-mills, with names like Nucor, Birmingham Steel and Oregon Steel, typically operate with far lower costs because they melt scrap to produce steel and have largely nonunion work forces with wages about a third lower than those of the unionized steelworkers at the big mills.

BIG PLAYERS LEARN NOTHING IS SACRED

Mini-mill companies, too, are gradually changing the competitive balance of the industry. Once these smaller companies were confined to producing such lower-quality items as reinforcement bars for concrete used in highways and bridges and material for fences, wires and nails. Today, they have a virtual lock on items like beams that support buildings. And some are moving toward the big companies' bread and butter: the flat-rolled steel used in automobiles and appliance parts. As a result, big steel companies consider the mini-mills to be as much a competitive threat as foreign steel is, perhaps even more so.

"Nothing is sacred any more as far as the big integrated steel companies' monopoly," said John Jacobson, an analyst with AUS Consultants in Philadelphia. "Mini-mills had to get into different pastures to continue their growth, and flat-rolled steel is the new area of opportunity."

The importance of steel produced by these smaller steel companies has grown sharply. In 1980, the five largest steel producers accounted for more than 60 percent of all of the domestic industry's shipments. By 1990, that figure had dropped to slightly more than 40 percent. And mini-mills now account for about 21 percent of domestic consumption, slightly more than the 18 percent accounted for by imported steel.

Unlike big steel, mini-mills have weathered the current economic recession robustly. Last year, the six largest steel producers posted operating losses of about $27 for every ton of steel they shipped, nearly $1 billion. But the 10 largest mini-mill companies earned, on average, $10 a ton, or about $100 million.

Some in the industry contend that the big American steel producers will bounce back with vigor once the economy rebounds, noting that despite the improvement in efficiency, steel remains a highly cyclical business. "They will always have ups and downs," Mr. Jacobson said "But, because of the improvements among the big steel companies, their ups will be a little brighter, and they will be able to sustain themselves better during the down periods."•

DESALINATION

• Mr. SIMON. Mr. President, the New York Times recently published an article entitled "More Precious Than Oil, and Maybe as Volatile: Water Crisis Is Feared in the Middle East." As the title indicates, there is a growing awareness of the role water scarcity may play in igniting a conflict in the Middle East.

I believe desalination technology can be an important tool in reducing this potential for conflict. While ample desalination technology is available worldwide, affordable systems are not.

There is no question in my mind that the United States with its wealth of scientific and business talent can once again regain its leadership in this field, while simultaneously providing the means by which tensions can be reduced.

I ask that a copy of the article be included at the end of my remarks.

The article follows:

MORE PRECIOUS THAN OIL, AND MAYBE AS VOLATILE: WATER CRISIS IS FEARED IN THE MIDDLE EAST

(By Alan Cowell)

AMMAN, JORDAN.—As the Persian Gulf war exploded over issues of oil and honor and expansionism, another, more modest event occurred here: the rains came, fickle but abundant, greening pale deserts and offering a reminder that, in many parts of the Middle East, water is far more rare and precious than oil and could, one day, breed conflict of its own.

"We need not only military security, but economic security," Osama al-Baz, a senior adviser to President Hosni Mubarak of Egypt, said in Cairo the other day during a discussion of the postwar era. "And that also means questions of the environment, and the security of water supplies. Because if water becomes scarce, it could become a source of serious conflict throughout the region."

Like the drained audience after some epic drama, many in the Middle East are now blinking into the light, discovering that old realities of war and peace have simply been waiting to slip back onto their shoulders, easy as overcoats left at the cloakroom.

Now, as for many years, warnings abound that competition for water could breed conflict unless a new and unlikely spirit of tolerance comes to a region more familiar with calculations of absolute gain and loss. "Relative to the number of people in Jordan, Israel and the occupied territories," said Elias Salameh, a specialist at Jordan University, "there is not enough water. It's a zero-sum issue. Any gain for Arabs is a loss for Israel, and vice versa."

Even the briefest glimpse at the region's geography and demography shows why the issue is so fissile: populations are growing far more rapidly than aquifers can be replenished; rivers cross borders between states that put self-interest before sharing; rainfall, in many places, is scarce and capricious.

The deserts of the Arabian peninsula, for instance, are so vast and harsh that oil-rich nations like Kuwait and Saudi Arabia now depend on expensive desalting plants on the Persian Gulf. As the gulf war raged, one of the region's principal economic worries was that oil slicks in the gulf would damage Saudi desalting plants, robbing the kingdom of much of its fresh water. That has not happened, but Iraqi soldiers destroyed or disabled most of Kuwait's desalting capability. Significantly, some of the first ships to dock at Kuwait carried not the emirate's erstwhile imports of Gucci shoes and Louis Vuitton luggage, but water.

Competition for the water is all the sharper because of the technological and cost limitations that sharply restrict the options of the region's non-oil economies. "Desalination plants are only for the rich oil-producers," said one Israeli water expert. "Without oil money to pay for them, they are simply too expensive for the consumer."

DEEP WELLS, DEEP POCKETS

The economic aspects extend elsewhere. "The deeper you drill for water," said Dr. Salameh in Jordan, "the more expensive the process becomes. Ultimately, the water becomes too expensive" even for the drip-feed irrigation pioneered by Israel and imitated by other arid countries in the region, from Cyprus to Jordan.

Iraq itself is one of the most fertile of Arab countries—part of the ancient Mesopotamia, the land between the two rivers of the Tigris and Euphrates. But of its 170,000 square miles, Western experts say, only one-third is cultivable, and only one-third of that is irrigated. In one-third of the irrigated area, moreover, excessive use of fertilizers has salted the land with chemicals.

Farther north, on the Mediterranean coast, shoreline aquifers from Libya to the Gaza Strip are turning brackish because salt water from the sea is drawn in to replace the fresh water pumped out by humans.

And at the core of the Middle East's problems is population growth. Arab populations in Syria and Jordan are growing at rates close to 3 percent a year, while Israel bulges with the huge influx of Soviet immigrants.

Whatever their faith, however, all are reliant on the same complex of limited water supplies from the Jordan, Yarmuk and Litani rivers and aquifers that lie below the watershed between the occupied West Bank and Israel—waters that are not easily shared.

"Water is our life," Israel's right-wing Likud party declared as long ago as 1988, saying that since the occupied West Bank provided 40 percent of Israel's fresh water resources—a figure sometimes disputed—it made no sense to place it in the hands of potential enemies. That hardly seems an omen of peace or territorial concession.

But it is a matter of security. Locations and sizes of aquifers, the amount of water taken and for what purposes, are often treated as state secrets. Even the statistics that are available are often mistrusted.

In the entire region, only Egypt and Turkey have plentiful water. Yet Egypt, according to Western experts, fritters away the Nile through irrigation that uses too much water to produce too few crops. Turkey has alarmed its southern neighbors by damming the Euphrates and limiting its flow.

As the gulf crisis unfolded, rumors spread in Cairo that Iraq had stationed missiles in the Sudan, aimed at the Aswan High Dam—the great barrier in Upper Egypt that controls the Nile flow and thus dictates the whole rhythm of life along its banks. Cairo warned that any interference with the dam would be taken as an act of war.

And although Syria and Turkey were in the same allied camp during the gulf crisis, Damascus maintained support for rebellious Kurdish guerrillas in eastern Turkey. One reason: Turkey controls the headwaters of the Euphrates that flows on through Syria and Iraq—a crucial water source in Turkey. By supporting the Kurds, Damascus was telling Ankara to expect revenge for any restriction of the river's flow.

Yet it is in the region straddling the Jordan valley—the flash-point of the Arab-Israeli dispute—that water shortages are most acute and most laden with the emotive overtones of the conflict. Both Jordan and Israel are tapping underground aquifers for more water than can be replenished, Dr. Salameh said at the university here. Non-renewable water resources—known to specialists as fossil water—are rapidly being depleted.

TOO MANY PEOPLE

"The population is already too big for the water resources," Dr. Salameh said. By 1995, he said the situation will be critical.

Experts in both Israel and Jordan acknowledge that even if water were shared between them, there would not be enough. Jordan accuses Israel of diverting disproportionate amounts of fresh water from the Sea of Galilee into Israel's National Water Carrier—an aqueduct system that feeds Tel Aviv. A result, Jordanians assert, is that the Jordan River south of the lake is saline and unusable for irrigation. Between them, Israel and Jordan use so much of the river's water that the level of the Dead Sea is reportedly dropping. Palestinians in the occupied West Bank, moreover, say they are subject to Israeli limitations on the depth of their wells while Israel freely acknowledges that it draws fresh water from the same aquifers.

Talk has thus turned to grand and often unpredictable ideas. Turkey has offered what it calls a "peace pipeline," a $20 billion project to pump water from its Seyhan and Ceyhan rivers to more arid lands; without much hope, specialists in Israel and Jordan suggest that surplus Nile water be diverted to needier lands. This fall, under the auspices of the World Bank and United Nations Development Project, the President of Turkey and the Global Water Summit Initiative, a nonprofit research group, will sponsor a regional conference in hopes of encouraging cooperation.

Beyond that, the Middle East seems caught in one of its familiar conundrums: logic demands that people cooperate to solve potential crises; but such is the competition, fear and mistrust between them that continued hostility seems more probable.

"I do not think that the water problem in the while area can be solved without a proper peace agreement," said Dr. Salameh. "But that is obviously very difficult."•

THE DEPARTMENT OF ENERGY NUCLEAR WORKERS BILL

• Mr. GORTON. Mr. President, I also would like to express my support for the Department of Energy nuclear workers bill, and thank Senators GLENN and WIRTH for their work in developing this legislation.

In general terms, this bill is designed to protect workers and communities at Department of Energy defense nuclear facilities as many of the sites make the difficult transition from weapons production to site cleanup. These people sacrificed a great deal to maintain the U.S. nuclear deterrent throughout the cold war, and are now facing a very uncertain future. They deserve our support and assistance.

In Washington State, we are fortunate to some extent, as the Hanford community has already survived some of the most difficult portions of the transition from production to cleanup. The relationship between the Department of Energy and Hanford workers has been relatively good for the past several years, and our environmental restoration program is beginning to pick up momentum. There are, however, still problems that need to be addressed.

One of the most worrisome issues at Hanford has been DOE's announcement that it will install on environmental restoration and management contractor, or ERMC, at the Hanford site. This announcement has caused a great deal of anxiety amongst Hanford workers, who understandably are concerned that their wages, benefits, seniority, and working conditions may not be maintained in the transition from the current management and operations contractor to the ERMC. For this and other reasons I have asked the Secretary to delay the Hanford ERMC, and to include strong worker protection provisions when, and if, the Department does install an ERMC at the site. My efforts, however, involve only one site.

The legislation I am cosponsoring today will guarantee continuity of service for workers at all sites that will host an ERMC, and will obviate the need for a great deal of unnecessary wrangling between DOE and current management and operations contractor employees. The bill will also establish much needed health monitoring and health insurance services for certain DOE workers, and provide for better transition planning at all DOE sites.

I am pleased to join Senators WIRTH and GLENN in cosponsoring this legislation, and urge the Senate to act swiftly on the bill.•

INCOME-CONTINGENT STUDENT LOANS

• Mr. SIMON. Mr. President, it is unfortunate that neither the House nor the Senate versions of the Higher Education Act reauthorization would move toward making the Pell Grant Program an entitlement. This means that more and more students are going to rely on loans to finance their higher education—or they won't go at all.

I am not a great fan of loans, but we must ensure that Americans who want to continue their education have that opportunity. And if loans are going to be the type of aid that we provide, then it is especially important that we do everything we can to make the student loan program more fair, and more humane. I have joined with a number of my colleagues over the past several months to establish income-sensitive repayment plans for student loans, so that we aren't demanding payments from borrowers that are way out of line with their income. This also helps to ensure that debt does not drive students into particular professions just so that they'll be able to pay off their loans.

An article in the Chronicle of Higher Education points out that the time is ripe to move to an income-contingent loan system. I ask that the article be printed in the RECORD.

The article follows:

[From the Chronicle of Higher Education, Mar. 18, 1992]

THE TIME HAS COME TO ESTABLISH INCOME-CONTINGENT STUDENT LOANS

(By Barry Bluestone and Jerome M. Comcowich)

"An invasion of armies can be resisted, but not an idea whose time has come." If Victor Hugo, the author of that statement, is correct, we may be about to witness the creation of a new federal student-loan program based on a model that educators and economists have been talking about for over 40 years.

The economists Milton Friedman, in 1945, and Robert Reischauer, some 20 years later, were among the first to suggest that direct government loans to students, with repayments keyed to the incomes that they earned after graduation, might be a better way for students to finance the costs of their postsecondary education than the current system of bank-financed, fixed-repayment loans.

Although the bill that the Senate passed recently to reauthorize the Higher Education Act does not include such a loan proposal, the Senate Finance Committee has approved a pilot program of direct, income-contingent loans at 500 colleges and trade schools, beginning in academic 1993-94.

In the House of Representatives, leaders of the Education and Labor Committee are considering a plan for direct loans as part of their version of the reauthorization of the Higher Education Act, although graduates' repayments would not be keyed to their income.

Nevertheless, we believe that universal, direct, income-contingent loans have several features that especially recommend them right now. First, such loans would be available to all students, regardless of family income, thus helping students from hard-pressed middle-income families, many of whom are presently excluded from existing federal programs. Second, the loans would be obtained directly from the federal government, bypassing the private banking system and thereby lowering the interest rates paid by student borrowers. Third, by tying loan recipients' repayments to their incomes, repayment would be flexible; it would be adjusted to the borrower's actual income each year.

By spreading repayments over as many as 25 years, by eliminating the interest subsidy paid by the government on guaranteed loans while borrowers are in school, and by virtually eliminating defaults because loan repayments would be made by payroll deductions paid to the Internal Revenue Service, such a program would be self-financing.

Flexible repayments, plus the use of payroll deductions, would save taxpayers as much as $3.5-billion a year in default payments. Eliminating the interest subsidy would save another $2-billion to $3-billion annually. At the same time, students would have a built-in "insurance" system so that whenever their incomes were temporarily low, their repayments would continue to fit their earnings.

The need for a new financing mechanism for postsecondary education is obvious. At the very time that schooling beyond high school is becoming more critical for individuals as well as for national economic growth, college costs have accelerated faster than the rate of inflation. The tax dollars available for loans and grants have by no means kept pace with the need. This is true for low-income families, but equally true for the middle class.

Anyone with college-age children can attest to the burden of college costs. The College Board reports that by 1991-1992, the cost to an in-state student of four years of college at a four-year public institution averaged over $25,000, including tuition and fees, room and board, and miscellaneous school expenses. The same education at a private four-year institution was over $50,000. At the elite schools, total expenses ran closer to $90,000. Yet, the amount of student aid available from the federal government under existing grant and loan programs has not kept up with these costs.

The largest of the federal loan programs, the guaranteed or Stafford Loan Program, provides a maximum of $2,625 per academic year for the first two years of undergraduate study and $4,000 for each subsequent year, up to a five-year maximum of $17,250. Hence, a student who takes out the maximum amount of Stafford loans over four years still must come up with an additional $11,750, on average, to attend a public university and at least $36,750 to go to a private institution.

The growing gap between college costs and available funds means students are in trouble. According to Kenneth C. Green of the Center for Scholarly Technology at the University of Southern California, the "sticker shock" of tuition and fees is forcing students to "buy down." Students who would have gone to private institutions in the past now are selecting public ones. Those who would have gone full time are forced to go part time. Some who would have selected four-year colleges are going instead to two-year schools, and more students from poor homes are going to vocational schools rather than to college—if they go anywhere at all. In a recent USA Today survey of high-school graduates, a third of the respondents indicated that they had delayed or indefinitely put off college because of the expense.

The only reason that college enrollments have not fallen precipitously in light of the growing gap between costs and aid is that colleges and universities are themselves assuming a greater share of the burden, providing more grants and scholarships out of their own revenue. A survey by the Higher Education Research Institute at the University of California at Los Angeles, "The American Freshman: National Norms for Fall 1990," noted that between 1979 and 1989, the proportion of freshmen receiving college-financed grants and scholarships increased from 11.3 to 20.3 per cent. Colleges are using part of the higher tuition that they are charging to subsidize low- and middle-income students, in order to help maintain cultural and social-class diversity in the classroom.

If direct, income-contingent loans would make it easier for students to finance their educations and save taxpayers money too, who could possibly oppose such a program?

Two distinctly different groups have lined up against such loans for two distinctly different reasons. Profit-oriented banks and service-oriented student-financial-aid administrators both have expressed opposition to direct, income-contingent loans.

Commercial banks generate more than $1-billion in profits each year from their student-loan portfolios. That profit is virtually assured because the banks are protected against defaults by government guarantees. Thus banks object to direct government loans because such loans would force them to give up a lucrative, risk-free market. Furthermore, those who are part of the vast bureaucracy that services the current array of loans—the specialized private and quasi-public student-aid-financing agencies in each state—also are resisting direct loans; they fear that if these loans are successful, their services will no longer be needed.

Some campus-based student-aid-administrators, on the other hand, oppose the loan proposal for a very different, though equally basic, reason. Based on their previous experiences with the government, they fear that the federal bureaucracy is incapable of running a large-scale loan program independent of the commercial banks. They suspect there will be too much red tape and that their jobs will become more onerous.

In responding to this concern, proponents of direct loans generally acknowledge that it would be absolute folly to initiate a new loan program without broadly involving financial-aid administrators when the program's rules and regulations are written. Also, as with other government innovations, Congress would be well advised to begin with a demonstration program, such as the plan the Senate Finance Committee approved, to make certain that any administrative problems are addressed and resolved before the program is expanded nationwide.

The implicit coalition between the banks and college financial-aid officers against direct, income-contingent loans does not bode well for helping students and their families cope with the increasingly higher costs of college. Getting the banks to support such a program will not happen, because of narrow self-interest. On the other hand, getting the support of financial-aid officers is absolutely essential to the passage of such a program. This can be done by involving them in developing the program's regulations and operating mechanisms.

Any program that is so good in theory for students, their families, colleges and universities, and American taxpayers should not be allowed to founder on bureaucratic grounds. That is why the practical administrative concerns of the college financial-aid community must be addressed at the very outset of any pilot program.

Direct, income-contingent loans provide the opportunity and structural framework for a renewed national commitment to financing college education in this country. We hope this idea's time finally has come.

(Barry Bluestone is professor of political economy at the University of Massachusetts at Boston and a senior associate at the John W. McCormack Institute of Public Affairs. Jerome M. Comcowich is associate specialist in the office of student services at the University of Hawaii at Manoa.)●

TRIBUTE TO CONNIE GUERRERO

● Mr. JOHNSTON. Mr. President, today I bring to the attention of my colleagues a very special teacher from Guam, Ms. Connie Guerrero. A teacher program specialist for the Guam Department of Education and former teacher at Simon Sanchez High School, Connie Guerrero is a recipient of the Close Up Foundation-Linda Myers

Chozen Award for Teaching Excellence in Civic Education. Ms. Guerrero is one of only four honorees to receive the first annual award from the Close Up Foundation for her outstanding contributions and leadership in civic education activities. She will be honored at a ceremony at the National Press Club on Monday, April 6, 1992.

The Linda Myers Chozen Award honors classroom teachers who have demonstrated outstanding leadership, innovation, and a commitment to fostering an understanding of the rights and responsibilities of citizens in a democratic society.

While Close Up's Pacific Island Program was in its beginning stages of development, Ms. Guerrero spearheaded an effort to ensure that students from Guam would be able to participate in a civic education program. Since that first trip to Washington, DC, in 1985, she has been a tireless organizer of islandwide activities that would help prepare teachers and students who were making the very long journey from Guam to Washington, DC, to learn how American democracy functions and to develop the interest, knowledge, and skills needed to participate effectively in the democratic process of government.

Ms. Guerrero's activities have not been limited to Close Up's Washington, DC, High School Program. She has sought ways to bring the Close Up learning experience to those in Guam who could not make the trip to Washington to see their government in action. Through her extraordinary efforts, Guam now has a Citizen Bee Program. The Citizen Bee is a national civic education program and academic competition that helps students in grades 9 through 12 improve their understanding of U.S. history, government, economics, geography, and current events.

Ms. Guerrero originated the idea and contributed lesson plans to the Close Up publication, Teaching for Active Citizenship: A Manual for Pacific Educators. She has also served as a representative of Guam's Department of Education at various Close Up activities focused on the Pacific islands and Freely Associated States.

Ms. Guerrero's efforts on behalf of civic education have extended beyond the classroom to include other age groups. She has reached out to develop intergenerational involvement in many of the local activities she has instituted in Guam. For example, her classroom community service requirement was so successful that several other teachers from various disciplines have instituted a community service requirement for their programs. Her community service program was applauded by everyone involved—the island's elders, the students, and their parents.

It is easy to see, Mr. President, that Connie Guerrero is an outstanding asset to all of the people of Guam. She is also a role model for teachers across the country and a very deserving recipient of the Close Up Foundation-Linda Myers Chozen Award.

ASSATEAGUE ISLAND NATIONAL SEASHORE

• Mr. SARBANES. Mr. President, I rise today to urge final approval of S. 1254, to expand the boundaries of Assateague Island National Seashore. The purpose of this legislation, which I developed and sponsored with Senator MIKULSKI and which has broad support in our congressional delegation, is to preserve and protect the national seashore for the benefit of future generations.

S. 1254 authorizes the National Park Service to acquire a 96-acre parcel of a 320-acre private estate immediately adjacent to the national seashore headquarters and planned Barrier Island Visitors' Center. The owner of the property, Mrs. Elizabeth Woodcock, is recently deceased, and her heirs are interested in selling the estate. I am deeply concerned that the sale and development of this property would threaten the integrity of the national seashore. First, it would result in a serious visual intrusion for the seashore and the planned Barrier Island Visitor Center. Second, I am concerned that development along the water would seriously threaten the area's water quality, habitat, wildlife. The ecosystem of Assateague Island and its coastal bays is extremely fragile and increased development would negatively impact on the park and its resources.

My bill was first approved by the Senate in October 1991 and sent to the House for consideration. Earlier this year, the measure was considered by the House Committee on Interior and Insular Affairs which made three changes to the bill—a technical correction; a provision allowing the National Park Service to accept, by donation, a conservation easement over the remainder of the Woodcock property; and a provision to improve the seashore's cooperative research program. I want to commend the distinguished chairman of the House Interior Subcommittee on National Parks and Public Lands, Mr. VENTO, for his constructive additions to the legislation. The bill was approved by the full House on March 24 and returned to the Senate for final disposition.

Mr. President, this legislation will provide additional protection for Assateague and help insure the integrity of the national seashore. It is supported by the National Park Service, the State of Maryland, the county commissioners of Worcester County, the Committee to Preserve Assateague Island and the Worcester County Citizens Coalition. I urge my colleagues to join me in supporting final passage of the legislation.•

FORT HUACHUCA: VALUE TO NATIONAL DEFENSE AND ARIZONA

• Mr. DECONCINI. Mr. President, this month marks the 115th anniversary of the founding of Fort Huachuca in Sierra Vista, AZ. For 35 years longer than Arizona has been a State in the Union, Fort Huachuca has played a vital role in the defense of our Nation.

Initially constructed as a post for the Buffalo Soldiers and Indian fighters in the days of the pioneers, the fort has a stirring place in the history of the Old West. It is Arizona's only surviving active Army post of those originally established during the 1870's. Fort Huachuca, the Indian name for "place of thunder," was the sight of Geronimo's surrender in August 1886. The Buffalo Soldiers assigned to Fort Huachuca joined Gen. John J. Pershing's 1916 expedition into Mexico.

Today, Fort Huachuca plays a major role as both employer and consumer in my home State of Arizona. It had an impact on 42 percent of Cochise County's jobs in fiscal year 1990 and expended over $473 million in the county that year. Nearly half the population of Sierra Vista consists of military retirees and their families.

Fort Huachuca also has had a significant impact on national defense. Army National Guard, Army Reserve, Marine Corps Reserve, and military schools and training areas contribute to the Reserve component force. Fort Huachuca is home to more than 40 commands, agencies, and activities representing the Army, Air Force, Marine Corps, and the Army and Air National Guard plus several other Federal agencies. With the issue of consolidation of the Information Systems Command, as well as the Intelligence School, at the fort now settled, the Army's commitment to making Fort Huachuca one of the premier intelligence and testing centers in the Nation seems clear. In fiscal year 1993 alone, the Army proposes spending over $51.5 million in military construction and base realignment projects—including much needed final repairs of the Libby Army Airfield.

Fort Huachuca consists of the Intelligence Center and School, the Electronic Proving Ground, the Information Systems Command, the Joint Interoperability Test Center, the Army Research Institute, and the Test and Experimentation Command Intelligence and Security Board. With the majority of the Nation's unmanned aerial vehicle testing—a major focus of the Defense Department for the battlefield of the future—now occurring in Sierra Vista, the future of Fort Huachuca is indeed bright.•

FEDERAL ARTS FUNDING

• Mr. GRAHAM. Mr. President, I received a letter last week from the Cultural Affairs Council of Dade County, expressing their strong support for the National Endowment for the Arts.

Just as the Arts Endowment has played an essential role in supporting many of the Nation's finest arts endeavors, the Cultural Affairs Council is a critical element of the south Florida arts community.

The Miami area harbors some of the best artistic talent in the country, which is exhibited through the opera, the dramatic stage, the symphony, and a myriad variety of other venues. The many people who take advantage of all that creative energy can thank the Cultural Affairs Council, as well as the NEA, for their instrumental work to promote the arts.

At the request of the Cultural Affairs Council, I am pleased to ask that their letter of March 27 and the enclosed Miami Herald editorial be printed in the RECORD following my remarks.

The material follows:

CULTURAL AFFAIRS COUNCIL,
Miami, FL, March 27, 1992.

Hon. BOB GRAHAM
Miami, FL.

DEAR SENATOR GRAHAM: Enclosed please find an editorial which appeared in the Miami Herald on Thursday, March 26, 1992. The editorial superlatively expresses the urgent need to impress upon the White House the vital role the National Endowments for the Arts (NEA) plays in the preservation and the development of our nation's culture.

During the next few months, the National Endowment for the Arts 1993 appropriations hearings will be held. On behalf of the hundreds of cultural organizations which the Metro-Dade Cultural Affairs Council represents, and all the thousands of artists—not to mention the hundreds of thousands of audience members who support South Florida's vibrant cultural community so vigorously—we look to you to provide the visionary leadership which will be required to sustain the great work and leadership of the NEA.

The voices of those who fully understand the extraordinary value of the NEA must be heard. Please help us enlighten the members of Congress. We ask that you submit the attached Herald editorial to the Congressional Record on behalf of the Cultural Affairs Council. Thank you for your support.

Sincerely,
PAULINE WINICK,
Chairman.
MICHAEL SPRING,
Executive Director.

[From the Miami Herald, Mar. 26, 1992]

BUSH, THE UNARTFUL DODGER

Credit Patrick J. Buchanan with one primary victory. He intimidated the White House into forcing John E. Frohnmayer's resignation as chairman of the National Endowment for the Arts. Mr. Buchanan focused his attacks on a handful of NEA grants to artists whose works many Americans consider morally offensive.

In his swing through the South, Mr. Buchanan used the grants to portray President Bush as a supporter of pornography. Rather than respond forcefully to Mr. Buchanan's scurrilous charges, an affrighted White House looked for a sacrificial goat. Mr. Frohnmayer was it.

By many accounts, the NEA chairman had done a credible job at a minuscule agency that arouses the worst instincts of some great Washington demagogues. Mr. Frohnmayer responded eloquently to his detractors this week, likening some of them to Nazi Germany's officials.

When he was hired two years ago, some in the arts establishment at first regarded Mr. Frohnmayer as an instrument of the NEA's enemies. If they couldn't kill the agency, they would use the new chairman to ensure that only "acceptable" work got grants. Initially Mr. Frohnmayer was cautious about making controversial decisions. But pretty soon he allowed the NEA's peer review process to weigh heavily, as it should, in the great process. He took flak from both sides.

Undeniably, under Mr. Frohnmayer and previous chairmen, the NEA has supported work that many people would view as superior—and work that was tasteless, or shocking, or downright mediocre.

Still, the NEA was not established to provide support to universally acclaimed artists; they do quite well without it, Rather, the NEA was set up to foster experimentation, and to support small arts groups that would not have a shot at commercial sponsorship or local funding. From these experiments will come works that are fresh, that endure—and some that offend or find no audience, so they fall.

It can't be otherwise if the NEA is to nurture the freedom that undergirds all artistic progress. That freedom mustn't fall hostage to White House cowardice or Pat Buchanan's philistinism.●

NOMINATION OF DANIEL GOLDIN TO BE NASA ADMINISTRATOR

● Mr. GORE. Mr. President, yesterday, the Senate voted to confirm Daniel S. Goldin to be Administrator of the National Aeronautics and Space Administration. I am pleased that Mr. Goldin's nomination was expeditiously considered and approved by the Senate to ensure continued leadership of our space program, as today is Admiral Truly's last day as NASA Administrator.

Let me say at the outset that I was very impressed with Mr. Goldin at our confirmation hearing last week. He asserted that he intends to be in charge of NASA, not merely its caretaker. I believe him.

He also provided very specific, direct answers to questions by members of the Commerce Committee on issues ranging from the future direction of the space program to the importance of individual and technical programs. With a career that encompasses some 30 years of working with a number of advanced space systems, he comes to this job with extensive managerial and technical skills.

Mr. President, he will need them. For Dan Goldin is not walking into an easy assignment. NASA needs strong guidance. It needs leadership to establish clear goals for its future and it needs effective management to achieve those goals. As Administrator, Dan Goldin is now charged with ensuring continued accountability in the civil space program. And, perhaps most importantly, NASA must remain a source of inspiration to the Nation.

At this very moment, American astronauts are in the Space Shuttle *Atlantis* performing one of the first Mission to Planet Earth flights, gathering valuable data about the global environment. This important mission symbolizes the way in which our work in space can improve our life on Earth and, in fact, the Earth itself. There is great opportunity for NASA, under Dan Goldin's leadership, to contribute to a better life for all as we move into the next century.

Mr. President, I wish Mr. Goldin the best of luck in this new position. I look forward to working with him as NASA and the Congress work to chart the future of our civil space program.●

CIVILIAN CONSERVATION CORPS

● Mr. SASSER. Mr. President, I rise today to pay tribute to the Civilian Conservation Corps on the 59th anniversary of its founding. The participants in this New Deal program made an unparalleled contribution to our Nation and left a legacy of parks, forests, and recreational areas many of which still exist today.

The CCC, which was founded in April 1933, coupled the need to put unemployed young men to work and the need to conserve the Nation's natural resources. During the program's 9-year life, the Federal Government employed over 3 million men on an extensive variety of conservation projects across the United States. At the program's peak in 1937, there were over 502,000 corpsmen working in 2,500 camps in all 48 States, Hawaii, Alaska, and Puerto Rico.

Corpsmen enlisted for 6-month periods, lived in camps or companies of 200 men, and were paid $30 per month—$25 of which was sent directly home to their families. The average participant was 19 years old, had only an eighth grade education, and was so underfed that he gained 11 pounds during his first 3 months in the program. If the program's sole purpose was to help young men support their families, the CCC would have accomplished a great deal and would have been a tremendous success.

But, Mr. President, the CCC had another goal—that of conservation and restoration of America's natural resources. Between 1933 and 1942, enrollees hand-planted over 2 billion trees, built nearly 3,500 fire lookout towers and spent roughly 6 million man-days extinguishing fires. In addition to these remarkable feats in forestry, corpsmen also completed projects in erosion control, pond dam construction, soil conservation, and disaster relief assistance.

The legacy of this work lives on in the dam and archbridge of native stone in the Cumberland Mountain State Park in my home State of Tennessee—the largest all-masonry structure built by the CCC. It also can be seen in the Red Rocks Park Amphitheater in Colorado, the water tower at Mother Neff State and national parks across the country. No CCC works, however, have probably gotten as much public use as those in the Great Smoky Mountains National Park.

I am proud of the many accomplishments the CCC made during its 9-year existence, and it is no accident that this public works program was perhaps the most widely accepted and popular of the New Deal programs, even among those who generally opposed the Roosevelt administration. The hard work, dedication, and many successes of the CCC participants provide us a shining example of the American spirit, and they showed us that we as a united Nation can work together, face any peril, and succeed.

Mr. President, I know I join all my Senate colleagues in expressing our sincere gratitude and thanks to the alumni of the CCC on the 59th anniversary of their commitment and efforts on behalf of our country. It is my hope that their legacy and spirit will be passed on to our young people for generations to come.●

ORDERS FOR TOMORROW

Mr. FORD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 9:45 a.m., Thursday, April 2; that following the prayer, the Journal of the proceedings be deemed approved to date, and the time for the two leaders be reserved for their use later in the day; that there then be a period for morning business not to extend beyond 1:30 p.m. with Senators permitted to speak therein for up to 5 minutes each, with the following Senators recognized for the time limits specified: Senators DASCHLE and WOFFORD, up to 45 minutes total, Senator GRASSLEY for up to 1 hour, Senator BUMPERS for up to 15 minutes, and Senators CONRAD, REID, GORTON, and LEVIN for up to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FORD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. FORD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 9:45 A.M.

Mr. FORD. Mr. President, as per the previous order, I now ask unanimous consent that the Senate stand in recess until 9:45 a.m. tomorrow.

There being no objection, the Senate, at 9 p.m., recessed until Thursday, April 2, 1992, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate April 1, 1992:

EXECUTIVE OFFICE OF THE PRESIDENT

WADE F. HORN, OF MARYLAND, TO BE DEPUTY DIRECTOR FOR DEMAND REDUCTION, OFFICE OF NATIONAL DRUG CONTROL POLICY, VICE HERBERT D. KLEBER, RESIGNED.

THE JUDICIARY

CHARLES A. BANKS, OF ARKANSAS, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF ARKANSAS VICE G. THOMAS EISELE, RETIRED.

ALFRED V. COVELLO, OF CONNECTICUT, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF CONNECTICUT VICE A NEW POSITION CREATED BY PUBLIC LAW 101–650, APPROVED DECEMBER 1, 1990.

CAROL E. JACKSON, OF MISSOURI, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MISSOURI VICE WILLIAM L. HUNGATE, RETIRED.

IRENE M. KEELEY, OF WEST VIRGINIA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF WEST VIRGINIA VICE A NEW POSITION CREATED BY PUBLIC LAW 101–650, APPROVED DECEMBER 1, 1990.

JEROME B. SIMANDLE, OF NEW JERSEY, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY VICE A NEW POSITION CREATED BY PUBLIC LAW 101–650, APPROVED DECEMBER 1, 1990.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

GEN. HANSFORD T. JOHNSON, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. ROBERT D. BECKEL, [redacted] U.S. AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. CHARLES A. MAY, JR [redacted], UNITED STATES AIR FORCE.

IN THE ARMY

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JOHN T. MYERS [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. MICHAEL F. SPIGELMIRE [redacted] U.S. ARMY.

IN THE COAST GUARD

THE FOLLOWING REGULAR OFFICER OF THE U.S. COAST GUARD TO BE A MEMBER OF THE PERMANENT COMMISSIONED TEACHING STAFF OF THE COAST GUARD ACADEMY AS AN INSTRUCTOR IN THE GRADE OF LIEUTENANT COMMANDER:

RICHARD B. GAINES

THE FOLLOWING REGULAR OFFICERS IN THE U.S. COAST GUARD TO BE MEMBERS OF THE PERMANENT COMMISSIONED TEACHING STAFF OF THE COAST GUARD ACADEMY AS INSTRUCTORS IN THE GRADE OF LIEUTENANT:

MICHAEL A. ALFULTIS
LUCRETIA A. FLAMMANG
GEORGE REZENDES
JONATHAN C. RUSSELL

THE FOLLOWING REGULAR AND RESERVE OFFICERS OF THE U.S. COAST GUARD ARE NOMINATED TO BE PERMANENT COMMISSIONED OFFICERS IN THE GRADES INDICATED:

To be lieutenant commander

GARY E. HIATT

To be lieutenant

JON S. KELLAMS
CHARLES D. DAVIS
CHAD T. JASPER
DENNIS A. HOFFMAN
ERICH R. STARN
JASON LYUKE
NONA M. SMITH
ROBERT D. HENTZ
JOHN F. MALONEY
JAY A. ALLEN
LAURENCE B. WILLIAMS
JOHN E. BORIS
MELISSA A. BULKLEY
JAMES E. MALENE
WILLIAM R. KELLY
JOSE A. NIEVES
DONNA L. PERRY
RONALD H. NELSON
TIMOTHY A. FRAZIER
RAYMOND D. HUNT
KIMBERLY A. HOON
THOMAS G. FAVREAU
PETER D. CONLEY
PETE V. ORTIZ, JR.
JOSEPH B. KOLB
MARY J. SOHLBERG
DAVID C. HOARD
WILLIAM P. GREEN
DALE A. BOUFFIOU
CRAIG T. HOSKINS
CHARLES JENNINGS
JAMES H. WHITEHEAD, III
ROBERT G. GARROTT
KENNETH V. FORDHAM
SCOTT A. BUTTRICK
JERE B. HARPER
KELLY L. KACHELE
ALVIN D. YATES
JAN R. PROEHL
MICHAEL L. WILLIAMS
JOHN M. DANAHER
CHRISTOPHER B. ADAIR
DAVID W. SPRUNT, JR.
JOSEPH M. GALE
BARRY J. WEST
MATTHEW A. DUBEN
ELVIS F. THOMAS
GLENA T. SANCHEZ
ROBERT J. HENNESSY
DEAN L. FIRING
KEITH M. SMITH
STEPHEN E. LALONDE
WILLIAM L. STINEHOUR
DAVID J. GALLISATH
DONALD F. POTTER, JR.
DOUGLAS M. GORDON
RICHARD N. EAST
ROBERT D. KIRK
SAMMY D. BROOK
WILLIAM M. DRELLING
JIM L. MUNRO, JR.
DREW J. TROUSDELL
DARCY D. GUYANT
RICHARD K. WOOLFORD
SCOTT B. VARGO
TIMOTHY A. ORNER
LARRY D. BOWLING
MARK D. WALLACE
JOHN E. HURST
ROBERT P. YEREX
BRETT A. CONTENT
FRANK G. DELEON
KEITH D. BOUNDS
MICHAEL J. NEWELL
ERIC J. BERNHOLZ
THOMAS M. BAGOT
KEITH T. BRADLEY
PAUL A. TITCOMBE
DAWAYNE R. PENBERTHY
MATTHEW C. STANLEY
KEVIN D. CAMP
GARY L. BRUCE
KEVIN M. BALDERSON
PERRY S. HUEY
KEVIN P. FROST
ROD D. LUBASKY
PHILLIP ISON
SCOTT W. BORNEMANN
JOHN E. LUDLUM
ROBERT C. WILSON
CHARLES O. ELLIS
BRIAN P. HALL
DAVID S. RANNEY
RONALD J. HAAS
PETER A. STEIN
MARK A. STAFFORD
JAMES P. MCLEOD, JR.
CYNTHIA L. STOWE
JAMES W. CROWE
RICKY HAWKINS
JANET R. FLOREY

To be lieutenant (junior grade)

DAVID C. HARTT
ERIC V. WALTERS
JEFFREY A. REEVES
THOMAS E. CAFFERTY
KATHRYN A. STEARNS
JOHN E. SOUZA
JOSEPH P. KELLY
JEFFERSON R. QUINN
DOUGLAS E. WEST
ROGER R. LAFERRIERE
RONALD L. HENSEL
COREY J. JONES
JOHN J. DOLAN
LEONARD C. GREIG, III
RICHARD T. GATLIN
STEVEN W. POORE
ROBERT S. YOUNG
MICHAEL J. BOSLEY
SAMUEL SHORT, JR.
TIMOTHY J. HEITSCH
ANTHONY J. VARAMO
DAVID A. WALKER
STEWART M. DIETRICK
ROBERT J. GONZALEZ
ARTHUR R. THOMAS, JR.
MICHAEL R. PATTERSON

BARRY O. ARNOLD
ARTHUR K. KAISER
ALAN W. CARVER
DAVID L. HARTLEY
GARY E. BRACKEN
THOMAS TARDIBUONO
TIMOTHY K. GRIMES
MICHAEL A. MEGAN

HOUSE OF REPRESENTATIVES—*Wednesday, April 1, 1992*

The House met at 2 p.m. and was called to order by the Speaker pro tempore (Mr. LEWIS of Georgia).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC, *April 1, 1992*.

I hereby designate the Honorable JOHN LEWIS to act as Speaker pro tempore today.

THOMAS S. FOLEY,
Speaker, House of Representatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

We sense much that seems wrong with our world, O God, and we measure so easily how we miss the mark. Yet, we are grateful when people not only speak the words of reconciliation and compassion, but commit themselves to actions that are symbols of future solidarity and respect between peoples in our communities and among the nations. We are thankful, O loving God, that people can grow in sensitivity and tolerance toward each other and we can grow together in peace. In Your name we pray. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Pledge of Allegiance shall be offered by the gentleman from Georgia [Mr. DARDEN].

Mr. DARDEN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

REQUEST FOR CALL OF THE HOUSE

Mr. LAFALCE. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair does not wish to entertain that point at the moment.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 2763. An act to enhance geologic mapping of the United States, and for other purposes.

PRESIDENT'S PLAN TO HELP U.S. ECONOMY STILL MISSING

(Mr. BONIOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BONIOR. Mr. Speaker, the President says he has a new comprehensive plan.

To revitalize the American economy?

No, to revitalize the Russian economy—a billion dollars to help stabilize the ruble.

Mr. Speaker, people in America need help, too. Like the 3,000 laid off at Sears today, 40,000 over the last few years.

Or the 4 out of 10 unemployed that Reuters reported yesterday were missed by the Labor Department counts.

Four out of ten. Swept under the rug. Where is the President's plan to help them?

He has no trouble seeing the need to stabilize the ruble.

Where is his plan to help Americans trying to make a buck?

BACK TO THE WELL ON MACHINE TOOLS

(Mrs. BENTLEY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BENTLEY. Mr. Speaker, once again—in the well of the House—I am appealing for support for the beleagured American machine tool industry. The battle to get machine tool voluntary restraint agreements extended was waged over the fall and won in December; 196 Members supported the extension.

Today the old agreement runs out and still, there is no new agreement. Taiwan is holding out, along with one American importer of Taiwanese machine tools, the Hurco Corp. Of course, their efforts have been helped by the lobbying of two former employees of the U.S. Trade Representative's office—very successful efforts, I may add—up until this point.

My question to this House today: For how long will a foreign nation, Taiwan, and two lobbyists representing a foreign nation, and one United States importer be allowed to exercise more power than 196 Members of Congress?

Unfortunately, this is not an April fool's joke. The wishes of 196 Members of Congress are being blocked by foreign interference in the internal affairs of this Nation. It must stop.

ANOTHER EXECUTIVE BRANCH COVERUP

(Mr. FAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAZIO. Mr. Speaker, yesterday the White House refused to come clean on campaign travel ripoffs.

Well, there is another executive branch coverup that has done far more damage to this country and our families. The Labor Department now says they missed 650,000 unemployed workers during the first year of the recession—4 of every 10. This is an outrage. How do you miss a population twice the size of the city of Sacramento, CA, and then some?

How do you miss that many families in pain? For month after month after this recession began, the President played golf, piloted his Cigarette boat, and fought against additional unemployment benefits. Three times, three times, Democrats fought to pass an unemployment bill over his objections.

If his administration had not so conveniently missed 650,000 unemployed workers, maybe he would not have gotten away with it. Unemployment figures come out again this Friday, and Democrats will soon move another unemployment bill. Every family in this Nation counts, Mr. President. Stop overlooking those hurt by your recession.

WAVES OF FREEDOM GETTING CLOSER TO CASTRO'S SHORES

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, Cuba was found by Freedom House to be 1 of the 13 worst violators of human rights. Opposition parties are not legally recognized and their members are persecuted, prosecuted and harrassed, as being enemies of the Marxist-Leninist state.

☐This symbol represents the time of day during the House proceedings, e.g., ☐1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

In order to pacify his growing number of international critics, Castro has now said that his one-party rule will be somewhat altered, but in his own way and in his own time. Direct elections of deputies will be allowed. What a farce.

A Communist Party official recently said:

> I see very little possibility that someone who advocates the restoration of capitalism or counterrevolution will obtain a consensus.

And what is counterrevolution? Expressing ideas of liberty, of justice, of true democracy, of an end to the human rights violations, of an end to dictatorships, an end to repression.

The waves of freedom are getting closer to Castro's shores. Surf's up, Fidel.

EMBARRASSING EXECUTIVE BRANCH PERQUISITES

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NAGLE. Mr. Speaker, yesterday, the White House—which believes in full disclosure when it comes to Congress—denied witnesses and documents to a House committee investigating the President's travel budget.

I can understand the stonewall, Mr. Speaker, because frankly some of the executive branch perquisites are embarrassingly indefensible. Here is one example: The White House economic adviser, Mr. Boskin, gets car and driver treatment from his door to his office and back. This gives him the same status as the National Security Adviser who obviously must be available to the White House on an emergency basis.

But portal-to-portal service for the White House Economic Adviser? Are we holding emergency meetings on the capital gains tax cut for the rich in the situation room? Are we awakening the President at 3 a.m. to report on housing starts? Get real.

Mr. Boskin's affection for the limousine is at least consistent with his President's economic policies. What is inconsistent is the White House position on full disclosure.

DEMOCRAT-CONTROLLED CONGRESS ABUSE OF POWER COVERUP

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, the public still smells a coverup in the Democrat bank scandal. The public deserves to know the answer to one question: What did the Democrat leadership know, and when did they know it? Apparently, the Democrat-controlled General Accounting Office has been providing the Democrat leadership with reports on the House Bank for several years now. Why haven't we seen these reports? Why hasn't the Democrat leadership come clean on their scandal.

Republicans have a right to know. The American public has a right to know. This is supposed to be the people's body with openness in our dealings. But of course, the Democrats have exempted the Congress from the Freedom of Information Act.

There is only one way to find out the full story on the House bank, Mr. Speaker. You must release any and all GAO reports about the Democrat bank scandal.

CONGRESS MAKES FULL DISCLOSURE, THE EXECUTIVE BRANCH DOES NOT

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SKAGGS. Mr. Speaker, the wise men who wrote the Constitution and set the framework for this Government knew the threat posed by concentrations of power, especially in the executive branch. They addressed that risk by putting in Congress the power of the purse and the responsibility of oversight that goes with it.

It is our duty as the people's representatives to oversee all branches of government.

We practice full disclosure, the executive does not.

The White House has a duty to provide Congress with the information it needs to make determinations about the wise use of public money. I am not asking for any kind of witch hunt. I am asking for accountability.

□ 1210

Unfortunately, White House officials yesterday resisted, refusing even to appear at a hearing on White House travel expenses. This refusal to account for the use of public funds is particularly disappointing at a time of domestic cutbacks and mounting deficits.

Mr. Speaker, Americans are demanding reform and they are entitled to know what their Government spends. The White House has to bear its own share of the responsibility to restore accountability and respect to our democratic institutions.

LET US HAVE FULL DISCLOSURE ON THE HOUSE BANK

(Mr. COX of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. COX of California. Mr. Speaker, I have been dismayed to learn from recent newspaper reports that the coverup of the House bank scandal has now reached the highest levels of the Congress. I join with my colleagues on the other side of the aisle in calling for full disclosure. We ought to have full disclosure of the reports prepared by the General Accounting Office for the Democrats who control the Congress on the subject of this House bank scandal.

The General Accounting Office has provided only the Democrats with years of reports concerning the House bank, going back to 1984. We do not know what is in those reports, because they have not been provided to every Member of Congress and they have not been provided to any Republicans.

The fact is that the Democrats have controlled this Congress, this House, the House bank and the General Accounting Office, which is an arm of our staff, for 38 years, and that is why the GAO is not making this information public.

The GAO cannot pretend to be a neutral arm of the Congress when it will not release to every Member its secret reports to the Speaker.

Mr. Speaker, instruct the GAO to make these House bank reports available to every Member.

INTRODUCTION OF DEFENSE INDUSTRIAL DIVERSIFICATION AND COMMUNITY ASSISTANCE ACT

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, for more than 40 years, the United States has relied on Connecticut businesses, workers, and communities to provide our country with a strong defense. And for more than 40 years, Connecticut has responded. These dedicated people helped build the technology that brought an end to the cold war and victory in the Persian Gulf.

However, the changes which have brought us closer to peace abroad now threaten economic security at home. Reductions in military spending mean that defense-dependent industries are going to have to cut back and workers will lose jobs.

I welcome the changes that reduce the threat of global conflict. However, I worry that defense industries important to our future security may be jeopardized. And I worry that even appropriate cuts will adversely affect Connecticut's industry and workers.

The administration has no plan for defense industry businesses. This lack of planning suggests they would allow the men and women who have kept our Nation strong to fend for themselves. We cannot allow thousands of workers to be left out in the cold.

We have spent 40 years creating a demand for defense technology. Now all of a sudden, the administration is pulling the plug to let these businesses sink or swim.

That is why I am introducing the Defense Industrial Diversification and Community Assistant Act.

My bill is a comprehensive diversification plan which provides aid to workers and businesses to help them adjust to the new defense strategy. Mr. Speaker, it will help businesses stay open and workers keep their jobs.

COIN REDESIGN LANGUAGE NOT POPULAR WITH CONSTITUENTS

(Mr. McCANDLESS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. McCANDLESS. Mr. Speaker, you should inform our colleagues to expect more phone calls from irate constituents.

They will not be calling about the House bank or the post office but when they find out what we are about to do, they will demand to know why Congress voted to remove the American eagle from our coins.

Later this afternoon, the House will consider the conference report on H.R. 3337.

H.R. 3337 mandates coin redesign and it repeals the law which requires the eagle to appear on the quarter and half dollar.

Coin redesign is controversial. Polls have shown that the idea is not popular with the folks back home.

Are you prepared to explain to your constituents why you voted to take the American eagle off our coins?

With all of the current controversies surrounding this institution, we do not need another one.

For that reason, I will offer a motion to recommit H.R. 3337 so that we can take coin redesign out of the bill and then consider the other portions of the bill that have broad bipartisan support.

A vote for the motion to recommit is a vote to preserve the American eagle on our coins.

Reject coin redesign. Vote for the motion to recommit.

WE WILL KEEP THE AMERICAN EAGLE ON OUR REDESIGNED COINS

(Mr. TORRES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TORRES. Mr. Speaker, my colleagues, today we will bring up for consideration H.R. 3337, the bill that will mint a number of commemorative coins for our country. Among those provisions is one that will propose to change coin redesign on our 25-cent piece and our 50-cent piece.

Mr. Speaker, the words "In God We Trust" will remain there, the law says so. On the reverse side we will commemorate the Bill of Rights and we will maintain the eagle. This talk about striking the eagle is just—just talk. It will remain, and we will keep the eagle on the quarter commemorating the Bill of Rights' 200th anniversary.

Mr. Speaker, I want my colleagues to understand this. I want my colleagues to reject the motion to recommit today.

SECOND ANNIVERSARY OF THE ELECTROMATION CASE

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GUNDERSON. Mr. Speaker and colleagues, on April 6 we will witness the 2-year anniversary of what is known as the electromation case pending before the National Labor Relations Board. Two years before that board, and yet a decision has not been made.

This will probably be one of the most important rulings ever by the National Labor Relations Board because their decision will have an impact on no less than 30,000 employee participation programs nationwide. These programs, known as quality circles, labor/management committees, quality of worklife committees; really, what are they? They are the opportunity for labor and management to join together on a voluntary, cooperative basis to improve the efficiency of that operation and to help make America competitive around the world.

Yet the reality is that everyone expects the National Labor Relations Board to try to enforce the 55-year-old law preventing such employee participation programs not only at Electromation but at all 30,000 places of business in this country that use that same concept.

Mr. Speaker, we should be concerned; we should be ready to act if that decision comes down.

DEMOCRAT-CONTROLLED CONGRESS ABUSE OF POWER: HOUSE BANK

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, why is it that the General Accounting Office has provided the Democrats with years of reports concerning the House bank but has not provided these to Republicans? It is because, just like everything else around here, the Democrats control the GAO.

The fact is that Democrats tell the GAO what to produce and who to give it to. We should no longer see the GAO as a neutral arm of Congress. Let's see it for what it is, just another arm of the Democratic Party.

Where are those GAO reports concerning the House bank? What do they say? Mr. Speaker, the Democrats must come clean on their House bank scandal. Release all the information given to you by the GAO. The veil of secrecy that surrounds the Democratic operation of the House bank must be broken.

You cannot cover your management by a White House investigation.

Mr. Speaker, the Democratic leadership should release the GAO reports now.

UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1992

(Mr. PEASE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. PEASE. Mr. Speaker, our Nation's unemployment insurance system has long been in need of repair. Members of both the House and Senate resisted for many years the efforts of a worried few to take advantage of a then-growing economy and relatively low unemployment to reform the UI system.

Twice in the last 5 months we have moved to extend much needed jobless benefits to our Nation's unemployed workers. The past two bills were temporary fixes, not the permanent reform of unemployment compensation that we should have passed years ago.

The extended benefits are scheduled to expire in July, just a short time away. This body should resist the temptation to implement another series of catch-as-catch-can measures that will get us through this prolonged downturn but leave the larger problems unaddressed. Crisis management will no longer do the job.

With these thoughts in mind, Mr. Speaker, I urge my colleagues to join me in supporting the unemployment compensation amendments of 1992. This bill would make permanent reforms in the unemployment system and extend the current emergency benefits program. I would like to commend Chairman ROSTENKOWSKI and acting subcommittee Chairman DOWNEY for their excellent work on this bill.

AMERICANS LOSING THEIR HEARTS IN "SAM SHAM'S DISCOUNT"

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Mr. Speaker, Wal-Mart, America's No. 1 retailer, started a buy-America program. It is called: Bring it home to the U.S.A. The only problem is Wal-Mart buys most of their clothes from China, Indonesia, and Korea. It is "Bring it home" all right; stone-cold imports. In fact, Wal-Mart's catch one label is: Made in Indonesia; the Bramble Lane sweaters, in China; and, my colleagues, that famous red flannel shirt with the Ozark Trail label, that is right, cowboys from Korea.

Mr. Speaker, it is bad enough that American workers have lost their jobs and their wallets. But now I guess they can also lose their hearts in "Sam Sham's Discount."

MISMANAGEMENT OF HOUSE BANK NOT A BIPARTISAN AFFAIR

(Mr. THOMAS of Wyoming asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. THOMAS of Wyoming. Mr. Speaker, in dealing with the House bank issue, Congress better face up to the facts. It is obviously the case that both Democrats and Republicans bounced checks. The large and irrefutable fact remains, though, that the Democrats controlled the management of the House bank. The shoddy management of the bank is not a bipartisan affair. It rests solely on the Democrats' foreheads.

Plus, you have to distinguish between people who knew they could kite checks to abuse the system by floating literally hundreds of checks and those who trusted the management actually thinking it was a professional bank.

The Democrat leadership has tried to point to Secretary of Defense Dick Cheney and other Cabinet members, hoping to divert the pressure off of themselves. Dick Cheney, like many other Members of this body, were never told of overdrafts or they obviously would have corrected their accounts. Dick Cheney was clear to point out that the problem was the mismanagement of the bank. Remember, that mismanagement is the Democrats' child. And the Democrat leadership is less than reputable to try and obscure their irresponsibility and incompetent management by using the distinguished reputation of Dick Cheney. The Democrats cannot avoid the fact of their failure to exercise ethical oversight of the House of Representatives.

A SHORT LEASH FOR THE RTC

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Mr. Speaker, a few months ago we approved $25 billion in funding for the RTC, but prohibited them from spending any of it after April 1. RTC still has $17 billion and today we will be asked to lift the April 1 cutoff, in effect allowing RTC to spend an additional $17 billion.

Mr. Speaker the administration has consistently argued we should give RTC a blank check. "Just give them anything they want and abdicate any accountability or oversight," they seem to say.

Well, RTC has demonstrated they need to be on a short leash. We must constantly ask RTC to justify the money they spend. Anything more is a prescription for disaster.

Mr. Speaker, it may be politically unpleasant to consider these funding bills every few months, but our responsibility to the taxpayer requires us to do just that. The bailout must be done as quickly and inexpensively as possible, and hopefully we will put the RTC out of business.

KILLING COMMUNISM

(Mr. LIVINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LIVINGSTON. Mr. Speaker, Eastern Europe and the former Soviet Union now are free. It wasn't an accident of history that freed them, nor was it by design of the American liberals' hero, the now-deposed Mikhail Gorbachev.

In fact, it wasn't any of the liberal heroes who brought down communism. Instead, it was Ronald Reagan and the conservative American people who backed him overwhelmingly in two elections.

But do not take my word for it: take the word of Time magazine, the publication that prematurely crowned Gorbachev as freedom's hero. And take the word of Carl Bernstein, liberal icon of the Watergate era.

Look at their cover story from February 24, a story I will introduce into the RECORD in a special order tonight. It's headlined "How Reagan and the Pope Conspired to Hasten the Demise of Communism."

Mr. Speaker, it tells the inspiring story of how the Reagan administration recognized in Poland's Solidarity movement a historic opportunity for freedom, and used that as a wedge to split open the stone-cold heart of communism.

I commend Time, and I commend even more strongly the moral courage of the President and Pontiff who made it happen.

REALLY BIG SCANDALS

(Mr. DEFAZIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DEFAZIO. Mr. Speaker, colleagues, citizens, bulldogs of the press—listen up. I am going to discuss a scandal that makes the distinguished minority whip's bounced checks look like small change. If rubber checks are the symptom, this scandal is the disease.

How about a $425 million loan from the U.S. Treasury for 7 years—interest free. That is the deal the savings and loan bailout crowd offered Patriot American Investors—a group represented by a Republican fundraiser and lobbyist with very close ties to the administration.

How about a $100,000 personal loan with no interest and no repayment. That is what the President's son—a Silverado Savings and Loan director, got from a developer whose misdeeds ultimately cost the taxpayers $31 million in defaulted loans.

How about the pit bulls at the Bush Justice Department who have assessed a paltry $80 million in penalties against savings and loan crooks and then have managed to collect less than 1 percent of those paltry fines. How many of the savings and loan crooks with outstanding fines are major contributors to the national Republican Party? That is a story I don't expect to see in the press anytime soon.

Colleagues, the Bush administration is asking for another $25 billion to continue to bail out their wealthy friends and defraud the American people and it is time to just say no.

QUALITY MANAGEMENT AT THE NLRB?

(Mr. RITTER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RITTER. Mr. Speaker, Sunday marks the second anniversary of the NLRB administrative law judge decision that has put American competitiveness on ice. Believe it or not, the Electromation case currently under review by the NLRB—that is the National Labor Relations Board—questions the legality of workplace cooperation programs. Yet we all know that workplace cooperation is an absolutely essential ingredient for American success and shows the kind of total quality management that unions, and blue collar, and white collar, and management and the like have been able to engage in promoting American competitiveness.

This body has spoken many times on behalf of workplace cooperation. We fund programs to support it. We give awards like the Malcolm Baldrige National Quality Award to promote it.

☐ 1430

Mr. Speaker, the message should be clear. Workplace cooperation is good. We want employers to embrace it. Unfortunately, this has not been cleared with the National Labor Relations Board. What could possibly be holding their decision up? Perhaps if they practiced total quality management, we would have had decisions like this a lot sooner.

CREATION OF A JOINT COMMITTEE ON THE ORGANIZATION OF THE HOUSE

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, reform is on every tongue on Capitol Hill and in Washington, and well it should be because there is much reform to be done in this body and in this city to regain the esteem of the people.

We must start with reform here on the Hill. We have to reform the campaign finance laws and squeeze out big money which is distorting the political system. We have a new House Postmaster. I hope he will eventually turn these offices into branches of the U.S. Postal Service. We will soon have a House administrator to run the business of the House.

One more needed reform, Mr. Speaker, will be to pass House Concurrent Resolution 192, which will create a Joint Committee on the Administration and Reform of the House. This would examine all the structures of the House, the committees, the subcommittees, the overlap, the duplication, and the cost. This committee would examine the budget process in an effort to try to streamline it. It would examine everything from stem to stern.

Mr. Speaker, we need the reform that is in this resolution. House Concurrent Resolution 192 is a good step in that reform direction.

RTC FUNDING—AN EXERCISE THAT NEVER DIES

(Mr. EWING asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Mr. Speaker, they say that in Washington, DC, old spending programs never die. That is certainly true in the case of the Resolution Trust Corporation. We keep giving the RTC more and more money, but the job never seems to be finished.

The funding estimates for the RTC monster have increased so many times I have quit counting, and today we will be asked to release another $17 billion. This will bring the cost to well over $100 billion so far. And they tell us the RTC will need another $55 billion. I have to wonder when the taxpayers will quit paying, or if they ever will.

The most scandalous issue here is the fact that all of this spending is exempt from pay-as-you-go provisions of the 1990 budget agreement, which means RTC funding is deficit spending. Which means that our children and grandchildren will be paying for this bailout.

Mr. Speaker, this is wrong. If RTC funding is so important, we ought to be able to find the funds within our current budget. If RTC is so important, why do we not cut spending somewhere else to pay for it? What are we doing is irresponsible.

I guess it is appropriate that Congress vote for more RTC funding on April Fool's Day. But it is a pretty expensive joke on the American taxpayers.

Call me old fashioned, but I think we need to start living within our means and balancing our checkbook. I cannot in good conscience support more RTC deficit spending, and I urge colleagues to oppose it as well.

NATIONAL GUARD/RESERVE CUTS

(Mr. MONTGOMERY asked and was given permission to address the House for 1 minute.)

Mr. MONTGOMERY. Mr. Speaker, the Defense Department has proposed to make major cuts in the strength levels of the National Guard and Reserve. If this action is approved, it would result in the closure of 1 of every 3 armories throughout the country. The Defense Department is wrong and I hope Congress will reject that proposal.

These National Guard and Reserve units have a big economic impact on our local communities. A 150-person armory brings $2 million into the local economy. Closing them would be a big blow, especially as we are trying to come out of this recession.

In peacetime, we have downsized the Active Forces and relied more on the Reserve components. If we are looking to save defense dollars, we ought to be shifting more missions into the National Guard and Reserves, not closing them down.

We should also consider the dual role played by the National Guard. They have a State mission to serve the Governors and help out in times of national disaster or civil disorder. And, we should also remember that these Reserve components provide the military with a link to the people that has helped strengthen support for the Armed Forces over the years.

The Defense Department is wrong on this one. I do not think Congress will go along with eliminating the citizen soldier.

A QUESTIONABLE HIGH COURT RULING

(Mr. BLACKWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BLACKWELL. Mr. Speaker, it is business as usual across the street at our Nation's highest court. One need look no further than yesterday's unanimous ruling in the case of Freeman versus Pitts to see how the court has once again set a dangerous precedent to turn back the clock on civil liberties for all Americans.

As we all know, Mr. Speaker, in 1954, in the case of Brown versus The Board of Education, the Supreme Court dispelled the notion of separate but equal schools for our children, a notion that had prevailed for so many years.

Indeed, the Court's decision yesterday to "return the operation and control of schools to local authorities" has frightening implications. The Court in the formulation of its opinion stated further that "* * * where resegregation is a product not of official action but of private choices, it does not have constitutional implications."

Well Mr. Speaker, maybe the Supreme Court has a different copy of the Constitution than I do. This decision will severely undercut any further efforts at dismantling the stone cold wall of desegregation that keeps our children separated across the country. As a matter of fact, this ruling is nothing short of a mandate for those who yearn for the olden days of separate but equal.

I do not need to tell my colleagues about the deterioration of America's educational system. It is a troubling factor that affects all of our districts. There is no denying that resegregation, no matter what the cause, be it institutionalized or a result of private choices, will simply send a great deal of our Nation's schools into a further downward spiral.

At a time when the future of our Nation's educational system is at a vital crossroads, when we should be forging new ground in our choices of curriculum, and bringing the incredible technological advances of recent years into our classrooms. Instead the Supreme Court yesterday, has pointed us, yet again, toward the beaten path of injustice and separation for our children.

OMNIBUS COIN BILL HEADED FOR CONFERENCE

(Mr. LAROCCO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAROCCO. Mr. Speaker, today the House will consider the conference report on the omnibus coin bill.

Like most Members, I have an interest in the bill: I sponsored the Desert Storm silver medallion which passed overwhelmingly last July. I cosponsored the World Cup, Columbus, and Madison coins, and support the White House coin.

There is unfortunate controversy over coin redesign.

I like our coins just fine. But I liked Ben Franklin half-dollars with the Liberty Bell on the back—which we had until 1964—just as much as I like Kennedy half-dollars with eagles.

The bill says that backs of quarters and half-dollars should commemorate the Bill of Rights. I revere the Bill of Rights as much as I revere the eagle.

The bill says that Treasury gets final say on the look of the backs of the coins—and may or may not include an eagle in the design.

The Treasury also gets at least $100 million from coin collectors who will buy first day sets of the new quarter and half-dollar.

Treasury has always had the right to consider any coin for redesign, but this bill does not take Monticello off the nickel or make any change in any coins except quarters and half-dollars.

Mr. Speaker, if there are any questions on this bill, I invite my colleagues to give me a call or talk to me on the floor. I will tell them the truth, and if they get calls from irate constituents, I suggest they just tell them the truth.

QUESTIONS REMAIN ON ABORTION REFERRALS

(Mr. ATKINS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ATKINS. Mr. Speaker, late last month, rumors floated that President Bush was finally backing down on the gag rule. But these rumors proved to be false.

In reality, the new guideline permits doctors to provide medical information, but it is ambiguous as to whether it really permits doctors to refer patients for a legal abortion.

Even if it does allow doctors to refer patients for abortions, it still gags nurses and social workers, who counsel the vast majority of clinic patients, from giving medical advice.

The so-called guidance is more political posturing which does nothing to change the gag rule.

It is a political attempt by the administration to appear moderate while clinging to an extremist position.

Mr. Speaker, we need solutions, not more confusing bureaucracy.

It is time to pass H.R. 3090, and stop the President's censorship of medical professionals once and for all.

PAY-AS-YOU-GO APPROACH SUGGESTED FOR S&L BAILOUT

(Mr. SANDERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SANDERS. Mr. Speaker, to quote from "Alice in Wonderland," things around here are becoming "curiouser and curiouser." Yesterday this body had a major debate on the peace dividend, and there were those of us who said that maybe we could use some of the money saved by cutting back on military spending so that we could reinvest in America, so that we could provide food for hungry children, and so that we could provide housing for the homeless and health care for those who do not have it, and so maybe we could defeat it. Well, the opponents said, "You can't do that. This country has a major deficit, and we have got to deal with the deficit."

Well, today, 1 day later, this institution is about to appropriate $17 billion more for the savings and loan institutions. And how are we going to get the money? It is coming out of the deficit. That is another $17 billion for the deficit.

So the same people who said yesterday that we do not have enough money for our children now say that it is OK, that we have enough money to bail out the S&L's, until we develop a progressive pay-as-you-go approach.

□ 1440

REPUBLICANS SHARE RESPONSIBILITY FOR HOUSE BANK IRREGULARITIES

(Mr. DERRICK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DERRICK. Mr. Speaker, our friend on the other side of the aisle have made a series of erroneous speeches about the GAO reports on the House bank. They claim the GAO reports have been made secretly to the House leadership.

These charges are absolutely false and they know it.

According to the report of the House Ethics Committee, these reports have been publicly available since 1977.

But if the Republicans are claiming to be unaware of the reports, let us remember this: The House bank had egregious difficulties when the House was run by the Republicans in the 1950's. I am holding in my hand a copy of one of the reports that were sent to the last Republican Speaker, Joe Martin.

No Republican ever asked that the bank be reformed or closed.

REPEAL LUXURY TAX NOW

(Mr. HUGHES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HUGHES. Mr. Speaker, thousands of middle-class craftsmen who make boats have lost their jobs due to an ill-conceived luxury tax—a tax that has failed to even pay for the unemployment benefits those workers now receive.

The fact is that this House voted to repeal that disastrous tax, the Senate voted for repealing it twice, and the President supports repeal.

Unfortunately, other issues have derailed these bills, and these delays have only made matters worse. Why would anyone buy a boat today and pay a 10-percent tax that may be repealed tomorrow? For this reason we must repeal the luxury tax as soon as possible. The boating season is here.

I am again calling on the Ways and Means Committee to quickly report out a luxury tax repeal bill either by itself, as part of the expected unemployment reform package, or as part of a bill to extend the expiring provisions that we pass every year.

American workers need our help now, please.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

PROVIDING FOR CONSIDERATION OF H.R. 4704, RESOLUTION TRUST CORPORATION FINANCING

Mr. DERRICK. Mr. Speaker, by direction of the Committee on Rules, I call up H.R. 412 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 412

Resolved, That upon adoption of this resolution it shall be in order to consider in the House the bill (H.R. 4704) to remove the limitation on the availability of funds previously appropriated to the Resolution Trust Corporation. Debate on the bill shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking, Finance and Urban Affairs. The previous question shall be considered as having been ordered on the bill to final passage without intervening motion except one motion to recommit. All points of order against the bill and against its consideration are hereby waived. After passage of H.R. 4704, it shall be in order to take from the Speaker's table the bill S. 2482 and consider said bill in the House. All points of order against consideration of the Senate bill are hereby waived. It shall then be in order to move to strike out all after the enacting clause of said Senate bill and to insert in lieu thereof the provisions of H.R. 4704 as passed by the House. All points of order against the motion are hereby waived. It shall then be in order to move to insist on the House amendment to S. 2482 and request a conference with the Senate thereon.

Mr. SPEAKER pro tempore (Mr. McNULTY). The gentleman from South Carolina [Mr. DERRICK] is recognized for 1 hour.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentleman from California [Mr. DREIER], and pending that, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 412 provides for the consideration of H.R. 4704, a bill to remove the limitation on the availability of funds previously appropriated to the Resolution Trust Corporation. The resolution calls for consideration of the bill in the House with 1 hour of debate, equally divided and controlled by the chairman and ranking minority members of the Banking Committee. The rule waives all points of order against the bill and against its consideration and provides for one motion to recommit.

The rule also provides that after the passage of H.R. 4704 it shall be in order to consider the Senate companion bill—S. 2482—in the House, and all points of order against consideration of the Senate bill are waived. To facilitate a conference, the rule makes in order a motion to strike out the text of the Senate bill and insert the text of H.R. 4704 as passed by the House. The rule waives all points of order against the motion to strike and insert, and makes it in order to move to insist on the House amendment to S. 2482 and request a conference.

Mr. Speaker, last year Congress enacted legislation—Public Law 102-233—providing an additional $25 billion to the Resolution Trust Corporation to cover the losses of failed savings and loans which are closed, sold or merged by the RTC. Under the terms of that legislation the $25 billion is available only through today, April 1, 1992. It is estimated that the RTC will use only about $8 billion of the $25 billion by today, leaving approximately $17 billion unused and leaving the RTC without the ability to cover losses after today.

H.R. 4704 merely extends the period in which the RTC can use the funding provided last year by eliminating the April 1 deadline for obligating the funds. The bill does not provide any additional funding for the agency.

I urge all Members to support the rule.

Mr. Speaker, I reserve the balance of my time.

Mr. DREIER of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman from South Carolina [Mr. DERRICK] for yielding.

Mr. Speaker, to say the least, the issue of providing adequate funding for the Resolution Trust Corporation has proven to be a difficult one for this body to address. We all recall the frustration of having to deal with this issue over the last 2 years. I will never forget standing here in the middle of the night in November just before we were trying to adjourn as we were dealing with this very, very tough issue.

Mr. Speaker, this closed rule is no more than a reflection of that difficulty and frustration that we have all felt on this. However, Mr. Speaker, it is the request of the administration and of the leadership on both sides of the aisle that we move ahead with this issue.

It is important also to point out that the money being made available by the Resolution Trust Corporation funding bill will be used to close down failed thrifts and maintain the promise of the Government to pay off insured depositors.

I am going to underscore that again, Mr. Speaker. The funds for the Resolution Trust Corporation are designed to have us meet the responsibility that was set up initially. The full faith and credit of the U.S. Government is behind those deposits.

Mr. Speaker, I want to commend the new president of the RTC, a dynamic southern Californian, Albert Casey, who, since taking office in February, has moved vigorously to overcome the indecision and inaction that has come to characterize much of that agency's efforts.

☐ 1450

Of course, many of the problems that continue to plague the thrift industry are really not directly related to the RTC. These problems can only be resolved by additional legislation, which I hope that we will be addressing down the road.

For example, my friend and colleague, the gentleman from Florida [Mr. MCCOLLUM], tried to make in order two very good amendments that would save the Government billions of dollars in thrift cleanup costs.

The supervisory good will buyback amendment would restore the capital position of healthy savings and loans and save up to 90 percent of the cost of closing down those institutions.

The case for the real estate subsidiary amendment was best made by the director of the Office of Thrift Supervision, Mr. Ryan. He stated that this amendment "could reduce unnecessary pressures in certain real estate markets, without any sacrifice in the safety and soundness of insured institutions."

It is my hope that the Committee on Banking, Finance and Urban Affairs will move expeditiously to consider the McCollum amendments as separate legislation, along with other reforms, to make the RTC's operations more efficient, which include two very good amendments which were offered and unfortunately not accepted by the gentleman from California [Mr. RIGGS], my good friend and hardworking California colleague.

Mr. Speaker, I reserve the balance of my time.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 4 minutes to the distinguished gentleman from Indiana [Mr. JONTZ].

Mr. JONTZ. Mr. Speaker, I rise in opposition to the rule. I do not agree with the judgment of the Rules Committee that a closed rule is appropriate for the bill before us today. Many Members share my opinion that if the Resolution Trust Corporation [RTC] is to properly fulfill its obligation to the American people, reform of this agency is imperative. Since its inception, the S&L bailout has been plagued by mismanagement, escalating costs, and poor recordkeeping. Yet, the bill before us today would allow the further expenditure of $17 billion in tax dollars to operate the RTC, without even any debate on needed reforms of its operations.

Mr. Speaker, I am one Member who is uncomfortable with this body allowing such a massive funding measure as H.R. 4704 to go forward without bringing about the changes that are needed to make the RTC operate in a manner which protects the interests of the taxpayer. I sent a letter yesterday with six of our colleagues to the Rules Committee to ask the panel to allow consideration of a package of amendments to bring about needed reform. These amendments were prepared in response to the RTC's documented failure to do its job properly.

It is particularly troubling that these issues were not allowed to come to a vote either at the subcommittee or full committee level of the Banking Committee. As a result, today is our only opportunity to consider these important matters.

Mr. Speaker, it is painfully clear that there are serious problems to be addressed in the manner in which the RTC conducts its business. The RTC is selling the assets of defaulted S&L's at fire sale prices, receiving just 60 cents on the dollar, on average. The RTC is spending excessive amounts of money on lawyers, although the agency has recovered less from those efforts than it has paid in legal fees.

At the same time, RTC practices are contributing to the depressed real estate markets in many areas, adversely affecting banks and economic recovery generally. This vicious circle then causes the RTC, and taxpayers, to lose even more money, since depressed real estate prices generally mean less profitable sales by the RTC.

Moreover, the RTC funding we are considering today is based on deficit financing. By borrowing from the Federal Treasury to fund the S&L bailout, the cost is increased at least threefold.

Mr. Speaker, these amendments are germane to the measure before us today for a very important reason: considerably less money would be needed to operate the RTC if it were required to run its operation in a more efficient and businesslike manner.

To address these problems, my amendments would have required that the following changes be made in RTC operations, as a condition of further funding:

The RTC's policy should be redirected from selling assets as fast as it can at discounted prices, to managing its assets until the RTC can realize a good rate of return to recoup taxpayer money;

A current appraisal should be required for each sale property;

The RTC should be required to report to Congress on the economic impact of sales of RTC-owned real estate in the largest metropolitan areas in which the RTC sells property, including data on both appraised and book values of properties sold, sale prices of comparable private properties in the same markets, and the amount of cash payments received by the RTC for properties sold;

The RTC's Affordable Housing Program should be reformed so that information regarding properties is disseminated in a timely manner, and that people who Congress intended to benefit from this program are given full opportunity to participate;

The RTC should be required to be accountable to Congress and the public through the disclosure of information about its operations that is accurate, complete, timely, and in a useable format; and

The RTC should be required to preserve environmentally sensitive lands under its control.

The RTC does not deserve a rubberstamp, as H.R. 4704 provides. In fact, it needs a complete overhaul as a condition of any further funding. The RTC must be more accountable to the taxpaying public. That, Mr. Speaker, is the issue we should be considering today.

In the absence of debate on how we can obtain greater efficiency and accountability in its operations, the prudent course is to halt further funding for the RTC. I urge defeat of this rule.

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to the very distinguished ranking member of the Committee on Banking, Finance and Urban Affairs, the gentleman from Ohio [Mr. WYLIE].

Mr. WYLIE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the rule on H.R. 4704.

While I generally support open rules, on this day, we find ourselves facing a deadline situation with respect to the RTC.

As of today, the RTC will have to cease operations. Last year, we approved an additional $25 billion for the RTC, but no further funds could be spend beyond April 1, 1992. The RTC, however, still has money remaining from the funds that Congress provided late last year—so we are not talking about any new money.

H.R. 4704 will simply allow the RTC to continue its operations, by striking the April 1 deadline, thus, permitting the RTC to use the money that has already been authorized and appropriated.

I would strongly urge Members to support this rule and H.R. 4704. Let me make clear that this bill does not provide any additional funding for the RTC.

If we can approve this bill today, at a later date we can consider the RTC's permanent funding request which has been passed by the House Banking Committee. But this bill today, will get us past the deadline.

If the RTC has to cease operations, the costs of the S&L resolutions will only rise. The RTC has informed me that if this bill does not pass—it will cost the taxpayer $2.8 million a day.

Nearly 50 institutions are waiting to be resolved with $27 billion in accounts. Over 2.5 million depositors are waiting to have their accounts resolved.

To date, 21.2 million depositor accounts have been protected by the RTC. Now is not the time to stop this process.

The RTC is winding down its operations. It has already announced that it will start downsizing. Of the 690 institutions that have been taken over to date, 640 have been resolved.

Mr. Speaker, let's see this process to the end. Let us not stop RTC operations. I would urge Members to support this rule and the bill.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from Ohio [Mr. TRAFICANT].

Mr. TRAFICANT. Mr. Speaker, in 1988, the First City Bank of Houston, TX, went belly up. The FDIC bailed them out for $1 billion. Now they are on the ropes again, coming back for $400 million.

RTC bailed out the Home Fed Corp., the seventh largest S&L in the country, for $800 million, and the beat continues to go on.

My district lost 55,000 jobs. My district is actually decimated, and in my district taxpayers are going to pay to bail out the savings and loans from Texas, California, and Florida.

Here is what really bothers me. If an American S&L is sold to a Japanese company and they go belly up, my people who lost their jobs to Japan are going to bail out the Japanese-owned American S&L, who is going to take the profits to Japan. Beam me up.

This is RTC all right, the Rectal Trespass Corp. for the American taxpayers.

I am voting no on the bill. I will support the rule and give the House its say, but I am tired of my people, who have lost their jobs to Korea, Mexico, China and all over the globe, bailing out banks that were reckless when my banks and S&L's were conservative, did not pump back into our community commercial loan activities, now we are punished again. Now we are going to pay for the excesses and the largesses all over.

So no more Rectal Trespass Corp. for Traficant votes. I am voting no. And let me say this to my colleagues, before it is over between the banks and the S&L's, it will be $1.5 trillion, $1.5 trillion because these banks are going to start lining up, too.

Mr. DREIER of California. Mr. Speaker, as I said in my opening remarks, I think the Resolution Trust Corporation is a rather controversial issue.

Mr. Speaker, I yield 3½ minutes to the gentleman from California [Mr. RIGGS], a very hardworking member of the Committee on Banking, Finance and Urban Affairs, who unfortunately had two amendments which were not accepted by the Committee on Rules.

□ 1500

Mr. RIGGS. Mr. Speaker, I thank the gentleman for his very, very kind comments.

Mr. Speaker, I rise reluctantly in opposition to the rule. What we are witnessing here is nothing less than a travesty of the legislative process. What we are seeing are bipartisan efforts to smooth this RTC bill through the legislative process by effectively muzzling debate and stymieing Members from offering any substantive amendments, and frankly, the doom and gloom predictions and scare tactics being used to support this circumvention of the legislative process are an insult to this Member and I believe every other Member.

No amendments were allowed to be offered except those dealing with the ultimate cost of this bill at the subcommittee and full committee markups. Instead, Members were given a rather vague promise of a hearing at a later date on substantive amendments to the RTC. That is a little like the trite promise, "the check is in the mail," which has taken on a new meaning around this place, given the revelations of the last few weeks.

I wanted an opportunity to offer two amendments, the bank and thrift disclosure amendment and the clearinghouse amendment on the House floor so that the American public would have access to greater information regarding failed institutions, and so that the Justice Department would be held accountable for vigorously pursuing those criminal offenders involved in the failure of financial institutions and the collecting of the appropriate awards.

Taxpayer funds, today $25 billion, are being used, to resolve the failures of banks and thrifts throughout the Nation. The taxpayers deserve to know why billions of dollars are being used to resolve this matter, how such funds are being used, why such institutions failed in the first place and why the criminals involved are not paying their full fines and restitution as ordered by the courts. What could be more specific, more germane to an RTC funding bill? Access to such information is imperative if we are ever going to restore the public's confidence in the industry and in the Congress. The taxpayers demand information, and we should provide it to them willingly. After all, they are the ones footing the bill.

The Senate apparently felt such an obligation to the American taxpayer and the need for such action. As my colleagues are aware, they recently passed their version of an RTC funding bill which includes two similar provisions. At least the leadership of the other body allowed the debate and inclusion of relevant amendments. Our process does not, and that is why I am opposed to the rule.

One other comment. Over the last few weeks we have learned a variety of painful lessons in congressional accountability, and being mindful of such lessons, I feel it is imperative today that we have a recorded vote on both the rule and on final passage. Only then will we be truly accountable to our constituents. I hope Members will join with me in calling for a recorded vote on both the rule and final passage.

Give our constituents the right to know where we stand on all major funding bills. Many of my colleagues have supported the legislation by the gentleman from Wisconsin [Mr. GUNDERSON], H.R. 332, which would require a recorded vote on all legislation that provides for appropriations, direct spending authority or new credit authority. Let us show the American people we are accountable for our actions and vote no on the rule. And if the rule is successful, please join me in insisting on a recorded vote on final passage.

There is a myth that there is a conspiracy in Congress to thwart the public's right to know. Today we can show that that is not the case by again insisting on a recorded vote both on the rule and on final passage.

Again I thank the gentleman for yielding me the time.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 2 minutes to the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I rise in strong opposition to the motion to recommit. The motion would require that hundreds of millions of dollars be given to the least deserving people in America, the owners of insolvent savings and loans.

The motion would give the most money to those savings and loans that have done the least to raise capital. Savings and loans that wrote off goodwill and raised private capital would be treated worse than those that did nothing. That is rewarding the lazy and punishing the industrious.

The motion to recommit is a slap in the face to all the savings and loans that have succeeded in complying with FIRREA. They would not benefit from this motion.

Last year, for the first time since 1985, the savings and loan industry showed a profit. Hundreds of bad shops have been closed. The few remaining insolvent institutions will be gone by the end of the year. Instead, the motion to recommit will give taxpayer dollars to those institutions which need to be closed.

Let us finish the savings and loan cleanup the right way. Defeat the motion to recommit.

Mr. DREIER of California. Mr. Speaker, I am happy to yield 2 minutes to the gentleman from Texas [Mr. JOHNSON], another hardworking member of the Committee on Banking, Finance and Urban Affairs.

Mr. JOHNSON of Texas. Mr. Speaker, I get the feeling that we are being quietly led around like sheep. Maybe we should entitle today's consideration of the RTC bill "The Silence of the Lambs."

This is a question about how we do business in the House of Representatives. Haven't we learned anything in the past few weeks? Haven't we learned that the people don't like how we do business here in Congress. This is just more of the same.

Last November, a previous funding bill was pushed through the House in the last minutes of the session on a voice vote, which saved us from having to record our positions. But the people of this country should have the right to know where their representatives stand on a spending bill of this magnitude and this nature.

If Members supported last year's bill, that is fine. But the people deserve to know where we stand on this kind of an appropriation.

I am not attacking either party. I am criticizing business as usual. In the time that I have been here I realize that this is the way things are done. But I feel business as usual must change.

We got this request from the RTC and from the Treasury and were told that this money is needed, or else. I think the gentleman from Ohio [Mr. WYLIE] just said that they are going to close down tomorrow if we do not give them money. I will tell my colleagues what I think. I think that is erroneous.

But in the Committee on Banking, Finance and Urban Affairs where we are supposed to debate and consider the finer points of legislation, the bill was pushed through without amendments being allowed, and little or no debate, and that is what is going on right here with this rule. The Rules Committee suddenly decided to consider it, and as a result this is a closed rule that we are now considering, no amendments, straight up or down vote, business as usual.

There are fundamental questions that need to be discussed. Our colleague, the gentleman from Florida [Mr. MCCOLLUM] has an amendment that could save billions on the price of the cleanup. The gentleman from New York [Mr. LAFALCE] has legislation that will likewise address the issue and save taxpayer dollars. I think if Members had a chance to listen to them they would see that there are many institutions that are not in as bad a shape as we are led to believe. But under this rule we cannot consider them.

It is the responsibility of this body to discuss controversial items and not ram them through without debate, and for sure, if we can save the taxpayers billions, shouldn't we? Vote against this rule.

Mr. DERRICK. Mr. Speaker, I yield 30 seconds to the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I would like thank the gentleman from Texas very much. He is a very valuable member of our committee.

I was in the chair when we passed this legislation, and it is true that I found most of the amendments were not germane to the legislation.

But I want the gentleman to know that his administration, the President, the Secretary of the Treasury, the Deputy Secretary of the Treasury who visited my office were all for having a clean bill, and I cooperated with your administration.

Mr. DERRICK. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in support of the rule, reluctant support because I too would like to see additional amendments added to this measure. But the disposition of the Banking Committee, the support of the Bush administration was not to add amendments to this funding measure, but to provide for the funding necessary for the RTC for the lost funds in the failed S&L's.

Frequently on the floor today and in the past we have fallen into the habit of referring to this as the S&L bailout. Clearly I think the law that Congress wrote in 1989, and the way that it has been followed, hopefully, not always but I think most frequently, it has provided for making up and supporting the insurance for the deposits of millions and millions of Americans across this country that have had money in failed S&L's.

☐ 1510

That is what these dollars are for, the dollars that have been provided in the past, some $80 billion, and the $25 billion that we have provided last year in November which $17 billion portion we are proposing to provide for the depositor insurance to continue to be available until expended in this bill for a total of $105 billion is to put up the dollars that were lost on the poor quality loans and investments that the failed S&L's made.

Mr. Speaker, in this rule, and one thing that I want to warn Members about, is a motion to recommit that is provided to the minority. This privilege is accorded generally on almost all rules. In this case, I am very concerned that in the motion to recommit, it may well contain measures that really harken back to bad policy, forbearance policies that persisted and existed during the 1980's.

Many of these policies grew out of good intentions, but I do not think anyone could argue that they had a positive impact rather they had a negative impact such policy path led to the 1989 FIRREA when finally the administration came to its senses and came to Congress with a program to deal with the failing S&L's.

So far nearly, 700 S&L's have been brought under the Government conservatorships to provide for the dollars necessary to save the deposits, and to provide for the loss of assets that caused such S&L failure.

Mr. Speaker, what I fear today is that the Congress is losing its focus, that the administration is losing its focus on the history and nature of the S&L failures.

When President Bush signed this legislation, he said, "Never again will we put dollars into an institution that does not have capital at risk," that is, private capital at risk, real investment never again the President noted would we the Government do what had been the policy in the 1980's. Unfortunately, today some Members of this body and some actions by the administration that are proposed in terms of open thrift assistance provide to do just that, to marry public dollars with stockholders' dollars which would result, of course, in the national Government regulators going into business with these failing S&L's.

We have had rules, we had sound policies, many of them written and insisted upon by this Congress in 1989 and since then reinforced. This is not the time to lose focus in the wake of an election. This is not the time to relax these sound rules and policies.

We are two-thirds the way thorough this problem, and hopefully we will solve it without expending the taxpayers' money on the gamble of S&L investment. There ought to be, if there is going to be private profit, there ought to be private risk, not public risk for the sole benefit of private profit. Many Members of this House have hailed the success of the free enterprise system, some seem to like to talk about it, but apparently can't stand to see it practiced. Rather they would superimpose their judgment and inject taxpayer dollars at risk for S&L's that have failed in the marketplace.

Mr. DREIER of California. Mr. Speaker, last night before the Committee on Rules, the vice chairman of the Republican conference made a very compelling case for his two amendments, and I would like him to do that for our colleagues now.

Mr. Speaker, I yield 4 minutes to the gentleman from Florida [Mr. McCOLLUM].

Mr. McCOLLUM. Mr. Speaker, I thank the gentleman for yielding me this time. He was very kind in his remarks to me.

Today we are considering at this moment a rule, and I would like to address that rule first before I address the substance and then explain why I am very much opposed to this rule on substantive grounds.

This rule does not allow any reform amendments at all by anybody. We have a gag provision put on us with regard to RTC refunding through the committee, and now through the rule in the order and in the name of somehow simplistically lifting the date and allowing the RTC to use billions of dollars of money that might be available to it under previously passed laws but for a date restricting it.

If they get that money, they will then have the funds to go out and close substantially more institutions that, in many cases, we have no business closing, because we will literally waste billions of dollars of taxpayer money. The fact of the matter is that an amendment that I would offer, had I had the opportunity, I would have been offering it out here today, would save the taxpayers $25 billion in that one amendment alone.

The reason why that is so is because of the 100 or so institutions remaining that could be closed and probably would be closed by the RTC and the OTS, there are 53 of those 100 or so, a majority of them, which have very fine core earnings, that have good assets, that are healthy S&L's, that are not sick at all, who only will be closed because they cannot meet the minimum capital standards we recently set up for these S&L's at the 2-percent level or even meet about 1½ percent which would be what would be necessary for some LaFalce amendment exceptions to kick in if the regulators see fit in their discretion to allow it to occur. Those same 53 cannot meet this only for one reason, and that is because they have on their books what is known as supervisory good will, which is what the Home Loan Bank Board gave them to put on their balance sheets in return for their acquiring sick thrifts in the 1980's.

These healthy thrifts acquired those and were promised 30 or 40 years to pay it off, pay off the good will and get it off their books. Congress canceled those deals in 1989.

I am not talking to the Members today though about the merits of that. I am just talking pragmatically. They have 2.5 billion dollars' worth of supervisory good will combined together in the 53 institutions. If Congress under my amendment were to take $2.5 billion out of RTC funds and buy back that supervisory good will, every one of these 53 institutions would have enough capital to be saved, and they would not have to be closed, and we would save 25,000 jobs and $25 billion, which is what it would take in costs to close these institutions, plus the fact that the Government is now losing its supervisory good will cases, and shareholders and other investors will wind up getting billions of dollars more in damages ultimately from this. That is wrong.

Simple arithmetic: We can do for $2.5 billion what the folks who want to cram this RTC bill down us want us to do for $25 billion. Absolute nonsense as far as I am concerned.

One other point: RTC can function and do everything it needs to do right now except close these institutions that remain out there with money that they already have in the pipeline. They are not losing any money. They will not lose one day's worth of work with regard to disposing of the assets here, and we are only talking about the few remaining institutions they want to close. They do not need to close 53 of them. We do not need to give them more money. We do not need to waste $25 billion of taxpayer money.

We should defeat this rule right here and now and insist a rule be allowed that allows this and other amendments that would be money-saving amendments, not major sweeping changes in RTC, but simple money-saving amendments to reform the system and allow the regulators to do something with common sense anybody in America with a little bit of arithmetic could do to save $25 billion.

Mr. Speaker, that is "b" like in "boy," not "m" as in "million," but $25 billion. If you think that the public was unhappy with the fact that we had $600 hammers and $1,000 toilets seats, wait until they hear that we spent $25 billion to do something we could have done for $2.5 billion.

I urge a no vote on this rule.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I would be glad to yield if someone on the other side could straighten out that this rule that so many of the Republican Members have been denouncing and these amendments that they are so eager to offer, could someone tell me what the position is of the President and the Secretary of the Treasury on this rule?

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. I am happy to yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I think I stated in my opening remarks that the administration and the leadership of both sides support this rule and support the Resolution Trust Corporation.

Mr. FRANK of Massachusetts. So we have been getting business as usual denounced, and apparently it is business as usual by that gang of Bush, Brady, FOLEY, MICHEL, and GINGRICH.

Mr. DREIER of California. And FRANK of Massachusetts.

Mr. FRANK of Massachusetts. That is a less usual business than we see. But I think we ought to illustrate that, and I will be anxious to see how the Republican Members vote, because everything that we have been told is that the President is being hamstrung by a Congress that does not want to go along with him, and apparently we are into the intraparty hamstringing event. We have had a number of Republicans get up here and say that if anybody had any common sense they would not be for doing this, I guess thereby excluding the Secretary of the Treasury and the President.

I want to be very clear, because we hear sometimes from people on the other side how what a mistake it is if we do not have an open rule, if we do not allow amendments. We ought to be clear now that it is the minority leader, the minority whip, the President, and the Secretary of the Treasury who are asking that the amendments not be allowed.

Mr. McCOLLUM. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. Mr. Speaker, I yield to the poor gentleman from Florida since he is being picked on by the minority leader and the assistant minority leader and the President and the Secretary of the Treasury, and he needs a friend somewhere, so I will yield to him.

Mr. McCOLLUM. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, the fact is I do disagree with the administration on this. The boys down at the Treasury shop were absolutely dead wrong. They have not been willing to see the forest for the trees, and they want to close these institutions simply to get the job behind them. These are good, healthy ones. I say to the gentleman from Massachusetts [Mr. FRANK] that these are good, healthy ones. They are simply wrong. They want to spend the $25 billion and waste it. I do not agree with them.

Mr. GINGRICH. Mr. Speaker, will the gentleman yield?

Mr. FRANK of Massachusetts. Mr. Speaker, I yield to the other antagonist of the gentleman from Florida, the gentleman from Georgia.

Mr. GINGRICH. I just want to say to my good friend from Massachusetts that I understand the Republican leader is for this rule. I am not for this rule.

Mr. FRANK of Massachusetts. Oh, I see. I only have another minute, but it is now the President and Secretary of the Treasury and the Republican leader who are for the rule, but the Republican whip is against the rule.

I just think that is relevant when we hear that the poor President is unable to govern coherently because of this congressional opposition. I do not think people generally realize the extent to which the congressional opposition is in fact the President's own party.

□ 1520

Now, I do not mean to get involved in that kind of a family dispute, but I do think it also ought to be clear, this is a very closed rule, as I understand it. I did not know that until I came on to the floor.

It is interesting to see the President and the minority leader urging Members to adopt a closed rule, because closed rules are either right in principle or wrong in principle.

Now, for a lot of people, they are good when they are convenient, and they are not good when they are not convenient. That is an honest way to argue, but it does seem to me we should hear less of the rhetoric about the sanctity of open rules after this performance.

Mr. DREIER of California. Mr. Speaker, I yield 4 minutes to the gentleman from Tennessee [Mr. QUILLEN], the author of a very prominent 1989 amendment dealing with supervisory good will and the Republican chairman emeritus of the Committee on Rules.

Mr. QUILLEN. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, back in 1989 I authored an amendment and I had a big button made to promote it saying, "A Deal Is A Deal." I did not get anywhere with it, because I could only get one member of the Banking Committee, the gentleman from California [Mr. DREIER] with me. Mr. Speaker, I just heard a remarkable speech by a member of the Banking Committee who agrees with me now. Had he agreed with me then and had other members of the Banking Committee, had Secretary Brady agreed with me, had the administration agreed with me, we would not have poured billions of dollars down a rathole to bail out savings and loan institutions which could have been saved with good judgment.

After the Federal Government had made a deal with the healthy savings and loan institutions, my amendment said:

> Now, we have some in your State and adjoining States who are failing. If you as a healthy institution will go and take over these failing institutions, we will allow you to amortize goodwill in periods of time 30 to 40 years.

And bingo, the word of the Federal Government was not worth the paper it was written on. The Federal Government reneged on its promise and then came the RTC to bail out these institutions which could have been saved; billions of dollars down a rathole because good judgment was not used.

I am so happy that the gentleman from Florida [Mr. McCOLLUM] agrees with that now, because I was right then. The Treasury Department was wrong.

Mr. Speaker, the 150-plus billion dollars that has been poured down a rathole could have been saved; but no, no. We wanted to create a bureaucracy. We wanted to create the Resolution Trust Corporation to give people jobs. The mismanagement of that corporation is known not only throughout the United States but around the world. They have put this real estate on the market and we have a real estate glut today. Housing and commercial construction is down, all because of the bad judgment of this administration, particularly the Secretary of the Treasury.

I had the Secretary in my office and talked to him at length, but I did not get anywhere. I did not get much help from the members of this committee, nor did the gentleman from Illinois [Mr. HYDE].

I oppose this rule. I offered an amendment in the Rules Committee to make the amendment of the gentleman from Florida [Mr. McCOLLUM] in order, because I believe in it.

So I say today, Mr. Speaker, let us open up the rule. Let us allow an amendment to be offered so that we can stop pouring these billions of dollars down a rathole.

Mr. Speaker, I hope that we can defeat the rule.

Mr. DERRICK. Mr. Speaker, for purposes of debate only, I yield 3 minutes to the distinguished gentleman from Vermont [Mr. SANDERS].

Mr. SANDERS. Mr. Speaker, I thank the gentleman for yielding me this time.

I would just like to make a few simple points. I find it ironic that today we are discussing another $17 billion to bail out the savings and loan institutions, when yesterday, just 24 hours ago, we had a fierce debate on the floor of this House regarding the peace dividend. Some of us believe now that the cold war is over that it would be appropriate to lower military spending and use that money to feed hungry children, to provide health care for our people, to take care of the elderly and the homeless. That is what some of us believe that the peace dividend should do; but we were told by a majority of the Members, "You can't do that, because this country has a terrible deficit problem and the peace dividend must go entirely toward dealing with the deficit problem."

That my friends, was yesterday, 24 hours ago.

So my first question is, What happened to the deficit? Because today as I see it we are prepared to dump another $17 billion for the S&L's into the deficit and we have no way of paying for that $17 billion.

Money for children, no good. Money for the S&L's, OK.

Mr. Speaker, I object to a rule which does not allow for an amendment which provides for a progressive pay-as-you-go approach to the S&L bailout and this $17 billion.

Very simply, I am not going to vote for a bailout which falls on the backs of working people, elderly people and poor people, who, first, cannot afford it; and second, had no cause, did not cause any of this problem.

Second, Mr. Speaker, as you know, several months ago this body decided to vote, I believe it was $25 billion or $50 billion by a voice vote.

The courage of the body was such that people were prepared to hide and yell, raise their voices, but they were not prepared to defend the concept by sticking their cards in and let it come up on the walls so that the people back home would know who voted for the S&L's.

If you like this approach so much, stick your card in and let the people know about it.

Mr. DREIER of California. Mr. Speaker, will the gentleman yield?

Mr. SANDERS. I certainly will yield to the gentleman from California.

Mr. DREIER of California. Mr. Speaker, I simply wanted to ask my friend, the gentleman from Vermont, we sat up in the Rules Committee while a number of people came forward with amendments that they proposed, and we did not see the gentleman from Vermont. Is there a reason the gentleman did not offer the amendment in the Rules Committee?

Mr. SANDERS. Yes, Mr. Speaker, there is, because on two previous occasions, as the gentleman knows, I did come forward with precisely this amendment and we got nowhere, so we are going to take the fight to the floor right now.

I would very much appreciate the support of the gentleman from California next time when we talk about the S&L's.

Mr. DREIER of California. I think my friend knows that I consistently, as do all the Members on this side of the aisle, support the right of every Member, Democrat or Republican, to offer amendments.

Mr. SANDERS. Well, Independent as well, and I would appreciate the gentleman's support in the future.

Mr. DREIER of California. Excuse me, Independent, too.

Mr. SANDERS. I thank the gentleman.

Mr. DREIER of California. Mr. Speaker, I yield 3 minutes to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding me this time.

Let me just say, in terms of process I think we all have to respect each other's perspectives.

I happen to rise in support of my President and the minority leader for this rule, but it is very awkward because it is clearly a closed rule, and I think the gentleman from Florida [Mr. MCCOLLUM] is making a reasonable request in asking that he be given the right to offer his amendment, and I think the gentleman from Vermont [Mr. SANDERS] is as well.

But I would like to stress what some of the implications of the amendments that might be offered would be and ask that the body consider them in relationship to this rule.

I am frankly much more concerned with the philosophy underlying the alternative than I am the process that is under consideration today.

□ 1530

The alternatives being considered are: No. 1, forbearance accounting, which truly is a return to the ghost of the 1980's. Leadership, if you recall, on the majority side of the aisle argued at that time that if we had forbearance accounting, we would protect good thrift owners, and save the taxpayer a heck of a lot of money. The result, unfortunately, however, was not savings; it was a multi-billion-dollar increase in thrift bailout costs which this body has had to accept.

A second alternative is the proposal to cash out good will. Quite frankly, this was not even considered in the 1980's. I consider the proposal, although I recognize the arguments for it, to establish a new standard of congressional egregiousness. Giving cash to people that employ bad accounting practices is unprecedented in its lack of persuasiveness.

I also think the approach misunderstands the nature of the free enterprise system and the deposit insurance system. Free enterprise implies that people make it on their own, not supported by their government. Deposit insurance is designed to protect depositors, not institutions.

To date, 19.8 million depositors in the United States of America have been protected, 226,000 in the State of Iowa. If Congress had not agreed to protect depositors, I guarantee you the citizen revolt would be of such stunning dimension that the congressional bank scandal would look, frankly, like peanuts, which in relative cost to the public, it is.

I would just like to conclude by saying that this body is to a large extent accountable for the problem we are facing today. Weak laws, after all, led to weak regulation which led to weak banking practices.

The question today is whether we want to learn from the mistakes of the 1980's or magnify them. My best advice to this House at this time is to screw up our discipline and courage and try to resolve an extraordinary problem in such a way that the costs tomorrow will not be far greater than they otherwise would be today.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from Florida [Mr. LEWIS].

Mr. LEWIS of Florida. Mr. Speaker, I rise in strong opposition to this rule, which does not allow amendments to clean up the actions of the Resolution Trust Corporation, or RTC.

This past November, I held an economic summit for business leaders from my district in Florida. I was amazed at how the RTC had become such a central and frustrating part of business life.

While I had been aware of problems relators in my district were having with the RTC. I was amazed to hear it coming from all business sectors.

Usually, when my constituents have problems with a Federal entity, they know they can come to my office for help, and many have done so.

Let me quickly relate one such story. A business in Stuart, FL, wanted to buy an office building from the RTC. However, the appraisal of the building was based on averages throughout the State, not the local or regional area.

This led to an overvaluation of the building. When the potential buyers and their realtor tried to get information from the RTC, they were stonewalled.

In an effort to break through the red tape they came to my office. My staff then made several calls to RTC offices for information.

No sooner had this happened, then the RTC let the realtor know that they should not have gotten my office involved, because every time they talk to a Congressman or staff, they have to write a memo, and it slows down the process.

Mr. Speaker, this is insane. The RTC has better oversight of Congress than Congress does of the RTC.

It is no secret that the RTC would rather a building go at auction than sell it outright, so that they have no liability. This is the typical thinking one would expect from a bureaucracy such as the RTC has become.

Mr. Speaker, this mess must be cleaned up, and we must do it now. Defeat this rule, and allow amendments to reform this muddled bureaucracy.

Mr. DREIER of California. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. CUNNINGHAM].

Mr. CUNNINGHAM. I thank the gentleman for yielding to me.

Mr. Speaker, I think it is important to take a look at how we got here, where the situation ended up and what we are trying to do in the future to take a look at it.

The first thing is: How did we get here? S&L frauds like Don Dixon and folks who contributed, along with that, to put us in the situation and create the travesty that we are in right now. Then the actual collapse of the S&L's and why they did. Not only the votes in this House but the votes in the Senate that freed up those S&L's and the individuals that took part in that that put us in the response mode we are in today.

I think also we need to look at it beside the S&L's and how we can get out of this with the RTC. We have yet to pass a banking bill that will free up real estate construction in the areas we need to get along without the S&L itself.

I oppose this rule. We have had Members like Mr. RIGGS, Mr. SANDERS, Mr.

McCollum, Mr. Johnson, who want amendments to make this thing right, and they have been turned down.

So, I ask for the opposition to the rule.

I agree with the gentleman from Vermont [Mr. Sanders] that everybody ought to have the right to offer an amendment, but I disagree on his thesis that there is a peace dividend.

When we cut defense any more than we are doing right now, there is no peace dividend. That is a false apposition. First of all, when you let someone go out of the service who is receiving paychecks, who is paying into the general fund in taxes, and then you fire that individual, he not only is now on welfare or unemployment but he loses his health care benefits as well.

The peace dividend goes to pay for somebody who cannot work or is not working because he cannot get a job in this recession, which further exacerbates the RTC position.

I oppose the rule and ask the Members not to support this rule.

Mr. DREIER of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Missouri [Mr. Emerson].

Mr. EMERSON. Mr. Speaker, you know, so much debate here in the House is redundant, and I do not want to be redundant. But I sat here and listened to the very eloquent statement of the gentleman from Florida [Mr. Lewis]. I think he summed up the frustration and the concerns that a majority of us in this body share, and I simply want to associate myself with his remarks. I thank the gentleman for yielding.

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. McCollum].

Mr. McCOLLUM. Mr. Speaker, I just want to take the time, after I thank the gentleman for yielding, to respond to one particular thing that has been said out here today by somebody whom I respect greatly. But it has to do with the question about the soundness of the banking policies of the 53 institutions that I would propose we ought to save by buying back their goodwill.

The people managing these managed them well. There is no question whatever about their management skills or abilities. They are healthy institutions.

Mr. Speaker, it simply happens to be that many bankers across the country back in the 1980's decided that they would go along with the Home Loan Bank Board and save what they thought was then sick institutions from going out of business when we did not have a procedure like the RTC. And they acquired them and in return got the 30 or 40 years of goodwill on their books to write off. Those were perfectly sound accounting principles sanctioned by the Government at the time, which is what we are debating today. And it is in the courts right now. They are liable to get damages for them.

Nothing wrong with the management of these institutions at all. They are healthy ones.

Mr. Speaker, my amendment, if it is allowed, if this rule is defeated and I would get to offer it, would not allow any institution that is truly badly managed or unhealthy in the sense of bad earnings or bad assets to be remaining open.

I thank the gentleman for letting me expound on that.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from Minnesota [Mr. Vento].

Mr. VENTO. I thank the gentleman for yielding.

Mr. Speaker, I think the impression is here that the RTC legislatively, that we have not addressed some of the problems with regard to the RTC. Twice in the first session of this Congress, we had major bills on this floor that substantially modified the laws governing the RTC. We rewrote the entire structure of it in November 1991. So, the idea that we have not had votes on this and negotiated with the Senate on this issue of the RTC basic law FIRREA in terms of modifying this structure is either misunderstood or misleading to the House. It is not supported by the facts of legislative history.

There is today this recent rash, another way to try and fix the RTC or to deal with the S&L deadlines, the timetables of this particular law FIRREA.

If S&L goodwill has some value, why cannot these institutions raise the money in the private sector? By providing such type of S&L forbearance, we would be gambling with taxpayers' money, that somehow the national Government can manage S&L's back into good health, and make these bad portfolios perform better than the private sector.

This approach was a disaster during the 1980's.

I would submit to my colleagues that there is no greater wisdom in Washington than exists in the free-market system. We ought to leave that free-market system work and determine the value of the stock. That free-enterprise system is telling us that private money is not worth investing in the S&L institutions and, therefore, they have to be dealt with by the regulators in a competent manner. Not bailed out by the beleaguered U.S. taxpayer.

Mr. DREIER of California. Mr. Speaker, I am happy to yield 30 seconds to my friend, the gentleman from California [Mr. Riggs].

Mr. RIGGS. I thank the gentleman for yielding.

Mr. Speaker, I do not need to defend the gentleman from Florida, who is most eloquent in his arguments. But I do point out to my colleagues from the Committee on Banking that Mr. McCollum attempted to offer his amendments last fall when we moved the last RTC funding bill to the House floor. He was not allowed the opportunity in the Banking Committee, as the gentleman surely recalls, to generate any debate or, frankly, to call for a vote on his amendment.

□ 1540

So, we are getting into a full-blown discussion today on the merits of this proposal when, in fairness, we should have had that debate previously in committee.

Mr. DERRICK. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. Schumer].

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from South Carolina [Mr. Derrick] for yielding this time to me, and I would just like to make two points here in reference to this proposal.

First, I am a little confused by the action of my colleagues on the other side. We have gotten criticized left and right. People on the other side talk about our side delaying money and that is what cost the taxpayers money, and so here we put a bill in order, and, all of a sudden, the other side says, "No. Delay."

Mr. Speaker, I say to my colleagues, "You can't have it both ways. You can't say on the one hand, 'You delayed. You're bad.' And then say on the other hand, 'You didn't delay. You're bad.'"

Second, about whether it has bells and whistles on it: All along, in fact, I agreed with most of my colleagues over there. They said we had to have a straight bill, a plain bill, none of these additions. And so what does the committee do? They put in a straight bill, a clean bill, no additions. And what does the other side say? "This bill is no good. It needs additions."

My colleagues cannot have it both ways, cannot say on the one hand, "We want delay," and, on the other hand, "We don't want delay," "You're bad if you want delay." "You're bad if you don't." They cannot say that to us.

And, second, you cannot say for the last 3 years what you have said, "We want a clean bill," and now that we passed the clean bill they say, "No, we need things on it."

Finally on the motion to recommit: To allow these institutions to take goodwill and make it into real money by the Government giving it to them would be a travesty. All the things we supposedly learned from the S&L crisis, that we cannot have fake accounting, that we cannot put nonexistent things on the books, are undone by the motion to recommit, and I would say to my colleagues on both sides of the aisle, "To vote for the motion to recommit would be a travesty, would show that we have learned nothing $100 billion and 4 years later."

Mr. DREIER of California. Mr. Speaker, I yield 1 minute to the gentleman from Tennessee [Mr. QUILLEN], the Republican chairman emeritus of the Committee on Rules.

Mr. QUILLEN. Mr. Speaker, I thank the gentleman from California [Mr. DREIER] for yielding this time to me.

Mr. Speaker, I have a question for the gentleman from New York [Mr. SCHUMER] who just spoke.

Do you remember this? A deal is a deal? Do you remember the amendment that I tried to get passed on the floor of the House? You fought it just like a tiger. Now it is coming back to haunt you; is it not?

Mr. SCHUMER. Mr. Speaker, will the gentleman yield?

Mr. QUILLEN. Mr. Speaker, I have only 1 minute, but I just want to say that the gentleman from New York [Mr. SCHUMER] was wrong, and he just admitted it in so many words, blaming it on this side of the aisle. The gentleman told me specifically that the Federal Home Loan Bank did not have the authority to make a deal with these healthy savings and loans to take over the failing ones and let them amortize goodwill. I showed the gentleman some contracts and letters. He said they were not contracts, and then I pulled a contract and showed it to him, and he just completely ignored it.

I wonder, "Do you remember a deal is a deal?" The Federal Government reneged, and the gentleman was a party to that, and he has created the crisis that we have today.

Mr. DERRICK. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, once again I say to my good friend, the gentleman from Tennessee [Mr. QUILLEN], that he is busy defending those S&L's that got us into trouble. I have been consistent in being opposed to them.

A deal is a deal? There was no deal. These S&L's robbed the taxpayer blind. And we on this side, with lots of help from his side, including the ranking minority, stopped that. And now what the gentleman wants to do is allow them to go back to the trough.

Mr. Speaker, I think the gentleman, with all due respect, has not learned a single lesson from history. He is still defending these institutions that have cost the taxpayers hundreds of millions of dollars, and he should not be doing it.

So I say to the gentleman, "A deal is a deal? First, there was no deal. Second, the only people who got rooked by the deals the gentleman is trying to resurrect are the taxpayers of this country."

Mr. DREIER of California. Mr. Speaker, may I inquire how much time is remaining?

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from California [Mr. DREIER] has 30 seconds remaining.

Mr. DREIER of California. Mr. Speaker, I yield the balance of our time to the gentleman from Tennessee [Mr. QUILLEN].

Mr. QUILLEN. Mr. Speaker, a deal is a deal. The Federal Government reneged. These healthy ones took over the failing savings and loans after the Federal Home Loan Bank seduced them to do so. And now those healthy ones are failing today after the Federal Government reneged. The Federal Government can step in and prevent this. Yet the gentleman is standing on his feet and saying that the Federal Government had no obligation. They had a contract, Mr. Speaker.

Mr. DERRICK. Mr. Speaker, I yield 30 seconds to the gentleman from New York [Mr. SCHUMER].

Mr. SCHUMER. Mr. Speaker, if there is a deal, as the gentleman maintains, for these institutions who robbed us blind, then they can go to court, and that is the appropriate forum. The gentleman from Tennessee [Mr. QUILLEN] is saying right now that we should judge whether there was a deal so he can help those institutions.

I would say, "If you ask the taxpayers, 99 out of 100 would have the common sense to know that this legislation, the proposal the gentleman makes, is terrible legislation on the merits and for the taxpayers, and if any of them have an ironclad deal, which they never made, they should go to court; that is the forum; not to Congress which has messed this thing up time and time again."

Mr. DERRICK. Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. RIGGS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 228, nays 193, not voting 13, as follows:

[Roll No. 67]

YEAS—228

Abercrombie
Ackerman
Alexander
Anderson
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
Ballenger
Barnard
Bateman
Beilenson
Bereuter
Berman
Bevill
Bliley
Boehlert
Bonior
Borski
Boucher
Brewster
Brooks
Browder
Brown
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Clinger
Coleman (TX)
Collins (IL)
Condit
Cooper
Costello
Coughlin
Cox (IL)
Coyne
Darden
de la Garza
DeLauro
Derrick
Dicks
Dingell
Donnelly
Dooley
Downey
Durbin
Dwyer
Dymally
Early
Edwards (CA)
Edwards (TX)
Espy
Fascell
Fazio
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gonzalez
Gordon
Gradison
Green
Guarini
Hall (OH)
Hamilton
Hatcher
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Kennelly
Kildee
Kleczka
Kopetski
Kostmayer
LaFalce
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McDermott
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (CA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Morella
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Owens (UT)
Oxley
Pallone
Panetta
Parker
Pastor
Patterson
Payne (VA)
Pease
Pelosi
Peterson (MN)
Pickett
Pickle
Poshard
Price
Pursell
Rangel
Ravenel
Reed
Regula
Richardson
Rinaldo
Roe
Roemer
Rose
Rostenkowski
Roukema
Roybal
Russo
Sabo
Sangmeister
Sarpalius
Sawyer
Scheuer
Schiff
Schumer
Sisisky
Skaggs
Skeen
Skelton
Slaughter
Smith (FL)
Smith (IA)
Solarz
Solomon
Spratt
Stallings
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Tanner
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wylie
Yates
Yatron

NAYS—193

Allard
Allen
Andrews (ME)
Applegate
Archer
Armey
Atkins
AuCoin
Bacchus
Baker
Barrett
Barton
Bennett
Bentley
Bilbray
Bilirakis
Blackwell
Boehner
Boxer
Broomfield
Bruce
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Coble
Coleman (MO)
Collins (MI)
Combest
Conyers
Cox (CA)
Cramer
Crane
Cunningham
Davis
DeFazio
DeLay
Dellums
Dickinson
Doolittle
Dorgan (ND)
Dornan (CA)
Dreier
Duncan
Eckart
Edwards (OK)
Emerson
Engel
English
Erdreich
Evans
Ewing
Fawell
Fields
Fish
Flake
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Goodling
Goss
Grandy
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hayes (IL)
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Houghton
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James

Johnson (TX)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Klug
Kolbe
Kolter
Kyl
Lagomarsino
Lancaster
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McCrery
McDade
McEwen
McGrath
Mfume
Miller (OH)
Miller (WA)
Moorhead
Moran
Morrison
Murphy
Nichols
Nussle
Orton
Owens (NY)
Packard
Paxon
Payne (NJ)
Penny
Peterson (FL)
Petri
Porter
Quillen
Rahall
Ramstad
Ray
Rhodes
Ridge
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Rowland
Sanders
Santorum
Saxton
Schaefer
Schroeder
Schulze
Sensenbrenner
Serrano
Sharp
Shaw
Shays
Shuster
Sikorski
Slattery
Smith (OR)
Smith (TX)
Snowe
Spence
Staggers
Stark
Stearns
Stump
Sundquist
Swett
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wyden
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—13

Dannemeyer
Dixon
Feighan
Levine (CA)
McCurdy
Mrazek
Nowak
Perkins
Savage
Smith (NJ)
Valentine
Washington
Waters

□ 1609

Messrs. SERRANO, HAYES of Illinois, TAYLOR of Mississippi, KANJORSKI, ROWLAND, and CONYERS changed their vote from "yea" to "nay."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall vote 67. Had I been present during this vote, I would have voted "nay" on rollcall 67.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 1245 AND H.R. 1790

Mr. PAXON. Mr. Speaker, I ask unanimous consent to remove my name as a cosponsor of the bills, H.R. 1245 and H.R. 1790.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from New York?

There was no objection.

□ 1610

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE JOINT RESOLUTION 450

Mr. SANGMEISTER. Mr. Speaker, I ask unanimous consent that the gentleman from North Carolina (Mr. McMILLAN) be removed as a cosponsor from House Joint Resolution 450. His name was added inadvertently.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Illinois?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a joint resolution of the House of the following title:

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

REPORT ON HUNGARIAN AND CZECHOSLOVAK COMPLIANCE WITH EMIGRATION AND HUMAN RIGHTS POLICY STANDARDS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–278)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

In June 1991 I determined and reported to the Congress that Hungary continues to meet the emigration criteria of the Jackson-Vanik amendment to, and section 409 of, the Trade Act of 1974 (19 U.S.C. 2432 and 2439). In October 1991 I determined and reported to the Congress that Czechoslovakia also meets the emigration criteria contained in title IV of the Trade Act of 1974. These determinations allowed for the continuation of most favored nation (MFN) status for Hungary and Czechoslovakia without the requirement of an annual waiver.

As required by law, I am submitting an updated formal report to the Congress concerning emigration laws and policies of the Republic of Hungary and the Czech and Slovak Federal Republic. You will find that the report indicates continued Hungarian and Czechoslovak compliance with U.S. and international standards in the areas of emigration and human rights policy.

The Administration is taking steps to exercise the authority provided me in section 2 of Public Law 102–182 to terminate the application of title IV of the Trade Act of 1974 to Czechoslovakia and Hungary.

GEORGE BUSH.

THE WHITE HOUSE, *March 31, 1992.*

RESOLUTION TRUST CORPORATION FINANCING

Mr. GONZALEZ. Mr. Speaker, pursuant to House Resolution 412, I call up the bill (H.R. 4704) to remove the limitation on the availability of funds previously appropriated to the Resolution Trust Corporation, and ask for its immediate consideration.

The Clerk read the title of the bill.

The text of H.R. 4704 is as follows:

H.R. 4704

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 21A(i)(3) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(i)(3)) is amended by striking "until April 1, 1992".

The SPEAKER pro tempore. Pursuant to House Resolution 412, the gentleman from Texas [Mr. GONZALEZ] will be recognized for 30 minutes, and the gentleman from Ohio [Mr. WYLIE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. GONZALEZ].

Mr. GONZALEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, we know that providing money for the RTC from its inception has been probably one of the most difficult and the least popular of issues to come before the House.

I do not think any one of us welcome the issue. However, this issue will be made to look like a Boy Scout troop code of honor if we let the more unpleasant thing happen and we do not act now, where we must. And that is ensure that the pledge the Government has made to all those depositors that have their money in the insured depository institutions are assured that their guarantee is valid. And without the approval of this legislation, I want my colleagues to know that that assurance cannot be given.

The remaining savings and loan cases have to be resolved and delay only makes the cost greater. It is estimated by the Secretary of the Treasury, who directed his request in January, that any quarterly delay would cost the taxpayer an additional $200 to $250 million, and that was a very conservative estimate.

We have other independent estimates that say the cost will be added at the rate of $8 million a day.

There is no question about it, a vote on the bill before us, a vote against it is a vote to increase the cost of the savings and loan so-called cleanup.

Now, I listened, as I have all along, very patiently to all of these individuals that have spoken in very emotional terms about an S&L bailout. This is a bailout only in the sense that we must keep the pledge that the Government has given to all those Americans who have deposited their moneys up to a certain amount in any insured depository institution. That is all.

□ 1620

A "no" vote does nothing but penalize the taxpayer. Let us make that clear.

There are apparently some who believe that this year's RTC legislation should be the vehicle for unraveling the reforms and safeguards that we enacted in 1989 on a bipartisan basis. The Rules Committee in providing for the consideration of H.R. 4704 wisely refused to open the door to efforts to soften capital standards and to shift burdens to taxpayers. It would be absolutely astounding if we were to go down that primrose path after the experiences we have had, and with what we have to confront yet in the banking industry. It is horrendous. It would be a travesty and a breach of the faith with the taxpayers if we now abandoned the 1989 safeguards and let the savings and loans substitute soft intangibles like goodwill.

I want any Member advocating goodwill to tell me who will offer them $5 for that in cash, dinero, money, or wampum.

The measure before us is bare bones, actually. All it does is remove the cap of April 1, today, which has prevented the full use of the moneys that we voted for last November 28, and that is all we are asking. Lift the cap so that they can use the remainder of that money that we did appropriate.

This does not provide any additional money but simply frees up the funds that we voted for last fall, as I say and repeat, in November when Congress adopted an RTC bill which provided the agency with such sums as may be necessary through April 1, 1992, and not to exceed that stated sum of $25 billion. But we provided that expenditure in that period not to exceed that $25 billion. The RTC did not spend all of that $25 billion before today's deadline. In fact, it has an estimated $17 billion left that has not been tapped.

But the funds are frozen by the April 1 deadline. Let me repeat, the funds are frozen because of this April 1 deadline.

So the legislation before us today simply lifts the April 1 deadline and allows the RTC to spend the remaining $17 billion of funds voted in November.

Again, let me remind my colleagues that these moneys, like all of the earlier moneys voted for the RTC are used to make good on obligations to depositors. These are commitments under the deposit insurance system, and the commitments cannot be broken without the severest repercussions and damage to our entire financial system. We must complete the job of cleaning up the savings and loan affair. We must continue to meet the obligations of deposit insurance, and we have no choice. Once more, I want to be very clear. A "no" vote on H.R. 4704 is simply a vote to increase the cost to every taxpayer in the Nation. A "yes" vote is a vote to get on with the necessary job, at the least, with a minimum cost to the taxpayers under the circumstances.

Mr. Speaker, I reserve the balance of my time.

Mr. WYLIE. Mr. Speaker, I yield myself 3 minutes.

Mr. Speaker, I rise in support of H.R. 4704. The bill would make the remaining $17 billion which has already been appropriated and approved available to the RTC so that it may continue to operate after today.

While I favored full funding in a bill which we reported out of the House Committee on Banking, Finance and Urban Affairs, I recognize the urgent realities of the political situation of moving a bill in a timely fashion.

Today is April Fool's Day, April 1, and I do not think we want to be foolish enough to allow failed savings and loans to continue operating beyond today. The RTC's authority to use the remaining $17 billion that is left from the $25 billion that was authorized last year will stop today if we do not pass this bill, as I mentioned.

We cannot allow the RTC to cease its operation and hold depositors hostage to another stop gap in the funding process. We cannot allow the cost of the thrift resolution process to escalate further.

On March 24, a Washington Post editorial stressed the need for prompt passage of a clean RTC funding bill. the Post warned that the RTC is only now recovering its momentum after the hiatus imposed by a lack of funding last year. Further delays will only increase the cost.

Mr. Albert Casey, the CEO of the RTC, who is doing an outstanding job and been complimented by Members on both sides of the aisle for taking hold of the RTC operation and moving it ahead quickly, at the least cost, has said that an additional quarter delay will result in losses of up to $250 million or $2.8 million for every day we delay. It is crucial that we pass this legislation now to avoid additional unnecessary losses, losses that will be borne directly by all taxpayers.

The RTC has made significant progress in protecting depositors' accounts. In my own State of Ohio the RTC has saved 501,454 depositor accounts with an average balance of $7,863.

The RTC is moving closer to bringing an end to the thrift crisis. As of March 30, 1992, 690 failed thrifts had been transferred to the Corporation, and 640 of those had been resolved.

On March 23, 1992, Mr. Casey sent a letter to all RTC employees to notify them that he will begin moves to downsize the RTC. in his letter, Mr. Casey states:

> Our successes to date have been significant. The vast majority of thrift institutions to be resolved is behind us.

Mr. Speaker, I reemphasize that no new money is authorized here. All the bill does is strike April 1, 1992, so that the RTC can continue to operate. I urge passage of the bill.

Mr. GONZALEZ. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Illinois [Mr. ANNUNZIO], the ranking member of this committee and chairman of the Subcommittee on Financial Institutions Supervision, Regulation and Insurance.

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman for yielding me the time.

Mr. Speaker, I rise today in support of H.R. 4704 which allows the Resolution Trust Corporation to spend money already appropriated to it. There is no new money in this bill.

We must provide the RTC with the ability to spend the remaining $17 billion in funds already appropriated to it so that the Federal Government can meet its promise. To who? To insured depositors. Who are insured depositors? The people, the people who have money in these institutions. And if we do not continue to salvage and save these institutions there will not be one of you come back here.

I am sympathetic to the Members who hoped to be able to offer amendments to the bill. The idea to preclude amendments originated not with the leadership of this House, but with the administration.

□ 1630

This bill is a simple bill and is what the administration wanted. Who is the administration? The President, the Secretary of the Treasury.

I am chairman of the Financial Institutions Subcommittee which first considered the RTC funding this year. At the subcommittee markup I ruled out of order 14 Democratic amendments with only 4 Republican amendments. I was even more evenhanded and Democrats suffered more than the Republicans.

You can ask yourself: Why did FRANK ANNUNZIO do that? I did what the President wanted me to do, and I am speaking to my Republican friends. This is what your President, my President, our President wanted us to do. We did it. We delivered.

We now ask for the support of the Republican minority to help us finish this job for President Bush and the administration.

Last November we passed a 50-page RTC improvement act to rewrite that bill. Just 4 months later would be a vote of no confidence in the new CEO of the RTC, Albert Casey, who was recently appointed to the post by President Bush.

We must give the RTC and Mr. Casey an opportunity to do its job without congressional micromanagement from either the majority or the minority side.

I know that Members do not enjoy voting on RTC bills. However, time is of the essence. The House must pass this bill today so that the RTC can use the funds already appropriated.

The President asked for a clean bill, and that is exactly what the subcommittee and the full committee delivered to this House, a clean bill. Let us hope that the members of the President's own party can join today like they did in the committee.

I talked to the ranking minority member, the gentleman from Ohio [Mr. WYLIE], and he said to me, "This is what the President wants, and we want your help. No amendments." The gentleman from Ohio [Mr. WYLIE] can testify he got my help. We passed the bill without amendments. We are here without amendments, a clean bill.

We are not telling you to appropriate any more money. We are just asking you to lift the April deadline so that the RTC can go ahead and complete and finish its job on behalf of the American people.

Mr. WYLIE. Mr. Speaker, I yield 4 minutes to the gentlewoman from New Jersey [Mrs. ROUKEMA].

Mrs. ROUKEMA. Mr. Speaker, I rise today in support of H.R. 4704, legislation to extend the period in which the RTC can use funding already appropriated to continue the process of closing down the remaining insolvent S&L's—and to pay off those depositors which the Government insurance program guarantees.

As my colleagues know, last year the Congress passed a funding bill which would have permitted the RTC to spend up to $25 billion on the resolution of failing thrifts but that it could not spend any funds beyond April 1, 1992.

To date, the RTC has indicated that it has spent only $8 billion of that total and this legislation would permit the RTC to spend the remaining $17 billion. This does not appropriate more funds, it extends the time period.

While I believe we are simply kidding ourselves in believing that this is the best or even honest way to proceed with this political football, I will support it.

But just a word to the wise. If the RTC comes back to this House in August or September looking for one last increment of funds, don't let anybody say I didn't warn them.

Passage of the original FIRREA bill and last year's funding were tough politically. But to the credit of all they were eventually passed.

Now we are today being told that we might not have the votes to pass any funding measure—clean or otherwise.

I would like to urge my colleagues to do the right thing—vote for RTC extension. We must understand the basic essential: Delay equates into added costs.

If we choose political expediency over doing the right thing—then maybe the cynical public is right, people protect the special interests not the public good.

Each day we delay this inevitable decision, the American taxpayer is out $4 million. As we saw from our failure to pass funding on a timely basis last year, the cost of the RTC resolution increased by $300 million. Must we subject our hard-working, taxpaying citizens to this irresponsible loss of money?

Now for those of my colleagues who simply do not support any RTC funding bill, I can only ask what is their alternative? The cost of the cleanup is not something new. We debated this matter at length when we considered the FIRREA bill 3 years ago. It was clear from the beginning that the S&L cleanup would cost the American taxpayer significant amounts of money.

Yes, the S&L debacle was an indictment of a deregulation frenzy that went awry. And yes, it was a sorry commentary on our regulatory process and even on our role as congressional overseers.

However, there is no alternative. These billions of dollars are buying fairness. Without these funds the costs of the S&L failures would fall on depositors.

People would lose their savings.

Depositors should not bear the cost of public policy errors.

We know the history of this debacle. Now we must face the reality of our commitment to the depositors, not the S&L crooks.

If we are not prepared to accept this alternative, what is the answer.

Since its inception, the RTC has taken over some 582 troubled thrifts and has sold or liquidated many of these. Within the total of thrifts sold or merged, the RTC has protected over 19 million accounts.

In my own State of New Jersey, the RTC has resolved 17 thrifts and has saved over 925,000 depositor accounts. We simply need these funds.

For those of my colleagues who say the RTC should remain in business in perpetuity as an asset and real estate manager I say this was not the reason for the creation of the RTC.

The RTC was created to close down insolvent thrifts and to dispose of their assets. Not hold on to them. In fact, in the Banking Committee, the RTC has taken many a criticism for going too slowly in disposing of the assets they control.

My colleagues, it may sound reasonable to demand that the RTC hold assets until they can get the best price. But it does cost money to manage those assets. We should not succumb to the simplistic notion that by sitting on these assets, the RTC will somehow get a better price.

How long should they wait? Who are we to determine when is the appropriate time to sell a piece of property or a security?

That is what we directed them to do.

Mr. Speaker, the RTC works. It may not operate to everyone's exacting expectations or as rapidly or as effectively as some would want. But, Al Casey has done a good job making it work and it does need funding.

Finally, those who advocate additional reforms are only delaying the process. The Banking Committee has reformed and re-reformed the RTC operation each time a funding bill has gone through the committee.

Last March, we added several management reforms which were intended to ensure that we will not face major fraud scandals in the future.

In addition to creating a new CEO to manage the RTC, we also included other reforms.

Some of those reforms included management controls over the way the securities portfolios are managed.

A system of quarterly reviews of asset values designed to prevent fraud in the sale of real estate.

We mandated a standardized form for contracting and discouraged the sealed bid process of contract awards.

Finally, we established new policies for ensuring proper oversight of management performance.

Even the affordable housing program has gone through two reform efforts.

Enough is enough. This is no time to be gun shy or to be jumping on a so-called reform bandwagon as an excuse to avoid this vote.

I urge my colleagues to reject these temptations and act as the responsible custodians of the public trust that we are.

I urge passage of this legislation.

Mr. GONZALEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Minnesota [Mr. VENTO].

Mr. VENTO. Mr. Speaker, I rise in favor of this bill today.

As has been mentioned, this bill permits the expenditure of the appropriated dollars by waiving the April 1 date that was in the legislation that we passed last November. This is necessary legislation because we need to protect the depositors in the S&L's across the country.

This is taxpayers' dollars, and the fact is that the S&L insurance fund, the safe insurance fund, does not have any money in it, a consequence, of course, of the severe problems that have gripped the S&L's since the late 1980's.

Quite candidly, I think that many Members on the Democratic side and the Republican side have found the S&L problem a handy whipping boy, something to react against. Of course, the general public has found this issue distasteful.

But the truth is that the National Government stands behind these financial institutions with the deposit insurance program. The fact is that the deposit insurance system has worked. It obviously has had severe problems in the past decade but it has prevented the country from going into an economic collapse as occurred, I might add, earlier in our history in the absence of deposit insurance. It has prevented hundreds of millions of dollars of savings, literally billions of dollars, from being lost by millions of Americans who placed their faith and trust in an S&L or a bank, in essence, directly in the National Government.

The fact of the matter is that with better regulation, better capital, and improved laws that Congress insisted upon and that the administration supported in the final analysis, we have accomplished and have these institutions on a policy path where they are becoming more sound.

We are about two-thirds through the problems with the troubled S&L's according to the administration's own estimates. This is not the time to renege; to shrink from our commitments. It is not the time to stop in midstream when we are working to try and correct the S&L problems and ills of the 1980's. There is a great temptation today to withdraw; to slip back. That temptation and tendency must be resisted.

The President said when he signed this legislation that never again will we let the S&L's operate without adequate amounts of private capital at risk, and today as the issue fades, some in the Congress and some in the administration may be losing their focus, may be losing the focus of commitment that we need. As the private sector takes risks, our policies shouldn't take the taxpayers' dollars that are there to protect to insure the deposits and savings and of the individual in such institutions and divert it to be used in terms of gambling in the free enterprise system; in essence, gambling with public dollars for the benefit of S&L stockholders. Congress must prevent that from occurring.

Today some are saying, "We are going to hold this bill hostage unless we get our way with regard to restoration of S&L goodwill; we are going to hold this bill hostage unless we can reduce and weaken tough capital standards; we are going to hold this bill hostage unless we can get more credit and lending in our region or State." I would suggest to those Members that they are not just wrong, they are starting up the forbearance merry-go-round that characterized the regulatory activities in the 1980's. We do not need that. The American people deserve better.

We cannot ask the Members of Congress here to vote in one instance for the billions of dollars and at the same time to repeat the mistakes of the 1980's.

I hope we can vote for this bill as it stands and improve it in conference and pass it and deal with our responsibilities here in a competent manner.

□ 1640

Mr. WYLIE. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, and colleagues, if you think that a handful of Members in both parties, the leadership elite, ought to make decisions regarding the destiny of legislation involving billions of dollars, vote "yes" on this legislation.

If you think there is no further need for reform of the Resolution Trust Corporation to insure full accountability to the taxpayer in terms of how these funds will be spent, vote "yes" on this legislation.

If you think members of the authorizing committee ought to be prevented from offering substantive amendments to this bill, vote "yes" on this legislation.

If you are proud of the way that we first authorized this legislation last November, literally in the final hours of the 1st session of the 102d Congress, vote "yes" on this legislation.

And, in case your memory is a little fuzzy about that time, let me recall the circumstances. We had been up all night, in session over 24 hours, and we ultimately approved this legislation on a very cowardly voice vote.

I find it just a tad incredulous to hear Members come down to this well, particularly on this side of the aisle, and stand here within days, even hours, of repeated attempts to override the President's strenuous objections to a tax increase and to tearing down the budget agreement firewalls, not to mention concerted efforts by the House Democrat leadership to prevent any consideration of the President's short-term economic growth package.

It is absolutely wrong and intellectually dishonest to say that we have to roll over for the President and his administration on this legislation.

Now, the amendment of the gentleman from Florida [Mr. McCOLLUM] makes a great deal of sense to me, because it addresses the supervisory goodwill catch-22. We ask solvent institutions to take over insolvent institutions. They incur the supervisory goodwill that must be reflected on their books in the process, and then we say as a result of that supervisory goodwill, that they cannot meet our capital standards.

But we ought to at least have a debate on that proposal in committee. The principal argument today in support of passage of this bill is the good old political expediency. We are up against a deadline. We have got to act right away. In fact, we should have acted yesterday, apparently.

But I submit to you there is still time to do it right. We can send this bill back to the Banking Committee with or without instructions and still perform our fundamental duty of being responsible to the taxpayers in terms of how these moneys are ultimately utilized.

Mr. WYLIE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, may I say to the gentleman from California, with due respect, that perhaps some further reforms should be imposed on the RTC, but already last year we imposed numerous management and restructuring reforms on the Corporation. I could not let this go unsaid, because I was the author of many of those reforms.

In the last two RTC funding bills that we passed last year, 39 major management and restructuring reforms were enacted. To briefly summarize, these reforms included 9 new reporting requirements, 17 affordable housing program reforms, 8 management reforms, 4 restructuring reforms, which included the appointment of a CEO and the abolishment of the RTC Oversight Board, and a number of other reforms to increase the level of minority and women-owned firms participating in the RTC's contracting process.

I would submit for the gentleman's perusal, if he would like to see it, a summary of these management and other reforms which were included in the Senate bill (S. 419) and H.R. 3435 just last year.

Mr. GONZALEZ. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Speaker, I think today we ought to put an end to a practice that we see from time to time, that is Members on the minority side voting no and praying yes. A piece of legislation comes forward which is a priority piece of legislation for the Bush administration. It is supported by the minority leader, and I guess on this one, unlike the rule, by the assistant minority leader.

What we have are a lot of people on the other side who hope they can vote no so the rest of us will vote yes and they can have their cake and eat it, too. That is not going to happen today.

I certainly do not intend to put my vote up on the board until I see how the Republicans have voted.

I will tell you, Mr. Speaker, these are odd times and a great swoop of bipartisanship has overtaken me. I intend today to honor the wishes of my Republican colleagues and if a majority of them want to follow George Bush and Nick Brady and vote for this, I will go with them; but if they do not think that is worth doing, then far be it from me to impose President Bush and Secretary Brady on my Republican colleagues.

I do want to note, I was looking at the rule. It is a very important rule on a very important bill. The Republican vote was 135 against, 29 in favor. The 29 in favor included the minority leader, the ranking member of the committee. The President was out there rooting for it.

The other day the Republican whip said that the Democratic leadership was out of touch because only three-quarters of the Democrats voted with the Democratic leadership on a bill. Well, if they are out of touch because only three-quarters voted with them, what is the description of a leadership that gets 29 yeses and 135 noes on its position? What are they out of?

The fact is that the charades are over.

We are told on the other side that they do not want this bill, it is being forced down their throats by an elite of the bipartisan leadership. If that is the way the majority wants to go with it, then they have the ability to say that.

This is a piece of legislation, let us be clear, it did not start last year, contrary to what the gentleman from California said. It was passed in 1989. We set up the Resolution Trust Corporation in 1989 at George Bush's request. It was structured from the beginning the way the President of the United States wanted it structured. He has from the beginning appointed the people who ran it. It has from 1989 been a George Bush show from start to finish, and they do not even allege that we have interfered in any significant way with what they wanted to do. This has been a Bush administration show.

The Bush administration after 2½ years into its creation, they now say they need more money, and if the majority of the Republican Party wants to repudiate the work of the administration I certainly will not stand in their way.

I urge my fellow Democrats to let the Republican Party have priority here. Let us wait and see and if they think that the President is that wrong on this issue, I am prepared to honor their wishes.

Mr. WYLIE. Mr. Speaker, I yield 5½ minutes to the gentleman from Florida [Mr. McCOLLUM].

Mr. McCOLLUM. Mr. Speaker, I thank the gentleman for yielding this time to me.

As most of you know, I am very much opposed to what is out here on the floor today. I am opposed to spending one more cent for the Resolution Trust Corporation closing other institutions until we pass money-saving reforms, and we have not let them come to the floor.

I must say up front that I voted against the 1989 FIRREA bill that established the Resolution Trust Corporation, and I have great misgivings about how some of the matters have been handled out there in the field over the past couple of years while this has been going on, but that is water over the bridge. That is what we are here about today.

Al Casey did a fine job in trying to straighten those matters out right now.

What concerns me is that we are here today about to give billions of dollars more to the RTC to close savings and loans that they no longer need the money to close because those savings and loans should not and do not need to be closed.

Mark this one thing down, my colleagues. There is no need for any more money today for RTC to do the job that it is doing in disposing of the assets or running its day-to-day operations.

The only reason we are here today is to seek more money to close some additional savings and loans. There are about a hundred of them out there that they say they still have to close or are on the closed list because they are not meeting or they do not expect them to be able to meet the capital requirements we set out, new capital requirements in the laws in 1989 and last year. We said they have to come up with a minimum of 2-percent tangible capital and come up with a formula to do that or they cannot stay open and they have to be closed. There are some exceptions, but around the margins that means they have to have at least 1½ percent and the target is to get them up to 3 percent. That is the idea. That is what is on the table now.

There are among the hundred or so in debate that the RTC wants the money to close some 53 savings and loans that are perfectly healthy; they are not sick institutions. I have heard people talk about mismanagement and all that. Those institutions that are unhealthy, that are sick, have bad management, had bad management, fraud, and so forth, they are gone. They have been closed or in the pipeline being closed now. These are healthy, good core earnings, good management, good assets. They simply cannot meet the capital standards that we set, because for one reason only, and that is because they have supervisory goodwill on the books that they were, up until 1989, able to count as capital, but because in 1989, we canceled the agreements on supervisory goodwill, they no longer can count.

□ 1650

This is stuff they got in an agreement with the Government to take over failing, sick S&L's back in the 1980's. They were told they would have 30 or 40 years to figure out how to write that off their books. Then we canceled, this Congress canceled the deal.

For $2.5 billion, that is all, just $2.5 billion, the entire amount of supervisory goodwill of these 53 institutions could be bought by the Government and they would stay open because they would have enough capital to do that. They are otherwise very healthy.

We would save $25 billion that it would otherwise cost to close them. And we would save 25,000 jobs that would be lost if they are closed.

I ask my colleagues, does that make any sense at all? If you think a $1,000 toilet and a $600 hammer was a scandal out there to the taxpayer, what are they going to say when they learn that we are wasting $25 billion of their money? And that is what we will be doing today if we do not stop this nonsense.

Now I am going to try to offer a motion to recommit with instructions that I hope will be held in order that will instruct in the way, and only one way, it would force the RTC to use $2.5 billion to buy the goodwill back just from those 53 healthy institutions and save the $25 billion and the 25,000 jobs.

If that does not succeed, then this should go down. There is absolutely no reason to do otherwise. I have heard people talk about forbearance here today. That is nonsense. Nobody here is trying to do that. That deals with institutions that are sick. These are healthy institutions, in the black, with good management.

I have heard people talk about shareholder bailout, and that is baloney too. No money is going to shareholders. There is no benefit to shareholders except the institutions will not be closed. And many of these are mutuals, anyway, and did not have shareholders. That is malarkey too. That is an excuse for not voting for the kind of thing that will save the money this year.

The only thing at issue is saving the taxpayers $25 billion and 25,000 jobs. The RTC should not get another red cent from us to do any more closings until we pass legislation that will force them—give them the power and indeed force them to buy back the $2.5 billion of goodwill to do a job for $2.5 billion that otherwise would take $25 billion to do.

There may be some other amendments that should have been out here today but that is the single most important one that has been denied.

Mr. Speaker, I urge my colleagues with the strongest breath I have, let us not pour any more money down the rathole of this. Vote "no" on this bill unless you have the opportunity to vote for the motion to recommit, then let us vote "no" on this bill. Unless we have the opportunity to vote "yes" on the motion to recommit with instructions and save $25 billion and 25,000 jobs, otherwise this is just a sham and we should not put one more cent into the Resolution Trust Corporation.

Mr. WYLIE. Mr. Speaker, I yield myself 1 minute.

Mr. Speaker, savings and loans chief executive officers in Ohio have called me, some of them came into my office today and they said, "We have met our tangible capital requirements. We have gone to the markets. And in some cases it was very difficult for us to put our money up front at risk. Please, please don't make us compete again with S&L's from Florida and California and Texas which used goodwill as regulatory capital over the last 10 years. We have the strongest S&L industry in the United States in Ohio. They now have 5.7 percent tangible capital."

Mr. Speaker, I think our savings and loan chief executive officers of Ohio are correct, and I am going to vote for the bill.

Mr. GONZALEZ. Mr. Speaker, I yield 4 minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Speaker, first of all let me thank the chairman of the committee, the gentleman from Texas [Mr. GONZALEZ], for yielding this time at this point to me.

Mr. Speaker and Members, the gentleman from California [Mr. RIGGS] indicated in his remarks—and he is a member of the committee—that he was displeased that last November we had to provide $25 billion to the RTC. Now we have to lift the date so the balance of the dollars can be expended.

I say to him and to others who question why we took this action, what were the options? We made a commitment to the depositors of these institutions that the Federal Government would stand behind any losses.

These dollars are earmarked to make good that promise. And I think that is something that we have to do. I have to say that it is not pleasurable for Chairman GONZALEZ or Chairman ANNUNZIO or ranking member WYLIE to every few months come back for more funding for the RTC. But nevertheless it is something we must do.

Mr. Speaker, there is a group of Members today who are opposing the bill, using such words as "reform" and "cleanup" and "I am not going to vote for this until we pass money saving reforms." My friends, do not be fooled by that rhetoric, because if you distill what is being said, what they are trying to do is tear down and reverse the strong reforms that this Congress passed in 1989 in the Financial Reform Act.

Every amendment, or most of them that I have seen, go right at that bill.

Mr. Speaker, we are talking about forbearance, something we did away with. We are talking about paying out cash for goodwill, and goodwill which is in a failed institution is worth zero. But we want to go back to the good old days.

The Senate has already taken the first step in their bill which they sent over here. They earmark $1.8 billion for open thrift assistance. What does that mean, my friends? That is money to bail out stockholders.

In 1989, when the public eye was on us, when we were asking for the big, big billions then, we all rose to the task and we passed a major reform act. Now the public is concerned about other things, and now there are those who would like to slip in amendment after amendment to weaken that law, to go to the good old days of the past.

Well, my friends, you are not going to get away with it; the public is not going to get fooled.

I would like to share with the membership, Mr. Speaker, a paragraph of a letter which I received. It indicates, and I quote,

> It should be noted that the industry has had more than adequate notification of the phase-in of more stringent capital requirements. Many individual institutions have incurred substantial costs and have foregone profitable opportunities to comply, and rectify their capital deficiency. Others, have chosen to postpone or delay the necessary adjustments, contemplating that they will again be successful in attaining relief or forbearance from regulators and Congressmen. We do not believe that their procrastination should be rewarded. The industry and this nation deserve better.

Was this letter from a consumer group? Was it from an irate taxpayer? My friends, this letter was written to all of us—and I shared it with the committee—by the chief executive officer of the largest savings and loan in the State of Wisconsin, in a State and in a region which added very little to the problem but had to add a lot to resolve the problem. He is encouraging us today to stop this nonsense, do not throw open the door to the practices of the 1980's. Did we not learn anything? Are we not sick of appropriating in excess of $107 billion for this?

We are near the end, but some of you folks over there do not want it to end. You want to open the windows, throw open the doors, and let the thrifts who are the bad actors continue acting bad.

Let us heed the advice of one responsible S&L officer in a State and in a region with many.

I urge Members to vote for the bill and clearly vote against any motion to recommit, to go back to the good old days, good ole boys.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. ARMEY].

Mr. ARMEY. I thank the gentleman from Ohio for yielding this time to me.

Mr. Speaker, let me extend the usual compliments to the chairman, ranking member and all the members of the committee. This is a tough business we are dealing with here.

Let me tell you as a Texan I understand the heartbreak of the savings and loan difficulties we have endured in this country. We have had hands-on feelings as Representatives dealing with people who suffered the heartache of the failures, who suffered the malfeasance of the Government, and we have suffered the difficulties of the RTC. But despite all that, I voted against FIRREA in 1989. It did not strike me as credible when somebody said we were going to create a new Government agency that in 5 short years was going to accept the assets of the failed thrifts and then clear those assets back into the private sector and work itself out of business.

I will have to tell you I do not see any evidence that the RTC is doing it efficiently and with dispatch.

The idea of the FIRREA legislation was that the assets would be accepted as the failed legislation. I have a real fear today that what the RTC is doing is forcing the failure of thrifts that would not necessarily need to fail. Rather than cleaning themselves of the assets back to the private sector where they can be put to productive uses, I think they are too slow. Rather than working themselves out of existence over the next 5 years, I think their plan is to stay in existence, which is the natural tendency of every government agency.

□ 1700

So, I am going to vote no today, ask for an opportunity, perhaps, for the gentleman from Florida [Mr. MCCOLLUM], through a motion to recommit, to institute reforms that would cause this agency to respond to the real-world problems in the real way in which it was really intended. Failing that, I will vote no now. Perhaps we can get the committee again back on this subject, and maybe we can get the reforms that will get the kind of discipline and behavior from this agency that we have a right to expect from every agency.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from California [Mr. RIGGS].

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Ohio [Mr. WYLIE] for yielding this time to me.

Mr. Speaker, I feel compelled to respond. As the character said in Ghostbusters, "I think I've just been slimed."

It is kind of interesting to be called a good old boy by one of my colleagues on the other side of the aisle who apparently is making a career here. Let me just explain that, with respect to my amendments, which I can certainly speak to, one would have required, and this has already been passed over in the other body, one would have required full disclosure of settlement agreements and sealed judgments where taxpayer funds have been used to close down thrift institutions and pay off depositors with the necessary prudent exceptions to protect the privacy of those persons mentioned in the reports who did not contribute to the institution's demise.

Second, I offered a clearinghouse amendment because, according to a recent article in the Washington Post, the GAO reported that the Department of Justice has only collected $365,000 out of $84 million in fines and restitutions ordered against criminals convicted in S&L fraud cases.

So, I guess it is all well and fine to come down to the floor and engage in the usual rhetoric and talk about how scrupulous and diligent we are as legislators and as overseers of the regulatory branch. Unfortunately, we know there is very little followthrough after that rhetoric.

Clearly, we are not doing a good job. Based on the Washington Post article, the Justice Department has not even collected 1 percent of the fines and restitutions owed by such S&L thieves, so I do not want to spare those folks. That is why I say we do need additional reform to the RTC, with all due respect to my ranking member. That is why I support the motion to recommit this bill to the Banking Committee.

Mr. WYLIE. Mr. Speaker, I yield myself 1 additional minute.

With all due respect to the gentleman from California [Mr. RIGGS], I do not know what the percentages are, but I just received this a little while ago, the RTC criminal justice statistics from October 1988 to December 1991.

There have been 992 S&L crooks charged, 723 convicted, 461 received prison sentences, 155 awaiting prison sentences, and only 118 received probation; $403 million in restitution has been ordered, and $103 million in criminal fines imposed.

I think the Justice Department is doing a respectable job in this regard.

Mr. RIGGS. Mr. Speaker, will the gentleman yield?

Mr. WYLIE. I yield to the gentleman from California.

Mr. RIGGS. Mr. Speaker, I appreciate the gentleman from Ohio [Mr. WYLIE] yielding to me.

Mr. Speaker, I just wondered if he had any data from the Justice Department in terms of how much we have collected out of that $403 million; I guess the $403 million was in criminal fines and $103 million in restitutions.

Mr. WYLIE. Yes; $68 million has been collected in criminal restitutions.

Mr. RIGGS. Mr. Speaker, I thank the gentleman from Ohio.

Mr. GONZALEZ. Mr. Speaker, I yield 1 minute to the gentleman from Illinois [Mr. HAYES].

Mr. HAYES of Illinois. Mr. Speaker, I want to thank the gentleman from Texas [Mr. GONZALEZ] for yielding 1 minute to me to voice a no on this resolution, probably for different reasons than anyone else who has spoken.

Mr. Speaker, I have a conscience to live with. Today in Illinois, April 1, we had thousands of people who were cut off from public assistance who have no other means. They were not there because they are lazy and did not want a job, and their kids may not know where they are going to get food tonight or tomorrow because the State does not have money.

I think somewhere along the line as we are talking about bailing out, and I do not care what it is called, but we are talking about $25 billion. They say $8 billion has already been spent. They have got $17 billion more to spend. I would much rather see that money spent on people who need help, help those who need health care, help those who need education and a decent place to live, than to spend it in bailing out savings and loans.

Mr. VENTO. Mr. Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentleman from Minnesota.

Mr. VENTO. Mr. Speaker, I want to commend the gentleman, and I voted with the gentleman from Illinois [Mr. HAYES] yesterday in terms of trying to provide dollars for these domestic discretionary programs.

Mr. HAYES of Illinois. Mr. Speaker, I think we could use this money in that manner instead of spending it on bailing out savings and loans. I say to my colleagues, "No matter how you put it, that's what you mean."

Mr. WYLIE. Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. SANTORUM].

Mr. SANTORUM. Mr. Speaker, the Thrift Depositor Protection Oversight Board on January 31, 1992 notes that the Resolution Trust Corporation [RTC] had 94 thrifts in conservatorship after having resolved over 585 thrifts. As many as 200 additional thrifts could fail, but the worst is over. Profitability has been restored to the savings and loan industry. Net income for the 6 months ending in June 1991 was $885 million. Today over 86 percent of private savings and loans are profitable.

Nearly $90 billion has been provided to the RTC since August 1989. The RTC was not able to spend $17 billion of the $25 billion that the Congress provided last fall. They are asking for $25 billion more—plus reappropriating the $17 billion—and the possibility looms for $25 billion more over the next few years.

With profitability returning to the savings and loan industry and the need for additional funds declining, why not place the RTC on a fast track for termination? The RTC had over $136 billion in assets on November 30, 1991. The RTC should be able to use these assets to fund its operations. Congress should not provide any more new funds for the RTC. In fact the thrift industry should shoulder the remaining bailouts through their insurance fund. Why should the American taxpayer continue to throw money down the failed thrift rat hole.

Another major reason for terminating the RTC is it's poor management record, lack of public disclosure, and the way it treats employees of thrifts in conservatorship.

I continue to receive reports of the RTC doing "great harm by coming in and playing the role of liquidator, pushing down the value of live assets." One example given to me finds that borrowers avoid full payment of loans because it was widely known that the RTC is willing to bargain for less than full payment. Specifically, the RTC asked the managing agent of a thrift to discount a loan to 70 cents on the dollar; "once the borrower heard that, he figured that would be his solution (rather than paying in full or losing collateral)."

Reports from those with RTC experience read like a textbook on how not to run a financial institution:

The RTC is the report master of modern financial management. One institution was required to produce 63 reports a month.

The RTC required most actions to be taken in writing, but made many of their decisions without back up documentation.

There are many reports of RTC personnel treating thrift staff rudely.

The RTC did not allow a thrift's staff to review the 22 RTC policy manuals.

The RTC has farmed out the management of assets to firms hundred of miles away from the property.

The RTC silenced dissenters. One temporary employee who questioned RTC practices was moved into another State.

The RTC tried to take foreclosure action on a property in litigation. The RTC initially acknowledged but consistently gave no further reply on offers to settle the suit. Eventually the RTC lost their suit in court.

The RTC has run up gigantic legal fees.

The RTC's own lawyers are frustrated by not being able to reach relevant RTC staff.

The RTC has terminated pension benefits with no just cause—selling insurance assets which jeopardize future pension funding and placing them at risk to suits being filed.

In summary, the RTC has:

Allowed relatively unqualified personnel to perform complicated and complex tasks;

Been wasteful in its expenditure on legal fees;

Provided extremely poor tracking of cases and followthrough;

Been an indecisive bureaucracy; and

Been very unresponsive.

We are getting from the RTC exactly what you might expect. If you create a brandnew agency from scratch; recruit cut-rate employees with offers of temporary employment; and rapidly grow into the world's largest bank while trying to create policies and meet the Federal Government's bureaucratic standards all at once; then expect indecisiveness, wasteful spending, unresponsiveness, and a financial failure. A vote to cut off RTC funding seems quite advisable.

I would propose that:

The RTC be closed down as soon as possible—not later than the end of this fiscal year;

No new funding be provided for the RTC;

New failed institutions should be combined with a local institution of comparable size or larger; and

The Thrift Depositor Protection Oversight Board should be closed down within 30 days. It has no useful purpose and only adds to the bureaucratic mess that exists.

With the budget deficit expected to reach nearly $400 billion this year, we must take dramatic action to end wasteful spending such as the RTC. The choice is clear—at least $42 billion can be saved this year by terminating the RTC.

Mr. GONZALEZ. Mr. Speaker, I yield 1 minute to the gentleman from Florida [Mr. HUTTO].

Mr. HUTTO. Mr. Speaker, we have an obligation to back the deposits of individuals who do business with federally insured financial institutions. However, we also have an obligation to protect American taxpayers from wasteful and inefficient Government bureaucracy.

The Office of Thrift Supervision and the Resolution Trust Corporation were established to be the Government's agents in resolving problems associated with failed savings and loan organizations. Clearly, the cleanup has been a tremendous task which has resulted in the closure of hundreds of S&L's. While there are many victims of the S&L crisis, I have come to find out that there are also victims of the S&L cleanup.

For the most part, the Charles Keatings of this world, who abused, mismanaged, and exploited the S&L industry, were responsible for the S&L crisis. At the same time, however, there were legitimate and honorable institutions in business who were not responsible for the crisis. Because of the unmerciful crusades of regulators to settle the crisis, many of these reputable S&L's have suffered. One particular institution is in my hometown which was recently taken over by the RTC.

This institution was recognized as having trouble and the management took appropriate steps to overcome its difficulties. In fact, the S&L had even been profitable in recent months. The RTC stepped in without warning and without regard to the bank's progress.

In the end, the taxpayers are going to foot the bill for this S&L which was on the road to recovery before the RTC stepped in. Because H.R. 4704 does not include needed management reforms for the RTC, I am opposing this measure and urge my colleagues to do so as well.

Mr. GONZALEZ. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PICKLE].

Mr. PICKLE. Mr. Speaker, the options we face here today are not pleasant and not many of us are happy warriors about this particular resolution. But I think it is terribly important that we realize that we must move this process forward. I think, therefore, that the resolution should be supported.

Let me say this to some of my friends here: The RTC has not been perfect. But I think we have expected them to build an entity that we would expect of Chase Manhattan in 1 year's time. It has been very difficult for the RTC. Many of its problems have been worked out. It is functioning. It is trying to close insolvent institutions and sell property.

Now I want to remind my colleagues that the RTC process has basically been effective in spite of some of the flaws that we have seen. In my county alone at one time, the RTC owned some 22 percent of the property. Had we not had the RTC, my county and my city would have been destitute, and, as hard hit as they are, we had to rely on organizations such as the RTC. They are doing as good a job as we could expect.

Therefore, Mr. Speaker, it seems to me that it would be irresponsible if we do not try to at least advance this legislation and try to let the RTC do its work and close down as quickly as possible. I want to assure my colleagues that what is happening in my part of the country could happen in their parts of the country, and I say, "Those of you who may be smug now and say, 'I want to vote no; I'm not going to vote any money for it,' may be faced with the same situation."

So, I would think that the proper thing to do is just go ahead and do the responsible thing, try to advance this legislation in its form as presented by the committee.

Mr. WYLIE. Mr. Speaker, I yield 2 minutes to the gentleman from Iowa [Mr. LEACH].

□ 1710

Mr. LEACH. Mr. Speaker, I would just like to talk for a minute about the alternatives presented to us today. One is the principle of forbearance, or phony bookkeeping. It did not work in the eighties, it is unlikely to work in the nineties. It is a prescription for maintaining a financial community which will be unable to meet community needs.

At issue is the question of leveraging. Overleveraged institutions are liabilities to the Government today. If experience is a guide, the longer overleveraged institutions are kept in business, the greater the liability to the taxpayer tomorrow.

The second principle before us as an alternative is one of buying back good will. That is, the Government of the United States would tell those institutions that have used phony bookkeeping, "Gosh, you made a mistake but your mistake was so big we are going to give you money because you made that mistake."

This is corporate welfare. It misunderstands the nature of the deposit insurance system. Deposit insurance, after all, was designed to protect the little guy, the depositor. To date about 19.8 million depositors have been protected. In my State alone, some 226,000 have been. The average protection is somewhere around $6,000.

I cannot stress enough how ironic I consider it to be that advocates of the free enterprise system want to give away Federal money to protect managers and shareholders of S&L's. I think the only conservative option is to oppose these alternatives, and the only principled option is to go ahead with the very unpleasant task of continuing to defend depositors.

Mr. Speaker, let me finally conclude with one observation: What distinguishes the 1990's from the 1930's is deposit insurance. When financial institutions went under in the 1930's, everybody else in the community went under. What this body risks doing today is taking a recession that is longer than any of us would like to be, and turning it into a depression. So let us go ahead and bite our lip and support this bill, it is the President's position. It is the right position.

Mr. WYLIE. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, this is the 11th hour. The RTC has run out of money and can no longer resolve failing institutions. I realize that this has never been a popular vote, but who are we hurting if we delay funding further?

The gentleman from Iowa [Mr. LEACH] pointed out very succinctly. We would be hurting the innocent depositors who have trusted in the Government's promise to insure their deposits. We would be hurting the taxpayers, who have already been forced to needlessly cough up another $400- to $500 million because of past stop-and-go funding. Let us not hold depositors hostage to political maneuvering.

No one is completely happy with this bill. I would like to provide the RTC with enough money to get it through the next spring. Several amendments have been suggested. Many of these are not without merit.

However, this is emergency funding. Now is the time to provide the RTC with the money it needs so that it may resume its operation and make good on the Government's promise to protect depositors.

Mr. Speaker, we do need to pass this bill today which will free up the $17 billion we have already approved. No new money is involved here.

Mr. Speaker, I urge adoption of the bill.

Mr. CONYERS. Mr. Speaker, I rise today to express my deep concern over the issue of further funding for the Resolution Trust Corporation, and my belief that a comprehensive reform of the RTC is long overdue. While H.R. 4704 is a small improvement over the previous Banking Committee bill, we are still facing a joint conference with the other body which has passed legislation handing over a whopping $25 billion to the foundering RTC. Like paper monopoly money, this extra funding isn't real—it's just added to the national debt, left there to accumulate interest, and further increase the overwhelming burden already firmly placed on the backs of our children. Long after all of us are gone from this life, the American taxpayers will be drowning in the flood of debt that we will have created, if we compromise on extra funding. This Faustian bargain is unconscionable.

It is unconscionable not only because increasing the debt is much more expensive than a pay-as-you-go program, but also because we would be throwing more money into the black hole that is the Resolution Trust Corporation. Investigations ranging from detailed newspaper reports to our own General Accounting Office, have charged that the RTC is unnecessarily flooding the market with bargain basement properties, and taking incredible losses in the process. And these prices are not just severe reductions from the pre-recession price—they are 30 to 40 percent losses on the bottomline appraisal of the Office of Thrift Supervision. Ladies and gentlemen, that means that the losses are probably even greater if you consider the market value of some of these properties. In its haste, the RTC is practically giving away valuable assets to the only people with the money to buy them—the wealthy. And while the RTC is throwing away any hope of recouping some of our losses, they are also turning their backs on the affordable housing program specifically designed to help people like my own Detroit constituents.

Where FIRREA was passed in 1989, many of us were under the impression that the low-income housing program would directly benefit society's needy, while allowing the resolution of S&L properties. Despite the 90-day right of first refusal that was supposed to have ensured that needy families could acquire homes, newspapers from all over the country have reported that the main beneficiaries of the affordable housing program have been wealthy investors and middle-class buyers. And while I have nothing against the middle-class getting a bargain, I do object to the working poor being effectively shutout. The RTC has gone well beyond the scope of the purchasing qualifications defined under FIRREA, by requiring unnecessary credit histories that are in turn used to determine a purchaser's eligibility. In effect, the RTC uses this information to guess at the applicant's ability to obtain financing, and then rejects a needy family long before it has the chance to apply for a loan. And while the RTC has always had the power to help finance low-income purchasers with below-market loans, only last year did they author financing regulations—and even these are not targeted to assist poor families. Meanwhile, over two-thirds of the homes in the Affordable Housing Program sit empty.

I find it equally disturbing that the Resolution Trust Corporation is functioning away from the bright light of public scrutiny. In the absence of complete and prompt financial disclosure, we are being asked to support the RTC on blind faith. And while many of RTC's reports have contained marvelous statistics on their resolution of the S&L chaos, it has been extremely difficult to obtain independent confirmation when much of the necessary data is incomplete, unusable, or secret. Any real reform of the RTC must begin with the public's elementary right to know what its Government is doing with taxpayer money.

Mr. Speaker, there are other valid complaints that have been made against the RTC's handling of the S&L bailout, and I will not go into them except to say that it is absolutely clear that we must overhaul this agency before it is too late. I am disappointed that the Rules Committee failed to include the reform amendments introduced by some of my colleagues. While it did not contain a pay-as-you-go provision, it did provide for substantive change to the structure of the RTC: Provisions strengthening the low-income housing program; regulations ending the practice of dumping underpriced properties, and wasting operating funds; and guidelines requiring effective public disclosure.

Until the Congress faces the hard cold truth about the savings and loan cleanup, the American people will continue to rack up a debt that boggles the mind and surpasses the imagination. I cannot, in good conscience, vote for this bill and I urge my colleagues to join me in opposing this measure.

THE BOTCHED BAILOUT: RESTRUCTURING THE RESOLUTION TRUST CORPORATION

(By Sherry Ettleson and Patrick Woodall, Public Citizen's Congress Watch)

EXECUTIVE SUMMARY

American citizens have begun to absorb the reality of the collapse of hundreds of S&Ls—thrifts driven under by speculation, reckless deregulation, and outright fraud. Now, the federal government's response to this crisis is threatening to become a second disaster. The Resolution Trust Corporation (RTC), the federal agency in charge of thrift resolution, has ended up costing the taxpayers unnecessary billions of dollars more because of its inadequate response to the problem.

Since it was established, the RTC has been fraught with problems. The cost of the rescue effort keeps escalating, the RTC has been unable to recoup the value of its assets, and it has done a poor job of keeping records and disseminating them to the public.

As of December 1991, the RTC had been given $105 billion to pay off depositors and had spent $163 billion for losses and working capital. In January 1992, the Bush administration asked for an additional $55 billion. The Administration claims this latest request will be enough to finish the job, bringing the total amount in current dollars to $160 billion. On February 27th, the RTC decided it only needed an additional $25 billion until April 1, 1993.

After two years of woefully inadequate results, it is time to fundamentally rethink the structure of operations of the RTC. It is now clear that the agency was structured to fail from the beginning. In its financing, it has become an unceasing drain on the federal treasury. In its main function—disposal of assets—it has responded to contradictory instructions from Congress, which has urged the RTC to unload assets quickly. By selling off thrift assets as quickly as possible, hence at a low price, the RTC is both giving taxpayers a raw deal and exacerbating the real estate depression.

A comprehensive examination of the RTC indicates that:

The RTC is damaging the economy by depressing local real estate markets. The RTC is the largest single owner of real estate in the nation, but has refused to act accordingly. Through price-markdowns and bulk sales, the RTC has flooded the market with under-priced properties. This practice has hampered an already depressed real estate industry and prolonged the nation's recession. Not only does this behavior adversely affect the real estate market, but it also puts taxpayers, who are the ultimate "shareholders" in the RTC enterprise, at immense risk. Corporations in America act to maximize return and minimize risk for their shareholders; the RTC is doing exactly the opposite.

The RTC has failed to make properties widely available for low income housing. One of the "primary purposes of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 [was to] provide affordable housing mortgage financing and housing opportunities for low- and moderate-income individuals . . ." Yet, despite this housing requirement, the RTC has not made affordable housing accessible to those who need it most. Qualified buyers are unable to find financing and the RTC's poor dissemination of information has made it practically impossible for low-income buyers to take advantage of the program.

The RTC has failed to protect environmentally-sensitive properties. The 1989 bailout law contains only one provision pertaining to environmentally sensitive lands. The provision, introduced by Senator Tim Wirth (D-CO), merely requires the RTC to "identify properties with natural, cultural, recreational, or scientific values of special importance." Yet, the RTC has failed to preserve environmentally sensitive lands under its control.

The RTC doesn't have to adhere to laws governing other federal agencies. Under the law, the RTC is not a federal agency, but it does the work of one. In fact, it is difficult to determine exactly what type of entity the RTC is. Because it is not technically an agency, it is not required to adhere to the laws and regulations that have been developed to ensure the efficiency, accountability, and integrity of other federal agencies. In the bailout legislation the RTC is defined not only as a "mixed-ownership government corporation," and an "instrumentality of the United States," but also as an "agency" for purposes of administrative procedures and judicial review. Different requirements and restrictions apply to these three types of government entities. Those who originally designed the RTC probably had the Federal Deposit Insurance Corporation (FDIC) and the Federal Savings and Loan Insurance Corporation (FSLIC) in mind. But the RTC is a very different animal. Unlike those entities, the RTC is funded with taxpayer dollars. Its job is not to regulate an industry, but to liquidate one, and to insure depositors. And, the cost to taxpayers is directly to how efficiently and effectively the RTC does its job.

The RTC relies heavily on overpriced outside attorneys. The agents who manage and sell the RTC portfolio contribute to making the S&L bailout unnecessarily expensive. Much of the RTC's work is done by contractors. The cost of the contractors only compounds the losses the RTC is taking in asset sales. For example, one critical task for the RTC is the recovery of as much money as possible from the thrift executives, directors, borrowers, and professionals who helped cause the S&L collapse. It has spent so much money, frequently with such minimal results, as to be in need of fundamental reform. In the words of the National Journal, it has become a "public works program for lawyers."

The RTC fails to provide accurate information to the public. The existence of so much power in one government entity with a multi-billion dollar price tag dictates that the public must be provided with the proper tools to ensure that the RTC acts responsibly and is accountable to the public. The essential tools include: (1) disclosure of information that is accurate, complete, timely, and in a useable format, and (2) citizen participation and education in the process. To ensure the RTC is fulfilling its mission within the requirements set by Congress, the public needs to know how the institutions and their assets are sold and to whom. Yet, despite the public's need to know, the staggering cost of the bailout, and the immense responsibilities entrusted to the RTC, much of the agency's critical work is incomplete, in accessable, out of date, or kept secret.

The method of funding the bailout is unfair to average taxpayers. Borrowing money to pay for financial bailouts is unfair to middle-class and poor taxpayers, for three reasons: First, funding the bailout through Treasury Department borrowing is much more expensive than paying for it now; second, borrowing the funds to pay for the bailout—and then relying on the existing tax code to pay back the loan places the burden on the backs of middle class and poor; and third, it is utterly irresponsible for the government to undertake this new monumental spending without regard for the impact on the federal budget deficit.

Public Citizen recommends completely restructuring the RTC by:

Changing the RTC's mandate from selling as fast as it can and getting the best price to managing its assets until the RTC can realize a good rate of return to recoup money for taxpayers.

Reforming the RTC's Affordable Housing Program to ensure that the program benefits the low- and moderate-income people Congress intended it to benefit.

Requiring the RTC to preserve environmentally sensitive lands under its control.

Requiring the RTC to be accountable to the public and to Congress by designating it to be a federal agency, accurately disclosing all information to the public in a timely manner, and empowering citizens to oversee the RTC through the creation of a Financial Consumer Association.

Reforming the RTC system of hiring lawyers on contract from a fee based payment to a contingency fee system.

Cutting the cost of the bailout by requiring the funds for the RTC to be paid for on a "pay-as-you-go basis.

[From the Los Angeles Times, Mar. 26, 1992]

S&L BLUNDER MAY COST U.S. $150 MILLION

(By James Risen and Robert A. Rosenblatt)

WASHINGTON.—Senior federal officials, struggling to escape the consequences of a $3-billion blunder in a New Jersey savings and loan rescue operation, are diverting billions of dollars in assets from other failed thrifts in a maneuver that may cost taxpayers as much as $150 million.

The assets, which otherwise would have been sold by the government in the open market, are being stripped from seized savings and loans in California and other states, according to knowledgeable sources and internal documents detailing the operation.

Senior government officials defended their actions as sound policy but critics said that they are shortchanging the Treasury and unnecessarily fattening the profits of Goldman, Sachs, a Wall Street Investment banking firm involved in the original New Jersey bailout.

Critics within the Resolution Trust Corp., the agency in charge of the S&L cleanup, said that the deal represents an effort by RTC managers to escape the potential political embarrassment of acknowledging the miscalculations that created the problem in the first place.

In the process, RTC sources said, the agency compounded its original mistakes in ways that will significantly increase the cost to taxpayers.

"It doesn't make any economic sense," one official said. "It doesn't make any sense for the taxpayer. And we are throwing our money away."

The case illustrates the enormous complexity and confusion associated with the S&L mess, as well as the difficulty of devising good strategies for dealing with it. The case also shows how seemingly routine government decisions can end up adding hundreds of millions of dollars to the ultimate cost of what is now universally recognized as the biggest financial debacle in U.S. history.

One recent RTC memorandum openly questions the legitimacy of the RTC unilaterally transferring assets from other failed thrifts to Goldman, Sachs without allowing other potential buyers to bid on the properties.

"The most problematic aspect of this transaction is that . . . [it] may give the impression that we are not complying with the requirements of competitive bidding and impartial treatment of bidders," a March 2 analysis said, "Most who hear of this transaction for the first time question how it is that Goldman is able to get preferential treatment."

The memo's author warned, "We should expect that this transaction will receive rigorous review at some point by the General Accounting Office."

DEAL IS DEFENDED

RTC spokesman Stephen Katsanos defended the deal and disputed the claims made by its critics. "We felt comfortable with it then and we feel comfortable with proceeding on this course," Katsanos said. "There will be no disadvantage to taxpayers."

Goldman has not been accused of any misconduct in the transaction and even the deal's critics hold the government, not the investment firm, responsible for what has happened. A Goldman spokesman declined to discuss the matter.

The problem began last year with the collapse of City Savings of Somerset, one of the largest thrifts in New Jersey. Fearing that an outright liquidation of such a large institution could spread panic in the already troubled East Coast financial community, the RTC decided to try to sell City Savings to other institutions instead of simply shutting it down. The decision was consistent with RTC policy at the time.

But what happened next set the stage for the actions that are now drawing fire. When initial efforts to sell City Savings attracted no takers, the RTC sweetened the deal by offering prospective buyers the right to purchase $3 billion in high-quality residential mortgage loans from the government's inventory at a guaranteed profit.

This time, a willing buyer stepped forward. First Fidelity Bancorp of Newark bought most of City Savings' branch operations, deposits and the option to purchase the $3 billion in mortgage loans. It immediately sold the option to Goldman for an undisclosed sum.

After the deal has been made, the RTC discovered that it did not have $3 billion worth of good residential mortgages among City Savings' remaining assets. Even worse, it could not find that many high-quality loans anywhere else in the vast collection of assets that it has accumulated in the process of closing down troubled thrifts from coast to coast.

A WAY OUT

The RTC, which was legally obligated to make good on its offer had to find a way out.

It decided to allow Goldman to pick and choose from among other, lower-quality loans held by the RTC. Because these substitute loans are not the same type or quality as those called for in the original contract, Goldman is being permitted to buy them at deep discounts and without competitive bidding.

Many of those loans already were scheduled to be sold by the government on the open market, where they almost certainly would have commanded higher prices than Goldman will pay for them, according to critics inside the RTC.

These critics said that senior agency officials have chosen the most expensive—but politically expedient—solution to their dilemma and have shunned cheaper alternatives because they would involve more exposure and potential embarrassment.

The RTC, they said, could simply have written a check from the U.S. Treasury to pay off its obligation to Goldman, an option that critics said ultimately would have saved the government as much as $150 million. Or, the government could have sold the same loans on the open market at higher prices, paid off its obligation to Goldman in cash and still had money left, the sources say.

Either of those courses, however, would have been far more visible and would have left the RTC open to criticism when it had to explain to the Bush Administration and Congress why it needed to write such a large check to a Wall Street investment house.

The strategy now being pursued—letting Goldman pick and choose $3 billion worth of loans from other S&Ls—probably will ensure that the Wall Street firm reaps an even larger profit than was anticipated in the original option contract.

The unusual arrangement is referred to as the "Goldman megadeal" in internal RTC correspondence obtained by The Times. One document described it as "a transaction that by its nature departs from our normal sales process."

In fact, the deal appears to violate current RTC policy guidelines requiring the agency to package and sell loans to investors in the open market rather than to use middlemen such as Goldman. Several RTC officials said they believe that the sale violates the agency's mandate to put the interest of taxpayers first.

These critics, who spoke on condition that they not be identified, contended that the Goldman contract should be renegotiated.

The government has broad precedent for renegotiating controversial S&L deals. It recast a series of thrift sales executed in late 1989 after Congress charged that the transactions were far too generous to buyers.

While the Goldman deal is broadly attributable to the government's effort to salvage City Savings, the highly unusual $3 billion option that is now causing problems springs from the RTC's gross overestimation of the value of the failed thrift's assets. In fact, none of the assets being used to satisfy the obligation have come from the New Jersey thrift, sources said.

An estimated $1.2 billion in good loans held by thrifts in Western states, mainly California, are expected to be transferred to Goldman, according to RTC records. About $1 billion already has been diverted from seized thrifts in the East, and another $800 million will be shifted from S&Ls in that region to complete the deal.

LOANS DETAILED

RTC documents indicate that the loans from the West will be taken from dozens of California S&Ls that have either been liquidated by the RTC or are being managed by the agency. Some of the target institutions and the dollar value of loans to be transferred Santa Barbara Savings, $39.4 million; Imperial Savings, $61.4 million; Great American Savings, $285 million; Westwood Savings, $66.5 million, and Gibraltar Savings, $69.1 million.

In addition to the loss in potential revenue for the government, the sale of those loans to Goldman at deeply discounted prices could hurt creditors of the other failed S&Ls by reducing the remaining value of those thrifts, RTC sources said.

The Goldman deal has drawn fire from critics within the RTC, which was created by Congress in 1989 to manage the disposition of assets seized from failed S&Ls across the country.

"What I see appalls me." said one RTC source, who requested anonymity.

He and other critics of the deal suggested that RTC senior managers, under pressure to dispose of hundreds of billions of dollars worth of assets from failed S&Ls quickly, have placed too much emphasis on cutting huge deals with big investors, especially large Wall Street firms. That strategy in turn, has led the government to let big investors reap extra large profits to ensure their continued involvement in the asset disposal process.

Goldman, for instance, already has done hundreds of millions of dollars worth of business in other deals with the RTC, both in direct asset purchases and as an agent for the RTC in sales to others, according to agency records.

The internal dispute over the Goldman deal reflects the RTC's increasing sophistication in disposing of loans and other assets inherited by the government from insolvent S&Ls. Over the last year, the RTC has determined that the most efficient and most profitable way for it to dispose of those assets is to sell them directly to individual investors through the nation's financial markets.

That process is called "securitization" and works this way: The RTC assembles a bundle of S&L assets, such as mortgage loans made to homeowners who are making their payments promptly, and uses them to back up securities that are sold in the open market much like stocks or bonds. The payments from the homeowners are used to make payments to the buyers of the securities, who are able to earn competitive interest rates from a diversified portfolio of mortgages.

Treasury Secretary Nicholas F. Brady told Congress recently that securitization has saved more than $650 million for taxpayers since the program began last spring.

By contrast, in the RTC's early days, it generally sold S&L assets directly to large investors, usually at deep discounts. Those buyers then would go through the securitization process themselves.

CRITICAL OF PROCESS

Critics of the Goldman deal said that the agency should be using securitization for the $3 billion in loans itself or in conjunction with the brokerage firm, rather than allowing it to do the job and reap the profits alone.

"By definition, the assets presented to Goldman are securitizable assets," said the RTC's internal analysis "Since Goldman expects to turn around and securitize these assets themselves, it would be better for the agency to have a joint-venture type transaction with Goldman.

"This structure would give the RTC the opportunity to obtain sales prices nearer to the proceeds we would have achieved if we had securitized the loans ourselves."

RTC spokesman Katsanos defended the agency's decision insisting that the loans involved are not "assets that would be eligible for securitization."

Yet many of those loans were slated to be sold by the RTC through the securitization process in April or May, sources said. Instead the Goldman deal has resulted in the virtual closing of the securitization sales office of the RTC's Western Region.

Katsanos complained that critics of the deal should come forward publicly if they believe the transaction is improper. "If they are indeed whistle-blowers then they should have the strength to go on the record to express their convictions," he said. "Should they do so, there should be no fear of reprisals, for whistle-blowers are accorded a very special place."

Yet RTC sources said that they are fearful of reprisals from upper management and that the RTC's inspector general is conducting an investigation of press leaks.

Mr. MOODY. Mr. Speaker, once again, we are being asked to pony up more money to hail out the S&L's. This will push the total tab to over $100 billion since 1989. And the worse news is, this won't even solve the problem.

All this money is borrowed money. When interest costs are included, the total bill may reach $500 billion. That is more than $2,000 for every man, woman, and child in the United States.

Working Wisconsin families will be paying the bill for the next 30 years.

Yet, Wisconsin savings and loans are financially stable. They have acted prudently, making good loans to local homeowners and businesses.

The money is going to Texas and California S&L's, where regulations were lax and lending practices totally irresponsible.

There's an old adage—no good deed goes unpunished. Well, I believe it is time to stop punishing Wisconsin taxpayers and financial institutions for being the good actors in this drama. I oppose any legislation that asks Wisconsin workers to pay for a problem they did not cause.

Ms. KAPTUR. Mr. Speaker, I rise in opposition to this bill. Let me explain why.

We have granted RTC the astronomical sum of $105 billion since its inception. RTC has spent $88 billion on this total to date and now asks us to extend its authority to spend the rest. This $17 billion that we are considering today is a lot of money on its own. It can buy us 225,000 more jobs under the surface transportation bill just passed last November. It can increase by over 40 times last year's spending on McKinney homelessness programs. It could more than double NASA's research and development budget. It is worth discussing.

Instead, the Banking and Rules Committees have ruled amendments out of order on this bill. Similarly, last November the vote on RTC refunding went unrecorded since there were not enough Members present to force a rollcall vote. In fact, since 1989, I and several of my colleagues who have attempted to offer alternative RTC financing proposals to benefit the average taxpayer have been silenced by the procedures adopted on the rules and by manipulation of the votes until very late hours when most Members had gone home.

I understand our responsibility to bail out the depositors. But this and the past lineup of RTC funding bills are not responsible nor do they work for the national interest. They recklessly put the bailout burden on the taxpayer's back, without consideration of financing alternatives that simultaneously benefit the taxpayer.

So I will not vote for this bill, nor the rule providing for its consideration. Instead, I am introducing a bill with a straightforward rationale. The taxpayer did not cause the S&L crisis. If they have to bear the bailout burden, they should benefit directly. My bill, the Citizens Restitution Bond Act, lets the average citizen—the small investor—recoup the interest on the bailout borrowings by making the bonds being used to finance the bailout available in denominations as small as $100. This way we can pay the interest to the average citizens who bear the ultimate cost of the cleanup rather than just to the big bond dealers on Wall Street. In addition to democratizing the benefits of the bailout, my bill will pay a competitive rate of return to average bond buyers. It will also help raise the alarmingly low domestic savings rate of 1.5 percent of the national income in 1990, and make strides toward reducing the outrageous $90.9 billion dependence on foreign creditors America experienced in 1990.

Join me in sponsoring this bill. It is a great way to say thank you and pay back American taxpayers for the $105 billion burden we are asking them to bear.

Mrs. BOXER. Mr. Speaker, I rise in opposition to H.R. 4241, the Resolution Trust Corporation Funding Act of 1992, as it currently stands. I believe the question is one of accountability to the taxpayers of the United States.

These taxpayers have read in the Los Angeles Times that because of frantic price-cutting, the Resolution Trust Corporation [(RTC)] is losing 40 cents of every dollar of assets sold. It is an outrage that while American citizens are being asked to weather this terrible recession, Congress is considering pouring more and more money into the savings and loan bailout. The taxpayers are asking, "where are the billions going?".

All of us have heard stories, on television and in the newspaper, about bargain basement deals on houses and office buildings. Rather than simply selling properties as quickly as possible, we owe it to the American people to direct the RTC to properly manage its assets until the taxpayers can be assured a fair return on their money.

Additionally, the RTC's affordable housing program should be operated in a way that encourages those people of low- and moderate-income who were intended to benefit from the program to take advantage of the opportunity. This will only happen if information on properties is disseminated in a prompt manner.

I receive letters from my constituents almost daily, asking for reforms in the RTC. This is my answer to the people of California and to the people of America—I will not blindly fund the RTC without provisions that demand accountability.

We need to increase funding for job training, for repair of our bridges and highways, for education, for hazardous waste cleanup and for health care. At a time when we have so many critical needs, we cannot rubber stamp the S&L bailout.

Mr. WYLIE. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. GONZALEZ. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MCNULTY). All time has expired. Pursuant to House Resolution 412, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT OFFERED BY MR. MCCOLLUM

Mr. MCCOLLUM. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. McCOLLUM. Mr. Speaker, I am.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. McCOLLUM of Florida moves to recommit the bill, H.R. 4704, to the Committee on Banking, Finance and Urban Affairs with instructions to report the same to the house forthwith with the following amendment:

Strike everything after the enacting clause and insert the following:

SECTION. 1. SHORT TITLE.

This Act may be cited as the "Resolution Trust Corporation Funding Act of 1992".

SEC. 2. REMOVAL OF LIMITATION OF PRIOR APPROPRIATION SUBJECT TO REDUCTION OF RTC LOSSES.

Section 21A(i)(3) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(i)(3)) is amended by striking "until April 1, 1992" and inserting "except that such amount shall be reduced by the amount which the Secretary determines is equal to the net reduction in the expenditures of the Corporation due to the supervisory goodwill buy-back program established under subsection (x)".

SEC. 3. REDUCTION OF RTC LOSSES.

The Federal Home Loan Bank Act (12 U.S.C. 1441a) is amended by adding at the end the following new subsection:

"(x) SUPERVISORY GOODWILL BUY-BACK PROGRAM.

"(1) SUPERVISORY GOODWILL REPLACED WITH TANGIBLE CAPITAL.—Within 90 days after the date of the enactment of the Resolution Trust Corporation funding Act of 1992—

"(A) the Director of the Office of Thrift Supervision shall, in consultation with the Resolution Trust Corporation, pay each qualified savings association the replacement amount from amounts made available pursuant to paragraph (5); and

"(B) on receipt of such payment, the association shall reduce its supervisory goodwill by the amount of such payment.

"(2) DEFINITIONS.—As used in this section:

"(A) QUALIFIED SAVINGS ASSOCIATION.—THE TERM 'QUALIFIED SAVINGS ASSOCIATION' MEANS A SAVINGS ASSOCIATION—

"(i) for which a conservator or receiver would be appointed before September 1, 1993 (as determined pursuant to procedures which the Director shall establish) unless the association participates in the program under this section; and

"(ii) which is not an excluded savings association.

"(B) EXCLUDED SAVINGS ASSOCIATION.—The term 'excluded savings association' means a savings association for which, in the determination of the Director, a conservator or receiver is likely to be appointed whether or not the association is included in the program under this subsection.

"(C) REPLACEMENT AMOUNT.—The term 'replacement amount' means, with respect to a qualified savings association, the lesser of—

"(i) the determined amount; and

"(ii) the least amount that, if paid to the association, would cause the association to be adequately capitalized (as defined in section 38 of the Federal Deposit Insurance Act) under all fully phased in capital standards.

"(D) DETERMINED AMOUNT.—The term 'determined amount' means, with respect to a savings association, an amount determined appropriate by the Office of Thrift Supervision, taking into account the circumstances of the association, which is—

"(i) not less than the amount of the supervisory goodwill of the association, as of the date of the determination; and

"(ii) not more than the amount of the supervisory goodwill of the association, as of the date of the enactment of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989.

"(3) CAPITAL REQUIREMENTS.—

"(A) FULLY PHASED IN CAPITAL STANDARDS.—If, after receipt of funds pursuant to paragraph (1), a qualified savings association meets all fully phased in capital standards, then such standards shall apply to the association, notwithstanding any other provision of law.

"(B) ADDITIONAL REQUIREMENTS.—The Office of Thrift Supervision may set additional capital requirements for qualified savings associations to ensure that such associations will progressively prepare to meet all applicable capital requirements.

"(4) OTHER REQUIREMENTS.—The Office of Thrift Supervision may establish any other requirements needed to ensure the safe and sound operation of qualified savings associations.

"(5) FUNDING PROVIDED BY RTC.—The Resolution Trust Corporation shall provide such funds as may be necessary to carry out this subsection to the Director of the Office of Thrift Supervision from amounts made available to the corporation under this section.".

POINT OF ORDER

Mr. GONZALEZ. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. GONZALEZ. Mr. Speaker, with respect to clause 7 of rule XVI of the Rules of the House, amendments of this nature must be germane. H.R. 4704 is an extremely narrow bill. As we said before, all it did was change the date, that is, lift the date cap on the limitation for the expenditures of previously appropriated funds.

Mr. Speaker, the motion to recommit goes far beyond this and the extremely narrow scope of this bill. On top of that, this would provide funds for OTS, whereas our lifting of the caps would merely release the already appropriated funds to RTC. The cash for goodwill contained in this misdirected amendment directly benefits stockholders, raises the value of stock, and, therefore, has no effect on the insured depositors, which our bill is strictly limited to, and that is to resolve the rightful interest of the depositors in these insured institutions. So I must insist on my point of order.

Mr. McCOLLUM. Mr. Speaker, may I be heard in opposition to the point of order?

The SPEAKER pro tempore. The gentleman from Florida is recognized.

Mr. McCOLLUM. Mr. Speaker, the proposed motion to recommit should be held in order in my judgment because we do deal with the money that is in this bill. We deal with the fact that it instructs in my motion to recommit that a certain portion of that money that would be otherwise allocable and freed by this bill, be utilized for the sole purpose of forcing the Resolution Trust Corporation and the Office of Thrift Supervision to buy back about $2.5 billion worth of supervisory goodwill from some 53 or so savings and loans that qualify with good core earnings, they are in the black and so forth, but which fail to meet tangible capital standards and otherwise would be closed simply because they have this $2.5 billion of supervisory goodwill on the books.

Mr. Speaker, this would be in lieu of the money being spent to close these institutions, which, if they were closed with the money in this bill as it now reads, would cost the taxpayers $25 billion.

Mr. Speaker, I am seeking a monetary relief in this bill by the motion to instruct. I am attempting to direct the usage of the money in this bill for the least cost effective method of resolving the difficulties with these 53 or so savings and loans. That would save the taxpayers the $25 billion and do the same job for only $2.5 billion, and also save about 25,000 jobs.

So I believe it is perfectly germane since it deals strictly with money and how it is spent under this bill when we remove the date on this bill and free up money, which is what the bill is all about.

Mr. Speaker, I would urge that the Chair rule that this be allowed and that we be allowed to vote on saving the $25 billion of taxpayer money that we otherwise will lose if this is not made in order and this bill were to pass.

The SPEAKER pro tempore (Mr. McNULTY). The Chair is prepared to rule on the motion offered by the gentleman from Florida.

The gentleman from Texas [Mr. GONZALEZ] makes the point of order that the amendment proposed in the motion to recommit offered by the gentleman from Florida [Mr. McCOLLUM] is not germane to the bill.

The test of germaneness in the case of a motion to recommit with instructions is the relationship of the instructions to the bill. The pending bill narrowly amends existing law.

Under the Federal Home Loan Bank Act, $25 billion is available until April 1, 1992, for the Resolution Trust Corporation to carry out its thrift resolution responsibilities. H.R. 4704 removes the temporal limitation on that funding to continue the availability of the $25 billion after April 1, 1992. The bill does not alter the entity to which the funds are available or the purposes for which they are available.

The amendment proposed in the motion offered by the gentleman from Florida [Mr. McCOLLUM] also continues the availability of the $25 billion to the RTC for its statutory responsibilities after April 1, 1992. The amendment goes further, however, to devote a portion of the $25 billion in existing law to newly specified activities of the Office of Thrift Supervision, an entity that otherwise operates under the aegis of a different law, the Home Owners Loan Act.

To a bill amending exiting law only to continue the availability of funds to a previously specified entity for previously established purposes, an amendment extending the availability of those funds also to a newly specified entity for a newly established program is not germane.

Accordingly, the Chair finds that the motion to recommit offered by the gentleman from Florida [Mr. McCOLLUM] is not in order.

MOTION TO RECOMMIT OFFERED BY MR. JOHNSON OF TEXAS

Mr. JOHNSON of Texas. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore (Mr. McNULTY). Is the gentleman opposed to the bill?

Mr. JOHNSON of Texas. I am, Mr. Speaker.

The SPEAKER pro tempore. The clerk will report the motion to recommit.

The Clerk read as follows:

Mr. JOHNSON of Texas moves to recommit the bill H.R. 4704 to the Committee on Banking, Finance and Urban Affairs.

POINT OF ORDER

Mr. GONZALEZ. Mr. Speaker, I rise to a point of order.

The SPEAKER pro tempore. The gentleman will state his point of order.

Mr. GONZALEZ. Mr. Speaker, I believe that under the rule granted by the Committee on Rules, House Resolution 412, the resolution from the Committee on Rules provides that the previous question "shall be considered as having been ordered on the bill to final passage without intervening motions except one motion to recommit;" that is one motion to recommit.

I say that under that language, this is out of order, and I insist on regular order.

The SPEAKER pro tempore. The rule and the precedent provide that one proper motion to recommit is in order. The Chair rules that the pending motion to recommit is in order.

The question is on the motion to recommit.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. JOHNSON of Texas. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 173, nays 247, not voting 14, as follows:

[Roll No. 68]

YEAS—173

Allard
Allen
Andrews (ME)
Applegate
Archer
Armey
Atkins
Bacchus
Baker
Ballenger
Barton
Bateman
Bennett
Bentley
Bilirakis
Bliley
Boehner
Broomfield
Bruce
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Collins (MI)
Combest
Costello
Cox (CA)
Crane
Cunningham
Davis
DeFazio
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
English
Evans
Ewing
Fields
Fish
Flake
Ford (MI)
Ford (TN)
Frank (MA)
Gallegly
Gekas
Gilman
Gingrich
Glickman
Goodling
Goss
Gunderson
Hall (TX)
Hammerschmidt
Hancock
Hansen
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
James
Johnson (TX)
Jontz
Kasich
Kildee
Klug
Kolbe
Kostmayer
Lagomarsino
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Livingston
Lloyd
Lowery (CA)
Marlenee
Martin
McCandless
McCollum
McCrery
McEwen
McGrath
Mfume
Miller (OH)
Miller (WA)
Mink
Molinari
Moody
Moorhead
Moran
Morrison
Murphy
Nichols
Nussle
Olver
Oxley
Packard
Paxon
Penny
Peterson (FL)
Poshard
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Regula
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Russo
Santorum
Schaefer
Schiff
Schulze
Sensenbrenner
Sharp
Shaw
Shuster
Skeen
Slattery
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Stearns
Stump
Sundquist
Swett
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Weber
Weldon
Williams
Wolf
Wyden
Young (FL)
Zeliff
Zimmer

NAYS—247

Abercrombie
Ackerman
Alexander
Anderson
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Aspin
AuCoin
Barnard
Barrett
Beilenson
Bereuter
Berman
Bevill
Bilbray
Blackwell
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Condit
Conyers
Cooper
Coughlin
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeLauro
Dellums
Derrick
Dicks
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Fascell
Fawell
Fazio
Feighan
Foglietta
Franks (CT)
Frost
Gallo
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gonzalez
Gordon
Gradison
Grandy
Green
Guarini
Hall (OH)
Hamilton
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Kanjorski
Kaptur
Kennedy
Kleczka
Kolter
Kopetski
Kyl
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Long
Lowey (NY)
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCurdy
McDade
McDermott
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (CA)
Mineta
Moakley
Mollohan
Montgomery
Morella
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oakar
Oberstar
Obey
Olin
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Peterson (MN)
Petri
Pickett
Pickle
Porter
Price
Rangel
Reed
Rhodes
Richardson
Roe
Rose
Rostenkowski
Roukema
Rowland
Roybal
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Shays
Sikorski
Sisisky
Skaggs
Skelton
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swift
Synar
Tallon
Thomas (CA)
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Walsh
Washington
Waters
Waxman
Weiss
Wheat
Whitten
Wilson
Wise
Wolpe
Wylie
Yates
Yatron
Young (AK)

NOT VOTING—14

Dannemeyer
Dingell
Dixon
Dymally
Espy
Ireland
Kennelly
Levine (CA)
Machtley
Mrazek
Perkins
Saxton
Smith (NJ)
Valentine

□ 1742

Mr. GEJDENSON changed his vote from "yea" to "nay."

Messrs. BATEMAN, SWETT, RIGGS, EVANS, DOOLITTLE, and POSHARD changed their vote from "nay" to "yea."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. McCOLLUM. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 125, noes 298, not voting 11, as follows:

[Roll No. 69]

AYES—125

Ackerman
Alexander
Anderson
Annunzio
Anthony
Aspin
Baker
Barnard
Barrett
Bateman
Beilenson
Bereuter
Berman
Bliley
Boehlert
Bonior
Brooks
Brown
Cardin
Carper
Chandler
Clinger
Coleman (TX)
Coughlin
Coyne
Derrick
Dicks
Edwards (CA)
Fascell
Fawell

Fazio
Feighan
Ford (MI)
Franks (CT)
Gallo
Gephardt
Geren
Gilchrest
Gillmor
Gingrich
Gonzalez
Gradison
Grandy
Green
Hammerschmidt
Hansen
Hoagland
Houghton
Hoyer
Ireland
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (NC)
Kennedy
Kleczka
Kyl
Laughlin
Leach
Lehman (FL)
Levin (MI)
Lewis (CA)
Lewis (GA)
Manton
Markey
Matsui
Mavroules
McCrery
McCurdy
McDade
McHugh
McMillan (NC)
McMillen (MD)
Meyers
Michel
Miller (WA)
Mineta
Moakley
Montgomery
Moran
Morella
Morrison
Murtha
Neal (NC)
Oberstar
Obey
Olin
Panetta
Parker
Payne (VA)
Pease
Pickett
Pickle
Porter
Price
Rhodes
Rose
Roukema
Roybal
Sabo
Sarpalius
Schumer
Shaw
Shays
Sisisky
Skaggs
Skeen
Smith (FL)
Solarz
Spratt
Stenholm
Swift
Synar
Thomas (CA)
Thomas (WY)
Torres
Traxler
Vento
Walsh
Weiss
Whitten
Wolf
Wylie
Yates

NOES—298

Abercrombie
Allard
Allen
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Applegate
Archer
Armey
Atkins
AuCoin
Bacchus
Ballenger
Barton
Bennett
Bentley
Bevill
Bilbray
Bilirakis
Blackwell
Boehner
Borski
Boucher
Boxer
Brewster
Broomfield
Browder
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Carr
Chapman
Clay
Clement
Coble
Coleman (MO)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Costello
Cox (CA)
Cox (IL)
Cramer
Crane
Cunningham
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Dickinson
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fields
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gallegly
Gaydos
Gejdenson
Gekas
Gibbons
Gilman
Glickman
Goodling
Gordon
Goss
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
James
Jefferson
Johnson (TX)
Jones (GA)
Jontz
Kanjorski
Kaptur
Kasich
Kennelly
Kildee
Klug
Kolbe
Kolter
Kopetski
Kostmayer
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Lehman (CA)
Lent
Lewis (FL)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Marlenee
Martin
Martinez
Mazzoli
McCandless
McCloskey
McCollum
McDermott
McEwen
McGrath
McNulty
Mfume
Miller (CA)
Miller (OH)
Mink
Molinari
Mollohan
Moody
Moorhead
Murphy
Myers
Nagle
Natcher
Neal (MA)
Nichols
Nowak
Nussle
Oakar
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Pastor
Patterson
Paxon
Payne (NJ)
Pelosi
Penny
Peterson (FL)
Peterson (MN)
Petri
Poshard
Quillen
Rahall
Ramstad
Rangel
Ravenel
Ray
Reed
Regula
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rostenkowski
Roth
Rowland
Russo
Sanders
Sangmeister
Santorum
Savage
Sawyer
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Sensenbrenner
Serrano
Sharp
Shuster
Sikorski
Skelton
Slattery
Slaughter
Smith (IA)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Staggers
Stallings
Stark
Stearns
Stokes
Studds
Stump
Sundquist
Swett
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (GA)
Thornton
Torricelli
Towns
Traficant
Unsoeld
Upton
Vander Jagt
Visclosky
Volkmer
Vucanovich
Walker
Washington
Waters
Waxman
Weber
Weldon
Wheat
Williams
Wilson
Wise
Wolpe
Wyden
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NOT VOTING—11

Dannemeyer
Dingell
Dixon
Dymally
Levine (CA)
Mrazek
Perkins
Pursell
Saxton
Smith (NJ)
Valentine

☐ 1800

Mr. STUDDS changed his vote from "aye" to "no."

So the bill was not passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. GONZALEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 4704, the bill just considered.

The SPEAKER pro tempore (Mr. McNULTY). Is there objection to the request of the gentleman from Texas?

There was no objection.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF H.R. 2039, LEGAL SERVICES CORPORATION AUTHORIZATION

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–477) on the resolution (H. Res. 413) providing for the consideration of the bill (H.R. 2039) to authorize appropriations for the Legal Services Corporation, and for other purposes, which was referred to the House Calendar and ordered to be printed.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr. Speaker, I was unavoidably absent for rollcall votes 68 and 69. Had I been present during these votes, I would have voted "yea" on rollcall 68 and "nay" on rollcall 69.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2223

Mr. RAMSTAD. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 2223.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

FURTHER CONTINUING APPROPRIATIONS, FISCAL YEAR 1992

Mr. OBEY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the joint resolution (H.J. Res. 456) making further continuing appropriations for the fiscal year 1992, and for other purposes, with Senate amendments thereto, and concur in Senate amendments numbered 1 and 2.

The Clerk read the title of the bill.

The Clerk read Senate amendments No. 1 and No. 2, as follows:

Senate Amendments:

Page 17, line 10, strike out "1956.".'' and insert: 1956.

Page 17, after line 10, insert:

"SEC. 128. Notwithstanding any other provision of this joint resolution, the following appropriation is made:

"SMALL BUSINESS ADMINISTRATION

"DISASTER LOANS PROGRAM ACCOUNT

"For an additional amount for the cost of direct loans, $82,025,000, to remain available until expended: *Provided*, That these funds are available to subsidize additional gross obligations for the principal amount of direct loans not to exceed $241,748,000.

"In addition, for administrative expenses to carry out the disaster loan program, an additional $25,000,000, which may be transferred to and merged with the appropriations for 'Salaries and expenses'.

"Congress hereby designates these amounts as emergency requirements pursuant to section 251(b)(2)(D) of the Budget Enforcement Act of 1990.".

Mr. OBEY (during the reading). Mr. Speaker, I ask unanimous consent that the Senate amendments be considered as read and printed in the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

Mr. EDWARDS of Oklahoma. Reserving the right to object, Mr. Speaker, I make that reservation to allow the gentleman from Wisconsin to explain the amendments.

Mr. OBEY. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I am glad to yield to the gentleman from Wisconsin.

Mr. OBEY. Mr. Speaker, the amendment simply represents the administration's requests, which are concurred in by the Congress to simply provide $107 million for small business disaster funding, which is declared to be an emergency by both the administration and the Congress.

Mr. SMITH of Iowa. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of Oklahoma. I am glad to yield to the gentleman from Iowa.

Mr. SMITH of Iowa. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, this is a necessary amendment. SBA will soon be out of disaster loan money. The Senate amendment appropriates $82 million in subsidy amounts to support an additional $242 million in disaster loans, and $25 million for increased administrative costs of making and servicing new disaster loans in fiscal year 1992. The administration has submitted a fiscal year 1992 supplemental budget request for these funds as an emergency requirement under the Budget Enforcement Act of 1990.

These supplemental funds are required because fiscal year 1992 has been an above average year for disaster activity. SBA is currently approving disaster loans at a rate 20 percent higher than at this time in fiscal year 1991. As of March 25, 1992—48 percent of the fiscal year—SBA has used 66 percent of the $358.2 million available for the Disaster Loan Program in fiscal year 1992. At the current rate of approval—$3.1 million per day—the funding for the Disaster Loan Program would be depleted by the end of April or early May. Considering that the balance of the year will include the tornado, spring flood, and hurricane seasons, SBA must be prepared for an even greater level of activity.

Now I will turn to the $25 million contained in the Senate amendment for additional administrative costs of the Disaster Loan Program. At the current rate of activity, SBA will have to start terminating staff and stop responding to declared disasters by late April or early May if these additional salaries and expenses funds are not approved. SBA has already implemented serious belt-tightening measures in its salaries and expenses account to continue to administer the Disaster Loan Program during the past month, by slowing down other business-promotion and outreach programs for veterans, women, and minority business owners and programs supporting international trade. The only remaining measures that SBA could take would be to furlough all agency employees for 1 week a month for the rest of the year—thus severely impacting all SBA lending and business promotion activities.

Mr. Speaker, if these supplemental program and administrative funds for the Disaster Loan Program are not provided, SBA will be forced to stop approving disaster loans to victims who would be seeking assistance from SBA. Without the supplemental funds contained in the Senate amendment, SBA will be forced to stop working on 137 active disaster declarations. Without these funds, the agency would stop accepting applications for loans for the 137 disasters already declared, stop processing applications already filed, and would protract loan closing and disbursement for loans already approved.

Mr. Speaker, these are emergency funds under the administration's request and the Senate amendment, not subject to the targets established under the Budget Enforcement Act. The Congress did its part to appropriate in advance enough money to cover an average disaster year. We appropriated the full amounts requested by the President for SBA disaster-related salaries and expenses and for the loan program.

Congress met the requirements of the Credit Reform Act and funded what is considered to be an average disaster year. But as all of us know, none can predict in advance what the disaster level for the year will be and clearly the disaster level for fiscal year 1992 will exceed the level for an average year.

Mr. Speaker, I realize that an emergency supplemental appropriation may not be the most efficient way to address future unplanned disaster activity, but because of the elimination of the disaster revolving loan fund that occurred when credit reform was implemented, this is our only means of getting vital funding out to the victims of disasters in a timely manner.

Perhaps we can address a long-term solution to this problem as we progress on our fiscal year 1993 bill, but today, we must address the immediate needs of the Nation's disaster victims.

Therefore, Mr. Speaker, I urge the House to concur in the Senate amendment for emergency SBA disaster assistance and continue the Disaster Loan Program.

Mr. EDWARDS of Oklahoma. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. OBEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material on the disposition of the Senate amendments to House Joint Resolution 456, and that I may include tabular and extraneous material.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

CONFERENCE REPORT ON H.R. 3337, WHITE HOUSE COMMEMORATIVE COINS

Mr. TORRES. Mr. Speaker, I call up the conference report on the bill (H.R. 3337) to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Pursuant to the rule, the conference report is considered as having been read.

(For conference report and statement, see proceedings of the House of March 16, 1992, at page 5755.)

The SPEAKER pro tempore. The gentleman from California [Mr. TORRES] will be recognized for 30 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today I rise in support of the conference report to H.R. 3337, and I ask my colleagues here today to defeat the motion to recommit the 1992 Commemorative Coin Act.

Mr. Speaker, the conferees agreed to a compromise that includes the 1992 White House Commemorative Coin, the 1994 World Cup USA Commemorative Coin, the Persian Gulf Veterans Silver Medal, the Frank Annunzio Act, which is the Christopher Columbus Quincentenary Commemorative Coin, the James Madison Bill of Rights Coin, and a limited number of coin redesigns.

The White House coin package is the product of long negotiations and compromise by many interested parties. I believe, my colleagues, that a valuable package is here with us today and I ask for your support.

Now, this bill will serve many worthwhile causes, including economic recovery, and I want to emphasize economy recovery.

For example, the 1994 World Cup commemorative coin, which I introduced and has passed this House on two previous occasions, this coin will generate funds to assist the efforts of the United States to host the World Cup games in 1994. This is the first time in history that the United States has been selected as the host for the World Cup games, which are staged every 4 years.

Two dozen communities throughout the United States have competed for the chance to be one of the locations to be selected as host of these games, at least a portion of these games.

Now, unlike the Olympics, teams from 24 finalist countries will compete over a 4-week period, June 17 through July 7, 1994, in as many as nine locations around the country.

I show this to you so you can see for your constituencies and for you who represent these cities where these World Cup games will be played: in Boston, in Orlando, in Dallas, in Washington, DC, in Detroit, in Los Angeles, in San Francisco, in Chicago, New York, and New Jersey.

□ 1810

These are the sites for the World Cup games—very important for these cities.

The U.S. Department of Commerce estimates that this soccer event, the largest single sports event in the world, will attract 1.5 million visitors to the United States from different parts of the world. Further, it is anticipated that these visitors will spend at least $1.5 billion as they come to this country to view these games.

Therefore, we believe Congress should do its part to ensure that the U.S. committee has sufficient funds for the games, to host the games. Unfortunately, my colleagues, time is running out for the World Cup U.S.A. organizing committee. If we do not act soon, the White House will also not be able to generate funds to support its collection of fine arts and antiquities that are used in the historic rooms of the White House for the public and international visitors to enjoy.

The United States will not celebrate the 500th anniversary of the discovery of America along with other nations who are already ahead of us, because we do not have a coin to commemorate the event. We will not be able to provide Persian Gulf veterans—they will not be honored for their services because we have not yet minted a Persian Gulf Desert Storm medal, and lastly, the 200th anniversary of the Bill of Rights will not be celebrated by coins if we do not act here.

Mr. Speaker, we are simply running out of time. Each of these coining programs will be minted, and I want to repeat this to my colleagues in the House, each of these coins will be minted at no net cost to the Government, no cost to the taxpayers.

In fact, Mr. Speaker, let me quote from congressional testimony provided by then-Mint Director Donna Pope, who said the following in congressional testimony:

> Based on an analysis of past demand patterns, we estimate $224 million in additional seigniorage receipts will be generated in the first 6 months of the new designs and $18 million in additional numismatic profits for the same period.

In other words, Mr. Speaker, our treasury is going to make $224 million over the next 6 years. There is no net cost to the mining of these coins.

Mr. Speaker, 4 weeks ago the House rejected H.R. 3337 because of problems that were associated with the coin redesign provisions of the bill. The conference report that I bring today has corrected these problems. More importantly, it clarifies existing law that states—and I want my colleagues to hear this—it states in the law, in the compromise package, that "In God We Trust" will not be removed from any coin, from any circulating coins. The coin redesign proposal has also been modified to require the Secretary of the Treasury to design only the tail side of the quarter and the half-dollar, only those two coins. Under the new language adopted by the conferees, the reverse of the penny, the nickle, and the dime would not be changed, they would remain the same.

The designs will be phased in over a 3-year period, and the minting of the first coin will commence 1 year after the date of enactment. Additionally, my colleagues, Congress will review or may review the design process after the second coin has been in circulation for 1 year to see if the Congress approves and would want to change it.

Statements have suggested that the design of the reverse side of the quarter and the half-dollar will eliminate the American eagle. That is not true. That is not true.

Mr. Speaker, here a is a 50-cent piece that the redesign process would take into account. The face would remain the same, with John F. Kennedy, "In God We Trust" would remain there.

On the back side, where we would think of the redesign, we would have the American eagle commemorating the Bill of Rights.

Do not believe that the eagle will be removed. It does not have to be removed.

Mr. Speaker, the same follows through for the 25-cent piece. The face will keep George Washington on there, it will keep "In God We Trust," and on the reverse side the eagle will remain there. The eagle will remain, and within its talons the proud Bill of Rights, commemorating its 200th anniversary.

The eagle will stay. Do not believe that the eagle will be removed. Mr. Speaker, the compromise package requires the designs to commemorate, as I said before, the Bill of Rights. This does not preclude the design from including the American eagle, but we can include it. The conference report states Congress may review the design 1 year after the second coin has been in circulation. We have taken the steps, as I said, to clarify the law by mandating, mandating that "In God We Trust" and all other inscriptions will remain on the coin.

Furthermore, the agreement guarantees that the design will be done at no cost to the Government, no cost. One should also remember that this agreement includes these important times and provisions that we have stated here before; the World Cup Games that are being played in cities across these States, the White House commemorative coin, the Frank Annunzio Christopher Columbus commemoration coin, the James Madison coin, the Bill of Rights commemorative coin, and the Persian Gulf veterans medals. Mr. Speaker, I urge my colleagues on both sides of the aisle to support this compromise package of coins and to support the package and reject the motion to recommit.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield?

Mr. TORRES. I yield to the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. I thank the gentleman for yielding to me.

Mr. Speaker, I would like to ask the distinguished chairman of the Coinage Subcommittee, who drew those beautiful pictures of the coins? Those drawings, who drew those pictures? They are beautiful pictures.

Mr. TORRES. Beautiful pictures, I am happy that the gentleman has stated they are beautiful pictures, because this chairman, yours truly, spent some time making sure that we had these show-and-tell charts so my colleagues could appreciate the situation.

Mr. ANNUNZIO. I congratulate and commend the gentleman on his artistry.

Mr. TORRES. I thank the gentleman from Illinois.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. TORRES. I yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. I thank the gentleman for yielding to me.

Mr. Speaker, I have just a question. The designs that the gentleman has shown to the House tonight as being the designs on the back of the coin, those are absolutely the final designs and that will be exactly what the coin will look like?

Mr. TORRES. No, those are not the final designs, as I just illustrated to the gentleman from Illinois. Those were to explain to you that the final design, which will be designed by a designer, if you will, with approval of the national advisory screening body, those will be the approved designs on the back of the coin, and those designs can and should include the eagle as it has appeared heretofore.

Mr. WALKER. It can include and should include but they do not necessarily include; is that right?

Mr. TORRES. Not necessarily but should and probably will.

Mr. WALKER. Should and can, but do not necessarily? There is nothing in the law and in the provisions of this particular report that tells them that they have to have the eagle on it; is that right?

Mr. TORRES. Well, I would reserve, I would take back my time from the gentleman and ask him to make these questions of the gentleman on his side of the aisle because he is now asking questions on my time and it is very limited.

Mr. WALKER. If the gentleman will yield further, the problem is the gentleman in the well is the gentleman of the subcommittee who just made the representations to the House that we do not have to fear the eagle coming off the coins, that he basically represented this as being the final designs and that everybody can——

Mr. TORRES. If the gentleman would yield, I did not state this was the final design. The gentleman asked me about those projections up here, and I said I simply drew them to illustrate that the eagle, the eagle of the United States of America, can be on the back of the coin, in order to refute the argument that the eagle is going to be struck. The eagle will not be struck.

Mr. ANNUNZIO. Mr. Speaker, will the gentleman yield further?

Mr. TORRES. I yield further to the gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. I thank the gentleman for yielding.

Mr. Speaker, I would like to state to the gentleman from Pennsylvania [Mr. WALKER] that the Secretary of the Treasury, in all these designs, has the final word, the Secretary of the Treasury. And he is a Republican.

Mr. TORRES. Mr. Speaker, this is an important issue, I think, to the history of our country. Throughout our history we have changed our coins to reflect events in American history. I think all nations do that. Nations change their coins from time to time to show the changes in their government, the changes occurring in their nations, and patriotic symbols, et cetera, et cetera. We have done that over the history of the United States.

□ 1820

At this time, when we are celebrating the 200th anniversary of the Bill of Rights, we are asking for the same change to be made on the back of two coins, the quarter and the half-dollar.

Mr. Speaker, I would like to end my time and cite an analogy here for us.

If the Members were to walk out of this Chamber, out into the Hall, and look out the west end of the Capitol Building, out to The Mall, they would see the Washington Monument, which this Congress, over 100 years ago, authorized the construction of that beautiful monument to honor the Father of His Country, George Washington.

Early in the 1850's Congress authorized the construction of that monument, Mr. Speaker. When the monument was about a third of the way in construction, a new political party in this country emerged. It was a split-off party from the Republican Federalist Party, and they called themselves the American Party. The American Party, as many of my colleagues know, later became known as the Know-Nothing Party. They were kind of an offshoot, reactionary group. They hated U.S. immigration policy. They did not want Germans coming here. They did not want the Irish in America. They were anti-Catholic.

In fact, Mr. Speaker, they were so anti-Catholic that they told the Congress, and they circulated the rumor, that that very Washington Monument that was being built with Italian marble was a plot by the Vatican to build a monument here to the Pope. Hysteria swept this Chamber. The Members of Congress were so afraid that that was the truth, that construction stopped on the Washington Monument.

Mr. Speaker, for 17 years construction languished out there on that Mall while the Know-Nothings went about with their rumor. Fortunately the party disappeared, and construction was resumed after 17 years. But what happened in the interim was that the quarry that was supplying the marble to build the monument had exhausted its supply. So, the United States Government had to search around to find a matching marble that would match the original Italian marble.

Well, they could never find the matching stone, so, if my colleagues would walk out of this room and look at that monument, they would say that it is two-toned.

I simply want to say to my colleagues here that we must not adopt a Know-Nothing Party mentality. We ought not to be afraid of change. We ought to be bold about the symbols that have built this country and the individuals, and I would simply say that the design on these coins, on the back of the half-dollar and the quarter, are a simply symbols of the heritage of our Nation, of the Constitution, of the Bill of Rights, and we ought to be not afraid of a bold move to simply alter the back of the quarter and the 50-cent piece.

Mr. Speaker, I am asking my colleagues here for us to be forthright in the adoption of this package. Let us not be afraid of change.

Mr. Speaker, I reserve the balance of my time.

Mr. MCCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I am opposed to this conference report in its current form.

Once again, the issue before the House is mandatory coin redesign.

There are, of course, other provisions in this bill.

As my colleague from California has outlined, they are the White House coin, the World Cup coin, the Columbus coin, the Madison coin, and the Desert Storm Medal. Those provisions have broad bipartisan support. They are not in dispute here this evening.

Unfortunately, they have been held hostage, the commemorative coins have been held hostage by coin redesign.

Six weeks ago, my colleagues, the House rejected coin redesign by a vote of 241 to 172. A majority of both parties voted against coin redesign.

However, the conferees from the Senate have insisted that the House have another vote on this issue. We are here tonight, my colleagues, to accommodate them.

Here's what the conference report before us will do:

First, it mandates that the reverse side of the quarter and half-dollar be redesigned.

Second, it repeals that portion of our existing laws which require the eagle to appear on the reverse side of the quarter and half-dollar.

And, third it requires that the reverse side of the penny, nickel, and dime shall be considered for redesign.

It would appear to me that the proponents of redesign have taken aim at our most traditional and historic symbol—the American eagle.

The use of the eagle to symbolize American strength predates the U.S. Constitution. It is a part of our Great Seal.

The eagle first appeared on our coins in the 1790's, and $10 coins were known as eagles, and the $20 coins were double eagles.

More recently, the official mascot of the 1984 summer Olympic games in the United States was Sam the Eagle.

Mr. Speaker, to put it bluntly, this is no time to trash 200 years of tradition.

Some have argued that this legislation will not eliminate the eagle from our coinage.

If that is true, then why are we repealing the law which requires the eagle to appear on the reverse of the quarter an the half-dollar?

We are repealing the current law that requires the eagle to appear on the quarter and half-dollar. If, as some claim, we are only changing the design of the eagle, then we are asking the question: What is wrong with the current design?

The answer is, nothing. There is nothing wrong with the current design and we ought to leave it alone.

There is another point which should be addressed.

Some proponents of coin redesign have used the argument that redesign will save the money we are currently having troubles with and reduce the deficit.

That argument is dubious at best. It is based on the fact that we make the American people pay 25 cents for a coin that only costs the mint less than 3 cents to make.

The rationale is that three more coins at 3 cents we can sell for a quarter each, and the more money we do that, the more we will save. If my colleagues buy that argument, then perhaps they should consider all the money we could save by printing an unlimited supply of $100 bills.

Of course such savings are highly inflationary. Resorting to such gimmicks and then calling it deficit reduction is nothing more to me than a sham. It is not a reason to redesign our coins.

In order to provide the House with the opportunity to have a straight, up-or-down vote on the issue of coin redesign, I will, at the appropriate time, offer a motion to recommit the conference report.

So that there is no question of motives, I will actively support the passage of H.R. 3337 without coin redesign.

□ 1830

A motion to recommit will allow the conference to be reconvened so that the coin redesign provisions can be deleted and the remainder of the bill can be promptly enacted.

Recently, this House voted and said that coin redesign was a bad idea. It is still a bad idea, and it ought to be rejected.

A vote for the motion to recommit is a vote against coin redesign.

Mr. DELAY. Mr. Speaker, will the gentleman yield?

Mr. McCANDLESS. I yield to the gentleman from Texas.

Mr. DELAY. Mr. Speaker, the gentleman made a point in his speech that H.R. 3337 does repeal the law that requires the eagle to remain on the quarter and half-dollar. I think there was confusion. If there was not confusion the first time this bill came to the floor, there certainly is confusion at this time with this Member.

Mr. Speaker, I wish the gentleman from California [Mr. MCCANDLESS] would clear this up. I have before me here a letter from the senior Senator from California, whom I also got a call from and spoke to, and he assured me, in fact the letter says, "Present law requires that the eagle remain on the quarter and half-dollar, and H.R. 3337 does not repeal that law."

Mr. McCANDLESS. Mr. Speaker, reclaiming my time, I would like to say that the senior Senator from California is correct. However, that is untrue. What we have before us tonight is a repeal of existing law which says in its current form the eagle shall appear on the back side of the half-dollar and the quarter. The conference report before Members tonight repeals that part of existing law and does not mandate any kind of design for the redesign of the back side of the coins in question.

Mr. DELAY. Mr. Speaker, if the gentleman will yield further, in fact, and I am sure the senior Senator from California was not trying to mislead this Member or mislead the Members he sent this letter to, but in fact he is absolutely wrong in what he told this Member and what he writes in this letter.

Mr. McCANDLESS. Mr. Speaker, reclaiming my time, what the gentleman has outlined to me as being in that letter I have responded to in actuality as to what we are here for tonight.

Mr. Speaker, I reserve the balance of my time.

Mr. TORRES. Mr. Speaker, might I inquire how much time each side has remaining?

The SPEAKER pro tempore (Mr. MCNULTY). The gentleman from California [Mr. TORRES] has 13 minutes remaining, and the gentleman from California [Mr. MCCANDLESS] has 23 minutes remaining.

Mr. McCANDLESS. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia [Mr. ALLEN].

Mr. TORRES. Mr. Speaker, I yield 1 minute to the gentleman from Virginia.

The SPEAKER pro tempore. The gentleman from Virginia [Mr. ALLEN] is recognized for 3 minutes.

Mr. ALLEN. Mr. Speaker, I rise in opposition to this conference report and in support of the gentleman's motion to recommit this bill back to the committee.

We have a bill here where we can come up with a bill out of this committee that simply has a commemorative coin for the White House, the Christopher Columbus Medal, the James Madison coin, and the Desert Storm Medal.

Mr. Speaker, this is an attempt to redesign regular circulating coins. I look at this as just another example of the wasted time this House spends on minutiae that has bogged down this House. Here we are trying to redesign pennies, nickels, dimes, and quarters. While we are going into debt as a country $1 billion a day, here we are bickering about pocket change and how we ought to redesign the backs of these coins.

George Mason and those who drafted the Bill of Rights are probably looking down on these deliberations of this House and probably figure they need another protection put in for the people from a Congress and a Federal Government that just gets off of all these nonsensical matters. Meanwhile, the more pressing needs of Americans are being neglected.

Mr. Speaker, I think we have got to stop bickering over such nonsense. I do not support this bill. It not only affects just quarters and half-dollars, but it requires that the reverse side of the penny, the nickel, and the dime, and I quote, "shall be considered for redesign."

I have Mr. Jefferson's Monticello in my district, and I do not want to have his wonderful home, Monticello, removed from the nickel or even considered to be removed.

So I would urge my colleagues, Mr. Speaker, to recommit this bill to committee, and let us have just a bill with commemorative coins. Most importantly, let us get on with the important issues facing the people of America, that is, so they can earn some money and also have some money that has some value.

Mr. TORRES. Mr. Speaker, will the gentleman yield?

Mr. ALLEN. I yield to the gentleman from California.

Mr. TORRES. Mr. Speaker, I would like to explain to the gentleman from Virginia [Mr. ALLEN], whose comments about the penny, nickel, and dime being redesigned, that as we discussed this conference report and as I made a comment in my remarks, the penny, the nickel, and the dime are not part of this conference package. They were not discussions of redesign and are not at this discussion a part of that.

So I want to assure the gentleman from Virginia [Mr. ALLEN] that the penny and the nickel, and Monticello, the proud people of Virginia need not be concerned about this, because the nickel is not a subject matter at this point.

Mr. ALLEN. Mr. Speaker, reclaiming my time, I would say to the gentleman from California [Mr. MCCANDLESS] that not only is this a waste of time had it to do only with the quarter and the half-dollar, but according to the gentleman from California [Mr. MCCANDLESS], it does say that they shall reconsider the back side of the penny, nickel, and dime.

Mr. TORRES. Mr. Speaker, if the gentleman would yield further, this gentleman would tell the gentleman from Virginia [Mr. ALLEN] that the issues we undertake in this House, as minute as they may seem to him, are not a waste of time. They are part of the tradition of this House in legislation that we have considered from time immemorial.

Mr. McCANDLESS. Mr. Speaker, I yield 3 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in support of the conference report.

As we look at the titles of this bill, remember that our actions today will affect a small, but significant part of our economy. I am talking about coin dealers and coin collectors. To see how, we must take a close look at the bill.

Each Columbus commemorative coin sold to the public will carry a surcharge which will fund college fellowships.

Each White House commemorative coin will carry a surcharge which will be used to purchase antiques for the White House.

Each World Cup soccer coin sold will carry a surcharge—money that will be used to subsidize soccer matches that will bring over a million visitors to the United States.

And each James Madison-Bill of Rights coin will carry a surcharge—to pay for graduate fellowships for high school teachers of American history.

I ask, who actually will pay these surcharges? The answer is coin collectors and dealers. It's no secret that this is an easy way to fund a pet project: Circumvent the appropriations process and let this tiny sector of the economy pick up the costs.

Opponents say there is no support for the coin redesign measure. Let me remind my colleagues that there is very strong support for coin redesign from the coin collecting community—the very people who are funding all these special projects.

So here we have a situation where we are asking coin collectors to pay all these surcharges. But when they ask for a minor change in the appearance of our coins in order to maintain the vitality of their hobby, we say they are asking too much.

I disagree.

Opponents say there is nothing wrong with the designs on our coins. That is true. But let me offer another perspective. Fifty years ago, Toscanini recorded the nine Beethoven symphonies in performances that are still hailed as brilliant. Yet major symphony orchestras continue to record Beethoven symphonies—not because there is anything wrong with the Tosconini performances or because they can improve on the artistic quality. New recordings are made because different people have their own idea about what beauty is.

What opponents of coin redesign seem to be saying is that there are no artists or sculptors alive today who are capable of designing a beautiful coin. They claim there is nothing more to be said about the esthetics of our coins—it was done 50 years ago.

Let me emphasize—There is nothing wrong with current coin designs. But I think that among 250 million Americans, there is an artist capable of designing another beautiful quarter and half-dollar. And I, for one, would like to see the work of a living American artist on circulating coins.

We have spent too much time debating this bill already. The Des Moines Register has called this measure "innocuous" and I agree. Let's get back to the important issues of the day and pass the conference report.

□ 1840

Mr. TORRES. Mr. Speaker, I yield 2 minutes and 30 seconds to the distinguished gentleman from Illinois [Mr. ANNUNZIO].

Mr. ANNUNZIO. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I want to commend the distinguished chairman of the Consumer Affairs and Coinage Subcommittee, Mr. TORRES, for his work in bringing this legislation to the floor today. He is to be commended for his leadership in the coinage field.

Title IV of this legislation contains the Christopher Columbus Coin and Fellowship Act. This legislation, which I introduced last year as H.R. 500, would authorize the minting of coins in commemoration of the quincentenary of the discovery of the New World by Christopher Columbus. H.R. 500 passed the House last July by a vote of 408 to 2.

The most important aspect of this program is not the commemorative coins, but the establishment of the Columbus Fellowship Foundation. The foundation will award fellowships to assist modern day explorers in their search for discoveries that can benefit mankind.

There is no better way to honor the memory of the great explorer than to create an enduring legacy designed to produce new discoveries. The Christopher Columbus Foundation will award fellowships to outstanding individuals. These Columbus scholars will be selected on the basis of a nationwide competition. The scholars will receive stipends to pursue discoveries in fields of their choice. Furthermore, this program will be conducted at no cost to the Nation's taxpayers.

If all the coins are sold, the foundation will begin operations with an endowment of $51.5 million. It is also authorized to accept contributions, and as the fame and benefits of Columbus scholars become well known, the foundation should attract significant amounts of contributions.

Mr. Speaker, this is a significant program in honor of Columbus, and I hope that it will become law quickly, so that the mint can begin designing and minting these coins in time for the celebration this fall. Then mankind can begin benefitting from the new discoveries of Columbus scholars.

Mr. Speaker, I urge passage of the conference report so that we can get on with the work of the scholarships. We talk about education, about helping our students. Here we are talking about a program with no taxpayer money or Federal moneys, a scholarship program to benefit the scholars of America that are interested in the field of space.

Mr. MCCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. ALLEN. Mr. Speaker, will the gentleman yield?

Mr. MCCANDLESS. I yield to the gentleman from Virginia.

Mr. ALLEN. Mr. Speaker, there has been some confusion, I think, stated here as far as what this conference report actually says.

The gentleman from California [Mr. TORRES] responded to my question and assertion that this was requiring the redesign of the penny and the nickel and the dime. I would like to read from title V, section 501, subparagraph (a)(3), relating to the designs required for certain coins.

As I read this, it says, "The 1-cent, 5-cent and dime coins shall be considered for redesign."

I would ask the gentleman, is this the conference report that we are voting on and does this not indeed require that there shall be a redesign study of the penny, nickel, and dime?

Mr. MCCANDLESS. Mr. Speaker, the gentleman is correct. The term "shall be considered for redesign" is a part of the conference report draft.

Mr. Speaker, I reserve the balance of my time.

Mr. TORRES. Mr. Speaker, I yield 2 minutes to the gentleman from Idaho [Mr. LAROCCO], author of the Desert Storm coin.

Mr. LAROCCO. Mr. Speaker, I thank the distinguished subcommittee chairman for yielding time to me.

I just want to make mention that my distinguished colleague, the gentleman from California [Mr. MCCANDLESS] did not answer the gentleman's question. He said it is in the report, but I want to tell my colleagues something here today.

This is not to redesign the penny, dime, or nickel. This is the quarter and the half-dollar. Can we have the eagle on the flip side of the quarter and the half-dollar? Yes, we can, my fellow colleagues, that can be on the design.

It does not necessarily take it off. The Treasury will make those decisions.

I want to tell my colleagues that we have a $100 million reason for voting for this bill because that is what it will bring into the Treasury of the United States by coin redesign.

Is this something new we are talking about today? No. We have redesigned the quarter 14 times in our history, and the Congress can go back and mandate redesign any time they want. That is what we do around here.

Do my colleagues know what else we do around here? We go to conference to work things out.

Did this bill pass before? No. It did not pass before. We remember the dynamics on the floor. But there were six redesign ideas in that bill. Now we have narrowed it down in conference to two, on the tail side of those coins, to two. That is what we do in conference.

There was talk on the floor that we would eliminate "In God We Trust." What did we do in conference? We put it in the bill to make sure that there would not be that objection.

So we have gone to conference. We have modified this bill. In fact, I think we have improved it.

My colleagues, we have improved it to the point that we can go home and say, "I know how we can bring $100 million into the Treasury of the United States, and I voted to do just that. I voted for H.R. 3337, and I supported Christopher Columbus. I helped redesign not a coin necessarily but the White House, which Mrs. Bush wants, I helped recognize the veterans that served in Desert Storm by voting 'yes.' And I helped the Treasury."

Let us not deal with myths any longer. Let us deal with facts. Let us pass this bill, avoid recommittal.

Let us get on with it. Let us do the work.

Mr. MCCANDLESS. Mr. Speaker, I yield 4 minutes to the gentleman from California [Mr. COX].

Mr. COX of California. Mr. Speaker, I thank the distinguished ranking member for yielding time to me.

I also want to congratulate the distinguished chairman of the subcommittee, because I know he has worked very hard on the main purpose of this legislation, which is to authorize the private coinage of commemoratives for the World Cup 1994 soccer games, the White House, for the veterans of the Persian Gulf war, and for the Christopher Columbus quincentennial, as well as the new foundation honoring James Madison; that coin, of course, being authorized first by the other body. And I think there is no question about the House supporting that position as well.

We are here today because these very worthy purposes, noncontroversial in their totality, already passed this House by a strong majority, if not unanimous. I do not recall.

□ 1850

These things have been joined rather unnecessarily to a relatively controversial item. Perhaps it is engendering too much controversy, whether we should redesign some of the currency of the United States, but it is, admittedly, controversial.

In that context, I notice that the Washington Post has written very recently, on March 31, about the travail we find ourselves in. The chairman is quoted as saying a few days ago that "Members of the House are fearful that voting to change the appearance of our coins amid bad economic times will appear almost ludricous to the public."

I do not think there is much question that that is the appearance of what is going on here. The American people see the appearance of our coins, our quarters and our half-dollars, as a problem that does not need fixing. It is not broken. Yet here we are not only attempting to fix this nonproblem, but attempting to take hostage the very worthy purposes for which we were gathered originally under the aegis of this bill.

By a vote of 241 to 172, essentially this same idea was already shot down by the House. So why are we here again? A Member of the other body has decided that notwithstanding the Mom and apple pie nature of Christopher Columbus, the World Cup, the White House, the Persian Gulf vets, and so on, he was going to attach his more controversial personal dream of redesigning the American coins so that he could find a vehicle.

He called me personally and talked to me about this. He said, "This is our strategy." I asked him whether or not he was not willing to let his idea stand on its own merits rather than sinking these other very important things.

The chairman of the subcommittee and I and many others gathered with Pele and others who are trying to win approval of the World Cup coin, because the World Cup needs to mint these coins in order to fund privately the games. But the months that have passed while Senator CRANSTON has taken this thing hostage has cost the games. It has cost us, I think, a great deal unnecessarily.

The fastest way to get the World Cup soccer games their additional funding, and this is something in which I am deeply interested, is to recommit this bill to conference with instructions to strip the coin redesign portion.

I have no doubt that the gentleman from Michigan, Chairman RIEGLE, in the other body will very quickly pass out a clean bill that will give us authorization for the World Cup 1994 soccer games, the White House, the veterans of the Persian Gulf war, and the Christopher Columbus quincentennial coin.

Let us address coin redesign on its own merits and let us not condone this attempt to take hostage Mom and apple pie and the vets from the Persian Gulf and the White House and the World Cup and James Madison. We know we have the votes to pass the good parts of this bill, and if it is in the interest of the Nation later on to take up coin redesign, later on, let us do that.

I urge a no vote on the bill and I urge a yes vote on the motion to recommit.

Mr. TORRES. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Georgia [Mr. BARNARD].

Mr. BARNARD. Mr. Speaker, it seems like the biggest controversy over this bill that we are considering this evening is coin redesign. I think, frankly, we have to recognize that we do have two Houses of this Congress. Coin redesign has been passed several times by the Senate.

I want to compliment the chairman of this subcommittee on his conscientious effort to try to reach some compromise with the Senate so that we could bring this legislation, this meaningful legislation, especially as far as these commemorative coins are concerned, to the floor of this House.

I do not think there is any question that none of us in this body want to do any sacrilege as far as our coins are concerned. If anybody would have the opportunity to visit my office, they would find, first of all, three beautiful portraits of eagles. They would also find six statues of eagles. Eagles are my passion, but I do not have that fear that eagles are going to be stripped away from the coin.

What the bill is doing, it says, "Let us give some artists license to see if we cannot improve one side of our coins."

The gentleman from Arizona [Mr. KOLBE] made a very, very excellent speech tonight. His testimony is telling that we are not necessarily wedded to the same coin design forever and ever and ever. Coin redesign is something that is very common in other countries, with other currencies.

Yes, we respect "In God We Trust," and we have required that that stay on this coin. We respect eagles. But are not mandating, we are not structuring it so that some artists may not have some license to explore additional ways that we can celebrate and commemorate the Bill of Rights.

The Bill of Rights to me is a wonderful document. It is something that we ought to commemorate. This is a historical moment in our time that we have an opportunity to do that.

I just want to assure the Members. No. 1, we have done our best to compromise with the Senate. No. 2, we are not trying to do sacrilege to our coins. No. 3, we feel these other coins certainly have merit. They are certainly going to commemorate wonderful activities in our history, and we certainly deserve to give it consideration.

I hope that the Members will permit us tonight to have done what we have tried to do. We are not redesigning every coin. We are not saying that we are going to redesign every coin. We are not taking it away from the U.S. Treasury to be the last, last vote on what is done on our coins. I certainly have a great confidence in the Treasury. I feel that will be very deliberate in what they will eventually approve of.

Consequently, let us give it a chance. Let us give the Treasury an opportunity to honor some redesign.

Mr. TORRES. Mr. Speaker, I yield 2 minutes to the distinguished gentlewoman from California [Ms. PELOSI].

Ms. PELOSI. Mr. Speaker, I rise today in strong support of the conference report on H.R. 3337, the 1992 White House Commemorative Coin Act. I commend the chairman of the subcommittee, Mr. TORRES, for his work on this legislation. Through its authorization of White House bicentennial coins, the conference report will create an important source of revenue for the White House collection of fine art and historic furnishings.

The conference report also authorizes three other coinage programs—World Cup and the striking of a silver medal for the men and women who served in the Persian Gulf war.

As a former member of the subcommittee when Mr. ANNUNZIO was, I am very pleased that, thanks to the untiring efforts of Congressman ANNUNZIO, the conference report authorizes a gold and silver coin commemorating the 500th anniversary of the Christopher Columbus' historic voyage of discovery. Proceeds from the sale of the coins will fund a newly established Christopher Columbus Fellowship Foundation which will support worthy endeavors of discovery.

Americans have long valued the quest for new knowledge, the search for discovery. It is therefore fitting that we establish a foundation dedicated to the spirit of innovation and named for the voyager Columbus who undertook the quest for a new world.

George Santayana wrote in 1984:

Columbus found a world, and had no chart,
Save one that faith deciphered in the skies;
To trust the soul's invincible surmise
Was all his science and his only art.

Columbus' faith in discovery, and James Madison's dedication to protecting the rights of the individual, are celebrated in this conference report. I believe this legislation is worthy of strong support and I urge my colleagues to vote for passage.

Mr. McCANDLESS. Mr. Speaker, I yield such time as he may consume to the gentleman from California [Mr. Cox].

Mr. COX of California. Mr. Speaker, I include for the RECORD at this point an article from the Washington Post on March 31, 1992, entitled "Powerful Interests Clash Over Coin Redesign, Crusade by Senator's Friend Leads to Impasse Over Mint Appointee and Commemorative Legislation."

[From the Washington Post, Mar. 31, 1992]

POWERFUL INTERESTS CLASH OVER COIN REDESIGN

(By Bill McAllister)

It is the stuff of which Washington's political dramas are made, a tale of friendship, power, a leaderless bureaucracy and money.

She is 38, a stylish Manhattan socialite and a Reagan administration appointee. He is 77, a senior Democratic liberal, nearing the end of what he has announced will be his final term in Washington.

But before he leaves Washington, Sen. Alan Cranston (D-Calif.) has let it be known he wants to do a favor for Diane Wolf of New York, who has been his social companion in recent years. A former member of the Commission of Fine Arts, Wolf has led a tireless crusade to force a redesign of the nation's coins. Cranston has become her leading champion on Capitol Hill.

Bush administration and congressional officials say the Cranston-Wolf friendship is the principal cause of an eight-month impasse over appointment of a new director of the U.S. Mint, the Treasury Department agency that makes the nation's coins. On Thursday the leaderless agency will celebrate its bicentennial in a subdued Philadelphia ceremony that a spokesman said reflects the uncertainty that the Mint faces. "It's just been dragging on and on," the official sighed.

The impact of the Cranston-Wolf friendship on the Mint has not stopped at the agency's executive suite. Coin legislation that would directly benefit the White House, veterans of the Persian Gulf War, the Christopher Columbus celebrations, a new foundation honoring James Madison, 1994's World Cup soccer games and the designs of all of the nation's coins, has become a pawn in a power struggle that has also involved no less a figure than Barbara Bush.

Last year, the First Lady endorsed a proposal for a special commemorative silver dollar—a coin whose sale would raise $5 million for the purchase of White House antiques and artifacts. The legislation was on a fast track, sailing through both chambers without so much as a hearing until Cranston sought to tie its fate to coin redesign.

Then, last month in a move that surprised many, the House by a 241 to 172 vote rejected the omnibus coin package, largely in opposition to Cranston's redesign measure. Cranston and others blamed the defeat on fears voiced by some conservatives that a redesign might strike the words "In God We Trust" from the new coins.

Rep. Esteban E. Torres (D-Calif.), chairman of the House consumer affairs and coinage subcommittee, said yesterday that members of the House are fearful that voting to change the appearance of the coins amid bad economic times will appear "almost ludicrous" to the public. In addition, Torres said "there has been some reaction to Diane Wolf" and that some members believe the coin redesign is "not so much his [Cranston's issue] but hers."

Wolf has argued that the cost of new coins would be about the same as the current cost of producing new coins. Furthermore, she argues, the increased sales of the new coins to collectors and others plus the profits the government would make from the coins (it costs less than 3 cents to make a quarter) would give the government $366 million in added revenue. Mint officials sharply dispute both estimates of production costs and revenues.

Cranston retreated from Wolf's earlier insistence that all coins be redesigned. The current proposal mandates only that reserves of quarters and half dollars be redesigned to mark the bicentennial of the Bill of Rights.

That may not be enough to sway the House. Torres said he will decide today whether to recommit the coin bill to the conference committee. Republicans say that they expect such a move is likely and that the coin design will be struck down in conference. The House is likely to approve the coin bill without the redesign and so is the Senate, said William Binzel, minority counsel to the coinage subcommittee.

But, even if the bill does finally make it to the White House, it is uncertain whether Cranston is likely to continue to hold up the nomination of U.S. Deputy Treasurer David J. Ryder. Bush nominated Ryder July 26 to be director of the Mint, but the Senate Banking, Housing and Urban Affairs Committee has yet to act on the nomination, a delay that Treasury and congressional sources blame on Cranston.

Cranston could not be reached for comment. But in a Nov. 27 speech, the senator condemned "a do-nothing attitude" that he said developed under former Mint director Donna Pope, who had opposed coin redesign as unwanted by the public and whose term expired last August. Cranston then expressed hope that "the mint's age of resistance to change will come to an end" under a new director.

Meanwhile, the Mint is facing a number of critical issues, according to both a Mint spokesman and Pope, a former Ohio legislator and Reagan appointee who ran the agency for 10 years. In an interview, Pope expressed concern about the price increases the Mint has announced for sets of its proof and uncirculated coins, which are sold to collectors, and the need for the agency's four production facilities—in Philadelphia, Denver, West Point, N.Y., and San Francisco—to adopt similar accounting procedures. The agency also may need to move its major production facilities from urban areas to industrial parks, where storage and security are less of a problem, she said.

To some the impasse is a continuation of a debate begun 200 years ago when Congress became embroiled in George Washington's proposal for a national mint. The issue quickly became a debate over what should go on the new country's first coins. After the House rejected a proposal that would featured a "monarchal" portrait of Washington, it decided that the coins should feature designs "emblematic of liberty." The Senate agreed and on April 2, 1792, authorized a national mint.

Washington got his mint, but in the process Congress got the power to decide what goes on the coins. And despite the efforts of advocates like Wolf, it is a power that Congress still zealously guards.

Mr. McCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I understand where the gentleman from Illinois is coming from. He has a lot of interest, as I do, in the Columbus commemorative coin. I understand what the White House commemorative coin will do, all positive. I understand what the Madison commemorative coin will do, all positive, in the form of an educational experience for many of our fine teachers. I compliment the gentleman who introduced the Desert Storm Medal. These are all part of the original H.R. 3337 bill.

What happened on the way to the bank was that the conference committee said:

> We also like these four commemorative coins, but we have been trying for *x* number of years to get some kind of coin redesign through the Congress and we have not been able to, so now we have this golden opportunity to hold these people who want these coins circulated, and the benefit that would result therefrom, we are going to hold them hostage for what we want.

This coin redesign activity has come before this House of Representatives for I don't know how many times at the subcommittee level and has been rejected.

□ 1900

There has never been a vote in the House on coin redesign because the committee would not pass it out. And the one vote we did have 6 weeks ago was 241 to 172 against coin redesign.

Mr. Speaker, in a few minutes I will offer a motion to recommit the conference report. No further debate on the motion will be in order.

The motion is straightforward. It sends the bill back to conference and instructs the House conferees to disagree to the Senate provisions dealing with coin redesign.

The issue is coin redesign.

If you are opposed to coin redesign, then you should vote for the motion to recommit.

If you support the commemorative coin programs and the other provisions of H.R. 3337, but are opposed to coin redesign, the motion to recommit is the most direct method and quickest way to strike coin redesign and to bring the bill back for final passage. Because it will be necessary to convey the House's position, I will ask for a recorded vote on the motion.

Surveys have shown that the American people do not want to have their coins redesigned. Congressionally mandated coin redesign will be controversial, but this is one controversy that we can avoid.

The current designs of our coins represent the stability and continuity of our Nation. In particular, the American eagle is the proud symbol of our traditions and our history. Let's preserve the eagle. Vote for the motion to recommit.

Mr. Speaker, I yield back the balance of my time.

Mr. TORRES. Mr. Speaker, I yield myself my remaining 2½ minutes.

Mr. Speaker, I thank my colleagues here tonight for taking the time to consider and debate what has ensued here. I think the debate has been constructive. We have gone over many, many points.

I simply would like to echo the comments made by the gentleman from Idaho. I think they were right on target. The gentleman from Idaho said that we are here as a consequence of a conference report. In other words, when this House rejected the previous issue, it did so by asking for a conference report, which we have had. We met with the Senate and we have discussed in great detail a compromise. And the compromise package before us today is what this debate has been all about.

Once again, I want to attest to the fact that we are talking about some very important coins to the people of the United States. I do not want to spend more time enumerating them. But again, I think it is important that we recognize that the World Cup is a very historic event for us to undertake in this Nation, and the White House commemorative coin is important to the preservation of the antiquities and to the White House being available for the public to see. The Christopher Columbus commemorative coin is an important coin to further the intellectual aspirations of young people in this country. Also we want to recognize the veterans who participated in the Persian Gulf, and last, the James Madison coin is a coin that will commemorate the Bill of Rights.

Moreover, we have two coins that are controversial, as my colleague states. But we met in the conference and we rectified over and over again that "In God We Trust" would remain on the coins and that the eagle on the coins will not be struck, that the legislation does not require the eagle to be removed. Also that in the minting of these particular two coins there will be a zero cost to the Federal Government. In fact, our Government will make money to reduce the Federal deficit.

So I simply ask my colleagues tonight to reject the motion to recommit the conference report and instead accept the conference report as reported today.

Mr. ALLEN. Mr. Speaker, I rise in opposition to this conference report and in support of the motion to recommit this bill to committee.

We should be voting on a bill that contains language limited to the minting of the White House, Christopher Columbus, and James Madison commemorative coins, and the Desert Storm Medal.

Instead, this conference report contains language which also attempts to redesign coins currently in circulation. This debate is a prime example of a waste of time on minutiae which has bogged down this House and kept us from debating the critical issues affecting Americans.

Here we are trying to redesign pennies, nickels, dimes, quarters, and half dollars, while we add to the national debt at a rate of $1 billion each day. If Patrick Henry, who feared the Federal Government, and George Mason and those who drafted the Bill of Rights, are looking down on us today; they might feel that the people also need protection from a Federal Congress and a Government which neglects the pressing needs of the people of America, while bickering over such nonsense.

I do not support this amended bill. It not only affects quarters and half dollars. It requires that the reverse side of the penny, nickel, and dime "shall be considered for redesign." I do not want Thomas Jefferson's Monticello, which is in my district, removed from the nickel.

I urge my colleagues, Mr. Speaker, to recommit this bill to committee and return to us legislation which calls for the minting of the commemorative coins without changing the nickel and our other coins in circulation. Most of all, let's get on with important issues to ensure that Americans can earn dollars, and that our money is worth something.

Mr. TORRES. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). Without objection, the previous question is ordered on the conference report.

There was no objection.

MOTION TO RECOMMIT OFFERED BY MR. McCANDLESS

Mr. McCANDLESS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the conference report?

Mr. McCANDLESS. I am, in its current form, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. McCANDLESS moves to recommit the conference report accompanying H.R. 3337 to the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill H.R. 3337, with instructions to the managers on the part of the House to disagree to the Senate amendments relating to the redesign of the circulating coinage of the United States.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit offered by the gentleman from California [Mr. McCANDLESS].

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

Mr. McCANDLESS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 206, nays 199, not voting 29, as follows:

[Roll No. 70]

YEAS—206

Alexander
Allen
Andrews (TX)
Anthony
Archer
Armey
Aspin
Baker
Ballenger
Barrett
Barton
Bateman
Bentley
Bereuter
Bilirakis
Bliley
Boehner
Boucher
Boxer
Broomfield
Bruce
Bunning
Burton
Byron
Callahan
Camp
Campbell (CA)
Carper
Chandler
Clinger
Coble
Coleman (MO)
Combest
Cooper
Coughlin
Cox (CA)
Cramer
Crane
Cunningham
de la Garza
DeLay
Dickinson
Dingell
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Dwyer
Edwards (OK)
Emerson
English
Ewing
Fawell
Fields
Ford (TN)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gekas
Geren
Gilchrest
Gillmor
Gingrich
Glickman
Goodling
Goss
Gradison
Grandy
Green
Gunderson
Hamilton
Hancock
Hansen
Harris
Hastert
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hobson
Hochbrueckner
Holloway
Houghton
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Jacobs
James
Johnson (CT)
Johnson (TX)
Kanjorski
Kasich
Klug
Kolter
Kostmayer
Kyl
Lagomarsino
Laughlin
Leach
Levin (MI)
Lewis (FL)
Lightfoot
Lloyd
Lowery (CA)
Marlenee
Martin
Martinez
Mazzoli
McCandless
McCollum
McCrery
McCurdy
McDade
McEwen
McGrath
Miller (OH)
Miller (WA)
Molinari
Moorhead
Myers
Nichols
Nussle
Olin
Orton
Oxley
Packard
Panetta
Patterson
Paxon
Payne (VA)
Penny
Peterson (FL)
Porter
Poshard
Ramstad
Ravenel
Ray
Regula
Rhodes
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Russo
Sangmeister
Santorum
Schaefer
Schiff
Schroeder
Schulze
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Staggers
Stark
Stearns
Tanner
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (WY)
Vander Jagt
Volkmer
Vucanovich
Walker
Walsh
Weber
Wise
Wolf

Wylie
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—199

Abercrombie
Ackerman
Allard
Anderson
Andrews (ME)
Andrews (NJ)
Annunzio
Atkins
AuCoin
Bacchus
Barnard
Beilenson
Bennett
Berman
Bilbray
Blackwell
Boehlert
Bonior
Borski
Brewster
Brooks
Browder
Brown
Bryant
Bustamante
Cardin
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Costello
Cox (IL)
Coyne
Darden
DeFazio
DeLauro
Dellums
Derrick
Dicks
Donnelly
Dooley
Durbin
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Foglietta
Ford (MI)
Frank (MA)
Gejdenson
Gephardt
Gibbons
Gilman
Gonzalez
Gordon
Guarini
Hall (OH)
Hammerschmidt
Hatcher
Hayes (IL)
Hoagland
Hopkins
Horn
Hoyer
Hubbard
Jefferson
Jenkins
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolbe
Kopetski
LaFalce
Lancaster
Lantos
LaRocco
Lehman (CA)
Lewis (GA)
Lipinski
Livingston
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Matsui
Mavroules
McCloskey
McDermott
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nowak
Oberstar
Olver
Ortiz
Owens (NY)
Owens (UT)
Pallone
Parker
Pastor
Pease
Pelosi
Peterson (MN)
Petri
Pickett
Pickle
Price
Quillen
Rahall
Rangel
Reed
Richardson
Roybal
Sabo
Sanders
Sarpalius
Savage
Scheuer
Schumer
Serrano
Sikorski
Sisisky
Skaggs
Solarz
Spratt
Stallings
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tauzin
Thomas (GA)
Thornton
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Vento
Visclosky
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wolpe
Wyden

NOT VOTING—29

Applegate
Bevill
Campbell (CO)
Dannemeyer
Davis
Dixon
Dymally
Hall (TX)
Hertel
Horton
Ireland
Lehman (FL)
Lent
Levine (CA)
Lewis (CA)
Michel
Mrazek
Oakar
Obey
Payne (NJ)
Perkins
Pursell
Roe
Sawyer
Saxton
Smith (NJ)
Valentine
Whitten
Yates

□ 1925

Messrs. GORDON, MOODY, and SPRATT, Ms. DELAURO, and Mr. STUMP changed their vote from "yea" to "nay."

Messrs. EWING, STAGGERS, LAUGHLIN, and COUGHLIN, Mrs. BOXER, and Mrs. BYRON changed their vote from "nay" to "yea."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PERSONAL EXPLANATION

Mr. DANNEMEYER. Mr Speaker, I was unavoidably absent for rollcall vote 70. Had I been present during this vote, I would have voted "yea" on rollcall 70.

JUSTICE DEPARTMENT MUST VIGOROUSLY PURSUE PAYMENT OF S&L FINES AND RESTITUTION AGREEMENT

(Mr. CAMPBELL of Colorado asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous material.)

Mr. CAMPBELL of Colorado. Mr. Speaker, before we vote today on a bill to spend more of the taxpayer's money to bail out the savings and loans, I would like to express my disgust with the Justice Departments apathy toward the collection of restitution and fines from fraudulent S&L institutions and individuals.

The Justice Department has failed to collect even 1 percent of the restitution agreements and fines levied against convicted S&L crooks.

According to a recent GAO report, the Justice Department has only collected $349,000 of the $79.1 million that has so far been agreed to be paid to the Government as restitution by S&L defendants. The Justice Department has been equally negligent in pursuing convicted S&L criminals, collecting only $15,200 of the $4.5 million in fines that are owed.

The Justice Department must vigorously pursue the payment of the S&L fines and restitution agreements, but apparently it is not interested in collecting the fines from the people who are responsible for the largest financial crisis in American history.

If the taxpayers are going to have to pay close to $20 a month for the next 30 years to pay for this crisis, the least the Federal Government can do is to take every step to ensure that every dollar in fines and restitution is collected from the people who contributed to this fiasco.

I would like to submit for the record a bipartisan letter to Attorney General William Barr that was signed by 25 of our colleagues to demand the Justice Department develop a comprehensive system for the collection of penalties along with a special division to seek out assets criminals have hidden away in remote accounts to avoid payment. If a continued path of neglect is followed by the Justice Department, there will be a need for legislation to force action on collection of fines.

S&L crooks owe these fines to the American people, the apathy of the Justice Department toward the collection of these fines will not stand.

HOUSE OF REPRESENTATIVES,
Washington, DC, March 26, 1992.

Hon. WILLIAM P. BARR,
Attorney General, Department of Justice, Constitution Avenue and Tenth Street NW, Washington DC.

DEAR ATTORNEY GENERAL BARR: Recent news reports disclose that the Department of Justice has failed to collect even one-half of one percent of the restitution owned to the federal government from savings and loan officials and only one percent of the fines levied against convicted S&L criminals. Such apathy toward the collection of monies owned to the federal government by those involved in savings and loan failures and fraud cannot be tolerated.

The reports indicate that, according to a recent GAO report, the Department of Justice has only collected $349,000 of the $79.1 million that has so far been agreed to be paid to the government as restitution by S&L defendants. The Justice Department has been equally negligent in pursuing convicted S&L criminals, collecting only $15,200 of the $4.5 million in fines that are owed.

The GAO report appears to indicate a lack of interest or effort on the part of the Department of Justice to collect this money from the people who are responsible for the largest financial crisis in American history.

If the taxpayers are going to have to pay close to $20 a month for the next 30 years to pay for this crisis, the least the federal government can do is to take every step to ensure that every dollar in fines and restitution is collected from the people who contributed to this fiasco. Business as usual is not going to be tolerated by the public.

The Department of Justice itself must aggressively pursue payment of restitution agreements and fines. A comprehensive system for the collection of penalties should be implemented along with a special division to seek out assets criminals have hidden away in remote accounts to avoid payment.

We urge the Department of Justice to take rapid and strong steps to ensure that those parties responsible for the S&L crisis are paying what they owe the American people. A response detailing those steps will be greatly appreciated.

THE ENVIRONMENTAL MOVEMENT IS HURTING THE POOR AND WORKING PEOPLE OF OUR COUNTRY

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DUNCAN. Mr. Speaker, last year, fortunately for our economy, the U.S. trade deficit dropped to $7 billion, the lowest level in several years.

Yet we imported more than $50 billion in oil and oil products.

Thus, we would have had a trade surplus of at least $43 billion if we had produced this oil domestically.

To put it another way, we would have had 860,000 more U.S. jobs in 1991 if we had unlocked our domestic oil supplies.

U.S. drilling is at its lowest level since records first started being kept 52 years ago. British energy development, by contract, is at an all time high.

Why the difference? According to the current issue of Forbes, it is taxes and politics.

Environmental opposition has prohibited full development of U.S. oil supplies, even where it could be done in an environmentally safe way.

This has cost our Nation hundreds of thousands of jobs and has kept the price of oil artificially high.

Environmental extremists are hurting the poor and working people of this country.

The environmental movement has become an elitist, upper crust movement that the wealthy can afford, but one that is slowly but surely making paupers out of the rest of us.

The article referred to is as follows:

[From Forbes Magazine]

TALE OF TWO ENERGY POLICIES

(By Toni Mack)

Oil prices are down, but energy development activity in the British sector of the North Sea is booming. Analysts at County NatWest Wood MacKenzie forecast spending of nearly $10 billion there this year, a record. New fields being developed will probably push British oil and gas production to a record 2.7 million barrels a day by 1995.

By contrast, U.S. drilling is at its lowest levels since records began to be kept 52 years ago. Where the Brits ran a $2.4 billion surplus on hydrocarbon trade last year, the U.S. imported $50 billion worth of oil and oil products.

Why the huge difference? Taxes and politics.

British politicians seem to understand that it's better to nurture their North Sea goose and tax it than to eat it. So when hard times hit the British oil industry, the politicians try to help it along. In 1986, the worst year in the oil business in recent memory, the U.K. allowed companies to accelerate deduction of their development expenses, thereby cutting taxes. That was the year the U.S. raised taxes on domestic producers.

Thanks to tax tinkering, Royal Dutch/Shell's $2.3 billion Fulmar production facilities in the North Sea will still be producing oil in 2010—five years past the Fulmar oilfield's projected life. Tax incentives enabled Shell to appraise and develop four nearby fields, and to run their output through Fulmar's facilities.

Or take Lasmo Plc., a $513 million (estimated 1991 revenues) independent operator. Under British law, almost all North Sea oil and gas fields opened since 1982 are free of all royalty payments, but earlier fields are not. Lasmo wanted to develop a 100-million-barrel field that the authorities ruled was legally an extension of a pre-1982 field; thus the new wells would be subject to royalty and would therefore be uneconomic for the company. Rather than kill the development, Britain's energy department ruled that if profits on the new field were to dip below a floor rate of return, royalties would be rebated. Lasmo is now working up plans to produce roughly 45,000 barrels a day there in 1995.

British depletion allowances are also much more generous than those in the U.S. And almost all of the British sector of the North Sea is open to explorers. Compare that with the situation in the U.S., where environmentalists have fenced off nearly all promising new territory, including Alaska's Arctic National Wildlife Refuge (Forbes, Mar. 9, 1987). The U.S. Department of the Interior estimates that the refuge could gush as much as 659,000 barrels of oil a day, 11% of U.S. imports. But oilmen may never get to drill there.

Off California's coast, Point Arguello, the U.S.' biggest oil find since Prudhoe Bay, is now producing a mere trickle of oil. Years of environmental opposition have kept the field's owners from getting the crude to refiners onshore.

Are the British heedless of the environment? No, but they aren't heedless of economics either. "Make no mistake," says Victor Beghini, president of USX's Marathon Oil Co. "The British government has the same goal as the U.S.—no opportunity for environmental damage. The difference is that the British haven't hamstrung the industry."

Sighs Beghini: "Every country in the world covets our energy expertise and our capital, except the U.S."

ESEL D. BELL POST OFFICE BUILDING

(Mr. LAUGHLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LAUGHLIN. Mr. Speaker, I rise today to introduce legislation which designates the facility of the U.S. Post Office being constructed at FM 1098 Loop in Prairie View TX, as the "Esel D. Bell Post Office Building."

This decision to name the Prairie View Post Office after a living individual is a true tribute to the lifetime service Esel D. Bell has provided to the U.S. Postal Service and to the community of Prairie View. An individual can receive no greater satisfaction than to know their actions and contributions are not only noticed, but rewarded.

In 1950, Esel was employed by the U.S. Postal Service as a postal clerk. She quickly moved up through the ranks, and after a few years, was promoted to superintendent of the Prairie View Post Office. She served in that capacity for 16 years. Esel also served as civil service examiner for the Houston area as well as rural count examiner for the main post office in Hempstead, TX.

In 1984, she became the first postmaster of the Prairie View Post Office. She served in that capacity until she retired in 1989.

Esel Bell is not only a dedicated worker and a credit to her job, but she is a credit to her community. She has had various positions in organizations and affiliations in both the community and in her professional career.

Mr. Speaker, I ask that you join the Prairie View community and Esel's husband of 43 years, Mr. Willie J. Bell, Jr., in dedicating the new post office in Prairie View as the Esel D. Bell Post Office Building."

I include for the RECORD a copy of the aforementioned legislation.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The facility of the United States Postal Service under construction at FM 1098 Loop in Prairie View, Texas, is designated as the "Esel D. Bell Post Office Building."

SEC. 2 LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the facility referred to in section 1 is deemed to be a reference to the "Esel D. Bell Post Office Building".

□ 1930

REGULATION RELAY, CONTINUED

The SPEAKER pro tempore (Mr. MCNULTY). Under a previous order of the House, the gentleman from Virginia [Mr. ALLEN] is recognized for 5 minutes.

Mr. ALLEN. Mr. Speaker, I would like to commend my colleague from Texas, Congressman TOM DELAY. I am pleased to participate in his regulation relay to point out the harmful and unnecessary bureaucratic redtape which is strangling the full potential of working Americans. We require environmental impact statements; that's fine. But, we should also require economic impact statements to determine the effect of Federal regulations on human beings and their livelihoods.

Today, I want to point out a Federal regulation which has had unfortunate consequences for both small businesses wanting to expand their work force and the advancement of technology.

In 1964, President Lyndon B. Johnson issued Executive Order 11246. This action established a regulation which has severely limited growth in companies providing goods or services for the Federal Government. Specifically, I am referring to the regulation administered by the Department of Labor which requires business with 50 or more employees to annually file Form EEO–1 and submit affirmative action plans if they have Government contracts equaling $50,000 or more. This is the same requirement for all businesses with over 100 employees, but if you are a Federal contractor, you must be burdened with this compliance requirement at 50 employees. The regulations are intended to ensure employers practice affirmative action. However, there is a double standard, and a higher burden for Federal contractors than businesses with less than $50,000 in Federal contracts. In sum, Mr. Speaker, if you are a business, and you want to provide goods or services to the Federal Government, you better keep you number of employees below 50, or you will have to hire an army of highly paid individuals to figure out this convoluted, intrusive reporting requirement. There is no logical reason to penalize small enterprises which do business with the Federal Government.

I know an inventor from Reston, VA. He has worked hard all his life to build up his own company. This fine Virginian has over 70 patents on inventions. Many are used by NASA and are actually orbiting in our satellites right now.

Mr. Speaker, here is what this inventor would have to cope with if he increased his company's number of employees over 50. He simply cannot afford to hire more than 50 people because his company does not have the financial resources necessary to fill out all this paperwork. He does not discriminate; he has a diversity of people working for him. Yet, he has been prevented by this regulation from expanding his business. If not for the double standard, he could have hired up to 100 employees without having to construct this mound of costly aggravation and meddling. Just think of the inventions and breakthroughs in technology that could have been possible if his expansion was not hobbled by this imposing Federal regulation. And what about the jobs, Mr. Speaker. More jobs could have been created and the local economy would have benefited.

In a year filled with congressional check-kiting and House post office scandals coupled with a soaring national deficit, and languishing economy, it's time this body did something responsible for the American people. I ask my colleagues to join me in urging the administration to modify this regulation. Let us at least get rid of the double standard and higher burden which prevents growth and creates a reluctance to contract with the Federal Government. If our Nation is going to continue to grow and compete in a worldwide marketplace, we must give our small businesses the freedom to reach their full potential. We can encourage such growth by placing Federal contractors on an equal footing with other companies. Let's eliminate the filing requirement completely for firms which employ less than 100, no matter how much in Federal contracts they are awarded.

I did not realize how devastating these affirmative action compliance regulations were until I read a recent letter which came to my office. It stated:

> Japan is much in the news. Reports are that their productivity is rising at a rate faster than ours. We can compete effectively but impediments to our productivity must be removed.

Referring to these compliance regulations, he states:

> The regulation must be repealed. We must promote and speed up our inventiveness. With all the civil rights laws passed since 1972, this affirmative action compliance regulation serves no net useful purposes.

If we are to encourage research and development rather than burdening American ingenuity, restrictions such as this one by the Federal Affirmative Action Contract Compliance Program must be revised. Americans have always been encouraged to work hard with the understanding that hard work creates success. This has been the American dream for generations. The fear and cost of bureaucratic red tape such as these contract compliance regulations severely limits that dream for many of America's small businesses. As this inventor from Virginia stated, "It has backfired on the Nation and injured those it was intended to protect."

DISCLOSURE OF INFORMATION PURSUANT TO HOUSE RESOLUTION 393

The SPEAKER pro tempore (Mrs. PATTERSON). Under a previous order of the House, the gentleman from New York [Mr. MCHUGH] is recognized for 5 minutes.

Mr. MCHUGH. Madam Speaker, pursuant to House Resolution 236 and 393, I am today disclosing the names and pertinent account information of those current and former Members of the House of Representatives who, between July 1, 1988, and October 3, 1991, were found to have abused their banking privileges at the so-called House bank.

House Resolution 236 directed the Committee on Standards of Official Conduct to investigate the use and operations of the House bank and to determine, among other things, whether any Members or former Members abused their banking privileges. As defined by that resolution, individuals abused banking privileges by "routinely and repeatedly writing checks for which their accounts did not have, by a significant amount, sufficient funds on deposit to cover."

On March 10, 1992, the committee reported to the House its findings and recommendations (H. Rept. 102–452). Among them was a preliminary finding that 24 accounts had been involved in abuse of banking privileges. The committee report described the criteria the committee had used to identify those accounts. In substance, the committee determined that a Member routinely and repeatedly overdrafted an account by a significant amount if he or she overdrew the account by more than the Member's next month's net salary deposit at least once per month in 20 percent of the months the Member had an account at the House bank.

In its report the committee recommended that, after each of the 24 account holders had been given an opportunity to be heard in executive session, the names and pertinent account information should be publicly disclosed for those who were finally determined by the committee to have met the criteria established by House Resolution 236. On March 12, 1992, the House adopted House Resolution 393, which ordered such disclosure not less than 10 days after its adoption.

A subcommittee designated by the full committee then afforded those among the 24 who requested a hearing the opportunity to be heard. The subcommittee concluded that two account holders should not be included on the final list of those to be disclosed. The reasons for excluding them included the following:

First, one Member was excluded from the list because a number of wire transfers he had initiated to move funds into his House account were, upon further investigation by the General Accounting Office, determined to be timely received and recorded by the House bank's agent. The subcommittee concluded that since the Member had arranged for funds to be transferred by wire in time to avoid certain overdrafts, a number of months previously attributed to him should be excluded. This removed him from the list.

Second, one Member documented, and the General Accounting Office substantiated, a House bank error which treated certain checks as overdrafts. The correction of the error reduced the number of months in which the negative balance exceeded the next net salary deposit to below 20 percent of the months at issue.

The subcommittee believes that although the following individuals abused their banking privileges, as abuse is defined in House Resolution 236, their intent to abuse such privileges is by no means clear. The subcommittee reached its conclusions based on the resolution's definitions of abuse, the practices of the House bank, and the records available to it. It did not consider the intent of Members. However, given the informed nature of the House bank's operations, including its long-time practice of honoring overdrafts and its lack of written rules and regulations, the subcommittee cannot say the people on this list intended to abuse banking privileges.

It should be noted, for example, that some Members have cited a statute stating that Members are entitled to be paid on the last day of each month. The subcommittee believes that the actual practice of the House bank in crediting Member accounts on the first business day of each month is controlling on this point. The committee notes in this connection that Members were advised by the "Congressional Handbook" distributed by the Committee on House Administration that they would be paid on the first business day of the month, and Members' monthly bank statements reflected that practice. However, some Members may have relied on the statute in writing checks.

The subcommittee also notes that some Members arranged with the House bank to have voluntary transfers made from their gross pay and this arrangement had the effect of reducing their net salary deposit each month, the threshold established by the subcommittee for determining significant overdrafts. Voluntary transfers, which were deducted by the House bank from gross salary before the net salary was credited to a Member's account, had the effect of putting a Member at some disadvantage for purposes of this inquiry.

DISCLOSURE OF INFORMATION PURSUANT TO HOUSE RESOLUTION 393

Charles Hatcher: This account had 35 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 5, 1988 and September 24, 1991, the account had a total of 819 overdrafts. The House Bank returned two of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Harold E. Ford: This account had 31 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 1, 1988 and September 30, 1991, the account had a total of 388 overdrafts. The House Bank returned 11 of these overdrafts to maker. This Member presented four non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Stephen J. Solarz: This account had 30 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 7, 1988 and August 30, 1991, the account had a total of 743 overdrafts. The House Bank returned 53 of these overdrafts to maker. This Member presented 11 non-account overdrafts at the

House Bank for cash or deposit in the Member's account.

Robert J. Mrazek: This account had 23 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 15, 1988 and July 24, 1991, the account had a total of 920 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented one non-account overdraft at the House Bank for cash or deposit in the Member's account.

Ronald Coleman: This account had 23 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 6, 1988 and September 24, 1991, the account had a total of 673 overdrafts. The House Bank returned six of these overdrafts to maker. This Member presented one non-account overdraft at the House Bank for cash or deposit in the Member's account.

Bill Alexander: This account had 19 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 1, 1988 and April 25, 1991, the account had a total of 487 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented two non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Adolphus Towns: This account had 18 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 8, 1988 and September 24, 1991, the account had a total of 408 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Mary Rose Oakar: This account had 18 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 5, 1988 and July 3, 1991, the account had a total of 213 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented one non-account overdraft at the House Bank for cash or deposit in the Member's account.

Tommy F. Robinson: This account had 16 months out of 33 months in which the negative balance exceeded the next month's net salary deposit. Between July 7, 1988 and December 31, 1990, the account had a total of 996 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Doug Walgren: This account had 16 months out of 31 months in which the negative balance exceeded the next month's net salary deposit. Between July 11, 1988 and December 12, 1990, the account had a total of 858 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Charles A. Hayes: This account had 15 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 6, 1988 and September 19, 1991, the account had a total of 716 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented nine non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Joseph D. Early: This account had 15 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 28, 1988 and September 17, 1991, the account had a total of 140 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Carl C. Perkins: This account had 14 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 28, 1988 and September 30, 1991, the account had a total of 514 overdrafts. The House Bank returned 25 of these overdrafts to maker. This Member presented 28 non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Robert W. Davis: This account had 13 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 1, 1988 and September 25, 1991, the account had a total of 878 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Mickey Edwards: This account had 13 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between July 6, 1988 and September 24, 1991, the account had a total of 386 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented one non-account overdraft at the House Bank for cash or deposit in the Member's account.

Douglas H. Bosco: This account had 13 months out of 32 months in which a negative balance exceeded the next month's net salary deposit. Between July 5, 1988 and December 27, 1990, the account had a total of 124 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented four non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Tony Coelho: This account had 12 months out of 18 months in which a negative balance exceeded the next month's net salary deposit. Between July 6, 1988 and June 15, 1989, the account had a total of 316 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

William F. Goodling: This account had 9 months out of 39 months in which a negative balance exceeded the next month's net salary deposit. Between July 28, 1988 and September 23, 1991, the account had a total of 430 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

William L. Clay: This account had 9 months out of 39 months in which the negative balance exceeded the next month's net salary deposit. Between August 11, 1988 and August 29, 1991, the account had a total of 328 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

John Conyers, Jr.: This account had 9 months out of 39 months in which a negative balance exceeded the next month's net salary deposit. Between July 18, 1988 and August 16, 1991, the account had a total of 273 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

Jim Bates: This account had 9 months out of 31 months in which a negative balance exceeded the next month's net salary deposit. Between July 1, 1988 and January 7, 1991, the account had a total of 89 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented one non-account overdraft at the House Bank for cash or deposit in the Member's account.

Edward F. Feighan: This account had 8 months out of 39 months in which a negative balance exceeded the next month's net salary deposit. Between July 11, 1988 and September 24, 1991, the account had a total of 397 overdrafts. The House Bank returned none of these overdrafts to maker. This Member presented no non-account overdrafts at the House Bank for cash or deposit in the Member's account.

MORE CORRUPTING THAN ASPIRING TO POWER IS FEAR OF LOSING IT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. LEACH] is recognized for 5 minutes.

Mr. LEACH. Madam Speaker, I rise to attempt to put in context the recent expressions of public dismay about the operation of the congressional bank and to suggest that compaign reform is the unfinished business of a Congress in disrepute.

What is more at issue than loss of public funds is loss of public confidence. The public objects above anything else to the establishment of a new political class, a privileged group with perks, amenities, and job security unavailable to the average American. The public wants a House of Representatives, not a House of Lords.

The irony is that at the very time the Russian people want to copy our system; at the very time they have rebelled against their government, against the privileges of their ruling party bureaucracy—what they disparagingly call a nomenklatura or new class—the American people are having self-doubts about our institutions, especially Congress, and our capacity for change.

A Congress that is unable or unwilling to change, that serves up the status quo, is as vulnerable to citizen rebellion as King George's Parliament was two centuries ago.

The issue is not so much the congressional bank as the disregard for fair play, the refusal of Members to just say "no" to temptation. Here the biggest temptation is not the right to sign an overdraft or two on a personal checking account; it is the system which causes Members to sign on the dotted line multibillion-dollar overdrafts on the Federal Treasury.

It is the contention of this Member that the inability of Congress to balance its checkbook is a reflection of our inability to balance the public's and that Federal deficits are directly related to campaign financing abuses.

Deficits stem from Federal spending and Federal spending stems from promises and obligations, and all this stems from politicians. It begins in the way campaigns are run, in politics as usual—in commitments to large contributors, no matter who they are.

Because of obligations to political action committees [PAC's], legislators are caught in dozens and dozens of swirls that buffet the fabric of balanced democratic judgment. Priorities become impossible to set when legislators owe their past elections and future prospects to those who seek special interest tax cuts and/or particularist program increases.

It is no accident reelection rates have been in the 98-percent range in recent years. This House, which our Founding Fathers intended and expected to respond quickly to change, has been stultified by a campaign system that gives too many advantages to incumbents and too little opportunity to challengers.

PAC's turn upside down the nature of our democracy. They indebt candidates, especially incumbents who by more than a 10-to-1 margin receive PAC contributions, first and foremost to the interest groups that provide the resources to influence the electorate rather than to the voters themselves. They also nationalize rather than localize elections. One of the oldest truisms of government—"all politics is local"—is no longer valid. Candidates, especially incumbent, have in the last two decades tapped into a national fundraising spigot that causes rural representatives, for instance, to rely on organized labor and big business largess that has little in common with the economic interests of their districts.

The Founders of this Nation labored to create a representative democracy accountable to the common concerns of individual citizens. They protested not just high levels of taxation, but taxation without representation.

If the trend toward more expensive races and thus heavier financial obligations for candidates is not curbed, Congress will become a legislative body where the small businessman, the farmer, the worker, and the ordinary citizen are only secondarily represented.

As for the poor, more than any other group in our society, they have the greatest vested interest in campaign reform. In a system where money buys access, the voices of the moneyless become muffled by the clanging coins of political action committees.

A classic example of the breakdown in our way of doing business is the multi-billion-dollar liabilities taxpayers have been forced to embrace due to the insolvency of the S&L industry. The $20 a month that the average American family must pay Uncle Sam for the next 30 years amounts to a congressional Watergate, depriving Congress of the moral imprimatur to defend the political status quo.

What is needed is a domestic money control agreement analogous to international arms control agreements. If business and labor can be reined in equally, the public interest will be more secure.

Lord Acton, the British statesman, immortalized his public service with the observation that power corrupts. It strikes me that more corrupting than aspiring to power is fear of losing it. That is why this Congress is so hesitant to reform itself. That is why despite speeches to the contrary, every serious effort at campaign reform has been thwarted. That is why this year's efforts, in particular on the House side, are so insipid.

The best of our political tradition was perhaps most succinctly expressed by the theologian Reinhold Niebuhr when he noted that "the temper and the integrity with which the political fight is waged is more important for the health of our society than any particular policy." In politics, as in sports, it does matter how you play the game.

A government of the people, by the people, and for the people cannot be a government where influence is purchasable through substantial campaign contributions.

The strength of the American system is the institutionalization of change. What the country needs to go forward is for Congress to look backward and return to old-fashioned values. We need a new ethic of service rather than privilege; a new competitiveness, not a new class; legislative checks and balances, not stultified incumbency; new restraints on campaign spending and political action committees, not more self-promotion and self-perpetuating political IOU's.

□ 1940

HEALTH CARE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from West Virginia [Mr. STAGGERS] is recognized for 5 minutes.

Mr. STAGGERS. Madam Speaker, there has been a lot of talk about health care; obviously we are all for health care. I have also listened to the last speaker, the gentleman from Iowa [Mr. LEACH], who talked about PAC's, and obviously PAC's are not always bad. But I have noticed with health care that there is a lot of money that comes from doctors PAC's, the AMA, from large insurance companies, and I hope that does not cloud our view of the future for health care. I would like to give a brief outline of some of the things I would like to see.

Madam Speaker, I have not seen a plan yet that incorporates all of this, but a comprehensive health-care plan does have to be comprehensive. We do have to deal with health, we have to deal with a personal type of care, and we have to deal also with the support services which will be necessary to carry that program through.

One of the things, being on the Committee on Veterans' Affairs, I hope we can do is keep the VA hospital system in place to give those veterans that have fought so hard for our country that system that they deserve. I also believe that the gentleman from Illinois [Mr. RUSSO] was right, that we should have a singlepayer system. The elimination of paperwork reduces the cost and makes it more accessible to people.

There are some other good programs which will allow flexibility of the States. I think that is a good thing. Not only are people locked out because they cannot afford health-care insurance, but in some rural areas they are locked out because of geographical areas.

Most of the health-care reforms I have looked at do not include home health care as a centerpiece. This would hone down costs and allow for greater dignity and more freedom for the patients. Home health care has to be an important part of any health-care program we adopt, and obviously, along with home health care, we have to look at long-term programs. For people who are disabled, and for chronically ill children and for the elderly of this country I think that must be included.

We must provide hospice and respite care for those people in our society who need those services. We must allow people with mental retardation and other developmental disabilities to have access to the system which none of the plans I am looking at would do. We must have the preventative care across the board, including prenatal, mental health, and rehabilitation.

Madam Speaker, we all know we can do better. The point is we have to do better now.

THE COLLAPSE OF COMMUNISM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Louisiana [Mr. LIVINGSTON] is recognized for 5 minutes.

Mr. LIVINGSTON. Madam Speaker, I rise to reemphasize remarks I made this morning concerning the most inspiring and remarkable development of the last 45 years, the collapse of world communism and the resulting newfound freedom of hundreds of millions of people.

Time magazine some weeks ago broke the story behind the story—the tale of how President Ronald Reagan and Pope John Paul II worked together to keep Poland's Solidarity movement alive and undermine the Communist system which tried to oppress it.

As I did this morning, I commend Time for breaking the story, and I want even more to recognize the foresight and resolve of Ronald Reagan and John Paul II, who saw in Lech Walesa and his followers the bravery and heroism necessary to make freedom ring in Poland.

I enter into the RECORD the Time article in its entirety. And I quote here from the article to emphasize the most important points:

Nobody believed the collapse of Communism would happen this fast or on this timetable, said a cardinal who was one of the Pope's closest aides. But in their first meeting, the Holy Father and the President committed themselves and the institutions of the church and America to such a goal.

And, said the article,

Step by reluctant step, the Soviets and the Communist government of Poland bowed to the moral, economic and political pressure imposed by the Pope and the President . . . In December 1990, nine years after he was arrested and his labor union banned, Lech Walesa became President of Poland.

And in that, I say, we should all rejoice.

[From Time Magazine, Feb. 24, 1992]

THE HOLY ALLIANCE

(By Carl Bernstein)

Only President Ronald Reagan and Pope John Paul II were present in the Vatican Library on Monday, June 7, 1982. It was the first time the two had met, and they talked for 50 minutes. In the same wing of the papal apartments, Agostino Cardinal Casaroli and Archbishop Achille Silvestrini met with Secretary of State Alexander Haig and Judge William Clark, Reagan's National Security Adviser. Most of their discussion focused on Israel's invasion of Lebanon, then in its second day; Haig told them Prime Minister Menachem Begin had assured him that the invasion would not go farther than 25 miles inside Lebanon.

But Reagan and the Pope spent only a few minutes reviewing events in the Middle East. Instead they remained focused on a subject much closer to their hearts: Poland and the Soviet dominance of East-Europe. In that meeting, Reagan and the Pope agreed to undertake a clandestine campaign to hasten the dissolution of the communist empire. Declares Richard Allen, Reagan's first National Security Adviser: "This was one of the great secret alliances of all time."

The operation was focused on Poland, the most populous of the Soviet satellites in Eastern Europe and the birthplace of John Paul II. Both the Pope and the President were convinced that Poland could be broken out of the Soviet orbit if the Vatican and the U.S. committed their resources to destabilizing the Polish government and keeping the outlawed Solidarity movement alive after the declaration of martial law in 1981.

Until Solidarity's legal status was restored in 1989 it flourished underground, supplied, nurtured and advised largely by the network established under the auspices of Reagan and John Paul II. Tons of equipment—fax machines (the first in Poland), printing presses, transmitters, telephones, shortwave radios, video cameras, photocopiers, telex machines, computers, word processors—were smuggled into Poland via channels established by priests and American agents and representatives of the AFL-CIO and European labor movements. Money for the banned union come from CIA funds, the National Counts in the Vatican and Western trade unions.

Lech Walesa and other leaders of Solidarity received strategic advice—often conveyed by priests or American and European labor experts working undercover in Poland—that reflected the thinking of the Vatican and the Reagan Administration. As the effectiveness of the resistance grew, the stream of information to the West about the internal decisions of the Polish government and the contents of Warsaw's communications with Moscow became a flood. The details came not only from priests but also from spies within the Polish government.

DOWN WITH YALTA

According to aides who shared their leaders' view of the world, Reagan and John Paul II refused to accept a fundamental political fact of their lifetimes: the division of Europe as mandated at Yalta and the communist dominance of Eastern Europe. A free, noncommunist Poland, they were convinced, would be a dagger to the heart of the Soviet empire; and if Poland became democratic, other East European states would follow.

"We both felt that a great mistake had been made at Yalta and something should be done," Reagan says today. "Solidarity was the very weapon for bringing this about, because it was an organization of the laborers of Poland." Nothing quite like Solidarity had ever existed in Eastern Europe, Reagan notes, adding that the workers' union "was contrary to anything the Soviets would want or the communists [in Poland] would want."

According to Solidarity leaders, Walesa and his lieutenants were aware that both Reagan and John Paul II were committed to Solidarity's survival, but they could only guess at the extent of the collaboration. "Officially I didn't know the church was working with the United States" says Wojciech Adamiecki, the organizer and editor of underground Solidarity newspapers and now a counselor at the Polish embassy in Washington. "We were told the Pope had warned the Soviets that if they entered Poland he would fly to Poland and stay with the Polish people. The church was of primary assistance. It was half open, half secret. Open as far as humanitarian aid—food, money, medicine, doctors' consultations held in churches, for instance—and secret as far as supporting political activities; distributing printing machines of all kinds, giving us a place for underground meetings, organizing special demonstrations."

At their first meeting, Reagan and John Paul II discussed something else they had in common: both had survived assassination attempts only six weeks apart in 1981, and both believed God had saved them for a special mission. "A close friend of Ronald Reagan's told me the President said, 'Look how the evil forces were put in our way and how Providence intervened,'" says Pio Cardinal Laghi, the former apostolic delegate to Washington. According to National Security Adviser Clark, the Pope and Reagan referred to the "miraculous" fact that they had survived. Clark said the men shared "a unity of spiritual view and a unity of vision on the Soviet empire: that right or correctness would ultimately prevail in the divine plan."

"Reagan came in with very simple and strongly held views," says Admiral Bobby Inman, former deputy director of the CIA. "It is a valid point of view that he saw the collapse [of communism] coming and he pushed it—hard." During the first half of 1982, a five-part strategy emerged that was aimed at bringing about the collapse of the Soviet economy, fraying the ties that bound the U.S.S.R. to its client states in the Warsaw Pact and forcing reform inside the Soviet empire. Elements of that strategy included:

The U.S. defense buildup already under way, aimed at making it too costly for the Soviets to compete militarily with the United States Reagan's Strategic Defense Initiative—Star Wars—became a centerpiece of the strategy.

Covert operations aimed at encouraging reform movements in Hungary, Czechoslovakia and Poland.

Financial aid to Warsaw Pact nations calibrated to their willingness to protect human rights and undertake political and free-market reforms.

Economic isolation of the Soviet Union and the withholding of Western and Japanese technology from Moscow. The Administration focused on denying the U.S.S.R. what it had hoped would be its principal source of hard currency in the 21st century: profits from a transcontinental pipeline to supply natural gas to Western Europe. The 3,600-mile-long pipeline, stretching from Siberia to France, opened on time on Jan. 1, 1984, but on a far smaller scale than the Soviets had hoped.

Increased use of Radio Liberty, Voice of America and Radio Free Europe to transmit the Administration's messages to the peoples of Eastern Europe.

Yet in 1982 neither Reagan nor the Pope could anticipate the accession of a Soviet leader like Mikhail Gorbachev, the father of glasnost and perestroika; his efforts at reform unleashed powerful forces that spun out of his control and led to the breakup of the Soviet Union. The Washington-Vatican alliance "didn't cause the fall of communism," observes a U.S. official familiar with the details of the plot to keep Solidarity alive. "Like all great and lucky leaders, the Pope and the President exploited the forces of history to their own ends."

THE CRACKDOWN

The campaign by Washington and the Vatican to keep Solidarity alive began immediately after General Wojciech Jaruzelski declared martial law on Dec. 13, 1981. In those dark hours, Poland's communications with the noncommunist world were cut; 6,000 leaders of Solidarity were detained; hundreds were charged with treason, subversion and counterrevolution; nine were killed; and the union was banned. But thousands of others went into hiding, many seeking protection in churches, rectories and with priests. Authorities took Walesa into custody and interned him in a remote hunting lodge.

Shortly after Polish security forces moved into the streets, Reagan called the Pope for his advice. At a series of meetings over the next few days, Reagan discussed his options. "We had a massive row in the Cabinet and the National Security Council about putting together a menu of counteractions," former Secretary of State Haig recalls. "They ranged from sanctions that would have been crushing in their impact on Poland to talking so tough that we would have risked creating another situation like Hungary in '56 or Czechoslovakia in '68."

Haig dispatched Ambassador at Large Vernon Walters, a devout Roman Catholic, to meet with John Paul II. Walters arrived in Rome soon after, and met separately with the Pope and with Cardinal Casaroli, the Vatican secretary of state. Both sides agreed that Solidarity's flame must not be extinguished, that the Soviets must become the focus of an international campaign of isolation, and that the Polish government must be subjected to moral and limited economic pressure.

According to U.S. intelligence sources, the Pope had already advised Walesa through church channels to keep his movement operating underground, and to pass the word to

Solidarity's 10 million members not to go into the streets and risk provoking Warsaw Pact intervention or civil war with Polish security forces. Because the communists had cut the direct phone lines between Poland and the Vatican, John Paul II communicated with Jozef Cardinal Glemp in Warsaw via radio. He also dispatched his envoys to Poland to report on the situation. "The Vatican's information was absolutely better and quicker than ours in every respect," says Haig. "Though we had some excellent sources of our own, our information was taking too long to filter through the intelligence bureaucracy."

In the first hours of the crisis, Reagan ordered that the Pope receive as quickly as possible, relevant American intelligence including information from a Polish Deputy Minister of Defense who was secretly reporting to the CIA. Washington also handed over to the Vatican reports and analysis from Colonel Ryszard Kuklinski, a senior member of the Polish general staff, who was a CIA informant until November 1981, when he had to be smuggled out of Poland after he warned that the Soviets were prepared to invade if the Polish government did not impose martial law. Kuklinski had issued a similar informing him about a Soviet military action in late 1980, which led the outgoing Carter Administration to send secret messages to Leonid Brezhnev warning that among the costs of an invasion would be the sale of sophisticated U.S. weapons to China. This time, Kuklinski reported to Washington, Brezhnev had grown more impatient, and a disastrous harvest at home meant that the Kremlin did not need mechanized army units to help bring in the crops and instead could spare them for an invasion. "Anything that we knew that we thought the Pope would not be aware of, we certainly brought it to his attention," says Reagan. "Immediately."

THE CATHOLIC TEAM

The key Administration players were all devout Roman Catholics—CIA chief William Casey, Allen, Clark, Haig, Walters and William Wilson, Reagan's first ambassador to the Vatican. They regarded the U.S.-Vatican relationship as a holy alliance: the moral force of the Pope and the teachings of their church combined with their fierce anticommunism and their notion of American democracy. Yet the mission would have been impossible without the full support of Reagan, who believed fervently in both the benefits and the practical applications of Washington's relationship with the Vatican. One of his earliest goals as President, Reagan says, was to recognize the Vatican as a state "and make them an ally."

According to Admiral John Poindexter, the military assistant to the National Security Adviser when martial law was declared in Poland, Reagan was convinced that the communists had made a huge miscalculation: after allowing Solidarity to operate openly for 16 months before the crackdown, the Polish government would only alienate its countrymen by attempting to cripple the labor movement and, most important, would bring the powerful church into direct conflict with the Polish regime. "I didn't think that this [the decision to impose martial law and crush Solidarity] could stand, because of the history of Poland and the religious aspect and all," Reagan says. Says Cardinal Casaroli: "There was a real coincidence of interests between the U.S. and the Vatican."

The major decisions on funneling aid to Solidarity and responding to the Polish and Soviet governments were made by Reagan, Casey and Clark, in consultation with John Paul II. "Reagan understood these things quite well, including the covert side," says Richard Pipes, the conservative Polish-born scholar who headed the NSC's Soviet and East European desks. "The President talked about the evil of the Soviet system—not its people—and how we had to do everything possible to help these people in Solidarity who were struggling for freedom. People like Haig and Commerce Secretary Malcolm Baldrige and James Baker [White House chief of staff at the time] thought it wasn't realistic. George Bush never said a word. I used to sit behind him, and I never knew what his opinions were. But Reagan really understood what was at stake."

By most accounts, Casey stepped into the vacuum in the first days after the declaration of martial law in Poland and—as he did in Central America—became the principal policy architect. Meanwhile Pipes and the NSC staff began drafting proposals for sanctions. "The object was to drain the Soviets and to lay blame for martial law at their doorstep," says Pipes. "The sanctions were coordinated with Special Operations [the CIA division in charge of covert task forces], and the first objective was to keep Solidarity alive by supplying money, communications and equipment.".

"The church was trying to modulate the whole situation," explains one of the NSC officials who directed the effort to curtail the pipeline. "They [church leaders] were in effect trying to create circumstances that would head off the serious threat of Soviet intervention while allowing us to get tougher and tougher; they were part and parcel of virtually all of our deliberations in terms of how we viewed the evolution of government-sponsored repression in Poland—whether it was lessening or getting worse, and how we should proceed."

As for his conversations with Reagan about Poland, Clark says they were usually short. "I don't think I ever had an in-depth, one-on-one, private conversation that existed for more than three minutes with him—on any subject. That might shock you. We had our own code of communication. I knew where he wanted to go on Poland. And that was to take it to its nth possibilities. The President and Casey and I discussed the situation on the ground in Poland constantly: covert operations; who was doing what, where, why and how; and the chances of success." According to Clark, he and Casey directed that the President's daily brief—the PDB, an intelligence summary prepared by the CIA—include a special supplement on secret operations and analysis in Poland.

The Pope himself, not only his deputies, met with American officials to assess events in Poland and the effectiveness of American actions and sent back messages—sometimes by letter, sometimes orally—to Reagan. On almost all his trips to Europe and the Middle East, Casey flew first to Rome, so that he could meet with John Paul II and exchange information. But the principal emissary between Washington and Rome remained Walters, a former deputy director of the CIA with Casey. Walters met with the Pope perhaps a dozen times, according to Vatican sources. "Walters was sent to and from the Vatican for the specific purpose of carrying messages between the Pope and the President," says former U.S. Ambassador to the Vatican Wilson. "It wasn't supposed to be known that Walters was there. It wasn't all specifically geared to Poland; sometimes there were also discussions about Central America or the hostages in Lebanon."

Often in the Reagan years, American covert operations (including those in Afghanistan, Nicaragua and Angola) involved "lethal assistance" to insurgent forces: arms, mercenaries, military advisers and explosives. In Poland the Pope, the President and Casey embarked on the opposite path: "What they had to do was let the natural forces already in place play this out and not get their fingerprints on it," explains an analyst. What emerges from the Reagan-Casey collaboration is a carefully calibrated operations whose scope was modest compared with other CIA activities. "If Casey were around now, he'd be having some smiles," observes one of his reluctant admirers. "In 1991 Reagan and Casey got the reordering of the world they wanted."

THE SECRET DIRECTIVE

Less than three weeks before his meeting with the Pope in 1982, the President signed a secret national-security-decision directive (NSDD 32) that authorized a range of economic, diplomatic and covert measures to "neutralize efforts of the U.S.S.R." to maintain its hold on Eastern Europe. In practical terms, the most important covert operations undertaken were those inside Poland. The primary purposes of NSDD 32 were to destabilize the Polish government through covert operations involving propaganda and organizational aid to Solidarity; the promotion of human rights, particularly those related to the right of worship and the Catholic Church; economic pressure; and diplomatic isolation of the communist regime. The document, citing the need to defend democratic reform efforts throughout the Soviet empire, also called for increasing propaganda and underground broadcasting operations in Eastern Europe, actions that Reagan's aides and dissidents in Eastern Europe believe were particularly helpful in chipping away at the notion of Soviet invincibility.

As Republican Congressman Henry Hyde, a member of the House Intelligence Committee from 1985 to 1990, who was apprised of some of the Administration's covert actions, observes, "In Poland we did all of the things that are done in countries where you want to destabilize a communist government and strengthen resistance to that. We provided the supplies and technical assistance in terms of clandestine, newspapers, broadcasting, propaganda, money, organizational help and advice. And working outward from Poland, the same kind of resistance was organized in the other communist countries of Europe."

Among those who played a consulting role was Zbigniew Brzezinski, a native of Poland and President Jimmy Carter's National Security Adviser. "I got along very well with Casey," recalls Brzezinski. "He was very flexible and very imaginative and not very bureaucratic; if something needed to be done, it was done. To sustain an underground effort takes a lot in terms of supplies, networks, etc., and this is why Solidarity wasn't crushed."

On military questions, American intelligence was better than the Vatican's but the church excelled in its evaluations of the political situation. And in understanding the mood of the people and communicating with the Solidarity leadership, the church was in an incomparable position. "Our information about Poland was very well founded because the bishops were in continual contact with the Holy See and Solidarnosc," explains Cardinal Silvestrini, the Vatican's deputy secretary of state at that time. "They informed us about prisoners, about the activities and needs of Solidarity groups and about the attitude and schisms in the government." All this information was communicated to the President or Casey.

"If you study the situation of Solidarity, you see they acted very closely, with out pressing too much at the crucial moments, because they had guidance from the church," says one of the Pope's closest aides. "Yes, there were times we restrained Solidarnosc. But Poland was a bomb that could explode—in the heart of communism, bordered by the Soviet Union, Czechoslovakia and East Germany. Too much pressure, and the bomb would go off."

CASEY'S CAPPUCCINO

Meanwhile, in Washington a close relationship developed between Casey, Clark and Archbishop Laghi. "Casey and I dropped into his [Laghi's] residence early morning during critical times to gather his comments and counsel," says Clark. 'We'd have breakfast and coffee and discuss what was being done in Poland, I'd speak to him frequently on the phone, and he would be in touch with the Pope." Says Laghi: "They liked good cappuccino. Occasionally we might talk about Central America or the church position on birth control. But usually the subject was Poland."

"Almost everything having to do with Poland was handled outside of normal State Department channels and would go through Casey and Clark," say Robert McFarlane, who served as a deputy to both Clark and Haig and later as National Security Adviser to the President. "I knew that they were meeting with Pio Laghi, and that Pio Laghi has been to see the President, but Clark would never tell me what the substance of the discussions was."

On at least six occasions Laghi came to the White House and met with Clark or the President; each time, he entered the White House through the southwest gate in order to avoid reporters. "By keeping in such close touch, we did not cross lines," says Laghi. "My role was primarily to facilitate meetings between Walters and the Holy Father. The Holy Father knew his people. It was a very complex situation—how to insist on human rights, on religious freedom, and keep Solidarity alive without provoking the communist authorities further. But I told Vernon, 'Listen to the Holy Father. We have 2,000 years' experience at this.'"

Though William Casey has been vilified for aspects of his tenure as CIA chief, there is no criticism of his instincts on Poland. "Basically, he had a quiet confidence that the communists couldn't hold on, especially in Poland," says former Congressman Edward Derwinski, a Polish-speaking expert on Eastern Europe who counseled the Administration and met with Casey frequently. "He was convinced the system was falling and doomed to collapse one way or another—and Poland was the force that would lead to the dam breaking. He demanded a constant [CIA] focus on Eastern Europe. It wasn't noticed, because other stories were more controversial and were perking at the moment—Nicaragua and Salvador."

In Poland, Casey conducted the kind of old-style operation that he relished, something he might have done in his days at the Office of Strategic Services during World War II or in the early years of the CIA, when the democracies of Western Europe rose from the ashes of World War II. It was though Casey's contacts, his associates say, that elements of the Socialist International were organized on behalf of Solidarity—just as the Social Democratic parties of Western Europe had been used as an instrument of American policy by the CIA in helping to create anticommunist governments after the war. And this time the objective was akin to creating a Christian Democratic majority in Poland—with the church and the overwhelmingly Catholic membership of Solidarity as the dominant political force in a postcommunist Poland. Through his contacts with leaders of the Socialist International, including officials of socialist governments in France and Sweden, Casey ensured that tactical assistance was available on the Continent and at sea to move goods into Poland. "This wasn't about spending huge amounts of money," says Brzezinski. "It was about getting the message out and resisting: books, communications equipment, propaganda, ink and printing presses.

The American embassy in Warsaw became the pivotal CIA station in the communist world and, by all accounts, the most effective. Meanwhile, the AFL-CIO, which had been the largest source of American support for Solidarity before martial law, regarded the Reagan Administration's approach as too slow and insufficiently confrontational with the Polish authorities. Nonetheless, according to intelligence sources, AFL-CIO president Lane Kirkland and his aide Tom Kahn consulted frequently with Poindexter, Clark and other officials at the State Department and the NSC on such matters as how and when to move goods and supplies into Poland, identifying cities where Solidarity was in particular need of organizing assistance, and examining how Solidarity and the AFL-CIO might collaborate in the preparation of propaganda materials.

"Lane Kirkland deserves special credit," observes Derwinski. "They don't like to admit [it], but they literally were in lockstep [with the Administration]. Also never forget that Bill Clark's wife is Czechoslovak, as is Lane Kirkland's wife. This is one issue where everybody was aboard; there were no turf fights or mavericks or naysayers."

But AFL-CIO officials were never aware of the extent of clandestine U.S. assistance, or the Administration's reliance on the church for guidance regarding how hard to push Polish and Soviet authorities. Casey was wary of "contaminating" the American and European labor movements by giving them too many details of the Administration's efforts. And indeed this was not strictly a CIA operation. Rather, it was a blend of covert and overt, public policy and secret alliances. Casey recognized that in many instances the AFL-CIO was more imaginative than his own operatives in providing organizational assistance to Solidarity and smuggling equipment into the country. According to former deputy CIA director Inman, Casey decided that the American labor movement's relationship with Solidarity was so good that much of what the CIA needed could be financed and obtained through AFL-CIO channels. "Financial support wasn't what they needed," says Inman. "It was organization, and that was an infinitely better way to help them than through classic covert operations."

The Solidarity office in Brussels became an international clearinghouse: for representatives of the Vatican, for CIA operatives, for the AFL-CIO, for representatives of the Socialist International, for the congressionally funded National Endowment for Democracy, which also worked closely with Casey. It was the place where Solidarity told its backers—some of whose real identities were unknown to Solidarity itself—what it needed, where goods and supplies and organizers could be most useful. Priests, couriers, labor organizers and intelligence operatives moved in and out of Poland with requests for aid and with detailed information on the situation inside the government and the underground. Food and clothing and money to pay fines of Solidarity leaders who were brought before Polish courts poured into the country. Inside Poland, a network of priests carried messages back and forth between the churches where many of Solidarity's leaders were in hiding.

In the summer of 1984, when the sanctions against Poland seemed to be hurting ordinary Poles and not the communists, Laghi traveled to Santa Barbara to meet with Reagan at the Western White House and urge that some of the sanctions be lifted. The Administration complied. At the same time, the White House, in close consultation with the Vatican, refused to ease its economic pressures on Moscow—denying technology, food and cultural exchanges as the price for continuing oppression in Poland.

Much of the equipment destined for Solidarity arrived in Poland by ship—often packed in mismarked containers sent from Denmark and Sweden, then unloaded at Gdansk and other ports by dockers secretly working with Solidarity. According to Administration officials, the socialist government of Sweden—and Swedish labor unions—played a crucial role in arranging the transshipment of goods to Poland. From the Polish docks, equipment moved to its destination in trucks and private cars driven by Solidarity sympathizers who often used churches and priests as their point of contact for deliveries and pickups.

"SOLIDARITY LIVES!"

"The Administration plugged into the church across the board," observes Derwinski, now Secretary of Veterans Affairs. "Not just through the church hierarchy but through individual churches and bishops. Monsignor Bronislaw Dabrowski, a deputy to Cardinal Glemp, came to us often to tell us what was needed: he would meet with me, with Casey, the NSC and sometimes with Walters." John Cardinal Krol of Philadelphia, whose father was born in Poland, was the American churchman closest to the Pope. He frequently met with Casey to discuss support for Solidarity and covert operations, according to CIA sources and Derwinski, "Krol hit it off very well with President Reagan and was a source of constant advice and contact," says Derwinski. "Often he was the one Casey or Clark went to, the one who really understood the situation."

By 1985 it was apparent that the Polish government's campaign to suppress Solidarity had failed. According to a report by Adrian Karatnycky, who helped organize the AFL-CIO's assistance to Solidarity, there were more than 400 underground periodicals appearing in Poland, some with a circulation that exceeded 30,000. Books and pamphlets challenging the authority of the communist government were printed by the thousands. Comic books for children recast Polish fables and legends, with Jaruzelski pictured as the villain, communism as the red dragon and Walesa as the heroic knight. In church basements and homes, millions of viewers watched documentary videos produced and screened on the equipment smuggled into the country.

With clandestine broadcasting equipment supplied by the CIA and the AFL-CIO, Solidarity regularly broke into the government's radio programming, often with the message "Solidarity lives" or "Resist." Armed with a transmitter supplied by the CIA through church channels, Solidarity interrupted television programming with both audio and visual messages, including calls for strikes and demonstrations. "There was a great moment at the half time of the national soccer championship," says a Vatican official. "Just as the whistle sounded for the half, a "solidarity lives!" banner went up on the screen and a tape came on calling for resistance. What was particularly ingenious was waiting for the half-time break; had the interruption come during actual soccer play, it could have alienated people." As Brzezinski sums it up, "This was the first time that communist police suppression didn't succeed."

"Nobody believed the collapse of communism would happen this fast or on this timetable," says a cardinal who is one of the Pope's closest aides. "But in their first meeting, the Holy Father and the President committed themselves and the institutions of the church and America to such a goal. And from that day, the focus was to bring it about in Poland."

Step by reluctant step, the Soviets and the communist government of Poland bowed to the moral, economic and political pressure imposed by the Pope and the President. Jails were emptied, Walesa's trial on charges of slandering state officials was abandoned, the Polish communist party turned fratricidal, and the country's economy collapsed in a haze of strikes and demonstrations and sanctions.

On Feb. 19, 1987, after Warsaw had pledged to open a dialogue with the church, Reagan lifted U.S. sanctions. Four months later, Pope John Paul II was cheered by millions of his countrymen as he traveled across Poland demanding human rights and praising Solidarity. In July 1988, Gorbachev visited Warsaw and signaled Moscow's recognition that the government could not rule without Solidarity's cooperation. On April 5, 1989, the two sides signed agreements legalizing Solidarity and calling for open parliamentary elections in June. In December 1990, nine years after he was arrested and his labor union banned, Lech Walesa became president of Poland.

THE UNEMPLOYMENT COMPENSATION AMENDMENTS OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio [Mr. PEASE] is recognized for 5 minutes.

Mr. PEASE. Madam Speaker, one of the thoughts that goes through every Member's mind when he contemplates retirement from office is whether the unfinished work of his career will be carried on when he is gone—especially if one of the unfinished projects is something like unemployment reform, which is complex, tedious, and decidedly unsexy in terms of drawing media attention.

But it is vitally important, as many Americans have learned in the past 2 years. The 1980's were not exactly a period when job loss and industrial displacement were front and center in the minds of lawmakers. Although the country has suffered a serious recession in the early 1980's which was marked by a devastating level of industrial displacement, most Americans in that decade enjoyed a remarkable economic joyride marked by high wages and free spending. It was impossible during those years to convince many Members to focus on the holes we had discovered in the unemployment system during the 1981 recession. Unemployment for most Americans was not a problem.

Then the rollercoaster came to an abrupt stop. Suddenly, all of the problems in the unemployment system which we had failed to address after the 1981 recession were back to haunt us—only this time, it wasn't only blue-collar manufacturing workers who were losing their jobs. This time, white-collar middle managers were also being victimized. Unemployment reform could no longer be ignored.

But this time, we faced other problems. Thanks to our fiscal irresponsibility in the 1980's and the fact that our economy was no longer growing, the deficit made it difficult to finance minimal benefits, much less reform the flawed system. And President Bush's stubborn refusal to admit we had an unemployment problem didn't help matters—we all remember how difficult it was to get extended benefits enacted last year. As the current recession has dragged on and on, it has become very apparent to all of us here that the catch-as-catch-can approach to unemployment assistance—crisis management, if you will—is no longer going to do the job.

That's why I find it extremely gratifying to add my name as an original cosponsor of the Downey-Rostenkowski Unemployment Compensation Amendments of 1992. On a personal level, this legislation assures me that my efforts to reform the UI system over the last 10 years will not have been in vain. Much more importantly, the flawed unemployment insurance system which has failed laid-off Americans in the last recession and the current one will finally be addressed. This bill is innovative, it pays for itself, and it has the backing of two very able and dedicated UI reformers in Congress—it authors, TOM DOWNEY and DAN ROSTENKOWSKI. This is important legislation. It is timely. It will help make life better for countless Americans as the Nation goes through this painful transition from a manufacturing to a service-oriented economy. I'm proud to cosponsor it.

□ 1950

TIME FOR USTR TO NEGOTIATE MACHINE TOOL AGREEMENT

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Connecticut [Mrs. KENNELLY] is recognized for 5 minutes.

Mrs. KENNELLY. Madam Speaker, on December 27, 1991, President Bush decided to extend the machine tool voluntary restraint agreement for 2 years. He called for VRA extension negotiations to conclude by January 31, 1992. Unfortunately 2 months after the President's deadline no agreements have been concluded.

During the February VRA negotiations in Taipei, the United States Government proposed a 310 machine increase in the imports from Taiwan. Despite the obvious negative economic implications, the U.S. industry agreed to that increase, with certain understandings concerning product mix and timing.

Unfortunately, after this was proposed to the Taiwanese, the domestic United States industry was advised that both product mix and timing had been disregarded and could not be made a part of the VRA agreement unless the United States industry accepted the importation of an additional 52 machines from Taiwan. United States negotiators made this request by suggesting the use of a secret side letter, specifically designed to assist the Hurco Corp. of Indianapolis, a United States importer of Taiwanese machine tools.

The negotiations were suspended when the United States industry rejected the side letter proposal because the Japanese have excellent sources of information in both Washington and Taiwan. It would be impossible to keep such a letter confidential. As a result, Japan would demand a similar arrangement increase.

Since the suspension of negotiations in Taipei, the United States Trade Representative had increased the number of machines over 310 that it believed industry should accept from 52 to 273, and to 423 and most recently to an unbelievable 846 special licenses—again, exclusively for one company—Hurco.

The granting of 846 special licenses for Hurco will inevitably lead to granting 846 additional licenses to Japan, and would effectively nullify the President's determination to assist the domestic machine tool industry.

The question is why are U.S. negotiators attempting to assist one U.S. company at the expense of so many others who are not importers, but are manufacturers in the U.S. In my home State of Connecticut, Bridgeport Machine Tool in particular would be severely hurt by these actions.

Hurco contends that they are a manufacturer of machine tools in the United States. It is my understanding that this is not the case. Hurco makes controls and imports machine tools. Indeed, the March 1992 issue of a Japanese trade publication called "Metalworking, Engineering and Marketing" describes the newly established relationship between Hurco and the Shanghai Heavy Duty Machine Tool Works of the People's Republic of China to produce compact machining centers for export to the United States.

Further, Hurco has contended that it is the largest producer of machine tool controls. I don't believe this is correct. The truth is that Cincinnati Milacron and Giddings and Lewis rank as the top two producers of these products in the United States. In fact, Cincinnati Milacron alone employs more people in its control division in Lebanon, OH, than Hurco does in the United States.

During the previous VRA, Hurco persuaded the Department of Commerce to grant it a special exception to import Taiwanese machine tools, regardless of the VRA numerical quotas. In exchange, Hurco promised the Department that it would manufacture more of the components it uses in its machines in the United States.

After 3 years of broken promises, the Department of Commerce decided that Hurco had failed to meet progress and performance deadlines by not sufficiently increasing the percentage of machine tool components it manufactured within the United States. In 1990, the Department revoked Hurco's special exception right to import non-numerically controlled machine tools into the United States regardless of the VRA numerical quotas. The reasons for that suspension are even more valid today. Hurco currently is claiming that its supplier of castings is not longer price competitive and that it must source these products outside the United States. This, at a time when U.S. castings have never been less expensive.

Every American machine tool producer that imports components has had no problem meeting the Commerce Department's criteria, expect Hurco.

Madam Speaker, it is time the U.S. Trade Representative negotiated a machine tool agreement. And it is time that the United States Trade Representative looked after the interests of all American industry. Let's get a good agreement and let's get one now.

POINT OF PERSONAL PRIVILEGE ON THE ISSUE OF THE HOUSE BANK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 60 minutes.

Mr. HAYES of Illinois. Madam Speaker, I rise today to discuss the effects of the so-called check bouncing scandal currently sweeping Capitol Hill. I am very dismayed that I have to take this precious time to rise to address such an issue at a time when this Nation is truly falling apart. People are suffering because of poverty, homelessness, unemployment, and the lack of education and health care. Children in my district dodge bullets as they walk to and from school, elementary children are offered drugs every day, people that are homeless are forced to live outside when hundreds of useful homes are boarded up, many senior citizens fear leaving their homes because of the dramatic increase in violent crime, and thousands of people line up to apply for jobs when only a few can realistically be hired. These are the issues that ought to be legislated, yet the leadership, on both sides of the aisle, have chosen a different path.

From the outset I want to express my full support for constructive reform. My entire life has been committed to reform and progress, and I do not advocate the status quo. However, my question is, are we more concerned about systemic reform of this important body, or tearing down the reputation of individual Members? Many of the actions and statements that have been made on this House floor over the last few weeks have, in my opinion, clearly and deliberately been to tear down this body and individual Members for political gain.

Hours upon hours have been spent debating this check bouncing issue, and I expect that until November those in this body that benefit the most from this politicking will continue to fuel the fire on an issue that clearly does not warrant such attention. I feel that given my current status in the House, I can speak to this issue in a manner in which many of my colleagues may not feel comfortable. The issues that I want to briefly address today are issues which I was not given the liberty, or basic courtesy, of developing with my constituents because my name was leaked by someone in this body or related to this body.

As you all may be aware, 72 hours before the Illinois primary, that was the Saturday before the election, my name was released as one of the 24 worst abusers of the House bank. My name was released without my prior knowledge on my part, and obviously in violation of the provisions set forth in the House full disclosure resolution passed just the day before. Even before I could adequately respond, I had been tried and convicted by the press. There was basically no time to develop any damage control on the issue, and it cost me my reelection bid.

I have moved past my anger and bitterness and come before you today to merely get some issues off of my chest—to say what I believe should be said on this issue. Whether the general public, constituents of my district, or my colleagues choose to receive this message, I will know that I was able to express my honest feelings concerning this matter. Also, it just may help some of my colleagues who are currently targeted for the political guillotine. The media certainly have not afforded me this opportunity.

First, I think that we need to be honest with the public about the makeup of the so-called House bank. We all know that it was not really a bank, certainly not a traditional bank that the general public envisions. Our bank allowed Members of the House to deposit funds and draw checks on those funds for over 40 years. No interest was earned, and traditional banking services were not provided. The operation of the bank was shoddy at best. Many Members here today that will be indicted, tried, and convicted in the coming months by the media and political opponents did not even know when checks were being held, or as the media and some in this body like to state "bounced."

I included myself in that group. I was not notified of each overdraft. In several instances, moneys were at the House bank to cover my overdrafts, but had been held and not credited to my account in a timely fashion. My accountant has not yet completed the review of my records, but has confirmed that even my direct deposit payroll check was often not credited to my account on time, yet the bank charged my account for checks that were being held. I, of course, did not have a copy of my records from the Ethics Committee prior to the leak of my name to the press and to some of the political players in Chicago. So I just now, 2 weeks after my reelection effort, have the opportunity to review my personal records which were delivered to me 1 day after the election on March 18. However, the press did not choose to accurately report this information, and many in this House continue to encourage misinformation.

While there were no direct costs to the taxpayer, in my case, the overdrafts that I was notified about were covered in a very timely manner. No overdraft went unpaid, and I do not owe the House bank any money. Plain and simply, I never set out to abuse the House bank, or my status in this House in any way. If I deliberately intended to abuse the system, I certainly would not have immediately rectified the problem whenever notified.

To the contrary, as a loyal and ethical Member of this body, I voted in support of the Ethics Committee recommendation and supported the resolution for full disclosure. While I would again support the resolution today, I now know that no one in this body could ensure that the provisions set forth in the resolution would be followed. I fully expected, however naive that may sound now, that I would have had at least 10 days to be notified by the Ethics Committee of my status, an opportunity to review my records and appeal, if necessary, to dispute any findings. Of course, the 10-day waiting period has now been extended to afford other Members time to review records and appeal, and most importantly to dialog with their constituents about this matter. Once again, a courtesy that I was not afforded.

After serving in this body for just over 9 years, I know that I am not the first victim of an untimely leak or vicious treatment by hungry journalists. However, I was the first official victim of this so-called check kiting scandal.

The litmus test, as it were. One thing is for sure, the ultimate outcome could have been prevented.

The people of the First Congressional District of Illinois elected me to represent their interests in this Congress. I believe I have done that to the best of my ability, particularly during this Reagan-Bush era when the concerns of my constituents were not at the forefront of the agenda. While I tried my best to focus on issues of concern to the people of this Nation, my gravest mistake was to inattentively rely on the House bank to manage my personal funds.

Everyone here knows that many situations in life are not fair and I, too, have that understanding. While I will be around for several months to come, fully participating in this process, I have had a long and rich history in the Congress, and before my tenure here as an activist in the civil rights and labor movements. My entire life has been devoted to the improvement of the human condition. I have held to the hope for racial, ethnic and gender harmony, equality, and economic justice for all—this is what democracy means to me. I continued this belief once I was elected to fill the House seat left by my friend, the late Mayor Harold Washington.

I believe that my constituents, in time, will understand what has taken place in these last few months. I was a victim, as were they. But in closing, I think that we must closely consider the role that we allow the press to play in volatile issues here in this House. Do we truly want the media to dictate who should lead this country? Moreover, we must assess our role in empowering the press.

I, also, want to know who leaked the initial 24 names to the press. While it may be a moot point for me, for over 400 other Members it is quite relevant. Madam Speaker, I ask you to consider a full investigation of this matter so that we can restore, if possible, the integrity of this House of Representatives which has been impugned by this leak. Once the investigation is completed, I believe that the results must be fully revealed to the House. I would like to believe that this august body can withstand such review.

Today, I challenge the leadership of this body to move forward with needed reforms to reinstate the public trust in the work of the Congress. I merely suggest that the focus be real reform and not political bashing. Such a move is imperative to the ability to again begin to address the real issues of the day.

Mr. EARLY. Madam Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I yield to the gentleman from Massachusetts.

Mr. EARLY. Madam Speaker, I want to thank the gentleman for yielding to me.

My colleagues, in my 18 years in this body, I stand here today a little more ashamed than I have ever been, not for myself but for this House.

My colleagues, I cannot believe, after the House has gone into special orders, when every Member is aware there will be no more votes, when the membership has gone home, the chairman of the Committee on Standards of Official Conduct, the gentleman from New York [Mr. MCHUGH], the gentleman from Maryland [Mr. CARDIN], all the members of that specific committee linger around.

I am of the impression they were going to try to slide it in, just make the report, give no one who is on that list a chance.

□ 2010

I spent all day today, all day, asking the six-member subcommittee to give me due process, to let me go before the whole committee, because in this particular case two people are involved; similar types of cases, the gentleman, and not my friend but a man I respect, the gentleman from Oklahoma [Mr. EDWARDS], who should not be on any list, and myself.

We asked that we could come before the full committee for this reason.

Today, the House Ethics Committee is releasing its report listing the Members whom they have judged to be the worst abusers of the now-defunct House bank. My name will be on that list by virtue of a 3 to 3 tie vote by the subcommittee responsible for conducting the inquiry. Two Republicans and one Democrat heard my appeal and voted for fairness. Two Democrats and one Republican, fearing that they might be accused of covering up—in the court of public opinion—voted against me. Fear dominated fairness; I feel betrayed.

In fairness to my constituents, and to me, I need to explain something about the worst-abusers list. In its original form, it was a preliminary list. Prior to any public release, Members were supposed to have an opportunity to present data to support their individual actions in regard to their accounts at the House bank. Eager media representatives, feasting on a feeding frenzy fostered by a leak in the Washington Times, took the story and ran it as gospel. By the time I had a chance to present my story to the Ethics Committee, the issue was getting off the list of worst abusers rather than whether I belonged on the list in the first place. The Ethics Committee got backed into a corner by an overeager press, making a Member's chances for getting his or her name off the list a virtual impossibility.

For you to fairly assess whether I belonged on that list to begin with, I need to spell out details about the House bank system. When I came to Congress in 1974, the Sergeant-at-Arms Office advised me that historic precedent allowed the Members to draw on their next month's paycheck. A Member of Congress is paid on the first day of each month for the prior month. (For example, on April 1, I receive my pay for the month of March.) According to the rules and procedures which were explained to me, I was allowed to draw down during April on the paycheck which I would be receiving May 1. That's the way that House Members had been operating for 100 years. From the day that I arrived in Washington until the day that the House bank closed, those rules and procedures never changed.

Now how about my own personal account at the House bank—as relates to those rules? As long as I did not exceed, at any one time, the amount of my next month's net pay, my account was considered in good standing. I understood my net pay to be the gross amount, minus mandatory deductions (Federal and State taxes, FICA, retirement). That's exactly how IRS defines net pay. All other deductions, like transfers to the credit union for educational loans, were discretionary. I could choose at any given time to change the amount and timing of the transfer of those allotments.

So when I wrote checks to meet my personal obligations, I thought of my net pay pool as being the amount of my gross pay after mandatory deductions. I also factored in the credit offered by the House bank in allowing me to draw on my next month's pay. A certified public accountant has examined every statement and every check for the 15-month period in which I am reputed to have drawn in excess of my next month's salary, and he has verified that after every check transaction, with only one exception, I maintained a positive balance. I ask you then: Is it fair for me to be counted among the worst abusers of the House bank?

How would you feel if your bank called you 4 years after the fact and told you that the check overdraft protection which you thought you had really did not exist . . . that the system under which you had been conducting business was invalid? What if your bank advised that even though they had paid your checks, they were really drawn on an account that had insufficient funds? What if they then incorrectly informed your mortgage company, your landlord, and others that you had been overdrawn. Wouldn't you be outraged?

My bookkeeping, while far from perfect, was based on my belief that I could draw down on my next pay deposit. All my checks were paid by the House bank; none were returned. At the end of every month's activity, I received a bank statement that consistently showed a positive balance and no check was marked "Returned for Insufficient Funds." I never had notice of being overdrawn; I relied totally on the information provided by the House bank; I had a right to depend on those bank statements. It is because of those statements that I said in my initial press release after the list was leaked: "I do not believe that I ever bounced a check. I never violated the rules."

One of my greatest frustrations during this whole episode is that I have had to divert attention from what I consider to be my primary mission as a Member of Congress: Representing my constituents. My staff and I have had to devote countless hours to researching records, examining bank statements and individual checks, and preparing materials to be presented to the Ethics Committee. Make no mistake about it: I understand very clearly that there are major issues about which my constituents are most deeply concerned: The national economy, rising health costs, cuts in education, homelessness, jobs. Rather than focusing on these vital priorities which affect the everyday life of the people in the third Congressional District of Massachusetts, I have been trying to respond to the uproar created by the release of inaccurate and incomplete information.

I made my case to the Ethics Committee and asked for a fair and just hearing. I believe if any of you had been in my shoes, you would have fought just as hard to have your day in court. I come now with a full description of what happened and why—sharing details of my personal financial affairs, within the bounds of what I consider to be my right to privacy. Make me accountable, but base that accountability on my 17 years of diligent service in the House of Representatives and on my ability to serve in the future. Judge me on the merits of my record as a public servant. I think that's fair.

In the IRS rule, let me read:

> To determine net salary, deduct only mandatory items from your gross salary, such as Social Security and other withheld taxes and company retirement. Do not deduct allotments you elect to take out of the check, such as insurance payments, credit union deductions, car payments, et cetera.

So when I wrote, for instance, transfers, that is exactly how IRS defines net pay. All other deductions like transfers to the credit union for educational loans were discretionary. I could choose at any given time to change the amount and timing of the transfer of those allotments.

I ask the press, this is the list. The Ethics Committee is going to come in and suggest that these 24 are the worst. I am going to suggest what is on the list for my name. It says I had 140 checks. My highest negative balance was $5,449, and I had 318 days with a negative balance.

Let me say this, there is another, these were the only 66. They didn't reconstruct the whole group. They reconstructed just these 66.

This gentleman, 851 checks, $13,550, the highest negative balance, 550 days with a negative balance, is not on the list. This one, 739 checks, $6,910, 437 days with a negative balance; another one, 399 checks, $8,602, 308 days with a negative balance; this one, 551 checks, $8,097, the highest negative, 499 days with a negative balance; this one, who overdrew at $80,000 with just nine checks; this one with just three checks, $92,000. None of those people are on the list.

The Ethics Committee sent me this overdraft and I dare them, if they were here, but they ran like rats. They ran. They didn't make their report when I had a chance to go eyeball to eyeball. What is wrong with going eyeball to eyeball if you are not afraid?

□ 2020

They gave me this list, ladies and gentlemen, and if the IRS interpretation was the rule, not their discretionary rule, or if any of the leading accounting firms determined what net pay was, JOSEPH D. EARLY would not be on it for any single month. I stand here and tell you, in my opinion, with my drafts I do not think I had one insufficient funded check. I have never been notified for 4 years. If this account was in my banking account in Worcester, not one check would have ever been turned back, not one. I dare the Ethics Committee to say it would be.

I have a $5,000 line of credit and have had for the last 10 years, which is really basically what my pay I thought was.

Ladies and gentlemen, every abuse I have is back in 1988, 1989, right at the beginning. I stand here as a partisan Democrat and tell this country that MICKEY EDWARDS from Oklahoma, who is a similar case, should never have been on this list. But Mr. MCHUGH and Mr. CARDIN and two Democrats do not want to let them off the list. In fact, they do not want to let him off the list so that they cannot take me off the list.

Due process, ladies and gentlemen, due process, a 3-to-3 vote. I do not think that is black and white. I really think that says there is a little indecision. I think they should have let me have due process before the whole committee.

I say to the gentleman from Illinois [Mr. HAYES], he has served this House well. I want to thank him for yielding to me and I am sorry that he was swept in by this. It is just too bad.

Mr. HAYES of Illinois. I thank the gentleman.

Mr. CLAY. Mr. Speaker, will the gentleman yield?

Mr. HAYES of Illinois. I am glad to yield to the gentleman from Missouri.

Mr. CLAY. Mr. Speaker, I thank the gentleman for yielding and also I thank him for taking this hour of special orders to explain to the American public what this is about. I agree with the gentleman from Massachusetts [Mr. EARLY], the procedure was a disgraceful example of what happens when you put little men in big positions, they bring the position down to their size every time.

The way the committee handled this affair and operated, it was callous, it was cavalier, it was unconscionable, and now at the end of the day, when all of the legislative business has been completed, and when all of the Members of the House, all of our colleagues have left the Hill, this committee attempted, the Ethics Committee attempted to slip on this floor and to further malign Members without an opportunity for those Members to rebut their libelous indictment. I think it is shameful, Mr. Speaker.

Let me tell you my case, which is very similar to the gentleman from Massachusetts and the gentleman from Oklahoma, and probably hundreds of others who have been indicted by this committee. I was accused of exceeding my next month's salary 10 times in a 39-month period. Untrue.

The committee arbitrarily established 8 months as the criteria for determining an abuser, whatever that might mean. And then the committee callously singled out 24 Members and designated them as the abusers. The committee made no attempt to analyze the nature of the overdraft or the amount of it that exceeded the next month's salary. Yet there are Members in this House who wrote single checks in excess of $100,000 without sufficient funds, and they are not on the list, Mr. Speaker. Let me say to you that it has been reported that there are Members who wrote more than $500,000 worth of overdrawn checks, and they too are not on the list as abusers.

I have been accused of overdrafts exceeding my next month's salary in 10 of the 39 months. But the record reveals that only once in the 39 months did my overdraft exceed the next month's pay on the last day of the month. And in that instance a check for $5,000 was presented on the last day of the month, and I did not have time to cover it.

But even observing the flimsy, unrealistic, unfair determination as to what this committee constitutes as an abuser, I challenge them designating me as one. I appeared before that committee and presented three documents refuting their erroneous contentions.

The first was for the month of September 1988, in which a check was presented to the Sergeant at Arms for $8,920.16 on September 13. I produced my statement from the Congressional Credit Union showing that a check for $9,000 was forwarded on the same day, September 13, to the Sergeant at Arms, either by messenger or inside mail. The credit union is 100 yards away, the length of a football field from the Sergeant at Arms. That check was stamped the next day as the next day's deposit. Why would it take a day and a half for a check to go 100 yards from the credit union to the Sergeant at Arms?

Then again, the second incident on November 29, 1990, a check for $16,507.97 was presented to the Sergeant at Arms. On November 29, the same day, a check for $16,000 left the credit union, and I showed these documents to the committee, 100 yards away it left the credit union. But it was not stamped for deposit until the next day.

Then on June 19, 1991, a check for $11,000 left the credit union for my account at the Sergeant at Arms. The next day a check for $10,847 was presented. However, the deposit slip did not show that the $11,000 arrived until the next day after the check had been presented.

Now, can you believe, can any reasonable person believe that it would take 2 days for a check to travel 100 yards from the credit union to the Sergeant at Arms?

Mr. Speaker, I went before that committee and I informed that committee, even though I am not a lawyer and all six of them were lawyers, what the law states. Section 4–108(b) of the Uniform Commerical Code provides that when there is no legal set time for cutoffs, the deposits made at any time during the bank's normal hours must be credited the day made. The regular hours of the House bank coincided with the hours that the House was in session. I have transacted business in the House bank as late as 11:30 at night and as early as 3 o'clock in the morning because we have been in session. Therefore, I submitted that legally, no matter what time my deposits arrived, they should have been posted on the same day.

The committee, though, held that this was not a bank, and that is precisely what all of us have been saying. So if it was not a bank, there were no overdrafts, there were no insufficient fund checks, there was nothing.

But over and above the arguments of the legality, Mr. Speaker, there is a simple question of basic fairness that should be considered. The welfare of our fellow colleagues should be of paramount importance in these deliberations. Historically there have been no rules, no regulations, no laws prohibiting the loose practices of the House bank, and it is too late to now debate whether or not there should have been.

I find it difficult to believe that this committee established, after the fact, such rigid rules that many of our colleagues might be hurt politically. I have always heard that in the cases of serious doubt the accused must be the beneficiary. Further, I have always heard that the burden of proof rests with the accuser.

I proved in each of the three instances that I presented to the committee that there was sufficient payments transferred from my savings account to my checking account on the same day the checks were presented. However, because of the loose manner down in the Sergeant at Arms bank, those deposits were not recorded on the same day, and the committee admits how loose the procedure was down there.

Now, Mr. Speaker, there is no evidence that those deposits did not arrive on the same day. It is quite possible, even more probable that a deposit traveling by inside mail or by messenger from the Rayburn Building to the Capitol would arrive on the same day. That is the element of doubt. And I think I should get the benefit of that doubt, Mr. Speaker.

In addition, I cannot prove that those deposits arrived the same day, but neither can the committee. But I submit, according to long-established principles of law and fairness, I should not have to prove that they got there. The committee should have to provide that they did not get there, and they refuse to do that.

Mr. Speaker, let me say that I went before this committee of six people, and I think they have an awful lot of nerve, some of them sitting there in judgment, pious and pompous, judging others who have cashed checks without sufficient funds in the bank. I think how hypocritical can they be, how hypocritical can you be to sit in judgment on somebody else when you could very well be accused of the same.

Mr. Speaker, they said to me when I asked what was the vote, and some of them lied about it, I mean, because there are only six Members on the committee, but four of them told me they voted in my behalf.

□ 2030

Well, if that is true, why am I still on the list? I do not want to accuse the people on the Ethics Committee of being unethical, but it seems mighty strange to me that if I got four votes out of six, and I am still on the list, and I asked who voted for me, what was the count, and they said all the proceedings must, of necessity, be secret.

Well, let me tell you I did not tell anybody that I was to appear before that committee, but the press called me before I appeared and the press called me after I appeared, so my appearance was not secret. Somebody leaked the names of the accused before we had an opportunity to present our cases.

Let me tell you about audacity. I was in San Diego on the Saturday that these names were leaked. The press started calling me and wanted to know about it. I said, "What are you talking about? I have not been notified of anything." AP had it, Associated Press had leaked it. On Monday morning I called the Ethics Committee from San Diego and I said that I would like to send my secretary over to pick up my records as she could fax them to me, and I will have a chance to review them in the 6-hour trip from San Diego back to Washington. I was told that was impossible, because I would have to give her written permission to pick up my records. I said, "That is strange. I did not give Associated Press written permission to pick up my records on Saturday. Give her the damn records," which they did.

Now they are talking about the secrecy. Well, I say to you that they have had a field day, the members of this committee holding press conferences all over the country, and now they have the audacity to talk about secrecy.

I say to you the committee members who sat in judgment on their fellow colleagues concerning checks with overdrafts did not come with clean hands. Some of them had checks just as outstanding as others, and, Madam Speaker, I just want to close by saying I think it is disgraceful that this Congress has gone through this charade that we have gone through in the last 4 or 5 months.

I thank the gentleman for yielding.

Mr. HAYES of Illinois. Madam Speaker, I yield to the gentleman from New York [Mr. TOWNS].

Mr. TOWNS. First of all, let me thank the gentleman for taking out this time to explain the situation, and also I would like to thank my colleague, the gentleman from Missouri, or indicating in terms of the fact that the process itself was flawed.

You know, I will be honest with you, I did not go before the committee, because after all, the information was leaked all over the district, all over the Nation, and then to go before the committee for what; after all, the damage was done. Statements were made, and people were saying that you were guilty before you even had an opportunity to explain.

I had a situation where I was a victim. Money was embezzled from me, but the point was that there was no need even to come forth to say it, because the names were already out there without anybody ever talking to me.

I think that a process like that points out that we need to do something to strengthen it, as the gentleman pointed out, that many people were sitting in judgment, you know, who were on the list themselves, and if not that 24, they were No. 32 or 35 or 46, that kind of thing.

I think we need to take a very serious look, because many people are losing their seats as a result of this, and I think that is the thing that I think that I am very concerned about, the fact that as a result of a leak that Members of Congress have actually lost their seats.

Now, I think that any system of fairness would at least give a person an opportunity to be able to defend themselves or to look in the face of his accuser before this kind of judgment is arrived at.

So I would like to thank you and also knowing the fact that you were one that did not have an opportunity to come before the committee to explain before you stood for an election, and that based on that, many people felt that you were guilty of something not knowing the fact that you had not committed any crime, you had not done anything, no more than the fact that you followed the rules of the cooperative that had been in existence for many, many years.

I think the people need to understand that there were overdraft privileges afforded to the Members. Some availed themselves of it more than others. Some have referred to it as checking plus.

I think that all of these things need to be sort of said. I think that Roll Call indicated in, I thought, a very outstanding editorial that the words check bouncing should not be used, that we should refrain from using them, but even though Roll Call has said that and many people read that, and I have gotten calls from people who indicated that they understood, but in the conversation, the first thing they would say is about bouncing of checks. So I think that somewhere along the line the general public has to understand that this was a cooperative. This was Members and Members' money. The bank only had the Members' money. They cannot compare this with the S&L scandal.

I think that that is very, very important. But how do we get this point out? I think that every time we start to explain it, the press will some way or another come up with bounced checks. I have not bounced any checks. Nobody is running around with a handful of checks talking about I bounced them. I am very disturbed about that.

I think the gentleman from Illinois should be commended for his courage to take out this time to come and have an opportunity for us to sort of explain it further. I thank the gentleman.

Mr. HAYES of Illinois. I want to close by thanking my three colleagues for having joined me in this special order, and I want to say that I challenge today the leadership of this body to move forward with needed reforms to reinstate the public trust in the work of the Congress.

I merely suggest the focus be real reform and not political bashing. Such a move is imperative to the ability to again begin to address the real issues of the day.

I would like for this House of Representatives and the public in general to know that the accountants which have been working on my records which I did not care to reveal and show to the committee after they leaked it before shows that no monthly bank statement of mine ever showed a negative balance. Monthly bank statements never showed a check that bounced. Monthly bank statements show that if funds were insufficient, the checks were held until the deposit was made to cover them, and that was done in quick fashion.

I want to suggest that this House of Representatives get on with the business at hand to help people who need our help.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. PATTERSON). The Chair must remind all Members that it is not in order in special orders debate to direct personal characterizations at the members of the Committee on Standards of Official Conduct or to mention other Members' conduct.

THE HOUSE BANK PROBLEM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Oklahoma [Mr. EDWARDS] is recognized for 5 minutes.

Mr. EDWARDS of Oklahoma. Madam Speaker, I am not going to try to defend what I did in regard to the bank. It is quite clear I tried to follow the rules as they were set down as I understood them. Perhaps as a Member of Congress I should have been more diligent; I should not have followed the rules but should have tried to find out whether those were the rules that should have been in existence and that we should have been following.

I am embarrassed, because I have embarrassed the people of my district who put me here.

I have attempted to talk about the specifics. I told the people back home during the period in question I actually deposited nearly $5,000 more than I wrote checks on, but that is beside the point.

I would like to just make a couple of comments. As the gentleman from Massachusetts [Mr. EARLY] pointed out, he and I were in a unique situation. We are not on the list because a majority of the members of the subcommittee voted to put us on this list. They had a vote after hearing our case, and they split 3 to 3. One of the people who voted to leave my name on that list told me afterward on the House floor with other Members around that he did not believe I belonged on the list. He did not think I had violated the standards of the House or abused the bank, but that it was necessary to leave me on the list, because if they did not, they would have to open it all up for everybody else.

□ 2040

So along with the gentleman from Massachusetts [Mr. EARLY], I spent almost all day today trying desperately just to be heard, to get an appeal before the committee.

Finally, the gentleman from Massachusetts [Mr. EARLY] and I went down to the committee. We stood there and we asked permission to go in and make our case, because in our case the subcommittee did not resolve it. The subcommittee did not decide that we belonged on that list, but it was apparently inconvenient to allow us to be heard by the other members of the committee, because that might mean they had to give other people a chance to be heard.

Madam Speaker, we presented in our appeal case law, IRS definitions, standard banking practices. In every single case, a net deposit, net salary is defined as the money you earned, minus what has to be held out for taxes and pensions. The IRS specifically said that you do not deduct from net wages—from gross wages amounts of money you transferred to make other payments, car payments, house payments, and the like; but what happened in my case was quite simply the bank never put the money into my account.

There was one time I checked with the mortgage company, they were making my house payment for me, and the mortgage company had not received the check for 6 days after the first of the month. I do not know what happened to it. Why was it not in my account? But against all banking practices, against the law, the House bank never credited me with my deposit, so my net deposit was not $5,000 or $6,000. My net deposit was $1,600 or $1,800.

If I had been credited with my deposit, I am not saying it was right to allow Members of Congress to draw against their next month's pay, we thought it was, we were told it was, but that is obviously apparently no longer considered to be right, and maybe it was not; but we were told that we could draw against our next month's pay.

If I had been credited with my net salary, if I had been credited with my salary that I earned, as any bank would have done it, I would have exceeded my next month's pay one time, 3 years ago, by the amount of $240, and I deposited $5,000 the next day. That is why I am on this list.

On every other count, the amount of the average check, the highest negative balance—I am not in the top 24 or the top 30 or the top 40 or the top 50 or the top 60; but I went over my next month's net deposit because the bank did not credit me with my salary. They merely failed to put into my account the money that went to pay my house payment, as they should have done. They should have put it in and then written a check on it.

So I repeat, one time, 3 years ago, I went over my actual real net deposit by $240 for one day and the next day put $5,000 in the Bank.

As I said, I do not defend it. The constituents we serve have every right to hold us to a standard, and the standard they hold us to is one perhaps we should have adopted ourselves a long time ago, but we did not.

I am disappointed that after a majority of the members of the committee did not vote to put me on this list, we were not allowed to go to the full committee to present our case.

I seems to me that while we want speed and we want expedience and we want to get to the root of the reforms that need to be made in the Congress, every single Member of Congress, like every other American, deserves the right to due process.

I have served in this House for 16 years. Conservatives think I am a squishy liberal and liberals think I am a right-wing nut, but the fact of the matter is nobody has ever questioned my integrity, ever, and I stand here today humiliated like this because the committee was not willing to reconsider the definition of a net deposit.

THE DEPLORABLE HUMAN RIGHTS RECORD OF FIDEL CASTRO

The SPEAKER pro tempore (Mrs. PATTERSON). Under a previous order of the House, the gentlewoman from Florida [Ms. ROS-LEHTINEN] is recognized for 60 minutes.

GENERAL LEAVE

Ms. ROS-LEHTINEN. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include therein extraneous material on the subject of my special order tonight.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Florida?

There was no objection.

Ms. ROS-LEHTINEN. Madam Speaker, my subject is the deplorable human rights record of Fidel Castro.

As we approach another anniversary of the Bay of Pigs invasion, it is fitting and proper to examine what international watchdog groups have stated about Castro and the human rights situation in Cuba.

Americas Watch, for example, release their report recently, and they say the following:

> Ruled for thirty-three years by Fidel Castro, Cuba lacks the laws and institutions that would protect basic civil and political rights. There is no free press. Only state-owned and -controlled media may operate legally. Free speech is curbed by laws that prohibit "enemy propaganda." Peaceful dissenters are sometimes imprisoned on charges as serious as "incitement" and "rebellion." For insulating President Castro, Cubans are imprisoned for up to three years.
>
> There are no legally recognized civic or political organizations—such as labor unions or political parties—that are independent of the government or Communist Party. Free association and assembly are punished under laws that prohibit "illegal association" and "public disorder." There are no free and fair legislative or presidential elections.
>
> The Cuban legal system is designed to maintain the status quo. Cuban courts are subordinate to the executive, and Cuban judges are required to demonstrate their "active revolutionary integration." Once arrested, defendants, especially in political cases, are almost always convicted.
>
> Tight political control in Cuba is maintained through extensive monitoring of Cubans' daily lives. The monitoring is conducted by state-security police and government-sponsored surveillance organizations such as the Committees for the Defense of the Revolution, which operate in the neighborhood and workplace. The failure to report criminal activity, including political or free-expression "crimes," is punishable under Cuban law.
>
> In schools, teachers keep records on each student, detailing information such as the "ideological integration" of the parents and whether the family actively practices a religion. In late 1991 the Communist Party-led mass organization for school children, the Pioneers, considered creating "rapid response brigades" in the schools to deal with schoolchildren "affected" by so-called foreign ideas.

That was from one of the most respected international watchdog groups, the Americas Watch.

Recently also, Freedom House published their report on human rights violations of Castro, and they say the following:

> The fourth Congress of the PCC—

And that is the Cuban Communist Party—

> held in October appeared to douse any expectations that Castro might change his hard-line position. Before the congress every human rights organization on the island made public statements urging "profound democratic changes," including free elections, a general amnesty of political prisoners, the lifting of travel restrictions, and respect for basic human rights. The government responded with mob attacks orchestrated by state security forces and the jailing of eight rights activists.
>
> At the October congress, Castro tried to convey an aura of increased openness. But in the end he scornfully rejected pluralist democracy as "complete rubbish," and one-party rule was reconfirmed, with a few cosmetic changes thrown in for international consumption. The PCC Politburo was expanded to include younger members, but the result was a further concentration of people loyal to Castro. The congress also reconfirmed the "unchanging revolutionary, anti-imperialist and internationalist basis" of Cuban foreign policy and pledged "fraternal unity" with China, Vietnam and North Korea.

□ 2050

That was from Freedom House.

Madam Speaker, Amnesty International said the following:

> At least 70 government critics, most of them probable prisoners of conscience, were detained. Many of them were released after short periods; others were held for up to eight months without access to lawyers. At least eight prisoners of conscience were serving prison sentences at the end of the year; five others were released, most after completing their sentences. Trials of political prisoners continued to fall short of international standards for fair trial.

Just today all of the Congressmen received the latest report of Amnesty International on Cuba's prisoners of conscience.

It says the following:

> The number of prisoners of conscience and probable prisoners of conscience in Cuba has risen sharply over the past few months. Many of them are members of unofficial political and human rights groups who have been detained as a result of their attempts to peacefully exercise their rights to freedom of expression and association. Some of them are still awaiting trial, while others have been tried and convicted on criminal charges such as illegal association, clandestine printing or defamation or state security charges such as enemy propaganda or rebellion.
>
> Those convicted are serving sentences for up to 7 years. Access to lawyers during pre-trial detention is extremely limited. Many recent arrests have taken place in an increasing atmosphere of violence. There have been several recent incidents known as acts of "repudios," acts of repudiation, in which large groups of pro-government supporters have gone to the homes of known dissidents and verbally or physically abused those inside. Police are usually present, but failed to intervene to stop these assaults. After some time, often hours, they proceed to arrest those who have been under attack.

Amnesty International then gives a general description of the situation of the prisoners of conscience at present in Cuba and also provides details of the cases of 30 prisoners of conscience and 26 probable prisoners of conscience.

The Department of State has also issued their reports on the issue of human rights violations in Cuba, and they go on and on for many pages detailing the political and extra-judicial killings, torture, and other cruel or inhuman or degrading treatment or punishment, arbitrary arrests, detention or exile; denial of a free public trial; arbitrary interference with privacy, family, home, and correspondence; the lack of freedom of speech and the press; the lack of freedom of peaceful assembly and association; no freedom of religion in Cuba; no freedom of movement within the country, foreign travel, emigration or repatriation; no respect for political rights; no right of citizens to change their government; and the list goes on and on, and tragically very long.

Madam Speaker, as we get set to celebrate another anniversary of the Bay of Pigs invasion in just a few days, I am confident that my native homeland of Cuba will one day soon be free and that democracy and liberty will once again flourish.

Madam Speaker, I welcome the statements of my colleagues, who have accurately depicted the tragedy of our Cuba under Castro.

Mr. GOSS. Madam Speaker, I want to thank Representative ROS-LEHTINEN for the opportunity to join her and my colleagues on the Foreign Affairs Committee in discussing Cuba. As the Western Hemisphere turns decisively toward democracy and discards the closed, statist economic models of the past, only Fidel Castro's Cuba stands apart. In international fora, Cuba has isolated itself, turning to the Libya's and Iraq's of this world. The Government of Cuba has no real friends—not because of United States policy—but because of its own decisions.

The human rights situation in Cuba is particularly harsh and dismal and I would like to say a few words about it.

Even as Fidel has intensified political repression, rising discontent has caused some Cubans to lose their fear of speaking out. Visitors to the island have noted the appearance of small opposition groups and are surprised at the open criticism of the regime. Voting with their feet, Cubans are again risking their lives by trying to escape Fidel's lose—lose proposition of socialism or death. While attention has focused on Haiti, the United States Coast Guard documented some 2,500 Cuban boat people last year compared with 467 for all of 1990. This is the largest number of refugees since the Mariel boatlift in 1981.

Castro's crackdown has come despite clear messages from several Latin American nations that they are willing to provide Cuba with help if there are signs of democratic progress. Last May 20, on Cuban independence day, President Bush said that,

> If Cuba holds fully free and fair elections under international supervision, respects human rights and stops subverting its neighbors, we can expect relations between our two countries to improve significantly.

What has been Castro's response—an iron hand. The few citizens brave enough to attempt any independent, peaceful political activity have faced organized thuggery. When these small dissident and human rights groups raise their profile, plainclothes police and newly formed rapid action brigades of civilian goons quash them. For the crime of advocating free, multiparty elections, they have been dragged from their homes and beaten, arrested, and found guilty of "defaming state institutions, holding illegal meetings, and printing clandestine documents."

This is today's Cuba: Raul Castro has warned that, if necessary, Cuba would revert to revolutionary courts to try and punish political opponents quickly. Instead of following through on limited democratic reforms hinted by the Communist Party Congress last October, Fidel has unleashed an increasingly violent crackdown on all forms of political dissent.

What is Castro really afraid of? Experts in Cuban affairs say that the Government crackdown has been prompted by the success of nascent human rights groups in attracting the attention of diplomats and foreigners by engaging in so-called parallel diplomacy at a time when Cuba has desperately been seeking private investment from abroad.

With his economy in near free fall, Castro desperately fears the free flow of information and ideas. He fears this so much, that he has chosen to bear the recent condemnation of the U.N. Human Rights Commission, rather than cooperate with the special investigator appointed last year.

Human Rights Watch had this to say,

> * * * the Castro regime has attached so much significance to the effort to suppress the country's human rights movement that it has been willing to deprive itself of much of the good will it still retained in Latin America and elsewhere in order to do so. By persecuting human rights monitors so relentlessly, the Cuban Government has increased its international isolation at a time when it desperately needs to find substitutes for the economic support that it derived from the Soviet Union and Eastern Europe. Cuba's determination to take this course seems to reflect a sense of despair about its ability to maintain its system if dissenting voices may be heard. Though it would be folly to try to predict when such rigidity will lead to collapse, it appears inevitable at some point in the not too distant future.

This much is clear: Time is surely not on Fidel's side. Many believe that he would be gone by now except that fear, ignorance, naivete, concern about privileges, and the residue of ideological faith prevent some Cubans from imagining any alternatives other than socialism or death.

Testifying before our Foreign Affairs Committee last July, Assistant Secretary of State Aronson described another alternative when he said:

> Change in Cuba depends on the Cuban people themselves. Throughout Cuba, and even in the Government, there are people who are well educated, capable, and aware of the events that have swept the socialist world in recent years. These are patriotic people who see the ways in which the revolution has failed. They understand the kinds of reforms that can make Cubans free and prosperous, and their nation more independent that ever.

My colleagues, as Cuban independence day again approaches, let us hope that the Cuban people will soon enjoy a peaceful transition to the free, democratic future they surely deserve.

Mr. BROOMFIELD. Madam Speaker, I am pleased to join Congresswoman ROS-LEHTINEN and my other colleagues in this opportunity to address the continuing tragedy of Cuba. No American better typifies the contributions to the United States made by Cuban immigrants than the Congresswoman.

As the first Cuban-American elected to Congress, she is truly an example of the American dream for a group of Americans that have suffered so much at the hands of tyranny. Her leadership on this issue is an inspiration to all of us who have worked to bring an end to Castro's reign of terror.

Our purpose tonight is to bring attention to the terrible human rights situation in Castro's Cuba. There are only a few remaining countries in the world that can still be fairly termed "totalitarian." Cuba is the sole holdout in our hemisphere.

Nowhere else are the basic freedoms of assembly, religion, press, and expression so completely repressed. And nowhere else is there the systematic effort by the state to shape attitudes and control thought that is the trademark of totalitarian governments.

Castro's latest slogan in his desperate effort to prolong his rule—and to prolong Cuba's agony—is "Socialism or Death." In view of the consequences of his rule, he should change his slogan to "Socialism is Death." For under Castro, countless Cubans have died from malnutrition, execution, or in prison.

Not only Cubans have died under Castro's tragic rule. As a result of Cuban military involvement and arms exports, thousands have died in the jungles of Nicaragua, the hills of El Salvador, the deserts of Ethiopia, and the plains of Angola. The legacy of Castro is a legacy of death and destruction in Cuba and around the world.

Nowhere—not even in the former Soviet Union—has a socialist experiment failed so completely. While democracy and free market systems are emerging throughout our hemisphere, Cuba stands as a stark example of the miserable failure of Communist rule.

I would like to call attention to one particular method of repression in Cuba. Castro and his secret police have recently adopted a new tactic in their never-ending war on individual freedom. Now they are staging so-called acts of repudiation at the homes of Cubans brave enough to speak out for liberty and human rights.

Mobs under the name of "Rapid Response Brigades," armed with sticks and stones, are transported to the homes of dissidents. There they physically and verbally abuse the occupants and destroy property in full view of the police, who do nothing to stop the violence. The dissidents are then arrested on trumped up charges and held in violation of internationally recognized human rights. These latest brutal actions show that the only innovation in Castro's Cuba is in the war on dissent.

Who are the victims of these attacks? According to Amnesty International, they are a 26-year-old man who attempted to film a mob in action at the home of a woman who distributed pamphlets. They are a woman who set up an organization to assist the families of political prisoners. They are individuals who dared to speak out and work for the basic human rights we all take for granted.

Thus one does not need to wonder why there is not more mass protest in Cuba against the Castro regime. What is amazing is that anyone has the courage and the conviction to speak out. Castro has ruthlessly singled out brave and selfless Cubans and uses crude repression to send a signal to all Cubans: If you dare to speak out, you will pay the price.

Madam Speaker, there is no better indication of the global spread of democracy than in the vote last month by the Russian Ambassador to the U.N. Human Rights Commission to denounce Castro's human rights record. As the Soviet bloc has crumbled, it is clearer than ever that Castro's terror cannot and will not endure. The United States and the entire international democratic community must act now to increase the pressure on Castro.

I therefore join with my colleagues in wishing for the end of the long Cuban nightmare. We all hope that the Cuban people will soon enjoy the benefits of democracy and the blessings of liberty.

Mr. LAGOMARSINO. Madam Speaker, we are here tonight to highlight the deplorable human rights situation in Castro's Cuba. As totalitarian dictatorships have yielded to democratic change around the globe, Cuba remains wedded to a political system that represents the ultimate in the exploitation of man by man.

Castro's Cuba is a genuine totalitarian state. Outgoing and incoming mail is read by the secret police. Telephone conversations are monitored. Travel is severely restricted. There is no freedom of the press, assembly, religion or speech. Torture and arbitrary arrest are the norm and due process while fair trials are unknown. So-called Committees for the Defense of the Revolution keep watch over Cubans in the workplace and in the neighborhood in true Orwellian style. Artistic and cultural expression are ruthlessly suppressed. Labor rights and independent trade unions are unknown.

Even the medical profession is subservient to the goal of creating a new Cuban man. In Cuba, the Hippocratic oath has been perverted and psychiatry is used as a tool of government control. While Castro prohibits the International Red Cross from conducting legitimate medical business in Cuba, there are many documented cases of psychiatric hospitals being used for torture by electric shock and other heinous methods.

This litany of repression describes a totalitarian system: The resources of the state are devoted to total control of the citizenry and the complete suppression of any potential, perceived or actual opposition. Castro's security apparatus rivals Hitler's gestapo and the KGB of the former Soviet Union in its methods and in its reach into all facets of everyday Cuban life.

I would like to draw my colleagues' attention to one particular aspect of Castro's totalitarian state: Education. While Castro's sympathizers in this country and around the world often cite educational gains as an accomplishment of Castro's regime, the true story is a tragic example of a state using education as a tool of indoctrination and control. In Castro's Cuba, the primary goal of education is to propagandize Cuban students and strengthen Government control over Cuban citizens.

According to Americas Watch:

> In schools, teachers keep records on each student, detailing information such as the ideological integration of the parents and whether the family actively practices a religion.

The Government is reportedly considering the creation of child vigilante groups to deal with Cuban schoolchildren affected by foreign ideas. The classroom in Cuba is not a place for learning but an opportunity for the intrusive arm of the state to pry ever deeper into the lives of Cuban citizens.

I was moved by the testimony of a former major in the Cuban Air Force before the Committee on Foreign Affairs last month. Orestes Lorenzo described, in compelling terms, how he was taught in Cuban schools. He said:

> At seven years of age I was interred at a school where all forms of religion were forbidden * * *. I was taught to believe in a new God, a God dressed in uniform with a pistol at his side. I am the product of the government education that replaced the church and even our parents in our life, instilling in us the principle of first the revolution, and afterwards the family.

Major Lorenzo went on to express a parents' fear of the impact of propaganda and indoctrination on his children. He said:

> I am overcome with fear that my children are being subjected to the same criminal indoctrination that I endured. The children of my country learn the letters of the alphabet [as the] initials of the Cuban political leaders. I have seen them getting home from school and saying that Americans are bad. I have seen instilled in their minds the seed of the doctrine instilled in me: hatred.

Manipulation and indoctrination are not limited to Cuban grade schools—they continue throughout a Cuban's education. A student's eligibility for higher education is determined by ideological purity and political conformity to the Castroite system. While there may be fair criticisms of the cost and access to higher education in Western countries, no one can argue that a political litmus test is the proper way to select college students.

The Castro state does more than simply indoctrinate Cuba's young: They also exploit them for free labor. When the school year is over, Cuban students do not have free time. Instead, according to the 1991 State Department report on human rights, students over the age of 11 are forced to spend 30 to 45 days working on farms for up to 8 hours a day. Cuban children spend their year between incessant indoctrination and forced labor. Is this the kind of educational system apologists for Castro are defending when they point to supposed accomplishments?

I would hope that anyone who believes Castro's Cuba has made progress on education would consider how the totalitarian state uses education as a weapon of repression. And I would hope that we will not simply accept at face value Castro government statistics about alleged literacy rates. Even if the Castro government figures on literacy are correct, what is the value of literacy when all independent Cuban writers are banned from publishing their writings in Cuba? The Government completely controls what Cubans are allowed to read. Literate Cubans are limited only to materials approved for publication by Castro's censors. Invariably this means communist propaganda which as been rejected throughout the world for having no validity. The words of Marx, Lenin and Che Guevera can do little to enrich the Cuban people—who are intellectually as well as economically impoverished.

It is my belief that the end of Castro's reign of terror is in sight. Cuba will once again be free. But until that happy day, it is important for those of us who care about Cuba to keep the attention of the world on Castro's tyranny. I salute Congresswoman Ros-Lehtinen—herself a refugee from Castro's Cuba—for her strong leadership in bringing liberty to the Cuban people.

INTRODUCTION OF JOE HARDIN LOCK AND DAM LEGISLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arkansas [Mr. HAMMERSCHMIDT] is recognized for 60 minutes.

Mr. HAMMERSCHMIDT. Madam Speaker, I am pleased to introduce legislation today to honor the late Joseph C. Hardin, a highly respected citizen and former leader in business and government in Arkansas. The bill would designate lock and dam No. 3 on the Arkansas River as the "Joe Hardin Lock and Dam."

Mr. Hardin was born in 1898, and died on March 6, 1992. He grew up in Grady, AR, attended Arkansas schools, participated in World War I, earned a college degree in commerce and finance, and returned to Grady to work in his family's farming business.

He then began a distinguished career in government and business. Among other things, he served in the State legislature, was commissioner for the State revenue department, worked in various businesses and developmental associations, and served in many capacities with the University of Arkansas.

Mr. Hardin was deeply involved in promoting agricultural and water resources development. As president of the Arkansas Farm Bureau Federation and as vice president of the American Farm Bureau Federation, he helped shape much of the farm legislation Congress enacted in the 1940's and 1950's. Other positions included the Arkansas River Basin Development Association and the Arkansas Water Studies Commission.

He was an active member of the Arkansas Basin Association from its inception in the late 1920's, championing many efforts to develop and sustain the region's resources. He frequently provided critical information to Congress on issues involving the authorization and funding of Arkansas water projects—particularly the McClellan-Kerr navigation system. He often spoke and traveled throughout the region seeking support for development of the river system.

Mr. Hardin also played a prominent role in the Arkansas River Basin Interstate Committee. This organization, along with the Arkansas River Basin Coalition for Montgomery Point, has helped spearhead numerous efforts to ensure the continued viability of the entire McClellan-Kerr Waterway. These groups, with the help of outstanding citizens like Joe Hardin, strive to promote the economic and environmental health of our region, relying on hard work, long-term planning, and dedication to public service.

For all of these reasons, Madam Speaker, I am introducing this naming bill as a small token of appreciation for Joe's many years of dedication and service. I urge my colleagues to support this fitting tribute to such an outstanding citizen, Government leader, and businessman. In the coming months, I hope to include the Joe Hardin lock and dam bill in omnibus legislation for Army Corps of Engineers' water projects and programs. I look forward to working with my colleagues in the Public Works and Transportation Committee and the House and Senate.

Following is the next of the legislation.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

Lock and dam numbered 3 on the Arkansas River, Arkansas, constructed as part of the project for navigation on the Arkansas River and tributaries, shall be known and designated as the "Joe Hardin Lock and Dam".

SEC. 2. LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the lock and dam referred to in section 1 shall be deemed to be a reference to the "Joe Hardin Lock and Dam".

LEGISLATION TO ALLOW THE AWARD OF THE MEDAL OF HONOR TO COL. CARL R. EIFLER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Madam Speaker, sometimes the wheels of justice grind slowly, but they grind, as the poet says, exceeding fine. I would hope that with the reintroduction today of my bill to allow the award of the Medal of Honor to Col. Carl F. Eifler, the House of Representatives will finally enable the just commendation this American hero so greatly deserves.

Colonel Eifler, today the holder of several graduate degrees in psychology and divinity, is a living legend among the men and women with whom he served in World War II. His heroism was such that an entire chapter of "Military Intelligence, Its Heroes and Legends" is devoted to his deeds. Considered an expert pilot, Colonel Eifler was assigned to the Burmese theater in 1942, where he was one of the rare pilots to fly small aircraft behind Japanese lines.

Given command of an Office of Strategic Services [OSS] project in Burma in 1943, the colonel was single-handedly responsible for the rescue of nine American airmen drifting in waters very near territory held by Japanese forces. On the evening of November 27, 1943, Eifler, having commanded a crash boat for only 5 days, learned of the crash of the crew members of a downed B–24. With his boat's low fuel supply and low stocks of provisions and ammunition, Eifler and his crew carried 2,600 gallons of gas 25 miles to the boat's tanks, readying for departure by 7:00 a.m. the next morning. Disregarding advice that his boat was not ready, Colonel Eifler and his totally inexperienced crew navigated 250 miles of the Bay of Bengal—then controlled by Japanese patrols—to rescue the airmen 24 hours later.

Through his years in the OSS from 1942 to 1946, Colonel Eifler sustained several very damaging injuries to his head and body, resulting in a lifetime of seizures, tinnitus and other physical and psychological ailments. Despite these tribulations, he always performed well above and beyond his mission, according to the testimony of his superiors and subordinates.

In 1943, then-Lieutenant Colonel Eifler was awarded the Legion of Merit by then Lieutenant General Stilwell for "outstanding services and heroism" in "leading a military group 200 miles by boat along an enemy occupied coast" on March 7, 1943. The award continues,

> [Lt. Col. Eifler,] with utter disregard for his own personal safety, and regardless of the risk of landing on enemy shores unarmed, jumped into the sea carrying a line ashore with him [,] emerged on the beach and pulled five boats through the surf. During this successful operation, Lieutenant Colonel Eifler was swept continually against rocks, but in spite of tremendous difficulties and personal injuries, was responsible almost single-handed for the successful execution of this mission. His heroism in the face of almost insurmountable odds brings a great credit to the armed forces of the United States.

For his injuries in the landing Colonel Eifler received the Purple Heart decoration.

In May 1945 Colonel Eifler was recommended for the Distinguished Service Medal "for exceptionally meritorious service to the Government in a duty of great responsibility * * *." The officer recommending the medal, Brig. Gen. B.M. Bryan, noted that Eifler's "service * * * has been of such distinction that it has been broadly acclaimed throughout" the OSS. The recommendation cited "Col. Eifler's personal indomitable courage, fortitude and bravery along with his amazing stamina * * *." Inexplicably, the medal was not awarded.

In August 1946 Colonel Eifler was awarded the Air Medal "for meritorious achievement * * * without regard for his personal safety * * * [for his] daring and [for] his unstinting devotion to duty" in his flights from September 1942 through May 1943 in and out of Burma. With no training as a pilot or navigator, Colonel Eifler flew many solo missions in an unarmed, slow, low-flying Piper Cub plane over uncharted areas patrolled by Japanese planes to and from unsuitable jungle landing strips. Again, in a phrase echoed throughout his career, the recommending officer noted that "no other person was willing to assume the risks inherent to those missions."

In addition, the War Department awarded Colonel Eifler two Oak Leaf Clusters, Citations for Legion of Merit, a Presidential Unit Citation, the American Defense Medal, and the World War II Victory Medal, among others.

Unfortunately, Colonel Eifler never received the honor he truly deserves, the Medal of Honor, our highest military honor. According to its description, the Medal of Honor is awarded to an individual who has:

> "* * * distinguished himself conspicuously by gallantry and intrepidity at the risk of his life above and beyond the call of duty, (1) while engaged in an action against an enemy of the United States, (2) while engaged in military operations involving conflict with an opposing foreign force, or (3) while serving with a friendly force engaged in an armed conflict against an opposing armed force in which the United States is not a belligerent party.

On several occasions Colonel Eifler fulfilled the criteria set forth for the award of the Medal of Honor. The legislation I am reintroducing today would, if passed, simply exempt Colonel Eifler from the statute of limitations governing the award of the Medal of Honor. None of the awards granted to Colonel Eifler recognized his valor. I understand that former Commanding General of the U.S. Army Intelligence Center, Maj, Gen. Julius Parker, Ret., strongly supports the award of the Medal of Honor to Colonel Eifler. I would strongly encourage my colleagues to grant the Department of Defense the ability to do so.

H.R—

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WAIVER OF TIME LIMITATIONS.

The time limitations set forth in section 3744(b) of title 10, United States Code, shall not apply with respect to the awarding of the Medal of Honor to Colonel Carl F. Eifler (United States Army retired) of Salinas, California, in recognition of acts performed at the risk of his life and beyond the call of duty while a member of the Army in Burma during World War II.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Ms. ROS-LEHTINEN) to revise and extend their remarks and include extraneous material:)

Mr. LEACH, for 5 minutes, today.

Mr. HAMMERSCHMIDT, for 10 minutes, today.

Mr. KYL, for 5 minutes, today.

Mr. LIVINGSTON, for 5 minutes, today.

(The following Members (at the request of Mr. STAGGERS) to revise and extend their remarks and include extraneous material:)

Mr. STAGGERS, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. SCHEUER, for 5 minutes, today.

Mr. PEASE, for 5 minutes, today and on April 2.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. PANETTA, for 5 minutes, today.

Mrs. KENNELLY, for 5 minutes, today.

(The following Member (at his own request) to revise and extend his remarks and include extraneous material:)

Mr. EDWARDS of Oklahoma, for 5 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Ms. ROS-LEHTINEN) and to include extraneous matter:)

Mr. WELDON.

Mr. LENT.

Mr. RINALDO.

Mr. TAYLOR of North Carolina.

Mr. GALLEGLY.

Mr. SOLOMON in three instances.

Mr. SCHULZE.

Mr. MORRISON.

Mr. COMBEST.

Mr. STEARNS.

Mr. IRELAND.

Mr. MILLER of Ohio in three instances.

Ms. ROS-LEHTINEN in five instances.

Mr. GILCHREST.

Mr. MICHEL.

Mr. GILMAN.

(The following Members (at the request of Mr. STAGGERS) and to include extraneous matter:)

Mr. PASTOR.

Mr. TRAFICANT in three instances.

Mr. RICHARDSON.

Mr. SCHUMER.

Mr. HAMILTON in 10 instances.

Mrs. LLOYD in five instances.

Mr. DE LA GARZA in 10 instances.

Mr. HALL of Ohio.

Mr. KOSTMAYER.

Mr. BROWN.

Mr. LEVINE of California.

Mr. AuCOIN.

Mr. PETERSON of Florida in two instances.

Mr. YATRON.

Mr. KILDEE.

Mr. HOCHBRUECKNER.

Mr. TOWNS in two instances.

Ms. LONG.

ENROLLED JOINT RESOLUTION

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

H.J. Res. 456. Joint resolution making further continuing appropriations for the fiscal year 1992, and for other purposes.

ADJOURNMENT

Ms. ROS-LEHTINEN. Madam Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 55 minutes p.m.), under its previous order, the House adjourned until tomorrow, Thursday, April 2, 1992, at 10:30 a.m.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BEILENSON: Committee on Rules. House Resolution 413. Resolution providing for the consideration of H.R. 2039, a bill to authorize appropriations for the Legal Services Corporation, and for other purposes (Rept. 102–477). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DYMALLY:

H.R. 4721. A bill to create a Supreme Court for the District of Columbia, and for other purposes; to the Committee on the District of Columbia.

By Mr. JONES of North Carolina (for himself, Mr. STUDDS, Mr. YOUNG of Alaska, Mr. LANCASTER, Mr. HUTTO, Mr. ROSE, and Mr. PRICE):

H.R. 4722. A bill to establish an Ocean and Coastal Resources Management and Development Block Grant Program, to protect the marine and coastal environment of the Nation by revising the Outer Continental Shelf oil and gas leasing program, to establish a fund to protect the global environment, and for other purposes; jointly, to the Committees on Interior and Insular Affairs and Merchant Marine and Fisheries.

By Mr. GONZALEZ:

H.R. 4723. A bill to remove the limitation on the availability of funds previously appropriated to the Resolution Trust Corporation; to the Committee on Banking, Finance and Urban Affairs.

By Mr. AUCOIN (for himself and Mr. MOODY):

H.R. 4724. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the purchase of a principal residence by first-time home buyers; to the Committee on Ways and Means.

By Mr. BILIRAKIS:

H.R. 4725. A bill to amend chapter 11 of title 38, United States Code, to provide that a veteran who is a former prisoner of war detained or interned for not less than 90 days shall be deemed to have a service-connected disability rated at not less than 50 percent for the purposes of determining the benefits due such veteran; to the Committee on Veterans' Affairs.

By Mr. BROWN (for himself, Mrs. LLOYD, and Mr. BOUCHER):

H.R. 4726. A bill to promote the growth of science and technology in the United States; to the Committee on Science, Space, and Technology.

By Mr. DOWNEY (for himself, Mr. ROSTENKOWSKI, Mr. GEPHARDT, Mr. BONIOR, Mr. FORD of Tennessee, Mr. PEASE, Mr. MATSUI, Mrs. KENNELLY, and Mr. LEVIN of Michigan):

H.R. 4727. A bill to extend the emergency unemployment compensation program, to revise the trigger provisions contained in the extended unemployment compensation program, and for other purposes; jointly, to the Committees on Ways and Means, Government Operations, and Rules.

By Mr. CLAY:

H.R. 4728. A bill to amend title 5, United States Code, to provide the Secretary of the Smithsonian Institution greater flexibility in setting rates of pay for members of the police force of the National Zoological Park; to the Committee on House Administration.

By Mr. CRAMER (for himself, Mr. ABERCROMBIE, Mrs. LLOYD, Ms. PELOSI, Mr. TOWNS, Mr. BREWSTER, Mr. FROST, Mr. DELLUMS, Mr. RANGEL, Mr. BACCHUS, Mr. KOPETSKI, Mr. JEFFERSON, Mr. BROWDER, Mr. GORDON, Mr. ERDREICH, Mr. BEVILL, Mr. JONTZ, Mr. HARRIS, Mr. EMERSON, Mr. ESPY, Mr. CALLAHAN, Mr. FAZIO, Mr. GEREN of Texas, and Mr. TAYLOR of Mississippi):

H.R. 4729. A bill to provide grants to establish an integrated approach to prevent child abuse; to the Committee on Education and Labor.

By Ms. DELAURO:

H.R. 4730. A bill to facilitate and assist in the economic adjustment and industrial diversification of defense industries, defense dependent communities, and defense workers that are adversely affected by the termination or reduction of defense spending or defense-related contracts; jointly, to the Committees on Banking, Finance and Urban Affairs, Ways and Means, Education and Labor, Small Business, Armed Services, Public Works and Transportation.

By Mr. ERDREICH:

H.R. 4731. A bill to require the Secretary of the Treasury to conduct a study and report to the Congress regarding the insurance industry in the United States; to the Committee on Banking, Finance and Urban Affairs.

By Mr. GILLMOR:

H.R. 4732. A bill to amend title 10, United States Code, to repeal certain provisions prohibiting the appropriation of funds for civilian marksmanship expenses and services, and for other purposes; to the Committee on Armed Services.

By Mr. HAMMERSCHMIDT:

H.R. 4733. A bill to designate lock and dam numbered 3 on the Arkansas River, AR, as the "Joe Hardin Lock and Dam"; to the Committee on Public Works and Transportation.

By Mr. HYDE:

H.R. 4734. A bill to provide for the liquidation or reliquidation of certain entries of dog and cat treats as free of duty; to the Committee on Ways and Means.

By Ms. KAPTUR:

H.R. 4735. A bill to make restitution to the American taxpayers, increase national savings, and fund the Resolution Trust Corporation through the issuance of citizen restitution bonds; jointly, to the Committees on Ways and Means and Banking, Finance and Urban Affairs.

By Mr. LIPINSKI:

H.R. 4736. A bill to prohibit pay-per-view charges for entertainment events that receive public financial support whether or including private entities, nonprofit organizations or governmental entities; to the Committee on Energy and Commerce.

By Mr. ORTON:

H.R. 4737. A bill to transfer jurisdiction of certain public lands in the State of Utah to the Forest Service, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. SOLARZ:

H.R. 4738. A bill to authorize an expanded housing guaranty program for Poland; jointly, to the Committees on Foreign Affairs and Banking, Finance and Urban Affairs.

By Mr. TRAFICANT:

H.R. 4739. A bill to require the certification of counselors providing home ownership and rental advice under programs of the Department of Housing and Urban Development and provide for training of such counselors, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. VALENTINE:

H.R. 4740. A bill to suspend until January 1, 1995, the duty on Ondansetron Hydrochloride; to the Committee on Ways and Means.

By Mr. VANDER JAGT:

H.R. 4741. A bill to amend the Internal Revenue Code of 1986 to increase to $20,000,000 the maximum amount of qualified small issue bonds which may be issued for facilities to be used by related principal users and to provide an inflation adjustment of such amount; to the Committee on Ways and Means.

By Mr. WELDON (for himself and Mr. HOCHBRUECKNER):

H.R. 4742. A bill to establish within the Department of Defense scholarship, fellowship, and training assistance programs for environmental restoration and waste management; to the Committee on Armed Services.

By Mr. WILLIAMS:

H.R. 4743. A bill to increase the height of Como Dam, MT; to the Committee on Interior and Insular Affairs.

By Mr. HOCHBRUECKNER (for himself, Mr. GALLO, Mr. APPLEGATE, Mr. SAXTON, Mr. TOWNS, Mr. WEISS, Mr. WOLF, Mr. SMITH of New Jersey, Mr. DE LUGO, Mr. LENT, Ms. NORTON, Mr. LEHMAN of Florida, Mr. QUILLEN, Ms. SLAUGHTER, and Mr. MCGRATH):

H.J. Res. 459. Joint resolution designating the week beginning July 26, 1992, as "Lyme Disease Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. GOSS (for himself and Mr. GILMAN):

H. Con. Res. 301. Concurrent resolution urging that the United States and its United Nations allies take necessary and timely actions to demonstrate that further Iraqi evasions of the Persian Gulf war cease-fire terms regarding the destruction of its weapons of mass destruction will not be tolerated; to the Committee on Foreign Affairs.

By Mr. HALL of Ohio (for himself, Mr. EMERSON, and Mr. TALLON):

H. Con. Res. 302. Concurrent resolution expressing the sense of the Congress regarding communities making the transition to "Hunger-Free" status; jointly, to the Committees on Agriculture and Education and Labor.

By Mr. GILCHREST:

H. Res. 414. Resolution amending the Rules of the House to limit the availability of future appropriations for official mail costs of the House to one-half of the fiscal year 1992 level; to the Committee on Rules.

By Mr. MCGRATH (for himself, Mr. FEIGHAN, Mr. LIVINGSTON, Mr. SOLOMON, Mr. MARKEY, Mr. BLILEY, Mr. DICKINSON, Mr. SCHULZE, Mr. LOWERY of California, Mr. RITTER, Mr. GREEN of New York, Mrs. MORELLA, Mr. PALLONE, Mr. VANDER JAGT, Mr. FRANK of Massachusetts, Mr. GILCHREST, Mr. HYDE, and Mr. KOLTER):

H. Res. 415. Resolution concerning observance by the Government of Romania of the human rights of the Hungarians in Transylvania; to the Committee on Foreign Affairs.

By Mr. TAYLOR of Mississippi (for himself, Mr. HUCKABY, Mr. GIBBONS, Mr. KANJORSKI, Mr. BORSKI, Mr. OLVER, Mr. PASTOR, Mr. ENGEL, Mr. CHAPMAN, Mr. EDWARDS of Texas, Mr. JONES of North Carolina, Mr. JONES of Georgia, Mr. PAYNE of New Jersey, Mr. COYNE, Mr. RAHALL, Mr. STALLINGS, Mr. TALLON, Mr. KOPETSKI, Mr. ALEXANDER, Mr. HANCOCK, Mr. WISE, Mr. JACOBS, Mr. MCCLOSKEY, Mr. FROST, Mr. PICKETT, Mr. ACKERMAN, Mr. POSHARD, Mr. DURBIN, Mrs. PATTERSON, Mrs. LOWEY of New York, Mr. MILLER of California, Mr. COSTELLO, Mr. KOSTMAYER, Mr. LANCASTER, Mr. FORD of Michigan, Mr. CRAMER, Mr. HARRIS, Mr. MCDERMOTT, Mr. CAMPBELL of Colorado, Mr. PENNY, Mr. PRICE, Mr. PALLONE, Mrs. LLOYD, Mr. NEAL of Massachusetts, Mr. WEISS, Mr. LEWIS of Georgia, Mr. STUDDS, Mr. DEFAZIO, Mr. BREWSTER, Ms. HORN, Ms. LONG, Mrs. COLLINS of Illinois, Mr. SLATTERY, Mr. SWIFT, Mr. RICHARDSON, Mr. MANTON, Mr. ORTIZ, Ms. OAKAR, Mrs. SCHROEDER, Mr. SERRANO, Mr. LEHMAN of California, Mr. BILBRAY, Mrs. UNSOELD, Mr. MURPHY, Mr. BENNETT, Mr. COLEMAN of Texas, Mr. PERKINS, Mr. ANDREWS of Maine, Mr. GEJDENSON, Mr. VALENTINE, Mr. CLAY, Mr. TOWNS, Mr. JEFFERSON, Mr. ROYBAL, Mr. HAYES of Illinois, Mr. MFUME, Mr. ESPY, Mr. TAUZIN, Mr. HUBBARD, Mr. JONTZ, Mr. ABERCROMBIE, Mr. THORNTON, Mr. HOCHBRUECKER, Mr. DOOLEY, Mr. MORAN, Mr. FOGLIETTA, Mr. STOKES, Mr. MCMILLEN of Maryland, Mr. SARPALIUS, Mr. HAYES of Louisiana, Mr. SPRATT, Mr. ASPIN, Mr. BOEHNER, Mr. CLEMENT, Mr. MAVROULES, Mr. LAROCCO, Mr. ORTON, Mr. COOPER, Mr. BUSTAMANTE, Mr. ANDREWS of New Jersey, Mr. ATKINS, Mrs. MINK, Mr. HEFNER, Mr. GORDON, Mr. ANTHONY, and Mr. HALL of Ohio):

H. Res. 416. Resolution prohibiting assignment of Government motor vehicles and drivers to political party whips; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, Mr. PANETTA introduced a bill (H.R. 4744) for the relief of Carl F. Eifler; which was referred to the Committee on Armed Services.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 66: Mr. SCHUMER, Mr. LENT, Mr. COLORADO, Mr. OWENS of New York, Mr. SANGMEISTER, Mr. MOORHEAD, Mr. MCHUGH, and Mr. WALKER.

H.R. 303: Mr. LOWERY of California.

H.R. 394: Mr. WEBER.

H.R. 431: Mr. ANDREWS of Maine, Mr. LAUGHLIN, Mr. GORDON, Mr. MAVROULES, and Mr. FORD of Tennessee.

H.R. 643: Mr. MARTINEZ and Mr. SWETT.

H.R. 682: Mr. LAGOMARSINO.

H.R. 747: Mr. INHOFE.

H.R. 776: Mr. CARPER.

H.R. 780: Mr. PALLONE and Mr. MCMILLEN of Maryland.

H.R. 860: Mr. FALEOMAVAEGA.

H.R. 895: Ms. LONG.

H.R. 911: Mr. SPRATT and Mr. POSHARD.

H.R. 967: Mr. COLEMAN of Texas.

H.R. 1003: Mr. TAYLOR of North Carolina.

H.R. 1049: Mr. GALLEGLY.

H.R. 1063: Mr. MCDERMOTT.

H.R. 1077: Mr. MOORHEAD, Ms. MOLINARI, Ms. LONG, and Mr. GILCHREST.

H.R. 1335: Ms. OAKAR.

H.R. 1411: Mr. MCMILLAN of North Carolina, Mr. DOOLITTLE, and Mr. KOLTER.

H.R. 1414: Mr. PASTOR.

H.R. 1468: Mr. HERGER.

H.R. 1512: Mrs. BOXER, Mr. FRANK of Massachusetts, and Mr. MORAN.

H.R. 1515: Mr. EMERSON, Mr. NUSSLE, and Mr. VALENTINE.

H.R. 1703: Mr. COLEMAN of Texas.

H.R. 2075: Mr. SANDERS, Mr. GLICKMAN, and Mr. FOGLIETTA.

H.R. 2083: Mr. FAZIO.

H.R. 2555: Mr. ENGEL.

H.R. 2588: Mr. MCMILLEN of Maryland.

H.R. 2598: Mr. HOPKINS.

H.R. 2650: Mr. SANDERS.

H.R. 2755: Mr. FRANKS of Connecticut and Ms. HORN.

H.R. 2782: Mr. GREEN of New York, Mr. WAXMAN, Mr. MCMILLEN of Maryland, Mr. EVANS, Mr. MATSUI, Mr. HOCHBRUECKNER, Mr. DEFAZIO, Mr. MCNULTY, Mr. MANTON, Mr. MCDERMOTT, Mrs. MINK, and Mr. OBERSTAR.

H.R. 2808: Mr. MCCRERY.

H.R. 2867: Ms. SNOWE and Mr. COX of California.

H.R. 2936: Mr. FAWELL.

H.R. 2963: Mr. MCMILLEN of Maryland.

H.R. 2966: Mr. PETERSON of Minnesota and Mr. DARDEN.

H.R. 3121: Mr. MRAZEK.

H.R. 3164: Mr. LOWERY of California.

H.R. 3216: Mr. CLINGER, Mr. BURTON of Indiana, Mr. NAGLE, and Mr. MCDADE.

H.R. 3360: Mr. MCMILLEN of Maryland, Mr. CONYERS, Mr. HUGHES, Mr. GEREN of Texas, and Mr. LEWIS of Georgia.

H.R. 3380: Mr. SLATTERY and Mr. FASCELL.

H.R. 3389: Mr. ANNUNZIO, Mr. MCNULTY, Mr. HORTON, Mr. DWYER of New Jersey, Mr. VISCLOSKY, Ms. KAPTUR, Mr. ROE, and Mr. ENGEL.

H.R. 3395: Mrs. MEYERS of Kansas.

H.R. 3473: Mr. SMITH of Florida.

H.R. 3555: Mr. MAZZOLI, Mrs. MEYERS of Kansas, Mr. WHEAT, and Mr. ERDREICH.

H.R. 3681: Mr. CAMPBELL of Colorado, Mr. SYNAR, Mr. SERRANO, Mr. VANDER JAGT, Mr. MARTINEZ, Mr. TRAFICANT, Mr. PENNY, and Mr. EVANS.

H.R. 3702: Mr. HERTEL.

H.R. 3725: Mr. LIPINSKI and Mr. MARKEY.

H.R. 3763: Mr. LAGOMARSINO.

H.R. 3801: Mr. SKELTON, Mrs. MEYERS of Kansas, and Mr. SHAYS.

H.R. 3816: Mr. ENGEL and Mr. LIPINSKI.

H.R. 3827: Mr. KOLTER, Mr. HORTON, Mrs. COLLINS of Illinois, Ms. NORTON, Mr. EWING, and Mr. LEWIS of Florida.

H.R. 3829: Ms. NORTON, Mr. BILBRAY, Mr. GEREN of Texas, and Mr. EWING.

H.R. 3925: Mr. JEFFERSON.

H.R. 3981: Mr. HUGHES and Mr. PORTER.

H.R. 3986: Ms. HORN and Mr. PAXON.

H.R. 3989: Mr. MYERS of Indiana, Mr. MURTHA, and Mr. MARTINEZ.

H.R. 3992. Mr. MYERS of Indiana, Mr. MURTHA, and Mr. MARTINEZ.

H.R. 4061: Mr. ZELIFF.

H.R. 4100: Mr. ROE, Mr. BLACKWELL, Mr. ANDREWS of New Jersey, Mr. ANNUNZIO, and Mr. MAVROULES.

H.R. 4130: Mr. SOLOMON and Mr. RITTER.

H.R. 4173: Mr. ANNUNZIO, Mr. KOLTER, and Mr. HAYES of Illinois.

H.R. 4178: Mr. REED, Ms. HORN, and Mr. JONTZ.

H.R. 4196: Mr. QUILLEN, Mr. HERGER, and Mr. ALEXANDER.

H.R. 4207: Mr. CRANE and Mr. SIKORSKI.

H.R. 4214: Mr. NOWAK, Mr. SYNAR, Mr. SOLARZ, Ms. SLAUGHTER, and Mrs. COLLINS of Illinois.

H.R. 4284: Mr. PAXON.

H.R. 4293: Mr. CARPER, Mr. MCCANDLESS, and Mr. INHOFE.

H.R. 4294: Mr. KOLBE and Mr. PAXON.

H.R. 4295: Mr. PAXON.

H.R. 4297: Mr. PAXON.

H.R. 4312: Mr. DELLUMS, Mr. OWENS of New York, Mr. ESPY, Mr. BRYANT, Mr. ENGEL, Mr. DOOLEY, Mr. WEISS, Mr. MFUME, Mr. TOWNS, Mr. DYMALLY, and Mr. KOPETSKI.

H.R. 4319: Mr. LANCASTER and Mr. EWING.

H.R. 4333: Mr. BEREUTER, Mr. KANJORSKI, Mr. FRANK of Massachusetts, Mr. WALSH, Mr. DEFAZIO, Mr. LANCASTER, Mr. ROE, and Mrs. MEYERS of Kansas.

H.R. 4343: Mr. BLACKWELL and Mr. LANTOS.

H.R. 4365: Mr. JONTZ.

H.R. 4377: Mrs. MEYERS of Kansas.

H.R. 4400: Mr. POSHARD, Mr. CRAMER, Mr. KILDEE, Mr. HORTON, Mr. WALSH, Mr. NEAL of North Carolina, Mr. CHANDLER, Mr. BEVILL, Mr. LEWIS of Florida, Mrs. LLOYD, Mr. GREEN of New York, Mrs. JOHNSON of Connecticut, Mr. ALLEN, Ms. MOLINARI, Mr. FOGLIETTA, and Mr. BEREUTER.

H.R. 4406: Mr. HOBSON and Mr. SUNDQUIST.

H.R. 4427: Mrs. MEYERS of Kansas and Ms. Norton.

H.R. 4430: Mr. ZIMMER.

H.R. 4473: Mr. NAGLE and Mr. GORDON.

H.R. 4491: Mrs. MINK, Mr. BALLENGER, Mr. SMITH of New Jersey, Mr. LIGHTFOOT, and Mr. WHEAT.

H.R. 4564: Mr. DORGAN of North Dakota and Mrs. SCHROEDER.

H.R. 4565: Mr. LIGHTFOOT.

H.R. 4566: Mr. DORGAN of North Dakota and Mrs. SCHROEDER.

H.R. 4600: Mr. GOSS.

H.J. Res. 224: Mr. SANDERS.

H.J. Res. 239: Mr. CARDIN, Mr. KOPETSKI, and Mr. HOAGLAND.

H.J. Res. 244: Ms. KAPTUR, Mr. JEFFERSON, Mr. ABERCROMBIE, Mrs. LOWEY of New York, Mr. TRAFICANT, Mr. MFUME, Mr. HUGHES, Mr. FOGLIETTA, Mr. ANDERSON, Mr. KOLTER, Mr. DOOLEY, Mr. FLAKE, Mr. GREEN of New York, Mr. PANETTA, Mr. TORRICELLI, Mr. LAFALCE, Mr. BLACKWELL, Mr. SCHIFF, Mr. FASCELL, and Mr. COLEMAN of Texas.

H.J. Res. 336: Mr. SPENCE, Mr. HOYER, Mr. MCDERMOTT, Mr. ENGEL, Mr. HOAGLAND, Mr. LANCASTER, and Ms. OAKAR.

H.J. Res. 388: Mr. MACHTLEY, Mr. PORTER, Mr. SANDERS, Mr. ANDREWS of Maine, Mr. RINALDO, and Mr. RAVENEL.

H.J. Res. 396: Mr. ABERCROMBIE, Mr. ALEXANDER, Mr. ANDERSON, Mr. ANDREWS of New Jersey, Mr. ANDREWS of Maine, Mr. ANNUNZIO, Mr. ANTHONY, Mr. APPLEGATE, Mr. ASPIN, Mr. AUCOIN, Mr. BEILENSON, Mr. BEVILL, Mr. BILBRAY, Mr. BLAZ, Mr. BOEHLERT, Mr. BORSKI, Mr. BREWSTER, Mrs. BYRON, Mr. CARPER, Mr. CARR, Mr. CHAPMAN, Mrs. COLLINS of Illinois, Mr. CONYERS, Mr. COSTELLO, Mr. COYNE, Mr. CRAMER, Mr. DARDEN, Mr. DAVIS, Ms. DELAURO, Mr. DICKS, Mr. DINGELL, Mr. DORGAN of North Dakota, Mr. DOWNEY, Mr. DURBIN, Mr. ECKART, Mr. EDWARDS of California, Mr. EMERSON, Mr. EVANS, Mr. FAWELL, Mr. FISH, Mr. FLAKE, Mr. FOGLIETTA, Mr. FORD of Tennessee, Mr. FRANK of Massachusetts, Mr. GALLEGLY, Mr. GEREN of Texas, Mr. GILCHREST, Mr. GILMAN, Mr. GUNDERSON, Mr. HALL of Ohio, Mr. HARRIS, Mr. HAYES of Illinois, Mr. HENRY, Mr. HOAGLAND, Mr. HOYER, Mr. HUBBARD, Mr. HUGHES, Mr. JOHNSON of South Dakota, Mr. JONTZ, Mr. KANJORSKI, Mr. KILDEE, Mr. KLECZKA, Mr. KOPETSKI, Mr. LAROCCO, Mr. LEWIS of California, Mr. LIPINSKI, Mr. MANTON, Mr. MAVROULES, Mr. MCEWEN, Mr. MCGRATH, Mr. MCHUGH, Mr. MFUME, Mr. MINETA, Mr. MOODY, Mrs. MORELLA, Ms. OAKAR, Mr. OBEY, Mr. OWENS of Utah, Mr. PANETTA, Mr. PASTOR, Mr. RAMSTAD, Mr. RICHARDSON, Mr. RIGGS, Mr. RINALDO, Mr. SANDERS, Mr. SAWYER, Mr. SCHUMER, Mr. SERRANO, Mr. SHARP, Ms. SLAUGHTER, Mr. SMITH of Texas, Mr. SMITH of Florida, Mr. SPENCE, Mr. SPRATT, Mr. STALLINGS, Mr. STARK, Mr. STOKES, Mr. SWETT, Mr. TAUZIN, Mr. THOMAS of Georgia, Mr. TORRES, Mrs. UNSOELD, Mr. VOLKMER, Mr. WASHINGTON, Ms. WATERS, Mr. WOLF, Mr. YATES, and Mr. ZIMMER.

H.J. Res. 404: Mr. JEFFERSON, Mr. WALSH, Ms. NORTON, Mr. CHANDLER, Mr. FROST, Mr. EMERSON, Mr. LEACH, Mr. TANNER, Mr. FORD of Tennessee, Mr. COOPER, Mrs. BOXER, Mr. MOORHEAD, Mr. LIPINSKI, Mr. GRANDY, Mr. MOODY, Mr. GEPHARDT, and Mr. QUILLEN.

H.J. Res. 406: Mr. HOCHBRUECKNER, Mr. HUBBARD, Mr. KLECZKA, Mr. NEAL of Massachusetts, Mr. LUKEN, Ms. NORTON, Mr. KOLTER, Mr. VANDER JAGT, Mr. YATRON, Mr. TAUZIN, Mr. SPENCE, Mr. SMITH of Florida, Mr. SOLARZ, Mr. SKELTON, Mr. SKEEN, Mrs. BENTLEY, Mr. BEVILL, Mr. COLEMAN of Texas, Mr. CALLAHAN, Mr. CLEMENT, Mr. DARDEN, Mr. DOOLITTLE, Mr. ESPY, Mr. STAGGERS, Mr. PORTER, Mr. DYMALLY, Mr. BENNETT, Mr. TALLON, Mr. HAMILTON, Mr. LEWIS of Georgia, Mr. DORGAN of North Dakota, Mr. VENTO, Mr. WAXMAN, Mr. CONYERS, Mr. MORAN, Mr. DIXON, Mr. PICKETT, Mr. LIPINSKI, Mr. MATSUI, Mr. DE LA GARZA, Mr. CRAMER, Mr. WYLIE, Mr. BLILEY, Ms. SLAUGHTER, Mr. THOMAS of California, Mr. WILSON, Mr. GEKAS, and Ms. HORN.

H.J. Res. 407: Mr. QUILLEN, Mr. ROBERTS, Mr. SANDERS, Mr. HUTTO, and Mr. BLILEY.

H.J. Res. 425: Mr. MCCOLLUM, Mr. NEAL of North Carolina, Mr. PERKINS, Mr. NATCHER, Mr. RHODES, Mr. SKEEN, Mr. EMERSON, Mr. MORAN, Mr. ALEXANDER, Mr. SPRATT, Mr. WISE, Mr. DARDEN, Mr. RAHALL, Mr. LANCASTER, Mr. THOMAS of Georgia, and Mr. YOUNG of Florida.

H.J. Res. 434: Mr. AUCOIN, Mr. BLILEY, Mr. BURTON of Indiana, Mr. COOPER, Mr. DE LUGO, Mr. EARLY, Mr. PAYNE of New Jersey, Mr. RAVENEL, Mr. RIGGS, Mr. SISISKY, Mr. SOLARZ, Mr. TRAFICANT, Mr. VOLKMER, and Mrs. VUCANOVICH.

H. Con. Res. 102: Mr. GALLEGLY.

H. Con. 180:

H. Res. 347: Mr. PAXON.

H. Res. 405: Mr. PAXON.

H. Res. 406: Mr. PALLONE, Mr. PENNY, Mr. MAZZOLI, Mr. ERDREICH, Mr. PAXON, Mr. SMITH of New Jersey, Mr. HYDE, and Mrs. ROUKEMA.

H. Res. 411: Mr. BLACKWELL, Mr. LAGOMARSINO, Mr. MATSUI, Mrs. MORELLA, Mr. RITTER, Ms. SLAUGHTER, and Mr. WALKER.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 1245: Mr. PAXON.

H.R. 1790: Mr. PAXON.

H.R. 2223: Mr. RAMSTAD.

H.J. Res. 450: Mr. MCMILLAN of North Carolina.

EXTENSIONS OF REMARKS

UNPLEASANT EXPERIENCE WITH BUSINESS IN SOUTH KOREA

HON. BILL ORTON

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. ORTON. Mr. Speaker, several months ago a constituent of mine, Mr. Tim Themy-Kotronakis, had a most unpleasant and, it appears, not unique experience while trying to do business in South Korea. Apparently as leverage to force him to sign an unacceptable business arrangement with a South Korean company, he was detained by South Korean authorities on trumped-up charges. He was coerced into signing documents and bank drafts to benefit the South Korean company as a condition of his release.

Following his release, Mr. Kotronakis learned from State Department officials, reporters, and other business people he talked to that his experience was not uncommon. In an effort to prevent others from suffering the same experiences while trying to do business in South Korea, Mr. Kotronakis has circulated a warning letter to nearly 3,000 businesses who are doing business in and with South Korea and an article from the International Edition of the Wall Street Journal. I am inserting it into the RECORD today. I certainly commend him for his initiative and his concern for the welfare of fellow business people.

Too often, we consider the difficulties which our business community faces in dealing on a level playing field with other nations as stemming largely from structural, economic causes. Mr. Kotronakis' experience shows that we should all take a broader perspective when we consider changes in our trading relationship with other nations. When it comes to any policy or legislation affecting South Korea, I will certainly have this broader perspective in the future.

The material follows:

BRINECELL, INC.,
Salt Lake City, UT, January 2, 1992.

Hon. HONG JOO HYUN,
Ambassador of South Korea to the U.S., Embassy of South Korea, Washington, DC.

DEAR MR. AMBASSADOR: Happy 1992! Enclosed please find an article which appeared in the November 7, 1991 issue of the International Edition of the Wall Street Journal. I am the person mentioned in the article. On the reverse side of the article are my comments.

I am reproducing this item and sending it to over 2,850 international companies currently doing business in South Korea. I will continue to send it every three months.

It is my intention to inform international business communities of what happened to me. There is a very real possibilty that this may also happen to them.

I am also placing full-page advertisements in various international trade publications so that foreigners will know exactly how the South Korean Government treats businessmen.

Someone in South Korea told me that if I follow through with my plans as stated above, harm will surely come to me. I am going ahead anyway, Mr. Ambassador! Concern for my fellow businessmen far outweighs concern for my own safety.

Sincerely yours,
TIM THEMY-KOTRONAKIS,
President.

P.S.—I plan to exhibit in Seoul at INPOCO '92, 23–27 March 1992. Will they dare arrest me again?

BRINECELL, INC.,
Salt Lake City, UT, January 1992.

GENTLEMEN: You, as an international entity doing business in South Korea, should be interested in the enclosed article which appeared in the 7 November 1991 issue of the International Edition of the Wall Street Journal.

What started as a routine business trip for me, and my wife, ended as a nightmare in Pusan. We were unfairly detained by the prosecutor in Pusan, Mr. Hahn, and coerced into signing documents and bank drafts to benefit a Korean company, Yu Ra Corporation of Seoul. I later learned from the U.S. State Department and reporters from international publications that the situation has become so bad, the U.S. Government may issue a travel advisory to Americans planning to visit Korea. What happened to me could easily happen to you too, regardless of your nationality.

It is legal for Korean companies to file complaints against foreigners, causing them to be detained indefinitely, until the matter is resolved to their satisfaction. This amounts to nothing more than extortion of foreigners "held hostage". What would be considered a civil matter by Western standards, is criminal in nature according to the Korean Government.

During my ordeal in Korea, I was told that Korean Courts always rule in favor of Koreans regardless of the circumstances of evidence. In my case, Yu Ra Corporation forged my signature to prove their claim. Mr. Hahn, the prosecutor, accepted the forged documentation without question. Amazing!

This type of uncivilized behavior must change! Korean courts should be subject to international laws and standards. Not "home-made" laws which suit their selfish needs.

It is my intention to file a class action petition against the South Korean Government to abolish this intolerable treatment toward foreign businessmen. If you know anyone who has unjustly suffered as I did in South Korea, please let me know. Only if we band together can we induce reform. Besides distributing this letter, I plan to run full-page advertisements in major international trade journals and newspapers to caution those who do business in South Korea. I am acting of my own accord with my own resources. Your information and comments would be much appreciated.

Sincerely yours,
TIM THEMY-KOTRONAKIS,
President.

[From the Wall Street Journal, Nov. 7, 1991]

KOREA'S BUSINESS WELCOME MAT MAY LEAD TO DETENTION

(By Damon Darlin)

SEOUL.—To a small business owner, doing business abroad may sound glamorous and lucrative. But sometimes, it can be unexpectedly dangerous too.

As several Americans recently discovered in South Korea, choosing a relatively advanced capitalist country with close ties to the U.S. is no guarantee of a bon voyage. The entrepreneurs were detained against their will because South Korean companies had filed criminal charges against them. The Seoul government wouldn't let them leave the country until the disputes were resolved.

An angered U.S. government has taken the unusual step of threatening to issue a travel advisory for South Korea unless the Korean government seriously addresses the problem. The State Department ordinarily issues such warnings to traveling Americans only for countries hit by rioting or coups or stricken by unusual diseases.

But even if the dispute with Seoul is resolved quickly, it underscores the vulnerability of small U.S. businesses trying to operate in unfamiliar territory.

Tim Themy-Kotronakis certainly felt vulnerable. The president of Brincell Inc. of Salt Lake City was being accused of fraud by a small Korean company that had bought one of his water-pollution-control devices. The Korean government, which considered pressing the charge, said that until the criminal complaint was resolved, Mr. Themy-Kotronakis couldn't go home.

Mr. Themy-Kotronakis alleges that a representative of the Korean company. Yu Ra Corp., threatened him with "trouble" when he refused to make it his sole Korean distributor. The fraud charges and the travel restriction were a way of getting Mr. Themy-Kotronakis to give in, contends his lawyer, Rob Holley of International Law Office in Pusan, South Korea, Yu Ra refuses to discuss the issue. "We'd like to forget this whole matter," a spokesman says.

Western diplomats say a growing number of Americans and Europeans are being held against their will in South Korea because of criminal charges filed against them by Korean companies. The European Community is looking into about a dozen such cases, and the U.S. counts four. The U.S. Embassy here says the State Department has raised the issue with the Korean Embassy in Washington and has instructed U.S. Ambassador Donald Gregg to bring it up with several Korean government ministries.

A U.S. official says Ambassador Gregg had to get personally involved in September to free a Los Angeles grandmother, Doris Waldman, when she was stopped in Korea for 17 days in a dispute about sweaters. Mrs. Waldman, a buyer for a small California retailer, claims that the Korean company lured her to Korea during an Asian trip on the pretense that it wanted to place an order. Once there, she says, the Korean concern charged her with fraud and asked her to pay off a disputed bill. She was eventually allowed to leave without the dispute being resolved.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"This has happened to a lot of people," Mrs. Waldman says. "It is getting worse instead of better. Some companies are refusing to send their buyers there."

Criminal charges were eventually dropped against Mrs. Waldman, but the U.S. Embassy objected to the tactic of using criminal proceedings to settle a civil dispute, the U.S. official says.

Another businessman, who doesn't want his case publicized for fear of making matters worse, hasn't been able to leave for more than two months after a labor union filed charges against him.

As South Korea has no extradition treaty with the U.S., Korean authorities forbid any American under criminal investigation to leave the country. Western lawyers and diplomats say that most business disputes could be handled more properly in civil courts. They also complain that an accusation by one party, with or without evidence, prompts prosecutors to limit the foreign business person's travel, thus giving a negotiating advantage to the Korean firm. The tactic seems to be used most often against small businesses that lack resources to fight back, they say.

A South Korean foreign ministry official says that both Koreans and foreigners are treated the same way, but the ministry is trying to find ways to "relieve an uncomfortable situation." He also says, "I can't say that the law is abused or not righteously applied."

Mr. Themy-Kotronakis's problems began with the delivery of an industrial machine to clean polluted water from dye plants. A Korean textile company bought one through Yu Ra, and Mr. Themy-Kotronakis installed it. But the company alleged that the machine didn't work. When Mr. Themy-Kotronakis was invited to a U.S. government-sponsored trade show in Pusan in late October, he says he told the Korean textile company he would fix it then.

Mr. Themy-Kotronakis, who says his company has sales of about $5 million a year, alleges that when he arrived in Pusan, a Yu Ra representative proferred papers making Yu Ra the sole agent and demanded his signature. He says the Korean said, "I am warning you. If not, we will cause you a lot of trouble. Sign this paper or else."

Mr. Themy-Kotronakis says he didn't understand the threat until the next day when he was told at the trade show that government prosecutors were looking for him. He was being charged with criminal fraud by Yu Ra. "Man, I was shocked," says Mr. Themy-Kotronakis. He says his wife was the only witness to the threat.

According to Mr. Themy-Kotronakis, the Yu Ra representatives then tried to tell people at the show that they were his official agents until U.S. Embassy officials had guards eject the Yu Ra men. He says prosecutors questioned him three days without his lawyer and, according to his attorney, suggested that Mr. Themy-Kotronakis compromise. Mr. Themy-Kotronakis says that the evidence Yu Ra brought to the prosecutor was a photocopied agreement that the entrepreneur say is a forgery.

Mr. Themy-Kotronakis has agreed to buy back the $130,000 machine, which he says is in working order, in exchange for Yu Ra's dropping the charges. "I agreed under pressure, I can tell you that," the American says.

Mr. Themy-Kotronakis left Seoul last Saturday. But he wants to come back. "The funny part is that the amount of business I can do here outweighs the torture they put me through," he says.

KAAREN JOHNSON-STREET FINDS JOBS FOR MIAMI

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Kaaren Johnson-Street, who recently was featured in the Miami Herald after becoming the president and chief executive officer of Jobs for Miami, a major job training and placement organization. The article, "Jobs for Miami Taps President" by Charles Rabin tells her story:

After 17 years of finding jobs for executives, Kaaren Johnson-Street did a little soul searching and decided there was a more needy group of unemployed people: the chronically unemployed, particularly blacks.

So she did something about it.

In January, Johnson-Street joined an organization called Jobs for Miami as president and chief executive. She was greeted enthusiastically by the group's chairman, Mike Burris, who said the organization, which finds jobs and provides training for the economically disadvantaged, needed revitalizing.

The former chief executive, Ira Weir, agreed to step aside and now serves as chief administrative officer.

"There wasn't enough community focus, and all of a sudden everyone started losing jobs," said Burris, who is a partner at the accounting firm Deloitte & Touche. "Jobs for Miami needed to become more market-oriented and industry-focused."

According to Johnson-Street, it has. She said the organization is receiving 1,500 calls a week and is able to service about 300. A year ago, the office was handling about a third that number.

Johnson-Street heads a Liberty City-based staff of 18 employees who primarily go out to local companies to seek out jobs. The nonprofit group receives grants from the Department of Labor and local companies such as Ryder System and Cordis Corp.

There is an incentive for businesses to work with Jobs for Miami. The organization gets money from the Labor Department through the Joint Training Partnership Act. This enables it to pay 60 percent of an employee's salary for up to 12 weeks.

Because most people who come to Jobs for Miami are chronically unemployed, Johnson-Street said, they tend to find only entry-level jobs. But in a healthy economy, she said, "hopefully, we'll be able to upgrade these people."

One characteristic of this recession has been layoffs among middle- and upper-level employees.

Johnson-Street has set up a Professional Resume Bank for professionals displaced by the recession. "But it's still tough to find upper-level jobs," she said.

She should know. Before joining Jobs for Miami, Johnson-Street spent 17 years as head of her own executive training firm, Kaaren Johnson Associates.

She formed the company in New York City in 1975, three years after graduating from the State University of New York at Stonybrook. She relocated to Miami two years ago after the Miami Fire Department hired her to handle human relations, a job she still maintains.

She also continues to run a KJA office in Washington, D.C. Johnston-Street, 45, her husband, Theodore, and 18-year-old daughter, Nailah, "fell in love with the city" and decided to stay. Soon after, Jobs for Miami found Johnson-Street.

"We sought out a number of highly qualified people to lead Jobs for Miami in the '90s. She's going to knock on a lot of doors, and those who haven't yet met her are going to be impressed," Burris said.

I am happy to pay tribute to Ms. Johnson-Street by reprinting this article. Ms. Johnson-Street has already tripled the number of placements in the short time that she has been at Jobs for Miami. Her extensive experience as head of her own executive training firm has proven to be a major asset in Jobs for Miami's war on unemployment.

POST-STAR EDITORIAL TELLS THE TRUTH ABOUT WASHINGTON

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. SOLOMON. Mr. Speaker, we spend too much time reading the Washington Post and not enough time reading our local papers, back in the districts, where real people live and work.

Editorials and letters to the editors of local newspapers prove that the folks back home know we're not doing our job. They know we're not controlling our spending, and that we're piling a mountain of debt on the backs of future generations.

It is my privilege to place in today's RECORD a good example of that public awareness, an editorial from my hometown newspaper, the Glens Falls Post-Star.

The editorial follows:

WE LIVE IN THE SHADOW OF DEBT

This year's projected federal deficit of almost $400 billion will set another record. But it certainly will not be the last.

According to the latest estimates by the Congressional Budget Office, astronomical deficits are in prospect for at least the next decade. By 2002, in fact, the deficit will be much higher than today, climbing to $432 billion, if the CBO's projections are correct.

The hard fiscal reality is that the White House and Congress have practically capitulated in the battle against the deficit. Moreover, the presidential candidates of both parties have essentially ignored this growing long-term threat to the American economy.

Washington's deficit spending corrodes the economy's vitality in a multitude of ways. By soaking up private savings, the deficit limits the amount of capital available to modernize business and industry and thereby increase U.S. productivity. And by restricting the availability of capital for the private sector, the deficit drives up long-term interest rates and therefore the cost of doing business. All of these factors weaken America's competitiveness in the global economy.

According to a study by the Federal Reserve Bank of New York, the U.S. economy grew by 3 percent less during the 1980s than it would have without the deficit. By 2000, the nation's economic growth will be 6 percent less due to the deficit, the study concluded.

The reason the government is losing the fight against the deficit is that President Bush and lawmakers virtually have exempted from cuts the huge entitlement programs that account for half of all federal spending. Deep reductions in defense outlays have been more than offset by the rapid growth of such middle-class entitlement programs as Social Security and Medicare.

During the last four years alone, federal spending on domestic programs has surged by 24.5 percent after adjusting for inflation. Domestic spending this year will consume 14.8 percent of the nation's gross domestic product, up from 12.2 percent in 1989.

Steep increases in health care costs borne by the government are among the largest contributors to the deficit. And the CBO estimates these costs will continue to rise much faster than the rest of the budget through the end of the decade.

For example, if present trends continue, the Medicare program for the elderly will soar from $128 billion in 1992 to $301 billion in 2000. The Medicaid program for the poor will jump from $68 billion this year to $180 billion in 2000. These two programs alone will account for 5.3 percent of gross domestic product in 2000, compared with 3.4 percent today, according to the CBO forecasts.

Over the long term, such increases in government spending on medical care are simply not sustainable. The CBO projections highlight the critical need for fundamental reforms to contain health care inflation for both the public and private sectors.

For more than a decade, Washington has been living beyond its means on an alarming scale, piling up ever-higher levels of debt for future generations to repay. Unless the President and Congress begin to make the hard choices required to bring the deficit under control, the inevitable consequence will be reduced living standards for our children and grandchildren.

TRIBUTE TO THE MEMORY OF THE YOUNGSTOWN OAKLANDS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to an energetic semiprofessional football team that exists now as legend in my 17th Congressional District of Ohio. I speak of the former Youngstown Oaklands, Mr. Speaker, a fond memory in the children of players.

Through the inspirational work of Father John I. Moran, pastor at Sacred Heart Church on Lincoln Park Drive, the Youngstown Oaklands were organized in 1921 to play at the newly purchased Oakland Field. The team consisted of 17 members with Leo Dunn, Sr. playing running back, John Dunn playing center guard, Tom McKenna as quarterback, Marty McLaughlin as end, and Lawrence Murray as the tackle.

Unlike today's team structure, the Oaklands' players functioned as offensive and defensive players, and without fail, these team members played their best games every Sunday afternoon at that east side football field providing many enthusiastic fans with exciting entertainment. On one memorable Sunday, the Oaklands played against the team from Pottsville, PA whose quarterback was the legendary Jim Thorpe. Though the Oaklands lost, the game stood as the ultimate team experience.

Mr. Speaker, I want to compliment and thank Leo Dunn, a retired police investigator from Struthers and the late historian, Vic Frolund, for their efforts to compile the facts surrounding the legendary Youngstown Oaklands. We are all to benefit from gaining the real story from their work.

NATIONAL CAUCUS OF BIOMEDICAL SCIENCE CHAIRS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. RICHARDSON. Mr. Speaker, over 2 years ago I was pleased to be among the four founders of the congressional biomedical research caucus. As a result, other groups have formed to advocate for an increase in biomedical research, such as the national caucus of basic biomedical science chairs. The national caucus represents approximately 50,000 research scientists located at universities throughout the Nation. The current chair of the national caucus is Dr. H. George H. Mandel, professor and chairman of the Department of Pharmacology at George Washington University in Washington, DC. I am pleased that the University of New Mexico School of Medicine is engaged in important biomedical research and that the new vice-chair of the national caucus is Dr. Robert Kelley, chairman of the Department of Anatomy of the University of New Mexico School of Medicine in Albuquerque, NM. Dr. Kelley and his colleagues met in Washington, DC, on March 21, and called upon the Congress to increase funding for the National Institutes of Health. They issued the following statement:

STATEMENT OF THE NATIONAL CAUCUS OF BASIC BIOMEDICAL SCIENCE CHAIRS

DECLARATION OF PURPOSE

The National Caucus of Basic Biomedical Science Chairs is an organization of the presidents and representatives of national associations of chairpersons of basic biomedical science departments in the nation's medical schools. These departments include approximately 100,000 people employed in the field of biomedical research and education. Founded in 1991, the Caucus is committed to strengthening and enhancing all aspects of basic biomedical research, including education, biotechnology development, and public awareness of the sciences basic to medicine.

One of our main purposes is to address the issues of currently inadequate federal funding for biomedical research with the goal of developing a consistent, long-range policy of expanded funding for the National Institutes of Health and other federal agencies. Attainment of his goal will maintain the United States' preeminence in biotechnology and will be a long-term investment in improved health, quality of life and the economic competitiveness of our nation.

CLASH OF CULTURES, REVISITED

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the "Year of the American Indian." This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing for the consideration of my colleagues an article published by the National Geographic Society, written by Dee Brown, and entitled "Bury My Heart at Wounded Knee." The article summarizes, in very few words, the difficulty the American Indians of the Ohio Valley had in getting along with the U.S. Government and new settlers.

BURY MY HEART AT WOUNDED KNEE

(By Dee Brown)

Between 1795 and 1840 the Miamis fought battle after battle, and signed treaty after treaty, ceding their rich Ohio Valley lands until there was none left to cede.

When white settlers began streaming into the Illinois country after the War of 1812, the Sauks and Foxes fled across the Mississippi. A subordinate chief, Black Hawk, refused to retreat. He created an alliance with the Winnebagos, Pottawotamies, and Kickapoos, and declared war against the new settlements. A band of Winnebagos, who accepted a white soldier chief's bribe of twenty horses and a hundred dollars, betrayed Black Hawk, and he was captured in 1832. He was taken East for imprisonment and display to the curious. After he died in 1838, the governor of the recently created Iowa Territory obtained Black Hawk's skeleton and kept it on view in this office.

In 1829, Andrew Jackson, who was called Sharp Knife by the Indians, took office as President of the United States. During his frontier career, Sharp Knife and his soldiers had slain thousands of Cherokees, Chickasaws, Choctaws, Creeks, and Seminoles, but these southern Indians were still numerous and clung stubbornly to their tribal lands, which had been assigned them forever by white men's treaties. In Sharp Knife's first message to his Congress, he recommended that all these Indians be removed westward beyond the Mississippi. "I suggest the propriety of setting apart an ample district west of the Mississippi * * * to be guaranteed to the Indian tribes, as long as they shall occupy it."

Although enactment of such a law would only add to the long list of broken promises made to the eastern Indians, Sharp Knife was convinced that Indians and whites could not live together in peace and that his plan would make possible a final promise which never would be broken again. On May 28, 1830, Sharp Knife's recommendations became law.

Two years later he appointed a commissioner of Indian affairs to serve in the War Department and see that the new laws affecting Indians were properly carried out. And then on June 30, 1834, Congress passed An Act to Regulate Trade and Intercourse with the Indian Tribes and to Preserve Peace on the Frontiers. All that part of the United States west of the Mississippi "and not within the States of Missouri and Louisiana or the Territory of Arkansas" would be Indian country. No white persons would be permitted to trade in the Indian country without a license. No white traders of bad character would be permitted to reside in Indian country. No white persons would be permitted to settle in the Indian country. The military force of the United States would be employed in the apprehension of any white person who was found in violation of provisions of the act.

Before these laws could be put into effect, a new wave of white settlers swept westward and formed the territories of Wisconsin and Iowa. This made it necessary for the policy makers in Washington to shift the "permanent Indian frontier" from the Mississippi River to the 95th meridian. (This line ran from Lake of the Woods on what is now the Minnesota-Canada border, slicing southward through what are now the states of Minnesota and Iowa, and then along the western borders of Missouri, Arkansas, and Louisiana, to Galveston Bay, Texas.) To keep the Indians beyond the 95th meridian and to prevent unauthorized white men from crossing it, soldiers were garrisoned in a series of military posts that ran southward from Fort Snelling on the Mississippi River to forts Atkinson and Leavenworth on the Missouri, forts Gibson and Smith on the Arkansas, Fort Towson on the Red, and Fort Jesup in Louisiana.

More than three centuries had now passed since Christopher Columbus landed on San Salvador, more than two centuries since the English colonists came to Virginia and New England. In that time the friendly Tainos who welcomed Columbus ashore had been utterly obliterated. Long before the last of the Tainos died, their simple agricultural and handicraft culture was destroyed and replaced by cotton plantations worked by slaves. The white colonists chopped down the tropical forests to enlarge their fields; the cotton plants exhausted the soil; winds unbroken by a forest shield covered the fields with sand. When Columbus first saw the island he described it as "very big and very level and the trees were green * * * the whole of it so green that it is a pleasure to gaze upon." The Europeans who followed him there destroyed its vegetation and its inhabitants—human, animal, bird, and fish—and after turning it into a wasteland, they abandoned it.

On the mainland of America, the Wampanoags of Massasoit and King Philip had vanished, along with the Chesapeakes, the Chickahominys, and the Potomacs of the great Powhatan confederacy. (Only Pocahontas was remembered.) Scattered or reduced to remnants were the Pequots, Montauks, Nanticokes, Machapungas, Catawbas, Cheraws, Miamis, Hurons, Eries, Mohawks, Senecas, and Mohegans. (Only Uncas was remembered.) Their musical names remained forever fixed on the American land, but their bones were forgotten in a thousand burned villages or lost in forests fast disappearing before the axes of twenty million invaders. Already the once sweet-watered streams, most of which bore Indian names, were clouded with silt and the wastes of man; the very earth was being ravaged and squandered. To the Indians it seemed that these Europeans hated everything in nature—the living forests and their birds and beasts, the grassy glades, the water, the soil, and the air itself.

GOVERNMENT SECRECY AFTER THE COLD WAR

HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. HAMILTON. Mr. Speaker, I would like to insert my Washington Report for Wednesday, April 1, 1992 into the CONGRESSIONAL RECORD:

At a time when former communist nations are opening their archives to public scrutiny, the U.S. government has done little to reduce excessive government secrecy at home. The end of the Cold War provides an unprecedented opportunity to promote greater openness in Government.

BACKGROUND

All governments confront a fundamental tension between the need for secrecy and the need for public accountability. A degree of secrecy is necessary to promote national security. But secrecy is also the enemy of accountability, and accountability is crucial to democratic government.

Certain information must be kept secret for reasons of national security. The openness of any democratic government is bound to vary with national security circumstances. Greater secrecy is obviously necessary in times of war or when foreign espionage threats are severe. The Cold War produced an extraordinary amount of secrecy in our government—perhaps too much. The Cold War has ended, though, and our security situation has changed. It is time to reexamine the U.S. government's mix of secrecy and openness.

Current classification policy was set in 1982 by President Reagan. This policy was a creature of the Cold War, and it reversed what had been a three-decade trend toward greater openness. As a result, the volume of classified material increased throughout the 1980s. Almost 7 million new documents are now cloaked in secrecy each year. The Central Intelligence Agency and Department of Defense classify information—but so do the Department of Commerce and the Federal Maritime Commission. Over 70 government agencies currently classify information for reasons of national security.

Even by Cold War standards, far too much information is classified. A General Accounting Office study of secrecy at the Pentagon revealed that about half of the documents examined were over-classified. A recent survey of classified information at the State Department found excessive secrecy in almost 50 percent of the documents reviewed. One official told my office of an ambassador who classified the menu for a dinner party so that his guests would be surprised by the food.

CONSEQUENCES

Excessive government secrecy has several damaging consequences.

First, it undermines U.S. national security. The massive volume of classified information forces us to spread our protective resources thinly. That increases the vulnerability of truly sensitive material. Because so much information is secret, almost 4 million people need security clearances for their work—more people than the population of Chicago. When too much information is classified, those who handle it become careless, and we become more vulnerable to espionage.

Second, overclassification decreases accountability, and that harms policy. In the normal policymaking process, the President proposes initiatives, Congress suggests revisions, the press comments, and the public debates. The President must defend his proposals. When information relevant to policy decisions remains unnecessarily secret, this scrutiny is not possible, and policy failures are more likely.

Third, the executive branch too often uses secrecy not to protect U.S. national security, but to increase the President's power relative to Congress. Information is power. The authority to classify information allows the executive branch to control the policy agenda, to structure debate, and to release or withhold critical facts. Members of Congress do not participate in decisions about who classifies, what gets classified, why it gets classified, or when it gets declassified.

Fourth, excessive classification impedes the free exchange of information. For example, American researchers without the necessary clearances have no access to the work of government scientists working in secret.

Fifth, excessive government secrecy is costly. Private contractors spend an estimated $14 billion per year to meet government requirements for the handling of classified material. Some information must be protected no matter the price. But the vast bureaucracy required to classify information is expensive.

RECOMMENDATIONS

Now that the Cold War is over, we have an opportunity—and an obligation—to review government secrecy to increase accountability and reduce the volume of classified material. This review should include a diversity of opinion and be as open as possible. Members of Congress must be involved. Neither the Constitution nor national security requires that the executive branch possess complete control over the classifying and handling of sensitive information. Several reforms should be considered.

First, simplify the current three-tiered classification process by eliminating the "confidential" level, as suggested by the Senate Intelligence Committee in 1986. Second, institute a systematic, across-the-board declassification of older classified material unless an appropriate authority demonstrates that an identifiable risk to national security would result from disclosure. Third, return the presumption from one of secrecy to the pre-1980s one of openness—when in doubt, do not classify.

Fourth, reduce the number of so-called "black" defense programs, which are more tightly controlled than other top secret information. These additional layers of secrecy constrain congressional oversight, making it difficult to ensure that public funds are properly spent. Fifth, apply the "need to know" principle more strictly. Only individuals who require access to classified information as part of their jobs should have this access. Finally, make the classification system more coherent and legally accountable by codifying it in law, particularly if the executive branch continues to neglect congressional concerns on issues relating to secrecy in government.

Public access to information is no mere convenience; it is a necessary condition of effective democracy. President Madison's words are still valid. "A popular government without popular information or the means of acquiring it, is but a prologue to a farce or a tragedy; or perhaps both. Knowledge will forever govern ignorance; and the people who mean to be their own governors must arm themselves with the power which knowledge gives."

DEER SEASON DEATHS

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. SCHULZE. Mr. Speaker, I would commend to my colleagues the following article which appeared in the New Gun Week. The article points out the unreasonable reporting of deaths involving deer hunters as "deer season deaths." When listed in such a way, it appears as if all deaths were caused by gun shot accidents, where it can turn out to be that death was caused by heart attack or other such incidents. We don't list heart attacks involving motorists as traffic deaths and we shouldn't with hunting either.

[From the New Gun Week, Feb. 7, 1992]

The Ely, MN, Echo recently carried an interesting editorial in which it pointed out how 'deer season deaths' are really quite inflated.

The Echo noted that, "For some reason, beyond the comprehension of deer hunters, government authorities and much of the nation's press lumps all deaths involving deer hunters as deer season deaths.'

"When this tally is put together, the inference is that these people all somehow got shot; but when the details are spelled out, it turns out that many, if not most, are due to heart attacks or other such incidents. Why, one might ask, are these hunting deaths?

"The answer, of course, is that they are so listed because they are somehow 'associated' with the hunting season.

LINE OF REASONING

"But following this same line of reasoning, why are deaths due to heart attacks or other causes at football, basketball and baseball games not reported as sports related? Such deaths occur with regularity. Indeed, just about any Twins fan watching the last World Series was probably close to cardiac arrest any number of times.

"But anyone who dies in the Metrodome of a heart attack or watching the game on TV in a tavern isn't ranked as a baseball casualty. You never see a newspaper story about how many people died watching the World Series, although there must have been a pretty good number in Atlanta."

The Echo added, "It makes sense to report gunshot accidents involved with the hunting season. There is always room for more improvement in gun safety, just as there is with auto safety. But heart attacks involving motorists are not listed as 'traffic deaths.'

"It would seem that the press could be a little more responsible in this regard. That is, unless the intent is to slant the news so that hunting is depicted as dangerous and, therefore a 'bad' sport. Which may well be the case with part of the press."

A TRIBUTE TO LOUISE COURTELIS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to pay tribute to Mrs. Louise Courtelis, who graciously has been leading a massive fundraising effort to rebuild the University of Florida's College of Veterinary Medicine. Mrs. Courtelis began her mission when 5 years ago, the vet school endured a virus lodged in the main building's ventilating system, creating "sick building syndrome." In a Miami Herald article entitled, "Without Fanfare, Developer's Wife Leads a Bold Fund Drive To Rebuild UF Vet School, Louise Courtelis' Crowning Crusade," Elinor Burkett reports on the wonderful aims of Mrs. Louise Courtelis, and I commend the following article to my colleagues:

Any self-respecting Miami Grande Dame already would have hunted down her dream gown at Martha or Lillie Rubin. By now, she'd have only to agonize over whether to wear diamonds or rubies for the Florida Derby Gala, the state's oldest black-tie ball.

But less than a week before the event, the woman running the show hadn't the foggiest ideas what she'd pull out of her closet Thursday night.

Louise Courtelis was simply too busy raising money to concern herself with frills.

"We're still $200,000 shy," she says, sitting in La Brasserie Le Coze in Coconut Grove in white slacks, a simple red sweater and red flats. The only jewel dripping on the wife of developer Alec Courtelis, one of Florida's wealthiest men—and one of the Republican Party's most effective fund-raisers—was a tiny reminder of the game she loved to play with her children: a single gold jack, the points studded with diamonds.

For many of the gentry who've shelled out $250 to $25,000 for the festivities at Turnberry Isle, the 38th Annual Florida Derby Gala is just another big-time social event, a chance to rub shoulders with Gen. Alexander and Pat Haig, Jeb and Columba Bush, Dru and Michael Hammer.

For Courtelis—who rubs shoulders with folks like the king of Greece, and George and Barbara Bush—the gala isn't about seeing and being seen.

It's about her mission: raising money to rebuild the University of Florida College of Veterinary Medicine, one of only 27 vet schools in the country.

Courtelis began drumming up support for the vet school five years ago after a virus lodged in the main building's ventilating system, creating "sick building syndrome." Mold or fungus was making faculty and students sick. The American Veterinary Medical Association declared the place a disaster area, limited its accreditation and gave UF until 1992 to clean up the ventilation and solve their space problems—or else.

Enter Louise Courtelis, who was not about to allow the 17-year-old program to fold. She knew firsthand what it was like not to have a vet school in Florida. When her first Arabian horse fell sick in Miami, her vet had to take it to Auburn University in Alabama.

"Twenty years ago, there was no operating table in the state, no surgery table for a horse," she recalls.

HOBBY GREW

By the time the accreditation crisis occurred, Courtelis and her husband were hardly disinterested spectators: Their one Arabian had become 400 Arabians. Their backyard hobby had become a $50 million business. Courtelis went into high gear.

"I did just what it says in the children's rhyme: 'Who put the overalls in Mrs. Murphy's chowder. No one heard us so we said it a little louder.' "

Finally, last year Courtelis managed to turn the annual Derby Gala into a fund-raiser for the vet school. She shook $400,000 out of the well-endowed to help pay for a new Large Animal Hospital. She and her husband broke ground for that building—literally—last March.

This year, she's trying to pay for the bricks and mortar for a new Academic Building, the last step in meeting accreditation requirements.

"Then I'll turn the banner over to someone new and go on to something else," she says.

Louise Courtelis, 60, is not just another rich guy's wife. When she's not planning the Derby Gala, lobbying for contributions or sitting on the state Board of Veterinary Medicine, she's busy at the family farm near Ocala. Mowing the pastures, pitching hay, digging ditches, birthing foals.

"You can't ask anyone to do anything for you you haven't done yourself," she says. "Anyway, you never know when the stall cleaner might not show up."

Courtelis comes by the grit under her nails naturally. She grew up on a potato farm near Erie, Penn., where her father ran the local Buick dealership.

Until 1987, Courtelis was the wife at her husband's side as he pried $100,000 in donations out of the state's Republicans. "A spectator in Alec's stuff," she calls it. Her only experience in fund-raising was "pie socials, where you decorate the box and auction it off," she laughs.

YEARS OF LEARNING

But all those years watching Alec fill Republican coffers rubbed off. When she decided to become a fund-raiser herself, her husband gave her one piece of advice: "Know all the facts and believe in them 100 percent."

Courtelis has her pitch down to perfection. She reminds anyone who will listen that Florida has a $2.5 billion horse industry and another $2.5 billion in food animals. She points out that it was a veterinarian who invented a new inexpensive saliva test for HIV and hepatitis in humans. She brags about the school's research into tumors threatening Florida's sea turtles and the impact of racing on greyhound reproduction.

In the end, the spiel is probably irrelevant. It is the bearer—not the message—who brings in the bucks.

"I'm not an animal person, I'm a Louise Courtelis person," said Jeb Bush explaining his presence at a recent pre-Derby Gala fundraiser.

I wish to thank Mrs. Courtelis for extending her love and support for the well-being of animals, and especially for her contributions in ensuring the livelihood of the University of Florida's College of Veterinary Medicine. We need many more involved citizens like Louise Courtelis.

ZEE SCHULTZ IS SENIOR CITIZEN OF THE YEAR

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. SOLOMON. Mr. Speaker, on May 14 the Warren County Office for the Aging will honor its Senior Citizen of the Year, Zee Schultz of Queensbury, NY. I could not think of a more deserving recipient.

She is a perfect example of what President Bush means by a thousand points of light. She is well known in the area for her volunteer work.

A local kidney dialysis unit probably would not exist if it had not been for Zee Schultz. She also was instrumental in establishing Emergency Lodging, Inc., a temporary housing service for displaced persons. She also helps arrange lodging for homeless youth through a local host program.

But that is not all, Mr. Speaker. Through the Red Cross, Zee Schultz has helped military families, worked at bloodmobiles, and been among the first to respond whenever there was a fire or other disaster. She is always picking up, storing, or delivering furniture for those in need. In addition, she established a monthly luncheon program through the Blind Association, and personally makes sure that rides are provided.

Prisoners at Comstock Correctional Facility and their families have also been the beneficiaries of her commitment to making life a little better for many people.

Mr. Speaker, Zee Schultz has touched the hearts of many people. The Greater Glens Falls Senior Center is enormously proud of her, and so am I.

That is why I take great pride in asking Members to join me today in paying our own tribute to Zee Schultz, a point of light, and a great American.

TRIBUTE TO SCOPE

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to an outstanding organization in my 17th District in Ohio. Faithfully, this organization serves the needs of persons over 50 years of age.

Though the organization started in 1956 as a small part of the YWCA, it soon blossomed into a large complex of three centers and 36 employees funded independently by the Federal Government. Initiatives of SCOPE include Mobile Meals and Co-Operide. SCOPE also provides geriatric care in several different forms as well as a friendly gift shop with handmade items.

I compliment the efforts of SCOPE's organizers, including Dorothy Klein, Roberta Graham, and Hilda Humes. Their dedicated work is exemplary and I thank them for their fine work.

Mr. Speaker, I pay tribute to SCOPE and its 36 employees as well as those who benefit from the programs that SCOPE offers. I take my hat off to all.

KEEPING CHILDREN SAFE

HON. PATRICIA SCHROEDER

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mrs. SCHROEDER. Mr. Speaker, everyday we hear more and more about the tragedy of family disruption and the scourge of drugs. New evidence again indicates that these two crises are closely linked. Yesterday, the Child Welfare League of America reported a 50-percent increase in children entering foster care over the last 5 years, and a 31-percent increase in reports of child abuse from 1988 to 1990. Of those children served by child welfare agencies, nearly half were reported to come from families with an alcohol- or drug-abusing member.

These findings reveal the real victims of the Bush administration's failed policies to rid our nation of drugs—our children and families. While President Bush continues to wage a costly and ineffective police war, drugs devour families from the inside out, and children suffer in record numbers.

If keeping kids safe really is a national priority, we must invest in families before crises occur, rather than ineffectively trying to mop up the mess as drugs claim more families.

Tomorrow, the Select Committee on Children, Youth, and Families will conduct a hearing that will feature promising family investment strategies to prevent abuse and strengthen families. We will look at proven cost-effective family investment programs such as family preservation and home visiting programs that reduce child abuse and family violence, and strengthen families. These programs save the taxpayers money, relieve family pressure, and keep families strong.

Today, as we begin Child Abuse Prevention Month and in the coming months, I urge the Congress to fulfill its obligation to keep our children safe by investing in programs that work for American families and the Nation.

METLIFE REAPS BENEFITS OF CAUTIOUS PATH DURING THE '80s.

HON. NORMAN F. LENT

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. LENT. Mr. Speaker, the current recession is affecting financial institutions around the country, and the life insurance industry has not been immune. With this in mind, I would like to offer into the RECORD an article which appeared in the Wall Street Journal on February 25, 1992, headlined, "MetLife Reaps Benefits of Cautious Path During the '80s."

MET LIFE REAPS BENEFITS OF CAUTIOUS PATH DURING '80'S

(By Susan Pulliam)

Troubles abounded for much of the life insurance industry last year. But Metropolitan Life Insurance Co. came through unscathed, even benefiting from the plight of others.

This week, it reported a 14% increase for the year in total capital to $6.3 billion, which is the best way of measuring earnings at mutual life insurers like Metropolitan. Sales for all lines of business to individuals rose by almost 40% in 1991 as consumers were drawn, like June bugs to a porch light, to insurers with triple-A ratings such as Metropolitan.

What's more, metropolitan recently added nearly $2 billion in assets, bringing its total to $144 billion, by taking over the businesses of troubled insurers. These included the annuity business of Executive Life Insurance Co. of New York, which was seized by regulators last summer, and part of the pension business of Mutual Life Insurance Co. of New York, which hit financial straits last year.

"It's a unique situation for us now," says Harry P. Kamen, one of four senior executive vice presidents. "We've got momentum," says Mr. Kamen. "[Troubled insurers] come to us; they're knocking on our door. And, as good neighbors, we say, 'Sure, we'll see if we've got a cup of sugar for you.' "

Indeed, analysts say Metropolitan is to the insurance industry what J.P. Morgan is to the banking industry. "They are one of the few companies in the position of playing a leading role in the industry," says Martin Weiss, of Weiss Associates, a Palm Beach, Fla., insurance rating concern.

Unlike some of its competitors, Metropolitan avoided the temptation of investing heavily in risky assets like junk bonds and real estate in order to lure policyholders with high interest rates. "There were people out there offering higher rates. But we were willing to live through this period, because investment quality is important to us," said Robert E. Chappell Jr., senior executive vice president.

SMALL PRICE TAGS

The acquisitions were a boon for Metropolitan in more ways than one. The insurer picked up a sizable amount of business cheaply, since both transactions involved a transfer of business to Metropolitan for a small price tag. (In the case of ELNY, for example, the price will amount to as little as $70 million, equal to the commissions it would have paid agents for the new business.)

Even more important, Metropolitan picked up the new business without taking on any new risks with it. "They are really very shrewd," says John Kleiman, an analyst with Conning & Co. in Hartford, Conn. "There is not much risk in these deals on their part."

But the two transactions have raised questions in the minds of some industry pros about whether the deals were disadvantageous to some policyholders of MONY and ELNY. In the case of ELNY, some former customers remain under regulator control, and Metropolitan is "taking the good assets and leaving the government holding the bad ones," says Mr. Weiss.

What's more, some analysts are now wondering whether the additional business might eventually cost Metropolitan its triple-A rating. Some say a wiser strategy for Met would have been to allow its capital ratio to increase even more, especially since rating concerns are more closely watching the industry. Making Metropolitan's management even edgier was the recent downgrading of the nation's largest insurer and Met's age-old rival, Prudential Insurance Co. of America, which lost its triple-A rating in January.

An even more pressing issue in coming years for Metropolitan, run by the team of four senior executive vice presidents, will be keeping down expenses, according to Robert

G. Schwartz, chairman and chief executive officer, who plans to retire next year. Besides Mr. Kamen and Mr. Chappell, the senior executive vice presidents in the running for the insurer's top spot are Ted Athanassiades and Stewart G. Nagler.

ISSUE OF EXPENSES

Indeed, expenses for 1990 in its life insurance business, including commissions for agents, totaled $1.2 billion at Metropolitan, which still serves 6,000 employees a free lunch at its massive headquarters in midtown Manhattan. As a percentage of premiums, that's nine percentage points above the industry average of 29%. With criticism of the high expense levels at mutual insurers increasing, the issue is a sensitive one at Metropolitan.

"Controlling expenses and increasing efficiency will be an ongoing challenge for us," Mr. Schwartz says. Last year, the company put in place a policy of holding expenses for the foreseeable future at the level of 1990. That will likely lead to staff reductions, however. In 1991 the company offered 1,000 employees voluntary separation packages. The insurer's free lunch may even be discontinued.

The industry's troubles have not left Metropolitan completely untouched. For example its guaranteed investment contract business—a type of annuity sold to pension funds—increased only 4% in 1991 to $6.7 billion.

"We're just treading water in that area," said Mr. Athanassiades. Some areas of its GIC business, in particular its so-called tradition GICs, have actually been shrinking faster than the industry.

The development is especially surprising since pension managers are widely thought to be transferring their business to triple-A companies. But, according to Mr. Athanassiades, most of Metropolitan's GIC contracts are large ones held by big companies. Those customers, he says, are substituting GICs for other products, such as mutual funds.

ALTERNATIVE TO MERGER

Metropolitan has turned down most merger proposals. Merger talks began this summer with Mutual of New York, whose policyholders began panicking this summer after real estate troubles led to a sharp downgrading. But instead of merging the two companies, which would have left Metropolitan with a large increase in sour real estate loans, Metropolitan agreed to take over the contracts of many of the pension customers of MONY, the group of customers most worried about the insurer's financial health.

Part of the agreement between the two insurers, however, was that Metropolitan would not take on any of MONY's troubled real estate as part of the transaction. to further protect itself, Metropolitan segregated the assets backing the pension business from its own.

The end result left pension customers, rather than Metropolitan, to absorb the losses should any of the assets in the pool turn sour. The transactions' subtleties were not lost to pension customers, however. Only one-third of those offered the deal transferred their business to Met.

Similar criticisms were made of Metropolitan's transaction with ELNY, which allowed Metropolitan to avoid taking on any of ELNY's junk-bond portfolio. Instead, Metropolitan received $1.5 billion in case and cash equivalents.

Mr. Chappell shrugs off such complaints, however. "We're not willing to be the savior of the industry at the expense of our own strength," he says.

POPEYE'S REVENGE

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, one criticism I have had of the media is that reporters and columnists have been too slow to write about each others errors. I understand the pressures that work to keep people who are in the same profession from being publicly critical of each other, but it seems to me that the press, with its dedication to telling the truth no matter what the consequences, should be less subject to this than it is. I was therefore particularly pleased to see a vigorous and straightforward account by A.M. Rosenthal debunking some of the inaccurate, anti-Israel information recently carried by Evans and Novak in their column. Because I think that this sort of debate between journalists is an important element of our dialog that has not been as present as it should, and because the subject matter of this discussion is an important one for American foreign policy, I think it would be very useful for the Members to see the Rosenthal column and I ask them that it be printed here.

[From the New York Times, Mar. 27, 1992]

POPEYE'S REVENGE

(By A.M. Rosenthal)

Let us continue with the adventures of Evans, Novak and Popeye.

The first two are, of course, the famous American journalists. Popeye is an Israeli. But the famous journalists keep confusing him with some kind of secret American agent. So the adventures are a little comical.

But they are also very revealing. They show how the columnists Rowland Evans and Robert Novak spread a nasty story and then how they reacted when presented with strong contrary evidence.

Evans-Novak not only did not correct the column, but dug their journalistic pit deeper by embellishing the story with more "details" that are denied and derided by U.S. military experts, in and out of Government.

The Evans-Novak journalistic reaction is their business; it is their shovel. But the episode tells a lot about what is everybody's business—how the practice of journalism and the practice of intelligence can dovetail for an attack against a common political target.

To wit: On March 16, Evans-Novak reported that Israel was about to sell the Chinese a missile called STAR. They said this air-to-surface missile contained American "priceless high technology." They said the U.S. had used the missile—called HAVE NAP—in the Persian Gulf war.

The column charged that HAVE NAP technology had been obtained by Israel from an "open-handed Uncle Sam." It said that to become China's arms middleman Israel was providing Beijing with what it wanted: secret American technologies.

That column came out soon after stories that Israel had transferred to China technology from Patriot missiles lent by the U.S. to defend Israel against Iraqi scuds. The Israelis say that is a lie. An American team is now investigating on the spot.

I detest the idea of Israel selling any arms to China—even a pistol—as I detest Washington's own strengthening of the Chinese Communist rulers. But that is no excuse for the press to accept passively every Evans-Novak story attacking Israel.

On March 20 I wrote a column based on American expert information—official and private specialists.

They said the mysterious HAVE NAP was not an American missile at all, but Israeli. In the Israeli military, its English name is Popeye—perhaps some cabalistic reference.

Popeye was bought by the U.S. because it was good and relatively cheap for a long-range TV-guided missile—about $1 million each. It is now made in the U.S. jointly by Rafael, its original Israeli manufacturer, and Martin Marietta of Georgia.

So as Air Force, Martin Marietta and private experts told me, if STAR is based on HAVE NAP, Israel is selling its own technology to China, not America's.

And now Evans-Novak have replied to me in a new column. This is what it says, followed by my U.S. truth squad facts.

Evans-Novak: Well, yes, STAR was "patterned" on Popeye, and yes, Popeye was bought by the U.S. (In their first column Popeye was not even mentioned.)

But now they question Popeye's "full parenthood." They say that Popeye was "enhanced" by the U.S. with "stealthy" qualities in a "black" operation so secret that it cannot be publicly mentioned, except in an Evans-Novak column.

Squad: The Israeli Popeye, suddenly acknowledged by Evans-Novak, was not "stealthed" with U.S. technology. American specialists laugh at the idea. A missile is not a turkey that can be plumped up simply by sliding in more stuffing.

To put stealth technology into Popeye would mean rebuilding the entire missile. That would cost about $1 billion; it would be cheaper to build stealth missiles from the beginning.

Evans-Novak: The U.S. loaded "enhanced" HAVE NAP-Popeyes aboard 12 B-52's and on the first day of the gulf war attacked Iraqi anti-aircraft with them.

Squad: It never happened. A U.S. raid using the non-stealth Israeli-created weapon was discussed at briefings before the war but never carried out. That should help pinpoint the Evans-Novak Pinocchio.

And the U.S. Air Force would not be crazy enough to load weapons supposedly valuable for their stealth aboard B-52's that would wake up all Iraq before they got near the target.

Thus ends this chapter of the adventures of Evans, Novak, Popeye and Pinocchio—only slightly amusing but enormously revealing.

DEPARTMENT OF DEFENSE ENVIRONMENTAL CLEANUP TRAINING GRANTS

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. WELDON. Mr. Speaker, this Nation is now undertaking one of the most aggressive military drawdowns in modern history. The dissolution of the Soviet Union has changed the national security equation, and dramatically reduced our defense requirements. While the cold war is well behind us, we are just beginning to learn the full extent of its remnants.

The Department of Defense has identified more than 20,000 contaminated sites on military property which require cleanup, and many believe that is just the tip of the iceberg. Although DOD has been slow to embrace an aggressive cleanup effort, the administration has finally taken the bull by the horns. President Bush has proposed $3.7 billion for defense environmental cleanup in fiscal year 1993—a 35-percent increase over fiscal year 1992, and called for an additional $1.1 billion this year. Unfortunately, by DOD's own admission, the shortage of qualified environmental cleanup personnel has been one of the greatest obstacles to progress in this area.

Today I am introducing legislation designed to address that shortage. My bill authorizes $10 million for Department of Defense scholarships, fellowships, and training grants to qualify individuals for work in the field of defense environmental cleanup and waste management. The legislation requires the Department to provide at least 430 grants next year, and provide support necessary for completion of education and training. For each year that scholarship recipients are supported in school, they must in return complete a year of work for the Department of Defense upon graduation. Those who do not complete the program or default on their obligation must pay the Government back for the grant and interest. Most important, my bill directs that former members of the military, employees of the Department of Defense, and defense contractors—specifically those individuals who have lost their jobs as a result of defense cuts—will receive preference for these grants.

Mr. Speaker, this legislation is only a first step toward addressing our Nation's environmental cleanup needs, but it is a significant step all the same. Training grants allow us to capture the skills and knowledge of the professionals who work in defense fields—technicians, tradesmen, and engineers—and train them for careers that meet new national needs. We cannot afford to let that kind of talent go to waste. For a small investment, we can provide a qualified pool of people to ensure progress on cleanup now. This investment will not only meet military needs, but it will provide technology and skills that will benefit the public sector well into the future. I urge my colleagues to join me in support of this measure, and work to get this scholarship program underway as soon as possible.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Defense Environmental Scholarship, Fellowship and Training Assistance Programs Act".

SEC. 2. ENVIRONMENTAL SCHOLARSHIP, FELLOWSHIP, AND TRAINING ASSISTANCE PROGRAMS FOR THE DEPARTMENT OF DEFENSE.

(a) ESTABLISHMENT.—The Secretary of Defense (in this Act referred to as the "Secretary") shall conduct scholarship, fellowship, and training assistance programs for the purpose of enabling individuals to qualify for employment in the field of environmental restoration and waste management in the Department of Defense.

(b) ELIGIBILITY.—(1) To be eligible to participate in the scholarship or fellowship program, an individual must—

(A) be accepted for enrollment or be currently enrolled as a full-time student at an institution of higher education (as defined in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a));

(B) be pursuing a program of education that leads to an appropriate higher education degree in a qualifying field, as determined by the Secretary;

(C) sign an agreement described in subsection (c);

(D) be a citizen or national of the United States or be an alien lawfully admitted to the United States for permanent residence; and

(E) meet any other requirements prescribed by the Secretary.

(2) To be eligible to participate in the training assistance program, an individual must—

(A) be accepted for enrollment or be currently enrolled as a full-time student in a vocational school (as defined in section 435(c) of the Higher Education Act of 1965 (20 U.S.C. 1085(c));

(B) be pursuing a program of training that leads to an appropriate degree or certificate upon completion of such training in a qualifying field, as determined by the Secretary;

(C) sign an agreement described in subsection (c);

(D) be a citizen or national of the United States or be an alien lawfully admitted to the United States for permanent residence; and

(E) meet any other requirements prescribed by the Secretary.

(c) AGREEMENT.—An agreement between the Secretary and an individual participating in a scholarship, fellowship, or training program established in subsection (a) shall be in writing, shall be signed by the individual, and shall include the following provisions:

(1) The agreement of the Secretary to provide the individual with educational or training assistance for a specified number of school years (not to exceed 5 years) during which the individual is pursuing a course of education or training in a qualifying field. The assistance may include payment of tuition, fees, books, laboratory expenses, and a stipend.

(2) The agreement of the individual or training assistance.

(A) Accept such educational or training assistance.

(B) Maintain enrollment and attendance in the educational or training program until completed.

(C) Maintain, while enrolled in the educational or training program, satisfactory academic or training progress as prescribed by the institution of higher education or vocational school in which the individual is enrolled.

(D) Serve, upon completion of the educational or training program, as a full-time employee in an environmental restoration or waste management position in the Department of Energy for a period of 12 months for each school year or part thereof for which the individual is provided a scholarship, fellowship, or training assistance award under a program established under subsection (a).

(d) REPAYMENT.—(1) Any individual participating in a scholarship, fellowship, or training program under this section shall agree to pay to the United States the total amount of educational or training assistance provided to the individual under the program, plus interest at the rate prescribed in paragraph (4), if the individual—

(A) does not complete the educational or training program as agreed to pursuant to subsection (c)(2)(B), or completes the educational or training program but declines to serve in a position in the Department of Defense as agreed to pursuant to subsection (c)(2)(D); or

(B) is voluntarily separated from service or involuntarily separated for cause from the Department of Defense before the end of the period for which the individual has agreed to continue in the service of the Department of Defense.

(2) If an individual fails to fulfill the agreement of the individual to pay to the United States the total amount of educational or training assistance provided under a program established under subsection (a), plus interest at the rate prescribed in paragraph (4), a sum equal to the amount of the educational or training assistance (plus such interest) shall be recoverable by the United States from the individual or his estate by—

(A) in the case of an individual who is an employee of the Department of Defense, set off against accrued pay, compensation, amount of retirement credit, or other amount due the employee from the United States; and

(B) such other method provided by law for the recovery of amounts owing to the United States.

(3) The Secretary may waive in whole or in part a required repayment under this subsection if the Secretary determines the recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

(4) For purposes of repayment under this section, the total amount of educational or training assistance provided to an individual under a program established under subsection (a) shall bear interest at the applicable rate of interest under section 427A(c) of the Higher Education Act of 1965 (20 U.S.C. 1077a(c)).

(e) PREFERENCE.—In evaluating applicants for the award of a scholarship, fellowship, or training assistance award under a program established under subsection (a), the Secretary shall give a preference to an individual who is, or has been, employed by the Department of Defense, its contractors, and subcontractors.

(f) COORDINATION OF BENEFITS.—A scholarship, fellowship, or training assistance award awarded under this section shall be taken into account in determining the eligibility of the individual for Federal student financial assistance provided under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.).

(g) AWARD OF SCHOLARSHIPS, FELLOWSHIPS, AND TRAINING ASSISTANCE.—(1) Subject to paragraph (2), the Secretary shall award not less than 100 scholarships (for undergraduate students), not less than 30 fellowships (for graduate students), and not less than 300 training assistance awards (for vocational school students) in fiscal year 1993.

(2) The requirement under paragraph (1) to award not less than 100 scholarships, not less than 30 fellowships, and not less than 300 training assistance awards shall apply only to the extent there is a sufficient number of applicants qualified for such awards.

(h) REPORT TO CONGRESS.—Not later than January 1, 1994, the Secretary shall submit to the Congress a report on activities undertaken under the programs established under subsection (a) and recommendations for future activities under the programs.

(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $7,000,000 to carry out the scholarship and fellowship programs established in subsection (a), and $3,000,000 to carry out the training assistance program established in such subsection.

IN THE COMPANY OF WOMEN CELEBRATES WOMEN'S HISTORY MONTH

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to acknowledge the members of In The Company of Women for their contribution to our community. In The Company of Women is an organization of outstanding women leaders who have made a significant difference in the communities throughout south Florida.

On April 3, the women of this organization will honor some of Dade County's top women leaders for their accomplishments and contributions. Last year my mother, Amanda Ros, was honored during this annual celebration.

Mayor Stephen Clark, the Board of County Commissioners, and Metro Parks will host the fourth annual In The Company of Women celebration, which will take place at Villa Vizcaya in Miami, FL. The program will feature the Pipers and Karen Peterson and Dancers.

The honorees during this year's event will be: Nikki Beare, Ronni Bermont, Roberta Stokes, Antonia Gary, Marilyn Holifield, Alice Johnson, Conchy Bretos, Luisa Garcia-Toledo, Catherine Fernandez Rundle, and pioneers Molly Turner, Leona Cooper, and Christina Zaralegui. In addition, during the ceremony the late Dorothy Shula, Essie Silva, and Lidia Cabrera will be honored for the work they accomplished in our community during their lifetimes.

Mr. Speaker, it is with great pleasure that I recognize these very special women for their dedication to our community. Their work is an example of what we can accomplish and how we can all make a difference in the lives of others.

In addition, I would like to recognize Silvia Unzueta and Judy Buckland for their terrific work in organizing this event. They have led the organization through their successful events with their inspiration and thoughtfulness to honor women leaders.

DR. ROBERT D. PAUL RETIRES AS CRANFORD SCHOOL SUPERINTENDENT

HON. MATTHEW J. RINALDO

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. RINALDO. Mr. Speaker, as our Nation searches for new approaches in educating students for the 21st century, it is well to keep in mind that a number of our schools are succeeding in training students in the subjects they will need to succeed as adults, and in preparing them to become productive citizens. One such public school system is in Cranford, NJ, under the able leadership of Dr. Robert D. Paul.

During the past 15 years that Dr. Paul has served as superintendent of the Cranford public schools, 70 percent or more of the graduating class have gone on to further their education. They have largely succeeded because of the fact that they come to school willing to learn and with a respect for their teachers and the value of a good education.

Dr. Paul has been the major catalyst in encouraging this partnership between the schools and the family. He has motivated teachers to improve their skills and to obtain advanced degrees. Under his direction, the school curriculum has kept pace with the times. SAT and HSPT scores have been raised and new subjects introduced. As the school age population has declined and budgets have come under stress, the Cranford school board has taken Dr. Paul's advice to close three township schools and reorganize the curriculum.

A music teacher and an accomplished musician, Dr. Paul is a member of the Suburban Symphony Orchestra and serves on its board of directors. He also directed the Lady Liberty Marching Band, coached Little League baseball, and served on the board of trustees of the Cranford Public Library and Common Sense.

Numerous organizations in Cranford and in Union County have benefited from Dr. Paul's advice and participation. They range from the Union County Roundtable, where he served as president, to developing the districtwide science fair. Indeed, the scope of Dr. Paul's activities and interests is amazing.

The positive influence that Dr. Paul has played in the lives of thousands of Cranford High School graduates is impossible to calculate, but it will be passed on from one generation to next. During 34 years spent in the public schools in Connecticut, where he began in 1958 as a music teacher, and in Massachusetts and Cranford, NJ, Dr. Paul has been a force for progress and innovation in education.

Mr. Speaker, I join with the many friends, colleagues, students, school board members, and graduates of Cranford High School in expressing my admiration and appreciation for the spirit of learning that Dr. Paul has inspired in Cranford, and I wish him a long, healthy, and interesting retirement.

TUFTONIA'S WEEK

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. RICHARDSON. Mr. Speaker, it is that time of year, once again, when alumni of Tufts University gather to celebrate "Tuftonia's Week." Held on April 19, it's a time in which the more than 65,000 alumni of Tufts turn their thoughts to their school and get together with fellow Tuftonians to reminisce with old friends.

Each year, Tuftonia's Week celebrations are recognized with official proclamations and greetings from Governors, Mayors, and other government offices from around the country. In addition to a formal ceremony on the Medford, MA, campus, local observances through the years have ranged from small gatherings in restaurants to champagne receptions in museums, art galleries, and private homes. There have been block parties to a group trolley ride to a ride on an elephant in India. Alumni from Boston to Brunei, from Medford to Melbourne, from Hartford to Hong Kong, and from San Diego to Sao Paulo have come together to think Tufts, thank Tufts, and toast Tufts.

In recent years, Tufts graduates have joined efforts with the Forest Service Division of the Department of Agriculture in their Plant-A-Tree program. In return for a small donation, graduates receive a Forest Service certificate showing a tree has been planted in a national forest in their name or the name of someone else. The Plant-A-Tree program has received over $4,000 in Tuftonian donations.

Tufts University was founded 140 years ago and enrolls more than 8,000 students from 50 States and 109 foreign countries. With over 65,000 alumni, it's quite clear that there will be considerable celebrating on April 19. I urge my colleagues to join me in congratulating Tufts University on its "Tuftonia's Week" celebrations and extend warm wishes to the many alumni who will be participating in these festivities.

TRIBUTE TO THE TRUMBULL COUNTY SCHOOLS' CIVIC DAY

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. TRAFICANT. Mr. Speaker, I rise today to pay tribute to Trumbull County Schools' civic day in my 17th Congressional District in Ohio.

I take my hat off to the officials who organized this spectacular event where I had the privilege of speaking. Indeed, I thank the Trumbull Board of Education and all of the Trumbull County High Schools for their enthusiastic welcome and I compliment their congenial personalities. The students in Trumbull County are fortunate to be surrounded by such dedicated professionals.

Again, Mr. Speaker, I am honored to rise today to compliment the commitment to education and civic duty demonstrated by the Trumbull County School District in its March 9, 1992, Civic Day. Additionally, Mr. Speaker, I thank the organizers of this program for inviting me to participate. It was purely my pleasure.

WINIFRED AND LUCIUS CARY HONORED AS "OUTSTANDING CONTRIBUTING SENIORS"

HON. GERALD B.H. SOLOMON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. SOLOMON. Mr. Speaker, on May 14 the Warren County Office for the Aging will honor its "Outstanding Contributing Senior" for the year. The award this year will be shared by Winifred and Lucius Cary of Queensbury, and I couldn't think of better choices.

Winifred and Lucius Cary have been delivering meals-on-wheels to fellow seniors for 11 years. You can usually see them cutting pies or setting out plates of food in the kitchens of the various churches or organizations hosting the hometown Thanksgiving dinner.

And whenever Christmas baskets need to be sorted, packed, or delivered, the Carys are there.

They are also quite active at their churches, in visiting programs at the hospital, and in bloodmobiles. And when a group of Brownies made cookies for shipment to our troops in the gulf, the Carys were there, too.

At the Greater Glens Falls Senior Center, Winifred chaired the Fall Fair for 2 years. Lucius operates the center's "wheel-a-vator" and helps Winifred at the fair.

The Carys also drive people to doctor's appointments, visit nursing homes, and visit the sick.

Mr. Speaker, they do all this and much more.

And so, let us pay our own tribute to two people who have made life brighter for so many people.

Winifred and Lucius Cary are excellent examples of what President Bush means when he calls for a thousand points of light, and I am very proud of them.

BIRTHDAY SALUTE TO SENORA MARIA AVALOS DE GUTIERREZ

HON. ED PASTOR

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. PASTOR. Mr. Speaker, I rise today to pay tribute to Senora Maria Avalos de Gutierrez, the oldest living resident of Arizona. Senora de Gutierrez marked her 112th birthday on March 30, 1992, in Nogales, AZ. She is the matriarch of a family that grew from 6 children to 19 grandchildren, 36 great grandchildren, and 9 great great grandchildren.

Senora de Gutierrez, born in 1880, is a living witness to a century exhilarated by giant leaps of progress in science, communication, transportation, and industry; yet sobered by war, hunger, and continuing battles with disease and poverty. It is useful for all of us to use the occasion of Senora de Gutierrez' birthday to pause from our daily concerns and to contemplate the vast expanse of time enveloped by her life as we prepare ourselves for the future.

It is truly a great honor and a personal privilege for me to salute Senora Maria Avalos de Gutierrez on her 112th birthday, and to wish her a future of comfort and joy.

A CONGRESSIONAL SALUTE TO THE JUNIOR LEAGUE OF LONG BEACH, INC.

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. ANDERSON. Mr. Speaker, on April 4, 1992, the Junior League of Long Beach will celebrate their 60th anniversary. This outstanding organization will mark the momentous occasion with a press conference followed by a black tie gala. It is with great pleasure that I rise today to pay tribute to this very special and deserving community asset.

The Junior League of Long Beach is a diverse group of over 700 women committed to improving the quality of life for the greater Long Beach area. These women volunteer over 60,000 hours of their time and donate their considerable talents to the development and staffing of a variety of community service projects. Founded in October 1931 as the Long Beach Charity League, the past 60 years have been witness to the development of over 50 such projects, ranging from child welfare and alcohol awareness to the preservation of cultural heritages and the care of the elderly. The Junior League of Long Beach is exclusively an educational and charitable organization. A current project developed in conjunction with the Long Beach Fire Department is the Long Beach Fire Safety House. The long Beach Fire Safety House is a replica of a two story house complete with bedrooms, various types of doors and windows, designed to instruct children on how to survive a residential structure fire. Beginning in the fall of 1992, students in the Long Beach Unified School District will be taught by professionals as to the importance of planning escape routes and developing the fire safety skills. Other projects include the Casa Youth Shelter project which serves as a temporary shelter for young people in crisis, the HOPE project [Homeless Outreach Program for Enrichment] a service that provides a support network and educational programs for the homeless, and the Youth Advocates and Action project begun in 1991 to provide leadership, advocacy, and support to long term educational reform. Funding for these various programs is secured by the annual rummage sale and charity auction, which currently grosses over $115,000, and the holiday boutique and luncheon.

The Junior League of Long Beach reaches out to women of all races, ages, and religious or national origins, who demonstrate a commitment to the betterment of their community. Recently, the J.L.L.B. was chosen as one of three Junior Leagues nationally by the Association of Junior Leagues, International and the Edna McConnell Clark Foundation to work with area schools to develop a model program for middle school literacy.

My wife, Lee, joins me in congratulating this worthy organization for its outstanding service and significant contributions to our community and the world. We hope that the next 60 years are as productive and meaningful as the past.

APRIL 1 MARKS THE BEGINNING OF A NEW ERA WITH JAPAN

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. IRELAND. Mr. Speaker, 1992 marks my 16th year in the Congress. Since my first term I have advocated, in every way possible, total liberalization of the trade in Florida citrus products with Japan. Today, April 1, 1992, marks the achievement of that goal.

The quotas imposed by the Government of Japan on imported orange juice are expiring under a United States-Japanese trade agreement signed July 5, 1988. Negotiated by former U.S. Trade Representative Clayton Yeutter, the elimination of these trade barriers marks the end of the ardous road we traveled while talking trade with representatives of the Government of Japan. Despite strong support in the Congress and the administration for total liberalization of our trade in citrus even before the 1988 agreement, only now 4 years later are our producers going to gain total access to Japan's 125 million potential customers.

While trade in orange juice may seem small compared to the output of other U.S. agricultural producers, the liberalization of the Japanese market means the development of a $1 billion market by the year 2000. The U.S. producers who currently control about 20 percent of that market, will now have the opportunity to develop a greater share in the future. As world leaders in the production and marketing of frozen foods, I am confident Florida processed frozen concentrated orange will become a popular item in Japan.

Mr. Speaker, during the 16 years that I have worked on this issue, citrus as well as beef, which was also liberalized in the 1988 agreement, quickly became, for the American people, major symbols—benchmark indicators of the willingness of the Japanese Government to commit itself to the principles of free and fair trade. I daresay today, it is one of the few true success stories in our trade relationship with Japan—even if it did take 16 or more years.

In 1988, when an earlier agreement expired, the Japanese conceded that their quota system was illegal and that the Government of Japan would do away with it in 1988. That did not happen. Once again the Japanese Government had failed to live up to one of its international obligations and refused to drop the quota system.

I, along with other members of the Florida delegation and the Florida citrus industry, filed a 301 petition with the U.S. Government thus initiating an investigation into the unfair trading practices utilized by the Government of Japan. In addition, our Government filed a formal complaint with the GATT [General Agreement on Tariffs and Trade] organization that the Government of Japan had failed to live up to its obligations and was in violation of the international treaties to which it had agreed. The pressure of these collective actions made way for the negotiated agreement in 1988.

But that is not all of it. Prior to the 1988 agreement, there was another accord covering the years 1984–88 which gradually decreased Japan's quotas and reformed its licensing system. Years of meetings with Japanese officials both here and in Japan, where I introduced concepts such as blending, so that all of the Japanese domestic product could be utilized, seemed of little benefit until the culmination of the 1988 pact.

My area of Florida has at times been considered the largest citrus producing area of the country. Trade liberalization is extremely important to my constituents. I bring up this bit of history for the benefit of any of my colleagues who are attempting to gain access to the markets of Japan for some product produced in his/her district. It is a tedious and frustrating task, but it can be done.

Florida producers have not gained the ability to compete on a level playing field in Japan with other citrus producers. I believe that time will demonstrate Florida produces the finest citrus products which will be in demand by the people of every nation of the world.

NAFCU—CONGRATULATIONS ON 25 YEARS OF OUTSTANDING SERVICE

HON. CLIFF STEARNS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. STEARNS. Mr. Speaker, this year marks the 25th anniversary of the National Association of Federal Credit Unions [NAFCU]. In its first 25 years, NAFCU has achieved great prominence within the credit union community. NAFCU is recognized amongst credit unions, and here on Capitol Hill, as an authoritative and reliable source of information concerning credit unions, and as an effective advocate on behalf of credit union interests.

In my own congressional district, located in central Florida, credit unions enjoy a history of serving their community and members well. Their reputations for safety and soundness are well deserved and meticulously maintained.

Credit unions have given priority to the safety of their members' funds and prudently manage the health of their insurance fund. I applaud their commitment to that kind of quality. Member protection and participation in the life of the communities they serve are two reasons for the success of credit unions.

During its first 25 years, NAFCU has played a key role guiding credit unions down the road of success and prosperity. I and my colleagues in Congress, and particularly on the House Banking Committee, expect NAFCU's tradition of excellence to continue through its second 25 years!

I also wanted to offer my best wishes and support to a fellow Floridian, the Honorable Shirlee Bowne, a Presidential appointee recently confirmed as a member of the NCUA Board, the independent Federal Government agency responsible for the chartering, regulation, supervision, and insurance of our Nation's Federal credit unions. I wish her well in her new endeavors and would only encourage her to keep up the good work already done by credit unions and those who serve them.

THE HERITAGE SCHOOL GRADUATES DARE STUDENTS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to have this opportunity to acknowledge the students, teachers, and officers involved in the DARE Program at Heritage School in Miami. The DARE Program has helped to prevent drug abuse among young people in our community, by teaching them the dangers of drug abuse and how to deal with peer pressure.

I applaud the efforts of Officer Judith Turner of the Metro-Dade Police Department, and Mr. Joseph Peterseil, headmaster of the Heritage School. Their commitment and dedication to our young people has begun to change the attitude of an entire generation. Mr. Jon O'Neill of the Miami Herald reports:

Since it opened in Kendall in 1980, the Heritage School has graduated hundreds of students. Tuesday, however, was special.

The school graduated its first class of DARE students. Heritage is among only three private schools in Dade to have the Drug Abuse Resistance Education program, offered by the Metro-Dade Police Department. The program uses officers to teach kids about self-esteem and the dangers of drug use.

"We had been doing a drug awareness program, but it wasn't top-notch," said Joseph Peterseil, founder and headmaster of the school at 13300 SW 120th St. "We checked out the DARE program and liked what we saw. Now that it's over, we know it is a superb program."

The DARE program was started in Los Angeles in 1983 and came to Dade in 1988, introduced by the South Miami and Metro police departments. Specifically trained officers conduct a 17-week course that involves class work, lectures and role playing.

The idea is not only to teach kids to say no to drugs, but to teach them how and why. At Heritage, the class was taught to fifth- and sixth-graders by Metro officer Judith Turner.

"The kids got very attached to her," Peterseil said. "She really got involved with them."

"She was funny," said Teresa Chin, 11, a sixth-grader. "But she talked to us honestly and I learned from her."

Right before graduation, the students wrote essays based on what Turner taught them. Two winners were picked, along with an outstanding DARE student. Teresa won the sixth-grade essay contest.

"If you do drugs, you'll regret it for the rest of your life," she said. "I also learned how to handle hard situations, like if people offer you drugs."

Jeffrey Wool, 10, won the fifth-grade contest.

"We had a lot of fun doing the skits. They taught us about pressure," he said. "It was great. I think DARE should be in every school."

The outstanding student of Heritage's first DARE class was 10-year-old Isabel Gutierrez.

"You really didn't think you were learning because you were having so much fun," Isabel said.

Peterseil said DARE will become a fixture at Heritage.

"There is a drug problem out there, and the kids need to know what's going on," he said. "I think this program absolutely works."

Heritage, a nondenominational school, prides itself on programs that work. The school, which has 250 kids in prekindergarten through sixth grade, was first opened in Miami Shores in 1971. Peterseil, a former Dade school teacher, wanted to give students a better learning environment.

The school opened in its present Kendall location just as the area was starting to boom. Tuition ranges from $3,070 for prekindergarten to $4,600 for grades four through six.

The school is set up so no more than 17 students are in a class, and each student is tested before being admitted. Heritage also offers day care, which caters to the working parents who settle in Kendall.

Within the next six years, Heritage will add a middle and high school.

"We will still keep a personal touch, because we want to design an educational program for each student," Peterseil said. "I think that's one of the ways we succeed here."

Mr. Speaker, I am proud of the work done by those involved in the DARE Program in south Florida. Their message is clear—drugs are dangerous and they will ruin your life and take everything that is important to you. But more importantly, their message is being heard and understood by our young people. They are learning that drugs kill, and they know not to use them.

TRIBUTE TO BRYAN KLUMPP

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. MICHEL. Mr. Speaker, I am pleased to acknowledge the outstanding job done by one of my constituents from Peoria, IL, Bryan Klumpp, in the recent Peoria Journal Star Spelling Bee championship.

After correctly spelling the word "pleurisy" Bryan walked away with the winner's trophy, and therefore qualified to represent the Peoria area at the national Spelling Bee competition in May.

At this time I would like to insert into the RECORD an article by Dean Olsen of the Peoria Journal Star, "The Brain" Tops Spelling Field, and congratulate Bryan and all the other competitors on an outstanding job.

"THE BRAIN" TOPS SPELLING FIELD

(By Dean Olsen)

The months of studying, the sweat and the nerves involved in spelling dozens of words under the heat of competition and television studio lights ended in a smile from Bryan Klumpp on Saturday.

The seventh-grader from rural Wyoming emerged victorious over 15 other students representing 16 central Illinois counties during the 32nd Annual Journal Star Grand Final Spelling Bee.

Klumpp, who is nicknamed "The Brain" by his classmates, won the right to represent the Peoria area May 24–30 at the National Spelling Bee in Washington, D.C. The Journal Star will finance an all-expense-paid trip for both him and an official escort of his choice.

Klumpp, 13, a student at Bradford Grade School in Stark County, correctly spelled "pleurisy" to win in the final round against runner-up Ramu Gumidyala, 10, a fifth-grader from Gale School in Galesburg, the Knox County seat.

Klumpp is the eldest of the four sons of David Klumpp, a farmer, and Barbara Klumpp, a homemaker.

Gumidyala, who was sixth in last year's Grand Final, is the son of Lokanatham Gumidyala, a physician, and Ramani Gumidyala, a homemaker.

Klumpp's technique during the two-hour competition, televised live Saturday morning on WEEK-TV (Channel 25), was laid back, although he said he was nervous during the competition. He spoke clearly as he spelled words with his hands clasped behind his back.

"In the end, I was nervous a lot," he said after the competition. "I pretty much knew all the words. I studied a lot."

To be specific, he spent about two months, almost every night for an hour each night, with his mother drilling him on words.

During the bee, Klumpp, an "A" student, correctly spelled words that included "connivery," "perambulate" and "spasticity." Gumidyala, also a straight-A student, correctly spelled words that included "miscible," "translucent" and "tyrannous."

But after he and Klumpp spelled a total of 28 words in a head-to-head showdown. Gumidyala spelled the word "emeritus" incorrectly, using the letters "emeritous."

Klumpp then spelled that word correctly and won the championship by correctly spelling "pleurisy," which is defined as an inflammation of the membrane lining of the lungs and chest cavity.

His favorite subject in school is science, and he wants to become a mechanical engineer.

So when asked why he put all the effort into studying for and competing in the Journal Star spelling competition, he smiled and responded, "The prizes!"

In addition to the upcoming trip to Washington, D.C., he won a set of The New Encyclopedia Britannica, a Franklin Wordmaster and the Grand Champion Trophy.

Gumidyala won a 20-inch color television and the Runner-Up Trophy.

The third-place finisher, Wendy Nelson of rural Canton, an eighth-grader at Cuba Junior High School in Fulton County, won The Random House Dictionary of the English Language-Unabridged.

The fourth-place finisher, Katie Roth of 112 W. Essex St., Glasford, a sixth-grader at Illini Bluffs Middle School in Peoria County, won Webster's Ninth New Collegiate Dictionary.

For fifth place, Caroline Riley of Monmouth, a sixth-grader at Lincoln Elementary School in Warren County, received Webster's Collegiate Thesaurus.

Sixth-place finisher Jessamyn Urban of 912 Easling Court, Pekin, an eighth-grader at Broadmoor Junior High School in Tazewell County, received The 1992 World Almanac.

The seventh- through 16th-place finishers each received a copy of The Random House College Dictionary. They are Tony Mitchell of Henry, a sixth-grader from Henry-Senachwine School, representing Marshall and Putnam counties; Julie Mayes of rural Athens, an eighth-grader at Athens Junior High in Menard County; Lauren Brownback of Ashland, a seventh-grader at Ashland Junior High, representing Cass and Schuyler counties;

Elizabeth Kammeyer of rural San Jose, an eighth-grader at Illini Central Junior High in Mason County; Missy Gardner of Biggsville, a seventh-grader at Tri-Valley Middle School in Henderson County; Anita Darwish of Spring Valley, a seventh-grader at J.F.K. Junior High in Bureau County; Selvi Pillai of Peru, a sixth-grader at Washington School in LaSalle County; Tom Grime of Industry, a seventh-grader at Industry Junior High in McDonough County; Jenny St. Clair of rural Metamora, a fifth-grader at Germantown Hills Middle School in Woodford County; and Ryan Perry of 1120 W. Armstrong Ave., Peoria, a seventh-grader at St. Mark's School in Peoria.

The Journal Star Newspaper in Education program administers the annual spelling bee and provides newspapers to classrooms throughout central Illinois.

LARRY GOLD'S INCISIVE COMMENTS ON UNITED STATES-ISRAELI RELATIONS

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. AuCOIN. Mr. Speaker, I rise today to call my colleagues' attention to a letter on United States-Israeli relations that deserves our close attention. My friend Larry Gold of Atlanta, GA, recently sent this letter to all Members of Congress as well as President Bush and Secretary of State Baker. We can all benefit from considering his insights, and I would especially hope that the President and Secretary Baker heed them.

There are strong statements in this letter, but they come from a thoughtful American who is rightly concerned about the direction of United States policy in the Middle East. We are lucky to have, in Israel, a tried-and-true ally in that volatile region. It is time for our Nation's highest leaders to treat the State of Israel as a valued friend that shares our democratic values.

There is still time for the current administration to change its ways and reestablish a relationship of mutual respect and goodwill with Israel. I sincerely hope that the President and his appointees review Larry Gold's comments and take them to heart.

MARCH 20, 1992.

To the Members of the United States Congress and the Governors of the respective United States:

DEAR LADIES AND GENTLEMEN: I am sending this letter to all of the Members of The House of Representatives and the Senate of the United States and to all of the Governors of the respective 50 States because I believe is is my duty as a citizen of this country to speak out, and to encourage each of you to speak out, about the disgraceful conduct of President Bush and Secretary of State Baker towards Israel.

In my judgment, the United States-Israeli relationship, which has endured many ups and downs over the years, has never been more vulnerable, has never been in as great a danger of unraveling.

However one may feel about an individual issue, whether it be Israel's settlement policy, foreign aid to Israel, foreign aid in general, technology transfers or whatever, I think all would agree that true allies, especially those that share historical moral values, should treat one another with respect and dignity, and, when faced with serious disagreements over policy, seek to resolve them, in public or in private, with a sense of compromise and cooperation that offers an acceptable solution to both parties.

It is clear that the present administration has foregone this process and has rather chosen a confrontational path, obdurate and insensitive to long standing U.S. commitments and support of a democratic ally.

How short are the memories. It was only a year ago that the United States pleaded for restraint from Israel as it absorbed attack after attack of Scud missiles from Iraq. As usual, when the United States needed Israel's cooperation, even at the risk of its own sovereignty and the safety of its people, Israel responded. Does anyone in the administration now recall that spirit of unprecedented cooperation? Is there any sense of reciprocity or respect for that cooperation? One searches hard to find it and I confess, I do not see it.

It is no longer sufficient to give mere lip service to the strategic importance to the U.S. of a strong and secure Israel. The disappearance of the Soviet Union as a superpower to that region makes it necessary for all of us to remember and restate, emphatically and with a loud voice, that the strategic value of the United States of a free and strong Israel is of supreme importance. Why?

The Arab States are arming themselves at alarming rates. Arms sales are not diminishing. They are increasing. The United States is a large supplier of these arms. Further, the Arab States do not all share the same world view and alliances come and go among them with bewildering speed. It's hard, sometimes impossible, to tell who is on what side. Witness our own support for Iraq during the Iran-Iraq war and then the lightning speed with which we turned on Iraq once it invaded Kuwait and endangered our supply of foreign oil. All of this demonstrates the need for the United States to have a stable, democratic ally in that part of the world.

Second, one of the most dangerous and disruptive forces now in the Middle East is the rising tide of Islamic Fundamentalism. It is spreading at an alarming rate. It threatens not only Israel but also the kingdoms of many Arab states, notably Saudi Arabia. Israel, as the only democracy in the Middle East, serves as a strong bulwark of freedom against this tide and supporting Israel only serves to strengthen United States interests.

Third, there is the so-called Middle East Peace Process. If the United States truly wants to sponsor peace between Israel and its Arab neighbors it must not be seen as abandoning its ally. It must not, in order to carry favor with the Arabs, turn its back on Israel. The United States should not, by threatening and pressuring Israel, give the Arabs a victory that can only come, in any meaningful move toward peace, from direct negotiations between the Arabs and Israel.

Fourth, and most important of all, the true strategic value of Israel to the United States lies in the shared moral and ethical values which both countries espouse. It is often said that the real purpose of U.S. foreign policy should be to strengthen democracy around the world. Where else in the Middle East does democracy live but in Israel? Where else in the Middle East do ideas and principles about human rights and individual freedoms thrive, much less exist, other than in Israel? What other country in the Middle East shares with us so many moral values concerning individual liberty, freedom of expression, the right to vote, the right to democratic elections? The list goes on and on. Maintaining a strong Israel serves as notice to the rest of the world that the United States will not abandon its principles and will continue to support freedom and democracy.

As I see it now, our foreign policy in the Middle East is not premised upon preserving and encouraging democracy and freedom. It is a policy founded in economic expediency and it is morally bankrupt. It is not founded upon any lasting principle. We provide arms to Iraq in its war with Iran and then declare war on Iraq when it invades Kuwait. We decry the rise of arms sales in the Middle East and posture for restraint. Yet the arms sales by the United States to the Middle East are rising every day. Soon you will be faced with billions of dollars in arms requests for Saudi Arabia. We say we denounce terrorism, but we kiss and hug Hafaz Assad, the world's leading sponsor of terrorism. We meet cordially with King Hussein of Jordan, without even slapping him on the wrist for his unswerving allegiance to Saddam Hussein in the Gulf war. I could go on, but the point is self evident. There are no moral underpinnings to our foreign policy in the Middle East. We jump from alliance to alliance, seemingly without any purpose other than to placate the sources of our foreign oil. And we do this disingenuously, because this administration is unwilling to even consider a serious energy policy that would diminish our need for foreign oil.

I believe the true reason behind this contemptible conduct is the fear that unless they can blame Israel, the emptiness of this administration's policy in the Middle East will become evident and will be rightfully repudiated. The administration is afraid that its failure to oust Saddam Hussein, its failure to bring about its vision of peace in the Middle East, its failure to reduce the scandalous sales of arms to unstable countries, and worse, its hypocritical participation in those arms sales, will all bring it into disrepute, unless it can deflect the blame by finding a more vulnerable target. And that target is Israel.

I call upon each of you to speak out against this outrage. I call upon each of you to lead this country and the American people away from this bankrupt and morally indefensible policy. I call upon each of you to remember how often Israel has stood by us and how often we have stood by Israel, to the mutual benefit of both countries. I call upon each of you to resist the temptation to take the expedient route and remain silent. The American people are fair and, I believe, they will respond to calls for justice, for support of our ally, Israel. If you remain silent, if I remain silent, the consequences will be grave.

Peace will not come from capitulation and indifference. Peace will not come without compromise and fair play. Peace will not come unless we, collectively, stand up for our principles and moral integrity and unless we speak out against those forces that seek to make of expediency the strategy of our foreign policy.

Thank you for your help.

Sincerely,

LAWRENCE M. GOLD.

THE BUSH ADMINISTRATION MUST STOP AIDING IRAN'S REARMAMENT CAMPAIGN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. LEVINE of California. Mr. Speaker, last week CIA Director Gates told the House Armed Services Committee that the Government of Iran is engaged in a $2 billion per year rearmament campaign aimed at making Iran the preeminent power in the Persian Gulf region. Director Gates went on to say that Iran is one of several states that is "hostile to U.S. interests."

The Director's assessment of Iran is accurate and disturbing. Why, then, has the Bush administration made it easier for Iran to acquire American dual-use technology that will contribute to Iran's military build-up? The answer is that the Bush-Baker team has no policy to control the flow of American weapons and technology to volatile regions like the Middle East. Rather than halting an arms race, they are facilitating one.

The administration's free-wheeling approach toward arms sales, as evidenced by the loosening of restrictions on dual-use technology to Iran, sends a clear message tc all arms exporting nations, including the new Republics of the former Soviet Union, that irresponsible arms sales are acceptable conduct in the Bush administration's new world order.

To stop this travesty, I am currently sponsoring a bill that would prohibit the sale of dual-use technology to any country identified on the State Department's list of countries supporting international terrorism. I urge my colleagues to join me as a cosponsor of this legislation.

If the Bush administration is truly committed to arms control, as it claims, then it must lead by example and refrain from making destabilizing arms sales. I request that the Washington Post article reporting on Director Gates' testimony be printed below.

[From the Washington Post, Mar. 28, 1992]

GATES WARNS OF IRANIAN ARMS DRIVE

(By R. Jeffrey Smith)

The Iranian government is buying $2 billion worth of weapons from foreign suppliers each year in a drive to again become the preeminent power in the Persian Gulf region, CIA Director Robert M. Gates said yesterday.

Russia, China and North Korea have been the principal sellers of armaments to Iran, although Tehran is attempting to buy hundreds of tanks from eastern European suppliers, Gates told the House Armed Services Committee.

Iran's burgeoning, foreign-made arsenal includes advanced warplanes, antiaircraft missiles and some extended-range Scud missiles, said Gates, adding that the country has also contracted to buy at least two Russian submarines.

Gates's testimony provided new details to earlier U.S. descriptions of the Iranian rearmament effort, estimating that the total cost of foreign-made weapons acquired by Iran between 1990 and 1994 will reach $10 billion. That is a substantial sum for the country, particularly in light of its struggle to repair the damage done by the 1980-88 war with Iraq.

"It is a real drain on their economy," a government analyst said later. "There will be a lot of belt tightening to make it possible."

Although Gates also took note of recent signs that Iran is moderating its behavior toward neighbors, he presented a highly pessimistic view of the country's long-term goals in a brief, prepared statement before the House committee closed its doors for a classified session. Calling Iran one of several nations in the Middle East that are "hostile to U.S. interests," Gates said "its clerical leadership has not abandoned the goal of one day leading the Islamic world and reversing the global dominance of Western culture and technology."

U.S. and Russian officials have expressed concern about the potential spread of Iran's revolutionary brand of Islamic ideology to the new Asian nations created by the breakup of the Soviet Union. But Gates said that while Iran has begun forging diplomatic and other ties with these nations, the United States has "no evidence of Iranian efforts to subvert the secular governments" of the former Soviet republics. "For now, at least, Iran seems to want to preserve amicable relations with Russia, which has become a major source of its arms," he said.

As one recent sign of Teheran's moderation, Gates cited an Iranian effort to restrain Azerbaijan in its conflict with Armenia. He said that within the Middle East, Iranian President Ali Akbar Hashemi Rafsanjani "is trying to cultivate an * * * image of responsibility and respectability" aimed at fostering foreign investment and appealing to those Islamic countries with which Iran wants to improve ties.

But Gates also said that "Iran's growing support of radical Palestinian groups may bring it closer to some Arab states such as "Libya" and added that the U.S. intelligence community expects "Iran to continue to strongly oppose the [Middle East] peace process, and probably to promote terrorism and other active measures aimed at undermining progress toward Israeli-Palestinian reconciliation."

Gates reiterated an earlier CIA claim that Iran is trying to acquire a nuclear weapons capability, but added that this goal is unlikely to be achieved before the year 2000. Another Iranian weapons effort—the development of poison gas warheads to place atop Scud missiles—is likely to succeed sooner, Gates indicated, saying the country's "relatively crude" chemical weapons program is expected to produce such warheads within a few years. "We also suspect that Iran is working toward a biological warfare capability," he said.

"Tehran is rebuilding its military strength not only to redress the military imbalance with Iraq," said the CIA director, 'but also to increase its ability to influence and intimidate its gulf neighbors."

Speaking also about Iraq yesterday, Gates said that the regime of President Saddam Hussein retains some mobile Scud missile launchers and as many as several hundred missiles. He said the CIA suspects that, despite the continued efforts of United Nations inspection teams, some of Iraq's nuclear weapons-related equipment remains hidden. So do some chemical and biological weapons and the means to make more, Gates added.

He said that if U.N. sanctions were removed, Iraq could restore its conventional military arsenals to their pre-Persian Gulf War levels in three to five years. "Long before then, Iraq's forces could be strong enough to threaten its neighbors," the CIA director said.

PROVIDING THE LIGHT

HON. CLARENCE E. MILLER

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. MILLER of Ohio. Mr. Speaker, today, I'd like to bring to my colleagues attention an article which appeared in the March 16, 1992, Time magazine entitled "The Great Energy Bust." This article brings out some very frightening statistics with regard to the state of the US's oil and gas industry.

For instance, consider these facts: Drilling activity for crude oil is at its lowest level in 52 years. In 1982, there were 3,105 rigs actively exploring for petroleum and natural gas in the United States; a year ago the count was 980. When the above article was published the count was 660; today, the number of working oil and gas rigs has shrunk to 639.

Domestic production has been dropping at the rate of 300,000 bbl. a day—declining to its lowest level in 40 years. Last November, I brought to this body's attention a report which had just been released by the Congressional Office of Technology Assessment entitled "U.S. Oil Import Vulnerability: The Technical Replacement Capability." In that report OTA projected that if the United States continues down its current path, by 2010 America could be dependent on foreign sources for almost 70 percent of its oil. An amount which Louis Powers, a Houston energy consultant has estimated will take 36 supertankers a day to deliver.

Current market prices are continuing to decline and those vast formations that have potential for being developed are in environmentally sensitive areas such as the Alaska National Wildlife Refuge and offshore California which Congress has put off limits.

U.S. oil companies are increasing their foreign investments by nearly 10 percent while the 21 largest firms are cutting exploration spending here in America by 13 percent."

In 1982, the industry provided jobs for 708,000 individuals. Today in 1992, it provides jobs for 391,000.

The oil industry advises us that unless drilling rebounds to the 1,100-rig level and stays there, the industry's infrastructure will be so impaired that it won't be able to come back.

These facts should underscore the need to pass legislation or both economic and energy policy reasons which does not overregulate and place an undue burden on an industry already hard hit. We should pass legislation which would allow oil and gas producers tax incentives for oil and natural gas exploration and production. It is time to repeal the limitation on drilling costs and depletion under the Alternative Minimum Tax [AMT]; it is time to put American energy producers back to work here in America.

THE GREAT ENERGY BUST

(By Richard Woodbury)

MIDLAND.—A long Highway 80 in West Texas between Midland and Odessa, giant drilling rigs sit rusting in the winter sun. Gas wells that dot the bleak mesquite-covered prairie lie shut down. Downtown Midland has the stark look of an evacuated city, with empty storefronts and vacant building lobbies.

The scene across America's oil patch these days bears a chilling likeness to the bust that befell the region in the mid-1980s, when energy-production jobs plunged more than one-third. But in fact the situation today is worse. While many parts of the U.S. economy are struggling through the recession, few are as hard hit as energy. By every measure, these are among the toughest times since that first gusher at Spindletop in 1901—more akin to the Great Depression than the cyclical booms-and-busts since.

Across the South and West, drilling activity for crude oil is at its lowest point in 52 years. The rig count, the best gauge of life in the oil patch, hovered last week near an all-time low of 660. Production from existing fields has shrunk to its lowest since 1962. Scores of drillers, producers and support firms are laying off, folding up or going bankrupt. Warns Denise Bode, president of the International Petroleum Association of America: "The industry is nearing a state of economic collapse."

More distressing, this latest downturn gives every indication of being permanent. Faced with languishing prices, lower profit margins and tight environmental hurdles to new exploration, the major oil companies are selling off their properties, packing up their drilling gear and heading overseas Ten billion dollars in assets are on the block as exploration and production head for Africa. South America and the Far East, where drilling costs can be cheaper by half and government sweeteners make new ventures enticing. As the majors lay off workers and leave, those independent companies that can are following. Others are closing up shop or retrenching. Asserts energy scholar Daniel Yergin: "We're seeing a fundamental contraction on the domestic side along with one of the greatest migrations in the history of the oil industry."

Unlike the bust of the mid-'80s, which was marked by nose-diving crude-oil prices, the immediate problem this time is natural gas. Often extracted from the same formations as oil, gas accounts for 24% of the nation's energy consumption, mainly in heavy industry. Producer prices at the wellhead have been in a free fall for months, plummeting last month to $1 per 1,000 cu. ft., down 23% from a year ago. At that price, producers say they can barely turn a profit, and many who can still afford to operate are shutting their supplies in the ground in hopes of an eventual upturn.

Campaigning in the oil patch last week. President Bush responded to the plight—and political anger—of natural gas producers by taking steps to bolster demand. He removed regulatory barriers that have hampered utilities from converting power plants fueled by coal and oil to natural gas. At the same time. Bush lessened restrictions on the sale of compressed natural gas for cars and other vehicles. In Washington, Energy Secretary James Watkins declared. "The worst thing we could do is allow our oil and gas industries to decline the way we have."

The gas price slide has been a roundhouse punch to the big energy states of Texas, Louisiana, Oklahoma and New Mexico, still struggling to climb back from the earlier debacle. Scores of wildcatters, who find most of the domestic crude and who went after gas when the market fell apart, have folded in the past 18 months.

The impact has been just as severe in Canada, where oil and gas are a bedrock of the economy, contributing nearly 12% of the $588 billion gross domestic product. Since 1989, nearly 15% of the Canadian work force has been laid off, and major producers are shuttering refineries and closing thousands of service stations. Last year Imperial Oil, owned largely by Exxon, posted the first loss in its 111-year history. Another giant, Gulf Canada Resources Ltd., stunned the industry last month by walking away from its stake in a huge undersea oil project on the Grand Banks of Newfoundland.

Outside the oil patch, few notice and many benefit from the price slump. Supplies of oil and gas for home heating and industry, abetted by a string of six warm winters, have remained abundant. And the price of gasoline, an average $1.03 per gal. nationwide for regular, is the lowest in months, thanks largely to OPEC and other foreign producers; they have made up the drop in domestic production by supplying 43% of U.S. oil consumption. On the other hand, the public has not benefited from the drop in natural-gas prices, as pipeline companies and distributors have gobbled up the savings before the fuel reaches households. Though prices at the well-head have tumbled from $2.66 to $1.16 since 1984, household users in Charlotte, N.C., still pay a rate of $6.14, only 51 cents less than they did 8 years ago.

The steady rise in oil imports has alarmed many planners and industry strategists, who fear that the nation may be setting itself up for another crisis if war flares again in the Middle East. Domestic production, dropping at the rate of 300,000 bbl. a day, has declined to its lowest level in 40 years. The Congressional Office of Technology Assessment projects that by 2010 the nation could depend on imports for nearly 70% of total supply, an amount that Houston energy consultant Louis Powers estimates will take 36 supertankers a day to deliver. Warns Powers: "The mind-set is to let the Saudis give us all we need. It's a policy we will all live to regret."

In many respects, the current slump is an extension of the mid-'80s energy bust that saw prices plummet to $9 per bbl. Just as the region was attempting to diversify out of its energy dependence, the gulf crisis suddenly forced prices to $40 in 1990, spurring some drillers to crank up rigs again. But when the war ended, hopes were dashed just as quickly; prices slid back down, and the small trickle of investment money dried up.

The big concern now is the depressed market for gas, which is still the target of most drilling because its plentiful reserves are largely untapped and exploration carries tax breaks for investors. "It's a blood-bath," says gas entrepreneur and former corporate raider T. Boone Pickens. "How many more hits can the industry take?"

Faced with declining profits from U.S. oil and gas operations, such major firms as Chevron, ARCO and Phillips are putting more money into overseas exploration than they are investing at home. "You have to go where you can find the reserves and make a profit," explains Wayne Allen, president of Phillips, which has hiked foreign spending 15% since 1989 to bankroll drilling in such places as Gabon, New Guinea and Italy. All told, according to a Salomon Brothers survey, U.S. oil companies are increasing foreign investment nearly 10%. At the same time, the 21 largest firms are cutting exploration spending in this country by 13%.

Far more troubling than price fluctuations and investment patterns is the fact that the U.S. is running out of economically recoverable oil. Known reserves that can be extracted at current market prices have been declining almost steadily for 22 years, and the current supply of 26 billion bbl. would last the nation barely four years at present usage rates. And while vast formations remain untapped, they are in environmentally sensitive areas—the Alaskan wildlife refuge and off-shore California—that Congress has put off limits.

Oilmen argue that the failure to open such reserves will only speed the move overseas and increase U.S. dependence on imports. Marathon Oil Co. is pouring nearly three-fourths of its $750 million current production budget into foreign ventures. "Other countries covet our technology and the jobs we bring, and they're luring us with sweet deals," says Marathon president Victor

Beghini, "while our government is turning its back."

Oil firms also complain bitterly about an array of regulations that require refineries to meet costly standards for reformulated gasoline and other clean-burning fuels. As a result, Shell, Amoco and Unocal are among big producers that plan to close or downsize facilities. Oilmen say domestic production is further threatened by proposed EPA regulations that would impose tight controls on drilling wastes and other by-products. Such rules, they warn, will force the closing of hundreds of small "stripper" wells that make up 75% of the nation's total.

A more basic worry is that unless drilling rebounds to the 1,100-rig level and stays there, the industry's infrastructure will be so impaired that it won't be able to come back—ever—and U.S. production will slip further. Oilmen decry the lack of attention and support that they feel the industry gets—from the White House on down. "We should have a domestic energy policy, but we still don't have," asserts Pickens. Baker Hughes economist Ike Kerridge agrees: "There's a real danger in driving too many people out of business. The government ought to be concerned."

The trouble is that the oil and gas industry is one that many Americans have learned to love to hate. With the memory of Big Oil's vast profits in the 1970s and early '80s still fresh in their minds, consumers and lawmakers outside the oil patch have little sympathy for the industry's woes. But that could prove shortsighted at a time when U.S. reliance on foreign oil is rapidly on the rise.

Reversing that trend will take a combined effort by Washington and consumers and the companies themselves. Energy firms should develop new technologies that will let them extract domestic oil and gas cheaply enough to make a profit even when prices are low. And motorists should be able to tolerate an oil-import fee that would raise gasoline prices a few cents a gallon at the pump; that would provide fresh incentives for domestic drilling and produce revenues to help reduce the federal deficit. Without some such policy, the U.S. could find itself paying for cheap oil and gas today with skyrocketing prices when the next energy shock hits tomorrow.

BUSH ADMINISTRATION HAS FAILED TO PROTECT AN INDUSTRY THREATENED BY UNFAIR FOREIGN COMPETITION

HON. AUSTIN J. MURPHY

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. MURPHY. Mr. Speaker, I am extremely disappointed that the Bush administration has permitted the 8-year-old Voluntary Restraint Agreement to expire last night—the matter made more serious by the failure of the ongoing multilateral talks on global trade which have broken down.

The domestic steel industry is currently without any meaningful protection against market erosion by the 27 steel producing nations previously covered by the VRA's. Their only recourse to litigate the issue under the remaining trade laws, a time consuming and costly proposition.

I have written to both President Bush and to Labor Secretary Lynn Martin asking that they not permit the VRA's to lapse without putting trade protection into place. Their failure to do this is an insult to the domestic steel industry, to their current and past employees, and to the hundreds of communities around this country that support and depend on the steel industry. The jobs and future of thousands of Americans are now held hostage to international forces beyond their control and the Bush administration has failed once again to protect a domestic industry threatened by unfair foreign competition.

A TRIBUTE TO FELIX AND CONCHI RAMIREZ-SEIJAS' ROSES

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to pay tribute to Dr. Felix and Conchi Ramirez-Seijas, whose roses recently swept more than half the major awards in the annual rose show at Fairchild Tropical Garden in Coral Gables, FL. In an article entitled "Blue-Ribbon Roses, Blooms Grown by Gables Doctor Reap a Gardenful of Top Prizes," Donna Gehrke reports on the exquisite roses of Felix and Conchi Ramirez-Seijas, and I commend the following article to my colleagues:

Dr. Felix Ramirez-Seijas walks in his rose garden morning and night—so attentive, his wife claims, he can spot if one of his beloved flowers have been touched.

This weekend, the attentive doctor took home half the major awards in the annual rose show at Fairchild Tropical Garden in South Dade.

"He swept the show," said Margarita Calvet, president of the Tropical Rose Society that sponsors the 1,000-rose exhibit.

"Beginner's luck," Ramirez-Seijas modestly said.

He and his wife, Conchi, have only been growing roses for four years, but already they have a reputation for having some of the loveliest blooms in the country.

They have more than 100 bushes at their Coral Gables home and have fashioned a rose garden in their back yard.

Their favorites include the pink-tinged Princess of Monaco—examples of their Princess roses won the Queen award of the show, as well as the blue ribbon.

Another of their favorites, the fragrant, light pink Bride's Dream, took a runner-up award in the grand-prize division.

Several other roses from the Ramirez-Seijas garden won prizes, but the family hadn't counted all the ribbons Sunday.

The doctor, a kidney specialist who directs the pediatric nephrology unit at Miami Children's Hospital, said he liked to walk in his garden every day.

"It's quiet and peaceful," he said. "It's a nice break."

I would like to congratulate Felix and Conchi Ramirez-Seijas on the achievements of their green thumbs, and I would like to wish them much success with their rosy future.

A TRIBUTE TO CAROLYN A. PALMER

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. TOWNS. Mr. Speaker, I want to acknowledge the 100th birthday of Ms. Carolyn Palmer, whose lifetime exemplifies service to her community. Carolyn Palmer was born in 1892 as the only daughter of the late Frank and Mary Palmer in Gloucester, VA. Throughout her life she has been devoted to working with young people, her church, and her community. She attended elementary and high school in Morristown, NJ. Upon completion of high school she took a teaching position at schools in Easton and Preston, MD. Ms. Palmer was rewarded for her labors in the public school system with a scholarship to attend Hampton University. After getting her college degree she returned to Gloucester to teach public school.

Ms. Palmer's teaching career included assignments in Camden and Glassboro, NJ. One of her projects focused on instilling self-help attitudes in very young children. She also engaged in labor organization efforts by African-American workers in Glassboro at Owens Glassworks and the Glassboro Canning Factory.

Ms. Palmer has been a devoted member of two religious communities, Bethel Baptist Church in Gloucester, VA, and the Dane Street A.M.E. Church of Glassboro, NJ. She is also a very civic-minded person. Her efforts in New Jersey included work with the Colored Teachers Organization of New Jersey, the Retired Teachers of New Jersey, and the education Association.

Ms. Palmer relocated to Brooklyn, NY, and embarked upon a career in the New York public school system where she worked until she became hearing impaired. She subsequently began to volunteer her time with the Red Cross of Greater New York and was recognized for her outstanding work. Her other organizational affiliations included the Eastern Star, Electra Chapter #7, the National Association of University Women, Young Women's Christian Association, the American Legion, and the Democratic Club of Brooklyn.

Ms. Palmer currently resides at St. Johns Episcopal Home for the Blind and Aged in Brooklyn. She is the sister of the late Samuel M. Palmer of Chicago and the late Benjamin F. Palmer of Brooklyn. She has one nephew, Assemblyman Albert Vann. I am very proud to recognize a life of achievement and sacrifice by Carolyn A. Palmer.

CAROLYN LANIER NAMED "WOMAN OF THE YEAR"

HON. LARRY COMBEST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. COMBEST. Mr. Speaker, I would like to take this opportunity to extend my sincerest congratulations to Carolyn Lanier of Lubbock, TX, for being named "Woman of the Year" by the Altrusa Club, an international professional classified service organization, which honors a woman each year for her work in the community.

Carolyn is the executive director of the South Plains Food Bank which offers assistance to those less fortunate through a network of other food banks in the region. Having worked with her on several projects, I know firsthand her dedication to helping others. She puts 100 percent effort in all her endeavors and her steadfast commitment has brightened the lives of many.

Carolyn has been the recipient of numerous awards in addition to Woman of the Year, including the YWCA Woman of Excellence Award in Government and Politics for 1992, the Professional Volunteer Award, and the Mason's Community Builder Award in 1991.

Community service is a great opportunity for all Americans to offer their valuable services to their local citizenry in need. This great country needs more people, like Carolyn, who are willing to give themselves selflessly to the call of others. I salute Carolyn Lanier for her devotion and efforts on behalf of Lubbock and call on all people to give some of themselves back to their communities.

TRIBUTE TO NATIONAL NEW YORK CITY POLICE DEPARTMENT 10–13 ORGANIZATIONS INC.

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. SCHUMER. Mr. Speaker, I would like to pay tribute to the National New York City Police Department 10–13 Organizations, headquarters located in my district in Brooklyn, NY, for their hard work and dedication in representing retired New York City police officers of all ranks.

In particular, I would like to give special recognition to the achievements of the National NYCPD 10–13 Organizations' officers: President Stephen F. Spinelli, Vice-President Martin M. Gagliardi, Secretary John Curtin, and Treasurer Thomas F. Mullins.

As a result of their endeavors, this organization has earned the recognition as the representative body of an established union of those retirees, in and outside the State of New York.

It is with great pride that I offer this small tribute in honor of the efforts of the National NYCPD 10–13 Organizations conducted on behalf of former members of New York's dedicated police force.

THE NATIONAL CHILDREN'S ADVOCACY PROGRAM ACT OF 1992

HON. NEIL ABERCROMBIE

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. ABERCROMBIE. Mr. Speaker, I rise today with the gentleman from Alabama to introduce legislation, the National Children's Advocacy Program Act of 1992, that assists local communities in protecting the rights of child sex abuse victims.

Recently, the U.S. Advisory Board on Child Abuse and Neglect found that more than 2.5 million reports of suspected child abuse and neglect are made each year. It has been estimated that billions of dollars are spent each year on a child protection system that is failing to protect children adequately. In order to find a solution to this national emergency, the Federal Government must begin to facilitate community efforts to protect children. That change in Federal perspective implies a new commitment, a new comprehensiveness, a new investment in knowledge generation and diffusion, and greater leadership and flexibility.

As you know, current Federal policy in regards to child abuse and neglect has focused on investigation more than prevention and treatment. Furthermore, it has been consistently found that the most glaring problem in the current system is its tendency to revictimize the child by having different persons conduct multiple interviews. Other problems have been lack of communication among agencies, the need for specialized training, and a lack of coordination between civil and criminal proceedings.

Inherent in dealing with child sexual abuse cases is the reality that the traditional criminal justice system and many of the agencies that respond to investigate and handle these cases are not equipped for the child victim. The overwhelming number of cases also adds to this difficulty. However in the last few years, many communities have begun to address this problem by implementing a more coordinated approach in dealing with child sexual abuse.

The National Children's Advocacy Program Act of 1992 has been designed to create regional resource centers whereby local communities can find the technical assistance and training to create a children's advocacy center. The key elements of this program includes the development of a comprehensive, multidisciplinary response to child abuse which is designed to meet the needs of child victims and their families and to enhance coordination among existing community agencies an professionals that are involved in the intervention process.

This bill spreads the concept of the children's advocacy program nationwide but keeps the centers under State and local jurisdiction. It is designed to assist prosecutors, courts, and social service agencies in helping children deal with the fallout from sexual abuse. That is a local responsibility; the Federal role should be limited to providing access to technical assistance to do the job. Our model is Federal help, community control.

INTRODUCTION OF THE NATIONAL CHILDREN'S ADVOCACY PROGRAM

HON. BUD CRAMER

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. CRAMER. Mr. Speaker, today marks the first day of National Child Abuse Prevention Month as designated by Congress. During this period of time, we are reminded that millions of children are needlessly being starved and abandoned, burned and severely beaten, raped and sodomized, berated and belittled.

The fact that more than three children die from physical abuse or chronic neglect each day in the United States calls into question our country's commitment to its young. The U.S. Advisory Board on Child Abuse and Neglect reports the number of child maltreatment cases is increasing so steadily that our Nation faces a state of emergency. More than 2½ million children in the United States are crying out for someone to rescue them from a life of tortuous abuse.

Today, I hear their cries and am throwing out the life preserver. I am introducing the National Children's Advocacy Program Act of 1992. This bill focuses attention on the child victim by assisting communities to develop child-focused, community-oriented, facility-based programs designed to improve the resources available to children and families.

I come to Congress as a former district attorney in Madison County, AL. I have seen abused and neglected children fall through the cracks of our judicial system and be victimized by simply reporting the crimes committed against them.

One child sexual abuse case that I prosecuted best describes the problem facing communities throughout America. A 12-year-old girl, I will call Lisa, had been sexually abused by her father and her step-father for most of her life. One day she told her grandmother about the nightmare she lived. Her grandmother notified the authorities in hopes the system could help. Instead, the abused child was placed on a conveyor belt system that only exploited her injury.

Lisa was taken to an intimidating and cold interrogation room at the local police department. The male officers on duty refused to question her. They, instead, asked her grandmother to write down what she knew about the allegations in a report.

Lisa and her grandmother were then sent to the Department of Pensions and Security [DPS], where four social workers with child protection services interviewed the young girl about her abuse.

The next stop for Lisa was a medical clinic. After waiting several hours, she was examined by a doctor who initially refused to check Lisa for sexual abuse. She was then passed to a therapist who told her not to discuss the abuse with anyone.

When the case came before the grand jury, almost a year had passed. Lisa had told her story to at least 15 people. She was scared, distressed and traumatically abused by a system that was supposed to help. The child victim would not talk. We in the district attorney's office had no case. Another child molester was to be set free, free to abuse again.

Who was at fault? Not Lisa. She was the victim, a victim of child abuse and a victim of the conveyor belt system. Her grandmother best described the injustice when she told me, "I'm trying to understand this system, but you all are just not ready for us." She was right.

Police were uncomfortable interviewing child sexual abuse victims. Doctors, fearing involvement in the litigation, were reluctant to do medical exams. Social workers did not know how to prepare a child for testimony while mental health professionals could not agree on whether it was beneficial for the child to testify. Prosecutors failed to realize the pressure on victims and families who had to repeatedly tell their story in front of strangers.

The conveyor belt system exists in communities from Maine to Alabama to Hawaii. Our current policy is not adequately responding to child abuse and neglect. The Federal Government must begin to facilitate community efforts to protect children.

The National Children's Advocacy Program Act will redirect our Federal policy in child abuse and neglect. It is a strong initiative that will help minimize the trauma child victims suffer. It will provide the nonoffending family members with needed services and assist them in regaining maximum functioning. Moreover, my approach will help hold more offenders accountable for their actions.

The program will enhance coordination among existing community agencies and professionals involved in the intervention, prevention, investigation and prosecution systems that respond to child abuse cases. It's time to replace the conveyor belt system with a support system for the child.

The National Children's Advocacy Program calls for the establishment of a multidisciplinary team of professionals representing mental health, prosecution, medicine, child protective services, victim services, law enforcement and the judiciary. Working together, these professionals can develop an investigative protocol promoting cooperative working relationships. The team addresses the plight of each individual child and issues a joint recommendation in the best interest of each child.

The child is brought to a facility which is both agency-neutral and child-focused. The building's rooms and offices provide a consistent, friendly and supportive place for any interviews with the child and the nonoffending family members. The center is decorated to provide a warm, comfortable and protective environment for young children and adolescents. The purpose is to enable the young victims to feel safe and secure while they deal with the emotional trauma of their abuse.

To minimize the number of interviews a child must endure, the initial interview is conducted jointly by a law enforcement detective and a social worker. The victim and the nonoffending family members are informed of the judicial system and the rights of the victim.

Law enforcement officials are capable of building a strong case against the offender with dependable testimony of the abused victim and the coordination the experts dealing with child abuse and neglect.

Huntsville, AL is blessed. We have a children's advocacy program in place that works. However, other communities are not as fortunate. They need help, help and leadership from the Federal Government. The Federal Government must provide the technical assistance needed to fight this tragic social syndrome before it consumes our country.

As novelist John Steinbeck said, "The greatest terror a child can have is that he is not loved; and rejection is the hell he fears." Let us not reject our children. They are the future generation that will either lead this Nation or allow its downfall. We must protect them.

The National Children's Advocacy Program Act is the child protection blueprint our country so desperately needs if it is ever going to successfully combat child abuse.

DR. J. DENNIS O'CONNOR, INSTALLATION ADDRESS AS SIXTEENTH CHANCELLOR OF THE UNIVERSITY OF PITTSBURGH

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. COYNE. Mr. Speaker, I rise today to share with the Members of the House remarks made by Dr. J. Dennis O'Connor during his installation as the sixteenth chancellor of the University of Pittsburgh.

On Friday, February 28, the University of Pittsburgh celebrated Founder's Day with the installation of Dr. J. Dennis O'Connor. Dr. O'Connor's remarks reaffirmed my confidence that the University's board of trustees have entrusted the future of Pitt to an individual of outstanding academic and administrative skills.

I commend Dr. O'Connor's remarks to the Members of the House. He has offered us an excellent discourse on the role education plays in shaping our country's culture and values. Dr. O'Connor notes with a refreshing clarity the simple truth that American universities can and must act as leaders in promoting the advancement and diffusion of knowledge.

I wish Dr. O'Connor the very best in his role as chancellor and extend to him my support and assistance in his work to promote the goals of higher education at the University of Pittsburgh. I also ask unanimous consent that Dr. O'Connor's remarks be printed in the RECORD immediately following my statement.

[From University Times, Mar. 5, 1992]

CHANCELLOR O'CONNOR'S SPEECH UPON HIS INSTALLATION

Chairman Marous, Provost Henderson * * * distinguished guests * * * members of the board of trustees, faculty, staff, students and alumni of the University of Pittsburgh . . . members of my family . . . ladies and gentlemen * * *.

Today I invite you to join me on a journey. This journey has many points of beginning. Following an arc of time we travel to one of these points: a lit candle in a small room—somewhere on the western coast of Ireland—sometime in the 8th Century AD.

By candlelight, a monk sits at a simple wooden table hand-copying an ancient manuscript. He does so with exquisite care, endless patience, astonishing beauty. We do not know his name. His was a labor of anonymity, performed not for personal glory, but for a transcendent purpose, for devotion to his God. He and hundreds of anonymous people like him in enclaves of learning far-flung across Europe sat at simple tables and wrote by candlelight. By their painstaking craft they transmitted thought and literature and learning. In what are called the Dark Ages—a time of negation and fear—they lit affirming flames.

These monks lived and worked and worshiped in what were known as Cathedral Schools. Some of these enclosed in towers along Ireland's western seacoast. And when attackers came by ship, the monks raised their tower ladders, secured their shutters, and guarded their manuscripts. With courage, with peaceful resistance they repelled these assaults.

The Cathedral Schools are the genesis of the modern university. And today, in ways that are sometimes obvious and sometimes subtle, but that are almost always sacramental in this tradition of Cathedral Schools, we rekindle in our collective memory that flame of learning, the precious inheritance, of these monks of anonymity.

For in time, the Cathedral Schools gave rise to true European universities during an era of cataclysmic change in Europe: new nation-states came into being, a new spirit of human inquiry breathed across the European landscape. In Italy: the universities of Salerno and Bologna. In France: the university of Paris. In German: Heidelberg and Cologne. In England: Oxford and Cambridge.

And in the unfolding of history and the eventual colonization of the New World, Oxford and Cambridge became the models for the pioneering institutions of Harvard, William & Mary, and Yale.

This model and this tradition moved westward across the American wilderness, to the founding of what would become the University of Pittsburgh, 205 years ago—an event we commemorate and we celebrate today. In time, and in the wonderful completion of a cycle, we witness the rise in Pittsburgh of a University known far and wide by its Cathedral of Learning. Yes, we are here today literally and metaphorically, at a 20th century Cathedral School.

Today I invite you to join me on a journey. Another point where today's journey begins is Philadelphia, Pennsylvania, in the year 1780.

Following another arc of time we meet a young lawyer. His name is Hugh Henry Brackenridge. He has studied at Princeton with James Madison and Aaron Burr. With his classmate Philip Freneau he writes what is believed to be the first novel written in America. Brackenridge chooses to seek his fortune not in the great, thriving city of Philadelphia but westward, in the precarious American wilderness.

The War for Independence is still being fought in the west, and Brackenridge intrepidly ventures through the Mon Valley, arriving at a tiny garrison outpost strategically set at the juncture of three rivers. He stays, for good.

In his diary, Brackenridge makes this prophecy: "This town must in future time be a place of great manufactory. Indeed, the greatest on the continent, or perhaps, in the world." In 1787, in Philadelphia, the Constitutional Convention secures a monumental covenant between a government and its people.

Far to the west—in another leap of faith in the future—Brackenridge creates a log cabin academy. He writes in his journal: "A candle lit in the forested wilderness." In the unfolding of time, this academy evolves into a university, and it becomes inextricably linked with this city and this region.

The stories of Pittsburgh and this university are inseparable. And these relationships have survived—and have been strengthened—through hard times and good, through war and peace, through depression and industrial achievement, through human struggle and triumph.

We seek to serve the same community, and we share common values. We are part of one extended family—this University and this city. As with other families, I know there has been turmoil and disharmony. But I hope that beginning today we can move toward calming the turmoil, and uniting in harmony. There is too much at stake, there are too many good things to do. We must talk and listen to one another. We must join hands, indeed minds and spirits. We must draw from the strength of this family, in open and honest conversation.

As I read about our history, and as I become acquainted with members of the Pittsburgh family, I am confident we can do so. Why? Listen to a few words from a prose poem called "Pittsburgh Memoranda." Written by Haniel Long in the early 20th century, it celebrates the spirit of Brackenridge and those other adventurous souls who first explored this valley, profoundly shaping western Pennsylvania with their character and their dreams. Listen to these words:

"Our forefathers were pioneers.
So are we.
They came like shadows through the Alleghenies,
Exploring and hoping.
Our forefathers could drive their oxen through the dangerous mountain valleys.
They could shield their families from peril, knew how to deal with the wild and strange,
Had the points of the compass in their blood.
Our forefathers went shadowlike into beautiful dangerous new valleys.
We are their children; we too explore and hope,
Making the filaments of a new compass out of our need to come to terms with ourselves,
with the others who live life with us, and the life that lives all."

In the subsequent decades, we see successive generations of immigrants who will travel to new homes here in Pittsburgh: from Central, Southern, and Eastern Europe; from Africa; from Latin America; from Asia. They come—and are continuing to come—with a faith in freedom, a will to learn, an acceptance of arduous work. We trade the rise of a great city of energy and character—and unmatched manufactory—indelibly imprinting its shape on the world.

Today Pittsburgh is a place of steep inclines and surprising inclinations. It may not be commonly known, but this city of manufactory is one of America's most fertile places to write and publish poetry.

Let me name but three poets of our University and our region who have recently won major national awards: Lynn Emanuel, Judith Vollmer, and Anthony Petrosky. Their work is lit with gravity and grace and touching revelation. They are joined by a diverse community of local poets who lend rhyme and reason to the culture of our city, and whose words travel far beyond it.

We can detect an underlying theme in much of the best of this poetry. We can see a search for roots, for connection with the past, for a link to those values that we care for, that make us ponder who we are. For we too seek "the filaments of a new compass out of our need to come to terms with ourselves, with the others who live life with us, and the life that lives all." and the history of this city is still changing, still evolving.

Today I invite you to join me on a journey.

Typically, on occasions such as today's, you hear a lot about a university's missions, goals, and strategic plans. That is not my intent today. I wish to talk instead about a context of values for all we do, values that surround and permeate our missions, our goals, our strategic plans. We will speak of ends, but first let us clarify our means. Before we decide where we are going, we must determine what we stand for, what we care about, who we are.

What are the values embodied by the University of Pittsburgh?

What should they be? Honesty.

We should never report what we perceive to be true in ways that vary from the honest perception. We must seek and defend and live by what we believe to be true. We must not be abrasive in the truth, neither deferring nor timorous in correcting misstatements or errors. At the same time, we welcome differences in perceptions, unconventional approaches, and unfashionable arguments on timeless questions, and on the times controversies of the day. For in an environment of truth and caring, conflict spurs growth and ignites the spark of creativity. Another value is selflessness.

We must not act merely to protect our own interests, or to defend our own personal or intellectual turf. We must yield to the larger good of others, motivated to serve the good of the entire university community. This is part of our mission to teach. We teach our students not just by the book, but by the public conduct of our lives. And I hope on this campus we will convey to students a conduct that bespeaks generosity of spirit.

Another value is the ability to change while staying true to our traditions.

A great research university is always in the business of change. This is the very special environment in which we work—an environment in which we seek the satisfaction of intellectual curiosity, and where unusual, sometimes never-before-thought-of questions, are not only tolerated, but solicited.

We move forward, we create change, remembering our roots, embracing that part of our tradition deserving to be embraced: the Cathedral School monks; those first scholars of the University of Paris; and the remarkable legacy of all who have preceded us, over 205 years, at the University of Pittsburgh. We are now entering a time in American history where our values will be tested—sometimes in the heat of controversy, in the volatile friction of public debate.

I recently read a fascinating book about the history of the steel industry in this region. The book is called "And The Wolf Finally Came," authored by John Hoerr. In this history we see that the decline of the steel industry was evident as far back as the 1940s—knowing full well that retrospective vision is always a bit clearer. But few people listened to those prophets who cried "wolf."

The steel industry—management as well as labor—did not adapt to a changing economic order. They continued the practices that had served them so well in the past. And as we know, the wolf finally did come to the door of American steel. In today's economic environment we see this loss of trust, this decline of consumer confidence. And we are witnessing a restructuring of that economy, and an attempt to regain that confidence.

We have also seen a parallel loss of confidence in American higher education. The wolf has come to our door, too. As with universities and colleges nationwide, here at the University of Pittsburgh, we must reexamine our purpose, we must restructure our enterprise, and we must regain the public trust. Doing so will require difficult, vexing decisions.

We will focus our attention on what we do well, and we will sustain it. At this institution that will certainly include interdisciplinary programs and international studies, to name but two. We will accept the need to carefully phase out and reduce some of our endeavors. As my former colleague, Paul Hardin said. "Not everything we are currently doing is better than some things we wish to do." We also accept our limits, knowing there will be exciting activities worth doing that we will not be able to do—at least, not on our own.

Here in Pittsburgh, we look forward to an era of enhanced and enlarged cooperation and partnership with this city's many outstanding institutions of higher education. We will build bridges of friendship and collegiality to span a ravine, or scale a bluff. And as we restructure we will become more flexible, more responsive to the changing needs of those whom we serve.

In this Cathedral School—this modernday tower—we must extend our ladders to the less fortunate, open our windows to invigorating breezes. We must become more attractive and more accessible to a greater diversity of teachers, students and staff.

By the year 2000, more than one-third of all Americans will be members of racial or ethnic minorities. In as many as five states and in more than 50 major cities members of so-called minority groups will, in fact, constitute a majority. While this demographic shift will not be so pronounced here in Pittsburgh, we are determined to enlarge our vision, become more pervasive in our reach, more egalitarian in our character.

We must become as distinguished in our pluralism as we are in our programs. And as we do so, we must make sure that questions of affirmative action and minority participation do not become afterthoughts, but are up-front in our thinking, fully integrated into our plans—into the evolving life and texture and dream of this city in the 21st century.

None of this will happen in a vacuum. None of this will happen by itself. What is required is institution-wide support, encouragement, and leadership.

The leadership of this University is one of shared governance, which invites—even insists upon—participation and consensus-building by faculty, students, state, alumni and the larger Pittsburgh community. This kind of shared governance will only work: if we promote and encourage a sense of responsibility, a sense of family—breaking down barriers to communication—and if we continue talking to one another, honestly, with empathy and respect, and with a for-swearing of meanspiritedness.

You have told me that our academic endeavor must drive the administration, and not the other way around. I have listened. And together we are taking action.

The provost of this university now holds more fiscal authority than any administrative vice president. The budget process now in place is an entirely new way by which we do our business. It extends throughout every University department, school and center. From this broad base, the budgetary process percolates upward through the University structure.

You have told me that this University's infrastructure—our total learning environment—has been inappropriate for a great American university dedicated to preparing students for life and careers in the 21st century. I have listened. And together we are taking action.

We are now engaged in a five-year plan—to enhance and to add innovations to this University's complex array of classrooms, lecture halls, and scientific and computing laboratories. We must provide our faculty and students with clean, well-lighted places in which to do their work—with the simple amenities that mark the university environment as a place of the mind.

And in particular, you have told me that our library network must be improved. I have listened. And together we are taking action.

I call your attention to this administration's first budget—now being crafted. This budget comes at a time of a stubborn national recession, and of likely funding cutbacks here in Pennsylvania. Our budget reflects these grim realities. We will be cutting costs in many administrative and some academic areas. But not in our libraries. In fact, we are committed to a very substantial increase in the support of our library acquisitions and networking. We are likewise securing new space for library holdings and programs.

You have told me that undergraduate education must be strengthened. I have listened. And together we will take action. We must view our students as students forever—who require the capacity to learn how to find and decipher data for themselves—all their lives.

We need, for instance, the ability to create an environment where student can study astronomy—even when clouds cover the evening sky—at Allegheny Observatory. Innovative computer programs could simulate astronomical phenomena: documenting the dazzling birth of a star, or the majesty of a comet's journey.

We will find ways for the spark of inspired teaching at this University to burn brighter, and we will reward those who ignite such a spark. We must inspire our undergraduates to the joys and beauties of quietly reading a book, or poring over a scientific hypothesis. To think about what they have read. To develop a process for writing, to wrestle control of their language. To develop a reverence for the power and the grandeur of words. To see, with wonder, the connection between the world and the word—and then, in their voice, in their style, to communicate it. We must teach our students this power of honest and clear communication. And we must exemplify such honest and clear communication as we move this University forward. The process is in place.

You must tell me what you want, what you value, what you hope for. I will listen. And together we will take action.

We will begin at the core of our academic environment—to make sure the center holds—and we will move outward. We will move into the neighborhoods of this city where we have been asked to help. We will extend our resources in public health and nursing, business and law, social work and education: to creatively serve those in need. We are strongly committed to improving the academic achievement of disadvantaged urban children here in our backyard.

We are living in a world of astounding change, and of great hope. As I think about the recent presence of Nelson Mandela on our campus, I am reminded again that education—the discovery and transmission of knowledge—is of little importance if it does not transpire within a context of values. And these values, at times, must be courageously defended because it is by the defense of our values that we permit hope to sustain individuals who, like Mandela, can make the change.

Listen to this passage from "Disturbing the Peace," written by Vaclav Havel, president of Czechoslovakia, who resisted oppression so courageously for so many years: He wrote: "Hope, in this deep and powerful sense, is not the same as joy that things are going well, or willingness to invest in enterprises that are obviously headed for early success, but, rather, an ability to work for something because it is good, not just because it stands a chance to succeed. The more unpropitious the situation in which we demonstrate hope, the deeper that hope is. Hope is definitely not the same thing as optimism. It is not the conviction that something will turn out well, but the certainty that something makes sense, regardless of how it turns out."

One final arc of time: We travel to the mid-21st Century—somewhere in a quiet room—somewhere on this campus. By the glow of a video screen, a student sits at a keyboard. She creates a computerized manuscript. Instantly she communicates what she finds to be true to others around the campus, perhaps around the world. We do not know her name. But we observe her working with exquisite care, endless patience, astonishing insight.

As with the earliest explorers of Pittsburgh, described by Haniel Long, she seeks "the filaments of a new compass out of our need to come to terms with ourselves, with the others who live life with us, and the life that lives all." She is a student in what we might rightly call a global Cathedral School. She is our future. And so, today I invite you to join me on a journey.

HONORING ELEMENTARY SCHOOL TEACHER PATRICIA DESILET

HON. PETE PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. PETERSON of Florida. Mr. Speaker, today I would like to pay tribute to Patricia Desilet, who was just recently named Leon County's 1991–1992 Teacher of the Year. She has brought to her first- and second-graders the love of learning. Through her energetic teaching style, she has dared her young pupils to become imaginative and creative. By using countries as themes, she has incorporated the subjects of math, reading, social studies, and science curriculum while pretending to be in that specific country. Patricia Desilet exemplifies the model teacher. She allows children at an early age to enjoy learning.

Many teachers do not receive the credit they deserve. Mr. Speaker, I am honored that my constituent has been rewarded for her hard work. Teachers are entrusted with the education of our most precious commodity. I take my hat off to all teachers, because I truly believe it is one of the toughest and most important jobs one can have, especially today. I would like to enter for the record this excellent article from the Tallahassee Democrat.

IN HER CLASS, TRAVELING IS EASY

(By Kathleen Lautenberg)

Teacher Patricia Desilet and her 25 first- and second-graders were deep in the Brazilian rain forest Wednesday morning when an unexpected entourage of grownups arrived.

"Look at all these people!" Desilet gasped. The children did—wide-eyed, mouths gaping—and the make-believe rain forest Desilet had created in their minds popped like a soap bubble.

But that was OK. Because even though their classroom at W.T. Moore Elementary School in east Tallahassee wasn't as exotic as Brazil, a razzle-dazzle celebration was about to begin there. Complete with a clown, balloons, flowers, reporters, bright lights and cameras.

"You are Leon County's 1991-92 Teacher of the Year," announced Superintendent Bill Woolley, one of the unexpected visitors. "We are very proud of you."

Husband Randy Desilet smiled and quietly presented his wife with a dozen long-stem yellow roses.

It was a moment that Desilet will never forget. Standing in the spotlight of honor, she was a long way from the young college graduate who, in 1968, was considering missionary work until she accepted a first-grade teaching job with North Florida Christian School.

"From the very first week it turned me on," Desilet recalled. "It was just a thrill to be with them. The relationship was just so rewarding.

"I remember watching my children outside one day and telling another teacher, 'I have found what I want to do with the rest of my life. I want to teach young children.' I love it! God has obviously given me a gift to teach."

Since making that self-discovery, Desilet has evolved into the kind of teacher many parents hope their children will have.

"She is the most energetic teacher I have ever seen and she has the greatest ideas," said Linda Reiser, a Moore parent volunteer who was sorting worksheets outside of Desilet's commotion-filled classroom.

Reiser, who has had two children pass through Desilet's care, said her kids especially enjoyed Desilet's "theme teaching."

Each year, Desilet chooses a country as her classroom theme. This year, it's Brazil. She tries to make one part of her room reflect the selected nation; currently, she's got a mock rain forest across one wall, complete with a waterfall. She also incorporates the theme country into her math, reading, social-studies and science lessons.

When Reiser's daughter was in Desilet's room, the theme was Australia.

"She went around talking in an Australian accent the whole time," Reiser recalled, laughing. "And she was always singing Australian songs."

Several of the children in Desilet's room this year said that, so far, they really like Brazil.

They arrived Friday.

"We pretended that we were flying to Brazil," explained student Heather Austin, who is 8 years old today. "We got to make a plane (by rearranging their desks and chairs) and we had jobs, like flight attendant, security, baggage, snack bar. Did you know there are a lot of jobs on a plane? I was a flight attendant. And now we are pretending that we are in Brazil."

Since Friday, the kids have sampled some rain-forest crunch—a type of Brazilian candy similar to peanut brittle but made with Brazil nuts and cashews instead—and learned some Brazilian songs, Heather said.

Even when they're not in Brazil, they still have fun, according to 7-year-old Elaine Petford and 6-year-old Paul Zarychta.

For example, they said, it's fun to watch their teacher faint. Desilet faints—or pretends to, Paul allowed—whenever the entire class remembers to do something that's part of its routine (like getting lunch tickets) without being reminded.

Having fun is half the trick to learning, Desilet said. The other is learning to feel good about themselves, she said.

"The academics will come so easily and naturally when they feel they have a place and that they are valued for who they are."

A TRIBUTE TO OLIN CORP.

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. COSTELLO. Mr. Speaker, I rise today in recognition of the 100th anniversary of the Olin Corp. Olin's brass division and Winchester division headquarters are located in my congressional district, in East Alton, IL, where many of my fellow Illinoisans have been gainfully employed through the generations.

The first of the Olin companies, the Equitable Powder Manufacturing Co., was founded by Franklin W. Olin on May 28, 1892, in East Alton, IL. Over the years, the Equitable Powder Manufacturing Co. enjoyed steady growth as Franklin W. Olin and his sons, John M. and Spencer T. Olin, expanded into other businesses, and the company has become a Fortune 200 company known worldwide for its expertise in ammunition, chemicals and metals.

Olin continues to move forward in research, investment, and the development of high quality products that are respected around the world. The ammunition manufacturing facilities operated by Olin in my district are models of efficiency and examples of how American business can remain strong and competitive internationally.

Mr. Speaker, I congratulate Olin Corp. on its 100-year history of corporate and community accomplishments, and commend Olin's management and employees for their commitment to excellence.

LYME DISEASE AWARENESS WEEK

HON. GEORGE J. HOCHBRUECKNER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. HOCHBRUECKNER. Mr. Speaker, I rise today to introduce legislation that would designate the week of July 26, 1992, as "Lyme Disease Awareness Week." Senator JOSEPH LIEBERMAN of Connecticut is introducing identical legislation in the Senate. I appreciate this opportunity to provide my colleagues with some background on Lyme disease, and why I believe that this legislation is worthy of their full attention.

First identified in Lyme, CT in 1975, Lyme disease has become the most common tick-borne disease and one of the fastest spreading infectious diseases in the United States. Without early treatment, Lyme disease can cause severe arthritis, heart disease, or neurologic complications. Later effects, often occurring months and years after the initial onset of the disease, include destructive arthritis, chronic neurologic disease, memory loss, chronic fatigue, and partial facial paralysis.

Although originally thought to be exclusively a regional problem of the coastal northeast, Lyme disease is spreading rapidly to all areas of the country. In fact, since 1982, more than 40,000 cases of Lyme disease have been reported to the Centers for Disease Control [CDC] from 49 States. In 1991 alone, 9,344 new cases were reported to the CDC. However, because diagnosis is difficult and public awareness about the disease is limited, it is estimated that thousands of cases have gone undiagnosed, unreported, and worse yet—untreated.

Lyme disease is sometimes called the great impostor because it can mimic the symptoms of other ailments such as ringworm, influenza, arthritis, or heart disease. Symptoms of Lyme disease in its early stages include a characteristic rash at the site of the tick bite, headaches, fever, pain in the joints, and swollen glands.

As early treatment of Lyme disease is the key to warding off its worst effects, and as there is currently no vaccine for Lyme disease, the best defense against it is prevention. That is why education is vital if we are to minimize the effects of this painful disease. The American public must know what to look for if they are to take precaution against this disease.

Mr. Speaker, the prevention of Lyme disease depends upon public awareness. The designation of the week of July 26 as "Lyme Disease Awareness Week" will help us to alert the general public and health care professionals to Lyme disease and its symptoms.

IN TRIBUTE TO THE HISTORIC CHESAPEAKE BAY LOG CANOE "ISLAND BLOSSOM"

HON. WAYNE T. GILCHREST

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. GILCHREST. Mr. Speaker, I rise today in order that I may seek recognition of the centennial anniversary of the Chesapeake Bay sailing log canoe *Island Blossom*. This historic sailing vessel is one of only 18 remaining from a special group of racing canoes that once numbered close to 7,000. It's design is a part of a history which dates back to our Nation's Civil War period when canoes of its kind were used by Southern adherents to evade Yankee guard boats near Confederate lines. It is Maryland's Chesapeake Bay region, however, where canoes of its kind were of particular historical significance to Maryland's Chesapeake Bay region and, indeed, are a part of the rich history surrounding the Chesapeake Bay culture.

A craft such as *Island Blossom*, which was built in 1892 by noted builder of that era William S. Covington, while perhaps greater known for its racing exploits, was first used for its economic benefits in the Chesapeake Bay. People in the bay communities in the 1700's found the early log canoes irreplaceable in terms of transportation, fishing, and oyster harvesting. It was the physical environment of the Chesapeake itself that was, to a certain extent, responsible for the creation of this useful vehicle. The abundance of timber, the need for a craft for fishing and harvesting bay bounty and the general convenience of water transportation, led carpenters to fashion early log canoes to meet their needs. Maryland's oyster industry, at one time the Nation's largest, profited greatly from the log canoe's maneuverability and efficiency. Yet, as the log canoe became economically obsolete in light of the development of the gasoline engine, the racing canoe became solely responsible for continuing the tradition.

Canoes have been raced in the bay since 1840 when races began to be organized at St. Michaels, MD. The spirited competition by those participating in the events was met by the enthusiasm and excitement of the citizenry who gathered for the camaraderie the competition afforded them. It was not long thereafter that log canoes began to be built solely for speed. While builders such as W.S. Covington were now concerned primarily with speed, they continued to utilize the same materials the bay area provided past builders. The style under which *Island Blossom* was constructed is known as Tilghman style, for its design originated from the Tilghman Island area of Maryland's Eastern Shore. The logs that were used in building the canoe came from Trappe, MD, and were then floated down the Chesapeake Bay to Tilghman Island where construction took place. Remarkably, only those canoes built under the Tilghman style still remain under sail today. The canoes, such as *Island Blossom*, have come to be known as those that originated from the golden era of log canoe racing. *Island Blossom*, which continues to race after 100 years, has claimed many victories during her racing career.

The 18 remaining Chesapeake Bay log canoes that remain, including *Island Blossom*, represent an exciting piece of national and regional history. In 1985, these active log canoes were entered in the National Register of Historic Places. The *Island Blossom*, as a member of this historic fleet, has helped to preserve a meaningful local tradition that began in the many waterman communities of Maryland's Chesapeake Bay. In honoring this anniversary, we honor the rich history found in the Chesapeake region. I believe there is merit in the adage that "in honoring our past we may enlighten the future."

UNITED STATES HARNESS WRITERS ASSOCIATION AWARDS

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. GILMAN. Mr. Speaker, this coming weekend, the United States Harness Writers Association will be conducting its 44th annual awards banquet.

Those who have worked so hard to keep this majestic sport alive and popular certainly deserve recognition. Their efforts have brought about a resurgence in popular interest in a sport which grandly melds man and animal into a concerted and graceful team.

Mr. Speaker, I am proud that the Goshen Historic Track is located in my congressional district. This site was the birthplace of trotter racing in the United States, and it is the oldest location on the National Register of Historic Sites which deals with any sporting event.

I am pleased that the board of directors of the Goshen Historic Track will be presented with the President's award by the United States Harness Writers Association. These fine men and women have worked hard throughout the years—on a volunteer basis—to ascertain that the Goshen Historic Track remains viable and remains an appropriate historic landmark through which we can teach future generations about our rich heritage as a people.

A number of other outstanding individuals will be honored by the United States Harness Writers Association:

Special Achievement Award to Mr. John Campbell.

Owners Award to R. Peter Heffering.

Breeders Award to Alfred Oschner, Jr.

Writer of the Year to Anzalone.

Rising Star Award to Brian Sears.

Dick Baker Trainer Award to Bjorn Berglund.

Garnsey Trainer Award to Per Eriksson.

"Good Guy" Award to Joe DeFrank.

Proximity Achievement Award to Lloyd Arnold.

Induction Into the Writers Corner Hall of Fame to Karel "Bud" Vanderveer, to Robert A. Hackett, and to the late Col. Dave Herman.

Induction Into the Living Hall of Fame to Hugh A. "Andy" Grant, to Gene Riegle, and to Lon R. Millar.

Perhaps the most deserving as well as the most overdue award to be presented Sunday night is the President's award to Mr. Vincent J. Bergamo.

Mr. Speaker, Vince Bergamo is being cited for 35 years of service to the racing industry as a racing official and a presiding judge. I have had the honor of knowing Mr. Bergamo and working with Mr. Bergamo for most of those 35 years and I would be hard pressed to name a more dedicated, hard-working, honest, and enthusiastic official. Vince brings to his profession every day a love for his work that makes it hard to believe he has been at it since the mid-1950's. When you are exposed to Vince's enthusiasm, you come away with the impression that today is his first day at it.

Vince has been an inspiration to younger people who look up to him and attempt to exemplify his ideals.

As a native of Goshen, NY, Vince grew up literally in the shadows of the historic track and thus was instilled with a respect and love for horseracing. At a young age, as a stable hand for the Harrimans, Vince became personally acquainted with some of the giants of the sport. This helped instill in him the lifelong love of harness racing which has been the motivating force in his life. Vince Bergamo has served as a judge and later a presiding judge at every racetrack in New York, as well as at tracks in Florida, Maryland, New Hampshire, and Pennsylvania.

Over 30 years ago, Vince realized that it was a major priority to save the Goshen Historic Track, the oldest existing sporting site in the United States. It was his tireless efforts, solely on a voluntary basis, which directly led to the listing of the track on the National Register of Historic Sites. He annually recruits the volunteers to perform the many complex tasks which together result in a successful horse race, and is well known for his unique, God-given skills at volunteer recruitment.

Vincent was one of the founding members and driving forces behind the Goshen Historic Track, which took over ownership of the track when the Harriman family—which had owned it for nearly a century—divested their ownership. The 37 men and women who make up the Goshen Historic Track Board of Directors have successfully kept the track alive, well, and functioning as a nonprofit corporation.

Mr. Speaker, much of this credit belongs to Vince Bergamo, an unsung hero whose efforts are an inspiration to voluntarism and dedication to all endeavors of interest.

Mr. Speaker, the United States Harness Writers Association is deserving of our thanks and praise for underscoring a proud and sterling sport. I invite all of our colleagues to join with me in saluting the fine men and women of the United States Harness Writers Association.

SALUTE TO HEROISM

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. GALLEGLY. Mr. Speaker, I rise today to honor 18 Ventura County peace officers, rescue workers, and private citizens who are being honored for heroism by the Ventura County Peace Officers Association. Each of these individuals saved lives—in many cases, at the risk of their own lives—and I believe these fine men and women deserve special recognition:

The crews of two county sheriff's helicopters—pilots Chris Spangenberg and Dave Heald, chief crew deputies Larry Hanson and John Hoelker, Sgt. Earl Matthews, crew members Bob Naef and Amy Singleton, and volunteers Glenn Conley and Mark Smitley—are being honored for rescuing four people from the flood-swollen Ventura River.

Dominic Ortega is being honored posthumously for jumping into a dangerous backcountry pool in an attempt to save the life of a friend who was in danger of drowning. Although a third friend was able to pull the first man to safety, Mr. Ortega was pulled under by a whirlpool and drowned.

Ron Chambers and Craig Reiners, two police officers from my hometown of Simi Valley, are being honored for saving the life of a citizen being held by a gunman. Had they not placed their lives in extreme danger by approaching the gunman by approaching the gunman, the victim almost certainly would have been killed.

James Adams, an Oxnard bank manager, along with Raymond Landon, Eddie Houx, and John Estrada, pursued and apprehended a man suspected of holding up Adams' bank even though they didn't know if the suspect was armed. Police believe the suspect is responsible for 10 previous bank robberies as well.

Gary Jones, A Ventura police officer, saved at least 40 people on a bus from death or serious injury. While directing traffic, he saw a train approaching a bus that was stopped on the tracks. Disregarding his own safety, he jumped on the bus and was able to help the driver get the bus in gear and drive off, just a second before the train speeded by. Witnesses said a disaster was averted by just 6 inches.

Scott Hebert, an Oxnard police officer, edged along the narrow ledge of a highway overpass at the risk of his own life to rescue a woman who was threatening to commit suicide.

Mr. Speaker, all these brave individuals will receive Medals of Valor or Medals of Merit on Saturday. I ask my colleagues to join me in saluting them for their heroism.

LEGAL ANALYSIS OF MULTILATERAL TRADE ORGANIZATION PROVISION

HON. JILL L. LONG

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. LONG. Mr. Speaker, in January I wrote to the Congressional Research Service [CRS] asking them to prepare a legal analysis of the Multilateral Trade Organization [MTO] provision currently being considered as part of the Uruguay round of the General Agreement of Tariffs and Trade [GATT]. I am inserting the response into the RECORD for the review of my colleagues.

CONGRESSIONAL RESEARCH SERVICE,
Washington, DC, March 18, 1992.

To: Hon. Hill Long, Attention: Bart Chilton.
From: American Law Division.
Subject: Whether the Dunkel Draft of the Uruguay Round agreements would require the U.S. to change its laws.

This memo is in response to your request regarding whether the proposed changes[1] in the dispute settlement mechanism of the GATT and the proposed Multilateral Trade Organization (MTO), an institutional framework for the GATT, would require the U.S. to change its laws so that they are in conformity with the GATT.

First, it appears that any laws, grandfathered under the Protocol of Provisional Application of the GATT[2] and remaining grandfathered after the entry into force of the Uruguay Round agreements, would remain grandfathered unless they were otherwise amended substantially such that they forfeited grandfathered status.[3] Laws for which the U.S. has claimed grandfathered status need not be changed to conform with the GATT.[4] Although at least one leading GATT expert, John Jackson, has urged reforms of the GATT which would include the definitive adoption of the original GATT agreement and an end to provisional adoption,[5] which he feels has led parties to delay changes unnecessarily,[6] the Dunkel Draft apparently has not adopted this particular suggestion. Jackson notes that the definitive adoption of GATT is not a high-priority issue, but should eventually be addressed, possibly with any remaining grandfather rights being gradually phased out. The Multilateral Trade Organization agreement of the Dunkel Draft[7] seems to preserve grandfathered rights that are not eliminated by the Uruguay Round agreements. A recurrent footnote to the MTO agreement states: "The provisions of the MTO Agreement are without prejudice to the substantive results of the Uruguay Round as it affects the existing rights of contracting parties under paragraph 1(b) of the Protocol of Provisional Application and under equivalent provisions of

---

Footnotes at end of article.

the Protocols of Accession."[8] The MTO agreement provides the institutional framework for agreements annexed to it,[9] which include the GATT "as it results from the Final Act of the Uruguay Round, and its associated legal instruments, except the Protocol of Provisional Application."[10] Finally, the MTO agreement provides that "Contracting parties to the General Agreement of Tariffs and Trade and the European Communities which accept this Agreement and the Multilateral Trade Agreements, including acceptance on a definitive basis of the General Agreement on Tariffs and Trade, shall become original members of the MTO."[11] Taken together, these provisions apparently provide that actual contracting parties who accept the GATT as it emerges from the Uruguay Round shall be the original members of the MTO, but may continue to claim grandfather rights unaffected by the Uruguay Round. However, the scope of the Uruguay Round is such that perhaps few grandfathered rights would remain. The U.S. currently continues to claim a few grandfathered rights, some of which are disputed.[12]

Secondly, under the MTO, although the U.S. would not have to immediately change all of its non-grandfathered laws, like other members, it would have to "endeavor to take all necessary steps, where changes to domestic laws will be required to implement the provisions of the agreements annexed hereto, to ensure the conformity of their laws with these Agreements."[13] Anytime an international agreement is accepted by a state, the state is obligated to take whatever steps may be necessary to implement that agreement domestically, including changing laws inconsistent with the obligations of the agreement."[14] Perhaps the key word is "endeavor." The MTO agreement does not state that the members shall change their laws but that they shall endeavor to do so. The restraint of the language is in keeping with the spirit of the GATT, which assumes general acceptance of GATT objectives and is meant to encourage progress toward trade liberalization as a means of securing world peace and economic well-being.[15] A GATT party would have to make a good-faith effort to conform its law to the GATT, as it always has had to do. However, disputes have arisen partly because parties disagree about whether a particular policy or law of a party violates the GATT.

Under both the current system and the Dunkel Draft, if the U.S. believes that a law conforms to the GATT, it must change that law only if the law is successfully challenged by another party or parties and found to be a violation of the GATT in a panel report, the report recommends that the law be amended or otherwise modified to conform with GATT requirements, and the report is adopted by the GATT Council. Even currently, the losing party would have to implement a panel report adopted by the Council.[16] At the same time, GATT enforcement procedures have often been viewed as weak or non-existent, with the GATT rarely authorizing retaliation by a winning party and with no deadlines for compliance.[17]

The proposed dispute settlement mechanism, however, would greatly streamline the current procedures and would strengthen enforcement. The Dunkel Draft would change current consensus practice by no longer requiring unanimous agreement by the GATT Council before it may take certain actions. Instead, a consensus would be required not to take them. Currently, a party, even a party to the dispute, can also block the initial establishment of a dispute settlement panel, because the request for a panel is subject to approval by a consensus of the Council.[18] However, in practice a request has always been granted.[19] The Dunkel Draft would make the establishment of a panel automatic upon the request of the complaining party unless the GATT Council unanimously votes not to establish it.[20] Another major change would be the procedures for adoption of the panel report.[21] Currently, a panel report must be adopted by a consensus including the parties to the dispute.[22] This provision has been greatly criticized because effectively it could prevent panel reports from being adopted, although there are really only a few cases where adoption of a panel report was blocked by an intransigent loser who then refused to make any attempt to amend the challenged policy or law to conform with the GATT.[23] A losing party could simply vote against adoption of the panel report and then it could validly refuse to change its challenged laws to conform with the GATT. In contrast, the Dunkel Draft proposes the automatic adoption of a panel report within sixty days unless there is a consensus that the report should not be adopted.[24] The losing party to a dispute could no longer prevent adoption of a report by a one-vote veto, and therefore could no longer validly refuse to conform with the panel report on the grounds that it was not a formally adopted decision of the Council. In addition, the Dunkel Draft provides for authorized retaliation, subject to the new consensus rule, which would allow a prevailing party to suspend GATT concessions until the offending measure is removed.[25]

The difference is perhaps analogous to the difference between binding and non-binding arbitration. Currently, a losing party does not have to change the challenged law if it blocks adoption of the panel report, so there is arbitration and an airing of the dispute, but no binding resolution of it. Under the Dunkel Draft the adoption of the panel report would be virtually assured, so there would be an effectively binding resolution of the dispute. Further, given the possibility of authorized retaliation, there would be a greater likelihood that the party who loses a challenge to its laws will change them. This likelihood could be reduced if adoption of a panel report could be blocked by something less than a consensus, e.g., if adoption could be blocked by the vote of two-thirds of the GATT parties. Given the impetus to develop a strong dispute settlement system, "automatic adoption" might have been viewed as a more effective means of having panel reports adopted and of possibly encouraging parties to negotiate a settlement. Also, "automatic adoption" would reduce the possible influence of political considerations on the adoption of a report, that is, of reducing the possibility that a losing party could block adoption by lobbying other parties.

Obviously, these changes would greatly increase the pressure to conform on a losing party whose laws were in violation of the GATT. It would expedite conformity with the GATT. However, the ultimate goal of GATT is to motivate all parties to conform with the GATT and to permit parties to change at a pace which is practicable, given such factors as their own constitutional requirements, and at the same time to be fair to other parties. This can be seen in the Dunkel Draft's provision for appeals, which would give the losing party a second chance to have the dispute examined and would ensure that reports are of a high legal quality with clear, tight reasoning,[26] and the provision for further negotiation between the disputing parties about the time-frame for implementation of the panel report.[27] The panel report simply would find the challenged law or policy to be in violation of the GATT.[28] It would not mandate a mode of implementing conformity with the findings; it could make suggestions regarding implementation.[29] If a party could not practicably comply with a ruling immediately, it would be given a reasonable period of time in which to do so.[30] The losing party could still determine some of the specific changes to be made in its laws and could negotiate the time-frame for those changes with the winning party.[31] Of course, if the losing party does not change its laws enough to satisfy the winning party, the latter might feel that there had not been a good-faith effort to conform to the GATT and the panel report and could call for further intervention by the dispute panel.[32] As noted earlier, if a satisfactory agreement could not be reached regarding implementation of the panel report or compensation, the winning party could also decide to request authorization of retaliatory measures and sanctions.[33] Such sanctions would be likely to be automatically granted by the Council, which could only reject the request by consensus; however, the level of sanctions would also be subject to arbitration if the losing party protests.[34] The Dunkel Draft states, however, that sanctions alone are not a satisfactory result since the ultimate goal is progress, even gradual progress, toward GATT conformity.[35]

The proposals in the Dunkel Draft facilitate real change but appear to maintain flexibility to accommodate the interests of a losing party, whose governmental framework or other circumstances may validly inhibit a good-faith effort to conform. Although one may be concerned over the potential loss of control over some domestic legislation upon acceptance of the proposed dispute settlement mechanism, the sword cuts both ways. Each time a party challenges the law of another party and wins, it could be assured that there would be serious discussion of changing the law and ultimate resolution, rather than evasion of the issue by the loser's blocking the adoption of the panel report or failing to conform with an adopted report.

Thirdly, the MTO would be the institutional framework of the GATT. Currently, the GATT secretariat is a sort of perpetual ad hoc institution funded by the Interim Commission for the International Trade Organization (ICITO) and by contributions from the parties.[36] It has developed according to custom and procedural rules. The General Agreement was supposed to be administered by the International Trade Organization (ITO), which was stillborn in the late 1940's. Ever since, the idea of a permanent, defined institution has been around but not implemented. Although the MTO would supervise the dispute settlement mechanism,[37] it would not be *per se* the dispute settlement mechanism, nor could it issue rulings on whether or not the laws of a GATT party conform with the GATT. As envisioned by the Dunkel Draft, the MTO does not appear to be an organization intended to enforce immediate conformity of all domestic laws with the GATT outside the context of the dispute settlement mechanism; the members of the MTO would only be required to "endeavor" to take necessary steps to conform to the GATT requirements.[38] As discussed above, the U.S. and other GATT parties who become members of the MTO would seem to have the same obligation they always have had to conform to the GATT. Probably the

Dunkel Draft does not authorize the MTO to make rulings on GATT conformity because it assumes that any laws whose GATT conformity is in doubt would eventually be challenged by an injured GATT party through the dispute settlement mechanism.

The proposed changes would make it easier for the GATT Council to adopt and enforce a decision that a party is in violation of the GATT, therefore a loser is far more likely to be required to change its laws. However, there are provisions for an appeals process and flexibility with regard to the time-frame for implementation of the Council decision. The bottom line is that a party that loses a challenge to one of its laws and policies would no longer have control over whether a panel should be established, because of the automatic establishment upon request, and over whether a panel report is adopted, because of the replacement of the consensus for adoption with the consensus for nonadoption. Thus, that party would no longer have control over whether or not it must change that particular policy or law to conform with the GATT. Note also that the Dunkel Draft would introduce a strong enforcement mechanism into the process with its virtually automatic authorization for suspension of concessions upon request.

MARGARET MIKYUNG LEE,
Legislative Attorney.

FOOTNOTES

---

[1] Draft Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations, §S. Understanding on the Rules and Procedures Governing the Settlement of Disputes under Articles XXII and XXIII of the General Agreement on Tariffs and Trade [hereinafter Dispute Settlement Mechanism of the Dunkel Draft] and Annex IV, Agreement Establishing the Multilateral Trade Organization [hereinafter Multilateral Trade Organization, or MTO, of the Dunkel Draft], MTN.TNC/W/FA, 20 December 1991.

[2] Oct. 30, 1947, T.I.A.S. No. 1700, 55 U.N.T.S. 308.

[3] Id. at ¶1(b).

[4] Id.

[5] J. Jackson, Restructuring the GATT System 94, 102 (1990).

[6] J. Jackson, supra note 5, at 14.

[7] Multilateral Trade Organization Agreement, or MTO agreement, of the Dunkel Draft, supra note 1.

[8] MTO agreement of the Dunkel Draft, supra note 1, at 92, 96, 98. This footnote is appended to Art. II, Scope of the MTO, Art. XI, Original membership and Art. XVI, Final Provisions regarding reservations.

[9] MTO agreement of the Dunkel Draft, supra note 1, at Art. II, ¶1.

[10] MTO agreement of the Dunkel Draft, supra note 1, at Annexes, Annex 1A.

[11] MTO agreement of the Dunkel Draft, supra note 1, at Art. XI.

[12] J. Jackson, supra note 5, at 15.

[13] MTO agreement of the Dunkel Draft, supra note 1, at Art. XVI, ¶4.

[14] K. Holloway, Modern Trends in Treaty Law 77–79 (1967).

[15] J. Jackson, supra note 5, at 93 and 94, and preamble to the General Agreement on Tariffs and Trade (GATT), Oct. 30, 1947, T.I.A.S. No. 1700, 61 Stat. pts. 5 and 6, 55 U.N.T.S. 94.

[16] The current dispute settlement mechanism is established by the following: General Agreement on Tariffs and Trade [hereinafter GATT], articles II, ¶5 negotiation of tariff concessions; VII, ¶1, review of customs valuations; VIII, ¶2, review of fees for importation and services; Art. XII, ¶4, consultations on measures for protecting the balance of payments; XVIII, ¶¶7 and 12 consultations on measures for the assistance for the economic development of lesser developed countries; XIX, ¶2, consultations on emergency action on imports of particular products; and XXVIII, renegotiation of tariff schedules; Oct. 30, 1947, as amended, T.I.A.S. No. 1700, 61 Stat., pts. 5 and 6, 4 Bevans 639,55 U.N.T.S. 94, and Understanding Regarding Notification, Consultation, Dispute Settlement and Surveillance [hereinafter Understanding] and Annex on the Agreed Description of the Customary Practice of the GATT in the Field of Dispute Settlement (Article XXIII:2) [hereinafter Annex], Decision Adopted by the Contracting Parties 28 November 1979, GATT, 26th Supp., Basic Instruments and Selected Documents (BISD) 210 (1980). For further discussion of current procedures for dispute settlement, see generally Bello & Holmer, Settling Disputes in the GATT: The Past, Present, and Future, 24 The International Lawyer 519 (1990); J. Jackson & W. Davey, Legal Problems of International Economic Relations ch. 5, section 5.6 (2d ed. 1986); Plank, An Unofficial Description of How a GATT Panel Works and Does Not, 4 Journal of International Arbitration No. 4, 53 (1987) (a particularly interesting article by a former counselor for the GATT Secretariat, giving an insider's view of the realities of the dispute settlement mechanism); and Van Bael, The GATT Dispute Settlement Procedure, 22 Journal of World Trade 67 (1988).

[17] J. Jackson, supra note 5, at 63-65. The GATT Council has only once authorized suspension of concessions, permitting the Netherlands to suspend concessions against the U.S. for restraints on the importation of dairy products from the Netherlands. However, the Netherlands did not act on the authorization, nor did the U.S. act to comply with the panel report.

[18] Understanding, supra note 16, at ¶10.

[19] Van Bael, supra note 16, at 68.

[20] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, at ¶4.1.

[21] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, at ¶14.4.

[22] Art. XXIII:2 of the GATT; supra note 16, and other sources cited there generally.

[23] J. Jackson, supra note 5, at 66. Adoption of the panel report was blocked in the following cases where the losing party was the respondent:

1. European Community Tariff Preferences Granted on Citrus Products from Mediterranean Countries

Complaint: United States, June 1982

Issue: Preferences inconsistent with art. I

Disposition: February 1985 panel report suggested EEC should "consider limiting the adverse effect on U.S. exports of fresh oranges and lemons."

Result: E.C. blocked adoption of final report.

2. European Community Pasta Subsidies

Complaint: United States, April 1982

Issue: Violation of art. 9 of the Subsidies Code; this was actually handled by a panel proceeding under the Subsidies Code, not under art. XXIII:2 of the GATT

Disposition: In May 1983, the panel ruled in favor of the U.S.

Result: E.C. and other countries blocked the adoption of the panel report.

This information was derived from the list compiled by the GATT Secretariat of Actions Taken Regarding Measures which were Found by the Contracting Parties to be Inconsistent with the GATT, MTN.SB/W/11, Oct. 26, 1990 and the comprehensive list of GATT disputes compiled by Raymond J. Ahearn in his 1985 CRS report on GATT dispute settlement and updated by Vladimir N. Pregelj in 1987. The latter list was derived in turn from R. Hudec, The GATT Legal System and World Trade Diplomacy (1975); Hudec, GATT Dispute Settlement After the Tokyo Round: An Unfinished Business, 13 Cornell Intl'L.J. 145, 147 (1980); also, various annual editions of the GATT BISD Supplements through March 1986, of GATT Activities through 1986, and Operation of the Trade Agreements Program (OTAP), published by the U.S. International Trade Commission, through 1986, these editions cover activities through 1985. Altogether, the lists cover activities until Oct. 1990, but the lists are not complete, since the various sources have gaps in coverage. For example, there are disputes that are settled and complaints that are withdrawn before the panel concludes its proceedings.

[24] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, at ¶ 14.4.

[25] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, ¶¶20.2 and 20.3.

[26] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, at section 15, especially ¶¶15.6 and 15.13.

[27] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, at ¶19.3 (b) and (c).

[28] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, ¶17.1.

[29] Id.

[30] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, ¶19.3.

[31] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, section 19.

[32] Id. at ¶19.5.

[33] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, at ¶¶20.2 and 20.3.

[34] Id.

[35] Dispute Settlement Mechanism of the Dunkel Draft, supra note 1, at ¶¶20.1 and 20.6.

[36] J. Jackson, supra note 5, at 10–17. This provided the information for this paragraph generally.

[37] MTO agreement of the Dunkel Draft, supra note 1, at Art. III, ¶4.

[38] MTO agreement of the Dunkel Draft, supra note 1, at Art. XVI, ¶4.

A TRIBUTE TO THE FLORIDA STATE UNIVERSITY BASKETBALL PROGRAM FOR MAKING IT TO THE SWEET 16

HON. PETE PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. PETERSON of Florida. Mr. Speaker, the Florida State Seminole basketball team has served notice to the Atlantic Coast Conference [ACC] that, where intercollegiate athletics is concerned, Florida State is more than just a football and baseball school.

In their first game in the ACC, the Seminole basketball team beat perennial powerhouse North Carolina at Chapel Hill and never looked back. The Seminoles finished second in the ACC, behind only the defending national champion Duke University. Florida State's miraculous run included a victory over the Tar Heels in a rematch at Tallahassee, a win that made every F.S.U. alumnus proud and sent scores of euphoric students and fans onto Tennessee Street celebrating.

As my colleagues may not know, I'm a former faculty member of Florida State University through the Psychology Department's special program at Dozier School for Boys in Marianna, FL. The Seminole basketball team, as well as all their athletic programs, have brought much pride to its faculty, students, and alumni. I am proud to represent such a fine university with an outstanding winning tradition.

The Seminoles overcame adversity following the loss of their point guard Charlie Ward with an emotional victory over Washington, DC's Georgetown University in the second round of NCAA tournament play. Although the team bowed out of the NCAA tournament at the hands of final four participant Indiana, I would like to echo the thoughts of all Seminole fans in congratulating the Florida State basketball team on a job well done.

I would also like to commend coach Pat Kennedy and athletic director Bob Goin for making the school's first season in the Nation's premier basketball conference a most memorable one.

INTRODUCTION OF SCIENCE AND TECHNOLOGY ACT

HON. GEORGE E. BROWN, JR.

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. BROWN. Mr. Speaker, I am pleased to introduce today H.R. 4726, the Opportunities in Science and Technology Act of 1992. As the United States enters the 21st century, we will need to work hard to ensure that we have a citzenry knowledgeable in science and technology. This legislation will, I believe, strengthen some of the key resources available to address that task: our Nation's junior and community colleges and non-profit science-technology centers. All across America there are museums and planetariums as well as junior and community colleges that are playing a significant part in awakening an interest and understanding of the role of science and technology in our society.

However, these non-profit institutions too often lack the means to keep their educational activities up-to-date, a situation that is especially perilous given the rapid advances occurring in science and technology. Moreover, in many cases, they are victims of their own success in reaching in public: their facilities have become overcrowded and outdated relative to the growth in public interest and participation.

I believe that it is an appropriate role for the Federal Government to assist these national assets in meeting the challenge of fostering increased knowledge and understanding of science and technology. I also believe that an effective means of providing this assistance is to make it the result of a coordinated national effort that involves the agencies most directly involved in the sponsoring of civilian science and technology: namely, the National Aeronautics and Space Administration, the National Science Foundation, and the Department of Energy. This bill makes such coordination a keystone. In addition, it makes assistance the result of a nationwide competitive merit review, rather than through the earmarking, however well intentioned, of specific projects that have never been assessed on their merits relative to other possible projects.

Mr. Speaker, I would like to briefly summarize the main provisions of the bill.

The bill establishes a joint program of competitive, merit-reviewed awards to provide instructional facilities and equipment at non-profit institutions to foster knowledge of science and technology.

The bill directs the National Aeronautics and Space Administration, the National Science Foundation, and the Department of Energy to jointly administer the awards program.

The awards to be offered will be open to non-profit science-technology centers, which may include museums, planetariums, libraries, and zoos, as well as to junior or community colleges offering programs in science and technology.

The bill specifies that at least 25 percent of the annual funds are to be used for the purchase of audiovisual equipment, interactive displays, and other equipment and for materials to be used in fostering knowledge of science and technology. No funds are to be used for salaries.

Mr. Speaker, this is an important piece of legislation that will bring the resources of three of the premier Federal agencies involved in civilian science and technology to bear on the task of ensuring that all American citizens, young and old, are prepared for the challenges and opportunities that science and technology will offer as we enter the 21st century. I urge my colleagues to support this bill and give it speedy passage.

MOUNT VERNON, NY, CELEBRATES 100 YEARS OF PROGRESS

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mrs. LOWEY of New York. Mr. Speaker, I rise today to commemorate the centennial anniversary of the city of Mount Vernon, NY. Mount Vernon is a city steeped in history and rich in tradition. It began as a small farming village in 1853, and it was incorporated as a city 100 years ago today. It was the birthplace of one of our Nation's most important and treasured documents, the Bill of Rights. Over the years Mount Vernon has continued to be a meeting place for many of our Nation's most important political and cultural leaders, from William Jennings Bryan to Franklin Delano Roosevelt to Lyndon Johnson and from Samuel Clemens to W.C. Handy to Babe Ruth. Today, as Mount Vernon celebrates its 100th anniversary, it is a vibrant city with a diverse cultural and ethnic heritage.

We who know Mount Vernon, understand that it is indeed "the City of Homes." In fact, it is the lasting spirit of community in Mount Vernon that has served as a firm foundation for its residents who have accomplished so much over the last 100 years. Now, at the beginning of Mount Vernon's second century, we pay tribute to all that has already been accomplished, and we reaffirm our commitment to the future of this fine city.

As Mount Vernon's Representative in the Congress of the United States, I am proud to serve the nearly 70,000 residents of Mount Vernon, who have a tradition of meeting challenges and working to improve the quality of life for all. Mount Vernon has been a leader, a community ready and willing to change to meet the future.

For a century, Mount Vernon has been dedicated to the best that our Nation has to offer. As we pass this milestone, we look back with appreciation, and we look ahead with anticipation. And we know with certainty that the earnest pursuit of the American dream will always find a home in the city of Mount Vernon.

TRIBUTE TO RABBI MENACHEM MENDEL SCHNEERSON

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. PALLONE. Mr. Speaker, on Monday, April 6, 1992, supporters of Rabbi Menachem Mendel Schneerson, leader of the Lubavitcher movement of Orthodox Judaism, will celebrate his 90th birthday at the Hilton in Somerset, NJ. I would like to take this opportunity to pay tribute to this unique man, whose life has been dedicated to the preservation and cultivation of a proud and ancient religious tradition.

Rabbi Schneerson's 90 years have been filled with staggering accomplishments. From his base in Brooklyn, NY, he has overseen the establishment of more than 1,300 Chabad-Lubavitch institutions and centers around the world. He has played a major role in inspiring Jews from all walks of life to rediscover and embrace the observance of the Torah and the traditions of their forefathers. He has inaugurated an impressive list of educational, charitable, religious and social programs worldwide. The author of more than 100 volumes, Rabbi Schneerson's Talmudic scholarship is unsurpassed. This spiritual reawakening has had a profound impact on the Jewish people, in the State of Israel, in the United States and throughout the World.

On this auspicious occasion, I join with the New Jersey members of Chabad and the millions of other followers and well-wishers throughout the world in saying, Mazel Tov Rebbe.

TRIBUTE TO AL GIAGNACOVA

HON. PETER H. KOSTMAYER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. KOSTMAYER. Mr. Speaker, I rise today to pay tribute to Mr. Al Giagnacova of Bristol, PA.

On Sunday, March 22, Al was honored as the 1991 Ecumenical Man of the Year by the Rabbi Herbert Hendel Foundation at Temple Shalom in Levittown. For the past 25 years Al has volunteered his time to help others. He currently serves on volunteer boards of the Walnut Street Theater in Philadelphia, the Hospital Trustee Association of Pennsylvania, the Delaware Valley Hospital Council, and several boards of the Lower Bucks Health System.

Al has helped to make Bucks County a better place to live for countless people. His service to the community is an inspiration for all of us, and he is the type of role model we need more of in America. Not content to enjoy his own success in business, he works to help those not as successful; not content to simply complain about the numerous problems we all experience, he works to solve them.

I have known Al Giagnacova for a long time. I am proud to count him among my friends. He can never be thanked enough for all he has done, and he does not do it for the thanks and the awards, he does it simply because he wants to give something back to the community.

Congratulations to Al for receiving this award. It is a privilege for me to represent him.

DEFENSE INDUSTRIAL DIVERSIFICATION AND COMMUNITY ASSISTANCE ACT

HON. ROSA DeLAURO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. DeLAURO. Mr. Speaker, today I am introducing legislation, the Defense Industrial Diversification and Community Assistance Act, that will confront the new realities posed by cuts in defense spending. It will provide assistance, support and encouragement for businesses, communities, and workers that have faithfully served their country over the period of the cold war. This legislation will assist businesses move into new areas of enterprise, protect a vulnerable work force and provide necessary assistance to communities and workers that will suffer from the cuts in defense spending.

There is no question that it is crucial that our Nation maintain a strong defense that is appropriate to the challenges of the future. We also have an obligation to the men and women who make up the defense industrial base to insure that they are given the means to remain a competitive force in the future national security of our country and the increasingly competitive global economy.

A portion of any savings from defense cuts must be applied to programs that assist those that have given so much in the past. We owe that to them, as much as we owe an obligation to every other soldier of the cold war. In helping make the transition to a less defense dependent economy less damaging and less painful, we will also produce, in the end, an economy that is strong, vibrant and able to carry our Nation forward not only into the next decade but into the 21st century.

Connecticut is one of the most heavily defense dependent states of the Nation. In 1990, Connecticut was awarded defense contracts worth over $4 billion for over 700 companies. Countless other businesses are also engaged in defense work through subcontracting arrangements. These companies employ more than 100,000 Connecticut workers. Fully 6½ percent of our total work force is employed by the defense industry.

The bill I am introducing today seeks to help these companies, and companies like them across the country. It seeks to help the workers whose livelihoods and family security are jeopardized. If offers support for communities that have supported these businesses and workers, but are now struggling to provide essential services in a time of severe recession.

A similar legislative package has been introduced in the other Chamber. If passed, the bill will draw on a small portion of the savings from expected defense cuts and lend assistance to the businesses, people and communities impacted by our Nation's changing defense needs.

Let me outline briefly the major components of the Defense Industrial Diversification and Community Assistance Act. The act addresses three major areas of our economy:

ASSISTANCE TO BUSINESSES

The bill establishes, through a defense diversification account or an investment tax credit, incentives for defense dependent businesses to invest their capital into ventures that are commercially oriented. The movement into new arenas of commerce demands large capital investment, and the bill gives companies the means to devote the necessary capital to make the transition.

ADDITIONAL ASSISTANCE FOR SMALL BUSINESSES

While our larger companies have the benefit of highly trained staff and experts to help them plan for their future, many small businesses do not. These smaller businesses are an essential component to the economic health of many of our communities. To help these businesses prepare for the change in their markets that the defense cuts will bring, this legislation would create within the Small Business Administration an office of Small Business Diversification that will offer guidance and expertise necessary to plan for the future of their companies.

Small businesses would also be benefited by the creation of a special loan guarantee and grant program that would allow them to undertake market research and analysis for nondefense products, the development of a business strategy that is nondefense-related, and for research into nondefense-related lines of business or other strategic planning and development.

ASSISTANCE TO OUR WORKERS AND COMMUNITIES

While helping our defense businesses through this transition, we also need to provide special assistance for both individual workers and whole communities faced with wrenching dislocation and hardship caused by defense layoffs or other work force changes. My legislation focuses funding for distressed communities and job training programs directly to communities and workers impacted by defense cutbacks.

The legislation also will allow displaced workers penalty free access to funds from their IRA accounts needed to pay for mortgage or rental costs of housing.

These laid off workers, these struggling communities, and these threatened businesses, have been on the frontlines of America's postwar defense for more than five decades. From New Haven to Seattle, businesses, workers, and whole communities have devoted the better part of the past 50 years working to make our Nation safe and secure.

Our obligation, at all levels of government, is to remember the companies, workers, and communities that helped our Nation remain strong over these many years. These companies and their workers represent an invaluable resource to our Nation—a resource that our Nation has invested so much in to build.

The Defense Industrial Diversification and Community Assistance Act will help our defense industry continue to be a vital part of our Nation's economy. For the men and women, and communities that depend on these companies, we should do no less. For the continued security of our Nation, we can afford to do no less.

TRIBUTE TO DR. JASPER G. CHEN SEE

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. YATRON. Mr. Speaker, I rise today to pay tribute to Dr. Jasper G. Chen See from Reading, PA, who, for more than 20 years, has dedicated his life to the cause of chemical dependency education and treatment. As president of the Board of Directors at the Richard J. Caron Foundation, Dr. Chen See has been an effective advocate for quality treatment programs at the Caron Foundation. It is my distinct honor to come here today before the House and tell my colleagues about this distinguished man.

The Caron Foundation is an internationally recognized leader in the treatment of chemical dependency. It was founded in 1959 and has treated more than 35,000 people, from adolescents to seniors. The Caron Foundation's treatments are comprehensive and excellent, and they include medical detoxification, early intervention, residential and outpatient treatment, family counseling, codependency treatment and continuing care. Each year this highly respected institution in Wernersville, PA, treats nearly 5,000 chemically dependent individuals and their families.

Since 1960, Dr. Chen See has been leading the fight against drug and alcohol abuse on both the local and national level. In addition to his post at the Caron Foundation, Dr. Chen See holds several other important positions. Among these are president-elect of the American Medical Society on Alcoholism and Other Drug Dependencies, Secretary of the National Council on Alcoholism in New York, editorial board member of the professional magazine Alcoholism: Chemical and Experimental Research, and trustee at both Alvernia College and Villanova University. Dr. Chen See has played a key role in developing degree and counseling programs at these two institutions.

Mr. Speaker, I am proud to recognize the efforts that Dr. Chen See has made to end the scourge of chemical dependency in the country. On April 9, 1992, this remarkable man will be honored with the Richard J. Caron Award of Excellence. The award is presented to those individuals who best exemplify the traits found in the Caron Foundation's namesake, Richard "Dick" Caron, who dedicated his sober life to treating chemically dependent individuals. I am sure that my colleagues here in the House agree that Dr. Chen See is an inspirational symbol to Mr. Caron's legacy. I congratulate him on the award and wish him many years of blessed health and happiness.

TRIBUTE TO JANNIE GLOVER: THE OLDEST WOMAN IN NEW YORK

HON. EDOLPHUS TOWNS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. TOWNS. Mr. Speaker, I want to acknowledge the birthday of Ms. Jannie Glover, the oldest woman in the city of New York. Ms. Glover is resident of my district in Brooklyn. Affectionately known as Aunt Jannie, she will be 112 years old on April 20. Born in 1880 this remarkable woman is older than our city landmark, the Brooklyn Bridge. She is the daughter of a sharecropper and a descendent of slaves. Born in Columbia County, GA, she has resided in Brooklyn since 1949.

Aunt Jannie's life has spanned the postreconstruction era, the invention of the television, the first trip to space, desegregation, and five wars including World Wars I and II. She is the mother of 1 living daughter, 16 grandchildren, 7 great-grandchildren, 8 great-great grandchildren, and 4 great-great-great-grandchildren. It is my great honor to recognize this wonderful woman on the occasion of her 112th birthday.

CONGRESSMAN KILDEE PAYS TRIBUTE TO VIETNAM VETERAN ARTISTS

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Mr. KILDEE. Mr. Speaker, I rise before you today to recognize the numerous contributions of Vietnam veterans to the fine and performing arts. I am proud to announce that Buckham Alley Theater in my hometown of Flint, MI, will spotlight the achievements of Vietnam veterans with the production of "Firefight," a play authored by Joe Mishler, a disabled Vietnam veteran. This moving drama will be performed at Buckham Alley on April 2–4 and April 9–12.

While Vietnam veterans have not always enjoyed the level of recognition they deserve, they have never allowed this shameful oversight to stand as an obstacle to their strong sense of commitment to the community. One can find Vietnam veterans actively involved at every level of society, struggling to make the world a better place for all of us.

As proof of the Vietnam veterans' contributions, I point with great pride to their many achievements that span the complete range of the fine and performing arts. From directing several major Hollywood films to writing bestselling books to composing scores of music to producing visual arts in several mediums, the talents and skills of the Vietnam veterans have enriched the arts community throughout the Nation.

Mr. Speaker, it is with great pride that I ask you and my fellow Members of Congress to join me in recognizing the artistic achievements of Vietnam veterans that will be spotlighted at Flint's Buckham Alley theater this weekend. Nearly two decades after the war, they continue their commitment to freedom and to improving the quality of life of all Americans.

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, April 2, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 3

9:15 a.m.

Joint Economic

To hold hearings to examine the employment/unemployment situation for March.

SD–628

9:30 a.m.

Armed Services

Conventional Forces and Alliance Defense Subcommittee

To hold hearings on proposed legislation authorizing funds for fiscal year 1993 for the Department of Defense, focusing on acquisition plans and policies and the impact on the industrial base.

SR–222

9:45 a.m.

Judiciary

Immigration and Refugee Affairs Subcommittee

Business meeting, to mark up S. 1216, to provide for the deferral of enforced departure and the granting of lawful temporary resident status in the U.S. to certain classes of nonimmigrant aliens of the People's Republic of China, S. 2099, to designate special inquiry officers as immigration judges and to provide for the compensation of such judges, and S. 2201, to authorize the admission to the U.S. of certain scientists of the Commonwealth of Independent States as employment-based immigrants under the Immigration and Nationality Act.

SD–430

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Agricultural Stabilization and Conservation Service, the Foreign Agricultural Service, the General Sales Manager, and the Soil Conservation Service.

SD–138

Banking, Housing, and Urban Affairs

Housing and Urban Affairs Subcommittee

To hold hearings on the single and multifamily mortgage insurance programs of the Federal Housing Administration (FHA).

SD–538

Judiciary

Immigration and Refugee Affairs Subcommittee

To hold hearings on the implementation of immigration sanctions against employers.

SD–226

APRIL 6

10:00 a.m.

Finance

International Trade Subcommittee

To hold hearings on proposed legislation authorizing funds for the Office of the U.S. Trade Representative, and the International Trade Commission.

SD–215

Judiciary

Patents, Copyrights and Trademarks Subcommittee

To hold hearings on cable compulsory licenses.

SD–226

APRIL 7

9:30 a.m.

Special on Aging

To hold hearings on the implementation of Medicare charge limits enacted as part of Medicare physician payment reform.

SD–628

10:00 a.m.

Appropriations

Agriculture and Related Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Agriculture, focusing on the Commodity Futures Trading Commission, the Food and Drug Administration, the Farm Credit Administration, and the Farm Credit System Assistance Board.

SD–138

Appropriations

Energy and Water Development Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for energy and water development programs.

Room to be announced

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Bureau of Investigation, and the Drug Enforcement Administration, Department of Justice.

S–146, Capitol

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Forest Service, Department of Agriculture.

S–128, Capitol

2:30 p.m.

Appropriations

Foreign Operations Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for foreign assistance programs, focusing on Agency for International Development management issues and reform efforts.

SD–138

Select on Indian Affairs

To hold hearings on S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.

SR–485

APRIL 8

9:00 a.m.

Armed Services

Manpower and Personnel Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Defense, focusing on Reserve and National Guard programs.

SH–216

9:30 a.m.

Energy and Natural Resources

Business meeting, to consider pending calendar business.

SD–366

Environment and Public Works

Superfund, Ocean and Water Protection Subcommittee

To hold oversight hearings on the implementation of the Superfund program.

SD–406

Veterans' Affairs

To hold joint hearings with the House Committee on Veterans' Affairs to review the legislative recommendations of the AMVETs, American Ex-POWs, Jewish War Veterans, Non-Commissioned Officers Association, National Association for Uniformed Services, and Society of Military Widows.

SD–106

10:00 a.m.

Agriculture, Nutrition, and Forestry

To hold oversight hearings on the the Department of Agriculture's field structure.

SR–332

Appropriations

Treasury, Postal Service, General Government Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Office of Management and Budget, and the Executive Residence.

SD–116

Commerce, Science, and Transportation

To hold hearings in conjunction with the National Ocean Policy Study on proposed legislation authorizing funds for fiscal year 1993 for the U.S. Coast Guard.

SR–253

Finance

To hold hearings on proposed legislation authorizing funds for the U.S. Customs Service.

SD–215

Foreign Relations

To hold hearings on Consular Conventions: with Tunisia (T. Doc. 101–12), with Algeria (T. Doc. 101–13), and with Mongolia, (T. Doc. 102–14); on Extradition Treaties: with the Federal Republic of Germany (T. Doc. 100–6), with the Bahamas (T. Doc. 102–17), with Australia (T. Doc. 102–23), and with Spain (T. Doc. 102–24); and on Treaties Relating to Mutual Legal Assistance in Criminal Matters: with Jamaica (T. Doc. 102–16), with Argentina (T. Doc. 102–18), with Uruguay (T. Doc. 102–19), and with Spain (T. Doc. 102–21).

SD–419

2:00 p.m.

Appropriations

Labor, Health and Human Services, Education Subcommittee

To hold hearings on childhood vaccine research and development issues.

SD–192

Armed Services

Defense Industry and Technology Subcommittee

To hold hearings on national and defense technology policies and initiatives.

SR–222

Foreign Relations

European Affairs Subcommittee

To resume hearings to examine U.S. assistance to the new independent states of the former Soviet Union.

SD–419

APRIL 9

9:30 a.m.

Agriculture, Nutrition, and Forestry

Agricultural Research and General Legislation Subcommittee

To hold hearings on the efforts by the U.S. Government to resolve the trade dispute with the European community over the application of the Third Country Meat Directive to U.S. meat processing plants.

SR–332

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Defense, focusing on strategic programs.

SD–192

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Oceanic and Atmospheric Administration, and the Small Business Administration.

S–146, Capitol

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for Amtrak, and the Federal Railroad Administration, Department of Transportation.

SD–138

Foreign Relations

To hold hearings on the Protocol on Environmental Protection to the Antarctic Treaty (T. Doc. 102–22).

SD–419

Veterans' Affairs

To hold oversight hearings on proposed legislation on homeless veterans.

SR–418

2:00 p.m.

Foreign Relations

European Affairs Subcommittee

To hold hearings on U.S. assistance to the New Independent States, focusing on recommendations from U.S. business and agriculture.

SD–419

APRIL 10

9:30 a.m.

Finance

Health for Families and the Uninsured Subcommittee

To hold hearings on S. 2077, to provide for optional State coverage of coordinated care, and to improve Federal requirements with respect to the provision of coordinated care by health maintenance organizations in order to allow States to reduce costs and improve quality care in contracting for managed care services under the Medicaid program.

SD–215

APRIL 10

10:00 a.m.

Appropriations

Defense Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Defense.

SD–192

APRIL 28

9:00 a.m.

Office of Technology Assesment Board meeting, to consider pending business.

Room to be announced

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Smithsonian Institution.

SD–116

Veterans' Affairs

To hold hearings on proposed legislation relating to the education and employment of veterans.

SR–418

APRIL 29

9:00 a.m.

Environment and Public Works

Business meeting, to mark up S. 976, authorizing funds through fiscal year 1996 for programs of the Solid Waste Disposal Act.

SD–406

10:00 a.m.

Appropriations

Commerce, Justice, State, and Judiciary Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Information Agency, and the Board for International Broadcasting.

S–146, Capitol

APRIL 30

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development.

SD–G50

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Transit Agency, and the Washington Metropolitan Area Transit Authority.

SD–138

MAY 5

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Park Service, Department of the Interior.

S–128, Capitol

MAY 6

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on S. 2297, to enable the United States to maintain its leadership in land remote sensing by providing data continuity for the Landsat program, by establishing a new national land remote sensing policy.

SR–253

Energy and Natural Resources

To hold hearings on the science concerning global climate change.

SD–366

Rules and Administration

To hold hearings on S.J. Res. 221, providing for the appointment of Hanna Holborn Gray, of Illinois, as a citizen regent of the Smithsonian Institution, and on other regent appointments.

SR–301

Select on Indian Affairs

To resume oversight hearings on the implementation of the Indian Gaming Regulatory Act (IGRA).

SR–485

10:00 a.m.

Rules and Administration

To hold oversight hearings on the Smithsonian Institution.

SR–301

MAY 7

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Veterans Affairs, and the Court of Veterans Affairs.

SD–124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Coast Guard, Department of Transportation.

SD–138

MAY 12

9:30 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Energy.

SD–116

MAY 13

9:30 a.m.

Rules and Administration

Business meeting, to consider pending calendar and administrative business.

SR–301

MAY 14

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Emergency Mangement Agency.

SD–124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Aviation Administration, Department of Transportation.

SD–138

MAY 19

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Bureau of Indian Affairs, Department of the Interior.

SD–116

MAY 20

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Fish and Wildlife Service, Department of the Interior.

S–128, Capitol

MAY 21

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Community Service, and the Points of Light Foundation.

SD–116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the General Accounting Office.

SD–138

MAY 22

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development and certain related agencies.

SD-138

JUNE 9

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for the Department of the Interior.

S-128, Capitol

2:30 p.m.

Appropriations

Interior Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1993 for the Department of the Interior.

S-128, Capitol

POSTPONEMENTS

APRIL 3

9:30 a.m.

Foreign Relations

Terrorism, Narcotics and International Operations Subcommittee

To resume hearings to examine allegations of certain criminal activity by the Bank of Credit and Commerce International (BCCI), focusing on its cooperation under the plea agreements.

SD-419

HOUSE OF REPRESENTATIVES—*Thursday, April 2, 1992*

The House met at 10:30 a.m.

The Reverend Walter H. Moeller, Santa Barbara, CA (former Member of Congress from Ohio), offered the following prayer:

Righteousness exalteth a nation; but sin is a reproach to any people.—Proverbs 14:34.

Eternal Father God, ruler of nations and peoples, we come before Your throne this day, humbly seeking Your blessing to do that which is pleasing in Your sight. Open our eyes to see the plight of our fellow men; to defend the aggrieved in their injustices and secure the well-being of all mankind. Give us patience in trials and sound judgment in the moments of decision.

Show us the ways of righteousness and help us avoid that which displeases You. May those who sit in this Chamber to perform the functions of their duties and those gone forth from this place, in concert with them, seek to do Your will. We ask in the name of Him, the Lord our righteousness, Jesus Christ. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Tennessee [Mr. DUNCAN] come forward and lead the House in the Pledge of Allegiance.

Mr. DUNCAN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H.J. Res. 410. Joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A.".

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 120. An act for the relief of Timothy Bostock; and

S. 800. An act for the relief of Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini.

THE ETHICS COMMITTEE AND FAIRNESS

(Mr. EARLY asked and was given permission to address the House for 1 minute.)

Mr. EARLY. Mr. Speaker, this morning's paper, the Worcester Telegram, the largest newspaper in my district, reported that I reacted to some charges of the Ethics Committee to an empty House.

The Worcester Telegram is absolutely correct, because in a very unprecedented action, Mr. Speaker, the Ethics Committee, which I have never seen them do, made a report after the House had recessed and gone into special orders, so the only opportunity I had was to an empty House.

Mr. Speaker, I can accept the Ethics Committee having a tough job and they have to make decisions, but I am going to ask the Speaker, I want 20 minutes with the Ethics Committee today, not in special orders to an empty House, but during the session. I want 1 hour just for JOSEPH D. EARLY to answer to what I am accused of. I want the three Democratic members, so it will not be a partisan thing, merely to come in and let me ask them questions why I am on this list, and Mr. Speaker, I urge them to ask me any question they want.

I congratulated the Speaker yesterday when I told him that the Ethics Committee was going to in a most unusual manner have the subcommittee directly report to the House, and I would suggest I use parliamentary procedures, and they did not want to do that. They then went to the full committee, and I asked the Speaker to give me due process.

The Speaker did call and the gentleman from Illinois [Mr. MICHEL] did call on behalf of another Member; but they opted not to let us testify; after the subcommittee had voted 3 to 3 to take me off the list, they opted not to let me testify before the full committee.

Last night and at no other time in the history of this Congress did they do it in a special order.

I ask the Speaker to get the Democratic three members of the Subcommittee on Ethics and give me just 20 minutes today and let them embarrass me even more, if they can, but let me at least present what I think about the actions of yesterday.

AID FOR OUR OWN PEOPLE

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DUNCAN. Mr. Speaker, some people imply that we almost have to aid the former Soviet Union now, because we had the Marshall plan after World War II; however, the situation is very different today.

After World War II, this Nation was not $4 trillion in debt. We were not losing $1 billion a day on top of what we already owed.

We have already committed, without a vote of Congress, over $6 billion in aid. We cannot afford to send more. We are spending money we do not have.

I wonder what nation will send billions to us when we collapse economically, which we surely will if we keep spending money like there is no tomorrow.

It is not isolationist to oppose sending many billions more to Russia. I think we should be friends with every nation that will let us, but the time of buying our friends should be over. We need to send our best advisers and help other nations all we can, but we need to tell them that we just do not have huge amounts of money to send anymore. We are broke ourselves.

The media will imply that those who support aid are generous, forward looking, and intelligent. They will imply that those who oppose this are stingy, shortsighted, and reactionary, but we have got to stop doing things like this unless we want someday to see our own people go through what the Soviet people are going through now.

A BETTER USE OF STRATEGIC PETROLEUM RESERVE ALLOCATION

(Mr. McEWEN asked and was given permission to address the House for 1 minute.)

Mr. McEWEN. Mr. Speaker, I rise to bring the attention of the House to a piece of legislation I introduced some weeks ago directly related to the question of aid to the Soviet Union, and in response to the President's statement of yesterday.

In this year's budget agreement, we have allocated $660 million for strategic petroleum purchases to place oil reserves in the strategic petroleum reserve in case of a cutoff of supplies to our country. Because of the results of the leadership of this Nation last year in Desert Storm, it is apparent that the threat of an oil embargo is not as imminent as it once was, that at least for the next 24 to 36 months we have an opportunity to have continued supplies of oil.

Therefore, my legislation suggests this, that what the President of the United States would be able to do this year is to not increase taxes and to not increase spending, but take the $660 million presently allocated to the strategic petroleum reserve to purchase food stuffs with it from American farmers and supply that to the Soviet Union immediately. That gives them what they need forthwith. It helps American farmers. It does not increase the debt, and then this is the agreement, that the Soviet Union which has a larger petroleum reserve than Saudi Arabia, that the Soviet Union would then repay the American taxpayers the $660 million sometime over the next 3 to 5 years in oil reserves to the strategic petroleum reserves.

In other words, instead of this year taking American tax dollars and buying Arabian oil, what we would do is buy American farm products, give them to the Soviet Union in return for Soviet oil.

RECESS

The SPEAKER. Pursuant to the order of the House of Thursday, March 26, 1992, the House will stand in recess, subject to the call of the Chair, to receive the former Members of Congress.

Accordingly (at 10 o'clock and 38 minutes a.m.), the House stood in recess subject to the call of the Chair.

□ 1100

RECEPTION OF FORMER MEMBERS OF CONGRESS

The Speaker of the House presided.

The SPEAKER. On behalf of the Chair and the Chamber, I consider it a high honor and distinct personal privilege to have the opportunity of welcoming so many of our former Members and colleagues as we have the honor to receive today.

This is always a pleasant occasion for all the Members and former Members, and the Chair is delighted to extend its warmest welcome to all, to our special guests, the former Speaker of the House, Jim Wright, and also the distinguished Secretary of Defense, Dick Cheney, who is the special honoree of today's meeting.

The Chair recognizes the majority leader.

Mr. GEPHARDT. Mr. Speaker, on behalf of all of our Democrats, I want to welcome all of our Members on both sides of the aisle. This is always a very happy occasion and a time to reacquaint ourselves with our friends.

I had the honor and pleasure of serving with many who are in the room today; some I did not. But it is indeed a pleasure to see all of you, to welcome you back to the peoples' House and to renew acquaintances and to ask you for your advice and your knowledge and your help, which we need every day here. So it is a great honor to welcome you.

I now yield to my friend, the minority leader, the gentleman from Illinois, Mr. BOB MICHEL.

Mr. MICHEL. Thank you, Mr. Speaker, and I thank our majority leader.

It is always good to see so many friends back with us in this institution that you have served in so well, but it is particularly gratifying to see you this year.

The institution we all love has been coming in for some heavy pounding recently, so it is good to take time out to greet old friends and to be reminded of a truth we often forget: You really cannot understand the House unless you see it as a continuing presence in this great Republic for over 200 years, which you as former Members represented over part of that great history and which those of us still serving now represent. You all remind us that no matter what difficulties we may go through, we are part of a great story, one that began before we arrived and one that is going to continue long after we have gone.

It is also a story of fallible human beings freely chosen by free people, trying to make representative government work. Sometimes we are up to the task, and sometimes we fall short, but we at least know we are part of something that is much greater than we are, this institution. Such a thought gives us hope and a sense of renewal.

Speaking of renewal, if we are to read some of the things relative to the numbers of our current Members who have decided to either run for the other body or for Governor or to simply hang it up for whatever reason, the numbers of announced retirements are already exceeding those of years past. So I suspect hopefully, if the Speaker and the majority leader and this Member return in the next body, there is going to be probably the largest number of freshmen Members on both sides of the aisle that we have experienced certainly during my tenure in the Congress, which all suggests again the renewal of this institution and the part that you played over a course of years.

So let me just say that it is good to see so many of my former colleagues here. It is a personal pleasure, and quite frankly, yes, it lifts the old spirit at just the right time.

Mr. Speaker, I thank the majority leader for yielding.

The SPEAKER. It has been traditional in the activities of the former Members' day to turn the chair over to a Member of the minority party who was a very highly respected, and in this case universally respected, and an effective Member of the Congress while he served here. He was also a very loyal and determined Member, even after he lost the speakership race two or three times or more and served as the distinguished Republican leader during that period.

So I will give the gavel over to Tip O'Neill—but I did not ever want to turn it over to him for very long—to turn it over to the Honorable JOHN RHODES of Arizona to preside over the meeting. [Applause.]

□ 1110

Mr. RHODES (presiding). Good morning, my colleagues, and thank you, Mr. Speaker, Mr. Majority Leader, and Mr. Republican Leader, for the kind words which you have spoken to us. I could not help but say to myself, "I am agreeing with everything that the two of them are saying," and wondered if that was not something that is rather rare, in my career, at least.

It is true that Tip O'Neill and I sort of look at this gavel from time to time. Tip used to say to me, "John, you have had your eye on my chair for a long time, and I want you to know that is the only part of your body that is going to be on that chair." Of course, he proved to be a prophet.

The purpose of the meeting, as always, is to take care of the business of the association, but the first thing that we do is to call the roll.

The Clerk will call the roll.

The Clerk called the roll of the former Members of the Congress, and the following former Members answered to their names.

ROLLCALL OF FORMER MEMBERS OF CONGRESS ATTENDING MEETING, APRIL 2, 1992

Mark Andrews, of North Dakota;
William H. Ayres, of Ohio;
J. Glenn Beall, Jr., of Maryland;
Ed Bethune, of Arkansas;
Lindy Boggs, of Louisiana;
Donald G. Brotzman, of Colorado;
Clarence J. Brown, of Ohio;
Joel T. Broyhill, of Virginia;
M. Caldwell Butler, of Virginia;
Elford A. Cederberg, of Michigan;
Charles Chamberlain, of Michigan;
Dick Cheney, of Wyoming;
Jeffery Cohelan, of California;
Jim Courter, of New Jersey;
James Coyne, of Pennsylvania;
Paul W. Cronin, of Massachusetts;
Carl T. Curtis, of Nebraska;
Steven B. Derounian, of New York;
Ed Derwinski, of Illinois;
Robert B. Duncan, of Oregon;
John N. Erlenborn, of Illinois;
Louis Frey, Jr., of Florida;
Robert A. Grant, of Indiana;
James M. Hanley, of New York;
Robert P. Hanrahan, of Illinois;
James Harvey, of Michigan;
William D. Hathaway, of Maine;
Paula Hawkins, of Florida;
Margaret M. Heckler, of Massachusetts;
Jeffrey P. Hillelson, of Missouri;

Patrick Hillings, of California;
William Hungate, of Missouri;
A. Oakley Hunter, of California;
Dick Ichord, of Missouri;
Jed Johnson, Jr., of Oklahoma;
Frank Karstan, of Missouri;
Ernest L. Konnyu, of California;
Peter N. Kyros, of Maine;
John Y. McCollister, of Nebraska;
George Meader, of Michigan;
Lloyd Meeds, of Washington;
Walter H. Moeller, of Ohio;
Frank E. Moss, of Utah;
Shirley N. Pettis, of California;
Peter A. Peyser, of New York;
Richardson Preyer, of North Carolina;
Joel Pritchard, of Washington;
Thomas F. Railsback, of Illinois;
Henry S. Reuss, of Wisconsin;
John J. Rhodes, of Arizona;
John H. Rousselot, of California;
Harold S. Sawyer, of Michigan;
William L. Scott, of Virginia;
Carlton R. Sickles, of Maryland;
Henry P. Smith III, of New York;
J. William Stanton, of Ohio;
John H. Terry, of New York;
Andrew Jackson Transue, of Michigan;
Bob Wilson, of California;
Larry Winn, Jr., of Kansas;
Jim Wright, of Texas.

Mr. RHODES (presiding). The Chair now recognizes the distinguished president of the Association of Former Members of Congress for whatever purpose he may desire to pursue. That is giving him a lot of leeway, but I trust him implicitly.

Mr. HATHAWAY. The last time I stood here I was asking for funds for the Dickey Lincoln School Hydroelectric Project. After looking around the room, I do not think I will make that motion today. I see more opposed than in favor.

1992 REPORT TO THE CONGRESS

Mr. Speaker, on behalf of my colleagues, I am pleased to present our 22d annual report to the Congress. It has been a full and productive year. It was just 3 years ago that the United States Ambassador to Hungary, Mark Palmer, suggested that our Association of Former Members of Congress assist the democratization process taking place in Eastern Europe, and in Hungary in particular. I am pleased to report that our association has made substantial progress in these endeavors during the last year to assist the emerging democratic governments in Eastern Europe.

Last month we concluded hosting a delegation of nine Members of the Polish Parliament who visited the United States for a period of 2 weeks under the auspices of the United States Information Agency. These Members of Parliament represented nine different political parties. They spent several days in Washington meeting with current and former Members of Congress, including several Polish-Americans, such as Representative DAN ROSTENKOWSKI and former Representative, now Secretary of Veterans Affairs, Edward Derwinski. In addition to Washington, DC, the delegation visited Virginia, Ohio, Indiana, Illinois, and Minnesota where they had briefings on political, economic, judicial, and social issues from mayors, State legislators, local party officials, business representatives, judges, academicians, and congressional district office personnel.

Later this year, the association will be hosting similar delegations from the Hungarian and Czechoslovakian Parliaments. In addition, the association will be sending in the spring and fall bipartisan teams composed of one Democrat and one Republican former Members of Congress accompanied by either a country or congressional expert to Poland, Hungary, and Czechoslovakia. These bilingual teams will include Lucien Nedzi of Michigan who speaks fluent Polish, Ernest Konnyu of California who speaks fluent Hungarian and John Monagan of Connecticut who speaks fluent German.

We have been able to respond positively to a request from the Hungarian Government to provide technical assistance to the Parliament by sending our first congressional fellow, Dr. Bulcsu Veress, to Budapest for at least a year through the support of USIA. Dr. Veress, who served as legislative assistant to Senator CHRISTOPHER DODD for 10 years, is a Hungarian-American who speaks fluent Hungarian. Dr. Veress is being provided office space by the Hungarian Parliament and is working with all the political parties in the Parliament.

The association has continued its hospitality program which hosts distinguished international visitors such as parliamentarians, other Government leaders, judges, academicians and journalists at the Capitol. In this program, which originally was funded by the Ford Foundation and has been continued under grants from the German Marshall Fund of the United States, we have hosed 253 events, such as breakfast, luncheons, dinners, and receptions, for distinguished visitors from 79 countries. We believe this program has been very useful in helping overseas visitors learn about the Congress.

In our efforts to increase understanding of the difference between congressional and parliamentary systems, the association also has continued to make available to international visitors the comparative studies we have published—"The Japanese Diet and the U.S. Congress" and "The U.S. Congress and the German Bundestag"—as well as our other publication, "The President, the Congress, and Foreign Policy."

Later this month, as a continuing part of our international programs, we will be hosting a delegation of members of the German Bundestag at a seminar conducted in cooperation with the Miller Center of Public Affairs at the University of Virginia in Charlottesville. We will be taking this delegation, which will include several German Bundestag members from eastern Germany, to Pennsylvania to observe the preparations for the Presidential primary April 28. Our legislative exchange program with Members of Congress and members of the Bundestag continues to be funded principally by the German Marshall Fund of the United States and has included joint meetings of the United States and German agricultural committees and visits by members of the German Bundestag to observe the Illinois Presidential primary and the Iowa caucus as well as to congressional districts throughout the country with Members of Congress to learn about the United States political process at the grassroots level. This coming October, our Fifth Annual German-American Day celebration will be held at the Capitol in cooperation with the congressional study group on Germany which is sponsored by the association. This year's chairman of the congressional study group on Germany in the House is Representative JOHN SPRATT of South Carolina, and Representative DOUG BEREUTER of Nebraska serves as the vice chairman, Senators WILLIAM ROTH of Delaware and TERRY SANFORD of North Carolina serve as cochairmen of the Senate group.

This year the association also will be continuing our Japanese Congressional Fellows Program under which we bring Japanese Diet staff members to the United States for 60-day fellowships during which time they serve in congressional offices, meet with staff of congressional support service institutions and academic experts as well as visit congressional districts to observe congressional campaigns. This program has been funded by the Japan-United States Friendship Commission for the past several years.

The association has continued its successful Congressional Fellows Program in which former Members of Congress visit college and university campuses for 3 or 4 days to share their practical political experience with students, faculty, and community representatives to help them better understand the Congress. Our most recent, the 227th visit, to a campus under the association's Congressional Fellows Program was made earlier this year by former Florida Senator Paula Hawkins to California Polytechnic State University at San Luis Obispo. The Congressional Fellows Program was begun in 1974 under a grant from the Ford Foundation and has been continued through a number of other corporate and foundation contributions, most recently the UPS Foundation. Members of the association believe it is very important to encourage young people to learn about the political process and to participate in it. Two years ago at the urging of the association President Abner Mikva, we added as a pilot project visits to high schools. We now are adding visits to high schools with those made to colleges and universities whenever possible. We know the need is great for this program and plan to continue to expand it as resources become available.

Mr. Speaker, I ask permission to insert in the RECORD at this point the list of the 227 visits to 161 institutions in 49 States that have been visited by 69 former Members of Congress.

(The list referred to follows:)

COLLEGES, UNIVERSITIES AND HIGH SCHOOLS VISITED UNDER THE CONGRESSIONAL FELLOWS PROGRAM

COLLEGE/UNIVERSITY/HIGH SCHOOL, LOCATION, FELLOW, STATE/COUNTRY

Alaska Pacific University, Alaska, William S. Mailliard (California).

Albion College, Michigan, David S. King (Utah).

Albion College, Michigan, Ted Kupferman (New York).

Albion College, Michigan, Martha Keys (Kansas).

Alfred University, New York, Frank E. Moss (Utah).

American College in Paris, France, David S. King (Utah).

American College in Paris, France, Byron L. Johnson (Colorado).

Arizona State University, Arizona, Gale W. McGee (Wyoming).

Arizona State University,[1] Arizona, Jacques Soustelle (France).

Assumption College, Massachusetts Gale W. McGee (Wyoming).

Auburn University, Alabama, William L. Hungate (Missouri).

Auburn University,[1] Alabama, Alan Lee Williams (United Kingdom).

Avila College,[1] Kansas, Karin Hafstad (Norway).

Bainbridge Jr. College, Georgia, Gilbert Gude (Maryland).

Baylor University, Texas, James Roosevelt (California).

Baylor University,[1] Texas, Peter von der Heydt (Germany).

Bowling Green State University, Ohio, Robert P. Hanrahan (Illinois).

Bradley University, Illinois, Charles W. Whalen, Jr. (Ohio).

Brandeis University, Massachusetts, Abner J. Mikva (Illinois).

Brandeis University, Massachusetts, L. Richardson Preyer (North Carolina).

Brenau College, Georgia, Ralph W. Yarborough (Texas).

Brigham Young University,[1] Utah, Jacques Soustelle (France).

California Poly. State—San Luis Obispo, California, John B. Anderson (Illinois).

California Poly. State—San Luis Obispo, California, Frank E. Evans (Colorado).

California Poly. State—San Luis Obispo, California, Paula Hawkins (Florida).

California Poly. State—San Luis Obispo, California, Robert N. Giaimo (Connecticut).

California Poly. State—San Luis Obispo, California, John R. Schmidhauser (Iowa).

California Poly. State—San Luis Obispo, California, Ralph W. Yarborough (Texas).

California Poly. State—Pomona, California, Robert R. Barry (New York)

Cameron University, Oklahoma, William D. Hathaway (Maine).

Cameron University, Oklahoma, William L. Hungate (Missouri).

Cameron University, Oklahoma, Dick Clark (Iowa).

Carleton College, Minnesota, William S. Mailliard (California).

Carroll College, Montana, Ralph W. Yarborough (Texas).

Chaminade College, Hawaii, Catherine May Bedell (Washington).

Chatham College, Pennsylvania, Catherine May Bedell (Washington).

Chatham College, Pennsylvania, Martha Keys (Kansas).

Charleston College,[1] South Carolina, John M. Reid (Canada).

Clarke College, Georgia, William L. Hungate (Missouri).

Clarke College, Georgia, William S. Mailliard (California).

Colgate University, New York, William S. Mailliard (California).

College of the Sequoias, California, Gale W. McGee (Wyoming).

Colorado State University,[1] Colorado, Alastair Gillespie (Canada).

Columbia College, South Carolina, Catherine May Bedell (Washington).

Columbia College, South Carolina, Martha Keys (Kansas).

Columbia College, South Carolina, James M. Quigley (Pennsylvania).

Columbia College,[1] South Carolina, John M. Reid (Canada).

Columbia College, South Carolina, Henry S. Reuss (Wisconsin).

Columbia College, South Carolina, Nick Galifianakis (North Carolina).

Concordia College, Michigan, Walter H. Moeller (Ohio).

Connecticut College, Connecticut, Ralph W. Yarborough (Texas).

Converse College, South Carolina, Jed Johnson, Jr. (Oklahoma).

Dartmouth College, New Hampshire, John O. Marsh, Jr. (Virginia).

Dartmouth College, New Hampshire, William S. Mailliard (California).

Davis & Elkins College, West Virginia, Frank E. Moss (Utah).

David & Elkins College, West Virginia, J. Glenn Beall, Jr. (Maryland).

Denison University, Ohio, Frank E. Moss (Utah).

DePauw University, Indiana, Hugh Scott (Pennsylvania).

Dillard University,[1] Louisiana, Georg Kahn-Ackermann (Germany).

Doshisha University,[1] Japan, Catherine May Bedell (Washington).

Duke University, North Carolina, Georg Kahn-Ackermann (Germany).

Eckerd College, Florida, William L. Hungate (Missouri).

Elmira College, New York, Charles W. Whalen, Jr. (Ohio).

Friends University, Kansas, Henry P. Smith, III (New York).

Furman University, South Carolina, Jed Johnson, Jr. (Oklahoma).

Furman University, South Carolina, Charles W. Whalen, Jr. (Ohio).

Georgetown University, Washington, DC, Celio Borja (Brazil).

Grinnell College, Iowa, Neil Staebler (Michigan).

Guilford College, North Carolina, Gale W. McGee (Wyoming).

Gustavus Adolphus College, Minnesota, Charles W. Whalen, Jr. (Ohio).

Hamilton College, New York, William S. Mailliard (California).

Hartwick College, New York, Ralph W. Yarborough (Texas).

Hiram College, Ohio, Howard H. Callaway (Georgia).

Hiram College, Ohio, Roman L. Hruska (Nebraska).

Hope College, Michigan, Walter H. Judd (Minnesota).

Hope College, Michigan, Gale W. McGee (Wyoming).

Hope College, Michigan, Catherine May Bedell (Washington).

Idaho State University, Idaho, John R. Schmidhauser (Iowa).

Indiana State University, Indiana, Gordon L. Allot (Colorado).

Indiana Univ. Northwest, Indiana, Neil Staebler (Michigan).

Indiana Univ. Northwest, Indiana, William L. Hungate (Missouri).

Indiana Univ. Northwest, Indiana, Tom Railsback (Illinois).

Jackson State University, Mississippi, Allard K. Lowenstein (New York).

Johns Hopkins University, Maryland, Hugh Scott (Pennsylvania).

Johns Hopkins University, Washington, DC, Celio Borja (Brazil).

Kansai University, Japan, Frank E. Moss (Utah).

Kansas-Newman College, Kansas, Henry P. Smith, III (New York).

Kansas State University, Kansas, Paul N. McCloskey, Jr. (California).

Keio University, Japan, Frank E. Moss (Utah).

King College, Tennessee, Charles W. Whalen, Jr. (Ohio).

King's College, Pennsylvania, Philip Hayes (Indiana).

Kirkland College, New York, William S. Mailliard (California).

Kwansei Gakuin University, Japan, Frank E. Moss (Utah).

LaGrange College, Georgia, Ralph W. Yarborough (Texas).

Lake Forest College, Illinois, Ralph W. Yarborough (Texas).

Lindenwood College, Missouri, Gaylord Nelson (Wisconsin).

Longwood College, Virginia, Paul W. Cronin (Massachusetts).

Luther College, Iowa, Gilbert Gude (Maryland).

McNeese University, Louisiana, William S. Mailliard (California).

Marshall University, West Virginia, John J. Gilligan (Ohio).

Mary Hardin Baylor College, Texas, Brooks Hays (Arkansas).

Matanuska-Susitna Community College, Alaska, William L. Hungate (Missouri).

Mesa Community College, Arizona, Gale W. McGee (Wyoming).

Miami University-Middletown, Ohio, James Roosevelt (California).

Miami University-Middletown, Ohio, James W. Symington (Missouri).

Mid-America Nazarene Coll., Kansas, John B. Anderson (Illinois).

Mid-America Nazarene Coll., Kansas, John Dellenback (Oregon).

Millsaps College, Mississippi, Allard K. Lowenstein (New York).

Montclair State College, New Jersey, Walter H. Judd (Minnesota).

Montclair State College, New Jersey, Ralph W. Yarborough (Texas).

Morehead State University, Kentucky, Dan Kuykendall (Tennessee).

Morehouse College, Georgia, William S. Mailliard (California).

Morehouse College, Georgia, William L. Hungate (Missouri).

Footnotes at end of articles.

Morris Brown College, Georgia, William S. Mailliard (California).

Morris Brown College, Georgia, William L. Hungate (Missouri).

Mount Vernon College, Washington, DC, Martha Keys (Kansas).

Murray State University, Kentucky, Brooks Hays (Arkansas).

Nanzan University, Japan, Catherine May Bedell (Washington).

New Trier High School, Illinois, John V. Lindsay (New York).

New York University, New York, George McGovern (South Dakota).

Northern Illinois University, Illinois, William L. Hungate (Missouri).

Northern Kentucky University, Kentucky, Martha Keys (Kansas).

North Park College,[1] Illinois, Karin Hafstad (Norway).

Northwestern University,[1] Illinois, Karin Hafstad (Norway).

Oklahoma State University, Oklahoma, Ralph W. Yarborough (Texas).

Oregon State University, Oregon, Martha Keys (Kansas).

Otterbein College, Ohio, James Roosevelt (California).

Purdue University-Calumet, Indiana, William L. Hungate (Missouri).

Purdue University-Calumet, Indiana, Tom Railsback (Illinois).

Randolph-Macon College, Virginia, Gale W. McGee (Wyoming).

Randolph-Macon College,[1] Virginia, Hugh Scott (Pennsylvania).

Revere High School, Ohio, John B. Anderson (Illinois).

Rockhurst College,[1] Kansas, Karin Hafstad (Norway).

Rose Hulman Institute of Technology, Indiana, Gordon L. Allott (Colorado).

St. Cloud State University, Minnesota, Charles W. Whalen, Jr. (Ohio).

St. Lawrence University, New York, Roman L. Pucinski (Illinois).

St. Mary-of-the-Woods, Indiana, Gordon L. Allott (Colorado).

St. Mary's College, Indiana, Gale W. McGee (Wyoming).

St. Michael's College, Vermont, Walter H. Judd (Minnesota).

St. Norbert's College, Wisconsin, Martha Keys (Kansas).

St. Olaf College, Minnesota, William S. Mailliard (California).

Salem College, North Carolina, Martha Keys (Kansas).

Sangamon State University, Illinois, Andrew J. Biemiller (Wisconsin).

Sangamon State University, Illinois, Martha Keys (Kansas).

Sangamon State University,[1] Illinois, Alan Lee Williams (United Kingdom).

Sangamon State University,[1] Illinois, Alastair Gillespie (Canada).

Siena College, New York, Frank E. Moss (Utah).

Siena College, New York, Charles W. Whalen, Jr. (Ohio).

Southeast Comm. College, Kentucky, Donald E. Lukens (Ohio).

Southern Illinois University, Illinois, John R. Schmidhauser (Iowa).

Southwestern College, Kansas, Henry P. Smith, III (New York).

Spelman College, Georgia, William S. Mailliard (California).

Spelman College, Georgia, William L. Hungate (Missouri).

SUNY-Binghamton, New York, John B. Anderson (Illinois).

SUNY-Plattsburg, New York, L. Richardson Preyer (North Carolina).

State University of Oswego, New York, Martha Keys (Kansas).

Syracuse University, New York, Charles W. Whalen, Jr. (Ohio).

Talladega College, Alabama, Ted Kupferman (New York).

Tougaloo Southern Christian College, Mississippi, Allard K. Lowenstein (New York).

Transylvania University, Kentucky, James M. Quigley (Pennsylvania).

U.S. Air Force Academy,[1] Colorado, Alan Lee Williams (Great Britain).

U.S. Coast Guard Academy, Connecticut, Ralph W. Yarborough (Texas).

U.S. Naval Academy, Maryland, John S. Monagan (Connecticut).

U.S. Naval Academy, Maryland, William S. Mailliard (California).

U.S. Naval Academy,[1] Maryland, Alan Lee Williams (Great Britain).

University of Alaska, Alaska, William L. Hungate (Missouri).

University of Alaska, Alaska, William S. Mailliard (California).

University of Arizona,[1] Arizona, Celio Borja (Brazil).

University of Arkansas, Arkansas, Gale W. McGee (Wyoming).

University of Arkansas, Arkansas, Charles W. Whalen, Jr. (Ohio).

University of California—Berkeley, California, Robert N. Giaimo (Connecticut).

University of California—Berkeley, California, Henry S. Reuss (Wisconsin).

University of California—Berkeley, California, Newton I. Steers, Jr. (Maryland).

University of Dayton, Ohio, Catherine May Bedell (Washington).

University of Delaware, Delaware, John J. Gilligan (Ohio).

University of Delaware, Delaware, Henry S. Reuss (Wisconsin).

University of Georgia,[1] Georgia, Georg Kahn-Ackermann (Germany).

University of Georgia, Georgia, Otis Pike (New York).

University of Georgia,[1] Georgia, John M. Reid (Canada).

University of Georgia,[1] Georgia, Alan Lee Williams (United Kingdom).

University of Hawaii, Hawaii, Paul N. McCloskey, Jr. (California).

University of Maine-Orono, Maine, John Rhodes (Arizona).

University of Michigan-Flint, Michigan, Gale W. McGee (Wyoming).

University of Mississippi, Mississippi, Tom Railsback (Illinois).

University of Nevada, Nevada, Gale W. McGee (Wyoming).

University of New Mexico,[1] New Mexico, Alastair Gillespie (Canada).

University of New Mexico,[1] New Mexico, Celio Borja (Brazil).

University of New Orleans,[1] Louisiana, Georg Kahn-Ackermann (Germany).

University of New Orleans,[1] Louisiana, Jacques Soustelle (France).

University of North Carolina, North Carolina, Robert P. Hanrahan (Illinois).

University of North Dakota, North Dakota, Neil Staebler (Michigan).

University of Oklahoma, Oklahoma, Catherine May Bedell (Washington).

University of Oklahoma, Oklahoma, Dick Clark (Iowa).

University of Oklahoma, Oklahoma, Martha Keys (Kansas).

University of Oklahoma, Oklahoma, William S. Mailliard (California).

University of Oklahoma, Oklahoma, Charles W. Whalen, Jr. (Ohio).

University of Oklahoma, Oklahoma, Frank E. Moss (Utah).

University of Oregon, Oregon, Martha Keys (Kansas).

University of Redlands, California, Catherine May Bedell (Washington).

University of South Carolina,[1] South Carolina, Alan Lee Williams (United Kingdom).

University of South Carolina, South Carolina, Gale W. McGee (Wyoming).

University of South Dakota, South Dakota, William L. Hungate (Missouri).

University of Texas,[1] Texas, Alastair Gillespie (Canada).

University of Texas,[1] Texas, Celio Borja (Brazil).

University of Utah, Utah, Robert N. Giaimo (Connecticut).

University of Utah,[1] Utah, Jacques Soustelle (France).

University of Utah,[1] Utah, Alan Lee Williams (United Kingdom).

University of Washington,[1] Washington, Alan Lee Williams (United Kingdom).

University of West Virginia,[1] West Virginia, Georg Kahn-Ackermann (Germany).

University of West Virginia,[1] West Virginia, Jacques Soustelle (France).

University of Wisconsin,[1] Wisconsin, Georg Kahn-Ackermann (Germany).

Unversity of Wyoming, Wyoming, Frank E. Moss (Utah).

Urbana University, Ohio, David S. King (Utah).

Valparaiso University, Indiana, Neil Staebler (Michigan).

Vanderbilt University, Tennessee, Ralph W. Yarborough (Texas).

Vanderbilt University,[1] Tennessee, Celio Borja (Brazil).

Virginia Military Institute, Virginia, Gale W. McGee (Wyoming).

Wake Forest University, North Carolina, William L. Hungate (Missouri).

Wake Forest University,[1] North Carolina, Georg Kahn-Ackermann (Germany).

Washington College, Maryland, Gale W. McGee (Wyoming).

Washington & Lee University, Virginia, Gale W. McGee (Wyoming).

Wayne State College, Nebraska, Gale W. McGee (Wyoming).

Westmont College, California, Ronald A. Sarasin (Connecticut).

Wheaton College, Massachusetts, Charles A. Vanik (Ohio).

Whitman College, Washington, Frank E. Moss (Utah).

William & Mary College, Virginia, Hugh Scott (Pennsylvania).

Wofford College, South Carolina, Jed Johnson, Jr. (Oklahoma).

227 visits, 69 Fellow, 161 institutions, 49 States.

[1] International project funded by the Ford and Rockefeller Foundations for visit of Parliamentarians from the United Kingdom, Germany, France, Canada, Brazil, and Norway.

Mr. Speaker, all these programs could not be done without financial support, and on behalf of the Association I want to thank our many contributors who continue to make our increasing number of educational programs possible. At this point, I want to insert in the RECORD the list of our financial sponsors.

(The list referred to follows:)

SPONSORS OF THE U.S. ASSOCIATION OF FORMER MEMBERS OF CONGRESS, APRIL 2, 1989

PATRONS[1]

1. Ford Foundation.

Footnotes at end of article.

2. German Marshall Fund.
3. Japan-U.S. Friendship Commission.
4. U.S. Information Agency.

BENEFACTORS[2]

5. Anonymous Individual.
6. National Endowment for the Humanities.
7. Rockefeller Foundation.
8. United Parcel Service Foundation.
9. Charles Stewart Mott Foundation.
10. John Crain Kunkel Foundation.
11. Lilly Endowment, Inc.

DONORS[3]

12. Anonymous Foundation.
13. Anonymous Individual.
14. Bertelsmann AG.
15. Claude Worthington Benedum Foundation.
16. Howard H. Callaway Foundation.
17. Carnegie Corporation of New York.
18. Carnegie Corporation of New York—Aging Project.
19. Hon. Charles E. Chamberlain.
20. Daimler-Benz Washington, Inc.
21. Exxon Education Foundation.
22. FMC Corporation Foundation.
23. Hon. Charles K. Fletcher.
24. Former Members of Congress Auxiliary.
25. Freightliner Corporation.
26. Grand Street Boys' Foundation
27. Flora & William Hewlett Foundation.
28. Hoesch Corporation.
29. Mrs. Janice Hutchinson.
30. Hon. Jed Johnson, Jr.
31. Hon. Alter H. Judd.
32. Institute for Representative Government.
33. Hon. William S. Mailliard.
34. Hon. D. Bailey Merrill.
35. Mobil Corporation.
36. Hon. Frank Moss.
37. National Association for Home Care.
38. Hon. Otis Pike.
39. Hon. John J. Rhodes.
40. Robert Bosch Foundation.
41. Hon. Philip E. Ruppe.
42. Louise Taft Semple Foundation.
43. Siemens Corporation.
44. Hon. Herbert Tenzer.
45. The Tobacco Institute.
46. Hon. Andrew Jackson Transue.
47. U.S. Department of State.
48. Unilever United States, Inc.
49. United Technologies.
50. University of South Carolina, Byrnes Center.

SUPPORTERS[4]

51. Anonymous Donor.
52. Hon. J. Glenn Beall, Jr.
53. Hon. James T. Broyhill.
54. Hon. Elford A. Cederberg.
55. Champion International Corporation.
56. Coyne Chemical Company.
57. Delphi Research Associates.
58. Forbes Foundation.
59. Hon. Robert N. Giaimo.
60. H.J. Heniz Charitable Trust.
61. Home Federal Savings & Loan Association.
62. Mrs. Benjamin F. James.
63. The Johnson Foundation.
64. Mr. J.C. Kennedy.
65. Hon. Russell B. Long.
66. Massachusetts Mutual Life Insurance Company.
67. Mercedes-Benz of North America.
68. Panhandle Eastern Pipeline Co.
69. Phillip Holtzmann USA, Ltd.
70. Hon. Richardson Preyer.
71. The Prudential Foundation.
72. Hon. James M. Quigley.
73. Sangamon State University.
74. Florence & John Schumann Foundation.
75. Soros Foundation.
76. 3M Corporation.
77. U.S. Nat'l. Committee for Pacific Economic Cooperation.
78. U.S.-Japan Foundation.
79. University of Oklahoma Foundation.
80. University of Notre Dame.
81. Hon. Victor Veysey.
82. Mr. Philippe Villers.

SPONSORS[5]

83. Hon. Jim Abdnor.[6]
84. A.T. & T. Corporation.
85. Albion College.
86. Hon. Donald Albosta.
87. AMAX Foundation.
88. America-Israel Friendship League.
89. American Brands, Inc.
90. American Consulting Engineers Council.
91. American Family Life Assurance Company.
92. American Income Life Insurance Company.
93. American Institute of Certified Public Accountants.
94. Hon. Mark Andrews.[6]
95. Representative Beryl Anthony, Jr.
96. Mrs. Leslie C. Arends.
97. Ashland Oil Company, Inc.
98. Atlantic Council of the United States.
99. BASF Corporation.
100. Hon. Robert Badham.[6]
101. Hon. Lamar Baker.
102. Baltimore Gas & Electric Company.
103. Bank of America.
104. Hon. Joseph Barr.
105. Hon. Robert R. Barry.
106. Battelle Memorial Institute.
107. Baylor University.[6]
108. Mrs. J. Glenn Beall, Jr.
109. Hon. Berkley Bedell.[6]
110. Hon. Catherine May Bedell.
111. Beech Aircraft Corporation.
112. Hon. Marion Bennett.[6]
113. Hon. Jonathan B. Bingham.[6]
114. Black & Decker Manufacturing Company.
115. Hon. Iris F. Blitch.[6]
116. Hon. J. Caleb Boggs.
117. Dr. Landrum Bolling.
118. Hon. Albert H. Bosch.[6]
119. Hon. Robin Britt.[6]
120. Hon. Donald Brotzman.
121. Hon. Clarence Brown.
122. Hon. Garry Brown.
123. Hon. Charles B. Brownson.
124. Mrs. Charles B. Brownson.
125. Hon. Joel T. Broyhill.
126. Representative John Bryant.
127. Hon. James L. Buckley.[6]
128. Hon. Harry F. Byrd, Jr.[6]
129. Hon. William T. Cahill.
130. California Polytechnic University.
131. Hon. Howard Cannon.
132. Hon. Frank Carlson.
133. Mrs. Terry Carpenter.[6]
134. Castle & Cooke, Inc.
135. Cedar Hill Memorial Park.
136. Mrs. John Chapman.
137. Hon. James C. Cleveland.
138. Representative William Clinger.
139. Hon. and Mrs. Jeffery Cohelan.
140. Hon. W. Sterling Cole.
141. James M. Collins Foundation.
142. Columbia College.[6]
143. Hon. Barber Conable.
144. Congressional Staff Directory, Ltd.
145. Contel Cellular Co., Inc.
146. Mr. Ralph J. Cornell.
147. Hon. Jim Courter.
148. Hon. James K. Coyne.
149. Hon. William C. Cramer.[6]
150. Hon. George Crockett.
151. Hon. Paul W. Cronin.
152. Charles E. Culpeper Foundation, Inc.
153. Day is Done Foundation.
154. Mrs. Robert V. Denney.[6]
155. Hon. John Dent.[6]
156. Ernst & Paula Deutsch Foundation.
157. Hon. Joseph DioGuardi.[6]
158. Senator Robert Dole.
159. Mrs. Francis E. Dorn.
160. Dresdner Bank.
161. E-System, Inc.
162. Mr. Ernst van Eeghen.
163. Hon. Robert Ellsworth.[6]
164. Exxon Company, U.S.A.
165. Fannie Made Foundation.
166. Hon. Leonard Farbstein.[6]
167. Federal National Mortgage Association.
168. Hon. Michael A. Feighan.[6]
169. Finance Factors Foundation.
170. First Financial.
171. Ford Motor Company Fund.
172. Hon. Gerald R. Ford.
173. Gerald R. Ford Foundation.
174. Hon. J. Allen Frear, Jr.
175. Hon. Peter H.B. Frelinghuysen.
176. Hon. Louis Frey, Jr.
177. Fru-Con.
178. Hon. J.W. Fulbright.[6]
179. Hon. David H. Gambrell.
180. Mr. Hugh Garnett.
181. General Electric Company.
182. General Electric Foundation.
183. Gerling America Insurance Company.
184. German Industry and Trade.
185. Hon. Robert A. Grant.
186. Hon. William Green.
187. Dr. Rolf Grueterich.
188. Hon. Gilbert Gude.[6]
189. Gulf Oil Corporation.
190. Hon. Thomas M. Hagedorn.[6]
191. Mrs. Audrey Hagen.[6]
192. Hon. James Hanley.
193. Hanna Family Foundation.
194. Hon. Ralph R. Harding.
195. Hon. Porter Hardy, Jr.
196. Representative Claude Harris.
197. Hon. Oren E. Harris.[6]
198. Hon. Thomas F. Hartnett.[6]
199. Hartwick College.
200. Hon. Floyd K. Haskell.
201. Hon. Harry Haskell.[6]
202. Hon. William D. Hathaway.[6]
203. Hon. Paula Hawkins.
204. Mr. Yasuhiko Hayashiyama.
205. Hon. Brooks Hays.
206. Hon. Cecil Heftel.
207. Henkel Corporation.[4]
208. Hon. A. Sydney Herlong, Jr.[6]
209. Hermes Abrasives.
210. Hon. Jeffrey P. Hillelson.
211. Hoechst Corporation.
212. Hon. Ken Holland.
213. Hope College.[6]
214. Hon. Roman L. Hruska.
215. Hughes Aircraft Company.
216. Human Rights Project.
217. Hon. William L. Hungate.[6]
218. Hon. A. Oakley Hunter.
219. Hon. J. Edward Hutchinson.
220. I.B.M.
221. Institute of International Education.
222. International Business-Government Counsellors, Inc.
223. International Harvester.
224. International Union of Operating Engineers.
225. J.P. Morgan, Inc.
226. Mrs. Frieda James.
227. Mr. W. Carey Johnson.
228. Hon. James R. Jones.
229. Hon. William J. Keating.
230. Hon. Hastings Keith.
231. Kemper Educational & Charitable Fund.

232. Hon. Jack Kemp.
233. Kempinski International, Inc.
234. Hon. Joe M. Kilgore.[6]
235. Hon. Ernest Konnyu.[6]
236. Kraft General Foods, Inc.
237. LaGrange College.[6]
238. Lagus Capital.
239. Hon. Claude Leach.
240. Representative Norman F. Lent
241. Lincoln Memorial Park.
242. Hon. John V. Lindsay.
243. Hon. Tom Loeffler.[6]
244. Hon. Catherine Long.
245. Hon. Clare Boothe Luce.[6]
246. Hon. Daniel Edward Lungren.
247. Luther College.
248. Hon. Robert McClory.[6]
249. Hon. Paul N. McCloskey, Jr.
250. Hon. John Y. McCollister.
251. Representative Bob McEwen.
252. Hon. Gale W. McGee.
253. Hon. Thomas C. McGrath, Jr.
254. McNeese State University.
255. MMB Associates.
256. Mt. Vernon College.
257. Hon. Clark MacGregor.
258. Hon. Edward Madigan.[6]
259. Hon. Andrew Maguire.[6]
260. Hon. James G. Martin.
261. Matanuska-Susitna Community College.
262. Hon. M. Dawson Mathis.
263. Hon. Edwin H. May, Jr.[6]
264. Mrs. Adelaide Bolton Meister.
265. Mrs. D. Bailey Merrill.
266. Hon. Helen S. Meyner.
267. Miami University-Ohio.
268. Mid-America Nazarene College.
269. Mine Safety Appliances Charitable Trust.
270. Hon. Joesph G. Minish.
271. Hon. Chester L. Mize.
272. Hon. John S. Monagan.
273. Hon. Robert Morgan.
274. Mr. Richard Murphy.
275. National Association of Broadcasters.
276. National Association of Independent Insurers.
277. National Education Association.
278. National Paint and Coatings Association.
279. National Study Commission on Public Documents.
280. New Hampshire Charitable Directed Fund.
281. New York University.[6]
282. Northern Kentucky University.[6]
283. O'Connor & Hannan.
284. Mrs. Alvin E. O'Konski.
285. Representative Jim Olin.
286. Hon. Thomas P. O'Neill, Jr.
287. Representative Solomon P. Ortiz.
288. Representative Michael Oxley.
289. Pacific Federal Savings & Loan Association.
290. Hon. Edward Pattison.[6]
291. Hon. Charles H. Percy.[6]
292. Hon. Shirley N. Pettis.
293. The Pfizer Foundation.
294. Pioneer Federal Savings & Loan Association.
295. Hon. Bertram Podell.
296. Hon. Howard W. Pollock.
297. Pratt & Whitney.
298. Hon. Graham Purcell.[6]
299. R.J. Packing Corporation.[6]
300. Hon. Thomas Railsback.
301. Hon. Ben Reifel.
302. Relief Foundation, Inc.
303. Hon. Henry S. Reuss.
304. Revere High School.[6]
305. Reynolds Metals Company.
306. R.J. Reynolds Industries, Inc.
307. Hon. J. Kenneth Robinson.
308. Mrs. Kathryn Rankin Robinson.
309. Hon. John Robsion, Jr.[6]
310. Hon. Paul Rogers.[6]
311. Hon. Fred B. Rooney.
312. Hon. John H. Rousselot.
313. Hon. William R. Roy.
314. Hon. Donald Rumsfeld.
315. Salem College.
316. Hon. Harold S. Sawyer.[6]
317. Schering Berlin.
318. Representative James Scheuer.[6]
319. Dr. Scholl Foundation.
320. Representative Patricia Schroeder.
321. Hon. Richard Schweiker.
322. Hon. Hugh Scott.
323. Hon. William L. Scott.[6]
324. G.D. Searle & Company.
325. Sears, Roebuck & Company.
326. Mrs. Harry O. Sheppard.
327. Hon. Carlton R. Sickles.
328. Siena College.
329. Hon. George Smathers.[6]
330. Hon. Dennis (Denny) Smith.
331. Hon. Henry P. Smith, III.
332. SmithKline Corporation.
333. Hon. Gene Snyder.
334. Sperry Corporation.
335. Hon. William L. Springer.
336. St. Cloud University.
337. Hon. Neil Staebler.
338. Hon. David Stockman.[6]
339. Hon. Williamson S. Stuckey, Jr.[6]
340. Sun Company, Inc.
341. SUNY-Binghamton University.
342. SUNY-Plattsburgh University.[6]
343. Hon. Robert Sweeny.[6]
344. Hon. James W. Symington.
345. TRW, Inc.
346. Hon. Robert Taft, Jr.
347. Hon. Burt Talcott.[6]
348. Florrie & Herbert Tenzer Philanthropic Fund.
349. Hon. Lera Thomas.
350. Mrs. Devon O. Thompson.
351. Hon. Jim Guy Tucker.[6]
352. U.S. Capitol Historical Society.
353. Union Bank of Bavaria.
354. University of Alaska—Anchorage.
355. University of Arkansas-Monticello.
356. University of California-Berkeley.
357. University of Dayton.
358. University of Delaware.
359. University of Mississippi.
360. University of Utah.
361. Representative Guy Vander Jagt.
362. Volkswagen of America, Inc.
363. Hon. Alton Waldon.
364. Mrs. John Ware.
365. Washington Institute for Value in Public Policy.
366. Hon. Wes Watkins.
367. Whalley Charitable Trust.
368. Mrs. Eva Tollefson White.[6]
369. Hon. G. William Whitehurst.
370. Hon. Larry Winn.
371. Hon. James C. Wright, Jr.
372. Hon. Louis G. Wyman.[6]
373. Mr. and Mrs. James Yao.
374. Hon. Ralph W. Yarborough.
375. Yeshiva University.
376. Hon. Samuel H. Young.[6]
377. Hon. Ed Zschau.[6]

[1] Patrons have contributed over $250,000.

[2] Benefactors have contributed between $50,000 and $249,999.

[3] Donors have contributed between $10,000 and $49,999.

[4] Supporters have contributed between $5,000 and $9,000.

[5] Sponsors have contributed between $1,000 and $4,000.

[6] Qualifies as Sponsor under Challenge Grants.

The Association maintains close relations with current and former members of parliaments in other countries. For example, last summer, the association's voice president Clarence Brown represented us at the Third United States-Scandinavian Seminar. Bud also represented the Association as an observer of the Armenian election. We continue to have excellent relations with our counterpart associations overseas and I am pleased to recognize and welcome several representatives of those associations who are with us today: Len Bosman and Les Johnson from the Association of Former Members of the Parliament of Australia; Ian Deans and Jack Ellis from the Canadian Association of former Parliamentarians; and Georg Kahn-Ackermann from the Association of Former Members of the German Bundestag. I am delighted that this past year Carlton Sickles was able to participate in the annual meeting of the Association of Former Members of the Parliament of Australia, John Rhodes was able to participate in the annual meeting of the Canadian Association of Former Parliamentarians and that we were able to host a delegation of members of the Association of Former Members of the German Bundestag in Washington. We look forward to continuing and expanding our cooperative efforts with these and other counterpart organizations throughout the world.

Mr. Speaker, it is now my sad duty to inform the House of those persons who have served in the Congress who have passed away since our report last year.

Leroy H. Anderson of Montana; John A Blatnik of Minnesota; Richard Bolling of Missouri; Omar Burleson of Texas; Albert Benjamin Chandler of Kentucky; Victor Christgau of Minnesota; Thomas H. Eliot of Massachusetts; Michael A Feighan of Ohio; Joseph L. Fisher of Virginia; George W. Grider of Tennessee; G. Elliott Hagan of Georgia; Harlan F. Hagen of California; Ralph Harvey of Indiana; Wayne L. Hays of Ohio; Frank N. Ikard of Texas; Joseph J. Maraziti of New Jersey; Warren G. Magnuson of Washington; Carter Manasco of Alabama; James Roosevelt of California; Harley O. Staggers of West Virginia; and Theodore B. Werner of South Dakota.

I would like to ask for a moment of silence in their memory.

It is now my happy duty to report that nominated to be our Association's new president is our colleague Clarence Brown of Ohio, and as new vice president, James Symington of Missouri. So the leadership of the Association will be in capable and experienced hands.

Each year the association presents a Distinguished Service Award. This award rotates between political parties as do our officers. Last year's recipient on the Democratic side was former Louisiana Representative Lindy Boggs. This year the Republican recipient is the distinguished former Wyoming Representative, Dick Cheney, the Secretary of Defense.

I have known personally Secretary Cheney's predecessors back to Bob McNamara. All of them performed admirably in an extremely difficult job. Dick Cheney ranks with the best of them and outranks all of them in his ability to communicate with the general public—a talent every public official has but in which only a few excel. Secretary Cheney's briefings during Desert Storm were classic cases of clearly and concisely conveying information and at the same time reassuring us everything was under control.

It is my pleasure to present to him, on behalf of our Association, a volume of letters from his former colleagues in the Congress and this plaque and gavel which commemorate this special occasion and this award presented on behalf of his colleagues who served with him in the Congress.

☐ 1130

Mr. Speaker, I yield to Secretary Cheney.

Secretary CHENEY. I thank the gentleman for yielding.

Somehow it does not feel right on the other side over there, and I never did speak from that side of the House and I could not beginning this morning.

It is a special privilege to be here today and to share this moment with all of you. I do not know any group for whom I have greater respect than the Members that I shared my 10 years in the House with and the former Members of the House of Representatives.

You know, at a moment like this there is a certain amount of nostalgia that comes to the fore. I cannot help but stand here this morning and think about all of the hours that we spent together in the House, whether it was in debate down here on the floor, or back of the rail working votes, or standing at the door making certain your colleagues knew what yea and nay meant when they came onto the floor because we always had a few who never quite got the message.

I remember my first speech from this podium because John Rhodes had a great deal to do with it. The morning after my first election I called John, who was then our Republican leader, and I said, "John, you know, I'm from Wyoming, and I would like to be a member of the House Interior Committee." And he said, "You've got it, Dick." And he said, "Oh, by the way, there's one other assignment I want you to take up, and that is to be on the House Ethics Committee." I thought that was great. I mean here I was and I was already given an important assignment. It was 6 months until I figured out that the only reason I got the assignment was because nobody else would take the assignment. But that is why I came when I made my first speech, to address that subject.

My fondest wish during the course of my career was to serve out my time in the House of Representatives. I harbored aspirations of following in BOB MICHEL's footsteps, and never aspired to be anything other than the Republican leader. Someday, if I got lucky, and if we got really lucky, perhaps follow in John Rhodes' footsteps in terms of his aspiration to become Speaker.

I left with mixed emotions some 3 years ago. I have loved serving at the Pentagon. It has been a tremendous experience. But I will always wonder what it would have been like to have been able to spend the rest of my years here in the House of Representatives.

I remember my first day when I came to Congress as a staffer, young staffer. It was 24 years ago in the summer of 1968. I was very green, needless to say. I had a fellowship to spend a year on the Hill, and I arrived by bus downtown from the Virginia suburbs where I had rented an apartment. But I could not figure out how to make the transfer on the bus from downtown to get up here to the Hill. But I could see the Capitol dome, so I walked all the way from downtown up here to the Hill. It was a hot August day, and I went to the only Member of Congress I knew at the time, Bill Steiger from Wisconsin. I had known Bill because we had served together when he was in the Wisconsin Legislature and I was working for the Governor.

I showed up hot and dusty, needless to say, and I pretty well ruined my suit when I arrived up here. It was the only suit I had. It was electric green. Well, it looked like, a lot like those sports coats Ed Derwinski used to wear before Ed became a member of the Cabinet and started wearing pinstripe suits.

But my career, like that of all of us I think, was shaped by those who helped us along the way, gave us important assignments, and encouragement when we needed it, and certainly my career throughout my time has been shaped by a number of individuals, all of whom it turns out were men of the House, men like Bill Steiger who gave me my first start when I arrived in Washington. Don Rumsfeld, who hired me for my first job in the executive branch back during the Nixon administration; Jerry Ford, who was courageous enough to turn over the management of his White House to a 34-year-old former Hill staffer; BOB MICHEL, who was my leader for 10 years and who managed to transfer to me during that period of time his understanding and love and respect for the institution. And finally, of course, George Bush, who has given me the great privilege of serving at the Defense Department through one of the more challenging and interesting periods in our history.

The first time I was ever on the floor, actually in the Chamber was for Lyndon Johnson's last State of the Union speech. Bill Steiger managed to get me a pass so that I could stand behind the rail back there in the crowd that always gathers in the Chamber at those moments. And it was a difficult point in our history, of course, January 1969. The war in Vietnam was raging and we had half a million men committed over there, increasingly costly and increasingly unpopular here at home. The previous year had seen political assassinations of Bobby Kennedy and Martin Luther King. The city had been wracked by riots and fires just a few blocks from where we meet this very morning.

But on that night there was no sense of despair, there was no sense of hopelessness, and with all of our troubles there was a sense of renewal in the Chamber that night. There was never any doubt about the ability of the Nation and this institution to endure. The House of Representatives, the People's House, of course, was and still is the embodiment of those principles of freedom and democracy that had guided us for more than two centuries.

One final recollection seems appropriate, one I will always carry with me when I think of the House of Representatives, and that is March 6 of last year when I was privileged to sit down here in the front row as a member of the President's Cabinet when President Bush came before a joint session to report to the Congress and to the American people on the successful conclusion of the war in the gulf. It was one of those rare moments in our Nation's history when we stood absolutely united. We were all tremendously proud that night of our young men and women in uniform for the way in which they had restored our national sense of purpose, and proud of our President who had provided the kind of bold and decisive leadership that had galvanized the entire world, and yes, proud of the Congress for the thoughtful and articulate way it had performed its function in debating the resolution authorizing the President to use military force to roll back Iraqi aggression in the gulf.

We have, all of us here, seen the House become obsessed with triviality, and then moments later rise to greatness. In an instant the institution can move from pettiness to the most profoundly moving nobility. And now we see the institution pass under a cloud. We see its reputation sullied. For those of us who love the House, this is deeply painful to watch.

Now is a good time for us to remember those moments of grace and eloquence when the House of Representatives symbolized this Nation at its best. That capacity still exists here and now. It is hard to see it sometimes. Often it requires a great crisis to call it forth. But as surely as democracy is strong, this institution, one of the most democratic bodies in the world, is strong.

When occasion demands, this House will rise again, and we and our fellow citizens will once again understand it for what it is, the greatest legislative assembly of the greatest nation on Earth.

Thank you very much.

Mr. HATHAWAY. Mr. Speaker, I yield back the balance of my time.

□ 1140

Mr. RHODES (presiding). This is the conclusion of the program, and again I want to thank the Speaker and the leadership of both major parties for the usual courtesy which we have for many years enjoyed in this Chamber and to echo the words of our distinguished Secretary of Defense in assuring everybody that, if they needed assurance, that the members of the Association of Former Members of Congress are deeply involved in everything that happens to this institution, and we swell with pride when pride is warranted, and our hearts break a little bit when things happen which shed something other than credit upon the institution.

We are pleased to be here to lend whatever support is needed to the sitting Members of the House for the purpose of refurbishing whatever needs to be refurbished, and I think we would all agree that the institution was not perfect when we were here, and perhaps it does need some corrections of imperfections which were present and which we did not have the courage or the capabilities of correcting when we were here.

So as we often say, we hope that they will do as we say, not as we did, and do whatever is necessary to refurbish and to renew the confidence of the American people in this great institution.

The House will continue in recess until 12 noon.

Accordingly (at 11 o'clock and 41 minutes a.m.), the House continued in recess until approximately 12 noon.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mrs. KENNELLY) at 12 o'clock and 2 minutes p.m.

□ 1202

PRINTING OF PROCEEDINGS HAD DURING RECESS

Mrs. BOXER. Madam Speaker, I ask unanimous consent that the proceedings had during the recess be printed in the CONGRESSIONAL RECORD, and that all Members and former Members who spoke during the recess have the privilege of revising and extending their remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

WOMEN IN CONGRESS VOW SUPPORT TO OVERTURN ABORTION GAG RULE

(Mrs. BOXER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. BOXER. Madam Speaker, the clock is ticking on the gag rule. In 30 days women in health clinics will not be able to learn their legal and lawful right to abortion exists in this country.

The clock is ticking and we must act. The Republican and the Democratic leadership of this House should jointly indicate their respect for the dignity and individual rights of American women by helping pass legislation to overturn this gag rule.

We are here today to say that the women of Congress will not be gagged. We will make our voices heard until women have access to medical advice that they need to have. Whether George Bush or JESSE HELMS think otherwise. We are only a few in the House, we are fewer in the Senate, but we will not be gagged and we will not allow this issue to be lost. What is America but the land of the free? And how can we be free when our own Government puts a gag around health professionals? Who will be gagged next? Let us overturn the gag rule, let us do it now, and if the President vetoes our effort, let him explain how his action is in the best interests of America and freedom.

OVERTURN THE GAG RULE

(Mrs. MORELLA asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MORELLA. Madam Speaker, within the next 30 days, family planning clinics across the country will lose their Federal funding if they fail to comply with the gag rule. Much attention has been given to the administration's recent loosening of restrictions on physicians—in fact, the guidance issued by the Department of Health and Human Services which conflicts with the regulations—will undoubtedly lead to defensive medicine.

More importantly, the practical impact of this change will be negligible. Because the vast majority of physical exams and counseling in family planning clinics are performed by nurse practitioners and nurse midwives who are still prohibited from counseling or referring women for abortions, many low-income women will still be prevented from receiving full medical information.

Madam Speaker, it is critical that Congress take immediate action to totally overturn the gag rule. It discriminates against poor women and it is an outrageous violation of our first amendment rights.

GAG RULE MODIFICATION—AN UNACCEPTABLE COMPROMISE

(Mrs. LOWEY of New York asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. LOWEY of New York. Madam Speaker, do not let the President fool you. His latest modification of the gag rule stops far short of what is needed to protect the fundamental rights of women and health care professionals. His new rule gives doctors some latitude to speak about abortion, but leaves other health care professionals muzzled. What the President has proposed is a compromise, an unacceptable compromise. When it comes to free speech and to protecting the fundamental right to choose, a compromise is unacceptable. The harsh reality is that the President's modifications will not help the vast majority of title X patients, and will, in fact, make the program more expensive.

If the President is serious about reducing Government spending, it makes no sense for him to add to the cost of the title X program by allowing only the highest paid personnel to provide counseling on this fundamental right. He also must understand that reducing the availability of counseling services leaves women's health hanging in the balance.

Do not be deceived. This administration is still moving full speed ahead to overturn Roe versus Wade, and to deny women their constitutional right to choose. George Bush's attempt at political gamesmanship cannot hide this fundamental fact.

THE PRESIDENT HAS GAGGED MEDICAL PROFESSIONALS, BUT HE HAS NOT GAGGED THE CONGRESS

(Ms. MOLINARI asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. MOLINARI. Madam Speaker, we have become a sensitive body of men and women in the House of Representatives lately. Day after day we take to this well and either level charges of political impropriety or proclaim personal innocence. We rightly shudder that we should be called dishonest or biased or anti anything or anyone. But yet our failure to uphold the rights of poor women by legislating against the gag rule renders us all guilty; guilty of saying that poor women must live by a different, more capricious law than you and I; guilty of hiding behind a Presidential regulation; guilty of closing doors to desperately needed family planning clinics.

Madam Speaker, we have the power in this House to legislate against the HHS regulation and guarantee equal access to the current law for all women.

Madam Speaker, I urge House leaders to move swiftly. The President has gagged medical professionals, but he has not gagged the Congress. Our failure to act on behalf of those who have been rendered powerless will create a scandal in this House that should haunt everyone of us for years to come.

BE CAREFUL, VETERANS, YOUR TIME MAY COME, TOO

(Ms. SLAUGHTER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SLAUGHTER. Madam Speaker, for 200 years, from December 1791 to December 1991, no Congress, no court, no administration sought to take away the first amendment rights of the citizens of the United States. But that, now upheld by the court, is the law in this country, and women cannot be told their rights in clinics that are supported by Federal funds.

Madam Speaker, I want to address my few moments here to the people in the rest of the country who may be veterans, who are recipients of care from Veterans' Administration hospitals, people in nursing homes paid for by Medicare and Medicaid. If it could happen to the women in this country, it can happen to all the rest of us citizens.

Just because the people here are going to say to the veterans and to the elderly in their communities, "Oh, we don't mean you, we mean you no harm. Our intended victim here is only the poor woman who is frightened and often desperate and has no place else to go. We mean you no harm," well, you had better think about it. This went by so easily, so quickly and so far, and this Congress has been totally unable to readdress that wrong. We have a few days now to do that.

We pray that will happen.

GAG RULE STRIPS WOMEN OF FUNDAMENTAL RIGHTS

(Ms. SNOWE asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. SNOWE. Madam Speaker, the clock is ticking away on women's rights in this great Nation. In 31 days, women will no longer be treated as patients when they enter a family planning clinic—they will be treated as children.

Rather than trust the women in this country to make the best medical choices for themselves, the administration has issued regulations that force women in a direction which is both inconsistent with the law of this land and to the detriment of women's health.

If these regulations go into effect, a woman's economic status will suddenly determine whether or not she will be protected by the U.S. Constitution. Women who can afford private medical care will retain their constitutional rights. But those women who depend on federally funded medical care—some 4 million women—will be denied legal, medical information to which they as citizens of this country are entitled. Not one of us in this Chamber will ever be forced to endure such heinous intrusion of government.

Madam Speaker, I am saddened and alarmed by the direction our country is headed when the Government assumes the authority to direct orders to medical professionals and to strip women of their fundamental rights. Congress must act to reverse this imprudent and harmful trend. The implementation of these regulations is imminent and we must take action immediately.

□ 1210

REMOVE THE GAG

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Madam Speaker, when justice is blind, we can applaud. But justice in America has become a health professional, and she is still gagged. Gagged she is dangerous to herself and her patients. Justice is a doctor who can mention, but not counsel, abortion. But justice is mostly one of the other professionals who overwhelmingly provide the advice to women in federally funded clinics. She must not let the word "abortion" pass her lips or direct a woman to where she may learn the word and its meaning.

In short, justice is a lawsuit waiting to happen. There is no way to practice defensive medicine when an HIV infected woman is not told of all her options. The gag will and should produce a lawsuit. The litany of litigation will be endless.

Madam Speaker, today we step forward to let the administration know that the people have not been fooled, neither some of the time or all of the time. We step forward especially for the women of the Capital City who suffer from the gag and more, from the absolute denial of the right even to spend local funds for poor women who desire an abortion. The time has come to step forward, Madam Speaker, and not step back until the gag is removed from everyone.

READING WEEK AT GROVE AVENUE SCHOOL

(Mr. MACHTLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MACHTLEY. Madam Speaker, this past Monday I had the unique and enjoyable experience, as part of a celebration of Reading Week, of attending Mrs. Stark's sixth grade class at Grove Avenue in East Providence. Many of us will have this opportunity. It is an opportunity to demonstrate to students that government is real people trying to deal with real problems. But this particular week we have an opportunity to demonstrate to students the importance of reading. It is my hope that each of us will take this opportunity, not just to demonstrate to students that it is important to read, but to demonstrate to people that it is important for them to read to their children and that reading is one of the keys of knowledge and that knowledge is certainly one of the keys to wealth and a prosperous nation.

Madam Speaker, this school is a unique school. It builds on the knowledge of students. It helps them to learn by team work. The principal, Diane Santos, has been a leader in making sure that these students in East Providence are going to thrive in a world which needs their achievement.

Madam Speaker, I thank this school for giving me this opportunity, and I look forward to watching their development.

UNDERPRIVILEGED AMERICAN WOMEN HAMPERED BY ABORTION GAG RULE

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Madam Speaker, last November we failed to override the President's veto of the gag rule by only 12 votes. We promised then that we would be back, Madam Speaker, and we are.

For 7 years, family planning counselors were required to give their clients full information about pregnancy options. But in 1988, suddenly poor women were not entitled to be fully informed about the law.

Two weeks ago, the administration issued a guidance to title X clinics to clarify and implement the regulations. Some would have us believe that the guidance—which does not have the force of law—protects the patient/client relationship. In fact, Madam Speaker, it does not. The nurses and nurse practitioners who do most counseling are still forbidden from giving critical medical advice, and no one—including doctors—can refer a woman for a legal abortion, regardless of her medical needs or her wishes.

Madam Speaker, underprivileged, American women deserve equal access to information. I hope that we will soon have before us the title X reauthorization bill, which includes a provision to overturn the gag rule. Unless we enact its language, we will be allowing suppression of information and unfree speech to stand as the law of this land.

REGULATORY EXCESS IN FOOD LABELING RULES DRIVING OUT SMALL BUSINESSES

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Madam Speaker, one reason economic growth in this country is not what it should be is the surge in regulation requiring businesses to meet the social objectives of government.

On January 28, the President directed departments and agencies not to issue new regulations for 90 days and to review regulations to eliminate inefficiency.

One example of regulatory excess is the food labeling rules proposed by FDA for retail confectioners. While the regulations provide some exemptions, they do not go far enough.

Congress allowed that nutrition labeling be omitted where it would be impractical. Retail confectioners manufacture a variety of products, sold in diverse combinations. Nutrients vary greatly, and the cost of providing the information are too great for small confectioners—such as Dietsch Brothers in my hometown of Findlay, OH—to reasonably absorb.

I urge FDA to weigh the comments of Retail Confectioners International and fashion final regulations that will not drive small businesses from the market.

GAG RULE IMPLEMENTATION

(Mrs. UNSOELD asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. UNSOELD. Madam Speaker, as we speak, family planning clinics are facing a devastating catch-22. Deny patients the complete information they deserve, or lose Federal funding.

Our precious Bill of Rights is at risk. Women's lives are at risk—unless this Congress acts.

For years, this administration has told clinics that Federal funding must come at a price—and that price is free speech. Now it is trying to make good on its words. The President has actually tried to blunt public outrage over his gag rule by asserting that doctors won't be affected—but since nurses and social workers and counselors are on the front line for women in need, who's he kidding?

Do not let time run out. Don't force our clinics to bargain with their integrity. Join us in supporting H.R. 3090, the title X reauthorization. Let the American people know that free speech is not a political bargaining chip.

REPUBLICAN REGULATION RELAY

(Mr. GINGRICH asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GINGRICH. Madam Speaker, as we continue the Republican relay, I wanted to focus attention on a regulation that is causing problems for the airline industry, an industry that has suffered considerable losses during the past few years.

Because of the Transit Without Visa Program, airlines have seen a surge in the number of people who come to the United States and then claim political asylum.

The INS response to this problem has been to fine airlines for allowing passengers to abuse the system, to force the airline to detain passengers until their asylum claims are adjudicated, and then to charge the carriers for the costs of detaining the passengers—a process which takes several months. As a result, these passengers are costing airlines millions of dollars per year in detention charges.

Madam Speaker, when an industry as important to this country as the airline industry experiences financial problems, we should be focusing on ways to help it. In keeping with the President's request, let us reexamine our regulations that hinder economic growth, reduce our competitiveness in the world marketplace, and kill valuable American jobs.

OVERTURN THE GAG RULE

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Madam Speaker, the debate over the gag rule is not one involving pro-choice or pro-life forces. This is a debate about free speech and informed choice.

There is no principle more fundamental to maintaining a democracy than free speech. This has been the foundation of our country, our representative government, and our very way of life for more than 200 years.

> The freedom of Speech may be taken away, and, dumb and silent we may be led, like sheep, to the Slaughter.

Those words of General Washington in 1783 have lost none of their power in the intervening centuries because they represent a potent truth.

Yet the gag rule would limit speech and cripple the power of women to make informed choices about some of the deepest and most personal issues they face.

The administration, in an effort to blunt the pointed criticisms that have begun to shred the gag rule has offered a guidance that it has sold as a softening of the gag rule restrictions.

This move does nothing to loosen the constraints of the gag rule on title X funds—nothing to allow title X doctors to discuss the full range of options for women and nothing to free clinics with title X funds to offer complete counseling.

Madam Speaker, the only way to restore freedom of speech and provide women with the information they need to make an informed choice is to take back the right of free speech granted on this floor every day. Support title X and overturn the gag rule.

□ 1220

HONORING COL. TRAVIS HOOVER

(Mr. HANCOCK asked and was given permission to address the House for 1 minute.)

Mr. HANCOCK. Madam Speaker, from April 15 to April 19, in Columbia, SC, a very special group of Americans will be having a reunion—the 41 survivors of the famous Doolittle Raid on Tokyo which took place 50 years ago this April.

I am proud to say that one of these survivors, Col. Travis Hoover, is a constituent of mine in Webb City, MO.

Colonel Hoover was the second pilot to take off from the American aircraft carrier *Hornet* on that perilous raid.

Colonel Hoover, his crew, and the 15 other B-25 bombers performed what was clearly one of the most dangerous missions of World War II—making a surprise attack on the Japanese homeland, dealing a tremendous blow to the enemy morale.

They were forced to fly 600 miles to their target, knowing full well they did not have enough fuel to return to their home ship.

Colonel Hoover and his fellow raiders succeeded, however, in making it to the friendly Chinese coast.

They successfully bombed five Japanese cities, including Tokyo, braving antiaircraft fire from low-flying altitudes.

Colonel Hoover was decorated with the Distinguished Flying Cross for his heroism and I take this opportunity today to commend him again.

It has been 50 years, but we have not forgotten his dedication, patriotism, and heroics. Thank you, Colonel Hoover.

GAG RULE ON ABORTION RAISES QUESTIONS OF FREE SPEECH

(Mrs. MINK asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MINK. Madam Speaker, I take the floor today to join my colleagues in expressing my continued dismay that the constitutional right of free speech will be denied shortly to tens of thousands of poor women whose only place where they can go for medical assistance, advice, or counseling with respect to their reproductive needs and problems will be taken away.

Just think of it. In America, where we treasure the concepts of free speech and the right of everyone to exercise that right, the right of free speech will be denied those who work in our family planning clinics.

The power of the purse given to the Congress of the United States by our Constitution to appropriate moneys for those programs that we wish to see supported has now been callously interpreted to allow us to prohibit the exercise of free speech in the conduct of these programs. Our health counselors and our people in the medical professions who work in these clinics are not going to be allowed to talk freely and clearly and concisely with their patients.

Madam Speaker, this is extremely unfair. The gag rule is not about abortion; it is about free speech.

PROPOSED EXTENSION OF LEGISLATION TO PROVIDE SPECIAL MEDICARE ADJUSTMENTS TO SMALL RURAL HOSPITALS

(Mr. GUNDERSON asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GUNDERSON. Madam Speaker, we often talk here in the Congress about expanding access to health care. Once in a while our obligation is not to expand health care as much as it is to maintain that access to health care that presently exists.

We in 1989 passed legislation that provided for small rural hospitals an opportunity to have special adjustments in the way they are paid through Medicare to respond to the unique need of being a Medicare-dependent rural hospital. Unfortunately, that legislation expires this year, and many of these rural hospitals will no longer be able to survive and provide access to their constituencies in those small rural areas of America unless we extend that legislation.

Today I and 16 of my colleagues will be introducing legislation to extend for 3 more years this particular program that is so vital to maintaining access to rural health care. I invite all my other colleagues to join us in this positive, bipartisan effort.

AN EXPRESSION OF OUTRAGE AT WHITE HOUSE ACTION ON ABORTION GAG RULE

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. SCHROEDER. Madam Speaker, on this floor we deal with political issues all the time, but I must say there are also fundamentals of government that should not be tampered with on this floor or by the administration. By putting in the gag rule, the administration is going right at one of the most essential fundamentals of government, and that is how a government treats over one-half of its citizens.

Think about this. They are saying that after May 4, one out of five of America's women who use federally supported planning clinics cannot hear all of their legal medical options. Why? I guess because they do not trust them. I guess they do not think they can deal with it. If they were able economically to go to other places, they could hear all of their options, but, no, not in a clinic.

The President has tried to tamper with this to make it look different, but it has not. American woman get it. They understand it.

Madam Speaker, I think it is outrageous that this is happening, and I certainly hope that before May 4 we can say that all citizens are going to be treated equally in this Republic, not just half or not just those who are wealthy enough to be able to use other sources.

MARTIN LUTHER KING, JR.

(Mr. GILMAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GILMAN. Madam Speaker, 24 years ago this weekend, I was a member of the New York State Assembly, returning to my home 90 miles south of Albany on the New York Thruway when I heard the shocking radio bulletins reporting that the Reverend Martin Luther King, Jr., was struck down by a cowardly assassin in Memphis, TN.

Madam Speaker, the brilliant life of Martin Luther King, Jr., was snuffed out, all too prematurely, but the ideals for which he dedicated his life were not snuffed out.

Today, nearly a quarter of a century after he was tragically taken from us, we are still striving to create a society of equal opportunity which he so eloquently called for. We still have a long way to go before his goals will be achieved, but at least he left for us a beacon of hope toward which we can all strive.

Madam Speaker, let us reflect on that sad day in American history and let us resolve to continue to live by the message of Martin Luther King: that hatred harms the hater as much as the hated, and that only love and tolerance can conquer hate.

PROPOSED EXTENSION OF MORATORIUM ON UNNECESSARY NEW REGULATIONS

(Mr. Ewing asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. EWING. Madam Speaker, I rise to invite my colleagues to cosponsor a bipartisan resolution I will introduce which encourages the President to extend the 90-day moratorium on unnecessary regulations for 1 year.

We need to curb the growth of Federal regulations. In recent years the level of Federal regulation has increased tremendously, and so has the economic cost of these regulations. It is estimated that the regulatory burden costs the American economy at least $400 billion per year. This translates to $4,000 per American household.

The President's 90-day moratorium has helped relieve the regulatory burden and has encouraged economic growth, but much more needs to be done. Removing the moratorium on May 1 will open the floodgates of new regulations on a fragile economy, and cripple the recovery just as it is getting underway. Extending the moratorium would speed economic recovery and encourage greater investment and economic activity in the long run.

I invite my colleagues to be original cosponsors of a resolution I will introduce calling on the President to extend the moratorium on unnecessary new regulations for 1 year.

□ 1230

ELIMINATE THE GAG RULE

(Mrs. COLLINS of Michigan asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. COLLINS of Michigan. Madam Speaker, the gag rule imposed on health care workers to prevent them from dispensing information on abortion at family planning clinics, cause all of us to lose in the end. When the rights of women and the rights of the poor can be hindered because of a blatantly arbitrary rule imposed by the Federal Government, everyone in this country suffers the consequences. There must be accountability when edicts such as the gag rule are dictated.

I emphasize that abortion is only an option. It is not inflicted, it is not a punishment, it is not a requirement. It is, and must continue to be, an option. When women are advised about the alternatives for having and keeping a baby, they must be informed about all of their choices. The Government of the United States should not mandate what an individual can and cannot hear when it comes to the life of that individual.

When individuals, who must use public health clinics are not entitled to the same rights as women who use private practices, a terrible precedent is set for our future. Madam Speaker, I urge the administration, and specifically the Department of Health and Human Services to take the muzzle off—I urge them to eliminate the gag rule.

CBO'S FAMILY INCOME DATA: FAIR'S FAIR

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Madam Speaker, today I received a very interesting letter from the Congressional Budget Office, and I'd like to share it with you. In a memo circulated last week, CBO left the period 1977–80 out of its family income gains measures. Beware of the sins of omission, my friends. The letter I received today confirmed my suspicions.

CBO's own flawed family income data shows that between 1977 and 1980, during Jimmy Carter's Presidency and the last years when Democrats controlled both Congress and the White House, virtually all—nearly 100 percent—of the net income gains in our economy went to the top 1 percent of income earners. The bottom 95 percent of earners either lost ground or barely managed to break even in a period when there was no total income growth at all.

All of a sudden, the period between 1980 and 1989 when Ronald Reagan was in office and the top 1 percent garnered 38 percent of the income gains seems pretty darn fair. The share of net average income gains going to the top 1 percent was about 160 percent higher in the Carter years than in the Reagan years. The fact is, under Republican stewardship of the economy, the top 1 percent went from claiming nearly 100 percent of the net income gains in the economy to less than 40 percent, according to the Democrat Congress' very own CBO.

Madam Speaker, there are few people more careless with the truth than self-righteous income redistributors. Madam Speaker, they can all come clean now: CBO has let the cat out of the bag.

BUDGETARY DAY OF RECKONING

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Madam Speaker, prophetically in 1988 Benjamin Friedman, a graduate of Louisville Atherton High School, wrote in his book "Day of Reckoning," that the debt excesses of the 1980's would be followed by two things: One, a lack of growth in the economy in the 1990's because of the heavy debt placed on the economy, and also this debt would have to be paid by our children and grandchildren.

In a wise decision earlier this week, the House voted to devote some $9 billion to reducing the crushing Federal deficit, a very difficult decision, because we had to divert this money from domestic programs. Many of them are important. I voted for the House leadership budget which does treat human service programs more generously than the President would have done.

Madam Speaker, our children have a right to be educated and have adequate health care, but they also have a right, Madam Speaker, not to be saddled by a burden of debt and budgetary excesses placed upon them by their elders.

There is pain in reducing the deficit. But better, Madam Speaker, that that pain be borne by us and not by our children and grandchildren.

WOMEN ENTITLED TO FULL INFORMATION ABOUT HEALTH CARE

(Mrs. MEYERS of Kansas asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. MEYERS of Kansas. Madam Speaker, I rise in opposition to the gag rule. No matter what some would lead you to believe, this is not an abortion issue. It is a family planning issue. It is an issue of equity for poor women, and of free speech.

The law says no Federal money can flow to organizations that promote abortion as a means of family planning. Well, no organization does that, and no one here supports that. But this law is being interpreted by this administration as meaning that health care professionals cannot give women full information.

The gag rule prohibits title X counselors from telling a woman all of her options concerning her pregnancy, no matter how sick she is, no matter if she is carrying a seriously malformed fetus, no matter what her desperate condition might be.

As I have said before, this is not an abortion issue. In fact, the overwhelming majority of women who walk into a title X clinic are not seeking an abortion or abortion-related services or counseling. Rather, these women are seeking access to much-needed primary and preventive health care. They should be able to get full information about that health care.

IN OPPOSITION TO THE GAG RULE

(Ms. WATERS asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. WATERS. Madam Speaker, the Bush administration's guidance document does not change the restrictive nature of the gag rule regulation. It is just another slippery attempt by this administration to redirect women's rights. Why can't they just grant women complete access to information about their medical options during pregnancy?

Before the administration decided to get into the business of censoring medical information, thousands of title X clinics provided nondirective counseling and vital information for millions of women who sought it.

Madam Speaker, the Government has no business directing women to continue pregnancies against their will. Nor does it have the right to restrict medical information—no matter what the source. The war on women must stop.

ROOT FOR A REAL WINNER: THE UNIVERSITY OF CINCINNATI BEARCATS

(Mr. LUKEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LUKEN. Madam Speaker, I rise today to salute the University of Cincinnati and their basketball team.

Madam Speaker, it has been a long time since the University of Cincinnati got to the big show—but coach Bob Huggins and his team are playing in Minneapolis this week for the national title, and Cincinnati is fired up.

Madam Speaker, Cincinnati has a long history of excellence in basketball, but this year Cincinnati is treated by some as the Rodney Dangerfield of the final four—they do not get the respect they deserve. But Monday night that will all change.

Madam Speaker, if you are tired of the same old teams winning—Duke, Michigan, Indiana—join me this weekend in rooting for a real winner—the University of Cincinnati Bearcats.

CHARITY STARTS AT HOME

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, the President wants $24 billion for Russia. The President says we must stabilize the ruble. Meanwhile, the dollar is going to hell.

But what gets me is Congress killed general revenue sharing, $3 billion. It was too costly, $3 billion for cities and States. Now States and cities all over America are going bankrupt, and Governors, good Governors like George Voinovich of Ohio, are behind the eight ball.

Madam Speaker, I say Congress should stop the $24 billion to Russia and send it to the States and cities in America that are going bankrupt. Charity starts at home, and Congress had better start looking out for the home team.

TRIBUTE TO DR. CRAWFORD W. LONG

(Mr. DARDEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DARDEN. Madam Speaker, 150 years ago this week, a doctor from Georgia named Crawford W. Long changed the face of medicine forever. On March 30, 1842, Dr. Long performed the first operation using ether as an anesthetic. Since that time, the use of anesthesia has become routine in every significant surgical procedure, and the field of anesthesia has played a central role in minimizing the suffering associated with surgery.

The history of Dr. Long's career reveals a lifelong devotion to both his fellow man and the State of Georgia. After completing his medical education, Dr. Long returned to the small village of Jefferson, GA, which only 4 years earlier had been occupied by Indians. While focusing on providing health care to his rural community, he began to experiment with the effects of ether, and noticed its pain-relieving properties. Convinced that painless surgery was possible using ether, Dr. Long performed an operation to remove a tumor and the patient later assured Dr. Long that he did not experience the least degree of pain during the operation. This operation opened the door to tremendous advances in surgery.

Today, Dr. Long's statue occupies a prominent place in the Statuary Hall of the U.S. Capitol, and one of Georgia's finest hospitals bears his name. He is rightly remembered as one of America's greatest contributors to the field of medicine, and his story is a compelling example of our uniquely American spirit of creativity. I sincerely hope that today, 150 years later, we will look back to Dr. Long's tremendous contribution, and look forward to a future of American innovation in the field of medicine.

□ 1240

TRIBUTE TO THE LATE SENATOR JOHN HEINZ

(Mr. MURPHY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MURPHY. Madam Speaker, just 1 year ago today, this Friday, at about noon, a tragic plane accident took the life of one of Pennsylvania's best and most promising public officials.

The plane accident that occurred took the life, the young life of Senator John Heinz. Just a few days before that, Senator Heinz had met with the members of the Pennsylvania delegation from both parties, discussing the needs of Pennsylvania, the jobs, the unemployment, the economy, the notch inequity, other things, the transportation system, matters that vitally concerned our State.

I think all of us here in this House could take an example from John Heinz. I started campaigning with him on the same platform but with varying views 14 years ago in 1976. Although John Heinz and I differed on some issues, he was always a gentleman.

He never pointed a finger at the members of the opposite party and falsely accused them. He always just took the positive and the high road.

I would hope that here in this House, we can follow the example of John Heinz in that regard.

Mr. GEKAS. Madam Speaker, will the gentleman yield?

Mr. MURPHY. I yield to the gentleman from Pennsylvania.

Mr. GEKAS. Madam Speaker, I join with the gentleman in this remembrance of John Heinz. He was as the gentleman has depicted him.

SPECIAL PROSECUTOR FILES CHARGES ON PACIFIC ISLAND CRIMES

(Mr. DE LUGO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DE LUGO. Madam Speaker, recently, the special prosecutor in Palau filed charges in two crimes which have hindered progress toward self-government in these Pacific islands for which our Nation retains trusteeship responsibility.

In one case, four people were charged in the 1985 assassination of Palau's first president, Haruo Remeliik. One pled guilty and agreed to testify against the other three.

One of those three was a political rival of Remeliik's who was a key figure in the election and administration of Remeliik successor, Lazarus Salii—and now denies the charges.

In the other case, four people were charged in the 1987 killing of the father of a critic of a proposed relationship with the United States that Salii advocated.

The Salii administration tried to convict three people close to Salii's political rival for the assassination in a trumped up case based on the statements of a heroin user who failed three lie detector tests, but their case was thrown out of court.

I make no judgment about the guilt or innocence of any of the accused in either of the cases brought by the special prosecutor. It will, of course, be decided in the courts.

But I am very pleased that action is being taken in them.

Speculation about the crimes has been divisive in Palau.

Allegations similar to the charges had been made to the Insular and International Affairs Subcommittee during the investigation we conducted when considering the proposal to develop the United States-Palau relationship.

The nature of the allegations and the failure of justice to be done for so long makes it clear why many of us insisted that the Federal Government help Palau implement its special prosecutor law. In insisting on this help in spite of the strenuous objections of President Salii and the Reagan administration, we were responding to many courageous leaders in Palau—as well as information that could not be ignored.

I will be giving Members further background on these allegations so that they can appreciate the need for the special prosecutor.

SUPPORT ASKED FOR FREEDOM OF ACCESS TO CLINIC ENTRANCES ACT

(Mr. ATKINS asked and was given pemission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ATKINS. Madam Speaker, this Sunday I will be joining thousands of Americans from around the country who support abortion rights.

I will be marching because I believe in Freedom of Choice.

On Sunday, we will be exercising our fundamental rights of free speech.

But I am angry at some fanatical groups, such as Operation Rescue, who apparently do not believe in this kind of speech.

Instead, they prefer blocking access to health clinics.

They say they are saving the lives of unborn children, but what they are really doing is endangering the lives of women and preventing them from receiving essential medical advice and services, including cancer screening and pap tests.

Madam Speaker, Operation Rescue has the right to protest just like everybody else. But free speech does not mean the right to threaten violence against women, or to prevent the right of entry by chaining themselves to the doors of clinics.

That is why I ask my colleagues to send a clear message that such actions will not be tolerated. I ask my colleagues to cosponsor and pass H.R. 1703, the Freedom of Access to Clinic Entrances Act.

OVERTURN THE GAG RULE

(Mrs. JOHNSON of Connecticut asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. JOHNSON of Connecticut. Madam Speaker, I rise to urge the Congress to move quickly to overturn the title 10 family planning regulations known as the gag rule. The implementation guidelines recently issued by the administration do not clarify the regulations and do not restore the rights of patients to full information.

Let me say first how troubling these regulations are. The regulations say to women, "You cannot be trusted with knowledge. Like children, if we tell you abortion is an option, you will take it."

How demeaning. Abortion is a deep, difficult, serious, tragic, harsh decision to make. No woman makes it lightly. No woman makes it if she has a choice. And frankly, if the Government gives her a choice, gives her honest access to medical care, she can be trusted with the knowledge to deal with her pregnancy.

But as demeaning as these regulations are to women in America, they also offer and are based on false assumptions. There is no access to full medical service for poor women today. That is the cruel irony of these regulations.

A CALL FOR THE RETIREMENT OF SPEAKER TOM FOLEY

(Mr. BRYANT asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BRYANT. Madam Speaker, with great respect for the many accomplishments in public life of Speaker Tom Foley, for the many personal sacrifices he has made for his country, and for his integrity and honesty, I nevertheless call today on Speaker Tom Foley to retire from the speakership at the end of this, the 102d Congress.

We Democrats are the oldest political party on Earth. Yet today in America, fewer and fewer Americans know who we are, where we are going, and what we stand for. Why? Because the person with the greatest responsibility to articulate our identity, our agenda, and our direction either cannot or will not do so. The person charged with being our political leader, explaining who we are, and rebutting those who say we are what we are not, refuses to be a political leader.

For Tom Foley, political leadership is not a responsibility which he relishes; for him political leadership is painful, and political combat, even when absolutely necessary in order to present the Nation with the Democratic alternative, is to be avoided, if at all possible. And, regrettably, for Speaker Foley, even management of the daily institutional operation of the House is an annoyance, making decisive management impossible.

There is an enormous willingness in this House to make hard choices—there are extremely fine people serving here, including Speaker Foley. But without leadership that knows where it is going, that wakes up in the morning with an enthusiasm for taking the fight for progress to the opponent, even a 102 vote majority is not enough to win on this floor, or to win the hearts and minds of the American people to our cause.

It is time for new leadership in this institution. I call on the Speaker to retire at the end of this Congress. And I call on the Democratic membership of this House to nominate a new voice for our party, a new leader for our majority, and a new manager of the affairs of this House of Representatives.

PRESIDENT SHOULD APOLOGIZE TO ISRAEL

(Mr. SCHUMER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHUMER. Madam Speaker, if, as reported in today's newspapers, there is no evidence of any Israeli transfer of Patriot technology to China, then the President owes Israel an apology.

Through a series of leaks, bureaucrats in the State Department dragged Israel's name through the mud. Now it is announced in today's papers that a mission will announce that it found no evidence of any transfer of technology to China.

□ 1250

And while Secretary Baker talks about how damaging the leaks are, he is apparently doing nothing to find the source of them.

Adding insult to injury, the State Department then seeks to bury the exonerating mission's finding by releasing them on the same day as a new IG report on other charges, a report that has already been attacked internally at State, and will surely face more critical scrutiny.

Today I will seek an FBI investigation of where the State Department leaks came from and how they can be stopped.

Meanwhile, no mission is being sent to Saudi Arabia to investigate whether it is the source of the transfer. Clearly, the intention is to create a lingering suspicion of Israel on the Patriot issue. It seems that many in the administration seek to damage the very fiber of the American/Israeli relationship. This upsets supporters of Israel far more than any policy dispute on the loan guarantees.

TRIBUTE TO SENATOR KENT CONRAD

(Mr. DORGAN of North Dakota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DORGAN of North Dakota. Madam Speaker, a short time ago Senator Kent Conrad from North Dakota announced on the Senate floor that he would not be seeking reelection this year.

Kent is not only a colleague of mine who has campaigned with me for 18 years, he is also my closest friend and I rise today simply to pay tribute to the work he has done in the Senate.

Kent is a young man. He is one of the best and the brightest in this building, and yet a young man who at the end of his first term, early in his career decides that he does not wish to continue. I respect his wishes but am disappointed by his decision. I hope very much that all of us will understand and know the contribution he has made in his term in the Senate.

I hope all Members will join with me in wishing him well. I hope all of us will also continue to dedicate ourselves to the things he has dedicated himself to in his term in the Senate. He has been a tireless fighter for the interests of North Dakota, a tireless fighter for the best interests of this country.

This is a loss today, the retirement of a young man, a retirement of one of the best and brightest in the U.S. Senate. It is a loss not just for North Dakota, but it is a loss also for this country, and I pay tribute to the accomplishments of a young man who has made a difference in his public service for his country. Also I pay tribute to Kent's partner and wife, Lucy Calautti, who along with Kent has served the interests of our State and country.

PROVIDING FOR CONSIDERATION OF H.R. 2039, LEGAL SERVICES REAUTHORIZATION ACT OF 1991

Mr. BEILENSON. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 413 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. Res. 413

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 1(b) of rule XXIII, declare the House resolved into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2039) to authorize appropriations for the Legal Services Corporation, and for other purposes, and the first reading of the bill shall be dispensed with. All points of order against consideration of the bill for failure to comply with the provisions of clause 2(l)(6) of rule XI are hereby waived. After general debate, which shall be confined to the bill and which shall not exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the Committee of the Whole shall rise without motion. No further consideration of the bill shall be in order except pursuant to a subsequent order of the House.

The SPEAKER pro tempore (Mrs. Kennelly). The gentleman from California [Mr. Beilenson] is recognized for 1 hour.

Mr. BEILENSON. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Tennessee [Mr. Quillen], pending which I yield myself such time as I may consume.

Madam Speaker, during consideration of this resolution, all time yielded is for the purpose of debate only.

House Resolution 413 is the first rule providing for consideration of H.R. 2039, the Legal Services Reauthorization Act. A rule providing for further general debate on the bill and on amendments to it will be taken up we believe next week.

The resolution before us now provides 1 hour of general debate time to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary. The rule waives clause 2(l)(6) of rule XI, requiring a 3-day layover, against consideration of H.R. 2039.

Finally, Madam Speaker, after general debate, the resolution requires that the Committee of the Whole rise without the need of a motion, and provides that further consideration of the bill is not in order except by a future rule or other order of the House.

Madam Speaker, the sole reason that the Committee on Rules has recommended this unusual procedure, which we in no way intend to become a normal practice, is so that the House may begin general debate today on H.R. 2039, giving Members more time to recommend amendments to correct deficiencies they see in the bill as it was reported.

Members should know that the Rules Committee does intend to meet again to recommend another rule dealing with the consideration of amendments to the measure.

Madam Speaker, the bill would reauthorize for 5 years the Legal Services Corporation, which provides Federal funds for legal aid for the poor. The bill includes several new provisions to help ensure accountability and fairness in the delivery of legal services to the poor.

The existing restrictions on lobbying, on class action suits, and on the representation of aliens are maintained. The Judiciary Committee added several new restrictive provisions, including those that prevent LSC funds from being used in redistricting cases and that would restrict representation in evictions of individuals convicted of drug violations.

Madam Speaker, to repeat, House Resolution 413 provides for general debate only. I urge the adoption of the resolution so that we may begin the consideration of the bill today.

Madam Speaker, I reserve the balance of my time.

Mr. QUILLEN. Madam Speaker, I yield myself as much time as I may consume.

We are here today in an operation in frustration. There is no purpose to our being here today because what we have is a rule providing for 1 hour of general debate only. Then we must go back to the Rules Committee to grant another rule which may provide for additional general debate and for amendments. I imagine this operation today is just to keep the Members here. The last time we did this was on H.R. 3732, the Budget Process Reform Act, and it did no good whatsoever.

So, Madam Speaker, I oppose the rule and will vote against the rule for that reason and for another reason as well. The Legal Services Corporation is quite controversial in its operation. Since its establishment in 1974 much criticism has been expended across these United States of ours. Its purpose is to help the poor, but in some areas they do not do that. They are always too busy to help somebody in shoddy clothes who really needs legal help. Therefore, I shall oppose the rule for the reason that the Legal Services Corporation is not performing its duty as envisioned by the Congress.

I would hope that the Rules Committee would not consider double rules on any measures in the future. A colloquy on that question was brought about in the Rules Committee yesterday. I think that the seed was planted, and unless there is a dire emergency it will not occur again.

Madam Speaker, I would like to correct some information I gave to several Members that I would not ask for a recorded vote on this measure. A wise man changes his mind, not that I am wise, but I intend to ask for a vote on the rule to demonstrate that I think this operation today is an operation in frustration.

Madam Speaker, I have no requests for time, and I yield back the balance of my time.

Mr. BEILENSON. Madam Speaker, I thank the gentleman from Tennessee for his comments. If I may say, in summary, and in finishing for our side here, the gentleman's comments were not unfair, but neither, in this gentleman's opinion, is the rule before us. The gentleman knows, as my colleagues have been told, that we will be back again, hopefully early next week, to discuss possible amendments to be made in order by the second phase of this rule, and I ask for Members' support of this rule.

Madam Speaker, I have no requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the resolution.

The question was taken, and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. QUILLEN. Madam Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 263, nays 146, answered "present" 1, not voting 24, as follows:

[Roll No. 71]

YEAS—263

Abercrombie
Alexander
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Aspin
Atkins
AuCoin
Bacchus
Beilenson
Bennett
Berman
Bevill
Bilbray
Blackwell
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clay
Clement
Coleman (TX)
Collins (IL)
Collins (MI)
Condit
Conyers
Cooper
Costello
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Derrick
Dicks
Dingell
Donnelly
Dooley
Dorgan (ND)
Downey
Durbin
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Fascell
Fazio
Feighan
Fish
Flake
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilman
Glickman
Gonzalez
Gordon
Grandy
Guarini
Hall (OH)
Hall (TX)
Hamilton
Harris
Hatcher
Hayes (IL)
Hayes (LA)
Hefner
Hoagland
Hochbrueckner
Horn
Horton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Jacobs
Jefferson
Jenkins
Johnson (CT)
Johnson (SD)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kennedy
Kennelly
Kildee
Kleczka
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Levin (MI)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Lowey (NY)
Luken
Machtley
Manton
Markey
Martinez
Matsui
Mazzoli
McCloskey
McCollum
McCurdy
McDermott
McHugh
McMillen (MD)
McNulty
Mfume
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Murphy
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Penny
Perkins
Peterson (FL)
Peterson (MN)
Pickett
Pickle
Poshard
Price
Pursell
Rahall
Ramstad
Rangel
Ray
Reed
Richardson
Rinaldo
Roe
Roemer
Ros-Lehtinen
Rose
Rostenkowski
Rowland
Roybal
Sabo
Sanders
Sangmeister
Sarpalius
Savage
Sawyer
Scheuer
Schroeder
Schumer
Serrano
Sharp
Sikorski
Sisisky
Skaggs
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Solarz
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Vento
Visclosky
Volkmer
Waters
Waxman
Weiss
Wheat
Whitten
Williams
Wilson
Wise
Wolpe
Wyden
Yates
Yatron

NAYS—146

Allard
Allen
Archer
Armey
Baker
Ballenger

Barrett
Barton
Bentley
Bereuter
Bilirakis
Bliley
Broomfield
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clinger
Coble
Coleman (MO)
Combest
Coughlin
Cox (CA)
Crane
Cunningham
Davis
DeLay
Dickinson
Doolittle
Dornan (CA)
Dreier
Duncan
Edwards (OK)
Emerson
Ewing
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gilchrest
Gillmor
Gingrich
Goodling
Goss
Gradison
Green
Gunderson
Hammerschmidt
Hancock

Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Houghton
Hunter
Hyde
Inhofe
Ireland
Johnson (TX)
Kasich
Klug
Kolbe
Kyl
Lagomarsino
Leach
Lent
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Marlenee
Martin
McCandless
McCrery
McDade
McGrath
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Morella
Morrison
Myers
Nichols
Nussle
Oxley
Packard
Paxon
Petri

Porter
Quillen
Ravenel
Regula
Rhodes
Ridge
Riggs
Ritter
Roberts
Rogers
Rohrabacher
Roth
Roukema
Santorum
Saxton
Schaefer
Schiff
Sensenbrenner
Shaw
Shays
Shuster
Skeen
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Thomas (WY)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Wylie
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED "PRESENT"—1

James

NOT VOTING—24

Ackerman
Barnard
Bateman
Boehner
Dannemeyer
Dellums
Dixon
Dwyer

Dymally
Foglietta
Hertel
Levine (CA)
Mavroules
McEwen
Moran
Mrazek

Nowak
Pelosi
Russo
Schulze
Studds
Thornton
Valentine
Washington

□ 1323

Mr. GRANDY and Mr. HALL of Texas changed their vote from "nay" to "yea."

So the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF HOUSE RESOLUTION 194

Mr. MORRISON. Madam Speaker, I ask unanimous consent that my name be removed as a cosponsor of House Resolution 194.

The SPEAKER pro tempore (Mrs. KENNELLY). Is there objection to the request of the gentleman from Washington?

There was no objection.

LEGAL SERVICES REAUTHORIZATION ACT OF 1991

The SPEAKER pro tempore. Pursuant to House Resolution 413 and rule XXIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 2039.

□ 1325

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 2039) to authorize appropriations for the Legal Services Corporation, and for other purposes with Mr. CONDIT in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from Texas [Mr. BROOKS] will be recognized for 30 minutes, and the gentleman from Pennsylvania [Mr. GEKAS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas [Mr. BROOKS].

Mr. BROOKS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, a bedrock principle of our Nation is that, in the words of the Declaration of Independence, governments derive "Their just powers from the consent of the governed." In order to maintain this consent, it is crucial that our citizens have access to those instruments of government that affect them. In no case is this more important than with our Nation's legal system, which gives effect to citizens' rights and provides a mechanism to ensure that they will discharge their responsibilities as members of our society.

However, several decades ago, the perception grew that for many members of our society, access to the legal system was out of their reach economically. Left uncorrected, this lack of access would lead inevitably to a sense of alienation among large numbers of our citizens. To correct this situation, a bipartisan national consensus—including the Richard Nixon administration—formed around the proposition that the Federal Government has a role in addressing the crisis in the availability of legal services for the poor. This led to the establishment, in 1974, of the Legal Services Corporation.

Unfortunately, this sensible service-delivery mechanism has been subjected to years of bureaucratic bickering that distracted all parties' energies from the central purpose of ensuring this most basic of rights to all of our citizens. I am hopeful that the enactment of H.R. 2039 will bring this wasteful warfare to an end.

As reported out by the Committee on the Judiciary, H.R. 2039 restores a commonsense approach to ensuring legal representation of low-income Americans. The bill is a real reform measure and a true compromise in an area of law that for too many years has been filled with contention. The chairman of our Subcommittee on Administrative Law and Governmental Relations, the gentleman from Massachusetts [Mr. FRANK], deserves great credit for his hard work in fashioning this compromise reform measure. Throughout the process of bringing this bill forward, he resisted extremes and followed a careful, practical, non- ideological approach.

H.R. 2039 reauthorizes the Legal Services Corporation through fiscal year 1996. In order to address criticisms of the existing Legal Services Program, the bill makes certain changes to current law—changes which I support. For example, while maintaining most of the restrictions that currently apply to the Legal Services Corporation and its grantees—including those dealing with class actions, grassroots lobbying, and administrative representation now found in annual appropriations riders—the bill adds new restrictions in the areas of congressional and State legislative redistricting, and in eviction proceedings involving individuals convicted of drug violations.

On a matter of concern to some Members, let me make it clear that under this bill no LSC Federal funds or private funds may be used for publicity and propaganda—those political activities commonly known as grassroots lobbying. Congressman FRANK will be offering an amendment to prohibit the use of any public funds, such as from State or local governments, for this prohibited purpose as well.

The bill incorporates a number of provisions to protect against meritless litigation and to increase the ability of litigants to defend against cases that are not well grounded, rather than being forced to settle such cases.

H.R. 2039 also improves fiscal accountability by mandating timekeeping for all attorneys and paralegals, adding new protections against theft and fraud, and requiring the Corporation to monitor performance effectively.

These changes and others contained in H.R. 2039 put the Legal Services Corporation back on the right track, allowing it to leave controversies behind and to concentrate on its important mission of providing legal services to the poor. H.R. 2039 is supported by, among other groups, the American Bar Association and the State Bar Associations of virtually every State. It is supported by the civil rights community and senior citizens, labor, and religious groups.

I strongly urge my colleagues to join in supporting this carefully crafted committee bill.

□ 1330

Mr. Chairman, I reserve the balance of my time.

Mr. GEKAS. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, there are many of us who, although we have some objections, and some corrections and suggestions to be made to improve the bill, will still lean very heavily toward supporting the final reauthorization that this legislation commands, and we will be working very closely with everyone who wants to improve the present bill to ensure that prospect as the days roll on and we enter the amendment process next week.

So, please stay tuned. We have a lot yet to debate, but many of us, as I say, even opponents, long-time opponents, of the legal aid concept will be gathering forces to try to support reauthorization, given some salutary amendments that many of them will be supporting.

Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. MCCOLLUM].

Mr. MCCOLLUM. Mr. Chairman, I thank the gentleman from Pennsylvania [Mr. GEKAS] very much for yielding to me at this point in time to discuss what is indeed a very important piece of legislation. I think, as the gentleman from Pennsylvania has just stated very aptly, all of us who are involved in this debate, at least those who have been involved through the Committee on the Judiciary on both sides of the aisle, are intent upon seeing legal services to the poor provided efficiently and effectively through the system of the Legal Services Corporation. We want to see this very important function revitalized through a new authorization which has not been done for many years now. We want to see the corporation board be able to go forward and do its job free of political concerns that have been so strongly felt over the past many years now.

Mr. Chairman, I think the disagreements—to the degree that they exist, and I am sure they will when we get to the amendment process—are over the nature of trying to accomplish these common goals to take some of the politics out of this, to make the system work more efficiently, and to provide accountability. I do believe though that all of us agree in general terms that those are principles that this authorization bill should achieve. When we get to the amendment process, it seems to me that it is important to keep in mind a couple of points.

One of them, Mr. Chairman, is that there are past histories of legal service involvement in activities which are abhorrent to many of our colleagues for reasons that are apparent when one examines the record. That record, however, has been improved over recent years. Some of the problems that exist with legal services fortunately have been resolved or are on the way to being resolved. However we must remember that those problems that existed before could occur again and that we need to shape this authorization legislation to make sure that they are addressed adequately for the future.

Some of those problems included—as the gentleman from Texas [Mr. BROOKS], my chairman, pointed out a minute ago—lobbying activities which were far in excess of what normally would be acceptable for legal services to do. We also saw them involved in redistricting activities, and this is another reapportionment year, so we are reminded of that. We saw them—and we see them still—involved in some areas in agriculture and labor law matters where they have gone to the excesses and have played the game in ways that, frankly, are unfair to one side or the other, and there are others that I will not pass on as a litany, but there were many abuses at one time in this corporation.

Some of the forums that I am going to suggest out here, and some of my colleagues on this side of the aisle, include putting competition into the system. We right now have a grant system where money goes from the Federal Government to nonprofit organizations around the country who have exclusive franchises to provide these legal services to the poor. It seems to me that we need to have competition, not in the sense of the least-cost-effective program that might be offered, but competition in the sense of quality. And variety in the type of service in deficiency and accountability that a program might offer so that every so often the Legal Services Corporation national board can review the franchisee and look to see if there is somebody else who might offer a better service to the country, more efficient, with better accountability and more effectively. That does not mean we are going to kick everybody out.

The first thing that I think we need to do is that should be by the way phased in program, something that we have phased in, something that the Legal Services Corporation board can experiment with for a while and then adopt. But it needs to be something we authorize permanently in this bill and not have it come back here if we are, for some reason, delayed in taking an authorization bill up again like we have this time.

Second, and I think equally important to that, we need to put a broad restriction on all outside funds and the use of those funds that might go to those nonprofit organizations that are not Federal dollars. Right now they receive bar moneys in some States and local government moneys, and they do things that are prohibited with Federal moneys right now with those funds. I am very pleased to hear that the gentleman from Massachusetts will be offering an amendment to address that problem in the area of lobbying. However, I do not think that we should stop there. I think we should have an across-the-board prohibition on the use of any Federal funds, or State funds, or municipal funds for any purposes, or bar funds or whatever, for any purposes prohibited by the authorization and by Congress. That does not mean ineligible clients cannot receive assistance, but if the activities indulged in by the legal services lawyers are something this body does not want them to do, then they should not do it under the color and name of the legal services, no matter what the source of funds.

Third, we do need to address lobbying. Some of that there may be some debate over; I am sure there will be, over how well it is addressed, but we are on the right track generally, and I am pleased to see that, but we also need to prohibit redistricting. We need to prohibit their activities, I should say, in redistricting activities. That is a highly political area, just like abortion and some other volatile areas are in the law today, and Legal Services Corporation needs to focus—it seems to me—on those things that are essential to the poor, the everyday, critical issues of landlord-tenant matters, of issues to the poor in terms of providing housing and every other matter. We need to get them to focus on those things which are critical to the poor and to expend the resources and direct them in the directions that will make a difference to the poor in the sense of everyday problems rather than in the past history which legal services all too often has done, and that is to look out for class action suits to try to change the conditions of the country as some of those attorneys in their wishes, and I understand their general principles, would like to do. There has been a desire to change the poverty laws of the country to eliminate poverty and to do a lot of crusading with legal services funds. That should not be the focus of the Legal Services Corporation. We need to get them out of that politicized arena and get them back focused again on providing the everyday bread and butter legal services to the poor.

Mr. Chairman, that is the objective this Member has. I think my colleagues on this side of the aisle share it. We look forward next week, to when we can debate the specific amendments and improve this legislation.

I thank the gentleman from Pennsylvania [Mr. GEKAS] for having yielded this time to me today.

Mr. BROOKS. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. FRANK].

Mr. FRANK of Massachusetts. Mr. Chairman, I want to thank the chairman of the full committee, the gentleman from Texas [Mr. BROOKS]. I think we sometimes overthank each other, but in this case it seems to me appropriate. I want to express to the ranking minority member, and the gentleman from Minnesota who is a member of the subcommittee, the gentleman from New Mexico who is absent, as well as the staff on the minority side, as well as the chairman and others, my gratitude.

I hope the Members have understood that the tone today is not an accident. Yes, there are differences that we will be debating on Wednesday. I think it is fair to say that they will be the smallest differences we have ever had in discussing the legal services piece of legislation since I have been here. That is because there has been a genuine spirit of cooperation between the majority and minority. It does not resolve everything, and it should not have resolved everything. There are some things that we take to the floor to decide. But I think we have narrowed the focus.

For example, Mr. Chairman, the gentleman from Florida [Mr. McCOLLUM] talked about redistricting. At full committee we adopted an amendment that says, "You cannot get engaged in redistricting in any partisan type of situation." So, congressional and State legislative redistricting, and municipal where it is partisan, county commissioners, that has been removed from their jurisdiction, and we may even be going further in that.

In particular I would like to stress to Members who may remember the last time we debated this on the floor at length, 1989. We had a very vote. This is not that fight.

□ 1340

The differences we debated in 1989 are far sharper than they are today. This does not mean we do not have important differences, but we are not talking about the kind of stark differences we were in 1989. We are talking about legal services. I appreciate the gentleman from Florida [Mr. McCOLLUM] and others acknowledging some of the things they found to be problems in the past are less problematic. Let us be clear as we talk about problems in the past that some of the problems in the past, particularly in the seventies—I must say—came from the legal service attorneys and grantees. But during the 1980's, more of the problems came, frankly, from members of the board and their executives.

Mr. Chairman, we had a record where board members were appointed who frankly were not doing their jobs very well. I will always remember the comment made by the gentleman from Virginia, who no longer serves with us, Mr. Butler, who said in 1982, after the new board members had been appointed by the Reagan administration and he listened to some of the things that they had been doing, "My God; our crazies are worse than their crazies."

Now, I think what we have managed to do is diminish the reign of both sets of crazies. But let us remember that there were abuses on both sides. There were problems that the Senate had with regard to appointments. There were chief executives who were thrown out.

We now have a better functioning, albeit not perfect, Legal Services, than we had before.

I will appeal to Members now and again next week not to refight the old fights, not to refight those grantees that went too far, those board members who were abusers, those chief executives who had to be kicked out. Let us talk about how this program ought to function.

Mr. Chairman, I think we have a bill which meets all the legitimate concerns. There will be some differences at the margins. We will debate those.

Let me say with regard to competition, I think it is a little bit of a mistake here to talk about competition. Ordinarily the benefits of competition are more efficiency, et cetera.

Legal Services attorneys are now by far the lowest paid lawyers working anywhere in the Federal Government. You take the average bill from a firm that has got a contract with the RTC or the FDIC and it is probably more than an entire State of medium size gets to fund all of legal services for all the poor people.

Mr. Chairman, we are talking about bright and dedicated attorneys who work for salaries of $20,000 to $25,000 a year. We and the Legal Services Corporation program are the beneficiaries of some of the most dedicated public service provided anywhere in this country by young attorneys who voluntarily work for one-third, one-fourth, in some cases one-tenth of what they could get elsewhere.

We should monitor it, we should check their zeal if it is excessive, but to institute that kind of competition first with the lowest paid lawyers in our Government when we ignore that kind of operation in the FDIC and the RTC and everywhere else, seems to me a mistaken set of priorities. We get a very great bargain in Legal Services.

We have improved it in the past. The gentleman from Florida [Mr. McCOLLUM] had an amendment which is now in effect that says that the majority of any board of any local Legal Services Corporation has to be selected from that bar association in that area, and we have enforced that and made them stick to it.

We are restricting lobbying of the grass roots sort. We are restricting redistricting. We are keeping them to their essential purpose.

I would only close by saying this, Mr. Chairman: People are going to hear, as they always do in this situation, horror stories. Note the date on those horror stories. They have gotten pretty old.

The abuses Members will hear will be the abuses of the seventies and the early eighties in terms of this Congress. We are not refighting old battles; we are setting forward a charter for a group of enormously dedicated people who do very important work for lower income people in this country.

Mr. Chairman, I hope the House will be supportive of the work we have done.

Mr. GEKAS. Mr. Chairman, I yield 3½ minutes to the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Chairman, I rise in support of the efforts of our colleagues, Mr. STENHOLM and Mr. McCOLLUM, to implement essential reforms for the Legal Services Corporation.

I am particularly supportive of the provisions directed at problems facing the agricultural community because of the activities of Legal Services Corporation grantees.

While I support the concept behind the Legal Services Corporation, I believe many legal services attorneys have overstepped their authority in the past few years and forced many good farmers to go bankrupt and lose their farms.

For many, many years, there has been a close working relationship between farmers in my district and the migrant workers they employ. When the Migrant and Seasonal Worker Protection Act became law, the farmers tried their best to comply with the law.

Unfortunately, not every farmer knew every provision of the law and minor infractions resulted in court cases brought against farmers by attorneys of Legal Services Corporation grantees. These are not, in most instances, flagrant violations. For example, suit has been brought because a farmer forgot to write the designation "U.C." for unemployment compensation on the wage statement one week. Every other week the "U.C." was written in the appropriate block. The proper amount was deducted from the worker's pay each week; but, because of a minor oversight one week, legal action was taken. Another case involved a farmer who had not displayed the required MSPA poster.

Finally, there was a case where an unemployed migrant family approached a farmer and requested work. The farmer had no work for the family; however, they pleaded for a place to stay overnight. They had two small children with runny noses and no shoes. The farmer, concerned about the children staying outside at night, finally gave in and told them they could stay the night. However, the only room he had left was in a facility he was no longer using. His only request was that they leave first thing in the morning. In the morning, the family refused to move and continued to plead with him for employment. He finally acquiesced and provided the father with a job. He then tried to move the family to acceptable housing, but they refused to leave the trailer in which they had been staying.

The father eventually quit his job with the farmer. However, he still refused to leave the trailer. A magistrate wrote an order requiring the family to leave, but it was not enforced. The Legal Services Corporation grantee entered the picture and threatened the farmer with a lawsuit. While the farmer did nothing wrong, he finally ended up paying the migrant worker $650 in damages plus his own legal fees.

I have outlined some other cases which illustrate this point in a series of Dear Colleague letters I have sent. While these issues needed to be addressed, they did not require lawsuits.

Mr. Chairman, migrant labor is important to the 19th Congressional District in Pennsylvania. Farmers need the migrant workers and the workers need the farmers. Farmers know if they abuse the workers, they will not get a good day's work for a day's pay. There is every reason for them to try to work things out. In fact, most of the farmers would be quite willing to negotiate with the migrant workers and their attorneys to avoid court proceedings. Negotiation, however, does not appear to be on the agenda of the advocacy groups funded through the Legal Services Corporation. At this point, the farmers do not trust the workers and the workers do not trust the farmers. Some of these individuals worked together harmoniously for years before overzealous Legal Services grantees came on the scene.

The sad part of this story is that for every farmer that goes out of business because of unnecessary lawsuits, numerous migrant workers become unemployed. Before lawsuits are filed, we need to require that administrative remedies be exhausted. This action protects the farmers and the farmworkers alike.

Mr. Chairman, I support the original mandate of the Legal Services Corporation to provide affordable, effective legal representation to those who cannot otherwise afford it. What I question, however, is the unfair treatment of hardworking farmers by certain Legal Services Corporation grantees whose efforts are of questionable long-term benefit to the well-being of migrant workers.

I urge my colleagues to support the reform efforts offered by Mr. STENHOLM and Mr. McCOLLUM aimed at providing accountability to stem the unethical and predatory practices of some grantees.

Mr. BROOKS. Mr. Chairman, I yield 3 minutes to the gentleman from Rhode Island [Mr. REED], a distinguished member of the Subcommittee on Administrative Law and Governmental Relations of the Committee on the Judiciary.

Mr. REED. Mr. Chairman, I thank the gentleman from Massachusetts [Mr. FRANK], the chairman of the Subcommittee on Administrative Law and Governmental Relations, and the gentleman from Texas [Mr. BROOKS], the chairman of the Committee on the Judiciary, for their efforts.

Mr. Chairman, a few hundred yards from here is the Supreme Court. Engraved above the entryway to that great institution is the motto "Equal justice under law." That is a basic tenet of our American system of government.

For thousands of people, the Legal Services Corp. ensures that that motto is not simply a cold metaphor, but it is a vital and vibrant reality. And it is important to recognize that as we consider this legislation.

Mr. Chairman, the Legal Services Corp. provides assistance for low income Americans. It gives them their day in court. The base of our system of justice is that everyone does deserve that day in court and also the representation to make it effective.

□ 1350

The Legal Services Corp., deals with the issues that are important to working people throughout this land. Thirty-one percent of their cases are with respect to family law. Twenty-two percent involve housing issues. Seventeen percent are with respect to income maintenance for families. Eleven percent are with respect to consumer cases.

Of the remaining 19 percent of their caseloads, it deals with education, employment, health, and individual rights.

These are vital issues for all Americans. Low-income Americans need access to our courts just as the wealthy do and have such access.

The legislation before us attempts to impose a balance between the need for equal, fair representation and a system that operates fairly, reasonably, and efficiently. I believe the legislation has accomplished that goal. It is imposing local control, local priority setting, local management, and a commitment to the highest standards of professional conduct.

In sum, this legislation lays out an appropriate, proper legal agenda, not a political agenda, consistent with our highest ideals and aspirations as a nation. It imposes restraints, wise restraints on the operation of Legal Services Corp. in terms of recordkeeping and many, many other aspects of their operation. It is legislation that we must support, if we do indeed believe that the motto "Equal justice under law" is something more than words.

Mr. GEKAS. Mr. Chairman, I yield 5 minutes to the gentleman from Arizona [Mr. KOLBE].

Mr. KOLBE. Mr. Chairman, I rise today to discuss H.R. 2039, which would authorize the Legal Services Corporation [LSC]. The LSC has lacked formal authorization by Congress since 1980—and for good reason. What started as a noble cause to help the poor obtain legal counsel deteriorated into a tangled web of partisan politics.

The problems that have plagued the LSC in years past continue to this day. As a result, the Legal Services Corporation reauthorization bill is very important for implementing needed reforms of the LSC. The bill before us today, however, will not do that without further amendment.

A series of amendments will be offered to provide for real reform of the LSC. I would encourage my members to support this effort.

If the Rules Committee will grant it, I will also be offering an amendment to this bill. My amendment would bring some fiscal integrity to the Legal Services Corporation Board, which—based on its latest budget request—is obviously lacking.

For fiscal year 1993, the Legal Services Corporation Board has sent to Congress a budget request of $525 million. This represents a 50-percent increase over the fiscal 1992 funding level of $350 million.

We should be appalled by this request. It is disingenuous—and the LSC Board knows it—for at least two reasons.

First, the request promotes false hopes among the very people the LSC is designed to help—the underprivileged and the poor who cannot afford proper legal representation. Legal Services is not going to get a 50-percent funding increase. This insincere request will raise sincere expectations for individuals across the country who legitimately need legal services provided by the Legal Services Corporation.

The second reason the LSC Board request is disingenuous is that it sets up Congress to be the bad guy. My colleagues who support the LSC should take notice. Make no mistake, it will be you who will be accused of not fully supporting the LSC when a appropriation far below the requested $535 million comes to the floor later this spring.

I sit on the Commerce, Justice, State Appropriations Subcommittee, and I know there is no possibility of this request being funded in our fiscal year 1993 bill. The LSC Board has made funding LSC activities an impossible task for fiscal year 1993. No matter what we do on our subcommittee, we will be accused of not supporting the LSC.

As a result, I will be offering an amendment to the Legal Services Corporation reauthorization bill to bring some fiscal integrity to the program.

Instead of authorizing "such sums" as H.R. 2039 currently reads, my amendment would authorize $395 million for fiscal year 1993 and increases pegged to inflation through fiscal year 1996; $395 million is a 14-percent increase over the $350 million appropriated for fiscal year 1992.

Although the President does request funds for the Legal Services Corporation, that request does not go through the OMB review process. In fact, there is no real oversight over the Board's requests—except what we provide. Therefore, it is our responsibility to bring fiscal responsibility to this program.

Five members of the LSC Board, including two former Members of this body, also recognize the absurdity of a 50-percent budget increase. These LSC Board members issued their own minority report in response to the request of the overall LSC Board. The minority report contains the $395 million request that is in my amendment.

These five members of the LSC Board recognize that we are facing a $400 billion deficit for fiscal year 1993. Apparently this message has not been heard by a majority of the LSC Board members. I include, with my statement, the entire report of the minority board, and ask that it be entered into the RECORD.

The minority report recognizes the potential damage a 50-percent requested increase could do to the Legal Services Corporation. In fact, the report states,

> It is our view that for the Corporation to request a 50 percent increase over its 1991 appropriation risks damaging the relationship with Congress it has worked so hard to foster.

I concur with this assessment.

The report further states,

> Entities which clamor for unrealistic appropriation increases, particularly in times of unusual economic hardship and budget crises, often discover that such a strategy is counterproductive and can hinder rather than enhance the likelihood of a higher appropriation.

Again, I concur with this assessment.

As I mentioned, the minority report contains an alternative budget request for $395 million for LSC activities, a 14-percent increase over fiscal year 1992, but a far cry from a 50-percent increase. And $395 million is a much more realistic ceiling for the Appropriations Committee to work from.

And I must emphasize that my amendment would authorize a ceiling, not a floor. I personally believe a 14-percent increase is too much. In today's budget climate, increases of this magnitude for any Federal program are out of the question.

The Bush administration requested $350 million for fiscal year 1993 which represents a freeze on funding from the fiscal year 1992 level. I would be inclined to support such a freeze. However, my amendment gives my colleagues more latitude than that—and for an authorization amount, I believe, having some latitude is reasonable.

My amendment allows those Members who choose to do so to continue their support for the Legal Services Corporation. After all, a 14-percent increase will rival or surpass nearly every other Federal program. But my amendment also gives those of us concerned about fiscal restraint the opportunity to send a message to the LSC that not only is a reform of its procedures due, but so is a reform of its view on funding.

I would urge Members to support my amendment when we vote on this bill next week.

Mr. Chairman, I include for the RECORD the alternative budget request for fiscal year 1993 to which I referred:

ALTERNATIVE BUDGET REQUEST FOR FISCAL YEAR 1993

LEGAL SERVICES CORPORATION,
Washington, DC, March 13, 1992.

Hon. NEAL SMITH,
Chairman, Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies, Committee on Appropriations, House of Representatives, Washington, DC.

DEAR CHAIRMAN SMITH: Enclosed please find a copy of an "Alternative Budget Request," a minority report of the Legal Services Corporation Board of Directors concerning the Corporation's FY 1993 Budget Request. You will notice that this request is for the amount of $395 million for FY 1993, which is $130 million less than The Budget Request of $525 million which you have already received.

We would like you to note that the list of supporters of this Alternative Budget Request does not constitute an insignificant minority of the Corporation's Board of (eleven) Directors. To wit, at the January 1992 Board meeting, the $525 million budget request was approved by a vote of just 5–2. The Alternative Budget Request has the sound endorsement of five (5) members of the LSC Board, including both of the Corporation's Directors who have served in Congress. As you can see, this request reflects a sober assessment of current economic conditions, and the reality of fiscal constraints in the appropriations process. In this request, we have sought to strike a balance between the need for more legal assistance for poor Americans and the practical concerns of a request for an increase in the Corporation's appropriation.

We gratefully acknowledge your consideration of this submission and the enclosed document.

W.L. KIRK, Jr.,
GUY V. MOLINARI,
JEANINE E. WOLBECK,
NORMAN D. SHUMWAY,
PENNY L. PULLEN.

LEGAL SERVICES CORPORATION PROPOSED BUDGET FOR FISCAL YEAR 1993

[In thousands of dollars]

	Fiscal year 1992 appropriation levels [1]	Proposed fiscal year 1993 increase [2]	Proposed fiscal year 1993 budget [3]
I. DELIVERY OF LEGAL ASSISTANCE	318,276	42,732	361,008
A. Field Programs	315,930	42,402	358,332
1. Basic field programs	296,755	40,067	336,822
2. Native American programs and components	7,848	1,060	8,908
3. Migrant programs and components	10,839	1,463	12,302
4. Special emergency funds	488	(188)	300
B. Supplemental service provision	2,346	330	2,676
1. Law school clinics	1,229	221	1,450
2. Supplemental field programs	1,117	109	1,226
II. SUPPORT FOR THE DELIVERY OF LEGAL ASSISTANCE	20,876	(1,284)	19,592
A. Training and technical assistance	1,997	(1,297)	700
1. Regional training centers	697	3	700
2. National resource/training center	1,300	(1,300)	—
B. Other support	18,879	13	18,892
1. National support	8,079	0	8,079
2. State support	9,263	0	9,263
3. Clearinghouse	966	9	975
4. CALR grants	571	4	575
III. CORPORATION MANAGEMENT AND GRANT ADMINISTRATION	10,848	3,552	14,400
A. Management and administration (W/O carryover)	9,774	2,226	12,000
B. Board initiatives	977	1,023	2,000
C. Client training/self-help programs	0	300	300
D. Special contingency funds	97	3	100
Total proposed budget	350,000	45,000	395,000

ALTERNATIVE BUDGET REQUEST

1. INTRODUCTION

In recent years, LSC has climbed above the acrimony and divisiveness which, in the past, has too often come to symbolize the Corporation's public image. As a result of the Corporation's responsiveness, Congress has shown an increased willingness to fund LSC at higher levels. In fact, Congress saw fit to raise the Corporation's appropriation last year by 7 percent. Congress did so at a time when cuts for other social services were imminent, and the Corporation and its recipients were grateful for this increase. At the same time, it is our view that for the Corporation to request a 50 percent increase over its 1991 appropriation risks damaging the relationship with Congress it has worked so hard to foster.

In fact, we encourage and support additional funding for this critical program, and under different economic circumstances would support an ultimate budget mark as proposed by the LSC Board's majority. However, we believe that it may be unreasonable for the Corporation to request a 50 percent increase over its FY 1992 appropriation.

As the Legal Services Corporation Board of Directors considers the level of an appropriate budget request to the Congress, it is important to keep in mind the numerous factors which influence such funding decisions. We recognize that Member of Congress who participate in the appropriations process are faced daily with difficult choices. Indeed, they must strive to strike a balance between the meritorious programs seeking increases in funding for worthy causes and the current economic climate—where funds are severely limited.

Legislators often make funding decisions based on rewarding those who strive diligently to do the best they can within the constraints of modest budget requests. Entities which clamor for unrealistic appropriations increases, particularly in times of unusual economic hardship and budget crisis, often discover that such a strategy is counterproductive and can hinder rather than enhance the likelihood of a higher appropriation.

It is in this environment, and with these concerns in mind, that the undersigned members of the Legal Services Corporation Board of Directors wish to submit an alternative budget request—a request which recognizes that current funding levels are insufficient to meet the legal needs of the nation's poor, but also recognizes the extraordinary economic and fiscal circumstances in which the country and its elective representatives currently find themselves. In light of such circumstances, and with an eye toward expanding the civil legal resources available to poor clients, a request of $395 million for FY 1993 seems both reasonable and worthy of serious consideration by the Congress. This increase would help fund initiatives which could significantly expand legal assistance, while utilizing the most economically effective and efficient means of mobilizing such assistance. Let us not be misunderstood—we encourage continued future increases in the Corporation's federal appropriations, aiming toward the majority budget mark . . . and beyond, for future funding years. But dramatic increases today seem unreasonable to us.

It is, therefore, our recommendation that the Congress consider an appropriation of $395 million for the Legal Services Corporation for FY 1993, followed by later increases. A series of annual increases would probably help programs expand, since the purchasing of capital assets, hiring and training of attorneys, paralegals and support staff and the efficient expansion of services all require time and careful planning.

Again, it must be emphasized that this alternative budget request is not intended to express a disagreement with the need for additional services to the poor. Funding at the levels requested by the majority would be of great benefit to the poor in this country, and we would request that Congress attempt to reach that level, and above, as soon as possible with due regard to the sources of income, as well as the ability of a program to grow effectively and efficiently within a relative funding period. In no way is this budget request intended to indicate that we would not support increased funds in whatever amount approved by Congress.

II. BUDGET IN BRIEF: DIRECT DELIVERY OF LEGAL SERVICES

A. Delivery of legal assistance

The Alternative Budget Request proposes an allocation of approximately 91 percent of the requested appropriation to fund direct delivery of legal services at the local level. To this end, $361,008,000 is earmarked to fund direct legal delivery of legal assistance by basic field programs, Native American programs and components, and Migrant programs and components. An additional $2,676,000 is allocated for funding law school clinics and supplementary field programs.

This budget request proposes $336,822,000 for basic field programs, $8,908,000 for Native American programs and components, and $12,302,000 for Migrant programs and components. These figures represent an increase of approximately 14 percent over the amount of funds available for these purposes in 1992.

The request for special emergency funds is $300,000, which is $188,000 less than the FY 1992 mark. Past experience has shown that, with the addition of the $300,000 requested in this budget, the Corporation will have adequate funds in reserve to meet any unanticipated emergencies.

Finally, $2,676,000 is requested for supplemental service, including $1,450,000 for law school clinics and $1,226,000 for supplemental field programs. This is a 14 percent increase over the amount available for supplemental service provision in FY 1992.

B. Support for the delivery of legal assistance

This request includes $19,592,000 for the support of delivery of legal services. Support includes funding for regional training centers, national and state support entities, the Legal Services Clearinghouse and grants to fund computer assisted legal research. The FY 1993 request for support is approximately 9 percent less than was available for support in FY 1992. One reason for this decline is a decision not to request funds for the National Resource/Training Center. This entity was funded at $1,300,000 in FY 1992, but the Board has not independently verified the necessity of these funds, or of the product which this center is supposedly producing. It seems that an emphasis on allocating scarce resources to direct delivery mechanisms instead of creating a potential redundancy in support functions is in the best interests of the poor, and a wiser and more efficient use of public resources.

This budget includes $8,079,000 for national support centers and $9,263,000 for state support centers—the same amounts available for these operations in FY 1992. Marginal increases for the Legal Services Clearinghouse and computer assisted legal research are recommended, funding at $975,000 and $575,000, respectively, for FY 1993.

Support centers provide little actual representation for poor clients: most of the support centers' "clients" are legal services programs and other publicly and privately funded organizations. In addition to producing publications and training materials, support centers lobby Congress, federal agencies and state legislatures on areas of interest related to their specialties in law. Support centers monitor legislation and the adoption of regulations that are of interest to their constituencies. Though the centers do occasionally represent poor clients, and sometimes provide co-counsel for legal services programs, field programs are the primary source of direct legal assistance for the indigent. Therefore, this budget proposes to direct the lion's share of LSC's anticipated budget increase to the field: to those entities which provide day-to-day legal assistance to poor people.

C. Corporate management and grant administration

This request anticipates $14,400,000 for Corporation Management and Grant Administration, which includes more than double the FY 1992 mark for Board Initiatives and a new line to provide training and self-help services to assist clients in *pro se* representation. The breakdown of this $14,400,000 is as follows: 1.) $12,000,000 is requested for management and grant administration; 2.) $2,000,000 is requested for board initiatives. These initiatives include the funding of demonstration projects for the purpose of maximizing the leveraging of available resources and using innovative techniques and funding mechanisms to increase the efficiency and effectiveness in the delivery of legal assistance; 3.) $300,000 is requested to fund client training/self-help programs. We have evidence that self-help programs have proven extremely successful as a cost-efficient alternative to costly litigation in certain areas of the law. For example, numerous self/help programs around the country have been able to provide the kind of training and support which allows plaintiffs in child support cases to effectively represent themselves. When clients are properly trained and prepared, their pro se representation frees up legal aid attorneys to serve clients in other cases. This kind of activity is a vital component in the overall matrix of legal services delivery, and the $300,000 requested for self-help in this budget would enable a large number of clients to effectively represent themselves in their personal pursuit to vindicate their rights, and; 4.) $100,000 in special contingency funds, to allow Corporation management to contend with unforeseen minor budgetary adjustments.

Concluding Remarks

The problem of access to justice for the poor in our country is without a doubt one of the most pressing social concerns. Meeting this need is not just an obligation of the federal government. The private bar, social service organizations and established charities can all play an important role in the provision of legal assistance for the indigent. This budget request reflects a recognition of the continuing need to fund legal services, as well as a responsible and pragmatic approach to the fiscal realities confronting the Congress and the nation. As previously stated, the undersigned members of the Legal Services Corporation Board of Directors welcome any increase in funding for civil legal services, without regard to its source. And, we will continue to work diligently to make access to justice a reality for all Americans. In this effort, we request that the Congress of the United States consider this budget request on its merits.

W.L. KIRK, Jr.,
GUY V. MOLINARI,
JEANINE E. WOLBECK,
NORMAN D. SHUMWAY,
PENNY L. PULLEN.

Mr. BROOKS. Mr. Chairman, I yield 5 minutes to the distinguished ranking Democrat on the committee, the gentleman from California [Mr. EDWARDS].

Mr. EDWARDS of California. Mr. Chairman, I rise today in support of H.R. 2039, the Legal Services Corporation authorization. I would like to commend both the chairman of the Judiciary Committee, JACK BROOKS, and the Administrative Law Subcommittee chairman, BARNEY FRANK, for bringing this bill to the floor. Both are good friends of mine whose work I respect greatly.

Mr. Chairman, the Legal Services Corporation [LSC] has gone 12 years without reauthorization. During that time, Congress and the administration have fought annual battles over the range of services which legal aid attorneys may provide their clients. Despite the uncertainty of changing Government regulations from year to year, these dedicated, capable attorneys continue to do their best to meet the legal needs of the poor.

It is time for this uncertainty to come to an end. The legal aid attorneys in our communities must have a set of regulations which guarantee a consistent source of funding and provide the flexibility they need to carry out their mission.

H.R. 2039 meets that challenge. The bill provides the LSC with an authorization through fiscal year 1996, ensuring that the guidelines adopted in this legislation will govern legal services programs for the next 4 years. This kind of stability is long overdue.

This authorization measure also strengthens the local control which is crucial to the success of our legal aid system. These provisions reflect a very simple idea: that the local program governing bodies know better how to meet the needs of the poor in their communities than does an agency here in Washington. With this authority, local boards can set service priorities that make sense for the people they serve.

Local control over funding is another crucial right protected in H.R. 2039. Under the bill, the local governing body can make its own decisions about how it will use non-LSC funding from both public and private sources. This keeps the LSC out of the business of telling local agencies how to spend money it did not even provide.

Finally, H.R. 2039 sets standards and procedures for the LSC to follow in monitoring and evaluating the work of legal aid attorneys. This will prevent the LSC from conducting arbitrary and intrusive reviews of local legal services programs and will free the local attorneys to do the real work of serving the needs of their clients.

Mr. Chairman, the Legal Services Corporation authorization is long overdue. We need to send a signal to those attorneys who are dedicated to serving the poor that we support and value their efforts. I urge my colleagues to support H.R. 2039.

☐ 1400

Mr. GEKAS. Mr. Chairman, I yield 4 minutes to the gentleman from Minnesota [Mr. RAMSTAD], an active member of our subcommittee.

Mr. RAMSTAD. Mr. Chairman, I thank the gentleman for yielding time to me.

Mr. Chairman, as a member of the Administrative Law Subcommittee, I rise to offer my support to reauthorize funding for the Legal Services Corporation. While I agree with the distinguished subcommittee chairman that we redefine hyperbole around here sometimes in overthanking people, I would be remiss were I not to thank the distinguished subcommittee chairman, the gentleman from Massachusetts [Mr. FRANK], as well as the ranking member, the gentleman from Pennsylvania [Mr. GEKAS], and certainly the distinguished chairman of the full Committee on the Judiciary, the gentleman from Texas [Mr. BROOKS], for their cooperation in letting this freshman Member be a participant in crafting this important legislation.

Mr. Chairman, appropriations riders currently prohibit using Legal Services Corporation funds to provide representation for indigent refugees and other aliens. However, an amendment I authored that was adopted by the Judiciary Committee, will continue the current practice of allowing private funds to be used for representation of these individuals.

This provision ensures that many people in need will be provided quality legal representation, while protecting the freedom of local United Ways, foundations, and other private funding sources to decide how funds are to be used.

These immigrant and refugee clients have presented some of the most desperate and heart-wrenching cases seen by legal services attorneys.

In Minnesota, for example, Southern Minnesota Regional Legal Services has received $500,000 from a consortium of eight foundations and corporations to provide civil legal services to Cambodian families who have settled in our State. Approximately one-half of these cases involve representation of Cambodian families currently living in refugee camps in Thailand who seek to reunite with Cambodians living in Minnesota.

There is strong support in the State of Minnesota for legal assistance to immigrants and refugees. This is demonstrated by the broad base of financial support from foundations, corporations, churches, private agencies such as Catholic Charities and United Ways, State and local governments, as well as the Minnesota State Bar Association.

While I recognize that fiscal realities require us to prioritize the use of Federal legal services dollars, we should not turn down refugees and other aliens who desperately need representation when private groups are willing to provide funding to represent these individuals.

As now drafted, H.R. 2039 will ensure that many needy people who are ineligible for Legal Services Corporation funds will be provided quality legal representation through the generosity of local Untied Ways, foundations and other private funding sources.

Mr. Chairman, H.R. 2039 is a sound approach to provide responsible funding for legal services, while ensuring accountability on the part of local legal services programs.

I urge my colleagues to support reauthorization of Legal Services Corporation funding.

Mr. BROOKS. Mr. Chairman, I yield 4 minutes to the gentleman from Oregon [Mr. KOPETSKI], a distinguished member of the committee.

Mr. KOPETSKI. Mr. Chairman, I thank the gentleman from Texas, the distinguished chairman from the full committee for yielding time to me.

Mr. Chairman, I do rise in support of H.R. 2039. This bill addresses the basic question of whether equal justice in our society is going to be merely a caption on the facade of the Supreme Court Building, or whether it is going to be an inspiring ideal for our society.

Mr. Chairman, this bill represents an outstanding effort to address the perceived abuses critics claim Legal Services attorneys engaged in, while preserving the rights of the poor and disadvantaged to effective legal representation.

That is, after all, the purpose of the legal services program as intended by Congress, to provide the full array of advocacy measures for the poor that private practice provides clients.

Since its inception under Richard Nixon in 1974, legal services programs have compiled a remarkable record in helping America's poorest citizens gain access to justice. By any standard, it is an efficient and productive program that enjoys widespread and bipartisan support; 97 percent of the funds legal service programs receive result in the delivery of legal assistance, while only 3 percent goes toward management and grant assistance. The American Bar Association and State and local bars in 38 States condemn the so-called reform efforts offered in opposition to H.R. 2039.

Despite the program's success, today legal services finds itself under attack, under the guise of reform efforts, which in fact offer nothing less than the prospect of denying equal access to our system of justice for the poor.

If you listen to critics today, you would believe that legal services programs have strayed from their original intent and, therefore, reform is necessary. Opponents of H.R. 2039 claim legal services attorneys are engaged in a nationwide program of extreme political activism and harassment of innocent defendants. Both claims are baseless. Less than .2 percent of program funds are spent on legislative representation, while less than .2 percent of cases are brought as class actions suits. Similarly, there is no statistical evidence pointing to law suits without merit filed by legal services attorneys. In fact a study by GAO revealed a complete absence of any evidence of systematic abuses. Furthermore, there has not been a single instance in which rule 11 sanctions were imposed on a legal service attorney.

However, legal services is not without its flaws, and H.R. 2039 responsibly addresses the political controversies which have surrounded the program.

First, it strengthens local control by local bar appointed governing bodies. The principle of local control is the bedrock of legal services programs. There is the necessity to ensure control by local attorneys, clients, and citizens who understand the needs and resources of the communities. Priorities should not be set by bureaucrats in Washington.

Mr. Chairman, H.R. 2039 continues to prohibit grassroots lobbying and political activities. It restricts direct legislative advocacy and administrative rule making. However, the bill retains the basic right of individuals to challenge actions taken by public officials.

There is no support in the legislative history to indicate legal services should be restricted to one-on-one representation, avoiding controversial issues. The reality of the situation is that legal services in concerned with broader social issues, which conflict with government at all levels and, thus, is subject to unusually strong political pressures.

In this context, H.R. 2039 recognizes that the poor are the segment of society most heavily and directly subject to bureaucracy. A significant percentage of the legal problems faced by poor people arise out of dealings with all levels of administrative agencies. To prohibit representation before these agencies would be no different than limiting representation in court. Therefore, while restricting legislative and administrative advocacy, the bill permits direct representation of clients before administrative agencies in rule making as well as particular individual claims and before legislative bodies if the project director determines the client is in need of legislative relief or the representation is necessary to protect the clients existing rights or interests.

The bill adds new prohibitions on congressional and State legislative redistricting activity. Answering the charges of critics who claim legal services attorneys should not engage in political activities with Federal funds. The bill permits legal services involvement in cases of purely local importance for the poor community that seeks redistricting as a remedy for problems affecting that community. Contrary to charges, this activity is not politically motivated. Rather, it focuses on challenges to efforts by local governments to dilute voting strength. In doing so, legal services programs preserve clients' fundamental civil rights under the Constitution and Voting Rights Act.

First, the bill permits defendants in actions brought by legal services attorneys to recover costs and attorneys fees where the court finds the plaintiff's case was "frivolous, unreasonable or without foundation"; that the case was brought for the purpose of "harassment or retaliation"; or that the plaintiff "maliciously abused the legal process."

In response to charges that legal services attorneys are quick to sue the bill requires legal services programs to attempt to settle disputes prior to filing suit and to use alternative dispute resolution programs.

The bill addresses grower concerns of improper solicitations outside the context of outreach activities.

Finally, and most significantly, the bill requires client written retainer agreements that must include a recitation of the facts on which the claim is initially based.

H.R. 2039 draws an appropriate balance between critics and supporters of legal services. Taken together, the reform provisions included in the bill make it less likely that meritless cases are brought and ensure that growers will have the ability to defend actions.

Critics question the sufficiency of these measures. In there to reform legal services, they would place stringent prohibitions and burdensome regulations on legal services attorneys. In doing this they ignore a basic tenet of the program: The goal is to improve access to justice rather than restrict it. Reformers would treat legal services attorneys differently than any other attorney, often placing legal services attorneys in untenable ethical positions. If you believe that it is fundamental that justice should be the same, in substance and availability without regard to economic status, you will reject these purported reform efforts.

Mr. Chairman, the Pledge of Allegiance states "with liberty and justice for all." Unfortunately, notwithstanding the existence of more than 750,000 attorneys in this country approximately 80 percent of the legal needs of poor people go unmet. While poor people's need for services has grown dramatically in the last decade, the resources available to address these needs have continued to decline. Funding for legal services is about 40 percent less than in 1981 adjusted for inflation.

Federally funded legal programs throughout this country are the best hope this country has of fulfilling its promise of equal access to justice for all its citizens. Today, we can act to ensure that equal justice under the law is not just an inspiring phrase etched on the Courthouse wall, but a real and attainable promise for all Americans.

Mr. GEKAS. Mr. Chairman, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOKS. Mr. Chairman, I yield back the balance of my time.

□ 1410

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. MURTHA) having assumed the chair, Mr. CONDIT, chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 2039) to authorize appropriations for the Legal Services Corporation, and for other purposes, had come to no resolution thereon.

LEGISLATIVE PROGRAM

(Mr. GINGRICH asked and was given permission to address the House for 1 minute.)

Mr. GINGRICH. Mr. Speaker, I take this time for the purpose of receiving the schedule for next week from the distinguished majority leader, and I am glad to yield to him for that purposes.

Mr. GEPHARDT. I thank the gentleman for yielding.

Obviously we are finished voting today.

On tomorrow there will not be votes.

On Tuesday, April 7, the House will meet at noon to consider six suspensions. Recorded votes will be postponed until debate on all suspensions is completed. The bills will be:

H.R. 4184, to designate the Edward P. Boland Department of Veterans Affairs Medical Center;

H.R. 4712, to amend the Child Abuse Prevention Treatment Act;

H.R. 4276, Historic Sites Selection Reform Act of 1992;

H.R. 3665, Little River Canyon National Preserve Act; Delaware River; and

S. 749, Mound City Group National Monument.

On Wednesday, April 8 and the balance of the week we will meet at 2 on Wednesday, although I am told, depending on business, we may need to come in earlier on Wednesday, depending on the number of matters that need to be dealt with.

The House will meet at 11 on Thursday and if action is needed on Friday. We will be taking up H.R. 2039, the Legal Services Reauthorization Act, completing consideration; H.R. 3750, the campaign spending limit and election reform conference report, 1 hour of debate; and a House resolution is likely in a House administrative reform proposal, subject to a rule.

Other conference reports may be brought up at any time, and there may be other legislation on the RTC that may be necessary next week as well.

Mr. GINGRICH. Let me ask a couple of things if I might. As Members plan for next week, how likely does the gentleman think it is that there will be votes on Friday?

Mr. GEPHARDT. My opinion is that it is not that likely. But I cannot give a guarantee now that we will not absolutely need to be here on Friday. We will make every effort to finish on Thursday evening.

Mr. GINGRICH. Let me say on our side we are working on another approach on the Resolution Trust Corporation funding, and hopefully on a bipartisan basis we might be able to actually pass that before the break for Easter. I know it is an important issue.

There are two other bills I want to ask about. One, since we failed last week to override the President's veto on the economic growth bill, is there any planning or preparation on your side, are we likely to see either next week or upon coming back at the end of the Easter recess a bill that would try to cut taxes and create incentives for the economy? Do you folks in the majority have any plan for bringing something like that to the floor?

Mr. GEPHARDT. We are having communications about it, and I am sure there will be communications with Members on the other side. There is nothing definite at this point. There will be nothing next week on that, but perhaps after that something could be brought up.

Mr. GINGRICH. Let me mention one other thing. As you know, educational reform and the need to make sure that all Americans have an adequate opportunity to learn enough so that we can compete in the world market and have good jobs is an issue that I know you care a lot about and have spoken on. H.R. 3320 was reported out on November 7 and placed on the Union Calendar. We would simply urge the Democratic leadership to consider possibly next week bringing it to the floor. We would be willing to cooperate in an open rule, if necessary, or in a rule crafted to allow the chairman and others to offer some amendments. But we would hope, in the light of all of the efforts that the President is making, and Secretary Alexander is making that we might approach the possibility of bringing up the Education Reform Act, H.R. 3320, and actually trying to produce it as a bipartisan effort to truly reform and create the beginnings of reform in education. I do not know if there is any possibility on your side that that bill, which was reported last November, might be brought to the floor.

Mr. GEPHARDT. We will check on that possibility. We share the gentleman's interest in being able to move forward in this important area. I cannot assure the gentleman one way or the other as to whether it will be next week, given the schedule we have. But we will look at it and try to give due attention to it, and try to bring it here as quickly as possible.

Mr. GINGRICH. I thank the majority leader.

ADJOURNMENT FROM FRIDAY, APRIL 3, 1992 TO TUESDAY, APRIL 7, 1992

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow, Friday, April 3, 1992, it adjourn to meet at noon on Tuesday, April 7, 1992.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. GEPHARDT. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

WHITE HOUSE SPIN CONTROL ON PRE-WAR IRAQ POLICY

(Mr. SKAGGS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SKAGGS. Madam Speaker, there is a story the White House does not want told. It is a story about the administration's embarrassingly pro-Iraq policy—a policy it was lobbying hard for in these halls up until the week before Iraq's invasion of Kuwait. And it is a story that reveals a cynical disregard for the awful dimensions of Saddam Hussein's rule during a period in which the President chose to play political roulette in the Persian Gulf. It is a story, too, about reaping what you sow—when you plant duplicitous seeds in the shifting sands of Middle East politics.

George Bush led this country to war against Iraq—but he did not give Americans the whole story. He did not reveal the truth, the truth about the administration's prewar support of Iraq. And when Congress demanded answers, the White House conspired to withhold the facts. This National Security Council memorandum reveals an elaborate spin-control scheme—a scheme to make Dr. Jekyll look like Mr. Hyde.

This document, Madam Speaker, I am sorry to say, is evidence of a deliberate and concerted effort to thwart congressional efforts to gain information on the Bush administration's prewar support of Iraq. This NSC memorandum is yet another example of the President's people conspiring to keep both Congress and the American people in the dark.

George Bush has said he would do anything to get elected, and this document helps confirm it. The White House says Congress is not doing its job? We are trying, Mr. President, but first you need to stop blocking the road.

The NSC memorandum follows:

NATIONAL SECURITY COUNCIL,
Washington, DC, April 8, 1991.

Memorandum for Jeanne S. Archibald, C. Boyden Gray, Fred Green, Michael Luttig, Terrence O'Donnell, Alan Raul, Elizabeth Rindskopf, Edwin Williamson, and Wendell Willkie.

Subject: Meeting on congressional requests for information and documents.

First of all, I apologize to Treasury and Agriculture for not inviting them to the meeting today on responding to congressional requests for information and documents pertaining to U.S.-Iraq policy prior to August 2, 1990. At the meeting, it became apparent that these departments should have been present. I shall schedule a meeting for tomorrow on requests pertaining to the BNL/CCC matters to which Agriculture and Treasury will be invited.

After reviewing the requests thus far received for information, today's meeting concluded that:

Department General Counsels should review and inventory all requests to determine which, if any, raise issues of executive privilege (deliberative process, foreign relations, national security, etc.);

Alternatives to providing documents should be explored (e.g., briefings);

When access to documents may be recommended, such recommendation should be circulated to this group for clearance;

A recommendation to provide access should be restricted to members only subject to these conditions: no document may be retained; notes may be taken but should be marked for classification by the department or agency in question. (FYI: our legislative affairs office recommends against insisting that members come to departments to read documents.); and

In any event, departments and agencies should seek guidance from this group in cases of doubt.

I hope you agree that this summary fairly represents where we came out.

NICHOLAS ROSTOW,
Special Assistant to the
President and Legal Adviser.

□ 1220

MEDICARE DURABLE MEDICAL EQUIPMENT PATIENT PROTECTION ACT OF 1991

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. PANETTA] is recognized for 5 minutes.

Mr. PANETTA. Mr. Speaker, today, I am introducing the Medicare Durable Medical Equipment Patient Protection Act of 1992. This bill is designed to assure that elderly and disabled Medicare recipients get the medical equipment and supplies that they may need while protecting them from the few unscrupulous providers of these services who would sell them unnecessary items or who would attempt to overcharge the beneficiaries and the Federal Government.

I am extremely alarmed by the growth in the cost of the Medicare Program. Abuse and fraud in the sale of medical equipment and supplies contribute to this problem. Medicare spending tripled between 1980 and 1990 and will triple again by the turn of the century. To a large extent, the Medicare growth reflects our inability as a nation to control health spending. Health programs are consuming an ever greater proportion of the Federal budget and at their current rates of growth, it will not be possible to permanently reduce the Federal deficit unless the major health programs, Medicare and Medicaid, can be controlled.

Given the amounts that the elderly and disabled, as well as the Federal Government, pay for medical services which truly are needed, it is unconscionable that there are some who would prey on this vulnerable population by selling them unnecessary items. While such is not the case with most Medicare suppliers of durable medical equipment, there are some who have involved themselves in an array of abusive and sometimes fraudulent activities to cheat the Government and the elderly. The legislation which I am introducing today is designed to bring an end to illegitimate practices, including:

Duping Medicare beneficiaries into accepting medical equipment that they do not need;

Falsifying medical test results to establish an inappropriate need for equipment;

Establishing shell offices in order to bill Medicare at the highest possible reimbursement levels;

Unbundling medical bills into their component parts so that a higher total amount may be charged to Medicare; and

Paying kickbacks.

The Budget Committee highlighted these problems in a report which we released last fall, "Management Reform: A Top Priority for the Executive Branch." This report identifies serious deficiencies in the way that the administration is managing a number of Federal programs. Quite often, we discuss the need for additional funding in high priority public activities. However, it is essential that the moneys which are available be spent as efficiently as possible. Our report challenges the administration to improve the day-to-day management of Federal programs. As a follow-up to that report, I recently wrote to the General Accounting Office asking for a review of the management of Medicare by the contractors who process program claims and oversee operations and submit a report to Congress on proven efficiencies which should be instituted on a nationwide basis.

Several bills designed to address problems in the sale of durable medical equipment to Medicare beneficiaries already have been introduced in the House. I want to add my voice to the concerns that these bills already have raised.

I also want to commend the chairman of the Senate Budget Committee for a series of hearings that he held last summer to highlight some of the problems in the purchase of durable medical equipment. The problems were brought to his attention through a case that has been euphemistically called carrier shopping. What this really means in terms that we can all understand is ripping off the Government. A company in Pennsylvania went to Tennessee and purchased the invoices for equipment that the Tennessee company already had sold to Medicare beneficiaries. These invoices were then filed in Pennsylvania where the Medicare carrier pays a higher amount for medical equipment and supplies. For example, ostomy pouches—which are needed by patients who have had a portion of their intestines or urinary tract surgically altered—were reimbursed at $17 per box in Tennessee and $40.70 in Pennsylvania. When combined with other legal and illegal practices such as unbundling and price markups, Medicare sometimes reimbursed at levels which were many times the original cost or retail price of the product. The inspector general of the Department of Health and Human Services reported, for example, that the Medicare carrier in Pennsylvania paid almost $250 for a wheelchair cushion that cost a supplier $8 and $435 for a bed pad that cost $40.

The legislation which I am introducing builds on that which already is being debated in the Congress. It will help save millions of dollars in the Medicare Program. Of equal importance, the legislation is intended to bring a halt to abusive and fraudulent practices by establishing national uniform standards and fees for companies that sell medical equipment and supplies to Medicare patients; limit the number of carriers who may pay Medicare bills for medical equipment and supplies so that an expertise can be developed in the review and processing of payments for these services; eliminate the practice of carrier shopping by requiring that all bills be paid by the Medicare carrier serving the area where the Medicare beneficiary resides; and establish application procedures and standards for companies that sell medical equipment and supplies to Medicare beneficiaries.

While the problems in the sale of durable medical equipment have been well documented, many leaders in the industry have come forward to call for reform and to make suggestions on how this might be accomplished. I want to commend such leadership.

We should never tolerate fraud and waste in the use of public money. But such abuse is that much more intolerable when we consider the fact that the moneys that have been inappropriately used for durable medical equipment could be used to help extend health insurance coverage for over 34 million of our citizens who currently are uninsured.

The following is the text of the bill:

H.R. 4759

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Medicare Durable Medical Equipment Patient Protection Act of 1992".

SEC. 2. RESTRICTIONS ON CARRIERS.

(a) LIMIT ON NUMBER OF REGIONAL CARRIERS; PROHIBITION AGAINST CARRIER FORUM SHOPPING.—Section 1834(a)(12) of the Social Security Act (42 U.S.C. 1395m(a)(12) is amended to read as follows:

"(12) USE OF CARRIERS TO PROCESS CLAIMS.—

"(A) DESIGNATION OF REGIONAL CARRIERS.—The Secretary may designate, by regulation under section 1842, one carrier for one or more entire regions (but not more than 5 for all regions) to process all claims within the region for covered items under this section.

"(B) PROHIBITION AGAINST CARRIER FORUM SHOPPING.—(i) No supplier of a covered item may present or cause to be presented a claim for payment under this part unless such claim is presented to the appropriate carrier.

"(ii) For purposes of clause (i), the term 'appropriate carrier' means the carrier having jurisdiction over the geographic area of the residence of the patient to whom the item is furnished, except that—

"(I) in the case of a patient who resides not more than 60 miles from a geographic area over which a second carrier has jurisdiction, such term may include the second carrier;

"(II) in the case of a patient who, at the time the item that is the subject of the claim is furnished, is temporarily residing in a geographic area other than the area of the patient's residence, such term may include the carrier having jurisdiction over the geographic area in which the patient temporarily resides; and

"(III) such term may include any other carrier considered by the Secretary to be the most appropriate carrier with respect to the claim (based on the need to efficiently administer the processing of the claim).".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply with respect to contracts with carriers for items furnished on or after January 1, 1993.

SEC. 3. TREATMENT OF CERTAIN ITEMS AS COVERED ITEMS; USING REASONABLE COST AS BASIS FOR DETERMINING PAYMENT AMOUNTS.

(a) TREATMENT OF CERTAIN ITEMS AS COVERED ITEMS.—

(1) IN GENERAL.—Section 1861(n) of the Social Security Act (42 U.S.C. 1395x(n)) is amended by striking "iron lungs" and inserting "ostomy supplies, tracheostomy supplies, urologicals, surgical dressings and splints, casts, and other devices used for reduction of fractures and dislocations, iron lungs".

(2) TREATMENT AS INEXPENSIVE AND ROUTINELY PURCHASED ITEMS.—Section 1834(a)(2)(A) of such Act (42 U.S.C. 1395m(a)(2)(A) is amended

(A) by striking "or" at the end of clause (i);

(B) by striking the comma at the end of clause (ii) and inserting ", or"; and

(C) by inserting after clause (ii) the following new clause:

"(iii) which consists of an ostomy supply, tracheostomy supply, urological, or surgical dressing or splint, cast, or other device used for reduction of fractures and dislocations,".

(3) CONFORMING AMENDMENTS.—(A) Section 1834(h)(4)(C) of such Act (42 U.S.C. 1395m(h)(4)(C)) is amended by striking ", catheter supplies" and all that follows through "ostomy care" and inserting "and catheter supplies".

(B) Section 1861(s) of such Act (42 U.S.C. 1395x(s)) is amended—

(i) by striking paragraph (5); and

(ii) in paragraph (9), by striking the semicolon at the end and inserting the following: ", but not including ostomy supplies, tracheostomy supplies, or urologicals;".

(4) EFFECTIVE DATE.—The amendments made by this subsection shall apply to items furnished on or after January 1, 1993.

(b) STUDY OF FEASIBILITY OF BASING PAYMENT AMOUNTS ON REASONABLE COSTS.—

(1) STUDY.—The Secretary of Health and Human Services, in consultation with carriers under part B of the medicare program and representatives of suppliers of durable medical equipment under the program, shall conduct a study of the feasibility and desirability of basing payment amounts for covered items of durable medical equipment, prosthetic devices, and orthotics and prosthetics under such program on the reasonable costs of such items.

(2) REPORT.—Not later than January 1, 1994, the Secretary shall submit a report on the study conducted under paragraph (1) to Congress, and shall include in the report any recommendations considered appropriate by the Secretary for changes in the manner in which payment amounts are determined under the medicare program for the items that are the subject of the study.

(c) GUIDELINES FOR DETERMINING MEDICAL EFFECTIVENESS AND PERMITTING PAYMENT FOR UPGRADED ITEMS.—Not later than January 1, 1994, the Secretary of Health and Human services shall establish and publish updated guidelines for carriers under part B of the medicare program that describe the conditions under which—

(1) covered items of durable medical equipment, prosthetic devices, and orthotics and prosthetics shall be considered medically effective when furnished to an elderly patient and when furnished to a disabled patient; and

(2) a supplier of such items may furnish a patient with an item in excess of or more expensive than the standard version of the item for which payment may be made under the program.

SEC. 4. CERTIFICATION AND DISCLOSURE REQUIREMENTS FOR SUPPLIERS OF DURABLE MEDICAL EQUIPMENT.

(a) MANDATORY SUPPLIER CERTIFICATION.—

(1) IN GENERAL.—Section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)) is amended by adding at the end the following new paragraph:

"(17) CERTIFICATION OF SUPPLIERS.—

"(A) IN GENERAL.—Notwithstanding any other provision of this Act, no payment may be made under this part for any covered item furnished during a year (beginning with 1993) by any supplier unless the Secretary certifies (or has certified during the 4 years preceding the year) that the supplier meets the certification standards established under subparagraph (B).

"(B) ESTABLISHMENT OF STANDARDS.—The Secretary shall establish and publish certification standards for suppliers on the basis of such criteria as the Secretary considers appropriate, and shall include in the standards a requirement that the supplier furnish the Secretary with the following information:

"(i) Whether the items furnished by the supplier are purchased, warehoused, and shipped directly by the supplier or under arrangements with other suppliers.

"(ii) The identity of subcontracting or subsidiary entities or entities with which the provider is doing business which are advertising or marketing firms directly or indirectly involved in furnishing covered items to individuals entitled to benefits under this title.

"(iii) A description of all items and services furnished by the supplier to individuals eligible for benefits under this title and to providers of services or other entities furnishing items and services for which payment may be made under this title.

"(iv) A list of all States and counties in which individuals reside to whom the supplier furnishes items or services for which payment is made under this title or under a State plan for medical assistance under title XIX.

"(v) Any additional information the Secretary considers appropriate.

"(C) FEES AUTHORIZED FOR CERTIFICATION.—The Secretary of Health and Human Services may require a supplier to make a payment of an administrative fee (not to exceed $100) with respect to a certification or renewal of a certification under this paragraph. Any fees collected by the Secretary pursuant to this subparagraph shall be deposited in the Federal Supplementary Medical Insurance Trust Fund and shall be available only for the administration of this part.

"(D) WAIVER OF REQUIREMENTS FOR CERTAIN SUPPLIERS.—The Secretary may waive or modify any of the certification standards established under subparagraph (B) or the payment of a fee required under subparagraph (C) with respect to a supplier if the Secretary determines that the majority of the items furnished by the supplier are inexpensive or routinely purchased items under paragraph (2) or that less than 25 percent of the supplier's annual gross revenues is attributable to the furnishing of covered items under this title.".

"(2) CONFORMING AMENDMENT.—Section 1834(h)(3) of such Act (42 U.S.C. 1395m(h)(3)) is amended by striking "Paragraph (12)" and inserting "Paragraphs (12) and (17)".

"(b) PROHIBITION AGAINST ISSUANCE OF MULTIPLE PROVIDER NUMBERS.—Section 1834(a)(12) of such Act (42 U.S.C. 1395m(a)(12)), as amended by section 2(a), is further amended by adding at the end the following new subparagraph:

"(C) PROHIBITION AGAINST ISSUANCE OF MULTIPLE PROVIDER NUMBERS.—A carrier may not issue more than one provider number to a supplier of a covered item unless the issuance of multiple provider numbers is appropriate because of significant differences among the items the supplier furnishes or the geographic regions the provider serves. Nothing in the previous sentence shall be construed to prohibit a carrier from issuing a new provider number to a supplier to replace an inactive or obsolete provider number.".

(c) LIMITATION ON EMPLOYMENT RELATIONSHIPS CONSIDERED BONA FIDE FOR EXEMPTION FROM ANTI-KICKBACK REQUIREMENTS.—Section 1128B(b)(3)(B) of such Act (42 U.S.C. 1320a-7b(b)(3)(B)) is amended by striking the semicolon at the end and inserting the following: ", except that any employment relationship between an employee of a nursing facility and a supplier of covered items under section 1834(a) or items described in section 1834(h) shall not be considered a bona fide employment relationship for purposes of this subparagraph;".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to items or services furnished on or after January 1, 1993.

SEC. 5. PRIOR APPROVAL AUTHORIZED FOR ITEMS FURNISHED BY SUPPLIERS ENGAGED IN FRAUD OR OTHER ABUSIVE PRACTICES.

(A) IN GENERAL.—Section 1834(a) of the Social Security Act (42 U.S.C. 1395m(a)), as amended by section 4(a), is further amended by adding at the end the following new paragraph.

"(18) CARRIER DETERMINATIONS OF ITEMS FURNISHED BY CERTAIN SUPPLIERS IN ADVANCE.—

"(A) DEVELOPMENT OF LIST OF SUPPLIERS BY SECRETARY—The Secretary shall develop and periodically update a list of suppliers that the Secretary determines (on the basis of criteria developed and published by the Secretary in consultation with representatives of suppliers, which may include prior payment experience)—

"(i) have engaged in activities which make the suppliers subject to a civil monetary penalty under section 1128A or to a criminal penalty under section 1128B;

"(ii) have furnished a substantial number of items for which payment was not made because of the application of section 1862(a)(1); or

"(iii) have engaged in a pattern of overutilization of items.

"(B) DETERMINATIONS OF COVERAGE IN ADVANCE.—A carrier shall determine in advance whether payment for an item furnished by a supplier included on the list developed by the Secretary under subparagraph (A) may not be made because of the application of section 1862(a)(1).".

(b) CONFORMING AMENDMENT.—Section 1834(h)(3) of such Act (42 U.S.C. 1395m(h)(3)), as amended by section 4(a)(2), is amended by striking "(12) and (17)" and inserting "(12), (15), (17), and (18)".

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to items and services furnished on or after January 1, 1993.

SEC. 6. STUDY OF IMPACT OF REFORMS ON ACCESS TO AND COSTS OF DURABLE MEDICAL EQUIPMENT FOR MEDICARE BENEFICIARIES.

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study of the impact of the amendments made by this Act on the access of individuals enrolled under part B of the medicare program to items of durable medical equipment under the program and the costs imposed on such individuals under the program for such items, and shall include in the study an analysis of the impact of the amendments on individuals enrolled under part B of the program who reside in rural areas.

(2) DURABLE MEDICAL EQUIPMENT DEFINED.—For purposes of paragraph (1), the term "durable medical equipment" means covered items under section 1834(a) of the Social Security Act and items described in section 1834(h) of such Act.

(b) REPORT.—Not later than January 1, 1994, the Comptroller General shall submit a report to Congress on the study conducted under subsection (a), and shall include in the report any recommendations considered appropriate for legislative or regulatory changes to improve the access of medicare beneficiaries to items of durable medical equipment and to control the costs imposed on beneficiaries for such items under the medicare program, including recommendations to impose maximum allowable limits on the amounts suppliers of such items may charge beneficiaries in the same manner as the limits imposed under the program on the amounts physicians may charge beneficiaries for physicians' services.

SEC. 7. STUDY OF ITEMS FURNISHED TO RESIDENTS OF NURSING FACILITIES.

(a) STUDY.—

(1) IN GENERAL.—The Comptroller General shall conduct a study of the types, volume, and utilization of items of durable medical equipment furnished under part B of the medicare program to individuals residing in skilled nursing facilities and intermediate care facilities, and shall include in the study an analysis of the need to apply additional controls on the utilization of such items by such individuals.

(2) DURABLE MEDICAL EQUIPMENT DEFINED.—For purposes of paragraph (1), the term "durable medical equipment" means covered items under section 1834(a) of the Social Security Act and items described in section 1834(h) of such Act.

(b) REPORT.—Not later than January 1, 1994, the Comptroller General shall submit a report to Congress on the study conducted under subsection (a).

GALLEGLY BILL TO USE VETERANS IN THE BORDER PATROL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. GALLEGLY] is recognized for 5 minutes.

Mr. GALLEGLY. Mr. Speaker, today I am introducing, on behalf of myself and Mr. HYDE, Mr. LOWERY of California, Mr. BEILENSON, Mr. HEFLEY, Mr. ROHRABACHER, Mr. ECKART, Mr. CUNNINGHAM, Mr. HUNTER, Mr. DE LA GARZA, Mr. GOSS, Mr. STUMP, Mr. COX, Mr. LAGOMARSINO, Mr. HERGER, and Mr. SMITH of Texas, a bill which would provide for 2,000 additional Border Patrol agents from military personnel who are displaced due to defense cutbacks.

The purpose of this legislation is twofold: To increase the strength of our Border Patrol, and to give a needed boost to those military personnel who find themselves facing forced separation as a consequence of demobilization and a downsizing of our uniformed forces to the needs of a peacetime military.

The United States is being inundated by a flood of illegal immigrants, estimated at between 300,000 and 500,000 aliens annually, who are entering the United States illegally to find scarce jobs and seek a better life. As a consequence, our State and local governments are unable to satisfy the demands for assistance from newly arrived illegals without denying benefits and services of poor and needy American citizens and legal residents and their families.

Every nation has a right to control its own borders and to set the standards for legal immigration. I am proud of the fact that America is a melting pot of legal immigrants from all over the globe who continue to contribute to our economic and social greatness, and that our Nation has the most liberal immigration policy in the world, providing legal entry on an annual basis to more immigrants than all the other countries of the world combined. But we simply can no longer afford to let thousands of additional illegals into this country. The result is not only poverty and disillusionment for those who thought America offered boundless, easy riches. It also spells hostility among those Americans who lose scarce jobs, free medical care, hospital beds, low-cost housing, and welfare benefits to illegal aliens. It is leading to a tragic situation of general, widespread backlash against all immigrants, legal as well as illegal.

It is clear that the Immigration and Naturalization Service needs additional qualified personnel to handle the flood of immigrants that defy the 24-hour border vigil. We have only to read about illegals running down the center of the highway at border checkpoints, dodging angry motorists and being chased by INS agents, to visualize the problem. The Border Patrol, roughly 3,800 strong, is badly undermanned and unable to do the job. If we are to control our borders, we must enlarge and improve the Border Patrol immediately.

In legislation I introduced last fall to deal with the problems of illegal immigration, I called for increasing Border Patrol full-time personnel to 6,600 by fiscal year 1993 and improving their in-service training—H.R. 3439. Attorney General Barr recently announced that he would beef up the Border Patrol, adding 300 new positions in fiscal year 1992 and another 200 in fiscal year 1993, the costs to be defrayed out of the Justice Department's asset forfeiture fund. I am pleased that the Attorney General is responding to the crisis, as well as to my proposal, but 500 more people are not enough. That is why I am introducing this legislation today, calling on the Attorney General to add 2,000 new patrol agents to the Border Patrol.

The personnel that the INS needs for the job of patrolling our borders must be well-trained and experienced in quasi-military tactics. They must be able to understand and handle illegal aliens. In my opinion, short of stationing active-duty military forces on the border—which I oppose as sending the wrong signal to our neighbors to the north and south—I believe that veterans with recent military experience, discipline, and training are well qualified for the border surveillance task.

Moreover, at a time when military personnel are being discharged early in order to meet reduced defense requirements under demobilization, I believe it appropriate to take advantage of this opportunity to recruit and utilize readily available, trained military personnel. Instead of having honorably discharged veterans come home to unemployment and disappointment, I offer 2,000 of them an opportunity to continue to serve their country in the Border Patrol and to defend it against an invasion of illegal aliens. The manpower costs may be available in various existing Justice Department funds, or the Congress may appropriate additional funding for the Border Patrol. The savings from the total Government benefits and services not being provided to illegals will more than pay for the Border Patrol recruitments.

Mr. Speaker, 3 years ago I offered similar legislation providing for 1,000 additional Border Patrol agents from military personnel displaced by defense realignment. Since then, the illegal immigration crisis has worsened, to the point that the anticipated number of illegal aliens apprehended this year will exceed the record number of 1.76 million recorded prior to the immigration reforms of 1986. Moreover, the world situation has also radically changed as a consequence of the fall of communism, the lessened chances of military conflict, and the reduced force needs of a modern peacetime defense establishment.

Time is running out, both for our communities and neighborhoods being overrun by illegals and threatened from the crime and violence caused by unemployment and racial unrest, and for our veterans who are facing forced dismissal from the armed services. I urge the Congress to act quickly on this legislation.

H.R. 4754

Be it enacted by the Senate and House of Representatives of the United States of America in congress assembled,

SECTION 1. ADDITIONAL BORDER PATROL AGENTS FROM DISPLACED MILITARY PERSONNEL.

(a) IN GENERAL.—The Attorney General of the United States shall provide for an increase of 2,000 in the number of border patrol agent positions in the Immigration and Naturalization Service above the number of such positions as of September 30, 1991.

(b) INDIVIDUALS ELIGIBLE.—Only individuals who—

(1) as of October 1, 1991, were active-duty personnel of the United States Armed Forces,

(2) were discharged involuntarily under honorable conditions from the United States Armed Forces after October 1, 1991, and

(3) possess applicable skills and experience to serve as border patrol agents,

may be employed as border patrol agents in a position provided pursuant to subsection (a).

(c) RECRUITMENT.—If funds are available in the Department of Justice or are otherwise available to the Attorney General to carry out this section and in consultation with the Secretary of Defense, the Attorney General shall recruit qualified individuals described in subsection (b) for positions as border patrol agents.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. MORAN (at the request of Mr. GEPHARDT) for today on account of illness.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. GEKAS) to revise and extend their remarks and include extraneous material:)

Mr. SHAW, for 5 minutes, today.

Mr. ARMEY, for 5 minutes, today.

Mr. DREIER of California, for 60 minutes, today.

Mr. GALLEGLY, for 5 minutes, today.

(The following Members (at the request of Mr. TANNER) to revise and extend their remarks and include extraneous material:)

Mr. PANETTA, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GLICKMAN, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes each day, on April 3, 6, 9, 10, 27, 30, and May 1, 4, 8, 11, 15, 18, 21, 26, and 29.

Mr. BONIOR, for 60 minutes each day, on May 5, 6, 12, 13, 19, 20, 26, and 27.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. GEKAS) and to include extraneous matter:)

Ms. SNOWE.

Mr. OXLEY.

Mr. BALLENGER.

Mr. WALKER.

Mr. GUNDERSON.

Mr. SHAW.

Mr. BROOMFIELD.

Ms. ROS-LEHTINEN in two instances.

Mr. GILMAN.

(The following Members (at the request of Mr. TANNER) and to include extraneous matter:)

Mr. ERDREICH.

Mr. BONIOR.

Mr. FALEOMAVAEGA.

Mr. KANJORSKI.

Mr. CONDIT.

Mr. FASCELL.

Mr. LEVINE of California.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

21S. 800. An act for the relief of Carmen Victoria Parini, Felix Juan Parini, and Sergio Manuel Parini; to the Committee on the Judiciary.

ADJOURNMENT

Mr. MURTHA. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 20 minutes p.m.), the House adjourned until tomorrow, April 3, 1992, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3221. A letter from the Chairman, National Credit Union Administration, transmitting its 1991 annual report on operations and financial information, pursuant to 12 U.S.C. 1752a(d); to the Committee on Banking, Finance and Urban Affairs.

3222. A letter from the Assistant Secretary for Tourism Marketing, Department of Commerce, transmitting a marketing plan to stimulate and encourage travel to the United States for fiscal year 1993, pursuant to 22 U.S.C. 2123(a)(15); to the Committee on Energy and Commerce.

3223. A letter from the Administrator, Energy Information Administration, transmitting the Agencies 1991 Annual Report, pursuant to 15 U.S.C. 790f(a)2; to the Committee on Energy and Commerce.

3224. A letter from the Secretary of Transportation, transmitting the Department's annual report on progress in conducting environmental remedial action with hazardous waste at federally owned or operated facilities, pursuant to Public Law 99-499, section 120(e)(5) (100 Stat. 1669); to the Committee on Energy and Commerce.

3225. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Roman Popadiuk, of New York, to be Ambassador to Ukraine; of Sigmund A. Rogich, of Nevada, to be Ambassador to the Republic of Iceland, and members of their families, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3226. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1997 resulting from passage of S. 2324, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

3227. A letter from the Administrator, General Services Administration, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3228. A letter from the Chairman, National Labor Relations Board, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1991, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3229. A letter from the Chairman, National Labor Relations Board, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3230. A letter from the Assistant Vice President for Government and Public Affairs, National Railroad Passenger Corporation, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3231. A letter from the Secretary of Energy, transmitting the 1991 annual report of the Bonneville Power Administration, pursuant to Public Law 89-448, section 3(a) (80 Stat. 201); Public Law 95-91, section 302 (91 Stat. 578); to the Committee on Interior and Insular Affairs.

3232. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3233. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3234. A letter from the Acting Assistant Secretary, Department of the Interior, transmitting a draft of proposed legislation to provide for increases in authorization ceilings for land acquisition and development in certain units of the National Park System, for operation of the Volunteers in the Parks Program, and for other purposes; to the Committee on Interior and Insular Affairs.

3235. A letter from the Secretary of Energy, transmitting the 15th annual report on activities under the Electric and Hybrid Vehicle Research, Development, and Demonstration Act of 1976, pursuant to 15 U.S.C. 2513; to the Committee on Science, Space, and Technology.

3236. A letter from the Secretary of Veterans Affairs, transmitting the annual report of the activities of the Veterans Administration for the fiscal year ended September 30, 1991, pursuant to 38 U.S.C. 214, 221(c), 664; to the Committee on Veterans' Affairs.

3237. A letter from the Secretary of Veterans Affairs, transmitting a draft of proposed legislation to amend title 38, United States Code, to increase, effective as of December 1, 1992, the rates of and limitations on disability compensation for veterans with service-connected disabilities and dependency and indemnity compensation for survivors of certain disabled veterans; and to lengthen the period of wartime service required to qualify for improved pension; to the Committee on Veterans' Affairs.

3238. A letter from the Deputy Director, United States Information Agency, transmitting notification of the extension for 3 years of an emergency United States import ban on pre-Hispanic archaeological material originating in the Cara Sucia Archaeological Region of El Salvador, pursuant to 19 U.S.C. 2602(g)(1); to the Committee on Ways and Means.

3239. A letter from the Secretary of the Treasury, transmitting a report on the taxation of Social Security and Railroad Retirement Benefits in calendar year 1989, pursuant to 42 U.S.C. 401 note; to the Committee on Ways and Means.

3240. A letter from the Secretary of Education, transmitting Final Regulations—National Science Scholars Program, pursuant to 20 U.S.C. 1232(d)(1); jointly, to the Committee on Education and Labor and science, Space, and Technology.

3241. A letter from the Secretary of Health and Human Services, transmitting the annual report with respect to actions taken to recruit and train Indians to qualify them for positions subject to Indian preference; the annual report on actions taken to place non-Indians employed by the Indian Health Service in other Federal agencies, pursuant to 25 U.S.C. 472a(d); jointly, to the Committee on Interior and Insular Affairs and Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. CONYERS: Committee on Government Operations. A report on designing genetic information policy: The need for an independent policy review of the ethical, legal, and social implications of the human genome project (Rept. 102-478). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ALLARD:

H.R. 4745. A bill to extend the existing suspension of duty on carfentanil citrate until January 1, 1996; to the Committee on Ways and Means.

By Mr. AUCOIN (for himself and Mr. MCCURDY):

H.R. 4746. A bill to amend title 10, United States Code, to rename the Defense Advanced Research Projects Agency as the National Advanced Research Projects Agency, to expand the mission of that agency, and for other purposes; to the Committee on Armed Services.

By Mr. AUCOIN:

H.R. 4747. A bill to amend the National Security Act of 1947 to revise the functions of the National Security Council and to add the Secretary of Commerce, the Secretary of the Treasury, and the U.S. Trade Representative to the statutory membership of the National Security Council; jointly, to the Committees on Armed Services and Intelligence (Permanent Select).

By Mrs. BOXER:

H.R. 4748. A bill to improve national competitiveness through education; jointly, to the Committees on Education and Labor and Ways and Means.

By Mr. CONDIT (for himself and Mr. PENNY):

H.R. 4749. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on March 10, 1992, in accordance with section 1012 of the Congressional Budget and Impoundment Control Act of 1974; to the Committee on Appropriations.

By Mr. WAXMAN (for himself, Mr. FASCELL, Mr. MILLER of California, Mr. BOEHLERT, Mr. BROWN, Mr. STUDDS, Mr. GILCHREST, Mr. RAVENEL, Mr. SOLARZ, Ms. PELOSI, Mr. GILMAN, Mr. BRYANT, Mr. SIKORSKI, Mr. COOPER, Mr. SYNAR, Mr. FRANK of Massachusetts, Mr. HUGHES, Mr. ORTON, Mr. MCMILLEN of Maryland, Mr. HOCHBRUECKNER, Mr. KOSTMAYER, Mr. YATES, Mr. SMITH of Florida, Mr. MCHUGH, Mr. ANDREWS of Maine, Mr. ANNUNZIO, Mr. BEILENSON, Mr. MARTINEZ, Mrs. SCHROEDER, Mr. OWENS of New York, Mr. ROYBAL, Mr. LEHMAN of Florida, Mr. OWENS of Utah, Mr. MORAN, Mr. WHEAT, Mr. COLEMAN of Texas, Mr. BERMAN, Mr. BLACKWELL, Mr. MCDERMOTT, Mr. DELLUMS, Mr. AUCOIN, Mr. PETERSON of Minnesota, Mr. DEFAZIO, Mr. HORTON, Mr. BILBRAY, Mr. ABERCROMBIE, Mr. STARK, Mrs. KENNELLY, Mr. SCHEUER, Mr. LEHMAN of California, Mr. HAMILTON, Mr. SKAGGS, Mr. SERRANO, Mr. PALLONE, Mr. VENTO, Mr. ANDREWS of New Jersey, Ms. HORN, Mrs. COLLINS of Illinois, Mr.

KOPETSKI, Mr. TORRES, Ms. MOLINARI, Mr. MAVROULES, Mr. PANETTA, Mr. PAYNE of New Jersey, Mr. SANDERS, Mr. EVANS, Mr. WASHINGTON, Mr. EDWARDS of California, Mr. WOLPE, Mr. OBERSTAR, Ms. SLAUGHTER, Mr. WYDEN, Mr. CARDIN, Mrs. MINK, Mr. MATSUI, Mr. TORRICELLI, Mr. LEVINE of California, Mr. JONTZ, Mrs. UNSOELD, Mr. SWETT, Mr. CONYERS, Mr. KENNEDY, Mr. TOWNS, Mr. SCHUMER, Mr. GUARINI, Mr. ATKINS, Mr. ROE, Mr. FROST, Mr. PEASE, Mr. JOHNSTON of Florida, Mr. WELDON, Mr. SANGMEISTER, Mr. GONZALEZ, Mrs. LOWEY of New York, Mr. DWYER of New Jersey, Mrs. BOXER, Mr. MACHTLEY, Mr. LANTOS, Mr. FAZIO, Mr. DIXON, Mr. DOWNEY, Mr. WEISS, Mr. ENGEL, and Mr. MRAZEK):

H.R. 4750. A bill to stabilize emissions of carbon dioxide to protect the global climate; to the Committee on Energy and Commerce.

By Mr. COX of Illinois:

H.R. 4751. A bill to suspend until January 1, 1995, the duty on xylitol; to the Committee on Ways and Means.

H.R. 4752. A bill to suspend until January 1, 1995, the duty on skateboard trucks; to the Committee on Way and Means.

By Mr. FALEOMAVAEGA:

H.R. 4753. A bill to amend the Rural Electrification Act of 1936 to eliminate the requirement that central station service be unavailable in the case of rural electrification loans; to the Committee on Agriculture.

By Mr. GALLEGLY (for himself, Mr. HYDE, Mr. LOWERY of California, Mr. BEILENSON, Mr. HEFLEY, Mr. ROHRABACHER, Mr. ECKART, Mr. CUNNINGHAM, Mr. HUNTER, Mr. DE LA GARZA, Mr. GOSS, Mr. STUMP, Mr. COX of California, Mr. LAGOMARSINO, Mr. HERGER, and Mr. SMITH of Texas):

H.R. 4754. A bill to provide for 2,000 additional border patrol agents from military personnel displaced by defense cutbacks; to the Committee on the Judiciary.

By Mr. GUNDERSON (for himself, Mr. ROBERTS, Mr. SYNAR, Mr. SLATTERY, Mr. DORGAN of North Dakota, Mr. EMERSON, Mr. TOWNS, Mr. PERKINS, Mr. COLEMAN of Missouri, Mr. PETRI, Mr. COMBEST, Mr. BREWSTER, Mr. DURBIN, Mr. LEACH, Mr. CHAPMAN, Ms. SLAUGHTER, and Ms. SNOWE):

H.R. 4755. A bill to amend title XVIII of the Social Security Act to extend until March 31, 1994, the period during which Medicare-dependent, small rural hospitals may be paid under alternative reimbursement methodologies for the operating costs of inpatient hospital services under the Medicare Program; to the Committee on Ways and Means.

By Mrs. JOHNSON of Connecticut (for herself, Mrs. KENNELLY, and Mr. FRANKS of Connecticut):

H.R. 4756. A bill to amend the provisions of the Omnibus Trade and Competitiveness Act of 1988 with respect to the enforcement of machine tool import arrangements; to the Committee on Ways and Means.

By Mr. LANCASTER (for himself and Mr. VALENTINE):

H.R. 4757. A bill relating to the tariff treatment of pharmaceutical grade phospholipids and soybean oil; to the Committee on Ways and Means.

By Mr. LANCASTER (for himself, Mr. PRICE, and Mr. VALENTINE):

H.R. 4758. A bill to suspend until January 1, 1995, the duty on Cefuroxime Axetil (bulk and dosage forms); to the Committee on Ways and Means.

By Mr. PANETTA:

H.R. 4759. A bill to amend title XVII of the Social Security Act to provide for improved quality and cost control mechanisms to ensure the proper and prudent purchasing of durable medical equipment under the Medicare Program, and for other purposes; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. SHAYS:

H.R. 4760. A bill to amend title VI of the Communications Act of 1934 to ensure carriage on cable television of local news and other programming and to restore the right of local regulatory authorities to regulate cable television rates, and for other purposes; to the Committee on Energy and Commerce.

By Mr. TORRICELLI (for himself, Mr. FASCELL, Mr. RANGEL, Mr. LAGOMARSINO, Mr. WEISS, Mr. KOSTMAYER, Mr. JOHNSTON of Florida, Mr. GOSS, and Mr. SMITH of Florida):

H.R. 4761. A bill to support efforts to promote democracy in Haiti; jointly, to the Committees on Foreign Affairs and the Judiciary.

By Mr. WILLIAMS:

H.R. 4762. A bill to amend the Emergency Unemployment Compensation Act of 1991 with respect to the eligibility requirement for benefits under such act; to the Committee on Ways and Means.

By Mr. ROE:

H. Con. Res. 303. Concurrent resolution authorizing the presentation of a program on the Capitol grounds in connection with National Physical Fitness and Sports Month; to the Committee on Public Works and Transportation.

By Mr. GEPHARDT:

H. Res. 417. Resolution expressing the sense of the House of Representatives regarding foreign government subsidies that distort international trade and injure U.S. industries; to the Committee on Ways and Means.

By Ms. SNOWE:

H. Res. 418. Resolution to amend the Rules of the House of Representatives to limit the size of committees to 25 members and to prohibit Members from serving on more than 1 standing committee; to the Committee on Rules.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

355. By the SPEAKER: Memorial of the Legislature of the State of Utah, relative to the impact of IRS Code provisions on government pension plans; to the Committee on Ways and Means.

356. Also, memorial of the Legislature of the State of Utah, relative to tax exempt mortgage revenue bonds and Federal low income housing tax credits; to the Committee on Ways and Means.

357. Also, memorial of the Legislature of the State of Utah, relative to the Human Protection Act of 1991; jointly, to the Committees on Merchant Marine and Fisheries and the Judiciary.

358. Also, memorial of the Legislature of the State of Utah, relative to the records regarding the Kennedy assassination; jointly, to the Committees on Rules and House Administration.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 119: Mr. SHAYS.

H.R. 303: Mrs. ROUKEMA.

H.R. 398: Mr. KOLTER, Mr. GUARINI, and Mr. KLUG.

H.R. 606: Mr. GILLMOR.

H.R. 612: Mr. AUCOIN.

H.R. 766: Mr. MORAN.

H.R. 809: Mr. MAZZOLI.

H.R. 1439: Mr. HEFLEY.

H.R. 1623: Mr. FRANKS of Connecticut, Mr. PALLONE, and Mr. GILLMOR.

H.R. 1624: Mr. FRANKS of Connecticut, Mr. ZELIFF, Mr. PALLONE, and Mr. GILLMOR.

H.R. 1696: Mr. BEREUTER.

H.R. 2286: Mr. GILLMOR.

H.R. 2734: Mr. LEHMAN of California, Mr. MURPHY, and Mr. PALLONE.

H.R. 2766: Mr. VENTO.

H.R. 3056: Mr. LIPINSKI and Mr. BUSTAMANTE.

H.R. 3082: Mr. KLUG, Mr. RANGEL, Mrs. JOHNSON of Connecticut, Mr. EMERSON, Mr. SOLOMON, and Mr. DEFAZIO.

H.R. 3164: Mrs. ROUKEMA.

H.R. 3332: Mr. COLORADO.

H.R. 3441: Mr. COX of California.

H.R. 3442: Mr. THOMAS of California and Mr. ROHRABACHER.

H.R. 3463: Mr. ENGEL.

H.R. 3605: Mr. STUMP and Mr. BAKER.

H.R. 3612: Mr. GINGRICH.

H.R. 3908: Mr. DICKS.

H.R. 4094: Mr. HORTON, Mr. RANGEL, and Mr. ROE.

H.R. 4272: Mr. MOODY and Mr. ATKINS.

H.R. 4276: Mrs. BYRON, Mr. LAROCCO, Mr. GLICKMAN, Mr. MARTINEZ, Mr. PENNY, Mr. JOHNSON of South Dakota, Mr. SANDERS, Mr. MCDERMOTT, Mr. MCCLOSKEY, Mr. KOPETSKI, Mr. LEWIS of Florida, Mr. BEREUTER, and Mr. ZELIFF.

H.R. 4378: Mrs. MORELLA, Mr. KOPETSKI, Mr. RINALDO, and Mr. LANCASTER.

H.R. 4386: Mr. LAGOMARSINO, Mr. ZIMMER, Mr. GILLMOR, Mr. JONTZ, Mr. RANGEL, Mrs. JOHNSON of Connecticut, Mr. PENNY, and Mr. SHAYS.

H.R. 4416: Mr. JONES of North Carolina and Mr. ESPY.

H.R. 4435: Mr. SANDERS and Mr. SENSENBRENNER.

H.R. 4530: Mr. LAFALCE, Mr. LIPINSKI, and Mr. REED.

H.J. Res. 248: Mr. LOWERY of California, Mr. SMITH of New Jersey, Mr. RHODES, Mr. JOHNSON of Texas, Mr. MARLENEE, Mr. KLUG, and Mrs. BENTLEY.

H.J. Res. 357: Mr. STUMP.

H.J. Res. 397: Mr. MATSUI, Mr. OWENS of Utah, Mr. SANDERS, Mr. SERRANO, and Mr. TOWNS.

H.J. Res. 434: Mr. UPTON and Mr. MCNULTY.

H.J. Res. 445: Mr. LAGOMARSINO, Mr. ROE, Ms. OAKAR, Ms. HORN, Mr. SMITH of New Jersey, Mr. ANNUNZIO, Mr. ERDREICH, Mr. SHAYS, Mrs. ROUKEMA, Mr. MILLER of California, Mr. EMERSON, Mr. STUDDS, Mr. ANDERSON, Mr. COUGHLIN, Mr. MFUME, Mr. QUILLEN, Mr. JONES of North Carolina, Mr. MCCRERY, Mr. LEHMAN of Florida, Mr. ROWLAND, and Mr. STARK.

H. Con. Res. 96: Mr. LUKEN, Mr. BENNETT, Mr. KLUG, Ms. LONG, Mr. GLICKMAN, Mr. JONTZ, and Mr. CAMPBELL of Colorado.

H. Con. Res. 233: Mr. RIGGS, Mr. SANTORUM, Mrs. VUCANOVICH, Mr. JONES of North Carolina, Mr. PALLONE, Mr. PRICE, Mr. EMERSON, Mr. JONTZ, Mr. ESPY, Mr. LAGOMARSINO, and Mr. SHAYS.

H. Res. 370: Mr. BATEMAN, Mr. PAXON, and Mrs. MEYERS of Kansas.

H. Res. 377: Mr. PAXON.

H. Res. 387: Mr. LIPINSKI.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H. Res. 194: Mr. MORRISON.

SENATE—*Thursday, April 2, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 9:45 a.m., on the expiration of the recess, and was called to order by the President pro tempore [Mr. BYRD].

The PRESIDENT pro tempore. Today's prayer to the God of our fathers will be offered by guest chaplain Rabbi Robert B. Slosberg, Congregation Adath Jeshurun, Louisville, KY.

Rabbi Slosberg, please.

PRAYER

Rabbi Robert B. Slosberg, Congregation Adath Jeshurun, Louisville, KY, offered the following prayer:

Almighty God, source of all blessing, as we begin a new day of deliberations in the Senate of the United States of America, we ask for Your blessing and guidance.

Bless the Senators of our country with good health and wisdom. May their leadership and commitment to public service be a source of pride to all Americans, bringing glory to our great Nation.

Imbue our Senators with an uncompromising quest for justice and righteousness. May their actions lead our Nation toward its goal of ending all hatred and bigotry and abolishing poverty.

May the decisions we make today deepen our loyalty and devotion to our country and its ideals. We pray You give us the courage and strength of conviction to fulfill the vision expressed by the prophet Micah:

He has told you O man, what is good, and what the Lord requires of you: Only to do justice and to love goodness and to walk humbly with your God; then will your name achieve wisdom.—Micah 6:8–9.

Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, am I correct in my understanding that the Journal of the proceedings has been approved to date, and the time for the two leaders reserved for their use later in the day?

The PRESIDENT pro tempore. The Senator is correct.

SCHEDULE

Mr. MITCHELL. Mr. President, there will be a period for morning business until 1:30 p.m. today. During the period for morning business, a number of Senators will be recognized for specific time periods pursuant to a previous order.

At 1:30 p.m. today, the Senate will resume consideration of H.R. 2507, the National Institutes of Health authorization bill. Consideration of that bill will be governed under the provisions of the unanimous-consent agreement reached on March 31, and printed at page 2 of the Senate Legislative Calendar. Under that agreement, there are a number of amendments listed which will be in order. Senators, therefore, should be alerted that following 1:30 p.m., when the Senate resumes consideration of the bill, rollcall votes are expected to occur with respect to at least some of those amendments and, of course, on final passage of the bill if that is reached today, as I hope it will be.

Mr. President, I yield the floor.

MORNING BUSINESS

The PRESIDENT pro tempore. There will now be a period for the transaction of morning business not to extend beyond the hour of 1:30 p.m., with Senators permitted to speak therein, for not to exceed 5 minutes each.

The Senator from Mississippi [Mr. COCHRAN] is recognized for not to exceed 5 minutes.

CONGRESSIONAL CALL TO CONSCIENCE VIGIL

Mr. COCHRAN. Mr. President, while recent reforms in the former Soviet Union are encouraging, the world should not forget that some people there are still denied basic human freedoms. This is particularly true of many Jews, who suffer discrimination in housing, education, and employment, and are often denied permission to leave the country. We must continue to call attention to the plight of these people and to press for greater religious tolerance, freedom of travel, and fundamental human rights.

The annual Congressional Call to Conscience Vigil is one way we can do this. Since 1978, Members participating in the Vigil have made statements for the RECORD to heighten public awareness of cases of special need. I rise in this year's Call to Conscience to bring attention to the case of Andrei Beburishivilli of St. Petersburg.

Born in 1955, Andrei is an electronics engineer. Until September 1988, he was employed at the Radio Ministry's Leninist Scientific Industrial Amalgamation, a factory manufacturing electronic equipment for the military. When he first applied for a tourist visa in August 1990, he was denied on the basis of secrets supposedly learned when he worked at Leninist. He was again refused in February 1991.

Mr. President, Andrei Beburishivilli is still waiting for the opportunity to pursue his life outside Russia. We want him to know—and we want the Russian Government to know—that we are concerned about Andrei. We call his case to the conscience of free men and women everywhere, and we urge our Government to continue to seek effective means to persuade Russian authorities to relent in this situation and in similar cases.

DELTA STATE DOES IT AGAIN

Mr. COCHRAN. Mr. President, there is a women's basketball team in Mississippi which has traditionally won national championships, but it is not quite as famous as the division I teams that we are looking forward to seeing in the final four of the NCAA championships. The team I am referring to is the women's basketball team of Delta State University. Delta State University is located in Cleveland, MS, and they have won another national championship in division II of the NCAA. This university, the women's basketball team, has won the national title 3 out of the last 4 years, and this brings to six the number of national championships Delta State has won since 1973. This was a time when women's basketball was revived as an intercollegiate sport at Delta State.

At that time, the team was under the leadership of Coach Margaret Wade, whose lifetime of service to women's basketball, both as a player and as a coach, and her dedication to and mastery of the game led to the naming of the Wade Trophy, which is the women's basketball equivalent of football's Heisman Trophy. Under Coach Wade's leadership, Delta State won national championships in 1975, 1976, and 1977—a time when virtually all women's teams, regardless of the size of their schools, were in one league, the Association of Intercollegiate Athletics for Women [AIAW].

In 1983, several years after Coach Wade's retirement, Delta State graduate Lloyd Clark came to the school with a mission to rebuild the Delta State dynasty. He has done just that.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

In the early 1980's, the NCAA had created women's basketball divisions similar to the men's, and Delta State was invited to compete in division I as an independent—not associated with a conference. In their 2 years in that division, Coach Clark led the Lady Statesmen to a 20–8 record in the 1983–84 season and a 19–7 record in the 1984–85 season.

Despite this success, Delta State decided that it would be in its best interest to change its affiliation to division II and join the Gulf South Conference, in which most of the university's athletic teams competed. In every year since then, the Lady Statesmen have made it to the NCAA postseason tournament, including five trips to the final four and three national championships.

Coach Clark's record in nine seasons at Delta State is a phenomenal 240–39. This .861 winning percentage—and .893 in division II—ranks him as the winningest active division II coach in the Nation. His division II teams have only once lost more than four games in a season, and that was in what he considered to be a rebuilding year, when they compiled a 23–7 record last year.

This year's 30–4 team won the national championship by defeating the team which was ranked No. 1 throughout the season and was last year's national champion—North Dakota State University. Even more impressive is the fact that Delta State won the championship in Bison Sports Arena in Fargo, ND—North Dakota State's home court.

The Lady Statesmen were led by center Leslie McKiernon, a 6-foot-3 junior from Grenada, MS. Leslie's 29 points were a career high for her, and included two free throws with 3.4 seconds left in the game. Those two points provided the margin of victory, with the final score 65–63.

I congratulate that team, the coaches, and the students who support that team enthusiastically. They reflect a great deal of credit on our State, and I commend them for their unique achievement.

Mr. President, I congratulate Delta State University and its Lady Statesmen basketball team on their tradition of success and on their sixth national championship.

The PRESIDENT pro tempore. Under the order, the Senator from South Dakota [Mr. DASCHLE] and the Senator from Pennsylvania [Mr. WOFFORD] are recognized to speak for up to a total of 45 minutes. The Senator is recognized.

Mr. DASCHLE. Mr. President, I ask unanimous consent that during the period for morning business today, Senator KERRY of Massachusetts be recognized to speak for up to 40 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(The remarks of Mr. DASCHLE and Mr. WOFFORD, pertaining to the introduction of S. 2513 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. GRASSLEY addressed the Chair.

The PRESIDENT pro tempore. Senator GRASSLEY is recognized for not to exceed 60 minutes

Mr. GRASSLEY. Mr. President, thank you very much. I want my colleagues to know that, for this hour, I will rise with some of my colleagues to discuss the need for the Nation's beleaguered civil justice system to be reformed and changed.

I am going to start out by yielding 5 minutes to Senator GARN, who is a cosponsor of the legislation I have introduced and ask him to start out the dialog.

The PRESIDENT pro tempore. The Senator from Utah [Mr. GARN] is recognized for 5 minutes.

REFORM IN OUR CIVIL JUSTICE SYSTEM

Mr. GARN. Mr. President, I rise today in support of S. 2180, the Access to Justice Act. This bill, a product of the President's Council on Competitiveness, chaired by the Vice President, will serve to reform our civil justice system in a rational and fair manner. S. 2180 will reduce the burden on the United States economy and on the State and Federal courts brought about by needless, frivolous, and very costly litigation.

Mr. President, there has been an explosion of this frivolous litigation across our country in recent years. The litigation, in the form of liability lawsuits, has resulted in exorbitant jury awards, far beyond the actual damages incurred. This is in great part due to the greed and selfishness of the Trial Lawyers Association, as well as of the damaged parties. Just find a sympathetic jury, and they are quite easy to find; the sky is the limit on monetary compensation to plaintiffs and, of course, the attorneys.

I wonder who these sympathetic juries think they are paying for these outrageous damage awards in liability lawsuits. We are, in the form of higher insurance premiums, an increased cost of consumer goods and services, and higher medical costs.

In many cases, the cost of staying in business, which in large part includes paying liability insurance, has proven to be so burdensome that some businesses have been driven into bankruptcy, or have simply closed their doors. This does not apply only to small businesses, but some large corporations as well.

Especially hard hit by liability lawsuits has been the general aviation industry. Twenty years ago, the United States dominated general aviation manufacturing throughout the world. In 1979, U.S. companies manufactured 17,000 piston-powered aircraft. In 1991, that figure was less than 500. From 17,000 to 500. In fact, the average age of Cessna's fleet is 23 years. Yet, in 1991, after Cessna quit, 6 years ago, they simply quit building piston engine aircraft. They said: "We cannot afford to do it anymore, so we stop."

They were the biggest manufacturer of general aviation aircraft in the world.

But, nevertheless, in 1991, Cessna paid more than $20 million to defend and settle product liability suits, even though they had not been manufacturing airplanes for 5 years. Couple that devastating impact on a viable industry which experienced a drop in sales from $1.5 billion in 1979 to practically nothing, with the jobs lost, which exceeds 50,000, and the economy is dealt a staggering blow. This impact is due to lawsuits which result in enormous jury awards, the majority of which are entirely needless.

Piper Aircraft Corp., in the midst of its second bankruptcy, is currently attempting to move its operations outside of the country, most likely to Canada. The main reason is to get out from under the product liability laws of this country, which can reach back 50 years to an aircraft's manufacturer and sue a company and force them to pay for damages even though the accident is due to pilot negligence. Our liability laws are not only driving some companies out of business, but they are literally driving business out of our country. Instead of liability lawsuits leading to improved product safety, which is an appropriate result, they are having a dramatic negative impact on industries and consumer services.

As a matter of fact flying all these old airplanes because of the lack of new ones being built and their lack of affordability adds to the safety problem and I would be very personal in an example.

I bought a single-engine four-place airplane in April of 1969. I paid $5,000 for the entire airplane and thought that was a lot of money. A year-and-a-half ago I decided that an airplane that was now more than 40 years old that I would restore, so I started restoring my own aircraft. I am doing most of the labor on it except the things that must be signed off by an FAA examiner.

I wonder if anybody would believe that what I am going to do with me saving tens of thousands of dollars providing labor to restore my own airplane that I owned free and clear since 1969 will cost me at least $60,000 because of product liability. Just think of that. I paid $5,300 for two gasoline tanks, $300 more than I paid for the entire airplane in 1969. Most of that ridiculous cost is due to product liability. Seventy-two dollars for a dipstick. Everyone knows what it is. It measures oil in the engine. On an airplane it cost $72, and I got it wholesale.

Mr. President, S. 2180 will address this issue of suing for excessive amounts of money. Under the provision on Federal diversity jurisdiction, if it cannot be shown that actual damages exceed $50,000, a case must be held in the State court of jurisdiction, rather than a Federal court. Actual damages will exclude amounts of damages for pain and suffering or mental anguish, punitive or exemplary damages, and attorney's fees or costs. This will drastically reduce the caseloads in Federal courts of these needless liability lawsuits. Certainly there are associations that will adamantly oppose this provision. There are those who benefit most from having their cases heard in Federal court. I feel this provision of S. 2180 is extremely critical. It will greatly deter the desire to sue for outrageous sums and will move these lawsuits to their proper arena, that of the State jurisdictional court.

One other provision which will serve to deter these outrageous lawsuits is the requirement that a written notice be made to the intended defendant 30 days prior to filing suit. This takes away the element of surprise, the leverage if you will, used by plaintiffs in the filing of lawsuits and in a situation where the threat of a lawsuit is presented in order for an individual or other entity to bring about a desired result. This is a very useful and important tool to impede outrageous lawsuits.

Mr. President, our system of civil justice is not perfect, but it has certainly served our citizens well throughout its history. It has, however, become overburdened with needless litigation which ties up the Federal courts unnecessarily and impedes the proper carriage of justice.

I feel we are fast approaching a crisis with the Federal court system in this country. S. 2180 takes a very necessary and timely step in the process of reforming our civil justice system before that crisis hits. I commend the Vice President for his leadership in this effort. I hope the Judiciary Committee will be expedient in their consideration of this legislation, so that the full Senate may have a chance to debate this issue and take the steps necessary to bring true reform to our civil justice system.

The PRESIDENT pro tempore. The time of the Senator has expired.

The Senator from Iowa.

Mr. GRASSLEY. I thank Senator GARN for his strong statements and support for this. I will now yield 5 minutes to the senior Senator from Missouri who also last year during the debate spoke out forcefully on this very issue and I commend him for his leadership.

The PRESIDENT pro tempore. The Senator from Missouri [Mr. DANFORTH] is yielded 5 minutes.

LITIGATION EXPLOSION

Mr. DANFORTH. Mr. President, most of us in traveling around our States hear repeatedly from constituents about the problems of the civil justice system in America, the so-called litigation explosion. While this issue is very much on the minds of our constituents, it has been languishing in Congress at the committee level for a decade or so.

Several times we have reported bills out of the Senate Commerce Committee dealing with product liability only to see them stalled on the floor of the Senate.

It is time to bring this issue to the floor of the Senate. It is time to bring this issue to the attention of our colleagues as it has been brought to the attention of our constituents.

The Senate Labor Committee has reported out what is known as the Equal Remedies Act which is a bill to lift the caps on damages for intentional discrimination against women, religions, minorities and the disabled in employment cases, and I think that when the Equal Remedies Act comes to the floor it should provide an opportunity for a significant debate on the issue of tort reform in the Senate.

Why did we put limitations on recoveries in the Civil Rights Act of 1991? The reason was the concern about the possibility of totally uncontrolled judgments. For example, in a State court case involving age discrimination, a woman named Elizabeth Layman recovered a jury award of $8.8 million and that turned out to be a comparative drop in the bucket because Janella Sue Morton recovered $20.3 million in a failure-to-promote sex discrimination case.

More generally the problem of litigation in America cuts across many different fields of the law.

Generally the number of civil suits in the United States tripled between 1960 and 1990. We have in the United States 30 times the number of lawsuits that they have in Japan. The United States has 70 percent of the world's lawyers. It is estimated that predatory litigation reduces the gross national product of the United States by 10 percent.

In the field of medicine there are whole counties in rural areas of my State where doctors will not deliver babies, 40 percent of the rural doctors in Missouri, the general and family practitioners, 40 percent of them will not deliver babies. This sometimes means that women who are pregnant have to travel perhaps an hour to get to a hospital where their baby can be delivered.

The system is not efficient for those who are injured. It has been called the lottery system. Sometimes people can hit the jackpot, sometimes they can wait around in the court system for 5 years or so and end up with nothing at all.

It is a system where more than half the cost of the system goes to pay legal expenses and does not go to compensate those who have been injured.

This really is an issue of competitiveness and it is an issue of fairness and it is an issue that a great number of Americans are concerned about. It is high time that it be brought to the floor of the Senate. I compliment the Senator from Iowa for providing this time on the floor this morning to discuss it and I look forward to the time when the Equal Remedies Act comes to the floor where we can offer amendments dealing with product liability, malpractice reform, controls on punitive damages and other reforms to the civil justice system.

Mr. GRASSLEY. Mr. President, I yield such time as he might consume to the Senator from Wyoming.

The PRESIDENT pro tempore. The Senator from Wyoming [Mr. WALLOP] is recognized for such time as he may require.

Mr. WALLOP. I thank the Chair and I thank the Senator from Iowa.

Before the Senator from Missouri leaves the floor let me just compliment him. One of the great frustrations of Americans is realizing that a court system exists theoretically for their protection and they find more often than not that only one side of that equation gets protected and often it is only the practitioner, that the injured party and the innocent party or defendant are both the victims of a system that rewards the practitioner at the expense of the parties. I compliment him.

My State has the same problem. We are reduced now to a small number of OB-GYN practitioners on the basis of their product liability. Their liability simply is unaffordable in Wyoming and that is not a protection to the citizen. That is an abuse of the citizen. So I thank the Senator for what he said.

RESOURCES LOST TO A JUDICIAL PROCESS

Mr. WALLOP. Mr. President, it is not often that I am an original cosponsor of judicial reform legislation. Yet as we enter the new global economy, the demand for America to become competitive has never been greater. The waste of human and natural resources lost to a judicial process that is inaccessible to some, too accessible to others and that is offensively expensive has become an American tragedy and a barrier to competitiveness.

While our adversarial judicial system works up to a point, S. 2180, the civil justice reform bill, is an attempt to cure the most flagrant abuses that are in the judicial system today.

Too often, the system provides incentives to litigate. Litigation then becomes its own multiplier and its product, Mr. President, is tremendous losses to America's economy in terms of jobs, goods, and services.

And, the average American citizen does not view the judicial process as a friendly advocate to right the wrongs, but rather a cynical system using fear and mistrust to enrich the practitioners more than the public. It has become a tool for those who know how and can afford to use it and a hammer for those who cannot afford to travel to an end that is more expensive than the wrongful demands that started the journey. Settlements and false admissions of guilt, Mr. President, have become more than vindication.

As the country cries for an affordable and effective health care system, our judicial system serves to aggravate and impede both safety and innovation. Doctors, fearing malpractice suits, often simply cannot afford to prescribe what used to be prudent testing, for they fear that efficiency will be named omission by a skilled practitioner of law. So defensive medicine has become the rule and the norm to the great cost—the great cost—of Americans in need of health care. And so not only is the cost and failure of the judicial system applying its skills to the health care system borne by each and every one of us, but so, too, is the increasing rate in the insurance industry.

This country strives to be competitive in a global economy and today it still is. Yet mired in fear of the courts are technologies that will never see the light of day in America—that is, not until they are introduced into our economy by the Japanese or the French or the Germans or the Canadians. America's product liability suits—this is an incredible figure—have increased 758 percent from 1974 to 1985, while over the same period, injury rates in nearly all categories have steadily declined.

So, as a cosponsor of the civil justice bill, I urge the Senate to adopt relatively simple measures that will help to correct some of the problems. One measure, dealing with the continued clogging of the courts by prisoners writing appeals geared only to stall the system, would place a limitation on the continuance of that process.

Relief could be provided to overcrowded dockets by providing for Federal diversity in jurisdictions.

The action of mandating 30-day prior notice before filing a civil action in Federal court, could foster early resolutions—even avoidance of court action might be achieved.

Economic abuse by litigation is no different than abuse by any other means in an era when the world is rethinking its traditions and institutions to greet a new and highly competitive age; we, as Americans, are challenged to retool and hone the procedural infrastructure that has kept us always at the leading edge of the world's superpowers. Of course, we must provide protection of law to our people, but the breadth of that protection should be to the innocent as well as the injured. And today I think a case can be made that it is not.

A friend of mine is being sued for a wrongful dismissal from a business operated by this friend. Four hundred dollars is the maximum anybody could think could possibly be crafted out of this lawsuit, which is for $1 million-plus.

Mr. President, the lawyer knows the case is bad. The lawyer for the complainant knows the case is bad, but also knows that the cost of pursuing it to that conclusion is a great deal higher than the cost of settling it for some figure which will provide for the lawyers' fee.

Mr. President, that is an unfair system at work. This friend is being abused by the system. The choice to pursue vindication should not be so expensive that an admission of guilt when none exists is the only other alternative. And that is the case with the law system of America today.

Mr. President, I thank the Senator from Iowa and I yield the floor.

Mr. GRASSLEY. Mr. President, I thank the Senator from Wyoming.

I yield now such time as he might consume to the Senator from Wisconsin [Mr. KASTEN].

The PRESIDENT pro tempore. The Senator from Wisconsin [Mr. KASTEN] is recognized for such time as he may require under the time controlled by the Senator from Iowa [Mr. GRASSLEY].

IN SUPPORT OF THE PRODUCT LIABILITY FAIRNESS ACT

Mr. KASTEN. I thank the Senator from Iowa not only for yielding me the time but I thank him for his leadership in this overall effort which clearly, because of the interest and because of the number of people that have been participating, but also because the knowledge and interest of the executive branch and people all across this country are aware of how important this overall effort is and are aware of Senator GRASSLEY's leadership in this effort.

Mr. President, S. 640, the Product Liability Fairness Act, is currently on the calendar as order No. 321. It should be taken up by the Senate. This legislation is the same as that which was reported by the Senate Commerce Committee by a vote of 13 to 7, had a hearing before the Senate Judiciary Committee, and unfortunately was not acted upon before the last Congress adjourned.

I am joined by 39 of my colleagues, from both sides of the aisle, who have cosponsored S. 640 because they recognize the need for the reasonable, moderate reform of our product liability rules.

The effort to enact product liability reform has been one which the Senate Commerce Committee has considered since 1981. We will soon bring before the Senate a measure that is balanced, does not deprive injured victims of any causes of action, does not contain any limits, or caps, on damages, and has the cosponsorship of 40 Members of the Senate.

President Bush and his administration are strongly in support of this measure. The President again called for tort and product liability reform in his State of the Union Address this year. His Competitiveness Council, headed by Vice President QUAYLE, continues to make this issue its No. 1 priority. All of this is reflective of the concerns that large and small businesses alike have with our current system.

Our product liability reform measure is justified on several grounds. We have a system that is slow in compensating victims who deserve compensation, costly to all parties, and unpredictable due to the State by State patchwork we have today. Above all, we seek a system based on fairness.

Provisions of our bill would address the costs imposed on all parties by the current system. The transaction costs see the lawyers of both the plaintiff and the defendants taking in as much, or more, than the injured parties. Recent data collected by the National Machine Tool Builders Association indicates that in cases involving their members in 1989, only 17 percent of the moneys paid out went to claimants.

In other words, we are talking about 83 percent of the money involved here going for transaction costs, going for lawyers' fees. Now that simply is a crazy system—17 percent going to injured consumers, 83 percent going to lawyers.

However, it is important to note that our legislation would not reduce the costs by restricting the rights of persons to sue for damages, or by instituting caps on the amounts that could be recovered. There were understandable objections made by the organized consumer interests to these provisions in prior bills.

Rather, thanks to the establishment of some uniformity on certain matters, both parties should be able to better assess the nature of their cases, and even possibly take advantage of the expedited settlements or alternative dispute resolution systems in the bill. The uniformity we seek will make the assessment of risk easier, and thus help to stabilize the insurance market.

It is important to note that we have a national problem that deserves a moderate, Federal approach. Though the current rules have developed through the judicial activism of the various state courts, the time has come for Congress to recognize the burdens our current system is imposing on interstate commerce, U.S. competitiveness, and American innovation.

Let me briefly describe the major provisions of our product liability package which will reduce unnecessary legal costs, provide incentives for the manufacture of safe products, and provide more fairness to all concerned:

This measure establishes procedures designed to expedite the settlement of product liability cases. The rules are based on rule 68 of the Federal Rules of Civil Procedure. This will help reduce the burgeoning and unnecessary legal costs that hamper the current system. We encourage the States to make greater use of alternative dispute resolution procedures, to also help reduce the legal costs.

The product seller provision also addresses the unnecessary legal costs of the system. Today product sellers are brought into almost every case, and yet liability is imposed on them in less than 5 percent of the cases. Under our bill, sellers are only to be held liable for their own negligence, for failing to provide warnings from the manufacturer, for breaching an express warranty, or when the manufacturer is unavailable.

Legal costs are also saved by the provision dealing with the interaction between the product liability system and the workers compensation system. We have taken steps to help keep these two systems separate, and avoid the excessive and unnecessary lawsuits between manufacturers and employers.

We create incentives for safety. Our joint and several liability provision maintains joint and several liability for economic damages. We only eliminate joint and several liability for noneconomic damages such as pain and suffering. Thus, plaintiffs can recover their full economic losses from any defendant, but defendants would only be responsible for those portions of the noneconomic damages—such as pain and suffering—which they caused.

Our package also encourages safety by barring the claims of individuals who are the cause of their own injuries because they were intoxicated or under the influence of illicit drugs.

The cause of fairness is advanced by the extremely proplaintiff statute of limitations. The time begins to run upon the claimant's discovery of the harm and the cause of that harm. This is a more proplaintiff standard than most current State standards now in existence.

Fairness is also provided for in our statute of repose, which sets an outer time limit for liability at 25 years for capital goods, where the injury is covered by workers' compensation.

The punitive damages provision promotes fairness. We recognize the quasi-criminal aspect of these damages, which are intended to be awarded in egregious cases, not every case. Therefore we establish a national standard for their imposition and the burden of proof required. Thus, these damages are to be awarded where the claimant establishes by "clear and convincing" evidence that the harm evidenced a "conscious, flagrant indifference to the safety of those persons who may be harmed by the product." We have a burden of proof that falls between the normal civil standard of "preponderance of the evidence" and the criminal standard of "beyond a reasonable doubt." The punitive aspect of the cases may be heard separately from the case in chief if the defendant so elects.

No one wants manufacturers to introduce unsafe products or keep them in the marketplace. However, it is equally abhorrent when the uncertainties of our product liability system were to prevent new, useful, and safer products from being brought to market. The cost to society of innovations never pursued, or improvements never made, is not obvious at first blush—but it is nevertheless a cost that hurts American consumers, manufacturers, and workers.

There has been some research indicating that perhaps the rapid expansion of product liability law, which the courts were pursuing in the past, has slowed somewhat. The courts themselves may be moving the judge-made law to a more reasonable position.

Professor Henderson, of Cornell Law School, who has been conducting this research, cautions:

> However, to conclude that this trend will resolve all of the serious inequities and legal conundrums that still exist would be a misuse of the data collected in the study. * * * The better, more efficient way to address some of the profound problems product liability law has caused our legal system and society is through thoughtful, sparing and modest legislation at the Federal level. * * * [S. 640] is a worthwhile attempt at some of the needed reforms.

It is our job to make this attempt a reality by enacting S. 640 soon so that the House, with 150 cosponsors on H.R. 3030, has time to act.

Another point was made in our hearings last year—that this is neither a proplaintiff, nor a prodefendant bill. And just because it is balanced between the rights of the parties, not favoring the plaintiffs, does not make S. 640 anticonsumer. The most anticonsumer effects which I have seen arise from the costs, inefficiencies and inequities of our present system.

The proponents of fair product liability reform recognize that this bill is not a panacea for all of the problems that have plagued our product liability system. It is, however, a sound, reasoned, and balanced piece of legislation that deserves to be enacted into law.

There are those who seem to want to impugn our motives in pursuing product liability reform. They assert that the basis for this legislation has changed over the years. In fact, what I have sought since 1981 are rules to assure product safety, to establish uniformity because of the interstate nature of the problem, and to reduce the costs borne by all Americans, not just manufacturers or sellers of products. There have been immediate concerns dealing with insurance, litigation and competitiveness—all growing out of a search for fairness.

Some witnesses before the Commerce Committee suggested that competitiveness was the new buzzword to justify reform. Anyone who researches or recalls the debates for some 10 years ago would also find the testimony of such parties as the American Textile Machinery Association and the National Machine Tool Builders Association concerned not only about their domestic situation, but also explaining their loss of international competitiveness as a result of American product liability laws that we have yet to reform.

We cannot have product liability insurance costs that are 20 to 50 times those of our competitors and remain viable. Product liability reform is not the only answer to our competitive predicament, but it is certainly one important element that we can address.

I am pleased that S. 640 has garnered more cosponsors than any of our previous efforts—40 at the present time—and has passed the Commerce Committee by a substantial 13 to 7 margin. In the last Congress, S. 1400, after one hearing in the Judiciary Committee, was returned to the Senate Calendar. I believe the majority of the Senate agrees with the 40 of us who are cosponsors of S. 640 that it is time to enact this reasoned and moderate product liability reform measure. I will work to assure that we will soon have the opportunity to vote on S. 640, as a bill, or as an amendment to another piece of legislation.

I believe we can move forward quickly on this legislation. I understand there are organized special interests opposed to us. But overall, I believe the vote we saw in the Commerce Committee, roughly 2 to 1, will be the vote we will see in the U.S. Senate—at least 2 to 1; maybe a little bit better.

The fact is, people across this country are recognizing the impact of product liability costs and the court reform inefficiencies are having on our society. As people recognize that impact, the Senate will act. I am hopeful the Senate can act this spring, and we will in fact have a balanced piece of legislation that is sound, that is reasoned, and that will be enacted into law.

The PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I now defer to the Senator from Kentucky for whatever time he might need.

The PRESIDENT pro tempore. The Senator from Kentucky [Mr. McCONNELL] is recognized for such time as he may consume from the time controlled by the Senator from Iowa [Mr. GRASSLEY].

TORT REFORM

Mr. McCONNELL. Mr. President, a number of years ago I was chairman of the Courts Subcommittee of the Senate Committee on the Judiciary during the period of my party's majority here in the Senate. I had an opportunity during that period to preside over many hearings on the subject of tort reform in all of its various component parts.

I believe it is accurate that this Senator, the Senator from Kentucky, is the only Senator who has offered tort reform amendments on the floor of the Senate in the last 6 years.

Unfortunately, we have come up considerably short in each instance. It seems to me it is time we got serious about the problem that afflicts our society.

Two months ago, I joined Senator GRASSLEY in introducing the administration's tort reform bill, the Access to Justice Act. It is, in my view, an important step in alleviating the litigation crisis in this country. It would cut what I like to call the lawyers tax. It is a tax cut that can stimulate economic growth, one tax cut that would not increase the deficit.

The lawyers tax is insidious and it is regressive; 95 percent of the cost of a childhood vaccine, one-third of the cost of a stepladder. It costs the United States $80 billion annually in direct litigation costs. It is estimated that the total cost to the United States is $300 billion, including costs incurred in efforts to avoid liability.

Mr. President, it is no wonder the United States has 70 percent of the world's lawyers. Last year, I introduced S. 1979, the Lawsuit Reform Act, a comprehensive tort reform bill, including a loser-pays provision and the abolishment of joint and several liability.

That bill complements the efforts of the Bush administration. The Vice President and the administration, in introducing the Access to Justice Act, have focus needed attention on the liability crisis which continues to hamper our economy, threaten volunteers, impede innovation, and make health care unaffordable for many Americans.

The studies are dramatic and significant. Let me mention just a couple.

A study commissioned by the Department of Commerce found that many foreign competitors have product liability insurance costs that are 20 to 50 times lower than American companies. A survey conducted by the conference board, representing 3,600 organizations in more than 50 nations, concluded that because of the liability concerns, 47 percent of U.S. manufacturers have withdrawn products from the market and 25 percent have discontinued some form of product research.

The University of Texas studied the lawyers tax and found it reduced the U.S. gross national product 10 percent below its potential during the last decade.

It reduced our GNP 10 percent below its potential because of excessive litigation.

There is also an interesting—and I must say somewhat amusing—study that refers to the trade deficit lawyers surplus. The University of Texas study illustrates this phenomenon, a startling finding that economic growth is inversely related to the number of lawyers.

At one end of the scale, with high economic growth, are countries such as Japan, Hong Kong, and Singapore. At the lower end of the growth are countries where lawyers account for nearly 5 percent of the white-collar workers: Chile, Uruguay, and the United States.

Japan, who some feel is conquering us economically—I question that, but some people are saying that—is certainly not doing it with lawyers. They are beating us with engineers and with scientists. Japan has 116 scientists and engineers for every lawyer—116 scientists and engineers for every lawyer. In the United States, there are five scientists and engineers for every lawyer.

U.S. scientists and engineers are having to load up on liability insurance to protect themselves from our lawyers.

Another commonsense provision of the bill Senator GRASSLEY has introduced is the loser pays concept. It is a commonsense law found in virtually all European countries. America is the only major country that denies to the winner of a lawsuit the right to collect legal feels from the loser. As you can imagine, that certainly makes it a no-risk undertaking to file a lawsuit. Plaintiff simply incurs no risk. Societies that employ loser pays do not have nearly as much litigation as we do. They do not have the litigation craze; they do not have this overlay, this carrying cost, if you will, for the civil justice system, that we have.

A final point deals with the plaintiffs themselves. Do they win under the current system? Clearly not. Plaintiffs receive only 34 percent of the total judgments and awards under the current system here in our country. Lawyers and courts get the majority of the money. This system does not serve plaintiffs, defendants, or consumers. It serves the lawyers.

Self-proclaimed consumer advocates have based much of their opposition to tort reform on a misguided and unproven contention that lawsuits make the country safer. There is evidence they are wrong, that the liability craze is actually making our county less safe.

Early this year a team of scientists, engineers, physicians, and lawyers examined the impact of U.S. liability laws on safety and innovation. Their report, "The Liability Maze," was issued by the Brookings Institution. The report found little statistical evidence that lawsuits had actually led to the development of safer products. In fact, it said, we may be less safe.

Most pharmaceutical firms have stopped making vaccines because of liability. Of 13 American companies that were working on contraceptive devices 20 years ago, now only 1 takes the liability risk. Some companies have even stopped AIDS research because of the liability risk.

Clearly, important and significant change is needed, and needed now. So I commend my friend from Iowa for his leadership on this most important issue, and thank him for his efforts.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, I thank Senator McCONNELL because for a long period of time—even a long time before I got involved in this issue—he sponsored legislation in this area, and I want to recognize his leadership in that area.

Mr. President, I now defer to the Senator from Alaska for such time as he might need out of my time.

The PRESIDENT pro tempore. The Senator from Alaska [Mr. MURKOWSKI] is recognized for such time as he may require.

CIVIL JUSTICE REFORM

Mr. MURKOWSKI. I thank the Chair and wish the President pro tempore a good morning. I want to thank my colleague from Iowa, who is the floor manager.

Mr. President, I rise today in support of Senate bill 2180, which is the Access to Justice Act. This legislation, introduced by the distinguished Senator from Iowa and my good friend, Senator GRASSLEY, is, as has been pointed out by previous speakers this morning, an important step in an effort to bring about much-needed reforms in our Nation's civil justice system.

The bill contains many important provisions, including the concept of loser pays, which would require the losing party of any civil action covered by this bill to pay the attorneys fees and costs of the prevailing party.

I think this provision, Mr. President, would go a long way toward discouraging frivolous and meritless lawsuits which we see so often in our society today. The bill also provides for a change in the amount in controversy that must be alleged to obtain diversity jurisdiction in Federal court. Plaintiffs would have to claim actual damages of $50,000, not just non-economic "pie in the sky," so to speak, damages for such as things as mental anguish, pain, and suffering. This should bring back more lawsuits into the State courts easing our overburdened Federal court system. The bill would help ease the gridlock and speed the resolution of cases in our civil justice system by providing for more efficient case management in Federal courts and encouraging the avoidance of unnecessary litigation through the use of alternative dispute resolution.

Mr. President, I would also like to commend the reforms included in Senate bill 2180 which, as we will recall, were initially recommended by Vice President QUAYLE through his chairmanship of the Council on Competitiveness. I think the Vice President is to be commended for his efforts to highlight the anticompetitive costs associated with our civil justice system and to propose changes to a system where lawsuits thrive and grow unchecked, a system where these skyrocketing costs of liability insurance drive businesses from the marketplace and threaten to strangle our Nation's economic vitality.

I also must applaud the Vice President's willingness to meet the legal community head on, speaking to the American Bar Association about the need for the legal profession to face up to its share of responsibilities for the litigation explosion which we have seen in our Nation.

Hopefully, his remarks spurred an introspective look at the true cost of this litigation to society not only in terms of dollars but also the attendant impact escalating damage awards and liability insurance premiums have on the substantial effort, from the standpoint of the small business, to live under such a demand.

The negative impact of this litigious behavior clouds the prospects for development of new and innovative technology in many industries and erodes our ability to compete in others. We have all seen this from the standpoint of our foreign neighbors as they move out free of such haze of litigation over advancements in technology.

Industries such as those associated with the manufacture of general aviation aircraft and parts should not disappear from the United States solely because of outrageous damage awards and astronomical liability insurance, which is the case today. We cannot continue to allow the manipulation of the civil justice system to hamstring our ability to succeed in what is already a fiercely competitive global market.

Mr. President, let me speak briefly about aviation liability. It is very important to my State of Alaska because it has almost precluded the ability to have a U.S. manufacturer of single-engine aircraft, so important in the bush parts of Alaska.

For several years, I have worked with Senator KASSEBAUM, from Kansas, to address these problems as they pertain to the general aviation industry. I continue to support the enactment of her legislation, the General Aviation Accident Liability Standards Act. As I pointed out, the escalating cost of liability insurance has had a significant impact on the general aviation industry. We have seen astronomical damage awards translated into higher liability insurance premiums over and over again. Given no choice but to pass these costs on to their customers, businesses have seen a subsequent increase in the cost of small aircraft prices that move consumers right out of the market.

The Senator from Kansas has attempted to address this problem by injecting a sense of realism into the debate over general aviation accident liability standards by providing uniform liability standards in this industry. We hope to bring out some consistency in the court judgments which have led to instability and unpredictability in the industry.

The health of the general aviation industry is very significant, as I have indicated, in my area because many of the consumers impacted are my constituents, and general aviation is significant in my State where planes are almost more prevalent in some areas than cars on the beltway in Washington. It is not unusual in Alaska to come across planes still active in general aviation that are 40 or even 50 years old which have been repaired with parts that have been cannibalized from other aircraft. One of the dominant aircraft in the Alaska bush is the Grumman Goose which is at least now 50 years old and declining simply because of the unreality of obtaining parts. The point is there is no current replacement aircraft being made in the United States as a consequence of liability.

Alaskans are uniquely dependent upon this general aviation for their way of life, and in the communities on the Aleutian chain to the North Slope, Alaskans depend on small aircraft for the basic necessities of life. Mail, foodstuffs, equipment are all transported by small aircraft through rural communities that have no access to a road system. Many communities have minimal or no health care facilities. Residents must depend on general aviation aircraft to transport them to facilities in larger cities—Anchorage, Fairbanks, Juneau, Ketchikan, so forth.

The importance of general aviation in Alaska cannot be underestimated. We have one of the highest percentage per capita of pilots in the entire United States with approximately 13,000 pilots in the State with a population of about 550,000. Merrifield, in Anchorage, is one of the busiest airfields in the world servicing small aircraft. Hard flying conditions in Alaska place difficult demands on equipment and pilots.

Mr. President, I would not support the efforts of the Vice President and many Senators to cap damage awards or discourage frivolous lawsuits if I believed that it would protect the interests of manufacturers at the expense—at the expense, Mr. President—of safety of my constituents.

The reforms of the civil justice system recommended by the Council on Competitiveness and those contained in Senate bill 2180 will protect the rights of consumers as well as those of business. Reforms that would inject realism into the damage awards, for example, would protect the ability of Alaskan consumers to purchase new aircraft and obtain liability insurance at reasonable rates. It would also protect their ability to choose to purchase American-made aircraft and parts.

Mr. President, virtually no single engine aircraft are manufactured in the United States, as I have said today. More reasonable liability insurance costs may lure back into the marketplace those manufacturers and suppliers who are forced to curtail production and get out of the aviation business altogether.

The problems of the general aviation industry are not by any means unique, as has been pointed out this morning. We must take control of our civil justice system rather than let the system drive businesses from the marketplace. We must realistically balance and protect the interests of both plaintiff and defendant. Our goal must be to greatly reduce the burdens of excessive, needless litigation while protecting and enhancing every American's ability to vindicate their legal rights through our system of justice.

I think it is unfortunate, Mr. President, that we should have to consider buying our aircraft now from South America or Poland when we want light, single-engine aircraft, when the reality of course is to stimulate our economy and stimulate jobs. Instead, what we are stimulating is a full employment act for lawyers in this Nation.

I believe the recommendations of the Vice President and legislation introduced by the Senator from Iowa and other Members of the Senate represent reforms which will help us to achieve that goal.

Mr. GRASSLEY. Mr. President, obviously, I appreciate very much the support of so many of my colleagues who have come to speak on this issue and their addressing the subject so eloquently. I hope it impresses on this body and the people of this country that we have a real problem with which we have to deal, and I think this legislation deals very effectively with it.

No one can dispute the immense economic and social costs that our evolving culture of litigation imposes upon our society. The Washington Post recently noted this and says it very well. I would like to quote:

> The United States is the most litigious society in the known universe. In 1989, nearly 18 million new civil suits were filed in American courts—one for every ten American adults. The number of Federal lawsuits has nearly tripled in the past three decades, rising from less than 90,000 in 1960 to more than 250,000 in 1990. Standing by, ready and eager to help Americans bludgeon each other with lawsuits, are nearly 800,000 lawyers, 70 percent of the world's total, 1 for every 310 regular people in the United States.

I think that says it very well, that the costs of the American approach to dispute resolution are very staggering.

One recent report estimates that individuals, businesses and governments spend more than $80 billion a year on direct litigation costs and higher insurance premiums and as much as $300 billion a year on indirect costs connected with those lawsuits. That is more than 5 percent of our gross national product.

The average lawyer then would drain $1 million a year from the country's output of goods and services, according to a study done by the University of Texas.

The costs, of course, are not only economic; they are also social, and they are emotional. The culture of litigation erodes the relationships of trust that are the foundation of our society such as the relationships between doctor and patient, between seller and purchaser, and even between husband and wife. The fear of getting sued discourages people, discourages businesses from engaging in all sorts of socially desirable conduct such as employing innovative medical procedures or designing and producing useful new products.

Other nations manage to resolve disputes in their society without incurring such costs, so why in the United States, in our country, do we spend five times as much as our major industrial competitors do on personal injury lawsuits as a share of the economy? Product liability costs are 15 times higher in the United States than in Japan, and have been on average 20 times higher in the United States than in Europe.

The President's Council on Competitiveness has proposed a package of reforms to restore reason and efficiency to our beleaguered system of civil justice. The package includes three main elements: reform of Federal law, which I have introduced in the Senate as S. 2180, and that is called the Access to Justice Act; and then, second, reforms of the Federal Rules of Civil Procedure; and, third, suggested reforms for State laws.

Perhaps the most widely discussed element of the bill I have introduced, the Access to Justice Act, is the implementation of what we call the fairness rule under which the losing party in lawsuits would be required to pay his opponent's legal fees.

Now, this is hardly a revolutionary idea. So far as I know, the United States is the only civilized country which denies the winner of a lawsuit reimbursement for the cost of collecting judgment, and that being reasonable attorney's fees. Providing such reimbursement is necessary if we are to adhere to a basic principle that a party that suffers damages at the hands of another should be made whole. It is also necessary to deter the meritless lawsuits that have flooded our courts, although as one leading commentator notes, the notion of awarding attorney's fees to prevailing opponents is not enough, or is enough to trigger anxiety attacks in many American litigators.

The approach by the Access to Justice Act is rather restrained. It imposes the fairness rule only in diversity cases between the citizens of different States, not in cases under Federal statute or not in constitutional cases. For the proponents of the federalization of civil law, this deterrent to meritless cases should be an attractive alternative to the elimination of diversity which has been proposed by many.

Fee shifting is hardly a new idea in Federal law. Many Federal statutes already—such as the civil rights laws and the antitrust laws—allow recovery of fees by prevailing plaintiffs, if not defendants. There is a safeguard in our modest fairness rule contained in S. 2180. That is that the loser would never be required to pay an amount more than his or her own attorney's fees.

The Access To Justice Act also creates a multidoor courthouse to provide litigants with a very wide range of alternative dispute resolution options.

The parties to Federal litigation would be required to attend a pretrial conference in which the areas of conflict are identified and the parties are given the opportunity to resolve their claims through a variety of alternative dispute resolution mechanisms, including early neutral evaluations, mediation, arbitration, minitrials, and summary jury trials. Any one of these alternatives is likely to be quicker, cheaper, even more reliable, and particularly less stressful on the parties than lengthy and expensive court trials.

Early resolutions of disputes would be furthered as well by the requirements of S. 2180 that parties in Federal litigation give their opponents 30 days' advance notice of their intention to sue. It is already common practice for attorneys to issue such letters prior to their filings.

S. 2180 provides long-needed relief to the Federal docket by imposing a requirement that prisoners bringing Federal civil rights claims exhaust their administrative remedies before filing in the District court.

Such cases constitute 10 percent of the Federal dockets in 1988, even though many of the cases are frivolous efforts to harass prison officials or even delay sentencing.

This reform was suggested by the Federal Court Study Committee in 1990, and I am pleased to report that it is included in another bill now pending in the Judiciary Committee, S. 1569. I had the good fortune, Mr. President, of being appointed to that Federal Court Study Committee.

The goal of the Access To Justice Act is not to eliminate meritorious lawsuits. It is to reduce instead the cost of litigation by discouraging baseless suits, and by encouraging less expensive and more expeditious resolution of those suits. The result then, Mr. President, should be more justice, not less justice as some might claim.

The reforms proposal in S. 2180 are to be supplemented by the proposals of the Council on Competitiveness for reform of the Federal rules and also suggested reforms of State law. The Council proposes changing the rule of civil discovery to limit its costs and abuse—which is 80 percent of the cost of Federal civil litigation.

It also proposes giving judges new tools for controlling expert testimony by requiring experts to testify based on widely accepted theories rather than on junk science, requiring the court to certify the expert's legitimacy, and also disallowing experts' fees contingent on success of a lawsuit.

The State reforms mirror the proposals in the Access to Justice Act, and the Federal rules reforms. They also however include important controls on punitive damages, which in many cases provide a windfall to successful plaintiffs based on the arbitrary judgment of the jury. The Council's proposal would limit punitives to an amount equal to total compensatory damages awarded, also requiring a higher standard of proof for a jury's findings that punitives are warranted, and then finally leave the determination of damages to the judge, not to the jury.

The purpose of these proposals is to improve access to justice, to improve it, Mr. President; not to limit it. Justice is not served by meritless suits based on tenuous theories of liability. It is not served when 50 percent of the recovery ends up in the lawyers pocket instead of the injured parties.

It is not served when parties must suffer through years of torturous litigation to get their disputes resolved. But that is the current state of affairs in our courts.

By throwing a little water on the litigation explosion, we can return our civil justice system to an open forum for the resolution of legitimate suits, rather than a wasteful and inefficient vehicle for the generation of attorneys' fees.

I think the statements of my colleagues illuminate the need for reform of our civil justice system. All of the problems they discussed would be at least partly alleviated by implementation of the administration's civil justice reform package: The Access to Justice Act, the Federal rules amendments, and the model State reforms. I hope my colleagues will all join us in support of this program, or at the very least get involved in the debate. Americans know that the legal system needs reform—we have all heard the lawyer jokes. We have an obligation to our constituents to do something to bring a little sanity, and a little efficiency, back into the system.

CIVIL JUSTICE REFORM/GENERAL AVIATION PRODUCT LIABILITY

Mrs. KASSEBAUM. Mr. President, America has always dominated the world in all aspects of aviation—military, commercial, and general aviation. Today, however, U.S. dominance in the general aviation field is being threatened by foreign competition. In fact, under the current product liability system, it is unclear whether or not U.S. manufacturers can survive the foreign challenge. Since 1979, unit sales of new domestic aircraft have plummeted over 93 percent and employment is down 70 percent. The Department of Commerce recently ranked general aviation 211th out of 211 industries in terms of economic growth.

There are several reasons this has been a bad decade for the general aviation industry, including high fuel costs and a recession. However, according to nearly every source familiar with the industry, the main reason for the decline is inconsistent and unpredictable product liability laws. These laws drive up the price of domestically produced planes beyond what the market can bear; they give an unfair advantage to foreign competition; and they cost thousands upon thousands of U.S. workers their jobs.

The cost to manufacturers for product liability litigation arising out of general aviation accidents has risen dramatically—from about $24 million in 1979 to over $200 million today. This is happening despite the fact that general aviation safety has continued to improve. Since 1979, both the number of general aviation accidents and the number of fatalities have decreased by about 50 percent. It simply does not make sense for manufacturers to have skyrocketing liability costs at a time when general aviation has never been safer.

Mr. President, we cannot allow thousands of manufacturing jobs to go overseas simply because of our unpredictable product liability laws. We must enact uniform and fair, Federal product liability standards for cases involving general aviation accidents, and we must do it now.

IN NEED OF SERIOUS REPAIR

Mr. DOLE. Mr. President, for the past several years, President Bush and many of us here in the Senate have attempted to reform America's criminal justice system.

Our intentions have been to ensure that the system pays more attention to protecting law abiding citizens and the victims of crime, and to ensure that the guilty are punished.

We have been fought tooth and nail, however, by those who want to maintain the status quo, who are happy with a system that thinks evidence of guilt is less important than the skill of a defense attorney.

The battle continues on that issue, Mr. President, and it also continues on the issue of civil justice reform.

I believe, as do many of my colleagues, that our civil justice system is in need of serious repair. Wasteful and counterproductive litigation is clogging our courts, and driving up costs for large and small businesses, thereby leading to a loss of jobs.

As is the case with our criminal justice system, however, there are those who have blocked any and all reform efforts made in areas such as products liability reform, medical malpractice reform, and a variety of other issues.

I am pleased to join with my Republican colleagues this morning in discussing our plans for reform, our plans for change.

The one issue I want to briefly discuss this morning is how our current products liability laws have crippled the general aviation industry—an industry of great importance to both Kansas and America.

Even though the safety record of general aviation has improved year after year, products liability claims paid by the industry have soared from $24 million to over $210 million in the past decade.

Since most manufacturers are primarily self-insured, these costs fall directly on them, and are then passed on to the consumer, thereby driving the price of airplanes beyond the means of potential consumers. In fact, product liability costs are the largest single factor in the price of a new single engine airplane.

The results of the product liability crisis are staggering: Shipments of domestic aircraft declined from almost 18,000 in 1978 to 1,144 in 1990. Employment by manufacturers has dropped by 50 percent or more, as entire aircraft lines have been discontinued and factories closed.

As a resulted, foreign competitors have targeted the U.S. market and have moved in aggressively. Indeed, prior to 1981, the United States maintained a positive balance of trade in general aviation. For the past decade it has been a negative balance.

Perhaps the Economist put it best when they described the general aviation industry as "an industry killed by lawyers."

My colleague, Senator KASSEBAUM, has taken the lead on the issue, and introduced important legislation which would reform the products liability and tort law in the aviation industry.

This has been a confusing election year. But one thing for sure is that the American people want change. And those who block change in the civil justice system and defend the status quo are simply out of touch with the people.

THE INCREASE OF CIVIL LITIGATION AND THE EXPENSE AND DELAY IN THE FEDERAL COURT SYSTEM

Mr. THURMOND. Mr. President, I rise today to speak about the high costs and lengthy delays that many people argue have become an integral part of our American court system. Over the past several years, litigation has increased dramatically, resulting in burdensome caseloads for all courts, on both the Federal and the State level. With this increase, there has been a rising concern among many members of the judiciary, the bar associations, and the American public that civil litigation has become much too costly and takes far too long to resolve disputes.

The costs of our legal system affect all Americans, not just those who are directly involved in a lawsuit. Industries, professionals, small businesses, and all levels of government face the expenses and time consuming aspects of litigation. These high costs are passed on to every American through increased costs of products, medical treatment, and various services. Further, those who bring frivolous and unnecessary claims abuse our legal system, forcing Americans with legitimate claims to wait increasingly longer periods of time for justice to be served. As a lawyer and a former State judge, I have great respect for our country's system of civil justice, and the constitutional guarantees which protect that system. Yet today, a great many people have expressed criticisms over the inefficiencies and the expenses within our courts. Clearly, action must be considered, at all levels, by State and Federal governments, to seek processes to reduce backlog and expenses.

Mr. President, recognizing that the litigation problem was reaching crisis proportions, Senator BIDEN and I introduced legislation in the last Congress to address this situation. This legislation, the Judicial Improvements Act of 1990, was enacted into law and was intended to increase the administrative efficiency of the civil litigation process in the Federal courts and reduce litigation costs.

Our legislation addressed the problem in two ways. First, we required that each district of the United States implement a civil justice delay and expense reduction plan. The purpose of the plan is to simplify adjudication on the merits, monitor discovery, and improve the overall management of the litigation process. Second, we created 85 new Federal judgeships to provide the necessary judicial manpower to carry out these reforms, as well as easing the burdensome caseloads of many Federal judges.

Mr. President, as well as reducing the cost and delay in the Nation's court system, we must also ensure that the right of every American to be able to bring suit in our courts remains protected. While our earlier legislation was a step in the right direction, there is still much to be done to improve the civil justice system. In his State of the Union Address this year, President Bush asked Congress to pass legislation to reform our civil justice system. The President's Council on Competiveness, chaired by Vice President QUAYLE, issued a detailed agenda for methods to reduce the burdens in our Nation's courts and to expedite justice. As a result of this action, Senator GRASSLEY introduced S. 2180, the Access to Justice Act earlier this year.

The Access to Justice Act includes a number of reforms designed to reduce inefficiencies and improve access to our courts. For example, included in the bill are provisions that require notice of the intent to file a lawsuit, encourage alternatives to litigation such as mediation and arbitration, and assure proper management of judicial resources. The goal of these changes is to streamline the process and reduce unnecessary delays. Another provision in the legislation will restore judicial immunity for State judicial officers. This proposal is identical to legislation that I have cosponsored with Senator HEFLIN to protect the independence of judicial officers acting in their official capacity.

It is important to ensure that any changes to our present system will encourage fair, yet expeditious resolution of lawsuits for all Americans. The legislation introduced by Senator GRASSLEY, S. 2180, attempts to address some of the inequities in our civil justice system, and I firmly believe that many of its proposals have merit and deserve thoughtful study.

Mr. President, this bill is currently being considered by the Senate Subcommittee on Courts and Administrative Practice of the Judiciary Committee. It is my hope that Senator HEFLIN and Senator GRASSLEY, chairman and ranking member of that subcommittee, will schedule hearings in the near future to consider the Access to Justice Act and to review its proposals, as well as other reforms advanced by the President's Council on Competiveness. Frank discussion of this issue will bring to the forefront the problems in our civil justice system and will assist in providing real solutions to these problems.

Mr. President, I commend Senator GRASSLEY for bringing this issue before us today.

ACCESS TO JUSTICE ACT OF 1992

Mr. SIMPSON. Mr. President, I rise today to commend the able Senator from Iowa—my fine colleague on the Judiciary Committee—for his leadership in bringing this legislation before the Senate and for initiating the national debate on this Civil Justice Reform Act.

For the past several years, Americans have been wholly disillusioned with the manner in which our courts work. There is a very real and growing animosity out there against the system, runaway jury verdicts, and against lawyers in particular. As a humble aside, nowadays if one is a lawyer and a Member of Congress—one might be feeling a pretty potent one-two punch from public opinion. Some of the animosity directed at the legal profession is well deserved. We lawyers need to clean our houses, change our act or else the Congress will do it for us.

On the other side of the ledger are the majority of lawyers—practitioners of this fine and honorable profession of which I am proud to be a part. They are not not the ones being written up in the press because of million dollar verdicts. They do the tedious, hard dry work in that profession to deliver important services in the protection of the rights of their fellow citizens. I trust that in the course of this debate, we will be hearing the views of that majority faction of the legal profession as well.

I believe that by bringing this legislation to the forefront of the national debate, the able Senator from Iowa is providing us a valuable public service in reexamining the system. Furthermore, the hearings on this legislation will also show that the vast majority of attorneys in this country share many of the Senator's concerns regarding the reform of the legal process.

Make no mistake about it, Mr. President, this legislation is more than a mere discussion draft. There are some very worthy points in this legislation. There are things that we in Congress can and that we must do to make the system function both more efficiently and more fairly whenever possible.

We see examples every day of what some in the press refer to as a litigation crisis. I was saddened to learn recently that Piper Aircraft Corp.—among this country's first and foremost general aviation manufacturing corporations—is considering moving its operations outside of the United States. That is most unfortunate. I understand that a significant factor in their decision to leave is that the potential for civil liability has raised the cost of doing business in this country to the point that this very successful company can no longer make a reasonable profit on their sales. We do need to examine whether the scales of justice have been unfairly tilted against the manufacturing industry in this country. The debate on this legislation will also serve that purpose. I'm ready to listen—ready to work for change. Something is very wrong.

So, Mr. President, I want to thank the Senator from Iowa for his leadership and courage and his hard work on this important and extremely significant legislation.

Mr. GORTON addressed the Chair.

The PRESIDENT pro tempore. The Senator from Washington [Mr. GORTON] is recognized under the previous order for not to exceed 10 minutes.

AIRBUS

Mr. GORTON. Mr. President, yesterday in Brussels American and European negotiators announced a tentative agreement limiting the support which the European governments are providing for Airbus. We have not yet heard all of the tales of this agreement, but initial reports are quite encouraging for American competitiveness in the industry which includes the largest single American exporter, the Boeing Co.

Before we go into any of the details, Mr. President, I think it is important that my colleagues keep in mind the framework within which these negotiations have taken place.

The first aircraft produced by Airbus rolled off in 1970. Government support from all of the Airbus participants and subsidies for these planes have gone unchecked now for more than two decades. Our own negotiators have been involved in 5 years of negotiations with the Europeans to arrest or to reduce these subsidies.

As a consequence, of course, Mr. President, this is not a perfect agreement. A perfect agreement would have ended all subsidies, and allowed the two primary American aircraft producers to operate on a totally even plain.

In fact, already at least two of our colleagues here in the Senate and in the House of Representatives have denounced or criticized this agreement because it is not perfect. Nevertheless, it seems to me that while they perceive the empty portions of this glass, it is not a glass more than half full by reason of the skill and persistence of American negotiators. We should not criticize the fact that our negotiators after more than two decades have not hit a home run when what they have is a sharp crisp double which will substantially improve American competitiveness.

As this Senator understands, there are four key elements to these negotiations. First, the tentative agreement calls for a complete end to all production subsidies. While it is somewhat difficult to put a precise number on what this means it has been our belief on good information that there have been several millions of dollars of production subsidies in each and every aircraft produced by Airbus to this point. This will end. It is a significant triumph.

Second, the agreement will end the European governments involvement in aircraft sales campaigns. All too often in competitive rivalry for such sales, we have seen sales of Airbus coupled with new landing rights and European countries are loaned soft loans at less than market interest rates to subsidize such sales on the part of Airbus. This kind of subsidy and these unfair incentives will end if this agreement is made final.

Perhaps most significant and certainly most controversial are research and development subsidies which will both be defined and limited to 33 percent, and must under this agreement be paid back with interest over a reasonable number of years. In one sense, Mr. President, this does not sound like a particularly good deal. We certainly do not like the idea of a 30-percent developmental subsidy in Europe when here in the United States our companies pay all of their research and developmental costs.

Nevertheless, when one compares this agreement with research and development subsidies, which have come up to and included 100 percent for some of Airbus' aircraft, it is certainly a major step forward.

I cannot conceive that even another 5 years of negotiations would have resulted in zero subsidies for development. So, at this point, at least, we should settle for this 33 percent and keep trying to see to it that all such subsidies are banned in the future.

Fourth, and last, this agreement provides for what is called in the trade real transparency, a term that means that we will be allowed to discover the disclosure of the kind of operation which can be measured. For the first time, for example, we will be able to determine whether Airbus is operating profitably or at a loss. We will get financial information which is not now available to us.

Mr. President, I believe that our trade negotiators have taken on an extremely difficult task and seem, tentatively at least, to have accomplished it well. We have not found our way to perfection; we have not found our way to that proverbial absolutely level playing field, but we will find our American companies better able to compete in the future than in the past. We have made real progress and should be thankful for it.

Mr. BUMPERS addressed the Chair.

The PRESIDENT pro tempore. The Senator from Arkansas is recognized for 15 minutes.

CHILD SUPPORT EQUITY

Mr. BUMPERS. Mr. President, I rise today to introduce a bill, the Child Support Tax Equity Act of 1992, S. 2514, that I have worked on for over a year. I must confess that when my staff first gave me the idea, I was not much taken with it. But I began to read law review articles and study the bill in more detail and came to the conclusion that it is an excellent idea whose time has come.

Mr. President, I used to be a trial lawyer before I became a Governor and a Senator. I had three children to feed, and I would take just about any kind of a case that came in the front door. Most of the cases that came in the front door were divorce cases. Later on, as my practice grew and I became a little more affluent, I gave up domestic relations cases, because they were always difficult and traumatic with a lot of volatility and hostility. As a matter of fact, in a case I had one time, three people were killed. That was not my cup of tea. But I was exposed to the issue of child support.

Let me emphasize that what I will say here about child support is not to denigrate the husbands in divorce, but almost invariably the husband is the one who pays child support. So, Mr. President, in my remarks today I will assume that the husband owes child support and he owes it to his former wife. This assumption is reasonable because the husband is usually the child support payer and the wife, the mother, is the recipient.

I have to confess that of the probably 400 or 500 divorce cases I tried as a trial attorney, of all the husbands I represented, and fathers, almost invariably, who came to me would ask one question first, "What is the least you can get me out for on child support?"

I do not say this to be self-serving, Mr. President, but I have three lovely children. They are all grown now and extremely well educated, stable, and making great contributions to this country in their own way. I do not honestly believe that if my wife, Betty, and I had those kinds of troubles and got divorced that it would have ever occurred to me to not make certain that every one of my children were provided with everything I could possibly afford in support, such as education, health care, food, clothing, housing, all of the necessities. But this was not the attitude of many of my clients.

Mr. President, this bill I am introducing today is called the Child Support Tax Equity Act of 1992. Here is why I am introducing a bill on this subject. Listen to this. In the last year we have figures for, 1989, there were 10 million families in this country where the father was not present. Of the 10 million families where the father was not present, 5 million of them, 50 percent of them, had no child support order or agreement. Of the 5 million families without a father in the home that had a child support order or agreement, only 50 percent, 2.5 million, received all the child support to which they were entitled.

Twenty-five percent received partial support and 25 percent received no support at all despite the fact that they had an order or agreement providing for support.

What that translates into, Mr. President, is that of the 10 million families in this country where a father is not present, 50 percent had no child support order, so they received no support, 25 percent had an order but received partial or no payment, and only 25 percent of the mothers, wives, and children are receiving all the support that is due them. That is a staggering statistic. It is a terrible indictment of the morality and ethics in this country.

Let me just give you some statistics about my home State of Arkansas. The State of West Virginia, the home of the distinguished President pro tempore, is very similar to my State in size, culture, and economy. In 1989, $153 million in child support was owed totally to these families where the husband was not present. And of that amount, only 17.6 percent, or $27 million, was actually paid in that year.

Some of those child support debts were for prior years, but to put it on a more timely and understandable basis, if we just include the current year debts in 1989, the amount that should have been paid for that year was $57 million and only $26 million, or 47 percent, was actually paid.

Mr. President, what can we do? How many bills have been introduced in this body to address this problem? Dozens. We have reciprocity among the States, so that husbands cannot flee to another State to avoid child support. We have all kinds of so-called sticks and carrots to make these people pay the support to which their children are entitled. I applaud every single effort that has been made.

I do not say to this body, Mr. President, that this new bill is perfect, but I do represent it to be the best bill that has ever been introduced on this subject; the bill that is most likely to really give the children the financial support that they are due, and to penalize the husbands for not paying it. This is a bill that actually puts dollars in the pockets of the women who can't collect child support and takes dollars out of pockets of the fathers who refuse to pay child support.

Mr. President, as of this morning I have already convinced Senators DURENBERGER, NUNN, GRASSLEY, LEVIN, SHELBY, LIEBERMAN, BREAUX, INOUYE, REID, KERRY, FOWLER, and DODD, of the correctness of what I just said. I introduce this bill on behalf of all those men who are original cosponsors.

Mr. President, this bill is based on a simple proposition. If a businessman has a bad debt at the end of the year, he can charge it off with a "bad debt" deduction. With the corporate tax rate, which I think is 34 percent, the businessman charges off a million dollar bad debt, and he gets a tax savings of 34 percent of that amount. But, if the taxpayer is a mother with three children, who is entitled to $15,000 a year in support, and her husband is a deadbeat who has either fled the country, fled the State, is in hiding, or simply refuses to pay, and she cannot force him to pay, she cannot deduct a thin dime. This is inequitable. Her bad debt is just as much a bad debt as that businessman's bad debt.

So what we are saying with this bill is if first, you are entitled to child support and you do not get paid; second, you have a legally enforceable court order or agreement to be paid; and third, you have not been able to enforce that court order, you can take a bad debt deduction up to $5,000 per child if your family has an adjusted gross income of less than $50,000. This bill does not cover people who make more than $50,000 in adjusted gross income. If this bill is as successful as I believe it will be, I will be willing to tinker with the bill and raise that threshold. People ought to be able to deduct their bad debts, regardless of what the family income happens to be.

Most of those women are in the 15-percent tax bracket. I will come back to that in just a moment.

As a requirement for her deducting the bad debt, she has to supply the IRS with this husband's, the derelict husband's Social Security number or other identification. The IRS will then notify him that they are assessing him an additional $15,000 income on his tax return and he will be liable for the tax on that amount as a "discharge of indebtedness."

You might ask, well, some fellow who is paying his support regularly now, let's say he is paying $15,000 a year in support, and he sees this law, he might say: "I can quit paying support and she can deduct the difference on her tax return. All I have to do is just let the IRS assess me that $15,000, and I will pay the tax on that, I am in the 30-percent bracket, so I am going to pay roughly $5,000."

It will not work that way in practice. First of all, most of the women who are receiving full support payments have reasonable relations with the child's father and sophisticated knowledge of their rights. The second reason is that most of those men who are paying their support would not stop paying. And, third, these men can be forced to pay what they owe. They must have jobs if they have been paying child support. And the chances of him being able to avoid paying support are almost nil because the mother under this bill still has the right to collect the full amount due.

If a husband later pays something to the mother after she has taken her deduction and if he has been assessed this $15,000 on his tax return, she has to add the payment to her income and pay tax on it and he will take a deduction. This unwinds the whole transaction.

But getting back to the point I was about to make a moment ago, the Joint Tax Committee did an analysis on this bill. The chairman of the Senate Finance Committee is sitting here; he will be interested in this. The Joint Tax Committee says over a 5-year period, this bill will raise $30 million in revenue.

Why would anybody not want to support a bill that says, first, we are going to help families by giving women the right to deduct the child support they cannot collect; second, we are going to penalize the husbands for their dereliction of duty in not paying the support by making them put it on their tax return; and third, we are going to reduce the deficit in the process?

Mr. President, I do not see how you can improve on that. It has the makings of everything good, and I do not see one single flaw in it.

Mr. President, I am not sure that the Joint Tax Committee in making that revenue assessment, considered one other positive element. I think what they considered was that the women, the mothers, are usually in a 15-percent bracket, and many of the husbands and fathers, or ex-husbands and fathers, are in a 31-percent tax bracket. So when she deducts the $15,000 bad debt, that costs the Treasury 15 percent of that amount. When you add this amount as a discharge of indebtedness to his income, many times he has to pay 31 percent, and that is where the positive revenue flow comes from.

But I do not believe that the Joint Tax Committee took into consideration the fact that if we collect more support from derelict fathers, we lighten the cost of our welfare load. We may be taking some women off welfare if they can deduct their bad debts, and I do not think the Joint Tax Committee considered that in their analysis of the $30 million net revenue increase. So that is a fourth ingredient that argues in favor of this bill.

Now, Mr. President, I ask unanimous consent that my formal statement and outline of the bill and the text of the bill itself be printed in the RECORD; and further, that any others who wish to become an original cosponsor of this bill may do so and introduce statements for the rest of the day on it, and thereby become an original cosponsor of the bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BUMPERS. I thank the Chair.

(The remarks of Mr. BUMPERS pertaining to the introduction of S. 2514 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BENTSEN addressed the Chair.

The PRESIDENT pro tempore. The Senator from Texas [Mr. BENTSEN] is recognized for not to exceed 5 minutes.

Mr. BENTSEN. Mr. President, I ask unanimous consent that I be allowed to proceed for 15 minutes.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. The Senator from Texas [Mr. BENTSEN], is recognized for not to exceed 15 minutes.

Mr. BENTSEN. Mr. President, I ask unanimous consent that I be allowed to put in my remarks later this afternoon a distributional analysis of the flat tax proposal by the Congressional Budget Office and an analysis by the Joint Economic Committee.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

THE FLAT TAX

Mr. BENTSEN. Mr. President, the Democratic primary campaign between Governor Brown and Governor Clinton is drawing to a close. Governor Brown has proposed a flat rate tax that could be a pivotal issue in a Presidential campaign.

I have been a student of public finance and taxation for a number of years, and I learned long ago that any major change in the Tax Code brings about some significant winners and losers. And that is especially true of a flat rate.

Usually those who gain from tax changes can be clearly identified. We saw that in the 1980's when President Reagan focused on cutting taxes for the wealthiest Americans by an average of $16,400 while raising taxes on middle-income taxpayers. The wealthy gained at everyone else's expense.

That is why congressional Democrats voted to cut middle-income taxes last month while raising them in the top 1 percent. We did that intentionally.

A progressive tax system is critical to our notion of tax fairness and, yet, under the present Tax Code, the tax rate paid by someone earning $1 million on Wall Street is only three points higher than someone earning $35,000 on Main Street. The tax bill passed by Congress, but vetoed by the President, would have redressed that inequity.

Governor Brown says he would like to introduce a value-added tax, or a VAT, to replace the corporate income tax, and a flat rate of 13 percent on all personal income to replace Social Security and personal income taxes. Deductions for mortgage interest, rent, and charitable contributions would be retained along with taxes on tobacco and alcohol.

I know that the polls and focus groups show wide appeal for the flat rate tax. A simple tax with no loopholes; paid by all. But, in tax law the devil is in the details. So I studied the flat tax proposal. I studied it carefully. I wanted to find out if claims of tax fairness held water.

I also examined his VAT proposal. That tax is widely used in Europe. But it is coupled with a progressive income tax, since middle- and lower-income people spend a greater share of their income on items like food, shelter, and medicine. Unless adjustments are made to increase progressivity of the tax system a VAT will jeopardize tax fairness.

But Governor Brown's plan does not include those adjustments. In fact, his plan does just the opposite.

A regressive VAT is combined with a flat tax imposed on the first dollar of income to produce an overall regressive tax plan.

It is a plan which only those with high incomes could love. It finances tax cuts for corporations and the well-to-do by raising taxes for everyone else—a bigger tax bite for the same working families whose incomes fell and whose taxes rose during the eighties.

If you liked what happened to taxes under President Reagan, you will love this flat tax.

Two weeks ago, Democrats voted to raise taxes on the 1 percent of Americans at the top of the income scale. This flat tax would cut their taxes by $45,080 apiece. That is nearly three times more than their taxes were cut under President Reagan.

Two weeks ago, Democrats voted to cut taxes on the average family with two children by 25 percent. The flat tax instead would reduce taxes on the wealthiest 1 percent of Americans by 27 percent. And, taxes on middle-income families would go up 22.5 percent, or more than $1,200.00, according to the Congressional Budget Office.

Who are the winners, then, in the fine print of Governor Brown's flat tax proposal?

Those in the top bracket, of course. Incomes of the top quintile will go up 6.8 percent while everyone else's income will go down. The tax rate on their capital gains for example would fall from 31 percent to 13 percent—which is 2.5 points lower than that proposed by President Bush. According to the LA Times one well-known wealthy couple, President and Mrs. Bush, would have enjoyed a $45,000 tax cut last year under the flat tax. And, Governor Brown's plan would let President Bush cut his taxes even more if he sets up a family corporation.

The other winner is even bigger. Indeed, the flat tax advocates seem to have fallen under the sway of Charles Wilson, President Eisenhower's Secretary of Defense and the former president of General Motors who declared, "What's good for GM is good for America."

The flat tax presumes that the best thing for GM is to pay no taxes at all. It replaces the entire corporate income tax with a VAT. That shifts all of the corporate tax burden onto consumers. In one breath-taking swoop the Brown tax plan will simply exempt corporations from taxes—blasting a $100-billion hole in the U.S. Treasury and destroying tax fairness. You can't win any bigger than that.

I believe the VAT deserves careful study to see how it would work, how it might increase savings and investment. But to replace the entire corporate income tax structure with a VAT overnight seems preposterous.

Where there are winners, there are also losers. And, the flat tax produces plenty of them. The biggest losers may be middle-income families.

They are paying higher taxes, drawing down saving, spending more time commuting and spending less with children. All the while, they are falling further and further behind inflation, despite two paychecks.

In 1991, for the first time, Americans spent more on health care than on housing. And, household wealth fell as housing prices dropped nationwide for the first time since the Great Depression.

Why on Earth would anyone seriously consider a tax plan that requires middle-income Americans to pay taxes twice on the same dollar—once when earned and again when spent—so corporations can get off scot-free?

But, there is even worse news for middle-income families. Because they spend a greater share of their income and are able to save less of it than the wealthy, the combination of a flat tax and VAT means that those with the highest incomes will pay a lower tax rate than they do.

The poor are big losers as well. They will pay 23.4 percent of their income in Federal taxes with the flat tax according to CBO, while the top 1 percent will pay only 20.9 percent according to the Joint Economic Committee. They would lose the earned income credit which eliminates their income tax obligation and cuts the effective tax rate to zero. Families who are currently paying no income tax would be paying both a 13-percent income tax and VAT on every dollar they earn and spend. Overall, the flat tax will skyrocket taxes on the poor. Taxes on the lowest quintile will jump from 7.7 percent to 27.7 percent, causing their income to drop a big 21.7 percent, according to CBO. The wealthiest Americans will be paying a lower tax than the poorest Americans.

That will reverse two generations of Democratic efforts to bring a decent standard of living to all Americans. The flat tax will do for economic fairness what Saddam Hussein did for world peace.

It turns the fundamental concept of American taxation, the concept of progressivity, flat on its head. The more you earn, the less you pay. Robin Hood taxed the wealthy to give to the poor. In contrast, this flat tax plan might well have been designed by the Sheriff of Nottingham.

Among other flat tax losers are the elderly. Franklin Roosevelt overcame ferocious opposition to establish Social Security back in the thirties. Since then, it has matured to become the guarantor in retirement of living standards and health care for most elderly families.

The program is a success. But, its success rests on its independence from the Federal revenue pot. The budget may rise or fall; taxes may rise or fall. But the Social Security and Medicare are a social insurance system; they stand in splendid isolation, shielded from the whims of Washington by their own dedicated tax and trust funds.

This flat tax does not respect the independence of Social Security. By eliminating the dedicated payroll tax, it sets a computer virus loose in the Social Security system. It would change Social Security from an insurance system to a welfare system.

The flat tax plan will worsen the deficit, too. According to sketchy details provided the Joint Tax Committee, it would add at least $100 billion annually to the deficit.

That would force up interest rates and spook Wall Street. Remember when President Bush's tax plan threatened to add $32 billion to the deficit over 6 years Wall Street gulped, and promptly sent mortgage rates up nearly a point. And Tuesday, we go the inevitable bad news: new home sales dropped 2.7 percent in February. Yesterday we learned that new construction spending fell nearing 1 point in February.

Capital investment plunged one-third in the eighties. The very last thing America needs now is higher real interest rates and higher capital costs.

Another disturbing, though less understood, aspect of the flat tax is the danger it poses to tax simplification and compliance. Governor Brown's goal of a simple and easily monitored tax system is exactly right. But, his flat tax is anything but simple. Much of the complexity in the Tax Code centers on the definition of income. All that controversy will remain. And with it all the lobbyists, lawyers, and accountants.

Worse, the flat tax opens the largest loophole in history—a loophole called incorporation. With a zero corporate tax rate, the lawyers and accountants will shift every asset they can get their hands on into corporate ownership. It will drive a stake in the heart of tax compliance.

For the poorest Americans, the richest Americans and everyone in between tax dodging will replace baseball as the national pastime. Television will become glutted with 800 numbers hawking incorporation schemes. Just dial 1-800 SHELTER.

It will discourage tax compliance as well. The fundamental sense of fairness that undergirds tax compliance by Americans—the rough parity in treatment of personal and corporate income—will dim. Tax enforcement will inevitably become a nightmare.

The American family is under the worst assault since the Great Depression. This recession has unveiled a pessimism about the future not witnessed since my father's time. The economy will recover, it always does though it may be a muddled one this time around. But, the dimming of expectations for a brighter future—the dimming of the American dream—is not likely to recover with it. This new sobriety recognizes that our leaders are dithering when hard choices need to be made.

Americans want good jobs and schools, a secure home and freedom from crime and drugs. But most of all, they want the truth. They will not get it from this plan.

Yes, the American people want change—in part because they think the present system is not fair. But, they will reject any proposal to tax them twice and corporations not at all. They will reject a scheme that turns tax progressivity on its head. And, they will reject any scheme that threatens the one Government program they know works well—Social Security.

EXHIBIT 1

JOINT ECONOMIC COMMITTEE,
Washington, DC, April 2, 1992.

MEMORANDUM

To: Senator Lloyd Bentsen.
From: George Tyler, Senior Economist.
Subject: How the Top One Percent Fare with a Flat Tax.

This is in reply to your request for information on how a combination flat rate income tax of 13 percent and a 13 percent value added tax covering goods and services would change effective federal tax rates for the top one percent of tax filers. The only deductions from income are mortgage interest and charitable deductions. Income and tax data for calendar year 1992 was utilized from the Congressional Budget Office (CBO) tax simulation model. CBO data shows that mortgage interest and charitable contribution deductions average $54,000 per household in this strata. The analysis utilizes the assumption, based on Commerce Department data derived from the Consumer Expenditure Survey, that seventy percent (70) of pretax income of the top income strata is consumed and is subject to the VAT tax.

Under the current tax regime, the pretax mean income of the top one percent of income filers in 1992 is projected by CBO to be $566,700. They are projected to pay $163,300 in federal excise, income, corporate and social security taxes, or an effective federal tax rate of 28.8 percent. Their effective income tax rate alone is projected to be 22.4 percent this year or $126,900.

Under the flat tax/VAT combination, a flat rate of 13 percent would apply to all income, less deductions for home mortgage interest and charitable contributions which total $54,000 per tax filer. The flat tax would reduce the effective income tax rate of the top one percent of tax filers to 11.8 percent from 22.4 percent. Their total effective federal tax rate would decline under the flat/VAT substitute to 20.9 percent from 28.8 percent, a tax reduction of 27 percent or $45,080 apiece on average for the top one percent of tax filers.

Pretax Income	$566,700
Less deductions	54,000
Taxable Income	512,700
Tax:	
13 percent tax	[1]66,651
VAT	[2]51,570
Total tax	118,220
Aftertax Income	394,480

[1] 11.8 percent of income.
[2] 20.9 percent of income.

CONGRESSIONAL BUDGET OFFICE,
U.S. CONGRESS,
Washington, DC, April 2, 1992.

Hon. LLOYD BENTSEN,
Chairman, Committee on Finance, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The enclosed staff memorandum responds to your request of March 30 that the Congressional Budget Office (CBO) calculate the distributional effects of the substitution of a flat-rate income tax combined with a value-added tax for current income, payroll, and excise taxes (excluding taxes on alcohol and tobacco). We have built upon existing CBO estimates of a value-added tax in order to provide the analysis in a timely fashion.

Sincerely,
ROBERT D. REISCHAUER,
Director.

[CBO Staff Memorandum, April 1992]

DISTRIBUTIONAL EFFECTS OF SUBSTITUTING A FLAT-RATE INCOME TAX AND A VALUE-ADDED TAX FOR CURRENT FEDERAL INCOME, PAYROLL, AND EXCISE TAXES

At the request of Senator Bentsen, the Congressional Budget Office (CBO) has simulated the effect on families' federal taxes and after-tax income of substituting a combination of a flat-rate income tax and a value-added tax (VAT) for present federal income, payroll, and excise taxes (excluding excise taxes levied on tobacco and alcoholic beverages). The changes were simulated at 1989 income levels using income and payroll tax rates in effect in 1992.[1] The flat-rate income tax and the VAT rates were set so as to yield no net change in the federal deficit in combination with the simulated elimination of those existing federal taxes.[2]

As specified in the request, the simulated flat-rate income tax is levied on the income-tax base as defined for the present personal income tax, except that all Social Security benefits, unemployment insurance benefits, and other transfer payments are tax-exempt. Existing income adjustments and itemized deductions are eliminated, as are personal exemptions, the standard deduction and all credits. Rent payments, home mortgage interest and charitable contributions, however, are deductible from taxable income.

The tax base for the simulated VAT excludes medical care, education expenditures, and contributions to religious and charitable organizations.[3] The value-added tax is assumed to raise the price of taxable goods and services, so the burden of the tax was allocated in proportion to family consumption of taxed goods and services. The higher prices for those goods also raise the aggregate price level, triggering an increase in such indexed transfer payments as Social Security benefits and Supplemental Security Income payments. The simulation incorporates the increased personal income from such indexation.

In the simulation, the benefits of eliminating existing federal income, payroll and excise taxes are distributed to families based on assumptions about who bears the burden of each tax. Although some federal taxes are paid by corporations, noncorporate businesses, and even non-profit institutions, the economic burden of all taxes ultimately falls on families and individuals. Taxes may reduce family income directly through higher individual income or employee payroll taxes, or they may reduce family income indirectly either through higher taxes paid by businesses or by causing prices to rise, thereby reducing the purchasing power of family income.

The benefit of eliminating individual income taxes is attributed to families who directly pay the tax. The benefit of eliminating federal payroll taxes—including both the employer's and the employee's share—is allocated to employees in proportion to the tax on their earnings. That allocation assumes that the employer's share lowers wages in the long run. The benefit of eliminating the corporate tax is allocated to recipients of realized capital income (the sum of rents, interest, dividends, and realized capital gains) in proportion to their capital income.[4] That allocation assumes that the relative pre-tax returns of all assets change so as to shift the burden of the corporate tax from corporate shareholders to all recipients of income from capital.

Because eliminating employer payroll taxes and corporate income taxes would raise family incomes, the tax base for the flat-rate income tax is larger than the base for existing federal individual income taxes.

TABLE 1.—DISTRIBUTIONAL EFFECTS OF SUBSTITUTING A FLAT-RATE INCOME TAX AND A VALUE-ADDED TAX FOR CURRENT FEDERAL INCOME, PAYROLL, AND EXCISE TAXES

[At 1989 income levels assuming 1992 tax rates]

Income Quintile[1]	Income after tax		Effective tax rates	
	Average	Percentage change	1992 tax law	After change
Lowest	6,700	−21.7	7.7	27.7
Second	14,800	−11.0	15.2	24.5
Middle	23,100	−5.3	19.1	23.4
Fourth	32,400	−1.3	21.7	22.7
Highest	70,300	6.8	26.7	21.7
All quintiles	29,200		23.1	23.1

[1] Families are ranked by adjusted family income (pre-tax income from each family divided by the 1989 poverty threshold for a family of that size). Pre-tax family income is the sum of wages, salaries, self-employment income, rents, taxable and nontaxable interest, dividends, realized capital gains, and all cash transfer payments. Income also includes the employer's share of Social Security and federal unemployment insurance payroll taxes, and corporate income taxes. Quintiles contain equal numbers of people. Families with zero or negative income are excluded from the lowest income category but included in the total.

Source: Congressional Budget Office.

One measure of the distributional effect of a change in tax policy is the resulting percentage change in after-tax income. As shown in Table 1, CBO's simulation of substituting a flat-rate income tax and a VAT for existing federal income, payroll, and excise taxes indicates that overall, the change in taxes would be regressive. After-tax income for families in the bottom four-fifths of the income distribution would decrease, with the largest decrease for families in the bottom fifth. After-tax income for families in the highest fifth of the income distribution would increase.

Families in the bottom one-fifth pay relatively little in combined income and payroll taxes compared with other families. Many low-income families actually receive subsidies from the income tax rather than pay taxes because of the earned-income credit. Thus, low-income families would receive little tax relief from eliminating income and payroll taxes. In contrast, in any given year, many of these families spend much more than their annual income, financing such spending by borrowing or selling assets. These families would pay a significant portion of their income in value-added taxes.

---

[1] 1989 is the most recent year for which complete income data are available.

[2] The rates for both are 16 percent. They depend on the definition of the tax base and the year of the simulation and could be higher or lower if either of those were changed.

[3] The base was the zero-rated merit goods base defined in the recent CBO study, *Effects of Adopting a Value-Added Tax* (February 1992).

[4] These assumptions about tax incidence are the same as the assumptions used for the value-added tax simulations in *Effects of Adopting a Value-Added Tax*.

The change in progressivity can also be measured by the change in effective tax rates—the percentage of pre-tax family income paid in federal taxes. The combination of a flat-rate income tax and a VAT would lower the effective tax rate for families in the top quintile but would raise the effective tax rate for families in the bottom four quintiles. For families in the lowest quintile, the effective tax rate would rise by 20 percentage points.

Because some portion of families with low incomes in a single year are not low-income by other standards, the decrease in progressivity measured by changes in after-tax income and effective tax rates based on a single year's income overstates the change over a typical family's life. Some elderly families, for example, are able to sell assets to pay for spending that exceeds income; value-added taxes would take up a larger share of the income of such families than it would for families that finance spending entirely from their annual income. The same is true for young families who borrow against future income to pay for current consumption. Value-added taxes would therefore appear to be more regressive than they are because low-income families who can pay for spending from existing wealth or from future high earnings are not necessarily poor.

Simulations of the sort reported in this memorandum are fairly crude approximations. Many details that would have to be specified in the tax code would affect the actual results. In addition, simulations are sensitive to the tax incidence assumptions that are used. While there is a broad consensus in the economics profession about the incidence of certain taxes, such as the personal income tax, there is more disagreement or uncertainty about the incidence of other taxes. The substitution of a flat-rate income tax and VAT for existing income, payroll, and excise taxes would represent a major economic restructuring and would undoubtedly induce people to alter their economic behavior. This could result in significant changes in incomes, patterns of consumption, aggregate economic activity, asset values, and so forth. Finally, tax administration and compliance costs could change. All of those effects, which could alter the VAT and flat-rate income tax rate needed to yield no net change in the deficit and the ultimate effect on people's after-tax income, lie beyond the scope of this analysis.

The PRESIDENT pro tempore. The Senator from North Dakota [Mr. CONRAD] is recognized under the order for not to exceed 10 minutes.

Mr. CONRAD. Mr. President, I ask unanimous consent I be allowed to proceed for an additional 10 minutes, if necessary.

The PRESIDENT pro tempore. Is there objection? The Chair hears no objection. The Senator from North Dakota [Mr. CONRAD] is recognized for not to exceed 20 minutes.

KEEPING MY PLEDGE TO THE PEOPLE OF NORTH DAKOTA

Mr. CONRAD. Mr. President, 6 years ago, in running for the U.S. Senate, I made a pledge. I promised that if the budget deficit, the trade deficit, and real interest rates were not brought under control, I would not seek reelection. Mr. President, my party is having its convention in North Dakota this weekend and it is time to take stock.

The trade deficit is down sharply from 1986. Real interest rates are down dramatically. But the budget deficit is completely out of control.

Many have urged me to run anyway. They have said to me, "You did everything that you could." Certainly that is true; I have done everything I could do. I have voted against 74 percent of the spending voted on by Congress in my term. I have authored one of the most ambitious deficit reduction plans presented by any Member to the Senate Budget Committee, a plan that reduced the deficit $559 billion over 5 years. I was one of only eight to vote against the S&L bailout.

Last year, I supported in the Budget Committee a budget freeze that would have saved $124 billion. That lost by only 1 vote, 11 to 10. I have been a leader in urging that we quit paying the defense bills for Germany and Japan when we cannot pay our own, getting an amendment passed that requires Japan to start paying for our troops in Japan or we will bring them home.

One of my first acts in the U.S. Senate was to propose a 2-percent cut in spending, across the board, with the exceptions of the trust funds of Social Security and Medicare. I got 36 votes, 19 Democrats and 17 Republicans.

I founded the deficit reduction caucus when I came to this body. It now consists of 40 Senators, Democrats and Republicans, that meet frequently on deficit reduction options.

Others have said to me I ought to run because I have a strong record of fighting for North Dakota. Mr. President, I am intensely proud of the legislation I have helped craft that has made a difference to my State.

In 1987, the farm credit bill rescued the Farm Credit System, an agricultural lending cooperative. I just met with farm credit officials this morning and am told that that this legislation, the Agricultural Credit Act of 1987, which prevented the bankruptcy of the Farm Credit System, will not cost the taxpayers one dime. Mr. President, that legislation meant $300 million to my State.

In 1988, when my State was hit with the worst drought since the 1930's, I worked in the Agriculture Committee to offer changes to the benefits formula that meant my State was given the treatment that it needed and deserved. That drought relief legislation meant $411 million to the State of North Dakota.

In 1989, again when we were hit with drought and some just wanted to keep drought relief money for the winter wheat States, I stood in the way. I said no, no drought relief legislation can move until we have had a chance to see what the needs are of the northern tier States. And, again, we were plagued by drought, the disaster relief bill meant $123 million to my State in 1989. It was not pork, Mr. President, it was responding to a real need.

In 1990, in the farm bill, I was involved in many provisions that were very important to my State. I was the author of the first-time ever oil seeds legislation. Along with my colleague from South Dakota, Senator DASCHLE, I helped save the crop insurance system and led the fight on the floor to preserve the sugar program. Again, with my colleague from South Dakota, I played an active role in preserving the honey program that is important to my State.

Perhaps most important, and the thing I am most proud of in the 1990 farm bill, was the passage of legislation to encourage the commercialization of industrial uses of agricultural commodities. That bill has now become law and is funded. Commercialization will now provide part of the money necessary to take the outstanding basic research we do in this country, commercialize it, and take it to the marketplace.

Mr. President, I am proud of the work that I have done to bring jobs to my State. The economy of North Dakota desperately needs diversification, and I have played an active role, along with others, in bringing U.S. Health Care to Bismarck, Choice Hotels to Minot, ND, Impact Telemarketing to Grafton, ND, and we are on the verge of bringing the Dakota Catalyst to Williston, ND.

Mr. President, I have worked hard to stay in touch with my State. I have held 1,000 meetings with the public, including over 200 community forums, while maintaining a 99.5-percent voting record. I am proud of an outstanding staff that rarely leaves my office before 7 o'clock at night and, in some cases, has worked around the clock to make certain that my State was properly represented.

But, Mr. President, there is a tremendous air of cynicism in the country, and I do not want to contribute to it. I know there are those who will support, oh, he must be afraid of defeat. Mr. President, no one who knows me very well is going to suggest that. I have taken on some of the toughest fights and the longest odds in my political career in North Dakota.

When I ran for this office in 1986, I started out 38 points behind. I had about $176. My opponent had nearly a million dollars, so I am not afraid of long odds.

Very frankly, in the race in 1992, I would not face long odds. My polls show me running very strongly in 1992. In addition, I have a strong record and the resources to make certain that it is heard. But, Mr. President, while all of that is true, it is also true that I made a promise, I made a pledge. I was raised to be honest, to keep my word.

Mr. President, I have struggled with this decision for months. And I have concluded there is only one right course, and that is to keep my pledge. No position is as important to me as my good name, my honor, and my integrity.

Therefore, Mr. President, I will not be a candidate for reelection to the U.S. Senate.

I thank the Chair and yield the floor.

Mr. KERRY. Mr. President, what is the order?

The PRESIDENT pro tempore. The order is as follows: The Senate is transacting morning business, and Senators may be recognized not to exceed 5 minutes during that period. But the Senator from Nevada has an order for up to 10 minutes. The Senator from Massachusetts [Mr. KERRY] has an order for up to 40 minutes. The Senator from Michigan [Mr. LEVIN] has an order for up to 10 minutes.

Mr. KERRY. Mr. President, the majority leader is here. I know he wants to say something and I would like to say something about the comments we just heard and would like to reserve the time I have under the order.

The PRESIDENT pro tempore. The majority leader is recognized.

SENATOR CONRAD WILL BE MISSED

Mr. MITCHELL. Mr. President, I want to express in behalf of all Senators my deep regret at the announcement that was just made by Senator CONRAD. Senator CONRAD has served the people of his State with great energy, aggressiveness, and distinction. And he served the people of the Nation as well. In the short space of one Senate term, he has made a valuable contribution to the development of national policies which have caused the improvement in the lives of millions of Americans which would not otherwise have occurred.

He has a reputation for candor. He has a reputation for total integrity. And we saw both of those characteristics on display this afternoon.

I wish Senator CONRAD and Mrs. Conrad the very best. He is still a very young man and I hope will continue his contribution to public service and to public policy in some other form and fashion. I know that I speak for every Member of the Senate when I say that he will be sorely missed and we all wish him the best. May God continue to bless Senator CONRAD and his family.

Several Senators addressed the Chair.

ORDER OF PROCEDURE

Mr. KERRY. Mr. President, I would like to ask the majority leader, I know that under the order time is reserved for a number of Senators, but I believe that even under the order that time might now go beyond what was appropriated for morning business. A number of my colleagues have come to me and asked me for some time. I have a long amount of time, and I do not want to hold them on the floor to have to listen to me to wait for it. If the majority leader is willing to guarantee the time for morning business beyond 1:30, I will be happy to wait for them to go before me. Is that possible?

The PRESIDENT pro tempore. The majority leader.

EXTENSION OF MORNING BUSINESS

Mr. MITCHELL. Mr. President, I am advised by staff that the only time that has been allocated that will be used is 40 minutes for the Senator from Massachusetts and 10 minutes for the Senator from Nevada. That totals 50 minutes. To accommodate the other Senators who may wish to speak, I would add to the remaining 10 minutes, 15 more minutes, and I therefore ask unanimous consent that the period for morning business, Mr. President, be extended to 1:45 p.m.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KERRY. Mr. President, if I can ask for a modification, I had originally asked for 45 minutes. I know 5 minutes out of 40——

Mr. MITCHELL. Forty-five minutes? I apologize. I was told it was 40 minutes.

Mr. KERRY. It was in the order that was granted but I had originally asked for 45. If it is possible to have it I would request it.

Mr. MITCHELL. Mr. President, there is no problem making that 45 minutes. That would still leave 20 minutes for additional remarks, and if we get to that time and other Senators wish to address and make remarks with respect to Senator CONRAD or other matters it will not be difficult.

Several Senators addressed the Chair.

The PRESIDENT pro tempore. The Senator from Arizona [Mr. DECONCINI].

PRIVILEGE OF THE FLOOR

Mr. DECONCINI. Mr. President, I ask unanimous consent that Sandy Lindsay be permitted the privileges of the floor for morning business.

The PRESIDING OFFICER (Mr. KERREY). Without objection, it is so ordered.

RETIREMENT OF SENATOR CONRAD

Mr. DECONCINI. Mr. President, I am quite surprised and disappointed at the Senator from North Dakota's remarks today. I think this body will be much less without him. I understand that he feels very strongly. I have gotten to know KENT and his wife Lucy quite well. My wife, Susie, and I have visited with KENT and Lucy on several occasions over the past 5 years.

I understand his deep commitment to reducing the deficit, but I must say, Mr. President, I am sorry to see that he feels responsible, that he has failed and must not continue to serve in this body because the deficit has not been balanced. Senator CONRAD came here and stood against some of us here who were willing to adopt different budget agreements. We knew in our heart we were not going to bring forth a balanced budget. He stood up against it. He fought a good fight, and he has everything to be proud of with the effort that he put forth.

So for one Senator, I am very sorry. It is a sad day to see he feels that the responsibility for this deficit has to fall on his shoulders. The deficit was out of control before he took office and it should not in any way or form rest on his shoulders. He is a man of great integrity and he has worked his heart out trying to reduce that deficit. Quite frankly, he has often been a lonely voice when many of us who feel very strongly about it as well have not been willing to oppose further deficit growth. Each time, my friend and colleague, stood taller than all others. Again, I am very saddened by his announcement and believe all my colleagues in the Senate share in my grief.

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. KERREY). The Senator from Vermont.

RETIREMENT OF SENATOR CONRAD

Mr. LEAHY. Mr. President, I will speak very briefly. I know other Senators wish to speak to this subject.

I came to the floor because I had been advised of the remarks Senator CONRAD would make. I want to note this, Mr. President. In 1986, when Senator CONRAD was elected, I became chairman of the Senate Agriculture Committee. I urged Senator CONRAD to join that committee and I did so because I was very impressed with his integrity, his abilities, and his intelligence. In the years the Senator served with me on the Agriculture Committee he proved my original feelings true. His integrity, ability, and intelligence never wavered, never waned.

Senator CONRAD has not taken any assignment given in this body lightly. He has put himself wholeheartedly into every single issue he has had—no matter how large, or how small. At times, when perhaps others might be willing to just let something slide by, he has given us the added impetus, and sometimes conscience, to do what was necessary—to go the extra distance.

I traveled with him to his home State of North Dakota during a terrible drought and watched him organize, work, and agonize over efforts to help the people of his State. I watched how they reacted to him. North Dakota looked to him for leadership and aid, and they were not disappointed.

I have always known Senator CONRAD to be just and fair and good. I have known Senator CONRAD to speak not for his own interests, not just for the people of his State, but for the best of every State—the whole United States of America.

I admire Senator CONRAD. I wish he would not leave. This body will be lesser for it. Senator CONRAD's State, the United States, and each of us in this body has benefited from him being here, and we all share a loss today.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

ORDER OF PROCEDURE

Mr. REID. Mr. President, I have 10 minutes reserved. Senator KERRY has 45 minutes reserved. It is no one's fault, but I have been here several times today trying to find time for my 10 minutes. I know there are other people wishing to give shorter statements. I wonder if we could have unanimous consent that I could come at 20 minutes until 1 and give my statement. That will leave opportunity for Senator KERRY to give his, Senator JOHNSTON, and Senator HEFLIN and extend the morning business until 10 until 2.

The PRESIDING OFFICER. Did the Senator say 20 minutes to 1 or 20 minutes to 2?

Mr. REID. Pardon me.

The PRESIDING OFFICER. Did the Senator wish to have time at 20 to 1 or 20 to 2?

Mr. REID. Yes, 20 to 2 for 10 minutes.

The PRESIDING OFFICER. Is there objection to that request?

Without objection, it is so ordered.

Mr. JOHNSTON. Mr. President, I ask unanimous consent that I be recognized for 2 minutes immediately following the distinguished Senator from Nevada.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIREMENT OF SENATOR CONRAD

Mr. JOHNSTON. Mr. President, I have been in the Senate for 20 years. I have seen Senators come and go—some great, some good, some less so.

Mr. President, I have seen few, if any, Senators who have achieved as much in their first 6 years as KENT CONRAD of North Dakota. I have seen few, if any, Senators in that 20 years who have had the promise of KENT CONRAD.

Mr. President, I did not know that Senator CONRAD was going to announce his retirement today. It hits me with deep personal disappointment because I serve with him on the Energy Committee where he has been a stalwart.

I just yesterday, Mr. President, was telling someone of Senator CONRAD's extraordinary ability, extraordinary integrity, extraordinary contribution to this body. To hear today that he is retiring is really a personal blow, and I think, Mr. President, it does say something about politics in America today. It is deeply disturbing and deeply disappointing to me, as I know it is to other colleagues.

I just wonder if people of North Dakota understand what they would be losing if Senator CONRAD is, in fact, retiring. I just asked him if it was a final decision. He said yes. I would urge him now to reconsider, and I would urge all Senators to urge him to reconsider. And I urge the people of North Dakota to do the same.

Mr. President, you are not going to find another KENT CONRAD. I hate to see this body lose him, and I hate to see the country lose his service.

Mr. HEFLIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Alabama.

A MAN OF HIS WORD

Mr. HEFLIN. Mr. President, the 103d Congress and succeeding Congresses will have a void, with the absence of KENT CONRAD, in this body. We will have a void in many other ways. I do not believe there is another Member of the Senate who has a computer mind like KENT CONRAD, to be able to take numbers, figures, and to be able to calculate them in such a manner to design, to illustrate, legislation that might be before us.

He is a man of his word. His word is his bond. This is something that we need more of in regard to the operation of our Congress. I admire him. He is my friend. He is the farmers' friend.

He will be, indeed, missed, as well as his wonderful wife, Lucy. We hope for him the best in the future, and we feel that in the future America ought to some way or another be able to recapture his abilities to help us solve the problems.

His fight to reduce the deficit, his fight for a constitutional amendment requiring a balanced budget, must go on. Perhaps his leaving in this manner will bring us to our senses in regard to those issues.

KENT, we will miss you. We love you. We will keep in contact with you. We hope to see you again.

Mr. BUMPERS addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

TERRIBLY SADDENED

Mr. BUMPERS. Mr. President, I join all of my colleagues, those who have spoken and those who are yet to speak, on the subject of KENT CONRAD's announcement that he will not seek reelection; and say that we are all not only shocked, but more importantly, terribly saddened.

The American people for the most part do not know KENT CONRAD. It is true most Senators around here are well known in their States, but not very well known outside their States. So his announcement today that he has chosen not to seek reelection—and he has only been here 1 term—might not make a big splash across the country. But that is sad, too, because they are all big losers with this decision.

I understand it perfectly. His wife was almost killed by a mugger over the Christmas holidays. Everybody knows that the country is in a pretty foul mood.

Even so, I went to North Dakota about 3 months ago to make an appearance for Senator CONRAD at a big event he had out there to promote industry and economic growth in North Dakota. He had told me there would be 2,000 people there. Mr. President, there were 3,000 people there.

I walked around those exhibits in the convention center there. I watched the people gravitate to him, smile; come up to him and express their pleasure at his being there; and, more importantly, their gratitude for the fine job he was doing in the Senate.

Oftentimes, when the country is in the mood it is in right now, you know, people sometimes say things cannot get any worse, and then they almost invariably do. Well, they have today. Things have gotten much worse for the country today because of his announcement.

As is so often the case, when the mood of the country is as it is right now, it is the good guys like Senator CONRAD who almost invariably announce that they have had it and they are not coming back.

Senator RUDMAN has already made that decision.

So, Mr. President, I sat on the Energy Committee with him; I consider him one of my very best friends; and I have watched him grow as I have never seen any other Senator in this body grow in one short term. Senator Stennis used to say some Senators grow and some swell. KENT CONRAD is the classic case of a Senator who grew.

I can tell you, this country is much worse off with this decision, especially in North Dakota. I love him, and I will miss him very much.

Mr. DASCHLE addressed the Chair.

The PRESIDING OFFICER. The Senator from South Dakota is recognized.

A SENSE OF LOSS

Mr. DASCHLE. Mr. President, I rise to associate myself with the remarks of the distinguished Senator from Arkansas. He said it so eloquently, as only he can.

I also share the views expressed by many of my colleagues this afternoon regarding the distinguished Senator from North Dakota. This Senator feels a genuine loss. It is difficult to express the deep-seated feelings that I have about our colleague.

He represents our sister State. Senator CONRAD and I began our Senate careers together in 1987. I would like to think in some respects that I share the qualities in Senator CONRAD that I admire so much. The junior Senator from North Dakota embodies all of the ideals, all of the strengths, all of those things that we admire so deeply in this body. And I must say that I am not the Senator he is. He is more idealistic, more determined, and more successful than am I. He is what I would like to be at this stage in my career.

So like Senator BUMPERS, I express a sense of loss, not only for the State of North Dakota and for our country, but for this body. There are those to whom you turn for guidance, for advice, for friendship, for strength.

Senator CONRAD was that person to me. Whether it was in the Senate Agriculture Committee, here on the floor, or whether it was in our mutual circumstances, he always found the ability to provide me with his insight and valuable counsel. We would laugh together and together express the hope that we could muddle through yet another day, as difficult as that day may have appeared at the time.

KENT CONRAD is the best of the best, the brightest of the brightest. My wife Linda and I have had the good fortune to call KENT and Lucy our friends for 6 years. We look forward to continuing that friendship in another role. We look forward to the contribution that we know KENT CONRAD will continue to make, not only in political life, but in the country as a whole.

So I rise to wish them well and to express deep regret and profound disappointment at the loss of one of the finest colleagues we have in the U.S. Senate.

I yield the floor.

Mr. PRYOR addressed the Chair.

The PRESIDING OFFICER. The Senator from Arkansas.

Mr. PRYOR. Mr. President, I know the Senator from Massachusetts [Mr. KERRY] has been seeking recognition. He has a rather lengthy statement. I do not want to take his time.

Are we in morning business now, Mr. President?

The PRESIDING OFFICER. We are.

Mr. PRYOR. Mr. President, if the Senator from Massachusetts requests additional time, I will be very glad to ask for it.

Otherwise, let me make a comment or two regarding Senator CONRAD.

YOU JUST HURT ALL OVER

Mr. President, there are days around this place, in this body, in this institution, frankly, when something happens, and the only way I can describe it is that you just hurt all over. This is one of those days. This Senator from Arkansas right now is hurting. I am hurting all over, because just a moment ago, I heard about the retirement statement of our friend and colleague from North Dakota, that most able and splendid Senator from North Dakota, Senator KENT CONRAD.

Mr. President, I am almost beyond words to try right now to describe what his service has meant to this institution, and truly how much he is going to be missed here. There are a lot of people who come in and leave, and you go on the next day when they are gone, and maybe you will forget. But this is a gentleman who will not be forgotten, Mr. President. His name will long be revered; his legacy will long be with us.

I somehow feel a little bit strange also, because I feel like I have just been sitting here for the last 15 or 20 minutes listening to a lot of funeral eulogies. It is almost like we have just had a death in the Senate. I can say that this man has had an impact, not only on the Senate, but he has had an impact on my life. He has had an impact on this body and this institution. He, in my opinion, is one of the very, very best to ever have been a Member of the U.S. Senate. Senator HEFLIN of Alabama a moment ago, said that he has "a great computer mind." I certainly do not challenge that.

Mr. President, in addition to that, KENT CONRAD has probably one of the most magnanimous and generous hearts of anyone that I have ever had the privilege of serving with in this body or knowing.

In closing, Mr. President, I spent about 11 years as a Member of the Senate Ethics Committee, and I can tell you that we had some of the most wrenching decisions during that period that I have ever faced, or ever had to face. People now are trying to decide if we need to reform the ethics process, and everyone is hammering the institution of Congress like never before. But down deep in my soul, I have always thought that if you could just have a one-man Ethics Committee, or a one-man committee, to say what was right and what was wrong, or what we should do and what we should not do, if I had to choose that person, I would have always chosen the Senator from North Dakota, Senator KENT CONRAD.

He would have been my candidate, because I think he represents the best of what this system is about. I think he represents the soul of the U.S. Senate. This institution is going to be a lot worse off without him.

Mr. President, I yield the floor.

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

SENATOR CONRAD'S ANNOUNCED RETIREMENT

Mr. BAUCUS. Mr. President, I learned only 15 minutes ago of the stunning news that KENT CONRAD will not be seeking reelection. Like other Senators who have spoken before me, I, too, am basically at a loss for words. Senator KENT CONRAD is one of the great ones here. He may not be well known around the country, but he is well known here among his peers, among his colleagues. We know he is one of the great ones.

He is one of the great ones for the reason suggested by the Senator from Arkansas—his integrity. I know no Senator of higher integrity than KENT CONRAD. His word is his bond. His intelligence. He cuts through to the core faster than any other Senator I can think of.

His commitment to his people, to North Dakota, his tenacity, whether it is on the Missouri basin drawdown, whether it is agriculture, Durum wheat producers, or other agricultural interests in North Dakota, KENT is in there fighting more effectively than any other Senator I can think of. He is a believer. He is here, and has been here, for the right reasons. He is one of the great ones.

Other Senators have mentioned his personality and his generosity. I have always marveled at how upbeat KENT is when you walk up to him. When he sees me, and says, "Hi, Max, how are you," he is always cheerful, upbeat, and optimistic about solving problems and getting things done.

I was not here when KENT gave his statement, but I understand he said he was retiring, in part, because the budget deficit is not lower now than when he began. Mr. President, KENT put together the budget deficit reduction task force. He has been trying to get this institution, this body, along with the House and executive branch, to reduce the budget deficit. I know no Senator who has worked harder at it, and no Senator can do it alone. He is not the President, but in many ways I wish he were. He cannot control the House. He has worked harder at trying to reduce the budget deficit than any other Senator.

He is one of the most personable people I have ever had the privilege to know. He is wonderful; he is terrific. Other Senators have mentioned about the loss to the country because of KENT's decision. It is true.

This body, this country, is losing tremendously, because it will not now have KENT's service in the Senate. But knowing KENT, I cannot help but believe that we have not seen the last of KENT CONRAD. KENT will serve North Dakota. He will serve our country. You just cannot bottle up that intelligence, integrity, and that commitment for service. He was, earlier, the tax commissioner of North Dakota. He has been a Senator now for 6 years.

I just know that KENT, whatever he does, will be serving us in other capacities. I very deeply regret that he is not going to be here with this institution, at least not for the time being.

I am stunned, I am flabbergasted, and I am saddened, like all Senators. I just cannot think of another person who is a better person than he, or another Senator who is a better Senator than he. But I do know, knowing KENT, that he is going to go onward and upward in whatever he does.

I yield the floor.

Mr. KERRY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

EXTENSION OF MORNING BUSINESS

Mr. KERRY. Mr. President, I ask unanimous consent that morning business be extended beyond the time of the Senator from Nevada, so that I might have my full 45 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I ask unanimous consent for a couple of minutes, if I may, outside of my time to address the retirement of Senator CONRAD.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR CONRAD'S RETIREMENT

Mr. KERRY. Mr. President, I have listened to each and every one of my colleagues, and like everyone, I think I feel like the entire Senate has had the wind taken out of its sails today.

There are a lot of messages in KENT CONRAD'S announcement today. One is certainly our failure, because KENT CONRAD would not be retiring, and we would not be losing his talent, if we had completed that third part of his three-part promise, which was to do something about the deficit. The saddest part of it is that no one, or perhaps very, very few people in the entire Senate has done more, been more focused, been more persevering, or more determined to do something about the deficit than has KENT CONRAD.

So there is a bitter irony in the fact that he retires for our failure as an institution, and so we lose his talent.

In addition to that, there is another message which is characteristic of KENT CONRAD, and is probably the most important part of what he is saying to us, which is: Keep faith with your own words and your own promises. In doing that today, he has made a gigantic personal gesture that goes an enormous distance to saying to the American people that there are people in this institution who are willing to keep faith with their word, and it is just a tragedy that the topsy-turviness of politics today, and where we are, finds us in a situation where a guy has to retire in order to send that kind of message.

I am going to miss him enormously. Many a late evening out here on the floor he and I sat and chatted, talked about budget deficit reductions, about frustrations in this institution.

Two or three of my people on my staff went to North Dakota and spent the last days of his campaign, campaigning with him, to help bring him here. I remember the phone calls back to me about this bright, capable person who was bringing a strong message and was going to be just terrific down in Washington.

I never would have thought that so soon he would be leaving. I think the best thing we heard today is that he is indeed a young man and the possibilities for his participation in the future are obviously significant. So I join with my colleagues in wishing him nothing but the best, in applauding and expressing awe at the very significant statement that he has made to the country today. I know it will be much appreciated even as it is received with a lot of sadness.

(Mr. GRAHAM assumed the chair.)

Mr. KERRY. Mr. President, I move now to use the time that I have asked for in the special order. The reason that I rise today is that I want to talk about a subject that is complicated. There is nothing easy in discussing it, but it is important. I think it is the most important subject that we face today in America.

I gave a statement in New Haven, CT, a few days ago, the key points of which I intend to repeat here this afternoon. I do so for the sole purpose of trying to help jump-start the debate about the crisis in our cities.

I do so because I think it is essential that we rise above the past prejudices and the divisions in this country in order to clearly focus on the future of our urban neighborhoods and the relationship of that future to the rest of the needs of this country.

In so doing, it is my intention to make common cause with the families, with the teachers, the individuals, the civil rights organizations, the community organizations and police and public officials and others in my own State and around the country who have literally never stopped struggling to save America's cities. These people desperately need our help today, and they are not getting it. And I intend to talk as frankly as I know how about why I think it is that we are not giving that help and how important it is for us to build a consensus in this country that will provide that help.

In this Presidential election year we are inundated with the trivia of politics. But I think that most of us here would admit that we are deprived of the essence of what politics is supposed to be about. Politics, at its very best, is not just about a media horserace or about photo opportunities. The politics that most interests us and matters to us is not separable from the day-to-day reality of life.

For a lot of us here in Washington, that reality of life is a reality that is bolstered by family, by self-esteem, by confidence, in many cases, and opportunities for the future.

But there is another part of America, Mr. President, where that reality is totally different. In too many neighborhoods of too many of our cities, there exists a violent drug-ridden, crime-corrupted reality, a reality in which many of the institutions of our civilized social life have broken down, where in some areas more than 80 percent of the babies are born to single mothers, where young men die violently at a rate that exceeds that of any war in the history of the United States, where only one child in three finishes high school and even then too often, can barely read; where the spread of AIDS and homelessness rips so visibly at the fabric of community; where far too many families are on welfare for far too long; and where far too many children carry guns instead of lunch boxes to school.

Sadly, we have always had poverty in the United States of America. We know that. And we have always had violent crime. And we, even since the earliest days of this country, have had problems with alcohol and drugs.

But I think it is fair to say we have never seen in America the kind of problems that we see in our worst urban neighborhoods today.

We have never seen children talk matter of factly about blowing each other away or about living in a world where guns are as common as water or about going to sleep at night and waking up each morning with shooting or getting shot the first thing on their minds—each of these real conversations.

We have never seen an America where a 2-year-old girl could be found at a day care center with 11 vials of crack in her pockets thinking that they were candy or where a kindergartner could find a gun in a stroller and use it to kill his little sister.

We have never tried to raise children in an environment where the glorification of violence in movies and music has such immediate relevance to so many; where Hollywood tries and tries but cannot out-shock reality; and where some rap musicians celebrate murder in cold blood while murder records are broken every year.

Today, this land of the free that we celebrate proudly has the highest incarceration rate of any nation in the world; we imprison black males at five times the rate of South Africa; and a violent crime is committed in or around one of our schools every 6 seconds.

I think we have to be honest about this and I think it is time for us in the U.S. Senate and elsewhere in this Nation to debate why this is happening. A lot of people would like to believe that it is not happening, or some people hope that if they are very careful in how they lead their lives urban devastation just will not touch them, or people have concluded that there is nothing that can be done about it. Or they believe it is everyone else's responsibility but their own or our own. So we have adopted, I think, a kind of national policy of rationalization and avoidance and, frankly, in many cases worse still—exploitation.

The responsibility for this policy of neglect rests right here in this city, not in those neighborhoods, and it begins here in this city with the President and the Vice President who have done literally nothing to help our cities in 3½ years, a President and a Vice President who ridicule welfare recipients, encourage racial divisions around the welfare issue, and avoid the reality that there are more whites in America on welfare than there are minorities. They declare proudly as if it were a badge of courage that they will do absolutely anything to get re-elected. But the responsibility goes beyond just them; it falls on other politicians in both parties who seem unwilling to tell the American people anything except what the American people want to hear.

No question, there are some noteworthy exceptions to that. One of them is our colleague, Senator BILL BRADLEY, whose thoughtful and intelligent statements on race and the American city have been important contributions to this effort; the most recent example being the statement he made last week.

It is fair to say and most would agree that these issues are not easy to discuss. They are at least as controversial as discussing the relationship between men and women which caused the Nation and the Senate so much agony during the Thomas hearings last fall. There is so much sensitivity about these issues, so many ways to be misunderstood or taken out of context that I am tempted to heed Mark Twain's warning that it is often better to keep one's mouth shut and be thought stupid than to open it and remove all doubt.

Mr. President, we cannot advance, we cannot change things and focus on the cities or an urban agenda or understand the needs of this Nation if we are not willing to say honestly what is on our minds; if we do not at least begin a real dialog in this country.

So despite the risks, I feel compelled to state my conviction that America is not going to be livable, it is not going to be safe, and it is not going to be the kind of America we want it to be unless we are able to remake a consensus in this country for social activism, and unless we can find a way to save our cities and provide more hope and opportunity to the people who live in them.

There was a time not long ago, and I think back to the time when I came into politics in the 1960's, when the mere mention of poverty and suffering would have brought forth a strong response from much of our society. There was a time when we felt as a people, that we could broaden the circle of opportunity, and it could be expanded outward and outward indefinitely until it included all the people of this country.

There was a time when I think it felt natural, perhaps even second nature, to pursue change and to believe in the possibility of achieving it. There was even a time when we had enormous faith in our Government and in its ability to design and implement programs that would really work.

But today, as you look around us—and just listening to my colleague KENT CONRAD, and to each of the comments about KENT CONRAD—it is very obvious that there is an awful lot of cynicism around. Too many are fed up with a Government that simply is not working, paralyzed by the rivalries between a Democratic Congress and a Republican President. Too many are skeptical, after decades of scandal and waste, that any Federal program will achieve its goals, even if we agree that the goals are important. Too many people have become fatigued by the constant appeal to our compassion and generosity, not only from within but from outside our borders, and we are conscious that we lead the world not only in military power, but in debt, as well.

Despite these concerns, I really think that most of us know, deep down inside, if we stop to examine it, that we cannot continue on the road that we are on. We understand that we are not going to be competitive internationally if too many of our young people cannot compete at all.

We are simply not going to get out of debt if we have to continue on an endless cycle of allocating billions of dollars each year for more prisons, for emergency health care, for more prosecutions, for more drug rehabilitation—as little, incidentally, as we have been willing to give to it—and for added security and expanded welfare roles. And I think everyone knows that no amount of locks, no metal detectors, no surburban fences are going to protect people and our families from what has become by far the most violent industrialized society in the world—that is, us.

And there is no amount of rationalization that will allow us to remain indifferent to the suffering and the unfairness of what is happening in our cities today, and what is happening especially to young people in those cities.

Now 27 years ago, our Senate colleague PAT MOYNIHAN warned us that:

> From the wild Irish slums of the 19th century eastern seaboard, to the riot-torn suburbs of Los Angeles, there is one unmistakable lesson in American history: a society that allows a large number of young men to grow up in broken families * * * never acquiring any stable relationship to * * * authority, never acquiring any rational expectations about the future—that society asks for and gets chaos. Crime, violence, unrest, disorder—most particularly the furious, unrestrained lashing out at the whole social structure—that is not only to be expected; it is very near to inevitable. * * *

Let me emphasize that he said, a society that allows it to happen. And I emphasize that I am addressing this to a society that is today allowing it to happen, to us, who are allowing this to happen.

Today, you can read it in any newspaper almost on any day, urban gangs literally seize young people from their mothers before they turn 10. We were in touch recently with the Los Angeles police to talk about a whole new wall that is covered with the names of the young who are killing each other in the gangs in that city. How has this happened?

The trends that PAT MOYNIHAN spoke of were barely beginning a quarter of a century ago. How is it that in the short span of 27 years this phenomenon of disintegration and violence has overwhelmed communities and created new and dangerous cultures?

The questions themselves intimidate—so much so that people avoid asking them. And I might add that in the last few days I have well learned why it is that some people avoid asking them. How is it, for example, that since 1965, the percentage of black children living with both parents through the age of 17 has gone from 50 percent to 6 percent? But this is not a trend exclusive to the black community. And it is not exclusive even to minority communities. The comparable figures for white children in this country, after all, are 81 percent to 30 percent. The trends are the same. It only seems worse in the minority community because the starting point is so much lower and because the impacts of social change always seem to hit hardest at the most vulnerable in our society.

So, Mr. President, we better ask ourselves whether this social disintegration is merely the result of upside-down budget priorities, or a part of the Federal and State governments, or whether it is primarily the consequence of lost industrial jobs, or whether it is simply part of a larger trend of deteriorating values that has struck all sectors of our society to some degree.

We must even consider whether it is the result of a massive shift in the psychology of our Nation that some argue grew out of the 1960's—a shift from self-reliance to dependence, from caring to self-indulgence, from public accountability to public abdication and chaos.

Now, I cannot answer these questions with any completeness or certainty. I doubt that many of us here can, but it is absolutely clear to me that the bleeding has gone on so long that there is now no single remedy, there is no magic wand.

Our long-term goal has to be to restore the entire institutional fabric of many of these communities, and no less than that will get the job done. That means dealing with every single aspect of community—parenting, the schools, child care, housing, youth sports, counseling—all of the things that have been sucked away over the course of the last 15 years and more, all of the threads in the fabric. And the alternative to that is to simply continue to do nothing, which is what is happening now, and then to watch things deteriorate around us, watch things get worse, and watch the bigots and the racists exploit those activities that happen and make it even harder to get things done.

Now, clearly, Mr. President, there is a starting point. Different people in the Senate may differ as to what that starting point is. But there has to be a foundation upon which you can literally create and lift the self-esteem of those people who are now without hope.

What is that starting point? Well for me, the essential building block begins with two or three things. Certainly good jobs, productive jobs, the transfer of economic power to these communities. Something we have talked about and talked about, but which we really have not engaged in in this country. And, obviously, there has to be an increase of good job skills to go with these jobs.

And there must also be a restoration of public order in these communities. I cannot think of anything better for our country than to design such a program and make it work.

Now there are obstacles to doing this, Mr. President. There are many obstacles. Some neighborhoods and some people are so wracked by drugs and crime, so beaten down by the system that they may well be beyond help. And the economic forces that robbed our cities of the industrial and manufacturing jobs are sadly growing stronger, not weaker. Most businesses, you can talk to any CEO, are simply not prepared to move into the poorest neighborhoods.

And we are up to our eyeballs in red ink, making it harder to make some of these choices. But I must tell you that I think towering above each of these obstacles, restraining us from addressing many of these issues, is another more serious obstacle, and I believe that obstacle is America's unwillingness to confront the issue of race.

Tragically, the fact is that the majority of the white majority in this country does not want to invest more of their scarce tax dollars in minority neighborhoods or what many believe to be predominantly minority problems.

Tragically, too, the crisis in our urban centers has come to be viewed by many people as simply a question of us versus them, thereby preventing real dialog and real progress.

It would be simple to blame all of this on racism. And there is no doubt—and I want to say it as clearly as I know how—that there is a persistent, cancerous level of racism in this country. It is ugly. It is insidious. And it is present everywhere—in housing, education, and employment. And we, all of us, need to do more to point out that racism and to fight it. We need to show stronger leadership and to reach out for our better, not our baser, instincts.

But the issues and the reasons for our dilemma, frankly, are deeper and more complex than just that. They have their roots in the changing nature of the movement for civil rights, in the turbulent history of race relations, and in the persistence of racial stereotypes.

Thirty years ago, a supporter of the civil rights movement could agree with John Kennedy that the proposition that "race has no role in American life and law" is a "moral issue as old as the Scriptures and as clear as the Constitution." But for the past two decades that same movement has had to depend on laws and rulings that have, by necessity, focused on the role of race in American life and law.

Where once Martin Luther King could depict the struggle for equal rights as a mighty battle between good and evil, a battle where club-wielding sheriffs and attack dogs squared off against peaceful marchers and hymn-singing children, today the civil rights struggle is fought principally in the courts, and the winners and losers are determined by rules that many Americans simply do not understand or that they do not fully accept.

That is one kind of progress—to get to the courts. But is has also deprived many Americans of the images that brought them to the consensus of the civil rights movement, images they easily related to. And it has replaced them with images; that is, lawyers in court, that they love to hate.

It has also inadvertently driven most of our focus in this country not to the issue of what is happening to the kids who do not get touched by affirmative action, but it has driven most of the attention of this country toward an inherently limited and divisive program which is called affirmative action.

I want to be careful here. I say "limited" because by definition it only reaches a fraction of those who need help. And I say "divisive" because all of the data currently show the degree to which people receive it with some resentment—albeit at different levels in different places.

I want to be clear here. I do support affirmative action, not rhetorically, but really. Affirmative action has opened doors for women, for countless minorities, for persons with disabilities. It has helped create a large, growing black middle-class in America. It has helped minority businesses. It has opened up bastions of prejudice like the Alabama State Police which had no black members at all in a State that is 30 percent black.

It has caused employers to rethink the standards and tests that they use to qualify people for employment. And it has given the benefit of the doubt to diversity over uniformity on campuses and in workplaces across America. It has, in short, made our country a better, fairer place to live. And this is an important positive side.

But there is a negative side. I think in the interests of building a new consensus in this country we have to be willing to admit that. We have to be willing to acknowledge publicly that, just as the benefits to America of affirmative action cannot be denied, neither can some of the costs. Those costs are illustrated by an astonishing recent poll, a poll taken by the People for the American Way, and released a few days ago.

That poll shows a majority of whites—this is incredible—but a majority of whites believe that it is they, not minorities, who are most discriminated against in America today.

Mr. President, I ask unanimous consent that this poll be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. KERRY. But clearly, Mr. President, we, as Senators, all of us in public office—and I might note particularly us in the U.S. Senate where we are a white institution—we have an obligation and a responsibility to do everything we can to correct whatever false data or preconceptions have fed the belief that is evidenced in this poll. But I also say that we have to think hard about what it means.

We have to think about the obstacle that it creates to interracial communication and understanding, about the obstacle it creates to opening additional doors of opportunity for all minorities, and about the obstacle it creates to majority support for future investment in our cities and to those who live in them.

Too many politicians—many of them in my own party—have not acknowledged the obstacles, or even the downsides, for fear that somehow it will rip at the reality of the need for affirmative action. By that failure I believe that we send a message to many of those who feel alienated or abandoned by their Government that we simply do not care about them, that we do not realize it is they—far more than we who make and interpret the law—who have borne the burden of compliance with the law.

If we do not change that message, if we do not at least communicate our understanding that there are two sides to this issue, then we are going to forfeit our opportunity to remove the obstacles and change the attitudes through dialog and explanation and appeals to reason. Once that opportunity is truly gone, our hope for real progress will be gone with it.

Some people have asked me why I feel the need to even mention the words "affirmative action" in the same context as a speech on the urban agenda. And why do I talk about white resentment in this speech? I will say why very simply, I believe we cannot change the consensus in this country, we cannot build a new consensus to deal with the problems in the cities, if we cannot change attitudes. And if all we do when sensitivities arise is change the subject, we are in trouble.

In 1964 when the Civil Rights Act was being debated, Senator Hubert Humphrey assured reluctant colleagues that nothing in the bill would "require hiring, firing, or promotion of employees in order to meet a racial quota or to achieve a racial balance." But the controversy that Senator Humphrey sought then to put to rest remains with us today, not only by legislation but by administrative order and court decree—a whole apparatus, which is bewildering to some, of rules and guidelines has been constructed. Somewhere within that apparatus, conjured up to fight racism, there has emerged a perception and a readity of reverse discrimination that has actually engendered racism.

I want to make it clear that there is no question in this Senator's mind that that reality has been exaggerated by subjective perceptive and exaggerated and exploited by policians eager to use it. But out of that reality has come a real resentment which is reflected in the poll I referred to earlier. And it is reflected in most of the literature on the subject of race today. And I think that that resentment, unattended to, undiscussed, is dangerous and it is widespread today. It is a resentment that is fed by a lot of different images and memories, many of them incorrect, many of them insensitive. But it comes, I think, out of our history, if you will, with this issue.

As I have said, I do not believe that this issue of white resentment can simply be dismissed. If we truly care about racial progress and about our cities, then we have to rebuild the consensus that will make a difference to those cities. We cannot equate fear of crime or concern about deteriorating schools with racism and then expect those we have called racists to turn around and invest in the very neighborhoods they have fled.

We cannot lecture our citizens about fairness and then disregard the legitimate questions they raise about the actual fairness of regulation or law. We cannot deride as politically incorrect the anger of taxpayers who work hard to support their families and then find themselves supporting other families who have been on welfare for several generations. They simply are going to feel that anger, and we just cannot say, "Sorry, but you don't feel it; it's not there."

This is not a speech about affirmative action. It is a speech about our cities. But I do not think that we can get to the agenda of the cities without being honest and breaking down the barrier of the us-and-them syndrome that is sweeping this country.

Again, I do not want to be misinterpreted. We have established in corporations, in educational and governmental institutions, a strong and an appropriate program of outreach called affirmative action; a program of goals, not of quotas; a program which provides real opportunity. I do not want to tamper with it because it is vital to our battle against discrimination. But you cannot just leave it there.

There have been problems in the past in the administration of the program with actual quotas, with race norming, for example, and some people have exploited the resentment that was felt about those kinds of policies. And out of that has come a broader sense in peoples' minds: "Hey, the system is rigged, and it ain't rigged for me; it's rigged for them." And that is what has built up a large body of resentment.

It is my belief that we in the U.S. Senate reacted to that when we passed the civil rights bill last year and outlawed quotas and race norming. But by doing so, we acknowledged the reality of the fact that the resentment was there and the resentment was real, and there was a need to do that. The reality is today that the negative feelings linger on.

Our legislative action has not caught up to the rest of the country yet. The perceptions that created the feeling of resentment came out of years of this policy, and in the few months since we have tried to address those issues, that has not been eliminated.

I think that is why if we are really going to make future progress on this issue of the urban agenda and of creating a real dialog on the issue of race, we have to educate the public about those changes.

We must also recognize that prejudice does flow in more than one direction. While reaffirming the truth that minorities and especially blacks continue to be harmed most by the cancers of bigotry and prejudice. We must explain clearly that, because the benefits of affirmative action do relatively little for those within our minority communities who are in the greatest need of help—we must go beyond it if we are ever to have real racial justice in America, and if we are to make good on our Nation's most sacred promise of equal opportunity for all.

Finally, we—all of us here—must challenge the politicians who make it their business to exploit the enormous resentments that are out there today and who spread false or simplistic information about these issues.

The time has come to stand up and say to President Bush and to candidate Buchanan and to David Duke and to Al Sharpton that we are not, in the United States of America, going to fall for their pandering and exploitation anymore. We are not going to let them divide us. We are not going to play the role of victim anymore. We are determined instead to reach out to each other not on the basis of race, but as Americans, in order to narrow the divisions and to begin a process of healing and understanding and communication.

We have to do that in order to get beyond the finger pointing and the blamemaking, and in order to move beyond the us versus them problem so that we can recognize that there is no us and them; it is we. It is we, and these cities are our concern, and we have an obligation to develop and implement a serious agenda for urban revival and shared progress.

What is that agenda? For me, it begins by waging war on two myths. The first is the Democratic myth that merely redistributing wealth will create wealth; and the Republican myth that Government cannot be a force for positive change. In their place, we ought to substitute a new version of the social contract where every right is matched with a responsibility, and where rapid inclusive economic growth is our overriding goal.

I think to do this, obviously it will require investing in our people in a way that, to the best of our ability, avoids the crippling perception of racial favoritism, an approach that accepts William Julius Wilson's view that "in the last few years of the 20th century, the problems of the truly disadvantaged will have to be attacked primarily through universal programs that enjoy the support of a broad constituency."

The agenda begins, in my judgment, with the simple restoration of order, a serious and sustained effort to step up the battle to reclaim our streets and our apartment houses and our neighborhoods from the criminals and gangs who literally control so many of them, either physically or by intimidation.

Let's not kid ourselves. We are not going to rebuild our cities if we are so worried about intended or random violence that we are afraid to go into them.

The Department of Justice tells us that 83 percent of all Americans can expect to be the victim of a violent crime at least once in their lives. That is simply unacceptable. We obviously cannot live like that, and we have to understand that while crime affects all of us, to a greater or lesser degree, the hard reality is that it hits poor people in the inner city especially hard.

Crime creates poverty. Each murder, each rape, each burglary and each mugging makes it a lot more likely that a business is going to close, that a working family will leave and that an investor will look elsewhere. In this sense, controlling crime is virtually a precondition to any serious attempt at social or economic reform.

I might also point out that urban crime, while much of it is intraracial, is also the single, most deadly poison there is to improving relations between the minorities and the majority of the people in this country. In shaping opinions and in defining behavior, fear will defeat fairness almost every time.

That is why I think we do need to put more police on the streets in this country, not to create an endless cycle of putting people into jail, but literally to reclaim the tranquility that is a prerequisite to social progress.

A generation ago, there were three times as many police officers as there were violent crimes. Today, we have three times as many violent crimes as we have police. In Boston, just to cite one example, budget cuts are reducing our police to the lowest level in 5 years. That's just crazy. In the face of a persistent and deadly assault, we are literally disarming ourselves.

The anticrime bill approved by Congress but opposed by the President is far from perfect, but it does include the plan we approved here overwhelmingly to establish a police corps that could add 20,000 young people annually to police forces around the country. That, plus increased Federal support for State and local law enforcement, would do far more to combat crime than the President's demand for 57 flavors of the death penalty.

By putting more police on the streets, we can help reestablish community order; we can help remove the most destructive force in our cities today, which is fear; we can help the broad array of urban ethnic groups gain confidence in each other; and by deterring and detecting and punishing crime, we can help provide a shield behind which drug rehabilitation, teen centers, counseling programs, and the simple basics of family life have a real shot at success. That will be good for minorities, for our cities, and for our country.

The second thing we must do is help directly those we have the greatest capacity to help—the infants and children who have not yet assimilated the harshest lessons of the city and not yet accepted the limits on their abilities or expectations. The time has come, after years of delay, to make a real commitment to prenatal care, to infant nutrition, to child immunization and finally, to fully fund Head Start—immediately. For those who say that costs too much, I point out the obvious, that we'll get back every dollar three or four times over in reduced costs for drug rehabilitation, law enforcement and the construction of new jails. None of this is to ignore all the other things we need to do to enhance our elementary and secondary schools, but we must begin somewhere.

Third, we must go into our cities and help the courageous people who have never stopped struggling to rebuild the basic institutions that support community life. Head Start or not, kids without real families get crushed if there is no place to go after school or at night or on the weekends or in the summer. They need role models that are closer to them than the star athlete and better for them than the local drug kingpin.

While preparing this statement, I thought about simply repeating my prior call for a new domestic Peace Corps: But that is not what we need. We need an army of civilian volunteers to involve themselves in these communities. We need a professionally organized and run institution that serves to train and teach and discipline its own recruits while carrying out public service missions primarily in urban America. We could begin with a core of experienced people from our down-sized Armed Forces. We have been willing to spend billions to keep our troops deployed in dangerous spots around the world. Now, rather than rewarding them with unemployment, let us put them to work confronting the new threat here at home. And we can build on that core with recruits from all walks of life who are willing to teach, to counsel, to run academic and recreational programs and to help rebuild some of the hardest-hit neighborhoods in our country.

There are no guarantees, but if anything would give disadvantaged kids something real and good to emulate it just might be an organization whose members themselves are tough without guns, disciplined, drug-free, of diverse backgrounds and reaching out to them every day on their own home turf.

Fourth, we need to continue replacing entitlements with incentives in every State and Federal program we can. We are already requiring the able-bodied on long-term welfare to seek work or to accept training that will give them the skills they need to work—but we must fund that training more adequately and do more to generate suitable jobs. We should also provide incentives for corporations to find summer jobs for kids who stay in school and stay off drugs. We should set strict standards for participation in youth job training programs so that we can be sure to help those with the strongest drive to help themselves.

And we should enact the legislation that is now pending in Congress to guarantee college opportunity to every child in America who has graduated from high school and who wants to continue his or her education.

Fifth, we need an all out integrated program of economic development and growth, I, for one, do not accept the view that America can never again hope to compete industrially; the fact is—we haven't tried. Urban enterprise zones have been on the drawing boards for decades, but never made a reality. The President's capital gains proposal is a joke; but job-creating incentives for the startup, modernization and expansion of companies are urgently required. A Teacher Corps that will encourage our most talented young people to work where they are most needed is long overdue. Microenterprise loan programs can be designed to help the jobless and other low-income people establish themselves as entrepreneurs. And partnerships between American firms and their counterparts in Eastern Europe, Asia and the former Soviet Union can open huge new markets for American goods and services overseas.

Finally, as public officials, parents, teachers or just plain friends, we have to get the message across to all our citizens that the barriers of poverty or unemployment or hard luck or even racism do not excuse behavior that is both self-destructive and harmful to our national community. Even the most disadvantaged of us have choices. Explaining aberrant behavior on the grounds of poor family circumstances is one thing; excusing that behavior is another.

This may seem to hard line, but remember who suffers most when children literally get away with murder because of their age; or when students are allowed to drift through school without learning or even trying to learn; or when teenage girls are left pregnant and alone; or when a public housing unit is turned into a crackhouse. This hurts all Americans to an extent; but it crushes the people who live next door.

I know from experience in Boston and the other large cities of my State that there are thousands of decent honest and struggling families in what we call disadvantaged neighborhoods—families too determined, too proud, or too poor to move. And there are hundreds of organizations and individuals on the front line every day, struggling against the tide.

If you are looking for true heroes in America, many of them are right there, trying against all the odds to keep their kids straight, working two and three jobs to make ends meet, trying to hold communities together that have long since been declared dead by a media more interested in the trauma of crime than the drama of daily life. Make no mistake, we do these families no favor when we are permissive toward criminals or drug peddlers. We also do no favor to those who are in trouble, for their only hope in the long run is to change the kind of choices they make.

To restore respect for values, we must restore respect for authority and that is going to take some time. After a decade of dozen digit deficits, Government scandals, insider trading, greed, callousness and the self-destruction of everyone from John Sununu to the evangelist Jim Bakker—the questions of who has a right to preach to whom is in grave doubt. Lectures about sexual responsibility, hard work, honesty and abstinence from drugs impress few when given by representatives of institutions that are thought to reflect none of those qualities. A Government that continually ducks hard choices can hardly blame adolescents for doing the same.

I do not have the time today—or perhaps in what remains of this millennium—to prescribe a full remedy for the public's alienation from Government, but a serious approach to the problems of our cities and of race and racism would be an important step in the right direction. That, alone, will require a great deal more honesty, creativity, leadership and courage than we have seen in recent years.

But the burden does not fall solely on Government. As individuals, we have to face our own responsibility—a responsibility, first of all, to understand that there is nothing abstract or theoretical about any of this. We are talking about real children dying, not halfway around the world, but literally right next door, yesterday and today and tomorrow, and there is a pretty strong impression out there that nobody really gives a damn.

I think also we must, all of us, raise our sights. We have to look beyond the immediate troubles and anxieties, the scandals, and day to day headlines and ask where we are going as a country.

Although we feel awash in a sea of troubles, we are also the first generation in almost a half century entitled to dream realistically about a world free from nuclear confrontation; we have reason to hope for decades without war; we have the opportunity—if only we would seize it—to truly lead the world toward an era of real cooperation in pursuit of individual freedom, environmental protection, human rights and peace.

Against this background, how sad and inexcusable it would be if we were to allow a self-made prison of lowered expectations, cynicism, division and fiscal mismanagement to erode the core of American strength at home.

There is nothing inevitable about what is happening in America today. There is no higher law that says children must be gunned down by children in the street, or that lives barely lived must be lost, or that America's cities must die.

There are no problems that through neglect we have created that by caring we cannot resolve. There are no divisions that ignorance has created that understanding cannot erase. And there is no better time than now for all of us to chart a course of challenge and commitment and constructive rebellion at the status quo.

On Tuesday, a group of us met with former President Jimmy Carter to talk about Project Atlanta, a brilliantly conceived model of community self-help directed at the very problems I have been discussing today. The columnist George Will wrote this past Sunday about the Choice Program south of Baltimore where young adults spend a year working long hours at low wages to provide troubled city kids with the kind of guidance and attention their absent families cannot. In my own Commonwealth of Massachusetts, there is the Youthbuild program and other programs carried out by the NAACP and the local community action agency—the seeds of renewal and revival are out there, but they must be nurtured, they must be given an environment within which they can grow.

The reason I give this speech today is because I am tired, as I think KENT CONRAD expressed a little while ago that he is—and he has decided to leave obviously—but there is a sense of frustration with the unwillingness of this institution to face some real issues.

You pick up the newspaper, the Washington Post, of several months ago; you read about a 4-year-old kid who watches her mother being stabbed in her own back yard at her birthday party, and then announces that never again does she want another birthday.

Or you look at a kid whose mother is shot by a random bullet, and they tell her, well, your mother is a star in the sky. Well, which star is it? That is her life now, looking up in the sky for a star that is her mother.

Or a kid named Charlie Hardison, a young kid I knew in Boston. We helped to send him to the Soviet Union so he could play tennis as part of the Sportsman Tennis Club program for inner-city kids. He was killed by one of those random murders and bullets. He is gone. And there are good people like Jim Smith, who runs that program, trying hard to do something about it.

Last year, I spent some time riding around in the cop cars at night in Boston, watching drugs being sold. I got out and I talked to some of the kids who were selling them, and I asked them about their future. They do not feel they have much future, Mr. President. And unless we face up to the realities of what is ripping us apart in this country—the people who exploit the issue of race; the people who will not deal with these realities—we will simply not make this country what it ought to be and what we know it can be and what we want it to be.

My hope and prayer is that we will face up to our responsibilities. Nothing can be more vital for the future of this country. There is not one of us who has the right to turn our backs on what is happening, and what is happening out there is not abstract, it is real.

These are real people dying, a real generation losing their future, and we are supposed to be real people responding to it.

There is not one of us who has any right to deny that future to anybody else. In fact, we have the obligation to try to make it happen. That is why I give this speech today; that is why I say there is a need for dialog; that is why I say there is a need for action.

EXHIBIT 1

PEOPLE FOR THE AMERICAN WAY, RELEASES GROUNDBREAKING STUDY OF YOUTH ATTITUDES ON RACE

FINDINGS: BLACK/WHITE PERCEPTION GAP; RACIST STEREOTYPES PERSIST

WASHINGTON, DC.—Racial divisions are taking root among a new generation of Americans. That was among the chief conclusions of a new study released on March 17 by People For the American Way. The study is a project of People For and was conducted by Peter D. Hart Research Associates.

The study, Democracy's Next Generation, Volume II, included three facets: a nationwide telephone survey of 15- to 24-year-olds; focus groups of white youth; and indepth, one-on-one, face-to-face interviews with these white and minority "children of the civil rights era."

"Today's findings should send a chilling message to all Americans: ours is a nation divided," said People For President Arthur J. Kropp in releasing the study. "The attitudes of America's youth reflect the tensions and anger of the past decade and the moral failure of our political leadership. Our young people have placed themselves in opposing camps, divided by race, and they tend to believe only the worst about youth of other races."

Principal findings of the study:

Young people have a generally gloomy view of the status of race relations in America.

Fifty percent of American youth describe the state of race relations in America as "generally bad," compared to 42 percent who take the opposite view.

In the words of a young black woman interviewed, "I would say it's kind of bad. . . . In my community or with the people I hang around, there seems to be tension between white people and black people."

A gaping perception gap between whites and minorities has opened on issues affecting economic self-interest.

A plurality (49 percent to 34 percent) of white youth perceive that it is whites who are denied opportunity by discrimination in America; most minority youth (68 percent of blacks, 52 percent of Hispanics) feel that it is they who are discriminated against.

A majority of whites oppose programs that provide special employment opportunities to minorities (65 percent oppose); black Americans generally favor such programs as a means of redressing persistent discrimination (60 percent favor).

A young white woman told an interviewer: "I'm going to be going to college soon, and I don't want to be turned down because I'm white."

A young black woman takes the opposite view: "Because whites have had an advantage and upper hand on things for so many years, I think it's a very good idea to have financial aid and special considerations given to minorities so they can have the chance whites have."

Some young whites cling to ugly racial stereotypes of minorities.

White youth in one-on-one and focus group interviews volunteered such stereotypes of minorities as "lazy," "welfare-dependent," and "criminal."

Says one young white man: "They stay on welfare too long. And they seem to take their problems out on whites."

A young white woman: "They are lazy and it would be better if they weren't doing drugs."

Another white man: "Blacks don't appreciate what we've given them."

"The central findings of this inquiry are cause for great concern," said Geoff Garin of Peter D. Hart Research Associates. "It is hardly a time for complacency when majorities of both races say whites and blacks feel uneasy dealing with one another, and hardly a time for self-congratulation when the best educated young black people are the most cynical about the sincerity of white America's commitment to the elimination of prejudice. The findings point to the need for active and determined leadership—leadership with the courage to do what's right, rather than merely expedient."

"We know we must find a new way to talk about race in America," said Christopher Edley, Jr., Professor of Law at Harvard University and a member of People For's Board of Directors. "When the language of 'rights' and 'justice' is appropriated by the David Dukes and the Pat Buchanans, it is time for us to sharpen and redirect our message. The study gives us a head start."

The study also found what Kropp described, as "the building blocks of positive change in America's racial attitudes":

A strong interracial consensus on such core values as family, personal responsibility and fairness unites young people of all races.

Youth of all races agree that the three most important factors for success in life are education, hard work and a fair chance.

Most young Americans see their generation as part of a slow march toward progress on racial problems.

Fifty-five percent believe race relations are "getting better." Youth by and large believe they have healthier attitudes toward racial issues than do their parents.

Most young Americans have significant personal interaction with people of other races, and by and large, they describe those interactions as positive. More than 70 percent of all youth say they have a "close personal friendship" with a person of another race.

"The finding that so many youth have friendships with people of other races was very encouraging," Kropp said. "But it also pointed to an alarming conclusion: for whatever reason, many young people evidently regard their friends of other races as exceptions to the rule. Rather than generalizing from their own one-on-one experiences, they accept stereotypes or generalize from less intimate experiences. The result is that these young people cling to stereotypes, all the while maintaining personal friendships that fly in the face of those stereotypes."

"Perhaps the most encouraging finding from this survey," Kropp concluded "is that youth of all races seem to agree on a shared set of values. They all regard family, personal responsibility and fairness as the foundation of a moral life. Moreover, they all agree that education, hard work and a fair chance are the keys to success. This consensus on basic values suggests to me that the most important elements for meaningful change are already in place."

"We are here," said Edley, "to issue a challenge to every American who is in a position to reach young people: help us forge a new moral consensus on race relations, beginning with the next generation of Americans."

People For the American Way is a 300,000-member, nonpartisan constitutional liberties organization. For more information, for a copy of the complete report, or to arrange interviews, contact the People For Communications Department at 202/467-4999.

The PRESIDING OFFICER. Under the previous order, the Senator from Nevada is recognized for 10 minutes.

Mr. REID. I thank the Chair.

SENATOR CONRAD'S RETIREMENT

Mr. REID. Mr. President, I acknowledge a heaviness in my heart, as all of us do, as a result of the very recent announcement of our friend and colleague, KENT CONRAD, that he is not going to run for reelection. I have grown to respect and admire KENT CONRAD and his wife. It is going to be a different place in the future without KENT CONRAD. As the history books are written, KENT CONRAD's name will be spread throughout as a result of his service in this body.

The PRESIDING OFFICER. The Senator from Nevada retains the floor.

(The remarks of Mr. REID pertaining to the introduction of S. 2514 appear in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LEVIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

ORDER OF PROCEDURE

Mr. LEVIN. Mr. President, I ask unanimous consent that I be allowed to proceed as if in morning business for 5 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR KENT CONRAD

Mr. LEVIN. Mr. President, earlier today I came to the floor expecting to make a speech congratulating the President on his effort yesterday, on his announcement yesterday, that we were going to participate in an international effort to help protect democracy in the former Soviet Union.

I left the floor because others were talking, and at that moment one of the persons who was talking was KENT CONRAD. The person who was talking was KENT CONRAD, and I did not realize at that time what he was telling us. If I had, I would have stayed on the floor and sought recognition right then to express my dismay at what he was telling us.

I would like to spend a few minutes that I have talking about KENT CONRAD, and what I see the significance of his decision today is for all of us and for the country.

To put it as succinctly as I know how, I have a very hollow feeling in the pit of my stomach. The fact that KENT CONRAD has decided not to seek reelection is a personal blow to me and to my wife Barbara. I know that it is to each of us in this Chamber. It leaves us poorer, weaker, wondering just exactly what is happening, when the best and the brightest among us decide not to seek reelection.

We heard the same kind of news a week ago when WARREN RUDMAN told us that he had decided not to seek reelection. We cannot afford to lose the Kent Conrads of this body, and the Warren Rudmans of this body. The Nation cannot afford to lose them either.

The fact that KENT has decided not to seek reelection has said volumes about him, but I am afraid it also speaks volumes about where we are as a Congress and as a nation. I have watched him struggle with this deficit for years. He has headed up the deficit reduction caucus. In meeting after meeting, he brought in expert after expert to try to educate us as to what we are doing to our children and grandchildren.

He has spent hundreds of hours in a conscientious effort to address this problem, which is a millstone around our necks. It is weighing down future generations. He has been as conscientious as anybody in this body on this subject. Yet, facing the fact that we have not reduced the deficit, and that it has gotten worse. KENT has told us today that he in good conscience cannot seek reelection.

Mr. President, I pray that this decision is right for him and for Lucy. It is wrong for the Nation. It is wrong for the country when we lose someone who has the kind of commitment, and integrity, and decency that KENT CONRAD has. It is wrong for the country.

Maybe some good will come out of this. I hope it will for him, obviously, and for Lucy. But maybe this decision will galvanize us to change the course that we are on, this gridlock course, that what we need to do for the Nation cannot be achieved because of deadlock in Washington between the President and the Congress.

If, in fact, it galvanizes us, if in fact, it shocks us, and it should, into acting not as Republicans and Democrats, but as Americans, to change the economic course of this country, then some national good will come out of this decision. I hope that happens, because that will be the greatest tribute we can pay to KENT CONRAD.

So as we lick our wounds here personally, as we hear that he is going to leave us, let us recommit ourselves to end the gridlock, to end the partisanship, to end the stalemate, to end the deadlock that has existed between the White House and within the Congress, and let us commit ourselves to address the subject which he devoted so much time to addressing, which is that deficit which is so harmful to the economic future of this country.

I hate to see him go. We are poorer, and the Nation is poorer. We wish him the best, and we admire him to no end for what he is, and what he stands for, and the integrity he reflects not only on himself and his family, but all of us.

I yield the floor.

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

SENATOR CONRAD'S RETIREMENT

Mr SIMON. Mr. President, I join my colleague from Michigan. I was stunned, frankly, when I heard the news. KENT CONRAD, by any measure, is not one of the best known Members of the U.S. Senate but, by any measure, he is one of the best Members of the U.S. Senate.

Nothing has bothered KENT CONRAD as much—referring to my conversations with him, and I did not hear him state why he was not running—as the fact that we are not facing up to our problems, that we are having excessive partisan bickering.

I am not blaming any one person. I think we all share some blame here. But we have to face up to these things.

KENT CONRAD tried to help us face up to these things, and I hope one of the ways we pay tribute to KENT CONRAD is to do precisely what my colleague from Michigan has suggested, and that is to move on our problems and to spend our resources on education and health care, and things like that, rather than the fastest growing item in the Federal budget, interest, which does nothing for anyone.

I thank my colleague for his remarks.

Mr. LEVIN. I thank the Senator. I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska.

RETIREMENT OF SENATOR CONRAD

Mr. EXON. Mr. President, I listened with interest to the remarks of my friend and colleague from Michigan, and my friend and colleague from Illinois. I, too, was as shocked as both of them that our great friend and talented colleague, Senator CONRAD from North Dakota, surprisingly, to us at least, announced that he was not going to run for reelection.

I was up in North Dakota not too long ago campaigning for his reelection, and I want to emphasize the statements that have just been made by Senator LEVIN and Senator SIMON. He was troubled by the statement and commitment that he made when he ran for this office that if he could not balance the budget, he would not seek reelection.

I told him personally, and I told the media in North Dakota when I was there, pretty much along the same line of the statements made, but not as eloquently as my friend from Illinois and my friend from Michigan, and I tried to explain to KENT CONRAD that had he known what he was getting into, he would not have made that commitment that he made when he ran for the U.S. Senate. He simply did not understand the difficulties that we have here.

I have been here 13 years, and I have been wrestling with the major concern with regard to the deficit, the ever-growing deficit. As one who came out of the Governor's office for 8 years after struggling in balancing the budget in the State of Nebraska each, and every one of those years, I knew that doing that here in Washington was a much bigger task, and as difficult as it was in Nebraska, it was a lot easier than here.

I think probably what discouraged Senator CONRAD the most was that we just never have been making any progress on this. I thank Senator CONRAD for his tireless efforts. Many of us were carrying on before he came and, obviously, because of his decision today, we will have to carry on in the future.

Once again, I join my two colleagues in appealing for the end of partisanship on this matter and recognize that there is adequate responsibility in the executive branch, in the legislative branch, and in each of the parties involved therein, on this very matter.

Interestingly enough, this comes at a time when we started markup on the Budget Committee this morning. At least myself and Senator SIMON, who serve on that committee, will be going back and trying to come to some positive conclusions on that. Unfortunately, from our deliberations in the Budget Committee this morning, I saw more of the same.

Here we are with two major expenditures of the Federal Government today, the defense budget on one hand, and interest on the total debt on the other, the two biggest items. We are not going to be able to cut interest on the national debt significantly until we begin to reduce that debt. Reducing that debt has to be more of a top priority than it has been thus far. I will pledge to work with my colleagues in that effort.

One thing we have to do is realize how hamstrung the Congress is today. We are hamstrung over in the Budget Committee trying to decide whether or not we must go along with the President's recommendations for the defense budget, which reduces about 2 percent from the $290 billion in the national defense budget last year, whether we should hold to only a 2-percent reduction of that, which is minuscule, to an even still minuscule but larger figure, double that 4 percent as proposed by the Senator from Nebraska, and you go over that budget figure. You go on over to budget authority and you will see that the President's numbers call for a magnificent 3-percent reduction in budget authority for 1993 over last year, and the Exon proposal is double that, to 6 percent.

While my numbers are double the President's, Mr. President, I am almost ashamed that we cannot find more than that to take out of the defense budget. I think we can. At least it is a step in the right direction.

I would predict we are going to have a very, very close vote on those Exon numbers in the Budget Committee and I do not know whether they will prevail or not. I simply say if we cannot cut the budget authority from our defense budget by a tiny 6 percent of the total, given the decline of the obligation that we previously had with national defense, if we cannot cut it by that much, then we cannot do anything and we should recognize and maybe throw in the towel in an honorable fashion as did our distinguished and talented colleague from the State of North Dakota.

SENATOR WARREN RUDMAN

Mr. EXON. Mr. President, I have been waiting for a time to make appropriate remarks with regard to the Senator from New Hampshire [Mr. RUDMAN]. I have had a great pleasure working with that talented individual over the last 12 years, and as much as anything else, I guess when I see people like those two leaving our midst, they are leaving because they are frustrated with the process. I suspect that somewhere along the line they are leaving also because they want to be part of an institution that for a long, long time has had some reputation for standing for something, for being something, and at least it was was somewhat respectful on your record to show that you were in the U.S. Senate.

There are wholesale attacks today, broad brushed across the board on anyone who serves in the House of Representatives or the U.S. Senate, and the press—I do not think the people back home believe that—at least the recent job approval ratings for this Senator that came out last week in Nebraska were very refreshing and encouraging to me, but the institution and the honor of serving here is falling at such a rapid rate and we are losing so many talented younger Members at such a rapid rate that I have serious concerns about the quality of people that we are going to be recruiting from both sides of the aisle to serve in the future.

Maybe the process is going through these strains today and maybe that is necessary. I only wish to say that for whatever reason the feeling of the public and the press about the Senate today caused the leaving of Senator RUDMAN or of Senator CONRAD, I only tell the press, I tell the Senate, and I tell the people back in their home States that a terrible mistake has been made for the good of the country.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. WOFFORD). The Senator from Massachusetts.

SENATOR KENT CONRAD

Mr. KENNEDY. Mr. President, just a few moments ago, like my colleagues, I heard the news about the decision that has been made by Senator CONRAD to live up to his commitments to the people of North Dakota and not to seek another term. I know in the past few minutes people have pointed out what his position was in the polls and what he had in financial resources and how his campaign was moving ahead and that he probably as much as any Member of this body was confident of the continued trust of the people of North Dakota.

I think when we think of Senator CONRAD the words that are used are a thoughtful, intelligent, compassionate, hardworking, decent individual who represented his State so well.

Those of us in this institution make a great many speeches and sometimes we think people take these speeches as being important. But all of us understand that we are not only legislators in an attempt to try to explain positions, but also I think all of us learn at an early time when we are beginning to study the institutions of this country we have responsibilities as educators as well.

Perhaps we do not do that as well as we should. But certainly KENT CONRAD's decision today is going to be more important perhaps than all of the speeches that will be made in this body for a long, long time. I think it really reflects a number of characteristics of KENT CONRAD, some of which I mentioned earlier, but it also reflects an enormous respect for this institution, the Senate of the United States, because he ran to serve and he ran to try and bring about change in terms of national policy, and he understood that this institution has some voice in the shaping and the fashioning of national policy. He feels as a matter of moral obligation, since we did not take the steps that he had outlined, that he is going to follow the course of action which he has stated to the people of North Dakota.

I think that that comes through with his statement and his decision. And it obviously says a great deal about the individual, the man himself, and what stirs in people's souls, and I think this is a real reflection of the true mettle of the individual.

I think those of us who have had a chance to know him, sense that about him, but now it is demonstrated with extraordinary clarity, and finally I think he reflects an extraordinary respect for the individual voters of North Dakota. His respect for them and his belief in terms of what a public official and elected official and the people that he represents is really all about, because it is really that commitment or that promise that he made to them that demonstrates, I think, as much as anything an extraordinary respect for the individual voters, those who supported him, and certainly those that might not have.

So, the people of North Dakota have lost an extraordinary public servant, certainly probably for this term, hopefully not down the road to the future, and I think KENT CONRAD has set an example for all those who serve in this institution and for elected officials across the country, and at a time of difficulty in terms of our national debate and discussion at all branches of the Government there is a silver bell that rung today and it was rung by KENT CONRAD and it ought to be a lesson that all of us heed.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE ATTENDING PHYSICIAN

Mr. STEVENS. Mr. President, there has been a lot of discussion lately about the Office of the Attending Physician. The permanent staff of the Rules Committee has made a study of the history and the operations of that office. I will ask unanimous consent to insert it in the RECORD and commend it to Members of Congress and to others who are talking about the Office of the Attending Physician.

This does detail its history and what it does, and I think it demonstrates that Admiral Krasner and his staff provide a very vital service not only to the Congress and those people who visit the Capitol but to the staff of the Capitol Police, the pages, members of the Supreme Court, and others who are in need of emergency medical service within the scope of their jurisdiction.

Again, Mr. President, I urge Members to understand the valuable asset that exists in the Office of the Attending Physician and keep that in mind as we deal with the subjects that are before us now.

I ask unanimous consent that the statement prepared by the Rules Committee staff be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE OFFICE OF THE ATTENDING PHYSICIAN

BRIEF HISTORY

The Office of the Attending Physician (OAP) was established in 1928, 70th Congress, 2d session, after the collapse of several Members of Congress and the death of three Members of the House of Representatives. In each case, the arrival of a doctor was delayed several hours. After those incidents, Representative Fred Britten of Illinois, chairman of the House Naval Affairs Committee, consulted Speaker Nicholas Longworth about the placement of a naval medical officer at the Capitol.

On December 5, 1928, Representative Britten introduced House Resolution 253, which passed unanimously that same day. It stated:

"*Resolved*, That the Secretary of the Navy is hereby requested to detail a medical officer of the Navy to be in attendance at the Hall of the House of Representatives during the sessions of the House."

Lieutenant Commander George Calver was assigned by the Secretary of the Navy, Curtis Wilbur, to this position on December 9, 1928. He remained in this position until his retirement in October 1966.

Dr. Calver initially worked in the Democratic Cloakroom and later was assigned office space in rooms H-165 and H-166 of the Capitol where the office still remains.

On June 4, 1929, Senator Royal Copeland of New York introduced Senate Concurrent Resolution 14 to request the Secretary of the Navy to detail a medical officer for duty as physician to the House and to the Senate; and thus, extend Dr. Calver's services to Senators. The measure was referred to the Senate Committee on Naval Affairs, reported favorably (S. Rept. 71-328) in April 1930, and passed unanimously by the Senate on April 7, 1930. It was then referred to the House Committee on Accounts which took no action on it. However, Dr. Calver later stated that after this resolution passed the Senate, the Secretary of the Navy ordered him to "look after both houses." Since that time, the Office of the Attending Physician has been continually maintained for the provision of medical services of Members of Congress.

Although the Attending Physician has always been on the payroll of the Navy, it was not until the enactment of the 1931 Legislative Branch Appropriation Act (P.L. 71-311) on June 30, 1930, that Congress appropriated funds for necessary supplies and equipment in the Office. In its report accompanying this appropriations bill, the House Appropriations Committee stated:

"The contingent fund has not heretofore been available for medical supplies and equipment for the emergency room and physician's office and the committee is of the opinion that some amount should be available for the purpose instead of relying entirely upon the Navy Department for such necessities."

A survey of the Legislative Branch Appropriation Acts since then indicates that expenses for supplies and equipment have continued to be paid from the contingent fund of the House, often listed in those Acts as "Joint Items."

Congress has also appropriated money for allowances for Military Personnel assigned to the Office who have assisted in the office since 1929. House resolution 279, passed July 1, 1930, stated:

"*Resolved*, That until otherwise provided by law there shall be paid out of the contingent fund of the House an allowance not to exceed $30 per month each to two assistants in the office of the attending physician starting December 1, 1929."

This allowance has been included in subsequent Appropriations Acts and the House has passed resolutions which increased the number of assistants in the office. A more recent practice has been for the legislative branch appropriations act to authorize an increase in the amount of the allowances and the number of Navy personnel who may receive such allowances, rather than the authorizing resolutions.

Since the enactment of the Second Deficiency Appropriations Act of 1940, P.L. 76-668, the Attending Physician and each military member of his staff receives an additional monthly allowance.

In addition to medical personnel, there are two technical assistants appointed by the Attending Physician, subject to the approval of the Speaker of the House. They are on the payroll of the Clerk of the House. A survey of past Appropriations Acts indicated that this position did not exist until the enactment of the 1947 Legislative Branch Appropriations Act, P.L. 79-479. There are also presently 13 nurses on the payroll of the Architect of the Capitol who assist the Attending Physician. They staff the first aid rooms in the Capitol and Office buildings.

Beginning with the 1976 Legislative Branch Appropriations Act, P.L. 94-59, Congress began the present practice of reimbursing the Department of the Navy for expenses incurred for staff and equipment assigned to the Office of the Attending Physician. These reimbursements are now credited to the Navy's annual appropriations. Consequently, Congress now appropriates the reimbursements to the Navy as well as the allowances for the Navy personnel assigned to the Office of the Attending Physician.

SCOPE OF SERVICES

Members may voluntarily open medical records with the Attending Physician and are encouraged to participate in a preventive health program through annual physical examinations. Medical information about members and the results from examinations conducted by he Attending Physician are kept confidential but may be sent to Members' private physicians upon written request by a Member. In addition, the Office provides a 24-hour assistance and referral system. The OAP has expanded from its original mission to include the following functions:

a. Provides comprehensive ambulatory care to meet the health care needs of the Members of Congress, and Capitol Officials consistent with professional and facility capabilities.

b. Maintains liaison with military and civilian hospitals to facilitate necessary referral of Members and other eligible beneficiaries requiring hospitalization.

c. Provides limited ambulatory health care services to other eligible beneficiaries to include: Staff, Pages, and the U.S. Capitol Police.

d. Cooperates, and when requested, participates in planning medical support for mass casualties with Military District Washington, Chief of the U.S. Capitol Police, Architect of the Capitol and other officials as appropriate.

e. Supervises the operations of nine satellite first aid rooms located in House and Senate Office Buildings that provide support to the over 20,000 staff personnel who work for Congress.

f. Provides CPR and First Aid instruction to Congressional staff.

g. Medical consultant to the 1,200 man U.S. Capitol Police.

h. Provides medical support for Inaugurations, Joint Sessions of Congress, visiting Heads of State, and a myriad of other special events at the Capitol.

i. Serves as medical consultants for various medical screening programs, blood drives, bone marrow registries, and health fairs for the over 20,000 staff personnel who work for the Congress.

j. Oversees certain aspects of the environment and occupational health requirements of the Capitol and other House and Senate Office Buildings.

k. Provides supervision of the sanitary handling of food and the health of food service workers in the Capitol complex.

l. Provides emergency care, utilizing a highly trained medical response team, for the over one million tourists, medically handicapped visitors, school children, church organizations, and service groups that visit the Capitol each year.

m. Provides allergy shots to staff conditional on their providing the serum. Immunizations are provided to Members of Congress and their staffs for approved Congressional travel. Annual flu shots are provided to Congressional staff for a nominal fee.

n. Specialized services provided to Members include: a Medical Response Team with emergency equipment which is on call when the Office is open; ambulance service; complete laboratory, X-ray, pharmacy and physiotherapy services; electrocardiographic service (each Member is furnished with a wallet-size copy of his/her electrocardiogram).

Anecdotes about incidents in which Attending Physician has been involved recently:

Cared for 5 Catholic Nuns who had gotten frostbite of toes protesting in snow in front of Capitol.

Cared for protesters on hunger strike for homeless when they passed out.

First on scene and stabilized Vietnamese protester who tried to commit "Hari Kari" with sword on steps of Capitol.

First on scene and tried to resuscitate man who dowsed self with gasoline and burned self to death on West Front.

Aided and probably saved life of groundskeeper who had tree limb fall on head near Grotto.

First on scene, helped resuscitate and evacuate a policeman and two visitors who had heart attacks during Inauguration.

Treated and "patched up" Lech Walesa's translator when he had fever and laryngitis so that he could work during Joint Meeting.

Treated several visiting members of foreign Parliaments, including Italian, Japanese, and English during official visits.

Assisted after a young woman delivered a baby in Capitol bathroom.

Assisted in treating illnesses of Congressional witnesses.

Assisted on numerous occasions when large group of handicapped or other groups of people with such disorders as diabetes, epilepsy, multiple sclerosis, sarcoidosis, who have come to the Capitol and have subsequently become acutely ill.

EXTENSION OF EMERGENCY UNEMPLOYMENT BENEFITS

Mr. KENNEDY. Mr. President, because of the continuing stagnation of the economy, the Senate and House will soon be acting on legislation for further extension of emergency unemployment benefits. When we do, we must also correct a serious error in the program's design that is causing unintended harm to thousands of long-term unemployed workers. These are men and women who have taken part-time jobs in order to ease the burden of recession on their families.

The problem arises after a year has passed since they first lost their job. If they have taken part-time work during that year, their unemployment benefits are recalculated based on their part-time earnings, not the higher wages they were receiving before they lost their full-time jobs earlier in the recession.

In February, Senator KERRY and I introduced S. 2221, the Unemployment Benefits Insurance Act of 1992, to correct this problem. Companion legislation was introduced by Congressman MARKEY in the House and cosponsored by all Members of the Massachusetts delegation. I am delighted to learn that this correction has now been included in an overall bill in the Ways and Means Committee introduced yesterday by Chairman ROSTENKOWSKI and Congressman DOWNEY. There still are hurdles to be cleared, but I think it is fair to say that this long overdue help for the part-time unemployed is at least on a fast track in Congress and will soon be signed into law.

The problem is unintended, but it is very harsh in its consequences. It affects relatively few States so far, but Massachusetts is one of them because of the excessive depth and duration of the recession in the State. More than 1,000 workers in Massachusetts have had their unemployment benefits unfairly reduced by more than 50 percent merely because they earned over $1,200 from part-time work during 1991.

In effect, these workers are being penalized because they chose to accept part-time work or found it necessary to do so to ease the burden on their families. Many of these workers did so at a time when no Federal program of extended unemployment compensation was in place. In many cases, the victims are Persian Gulf veterans whose National Guard and Reserve units were called up in the fall of 1990 as the recession was beginning to hit hard. In the spring of 1991, they returned to no jobs.

Now, to add insult to injury, their unemployment benefits have been reduced because of the modest income they earned by continuing to fulfill their National Guard and Reserve obligations. Congress did not intend to penalize unemployed workers who take part-time work. Congress did not intend to penalize Persian Gulf veterans who continue to drill with their units one weekend a month or one weekend a year. No one wants this perverse disincentive to remain in place because it clearly discourages the unemployed from seeking jobs.

The correction that I introduced in February and that is now part of the

Ways and Means Committee bill will remedy the problem by giving workers the option to continue receiving the full Federal benefits they were previously receiving without reduction because of intervening part-time wages they earned. It is time to right the wrong that is being done to these workers. This recession has dragged on far, far longer than it should have. These men and women and their families deserve help now. I urge Congress to expedite the action on this needed provision.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress stood at $3,881,287,580,150.16, as of the close of business on Tuesday, March 31, 1992.

As anybody familiar with the U.S. Constitution knows, no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States.

During the past fiscal year, it cost the American taxpayers $286,022,000,000 just to pay the interest on spending approved by Congress—over and above what the Federal Government collected in taxes and other income. Averaged out, this amounts to $5.5 billion every week, or $785 million every day.

What would America be like today if there had been a Congress that had the courage and the integrity to operate on a balanced budget?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

NATIONAL INSTITUTES OF HEALTH REVITALIZATION AMENDMENTS

The PRESIDING OFFICER. The clerk will report the pending business.

The bill clerk read as follows:

A bill (H.R. 2507) to amend the Public Health Service Act to revise and extend programs of the National Institutes of Health, and for other purposes.

The Senate resumed consideration of the bill.

Mr. KENNEDY. Mr. President, Senator HATCH and I have agreed to accept a series of amendments offered by Senators BRADLEY, DECONCINI, LEAHY, NICKLES, JEFFORDS, and DOLE. They were eligible to be offered in the unanimous consent agreement by the majority leader. And it is our intention, having worked it out with the various Senators, to offer a management amendment that includes those items that I have just listed, and the manager's amendment be considered and agreed to.

I will, before sending the manager's amendment to the desk, mention very briefly what is included in the manager's substitute.

It will include the children's vaccine initiative offered by Senator BRADLEY—an important step forward in preventing common childhood illnesses all over the world through the development of new vaccines, and improved technologies to deliver them.

The worker's family protect initiative offered by Senator JEFFORDS. He will be over here to speak on this issue. He has worked very closely with us. This is to increase the Nation's understanding and awareness of the potential threat of hazardous chemical and substances to the health and welfare of workers and their families.

The cancer registry and breast cancer study initiative offered by Senator LEAHY which will allow States to establish registries to monitor the incidence and mortality of cancer and to study the alarming elevation of breast cancer rates.

I would like to thank Senator WELLSTONE for his recommendation of including the collection of worker and occupational history as part of the information to be provided the cancer registry. This is an important step forward in identifying potential occupational risk factors for cancer and presently, these data are not being collected by cancer registries.

It would also include the prostate cancer initiative offered by Senator DOLE which will strengthen the prevention, early detection, and treatment programs at the NIH.

The amendment offered by Senator DECONCINI to strengthen the safeguards established until title II by increasing the criminal penalties for solicitation or selling of fetal tissue.

The establishment of a fetal tissue registry and bank.

This is basically the concept that had been included in the Hatch amendment that we debated previously.

The amendment offered by Senator NICKLES to study the 20 leading causes of death.

I would like to thank Senator GLENN for his recommendations for the modification of title IX. We have included his recommendations in this substitute.

Mr. President, those are the elements that are in the manager's amendment, and I send the amendment to the desk.

AMENDMENT NO. 1753

(Purpose: To improve the bill)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 1753.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 26, line 20, after the period add the following new sentence: "Of the amounts appropriated under this section for any fiscal year, not less than 25 percent of such amount shall be made available for institutions that meet the requirements of section 499E(d)(2)(B)(25)(II)(aa)."

At the appropriate place in title I, insert the following new sections:

SEC. ___. PROSTATE CANCER RESEARCH.

(a) FINDINGS.—Congress finds that—

(1) one in every 11 men will develop prostate cancer;

(2) it is estimated that 34,000 deaths will occur in 1992 from prostate cancer, the second leading cause of cancer deaths in men;

(3) an estimated 132,000 new cases of prostate cancer will occur in 1992;

(4) current Federal research efforts in prostate cancer totaled $28,000,000 in fiscal year 1992;

(5) additional research concerning prostate cancer is urgently needed; and

(6) there is a need to accelerate the investigation into the cause, treatment and prevention of prostate cancer.

(b) EXPANDED RESEARCH.—Subpart 1 of part C of title IV (42 U.S.C. 285 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 417. EXPANDED PROSTATE CANCER RESEARCH.

"(a) IN GENERAL.—The Secretary shall undertake to expand and intensify prostate cancer research efforts through appropriate activities, including—

"(1) the conduct of basic research concerning the etiology and causes of prostate cancer;

"(2) the conduct of clinical research and related activities into the causes, prevention, detection and treatment of prostate cancer;

"(3) the implementation of prevention and control and early detection programs with respect to prostate cancer in accordance with section 412, particularly as it relates to intensifying research on the role of PSA for the screening and early detection of prostate cancer;

"(4) the implementation of information and education programs with respect to prostate cancer in accordance with section 413;

"(5) the implementation of research and demonstration programs with respect to prostate cancer in accordance with section 414, including the development and operation of prostate cancer research centers to bring together basic and clinical, biomedical and behavioral scientists to conduct basic and clinical, epidemiologic, psychosocial, prevention and treatment research and related activities; and

"(6) the establishment of an Inter-Institute Task Force, under the direction of the Director of the Institute, to provide coordination between relevant National Institutes of Health components of cancer research efforts.

"(b) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, in addition to the amounts authorized be appropriated for the National Cancer Institute under section 301 and 408, there are authorized to be appropriated $72,000,000 for fiscal year 1993, and such sums as are necessary for each of the fiscal years 1994 through 1997.".

SEC. ___. PROSTATE CANCER PREVENTION.

(a) FINDINGS.—Congress finds that—

(1) prostate cancer is the second most common cause of death from cancer among men;

(2) early detection can prevent death from prostate cancer;

(3) routine digital examination is one method for detecting potentially malignant prostatic nodules, and should be performed annually on all men over 40 years of age;

(4) advances in the early detection of prostate cancer, such as tests for prostate-specific antigens in the blood and non-invasive imaging techniques, may prove to be cost-effective screening techniques;

(5) education is needed to improve the application of proven cancer screening techniques; and

(6) increased efforts are needed to ensure that cost-effective methods for early prostate cancer detection are made available to men at risk.

(b) MORTALITY PREVENTION.—Part B of title III is amended by inserting after section 317A (42 U.S.C. 247b-1) the following new section:

"SEC. 317B. PROSTATE CANCER MORTALITY PREVENTION.

"(a) GRANTS.—The Secretary, acting through the Director of the Centers for Disease Control, may award grants to States and local health departments for the purpose of enabling such States and departments to carrying out programs to—

"(1) screen men for prostate cancer as a preventive health measure;

"(2) provide appropriate referrals for medical treatment of men screened pursuant to paragraph (1) and to ensure, to the extent practicable, the provision of appropriate follow-up services;

"(3) develop and disseminate public information and education programs for the detection and control of prostate cancer;

"(4) improve the education, training, and skills of health professionals (including allied health professionals) in the detection and control of prostate cancer;

"(5) establish mechanisms through which the States can monitor the quality of screening procedures for prostate cancer, including the interpretation of such procedures; and

"(6) evaluate activities conducted under paragraphs (1) through (5) through appropriate surveillance or program monitoring activities.

"(b) GRANT APPLICATIONS.—

"(1) REQUIREMENT.—No grant may be awarded under subsection (a), unless an application for such grant has been submitted to, and approved by, the Secretary. Such an application shall be in such form and submitted in such manner as the Secretary shall prescribe, and shall include—

"(A) a complete description of the program which is to be provided by or through the applicant;

"(B) assurances satisfactory to the Secretary that the program to be provided under the grant will include education programs designed to communicate to men, and local health officials the significance of the early detection of prostate cancer;

"(C) assurances satisfactory to the Secretary that the applicant will report, on a quarterly basis, the number of men screened for prostate cancer and the number of men who were found to have prostate cancer, the number and type of medical referral made with respect to such men, the outcome of such referrals, and other information to measure program effectiveness as required under paragraph (2);

"(D) assurances satisfactory to the Secretary that the applicant will make such reports respecting the program involved as the Secretary may require; and

"(E) such other information as the Secretary may prescribe.

"(2) TECHNICAL ASSISTANCE.—The Secretary may prove training and technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to this section.

"(c) MAINTENANCE OF EFFORT.—No grant may be awarded under subsection (a) unless the Secretary determines that there is satisfactory assurance that Federal funds made available under such a grant for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program for which the grant is to be made, and will in no event supplant such State, local, and other non-Federal funds.

"(d) METHOD AND AMOUNT OF PAYMENT.—The Secretary shall determine the amount of a grant made under subsection (a). Payments under such grants may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of the underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants. Not more than 10 percent of any grant may be obligated for administrative costs.

"(e) SUPPLIES, EQUIPMENT, AND EMPLOYEE DETAIL.—The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

"(1) the fair market value of any supplies or equipment furnished the grant recipient; and

"(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the grant recipient and the amount of any other costs incurred in connection with the detail of such officer or employee;

when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such grant recipient and for the purpose of carrying out a program with respect to which any such grant is so reduced. Such amount shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the grant recipient.

"(f) RECORDS.—Each recipient of a grant under subsection (a) shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(g) AUDIT AND EXAMINATION OF RECORDS.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of a grant under subsection (a), that are pertinent to such grant.

"(h) INDIAN TRIBES.—For purposes of this section, the term 'units of local government' includes Indian tribes.

"(i) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section not more than $20,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) SET-ASIDE FOR TECHNICAL ASSISTANCE.—Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall reserve not more than 20 percent for carrying out activities under this section at the national level.".

On page 41 of the committee amendment, strike out lines 11 through 14 and insert the following:

"(c) CRIMINAL PENALTIES FOR VIOLATIONS.—

"(1) IN GENERAL.—A person who violates subsection (a) or (b) shall be fined in accordance with title 18, United Stats Code, and imprisoned for not more than 10 years.

"(2) PENALTIES APPLICABLE TO PERSONS RECEIVING CONSIDERATION.—A person who receives valuable consideration in connection with an offense under subsection (a) or (b) shall, notwithstanding section 3571 (c) and (d) of title 18, United States Code, be fined not less than twice the amount of the valuable consideration received.

On page 41 of the committee amendment, after line 25, insert the following new section:

SEC. 205. ESTABLISHMENT OF REGISTRY AND BANK AND STUDY.

Part G of title IV, as amended by sections 203 and 204, is further amended by inserting after section 498B the following new section:

"SEC. 498C. ESTABLISHMENT OF REGISTRY AND BANK.

"(a) IN GENERAL.—The Secretary shall establish a human fetal tissue registry and bank for the purposes of collecting and storing human fetal tissue obtained subsequent to a spontaneous or induced abortion, ectopic pregnancies or subsequent to a stillbirth.

"(b) STUDY CONCERNING THE PRESERVATION OF FETAL CELLS AND TISSUE.—The Secretary shall conduct a study to assess the various methods available for the optimal preservation of viable human fetal cells and tissue, including an assessment of—

"(1) the transportation and storage conditions involved;

"(2) the intervals between the collection of such cells and tissues and the cryopreservation or utilization of such; and

"(3) the methods and conditions for maintaining the optimal viability and functional integrity of both frozen and unfrozen cells and tissues.

"(c) CONSTRUCTION.—Nothing in this section shall be construed as authorizing or requiring a delay in the provision or continuation of funding for research concerning human fetal tissue transplantation.".

On page 42 of the committee amendment, line 1, strike out "205" and insert in lieu thereof "206.

On page 44 of the committee amendment, line 3, strike out "206" and insert in lieu thereof "207.

Strike out title IX, and insert in lieu thereof the following new title:

TITLE IX—REVITALIZATION OF INTRAMURAL RESEARCH PROGRAM

Subtitle A—Authorities of the Director

SEC. 901. MANAGEMENT OF THE INTRAMURAL PROGRAM.

Section 402(b) (42 U.S.C. 282(b)) is amended—

(1) in paragraph (10), by striking out "and" at the end thereof;

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10), the following new paragraph:

"(11) exercise supervision, through the directors of the national research institutes, over the intramural research program of the National Institutes of Health; and".

Subtitle B—Personnel

SEC. 911. PERSONNEL STUDY OF RECRUITMENT, RETENTION AND TURNOVER.

Part A of title IV (42 U.S.C. 281 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 404. PERSONNEL STUDY OF RECRUITMENT, RETENTION AND TURNOVER.

"(a) Study of Personnel System.—Not later than 1 year after the date of enactment of this section, the Secretary, acting through the Director of NIH, shall conduct a study to review the retention, recruitment, vacancy and turnover rates of support staff, including firefighters, law enforcement, procurement officers, technicians, nurses and clerical employees, to ensure that the National Institutes of Health is adequately supporting the conduct of efficient, effective and high quality research for the American public. The Director of NIH shall work in conjunction with appropriate employee organizations and representatives in developing such a study.

"(b) Submission to Congress.—Not later than 1 year after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report containing the study conducted under subsection (a) together with the recommendations of the Secretary concerning the enactment of legislation to implement the results of such study.".

Subtitle C—Warren Grant Magnuson Clinical Center

SEC. 921. RENOVATION AND REPLACEMENT PROGRAM.

Title IV (42 U.S.C. 281 et seq.) (as amended by section 106) is further amended by adding at the end thereof the following new part:

"Part J—Restoration and Renovation of Facilities and Infrastructure

"Subpart 1—Warren Grant Magnuson Clinical Center

"SEC. 499N. WARREN GRANT MAGNUSON CLINICAL CENTER RENOVATION AND REPLACEMENT PROGRAM.

"(a) Establishment.—To address the problems existing at the Warren Grant Magnuson Clinical Center (hereafter referred to as the 'Clinical Center'), the Director of NIH may establish and implement a program for the renovation of the existing Clinical Center facility or the construction of a replacement facility. The Director may conduct feasibility studies to determine the appropriate action to be taken concerning the Clinical Center.

"(b) Transfer of Land.—

"(1) In general.—The Secretary, acting through the Director of NIH, is authorized to accept the transfer to the National Institutes of Health of not less than 25 acres of land from other Federal agencies. Such land shall be suitable for the construction of a new research hospital and clinical center. Such land may include land obtained from the Secretary of the Navy, located on the reservation of the National Naval Medical Center, in Bethesda, Maryland.

"(2) Use agreement and memorandum of understanding.—The Secretary, acting through the Director of NIH, may enter into a Use Agreement and a Memorandum of Understanding with the Administrators, Director, or Secretaries of the appropriate executive branch entity, to accomplish the transfer of property pursuant to paragraph 1.

"(c) Requirements.—

"(1) Facilities.—Any facility renovated or constructed under this section shall be equipped with a state-of-the-art capacity for beds and necessary laboratories and be comparable to the current Clinical Center complex, with necessary amenities for employees, volunteers, research subjects and visitors, including cafeteria and vehicle parking facilities.

"(2) Transfer of personnel.—If a new facility is to be constructed under this section, the Secretary may expend amounts necessary to transfer the personnel and administration of the current Clinical Center to the new facility upon its completion.

"(3) Completion.—Notwithstanding any other provisions of law, the renovation or construction performed under this section shall be completed as soon as feasible.

"(d) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section. Such funds shall be available beginning October 1, 1992, and shall remain available until expended.".

Subtitle D—Acquisition of Land and Facilities

SEC. 931. ACQUISITION OF LAND AND FACILITIES.

Part I of title IV, as added by section 921, is amended by adding at the end thereof the following new subpart:

"Subpart 2—Acquisition of Land and Facilities

"SEC. 499O. PHYSICAL INFRASTRUCTURE FOR RESEARCH.

"(a) Establishment of Program.—The Secretary, acting through the Director of NIH, may establish and implement a comprehensive program that is designed to provide for the replacement or refurbishment of less than adequate buildings, utility equipment and distribution systems (including the resources that provide electrical and other utilities, chilled water, air handling, and other services that the Secretary, acting through the Director, deems necessary), roads, walkways, parking areas, and grounds that underpin the laboratory and clinical facilities of the National Institutes of Health. Such program may provide for the undertaking of new projects that are consistent with the objectives of this section, such as encircling the National Institute of Health Federal enclave with an adequate chilled water conduit.

"(b) Requirements.—

"(1) Design of program.—In establishing the program under subsection (a), the Secretary shall ensure that such program is designed to modernize the existing research and clinical laboratory infrastructure of the National Institutes of Health in the shortest possible time consistent with good stewardship of Federal funds.

"(2) Future expansion.—In designing the program under subsection (a), the Secretary may make reasonable allowance for future expansion and usual employee amenities, such as cafeteria services and vehicle parking.

"(3) Nondisruption of operations.—In carrying out the program established under subsection (a), the Director of NIH shall, to the extent feasible, plan renovations and construction in such a manner that significant elements of the research program at the Institutes are not significantly disrupted.

"SEC. 499P. ACQUISITION OF LAND.

"(a) In General.—The Director of NIH may purchase not to exceed a total of 300 acres of land for the establishment of a satellite campus in Maryland for the purpose of enhancing the intramural research capacity of the National Institutes of Health.

"(b) Study.—Prior to the purchase of land under subsection (a), the Director of NIH shall conduct a study concerning the expansion needs of the National Institutes of Health and the purpose for which the land is to be purchased. A report concerning such study shall be submitted for approval to the Committee on Appropriations of the House of Representatives, the Committee on Appropriations of the Senate, the Committee on Labor and Human Resources of the Senate, and to the other appropriate committees of Congress.

"SEC. 499Q. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary to carry out this subpart. Amounts appropriated under this subsection shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which such amounts are appropriated.".

Subtitle E—Procurement

SEC. 941. STUDY.

The Director of the National Institutes of Health and the Administrator of the General Services Administration shall jointly conduct a study to develop a streamlined procurement system for the National Institutes of Health that complies with the requirements of Federal Law.

Subtitle F—General Provisions

SEC. 951. FINDINGS.

Congress finds that participation of women in the National Institute of Health research enterprise and its undertakings is essential to the continued growth of the intramural program and, to this end, efforts should be directed, to the extent practicable, to provide accommodations such as child care so that more women, particularly at the child-rearing stage, can participate as scientists in the intramural research program and as subjects in research programs conducted at the research hospital and clinical center of the National Institutes of Health.

SEC. 952. DAY CARE.

Part G of title IV is amended by inserting after section 496 (42 U.S.C. 289e) the following new section:

"SEC. 496A. DAY CARE.

"(a) Establishment of Day Care Program.—The Director of NIH may establish a program to provide day care service for the employees of the National Institutes of Health similar to those services provided by other Federal agencies.

"(b) Sliding Scale.—Any day care provider at the National Institutes of Health may establish a sliding scale that takes into consideration the income and needs of the employee.

"(c) Other Services.—The Director of NIH may provide for the availability of day care service on a 24-hour-a-day basis if the Director considers such appropriate to meet the needs of employees. In order to accommodate these needs, the Director is further authorized to enter into a rental or lease purchase agreement as needed.".

At the appropriate place in title X, insert the following new sections:

SEC. ___. CHILDREN'S VACCINE INITIATIVE.

Part G of title IV is amended by inserting after section 494 (42 U.S.C. 289c) the following new section:

"SEC. 494A. CHILDREN'S VACCINE INITIATIVE.

"(a) Authority.—The Secretary, in collaboration with the National Vaccine Program under title XXI, shall conduct vaccine research and development to contribute to the global Children's Vaccine Initiative envisioned by world leaders at the World Summit on Children.

"(b) DEVELOPMENT OF NEW VACCINES.—In carrying out subsection (a), the Secretary, through the National Institute for Allergy and Infectious Diseases, the National Institute for Child Health and Human Development, the National Institute for Aging, and other public and private programs, shall carry out activities to develop affordable new and improved vaccines to be used in the United States and in the developing world that will increase the efficacy and efficiency of the prevention of infectious diseases. The goal of the activities conducted under this section is to develop and make available vaccines that require fewer contacts to deliver, that can be given early in life, that provide long lasting protection, that obviate refrigeration, needles and syringes, and that protect against a larger number of diseases.

"(c) REPORT.—The Secretary shall include in the report required under section 2104, information with respect to activities and the progress made in implementing the provisions and achieving the goals of this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts authorized to be appropriated for activities of the type described in this section, there are authorized to be appropriated to carry out this section, $15,000,000 for fiscal year 1993, $20,000,000 for fiscal year 1994, $25,000,000 for fiscal year 1995, and $30,000,000 for fiscal year 1996.".

SEC. _____. WORKERS' FAMILY PROTECTION.

(a) SHORT TITLE.—This section may be cited as the "Workers' Family Protection Act".

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress finds that—

(A) hazardous chemicals and substances that can threaten the health and safety of workers are being transported out of industries on workers' clothing and persons;

(B) these chemicals and substances have the potential to pose an additional threat to the health and welfare of workers and their families;

(C) additional information is needed concerning issues related to employee transported contaminant releases; and

(D) additional regulations may be needed to prevent future releases of this type.

(2) PURPOSE.—It is the purpose of this section to—

(A) increase understanding and awareness concerning the extent and possible health impacts of the problems and incidents described in paragraph (1);

(B) prevent or mitigate future incidents of home contamination that could adversely affect the health and safety of workers and their families;

(C) clarify regulatory authority for preventing and responding to such incidents; and

(D) assist workers in redressing and responding to such incidents when they occur.

(c) EVALUATION OF EMPLOYEE TRANSPORTED CONTAMINANT RELEASES.

(1) STUDY.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Director of the National Institute for Occupational Safety and Health (hereafter in this section referred to as the "Director"), in cooperation with the Secretary of Labor, the Administrator of the Environmental Protection Agency, the Administrator of the Agency for Toxic Substances and Disease Registry, and the heads of other Federal Government agencies (such as the National Institutes of Health) as determined to be appropriate by the Director, shall conduct a study to evaluate the potential for, the prevalence of, and the issues related to the contamination of workers' homes with hazardous chemicals and substances, including infectious agents, transported from the workplaces of such workers.

(B) MATTERS TO BE EVALUATED.—In conducting the study and evaluation under subparagraph (A), the Director shall—

(i) conduct a review of past incidents of home contamination through the utilization of literature and of records concerning past investigations and enforcement actions undertaken by—

(I) the National Institute for Occupational Safety and Health;

(II) the Secretary of Labor to enforce the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.);

(III) States to enforce occupational safety and health standards in accordance with section 18 of such Act (29 U.S.C. 667); and

(IV) other government agencies (including the Department of Energy and the Environmental Protection Agency), as the Director may determine to be appropriate;

(ii) evaluate current statutory, regulatory, and voluntary industrial hygiene or other measures used by small, medium and large employers to prevent or remediate home contamination;

(iii) compile a summary of the existing research and case histories conducted on incidents of employee transported contaminant releases, including—

(I) the effectiveness of workplace housekeeping practices and personal protective equipment in preventing such incidents;

(II) the health effects, if any, of the resulting exposure on workers and their families;

(III) the effectiveness of normal house cleaning and laundry procedures for removing hazardous materials and agents from workers' homes and personal clothing;

(IV) indoor air quality, as the research concerning such pertains to the fate of chemicals transported from a workplace into the home environment; and

(V) methods for differentiating exposure health effects and relative risks associated with specific agents from other sources of exposure inside and outside the home;

(iv) identify the role of Federal and State agencies in responding to incidents of home contamination;

(v) prepare and submit to the Task Force established under paragraph (2) and to the appropriate committees of Congress, a report concerning the results of the matters studied or evaluated under clauses (i) through (iv); and

(vi) study home contamination incidents and issues and worker and family protection policies and practices related to the special circumstances of firefighters and prepare and submit to the appropriate committees of Congress a report concerning the findings with respect to such study.

(2) DEVELOPMENT OF INVESTIGATIVE STRATEGY.—

(A) TASK FORCE.—Not later than 12 months after the date of enactment of this Act, the Director shall establish a working group, to be known as the "Workers' Family Protection Task Force". The Task Force shall—

(i) be composed of not more than 15 individuals to be appointed by the Director from among individuals who are representative of workers, industry, scientists, industrial hygienists, the National Research Council, and government agencies, except that not more than one such individual shall be from each appropriate government agency and the number of individuals appointed to represent industry and workers shall be equal in number;

(ii) review the report submitted under paragraph (1)(B)(v);

(iii) determine, with respect to such report, the additional data needs, if any, and the need for additional evaluation of the scientific issues related to and the feasibility of developing such additional data; and

(iv) if additional data are determined by the Task Force to be needed, develop a recommended investigative strategy for use in obtaining such information.

(B) INVESTIGATIVE STRATEGY.—

(i) CONTENT.—The investigative strategy developed under subparagraph (A)(iv) shall identify data gaps that can and cannot be filled, assumptions and uncertainties associated with various components of such strategy, a timetable for the implementation of such strategy, and methodologies used to gather any required data.

(ii) PEER REVIEW.—The Director shall publish the proposed investigative strategy under subparagraph (A)(iv) for public comment and utilize other methods, including technical conferences or seminars for the purpose of obtaining comments concerning the proposed strategy.

(iii) FINAL STRATEGY.—After the peer review and public comment is conducted under clause (ii), the Director, in consultation with the heads of other government agencies, shall propose a final strategy for investigating issues related to home contamination that shall be implemented by the National Institute for Occupational Safety and Health and other Federal agencies for the period of time necessary to enable such agencies to obtain the information identified under subparagraph (A)(iii).

(C) CONSTRUCTION.—Nothing in this section shall be construed as precluding any government agency from investigating issues related to home contamination using existing procedures until such time as a final strategy is developed or from taking actions in addition to those proposed in the strategy after its completion.

(3) IMPLEMENTATION OF INVESTIGATIVE STRATEGY.—Upon completion of the investigative strategy under subparagraph (B)(iii), each Federal agency or department shall fulfill the role assigned to it by the strategy.

(d) REGULATIONS.—

(1) IN GENERAL.—Not later than 4 years after that date of enactment of this Act, and periodically thereafter, the Secretary of Labor, based on the information developed under subsection (c) and on other information available to the Secretary, shall—

(A) determine if additional education about, emphasis on, or enforcement of existing regulations or standards is needed and will be sufficient, or if additional regulations or standards are needed to protect workers and their families from employee transported releases of hazardous materials; and

(B) prepare and submit to the appropriate committees of Congress a report concerning the results of such determination.

(2) ADDITIONAL REGULATIONS OR STANDARDS.—If the Secretary of Labor determines that additional regulations or standards are needed under paragraph (1), the Secretary shall promulgate such regulations or standards as determined to be appropriate not later than 3 years after such determination.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out this section.

SEC. . ANNUAL REPORT CONCERNING THE LEADING CAUSES OF DEATH.

(a) REPORT.—The Secretary of Health and Human Services shall, not later than August

31, 1992, and not later than March 31 of each year thereafter, prepare a report that lists—

(1) the 20 illnesses that are the leading causes of death in the United States and the number of deaths from each such cause, the age-specific and age-adjusted death rates for each such cause, the death rate per 100,000 population for each such cause, the percentage of change in cause specific death rates for each age group, and the percentage of total deaths for each such cause;

(2) the amount of money that the Department of Health and Human Services spent on research, prevention, and education with respect to each of the 20 illnesses described in paragraph (1) for the most recent year for which the actual expenditures are known;

(3) the amount of money the Secretary estimates that the Department of Health and Human Services will spend on research, prevention, and education with respect to each of the 20 illnesses described in paragraph (1) for the year for which the report is prepared; and

(4) with respect to the years specified in paragraphs (2) and (3), the percentage of the total of the annual expenditures for research, prevention, and education on the 20 illnesses described in paragraph (1) that are attributable to each illness.

(b) SUBMISSION TO CONGRESS.—The Secretary of Health and Human Services shall submit the report required under subsection (a), together with relevant budget information, to the chairman and ranking minority member of the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives and the Committee on Labor and Human Resources and the Committee on Appropriations of the Senate.

At the appropriate place, insert the following new title:

TITLE —NATIONAL PROGRAM OF CANCER REGISTRIES

SEC. 01. SHORT TITLE.

This title may be cited as the "Cancer Registries Amendment Act".

SEC. 02. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) cancer control efforts, including prevention and early detection, are best addressed locally by State health departments that can identify unique needs;

(2) cancer control programs and existing statewide population-based cancer registries have identified cancer incidence and cancer mortality rates that indicate the burden of cancer for Americans is substantial and varies widely by geographic location and by ethnicity;

(3) statewide cancer incidence and cancer mortality data, can be used to identify cancer trends, patterns, and variation for directing cancer control intervention;

(4) the American Association of Central Cancer Registries (AACCR) cites that of the 50 States, approximately 38 have established cancer registries, many are not statewide and 10 have no cancer registry;

(5) AACCR also cites that of the 50 States, 39 collect data on less than 100 percent of their population, and less than half have adequate resources for insuring minimum standards for quality and for completeness of case information; and

(6) nine States and localities participate in the Surveillance, Epidemiology, and End Results Program administered by the Director of the National Cancer Institute, a highly successful national cancer registry program that should be maintained and enhanced in accordance with its original intent.

(b) PURPOSE.—It is the purpose of this Act to establish a national program of cancer registries.

SEC. 03. ESTABLISHMENT OF A NATIONAL PROGRAM OF CANCER REGISTRIES.

Title III (42 U.S.C. 241 et seq.) is amended by adding at the end the following new part:

"PART M—NATIONAL PROGRAM OF CANCER REGISTRIES

"SEC. 399B. NATIONAL PROGRAM OF CANCER REGISTRIES.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Institute involved, may make grants to States, or may make grants or enter into contracts with academic or non-profit organizations designated by the State to operate the State's cancer registry in lieu of making a grant directly to the State, to support the operation of population-based, statewide cancer registries in order to collect, for each form of in-situ and invasive cancer with the exception of basal cell and squamous cell carcinoma of the skin, data concerning—

"(1) demographic information about each case of cancer;

"(2) information on industry and occupation for each case of cancer, to the extent such information is available from the same record;

"(3) administrative information, including date of diagnosis and source of information;

"(4) pathological data characterizing the cancer, including the cancer site, stage of disease (Staging Guide), incidence, and type of treatment; and

"(5) other elements determined appropriate by the Secretary.

"(b) MATCHING FUNDS.—

"(1) IN GENERAL.—The Secretary may make a grant under subsection (a) only if the State, or the academic or nonprofit private organization designated by the State to operate the cancer registry of the State, involved agrees, with respect to the costs of the program, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 25 percent of such costs or $1 for every $3 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION; MAINTENANCE OF EFFORT.—

"(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(B) With respect to a State in which the purpose described in subsection (a) is to be carried out, the Secretary, in making a determination of the amount of non-Federal contributions provided under paragraph (1), may include only such contributions as are in excess of the average amount of such contributions made by the State toward the collection of data on cancer for the 2-year period preceding the first fiscal year for which a grant under subsection (a) is made with respect to the State. State contributions towards cancer control prevention services made during fiscal year 1992 shall be included in satisfying the State matching requirement for the initial fiscal year during which this section is in effect.

"(c) ELIGIBILITY FOR GRANTS.—

"(1) IN GENERAL.—No grant shall be made by the Secretary under subsection (a) unless an application therefore has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such a manner, and be accompanied by such information, as the Secretary may specify. No such application may be approved unless it contains assurances that the applicant will use the funds provided only for the purposes specified in the approved application and in accordance with the requirements of this section, that the application will establish such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting of Federal funds paid to the applicant under subsection (a) of this section, and that the applicant will comply with the peer review requirements under sections 491 and 492.

"(2) ASSURANCES.—Each applicant, prior to receiving Federal funds under subsection (a), shall provide assurances satisfactory to the Secretary that the applicant will—

"(A) provide for the establishment of a statewide population-based cancer registry by the State health department, or by one or more academic health centers, nonprofit cancer research and prevention organizations, or medical societies acting in collaboration with the State health department;

"(B) comply with appropriate standards of completeness, timeliness, and quality or population-based cancer registry data;

"(C) provide for the annual publication of reports of cancer data under subsection (a); and

"(D) provide for the authorization under State law of the statewide cancer registry, including—

"(i) a means to assure complete reporting of cancer cases (as described in subsection (a)) to the statewide cancer registry by hospitals or other facilities providing screening, diagnostic or therapeutic services to patients;

"(ii) a means to assure the complete reporting of cancer cases (as defined in subsection (a)) to the statewide cancer registry by physicians, surgeons, and all other health care practitioners diagnosing or providing treatment for cancer patients, except for cases directly referred to or previously admitted to a hospital or other facility providing screening, diagnostic or therapeutic services to patients in that State and reported by those facilities;

"(iii) a means for the statewide cancer registry to access all records of physicians and surgeons, hospitals, outpatient clinics, nursing homes, and all other facilities, individuals, or agencies providing screening, diagnostic or therapeutic services to patients which would identify cases of cancer or would establish characteristics of the cancer, treatment of the cancer, or medical status of any identified patient;

"(iv) the reporting of cancer case data to the statewide cancer registry in such a format, with such data elements, and in accordance with such standards of quality timeliness and completeness, as may be established by the Secretary;

"(v) the protection of the confidentiality of all cancer case data reported to the statewide cancer registry, including a prohibition on disclosure to any person of information reported to the statewide cancer registry that identifies, or could lead to the identification of, an individual cancer patient, except for disclosure to other States cancer registries and local and State health officers;

"(vi) the promulgation of regulations under which confidential case data may be disclosed to cancer researchers for the purposes of cancer prevention, control and research;

"(vii) the authorization or the conduct, by the statewide cancer registry or other persons and organizations, of studies utilizing statewide cancer registry data, including studies of the sources and causes of cancer, evaluations of the cost, quality, efficacy, and appropriateness of diagnostic, therapeutic, rehabilitative, and preventative services and programs relating to cancer, and any other clinical, epidemiological, or other cancer research; and

"(viii) protection for individuals complying with the law, specifically that no person shall be held liable in any civil action with respect to a cancer case report provided to the statewide cancer registry, or with respect to access to cancer case information provided to the statewide cancer registry.

"(d) RELATIONSHIP TO CERTAIN PROGRAMS.—

"(1) IN GENERAL.—This section may not be construed to act as a replacement for or diminishment of the program carried out by the Director of the National Cancer Institute and designated by such Director as the Surveillance, Epidemiology, and End Results Program (SEER).

"(2) SUPPLANTING OF ACTIVITIES.—In areas where both such programs exist, the Secretary shall ensure that SEER support is not supplanted and that any additional activities are consistent with the guidelines provided for in subsection (c)(2) (C) and (D) and are appropriately coordinated with the existing SEER program.

"(3) TRANSFER OF RESPONSIBILITY.—The Secretary may not transfer administration responsibility for such SEER program from such Director.

"(4) COORDINATION.—To encourage the greatest possible efficiency and effectiveness of Federally supported efforts with respect to the activities described in this subsection, the Secretary shall take steps to assure the appropriate coordination of programs supported under part M with existing Federally supported cancer registry programs.

"(e) REQUIREMENT REGARDING CERTAIN STUDY ON BREAST CANCER.—In the case of a grant under subsection (a) to any State specified in section 399D(a)(2), the Secretary may establish such conditions regarding the receipt of the grant as the Secretary determines are necessary to facilitate the collection of data for the study carried out under section 399C.

"SEC. 399C. PLANNING GRANTS REGARDING REGISTRIES.

"(a) IN GENERAL.—

"(1) STATES.—The Secretary, acting through the Director of the Institute involved, may make grants to States for the purpose of developing plans that meet the assurances required by the Secretary under section 399B(c)(2).

"(2) OTHER ENTITIES.—For the purpose described in paragraph (1), the Secretary may make grants to public entities other than States and to nonprofit private entities. Such a grant may be made to an entity only if the State in which the purpose is to be carried out has certified that the State approves the entity as qualified to carry out the purpose.

"(b) APPLICATION.—The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary, the application contains the certification required in subsection (a)(2) (if the application is for a grant under such subsection), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"SEC. 399D. STUDY IN CERTAIN STATES TO DETERMINE THE FACTORS CONTRIBUTING TO THE ELEVATED BREAST CANCER MORTALITY RATES.

"(a) FINDING.—

"(1) IN GENERAL.—Congress finds that the Director of the National Cancer Institute has determined that the rates of mortality for breast cancer in the States specified in paragraph (2) are elevated compared to rates in other States.

"(2) RELEVANT STATES.—The States referred to in paragraph (1) are Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and the District of Columbia.

"(b) STUDY TO DETERMINE THE FACTORS CONTRIBUTING TO ELEVATED MORTALITY RATES.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary, acting through the Director of the Institute involved, shall conduct a study for the purpose of determining factors contributing to the determination described in subsection (a) with respect to the States.

"(2) COOPERATION OF STATE.—The Secretary may conduct a study required in paragraph (1) in a State only if the State agrees to cooperate with the Secretary in the conduct of the study, including providing information from any registry operated by the State pursuant to section 399B(a).

"(3) PLANNING, COMMENCEMENT, AND DURATION.—The Secretary shall, during each of the fiscal years 1993 and 1994, develop a plan for conducting the study required in paragraph (1). The study shall be initiated by the Secretary not later than fiscal year 1994, and the collection of data under the study may continue through fiscal year 1998.

"(4) REPORT.—Not later than September 30, 1999, the Secretary shall complete the study required in paragraph (1) and submit to the appropriate committees of Congress the findings and recommendations made as a result of the study.

"(5) DEFINITION.—As used in this subsection, the term 'relevant State' means a State specified in subsection (a)(2).

"SEC. 399E. TECHNICAL ASSISTANCE IN OPERATIONS OF STATEWIDE CANCER REGISTRIES.

"The Secretary, acting through the Director of the Institute involved, may, directly or through grants and contracts, or both, provide technical assistance to the States in the establishment and operation of statewide registries, including assistance in the development of model legislation for statewide cancer registries and assistance in establishing a computerized reporting and data processing system.

"SEC. 399F. AUTHORIZATION OF APPROPRIATIONS.

"(a) REGISTRIES.—For the purpose of carrying out this part, there are authorized to be appropriated $30,000,000 for each of fiscal years 1993 through 1999. Out of any amounts appropriated for any such fiscal year, the Secretary may obligate not more than 25 percent for carrying out section 399C, and not more than 10 percent may be expended for assessing the accuracy, completeness and quality of data collected, and not more than 10 percent of which is to be expended under subsection 399E.

"(b) BREAST CANCER STUDY.—From amounts appropriated for the National Cancer Institute under sections 301 and 408, the Secretary shall expend not less than $1,000,000 for each fiscal year to carry out section 399D.".

CHILDREN'S VACCINE

Mr. BRADLEY. Mr. President, I rise today to propose an amendment to authorize Federal support for the continuing development of a children's vaccine to help immunize children in America and overseas against a wide range of diseases. The legislation authorizes $50 million for 1993, rising to $125 million in 1996.

Mr. President, there was once a time in America when it was left almost to chance whether a child would grow to reach adulthood. Many large families took it for granted that at least one of their children would be lost to polio, diphtheria, measles, or another contagious disease before adolescence. For most parents who sent their children back to school this fall with their inoculation records and booster shots, those days are history, thanks to the greatest lifesaving invention in all of medicine—vaccines.

But the diseases that our children complain about getting shots for because they have never heard of them are still a matter of daily life—and death—for millions of children around the world. Each year, 3 million kids die from the major diseases that can be prevented by vaccines. Only about 70 percent of the infants in the developing world were immunized in 1990. That's a tremendous improvement over the 5 percent that were immunized in 1974, and most of the improvement can be attributed to the United Nations immunization program, supported in part by the Child Survival Fund. But it's still not enough to eradicate killer diseases in the way that we have eliminated polio in the U.S. and smallpox worldwide.

In most countries in the past decade, UNICEF, the World Health Organization, the U.S. Agency for International Development, and other groups have built an adequate system for delivering vaccines to children. In very poor areas, children never see a doctor at all, or they receive only partial immunization. About 70 percent of the children in Jersey City, NJ, are not properly immunized. And in New Jersey—in 1990—two children died from measles. We must continue to work to make primary health care, including immunizations, a basic right of all children. But universal immunization will also require a bigger goal—better vaccines. A few forward-looking scientists and public health officials have a vision of a children's vaccine. Administered once in infancy, it could prevent about a dozen diseases for a lifetime.

Mr. President, immunizing every child in the world today is made more difficult by the characteristics of the vaccines we have available:

Children need too many different vaccines keyed to different diseases. American schoolchildren must get three separate vaccine mixtures, including two that prevent three diseases each, and regular booster shots. In countries where illnesses like yellow fever are prevalent, even more distinct vaccines are required. The children's vaccine would immunize a child against numerous diseases at once, including regional plagues like Japanese encephalitis and many for which good vaccines are not yet available.

To remain effective, current vaccines require too many regular booster shots. Recent severe outbreaks of measles in high schools and on college campuses in New Jersey recently have been attributed to neglect of booster shots. The children's vaccine would need to be administered only once in a lifetime, in infancy.

Most vaccines need constant refrigeration in order to remain potent. This makes it more difficult to bring the vaccines to isolated areas or store them in small, rural medical facilities. The children's vaccine would be stored and transported at room temperature.

Most vaccines are administered by injection, which not only requires more equipment but makes children reluctant to return for boosters. The children's vaccine would be administered orally, like the Sabin polio vaccine.

The children's vaccine is an ideal, like JFK's vision of putting a man on the Moon. It may take anywhere from 10 to 30 years of research before that single once-in-a-lifetime vaccine reaches the market. Each step along the way, though, will lead to more and better vaccines and help children live longer, healthier lives.

But the revolution in biotechnology makes the children's vaccine more than just a dream. Scientific research into vaccines peaked in the 1930's and declined with the introduction of antibiotics. New insights into the structure of the immune system and our ability to tinker with the very DNA of a virus make it likely that the 1990's will bring renewed progress in the development of human vaccines.

The only obstacle to this progress is an economic one. Vaccines are a public good; they are not particularly profitable for pharmaceutical companies, especially if they need be administered only once in a lifetime. If we are to realize the major advances that recent science makes possible, governments will have to play a stronger role. Currently the United States provides $140 million for worldwide vaccine research. Developing the children's vaccine is an Apollo project for the world's children, and this legislation will provide resources adequate to this lifesaving task.

The development of the children's vaccine has been endorsed by the World Health Organization's Scientific Group of Experts for the Programme on Vaccine Development. In addition, the National Vaccine Program convened a special meeting of experts at the National Institutes of Health last year about the technical feasibility of such an initiative. The results of that meeting also were overwhelmingly positive. Given the outpouring of support for the development of the children's vaccine, last year Congress provided $6 million to HHS and AID for early development work. It is my hope and expectation that more funds will be provided this year for this important initiative.

I urge support for this amendment.

WORKERS' FAMILY PROTECTION ACT

Mr. JEFFORDS. Mr. President, I would like to thank the managers of H.R. 2507 for accepting my amendment based upon the Workers' Family Protection Act which passed the Senate earlier this year. My statement on this amendment is very brief as I have spoken in more detail about this legislation previously.

It is my hope, Mr. President, that if the Workers' Family Protection Act is enacted, we can begin to protect workers' families from toxic chemicals inadvertently brought home from the workplace. This problem of take home toxins has occurred across the country. Health effects in family members have ranged from headaches to death. Small children seem to suffer the most. This is unacceptable. This amendment will help us identify the causes of home contamination, help us determine the threat such contamination poses, and help us prevent future cases.

I believe H.R. 2507 is an appropriate vehicle for this amendment as both my amendment and H.R. 2507 are health related. NIOSH is primarily responsible for implementing the Workers' Family Protection Act. The expertise in the National Institutes of Health, however, could be very important in determining the risks associated with home contamination. It is my hope that the Director of NIOSH will avail himself of this expertise. Both the National Institutes of Health and NIOSH are part of Health and Human Services. Thus, coordination between these two entities will hopefully not be too difficult.

Though the amendment strongly encourages the Director of NIOSH to consult with NIH, I have not specified which division of NIH the Director should utilize. This was not an oversight. Since I do not know the number or types of different health effects which could occur as a result of take home toxins, I believed it best to leave that judgment up to the Director. In this way, the Director would be free to seek whatever health related expertise available at NIH that the Director may need.

This amendment should also not pose a financial burden on NIH. I envision NIH's role as one of providing occasional technical assistance to NIOSH or others involved in implementing the Workers' Family Protection Act. For example, ATSDR, in evaluating community health effects, may need to consult with or utilize in some other fashion NIH experts on various illnesses or effects. I believe it is important the ATSDR have access to NIH expertise when needed. To help identify where such expertise may be available, the Director may wish to appoint a representative of NIH to the task force created by this amendment. Again, I thank my colleagues for accepting this amendment and look forward to working with you in conference.

Mr. HARKIN. Mr. President, I rise today to express my strong support for H.R. 2507, the National Institutes of Health Reauthorization Act of 1992. I was pleased to be an original sponsor of this important legislation when it was introduced last fall and to have worked with Senator KENNEDY and others to bring it to the form which is before us today. It contains a number of important changes and advancements to our world-leading biomedical research program and will significantly enhance the work of the National Institutes of Health [NIH]. It will move us forward in searching out causes, treatments and preventive strategies to health problems affecting so many Americans.

Mr. President, I am particularly pleased that H.R. 2507 contains several initiatives I have worked on for some time. First, the bill before us today includes the provisions of S. 1887, the National Institute for Nursing Research Act of 1991, legislation I introduced in October of last year along with my colleagues Senators KENNEDY, INOUYE, BURDICK, and DASCHLE. This proposal would appropriately elevate the status of the successful National Center for Nursing Research [NCNR] at the National Institutes of Health to that of an institute—the National Institute for Nursing Research.

Mr. President, it is not only appropriate that Congress take the important step of elevating the status of the Nursing Center to that of an Institute, it is overdue. America's nearly 2 million nurses have for too long been denied the recognition and status they deserve within our health care system. Throughout our Nation's history, nurses have been at the core of our health care system, providing high quality cost-effective care. Yet, the role and accomplishments of nurses within the health care system have too often not been given appropriate equal recognition. And so it has been in the area of research. While NCNR has proven itself as a major force within NIH, and despite a structure and list of activities which put it on par with other institutes, it has not been recognized as such by being given the designation as an institute.

The National Center for Nursing Research has been tremendously successful in its short history. Through its division of extramural programs and division of intramural research, NCNR has produced critical research findings that are already resulting in more affordable, higher quality health care for many Americans. For example, through a grant from NCNR, nurse researchers at the University of Iowa are developing cost effective ways of reducing the incidence of falls among frail older Americans. The results of this research will greatly improve the quality of life for many older Americans, while lowering long-term care costs for themselves and their families by reducing the incidence of broken hips, a leading cause of nursing home admissions.

The elevation of NCNR to institute status will help further build on its impressive beginning at NIH.

Mr. President, I also am pleased that S. 966, the Contraceptive and Infertility Research Center Act of 1991, a proposal that I introduced last year along with Senators PACKWOOD, HATFIELD, MIKULSKI, SIMON, CRANSTON, and LIEBERMAN is incorporated in the measure before us. This bipartisan initiative would provide specific authorization for the establishment of three research centers focused on developing improved methods of contraception and two research centers focused on improving our ability to diagnose and treat infertility. As a method of addressing the shortage of qualified researchers in these areas, a loan repayment program for graduate students and health professionals who agree to conduct research on contraception and infertility is also authorized.

There is a tremendous need for these changes. The United States is without question the world leader in biomedical research. Yet, when it comes to research and development in the areas of infertility and contraception, we have lagged behind a number of industrialized nations in the world. This is true despite the fact that infertility and contraception are central concerns to millions of Americans of child-bearing age.

Nearly 2½ million couples desiring to have children struggle with the heartbreak and frustration of infertility. And each year about 3 million American women become pregnant who do not wish to do so. Their anguish is great. All of these individuals can benefit from intensified research on these basic family planning issues. We can all agree that abortion is no one's first choice for avoiding unintended births. Yet, of the 3 million women who become pregnant unintentionally each year, about half will terminate their pregnancies. And, nearly half of the abortions that occur each year are among women who have become pregnant unintentionally because the contraceptive method they were using failed.

The fact is that there are only a limited number of safe and effective methods of preventing pregnancy. More research is needed into improved contraceptive methods so that the number of unintended pregnancies, and thus abortions, can be reduced. That is a result we can all embrace—regardless of our political or religious beliefs.

And just as those who are not prepared to bear children should have access to safe and effective contraceptive methods, those who want to become parents should have access to safe and effective methods to help them conceive and bear children. The causes of infertility are not always easy to diagnose, nor are they uniformly treatable. Treatments are often expensive, costing Americans approximately $1 billion in 1987. Yet even with such a large expenditure of funds, today only about 60 percent of infertility cases are treated successfully. Clearly, more research is needed into the causes of and treatment for infertility in both men and women.

Mr. President, H.R. 2507 also includes important portions of the Women's Health Equity Act. Enactment and effective implementation of these provisions are essential if we are to assure fairness in biomedical research. Improvements are needed in a number of areas, including the number of women and minorities included in NIH sponsored clinical trials, the number of research projects and clinical programs focused on women's health issues, and the number of women in higher level positions at the NIH. These provisions would go a long way toward righting an historical wrong and improving our efforts with regards to women's health research. I want to especially commend my colleague on the Labor Committee, Senator MIKULSKI, for her excellent leadership in this critical area.

H.R. 2507 also authorizes a major increase in our efforts to combat breast cancer, a terrible disease that strikes one in nine American women. Last year we were able to significantly increase support for breast cancer research at NIH through the appropriations process. The $133 million appropriated for fiscal year 1992 will provide a long overdue boost to breast cancer research. But clearly more must be done. H.R. 2507 recognizes this and authorizes $300 million for fiscal year 1993. Importantly, it also authorizes $75 million for research on ovarian, cervical, uterine, and other cancers of women's reproductive system. We simply have to make a greater commitment to these areas.

Mr. President, this legislation also takes the important step of removing the ban on federally funded fetal tissue research. This ill-conceived ban is stopping research that holds great promise for millions of Americans who suffer from conditions such as Parkinson's disease and diabetes. It must be lifted so that legitimate and sorely needed research can be expanded and so that we can assure that such research receives appropriate peer review. H.R. 2507 achieves this important goal and provides comprehensive and appropriate safeguards against abuse. I strongly support this addition to the bill and hope that it will be maintained by the Senate.

There are too many other important components of this legislation for me to touch on them all, but I do want to also mention the important addition it makes toward combating another overwhelming problem confronting our Nation—traumatic brain injury [TBI]. TBI is the leading disabler and killer of children and young adults. Every year 2 million Americans sustain a traumatic brain injury. The legislation before takes the important step of authorizing funds to ensure the identification and assessment of victims, allow accurate assessment of insurance needs and provide a basis for a more rational allocation of resources by establishing TBI as a separate reporting category in Federal data collection systems.

Mr. President, besides my position on the Labor and Human Resources Committee which reported out this legislation, I also serve as chairman of the Appropriations Subcommittee that funds the National Institutes of Health and other health, education, and social services programs. As chairman, I have made expanded support of biomedical research a priority. In 3 years, we have been able to increase support for work at NIH by 26 percent, from $7.1 billion in fiscal year 1989 to $9 billion in fiscal year 1992. I wish we could have been able to provide even more, because I believe biomedical research is such an important national investment and is such a critical component of our health care system. However, we have been constrained by an ill-conceived 1990 budget agreement that paralyzed our ability to effectively deal with the health care, education, and job training needs of the American people. An agreement that denies this body the ability to make decisions about national priorities. An agreement, if left unchanged, that will force significant reductions in many important programs within our subcommittee's jurisdiction. The President's fiscal year 1993 budget reduces outlays for programs within our subcommittee by about 4 percent from their fiscal year 1992 levels. At these levels, we simply will not be able to make the investments we need in our human infrastructure, including biomedical research.

We need to change our spending priorities to recognize the changing nature of the world. The cold war is over. We won. That provides us with the opportunity to address long neglected needs at home. Last year, I attempted a first step toward seizing this opportunity, by offering an amendment to the fiscal year 1992 labor, health and human services, education appropriations bill to shift about $3 billion from unnecessary Department of Defense procurement funds to a series of important health and education programs. My transfer amendment would have increased funding for NIH research by $570 million. While this initial effort did not prevail, I hope it has set the stage for a significant shift in spending priorities this year.

Mr. President, I hope that we move quickly to approve this important legislation and that we can overcome election year politics and have it signed into law without delay. The American people want action in this area and this legislation provides them significant advancements that are long overdue.

SAFEGUARDS ON FETAL TISSUE TRANSPLANTATION RESEARCH

Mr. GORTON. Mr. President I wish to express my support for the much needed oversight on fetal tissue research provided in H.R. 2701. This bill promotes a sensible and safe approach to helping the 500,000 Parkinson's patients and the approximately 645,000 diabetes patients who await a cure for their conditions. Fetal tissue transplantation research holds great promise for curing diseases and disabilities such as Parkinson's, Alzheimer's, diabetes, Huntington's, leukemia, epilepsy, spinal cord injury, and many other chronic and life threatening conditions. This research also holds great promise for treating unborn children. Each year 195,000 medically necessary abortions are preformed because of genetic defects found through prenatal testing. Successful tissue transplantation procedures may prevent many of these from occurring.

However, we must be careful, Mr. President, that proper safeguards are in place to prevent abuse of this research. In our haste to save lives, we do not want to ignore ethical guidelines. And, strict penalties should be imposed on those who do exploit this research and the people it is designed to help. Mr. President, I believe that this bill does just that. Currently, there are few Federal guidelines regarding privately funded fetal tissue transplantation research. This legislation would fill that void with explicit ethical guidelines and stiff fines and/or imprisonment for those who ignore those strictures.

Title II includes the following provisions:

First, outlaws the purchase, sale or solicitation of fetal tissue;

Second, researchers or physicians associated with the research may not contribute to any costs associated with the abortion;

Third, consent to the abortion must precede the consent to donate the fetal tissue;

Fourth, a woman may not be informed about the identity of the recipient of the fetal tissue transplant;

Fifth, a woman may not designate to whom the fetal tissue will be donated;

Sixth, prohibits the physicians or researchers from altering the timing, method, or procedures used to terminate the pregnancy in order to obtain a better fetal tissue sample or for other research purposes;

Seventh, prohibits procedural changes which may cause greater than minimal risk to the fetus or the pregnant woman;

Eighth, the physician must make known any interest that he may have in the research to be conducted with the donated medical tissue;

Ninth, the recipient of the tissue must be informed by researchers that the tissue is human fetal tissue and the tissue may have been donated as a result of an induced abortion;

Tenth, research must be conducted in accordance with applicable State and local laws;

Eleventh, the researchers and the physicians must provide signed statements verifying the above points upon request to the Secretary of Health and Human Services through the Director of the National Institutes of Health;

Twelfth, provides for fines in accordance with title 18 of the United States Code or a maximum of 5 years imprisonment, or both for violations relating to this act;

Thirteenth, requires the General Accounting Office to conduct an audit, within 2 years of enactment, to determine if the safeguards in this act are being complied with and to make recommendations if further safeguards are needed to prevent abuses.

Fourteenth, expressly prohibits the Secretary of HHS or the Director of NIH from funding any research project that has not been reviewed and approved as the result of an extensive peer review process, including an Institutional Review Board approval, and prohibits them from funding any research that violates the safeguards included in this act.

Mr. President, you will notice that this list is quite extensive. I believe that these safeguards will be sufficient to prevent abuses by publicly or privately funded research projects and will give Federal support to necessary research that may help millions of suffering Americans.

LEAHY AMENDMENT

Mr. HARKIN. Mr. President, I rise to comment on the Leahy amendment dealing with the important issue of national cancer registration in the war against cancer. Cancer is a rising epidemic in the United States and we must combat this epidemic with every possible resource. A key component in our strategy to combat cancer is to create a national capability to define the types of cancer, the frequency of these cancers, and the regional distribution of these cancers. For this reason we should all support Senator LEAHY'S amendment for a National Cancer Registration Program.

Mr. President, I share my colleague's special concern over the devastating effects of breast cancer which will take the lives of over 46,000 American women this year, despite the fact that many of these deaths could be prevented through early detection. For this reason I have introduced the Breast Cancer Screening Act of 1991—S. 508— that would assure that all women aged 50 and older who lack insurance coverage for regular mammography screening would be provided this important early detection benefit. We have also increased the appropriation for breast and cervical cancer screening from $29 million in fiscal 1991 to $50 million in fiscal year 1992, while the appropriation for the National Cancer Institute was increased by $300 million in fiscal year 1992. These are appropriate and well justified increases in funding for biomedical research to combat our national cancer epidemic.

Mr. President, while I support Senator LEAHY'S amendment for national cancer registration through individual states, it is important that this amendment in no way diminish or compromise the National Cancer Institute's Surveillance, Epidemiology, and End Results Program [SEER] which has been continuously funded since 1973 and which is recognized as the finest cancer registration program in the world. Indeed, the SEER Program has developed the cancer registration methods which will be used in the National Cancer Registration Program proposed by Senator LEAHY. The SEER Program, which is located in 9 regionally representative States and cities, is widely regarded as the gold standard for all State cancer registries. Where the SEER Program provides statewide cancer registration, such as in my home State of Iowa, in Hawaii, in Connecticut, in New Mexico, and in Utah, there is no need to duplicate these highly successful cancer registration programs. Where the SEER Program provides cancer registration for large urban areas, including Atlanta, Detroit, San Francisco, and Seattle, the proposed National Cancer Registration Program should serve as a vehicle to allow expansion of these SEER registries to provide statewide cancer registration. It is therefore essential that the original intent of the SEER Program be maintained to continue to provide its very high quality and representative cancer incidence data, to continue to support a large number of research projects dealing with the etiology and prevention of cancer, to continue to provide cancer registration method development, and to continue to provide the gold standard for quality control of cancer registration nationwide.

Mr. President, I have discussed with Senator LEAHY the importance of maintaining and enhancing the SEER Registry Program in order that the new National Cancer Registration Program and the SEER Registry Program complement and not duplicate these important cancer surveillance efforts. We have worked out minor modifications in his amendment that will assure coordination and collaboration between the National Cancer Institute's SEER Program and the proposed National Cancer Registration Program.

I commend Senator LEAHY for this amendment and his willingness to work with me to address my questions. I urge my colleagues to recognize the vital role cancer registration plays in our war against cancer and to support this amendment.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the manager's amendment be considered and agreed to, and that the motion to reconsider be laid upon the table.

Mr. HATCH. Reserving right to object, it is our understanding that if there are some difficulties—because we have not had a chance to look at it; it has been represented to us as merely putting the various portions of the bill together—if there are any difficulties, we will work them out.

With that understanding, we will not object to this because we do want to proceed.

Mr. KENNEDY. Mr. President, I want to give the assurance to the Senator that I would certainly want the amendment as portrayed and as described. And we will work with any Member here to ensure that it does conform with that understanding, because that is what is intended. We have been legislators long enough to know that at times, because of drafting errors and other factors, that occasionally—it is a rare occasion, but occasionally—the proposed amendment does not conform with what is being represented. And we will certainly address that issue on floor before any final passage.

Mr. HATCH. If I could still reserve the right to object, and I do not believe I will.

It is my understanding that they had placed in this revised substitute or revised amendment package my amendment to have a fetal tissue bank; is that correct?

Mr. KENNEDY. I had an inquiry about the Glenn amendment language. I believe the language was worked out in a satisfactory way.

Mr. HATCH. Is it also true my amendment establishing a fetal tissue bank is also made part of this?

Mr. KENNEDY. The Senator is correct.

Mr. HATCH. Then I have no objection.

Mr. KENNEDY. I want to make it clear that this is an amendment in addition to those included on the list. But we would incorporate all those that were referenced by the majority leader, and we ask unanimous consent that it be permitted to be considered. And then we would effectively vitiate the order on those amendments that were included in the majority leader's request.

Mr. HATCH. Reserving the right to object, it is my understanding that my fetal tissue amendment is in there. But where I applied it only to the ectopic pregnancies and spontaneous abortions, it now includes induced abortions.

Mr. KENNEDY. The Senator is correct.

Mr. HATCH. I am not going to object to it because I want this bill to proceed today, but I would have limited that amendment to ectopic pregnancies and spontaneous abortions. I do have a desire for fetal tissue research to go forward, and I believe that we would have more than enough tissue from ectopic pregnancies and spontaneous abortions to satisfy all of the needs of fetal tissue research.

But I lost on the amendment.

While I object to the inclusion of this provision I will not object at this time in order for the bill to proceed.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the amendment (No. 1753) was agreed to.

EMPLOYMENT INFORMATION AND CANCER REGISTRIES

Mr. WELLSTONE. Mr. President, I would like to thank the managers of the bill for accepting my amendment to help researchers analyze quickly employment-related causes of cancer. It is one step in the timely prevention and control of this epidemic.

Cancer researchers say they need uniform, national data to help them understand the causes of cancer, and how to prevent and control it. My colleague, Senator LEAHY, had proposed, as an amendment that has also been accepted, the creation of cancer registries for the systematic compilation of records in each State with respect to all cases of cancer. My amendment to Senator LEAHY's proposal will require that the registries also maintain records regarding the nature of the work and industry in which each cancer patient was employed. Researchers can then use this kind of information to run quick screening programs, through computers, that associate particular kinds of cancers with particular jobs, before cancer clusters appear. It is an important step on the road to spinoff studies that can identify actual carcinogenic agents.

There is an established association between occupation, or occupational exposure to carcinogens, and high risk of several kinds of cancer. Examples include:

Highway workers with elevated incidence of leukemia;

Farm workers with several kinds of cancer, possibly associated with pesticides;

Workers exposed to asbestos with elevated incidence of both lung cancer and mesothelioma;

Rubber workers with elevated levels of bladder cancer; and

Dry cleaners with elevated incidence of bladder cancer, due to exposure to perchlorethylene.

Many cancer clusters are first identified by anecdote, such as workers and communities noticing unusually high rates of a particular kind of cancer. The existence of national data makes it possible to identify associations even if anecdotal evidence has not yet surfaced. For example, the information on dry cleaners and bladder cancer was discovered by an epidemiologist who programmed a data base in Wisconsin to search for associations. With a larger base of information, more such findings become possible.

Because cancer is associated with so many different agents, it is important to have as large a population to study as possible, with as many variables as possible. Adding occupation to other demographic information, in the context of a national data base, can help focus more quickly on the factors contributing to a cancer cluster.

There are no existing databases on a national level that currently compile and coordinate information on industry, occupation, and cancer.

More remains to be done. Much cancer registry information is drawn from hospital medical records, which vary in the way they identify industry and occupation. The National Institute for Occupational Safety and Health has developed a standard industry and occupation code which is now being implemented by county health departments in filling out death certificates. However, such standardization is difficult in the currently fragmented system of health care record keeping.

We must also adequately fund analysis of the data, once it has been collected, so that the connections that can save people's lives are made as quickly as possible. Follow-up investigations that learn about occupational history through interviews, and search for related carcinogenic agents, must be funded.

This amendment will certainly lead to the compilation of a great deal of valuable information, just as it draws attention to the critical need for further efforts. It is crucial to investigate the impact of workplace hazards on the epidemic of cancer, and I am pleased to have the opportunity to add this vital element to this very timely and important legislation.

Mr. KENNEDY. Mr. President, I ask, then, that the consent order that referenced the Senators' amendments that had been included in the majority leader's order be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

AMENDMENT NO. 1754

(Purpose: To impose certain requirements with respect to surveys of sexual behavior)

Mr. KENNEDY. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 1754.

Mr. KENNEDY. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place insert the following:

SEC. . REQUIREMENTS REGARDING SURVEYS OF SEXUAL BEHAVIOR.

With respect to any survey of human sexual behavior proposed to be conducted or supported through the National Institutes of Health, such survey may not be carried out unless—

(1) the proposal for such survey has undergone review in accordance with the applicable requirements of sections 491 and 492 of the Public Health Service Act.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. SIMON. Mr. President, I have a secondary amendment and, after reading, I ask it be set aside so Senator HATFIELD can offer his amendment. But I have a secondary amendment to the Kennedy amendment.

AMENDMENT NO. 1755 TO AMENDMENT NO. 1754

(Purpose: To impose certain requirements with respect to surveys of sexual behavior)

Mr. SIMON. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 1755 to amendment No. 1754.

Mr. SIMON. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

In lieu of the matter proposed to be inserted, insert the following.

SEC. . REQUIREMENTS REGARDING SURVEYS OF SEXUAL BEHAVIOR.

With respect to any survey of human sexual behavior proposed to be conducted or supported through the National Institutes of Health, such survey may not be carried out unless—

(1) the proposal for such survey has undergone review in accordance with the applicable requirements of section 491 and 492 of the Public Health Service Act; and

(2) the Secretary, in accordance with the provisions of Title II of this Act, will make a determination that the information expected to be obtained through the survey will assist—

(A) in reducing the incidence of sexually transmitted diseases, the incidence of infection with the human immunodeficiency virus, or the incidence of any other infectious disease; or

(B) in improving reproductive health or other conditions of health.

Mr. SIMON. Mr. President, I ask unanimous consent the amendment and the secondary amendment be set aside so Senator HATFIELD can offer his amendment.

The PRESIDING OFFICER. Is there objection?

The Senator from Indiana.

Mr. COATS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. HATFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATFIELD. Mr. President, I have an amendment that I intend to discuss for a few moments. This is an amendment of great consequence, and I only want to say it strikes to the very roots of our society and our humanity.

I would remind my colleagues that for the past 3,000 years a majority of people on this globe have considered that human beings and human life were sacred, that man was made in the image of God. That has certainly been the Judeo-Christian view of humanity. But Mr. President, this view is changing.

At a recent meeting of the International Congress of Genetics, a leading scientist made an unusual proclamation: "What the ability to manipulate genes should indicate," he said, "is the very deep extent to which we are (merely) biological machines. The traditional view is built on the foundation that life is sacred, that a monkey is a monkey and a flower is a flower. Well, not anymore. It's no longer possible to live by the idea that there is something special, unique or sacred about living organisms."

Only a few months earlier, the New York Times had editorialized:

> Life is special, and humans even more so, but biological machines are still machines that now can be altered, cloned and patented. The consequences will be profound, but taken a step at a time, they can be managed.

I find these views on how genetic manipulation is altering our traditional understanding that life is sacred profoundly disturbing. These reductionist notions about life are unfortunately becoming part of the new revolution in genetic technologies. Using advances in genetic technology, it is now possible to snip, insert, recombine, rearrange, and produce genetic material. Biotechnologists are manipulating living matter just as our ancestors were able to heat, melt, and solder together inanimate matter.

Over the last several years, it has become increasingly apparent that the dramatic advances in biotechnology have outdistanced the legal and ethical parameters that we have in place to deal with them. As society scrambles to cope, genetic engineers are beginning to assume a new role in our evolutionary scheme. They are using their new-found abilities to alter the blueprint of life, to apply traditional engineering values such as efficiency, utility, and predictability to the manipulation of life forms. Scientists are currently inserting human genes into animals, and beginning the process of altering the genes of humans. Many predict that within a few decades, our biotechnologists could assume the roles of creator and designer of the biotic community—from microbe to man.

The short-term benefits of this extraordinary new power are dazzling. Cures for hereditary diseases, a new green revolution in agriculture, miracle drugs, an end to human infertility are all being predicted for our future. My support for increased congressional review of this research should not be misconstrued as opposition to this research or opposition to seeking truth wherever we may find it. I want to make that point very clear.

No Senator is more committed to seeing these research goals realized than I.

I have often come to this floor, Mr. President, to proclaim the virtues of an increased Federal commitment to medical research across the scientific disciplines. I have called for a reordering of our Nation's research priorities from activities focused on improving the capability to destroy life to those which enhance life. The research conducted by the National Institutes of Health is, in my opinion, one of the Federal Government's greatest gifts to the Nation; it is the gift of improving the human condition by alleviating the pain and suffering associated with disease. As deep as my respect is for the medical research community, Mr. President, I stand here today deeply concerned about the future use of research findings.

Dr. Vander Bush, one of our greatest scientists, once said that we have to make those researchers and scientists in the laboratory a little bit better aware of the kind of world in which they are placing their findings.

History has taught us that every new technological revolution brings with it both benefits and costs. The more powerful the technology is at harnessing the forces of nature, the greater the potential for disruption. Society's experience with both the nuclear and petrochemical revolution bear our this truth.

For example, the promise of cheap nuclear power may be important to an impoverished country, and yet, with this energy source comes the opportunity for another country to join the community of nations that are nuclear weapons-capable—adding yet another proliferation problem.

Additionally, although technological breakthroughs in the automobile industry have induced dramatic increases in automobile fuel efficiency standards, our Nation and the world remain utterly dependent on finite fossil fuel resources. Assuring access to these resources has, and will continue to lead oil-dependent nations to use military force to secure that access.

Moreover, each day Americans suffer the adverse health consequences of increasing fossil fuel use. Automobiles alone contribute nearly one-half of the human-caused nitrous oxide, two-thirds of the carbon monoxide, one-half of the hydrocarbons in industrialized countries, as well as most of the airborne lead in developing countries. This is part of the price; part of the cost.

I am not arguing that against the use of the automobile but I recognize that society continues to pay a high price for its emergence in our technological revolution. I recognize the need for freedom from excessive Government restraints and detailed regulation, but we must also ensure that society has an opportunity to evaluate new products and the implications of new scientific frontiers.

A few years ago, I had a chance to visit with a prominent genetic scientist about the ethical issues raised by genetic engineering. He said to me that science has only two options when dealing with this new technology: one is to stop research altogether and the other is to discover what science can achieve and then turn the results over to society to decide how it is to be used. Congress—as the elected representatives of the people—must play a role in making these important decisions.

I am troubled, however, that such a monumental policy decision is destined to fall so squarely on the shoulders of the U.S. Patent Office. The underlying ethical decision transcends our present laws, particularly our patent laws. It transcends our national borders. It transcends the profit motives of the marketplace.

The decision to patent is more than a technical question of patentability. The direction and use of biotechnological research is a question of profound ramifications, one that I believe should not be made solely by Patent Office officials whose primary guide is the century-old patent law.

Nor should it be made by the dictates of the marketplace. I am reminded of when one of the first genetic engineering firms, Cetus Corp., went public. Cetus raised $120.2 million, in one of the largest stock offerings in the history of Wall Street. There is certainly more at stake in the direction and use of biotechnological research than profitability.

There is also a responsibility on the scientist. Scientists must be more aware, as Dr. Bush said of the kind of world in which they are working and consequences of their research. One area that troubles me greatly is the so-called germ-line eugenic engineering. It is one thing to use biotechnology to ease the suffering of life already in existence. It is quite another to create life.

This is not the first time that I have come to the floor to raise this issue for my colleagues. In 1987, the Patent Office issued a notice that it would begin considering patent applications for genetically engineered animals. Because of my concern about the ethical, economic, and environmental questions involved in the Patent Office's unilateral decision to allow the animal kingdom to be patented, I offered an amendment to the 1987 supplemental appropriations bill that prohibited the Patent Office from using funds for patenting genetically engineered animals. The amendment was passed but it lasted, of course, only 1 year, the life of the appropriations bill.

In February 1988, I again introduced legislation, this time to place a 2-year moratorium on animal patenting. Unfortunately, the Patent Office proceeded to issue a patent on what has become known as the Harvard Mouse, a genetically engineered mammal whose cells had been altered so as to contain a cancer-causing genetic sequence.

Interestingly, in June 1989, the European Patent Commission rejected a patent application by Harvard University which was virtually identical to the patent granted in the United States. The Commission in Europe cited both legal and ethical grounds for its rejection of the patent request.

Today U.S. patent requests are pending on over 150 genetically engineered animals, many of which contain human genes. In the 4 years since the Harvard Mouse was patented, we have made virtually no headway toward addressing this controversial area.

The House of Representatives has taken steps to address parts of this complex issue. A bill passed the House in the 100th Congress by Representative Kastenmeier declaring that human life is not patentable. The House Judiciary Committee held hearings on the bill in the 101st Congress and it was favorably reported but received no final action.

It is time for this body to accept its responsibility and take a more active role seeing that policy is developed in this area of immense scientific and moral complexity. Congress meant to investigate such concerns. We established the Biomedical Ethics Board in 1985 to do just that, but unfortunately the Board and its advisory committee became significantly delayed and never prepared the reports on developments in genetic engineering that were originally envisioned.

Other than the Biomedical Ethics Board, which is for all practical purposes no longer functioning, no congressional review board or advisory committee currently exists to make reports and recommendations to Congress on advances in genetic technology. And over the last 7 years, the ethical, economic, and environmental concerns about this technology have become more acute. Recent actions by researchers at the National Institutes of Health underscore the urgent need for congressional oversight of this field.

Last year, the international scientific community was jolted when the NIH announced that it planned to seek patents on 340 sequences of genes from the human brain. Only months later, the NIH applied for patents on over 2,000 more human gene sequences. The Patent Office has yet to rule on whether these gene sequences are patentable, and in the meantime, a high level debate is continuing both here and abroad on the merits of these patent applications which pertain to genetic matter of unknown utility.

Mr. President, I ask unanimous consent that a series of recent articles on this subject be inserted in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 13, 1992]

NIH SEEKS PATENT PROTECTION FOR HUMAN GENES

(By Malcolm Gladwell)

The National Institutes of Health yesterday filed patent applications on 2,300 human genes, in an extension of its controversial attempt to control the commercial exploitation of federal genetic research.

The applications, which will be added to a much smaller patent filing made by NIH last summer, mean that the U.S. government is now laying claim to about 5 percent of the genes found in the human body.

The move was criticized by some scientists, who said that the government's policy is an abuse of the patent system and could hinder development of new genetic therapies.

But NIH Director Bernadine P. Healy said yesterday that the patent filing was only a "defensive" measure to preserve the agency's legal options while it decided what is in the best interests of science.

"We would like to foster and encourage the debate over gene patenting," she said. "This is something that needs to be debated in the international community." Because the genes under consideration are likely to be the basis of a new generation of genetic therapies and drugs, she said, "I don't think there is any doubt that the biotech industry is going to be as important to this country as the car industry was."

The government action yesterday resulted from the work of a team headed by J. Craig Venter, a scientist at the National Institute of Neurological Disorders and Stroke. Venter and his colleagues, like numerous scientists around the world, are engaged in the process of decoding the strands of DNA that make up the estimated 50,000 to 100,000 human genes.

Venter, however, has taken a shortcut. Instead of decoding the entire genetic sequence and then determining exactly where each gene lies and what function it plays in the body, he has decoded only one critically distinctive fragment of the gene that can be used to identify and explain the entire gene much as a fingerprint can be used to identify a man or woman.

Last summer, Venter published 347 of these fragments in the journal Science. Today, in the journal Nature, he published another 2,300 fragments; by the end of this year, he predicted that both his lab and others will have a reading on about one-fourth of all human genes.

Under patent law there is no prohibition against patenting something that occurs naturally, so long as it is packaged in something manmade. That is what Venter has done, by taking the key fragment of genetic code and placing inside a man-made molecule. The patent application is filed on the entire compound molecule.

A more difficult issue concerns the requirement that an inventor prove his creation has "utility" and precisely describe its practical use. In the case of a gene, for example, a complete description would detail the functions that strand of DNA plays in the body. But because of Venter's shortcut, he and his team do not yet know what each of the genes actually does. It is not known what utility the patent applications claim, although attorneys speculated that the applications will stress the material's use as laboratory reagents or some similar function.

Whether this will be a problem at the patent office is unclear. One factor in NIH's favor, according to Washington patent lawyer Iver Cooper, is that U.S. patent law "doesn't ask for much in the way of utility," compared with laws in other countries.

But while the utility requirement may end up not being a problem for NIH, many biotech industry officials and scientists say that it should.

They say that if the patents are granted on such flimsy utility grounds, the system will be flooded with vague patent claims, resulting in rewards for those who may not have done the work to actually prove a gene's specific usefulness.

"It's premature to give them a patent," said Norton Zinder, a geneticist at Rockefeller University. "They don't even know what they have."

Other scientists worry that giving NIH control over so many genes would give the agency undue power over the future of the biotechnology industry, discouraging some companies from pursuing certain projects and allowing NIH to decide who gets access to which promising genes.

"If you're in the business of making therapies or diagnostic tools," said John McLaughlin, general counsel for Genentech, a genetic-research firm, "you could find yourself in a tough position if Uncle Sam's got [the patent] or wants to give it to someone else."

However, Healy said that such fears are unfounded. Under international patent law, the NIH had to file for patents on the genes at the same time as Venter's paper was published or the agency would forever lose any claim to the material. The filing, she said, was an interim "defensive" measure while the NIH negotiates with other countries and scientists about how best to "foster the growth of the new and emerging biotech industry."

Reid Adler, head of the NIH office of technology transfer, also pointed out that if the NIH did not apply for patents on the Venter sequences, and the information entered the public domain, even greater problems might result. Companies could be dissuaded from pursuing certain gene research because they would be unable to get patent protection for their products.

[From the Washington Post, Oct. 28, 1991]

NIH'S RUSH TO PATENT HUMAN GENES

(By Larry Thompson)

The National Institutes of Health appears to be trying to corner the market on human genes.

Last summer, the federal government's bastion of biomedical research applied for patents on 347 human genes—the naturally occurring molecules that dictate the form and function of the human body. Next month, NIH says it expects to file a second application on 2,000 more human genes. Until now molecular biologists had patented only a few human genes, one at a time, as they were identified and used to make biotech products such as insulin and the blood-clot dissolver Tissue Plasminogen Activator (tPA).

The magnitude of NIH's action has ignited a firestorm of criticism. Biotech industry officials worry that government patents will stifle commercial development of gene-based products. Scientific leaders in Europe and Japan predict the filing will trigger an international race to nail down protective gene patents for their own countries.

Among the most vehement objectors has been James D. Watson, who shared a Nobel prize for discovering the gene's double-helix structure. "This offends our sense of justice," said Watson, who now directs NIH's human genome project, a massive program to identify all the estimated 50,000 to 100,000 genes in the human body. Watson's program has been pursuing a much more open approach to finding genes.

Craig Venter, leader of the relatively small, 15-person laboratory within NIH's National Institute of Neurological Disorders and Stroke that is identifying the genes, said he is amazed by the controversy. Using a strategy rejected by genome project leaders, he can "rapidly and inexpensively" find the most interesting genes—the specialized subset of genes that is active in a given type of cell. Critics charge he is skimming off the genetic cream.

The British journal Nature has warned that Venter's approach could launch a "patent gold rush" with every country's labs trying to stake out its own genes. If NIH gets these patents, it will, in effect, control any dollar value that can be derived from their commercial use. While the potential wealth is unknown, the few biotech products already on the market—nearly all being manufactured with the aid of specific genes—have generated hundreds of millions of dollars in sales and will eventually reach billions annually.

"We don't look at patents as a fund-raising tool," said Reid G. Adler, who, as head of the NIH Office of Technology Transfer, filed the patent applications. Adler thought he was protecting the future of the American biotech industry. Once discoveries are described in scientific publications, Adler said, it is more difficult to win worldwide patents.

"I didn't want to miss the boat," he said. "Our primary goal is to get products developed. Having patent protection will enhance our ability to transfer this technology to companies. Without patent protection, companies won't spend the money to develop it."

Almost no one else sees it that way.

"This is a disincentive for small biotech companies," said Richard Godown, president of the Industrial Biotechnology Association. The patents could hamper small biotech companies trying to discover and market new gene-derived products. Companies might risk spending their limited venture capital to develop a product only to find that NIH already "owned" that gene.

BIG SCALE, LIMITED EVIDENCE

How can anyone patent a human gene? After all, they are naturally occurring substances that have existed in humans, and their ancestors, for millions of years.

To receive a patent, according to patent office officials, an "invention" must be novel, "non-obvious" to someone in the relevant field, and it has to be useful. The problem of patenting naturally made chemicals first arose years ago in the pharmaceutical industry. Penicillin, for example, is a natural substance produced by fungi, yet it was granted a patent. Moreover, a few human genes have been patented—but in the specially prepared form used to manufacture gene-based drugs.

But no patents have ever been issued on the scale proposed by NIH. And seldom have scientists sought such broad patents for a gene and its gene products—the proteins that cells would manufacture under instruction from the gene—on such limited evidence. Venter's gene-analyzing factory, unlike the efforts of the genome project, analyzes gene bits, not the whole gene.

Instead of determining the entire sequence of subunits that make up the gene—the series of "letters" that spell the message—Venter's group analyzes just enough of these newly discovered genes to show that they exist and that the same code has not been reported before. They then leave it to others to finish the time- and money-consuming job of analyzing the entire gene and the protein it makes. But by then, he and NIH will hold the patent.

This approach has been strongly attacked by Watson and others.

"I mean it is brainless work," Watson said. "This is a perfect case of a brainless robot." Science magazine quoted Watson as saying that "virtually any monkey" could run these robot gene machines.

Initially stunned by these attacks, Venter and his staff now take the criticism with some humor: Last week, technicians purchased gorilla masks and posed for photographs in front of their sequencing machines.

Brainless or not, does it qualify for a patent? Opinions vary. Patent attorneys have raised doubts because Venter does not know the utility of his new genes. Scientists working in this field also argue that what he did is totally obvious.

While refusing to discuss the NIH application directly, Edward E. Kubasiewicz, director of the patent office's biotechnology group, said that to get a patent for the "DNA that represents the gene, the person has to identify that gene, isolate it, purify it, put it in a different form than it has in nature, and give it a different utility than it has in nature."

Even within the NIH, the debate has a sense of free-for-all. NIH Director Bernadine P. Healy said she has no intention of blocking the next patent filing even though Watson opposes it.

"One of Jim's strengths is that he is deliciously blunt and has strong opinions on things," Healy said. "My belief, at the present time, is that this is a bit of a tempest in a teapot. I think the discussion has become a little silly because it has been elevated to the level of some moral, science policy, [an] ethical issue."

Meanwhile, Healy said, "the patent office will look at it and see if there is anything here that is patentable."

As it happens, the patent office says it will be a year before it can get around to evaluating any applications. Until then, major genome projects in the United States, Europe and Japan may be forced to spend millions of dollars on a gene-finding race just in case Venter and NIH get their patents.

[From the Christian Science Monitor, Nov. 27, 1991]

BRITAIN AND CONGRESS RESPOND TO CONTROVERSY SPARKED BY NIH PLAN TO PATENT GENES

(By David L. Wheeler)

WASHINGTON.—The British government and the U.S. Congress are responding to a growing controversy over a plan by the National Institutes of Health to patent genes.

The controversy began last month when scientific journals reported that the NIH had filed an application in June to patent 337 genes. NIH scientists know the chemical details of the genes and say they have some practical uses for them but do not yet know what they do in the human body.

Some scientists say that patenting such genes will discourage research since those who find the function of the genes would not be able to patent them.

The NIH patent application, and the possibility of a second application for thousands more genes, has attracted interest from every quarter of goverment—including Congress and the Office of Management and Budget. It is unclear how a decision will be reached on whether the NIH will withdraw the application or file a second one.

WITHIN NIH MANDATE

NIH Director Bernadine Healy says she supports the decision to file the application because it its within the NIH's mandate to put research to practical use quickly. NIH officials say they had to file the application before details of the genes are published in June or lose patent rights to the genes in foreign markets. Dr. Healy says that the final decision will be made by Louis W. Sullivan, Secretary of Health and Human Services.

Meanwhile, the Medical Research Council in Britain, a counterpart to the NIH, may file a British patent application on the genes it has found, saying that it can't wait for the United States to make up its mind.

"It's just not good enough to say this is all going to work out," said Sarah Eccles, a technology-transfer officer with the council, in a public meeting at the NIH this month. "I have a problem now."

Ms. Eccles said last week that no final decision had been made by the council on patenting. The British have genes obtained by methods similar to those used at the NIH and want to make public the details of those genes—known as their "sequences"—without losing the rights to them.

The Medical Research Council also plans to keep some information on the sequences in a separate computer data base, breaking what many American scientists believe is an international understanding about the open sharing of information.

The data base, Ms. Eccles said, will be free to academics. University scientists interested in using the data base will have to file an application to get a password and sign a "non-commercialization agreement" forbidding them from developing commercial products from the sequences.

The British council will charge a business about $9,000 for unlimited use of the data base by one person, and about $1,800 for each additional person.

At the NIH, officials are linking the patenting issue to health-care costs, saying that if the agency gives away its inventions it may lose control over the pricing of medical treatments that are developed from them.

MAY SPUR CONGRESS TO ACT

Dr. Healy said that attacking the application submitted by the NIH would not "resolve the inevitable policy issue of what is patentable in the constellation of our expanding knowledge base of human, animal, and plant genetics."

The furor over the gene-patenting applications may spur Congress to clarify an area in patent law that has long been fuzzy; when research scientists can use patented inventions without paying licensing fees to the patent owner. The House Judiciary Committee may write legislation that would create an explicit "research exemption."

The Patent and Trademark Office, the ultimate decision maker in the case, probably will not take up the NIH's first application until February, said Reid Adler, director of the NIH Office of Technology Transfer. Mr. Adler said information about a second set of genes—in the range of 2,000—would not be ready for publication for four months. That should give the government time to make a decision, he said.

EFFORTS COULD BACKFIRE

Dr. Healy pointed out that other patent applications for genes of unknown function may have been filed at the patent office but never made public. Efforts to force the NIH to back down from its application could backfire on critics, she said. "If NIH should not file such patents, does that mean no one should?" she asked. "Should NIH use its authority over grantees to make such restrictions on their patent applications?"

In the NIH meeting, reaction to the application was mixed. One lawyer opened a session by looking at Mr. Adler and announcing: "I have come not to praise Reid but to bury him." But another speaker noted later that "Reid seems to have been exhumed."

Lawyers said they would prefer that the patent rights be owned by the NIH rather than a private company. Harold C. Wegner, acting director of the Intellectual Property Law Program at George Washington University, said he believed "NIH will do the most pro-competitive, pro-American, pro-research thing" it wins the patent rights to the genes.

[From Science, Feb. 21, 1992]

NIH GENE PATENTS, ROUND TWO

(By Leslie Roberts)

If you find yourself in a hole, the saying goes, stop digging. Although Bernadine Healy, the director of the National Institutes of Health, may not think she landed in a hole when NIH attempted to patent hundreds of gene fragments last June, much of the scientific community does. And when it learns of NIH's latest initiative, it will probably conclude that she's digging herself in deeper: Last week, NIH filed a second patent application on 2375 additional gene fragments, which represent roughly 5% of all human genes.

The fragments at the heart of the dispute were identified by NIH researcher Craig Venter, who is sequencing them at the startling rate of 168 a day. Genes clearly are patentable once they have been isolated and characterized. But trying to patent these fragments, Venter and NIH are proposing something entirely different. Venter hasn't characterized complete genes. Rather, he and his colleagues simply select random clones from a collection of complementary DNAs, which correspond to active genes. Then, using automated sequencing machines and robots, they sequence a short stretch of each one to create a "tag," or identifier, that can later be used to pull out the full gene.

Critics here and abroad, led at first by Nobel laureate James Watson, the head of the NIH genome effort, blasted the first application as a land grab, a preemptive strike that would promote a worldwide stampede to garner patents on essentially meaningless pieces of DNA. They said it would foster secrecy among scientists, destroy the essential—and fragile—international relations on which the Genome Project depends, and hamstring the biotech industry (*Science*, 11 October 1991, p. 184).

Since then, the criticism has become notably less shrill, though perhaps no less intense. The normally outspoken Watson is conspicuously absent from the most recent debate—sources say Healy admonished him to keep his complaints to himself, and he did not respond to *Science*'s requests for an interview. The biotech industry, at first vehemently opposed, has adopted a wait and see attitude. Though deeply divided on whether patents are the right way to proceed, biotech leaders now believe NIH had no choice but to file the patent application, given uncertainties in the law, says Lisa Raines of the Industrial Biotechnology Association.

But despite a more conciliatory tone, opposition among academic scientists has, if anything, mounted. In recent weeks, Healy, her boss, Health and Human Services (HHS) Secretary Louis Sullivan, White House science adviser D. Allan Bromley, Patent Commissioner Harry Manbeck, and other senior officials have been barraged with complaints. First with a grievance statement was the American Society of Human Genetics. Next came the international Human Genome Organization. And in late January, the 12-member committee that advises NIH and the Department of Energy on the Genome Project unanimously "deplored" Healy's decision and urged an expedited—and open—review of the application.

And all this was before NIH's second—and far more extensive—patent application, which can only add more fuel to the fire, both because of the huge number of genes NIH is claiming and because at least some critics see it as evidence that Healy has dug in her heels. "I believe her views are fixed and she is unprepared to reconsider her decision," said Paul Berg, the Stanford Nobel laureate who heads the NIH genome advisory committee. Conceding that Healy has expressed a willingness to discuss the committee's concerns, Berg added: "The most generous interpretation I can offer is that she is seeking to make this some kind of a test case, one that might probe the limits of patent law in this area."

Healy insists that her mind is not made up. At a press briefing last week Healy said the decision—which she stresses has the full backing of HHS Secretary Sullivan—reflects an interim policy, "while the important debate unfolds about the best way to deal with the intellectual property" issues raised by Venter's approach.

As they have all along, Healy and Reid Adler, NIH's director of technology transfer, portrayed their strategy as a "prudent and responsible action" undertaken simply to preserve the agency's option of licensing Venter's inventions to industry. Without such patent and license protection, they maintain industry would be unlikely to invest in developing such products. What's more, the decision had to be made immediately, Healy said, because if NIH did not file at the time Venter published his data—his second paper came out in the 18 February Nature, following a first paper in the 21 June 1991 Science—NIH would forfeit its rights to those genes. But, she emphasized, "this is not a statement that we believe that patenting this material is the proper thing to do now or for the future." In fact, she said, new alternatives to patents may be needed. And she vowed that NIH is committed to pursuing this debate here and abroad."

The biggest question that needs to be pursued is whether these snippets are or ever should be patentable. The critics charge that they are meaningless, since Venter does not know the biological function of the full genes or where they reside along the chromosomes. Says Berg: "NIH has opened Pandora's box, I don't believe anyone else ever thought of patenting bits and pieces of sequence that are meaningless functionally. It makes a mockery of what most people feel is the right way to do the Genome Project."

As Berg and others note, the project is committed to sequencing and deciphering the entire human genome, all of the genes as well as the 95% of the DNA that does not code for genes—an enormous task that could take 15 years. Then in waltzes Venter, sequencing small bits of DNA and laying claim to a substantial share of the human genes. "It is offensive," says Berg. To patent attorney Thomas Kiley, former general counsel at Genentech, Venter's strategy is the latest manifestation of an already unhealthy trend toward "insubstantial" patents based on "the means of making the discovery rather than on the discovery itself. [Venter's] tags," he says, "leave the hard work of deciphering the gene to someone else."

Not surprisingly, Venter and Adler are intent on dispelling those arguments. "These are not unknown fragments," asserted Venter at last week's press briefing. "There is so much information contained in the 300 to 500 base pairs that it is more specific than fingerprints at identifying you." Added Adler: "They are markers for chromosomes, and they are potentially useful as polymerase chain reaction primers [for amplifying and cloning the genes]." While conceding uncertainty over whether the fragments meet the utility requirement of patent law, Adler says, "there are a number of uses well short of biological function that [could] satisfy the law."

Such statements aren't likely to persuade the critics, who see Healy saying that she is not committed to patents while NIH seems to be doing all it can to see its applications succeed. It has, for example, narrowed the scope of its second application. "In the first application we did what most attorneys do: We claimed everything that reasonably follows from the actual research result," says Adler—in other words, the "tags," the full-length genes, and their proteins. Not only did the breadth of the first NIH claim draw the ire of the scientific community, but to Genentech's Stephen Raines, vice president for patents, it also reduced NIH's chance of success. This time, NIH has claimed the tag and the gene but not the protein. Raines suspects that Adler has recognized that "it is a little dangerous to ask for the world. As the claim gets narrower, that usually helps support the argument of patentability. I think Reid would very much like to see that patent issue."

In what seems to be a concession to the critics, NIH has agreed to make the application public within a few weeks. According to Adler, the patent commissioner has also agreed to an expedited review, a move welcomed by all because it could mean a decision in 1 or 2 years instead of 4 or 5.

As opposed as they are to the patent application, even the critics want to see it carried through to the end, to the Supreme Court if need be. "We need a definitive answer," asserts Berg. "Withdrawing the patent would resolve nothing." Indeed, he adds, even if NIH withdrew the application, Venter or others could file on their own.

Spurred on by this debate, the major countries participating in the Genome Project are attempting to clarify their policies—specifically, how to reap the economic benefits of the project while ensuring open exchange of scientific information. A new interagency committee, formed under the auspices of the Office of Science and Technology Policy, is looking at the broad implications of gene patenting and will report to Bromley by June. In England, where the Medical Research Council (MRC) has been accused of keeping its gene data secret, the government will announce its policy within a few weeks, says Dai Rees, the MRC secretary.

Both Rees and Healy agree that relations have improved since last fall, when the two sides were trading accusations across the Atlantic. "NIH was the first to be put on the spot," says Rees diplomatically. "It was easy for everyone else to be critical." Says Healy: "We are all in the same dilemma," adding that NIH is also talking informally with the French and Japanese. Once the national policies are sorted out, Healy, Rees, and others hope to engage in formal talks. Rees is pushing for an international agreement not to patent these gene fragments, but he doesn't see Healy clamoring for the same. "I don't think an agreement not to patent is out of the question for NIH," he says cautiously. "But I doubt whether it is the preferred course of action." Until a decision is made, academic and industry researchers will be left with uncertainty over what in fact is patentable—and the knowledge that within the next 6 months or so, NIH will file yet another patent application on several thousand more gene fragments.

THE ADVISORY COMMITTEE PROTESTS

"At the 3 January 1992 meeting of the National Institutes of Health Department of Energy Subcommittee for Interagency Coordination of Human Genome Research there was an extended discussion of the NIH decision to apply for patents covering the base sequences of short cDNA segments obtained by Dr. Craig Venter, and to file additional claims for thousands more such sequences as they are determined.

We are unanimous in deploring the decision to seek such patents. The subcommittee is particularly concerned that the claims widely reported in the press extend far beyond the partial cDNAs themselves to include the genes from which they derive and the proteins they specify. We believe such claims are inappropriate and deleterious to science because they establish false end points for identifying genes and their function. Already, the publicity attending these claims has generated a wave of consternation amongst scientists here and abroad because it is widely held that such practices will create undesirable distortions in the conduct of basic biomedical research. Our immediate concern is that the filing of such claims undermines the activities of the Human Genome Project. There is also a strong likelihood that the pursuit of such patents will set off an international "patent race" and thereby compromise or destroy the international collaboration that we regard as essential for the work ahead.

We doubt seriously the social utility of patents that aim to control the "raw material" from which the discovery efforts of others will proceed and of patents on substances whose biological activity and utility remain to be established. Indeed, the ensuing uncertainty and confusion over competing ownership claim is likely to delay substantially the potential benefits from the Human Genome Project for the biotechnology industry and the American public.

Our discussions lead us to conclude unequivocally that the NIH claims for the patentability of random partial cDNA sequences are potentially damaging to the very scientific efforts NIH is promoting. However, because such patent claims have already been submitted, we believe that it is in the public interest and in the interest of science to determine promptly whether such patent claims meet existing legal standards and whether such standards are appropriate to the present case. To benefit both the scientific community and the biotechnology industry that determination should be authoritative, so as to govern all such patent applications, by whoever filed.

Accordingly, we request the cooperation of all relevant institutions of the federal government in obtaining that determination in an expedited and open process in which the views of all interested parties may be heard and considered. For that purpose, we request that NIH open to public inspection and copying their patent application(s) and the claims that it has filed as well as continuing proceedings regarding them before the United States Patent and Trademark Office. This would afford interested parties opportunity to comment."

Mr. HATFIELD. There is a clear need for Congress to take action to calm the waters in this sensitive area of international scientific interest.

The very fact that the NIH has applied for the patents raises the specter of removing the building blocks of life from the common possession of us all and shifting them to the private use and profit of researchers or corporations. It is predictable that major biotechnology and chemical companies will increasingly compete for control and ownership of the gene pool.

The NIH actions also raise the question of how many genes, cells, or body parts are patentable. Is the human body, as was suggested, simply a biological machine that can be engineered and patented?

Indeed, our definition of humanness is increasingly becoming blurred. If we can transfer human traits to animals, are we next to transfer animal traits to humans? And what do we call the product of this blend? For many Americans, future shock may be just around the corner. Is murder still murder if the victim is not human—or is it something less? And what about slavery? These are questions that must be addressed as this genie swirls from its bottle.

Mr. President, just after the United States dropped the first atomic bombs on Hiroshima and Nagasaki, the American poet E.B. White wrote the following words:

The quest for a substitute for God ended suddenly. The substitute turned up; and who do you suppose it was? It was man himself, stealing God's stuff.

My deep concerns about the lack of a coherent policy governing the patenting of life is inextricably linked to this notion of stealing God's stuff. I believe the blurring of God's work with man's work is tremendously dangerous and at least calls for a halt for a moment of assessment and introspection.

The effect of species alteration could also have a great impact on the delicate balance of the environment. The creation of a new species and the effect of its release into nature cannot be completely predictable, and should be carefully considered. Larger animals with increased reproductivity could alter depletion patterns in the ecosystem and native gene pools could be driven extinct in the process.

Morever, deep-rooted religious and ethical questions surround the patentability of life and the right of man to manipulate to biotic community to meet his needs. Such a circumstance tests our reverence for life.

Again, the Patent Office has no way of dealing with these various moral, international, economic, and environmental questions which arise from the patenting of human genes, cells, organs, or the patenting of genetically engineered animals. As I have stated many times before, I strongly believe that it is the responsibility of Congress to carefully consider the broad ramifications of the technologies it encourages through patenting. This careful examination has not taken place in the case of the genetic alteration and patenting of human genes and body parts, or in the case of the creation and patenting of transgenic animals.

My amendment provides the expertise and sufficient time to conduct a responsible congressional review of the genetic alteration of humans, the patenting of human body materials, and the patenting of genetically altered animals. My amendment provides for an advisory committee to the biomedical ethics board. This advisory committee will include those knowledgeable in health care, biomedical research, natural and social sciences, ethics and theology. The board would present this body with recommendations on appropriate legislative steps to maximize the benefits of gene technology while minimizing its negative impact.

For as we move forward into greater biological understanding of our bodies and the other life forms with whom we share the planet, we must never lose a sense of the sacredness of life. We must remember that much of the religious fabric of this Nation and many aspects of our constitutional system of rights is based on the view that life is our most precious commodity and it deserves our utmost respect and reverence.

Let us look but to the Declaration of Independence of our own national life. And I quote: "We are endowed by our Creator with certain unalienable rights." Among these life is the most basic. Therefore, many of our political rights that are not bestowed by Government, but are instead endowed by our Creator.

I do not, after all, believe merely in my right to be; I believe in the right of all life to be. But whatever our advances in genetics and the potential benefits we may derive from them—and they are many—we may never allow ourselves to view life—especially human life—as a machine or commodity. Much depends upon the role of Congress in the evaluation of a rational policy to govern this important and rapidly advancing area.

Mr. President, I would be less than frank if I did not say there is a great outcry from some of the laboratories and people involved in biomedical engineering and research. I suppose repetition being the first law of learning, I must reemphasize as I end my remarks that this is not a case of a church voice attempting to tell Galileo he must no longer experiment with knowledge or look for knowledge. That is certainly not the case.

This is simply a voice that is being raised at a time before the genie gets completely out of the bottle. I am asking that we do what we should have done when we discovered E equals MC squared: Look into the ethical, moral, and the environmental impacts it would have in its utilization.

I have talked to my colleagues as well about this. Two of my colleagues have written a "Dear Colleague" letter indicating that this is something sudden, something new. My remarks today should set the historic fact in place that we have been looking into this issue for a number of years dating back to specific action in 1985. And the science adviser to the President is addressing this issue, and that report is not here yet for our consideration.

I had intended to offer this as an amendment to the NIH reauthorization. However, I have now received the assurances of Senator KENNEDY and Sentor DECONCINI from the Committee on Labor and the Committee on the Judiciary respectively, that hearings will be held in each of those committees pertaining to the many issues raised by the patenting of both animal and human life. We have also agreed to ask the Office of Technology Assessment to conduct an additional study in this area. On the basis of these assurances, Mr. President, I will not send my amendment to the desk at this time.

I believe we have at least raised the issue and obtained the attention by many important groups in this community, both political and scientific, to press on to get some kind of an assessment, some kind of an evaluation of this very, very serious issue.

Mr. LAUTENBERG. Mr. President, I am pleased that Senator HATFIELD has agreed to withdraw his amendment. As cochair of the congressional biotechnology caucus, I would like to state my opposition to the Hatfield amendment for the record, and explain my reasons for opposing it.

The Hatfield amendment to H.R. 2507 would have prohibited the U.S. Patent and Trademark office from issuing patents on most genetically engineered materials for at least 3 years, with an option to extend the ban for another 3 years. As drafted, this amendment would have damaged public health, devastated the American biotechnology industry, and hurt our economy greatly.

Genetic engineering or recombinant DNA technology, which involves the analysis and alteration of genes and proteins to make useful products, is an important branch of biotechnology. Biotechnology is of vital importance to the United States and world progress in many fields, but particularly in improving health care.

Genetically engineered drugs and vaccines are now available to treat a number of diseases and conditions, including diabetes, dwarfism, hepatitis, heart attacks, anemia, leukemia, and organ transplant rejection. Medical products currently in development by the biotechnology industry have the potential to wipe out hundreds of diseases, including cancer, arthritis, AIDS, Alzheimer's, sickle cell anemia, and cystic fibrosis.

These breakthrough drugs have been developed by using human genes and cells to manufacture pharmaceutical proteins that harness the body's own disease-fighting capabilities. For instance, using certain kinds of genes, biotechnologists can enhance the body's immune system, interfere with the replication of harmful bacteria and viruses, and replace proteins that health bodies manufacture but sick bodies do not.

If the Hatfield amendment had become law, much, if not all of this ongoing biotechnology research would have come to a grinding halt. By prohibiting the issuance of patents on most of the genetically engineered materials that are the essence of the biotechnology industry, millions of patients who are without current treatment would have been denied access to the breakthrough drugs the biotechnology industry is developing. That's because no sensible company would invest the $100 to $200 million it takes to develop a drug if a competitor could pirate the technology without penalty. No company would make that investment without a guarantee that their invention would be protected under patent. Nor would we ask them to. Aside from the negative effect on public health, the Hatfield amendment would have brought to a halt the remarkable growth of the biotechnology industry in America.

The biotechnology is currently a source of enormous economic vitality for our economy. American biotechnology's net exports are in excess of $600 million and growing every year. In 1991, sales and exports of biotech products approached $4 billion. That's double 1990's total and four times as great as that of just 2 years ago. Sales are expected to make biotech a $50 billion industry in the next 10 years.

Biotechnology is not only important to America today; it's an industry that's critical to America's future competitiveness in the world marketplace. As one of the few industries in which the United States leads the world, the biotech industry can help us turn our economy around. It is one of a number of growing industries that can help pull us out of our economic doldrums and help us regain our leadership in the world's economy.

Our success in nurturing biotechnology will help determine whether America emerges victorious from the new global economic competition, or follows the Soviet Union into decline. To paraphrase an old saying, as biotechnology goes, so goes the Nation.

Though we are currently the world leader in biotechnology research, development, and manufacture, it has been the industry's ability to protect the results of very costly research and development efforts in biotechnology that has enabled this American sector of industry to remain in the lead. The Hatfield amendment would be a fatal blow to the American biotechnology industry, removing any commercial incentive for the industry to do genetic engineering research. At the same time, foreign countries would continue to issue patents on inventions that would become unpatentable in the United States under the Hatfield amendment, putting our industry at a competitive disadvantage.

Mr. President, the Department of Commerce and the Department of Health and Human Services opposed this amendment, and I ask unanimous consent that a copy of their letters on the Hatfield amendment be included in the RECORD following my statement. I also ask unanimous consent that the letter from the congressional biotechnology caucus also be included in the RECORD following my remarks.

I want to thank Senator HATFIELD for his willingness to work out an acceptable compromise that addresses his concerns over gene sequencing by the National Institutes of Health without harming the biotechnology industry.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL BIOTECHNOLOGY
CAUCUS,
Washington, DC, March 31, 1992.

DEAR COLLEAGUE: We are writing to urge your opposition to the Hatfield amendment to the NIH reauthorization bill. This bill is scheduled for floor action today and we learned of the Hatfield amendment only late yesterday.

The Hatfield amendment, among other things, would prohibit the U.S. Patent and Trademark Office from issuing patents on a wide range of genetic engineering inventions. This prohibition would last three years, but would be renewable for additional three year periods. Inventions such as human tissues, fluids, cells, genes genetic sequences, and animals would no longer be patentable even if these materials have been genetically engineered.

If the Hatfield amendment is enacted, a U.S. industry that leads and dominates the world could be lost. This young industry achieved remarkable growth and achievements in its first full decade—the eighties, and industry sales are expected to increase ten fold by the year 2000. The U.S.'s world leadership position in this industry and its net exports already in excess of $600 million are in jeopardy. Other countries—including Japan and many in Europe—will continue to issue patents on inventions that would become unpatentable in the U.S. under the Hatfield amendment.

It is ironic that we are scheduled to vote today on S. 654, the Biotechnology Patent Protection Act. This bill, introduced a full year ago by Patents, Copyrights and Trademarks Subcommittee Chairman Senator DeConcini and ranking minority member Hatch would strengthen patent protection for biotechnology inventions. The DeConcini-Hatch bill (S. 654) has been the subject of a Patent Subcommittee hearing and both the Patent Subcommittee and Judiciary Committee have unanimously reported on the bill.

The Hatfield amendment has never been introduced as a bill and has never been the subject of committee or subcommittee hearings or votes. We learned of this amendment only yesterday. We should not pass such an amendment.

Enactment of the Hatfield amendment would devastate the U.S. biotechnology industry. Without strong intellectual property protection little if any biotechnology research will be commercialized. Companies will not invest $100–$200 million to develop a drug if competitors can pirate the technology without penalty.

The U.S. is the world leader in the research and development of biotechnology. This new industry spent $3.2 billion in R&D last year and total revenues for the same period were only $5.8 billion.

Biotechnology has been identified as a "critical technology" that will drive U.S. productivity, economic growth, and competitiveness over the next ten years and perhaps the next century. We must not allow any last minute, ill-advised amendment to cripple this industry. We must not pass the Hatfield amendment.

Thank you for your consideration of this important matter.

FRANK LAUTENBERG.
HANK BROWN.

THE SECRETARY OF HEALTH
AND HUMAN SERVICES,
Washington, DC, March 31, 1992.
Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We wish to offer our views on what we understand Senator Hatfield will offer as an amendment to H.R. 2507, the National Institutes of Health Reauthorization Act of 1991. This amendment, as yet unnumbered, would place a moratorium on the patenting of human and animal genetic material until the ethical, legal, economic and social questions involved with the patenting of human gene sequences are resolved, and prohibit Federal funding of research in genetic engineering involving human or animal cells.

The Administration strongly opposes this proposed amendment. It would impose an indefinite moratorium on the patenting of human and animal tissues, cells, genes and gene sequences including research in which there is currently little dispute. The moratorium would lead us to forfeit our lead in biotechnology, where patent rights are a key to the large investment needed for product development. It would also put U.S. biotechnology companies at a disadvantage with other countries at a time when this is one of the few industries in which our Nation leads the world.

The ill-advised, unnecessary prohibition on Federal funding of research would severely impede the biomedical research endeavors on the National Institutes of Health (NIH). Further, this amendment could halt the progress on cures for numerous diseases and conditions.

Moreover, some of the proposed actions represent redundancies. Principal among these is the reinstitution of the Biomedical Ethics Board. Much of the information that this board would collect is already being collected in other venues. The National Center for Human Genome Research has devoted approximately five percent of its budget to the study of ethical, legal, economic and social problems associated with the mapping and sequencing of the human genome.

In summary, the Administration believes the language of this amendment is ill-advised, and potentially devastating to the competitive advantage of the U.S. biotechnology industry. Should this amendment reach the floor for consideration, we would urge its rejection.

Sincerely,
LOUIS W. SULLIVAN, M.D.

DEPARTMENT OF COMMERCE,
PATENT AND TRADEMARK OFFICE,
Washington, DC, March 31, 1992.
Hon. DENNIS DECONCINI,
Chairman, Subcommittee on Patents, Copyrights and Trademarks, Committee on the Judiciary, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: We understand that Senator Hatfield has proposed an amendment to H.R. 2607, the National Institutes of Health Reauthorization Act of 1991. This amendment would create a three-year moratorium on the patenting of biotechnological material relating to humans and animals. The moratorium would continue in effect after the three-year period until a Biomedical Ethics Board and a Biomedical Ethics Advisory Committee, both established by Senator Hatfield's proposed amendment, conducted studies, issued reports and until Congress acted upon such reports. The Administration strongly opposes enactment of this amendment.

The ability to protect the results of very costly research and development efforts in biotechnology has enabled this American sector of industry to remain a world leader. Patenting this technology has permitted our biotech firms to continue their progress in areas that are of vital importance to humankind in a variety of areas, and especially in the improvement of health care. Genetically engineered medicines are now available to treat a number of diseases, including some that were previously untreatable. Ongoing research has the potential to result in products that could eradicate the suffering caused by diseases such as cancer, AIDS, Alzheimers and sickle cell anemia. All this activity is now possible largely because the huge investments needed for research and development are made with confidence in effective intellectual property protection.

Senator Hatfield's amendment, if enacted, would completely undercut these efforts and would serve to dismantle the American biotechnology industry. No company can afford to invest hundreds of millions of dollars to develop a product that could be copied by a competitor without penalty. As a result, Senator Hatfield's amendment would virtually hand over our leadership in biotechnology to other countries that are farsighted enough to protect the results of research and development efforts of their vital industries. Accordingly, America would not only take a back seat in the quest for improving the quality of life. It would also lose an industry that has an enormous potential to help U.S. economic growth over many decades to come.

In summary, the Administration believes that this amendment is ill-advised and potentially devastating to the U.S. biotechnology industry. Should this amendment reach the floor for consideration, we would urge its immediate rejection.

The Office of Management and Budget has advised us that there is no objection to the submission of this report to the Congress from the standpoint of the Administration's program.

Sincerely,

HARRY F. MANBECK, Jr.,
Assistant Secretary and Commissioner of Patents and Trademarks.

Mr. ADAMS. Mr. President, had the amendment that was offered and withdrawn by my friend, the senior Senator from Oregon been brought to a vote, I would have opposed it, and I would have urged my colleagues to do likewise. Rather than going into a lengthy explanation of the grounds for that opposition, I will simply ask that a letter and fact sheet I received from Steven A. Duzan, chairman and chief executive officer of the Immunex Corp. from Seattle, WA, be included in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

IMMUNEX CORP.,
Seattle, WA, March 31, 1992.

Hon. BROCK ADAMS,
U.S. Senator, Hart Senate Office Building, Washington, DC.

DEAR SENATOR ADAMS: We are strongly opposed to the Hatfield Amendment to the NIH reauthorization bill (H.R. 2507). Senator Hatfield is proposing legislation that would prohibit the U.S. Patent and Trademark Office from issuing patents on a wide range of genetic engineering inventions.

This legislation could cripple the development of biotechnology in the United States.

This amendment may be offered on the Senate floor as early as 2:30 p.m. EST this afternoon. There have never been any hearings on this topic. Nor has a bill on this topic ever been introduced.

I have included a Fact Sheet on the legislation for your review. Please don't hesitate to call me or Tom Ranken if we can assist you in this matter. We can be reached at 206–587–0430.

Very truly yours,

STEPHEN A. DUZAN,
Chairman and CEO.

HATFIELD AMENDMENT TO NIH REAUTHORIZATION (H.R. 2507)

The biotechnology industry strongly opposes the Hatfield amendment to the NIH reauthorization bill. If enacted, this proposal would bring to a sudden and dramatic halt to fifteen years of remarkable growth experienced by our industry.

The U.S.'s world leadership position in biotechnology, including net exports of $600 million, would evaporate if this amendment was made law. Other countries—including Japan and Europe—will continue to issue patents on inventions that would become unpatentable in the U.S. under the Hatfield amendment.

The Hatfield amendment has never been introduced as a bill and has never been the subject of committee or subcommittee hearings. The Senate should not pass such an amendment.

WHAT DOES THE AMENDMENT DO?

Senator Hatfield has announced his intention to offer an amendment to the NIH reauthorization bill that would, among other things, prohibit the U.S. Patent and Trademark Office from issuing patents on a wide range of genetic engineering inventions.

The prohibition would be initially for a three year period beginning on the date of enactment, but would be renewable for successive three year periods. Inventions that would become unpatentable include human tissues, fluids, cells, genes, genetic sequences, and animals—even when these materials have been genetically engineered.

HOW WOULD THE AMENDMENT AFFECT THE U.S. BIOTECHNOLOGY INDUSTRY?

Biotechnology is the application of engineering and technological principles to living organisms of their components to produce new inventions or processes. An important branch of biotechnology is genetic engineering, or recombinant DNA technology, which concerns the analysis and alteration of genes and proteins to make useful products. These sciences are of vital importance to U.S. and world progress in innumerable fields, but particularly in improving health care. In fact, the National Academy of Engineering characterizes genetic engineering as one of the ten outstanding engineering achievements in the past quarter century.[1]

Genetically engineered drugs and vaccines are now available to treat a number of diseases, including diabetes, dwarfism, hepatitis, heart attacks, anemia, leukemia, and organ transplant rejection. Medical products in development have the potential to eradicate hundreds of diseases, including such intractable diseases as cancer, arthritis, AIDS, Alzheimers, sickle cell, and cystic fibrosis.

These breakthrough drugs have been developed by using human genes and cells to manufacture pharmaceutical proteins that harness the body's own disease-fighting capabilities. For instance, using certain kinds of genes, biotechnologists can enhance the body's immune system, interfere with the replication of harmful bacteria and viruses, and replace proteins that healthy bodies manufacture but sick bodies do not.

The amendment would prohibit the issuance of patents on most of the genetically engineered materials that are the essence of the U.S. biotechnology industry. Virtually none of this research will reach commercialization without strong intellectual property protection. No company will invest $100–200 million to develop a drug if a competitor can pirate the technology without penalty.

If this amendment is enacted, much ongoing research will come to a halt and millions of patients who are without current treatment will be denied access to the breakthrough drugs that our industry is developing. The U.S. will shortly thereafter cease to lead the world in biotechnology.

This would be unfortunate, since biotechnology is an important new source of economic vitality for America. (In 1991, our industry's sales increased 38%.) American scientists invented genetic engineering and American investors have funded the research and development that is enabling our industry to translate cutting-edge science into economic growth.

The biotechnology industry is one of the few industries in which the U.S. leads the world. This is largely because of the tremendous investment made in R&D by biotechnology companies—an average of $81,000 per employee and $3.2 billion per year on R&D. As a result of this research, the industry files almost 10,000 U.S. patent applications each year.

Biotechnology is an industry that can contribute mightily to U.S. economic growth and improved quality of life. Two major reports released this year labelled biotechnology one of several "critical technologies" that will drive U.S. productivity, economic growth, and competitiveness over the next ten years and perhaps over the next century.[2]

Mr. GORE. Mr. President, I appreciate the willingness of the distinguished chairman of the Labor and Human Resources Committee, Senator KENNEDY and the distinguished chairman of the Judiciary Committee, Senator BIDEN, to hold hearings on the issue of patenting human gene sequences. I will follow those hearings with great interest because I believe that the National Institutes of Health is rushing ahead with a reckless and dangerous policy—in fact, the actions of NIH are so damaging to international and domestic scientific efforts that I hesitate to call it a policy at all. It is a mistake.

Let me explain what NIH is doing, and believe me you do not have to be a geneticist or a microbiologist to understand what is going on. In fact, Dr. James Watson, who won a Nobel prize for discovering the structure of DNA, says that the work NIH is trying to patent could be done by—and I quote—"virtually any monkey."

For several years now, the human genome project has been striving to create a map that lists the entire sequence of nucleic acids that make up the human genome. We do not understand what 95 percent of the genome does; we do know that 5 percent of the genome codes for, or produces, genes that make proteins that are valuable in understanding human health and disease. A gene is not a single nucleic acid, but a sequence of them.

---

[1] National Academy of Engineering, Engineering and the Advancement of Human Welfare: 10 Outstanding Achievements 1964–1989 (1989).

[2] Council on Competitiveness, *Gaining New Ground; Technology Priorities for America's Future* (1991); White House Office of Science and Technology Policy, *Report of the National Critical Technologies Panel* (1991).

What NIH is doing is cutting up the human DNA chain into small pieces or sequences that are easily identifiable as being part of one or more of the 100,000 or so human genes. NIH can produce about 50 to 150 of these small sequences a day. NIH is then filing patent applications for thousands of these sequences without regard to the damage these patent applications are doing to the need for open and free exchange of data in the human genome project, both here and internationally.

NIH's policy is flawed from start to finish. The material that NIH is trying to patent—these sequences of the human genetic code—are part of our human heritage. NIH's work has not enhanced them or changed them in any way. By trying to patent this heritage, NIH is violating the central tenet of the human genome project that the information regarding the human genome should be the property of all. It is one thing to patent products developed from proteins that genes produce, such as growth hormones or diagnostic tests for cystic fibrosis; it is another matter to try and patent the most basic level of information found in the human genome—information that we do not yet even understand.

NIH claims that it has to patent these sequences as a defensive maneuver because after it publishes the information it loses the right to patent it. NIH says if it does not patent the information, industry will not invest time and money in this research. NIH is wrong on both counts.

These patent applications by NIH are not a defensive maneuver; they smack of a first strike, a preemptive strike, that has predictably caused counterattacks by other governments and possibly by private researchers as well. How can NIH be so concerned about losing the right to patent this information when the universal reaction to the patent applications is that the material is not patentable in the first place because it meets none of the standard criteria for patentability?

To get a patent, one has to show that the invention is novel, nonobvious and useful. NIH's patent applications are none of these. There is nothing novel about the procedure to cut up the human DNA chain into these small sequences; it is standard and well-known. The use of small sequences as markers is obvious and common. And, most importantly, NIH has no idea what these sequences do, so they have no identified utility.

As for the idea that NIH must do this to encourage investment, there is greater evidence to the contrary—that NIH's actions will discourage investment and increase the cost of the human genome project. Normally, a patent license is important to a company seeking to do research on a particular invention. But the nature of these sequences makes it highly unlikely that patents will be useful incentives.

The sequences do not mark just one gene so that a company can get a license for the sequence and do research on the gene it locates. The sequences can overlap so that several sequences can identify the same gene. Academics will not be able to justify research in the genome area if they have to compete against others who have a license to potentially the same gene. Industry will be reluctant to invest in research in the genes identified by the sequences when only a very small percentage of the genes will mean anything and the ones that do mean anything will be the subject of disputes and lawsuits by other companies licensed to research other sequences that identify the same meaningful gene.

Already, NIH's patent applications have wounded the international effort to map the human genome. In response to NIH's patent applications, the United Kingdom's Medical Research Council recently announced it would begin seeking patents on its research. Without any open discussion or consultation in advance of its actions, NIH has provoked a patent race where none should exist. It has closed a door that scientists around the world have fought to keep open.

Interestingly, it is the Japanese who are keeping the door open and who are resisting patenting this information in the interest of universal access to genome data. In fact, Japan is opening to the world the information it is discovering in its multimillion-dollar effort to map the genome of rice. How ironic that Japan, not known for economic foolhardiness, is sharing valuable data on an important crop, while NIH is hoarding basic information on human beings before it even understands what the information means.

The NIH Department of Energy Subcommittee for Interagency Coordination of Human Genome Research recently reported that "the NIH claims for the patentability of random partial DNA sequences are potentially damaging to the very scientific efforts NIH is promoting." That subcommittee unanimously deplored NIH's decision to seek the patents. Prominent scientists such as David Botstein and Paul Berg have joined the criticism.

In response, Dr. Healy, the Director of NIH, has stated that NIH's actions are "not a statement that we believe patenting this material is the proper thing to do now or for the future." Unfortunately for the future of the human genome project and international cooperation in science, NIH's actions speak much louder than its words. The very act of filing these applications for material that is not, on its face, patentable and that is part of our human heritage is universally viewed as an attempt to corner the market on human genetic information.

NIH's patent applications on human gene sequences are not in the interest of NIH, the United States or the future of science. I strongly oppose these efforts. I join with those who call for NIH to open its patent application files and claims and urge the Commissioner of the Patent Office to rule on the issues these applications raise as soon as possible.

I look forward to the debate in the Senate committees and the Senate itself on the rationale for NIH's actions. I urge Dr. Healy and Dr. Sullivan to reconsider this policy and to place the interests of science and humanity above the interests of those who believe that we should lock up the treasures of the human genome.

The PRESIDING OFFICER. Without objection, it is so ordered.

Ms. MIKULSKI addressed the Chair.

The PRESIDING OFFICER (Mr. BREAUX). The Senator from Maryland.

Ms. MIKULSKI. Mr. President, I rise in support of the NIH reauthorization. I consider the National Institutes of Health one of the crown jewels in our Government. It is one of our flagship institutions. It accomplishes the important public policy of saving lives and saving jobs.

It is at the Bethesda campus and extramural research, where the kind of work is going on to find cures for diseases, and develop the new ideas that will lead to the new products that save both lives and jobs. I want to make sure that the capacity of this institution is not only maintained but made stronger, that its mission be amplified, and that the breadth of its research be expanded.

Mr. President, last November I went to the National Institutes of Health and participated in a town meeting with the NIH employees. I have the distinction of being the Senator from Maryland in which the National Institutes of Health is located. So I wanted to hear from the people themselves what they felt NIH needed to get ready for the 21st century.

I heard many good ideas about what we should be doing to get NIH prepared for the 21st century. That is why I am proud to have introduced Senate bill 2285 earlier this year which has been included with Senator KENNEDY'S legislation. It provides, I think, a framework to modernize NIH.

My legislation, which is based on the suggestions of my constituents, talks about how we can help NIH recruit and retain personnel from Nobel Prize winners to firefighters, on the campus; protect the important facilities; help NIH retool for cutting-edge research;

and streamline procedures to ensure that a dollar's worth of taxes means a pound's worth of cure.

Mr. President, these are procedures. These are processes. And people say "What is all that about, Senator Mikulski?"

Mr. President, it is in these tiniest details that can help us prepare NIH for the 21st century.

The issues around recruitment, retention, retooling, and improvement of procedures will help us get ready for the future.

There are those in the administration who do not want to pursue this. They want to maintain the status quo—the old way of doing things.

Mr. President, 1950 recruitment, 1960 procurement, and 1970 approaches will not work in the year 2000. I want us to follow in our civilian economy the kind of strategy that has made us such a superpower in the military arena. What is essential to our victory and our power as a superpower in the military? I will tell you.

The military of the United States of America is powerful because it followed the doctrine of flexible response and organizes itself on a risk-based strategy. That is what I want the NIH to be able to do: to follow the doctrine of flexible response; that is, when new diseases come before our attention, like AIDS, they should have the administrative flexibility to be able to deal with these important issues the best way possible.

When we talk about following a risk-based strategy, we need to have an NIH framework that meets the risks by which our people are facing death. It is in our own communities that women will be more likely to die of breast cancer than at the hands of an invader from a foreign country. It is because our children are more likely to die of genetic diseases that we want to make sure that the NIH can follow a risk-based strategy.

Right now, the status quo of the administrative procedures would handicap that. So that is why I hope the procedural and procurement and personnel requirements that I am recommending will enable us to quicken our response.

Mr. President, I also want to thank my fellow Senators for working with me on the women's health issues that we have been facing.

Just 2 years ago, I brought before my colleagues the fact that women were systematically excluded from research in the major health research areas of the U.S. Government. We talked about how that famous study where we found that an aspirin a day kept a heart attack away included only men. We also talked about the fact that the National Institutes of Aging had done a 20-year study and included only men, and then put out a pamphlet entitled "The Normal Processes of Aging."

When I raised that issue, we were told that we were research problems because of our hormones.

Well, Senator MIKULSKI just did not take that sitting down. Thanks to my colleagues in the U.S. Senate, we now have established an Office of Women's Health. And we now know that women will not be seen as research problems but will be included in the research agenda.

I want to thank my colleagues for doing that. I also want to thank Senator KENNEDY for his cooperation in increasing the breast and ovarian cancer research money. One out of nine women get breast cancer today. Only 1 out of 20 got it in 1960. We need to find a cure because it preserves lives, and it saves families.

Mr. President, I recently received a letter from a constituent whose wife died this January of breast cancer. This is what he said to me:

> If you have never lost your partner, who in my case was not only my wife and mother of a fine young man, but my very best friend, then you cannot know my pain, not my total emptiness.

He goes on to say,

> Senator Mikulski * * * I only ask that you do something for the wives, the daughters, and the mothers who are still with us. * * * Don't pay lipservice to the war on breast cancer.

Thanks to the work of the Senate committee which brings this bill here, we have increased research money for breast cancer so families like these will not be torn apart any more.

Other parts of the bill that supports better research on women's health is the Office of Women's Health Research that is now being headed up by Dr. Vivian Pinn, a distinguished scholar-physician who is on leave from Howard Medical School, who will have more research for gynecological cancers.

We will have a data base on women's health research.

We will study the aging processes in women.

We will look at women and AIDS.

Mr. President, we are going to establish a cancer registry that will help men and women everywhere, and begin to look at the issues of epidemiology that are being overlooked.

Mr. President, I think this National Institutes of Health legislation is very good legislation. It is very good legislation because it does exactly what the American people want us to do—save lives. In the process of saving lives and coming up with competitive research we lay the groundwork for new and improved methods of treatment and care.

That is what they want us to do. The American people truly believe, right now, that if you give the Federal Government a dollar, we will spend two, and not have anything to show for it. When we talk about what we are doing at that campus in Bethesda, MD, where we will find a cure for AIDS, we will find a cure for Alzheimer's, and we will attempt to deal with pediatric diabetes and other tragic diseases. Then, Mr. President, we will have spent the taxpayers' dollars wisely. We will be able to hold our heads up high, not only this year, but well into the 21st century.

Mr. President, I yield the floor.

WOMEN'S HEALTH INITIATIVE

Mr. JOHNSTON. Mr. President, I rise today to express my strong support for the women's health initiative provisions in the National Institutes of Health Reauthorization Act.

Women's health issues have been neglected far too long, and this legislation addresses the glaring inequities in funding, research, and public awareness. Only by identifying and recognizing the particular health needs of women can we begin to address real solutions for a comprehensive health care policy.

By giving the Office of Research on Women's Health the resources and authority to ensure that every Institute in NIH will deal with women's health issues, we are making a powerful statement. Research on women's health will no longer be relegated to second-class status, but will, instead, become a distinct and equal partner in all fields of medical inquiry.

Mr. President, such research has serious implications on our notions of medical care. For example, women over the age of 85 are now the fastest growing age group in the United States and the average lifespan of women is 7 years longer than men. In addition, women comprise over 75 percent of the population in our nursing homes.

The mandate included in this measure for the National Institute on Aging to conduct studies on the aging processes of women will aid us in our quest to understand the implications of our aging population. We must begin to understand the nature of aging in women if we hope to initiate meaningful policies and programs to improve the quality of life of our citizens.

I am especially pleased that this legislation will ensure the inclusion of women and minorities in clinical trial programs. To continue to arbitrarily exclude women from such research would only add to our misunderstanding of women's health and deny the validity of basic facts.

The fact that one out of nine women will contract breast cancer; the fact that women are much more likely than men to suffer from chronic illnesses and conditions like arthritis, hypertension, incontinence, and osteoporosis; the fact that during this decade the average lifespan of American women will surpass the age of 80—these facts are indisputable and must strengthen our resolve to develop a focused strategy for women's health.

We must remember that this legislation is not a solution. It is an important, albeit belated, beginning. This initiative reaffirms our commitment to develop and maintain quality health care for all Americans.

Mr. ADAMS. Mr. President, I rise in strong support of the title III women's health research provisions in this bill. They are terribly important.

The sad truth is that women's health care is not taken as seriously as men's.

Recent reports by the General Accounting Office and the American Medical Association have uncovered wide disparities in how women's and men's health care needs are treated by doctors and researchers.

The fact of the matter is that where women's health is concerned, women are treated as second-class citizens.

Less than 1 year ago, the GAO found that the National Institutes of Health [NIH]—which pays for most of this Nation's medical research—had failed to implement a policy that would encourage researchers who apply for grants to include women.

In fact, the NIH policy said that the inclusion of women should not be a consideration of the scientific merit of the grant application.

The AMA—in their own investigation—found that although women receive more examinations, laboratory tests, blood pressure checks, and drug prescriptions than men, they get fewer major diagnostic and therapeutic interventions—like dialysis, kidney transplantation, and cardiac catheterizations—even though they may be at equal or greater risk of serious illness.

In fact, the AMA is pressing its membership to take a closer look at how women are being treated and to do some soul searching to eliminate gender bias in medical practice.

But we have a long way to go. Women today are likely to receive inadequate treatment for such conditions as cardiovascular disease because diagnostic and treatment protocols are based on studies done in men.

The two most recent clinical trials in the area of heart disease included 15,000 and 22,000 men and no women. It will be years—if at all—before clinical trials of this magnitude will be done with women.

Apparently, NIH has thought it was OK to represent only half the people in this country. Well it's not.

Title III requires the inclusion of women in clinical trials—except of course where it is inappropriate.

The bill also requires that NIH devote resources and attention to diseases that specifically affect women, like breast and cervical cancers and osteoporosis.

Too little attention and resources have been devoted to these devastating diseases.

The incidence of breast cancer is rising at an alarming rate, especially for women over 65. Yet we don't know why.

Last year we set forth the breast cancer challenge to find a cure and understand the cause for breast cancer by the year 2000.

To reach this goal will take enormous resources and effort and a strong Federal commitment.

The authorization level in this bill for breast cancer will make certain that we can win the war against this disease.

A disease that strikes one in nine women in their lifetime. And this year alone will take the lives of more than 46,300 women.

Finally, I would like to say a word about a new authorization in this bill we have added for osteroporosis and other related bone diseases research.

The bill provides $40 million to fight what doctors call a silent epidemic that affects over 24 million Americans.

Osteoporosis is characterized by low bone mass and structural deterioration of bone tissue. It makes its victims likely to get get hip, spine, and wrist fractures.

This disease is preventable. But most women are unaware of their risk or what they can do to prevent it.

We need to do a better job getting the information about how to do that through diet, exercise, and a healthy life style.

We also have to do something about a cure. One-third to one-half of all postmenopausal women will be affected by this disease. We need new research dollars to guarantee that the basic research is done.

American women have been put at risk long enough. It is time to close the health gap that exists for women today.

Support women's research, vote for the NIH bill.

Mr. KENNEDY. Mr. President, I wanted to address the issue that our friend and colleague, the Senator from Oregon, addressed earlier today, and just make a very brief comment about his particular proposal. Currently, there is an ongoing process in the executive branch which will lead to a recommendation on the very issues that he is concerned about. The Genome Patent Working Group was formed by the Office of Science and Technology Policy at the White House in December 1991, to report at the end of 1992 on the scientific and ethical implications of patenting genome research.

As I understand it, it includes the top people from NIH, NSF, OSPT, and the Departments of Commerce, Agriculture, Energy, and State. The working group will hold a public hearing at the National Academy of Sciences in May to take testimony from interested parties on the issues, including the concerns which Senator HATFIELD has expressed, relating to the patenting of human tissues. There is also an NIH advisory committee formed to advise Bernadine Healy on the DNA sequences.

This committee should be ready to report in the next several months. I have indicated to the Senator that we will be glad to hold a hearing in the Labor Committee soon after those reports are available, and to even get a public discussion on these reports. I understand that Senator DECONCINI, who is the chairman of the Patent Subcommittee, and the Judiciary Committee, will do likewise.

If Senator HATFIELD believes that the Office of Technology Assessment is the appropriate agency to conduct such a study or review, we would be glad to work with him in the development of such a proposal.

We have basically, over a period of years, not done terribly well in the Congress, in looking at various agencies of government. This is a specialized one that Senator HATFIELD is speaking about, basically, on ethical issues. The Senator from Oregon may recall that we the Committee on Labor and Human Services held hearings a number of years ago on unethical practices. We heard about the "Ralph girls" and how they were required to be sterilized before they could be eligible to receive any kind of Federal assistance. This resulted from a failure to have ethical guidelines.

The Public Health Service supported a study on the natural history of syphilis, unfortunately the investigators failed to inform some of the individuals who were infected with the disease that they had the disease or that there was treatment available, in some cases for 20 to 25 years. Since there were no ethical guidelines in place, this research caused death, or disability to infected individuals who were denied treatment and a cure.

Another example of an unethical practice was the Bureau of Prisons using Depo-Provera in women's prisons in Tennessee with the consent of the prisoner. We held hearings on the Central Intelligence Agency experiment where some of their agents were given hallucinogenic drugs and antidotes in order to study the effects of hallucinogenic drugs and the effectiveness of the antidote. One of the agents felt that he had betrayed secrets and committed suicide. The agents receiving these hallucinogenic substances had no idea that they were being used as guinea pigs.

And you have a Government agency proceeding along those particular lines. The Bioethics Commission expired in 1990. Unfortunately, the Commission got involved in the abortion debate which caused division within the Commission. In addition, the Commission was set up only to develop general guidelines—no enforcement abilities whatsoever, just guidelines to be published in the Federal Register. All of their recommendations were actually acceded to by Republican and Democratic administrations. It was one of the important success stories, so that we could avoid any unethical practices in the future.

When we have the circumstances raised by the Senator from Oregon, I regret very much that we do not have a continuing panel of distinguished ethicists, theologians and representatives from the diverse religious beliefs in our society to help guide us on these matters which are enormously complex and incredibly important.

So I thank the Senator from Oregon very much for raising this issue of enormous importance. I will assure the Senator from Oregon that we will respond in a way, which hopefully, will help charter an appropriate public policy course.

Mr. President, I see my colleague from Illinois.

AMENDMENT NO. 1755 TO AMENDMENT NO. 1754

Mr. SIMON. Mr. President, I will speak on the secondary amendment that I have offered that is pending. First, I will describe what our bill does in regard to the sex survey research, which is a sensitive area. It would simply allow the Secretary to fund human sexual behavior research that has first been approved and reviewed through the existing scientific peer review process.

This means the project has been reviewed by applicable local ethics review panels, and that it has been reviewed by scientific panels. And then it has been approved by the Director of the Institute that is involved. Then, the Secretary is to fund the surveys on sexual behavior, or the Secretary can appoint an ethics advisory board to determine if there are ethical grounds for withholding funding.

The provision—I would like to underscore this—does not require or mandate that such studies be done.

In addition to these qualifications, what my amendment does is add another qualification. And that is that the Secretary has to determine that this survey—there are two surveys involved—will assist, first, in reducing the incidence of sexually transmitted diseases, the incidence of infection with the human immunodeficiency virus, or the incidence of any other infectious disease; or second, in improving reproductive health or other conditions of health.

And on the survey that is the teen sex survey, it is voluntary on the part of the teens, and it requires parental consent. The adult survey was initially developed by the National Institute of Child Health and Development, being concerned about what was happening in the whole AIDS problem.

At one point, it was approved by Secretary Sullivan and Assistant Secretary of Health, Mason. On the teen survey, let me quote from Dr. Bernadine Healy, the appointee of President Bush, who is now the director of NIH.

She said the following about the teen sex survey:

> It will be a wonderful survey. I knew it would be controversial, and I reviewed it personally. I read the whole thing myself, and it is an excellent study.

The amendments that we have offered, Senator KENNEDY's primary amendment and my secondary amendment, were approved by the House of Representatives 283 to 137. My colleague, who is the Presiding Officer now, Senator BREAUX, will recall that Congressman ROY ROWLAND, from Georgia, who is a physician, and with whom I had the opportunity of serving in the House and for whom I have great respect, and Congressman MCDERMOTT, who is also a physician—and I do not believe I served in the House with Congressman MCDERMOTT—but these two physicians led the fight on this.

And my colleague who is the Presiding Officer will tell you Congressman ROWLAND has his feet on the ground. He is a very conservative Democrat. And Congressman ROWLAND said this is essential if we are going to protect the health of people in this country, and I think we ought to be listening to him.

It is interesting who has endorsed this. The American Medical Association and the various public health associations, psychological associations, and so forth, and let me add one other. I cannot remember—maybe it is just my faulty memory—I cannot remember the American Red Cross ever getting involved and endorsing amendments, but the American Red Cross says this is important because of the health of our population.

At one point the administration strongly supported the surveys, but under pressure, frankly, from those who misunderstood the Secretary of HHS either voluntarily or was forced to overrule them and backed off on this. What we want to do is open the door. This does not mandate it. But it allows it and it encourages us to move forward.

We have huge problems. We have not had a teen survey, sex survey, or adult survey since the late forties and early fifties. Why do we have some of the problems that we have? Well, they vary so much—births to unmarried women—and, incidentally, we have the highest teenage pregnancy rate in any industrialized country in the world—births to unmarried women. Whites in Hartford, CT, 50 percent of the births are to unmarried women, and in Detroit it is 32 percent. Why this differential? In New Mexico, on the white population, it is 27 percent, and in Alabama it is 10 percent. Among blacks, in Wisconsin it is 76 percent, in Illinois, 75 percent, in Hawaii 15 percent.

Why the huge differences no matter which ethnic group you pick? We ought to know. Ignorance does not protect us, I say to my friends. That is the most fundamental thing that we have to recognize. We have a choice of ignorance or knowledge in this field. Let us not choose the route of ignorance.

For example, among teenagers, the rate of AIDS has gone up 20 percent in the last 2 years. That ought to be of concern to all of us. Two million Americans now suffer from gonorrhea. There is a whole series. Syphilis has gone up 85 percent since 1985; chlamydia, 4 million American women are suffering from this. AIDS is going to cost—these estimates vary, and I do not know who is right on these estimates—AIDS is going to cost this Nation, in terms of government and private expenditure, somewhere between $4 and $13 billion this year, totally aside from the humanitarian problem that that causes. Over 130,000 Americans have died of AIDS. What we want to do is let us find out how we can prevent some of this needless tragedy.

It is interesting that USA Today has an editorial, which I shall read:

> A handful of politically potent prigs are treating a major public health problem like a dirty joke.
>
> Secretary of Health and Human Services Louis Sullivan gave in to ideologies who objected to questions about sexual practices in a five-year survey of adolescent sexual behavior and killed funding for this worthwhile effort.
>
> He may have killed more than a study. Ignorance about the risks our young people are taking can cost lives.
>
> The goal of this study was to discover not just what teens are doing, but why. Why are they putting themselves in danger of AIDS, sexually transmitted diseases and unwanted pregnancy at younger ages and in greater numbers? What influences do family values have on their decisions? What part do school, peers and the community play?
>
> If this misplaced prudery prevails, we'll never know. Many, like the writer across the page, think that's just fine. They're content with the current state of knowledge and don't want to spend government money to learn more.
>
> This is a dangerous advocacy of ignorance.
>
> Many questions that raised objections had been dropped from an early draft. Three-quarters of the questions were not about sexual practices. Each of the 24,000 teens answering the survey would do so with parental consent. Parents would answer separate questionnaires.
>
> These days, a teen who is careless with sex risks far worse consequences than parental disapproval.
>
> AIDS cases among teen-agers in the United States have increased about 40 percent in two years, which means that there are now thousands infected with the deadly virus. Other data tells us that awful number is bound to grow:
>
> Half of girls have had sex by age 17; half of boys by 16.
>
> Only one-third of boys always use condoms.
>
> Nearly 80 percent of boys and 50 percent of girls age 18–19 switch partners within 12 months.
>
> That's a recipe for disaster for our young people.
>
> AIDS is just one of the diseases that can wreck their lives; they're also in danger of infections that can cause sterility and pregnancy that can put them on welfare. Fifty-nine percent of women who were receiving welfare in 1988 were age 18 or younger when they first gave birth.
>
> If these grim facts are going to change, we have to learn more about teen behavior. What encourages teens to take such risks? What would persuade them to avoid those risks?

> Secretary Sullivan should heed the House vote late Thursday affirming such surveys. What better use for public money than buying a tool to save young lives?
>
> What we choose not to know can ruin their lives—or kill them.

We have spent, I do not know how much time, Mr. President, in this body and in the other body on the whole question of abortion. One of the major causes of abortion is teenage pregnancy. We have about a million teenage pregnancies each year, 400,000 of which end up in abortions. If through this survey, we can reduce the numbers of teenage pregnancies, we will, in fact, then reduce the number of abortions. Those who are interested in reducing the numbers of abortions should be supporting the amendment which Senator KENNEDY and I have offered.

If this survey goes ahead, will it add one more teenage pregnancy to this Nation? I cannot believe it. If this survey goes ahead, can we get knowledge that can prevent teenage pregnancies? I cannot stand here and guarantee it, but there is at least a strong possibility that we can.

Let us not move under a cloak of darkness. Let us find out what is going on.

Ignorance is going to cost lives. Education can save lives, and if particularly we know some of the ties and some of the reasons for some of the problems we face, everyone is going to be ahead.

For those who say you cannot do anything in the way of education and prevention, I say to my friends, smoking ordinary cigarettes is a much different thing today than it was not too many years ago. I was just thinking this morning I do not think we have 10 Members of the United States who smoke cigarettes anymore. I am sure that 20 years ago or 30 years ago, probably at least half of the Members of the United States did. Education does work.

How can this survey find out anything? Well, we can maybe find out how teenage pregnancy may be tied in with alcohol, with peer pressure, with other problems, with a whole question of educational attainment.

I think, by all means, we ought to move ahead on this, Mr. President, and I hope we do the rational thing, the compassionate thing, and the thing that is going to save lives, and that is to say that we are going to make a decision that we are not going to act out of ignorance. We are going to act because we have accumulated the kind of knowledge that we ought to have.

Mr. President, if no one else seeks the floor, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SIMON. Mr. President, I request the yeas and nays on the amendment that we have offered.

The PRESIDING OFFICER. Is there a sufficient second?

There is not a sufficient second, the Chair observes, at the present time.

Mr. KENNEDY. Yeas and nays, Mr. President.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. SIMON. Mr. President, as far as I am concerned, we can proceed to the vote. The managers of the bill may have more knowledge that there are others who wish to speak on it. If there are none, we can go ahead with the vote.

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COATS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Chair recognizes the Senator from Indiana [Mr. COATS].

Mr. COATS. Mr. President, I regret that I was not able to be on the floor a couple days ago during the debate on this issue and specifically the amendment offered by the Senator from Utah. I had been informed that debate on that particular amendment would take place on a subsequent day and was necessarily off the Hill at the time the amendment was brought up. I was not able to get back in time for debate on the amendment, although I was back in time to vote on it.

I, therefore, would like to take a little bit of time this afternoon during this interim period here to discuss what I would have discussed had I been here during the actual debate.

Mr. President, for many Members of this body, this issue of fetal tissue research is a wrenching one. It is one that I hope causes all of us to step back and assess on a scientific basis, an objective basis, not strictly on an ideological or philosophical basis, but look carefully at the evidence and objectively at the evidence and ask some very fundamental questions.

Many Members of the U.S. Senate either have parents or children, spouses or relatives, or friends, associates or colleagues, that have unfortunately been struck with or suffered a neurological disease in which fetal tissue transplantation offers some hope of, if not a cure, at least prolonging of life, improving the quality of life for a longer period of time for those individuals. And so it is not a subject that we ought to just lightly dismiss.

This type of research does potentially offer promise to millions of suffering Americans, and many of us have personal experiences with friends or family that could have have benefited, possibly have benefited, from advances in transplantation of fetal tissue.

Having said that, I think it is important that we very carefully consider the role of the Federal Government in all of this, the use of Federal tax dollars for research in this area, and ask ourselves some very important ethical and moral questions that will, I believe, grow in urgency each year as we advance the scientific study of fetal tissue transplantation and fetal tissue research. We are presented with a wrenching dilemma and it is our job to find a path that serves both public health and moral principles, a path that offers hope but shows ethical insights, because if we fail on either side, we fail in everything.

Scientific research, Mr. President, does not occur in a moral vacuum. It has to be guided by something more than what is just possible.

I rise today to address my colleagues and ask them to thoughtfully and carefully consider questions, not because I am certain about the answers to these questions, but because these questions are disturbing questions to which we must seek answers. And as we advance in this area, as we perhaps obtain scientific advances and discoveries that will provide some measure of relief in the area of neurological diseases and its consequences, more of these questions are going to arise and we are going to have to answer them at some point. So I think we ought to start thinking about it now.

Question No. 1: Will the use of tissue from elective abortion create an irreversible economic and institutional bond between abortion centers and the abortion procedures and biomedical science?

Just think a moment. If medical research becomes dependent on widespread abortion, a vested interest would be created clearly in a substantial, uninterrupted flow of fetal remains.

Stephen Post, chairman of the American Academy of Religion's Medical Ethics Group and an associate editor of the Encyclopedia of Bioethics, writes:

> If this area of high medical technology develops through the use of tissues from elective abortions, there might be no turning back. Abortion would be firmly tied to medicine, deeply ensconced in "scientific progress." * * * biomedical science will depend on a steady supply of elective abortuses.

Second, what future will we find if tissue transplant which is dependent on elective abortion is successful?

If all the victims of diabetes, Parkinson's, Alzheimer's disease and neurological trauma were to be treated with human fetal tissue, between 4 and 20 million fetuses would have to be procured to supply that tissue.

Now clearly we are presented with a dilemma here. The very success of the research will create an enormous demand for the tissue and the demand for the tissue will require a supply to meet that demand. And it is estimated that that supply will be many times the current amount of fetal tissue that will be available, even if we chose to use all tissue from all aborted fetuses. And of course we know that in many instances the tissue is not usable, and so we are looking at a potentially extraordinary number of abortions necessary to provide the tissue necessary to provide the treatment.

There are up to 3 million Americans with Alzheimer's. There are at least 1 million with Parkinson's. There are 11 million Americans who have diabetes. In fact, it is estimated that 20 percent of the U.S. population suffers with some neurological problem—from epilepsy to Huntington's disease. And yet in experiments taking place in Sweden, using fetal tissues from four fetuses is needed to treat each patient. We are asking those millions of patients with neurological diseases and assuming that the research goes forward and shows it is successful, we are talking about, many, many, many millions of abortions necessary to procure the necessary tissue for treatment.

This is a prospective demand of massive size. But the supply of tissue from abortion is limited. In the United States, 1.8 million fetuses are aborted every year, yielding approximately 90,000 usable fetal parts.

So it seems to me, given this question alone, we need to direct our attention toward alternatives to finding ways to regenerate fetal tissue, to look at cell cultures, use of animal tissue, and other alternative research if the need is ever going to be satisfied.

A third question I think we need to ask is: By what right is this tissue obtained. Certainly, the remains of a fetus in an elective abortion are not donated in any traditional sense of the word. The fetus can give no consent. It is, instead, provided by the very people who ended the life of the fetus. Can the person who ended a life be morally permitted to determine the use of the parts of that life?

No one, it seems to me, has a right to the body organs of another human being. It is a generous gift of those who have made a choice—or perhaps would have made that choice if asked.

Fourth, is it really possible to neatly separate the practice of abortion from its use in biomedical research? Are researchers merely using the results of abortion, or are they dictating its practice? There are real concerns about how fetal tissue currently is being procured. Some types of abortions, like suction abortions, tear the fetus apart, making the brain recoverable in only 8 percent of the cases, according to the Royal Marsden Hospital Fetal Tissue Bank.

A report issued by the University of Minnesota Center for Bioethics has stated that in Sweden:

> Doctors have said they obtained brain tissue with a forceps before the fetus was suctioned out of the mother. That raises the question of whether the fetus was killed by the harvesting of brain tissue or by the abortion.

Janice G. Raymond, professor of women's studies and medical ethics a the University of Massachusetts has testified that doctors are already altering the methods of abortion in order to get the issue they desire.

"Doctors who are eager to get good tissue samples," she says, "must put women at additional risk of complication by altering the methods for performing abortions and by extending the time it takes to perform a conventional abortion procedure."

Dorle Vawter, of the Center for Bioethics at the University of Minnesota has reaffirmed this observation, noting that some clinics currently alter abortion methods for tissue harvesting—slowing the abortion procedure, reducing the pressure of the suction machine, and increasing the size of dilation instruments, all practices which place women at additional risk.

Then a question that I think has been discussed but needs to be discussed in great detail on this floor because it certainly is at the heart of many of the decisions that are made relative to how we proceed on this difficult issue: Are we encouraging abortion by covering it with a veneer of compassion?

Dr. Kathleen Nolan, formerly of the Hastings Center, writes:

> Lifesaving cures resulting from the use of cadaveric material might make abortion, and fetal death, seem less tragic. Enhancing abortion's image could thus be expected to undermine efforts to make it as little needed and little done procedure as possible.

I think we have to ask the question: Is there not an incentive for the ambivalent in the promise of helping the needy victims of disease? Even if the formal consent for use of fetal tissue comes after a decision to abort—how is it possible to divorce a general knowledge of these facts from the decision itself?

Finally, are the so-called safeguards that have been proposed really adequate?

On paper, they look significant. However, these safeguards apply only to federally funded programs—not the more than 4,000 private abortion clinics that would no doubt be the source of the majority of this tissue. Not a single proposed safeguard touches them in any way.

These are my questions, and my fears. As Stephen Post puts it:

> Ultimately, it is the specter of a society whose medical institutions are inextricably bound up with elective abortions and whose people come to believe that for their own health they have every right to feed off the unborn, that gives pause.

Arthur Caplan of the University of Minnesota expresses these concerns in another way:

> This is the ultimate issue of generational justice. You're not just asking for the pocketbooks of the young—you are asking for body parts.

As I said when I started my remarks, this is a wrenching decision because we do know that fetal tissue transplantation offers hope for many millions of Americans who are now suffering a hopeless disease. And it is a potential advancement of medical science that is at stake here.

So the question we must ask ourselves in addition to answering these moral questions, is, is there a way in which we can continue the research? Is there a way in which we can continue the medical science advances, without putting ourselves in the moral dilemma of encouraging or expanding elective abortions in order to obtain the tissue?

It is here where Senator HATCH's amendment is critical. Because Senator HATCH, who has also wrestled with this question has said, yes, I think we should go forward with the research. But I think we should go forward with the research in a way that it does not induce elective abortions. Because we do take pause at the questions and ethical and moral dilemmas that are presented to us, it should go forth in a way in which we can at least minimize if not avoid those questions.

Senator HATCH's amendment, which unfortunately this Senate rejected, established a registry, a nonprofit registry, and a tissue bank using tissues obtained from spontaneous abortions and ectopic pregnancies. He also required a study to be completed within 6 months to look at the quality and the availability of tissue available from those sources. He authorized the Secretary to develop human fetal cell lines and study alternative methods of preserving viable fetal human cells and tissues.

It seems to me this is the logical way to go in terms of dealing with this issue, at least until we can get a better grasp of the moral implications and the ethical questions that all of us, I think, need to confront when addressing this issue.

I was distressed to learn, as I spoke with many Members and listened to many Members talk about this particular issue, the issue before us relative to Senator HATCH's amendment—and really relative to the bill itself in terms of how it dealt with this issue—was cast in a way that many thought that the vote was on whether or not we would go forward with any fetal tissue research. Members need to understand that research is going to continue whether or not the current moratorium imposed by the Secretary of Health and Human Services is lifted.

I want to quote a statement made by Dr. James Mason, to the Committee on

Labor and Human Resources on November 21, 1991, when he testified before us by saying:

> The current moratorium is described by a "razor sharp" definition that delimits its boundaries. It precludes Federal funding only of research that transplants human fetal tissue from induced abortions into human recipients. It does not prohibit the funding of such research in the private sector—

Universities, clinics that are utilizing human fetal tissue, however obtained, are not affected by this moratorium; that research will continue—

> nor does it prohibit Federal support of therapeutic transplantation research that uses fetal tissue from spontaneous abortions or ectopic pregnancies.

This is not an issue of whether or not fetal tissue research will go forward. This is an issue of what fetal tissue will be used to conduct that research. Will we limit the use to spontaneous and ectopic abortions? Or will we expand it to utilize the tissue from induced abortions.

Dr. Mason says:

> Finally, the moratorium does not prohibit research involving the implant of human fetal tissue in animal models. As you can see, this is a very narrowly defined ban.

So, Members should be under no illusion that their vote 2 days ago was a vote to continue fetal tissue research to provide potential relief to millions of Americans suffering from neurological diseases or to cancel that research. Members should not be under the illusion that the issue was the inhumane prohibition of scientific research that could save the lives of fellow human beings. That was not at issue. What was at issue is what I had raised before, and that is what tissue will we use, and where will we get that tissue, and what are the moral, ethical consequences of continuing down the road that we will start down once this moratorium is raised?

Dr. Sullivan, in his letter to Senator KENNEDY, the chairman of the Labor and Human Resources Committee, on February 4 said that the bill before us "is unacceptable because it would permit federally funded transplantation research endeavors to use fetal tissue from induced abortions. Many thoughtful physicians, researchers, and women and men from all walks of life strongly believe that this could have the potential of fostering an increased incidence of abortion"

Those of us who recorded our support for Senator HATCH's amendment are among those who believe that we need to look at the long-term consequences of the decision that is before us, and the moral ethical challenges that that decision presents and that we need to get answers to those questions before we start down this road from which we might not be able to turn back.

For my friends who believe or who have not looked at the evidence and who think this is a question of giving NIH the authority to proceed with an important potential scientific breakthrough and that this administration has cruelly prevented that from happening, I hold up thousands of pages of human fetal tissue research grants, programs undertaken by the National Institutes of Health with taxpayers dollars. This is the volume of human fetal tissue research now going on with tax dollars.

So it is not a matter of an inhumane, cruel, cold administration who does not have some sensitivity to the issue at hand and who is not interested in going forward with fetal tissue research. This is millions of dollars being spent on that very thing.

And so, Mr. President, I hope that as we think through this issue and as we proceed in the days and years ahead, we will consider these important questions. Research currently supported by NIH with taxpayer funds may eliminate the scientific need for fetal tissue research from elected abortions altogether. That is what Senator HATCH is hoping to accomplish. The research which involves creating cell lines for spontaneous abortions and abortions performed as a result of ectopic pregnancy is very promising and it has the possibility of yielding significant results for many hundreds of diseases and disorders. This type of research is of particular importance since virtually all research scientists admit that procuring sufficient fetal tissue will be a problem in the future.

This is the reason Senator HATCH's amendment made so much sense, and that is why its rejection was so disturbing.

Choices made in the world of medical research unavoidably involve a moral vision, and while promises of new therapies are important, they cannot be separated from serious and complex ethical reflection. Can science truly be separated from the practice of abortion, as supporters suggest? Will our success raise even more disturbing ethical dilemmas? I believe promising scientific creative alternatives exist right now and should be vigorously pursued. Using Federal funds for fetal tissue from elective abortions is a risk we do not have to take.

Mr. President, I ask unanimous consent that a letter from many doctors and professors be printed at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

MARCH 24, 1992.

DEAR MEMBER OF CONGRESS: We are writing in support of the current moratorium on federally funded human transplants using tissue from induced abortions. In our opinion the effort to overturn this moratorium through H.R. 2507, the National Institutes of Health reauthorization bill, is ill-advised for several reasons:

(1) The Administration's concern that such federally subsidized programs could become an added inducement to abortion has not been rebutted. In one recent study, a significant number of college students showed a willingness to induce abortion for the express purpose of providing fetal tissue (Lancet 335: 1594 [1990]). Clearly, some women could be swayed in their decision to abort by the perceived medical value of aborted fetal tissue.

(2) The therapeutic value of tissue from induced abortions has been greatly exaggerated by some involved in the political debate. Some experiments hailed as examples of therapeutic success actually used tissue from ectopic pregnancies (the Walden case in Texas) or from spontaneous abortions (Dr. Madrazo's research in Mexico)—and thus would be eligible for federal funding even under the current moratorium. In one much-reported experiment, Swedish researchers obtained fetal brain tissue for treatment of Parkinson's disease by aspirating the brain out of the fetal skull before terminating the pregnancy; yet despite this unrestricted zeal for "fresh" brain tissue, the researchers admitted that "no major graft-induced improvements of therapeutic value to the patients have been observed up to 6 months postoperatively" and concluded that this is "an experimental approach and not a therapeutic alternative" for Parkinson's (Arch. Neurol. 46: 627 and 630 [June 1989]).

(3) Alternative sources of tissue as well as alternative therapeutic approaches are available for many of the ailments in question, and have not been fully explored. Diverting federal funds to research that depends on the continued availability of tissue from induced abortions will detract from these alternative approaches, and make federal research on such ailments dependent on the continued legality of abortion. Once such a policy decision is made, federal or state changes in the legal status of abortion will correspondingly jeopardize the therapeutic practices that depend on this status. No such problems would be created by alternative approaches, such as the development of a tissue bank using tissue from ectopic pregnancies or spontaneous abortions.

(4) Current criteria for determining the death of the fetal donor are uncertain and inadequate. While total and irreversible cessation of all brain functions has become a standard criterion for determining death in adult donors, it is not a reliable standard for very young children—and in any event, fetal brain tissue must still be alive and "fresh" to be usable for transplants. Moreover, in the case of fetal transplants the physician determining the donor's death (i.e., the abortionist) has a direct role in ending the donor's life and a vested interest in obtaining tissue for transplantation. This is contrary to standard medical practice for all other cadaveric organ donations.

For these and other reasons, we believe reversing the current moratorium is unnecessary and unwise. We therefore ask you not to approve H.R. 2507 in its present form.

Sincerely,

Keith A. Crutcher, Ph.D., Department of Neurosurgery, College of Medicine, University of Cincinnati Medical Center, Cincinnati, OH.

Edmund D. Pellegrino, M.D., M.A.C.P., Professor of Medicine and Medical Ethics, Director, Center for the Advanced Study of Ethics, Director, Center for Clinical Bioethics, Georgetown University, Washington, DC.

Robert E. Harbaugh, M.D., Associate Professor of Surgery, Director, Cerebrovascular Surgery, Section of Neurosurgery, Dartmouth-Hitchcock Medical Center, Lebanon, NH.

Robert J. White, M.D., Ph.D., Professor of Surgery, Case Western Reserve University, Director of Neurosurgery and the Brain Research Laboratory, Metro Health Medical Center, Cleveland, OH 44109.

William Burke, M.D., Ph.D., Associate Professor in Neurology, Geriatric Medicine and Anatomy, Saint Louis University Medical Center, St. Louis, MO.

Stephen J. Ursala, M.D., Ph.D., Assistant Professor of Medicine, Section of Endocrinology, School of Medicine, East Carolina University, Greenville, NC.

James A. Moriarity, M.D., Assistant Professor, Department of Neurology, University of Minnesota School of Medicine, Minneapolis, MN.

Joseph A. Bellanti, M.D., Director, International Center for Interdisciplinary, Studies of Immunology, Georgetown University School of Medicine, Washington, DC.

Maria Mechejda, M.D., Senior Staff Associate, International Center for Interdisciplinary, Studies of Immunology, Research Associate Professor, Georgetown University School of Medicine, Research Associate Professor, New York University School of Medicine.

Linda M. Gourash, M.D., Clinical Assistant Professor of Pediatrics, Clinical Assistant Professor of Psychiatry, University of Pittsburgh School of Medicine, Medical Director, Western Pennsylvania School for Blind Children, Pittsburgh, PA.

Thaddeus P. Dryja, M.D., Associate Professor of Ophthalmology, Harvard Medical School, Massachusetts Eye and Ear Infirmary, Boston, MA.

Paul Monfils, Research Laboratory Coordinator, Central Research Laboratories, Rhode Island Hospital, Providence, RI.

Barbara A. Monfils, Research Assistant, Pathology, Rhode Island Hospital, Providence, RI.

Jeanne F. Brown, Senior Research Assistant, Medical Oncology, Rhode Island Hospital, Providence, RI.

Joseph P. Broderick, M.D., Assistant Professor of Neurology, Department of Neurology, University of Cincinnati Medical Center, Cincinnati, OH.

John Collins Harvey, M.D., Ph.D., Professor of Medicine Emeritus, Georgetown University School of Medicine, Senior Research Scholar, Kennedy Institute of Ethics, Washington, DC.

Matthew J. Bulfin, M.D., A.C.O.G., Obstetrician/gynecologist, Holy Cross Hospital, Fort Lauderdale, FL.

Bernard Nathanson, M.D., F.A.C.O.G., Clinical Associate Professor of Obstetrics and Gynecology, New York Medical College.

Douglas C. Heimburger, M.D., M.S., F.A.C.P., Associate Professor and Director, Division of Clinical Nutrition, Departments of Nutrition Sciences and Medicine, University of Alabama at Birmingham, Birmingham, AL.

Bogomir M. Kuhar, Pharm. D., F.A.C.P., College of Pharmacy, Idaho State University, Ingomar, PA.

Harry D. Carrozza, M.D., F.A.C.S., President, Philadelphia Catholic Physicians Guild, Ambler, PA.

Steve Calvin, M.D., Specialist in Maternal-Fetal Medicine, The Perinatal Center, Minneapolis, MN.

D. Alan Shewmon, M.D., Associate Clinical Professor of Pediatrics and Neurology, UCLA Medical Center, Los Angeles, CA.

Karl P. Adlar, M.D., Dean and Vice President for Medical Affairs, Professor of Medicine, New York Medical College.

Elaine M. Schalk, Ph.D., Department of Chemistry, The American University, Washington, DC.

Jorge Garcia, Ph.D., Senior Research Scholar, Kennedy Institute of Ethics, Washington, DC.

Stanton Harn, Ph.D., Associate Professor of Anatomy, University of Nebraska, Lincoln, NE.

Walt F. Weaver, M.D., Associate Clinical Professor of Medicine, Cardiologist, University of Nebraska, Lincoln, NE.

Bernard J. Ficarra, M.D., President, Catholic Academy of Sciences, Washington, DC.

Robert Clancy, M.D., Associate Professor of Neurology and Pediatrics, University of Pennsylvania School of Medicine, Philadelphia, PA.

James Boyce, M.D., Professor of Anesthesiology, Director of Medical Student Services, University of Alabama School of Medicine, Birmingham, AL.

Mary Ann Dettmann, M.S., Associate Professor, Department of Physical Therapy, Marquette University, Milwaukee, WI.

Richard J. Ellis, Ph.D., Department of Biology, Bucknell University, Lewisburg, PA.

Richard J. Fehring, D.N.S., R.N., Associate Professor and Research Facilitator, Marquette University, College of Nursing, Milwaukee, WI.

William J. Keppler, Dean, College of Health, Professor, Human Genetics, Florida International University.

Gloria E. Payne, Ph.D., Associate Professor of Biology, Georgian Court College, Lakewood, NJ.

Gervasia M. Schreckenberg, Ph.D., Professor of Neurobiology, Georgian Court College, Lakewood, NJ.

Paul R. Beining, Professor of Biology, University of Scranton, Scranton, PA, Guest Researcher with FDA on NIH campus, Washington, DC, Scranton, PA.

William J. Koopman, M.D., Professor of Medicine, Division of Clinical Immunology and Rheumatology, University of Alabama, Birmingham, AL.

Kimberly A. Sherrill, M.D., M.P.H., Department Gray School of Medicine, Medical Center Blvd., Winston-Salem, NC.

Richard Kiovsky, M.D., Department of Family Medicine, Indiana University, Indianapolis, IN.

Eugene F. Diamond, M.D., Professor of Pediatrics, Loyola University School of Medicine, Chicago, IL.

William V. Dolan, M.D., F.A.C.S., Program Director, ESPERANCA, Inc., Phoenix, AZ.

John O. Fleming, M.D., Associate Professor of Neurology, Medical Microbiology and Immunology, University of Wisconsin School of Medicine, Madison, WI.

Michael Muhonen, M.D., Department of Neurosurgery, University of Iowa Hospitals and Clinics, Iowa City, IA.

Robert E. Flynn, Professor of Medicine and Neurology, Tufts University School of Medicine, Medford, MA.

Mr. COATS. Mr. President, I urge my colleagues to think this through carefully, think about this policy currently endorsed and supported by the administration which allows fetal tissue research to proceed but has provided meaningful safeguards. We cannot and need not allow our compassion to be made an enemy of our humanity.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I want to commend my friend from Indiana for the interest and thought he has invested in this issue. He made a number of these points effectively during the course of the markup, and he makes them again this afternoon.

For those who are following the debate, if they were to review the various remarks of the Senator from Utah, myself, and others, they would gain an understanding of the differences between various sources of fetal tissue and the relevance to conducting fetal tissue transplantation research. The fact is that even with all of the papers to which the Senator from Indiana has referred, there is only $10 million a year spent on fetal cell research. Yet, it was on the basis of fetal cell research that we discovered the vaccine for polio. We are talking about similar potential in research on Alzheimer's disease, spinal cord injury, multiple sclerosis, and a range of other diseases. Only $10 million and none can be spent on this promising research.

The Senator from Indiana said that all the ban simply forbids is NIH from participating in this research and that it can be conducted by the private sector. Yet, 99 Nobel laureates either do their research at NIH or have NIH grants and under the ban, not one of them is able to do this kind of research. The NIH is the pride of the Nation in terms of biomedical research. It's total budget is $8.9 billion a year and yet, of the $10 million a year being spent on fetal cell research, none may be used to support human fetal tissue transplantation research. This area of research has been identified as having enormous potential to save lives.

I think it is important to point out that when we are shown large sheaves of paper being waved around on the floor, we automatically think, that oh, my goodness, all this research is being done.

The fact is that it is not being done, and if this moratorium had applied in other areas of scientific inquiry, we would have excluded those 99 Nobel laureates. We have tried to find one American Nobel laureate who at some time did not receive NIH funding either at NIH or at a university. Thankfully, we have yet to find one, but if we were to follow the logic of the Senator from Indiana, we could find one in the future. The Senator knows full well that the amount of this research that is being done in the private sector is infinitesimal. This is a golden opportunity for progress, and that is what this debate is really all about—research freedom.

Mr. COATS. Mr. President, I wonder if I could ask the Senator for 2 minutes to respond to his statement.

Mr. KENNEDY. Fine.

Mr. COATS. Mr. President, just in response to the Senator from Massachusetts, I would point out that Senator HATCH's amendment did authorize an increase from $10 to $25 million for the research that the Senator was alluding too. And in addition to that, the Congress, this administration, the American taxpayers are funding alternative research in these very areas we are talking about to the tune of $55 million a year in Parkinson's alternative research, a whole number of areas, $259 million a year for alternative research for diabetes and $186 million a year for alternative research in Alzheimer's, not insignificant funds.

The question remains, no matter how much money we might choose to put into this research, the moral and ethical questions remain before us. I think they need to be addressed, and I think every thoughtful Member of this body will want to address those moral ethical questions along with the amounts of money currently being funded for this type of research.

FETAL TISSUE TRANSPLANTATION

Mr. ADAMS. Mr. President, we heard earlier this afternoon a presentation by Senator COATS on fetal tissue transplantation research that I want to reply only by putting in the RECORD a letter from the University of Minnesota. I received this letter this morning from the research scholars who wrote the impressive study on the use of human fetal tissue. The letter objects to a memo being circulated by the American Life League that uses their study as a source. The University of Minnesota researchers support lifting the ban on fetal tissue transplant, and they enthusiastically support the bill.

Mr. President, a great deal of opposition to fetal tissue transplantation research has relied on false information. I am outraged by the misuse and distortion of research studies from prestigious universities.

This morning, I received a letter from researchers and scholars at the University of Minnesota who wrote an impressive study on the "Use of Human Fetal Tissue" dealing with the scientific, ethical, and policy concerns of this research.

Their letter objects to a memo being circulated by the American Life League that claims to use the University of Minnesota's study as their source.

The American Life League memo is a blatant misrepresentation of the findings in the university's report.

The University of Minnesota researchers support lifting the ban on fetal tissue. They also enthusiastically support my bill, S. 1902 now included as title II in the bill before us.

I would like to read their letter to set the record straight.

UNIVERSITY OF MINNESOTA,
CENTER FOR BIOMEDICAL ETHICS,
Minneapolis, MN, April 2, 1992.

HON. BROCK ADAMS,
Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR ADAMS: Thank you for bringing to our attention the memo prepared by Marla Burt of the American Life League addressed to Legislative Assistant for Fetal Experimentation. We would like to respond to the American Life League's objections to the use of federal funds for fetal tissue transplantation research, since they claim to have derived their conclusions from our report "The Use of Human Fetal Tissue: Scientific, Ethical, and Policy Concerns." We fear that some of the selective quotations, quotations made out of context, and the blatant misrepresentations of the contents and conclusions of our report may lead you and other Senators to erroneously conclude that the ban on federal funding of fetal tissue transplantation research should be continued. It should not.

We enthusiastically support the bill that you sponsored, which is now before the Senate. The bill accomplishes several crucial objectives:

It encourages immensely promising research for devastating conditions for which no adequate treatment exists, while obligating researchers to adhere to a rigorous system of federal protections and oversight

It prevents the transplantation of fetal tissue from encouraging women to abort fetuses they otherwise would carry to term

It protects the health and privacy interests of women who may be asked to donate fetal tissue

It requires respectful treatment of fetuses

It requires respectful treatment of tissue recipients, researchers, and others.

The League maintains that federal funds should not be used to support fetal tissue transplantation research because they found evidence in our report that—

(1) Tissue may be obtained from living fetuses;

(2) a market may be created for fetal tissue;

(3) women are not always informed of the risks associated with donating fetal tissue;

(4) abortion practices may be modified in ways that are risky to women;

(5) tissue users may interfere in the woman's abortion decision and/or the physician's choice of abortion procedures;

(6) it is not possible to conduct quality control studies on fetal tissue before transplant; and

(7) fetal tissue transplants have not proved unequivocally successful.

Objections 1 and 2. Not only are they addressed by your bill, but federal and state laws already prohibit the use of tissue from living fetuses and the buying and selling of tissue from dead fetuses.

Objections 3, 4, and 5. It is commendable that the American Life League shares concern for the interests and well-being of the women asked to donate fetal tissue. However, your bill fully and adequately acknowledges and addresses the interests and well-being of women. It is the first fetal tissue policy proposal that does so. A vote against the bill is a vote to allow these three objectionable practices to continue unchecked since researchers receiving private funds may not be subject to federal regulation of any kind.

Objection 6. It is empirically false that fetal tissue can only be transplanted while it is fresh and before it is possible to study its quality. Both the report and the scientific literature indicate that many quality control tests can be, and are, conducted on fetal tissue before it is transplanted in human recipients. Once again, passage of the bill before the Senate would provide potential recipients of fetal tissue transplants with more, rather than fewer, protections. Potential recipients are best protected against unreasonable and unnecessary risks if they are subjects enrolled in federally funded research. Only then are they assured that the study has received rigorous peer review, and prior review and approval by an institutional review board to ensure that the research conforms to the federal regulations for the protection of human subjects, i.e., that the risks are minimized, that the risks are determined to be reasonable given the potential benefits, and that the risks are clearly disclosed to the subject prior to transplantation.

Objection 7. The American Life League believes that because early reports of certain types of fetal tissue transplants available at the time we published our report in January 1990, federal funds should not be used for fetal tissue transplantation research. Specifically they cite reports of fetal tissue transplants in 2 patients with Parkinson's disease, 38 patients with diabetes, and a few patients with immunological disorders, metabolic storage disorders, or victims of high dose radiation. The League falsely suggests that fetal tissue transplants fail to work in children suffering from DiGeorge's syndrome, when in fact fetal tissue transplants have been standard therapy since the 1960s. They also fail to comment on the more promising reports of fetal tissue transplantation research in patients with Parkinson's disease published since we released our report. It is both illogical as well as poor public policy to suggest that the government should only fund research on treatments for devastating illnesses if the treatments have already been proven effective. The issue is whether funds should be available for fetal tissue transplantation research, not therapy.

The American Life League concludes that the only governmental policy that can address their concerns is to prohibit the use of federal funds for fetal tissue research. If the federal government implements the sort of requirements for the donation, procurement, and use of fetal tissue contained in the Senate bill, all parties involved in fetal tissue transplantation research can be respected and protected.

Please let us know if we may answer any further questions.

Sincerely,

DOROTHY E. VAWTER, Ph.D.
KAREN G. GERVAIS, Ph.D.
ARTHUR L. CAPLAN, Ph.D.

UNANIMOUS-CONSENT AGREEMENT

Mr. KENNEDY. Mr. President, on behalf of the majority leader and, as I understand, with the support of Senator DOLE, I ask unanimous consent that the pending amendments be withdrawn; that Senator SIMON be recognized to offer an amendment on the subject of sexual behavior; that his amendment be immediately laid aside; that Senator HELMS be recognized to offer his amendment that is provided for in the consent agreement dealing with the same subject; that there be 2 hours for debate on both the Simon and the Helms amendments to run concurrently and be divided between Senators SIMON and HELMS, or their designee; that neither the amendments nor possible language proposed to be stricken by the amendments be subject to amendment; that at the conclusion or yielding back of the time, the Senate, without any intervening action or debate, vote on the Simon amendment to be followed immediately, without any intervening action or debate, by a vote on the Helms amendment.

The PRESIDING OFFICER. Is there objection?

Mr. LEAHY. Reserving the right to object. Would it be possible before this 2 hour starts that the Senator from Vermont may be able to have a total of, say, 6 minutes for a statement on the bill, no more than that, if that can be part of the request?

Mr. SIMON. Mr. President, if my colleague will yield, I have no objection to that. I am in the awkward situation of having this amendment on the floor and we are marking up the budget. The Budget Committee does not permit proxies. If he could withhold while I offer the amendment, then I would be pleased to agree to that.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

The two amendments requested are withdrawn.

The amendments (Nos. 1754 and 1755) were withdrawn.

AMENDMENT NO. 1756

(Purpose: To impose certain requirements with respect to surveys of sexual behavior)

Mr. SIMON. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Illinois [Mr. SIMON] proposes an amendment numbered 1756.

Mr. SIMON. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

At the appropriate place, insert the following new section:

SEC. . REQUIREMENTS REGARDING SURVEYS OF SEXUAL BEHAVIOR.

With respect to any survey of human sexual behavior proposed to be conducted or supported through the National Institutes of Health, such survey may not be carried out unless—

(1) the proposal for such survey has undergone review in accordance with the applicable requirements of sections 491 and 492 of the Public Health Service Act; and

(2) the Secretary, in accordance with the provisions of Title II of this Act, will make a determination that the information expected to be obtained through the survey will assist—

(A) in reducing the incidence of sexually transmitted diseases, the incidence of infection with the human immunodeficiency virus, or the incidence of any other infectious disease; or

(B) in improving reproductive health or other conditions of health.

The PRESIDING OFFICER (Mr. FOWLER). Who seeks recognition?

Mr. KENNEDY. I yield 7 minutes to the Senator from Vermont.

Mr. LEAHY. I thank the Senator from Massachusetts and the Senator from Illinois.

Mr. LEAHY. Mr. President, I do thank the managers, Senators KENNEDY and HATCH, for working with me to include my cancer registries legislation in the NIH reauthorization bill. This new national system of cancer registry is going to bolster all of our efforts to win the war on cancer.

One in three Americans today will get cancer; one in five are going to die of this devastating disease. But there is one cancer in particular that has reached epidemic proportions. It is breast cancer. It is going to strike 180,000 American women this year alone. Every 3 minutes, another woman in this country will be diagnosed with the disease. Every 12 minutes, another woman in the United States of America will die of breast cancer.

Breast cancer is killing our mothers, our daughters, our sisters, our friends. Despite decades of research and experimentation, there is no certain cure for it and there is no known cause for this disease. Why? One reason is the lack of information about cancer—who's getting it, what kind of work they do, what kind of treatment they're receiving, and so on.

We have had a 20-year war on cancer in the United States, but many of our States lack statewide cancer registries that record data on the incidence, stage, and treatment of cancer. Many of the States that do have cancer registries do not have the recourses to maintain their operations.

My bill creates a uniform system of cancer registries in every State so that researchers for the very first time are going to have a nationwide data base, and they can use it to track cancer rates and strengthen prevention efforts.

This bill provides $30 million a year to States to establish or upgrade their cancer registry systems. Planning grants are available to States like my own that currently are without registries.

Mr. President, cancer, and especially breast cancer, knows no geographical bounds. But breast cancer hits women in Vermont, in the Northeast, and in the Mid-Atlantic region with particular harshness.

Mr. President, I would just note here today that this map states it rather graphically. The area in red shows the States with the highest breast cancer mortality rates. Look where it is in the Northeast—Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, the District of Columbia. Again, researchers cannot explain why.

This legislation launches a comprehensive study to determine why these States, the States I have shown, lead the Nation in breast cancer mortality rates. The bill is supported by virtually everyone: the American Cancer Society, the Breast Cancer Coalition, the National Women's Health Network, the American Association of Central Cancer Registries, the National Tumor Registrars Association, and the Congressional Caucus for Women's Issues.

My friend from Vermont, my colleague in the House, Congressman BERNARD SANDERS, has spent countless hours developing this legislation and seeking support for the companion bill in the House. I compliment Congressman SANDERS because he now has 94 Members of the House signed on to the bill.

In this body, I want to thank my cosponsors, Senators ADAMS, MIKULSKI, D'AMATO, DURENBERGER, SIMON, HATFIELD, BINGAMAN, BIDEN, INOUYE, DECONCINI, and, of course my distinguished and valued colleague and friend from Vermont, Senator JEFFORDS, for their work on this bill.

Listen to the names of the people who have signed on. This legislation certainly is not partisan. It is not even regional. It goes beyond all such bounds because we know that in the absence of a cure, prevention and early detection are our best hopes in the fight against cancer. The legislation will give cancer patients a fighting chance, with a uniform system of cancer registries in every State that will help to track cancer rates and strengthen prevention efforts.

Mr. President, I say to all Members of the Senate, look at the map. Look at the map and ask yourself why in your State is the breast cancer mortality rate so high. Even if you are in one of the States with the lowest rate, why is it even that high? Certainly, if you are in a State like my own State of Vermont, with one of the highest rates, again you have to ask yourself, Why? Again, the fact is we do not know.

But with the legislation that has been adopted, including my cancer registries bill, we finally have a fighting chance to find out why. Can we really say to the women of America that we can do any less in the Congress? Let us hope that with this step, in the near future, we will see this map and these colors change and slowly disappear.

Mr. HARKIN. Mr. President, I wonder if my distinguished colleague, the senior Senator from Vermont, would engage me in a brief colloquy relative to this amendment.

Mr. LEAHY. I would be pleased to.

Mr. HARKIN. I wanted to get the Senator's clarification that this amendment recognizes the successful SEER Program run through the National Cancer Institute and that it is not the intent of this amendment to in any way diminish the support for the SEER Program.

Mr. LEAHY. That is correct. The SEER Program is successful and it should be maintained and enhanced.

Mr. HARKIN. Is it also your understanding that entities currently receiving support from the SEER Program would be eligible to compete to participate in the cancer registry program established by this amendment?

Mr. LEAHY. The Senator from Iowa is correct, to the extent that the cancer registry program does not supplant the SEER Program and its support.

Mr. HARKIN. I thank my friend from Vermont for those clarifications and commend him on this thoughtful and needed amendment.

Mr. LEAHY. Mr. President, I thank my distinguished colleague from Massachusetts for providing the time, and I yield the floor.

Mr. KENNEDY. Mr. President, we are waiting for the Senator from North Carolina to come to the floor to present his amendment and give him an opportunity to address this subject matter. Senator SIMON and I have spoken about the importance of his amendment, and I will take just a few more minutes to address it in just a short time.

I yield the floor. How much time does the Senator from Washington want?

Mr. ADAMS. Three minutes.

Mr. KENNEDY. I yield 4 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington [Mr. ADAMS] is recognized.

ORDER OF PROCEDURE

Mr. ADAMS. Mr. President, I ask unanimous consent that I might speak out of order for 1 minute.

The PRESIDING OFFICER. Without objection, it is so ordered.

TRIBUTE TO INDIVIDUALS

Mr. ADAMS. I want to pay a special tribute to Laura Brown for her tremendous dedication and intelligence and hard work and to some extraordinary people—Joan Samuelson, Anne Udall, Rev. Guy Walden, and Judy Culpepper.

The lives of these four individuals have been touched by tragedy. In 1987, Joan was diagnosed with Parkinson's disease at the age of 36; Anne's father and our distinguished colleague, Mo Udall, suffers from Parkinson's disease as does Judy's husband Brett; Guy and his wife, Terri, have had to bury two children born with the fatal genetic disease Hurler's syndrome before either reached the age of 10.

But each one of these individuals has turned private tragedy into extraordinary triumph. By sharing their stories and the personal struggles they face every day, they have helped us to see the anguish that millions of individuals and families go through when they receive a diagnosis of Parkinson's or Hurler's disease and find out there are no cures for these devastating fatal diseases.

Fetal tissue transplantation research holds the great promise for finding a cure to these diseases and others. Yet the Reagan-Bush administrations' ban against this life-saving research has blocked its progress.

Today that research will go forward. And the thanks go to Joan, Anne, Guy, and Judy, and all those in the Coalition for Research Freedom, who worked tirelessly for the passage of S. 1902, the Research Freedom Act included as title II in the National Institutes of Health Reauthorization Act, H.R. 2507.

By joining forces, Joan, Anne, Guy, and Judy have accomplished a rare feat: 77 of my colleagues voted yesterday to support overturning the ban.

It is all the more remarkable because these individuals, under ordinary circumstances, might not have come together. They are Democrats and Republicans, pro-choice and pro-life, from all parts of the country, all brought together by compassion and humanitarianism.

Mr. President, we should make no mistake about this victory. It is historic. Scientific freedom will prevail. And I pray that soon we will have the cures for these diseases.

I am glad that I could offer this legislation and see it succeed. And I am honored to have had the opportunity to work with all the people who have dedicated so much of their lives to make this victory a deeply personal one.

I say this because in an important debate like this, under the leadership of Chairman KENNEDY, these people joined together to take a great step forward in the research of the United States and in giving hope to a whole group of people who have had no hope—those with diabetes, with Parkinson's. These extraordinary people deserve our tribute. They deserve our particular thanks.

Above all, I want to give my thanks to my special assistant, whom I could not deal without, Robyn Lipner. She has been one of those who has organized this work on this particular amendment.

I do that at this time because often at the end of a bill we are giving thanks to people, and I know that this will be done, but these particular people worked on a special issue. This special issue, I think, with the chairman and the ranking member of the committee's work, will lead to a whole new type of hope for people with special neurological diseases, and I particularly, in my case, am interested in Alzheimer's disease.

SPECIAL TRIBUTE TO LAURA BROWN

Mr. ADAMS. Mr. President, I rise today to give special recognition to Laura Brown for her tremendous dedication, intelligence, and hard work as a Presidential management intern for the Subcommittee on Aging. Laura's work on the Research Freedom Act, included as title II of the National Institutes of Health Reauthorization Act, H.R. 2507, has been particularly notable. She has devoted herself to long days of work researching the complex medical and ethical issues raised by this bill, preparing excellent talking points on a wide variety of subjects, as well as floor statements on behalf of this terribly important lifesaving legislation. She has also been delightful to work with and the staff of the subcommittee give her the highest praise for her limitless energy, intelligence, and effervescent personality.

Laura will be taking the MCAT medical school entrance exam next Saturday. It is my hope that she will go on to medical school because I am sure she will bring the same dedication and intelligence to the practice of medicine.

Finally, Mr. President, I want to pay special tribute at this time, since Senator COATS had discussed the fetal tissue transplant issue, to a number of members of both the coalition and others that I will refer to later in the afternoon.

I am going to place this in the RECORD at this time. But this is a very important vote. I want to thank the chairman and the members of the committee for having placed this in the bill and for the Members having voted for it yesterday.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that Dr. Jim Merchant, a legislative fellow on Senator HARKIN's staff, be given floor privileges today.

The PRESIDING OFFICER. Without objection, it is so ordered.

PAGES 11 AND 12, SECTION 205 STRICKEN

Mr. KENNEDY. I ask unanimous consent that section 205, pages 11 and 12, of the managers' amendment be stricken.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

AMENDMENT NO. 1757

Mr. HELMS. I thank the Chair for recognizing me. I send an unprinted amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The Chair would note that under the previous order amendment No. 1756 is set aside.

The Senator from North Carolina is authorized to offer his amendment.

Mr. HELMS. That is correct.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from North Carolina [Mr. HELMS] proposes an amendment numbered 1757.

On page 115, strike lines 1 through 17 and insert the following:

"SEC. 1010.—PROHIBITION AGAINST SHARP ADULT SEX SURVEY AND THE AMERICAN TEENAGE SEX SURVEY.

The Secretary of Health and Human Services may not during fiscal year 1992 or any subsequent fiscal year conduct or support the SHARP survey of adult sexual behavior or the American Teenage Study of adolescent sexual behavior. This section becomes effective April 15, 1992.".

Mr. HELMS. Mr. President, have the yeas and nays been ordered on the Simon amendment?

The PRESIDING OFFICER. I believe they have. The Chair is incorrect; they have not. The yeas and nays on the Simon amendment have not been ordered.

Mr. HELMS. I ask for the yeas and nays on the Simon amendment.

The PRESIDING OFFICER. The Chair must advise the Senator that that is not in order because it is not the pending question.

Mr. HELMS. Mr. President, the amendment at the desk would strike section 1010 of the underlying bill and insert language to prohibit forcing the American taxpayers to provide an estimated $25 million to fund two national sex surveys that the Secretary of the Department of Health and Human Services [HHS] has already rejected as being improper, but which Secretary Sullivan would nevertheless be required to fund under the bill as amended by Senator SIMON.

Section 1010 requires the Secretary of Health and Human Services, whether he likes it or not, to provide money for these two sex surveys—proposed by research bureaucrats on the Federal payroll. Funding for these projects is required even though the Secretary has made the judgment that the surveys are not in the public's best interest and, by the way, the Senate already rejected these two sex surveys last September by a margin of 2 to 1.

Mr. President, the pending amendment strikes out this outrageous mandate in section 1010—and that is what it is, a mandate—because it interferes with the ability of the Secretary of HHS to run his department. HHS and the Justice Department, by the way, justifiably objects to this provision because it clearly intrudes upon the constitutional power of the executive branch as provided by the separation of powers provisions of the Constitution.

Just for the purpose of emphasis, I will reiterate that on September 12 of last year, the Senate voted 66 to 34 in support of my amendment to strike what was then a $10 million, 1 year appropriation designated for these two sex surveys, and to shift that $10 million into what is called the adolescent family life programs to encourage teenagers to abstain from sexual activity. I have placed copies of that rollcall vote on the desks of my colleagues, so that each Senator can recall his or her position of last year.

At this time, I ask unanimous consent that the rollcall vote of September 12, 1991, be printed in the RECORD immediately prior to today's vote on the Helms amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. Mr. President, despite the overwhelming vote by this Senate on this issue last fall, some elements in Congress have not yet gotten the message. Their resurrection of the sex survey issue in section 1010 is just another example of an unceasing effort to fund their warped social and political agenda with millions of dollars of taxpayers' money.

I resent that, I object to it, and that is why I am on this floor this afternoon with this amendment.

The amendment last September 12 presented Senators with a clear-cut choice between supporting title XX—the only federally funded sex education program that counsels our children to abstain from having sex until they are married—or supporting the reprehensible sex surveys that the sexual liberation crowd is pushing, the real purpose of which is to cook the scientific facts to legitimize homosexual and other sexually promiscuous lifestyles.

No other face can be put on it. The Senate had a clear choice last September between support for sexual restraint or support for homosexuality and sexual decadence.

So, Mr. President, the pending amendment will disclose whether Senators will keep faith with their earlier votes. Once again, the issue is whether we are going to permit the use of the American taxpayers' money to pay for sex surveys deliberately designed and staffed to produce preordained results ostensibly showing that promiscuous, perverted, sexual practices are normal and, therefore, socially acceptable.

Mr. President, the Senate must reject this cruel hoax.

The truth is clear, Mr. President. Children are engaging in sex at younger and younger ages as the so-called sex education agenda moves into the elementary schools—an agenda often camouflaged as so-called AIDS education. But the real intent and real effect of these programs unmistakably desensitizes children at younger and younger ages to immoral and deadly sexual lifestyles.

Mr. President, I am persuaded that the majority of Americans clearly understand that the real purpose behind the current sex survey proposals is not to stop the spread of AIDS. The real purpose is to compile supposedly scientific and Government-sanctioned statistics supporting ultra-liberal arguments that homosexuality is normal behavior.

Bullfeathers. There is nothing normal about it, Mr. President. I believe the majority of the American people know that. I believe that the majority of the American people resent the use of their money to promote and legitimize this immoral lifestyle.

The handwriting is on the wall. These so-called scientific surveys will be used time and time again to confer acceptability, if not respectability, upon homosexuality by portraying it implicitly or explicitly as normal sexual behavior. However, it is precisely these homosexual practices that account for at least 85 percent—perhaps more—of America's AIDS cases.

In short, the results of the sex surveys will be used—and you can see it coming—to legitimize the very behavior that accounts for the overwhelming majority of AIDS cases in this country.

Mr. President, from a scientific perspective, sex surveys, by their very nature, are neither objective nor scientific. On average, 40 to 60 percent of the people asked to participate in a sex survey will say: Forget it, I am not participating. The Centers for Disease Control will tell you that any refusal rate higher than 15 percent will skew any survey's results by at least 50 percent.

The participation rates, Mr. President, are so low because most Americans resent even being asked to answer questions about how often they engage in sex, with whom, their preferences for sexual partners, and which sex act they prefer.

Well, that raises the question of who does participate in their purportedly scientific surveys? Only those with the desire to share the graphic details of their sexual intimacies, real or imagined—people who obviously favor lewd or perverse sexual behavior.

Ask yourself, Mr. President, what kind of parents would even consider allowing their teen-aged child or children to answer questions contained in the NIH's proposed teenage sex survey.

At this point, Mr. President, I am in somewhat of a dilemma because of the repulsive nature—the repulsive nature—of the questions. I shall not read them in the RECORD. However, I do ask unanimous consent that a photostat copy of some of the questions from the American teenage sex study be placed on each Senator's desk.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

Mr. HELMS. Mr. President, the unacceptable nature of these NIH questions makes it obvious why 40 to 60 percent of Americans refuse even to participate in sex surveys. All the same, this does not deter the avidly prohomosexual members of the scientific community. They know that sexual deviants, perverts, and homosexuals will be disproportionately represented in every one of these sex surveys. In fact, they count on it because they want to buttress their political and social pretense that homosexuality is not deviant behavior, and of course, Mr. President, it is deviant behavior.

Such deception and misrepresentation have been endemic in such sex surveys from the very beginning. Look back at Alfred Kinsey's sex survey in the 1940's. It was the original source for the often cited phony statistic that 1 out of 10 people is a homosexual.

Now, Dr. Kinsey knew before he started what he wanted his survey to prove. So he never—never—disclosed the fact that he had surveyed mostly homosexuals, prisoners, and college students—a sample obviously nonrepresentative of the American people as a whole.

It was, and it was intended to be, a monumental falsehood.

Mr. President, Senators may also wish to know that the Government's supposedly objective research investigators for the proposed survey of adult sexual behavior are absolutely biased.

Let me give you some examples. One of the three investigators is a fellow named Stuart Michaels, a former chairman, now get this, of the American Sociological Association's Lesbian and Gay Caucus. Oh, what an objective guy he is going to be. And then there is a John Gagnon, who has been adviser or board member of organizations such as the National Organization for the Repeal of Marijuana Laws, the National Sex And Drug Forum, and the Institute for the Advancement Of Human Sexuality. I have never laid eyes on John Gagnon, but I do not want him in my living room. I do not think the majority of the American people would.

But let us consider a rather revealing quote from Mr. Gagnon's 1977 book entitled "Human Sexualities." I want to be very slow in reading the following quote because I want Senators to understand what the man said. I quote:

> The horror with which society views the adult who has sexual contact with young children is lessened when one examines the behavior of other mammals.

OK. We are going to compare humans with mammals. Then Mr. Gagnon asserts:

> Sexual activity between adult and immature mammals is common and appears to be biologically normal.

I think, Mr. President, most Americans will not agree with Mr. Gagnon's premise that the same standard be used for judging human sexuality as is used for animals.

Most civilized people would in fact agree, I think, that any adult who has sexual contact with children is—absolutely—an animal.

I commend Dr. Sullivan, the Secretary of Health and Human Services, for recognizing the absurdity of the NIH's proposal to spend $18 million—$7.1 million this year alone—on a national sex survey of American teenagers. Even though Dr. Sullivan canceled this project last year, and God bless him for doing so, section 1010 of this bill proposes to revive it, and Senator SIMON'S amendment merely adds to those provisions in section 1010.

Mr. President, NIH also proposes to spend another $3 million on a so-called SHARP survey of adult sexual behavior that the Office of Management and Budget and the House Appropriations Committee rejected in 1989. See, those projects have been rejected, rejected and rejected. And, here it is again popping up in this bill.

The fact is that despite the administration's commendable past efforts to stop both surveys, the sex liberation crowd is still pushing, pushing, pushing for them.

So, I close for the moment, Mr. President, but let me reiterate—at the risk of being repetitious—that the Senate considered this matter last September 12 when it voted 66 to 34 to strike the funding for these sex surveys. I fervently hope that Senators will do so again by supporting the pending Helms amendment.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. How much time does the Senator wish? I yield 4 minutes.

The PRESIDING OFFICER. The Senator from Vermont [Mr. JEFFORDS] is recognized.

Mr. JEFFORDS. Mr. President, as we all know, a little knowledge is a dangerous thing and we have far too little scientific knowledge on the topic of human sexual behavior, however sensitive and private a topic it may be. It is for this reason that I stand before you in support of the provisions in section 206 of the NIH reauthorization bill that deals with the issue of sexual behavior research.

I also support the Simon amendment which will assist us in making sure that that proceeds in the kind of way that should not lead us into difficulty.

The street knowledge, or ignorance, that typified sexual awareness in my generation, is perpetuated today in the attitudes that prevent a forthright approach to scientific research into human sexual behavior. This cannot continue.

The emergence, in epidemic proportion, of major social ills such as unintended pregnancy and sexually transmitted diseases including AIDS cry out for knowledge. We need data to tell us, not only what is happening, but why and where it is happening.

It is my belief that only through federally funded research can we gain this critical knowledge

David Landers, a Vermonter with a Ph.D. in educational counseling, and who is director of the student resource center at St. Michaels College in Vermont, has devoted his life to counseling young people. He urges me to support section 206 and sexual behavior research because he has come to know how terribly difficult it can be to convince young people, not only that they are at risk, but to take precautions to reduce or eliminate risk.

The only solution is to confront them with firm, indisputable, indeed sometimes shocking evidence. And such evidence can only be rooted in the irrefutable statistical reports that emerge from broad-based, carefully organized, scientific studies.

Mr. President, our young people are at risk. Our younger generation, future generations are at risk. The facts of life, or death, are that AIDS is not going to be cured in the immediate future. We must accumulate, as fast as possible, the behavioral knowledge upon which to base our defenses in order that our children can survive. That is why we need this bill now.

First of all, there is absolutely no evidence that asking adults or teenagers about sexual behavior research will promote or encourage sexual behaviors. Surveys do not give messages about moral or ethical values; they are designed to measure behavior and attitudes. We ask questions about crime in public surveys but these surveys are not alleged to promote crime.

There is also a significant misunderstanding about who will be surveyed about these behaviors. Only persons who have agreed to participate will be asked any questions. They will be told up front what the survey is about and given every opportunity not to participate or to stop if somewhere along the way they find that they do not wish to proceed.

Finally, and in some ways most importantly, it has been suggested that section 206 of this bill directs HHS to conduct sexual behavior research. That just is not the case.

Section 206 does not in any way mandate the conduct of sexual behavior research by the Department of Health and Human Services. Rather, it levels the field for studies of human sexual behavior by directing Secretary Sullivan to give another look at supporting such research. Under this bill Secretary Sullivan would be directed to convene an ethics advisory board that would include at least 50-percent membership from the general public, to review sexual behavior research studies that have been denied funding in the last several years.

Moreover Senator SIMON amendment is to the effect that before any survey of human sexual behavior can be undertaken through NIH, the projects must be reviewed for scientific and ethical considerations. I am cosponsoring this amendment, supporting this further precaution.

I urge that we defeat any amendments that prohibit or otherwise restrict the sexual behavior research provisions in this bill in order that we can undertake the research we so desperately need. I urge Senators to support the Simon amendment.

Mr. President, I yield back the remainder of my time and yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, I yield myself such time as I may use.

Mr. President, I strongly oppose the amendment of the Senator from North Carolina.

The NIH reauthorization bill is designed to put the genius of this nation behind prospects for saving lives and improving the quality of life for all of our citizens—through rigorously reviewed scientific research that is at the cutting edge and foremost in the world.

The Senator's amendment would politicize the scientific process and undermine our ability to deal with urgent health and social problems, and in so doing, may actually cost us American lives.

As a nation, we face many vitally important public health challenges, among them the skyrocketing rates of teenage pregnancies and sexually transmitted diseases, including HIV, that threaten the health and productive future of our youth.

Numerous prominent scientific and public health panels, including the Institute of Medicine.

Mr. President, I have an Institute of Medicine study here from 1991 where it points out that:

> The epidemic of HIV infection and AIDS is both a biological and a behavioral phenomenon and efforts to contain its spread must look to both biomedical and behavioral sciences for interventions.

It continues:

> Lack of knowledge regarding patterns and determinants of sexual and drug-using behaviors in the general public, as well as in groups at particular risk for HIV infection, has hampered public health efforts to develop health education interventions for the prevention of AIDS. The committee considers increased attention and funding to be warranted, given the lack of scientific data on behaviors related to HIV infection, the seriousness of the HIV/AIDS epidemic, available research opportunities in the field, and the potential public health benefits such research could realize.

And then it points out:

> Data are scarce on initiation into early sexual activities and the influence of family and peer groups on sexual behavior and contraceptive use. It is also unclear how much of the sexual activity of adolescence is motivated by sexual desire and how much results from the desire for peer acceptance and other nonsexual motives.

This is typical of the opinion put forward by the Institute of Medicine and others in the scientific community who believe that developing sound public policy is dependent on this kind of information. The National Academy of Sciences, the National Research Council, and the National Commission on AIDS have all issued reports documenting the need for reliable behavioral research data critical to designing and evaluating effective prevention strategies.

As we approached this debate, organizations such as the American Medical Association, the American Public Health Association, the American Psychological Association and many other medical and public health associations have urged the Senate in clear and unequivocal terms to put sound science and public health principles first. We should remember that today as we consider this amendment. In this case, putting America first means putting public health first.

The real issue is who determines what specific research projects the NIH pursues—research scientists with decades of experience—or the Congress.

The substitute amendment offered by Senators SIMON, JEFFORDS, and myself responds to concerns that Members have about federally funded behavioral research, and at the same time, supports the integrity of the scientific process.

The substitute would require that any proposed study of sexual behavior would be authorized for potential funding only after three specific restrictions had been met:

First, the project would have to be reviewed by the applicable local ethical review panel, in order to ensure that high ethical standards have been met.

If a university makes a request for funding for a study, they have to establish an ethical panel, who will review the request in terms of its ethical and scientific value.

Second, the project would have to be reviewed by the applicable scientific peer review panels in order to ensure that rigorous scientific standards had been met.

Those panels will actually be named by the Secretary himself or herself. They set up these panels. And they are in the best position to determine the scientific validity.

And finally the project would have to be reviewed by the Director of the relevant Institute of the NIH in order to assure that the study would assist in the prevention of infectious diseases—or the improvement in health status. What we are talking about is the need for data critical to our ability to develop appropriate educational materials to prevent the spread of infectious disease—and to improve our health status.

The Simon-Kennedy amendment protects both the public interest and the public health.

There is a long standing tradition of Members on both sides of the aisle standing on this floor to defend the NIH and the peer review process from political whim.

We should continue that tradition today and reaffirm our commitment to sound science and the integrity of the NIH.

If we are to protect the public health and remain in the forefront of medical knowledge and expertise, we must ensure that health-related decisions are made by those who possess the information and the tools necessary to save lives and reduce suffering.

When presented with the same set of amendments, the House of Representatives refused to put politics before public health and voted by a veto-proof majority of 283 to 137 to support the substitute.

I urge my colleagues to vote for science by opposing the Helms amendment and to supporting the substitute.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I am sorry Senator JEFFORDS has left the floor. He repeatedly referred to section 206. For the Senator's information, section 206 in this bill has become section 1010, as the bill has been modified by Senator KENNEDY.

Now, I am going to ask my friend from Massachusetts if he would mind reading—and I am going to send it down to him—the questions in this photostat from one of the proposed surveys. Would the Senator just read them for the Senate's edification.

Mr. KENNEDY. Will the Senator yield for a response?

Mr. HELMS. Sure.

Mr. KENNEDY. All I am saying is we tried to get the various material. If the Senator thinks I am going to pick up a piece of paper from the Senator from North Carolina that I have not had a chance to examine and the authenticity of which I do not know, basically, which I do not know——

Mr. HELMS. Mr. President, I do not yield for that.

Mr. KENNEDY. The Senator is mistaken.

Mr. HELMS. Regular order, Mr. President.

Mr. KENNEDY. So I reject that request.

Mr. HELMS. Regular order.

The PRESIDING OFFICER. The Senator from North Carolina has the floor.

Mr. HELMS. You bet.

No, the Senator does not want to read the questions because they are so rotten that he would lose his case on the spot. That is his problem.

Now, these questions may be all right for a nightclub in Miami or Palm Beach at 2 o'clock in the morning on Saturday night, but they are not fit for young children to be asked in their own homes. That is the point I am making.

I am tempted to ask the clerk to read them into the RECORD since Senator KENNEDY is unwilling to do so. He pretends that he does not know what these questions are. He knows what they are.

Mr. President, I have two letters from the Department of Health and Human Services and the Department of Justice, that object to the provisions of title II—in section 202 to be exact—that require the Secretary of HHS to convene a special ethics advisory board before he can withhold funding from any project the Government researchers at NIH decide they want to fund—like these sex surveys.

More importantly, not only does title II require the Secretary to convene such an advisory board before he can withhold funding, but the Secretary must absolutely fund the project if a majority of that so-called advisory board approves the project. Since at least a third and perhaps as many as half of the board will have to be these same researchers who are pushing this garbage, can there be any serious doubt whether a majority of the board will approve the projects, over the Secretary's objections to them?

I reiterate: Secretary Sullivan, bless his heart, has already rejected these surveys. I think he knows a little bit more than Senator KENNEDY, or Senator JEFFORDS, or Senator SIMON, or JESSE HELMS, or anybody else about what is and what is not appropriate in this field.

So to pretend that this advisory board is going to work out fine, as I heard one Senator say, is nonsense. It will take away from the Secretary his constitutionally derived responsibility and authority.

Mr. President, how can the board be called an advisory board when Secretary Sullivan will be compelled to abide by whatever this board decides? Think about that. That is why the Departments of Justice and Health and Human Services say that this provision violates the appointments clause of the Constitution, and is, therefore, an infringement on the separation of powers provisions set up by the Founding Fathers.

Section 1010—which I would say to Senator JEFFORDS, if he were still here, used to be section 206 in title II before Senator KENNEDY modified the underlying bill—takes this unconstitutional process yet another step. That section says that the two sex surveys at issue—and NIH, by the way, says these are the only two research projects affected by section 1010—"shall be considered to have been recommended for approval" by such a newly required, so-called ethics advisory board as soon as this bill is enacted into law.

So let us not engage in legerdemain or obfuscation. Let us cut through the legal shenanigans, Mr. President.

Section 1010 says that Secretary Sullivan must fund these two sex surveys once this bill is enacted into law. It is as simple as that. And anybody who can read the English language knows not only what this section purports to do, they also know what it is afoot.

I reiterate for purposes of emphasis: Secretary Sullivan has already turned thumbs down on these two surveys. I think he is absolutely right, and I think the vast majority of the American people agree with him.

I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I yield myself such time as I require.

Mr. President, I want to point out for the RECORD, I do not intend to get into a debate about particular questions in the survey here on the floor of the Senate.

The basic issue in question to be resolved in this legislation is, are we going to meet the ethical and scientific standards I outlined earlier, at the local community and university level, as well as at the NIH. And having done that, we will allow valid and important research to proceed.

That is the way the procedure ought to work. There are some of those who would rather, perhaps, not know what is happening among the young people in this country. But there are certainly some strong public health challenges that beckon our attention.

Each year, more than a million teenagers 19 and under become pregnant; over 10,000 babies are born to girls under 15 years of age. The implications are staggering. We know that adolescents who have children before the age of 20 are more likely to drop out of school and become dependent on welfare. Ninety percent of the teenagers who have children, who do not graduate from high school, will be on welfare 10 years from the time they have their babies.

In 1989 the Federal Government spent over $21 billion for health and welfare services to families of teenage mothers. Sound public policy is cost effective. It saves money. Effective education efforts require an understanding of the context in which decisions about early sexual activities and risky behavior are to be made, and this information is desperately needed.

Sexually transmitted diseases among youth have been skyrocketing in recent years. Fifty-five percent of high school students become sexually active before graduation. More than 2.5 million adolescents contract a sexually transmitted disease each year; and 86 percent of the sexually transmitted diseases occur in people under age 29. These figures highlight an urgent public health concern, and the longer we delay the worse the problem becomes.

These diseases are a major cause of infertility, especially when they are undiagnosed and untreated. Up to 30 percent of all infertility may be due to past sexually transmitted disease infection. Over $2 billion is spent every year on health care costs associated with infertility and the heartache to women and families is immeasurable.

STD's cause painful and costly infections. They cause ectopic pregnancies, fetal deaths, and disabling illnesses. Over 7,000 infants were born with syphilis last year, the highest rate in 40 years, with an estimated medical cost of $128,000 per child.

Prevention and education efforts are essential to halt this tragedy. But our programs will not succeed without strong grounding in behavioral research.

We can no longer afford to proceed in the dark as we attempt to deal responsibly with these serious health problems. The Nation's public health experts have sounded the alarm. They have done so virtually unanimously with virtually no dissent.

Hundreds of years ago in medieval times, men feared witches and burned women. And now in the United States some who fear AIDS want us to burn research.

I want to include in the RECORD the profile on those individuals who were on the Committee to Study the AIDS Research Program of the National Institutes of Health. It was chaired by William Danforth, the chancellor of the Washington University at St. Louis, MO, the brother of our distinguished colleague.

I also include Linda Aiken who is a professor of sociology, University of Pennsylvania; Marshall Becker, associate dean, School of Public Health at the University of Michigan; Victoria Cargill, professor of medicine, University Hospitals of Cleveland, Case Western Reserve University; John Coffin, professor of the department of molecular biology, Tufts University in Boston; R. Gordon Douglas, senior vice president, medical and scientific affairs, Merck, one of the important pharmaceutical companies; James Eigo from New York, Herman Eisen who is the Whitehead Institute professor of immunology at MIT; Melvin Grumback who is the professor of pediatrics at the School of Medicine, University of California; Don Hopkins who is a consultant on the worldwide Global 2000; Max Lang who is professor, chairman, department of comparative medicine at Penn State; Curtis Meinert, professor of epidemiology, Johns Hopkins; Neil Nathanson, chairman of microbiology at the University of Pennsylvania; Philip Schein, president and chief executive officer of U.S. Bioscience; Arthur Silverstein, professor emeritus, Institute of the History of Medicine, Johns Hopkins.

Hardly a very inflammatory group. Anyone can look through this group and recognize these are men and women who are distinguished in their professions and who are attempting to provide a valuable public service—and I think they have.

Mr. President, all of us can effectively demagog particular kinds of questions, statistics, pictures and the like. What we are attempting to do in the amendment is ensure that research which can have an important and positive impact on the spread of infectious diseases is permitted.

It is the overwhelming conclusion of those who have the expertise and responsibility for the development of public health policy, that there has to be sound behavioral research. Some people might not like that, and some people might be offended by the questions presented by the Senator from North Carolina. There may be questions that offend me and offend other Members here, but it seems to me that given the seriousness of the problem, we ought to do all we can to ensure sound public health policy. That is what the Simon amendment, that I am a cosponsor of, would do. I yield 5 minutes to the Senator from Illinois.

Mr. HELMS, The Senator may yield for a question.

The PRESIDING OFFICER. The Senator from Massachusetts does control time.

Mr. HELMS. I will not have the clerk read back what the Senator from Massachusetts said, but it is a violation of the rules. But that is all right. Let Senator SIMON continue.

Mr. KENNEDY. The Senator from Massachusetts does not need a lesson from the Senator from North Carolina. I saw my colleague and friend from Illinois, the prime sponsor of the amendment, and I thought he ought to be entitled to speak. I am sure he will wait his turn. I will yield to him at such time when the Senator from North Carolina finishes.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. The Senator may need some instruction from somebody on a lot of things, but I still say that he yielded to the Senator from Illinois. Now if the Senator from Illinois will seek recognition, he will get it. But I think we ought to abide by the rules.

Mr. SIMON. Parliamentary inquiry, Mr. President. My understanding was that we divided the time between the two sides, and my understanding was the Senator from Massachusetts yielded to me part of the time that has been allotted to those of us who are in favor of my amendment. Is that correct?

The PRESIDING OFFICER. The Chair advises the Senator from Illinois that the time has been divided as under the control of the Senator from Massachusetts and the Senator from North Carolina.

Mr. SIMON. And the Senator from Massachusetts yielded me and I certainly do not want to cut off the Senator from North Carolina——

The PRESIDING OFFICER. It is the Chair's understanding that the Senator from Massachusetts had yielded, from the time allocated to him, to the Senator from Illinois.

Mr. HELMS. Mr. President, that is not the question. I am perfectly willing for the Senator from Illinois to go ahead, but I think the rules of the Senate ought to be abided by. The Senator has sought recognition and he may have it, as far as I am concerned.

The PRESIDING OFFICER. The Senator from Illinois has the floor and is using the time allocated by the Senator from Massachusetts.

Mr. SIMON. Mr. President, I strongly support, obviously, my own amendment and, with all due respect and I respect the sincerity of my friend from North Carolina, but I think he is dead wrong on this. When I say dead wrong, I think there are lives at stake here.

We are not going to protect ourselves through ignorance. It is just very simple. We ought to know what is happening—what is happening among young people, what is happening among adults—so we can stop the scourge of some of the social diseases that are plaguing our society. And on the teenage matter, parental consent is required, I underscore again, as well as voluntary efforts by the teenagers themselves.

But let us find out what is happening. That is why the American Medical Association, the American Psychological Association, American Psychiatric Association, even the American Red Cross which rarely gets involved in any of these things, the American Red Cross—I would point out that on the House side, the amendment which we have offered, carried the House 283 to 137, by more than a 2-to-1 majority. On the House side, there are two physicians, Representative ROY ROWLAND from Georgia and Representative MCDERMOTT from the State of Washington.

Those two physicians helped lead the fight for this. I would point out for any Senators who do not know Congressman ROWLAND is one of the most conservative Members of the House of Representatives, but he is a physician and he knows we do not protect ourselves through ignorance, through a cloak of silence about what is happening.

Will we find out some things we would sooner not know are happening in our society? Maybe we will. I do not know. Will we can find out what the patterns are, why some cities have a much higher rate of teenage pregnancy in terms of ethnic groups? Why do whites in Hartford, CT, have a much higher teenage pregnancy rate than whites in Detroit? Why do Wisconsin and Illinois have a much higher rate of births to unmarried black women, 76 percent, compared to 15 percent in Hawaii? Why the difference?

Will it hurt us to find out, to see what we can do to protect our young people? When the rate of AIDS among teenagers has gone up 40 percent in the last 2 years, are we just going to pretend that this has not happened?

I hope we do the sensible thing, Mr. President, and say let us find our the facts. Let us listen to the physicians of this Nation who advocate finding out the facts. Let us have this survey, conducted, I might add, by the University of North Carolina. Let us find out the facts and then maybe we can save lives. We are certainly not going to save lives through ignorance, by pretending we live in a day and age that we perhaps like when I grew up and the Presiding Officer grew up. Things have changed, some of them for the better, some of them for the worse. But let us find out where we are. Let us find out how we can protect people in our society.

Totally apart from the humanitarian side of it, this year—and the estimates vary—the estimates are that AIDS is going to cost our society $4 to $13 billion. Can we do something to try to prevent the spread of it? Let us find out. Let us have these surveys.

I hope we do the humanitarian thing. I hope we do the fiscal common sense thing by approving the amendment that I have offered and disapproving the amendment offered by my friend from North Carolina.

I respect his sincerity, but he is wrong on this one, dead wrong.

Mr. President, I yield the floor. If no one seeks the floor, Mr. President, I question the presence of a quorum and would ask that the time be allocated evenly to both sides during the quorum call.

The PRESIDING OFFICER (Mr. LAUTENBERG). Is there objection? The Chair hears none, and it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HELMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HELMS. May I inquire, Mr. President, as to how much time I have remaining?

The PRESIDING OFFICER. The Senator from North Carolina has 34 minutes remaining.

Mr. HELMS. Thirty-four. I thank the Chair.

Mr. President, I am almost amused at some of the statements being made here. When my friend from Illinois—and he is my friend—says that I am wrong, he is also saying that Secretary Sullivan is wrong. He is saying that Secretary Sullivan was wrong last year. He is saying that the Senate was wrong when it voted 2 to 1 in support of my amendment that banned this pair of surveys.

I will stand with Secretary Sullivan and the Justice Department and by the will of the Senate last September. But, is it not odd that the very same people who oppose my amendment insist that we should treat AIDS as a disease all of a sudden, while in every other area—I would point out—these same opponents insist that we treat AIDS as a social condition. They oppose disclosure of names. They oppose treating AIDS as we do other infectious diseases with respect to immigration, and they oppose each and every effort to stop the spread of AIDS as we do with all other infectious diseases.

I believe the Senator from Utah is not on the floor. Would somebody check in the Cloakroom and see if he is there, because I want to ask him a question.

Until Senator HATCH can come, I suggest the absence of a quorum, with the time being charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KENNEDY. Mr. President, I would like to read from an editorial—I yield myself 3 minutes—from the Chapel Hill Herald:

> If ignorance is bliss, Health and Human Services Secretary Louis Sullivan wants the United States to live in nirvana.
>
> Sullivan recently canceled a study of teenage behavior, stating that certain questions on the survey might lead people to underestimate the harm of casual sex. Other conservatives have objected to what they consider distasteful questions on the survey.
>
> The study was designed to roll back the clouds of myth that surround our perceptions about teen-age behavior, especially sexual activity. It would give public health officials valuable information about what types of risky activities teen-agers engage in. That, in turn, would allow health workers to find ways to combat those risky behaviors and prevent the spread of disease.
>
> The study is based on a logical premise. You can't fight an enemy you don't know anything about. And you can't prevent diseases from creating tragedy and even death if you don't know the extent to which those diseases may be spread.
>
> But Secretary Sullivan, who is supposed to look after the health of the nation, apparently has another item higher on his agenda: politics. In the name of morality, Sullivan and Co. have canceled the study. But their "moral" action reveals cynicism and utter lack of high principles. They've allowed partisan, petty politics to interfere with legitimate scientific research. They have placed a higher priority on self-importance and self-righteousness than on the lives that the survey's results could help save.

I ask unanimous consent that the full editorial be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICS HIDING BEHIND MORALITY

If ignorance is bliss, Health and Human Services Secretary Louis Sullivan wants the United States to live in nirvana.

Sullivan recently canceled a study of teenage behavior, stating that certain questions on the survey might lead people to underestimate the harm of casual sex. Other conservatives have objected to what they consider distasteful questions on the survey.

The study was designed to roll back the clouds of myth that surround our perceptions about teen-age behavior, especially sexual activity. It would give public health officials valuable information about what types of risky activities teen-agers engage in. That, in turn, would allow health workers to find ways to combat those risky behaviors and prevent the spread of disease.

The study is based on a logical premise. You can't fight an enemy you don't know anything about. And you can't prevent diseases from creating tragedy and even death if you don't know the extent to which those diseases may be spread.

But Secretary Sullivan, who is supposed to look after the health of the nation, apparently has another item higher on his agenda: politics. In the name of morality, Sullivan and Co. have canceled the study. But their "moral" action reveals cynicism and utter lack of high principles. They've allowed partisan, petty politics to interfere with legitimate scientific research. They have placed a higher priority on self-importance and self-righteousness than on the lives that the survey's results could help save.

As U.S. Representative David Price, D-4th, said this week before Congress, sing a public health issue as a political football is "the very antithesis of morality." We couldn't agree more.

Fortunately Price and other members of Congress succeeded in injecting some common sense into the sex-study debate. Price sponsored an amendment to an appropriations bill that would allow the federal funding of sex studies that had been approved by an expert panel. The successful amendment forestalled an opposite measure that would have banned the use of federal money for any sex survey.

It's unclear how the congressional action will affect the teen-age behavior study already canceled through the Health and Human Services Department. The amendment would still have to be passed by the Senate to become law.

But perhaps Secretary Sullivan, who appears to be a better observer of politics than he is of scientific method, will see the light that Congress is shining in his eyes and reconsider his decision.

U.S. health workers need the information that could be gleaned from a scientific survey of teen-age behavior, including sexual behavior. We hope this important research won't continue to fall victim to politics hiding behind the skirts of morality.

Mr. KENNEDY. Mr. President, I would also like to include in the RECORD an article from the Salt Lake Tribune by Linda Ellerbee. I will include that in the RECORD. It has this one particular paragraph:

> What problem, you ask? Teen-age sexual activity, teen-age pregnancy and teen-age sexually transmitted diseases (such as AIDS) are at an all-time high in this country, or, to put it in words even a pointy-headed bureaucrat can understand: More youths are "doing it," and youths are "doing it" more. More children are having babies. More children are dying. More children (and their babies) will be dying. If this doesn't bother you particularly, remember that all this costs taxpayers a whole lot of money.

Mr. President, I ask unanimous consent this article along with two others be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Salt Lake Tribune, July 27, 1991]

"JUST SAY NO" JUST BREEDS IGNORANCE, WON'T STOP TEEN SEX

(By Linda Ellerbee)

What's the difference between healthy people and ignorant people? None at all, if you ask our government. This is the government that has "Healthy People" as a stated goal for the year 2000. This is the government that admitted that the reasons for and consequences of early sexual behavior are poorly understood. This is the government that now is canceling plans for a comprehensive survey on the sexual behavior of teen-agers because—surprise, surprise—conservatives don't want to give the kiddies any dirty ideas.

Well, that sure ought to fix the problem.

What problem, you ask? Teen-age sexual activity, teen-age pregnancy and teen-age sexually transmitted diseases (such as AIDS) are at an all-time high in this country, or, to put it in words even a pointy-headed bureaucrat can understand: More youths are "doing it," and youths are "doing it" more. More children are having babies. More children are dying. More children (and their babies) will be dying. If this doesn't bother you particularly, remember that all this costs taxpayers a whole lot of money.

These are called facts, which are good things to know, especially if one wants to change them. But sometimes, in order to change facts, even more facts are required, such as "which children?" "just how often?" and "why?"

The study, which had been approved by the Public Health Service, would have asked these questions and more of some 24,000 teenagers in grades seven through 11. Precautions against invasion of privacy would have been taken. Consent of the teen-agers would have been required. Parental consent would have been required, and parents would have been interviewed also. In the end, we might have learned a thing or three. But this week Health and Human Services Secretary Louis Sullivan scrapped the study because, he said, it might detract from efforts to discourage sex among teen-agers. In other words, asking youths if they're "doing it" would encourage them to "do it."

The way asking somebody if they use drugs would encourage them to use drugs?

Excuse me, but is anyone else in this fair land as tired of the "Just Say No" mentality in our government as I am? Here's another fact. "Just Say No" doesn't work. Not when it's based on ignorance. It hasn't worked with drugs. It won't work with sex. Thinking people need reasons to make decisions, and even a teen-ager is a thinking person now and then.

If drug use is beginning to slow down among our young people these days, it's because of widespread and intensive educational efforts being made to teach children about drugs, about why people use them and what happens to people who use them, not because Nancy Reagan told children to "Just Say No."

This is all so very silly. Ignorance teaches nothing but ignorance. Most people believe they see the world as it is, but most of us really see the world as we are. You don't get people to change by telling them you're right and they're wrong. You don't get people to change by telling them they ought to. You don't get people to change by bullying them or by shouting at them. The only way you change somebody's mind is to walk over to where they're standing and say, "Oh, now I see what it looks like from here. Now I understand you. Now let's work from here."

You give them a reason to change.

But first, you've got to get to where they are. That's what this study was about. Getting to where teen-agers are. Getting inside their hearts and minds. Getting answers. Getting facts.

Getting truth.

And showing a little respect for the truth. That, I think, is what bothers me most. What we have now is a government that has little or no respect for the truth, a government that thinks sex education invariably leads to sex, a government that thinks sticking one's head in the sand will make the bad things go away. What a shame we don't live in Disneyland. These days, you stick your head in the sand, somebody's likely to do dirty things to the end sticking up in the air.

But don't tell our leaders about that either. When it comes to truth they don't like, they just say no. And we keep on paying. And so it goes.

'NAUGHTY!' IS NOT ENOUGH

How long will the Bush administration keep reflexively dropping, like a hot burrito, any project about which the far right cries "Naughty, naughty!"? This week, all it took to halt a major federal study of adolescent sexual behavior and factors influencing it was a complaint or two from groups that included the Rev. Pat Robertson's Christian Coalition.

Instantly, Health and Human Services Secretary Louis W. Sullivan put the study on hold pending further review. A bare 24 hours later he canceled it outright.

That response betrays both political cowardice and absence of thought. Two UNC-Chapel Hill professors have spent two years designing this planned five-year survey of 24,000 randomly chosen 7th through 11th graders across the country. The federal Public Health Service approved the project, and it was sponsored, for $18 million, by the National Institute of Child Health and Human Development.

Most important, this study aimed to pin down some actual facts about teen sexual activity and contraceptive use, and to put those facts in context. These researchers are not idle snoops or gossipmongers. Prof. Richard Udry, of the university's respected Department of Maternal and Child Health is director of the Carolina Population Center, Prof. Ronald Rindfuss is a reputable sociologist. They say the study is needed because no previous research has inquired into how teens' social world, including not only peers but family, school and church, affects their sexual lives and vice versa.

That makes sense. And it exposes the knee-jerk shallowness of those who praise Mr. Sullivan's ban on the grounds that we already know all we need to know about teen sex, * * * not enough to know if we want to help teens. It is only enough if we want to live in never-never land.

No questionnaire is perfect—and no one knows that better than a good survey researcher. That's why Drs. Udry and Rindfuss spent years trying to frame questions right and organize the questionnaire to skip what wasn't relevant. A girl who told interviewers she wasn't sexually active, for example, wouldn't be asked other questions about sexual practices.

What shows most clearly their responsible, careful planning is that no teen-ager would have been interviewed without parents' consent—and parents would have been interviewed too.

Mr. Sullivan said the survey could send "inadvertent" messages "counterproductive to his commitment to better communicate the message against casual sex." That is classic doublespeak. Asking for the reasoning behind some questions would have been fine. But to stop the project cold is pandering to those who prefer to deal with difficult reality by sticking their heads in the sand and hoping it'll go away.

On this subject, a nation as concerned about "family values" as this administration and the American people profess to be could certainly use a little hard, factual data—a few answers to the agonized "whys" in the minds of millions of parents and damaged or heartbroken teens. Like it or not, in this day and age, "Naughty, naughty!" is not enough.

RECONSIDER, MR. SULLIVAN

Evidently, when it comes to teen-age sexual behavior, Louis Sullivan would rather not know the facts.

Sullivan, the secretary of Health and Human Services, has cancelled an $18 million, 45-month study of teen sexual mores—a study that would have been led by researchers from the University of North Carolina at Chapel Hill.

Sullivan claimed the study might send an "inadvertent message" to young people, undermining the administration's efforts to persuade teens to say no to casual sex.

Despite Sullivan's careful rhetoric, the thumbs-down was clearly political—an easy way to throw a bone to conservatives and religious fundamentalists who had objected to the study.

One of the study opponents, Gary L. Bauer, president of the conservative Family Research Council, had said the study would be a waste of money because everybody already knows that too many teens are having sex too early with too many partners. Said Bauer: "We ought to be spending $18 million to figure out how to divert them from that conduct instead."

Bauer and the other critics missed the point.

According to Ronald R. Rindfuss, a professor of sociology at UNC and a member of the university's Population Center, the study was an attempt to understand the ways in which schools, families, churches, friends and communities influence teen attitudes and behavior.

The picture that would emerge from such a study might have helped to explain why the United States has such a high rate of teenage pregnancies. It might have shed light on the factors that lead so many young people to risk exposure to the virus that causes AIDS.

These are problems that cannot be solved in a knowledge vacuum. Simply telling young people to abstain from casual sex isn't going to make the problems go away.

In the interests of science, Sullivan should look for a graceful way to reconsider this hasty and unwise decision.

The PRESIDING OFFICER. Who yields time?

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. KENNEDY. I yield 3 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois has 3 minutes.

Mr. SIMON. Mr. President, if I may respond to the remarks of my colleague and friend from North Carolina—and as he said before we are friends. We are neighbors over in the Dirksen Building, and I respect his sincerity.

No. 1, I was over in the Budget Committee in a markup in the Budget Committee at the same time I have had to be here on the floor.

But on the survey questions, my understanding is those specific questions are no longer part of any survey proposed. But there will be an ethical review board appointed by the Secretary to review all of this if the Secretary so desires. I assume that Secretary Sullivan will appoint a good ethical review board.

Second, when the Senator from North Carolina—if I may have his attention here—says that Secretary Sullivan was wrong, as a matter of fact Secretary Sullivan has been on both sides of this issue.

Mr. HELMS. I did not say the Secretary was wrong.

Mr. SIMON. No; the Senator said by implication that I am saying the Secretary is wrong. And the fact is I am saying the Secretary was right first when he said these were OK, and he was wrong later when he turned them down.

When you say the Senate was wrong, I think the Senate was wrong in its first vote. I do not think the Senate was aware of what was going on. I hope we do the right thing here today.

Finally, I would just say to my friend from North Carolina, and to my colleagues in the Senate, ignorance is not a shield. It is like we are on a train track, and there is a train coming down, and someone says put a bandanna on your eyes so you do not see the train, plug your ears so you do not hear the train, and then maybe the train will stop on its own. That is not what is going to happen.

We better find out what is going on. Ignorance is not going to protect us. We better find out.

If I have any of my time remaining, I yield it to the Senator from Massachusetts.

Mr. HELMS. Mr. President, I yield myself such time as I may require.

Mr. President, since the chairman of the Health and Human Resources Committee raised doubts as to the authenticity of the photostated survey questions, I want to ask the Senator from Utah [Mr. HATCH], the ranking member on that committee, if indeed these questions are authentic and taken from NIH's proposed American teenage study of sexual behavior?

Mr. HATCH. I can tell the distinguished Senator from North Carolina that this draft entitled: "The American Teenage Study, School Administrator Questionnaire; Teenage American Study," sponsored by National Student Child Health and Human Development, constituent of the U.S. National Institutes of Health, Department of Health and Human Services—the particular information as I understand it the Senator wants verified, verify this whole study, as being a study. But the particular pages that the distinguished Senator has asked to have verified are section 5 entitled "Homosexual Behavior," pages 116 and 117, I believe. They are the pages within the study. They are 2 pages of the study of 124 pages.

Mr. HELMS. I thank the Senator.

Let me say to my good friend from Illinois, Mr. SIMON, that he suggested these questions are no longer relevant because they are not applicable. He is wrong about that, too.

What he is talking about are the questions from the adult survey which have been modified in response to the public outcry over the questions that survey initially proposed to ask. The questions I have put on Senator's desk are still the questions proposed to be asked, as the Senator from Utah has just authenticated as part of the American teenage study of adolescent sexual behavior. These questions are from NIH's proposed teenage sex survey, and the questions in that survey have never been changed, I say to my friend from Illinois. As I said, some questions in the adult survey have been changed, but I would note that even after being changed the adult questions are still utterly disgusting.

Mr. President, I invited the Senator from Massachusetts to read the questions, and I am glad he did not because I do not think we ought to embarrass the public with the nature of these disgusting questions.

Moreover, I do not want these questions to appear in the CONGRESSIONAL RECORD, and I ask unanimous consent that at any place they may have been included they be stricken.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. HELMS. Mr. President, a lot of Senators want to get away from here. I think we have ventilated this thing accurately.

I do not believe we are going to change any minds one way or the other. So, like my friend Albert G. Edwards, former pastor of the Presbyterian Church in Raleigh used to say: "You do not save any souls after 12 o'clock." It is not 12 o'clock. It is 5:25.

But before I yield back the remainder of my time, assuming Senator SIMON and Senator KENNEDY will yield back their time, I think I should reiterate that the Simon amendment will merely direct that the two outrageous sex surveys at issue go through the process set out in section 202 of this bill. The Secretary of HHS and the Department of Justice object to that process because it infringes on the ability of the Secretary of HHS, Dr. Sullivan, to reject such programs when he determines—as he is charged by the President of the United States to do—that such projects are not in the public's best interest.

Now, I am willing to yield back the remainder of my time, if Senators KENNEDY and SIMON will do likewise, so we may vote on the two amendments.

Mr. KENNEDY. Mr. President, I would make a very brief comment, and clarification.

I ask consent to be able to include procedures which are followed in the utilization of this survey. Any young person to be questioned in this survey would have to have parental permission. In addition, other procedures were also built into the study design.

I will include those in the RECORD at an appropriate place.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

NATIONAL COMMISSION ON ACQUIRED
IMMUNE DEFICIENCY SYNDROME,
Washington, DC, March 30, 1992.

Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, Dirksen Building, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: As the Senate considers H.R. 2507, the NIH Revitalization Amendments of 1991, we wish to express our strong support for research related to obtaining information about behaviors that place an individual at risk for contracting HIV. While the National Commission on AIDS has not taken a formal position on any particular research study, the Commission does believe behavioral and social research has been poorly funded thus far in the HIV epidemic, and research on sexual and drug-using behaviors deserve much greater emphasis if there is to be hope for altering the course of the epidemic. This is particularly true for adolescents.

In March of last year, the National Commission on AIDS devoted an entire day of public hearings to the issues surrounding adolescence and HIV disease. Repeatedly, the Commission was told that we needed to develop more effective ways of getting the prevention message to teenagers who, according to numerous studies and the testimony of our witnesses, frequently engage in high risk behaviors. The development of more effective prevention programs will depend a great deal on what we can learn about when, how and why teenagers engage in behaviors that put them at risk for HIV disease. We desperately need this information. Our children's lives depend on it.

Sincerely,

DAVID ROGERS, M.D.,
Vice-Chairman.
JUNE E. OSBORN, M.D.,
Chairman.

AMERICAN MEDICAL ASSOCIATION,
Chicago, IL, March 31, 1992.

Re Surveys of human sexual behavior.

Hon. EDWARD KENNEDY,
U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: The American Medical Association urges the Congress to provide the National Institutes of Health with the funds necessary to conduct human sexual behavior surveys.

These studies are designed to provide current and reliable information crucial to our efforts to fight the HIV epidemic. With accurate estimates of the number of people currently engaging in behaviors that put them at risk of HIV infection, public health officials can better predict future patterns of the spread of HIV and develop appropriate prevention and control programs. This data will also be useful for developing public health measures to reduce sexually transmitted diseases.

Our present lack of up-to-date and accurate data in this area is a compelling reason for funding national surveys.

We recognize that these surveys deal with a very sensitive subject and that some political objections to them have been raised. However, their development has involved an impressive scholarly and scientific approach. Moreover, extensive review procedures have been designed to assure that impartial scientific experts and government officials will review every step of these projects.

As our nation continues to spend large amounts of scarce resources on combatting AIDS and HIV infection, it is imperative that public health officials should base their efforts on the knowledge that can be gained by sexual behavior surveys.

Sincerely,

JAMES S. TODD, MD,
Executive Vice President.

ORGANIZATIONS FOR RESEARCH ON
HEALTH AND AIDS RISK BEHAVIOR,
Washington, DC, June 20, 1991.

Hon. LOUIS SULLIVAN, M.D.,
Secretary, Department of Health and Human Services, Washington, DC.

DEAR DR. SULLIVAN: We, the undersigned research, medical, and education organizations, are writing to express our concern about the long delay in HHS approval of the Survey of Health and AIDS Risk Prevalence (SHARP). This survey, which reflects significant revisions to an earlier and widely-discussed version, will provide much-needed national data on sexual behavior related to the contraction and transmission of AIDS and other sexually transmitted diseases (STDs). It is our understanding that the SHARP project has passed review by the Assistant Secretary for Health and awaits a final decision by you. We urge your prompt review and approval of the survey.

Study after study attests to the increasing need for better knowledge about the circumstances under which people engage in sexual behaviors that put them at risk of contracting dangerous diseases and spreading them to others. This knowledge is necessary for developing effective public health and education strategies to stem the spread of HIV/AIDS and other STDs, now afflicting hundreds of thousand of Americans. But we never have gathered comprehensive national data on sexual behavior representative of all groups in our society, even though numerous reports and commissions have recommended such an effort.

Just this past March, the Institute of Medicine issued a report on the state of the AIDS research program at NIH calling for "increase[d] support for behavioral research, especially for basic behavior research . . . on behaviors relevant to the transmission of HIV, including but not limited to human sexual development and practices." The report specifically addressed continued HHS delay in approving the revised SHARP instrument, and recommended that "the pretest questionnaire for the [NICHD's] National Survey of Health and AIDS Risk Prevalence should be finalized and released, and the study should be allowed to proceed immediately" (p.70).

This recommendation mirrors others made over the past few years from equally eminent bodies. In 1988, the President's Commission on the Human Immunodeficiency Virus Epidemic recommended that HHS work with NICHD and CDC and "continue to fund national baseline data collection activities with longitudinal components that would permit a better understanding of sexual practices . . ., attitudes, and risk behavior of adults and adolescents . . ."

Similarly, the National Academy of Sciences in its 1989 report, "AIDS: Sexual Behavior and Intravenous Drug Use," urged support for the collection of data that estimate "the prevalence of the sexual risk-taking behaviors associated with the acquisition and spread of HIV infection in various populations, including those at higher and lower risk," with a high priority on "studies of the social and societal contexts of sexual behaviors.

Further delay of the SHARP study should not be permitted. The survey instrument has been developed under the guidance of NICHD by researchers with outstanding scientific credentials, and is sensitive to the delicate nature of questions about sexuality. It was reviewed through the NIH peer review process. Furthermore over the past two years, the original survey instrument has been revised to address concerns raised about the propriety of asking deeply personal questions. All information requested in the revised survey is directly relevant to STD/AIDS epidemiology or prevention. The data collected through SHARP will be used to develop accurate estimates of the number of people currently engaging in behavior that puts them at increased risk of STD infection, to predict future patterns of the spread of AIDS, and to provide a base for AIDS prevention and control programs.

There have been almost 79,000 AIDS related deaths since the effort to conduct this survey began, and it is expected that over 40,000 new HIV infections will occur this year alone. We must use every tool at our disposal to prevent the further spread of this disease and others similarly transmitted. We strongly urge your immediate approval of SHARP, so that the feasibility phase of the study can begin without further delay.

For reply purposes, please contact Judith D. Auerbach, Ph.D., Government Liaison, Consortium of Social Science Associations, 1522 K Street, N.W., Suite 836, Washington, D.C. 20005.

Sincerely,

The Alan Guttmacher Institute, American Academy of Pediatrics, American Anthropological Association's Task Force on AIDS, American Association for the Advancement of Science's Committee on Scientific Freedom, American College of Obstetricians and Gynecologists, American Educational Research Association, American Fertility Society, American Federation for Clinical Research, American Psychiatric Association, American Psychological Association, American Psychological Society, American Social Health Association, American Sociological Association, Association of American Universities, Association of Schools of Public Health, Consortium of Social Science Associations, Council of Professional Associations on Federal Statistics, Federation of Behavioral, Psychological and Cognitive Sciences, National Association of State Universities and Land-Grant Colleges, Population Association of America, Society for Research in Child Development.

AMERICAN ACADEMY OF PEDIATRICS,
Washington, DC, January 16, 1992.

Hon. LOUIS SULLIVAN, M.D.,
Secretary, Department of Health and Human Services, Humphrey Building, Washington, DC.

DEAR MR. SECRETARY: As you begin the fiscal 1993 budget process, I am writting to urge you to reconsider your decision to suspend the American Teenage Study.

Our primary concern is the impact of your action on the merit-based scientific review process that has long been a singular strength of the National Institutes of Health (NIH). This study is a research project grant which was thoroughly and extensively reviewed through the usual NIH peer review process and by various officials of your department including Dr. James Mason, Assistant Secretary for Health, and Dr. Bernardine Healy, director of the NIH. It is our understanding that these higher levels of review included a careful evaluation of the social and ethical implications of the proposed research. Suspending a research grant that has been awarded after such extensive review sets a harmful and dangerous precedent.

In addition, we are concerned about the effect this decision will have on teens and young adults. Today, adolescents live in a complex environment, and we need to better understand that environment. There are increasing numbers of young adolescents who become parents; sexually transmitted diseases are on the rise; and the adolescent population is expected to have the greatest increase in the rate of HIV infection. As you well know, this is especially true for minorities and children in poverty. These are not trivial problems; their consequences will profoundly affect the lives of an extraordinary number of teenagers and tomorrow's adults as well.

The Academy supports research in the area of human sexuality and recognizes in particular the need for studies designed to improve insights into sexual attitudes and practices of adolescents. We believe the American Teen Study will do this. It is designed to obtain vital information about adolescent behaviors that contribute to the risk of AIDS, other sexually transmitted diseases, and unintended pregnancy. Its results will be used to better identify high-risk groups and improve intervention mechanisms. This research is not a threat to our adolescents, but not undertaking this study will be, as well as imperil the integrity of the federal research process.

Sincerely,

DANIEL W. SHEA, M.D.,
President.

AMERICAN PUBLIC HEALTH ASSOCIATION

(Interim policy statement adopted by the Governing Council, Nov. 13, 1991)

LB2: HUMAN SEXUAL BEHAVIOR RESEARCH

The American Public Health Association

Acknowledging that the incidence of HIV (human immunodeficiency virus) infection and other sexually transmitted diseases affects almost 12 million Americans each year, 86 percent of whom are aged 15 through 29;[1] and that half of the six million pregnancies which occur in the United States each year are unintended;[2] and

Recognizing that current projections about likely trends and patterns of the incidence of these diseases and unintended pregnancies are being made without basic information about the behaviors that determine them; and

Noting that the projections of the Centers for Disease Control of the number of people in the United States who engage in high-risk sexual behavior are still dependent on data from the 1940s; and

Further noting that several important reports have strongly recommended that research on sexual behavior be conducted in order to address these crises, including a 1991 Institute of Medicine report that stated "these protracted delays have had an injurious effect on the scientific process and on the progress of behavioral research on sexual behavior;"[3] and

Recognizing that this information is essential for designing educational efforts and intervention strategies; and

Acknowledging that the United States Public Health Service's (PHS) targeted reduction in unintended pregnancies to no more than 30 percent of pregnancies (a 46 percent decrease) in the Year 2000 Objectives for the Nation;[4] and

Acknowledging further that the PHS's goal for containing HIV infection is no more than 800 per 100,000 people by the Year 2000;[5] and

Knowing that survey research, with informed consent and in the case of minors with parental approval, is an acceptable method of obtaining information; and

Knowing that the Scientific Review Committees and Advisory Council of the National Institutes of Child Health and Human Development has approved two proposals for funding with high priority scores, the American Teenage Study of the Population Center, University of North Carolina, and the Social Demography of Interpersonal Relations Study, of the National Opinion Research Center, University of Chicago; and

Observing that, in July 1991, Department of Health and Human Services (DHHS) Secretary Louis Sullivan withdrew the NIH-approved contract for the American Teenager Study;[6] and

Observing that in October 1991 the NIH staff indefinitely postponed the Social Demography of Interpersonal Relations Study;[7] and

Recognizing that the above mentioned studies are but two highly publicized examples of attempts by the Administration to quash important and needed research related to human sexual behavior; and

Observing that in November 1991 the Congress of the United States agree to delete funding for two approved surveys of human sexual behavior from the appropriations legislation for DHHS;[8] therefore

1. Views with alarm and deplores the attack on academic freedom and independence of scientific inquiry in the area of human sexual and fertility related behavior;

2. Strongly opposes the unprecedented and egregious action of rescinding and indefinitely deferring approved grants;

3. Urges Congress to direct DHHS to conduct and fund research on the health aspects of human sexual behavior, and that such research should be supported on an ongoing basis if a determination is made by appropriate experts at NIH that the knowledge gained from such research will assist in reducing the incidence of HIV or other sexually transmitted diseases, or unintended pregnancy, or in improving reproductive health or other conditions of health; and

4. Urges DHHS to proceed with such research based on the scientific merits of each proposed project rather than with regard to political considerations.

REFERENCES

[1] Healthy People Year 2000: National Health Promotion and Disease Prevention Objectives: Sexually Transmitted Diseases: Washington, DC: US Department of Health and Human Services, 1990, pp. 494-495.

[2] Harlap S. Kost K. Forrest JD: Preventing Pregnancy, Protecting Health: A New Look at Birth Control Choices in the United States. New York: Alan Guttmacher Institute, 1991. 66–70.

[3] The AIDS Research Program of the National Institutes of Health. Washington, DC: Institute of Medicine, 1991. pp. 66–70.

[4] Healthy People Year 2000: National Promotion and Disease Prevention Objectives: Family Planning. Washington, DC: US Department of Health and Human Services, 1990, p. 193.

[5] Op. Cit: HIV Infection, 479.

[6] Rich S: HHS Cancels Teen Survey after Conservatives Complain. The Washington Post, July 24, 1991.

[7] Another Survey on Sexual Behavior Shelved by HHS: The Nations Health, November 1991, p. 5.

[8] Congressional Record. September 12, 1991, 12890.

ORGANIZATIONS SUPPORTING SEXUAL BEHAVIOR RESEARCH

[As of December 13, 1991]

AIDS Action Council.
Alan Guttmacher Institute.
American Academy of Pediatrics.
American Anthropological Association, Task Force on AIDS.
American Association for the Advancement of Science, Committee on Scientific Freedom and Responsibility.
American Association of University Professors.
American College of Obstetricians and Gynecologists.
American Educational Research Association.
American Federation of Clinical Research.
American Fertility Society.
American Foundation for AIDS Research.
American Home Economics Association.
American Medical Association.
American Public Health Association.
American Psychiatric Association.
American Psychological Association.
American Psychological Society.
American Red Cross, Office of HIV/AIDS.
American Social Health Association.
American Sociological Association.
Association of American Medical Colleges.
Association of American Universities.
Association of Reproductive Health Professionals.
Association of Schools of Public Health.
Center for Population Options.
Child Welfare League of America.
Consortium of Social Science Associations.
Council of Professional Associations on Federal Statistics.
Federation of Behavioral, Psychological and Cognitive Sciences.
Girls, Incorporated.
Human Rights Campaign Fund.
National Association of Social Workers.
National Association of State Universities and Land Grant Colleges.
National Council of Family Relations.
National Leadership Coalition on AIDS.
Population Association of America.
Population Resource Center.
Society for Research in Child Development.
Society for Research on Adolescence.
Society for the Scientific Study of Sex.
Transnational Family Research Institute.

INSTITUTE OF MEDICINE

(Report of a Study—The AIDS Research Program of the National Institutes of Health—1991]

BEHAVIORAL RESEARCH

The epidemic of HIV infection and AIDS is both a biological and a behavioral phenomenon, and efforts to contain its spread must look to both biomedical and behavioral sciences for interventions. Since the discovery of the virus and its modes of transmission, there have been significant advances in treatment for HIV disease. Historically, however, the discovery of effective chemotherapies and vaccines has not guaranteed success in controlling sexually transmitted diseases (STD) or other types of infection. For example, although penicillin has been an important and effective part of the campaign against syphilis for more than 40 years, this sexually transmitted disease persists and in fact today is on the rise (Rolfs and Nakashima, 1990). Outbreaks of childhood measles also still occur, despite the availability of a safe, effective vaccine. Disease prevention, then, often requires more than biomedical technologies. HIV infection is an example of an incurable but preventable disease that is amenable to behavioral intervention.

The committee believes NIH has neglected AID-related behavioral research, the results of which are inadequate funding and an underdeveloped knowledge base (compared with such disciplines as immunology and virology), absence of a behavioral research infrastructure (including a paucity of Ph.D.-level professionals), and lack of understanding of the behaviors central to the transmission of HIV. Lack of knowledge regarding patterns and determinants of sexual and drug-using behaviors in the general public, as well as in groups at particular risk for HIV infection, has hampered public health efforts to develop health education interventions for the prevention of AIDS. The committee considers increased attention and funding to be warranted, given the lack of scientific data on behaviors related to HIV infection, the seriousness of the HIV/AIDS epidemic, available research opportunities in the field, and the potential public health benefits such research could realize.

In fiscal year 1989 the Office of the Assistant Secretary for Health (OSAH) reported that NIH spending for behaviorial research was $5.7 million. Of this amount, funding for human behaviorial research was $4.6 million (0.76 percent of the total NIH research budget); the remaining $1.1 million went to the Animal Resources Program in the Division of Research Resources to support the use of chimpanzees in studying HIV infection. OASH estimates for behaviorial research in fiscal years 1990 and 1991, respectively, are $3.4 million and $3.2 million, or 0.45 and 0.39 percent of the total NIH research budget. Thus, funding for human behaviorial research has decreased since fiscal year 1989 both in total amount and as a percentage of the total NIH AIDS research budget.

Behaviorial research spans a broad spectrum. It can include the use of epidemiological techniques to identify the distribution of behaviorial risk factors, and basic research designed to understand the etiology, or underlying determinants, of behavior. Such research may include; for example; studies of the physiological, psychological, and social mediators that influence and modify behaviors relevant to the transmission of HIV. It also includes efforts to evaluate the effectiveness of interventions intended to modify behaviors. This may include design and assessment of strategies to prevent the imitiation of high-risk behaviors, reduce recidivism, or test the efficacy of culturally specific behaviorial strategies to reduce risk behaviors for HIV infection.

Significant research opportunities exist in the field of behaviorial research. For example, very little is known about the prevalence of sexual behaviors, especially in minority groups, the adolescent population, women, the over-50 age group, and prostitutes (male and female); even less is known about their etiology. As an illustration of a significant data deficit, estimates of the number of men who engage in same-gender sex figure prominently in calculations of HIV prevalence; yet the figures used by the PHS in those calculations were derived from Kinsey's studies on male behavior from the period 1938-1948 (Turner, 1990). The precision of two methods currently used to forecast the AIDS epidemic, trend analysis and back calculation, is also hampered by a lack of information about the basic determinants of HIV incidence; for example, little information is available about the average number of sexual contacts within certain population groups and the probability that these contacts are made with uninfected individuals (Hellinger, 1990). Data are scare on initiation into early sexual activities and the influence of family and peer groups of sexual behavior and contraceptive use (CDC, 1990b). It is also unclear how much of the sexual activity of adolescence is motivated by sexual desire and how much results from the desire for peer acceptance and other nonsexual motives (Turner et al., 1989).

Significant gaps also exist in understanding intervention strategies. It is known that, for behavior to change, individuals must recognize a problem, be motivated to act, and have the knowledge and skills necessary to perform the action. However, data of how best to present information, instill and maintain motivation, and inform individuals remain incomplete. For example, studies have shown that information is necessary but often insufficient by itself to effect behaviorial change; the association between knowledge and attitudes on one hand, and behavior on the other, however, remains unclear (Turner et al., 1989). The effectiveness of fear as a motivating element in AIDS prevention messages also is not well understood; nevertheless, PHS-sponsored information and prevention and treatment programs for sexually transmitted diseases often employ fear-evoking messages. Research has shown that, to be effective, information must be delivered in a manner that is comprehensible, convincing, and relevant to the audience it is intended to reach. Achieving this goal will require a much greater understanding of the perspectives and culture of the various ethnic, racial, social, age, and sexual orientation groups that currently make up the national population (Turner et al., 1989). Also necessary is a better understanding of the effects of different intervention strategies among different populations. For example, although some strategies have been effective in certain populations (i.e., gay men), it is not known whether the same approaches would successfully solicit cooperation and motivate change in other populations such as adolescents, minorities, women, or prostitutes.

The public health consequences of continued neglect and inadequate funding of behavioral research could be severe. Effective interventions require an understanding of the behaviors that place a person at risk for acquiring HIV/AIDS, especially in view of the fact that modification of risky behavior is the only currently available way to prevent HIV infection. Getting ahead of the epidemic requires foresight to limit the spread of infection in populations and regions that currently have a low prevalence of AIDS and HIV infection; such opportunities should not be overlooked, for, once lost, they cannot be recaptured. Adolescents are generally recognized as a population for which prevention activities could have a great impact. The large and growing middle-age and older segments of the population also deserve attention to forestall any possibility that the epidemic may become established in the more than 60 million people aged 50 and older. Currently, women of childbearing age still have a low HIV prevalence rate overall and also represent an excellent opportunity to avert the spread of HIV infection. Yet before intervention strategies can be designed to prevent the spread of HIV to those who are not yet infected, it is essential to know which behaviors to target, in whom they occur, and how they can be modified.

Given the lack of understanding of behaviors related to HIV infection and of ways to change them, the committee believes that there is a role for ADAMHA, CDC, and NIH in supporting behavioral research. All three agencies currently conduct behavioral research, but the type and focus vary significantly according to each agency's respective mission. ADAMHA's mission is to find scientifically based solutions to alcohol, drug, and mental health problems and to promote effective strategies to deal with the health problems associated with the abuse of alcohol and drugs and mental illness (ADAMHA, 1990). The agency sponsors research that principally addresses the neuropsychological changes encountered after HIV infection occurs and the etiology and role of drug abuse (including alcohol) in HIV infection. the ADAMHA HIV/AIDS program has a unique focus in that the agency combines research on the biological, behavioral, and psychological aspects of HIV infection with intervention research and the provision of clinical services. In contrast, CDC's mission is to prevent unnecessary disease, disability, and premature death, and to promote healthy lifestyles (CDC, 1990a). To this end CDC supports mainly applied behavioral research that is directly related to the implementation and assessment of broad-scale education and prevention programs. NIH's mission is to conduct and support research on the causes, diagnosis, prevention, and cure of diseases in humans (NIH, 1987). In keeping with this mission, NIH supports a small amount of basic behavioral research on the determinants of HIV-related behaviors based on the institutes' specialized constituencies and research interests. For example, investigators at NICHD are studying developmental components of sexual behavior, whereas NIAID researchers are incorporating intervention behavioral research into clinical research on sexually transmitted diseases. Thus, ADAMHA supports basic and applied research; CDC focuses on programs of disease surveillance and control, with mainly applied research examining behavioral change interventions (particularly in high-risk groups) as part of specific efforts in disease prevention and health promotion; and NIH supports mostly basic research, whose findings provide the basis for the design of actual interventions by CDC and other public health agencies.

As the government's principal biomedical research organization, NIH sponsors behavioral research in areas other than AIDS in which the disease burden to society is significant, such as cancer and heart disease. For example, NCI's Cancer Prevention and Control Program supports behavioral research on a range of topics from nutrition to smoking cessation. In fiscal year 1990, NCI spent 5 percent of its budget on behavioral research. NHLBI also devotes substantial funding to behavioral research and interventions in areas such as hypertension and cardiovascular disease; the institute spent approximately 3.3 percent of its budget on behavioral research. Overall, NIH devotes approximately 3.1 percent of its funding to behavioral research (Raub, 1988). The comparable figure for AIDS behavioral research was 0.45 percent. (This is not to say that the proportion of NIH resources devoted to behavioral research has been optimal; indeed, the Senate Committee on Appropriations directed NIH to establish a comprehensive 10-year plan for steadily increasing its funding of health and behavioral research [U.S. Congress, Senate, 1989].)

CDC has been making a large investment in applied behavioral sciences research with regard to AIDS. This fact, however, does not relieve NIH of its responsibility to support and conduct such research; indeed, other committees (e.g., Turner et al., 1989) have noted particularly pressing needs for behavioral research on AIDS and strongly recommended an NIH role. This committee believes that, similar to its work in heart disease and tobacco use, NIH can play a key role in supporting basic research to understand the etiology of sexual and drug-using behaviors and in initiating demonstration projects to evaluate intervention strategies. This research may also benefit efforts to prevent transmission of other sexually transmitted diseases and the initiation and continuation of illicit drug use. The committee commends present NIH efforts (i.e., NIAID's efforts to integrate behavioral research with biomedical research through its Sexually Transmitted Diseases Cooperative Research Centers and NICHD's research on adolescents) but considers more research to be needed.

(Recommendation 3.9: The NIH AIDS program should increase its support for behavioral research, especially for basic behavioral research (e.g., research designed to understand the etiology or underlying causes of behaviors and evaluate the effectiveness of interventions to modify particular health-related behaviors) on behaviors relevant to the transmission of HIV, including but not limited to human sexual development and practices and (in coordination with ADAMHA) drug addiction and abuse.)

As behavioral research becomes a greater part of the NIH and PHS research portfolio, it will require careful planning and coordination to develop appropriate research agendas and clearly define agency roles. At present PHS has mechanisms in place to designate responsibility for research areas and prevent unproductive duplication; these include agreements between NIH institutes, clearance of proposed RFAs through the NIH Office of Extramural Programs, posting of proposed RFAs on a computerized bulletin board for review by other NIH and ADAMHA components, and informal discussion among researchers. These mechanisms, however, do not provide for early-stage coordination and lack high-level PHS oversight. At one point, the PHS Executive Task Force on AIDS had several subcommittees focusing on specific components of behavioral research (e.g., addiction and behavior), but these committees have been disbanded in preparation for a reshaping of all task force committee structures. This committee believes that the PHS should sponsor conferences, involving appropriate NIH, CDC, and ADAMHA officials and behavioral scientists, to identify promising areas of behavioral research, develop a PHS behavioral research agenda, and make recommendations on methods to improve coordination among PHS agencies sponsoring behavioral research.

As noted earlier in this section, the AIDS epidemic has highlighted the need for current data that are representative of the general population to guide the design of behavioral interventions on sexual behavior. To fill this data gap, NICHD proposed a national survey of health behaviors and AIDS risk prevalence that included questions on sexual relationships, partner characteristics, sexual behaviors with partners, and behaviors such as drug use that put people at risk for AIDS. The survey was also intended to provide a research basis for designing, implementing, and evaluating education and intervention programs to stop the spread of HIV. Despite the value of such information, however, the survey has not as yet been performed. NICHD sought to conduct a pretest to refine the questionnaire and identify possible design problems and sent the pretest survey questionnaire to OMB in December 1988. Since then it has undergone multiple reviews by OMB, the NIH Director's Office, the Office of the Secretary of Health and Human Services, and OASH, which has been holding the revised pretest since July 1989. Currently, negotiations continue regarding the content and design of the questionnaire, and the future of the full survey is uncertain. The committee believes that these protracted delays have had an injurious effect on the scientific process and on the progress of behavioral research on sexual behavior. The committee believes that the National Survey of Health and AIDS Risk Prevalence will provide invaluable information for efforts to prevent the spread of AIDS and HIV infection and should go forward as soon as possible.

(Recommendation 3.10: The pretest questionnaire for the National Institute of Child Health and Human Development's National Survey of Health and Aids Risk Prevalence should be finalized and released, and the study should be allowed to proceed immediately.)

NURSING RESEARCH

High-quality nursing care of persons with AIDS, in conjunction with advances in medical therapy, is an essential component of ensuring a reasonable quality of life for persons who are living with HIV infection. Owing in part to improvements in treatment, the number of persons alive with AIDS continues to grow. CDC estimates that by 1993 between 151,000 and 225,000 persons will be alive with AIDS, compared with 48,000 in 1988, more than a threefold increase in five years (see Figure 1.1). NIH's stated goal is to convert HIV infection into a chronic, manageable illness, a shift in emphasis that will also require a concomitant shift in research foci. Currently, NIH supports a relatively small amount of research (less than 0.2 percent of AIDS research and training funds) on the chronic aspects of HIV infection: research addressing the care needs of HIV-infected persons amounted to only $730,150 in fiscal year 1989, and funds for training of professionals in this area totaled $119,504 (NCNR, 1989).

The purpose of nursing research is to effect both short- and long-term improvements in nursing practice, in addition to restoring patient health and speeding recovery from illness (Larson, 1989). Nursing research addresses a wide range of topics including relief of distressing symptoms resulting from the disease process, development of interventions to alleviate physical symptoms that are secondary to or incompletely relieved by medical intervention, identification of optimal ways to administer medical treatment, achievement of increased compliance with therapeutic regimens, management of therapeutic side effects, prolongation of distress-free intervals, and improvement of quality of life. The neglect and inadequate funding of nursing research have resulted in an underdeveloped knowledge base that must be improved if adequate care is to be provided to the thousands of HIV-infected persons who will be flooding the health care system by the mid-1990s. A report of the NCNR Priority Expert Panel on HIV Infection (1990) identified significant gaps in knowledge about the care of HIV-infected persons:

Care needs across the spectrum of HIV infection;

Development and testing of nursing interventions to alleviate or control symptoms associated with AIDS or its treatment:

Skin breakdown

Nausea, vomiting, inadequate nutrition, loss of appetite, and diarrhea

Psychological, neurological, physiological, and behavioral effects associated with organic brain changes, treatment, or being chronically ill.

NATIONAL ACADEMY OF SCIENCES,
Washington, DC, March 31, 1992.

Hon. EDWARD M. KENNEDY,
Chairman, Subcommittee on Labor and Human Resources, U.S. Senate, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: As the Senate considers legislation to reauthorize the National Institutes of Health, the need for surveys of sexual behavior is again being debated. I would like to bring to your attention the work of the Institute of Medicine, National Academy of Sciences, and National Research Council relating to this issue.

At least five recent reports by committees of health care professionals and public administrators as well as academics have underscored the critical role of such studies, in understanding and dealing with urgent health and social problems. In particular the knowledge gleaned in such surveys is essential in improving programs to prevent further spread of the HIV virus and for decreasing the number of unplanned teenage pregnancies. The current knowledge base on sexual behavior dates largely from the Kinsey studies 1938–48. Survey methods are both sophisticated and sensitive and can secure this information while protecting confidentiality. The costs of not knowing are exceedingly high in the face of the AIDS epidemic. The pertinent conclusions of these reports follow:

Institute of Medicine, Confronting AIDS: Update 1988, National Academy Press, 1988.

"Accurate forecasting of the AIDS epidemic depends in large measure on better knowledge of human sexual and IV drug-abusing behavior. Research in the social sciences, particularly in understanding such behavior, has been inadequate in the past. . . . The committee [for the Oversight of AIDS Activities] adds its endorsement to the importance of the social and behavioral studies needed to understand the epidemic. The committee strongly supports continued research efforts to develop better ways to refine predictions about the future course of the AIDS epidemic and to evaluate potential intervention strategies" (pp. 59–60).

Commission on Behavioral and Social Sciences and Education, National Research Council, "AIDS: Sexual Behavior and Intravenous Drug Use," National Academy Press, 1989.

There are substantial gaps in basic knowledge that need to be filled if the country is to contain the spread of the AIDS epidemic. The committee [on AIDS Research and the Behavioral, Social and Statistical Sciences] recommends the Public Health Service support vigorous programs of basic social and behavioral research on human sexual behavior, particularly through such agencies as the National Institutes of Health; the Alcohol, Drug Abuse, and Mental Health Administration; and the Centers for Disease Control. . . . The committee recommends that data be collected to estimate the prevalence of the sexual risktaking behaviors associated with the acquisition and spread of HIV infection in various populations, including those at higher and lower risk" (p. 165).

Commission on Behavioral and Social Sciences and Education, National Research Council, "AIDS: The Second Decade," National Academy Press, 1990.

"Designing and implementing relevant and effective [prevention] programs requires knowledge about the targeted population and the risk-associated behaviors of concern. The committee recommends that the Public Health Service encourage and support behavioral research programs that study the behaviors that HIV infection . . ." (p. 35).

Commission on Behavorial and Social Sciences and Education, National Research Council, "Risking the Future: Adolescent Sexuality, Pregnancy and Childbearing" National Academy Press, 1987.

"Individual data systems vary in their underlying purposes and special emphases as well as their specific characteristics (e.g., definition, sample size, data collection intervals). For these reasons, and because information on sensitive issues requires validation from more than one source, a multidimensional strategy for data collection is needed.

"The panel recommends that data systems that monitor fertility and fertility-related behaviors should be maintained and strengthened. Such data are essential for understanding trends and correlates of adolescent sexual activity, contraceptive use, pregnancy, abortion, and childbearing and as a basis for policy and program development . . ." (p. 13, 14).

Institute of Medicine, "Confronting AIDS: Directions for Public Health, Health Care, and Research," National Academy Press, 1986.

"A major research need is for studies that will improve understanding of all aspects of sexual behavior and drug use and the factors that influence them."

We appreciate the opportunity to submit these views for yours and your colleagues' consideration.

Yours sincerely,

FRANK PRESS,
President.

REPORT OF THE PRESIDENTIAL COMMISSION ON THE HUMAN IMMUNODEFICIENCY VIRUS EPIDEMIC—JUNE 1988

SECTION V: ADDITIONAL RESEARCH NEEDS

Behavioral and Social Science Research

HIV transmission is linked to specific and potentially changeable patterns of behavior. For individuals currently engaging in those behaviors, prevention of transmission depends on implementing effective behavioral change programs which seek to reduce or eliminate exposure to the virus. Research on sexual and drug-abusing behavior must, therefore, be an integral part of all HIV intervention efforts.

The study of human behavior is a complex endeavor which includes a variety of disciplines with numerous methodologies. The need to change individual behavior and to sustain that change will be paramount indefinitely. Given the central role of behavioral and social processes in the HIV epidemic, it is essential that the social and behavioral sciences be given priority in the funding portfolios of the appropriate Public Health Service agencies (Alcohol, Drug Abuse and Mental Health Administration and the National Institutes of Health).

Evaluative components must be built into any intervention program to determine which elements of the program were successful and which were not. The incorporation of evaluation into such programs is often far from ideal, not only for financial reasons. The forging of a relationship between researchers and members of community projects who may be suspicious of the intentions of researchers is difficult at best. Yet evaluation of programs by trained researchers remains the only way to determine program success.

To date, most of the efforts used to stop the spread of HIV have been informational mass communications, such as pamphlets, public service announcements, advertisements in magazines, and—to a limited extent—television commercials. However, some behavioral research indicates that simply providing information may increase awareness about HIV, but does not necessarily lead to change in risk behavior.

Sexual Behavior

Transmission of HIV can occur in any sexual behavior. Research on sexual behavior is particularly relevant for designing and implementing appropriate and effective prevention programs. In addition, research indicates that sexual behavior and attitude vary somewhat as a function of ethnicity and culture. In order to be effective, educational efforts must be sensitive to these differences.

A behavioral model that has been tested in terms of sexual behavior change in response to the HIV epidemic is the Health Belief Model which states that risk reduction depends on knowledge about HIV, a sense of perceived risk, a sense of personal efficacy (i.e., a feeling of having the mechanical and social skills necessary to make changes), and a perception that community norms support HIV risk reduction.

One area of concern in behavior change, illustrated by the study of human sexuality, is relapse prevention. Maintenance of behavior change is often perceived to be more difficult than the original change itself. Among other areas of concern are: the seeming inability of some individuals to enjoy and maintain exclusive sexual relationships, and those individuals whose behaviors may pose an increased risk of HIV transmission—including those diagnosed by sex therapists as sexually compulsive, hyper-sexual, or sexually addicted.

Currently, researchers in the field of adult sexual behavior must continue to refer to data collected by Kinsey over 40 years ago. There is an urgent need to update the information base. Data collected in the future should include not only prevalence of behaviors, but also attitudes and beliefs about sex.

Research areas which need attention are not limited to the behavioral area. Some are interpersonal in nature (e.g., developing assertiveness to resist coercion by partners to engage in high-risk sex and developing social skills to such as that found in the NIMH Centers Program grant mechanism.

The NIMH Centers are multidisciplinary and multi-institutional operations. They support basic, clinical and applied research, and prevention and educational research. All Centers contain information dissemination components, and each maintains contacts with community groups for access to high-risk populations. It is imperative that this mechanism for funding research be maintained and funding expanded, particularly for behavioral and social sciences research.

Obstacles to Progress

The Commission has identified the following obstacles to progress in the behavioral and social science research areas:

Social behavioral research has been underfunded and undervalued as a tool for developing effective prevention programs.

Better coordination and collaboration are needed among PHS agencies regarding their behavioral research activities.

Significant data are lacking on the sexual behavior patterns of adults and young people of varying ages and cultural backgrounds.

Often, prevention programs are not successful because of insufficient collaboration among service providers and behavioral researchers.

Researchers are not given enough time to evaluate the effectiveness of programs and once a strategy is found effective, the means are lacking for widespread dissemination of that finding.

Parents and educators often disagree on the context and format of school-based sex education. Some fear that sex education will encourage sexual experimentation in adolescents while others believe sex education is essential to prevention.

HIV prevention programs are not sufficiently comprehensive, lacking research-proven behavior modification components in providing options for individuals attempting change.

RECOMMENDATIONS

In response to these obstacles, the commission recommends the following:

4-101—The Department of Health and Human Services, through the Alcohol, Drug Abuse, and Mental Health Administration, the National Institutes of Health, and the Centers for Disease Control should continue and expand the funding of research on adults and adolescents that identify: determinants of risk behavior; models of behavior change interventions (in laboratory, field, and community-based settings); social factors and strategies to affect behavior change; and evaluation and other methodologies.

4-102—All HIV-related research funded by the National Institute of Allergy and Infectious Diseases and the National Institute of Mental Health should be reported to a central information gathering source. In the HIV crisis, data sharing should be the rule.

4-103—Funds should be made available through the National Institute of Mental Health and the Centers for Disease Control to sponsor training programs for graduate and post-graduate HIV researchers in the field of behavioral research.

4-104—Funds should be allocated for training grants for pre- and post-doctoral students in academic settings for research in the disciplines related to HIV research such as psychoimmunology, social psychology, human sexuality (including bisexuality), and behavioral sciences.

4-105—Social and behavioral research in HIV must be long-term, collaborative efforts such as that found in the National Institute of Mental Health Centers Program grant mechanism. It is imperative that this mechanism for funding research be maintained and increased in behavioral and social sciences research and that the Centers continue to play a significant role in behavioral and social research.

4-106—The Department of Health and Human Services, through the National Institutes of Health, the Centers for Disease Control (CDC), and the Alcohol, Drug Abuse and Mental Health Administration should take advantage of work already begun by the National Institute of Child Health and Human Development, in collaboration with CDC, and continue to fund national baseline data collection activities with longitudinal components, that would permit better understanding of sexual practices (including bisexual behavior), attitudes, and risk behaviors of adults *and* adolescents of differing ages and cultural backgrounds in order to assess risks and guide intervention activities. Survey research should include proportionate sampling of ethnic, racial, and cultural groups, and regional variations.

THE PUBLIC AGENDA FOUNDATION

WHO WE ARE

The Public Agenda Foundation is a nonprofit, non-partisan research and education organization whose work has focused on understanding and enhancing the public's role in key public policy issues. It was founded in 1975 by former Secretary of State Cyrus Vance and public opinion analyst Daniel Yankelovich to help average citizens better understand critical policy issues and to help the nation's leaders better understand the public's point of view.

Public Agenda plays a role that is distinctively different from other policy research organizations. It is not an advocacy group dedicated to a specific ideology or social goal. Nor is it a "think tank" concern with the technical analyses of issues for policy makers. Rather, its special purpose is to find more effective ways to present public issues so that citizens may debate the policy alternatives and come to informed judgments about them.

Uniquely combining expertise in public opinion, policy analysis, and citizen education, Public Agenda focuses on issues where there is no consensus for action, either because public understanding is limited or because there is a gap between public and leadership views. In recent years, Public Agenda has worked on such issues as U.S.-Soviet relations, the environment, crime and prison overcrowding and the declining skills of the US work force.

What We Do: Helping Leaders Understand the Public's Views

As a basis for its citizen education work, Public Agenda conducts extensive research into public thinking about critical policy issues, attempting to probe beneath the "top-of-the-head" opinions often captured in polling. Public Agenda explores the reasons why people hold certain views and how they react when given new information or presented with unfamiliar arguments. This kind of indepth research helps leaders understand more about the public's informed judgment—what people conclude when they have seriously and realistically considered the choices that critical issues present. Public Agenda's research is disseminated to decisionmakers in government, business, labor, foundations, academia, and the media.

What We Do: Helping Citizens Understand Complex Policy Issues

Public Agenda citizen education projects offer people a sense of the country's choices on issues that affect them directly. Video and print materials developed by Public Agenda are based on indepth research into the public's current level of understanding. Their goal is to help people understand alternative policies with their costs, consequences, and tradeoffs clearly spelled out.

Much of Public Agenda's citizen education work is conducted through The Network for Public Debate, a joint project of the Public Agenda and the National Issues Forums. It represents the combined resources of television, radio, newspapers, and community organizations across the country dedicated to helping average citizens learn more about critical issues and the choices for addressing them. Among its present projects are:

Help Wanted, a new citizen education campaign conducted in cooperation with the Business-Higher Education Forum and the Business Roundtable. Its purpose is to help citizens understand the relationship between the health of the nation's economy and the skills of the American work force. It focuses on steps that may need to be taken to strengthen the nation's schools and upgrade the training of citizens now on the job. Help Wanted campaigns were conducted in 1991 in Hartford, Indianapolis, Nashville, and Phoenix. In 1992, campaigns will be conducted nationwide in cooperation with the ABC/PLUS Literacy Project.

Public Summit '88, an information campaign developed jointly with the Center for Foreign Policy Development at Brown University that asked citizens in Baltimore, Nashville, San Antonio, and Seattle to consider four alternative futures for our relations with the Soviets.

School Vote, a citizen information campaign on issues facing the public schools, which has been conducted with local media sponsors in the greater Philadelphia area, Milwaukee, and Denver.

Health Vote, a citizen information campaign on rising health care costs conducted by Public Agenda with local media sponsors in six cities across the country from 1982-1985.

Public Agenda also prepares the National Issues Forums Issue Books used each year in citizen discussions sponsored by this nationwide network of libraries, churches, colleges and schools, union locals and service organizations. These Forums, which are nonpartisan, are held in hundreds of communities to encourage public discussion of public policy questions.

Who We Serve

Public Agenda's work serves the needs of different sectors of American life crucial to national debate. They include—

Political leaders who need to know how people understand an issue and what policies are likely to win broad and stable public support.

Foundations and service agencies that want to understand the public's perspective on the substantive areas in which they work.

Corporations that want to understand citizens' priorities on issues of concern both to them and to the public-at-large.

Media who want to go beyond consciousness raising to promote real dialogue and debate on issues of local and national importance. And above all—

The American public, the vast number of citizens who want to participate—knowledgeably and constructively—in the difficult policy decisions of our time.

How We Do It

In all of its work, Public Agenda draws a distinction between mass opinion—the top-of-the-head reactions people have to an issue no matter how volatile or ill-informed those reactions may be—and public judgment—the informed views people develop about an issue when they have confronted it realistically and thought seriously about the choices it presents.

Public Agenda uses traditional research techniques, Surveys and Focus Groups, to develop a starting point for its unique methodology, the Citizen Review Panel.

Surveys are most useful in gauging reactions to issues that people are already aware of and knowledgeable about. Using carefully drawn national samples, surveys provide useful generalizations about the population as a whole. But because they must rely on the use of highly structured questionnaires, surveys are often less useful in predicting how people's views change when they confront the choices an issue presents, or when people have an opportunity to consider differing points of view.

Focus Groups, like surveys, are useful in finding out what people's opinions are. Beyond surveys, focus groups, led by trained, impartial moderators, allow the researcher to probe beneath the surface of sentiments, to explore the beliefs, assumptions, or areas of misinformation that are the premises for people's opinions. Focus groups also enable the researcher to elicit more detailed and spontaneous responses from people than surveys, in which responses are necessarily limited by the questionnaire. However, as with any qualitative method, focus groups do not produce results which can be quantified.

Citizen Review Panels are a methodology developed by Public Agenda and distinctive to its work. They are a major innovation in the field of opinion research and can play an important role in helping leaders predict the kind of policy alternatives that are capable of winning broad support among the American public when issues are still emerging before the lines of battle have been drawn by partisan or special interests.

Panels combine the strengths of qualitative research—the ability to probe beyond people's initial thinking and introduce information and ideas that may be unfamiliar—with the most important advantages of quantitative surveys—the ability to obtain meaningful percentages, draw generalizations about the American public as a whole, and look at the special perspectives of particular regions and population subgroups.

I. Introduction and Executive Summary

By the time of the presidential election in the Fall of 1992, nearly 150 thousand Americans will have died of AIDS, Acquired Immune Deficiency Syndrome. An estimated one and one-half million others are believed to be infected with the deadly HIV virus that destroys the body's immune system, leading to death from a wide range of opportunistic infections. Even if the HIV infection rate in the U.S. has leveled off—as most forecasters believe—up to an additional one million Americans will become HIV positive by the end of the decade.

In the 1990s, the U.S. will continue to wage war against the epidemic. But the resources that are committed to that war and the strategies that are employed will, to a considerable extent, depend on public opinion. Public policy can neither be created nor sustained in a political vacuum. To a remarkable extent, what the federal government and other agencies can do to fight the epidemic will be determined or confined within what public opinion analyst Daniel Yankelovich calls "the boundaries of political permission," the parameters within which the governed give their consent.

A Preliminary Analysis of Expert and Public Opinion: In June, 1991, the Public Agenda Foundation, a nonpartisan, not-for-profit research and educational institute headed by Daniel Yankelovich and Cyrus Vance, published a Public and Expert Opinion About the AIDS Epidemic: A Preliminary Analysis." That report, supported by a grant from Aetna Life and Casualty, combined an assessment of existing polling data with a review of the thinking of a diverse group of 30 experts to produce an analytic summary of the status of a dozen emerging or pressing issues related to the epidemic.

Hypotheses About the Views of the General Public: Our results suggest that most Americans do not feel that they are in danger of HIV infection. Therefore, most people do not feel the need to support a number of controversial steps to fight the epidemic. For example, since they believe there is only a remote chance that they will be infected by their doctor or dentist, most Americans do not, our results suggest, strongly favor mandatory HIV-testing for health care providers. However, our results also suggest that public opinion about this issue is like a sleeping giant; if the number of doctor-to-patient cases of HIV infection increases even modestly, the public may rise up and call for—or demand—mandatory HIV testing for all health care providers, in the process brushing aside arguments about privacy, reliability and cost.

On the other hand, our results suggest that most Americans give a top priority to AIDS education and that as long as parents' wishes are taken into account, huge majorities will support using even explicit and controversial AIDS educational material in the public schools, such as the film "AIDS: Just Say No" which recently sparked controversy within the New York City Board of Education. In addition, our results suggest that Americans favor the idea of conducting a nationwide survey of teenagers' sexual behavior and knowledge about AIDS (much like the studies recently proposed by the National Institute of Health but canceled by the Department of Health and Human Services) as long as such information will be used to help shape AIDS educational messages and strategy.

Our results also suggest that the public is virtually oblivious to the transformation of AIDS from an acute to a chronic illness, and of the likely social effects of that transformation. But since Americans thoroughly understand that AIDS cannot be transmitted through casual contact, most will rather easily adapt to the idea of working and interacting with people with AIDS or HIV.

II. Views of a Cross Section of Americans About a Number of Emerging Issues Related to the AIDS Epidemic

Introduction to Part II: In the fall of 1991, the Public Agenda Foundation conducted six cross-sectional focus groups with people who were broadly representative of the public as a whole. In total, Public Agenda interviewed a total of 64 members of the general public in six cities:

New York, September 19, 1991;
Philadelphia, September 25, 1991;
San Antonio, October 30, 1991;
Nashville, October 31, 1991;
Denver, November 13, 1991; and
Los Angeles, November 14, 1991.

Respondents were recruited to match the characteristics of the general population according to various demographic criteria; sex, age, education, and race. Health care providers and other medical professionals were screened out. (For more detail, see Methodology, section V.)

In each group, respondents first filled out a brief questionnaire designed to gauge what they knew about AIDS and HIV transmission. After completing the questionnaire, respondents participated in a discussion led by moderators from Public Agenda.

What to Ask a Cross Section of Americans?

In "Public and Expert Opinion About the AIDS Epidemic: A Preliminary Analysis," the precursor to this study, Public Agenda found that public opinion was neither fully understood nor well documented about a number of emerging issues related to the epidemic. Since these issues will almost certainly become increasingly important in the 1990s, we decided that a major part of our focus in Phase One should be on them. These issues are:

The threat of HIV-transmission to patients from doctors, dentists, and other health care providers, including mandatory HIV-testing of health care providers;

The transformation of AIDS from an acute to a chronic illness, including the fact that as treatments improve and people who are HIV-positive live and work longer, others are increasingly likely to work and interact with them;

Intermediate health care for people with AIDS who need help but do not require hospitalization;

The use of hospices for people with AIDS;

The wisdom of using very explicit AIDS-educational materials (such as the controversial film, "AIDS: Just Say No") with high school students; and

Whether the government should conduct a national survey of teenagers' attitudes and sexual practices (such as the study proposed by the National Institute of Health but canceled by the Department of Health and Human Resources in 1991).

Respondents were split on whether such a film should be shown to junior high school students, with some saying such students are too young and others arguing that if kids are sexually active, they should learn how to protect themselves from HIV. A San Antonio man said, "My daughter is 11 years old. Kids now are starting to be sexually active, even at that age. I don't want to scare her, but they need to know about AIDS."

In Sum: If confirmed, our results show there is widespread public support for showing even explicit and controversial AIDS educational material in the public schools. However, they may be split on the wisdom of showing such a film to junior high school students. Our results also suggest that people will insist on two conditions:

That the film not be pornographic or suggestive; and

That parents be notified in advance and have the opportunity to exempt their children from seeing the film if they so choose.

13. The public would favor conducting a national survey of teenage sexual behavior and knowledge about AIDS similar to the one proposed by the National Institute of Health.

Group members were asked about the wisdom of conducting a large scale national survey of the nation's teenagers to determine exactly what they know about AIDS and the spread of HIV, and also to learn about their own sexual behavior. On the one hand, the moderators said, opponents of the study feel that it is inappropriate for the government to ask 13-year-olds about their sexual behavior; they also say that such a survey would promote sexual activity by appearing to condone it and that asking children about things such as anal and oral sex amounted to exposing them to obscene words and concepts. On the other hand, the moderator said, those in favor argue that such a study has never been done and that, in view of the AIDS epidemic, we need to know exactly how much different groups of teenagers understand and exactly what they are doing so that the schools and government can craft educational messages and anti-AIDS policies that are on target.

The argument that knowledge of teen behavior is necessary in order to target education efforts was understood and widely accepted in the groups. As noted, respondents felt educating the nation's teenagers about AIDS was the best and most important way to fight the epidemic. A woman from Denver said, "Given the fact that there is a high rate of abortion among teens and a high pregnancy rate, we know that teens are being sexually active. So it wouldn't be a waste of the taxpayer's money in order to better educate these teens who are being sexually active."

While some participants expressed concern that such a study might appear to condone sexual activity, most felt that the benefits outweighed the risk. A man from the Denver group said that even if the survey were understood as "condoning sex, it's more important to save lives by finding out how we need to educate teenagers." A man from Nashville said, "We need to know what people are actually thinking at that age, and realize that not everybody is being brought up in the perfect home life."

Most also felt that the use of explicit words would not be a problem. Some parents might find the words offensive," said one man from Los Angeles. "But I don't think it will make the kids want to have sex, because they're probably going to do it anyway." Another man from Los Angeles added, "These words, every teenager knows all those words. And that's any child living in any neighborhood. These words are not a problem."

Among the minority who were opposed to the study, the most popular objection was that there is no need to conduct a study about teenage sexual behavior because we already know they are sexually active and that therefore the money could be better spent. "We know what our children are doing," said a man from San Antonio. "Teenage pregnancy is at an all-time high. This money would be better spent on education." A man from Los Angeles said, "Maybe this money would be better spent on a cure because you can pretty much figure out what teenagers are doing nowadays." Finally, one or two respondents wondered if the government could conduct an accurate survey, given the problems and controversy surrounding the 1990 census.

HEALTHY PEOPLE 2000—NATIONAL HEALTH PROMOTION AND DISEASE PREVENTION OBJECTIVES

FAMILY PLANNING

Introduction

Families are the bedrock of our society. Formally defined as a group of two or more people related by birth, marriage, or adoption and residing together in a household, it is in families that children and adults are nurtured, provided for, and taught about enduring values by word and by example. It is in families that an individual first learns to make choices that promote his or her own physical and emotional health, as well as that of the broader community.

Decisions about forming a family are of critical importance. Decisions made today may have long-term consequences for a couple's ability to carry out plans for a family in the future. Family planning, the process of establishing the preferred number and spacing of children in one's family and selecting the means by which this objective is achieved, pre-supposes the importance of family and the importance of planning. Family planning requires that fundamental questions about an individual's relationship to the lives, health, and well-being of others be addressed.

Successful implementation of family planning choices requires mature, thoughtful decisions accompanied by motivation to carry out those decisions. It requires the exercise of personal responsibility. There are many effective means by which family planning choices can be implemented. Childbearing, adoption, abstinence from sexual activity outside of a monogamous relationship, use of contraceptive methods, natural family planning, and treatment of infertility are all means of reaching desired family planning goals.

Safe and healthful childbearing both contributes to, and is a result of, effective family planning. While miscarriage, stillbirth, and infant mortality outcomes cannot be completely prevented by effective family planning, the frequency of occurrence can be reduced. Thus, preconception counseling and good gynecological, maternal, and child health care are required for effective family planning. Reciprocally effective family planning is a valuable aid to good material and child health because sufficient spacing of pregnancies helps to reduce the incidence of maternal morbidity, low birth weight, and infant mortality.

Adoption provides families for children who need permanent homes. It is one of the means by which infertile couples can implement their plans and desires for children. For individuals who are unprepared to raise their children, it is a means of finding families for them. Services and techniques to correct infertility can also help couples to reach their family planning goals.

Out-of-wedlock pregnancy has become an ever greater problem in this nation as the rate of sexual activity among adolescents has increased and the age of initiation of sexual activity has declined. Furthermore, age at first marriage has increased steadily, while fewer couples with out-of-wedlock pregnancies are marrying. Nearly one quarter of American children aged 6 and younger live below the Federal poverty level, many of them living with a single parent in female headed-families. Children from families in which the father is absent are 9 times more likely to have family incomes of less than $10,000 than those living with both parents. Families with only one parent are more vulnerable to unpredictable or adverse events such as the loss of a job, parental sickness, or difficulty in meeting the needs of severely disabled or troubled children. Further, female-headed families are generally poorer than two-parent families because they lack a second wage earner, because women's wages are often lower than men's, and because women who become parents at a very young age frequently lack education and job skills.

Beyond economic considerations, there is evidence that child health is affected by the marital status of his or her parents. For example, in 1983, for both whites and blacks, unmarried motherhood was associated with higher infant mortality. Among births to married white women, the infant mortality rate was 7.8 per 1,000 live births; among unmarried white women the rate was 13.1 per 1,000 live births. Among births to married black women the infant mortality rate was 14.1 per 1,000 live births, while unmarried black women experienced a rate of 19.6 infant deaths per 1,000 live births. Married women are more likely than unmarried women to receive prenatal care, even when race and age are taken into account. Other studies point to a relationship between broken families and child health. For example, a recent study of the health histories of 6,000 children found that children of divorced or separated parents have a one-third greater risk of developing health problems, such as pneumonia, tonsillitis, and repeated ear infections, as compared to children from intact families.

In addition to fostering family formation, efforts must also be made to strengthen the family's ability to educate and transmit strong values surrounding sexuality to children in the midst of a media culture that portrays and often condones casual sexual involvement. Postponement of sexual activity until an individual is in a mutually monogamous relationship is the most certain approach to prevention of a host of sexually transmitted diseases and may also help reduce rates of unintended pregnancy.

Various methods are available to prevent pregnancy among sexually active people. These methods include barrier and hormonal methods of contraception, natural family planning methods, and sterilization. These methods vary in effectiveness in preventing pregnancy and protecting against sexually transmitted disease, in health risks, and in compatibility with an individual's or couple's moral or religious beliefs. Choice of family planning methods is important not only in terms of relative effectiveness in preventing or spacing pregnancy, but also in terms of general health. Contraceptive methods may carry adverse health risks. On the other hand, some methods, particularly barrier methods, confer some measure of protection against sexually transmitted diseases. Natural family planning may be preferred by those who find other forms of contraception unacceptable for philosophical, health, or religious reasons.

The objectives presented here focus on reducing pregnancies among teenagers younger than age 18 and unintended pregnancies among all women. In 1988, American women reported that 56 percent of their pregnancies (adjusted for underreporting of abortion) in the last 5 years had been "unintended," that is either occurring too soon or unwanted. Studies suggest that unintended pregnancy may bring special risks. In 1982, among black women whose births were wanted at the time of pregnancy, 10.2 percent of births were of low birth weight; among black women whose pregnancies were unintended, the low birth weight rate was 13.6, a 33 percent difference. The Institute of Medicine, in its report "Reducing Low Birthweight," recommends that improved "family planning services [become] an integral part of overall stategies to reduce the incidence of low birth weight in infants."

If family planning—serious consideration of family goals, careful selection of a family planning strategy, and conscientious adherence to that strategy—is put into general practice, the rates of unwanted and mistimed pregnancy should fall appreciably. Unwanted and unintended pregnancy has implications for abortions reported to the Centers for Disease Control in 1987 was approximately 1,353,000. The United States abortion rate among teenagers aged 15 through 19 in 1983 was considerably higher than for many other countries for which data are available.

Research Needs

More information is needed on the characteristics of people who adopt children and who chose adoption as a means of resolving unintended pregnancy. This information would be very useful in improving the design of programs intended to increase adoption.

American women have a comparatively low level of effective contraceptive use and are more likely than their counterparts in other developed countries not to use any method at all. Additional basic research should be conducted to assess nonuse, incorrect use, and effective methods for increasing correct contraceptive use.

The determinants and consequences of early sexual intercourse are poorly understood. Additional research is needed to better understand early initiation, its consequences, and how it might be prevented.

Existing contraceptive methods are often unacceptable to men and women because of difficulty or discomfort in use, expense, or undesirable side-effects. Improved contraceptive methods are needed for men and women. Research should focus on developing methods that are easier to use, that have fewer side effects, and that are less expensive.

Related Objectives From Other Priority Areas

Tobacco

3.4 Cigarette smoking.
3.7 Smoking cessation during pregnancy.

Educational and Community-Based Programs

8.4 Quality school health education.
8.9 Family discussion of health-related issues.
8.10 Community health promotion programs.

Occupational Safety and Health

10.8 Occupational lead exposure.

Evironmental Health

11.11 Home testing for lead-based paint.

Maternal and Infant Health

14.1 Infant mortality.
14.2 Fetal deaths.
14.4 Fetal alcohol syndrome.
14.5 Low birth weight.
14.10 Alcohol, tobacco, and drug use during pregnancy.
14.12 Age-appropriate preconception counseling by clinicians.

HIV Infection

18.4 Condom use.

Sexually Transmitted Diseases

19.1 Gonorrhea.
19.2 Chlamydia.
19.3 Syphilis.
19.4 Congenital syphilis.
19.6 Pelvic inflammatory disease.
19.8 Repeat gonorrhea infection.
19.12 Sexually transmitted disease education in schools.
19.13 Correct management of sexually transmitted disease cases.
19.14 Counseling to prevent sexually transmitted diseases.
19.15 Partner notification of exposure to sexually transmitted disease.

Clinical Preventive Services

21.2 Receipt of recommended services.
21.6 Provision of recommended services by clinicians.

Surveillance and Data Systems

22.4 Gaps in health data.

SENSITIVITY, CONFIDENTIALITY, AND INFORMED CONSENT IN SEXUAL BEHAVIOR RESEARCH

SENSITIVITY

Many people are uncomfortable supporting research on sexual behavior because, by its very nature, such research requires discussion of topics that are highly personal. Explicit questions about private behaviors must be asked, and information must be obtained that could embarrass survey participants if their answers were publicly revealed. These concerns are not unique to sexual behavior research; in fact experience tells us that people are usually more comfortable revealing information about sexual behavior than they are information about their incomes (which virtually every federal survey requests). Survey specialists and scientists follow strict procedures to ensure that confidentiality of responses is maintained. In addition, considerable effort goes into developing questions and data collection techniques to minimize any discomfort the respondents may have in answering questions, and thereby ensure the quality of data collected.

Several survey techniques can be used to ensure data quality and respondent ease in interviews about sensitive topics. First, questions must be designed to be universally understood by the study population as well as be neutral in their tone. Researchers often begin their design of questions by conducting focus groups and open-ended interviews with individuals from their study population. From these, they learn what terms are used in the population to refer to the subject matter of the study, and how well technical terms may be understood. They also learn about the acceptability of different types of language in the study population. This information provides a basis for draft questionnaires which then can be tested with a different sample of the population: in these tests, a respondent who had completed a questionnaire would be debriefed about how well the questionnaire had worked to elicit the needed information. The questions that result from this process reflect the best possible compromise between the need for clarity and the need to minimize sensitivity.

Several interviewing techniques have been found useful in improving data quality by reducing the sensitivity of the interview setting. One of these, widely used in survey research, is the use of a card to depict responses that people may be reluctant to state aloud. The card allows respondents to answer with the letter or number for their response. A second technique is the use of a self-administered questionnaire. With this technique, answers are not known to the interviewer, any many respondents feel freer to respond in this way. New techniques of self-administering questions are now being developed using personal computers, and these are expected to provide even more privacy for respondents answering sensitive questions.

CONFIDENTIALITY

In every step of survey design, measures are taken to protect the confidentiality of responses:

Questionnaires are designed so that any identifying information (for example, names and addresses needed to locate the respondent) is separated from the information given in the interview.

Interviews are required to be conducted in private.

Questionnaires and identifying materials are separated before being mailed to the central processing office. All staff involved in conducting a survey sign a pledge of confidentiality. While computer processing is underway, completed questionnaires are kept in locked cabinets. The resulting data tapes contain no identifying information; where future research steps require a link to identifiers, a number is assigned and the key to these numbers kept under lock and key.

A recently expanded federal program enables investigators to further protect confidentiality by obtaining a "certificate of confidentiality" protecting the data from legal subpoena.

INFORMED CONSENT

No individual participates in a survey without first giving informed consent:

"Informed" means that the respondent must be given information about the purposes and nature of the study, who is conducting it, and information about the questions to be asked.

Often, signed consent is required; in some cases verbal consent is accepted.

When the eligible respondent is under age 18, informed parental consent is required as well as the young person's own informed consent.

Institutional Review Boards at universities and private research organizations carefully review each project to ensure that requirements for informed consent, privacy and confidentiality are met. The creation and performance of these boards is regularly monitored by federal agencies that support research.

In all these ways, it can be seen that procedures are in place to permit the sensitive and responsible treatment of survey data on sexual behavior. Our effectiveness in responding to public health challenges depends on the ability to collect these data, and every effort is made to do so in the most reasonable and meaningful ways.

THE NATIONAL ADVISORY
COUNCIL ON AGING,
Bethesda, MD, October 24, 1991.

Hon. LOUIS W. SULLIVAN, M.D.,
Secretary of Health and Human Services, Washington, DC.

DEAR MR. SECRETARY: At our recent meeting of the National Advisory Council on Aging, the non-federal members of the Council expressed concern over the suspension of grant HD26934 which was awarded to the University of North Carolina in May of 1991.

It is our understanding that the scientific merit of the project was judged to be outstanding by the NIH scientific review panel. We also understand that the research was judged to be of national priority by the NICHD Advisory Council and NIH officials. Consistent with NIH procedures, an award was made based on these time-tested criteria.

We are disturbed about the precedent of suspending a grant after it has been reviewed, judged meritorious, and awarded funds. If there are research areas that are not to be supported by NIH, these decisions should be made prior to the scientific review of applications and the award of research grants.

The NIH review process has served health research well over the years. Therefore, the National Advisory Council on Aging unanimously urges you to reconsider this decision.

Sincerely,

THE NATIONAL ADVISORY
COUNCIL ON AGING.

Mr. KENNEDY. I had heard that the Senator from New York, Senator MOYNIHAN, was on his way over. I would like to verify that. Then I would be prepared to yield.

Mr. SIMON. Mr. President, I will take 1 minute here.

I will point out that under my amendment, what we have is not only what is in the bill, is if they go ahead, and if the Secretary has to have an ethical review board to go over this, appointed by Secretary Sullivan, under my amendment the Secretary has to believe that it will assist in reducing the incidence of sexually transmitted diseases, the incidence of infection with the human immunodeficiency virus, or the incidence of any other infectious disease, or in improving reproductive health or other conditions of health.

So this is a judgment call to be made by the Secretary of HHS. I am willing to let the Secretary make that judgment call.

Mr. HELMS addressed the Chair.

The PRESIDING OFFICER. The Senator from North Carolina.

Mr. HELMS. Mr. President, I feel obliged to say again what the facts are, not somebody's interpretation of them. Not only does title II require the Secretary to convene such an advisory board before he can withhold funding, but he must fund a project, if a majority of the so-called advisory board approves a project. Since at least one-third to one-half of the board would have to be the same bureaucratic researchers who are pushing the projects, I doubt anybody can conclude that a majority on the board will not approve the projects despite, and over, Secretary Sullivan's objection. In any case, the Secretary has already said, "I do not like them; they are not in the public's interest."

Mr. President, you cannot obscure the truth. I say again, how can it be called just an advisory board when the Secretary is compelled by the combined working of the Simon amendment and the underlying bill to abide by whatever this so-called board decides? I thought we put the Secretary of HHS there to make these decisions. The President charged him with that responsibility.

Cutting through all of the obfuscation—I am sorry there has been so much of it, Mr. President—Section 1010 and the Simon amendment both mandate that Secretary Sullivan fund these two sex surveys immediately once this bill is enacted into law.

Mr. President, at this point I would be glad to yield my time back—provided no other provocative statement is made to which I would like to respond.

Mr. SIMON. Will my colleague yield for a question? I will try not to make a provocative statement.

Mr. HELMS. Sure.

Mr. SIMON. My amendment gives to the Secretary of HHS the judgment call, and he is to approve this only if he believes that this survey—if you will read my amendment—will assist in reducing the incidence of sexually transmitted diseases, incidence of infection of human immunodeficiency virus, or the incidence of any other infectious disease, or in improving reproductive health or other conditions of health: that is a judgment call to be made by the Secretary of HHS under this. This is not a mandate. Does the Senator from North Carolina understand that from my amendment?

Mr. HELMS. I beg to differ with my friend. When you couple the Senator's amendment with the underlying provision in the bill, there is nothing but a mandatory requirement that the Secretary of HHS abide by what this so-called advisory board stipulates. We can go up and down and chase that rabbit all we want to, but this is an action taking away the final authority of the Secretary of HHS on this issue. The Justice Department agrees with me, and Secretary Sullivan agrees with me.

Mr. KENNEDY. Mr. President, we are prepared to yield back the remainder of our time.

Mr. HELMS. In that case, I will yield back my time.

Mr. KENNEDY. Mr. President, I ask for the yeas and nays on the Helms amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. KENNEDY. Have the yeas and nays been ordered on the Simon amendment?

The PRESIDING OFFICER. They have not been.

Mr. KENNEDY. I ask for the yeas and nays on the Simon amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HELMS. Mr. President, I am going to ask for a quorum call so that Senator DOLE can come to the floor. I think he wants to make a few comments.

Mr. HATCH. If the Senator will withhold, we have a couple of people on this side who would like to make closing remarks. Senator GRASSLEY, Senator SIMPSON and, of course, Senator DOLE, want to make some remarks; and then Senator KENNEDY and myself would like to make a few closing remarks.

The PRESIDING OFFICER. The Chair informs the Senator from Utah that, though there has been an offer made to relinquish the time, the Senators can use the remaining time if it is stated that they want to reserve it for their use.

Mr. HATCH. We understand that. What we are hoping is that we can all put our statements in the RECORD, except for Senator DOLE, and we can have three back-to-back votes. The first will be 15 minutes, and last two will be 10 minutes. And some of the Senators who need to make their appointments can do so.

The PRESIDING OFFICER. For the understanding of the Chair, will the request be made?

Mr. KENNEDY. Mr. President, I ask unanimous-consent to be able to proceed for 2 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. KENNEDY. For the information of the membership, Mr. President, very shortly, in the next few minutes, under the unanimous-consent agreement, there will be an up-or-down vote on the Simon amendment, followed by an up-or-down vote on the Helms amendment. Under the previous agreement, there are no other amendments in order, but there has been no time set for final passage.

We would hope, as the floor managers, for the convenience of the membership—we are going to be here regardless—that we could speak following a vote on final passage; that would be our desire.

We are not asking unanimous consent for that at this particular time. But we would intend at least to pursue that as an objective during the votes on these first two amendments. I am authorized by the majority leader to ask unanimous consent that when we vote on the amendments, the rollcall be 15 minutes on the first amendment and 10 minutes on the second amendment, and we will try to let the membership know whether we can move right to final passage, or whether there will be intervening speeches. That is, at least, the desire of the floor managers as to how we would like to proceed.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

Mr. HATCH. Mr. President, it is my understanding that the distinguished minority leader would like to say a few words before either of these votes occur.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HATCH. Mr. President, while we await the minority leader, I will make some general comments to the general NIH bill.

The PRESIDING OFFICER. The Senator has roughly 4 minutes left.

The Senator from Utah.

Mr. HATCH. Mr. President, I congratulate the distinguished Senator from Massachusetts for the work he has done on this bill, and I have a lot of respect for him and the efforts that he puts forth.

We do have major differences on this bill. There are major critical NIH issues unaddressed in this bill.

Today, the Senate will vote on final passage of H.R. 2507, the National Institutes of Health Reauthorization Act of 1992.

Two days ago we spent considerable time debating the issue of fetal tissue research. My colleagues may be relieved that I do not plan to rehash this discussion extensively today, but I do have a few points that I wish to make concerning fetal tissue research.

Simply stated, my amendment attempted to loosen, without cutting, the tightening Gordian Knot between the science of fetal tissue research and the difficult politics surrounding these difficult ethical issues.

Mr. President, in the April 20, 1989 volume of the New England Journal of Medicine, a group of authors from the Stanford University Medical Center, Committee on Ethics, presented a paper entitled "The Ethical Use of Human Fetal Tissue." The authors stated:

> Fetal tissue differs from the tissue of adult cadavers, however, because it often becomes available as the result of a mother's decision, implemented by a physician's actions, to end her pregnancy. This element of volition introduces a new ethical problem * * *. If tissue from spontaneous abortions could reasonably satisfy medical demands in both quantity and quality, it would be preferable to avoid the ethical problems of using tissue from induced abortions.

It was precisely this preference that my amendment sought to accommodate. As we consider the matter of fetal tissue research in our democratic society, it is important that, whenever practicable, we proceed in a spirit of mutual respect and compromise.

I believe that my alternative was reasonable. It would have allowed valuable science to go forward in a fashion that achieved a proper balance between promising research opportunities and the ethical concerns of a large segment of the public. The honest, deeply felt reservations about induced abortions as a source of fetal tissue should not be dismissed casually in this debate.

Mr. President, I lost the vote 2 days ago, and I am sure that final passage is all but a formality today. I just want to thank my colleagues who voted for my amendment for looking beyond the question of moratorium or no moratorium. The issue is more complex than that, and there is a lot at stake. If this bill, in its current form, dies, this important research dies too.

We in this Chamber spend hours talking and talking and worrying out loud about our international competitiveness. Every working day, those at the NIH and its grantees do something about it by doing the breakthrough research that helps make this country the world leader in biotechnology.

But, while I absolutely support the NIH, and have supported it during my tenure as a Member of this body and as a member of the Labor and Human Resources Committee, I must call the Senate's attention to other issues in this legislation. In my view, long stretches of the NIH reauthorization bill read like yesterday's newspaper and read, in toto, the bill seems somewhat disjointed and almost certainly not up to the task of materially aiding NIH to prepare itself for the challenges of the 21st century. If we set aside once again the question of fetal tissue research, I believe that the bill unwisely micromanages the NIH by codifying activities mostly underway.

I cannot help but find irony in the fact that the bill supposedly liberates fetal tissue research through a title named "Research Freedom" while, at the same time, imposes binding congressional research priorities on this science agency. This erodes commonly accepted executive branch authority as well as research freedom.

To buttress this assessment, I would like to make a number of observations about where I believe the bill falls short of the mark:

First, there are major critical NIH-related issues conspicuously unaddressed in this supposed omnibus reauthorization bill.

Ideally, a major reauthorization bill would address major current and emergent issues. Chief among the set of serious NIH-related problems this bill studiously avoids are: The already overburdened machinery to deal with the allegations of science fraud; the problems associated with improper indirect costs charges made by NIH grantees; the critical role of evolving NIH technology transfer policies; the question of how and to what extent to link NIH biomedical research to treatment outcomes and effectiveness research and the larger issue of controlling cost growth in our health care system; the absence of any provisions relating to research on the newest emerging public health scourge—drug resistant strains of tuberculosis; and finally, lack of recognition for the major NIH-wide strategic planning exercise that is currently being undertaken. This effort has the active participation of the science community and the public in order to more adequately prepare the NIH to lead the way for the anticipated biological revolution of the 21st century. I trust that this exercise will provide more vision than H.R. 2507.

Second, there exists an overriding tone of micromanagement that runs throughout the bill.

A basic strength of the NIH research program lies in the decentralized decisionmaking process in which qualified panels of scientific experts select which projects to fund solely on the basis of scientific merit.

Historically, the great bulk—about 80 percent—of NIH-assisted research takes place through the highly competitive extramural research program primarily through investigator-designed and investigator-initiated research projects.

H.R. 2507, with its plethora of new program mandates and new administrative structures, unwisely substitutes the political judgment of Congress for the scientific judgment of the very capable scientist-administrators at NIH.

To cite just one small but telling example of this incessant type of micromanagement, consider the direction contained in section 1006 of the bill requiring the insertion of the phrase "including tropical diseases," into the purpose clause of the National Institute of Allergy and Infectious Diseases. The question is, why is this change necessary for an institute that has had longstanding tropical disease research activities? I suspect that somewhere, someplace, there is a lobbyist that knows the real story behind this change.

Each year the NIH rates at the top of the list of best managed Federal institutions. We should be mindful of this managerial expertise and respectful of the unique relationship between the NIH and the larger biomedical research community. Accordingly, we should consider with deference the concerns raised by the NIH on these types of managerial issues.

Third, the bill creates a number of permanent administrative structures whose value, if any, is largely political.

H.R. 2507 sets in stone administrative structures of dubious practical value. For example, the bill codifies several initiatives already well underway such as an interagency program for trauma research, contraception and infertility research centers, child health research centers, diabetes eye care centers, pediatric cardiovascular centers, and elevating the National Center for Nursing Research to institute status.

Moreover, the bill requires NIH to undertake activities and creates several advisory committees that are costly or otherwise ill-advised. For example, title III of the bill would require the establishment of clinical research subcommittees under the aegis of the advisory council of the National Institute of General Medical Science [NIGMS]. Due to its longstanding focus on research at the very frontiers of biology at the cellular level, NIGMS funds very little clinical research. Assigning clinical research activities to this Institute displays a misunderstanding of the historical role of NIGMS in basic biochemical research and would divert resources away from basic research.

I have no doubt that all of my colleagues in the Senate would agree that more research, across the board, needs to be conducted into the particular health problems confronting women. Recognizing this, in September 1990, the Office of Research on Women's Health [ORWH] was established formally within the Office of the NIH Director.

While H.R. 2507 would take the step of codifying this office and legislatively specifying responsibilities which are for the most part already underway or under development, in my view, the personal leadership and commitment on this issue exhibited by Director Healy and other key figures at NIH including Dr. Ruth Kirschstein, Director of the National Institute of General

Medical Science, will be critical to the success of this program. It does not take an act of Congress.

I have found that more often it is the diligence of people, not an organization chart, that makes a program successful.

Fourth, the ethics board is bad law and poor policy.

In their haste to overturn the current moratorium on human fetal tissue transplantation, those favoring the bill would enact an ethics advisory board that could override the judgment and authority of the Secretary of Health and Human Services in cases in which the Secretary chose to disapprove peer reviewed scientific research proposals on ethical grounds.

The Department of Justice has found that this provision raises serious constitutional questions pertaining to the appointments clause.

The Justice Department has found:

> Proposed new section 492(b)(1) * * * would prevent the Secretary from withholding funding for research on ethical grounds unless he convenes an ethics advisory board to study the ethical implications of the research and unless the majority of the ethics board recommends that he withhold the funds on ethical grounds. Because the members of the ethics advisory board would exercise "significant authority pursuant to the laws of the United States * * * they would be officers of the United States." Consistent with this status, the board members would be appointed by the Secretary * * *. As inferior officers under the direction of the Secretary, the work and the preliminary report would be subject to revision by the Secretary.

Under this bill the "advice" of an advisory board becomes binding. Some advisory board this is. This is not an advisory committee, this is an oxymoron. It turns the normal relationship between outside advisers and the responsible public officials upside down.

In conclusion, I believe that with all of these flaws, this bill—in its current form—when presented to the President will be vetoed. I regret that prospect; however, we cannot continue to pass legislation—bound up in the cloak of commonly held legislative goals—that contains such unacceptable provisions. I strongly believe that this bill falls far short of the mark of preparing the NIH for the next century.

I also say there is an overriding tone on micromanagement which runs throughout this bill. I object to that. I think we do too much micromanagement here in the Congress of the United States. It creates a value, if any, which is largely political, and I am concerned about that as well.

The ethics board is bad law; it is poor policy, and there are other aspects that I could take time to go into right now.

But I would just say in conclusion, Mr. President, I believe that with all of these flaws, this bill in its current form, when presented to the President, will be vetoed. I regret that prospect. However, we cannot continue to pass legislation bound up in the cloak of commonly held legislative goals that contains such unacceptable provisions as this one does.

So I strongly believe this bill falls far short of the mark in preparing NIH for the next century. Having said so, I understand it will pass. And we will see what happens after that.

Mr. President, I yield the floor to the distinguished Republican leader.

The PRESIDING OFFICER. The Republican leader.

Mr. DOLE. First, I thank the managers for earlier accepting the amendment I suggested.

Mr. President, this year approximately 132,000 men will be confronted by the same diagnosis I had to face a few months ago: Cancer of the prostate. It is the same diagnosis that Senator TED STEVENS, Senator JESSE HELMS, and Senator ALAN CRANSTON also had to face. And as our population ages, more men will learn that they, too, are among the 1 in 11 men that has contracted the disease.

Because prostate cancer often presents no symptoms until its advanced stages, at least 40 percent of men with prostate cancer have metastatic disease—disease that spreads outside the prostate gland—disease that will not be as easy to treat—disease that can claim lives.

Prostate cancer is the most common malignancy in American men and the second biggest cancer killer, second only to lung cancer. It claims the lives of about 34,000 men each year in the United States.

But, despite these numbers, critical information, such as the causes of prostate cancer, is still not known.

Critical information on the possibility of preventing prostate cancer is still not known.

Critical information, such as the role of family history with prostate cancer, is still not known.

Critical information, such as the effects of lifestyle and behavior, is still not known.

And, Mr. President, we still do not have definitive information about the beneficial effects of early treatment.

I hear it all the time—Senator you did not need surgery—you would have died with prostate cancer, not of it. But, how do you explain that to the 34,000 men who die of it every year. Common sense would say, find it early and treat it early. But, medical science cannot say this yet, because there has not been enough research.

Contrary to popular belief, prostate cancer is not an old man's disease. Although it is much more common with age, men even in their thirties can have prostate cancer—and often not even know it. And few men living a normal lifespan of about 74 years will be free of some sort of prostate problem.

But, unlike breast cancer, this very common disease has largely gone unmentioned by those who have received the unpleasant news.

By contrast, thanks to the courage and candor of Betty Ford and the many other women who followed her bold lead, most American women are aware of the risk of breast cancer and can take preventive action to save their lives. I am sorry to say that this level of awareness is not the case for men.

Now, I am not here to pit one disease against another, but look at one important fact. Prostate cancer claims 34,000 lives every year, yet the U.S. Government devotes only $28 million to prostate cancer research. Compare that to the almost $2 billion we spend—and should be spending—to research AIDS, a disease which claims about the same number of lives, and you know it is time to devote more resources to the battle against prostate cancer.

Mr. President, the amendment that Senators STEVENS, HELMS, CRANSTON, and I have incorporated into the committee amendment today could increase funding for prostate cancer to the National Cancer Institute from $28 million to $100 million and could provide an additional $20 million for prostate cancer research to the Centers for Disease Control. It will expand research efforts and increase outreach programs for greater public education so that we may learn more about the causes, prevention, detection, and treatment of prostate cancer.

I am hopeful that through this action more information will become available to the health providers, to the victims, and to the potential victims of prostate cancer so that instead of waiting for tragedy to strike, and for lives to be lost, men will know that prostate cancer need not be an inevitable part of life.

Mr. President, I appreciate, and I know my colleagues, Senator CRANSTON, Senator HELMS, and Senator STEVENS, and others, who may be facing this decision not just in the U.S. Senate but anywhere in the United States of America will thank and congratulate the managers of the bill for accepting this amendment.

I ask unanimous consent to print in the RECORD my amendment.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

At the appropriate place in title I, insert the following new sections:

SEC. . PROSTATE CANCER RESEARCH.

(a) FINDINGS.—Congress finds that—

(1) one in every 11 men will develop prostate cancer;

(2) it is estimated that 34,000 deaths will occur in 1992 from prostate cancer, the second leading cause of cancer deaths in men;

(3) an estimated 132,000 new cases of prostate cancer will occur in 1992;

(4) current Federal research efforts in prostate cancer totaled $28,000 in fiscal year 1992;

(5) additional research concerning prostate cancer is urgently needed; and

(6) there is a need to accelerate the investigation into the cause, treatment and prevention of prostate cancer.

(b) Expanded Research.—Subpart 1 of part C of title IV (42 U.S.C. 285 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 417. EXPANDED PROSTATE CANCER RESEARCH.

11 "(a) In General.—The Secretary shall undertake to expand and intensify prostate cancer research efforts through appropriate activities, including—

"(1) the conduct of basic research concerning the etiology and causes of prostate cancer;

"(2) the conduct of clinical research and related activities into the causes, prevention, detection and treatment of prostate cancer;

"(3) the implementation of prevention and control and early detection programs with respect to prostate cancer in accordance with section 412, particularly as it relates to intensifying research on the role of PSA for the screening and early detection of prostate cancer;

"(4) the implementation of information and education programs with respect to prostate cancer in accordance with section 413;

"(5) the implementation of research and demonstration programs with respect to prostate cancer in accordance with section 414, including the development and operation of prostate cancer research centers to bring together basic and clinical, biomedical and behavioral scientists to conduct basic and clinical, epidemiologic, psychosocial, prevention and treatment research and related activities; and

"(6) the establishment of an Inter-Institute Task Force, under the direction of the Director of the Institute, to provide coordination between relevant National Institutes of Health components of cancer research efforts.

(b) Authorization of Appropriations.—To carry out this section, in addition to the amounts authorized be appropriated for the National Cancer Institute under section 301 and 408, there are authorized to be appropriated $72,000,000 for fiscal year 1993, and such sums as are necessary for each of the fiscal years 1994 through 1997.".

SEC. . PROSTATE CANCER PREVENTION.

(a) Findings.—Congress finds that—

(1) prostate cancer is the second most common cause of death from cancer among men;

(2) early detection can prevent death from prostate cancer;

(3) routine digital examination is one method for detecting potentially malignant prostatic nodules, and should be performed annually on all men over 40 years of age;

(4) advances in the early detection of prostate cancer, such as tests for prostate-specific antigens in the blood and non-invasive imaging techniques, may prove to be cost-effective screening techniques;

(5) education is needed to improve the application of proven cancer screening techniques; and

(6) increased efforts are needed to ensure that cost-effective methods for early prostate cancer detection are made available to men at risk.

(b) Mortality Prevention.—Part B of title III is amended by inserting after section 317A (42 U.S.C. 247b-1) the following new section:

"SEC. 317B. PROSTATE CANCER MORTALITY PREVENTION.

"(a) Grants.—The Secretary, acting through the Director of the Centers for Disease Control, may award grants to States and local health departments for the purpose of enabling such States and departments to carry out programs to—

"(1) screen men for prostate cancer as a preventive health measure;

"(2) provide appropriate referrals for medical treatment of men screened pursuant to paragraph (1) and to ensure, to the extent practicable, the provision of appropriate follow-up services;

"(3) develop and disseminate public information and education programs of the detection and control of prostate cancer;

"(4) improve the education, training, and skills of health professionals (including allied health professionals) in the detection and control of prostate cancer;

"(5) establish mechanisms through which the States can monitor the quality of screening procedures for prostate cancer, including the interpretation of such procedures; and

"(6) evaluate activities conducted under paragraph (1) through (5) through appropriate surveillance or program monitoring activities.

"(b) Grant Applications.—

"(1) Requirement.—No grant may be awarded under subsection (a), unless an application for such grant has been submitted to, and approved by, the Secretary. Such an application shall be in such form and submitted in such manner as the Secretary shall prescribe, and shall include—

"(A) a complete description of the program which is to be provided by or through the applicant;

"(B) assurances satisfactory to the Secretary that the program to be provided under the grant will include education programs designed to communicate to men, and local health officials the significance of the early detection of prostate cancer;

"(C) assurances satisfactory to the Secretary that the applicant will report, on a quarterly basis, the number of men screened for prostate cancer and the number of men who were found to have prostate cancer, the number and type of medical referral made with respect to such men, the outcome of such referrals, and other information to measure program effectiveness as required under paragraph (2);

"(D) assurances satisfactory to the Secretary that the applicant will make such reports respecting the program involved as the Secretary may require; and

"(E) such other information as the Secretary may prescribe.

"(2) Technical assistance.—The Secretary may prove training and technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to this section.

"(c) Maintenance of Effort.—No grant may be awarded under subsection (a) unless the Secretary determines that there is satisfactory assurance that Federal funds made available under such a grant for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program for which the grant is to be made, and will in no event supplant such State, local, and other non-Federal funds.

"(d) Method and Amount of Payment.—The Secretary shall determine the amount of a grant made under subsection (a). Payments under such grants may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of the underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants. Not more than 10 percent of any grant may be obligated for administrative costs.

"(e) Supplies, Equipment, and Employee Detail.—The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

"(1) the fair market value of any supplies or equipment furnished the grant recipient; and

"(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the grant recipient and the amount of any other costs incurred in connection with the detail of such officer or employee; when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such grant recipient and for the purpose of carrying out a program with respect to which any such grant is so reduced. Such amount shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the grant recipient.

"(f) Records.—Each recipient of a grant under subsection (a) shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(g) Audit and Examination of Records.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of a grant under subsection (a), that are pertinent to such grant.

"(h) Indian Tribes.—For purposes of this section, the term 'units of local government' includes Indian tribes.

"(i) Authorization of Appropriations.—

"(1) In general.—There are authorized to be appropriated to carry out this section not more than $20,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) Set-aside for technical assistance.—Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall reserve not more than 20 percent for carrying out activities under this section at the national level.".

The PRESIDING OFFICER. The majority leader.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that immediately following the next two votes the committee substitute be deemed agreed to as amended, that the bill be read for the third time, and the Senate proceed on final passage of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I ask for the yeas and nays on final passage of the bill.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Mr. President, I ask unanimous consent that the first vote be limited to 15 minutes with the two votes that follow limited to 10 minutes each.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I rise to speak in support of this legislation, the National Institutes of Health Reauthorization Act of 1991.

This legislation revises and reauthorizes many important programs of the National institutes of Health. The research freedom provisions of this bill remove a barrier to the advancement of science and medicine that has been in place since 1988.

The Bush administration's moratorium on Federal funding for human fetal tissue transplant research has stigmatized this field of research, forcing many scientists to focus solely on animal fetal studies, to seek limited private funds to continue their work, or to abandon their research altogether.

This has effectively halted fetal tissue transplant research in the United States. It has halted a field of promising research that could potentially lead to therapeutic treatments and possibly cures for millions of Americans suffering from incurable diseases and disabilities. These conditions include Parkinson's disease, diabetes, Alzheimer's, Huntington's, leukemia, epilepsy, AIDS, multiple sclerosis, and others.

The human cost of this moratorium imposed by the Bush administration is incalculable. For as long as this moratorium on funding continues, the discovery of potential treatment and cures is delayed and the suffering of millions of Americans prolonged.

Fetal tissue research has already made substantial contributions to medicine in the areas of prevention, diagnosis, and treatment. It was research with fetal kidney tissue that led to the discovery and development of the polio vaccine in the 1950's. The vaccine for German measles and the treatment for RH factor, the condition that results when the mother and fetus have incompatible blood types also emerged from fetal tissue research.

Further, more advances in prenatal diagnoses of genetic defects have evolved due to fetal tissue research. All of these advances in medicine and in the health of the members of our society would not have occurred, at least not when they did, if a moratorium on fetal tissue research had been in place. And further advancements in medicine and in the health of the American people should not be delayed by this unwise and unwarranted moratorium.

The promise of fetal tissue transplant research has been proven. Our society has learned a great deal from the limited human fetal tissue transplant research that has taken place in this country and overseas. We have learned that fetal tissue has the unique characteristics of adapting and growing rapidly. We have learned that fetal tissue will thrive in virtually any recipient with minimal risk of rejection. We learned that adult brain tissue can be regrown with fetal tissue, and even learned that progression of disease can be retarded and possibly reversed and genetic disorders possibly corrected.

But most importantly, we have learned that there are many more potential medicinal benefits for fetal tissue yet to be discovered. The research must continue and must receive Federal support.

This research, a promising avenue for treatment and for the many incurable diseases and disabilities from which millions of Americans suffer, must no longer be suppressed.

I urge all of my colleagues to support the provisions of this legislation and remove the administration's moratorium on Federal funding for fetal tissue transplant research.

Mr. DURENBERGER. Mr. President, I rise to support the amendment offered by the distinguished Senator from Illinois [Mr. SIMON] to H.R. 2507, the reauthorization of the National Institutes of Health [NIH], and to oppose the amendment offered by the distinguished Senator from North Carolina [Mr. HELMS].

Mr. President, these amendments focus on surveys authorized by NIH that are designed to compile information and statistics on sexual behavior among adolescents and adults. The Senator from North Carolina has argued that these type of surveys are a waste of taxpayers' money. And he has asserted that the specific questions asked in these surveys are immoral and may inappropriately encourage premarital sex.

Mr. President, the tragic fact is that we have an epidemic in our community that is related to sexual activities among our young people and among adults. Sexually transmitted diseases [STD's] are among the most important public health problems in the United States. Approximately 12 million people acquire a sexually transmitted infection each year; two-thirds of those cases occur in people under 25 years of age.

A million people are currently infected with HIV, which we all know is ultimately fatal. Health and Human Services Secretary Louis Sullivan recently announced that AIDS is spreading to small towns and a large share of the heterosexual population. The AIDS epidemic has become the equivalent of the 12th century bubonic plague, striking death in every city and town throughout the Nation.

We cannot afford to ignore this problem and cannot ignore the fundamental fact that most cases of AIDS are contracted through sexual contact. One way of attacking this disease is to understand behaviors that contribute to the risk of pregnancy and sexually transmitted diseases.

The two surveys at issue—the Survey of Health and AIDS Risk Prevalence [SHARP], a project of the National Institute of Child Health and Human Development [NICHHD] is a large scale study designed to assess data on behavior that puts people at risk of AIDS and other STD's. It will provide accurate estimates of the number of people at risk for HIV infection, and will help predict future patterns of the spread of HIV infections. It will provide us with a body of knowledge upon which to base HIV prevention and control strategies and programs.

This proposal was bid competitively, peer reviewed by the NICHD's Advisory Council. The contract was won by the National Opinion Research Center at the University of Chicago. The survey instrument has gone through multiple reviews by the NIH Director's Office, HHS, and the Office of Management and Budget [OMB].

Mr. President, many public health and public policy groups in recent years have called for more information on health risks addressed by this survey. The organizations seeking this information include the American Red Cross, the American Public Health Association, and the American Medical Association.

Mr. President, more attention has been paid to the teenage sex survey. Like the adult survey, this study tries to gather information about how and why teenagers put themselves at risk for unintended pregnancy and of serious or fatal diseases such as AIDS.

It is important to emphasize that this is not a random leaflet distributed to unsuspecting or innocent children. Parents must give written permission for their teenagers to participate. Interviewers will inform parents fully about the study and give them a chance to see the questions before they ask for permission. In addition, permission from school administrators will be required to administer the screener questionnaire in sample schools. There are rigorous procedures for protecting the privacy of participants.

Mr. President, I describe these surveys in detail to make two important points. The first is that the National Institutes of Health, or world-class research institution, is an entity of which I am very proud. I respect their contributions to science and scientific discovery. The NIH would not have the reputation and respect that it has if it engaged in irresponsible research activities that were harmful to the American public.

My confidence in NIH has been reinforced by a careful review of this controversial issue. Although I am not a social scientist or expert in survey research, I am persuaded that appropriate safeguards are in place to protect against the consequences that Senator HELMS fears. These are serious efforts to address pressing public health problems. While the questions, when taken out of context, seem quite graphic, the sad truth is that our young people and many adults are putting themselves at risk. We should not oppose information, no matter how disturbing that information might be.

These studies cannot be a substitute for the important efforts that must be made to prevent risky behavior and promote responsible actions by Americans to protect their own health. In addition to the social tragedy that these diseases represent, they are also very costly. The costs of AIDS treatment and care far outweigh the costs of prevention. Prevention requires knowledge. NIH is responsible for providing the knowledge that I hope will enable us to shape policies that will help educate our citizens on the very real life-threatening dangers they face.

Mr. KOHL. Mr. President, I rise in support of the amendment offered by our colleague from Illinois.

There is one fundamental question at issue here. Do we believe that our scientific research is best determined by scientists or by political leaders? I believe it is best determined by scientists.

We have a very long tradition of independent scientific research—a tradition that has led the Nation to an unparalleled international scientific status in many areas. But in isolated instances in our history there have been incidents in which science has been ruled, not by the national interest, not by the merits of the research itself, but by political judgments. The consequences are almost always chaotic.

There have been attempts to legislate what can be taught in schools, and they have always failed. There have been attempts to legislate what kinds of research can be conducted, and they have failed. Intellectual freedom is one of the fundamental values upon which our country was founded, and when threatened has always prevailed.

The research freedom provisions in H.R. 2507 preserve that intellectual freedom by preserving the integrity of the scientific review process. The language simply says "no" to politically motivated decisions on human behavior research. It says "no" to the administration's efforts to undermine previously peer-reviewed and approved surveys in order to politically appeal to an outspoken minority.

It says "yes" to sound research, peer-reviewed research, ethical research, and research that has already been deemed to be desperately needed.

Tolerance of political games with research has ominous implications for the Nation's ability to deal with teenage pregnancy, sexually transmitted diseases, and AIDS. The costs of failure are staggering, both in human and financial terms.

We must have the political courage to vote this matter out of the political arena and back into the areas of public health management and scientific research, where it belongs. We can expect, then, that public health administrators and social researchers will be sensitive to the concerns of taxpayers; that they will factor in legitimate public concerns as they design their research.

I thank my colleague from Illinois for his leadership on this matter. I yield the floor.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois [Mr. SIMON]. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FORD. I announce that the Senator from Illinois [Mr. DIXON] and the Senator from Rhode Island [Mr. PELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "aye."

Mr. SIMPSON. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

The PRESIDING OFFICER (Mr. HARKIN). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 57, nays 40, as follows:

[Rollcall Vote No. 64 Leg.]

YEAS—57

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Bryan
Bumpers
Burdick
Chafee
Cohen
Conrad
Cranston
Danforth
Daschle
DeConcini
Dodd
Durenberger
Fowler
Glenn
Gore
Graham
Harkin
Hatfield
Heflin
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Pryor
Reid
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Sasser
Shelby
Simon
Wellstone
Wirth
Wofford

NAYS—40

Bond
Brown
Burns
Byrd
Coats
Cochran
Craig
D'Amato
Dole
Domenici
Exon
Ford
Garn
Gorton
Gramm
Grassley
Hatch
Helms
Hollings
Kassebaum
Kasten
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Roth
Rudman
Seymour
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NOT VOTING—3

Dixon
Lugar
Pell

So, the amendment (No. 1756) was agreed to.

Mr. KENNEDY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. SIMON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 1757

The PRESIDING OFFICER. Under the previous order, the question is on agreeing to the amendment of the Senator from North Carolina. The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Illinois [Mr. DIXON and the Senator from Rhode Island [Mr. PELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL], would vote "nay."

Mr. SIMPSON. I announce that the Senator from Indiana [Mr. LUGAR], is necessarily absent.

The result was announced—yeas 51, nays 46, as follows:

[Rollcall Vote No. 65 Leg.]

YEAS—51

Bond
Boren
Brown
Bryan
Bumpers
Burns
Byrd
Coats
Cochran
Conrad
Craig
D'Amato
Dole
Domenici
Exon
Ford
Fowler
Garn
Gorton
Graham
Gramm
Grassley
Hatch
Heflin
Helms
Hollings
Kassebaum
Kasten
Lott
Mack
McCain
McConnell
Murkowski
Nickles
Packwood
Pressler
Pryor
Reid
Roth
Rudman
Sasser
Seymour
Shelby
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner

NAYS—46

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bradley
Breaux
Burdick
Chafee
Cohen
Cranston
Danforth
Daschle
DeConcini
Dodd
Durenberger
Glenn
Gore
Harkin
Hatfield
Inouye
Jeffords
Johnston
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Metzenbaum
Mikulski
Mitchell
Moynihan
Nunn
Riegle
Robb
Rockefeller
Sanford
Sarbanes
Simon
Wellstone
Wirth
Wofford

NOT VOTING—3

Dixon
Lugar
Pell

So the amendment (No. 1757) was agreed to.

Mr. HELMS. Mr. President, I move to reconsider the vote.

Mr. MITCHELL. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mr. MITCHELL. Mr. President, I ask unanimous consent that the cloture vote on the motion to proceed to Senate Concurrent Resolution 89 which was to occur on Friday, April 3, 1992, be vitiated; that at 9 a.m. on Tuesday, April 7, 1992, the Senate proceed to the consideration of Calendar No. 418, Senate Concurrent Resolution 89; that the only amendments in order to this concurrent resolution and its preamble, in addition to the committee-reported amendments, be the following: A Gorton amendment regarding the creation of an international northern forests organization; a Wallop amendment regarding environmental climate control on which there be 1 hour equally divided; a Wallop amendment to the preamble regarding economic impact on which there be 1 hour equally divided; that no motions to recommit be in order; that there be 1 hour for debate total on the Gorton amendment, the concurrent resolution, and the preamble, with all time equally divided and controlled in the usual form; that following disposition of above-mentioned concurrent resolution and amendments, the Senate, without intervening action or debate, proceed to the House companion resolution, House Concurrent Resolution 292; that the resolution, as amended by the Senate companion, be agreed to; and that the preamble, as amended by the Senate companion, be agreed to.

I further ask unanimous consent that any votes ordered in relation to the resolutions be stacked to occur beginning at 12 noon on Tuesday, with the first vote to be 15 minutes in length, and any succeeding votes to be 10 minutes in length.

Mr. WALLOP. Mr. Leader, reserving the right to object, and I shall not, but I want to clarify one thing. As the leader knows, the rules of the Senate require that the motion to amend the body of the bill be considered and then the bill be considered and then the motion to amend the preamble, and I am assuming two things by the leader's request: That a move to amend the preamble will be in order before we have done and passed the body of the bill?

Mr. MITCHELL. I am advised that this is consistent with the normal procedure of amending the resolution, adopting the resolution, and then amending the preamble.

Mr. WALLOP. I understand that. I am simply asking that it be in order for us to debate this amendment before having adopted the resolution.

Mr. MITCHELL. I do not see any problem with that. I think that is consistent with the agreement.

Mr. WALLOP. Would the leader also be willing to have some of the time, should it be necessary, on the first Wallop amendment transferred to the second Wallop amendment with no additional time being added?

Mr. MITCHELL. I have no difficulty with that. I do not think that will be a problem. The fact is that the total time under this agreement is 3 hours. The first vote will occur at noon. So as long as we stay within the total 3 hours—I anticipate it is not likely that the full hour will be used on other provisions than those of the amendments to be offered by the Senator from Wyoming.

Mr. WALLOP. I think that is clear, and there is even some likelihood that the full hour will not be used. I would like the flexibility. I appreciate the leader's indulgence. I have no objection.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and the unanimous-consent request is agreed to.

Mr. MITCHELL. Mr. President, accordingly, in view of this agreement, the vote to occur now will be the last vote today. There will be only a pro forma session tomorrow. The Senate will not be in session on Monday.

Pursuant to this agreement, the Senate will begin debate on the concurrent resolution at 9 a.m. on Tuesday and votes will begin at noon on Tuesday, with the likelihood of there being three votes at that time.

For the convenience of all Senators, since this announcement is being made 5 days before those votes occur, I implore all Senators not to make requests on Tuesday morning that the votes now scheduled for noon on Tuesday begin later because we have to get to the budget resolution and that is intended to occur immediately after the caucuses on Tuesday.

So these votes will occur, three votes, beginning at noon on Tuesday. Senators are now on notice to adjust their schedules to be here for those votes.

Mr. President, I thank my colleagues.

THE NATIONAL INSTITUTES OF HEALTH REVITALIZATION AMENDMENTS

The Senate continued with the consideration of the bill.

Mr. DODD. Mr. President, I rise today to express my strong support for the National Institutes of Health [NIH] Reauthorization Act of 1992. This measure would expand Federal support for the kind of critical biomedical research that has made NIH the leading research institution in our Nation and throughout the world.

Unfortunately, while funding for NIH has increased each year, growth has been only 2 to 3 percent above inflation, not enough to adequately fund important research. This bill would increase funding in critical areas, including a 28-percent increase in funding for the National Cancer Institute and a 38-percent increase for the National Heart, Lung, and Blood Institute.

These funding increases will help us respond to serious concerns about NIH's inability to fund a sufficient number of research grant applications in recent years. In the last half of the 1980's, the number of new and competing grant applications awarded funds declined significantly. While the last 2 years have brought some improvement, 70 percent of researchers who apply for grants at NIH are unsuccessful.

We cannot afford to put science on hold, particularly science that holds promise for improving our Nation's health. In addition, if we fail to adequately support biomedical scientists, we may discourage students from entering this field altogether. Many of the best students will pursue other careers, where support is certain and budget cuts are not a constant threat. H.R. 2507 attempts to deal with this problem by authorizing significant increases in grant funding generally and a special $415 million authorization to provide grants to recruit women, minorities, and others into biomedical and behavioral research.

Mr. President, while the record of NIH is exemplary, I am greatly concerned about the institution's failure to adequately address the health concerns of women in this country. NIH has failed to adequately involve women in NIH-sponsored clinical research and also has failed to sufficiently support research on conditions that have particular significance for women—osteoporosis, breast cancer, and ovarian cancer. As a result, information on women's health problems is lacking and has resulted in second-rate care.

For example, heart disease claims more women's lives than any other disease, and yet every major study on the cause and prevention of heart disease involved only men. Women have not been included in other significant studies that examined premature heart disease and cholesterol levels. The lack of research specific to women's health has impacted the care provided to women. For example, little progress has been made in addressing the biology of menopause and the safety and efficacy of hormone replacement for the prevention of osteoporosis.

While NIH has begun to address these shortcomings, this bill would ensure continued progress by requiring the inclusion of women and minorities as subjects in research conducted or supported by NIH. The bill would establish an Office of Research on Women's Health to ensure adequate support for research on women's health throughout NIH. In addition, the bill would establish research programs on breast cancer, cancers of women's reproductive systems, osteoporosis, and related bone disorders.

Mr. President, several scientists and physicians from my home State of Connecticut have written or called my office to express their support for one particular provision of this bill. This provision would prohibit the Secretary of Health and Human Services from withholding funding for research that has been approved by the merit review system unless a majority of an ethics advisory committee recommends that such funding be withheld. Given the careful evaluation of the social and ethical implications of research projects included in NIH peer review processes, I support this effort to protect the merit-based scientific review process that is one of the great strengths of NIH.

Lastly, I want to express my support for a provision in the bill that lifts the moratorium on Federal funding for fetal tissue transplantation research while imposing important safeguards regarding the acquisition and use of tissue for such research. While I firmly support a woman's right to choose, I would not support Federal funding of research that would serve to encourage abortion. I do, however, support this legislation that would nullify the moratorium on NIH-supported fetal tissue research.

I support this legislation because I am convinced that the safeguards included in the bill ensure that the decision to terminate a pregnancy will be independent from the retrieval and use of fetal tissue. The safeguards in this bill are not a substitute for—but additions to—the already extensive ethical, technical, and scientific review that all research applications undergo. For example, H.R. 2507 would require that informed consent to donate the tissue be obtained only after the decision to terminate the pregnancy has been made. It would prohibit women from designating the recipient or from being informed of the identity of the recipient. And the bill would make it illegal for any person to purchase or sell fetal tissue.

Fetal tissue transplantation research holds immediate promise for people who suffer from diabetes, Parkinson's disease, spinal cord injuries, and other chronic disorders, and I believe it is time to end this unnecessary restraint on biomedical research.

Mr. President, I want to again express my strong support for this bill. It would increase funding in critical areas of research and ensure that NIH maintain its position as the preeminent biomedical research center in the world. The 1980's brought many exciting advances in biomedical research and it is essential that funding be provided to allow us to take advantage of these and future opportunities. I strongly urge my colleagues to support this bill.

Mr. PELL. Mr. President, I rise in strong support of H.R. 2507, the National Institutes of Health Reauthorization Act of 1992. This legislation will strengthen the already preeminent position of the NIH, the world's premier biomedical research institution, and will make needed changes in policy that have hindered the progress of scientific research in this Nation and throughout the world. The current NIH Director, Dr. Bernadine Healy, has served with great distinction in this most important position and will no doubt continue to lead the NIH research effort with the urgency and care that such responsibility requires.

Mr. President, as an original cosponsor of the Senate bill to reauthorize programs at NIH, and as one who has for many years strongly supported the reauthorization effort, I must say how pleased I am with the legislation that is pending before us today. This legislation will revitalize many programs at NIH, including research on breast and prostate cancer, AIDS, and women's health needs. It also recognizes and addresses a disease of growing importance to many Rhode Islanders and others across this Nation, chronic fatigue syndrome [CFS], also known as chronic fatigue immunodeficiency syndrome [CFIDS].

I am encouraged by and strongly favor the provisions in this legislation that provide additional support to the National Cancer Institute, and in particular, to its research and cancer control programs. As the author of the legislation that created the NCI's international cancer research data bank [ICRDB], which assists in the exchange of information on the diagnosis and treatment of cancer between clinicians here and abroad, I am very pleased that the Senate Labor and Human Resources Committee, in its report, recognizes the ICRDB's important work and calls for the NCI to explore further ways to serve the ICRDB's services and needs. I hope that the NCI will undertake this effort with the diligence and care that it deserves, and I am confident that, under the excellent leadership of Dr. Samuel Broder, the NCI will give the ICRDB its strongest support.

Mr. President, I am particularly pleased by the Senate's resounding vote to retain the provisions overturning the administration ban on fetal tissue transplantation. While the questions surrounding the debate are complex and difficult, I am delighted that 77 Senators, after careful consideration, recognized and agreed that the Federal Government should resume funding this vital research—research that holds great promise for victims of many debilitating and painful diseases, including Parkinson's disease.

Mr. President, I would also note that this legislation contains provisions that are very appropriate during this Decade of the Brain. Among those provisions are efforts to collect data regarding traumatic brain injury and to encourage research on the brain and on human behavior.

I would note, Mr. President, and ask the chairman of the Committee on Labor and Human Resources to respond, that our committee report inadvertently left out a paragraph that was intended to be included in the committee views section and that further describes the committee's intent with regard to the types of biomedical and behavioral research that is authorized. That paragraph read as follows:

> There is a serious deficiency in programs and facilities dedicated to the study of violence as a major health problem. As a step toward the understanding and knowledge necessary for the development of effective programs of intervention and prevention, the Committee encourages biomedical and behavioral research in this area.

It is my hope, Mr. President, that Chairman KENNEDY could indicate for the record that this language was inadvertently left out of the committee report. I might add how appreciative I am of the chairman's attention to my concerns and interest in this legislation, and commend Van Dunn of the chairman's staff for working so closely with my staff on a number of important areas.

I urge passage of this important legislation. I yield the floor.

Mr. KENNEDY. Mr. President, I thank the senior Senator from Rhode Island for his remarks. He is quite correct that the paragraph that he read into the RECORD was inadvertently left out of the committee report. I believe his statement makes it clear that the NIH is authorized under the pending legislation to conduct biomedical and behavioral research on violence, and that the Senate Labor and Human Resources Committee encourages this research as a step toward developing effective prevention and intervention programs. I thank the Senator for this clarification.

Mr. ADAMS. Mr. President, I would like to ask that a letter from Rev. Guy Walden be included in the RECORD. Reverend Walden could not be here during the debate on the Hatch amendment on Tuesday. But I shared with him a copy of the amendment. He has followed this debate very closely because of his personal involvement with the research. And he has spoken personally with many of my distinguished colleagues.

He writes me that he is strongly opposed to the Hatch amendment. But I will let his letter speak for itself. I would ask that it be included in the RECORD in its entirety.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

GENETRIX,
March 31, 1992.

Re Concerning the amendment to the fetal tissue transplant bill that is now on the Senate floor.

Senator BROCK ADAMS,
U.S. Senate, Committee on Labor and Human Resources, Washington, DC.

DEAR SENATOR ADAMS: I appreciate you sending me a copy of the proposed amendment for my response. The amendment that was proposed by Senator Hatch seeks to aid victims of many diseases by providing some types of fetal tissues for study and transplants. I think it is commendable for Senator Hatch to at least try to address this great need in our nation, but I believe that the amendment falls woefully short in a couple of areas:

First of all the types of tissue that he is proposing, the ectopic tissue and the spontaneously aborted tissue, most of the doctors and people in the medical community will tell you that not only is this type of tissue not sufficient, but that this tissue has actually come from an organism that is diseased or infected and, therefore, is not of any therapeutic use to another person. Therefore, I would like to see all of the tissue, the ectopic, the spontaneous, and the electively aborted tissue be available for transplant and research purposes so that we can save as many lives as we can, and prevent as many abortions as we can by offering therapeutic alternatives to parents of genetically-diseased and problem children.

The second objection that I have to Senator Hatch's amendment is that it does not address the current moratorium which causes such a blight on this research. This moratorium needs to be lifted for a number of reasons, not the least of which is so that the stigma that this research has upon it can be lifted, and this life-saving transplant and research be permitted to go forward in our country.

The third objection that I have to Senator Hatch's amendment is that it does not address the safeguards recommended by the Adam's Commission that look at the Fetal Tissue issue in 1988. They recommended several safeguards, and none of the safeguards are included in Senator Hatch's amendment. Senator Hatch's amendment, in no way, provides any laws to govern what is done in the private sector with private funds. I believe that we need responsible laws to curb any abuses that can come from the private sector and from people who are motivated strictly by the bottom line profits, and so I would like to see * * *

In summation, I think that the amendment that is offered by Senator Hatch is a Band-Aid on a wound that is not curing the wound, but is merely putting a dressing over a very difficult issue. I would like to see Title II of this bill passed as it has been proposed on the Senate floor with the safeguards that are contained therein. I believe that many people would benefit from the use of the electively-aborted tissue that is now being discarded in the trash cans or incinerators. I believe if we could utilize the tissue that is already being aborted and discarded to save lives and to help reduce abortion, we ought to do that. I believe that the original bill ought to be passed as it is written. I believe that the amendment to this proposal by Senator Hatch is something that we can already do under the moratorium and would do nothing to help take the blight off this research and pass the necessary and responsible laws that we need to have to govern this research.

Thank you very much.

REV. GUY WALDEN.

THANKS TO THE COALITION AND ITS MEMBERS

Mr. ADAMS. Mr. President, I rise today to recognize the contributions of a number of important organizations and individuals whose hard work enabled the passage of the NIH Reauthorization Act and specifically title II of that act, the provision to lift the ban on fetal tissue transplantation research.

The Coalition for Research Freedom, under the capable leadership of Lynne Morrison, brought together a range of different health, science, and academic organizations—united to preserve research freedom. I would like to specifically recognize some of the individuals working for these groups. Richard Fuller and Barbara West of the American Federation of Clinical Research, Maureen Byrnes and Larry Solar of the American Association of Universities, Leslie Goode and Steve Northrup of the Association of American Medical Colleges, Sally Rosenberg and Eric Zimmerman of the Juvenile Diabetes Foundation, Shami Feinglass of the National Association of State Universities and Land Grant Colleges, Lynne Lawrence of the American Fertility Society, Judy Auerbach of the Consortium of Social Science Association, Todd Ibrahim of the Association of Professors of Medicine, Karen Hendricks of the American Academy of Pediatrics, Troy Zimmerman of the Multiple Sclerosis Society, Pamela Thornton of the American College of Physicians, and Amanda Spitler of the American Academy of Neurology. And the additional efforts of Cynthia Merrifield of the American Medical Association.

Without the tireless efforts of these individuals and the members of their organizations, this research would not be able to go forward.

Through their commitment and dedication to the issue of research freedom, we have been able to lift the ban on life-saving research, and have given millions of people stricken with devastating and fatal diseases new hope.

I would like to have the list of organizations making up the Coalition for Research Freedom included in the RECORD.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS ENDORSING S. 1902, THE RESEARCH FREEDOM ACT TO LIFT THE BAN ON FETAL TISSUE RESEARCH

Alliance for Aging Research.
Alzheimer's Association.
American Academy of Neurology.
American Academy of Pediatrics.
American Association of Colleges of Pharmacy.
American Bar Association.
American Cancer Society.
American College of Physicians.
American College of Obstetricians and Gynecologists.
American Council on Education.
American Diabetes Association.
American Federation for Clinical Research.
American Fertility Society.
American Gastroenterological Association.
American Geriatrics Society.
American Jewish Congress.
American Medical Association.
American Medical Student Association.
American Medical Women's Association.
American Paralysis Association.
American Pediatric Society.
American Physiological Association.
American Physiological Society.
American Society for Microbiology.
American Society of Human Genetics.
Arthritis Foundation.
Association of Graduate Schools.
Association of American Medical Colleges.
Association of American Universities.
Association of Medical School Pediatric Department Chairmen.
Coalition for Research Freedom.
Consortium of Social Science Associations.
Council of Graduate Schools.
Cystic Fibrosis Foundation.
Enlightened Visions.
Epilepsy Foundation of America.
Fred Hutchinson Cancer Research Center.
The Gerontological Society of America.
Huntington's Disease Society of America.
Juvenile Diabetes Foundation.
March of Dimes.
National Association of State Universities and Land-Grant Colleges.
National MPS Society, Inc.
National Multiple Sclerosis Society.
Parkinson's Disease Foundation.
Parkinson's Support Groups of America.
Parkinson's Action Network.
People for the American Way Action Fund.
Society for Pediatric Research.
Wellness Interaction Network.
Young Parkinson's Wellness Network.

Mr. McCAIN. Mr. President, I rise today to express my support for passage of the National Institutes of Health reauthorization bill.

Since its inception, the National Institutes of Health has, together with the private sector, made America the world leader in biomedical research.

Research carried on at the National Institutes of Health, over the course of its existence, have helped us a great deal in coming to understand more about our bodies and so many of the diseases that afflict us. I, as I know is every American, am grateful for the terrific work that is done at the National Institutes of Health—work from which we all benefit.

This legislation reauthorizes funding for the critical activities being carried on at the National Institutes of Health.

It increases funding for the National Cancer Institute. Under this legislation, $2.4 billion would be authorized in fiscal year 1993 for all National Cancer Institute programs—an increase of 30 percent over the 1992 appropriation.

It increases funding for the National Heart, Lung and Blood Institute. Under this legislation, $1.65 billion would be authorized in fiscal year 1993—an increase of 43 percent over the 1992 appropriation.

It expands the National Library of Medicine.

And, it authorizes funding for badly needed biomedical and behavorial research facilities.

In sum, this legislation is an investment in our future, as biomedical research is the key to unlocking the doors of the future to better health for the American public.

In spite of all the great things being done at the National Institutes of Health, unfortunately, it seems that all too often the biomedical research efforts have not adequately addressed the health needs of women in our society.

Mr. President, women comprise more than half of our Nation's population. Women are certainly affected by diseases such as heart disease, Alzheimer's, arthritis, diabetes, and cancer, the bulk of the research being conducted at the National Institutes of Health focuses almost exclusively on these diseases as they affect men.

What's more, diseases affecting only women—such as ovarian, cervical, and breast cancers, are given too little, if any, attention.

Mr. President, it is critical that women be included in the biomedical research being conducted at our Nation's premier Federal research institution. I am pleased that this legislation will do just that.

The legislation we are considering today will not only significantly increase the resources available for the research into women's specific diseases, it will also include women in the research that is being conducted into diseases that affect men and women alike.

Specifically, this legislation would do a number of things to include women in the biomedical research being conducted at the National Institutes of Health.

First, it would require the Director of NIH to include women and members of minority groups in all NIH-sponsored projects.

Second, it requires greater inclusion of women in aging research. It requires the Director of NIH to conduct research into the aging process of women, including studies on the effects of menopause.

Third, it establishes an Office of Women's Health.

Fourth, it requires more extensive research on breast cancer and cancer's involving women's reproductive systems. This portion of the bill is similar to that included in legislation I previously sponsored with Senator MIKULSKI. Specifically, the bill authorizes $155 million for such research in fiscal year 1993, and such sums as necessary in fiscal years 1994–97. In fiscal year 1993, $55 million of the $155 million would be authorized for basic research into the etiology and causes of breast cancer; $25 million for clinical research, prevention, and education programs on breast cancer; and $75 million for research and demonstration programs, including the development and operation of breast and prostate cancer research centers.

And, fifth, this legislation requires more extensive research on osteoporosis, Paget's disease, and related bone disorders.

Mr. President, I would also like to address the lifting of the ban against fetal tissue research that is contained in this legislation.

The vote that I cast today to lift the ban against fetal tissue research is one that I have thought about very, very carefully. In my years as a representative of Arizona in both the House of Representatives and the Senate, I have consistently supported the rights of the unborn. I have cast approximately 70 votes to protect the unborn. I have always been, and continue to be, pro-life. I do not believe that abortion is an acceptable form of birth control, nor do I believe that it should be funded by the American taxpayer.

Nevertheless, I say in all honesty that I have been torn by the issue of the use of fetal tissue for the purposes of medical research. The use of fetal tissue has shown great promise for the treatment of such insidious diseases as Parkinson's disease and juvenile diabetes.

The victims of these diseases, and their families, have prayed for a breakthrough such as may be achieved through the use of fetal tissue. In light, of the fact that induced abortions are legal in this country, they ask why the tissue resulting from those abortions cannot be used in an effort to save countless numbers of lives.

I have lost sleep struggling with this very question. My abhorrence for the practice of abortion is unquestionable. Yet, my abhorrence for these diseases and the suffering they cause is just as strong. In considering alternatives to an outright lifting of the ban on the use of fetal tissue for research in federally funded facilities, I had hoped that the use of tissue resulting from ectopic pregnancies and miscarriages would be considered by my colleagues to be sufficient.

The amendment offered by Senator HATCH would have established a private bank for this type of tissue. Unfortunately, the Hatch amendment failed. The majority of my colleagues do not consider this a viable compromise. I had hoped otherwise. Nonetheless, I feel that Congress must act affirmatively to support research to save lives, using tissue obtained through a practice which is currently legal in this country. For that reason, lacking another alternative, I support lifting the ban on the use of fetal tissue for research by the National Institutes of Health.

I strongly believe that the safeguards in the bill remove any incentives for inducing abortions either for direct donation to an ailing relative or for monetary gain. I would never support lifting the ban if I thought it would result in the creation of a market for fetal tissue. The idea of such a market is barbaric, and the safeguards placed in the bill, and the criminal penalties for such violations, are necessary to prevent this from occurring. Only my strong belief that these safeguards are sufficient permit me to vote in favor of lifting this ban.

This decision has no effect on my pro-life position. I remain committed to protecting the rights of the unborn and upholding the sanctity of life. I have never wavered from this position, nor do I believe that I have done so now.

Mr. MITCHELL. Mr. President, I rise in support of the National Institutes of Health Reauthorization Act of 1992. This legislation revises and reauthorizes many important programs of the National Institutes of Health.

The research freedom provisions of this legislation remove a barrier to the advancement of science and medicine that has been in place since 1988. The administration's moratorium on Federal funding for human fetal tissue transplant research has stigmatized this field of research, forcing many scientists to focus solely on animal fetal studies, seek limited private funds to continue their work, or abandon their research altogether.

This has effectively halted fetal tissue transplant research in the United States. It has halted a field of promising research that could potentially lead to therapeutic treatments and possibly cures for millions of Americans suffering from many incurable diseases and disabilities.

These conditions include Parkinson's, diabetes, Alzheimer's, Huntington's, leukemia, epilepsy, ALS, multiple sclerosis, and many others. The human cost of this moratorium is incalculable. For, as long as this moratorium on funding continues, the discovery of potential treatment and cures is delayed, and the suffering of millions of Americans prolonged.

Fetal tissue research has already made substantial contributions to medicine in the areas of prevention, diagnosis, and treatment. It was research with fetal kidney tissue that led to the discovery and development of the polio vaccine in the 1950's. The vaccine for German measles and treatment for the Rh factor, the condition that results when mother and fetus have incompatible blood types, also emerged from fetal tissue research. Further, advances in prenatal diagnosis of genetic defects have evolved due to fetal tissue research. All of these advances in medicine and in the health of society would not have occurred if a moratorium on fetal tissue research had been in place. And further advancements in medicine and society's health should not be delayed by the moratorium of today.

The promise of fetal tissue transplant research has been proven. We have learned a great deal from the limited human fetal tissue transplant research that has taken place in this country and overseas. We have learned that fetal tissue has the unique characteristics of adapting and growing rapidly. We have learned that fetal tissue will thrive in virtually any recipient with minimal risk of rejection.

We have learned that adult decayed brain tissue can be regrown with fetal tissue. We have even learned that progression of disease can be retarded and possibly reversed and genetic disorders possibly corrected. But most importantly, we have learned that there are many more potential medicinal benefits of fetal tissue yet to be discovered.

Fetal tissue transplant research must continue and must receive Federal support. This research, a promising avenue for treatment for the many incurable diseases and disabilities from which millions of Americans suffer must not be suppressed. I urge all of my colleagues to support the provisions of this legislation and remove the administration's moratorium on Federal funding for fetal tissue transplant research.

Mr. SIMPSON. Mr. President, I rise in support of this legislation. I believe it is time to get real about the emotional issues that seem always to confront us here and to stop allowing our good sense and reason to be coopted by the shrill rhetoric of political polemicists. It is truly time we focus on—and decide—the real issues before us, in a fashion whose chief concern is policy. Public policy. Not politics. Not polemics. Rational, intelligent policy.

As some of my colleagues know, I worked long and hard with my friend Senator CHAFEE and others to forestall the release of the so-called gag rule, an ill-conceived, Reagan-era regulation which restricts the information available to women who receive reproductive health care at title X family planning clinics. I also accept that this administration continues a policy of discouraging anything to promote abortion, and I do not disagree with that. but the gag rule is not about abortion, and it is unfortunate that it was ever cast as such. The gag rule is about the kind and quality of health care that is available to women of such modest means that they must rely on publicly assisted clinics for medical services. The gag rule is about medical ethics and a physician's duty to his patient—his duty to impart and discuss all legal and medically sound interventions for managing a pregnancy. It is assuredly about information, and the first amendment. Finally, it is about the realities of the health care system in places like Wyoming, where nonphysicians provide the bulk of health care services because we simply don't have enough doctors to do the job. Those are the real issues on which discussion of the gag rule should turn. They are critical issues. The success of the proponents of the gag rule in casting the issue as some referendum on abortion—a spin which opponents could not overcome in time—has resulted in very bad policy. If we are to do our jobs here, then it is time we get away from the nuggets of unbending ideology that polarize this body to the exclusion of any meaningful dialog or factually based discussion of the real issues.

Similarly, Mr. President, title II of the NIH reauthorization bill—which would lift the ban on Federal funding of fetal tissue transplantation research—is not about abortion either. This provision is about expanding the scope of research that offers real hope of finding cures for Parkinson's Disease, childhood diabetes, and devastating genetic disorders. Mr. President, this provision is about saving lives.

Unfortunately, this issue has from the beginning been entangled in the abortion debate—a place it most assuredly does not belong. When the former HHS Secretary imposed the ban on fetal tissue research funding, he did so solely on the basis of an unproved and unfounded assumption: That such research would increase the demand for abortions; that knowledge of this research would lead women more often than not to decide to terminate their pregnancies for purposes of donating tissue. What a wretched assumption to make about American women. What a grossly paternalistic view of women's capacity to make reasoned, moral choices on issues of such great personal weight and consequence. That is a logic so specious it defies comprehension, and I would hope my colleagues would not subscribe to it.

Mr. President, I do not want to get trapped in a discussion of abortion here, except to emphasize one point, one essential, factual bit of history in the evolution of this issue.

In 1988, the National Institutes of Health, at the Secretary's request, convened an outside panel of experts on fetal tissue research to study the ethical, legal, and scientific issues associated with the research. This panel, which was composed of lawyers, theologians, physicians, and scientists, voted overwhelmingly to approve the transplantation research as acceptable public policy. That decision was adopted unanimously by the advisory committee to NIH.

The panel was also asked to consider a number of weighty moral and philosophical questions, and to speculate on the likely social effects of expanded research activity. Among the questions the panel entertained was this: "Does the use of fetal tissue encourage women to have an abortion?" The panel reported thus: "Research using fetal tissue has been conducted for 30 years and there is no evidence the research has encouraged abortion."

However, Mr. President, just to ensure that the scales will never, ever be tipped in favor of abortion, the legislation before us today contains a number of ethical safeguards—all recommended by the NIH experts—to completely separate a women's decision to terminate her pregnancy from her decision to donate tissue for research. There will be no direct donations, no payment of any kind under criminal penalty, and the decision to donate must come after the decision to abort. These safeguards are sufficient in my mind to allay any fear of improper or misguided decisions. Moreover, these regulations would control both public and, for the first time, privately funded research as well.

Mr. President, fetal tissue transplantation research holds such tremendous promise for so many American families who are suffering from disabilities and diseases for which there are as yet no know cures, nor effective therapies. The NIH advisory panel noted that experimental transplant therapy on Parkinson's patients, "has resulted in significant clinical improvement and real quality of life changes." Juvenile diabetes, head and spinal cord injuries, genetic abnormalities which result in so many elective abortions—all of these have shown evidence of responding to fetal tissue therapy. What logic is it that would hamstring earnest efforts to pursue these promising areas of scientific investigation?

I would like to quote from an op-ed piece by Dr. J. Sanford Schwartz, president of the American Federation of Clinical Research, the Nation's largest association of physician investigators. he states:

> Fetal tissue transplantation research can be a very useful path to combat pain and suffering * * * it [also] may be the only bridge to even greater discoveries on the course of disability and disease. But we can only cross that bridge if we are allowed to pursue the research.

Dr. Schwartz then goes on to wonder:

> In the future, will good science have to be in some ways better than just "good"? Will it also have to be politically correct? If that is the case, we have lost the foundation of research achievement in the United States.

It is time to separate abortion from science, politics from research—and science from fiction.

I am heartened to see that, on this issue at least, so many of my colleagues have devoted to the pending proposal the thorough, thoughtful review and consideration it deserves. My fine friend, Senator HATFIELD, who is among this body's staunchest of pro-life advocates, has studied this issue on its merits and concluded that support for such potentially life-saving research is the only true pro-life position to take. My mentor and respected colleague, Senator THURMOND, has weighted the potential benefits of such research in a deeply personal manner, and has likewise concluded that they far outweigh any hypothetical risk of induced demand for abortion. I urge any of my colleagues who are still undecided—feeling queazy—about this issue to simply look at the facts—study the NIH advisory panel's report and recommendations. Talk with the researchers and the advocates—on both sides. And then let reason be your guide. I think you will find the arguments in support of expanding these research efforts most compelling.

Mr. HATCH. Mr. President, I would like to thank the members of my health staff who have been working day and night on this bill. Specifically, I would like to acknowledge the yeoman effort by Dr. Ann Labelle, Bruce Artim, Scott Daniels, Christie Fisher, and Dr. Gary Noble of my staff, Stephanie Monroe of Senator COATS' staff, John Marshburn with Senator HELMS, and Doug Badger of the Republican Policy Committee. All of these individuals deserve thanks for tackling all of the tough issues in this bill.

While Senator KENNEDY and I disagree on this bill, we were able to work together successfully to offer the managers' amendment. The work of Dr. Van Dunn of Senator KENNEDY'S staff, Phyllis Allbritton of Senator MIKULSKI'S staff, and Rush Russell of Senator BRADLEY'S staff to help accomplish this was appreciated.

Mr. SPECTER. Mr. President, I support the Senate version of H.R. 2507, the National Institutes of Health Reauthorization Act of 1992. As the ranking Republican member of the Labor, Health and Human Services, and Related Agencies Appropriations Subcommittee that funds the National Institutes of Health [NIH], I would like to outline for my colleagues some of the new programs authorized in this bill and briefly discuss the significance of these programs within Pennsylvania's biomedical research community.

The subcommittee began funding an exciting pediatric research initiative in fiscal year 1990 when, at our urging, child health research centers were created to foster bench-to-bedside research. The purpose of these centers was to hasten the application of laboratory research to the treatment of diseases and conditions that affect our Nation's children. The centers, each of which focus on a single theme or area of scientific inquiry, have quickly become leaders in the practical application of new scientific knowledge. Children's Hospital of Pittsburgh and the Children's Hospital of Philadelphia are 2 of the 19 institutions that have successfully competed for these grants.

H.R. 2507 provides statutory authority for the Child Health Research Centers Program within the National Institute of Child Health and Human Development, Mr. President, and I urge my colleagues to support this authorization.

H.R. 2507 also authorizes new centers for the study of the prevention, diagnosis, and treatment of cardiovascular disease among children. Cardiovascular disease is among the leading causes of morbidity and mortality among children, and the proposed centers offer the prospect of a focused, multidisciplinary approach to the study of such disease, an approach that embraces molecular biology, biochemistry, bioengineering, and genetics. The proposed centers would study such subjects as congenital and acquired heart disease, arrhythmias, preventive cardiology, and the intrauterine environment.

Such centers will take advantage of this approach to develop new methods for treating cardiovascular disease among children. Pennsylvania's leading pediatric research institutions are well positioned to compete for this new centers program.

In 1989, the National Center for Human Genome Research was established administratively within the NIH to support and coordinate our national research in the mapping of the human genome and the sequencing of human DNA. At the heart of this endeavor is the human genome project, a 15-year, international effort to map the entire genetic blueprint of the human body.

One of the most important participants in the human genome project is the Children's Hospital of Philadelphia, which was awarded a 5-year, $10 million grant to map chromosome 22, commonly known as the Philadelphia chromosome. Chromosome 22 is associated with at least eight forms of pediatric cancer and three often-fatal developmental disorders. The Children's Hospital of Philadelphia is one of just seven institutions in the United States to participate in the latest phase of this project, and the only pediatric hospital, or hospital of any kind, to do so. The hospital's partners in this research are the University of Pennsylvania Medical Center, the Fox Chase Cancer Center, and DuPont Merck.

The study of the human gene offers extraordinary promise for unparalleled breakthroughs in understanding, diagnosing, and treating genetic diseases. Genome research on chromosome 22, for example, has broad application to pediatric investigations into childhood leukemia, cancer, heart disease, and some forms of mental retardation. This bill encourages the NIH to give priority to research and research training programs that facilitate the transfer of basic knowledge gained from mapping and sequencing individual genes into new scientific techniques that will be useful in clinical settings, in research on specific diseases, and in diagnostic laboratories. H.R. 2507 would provide statutory authority for the National Center for Human Genome Research, which oversees this extraordinary work, and I urge my colleagues to support this legislation for this reason as well.

Another important aspect of the NIH reauthorization bill is its special attention to the health of women. The 1985 Public Health Service Task Force on Women's Health Issues urged us to pay greater attention to women's health needs. Mr. President, H.R. 2507 demonstrates our commitment to this goal. It establishes a Women's Health Clinical Research Advisory Committee; creates a data bank for women's health research; calls for additional research on aging among women; and provides for research programs on osteoporosis and other bone disorders. Most important, it also provides $155 million for research on breast cancer and other cancers of women's reproductive systems.

One of this country's leaders in research on women's health is Magee-Womens Hospital in Pittsburgh. One of the relatively few institutions in the United States devoted exclusively to the health needs of women, Magee-Womens Hospital has worked for over 80 years in a sphere of endeavor in which we, as a government, are relative newcomers. Magee-Womens Hospital's comprehensive breast care system is a national model, and it is institutions such as Magee that will lead us as we attempt to redress our years of neglect of the health care problems unique to the majority of our population.

Approval of H.R. 2507 is an important step in that redress, Mr. President, because it provides statutory authority for the Office of Women's Health, which has been established administratively within NIH.

Finally, Mr. President, I wish to call my colleagues' attention to a provision in H.R. 2507 that redesignates the National Center for Nursing Research as an Institute within the National Institutes of Health. It was just 7 years ago that we belatedly acknowledged that nursing research was part of the mainstream of biomedical research by creating the National Center. Now, we wish to accord nursing research still further recognition of its status by making it an Institute of the NIH. This recognition is richly deserved.

I am particularly pleased to support this change because of the many fine nursing schools in Pennsylvania. Among them is the University of Pennsylvania's School of Nursing, which is invariably included in any listing of the best nursing schools in America; to many observers, it is the very best. I can think of no better way to acknowledge its role, and that of the nursing profession, than by according Institute status to nursing research.

In conclusion, Mr. President, I wish to reiterate my support for H.R. 2507. The biomedical research performed under the NIH's auspices has enabled us to cure many diseases and to find better ways to treat those that we cannot yet cure. Our support for this legislation will greatly enhance the progress of biomedical research in our country today, and it will also help the many institutions in Pennsylvania that are such essential parts of our national medical research community.

WORKERS' FAMILY PROTECTION ACT

Mr. JEFFORDS. Mr. President, I thank my colleagues for accepting my amendment that is based upon a bill I introduced last year and that the Senate passed this year. This amendment is based upon the Workers' Family Protection Act. I realize some of my colleagues may not be familiar with this legislation; thus, I would like to take a few moments to explain what this amendment is about. It is about protecting families, spouses and children, from exposure to workplace chemicals.

Small amounts of workplace chemicals are sometimes taken home on clothing or persons. This amendment asks our Government agencies responsible for an aspect of this problem to work together to figure out how big a problem this is and what the most effective solution is for stopping such contamination from occurring.

Subsequent to the bill passing the Senate, I have learned that children of parents employed in certain occupations face a higher risk of cancer. It is because of this cancer connection that I have decided to offer the Workers' Family Protection Act to the NIH reauthorization. NIH has outstanding cancer researchers whose expertise could be very important to understanding this problem.

This amendment offers a low-cost scientific process for learning about this problem. The highest cost in any year is less than half a million dollars. Industry does not oppose the Workers' Family Protection Act. In fact, allow me to quote from the National Association of Manufacturers in a letter dated February 10, 1992. "We have reviewed S. 353, the Workers' Family Protection Act, as amended, and commend you for making the favorable changes that are incorporated in the amended version * * *. We are not opposed to favorable consideration of S. 353, as amended, by the U.S. Senate." The letter is signed Randolf Hale, vice president, Industrial Relations Department. The Chemical Manufacturers also do not oppose this legislation. I also have letters from industries such as Olin Chemical Co., Du Pont, and Scott Paper Co. all in support of this legislation. Industry understands the problem and wants to see this problem addressed in a scientific manner.

Labor and environmental groups support this amendment. For example, the Environmental Defense Fund says:

> S. 353, the bill on which my amendment is based, outlines a scientific process for determining the risks posed by home contamination. The cost to the Federal Government, as determined by the Congressional Budget Office is insignificant. Thus, support for this legislation will not impose new costs on the government, nor take money away from other desperately needed health and environmental protection programs. The Environmental Defense Fund urges Senators to support S. 353.

Mr. President, I've just outlined several reasons that support passage of this amendment. The problem exists, and the proposed solution is based on science, imposes no costs, industry doesn't oppose it, labor and environmentalists support it. Thus, I thank my colleagues for their support, and their willingness to accept this amendment.

Now, Mr. President, let me provide just a sample of the background information I have on this subject. I will definitely condense the information as I have file drawers full of related information.

Family members have been exposed to workplace toxins in nearly every State. Allow me to name a few of these States: Florida, North and South Carolina, Kentucky, Tennessee, Virginia, Maryland, Pennsylvania, New York, and my home State of Vermont. Moving away from the eastern seaboard, homes have been contaminated in Ohio, Indiana, Iowa, Michigan, Missouri, Utah, Colorado, Oregon, and Hawaii. These are some of the States where home contamination has occurred.

Many of my colleagues may have heard of this home contamination problem in relation to asbestos. While many, many cases of lung cancer have resulted in family members of asbestos workers. In one study, almost half of the wives of asbestos workers were found to have sustained lung damage. Forty-two percent of their sons and 21 percent of their daughters had lung damage from asbestos. In one case, a 3-year-old girl died of lung cancer from asbestos. These statistics are frightening. Half the workers' wives had lung damage related to their husbands' job.

Nor is this a new problem, Mr. President. The first case I have identified dates back to 1935 in Pennsylvania. Workers' families developed chloracne from exposure to chlorinated organics brought home on the workers' clothes. For my colleagues unfamiliar with chloracne, it is a skin condition that results from exposure to toxins like dioxin. Deaths have been recorded from home contamination dating back to the 1940's.

Lead is another compound in which workers' families are often at risk. In my home State of Vermont, over half the children of battery plant workers were lead poisoned. All of the workers changed clothes at work and 90 percent of the workers showered before going home, and still, over half the children had very high blood lead levels. Dust in their homes contained over 2,000 parts per million of lead.

This is nothing, however. In a Tennessee smelter, 52 of 102 children had high blood lead levels and 7 of the children required hospitalization. In North Carolina, homes were found to contain 84,000 parts per million of lead. The newborn babies of lead workers have even been found to have elevated levels of lead in the blood from the baby's umbilical cord. This is clearly unacceptable.

Other contaminants in which home contamination has occurred include PCBs, mercury, beryllium, radionuclides, pharmaceuticals, and organic carcinogens.

It is my hope, Mr. President, that if the Workers' Family Protection Act is enacted, we can begin to protect workers' families from toxic chemicals inadvertently brought home from the workplace. This problem of take home toxins has occurred across the country. Health effects in family members have ranged from headaches to death. Small children seem to suffer the most. This amendment will help us identify the causes of home contamination, help us determine the threat such contamination poses, and help us prevent future cases. We can protect our children.

I believe H.R. 2507 is an appropriate vehicle for this amendment as both my amendment and H.R. 2507 are health related. NIOSH is primarily responsible for implementing the Workers' Family Protection Act. The expertise in the National Institutes of Health, however, could be very important in determining the risks associated with home contamination. For example, studies have shown the children of workers exposed to solvents have been found to be at higher risk of brain cancer. Children of workers in the printing or hydrocarbon industries are also at higher risk. The researchers at NIH may be able to help us understand the connection between childhood cancers and parental occupation.

It is my hope that the Director of NIOSH will avail himself of this expertise. Both the National Institutes of Health and NIOSH are part of Health and Human Services. Thus, co-ordination between these two entities will hopefully not be too difficult.

Though the amendment strongly encourages the Director of NIOSH to consult with NIH, I have not specified which division of NIH the Director should utilize. This was not an oversight. Since I do not know the New Mexico or types of different health effects which could occur as a result of take home toxins, I believed it best to leave that judgment up to the Director. In this way, the Director would be free to seek whatever health related expertise available at NIH that the Director may need.

This amendment should also not pose a financial burden on NIH. I envision NIH's role as one of providing occasional technical assistance to NIOSH or others involved in implementing the Workers' Family Protection Act. For example, ATSDR, in evaluating community health effects, may need to consult with or utilize in some other fashion NIH experts on various illnesses or effects. I believe it is important the ATSDR have access to NIH expertise when needed. To help identify where such expertise may be available, the Director may wish to appoint a representative of NIH to the task force created by this amendment. Again, I thank my colleagues for accepting this amendment and look forward to working with you in conference.

Mr. NICKLES. Mr. President, all of my colleagues would agree on the importance of Federal sponsorship of research into deadly diseases. The number of deaths caused by the top 20 diseases are easily quantified: last year they claimed more than 2 million lives. The suffering they cause—in pain, disability, and human anguish—is incalculable.

Despite the great progress that science has made in recent decades, the toll from these lethal diseases continues to mount. This year, more than three-quarters of a million Americans will die of heart disease, nearly half a million will die of cancer, and an estimated 150,000 will succumb to cerebrovascular diseases.

While Government funding of research into the causes and potential cures for these diseases is essential, our resources are limited. Because of these limited resources, we who must vote each year on Federal appropriations for this research need more data—data on the number of deaths caused by the leading diseases and data on how much the Government spends to combat them.

Mr. President, my amendment would give us access to these data. It would require the Secretary of Health and Human Services to report annually to Congress on the number of deaths caused by the top 20 killers and the amount of Federal money spent on research, prevention, and education efforts with respect to each of these deadly diseases.

My amendment imposes no burden on HHS. The Department already collects these statistics. My amendment would simply require the Secretary to make this information available to us in a useful form. Mr. President, this amendment will give us a clearer picture of our research and funding priorities than we now have, and I urge its adoption.

Mr. RIEGLE. Mr. President, the National Institutes of Health have historically played an important role on the forefront of biomedical research. H.R. 2507, the NIH reauthorization bill, will increase funding for the National Cancer Institute, the National Heart, Lung, and Blood Institute, and it will focus attention on important women's health issues. In addition, it includes provisions known as the Research Freedom Act. The research freedom provisions would lift the administration's ban on Federal funding of fetal tissue research, impose standards for the ethical use of this technology, and provide a nonpolitical method for addressing ethical questions in all areas of scientific research. Mr. President, today I want to encourage my colleagues to support the National Institutes of Health reauthorization bill including the research freedom provisions, and oppose any amendments which would weaken these important measures. For millions of people with life-threatening illnesses like Parkinson's disease, diabetes, leukemia, and epilepsy, fetal tissue transplantation offers the potential for medical miracles.

Mr. President, we really don't know the extent to which fetal tissue transplantation may save lives, but the evidence from studies done so far is very promising. We have heard moving testimony in recent weeks which illustrate in the most human terms the way this technique can improve the quality of life for people with serious illnesses. There is no excuse for the moratorium on Federal funding of this research.

In 1988, shortly after the Department of Health and Human Services imposed its ban on Federal funding of fetal tissue research, President Ronald Reagan formed an expert scientific panel to examine the ethical implications of this research. They voted in favor of allowing research involving fetal tissue to continue, and endorsed guidelines to make sure that a women's decision to have an abortion was separated from the decision to donate tissue. The Reagan and Bush administrations to this day have failed to act on the panel's recommendation that the use of fetal tissue from any abortion, with appropriate safeguards, is sound public policy. As a result, research in this area has slowed to near standstill.

The Research Freedom Act codifies the guidelines set forth by the administration's panel. Mr. President, the safeguards set forth in this legislation make the argument that it will promote abortion null and void. The act says that a woman must consent to an abortion before she makes the decision to donate tissue. It says that she can't receive compensation for fetal tissue, and it says that she can't specify the recipient of the donation. Even more important, it applies these guidelines across the board to all fetal tissue research, whether publicly or privately funded, since right now there are no safeguards in place for private research.

Additionally, Mr. President, title II of the Research Freedom Act provides a nonpolitical mechanism for resolving these complex ethical questions in biomedical research in the future. The U.S. scientific community is held in worldwide regard because of its peer review process. This process requires that proposals for research go through several layers of review before they can be funded. In 1988, the Secretary of Health and Human Services prohibited funding of research on teenage sexual behavior after the review process had already decided it was worth funding. Without this important data, we will not have the information we need to effectively address issues like teen pregnancy, AIDS, and sexually transmitted diseases. Through title II of the act, if the Secretary determines that there is an ethical question about a research project, he must convene an advisory panel to review these ethical questions. The Secretary can withhold funding only if the panel agrees.

Mr. President, we need to recognize the importance of funding biomedical research and supporting the efforts of the National Institutes of Health. We also need to lift the ban on fetal tissue research, and create a mechanism for handling ethical questions in science in the future. I urge my colleagues to do this by supporting H.R. 2507 and the research freedom provisions it includes.

Mr. KENNEDY. Mr. President, this is a significant day for biomedical research, and all science. With passage of the National Institutes of Health Reauthorization Act of 1992, the Senate has confirmed the fundamental principle of freedom of inquiry that is the basis for major scientific discoveries and advances.

We have affirmed the value of the peer review process, which has served this country well in generating the most meritorious and promising biomedical research possible. We have done our best to reinforce the National Institutes of Health in its preeminent position in biomedical research in the world.

The bipartisan effort that brought us to this point reflects the real strengths of our democracy, the high priority that America gives to biomedical research, and the indispensable role of the Federal Government in supporting such research.

Our goal is to bring help and hope to millions of Americans suffering from disease, and our action today is a solid vote of confidence in the NIH, its past achievements, and its promise for the future. I commend each of my colleagues for their careful consideration of the complex and controversial issues involved in this measure and for their contributions to strengthening the bill. I also want to thank the many Senators who have come to the Senate floor during this debate and have made powerful and eloquent statements in support of biomedical research.

On the Labor Committee, I am particularly indebted to Senator ADAMS for his tireless efforts on behalf of research freedom, transplantation research, women's health, and many other priorities established in the bill.

I also commend each of the other members of the Committee—on the Democratic side, Senator PELL, Senator METZENBAUM, Senator DODD, Senator SIMON, Senator HARKIN, Senator MIKULSKI, Senator BINGAMAN, and Senator WELLSTONE, and on the Republican side, Senator HATCH, Senator KASSEBAUM, Senator JEFFORDS, Senator COATS, Senator THURMOND, Senator DURENBERGER, and Senator COCHRAN—for their individual contributions to this legislation and for their dedication to progress on medical research.

Although the question of supporting fetal tissue transplantation research dominated the debate, all of us are well aware of the many other extraordinarily important provisions in this bill to enhance all aspects of biomedical research.

The success of our effort on this legislation was in no small part due to the tenacious efforts of numerous individuals and leading patient scientific and medical organizations.

On the fetal tissue research question and the issue of research freedom, the committee was deeply moved and extremely impressed by the testimony of Rev. Guy Walden, Joan Samuelson, Ann Udall, and Carol Lurie, whom many Senators met personally.

I also want to express my appreciation to the many organizations involved, including the Coalition for Research Freedom, the Breast Cancer Coalition, the Society for the Advancement of Women's Health Research, and the Congressional Caucus for Women's Issues, for their constructive role in developing this legislation. I ask unanimous consent on behalf of Senator ADAMS and myself that letters from these organizations and other materials may be printed in the RECORD at the conclusion of my remarks.

In addition, I want to thank the numerous staff members of the committee as well as staff members in Senators' offices for their excellent work on the bill.

Those who deserve a special note of appreciation include Phyllis Albritton, Kimberly Barnes-O'Connor, Laura Brown, Grant Carrow, Van Dunn, Michael Iskowitz, Mary Jeka, Robyn Lipner, Nick Littlefield, Vicki Otten, and Mona Sarfaty. Without their special talents and persistent efforts, today's action would not have been possible.

Finally, I want to make one additional point.

The United States is justifiably proud—and so is the Senate—of the accomplishments of the NIH in advancing medical research and improving the health and quality of life for millions of our fellow citizens and peoples throughout the world. Passage of this legislation will mean increased public investment in biomedical research, and the Senate deserves credit for upholding and strengthening that important principle.

At a time when so many citizens are concerned about what is wrong with America and wrong with the Government, it is worth emphasizing that the "N" in NIH stands for "National." Some things are being done right and done well by Government. NIH is a bright and powerful example of excellence in Government, and it is gratifying that the U.S. Senate has gone on record to keep it that way.

Mr. President, I ask unanimous consent to have printed in the RECORD material pertaining to this legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

COALITION FOR
RESEARCH FREEDOM,
Washington, DC, March 19, 1992.

Hon. EDWARD KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: The Coalition for Research Freedom, urges you to support Title II of H.R. 2507, reauthorizing legislation for the National Institutes of Health which will come before the full Senate in the near future. Formerly S. 1902, "The Research Freedom Act of 1991," Title II of H.R. 2507 would lift the Administration's ban on federal funding of fetal tissue transplantation research and ensure that all biomedical research is conducted ethically and responsibly. We urge you to reject any weakening amendments to Title II and to support final passage of the entire bill.

Title II of H.R. 2507 fulfills three principal aims:

1. Lifts the ban on federal funding for fetal tissue transplantation research: Fetal tissue transplantation research is widely recognized as a promising research avenue for such diseases and disabilities as Parkinson's, Alzheimer's, diabetes, Huntington's, leukemia, epilepsy, spinal cord injury and many other chronic health conditions. Unfortunately most of the research gains and current endeavors in this exciting area are occurring outside of the United States because the Bush Administration has sustained a 1988 moratorium on federal funding of fetal tissue transplantation research despite the recommendation of a specially convened panel of ethicists and scientists.

2. Establishes a procedure to ensure that all biomedical research is conducted ethically and responsibly: If any research project invokes ethical concerns, provisions in Title II would require the Secretary of the Department of Health and Human Services to convene an ethical advisory board comprised of legal, medical, scientific, and theological experts, to review and issue binding recommendations on any research project invoking ethical concerns. In accordance with current regulation, Title II reiterates requirements that all federally-funded biomedical research be reviewed and approved by an Institutional Review Board in addition to peer review groups.

3. Sets in place safeguards for the conduct of research using fetal tissue: These safeguards would 1) ensure that the decision to terminate a pregnancy is independent from the retrieval and use of fetal tissue; 2) prohibit payment and other forms of remuneration and compensation for fetal tissue; 3) prohibit the woman from designating the recipient of the fetal tissue; and 4) require that informed consent to donate the tissue is obtained only after the decision to terminate the pregnancy has been made.

The Coalition for Research Freedom, an alliance of more than thirty organizations representing patients and their families, health care professionals and researchers, believes that Title II establishes safeguards and procedures that would protect the integrity of America's biomedical research while allowing society's ethical concerns to be addressed. The Coalition also supports Title II of H.R. 2507 as it would ensure that critical research endeavors that may lead to cures for many dreaded diseases and disabilities are allowed to continue.

Again, we urge you to support Title II of H.R. 2507 and to reject any weakening amendments. For more information about the Coalition for Research Freedom or fetal tissue transplantation research, please call Richard Fuller at 202-543-1877, or Leslie Goode at 202-828-0525.

Sincerely,

Alliance for Aging Research, Alzheimer's Association, American Academy of Neurology, American Academy of Pediatrics, American Association of University Professors, American Association of Colleges of Pharmacy, American College of Physicians.

American Council on Education, American Federation for Clinical Research, American Fertility Society, American Gastroenterological Association, American Geriatrics Society, American Jewish Congress, American Paralysis Association, American Pediatric Society, American Physiological Society.

American Society for Microbiology, American Society of Human Genetics, Association of American Medical Colleges, Association of American Universities, Association of Graduate Schools, Association of Medical School Pediatric Department Chairmen, Association of Professors of Medicine.

Council of Graduate Schools, Enlightened Visions, Epilepsy Foundation of America, Juvenile Diabetes Foundation International, National Association of State Universities and Land Grant Colleges, Parkinson's Action Network, Parkinson's Disease Foundation, Parkinson's Support Groups of America, Society for Pediatric Research, Wellness Interaction Network.

MEMBERS OF COALITION FOR RESEARCH FREEDOM

Alliance for Aging Research.
Alzheimer's Association.
American Academy of Neurology.
American Academy of Pediatrics.
American Association of Colleges of Pharmacy.
American Association of University Professors.
American Bar Association.
American College of Physicians.
American Council on Education.
American Diabetes Association.
American Federation for Clinical Research.
American Fertility Society.
American Gastroenterological Association.
American Geriatrics Society.
American Jewish Congress.
American Medical Student Association.
American Paralysis Association.
American Pediatric Society.
American Physiological Society.
American Society for Microbiology.
American Society of Human Genetics.
Association of American Medical Colleges.
Association of American Universities.
Association of Medical School Pediatric Department Chairmen.
Association of Professors of Medicine.
Council of Graduate Schools.
Enlightened Visions.
Epilepsy Foundation of America.
Juvenile Diabetes Foundation International.
National Association of State Universities and Land Grant Colleges.
National Multiple Sclerosis Society.
Parkinson's Action Network.
Parkinson's Disease Foundation.
Parkinson's Support Groups of America.
Society for Pediatric Research.
Wellness Interaction Network.

ORGANIZATIONS ENDORSING THE RESEARCH FREEDOM ACT TO LIFT THE BAN ON FETAL TISSUE RESEARCH

Alliance for Aging Research.

Alzheimer's Association.
American Academy of Neurology.
American Academy of Pediatrics.
American Association of Colleges of Pharmacy.
American Bar Association.
American Cancer Society.
American College of Physicians.
American College of Obstetricians and Gynecologists.
American Council on Education.
American Diabetes Association.
American Federation for Clinical Research.
American Fertility Society.
American Gastroenterological Association.
American Geriatrics Society.
American Jewish Congress.
American Medical Association.
American Medical Student Association.
American Medical Women's Association.
American Paralysis Association.
American Pediatric Society.
American Physiological Association.
American Physiological Society.
American Society for Microbiology.
American Society of Human Genetics.
Arthritis Foundation.
Association of Graduate Schools.
Association of American Medical Colleges.
Association of American Universities.
Association of Medical School Pediatric Department Chairmen.
Coalition for Research Freedom.
Consortium of Social Science Associations.
Council of Graduate Schools.
Cystic Fibrosis Foundation.
Enlightened Visions.
Epilepsy Foundation of America.
Fred Hutchinson Cancer Research Center.
Huntington's Disease Society of America.
Juvenile Diabetes Foundation.
March of Dimes.
National Association of State Universities and Land-Grant Colleges.
National MPS Society, Inc.
National Multiple Sclerosis Society.
Parkinson's Disease Foundation.
Parkinson's Support Groups of America.
Parkinson's Action Network.
People for the American Way Action Fund.
Society for Pediatric Research.
Wellness Interaction Network.
Young Parkinson's Wellness Network.

CONGRESSIONAL CAUCUS FOR WOMEN'S ISSUES

WOMEN'S HEALTH A VITAL PART OF THE NIH REAUTHORIZATION ACT OF 1991—MARCH 2, 1992

DEAR SENATE COLLEAGUE: Women's health research is finally becoming a priority! And we in Congress need to act to ensure that it stays that way. Legislation reauthorizing the National Institute of Health (H.R. 2507) passed in the House in July, 1991, and was recently reported out by the Senate Committee on Labor and Human Resources. This legislation contains many of the provisions of the Women's Health Equity Act that address our concerns about research on women's health. We strongly urge you to support this legislation when it comes to the Senate floor.

The Senate NIH reauthorization bill includes a number of important provisions to improve the quality of women's health:

It requires the appropriate inclusion of women and minorities as research subjects in clinical trials. No longer will clinical studies be carried out solely on men without a scientifically compelling reason to do so.

The Office of Research on Women's Health will be permanently established at NIH. This office will be charged with overseeing clinical trials and monitoring the status of women's health research.

An intramural research program in obstetrics and gynecology will be established at NIH as will a program to study osteoporosis and related bone disorders. Centers for research on contraception and infertility will also be established. These centers will be charged with developing new methods of contraception for women and men and new methods of prevention and treatment for infertility.

The National Cancer Institute will be required to provide an additional $80 million each year for basic research on breast cancer and $75 million for other reproductive cancers so that these terrible diseases can be prevented, detected early, and treated. Breast cancer is an epidemic in this country and we need to get serious now if we are to prevent the suffering and death of over 44,000 American women each year.

The NIH Reauthorization Act of 1991 brings critical attention to research on women's health. This has long been important to American women and their families. By passing this vital legislation, we will show that women's health is important to us as well.

We urge you to lend your support to the NIH Reauthorization Act!

Sincerely,

Patricia Schroeder, Co-Chair, Congressional Caucus for Women's Issues; Barbara Mikulski, U.S. Senator, Executive Committee Member; Olympia Snowe, Co-Chair, Congressional Caucus for Women's Issues; Nancy Kassebaum, U.S. Senator, Executive Committee Member; Constance Morella, Executive Committee Member; Eleanor Holmes Norton, Executive Committee Member; Cardiss Collins, Executive Committee Member; Nancy Pelosi, Executive Committee Member.

Maxine Waters, Executive Committee Member; Jan Meyers, Executive Committee Member; Marcy Kaptur, Executive Committee Member; Nita Lowey, Executive Committee Member; Joan Kelly Horn, Executive Committee Member; Barbara-Rose Collins, Executive Committee Member; Jill Long, Executive Committee Member; Susan Molinari, Executive Committee Member; Jolene Unsoeld, Executive Committee Member.

Barbara Boxer, Executive Committee Member; Marilyn Lloyd, Executive Committee Member; Patsy Mink, Executive Committee Member; Rosa DeLauro, Executive Committee Member; Mary Rose Oakar, Executive Committee Member; Elizabeth Patterson, Executive Committee Member; Nancy Johnson, Executive Committee Member; Barbara Kennelly, Executive Committee Member; Louise Slaughter, Executive Committee Member.

SOCIETY FOR THE ADVANCEMENT
OF WOMEN'S HEALTH RESEARCH,
Washington, DC, March 24, 1992.

Hon. EDWARD KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR EDWARD KENNEDY: The Society for the Advancement of Women's Health Research strongly urges your support of the provisions in HR 2507 (the NIH Reauthorization Act of 1991) that address women's health research.

While the Society applauds the progress that NIH has already made in the area of women's health research—the appointment of Dr. Bernadine Healy as Director of NIH, the creation of an Office of Research of Women's Health (ORWH), and the appointment of Dr. Vivian Pinn as Director of ORWH—we firmly believe that the Office requires a sense of permanence through the enactment of a law.

The bill contains many of the research provisions of the Women's Health Equity Act, among them: the funding of the Office of Research on Women's Health at NIH, the inclusion of women in clinical trials, and increased funding for breast and ovarian cancers, contraception and infertility, and osteoporosis.

A vote for this legislation will testify to your commitment to the health of women. We hope that you will be among those who translate rhetorical support for women's health into action by voting for HR 2507.

Sincerely,

JOANNE HOWES.

ORGANIZATIONS ENDORSING THE WOMEN'S HEALTH EQUITY ACT OF 1991

AIDS National Interfaith Network.
Alan Guttmacher Institute.
American Academy of Nurse Practitioners.
American Academy of Pediatrics.
American Association of University Women.
American College of Nurse Midwives.
American College of Preventive Medicine.
American Federation of State, County and Municipal Employees.
American Jewish Congress.
American Nurses Association.
American Psychiatric Association.
American Psychological Association.
Arthritis Foundation.
Association for Women in Science.
B'nai B'rith Women.
Breast Cancer Coalition.
Business and Professional Women, USA.
Campaign for Women's Health.
Center for Population Options.
Center for Women's Policy Studies.
Committee for Children.
Communications Workers of America.
Federally Employed Women.
Federation of Organizations for Professional Women.
General Federation of Women's Clubs.
Girls Incorporated.
Human Rights Campaign Fund.
Jacobs Institute of Women's Health.
NAACOG; The Organization for Obstetric, Gynecologic and Neonatal Nurses.
National Association of Commissions on Women.
National Association of Nurse Practitioners in Reproductive Health.
National Association of Social Workers.
National Black Child Development Institute.
National Coalition for Cancer Survivorship.
National Council of Jewish Women.
National Council of Senior Citizens.
National Council on the Aging.
National Displaced Homemaker's Network.
National Education Association.
National Family Planning and Reproductive Health Association.
National Institute for Women of Color.
National Organization for Women (NOW).
National Women's Health Network.
National Women's Health Resource Center.
National Women's Law Center.
National Women's Party.
National Women's Political Caucus.
Older Women's League.
Planned Parenthood Federation of America.
Service Employees International Union.
Society for Advancement of Women's Health Research.

THE BREAST CANCER COALITION,
New York, NY, March 25, 1992.

Hon. EDWARD KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the Breast Cancer Coalition, I urge you to support final passage of the NIH Reauthorization bill, H.R. 2507.

As you may know, the Breast Cancer Coalition is a grassroots advocacy effort created to focus the nation's attention on the breast cancer epidemic. The Coalition has been joined by more than 140 organizations, representing several million patients, professionals, women, their families and friends. Coalition members include cancer support, information, and service groups, as well as women's, consumer health, and provider organizations.

The Breast Cancer Coalition Research Task Force held hearings last month in which leading researchers in prevention and epidemiology, basic science and clinical science presented the priorities in research. From the hearings, the task force concluded that an increase of $300 million could be spent effectively for breast cancer research. Therefore, the additional $300 million in the NIH Reauthorization bill is necessary for breast cancer research.

Because 181,000 women will be diagnosed with breast cancer this year, and because 46,000 women will die from breast cancer this year, the victims and their families need support in Congress more than ever.

We urge you to vote for final passage. Thank you.

Sincerely,

JOANNE HOWES,
Chair, Federal Public Policy Task Force, Breast Cancer Coalition.

THE BREAST CANCER COALITION—A NATIONAL ADVOCACY EFFORT

ORGANIZATIONS JOINING THE BREAST CANCER COALITION

Adelphi Breast Center Support Program, Garden City, NY.

American Cancer Society, National Legislative Office, Washington, DC.

American Indian Health Care Association, St. Paul, MN.

Arm-in-Arm, Baltimore, MD.

Bay Diagnostic Center for Women, Bay City, MI.

Beth Israel Medical Center, New York, NY.

Bosom Buddies, Chesapeake, VA.

Breast Cancer Action Group, Burlington, VT.

Breast Health, Providence, RI.

Alta Bates-Herrick Comprehensive Cancer Center, Berkeley, CA.

American Federation of State, County & Municipal Employees, Washington, DC.

Amoena Corporation, Marietta, GA.

Bass & Howes, Washington, DC.

Baylor-Komen Breast Centers, Dallas, TX.

Bosom Buddies, Jacksonville, FL.

Breast Cancer Action, San Francisco, CA.

Breast Care Center, Taylor Hospital, Springfield, PA.

Breast Health Institute, Philadelphia, PA.

Breast Health Network of Western NY, Buffalo, NY.

Breast Treatment Associates, Dallas, TX.

California Coalition of Nurses Practitioners, Ukiah, CA.

Cancer Care, Inc., New York, NY.

Cancer Guidance Institute, Pittsburgh, PA.

Centers for Disease Control-CCDPHP, Atlanta, GA.

Charlotte Organization for Breast Cancer Education, Charlotte, NC.

Clinical Gynecology, Inc. and Breast Diagnostics, Warsaw, IN.

Comprehensive Breast Center, Rush Presbyterian Medical Center, Chicago, IL.

Comprehensive Cancer Center (Kendall), Miami, FL.

Dana Farber Cancer Institute, Department of Cancer Genetics, Boston, MA.

Breast Imaging, Massachusetts General Hospital, Harvard Medical School, Boston, MA.

Burlington Breast Cancer Support Services, Burlington, Ontario Canada.

CAN ACT, Brooklyn, NY.

Cancer CareCenter, Southside Medical Center, Youngstown, OH.

Center for Women Policy Studies, Washington, DC.

Centocor, Inc., Malvern, PA.

Choices in Health Care, Petaluma, CA.

Comprehensive Breast Center, Robert Wood Johnson Medical School, New Brunswick, NJ.

Comprehensive Cancer Center at JFK Medical Center, Atlantis, FL.

Comprehensive Cancer Research Group Inc., Miami, FL.

DES Action USA, Oakland, CA.

Desert Hospital, Breast Wellness Program, Palm Springs, CA.

Emory University School of Public Health, Atlanta, GA.

Faulkner Breast Centre, Jamaica Plain, MA.

Fox Chase Cancer Center, Norristown, PA.

Greater Washington Coalition for Cancer Survivorship, Bethesda, MD.

Johanna's On Call To Mend Esteem, Albany, NY.

Life After Cancer/Pathways, Asheville, NC.

Long Beach Memorial Breast Center, Long Beach, CA.

Macomb Breast Center, Warren, MI.

Midland Community Cancer Services, Midland, MI.

Montclair Breast Center, Montclair, NJ.

Desert Hospital Comprehensive Cancer Center, Palm Springs, CA.

Factor's, Tampa, FL.

Feminist Majority Foundation, Boston, MA.

Georgetown University Hospital, Washington, DC.

Holy Cross Hospital Breast Care Services, Salt Lake City, UT.

"Just Us", Miami, FL.

Linda Creed Foundation, Philadelphia, PA.

Louise Southgate Women's Center, Southgate, KY.

Magee-Womens Hospital, Diagnostic Imaging, Pittsburgh, PA.

Monmouth Medical Center, Long branch, NJ.

Mt. Sinai Comprehensive Breast Center, Miami Beach, FL.

My Image After Breast Cancer/Y-ME, Alexandria, VA.

National Alliance of Breast Cancer Organizations (NABCO), New York, NY.

National Association of Women's Health Professionals, Evanston, IL.

National Coalition for Cancer Survivorship, Albuquerque, NM.

National Coalition of Feminist and Lesbian Cancer Projects, Washington, DC.

National Gay & Lesbian Task Force, Washington, DC.

National Women's Health Network, Washington, DC.

New England Deaconness Hospital, Radiation Therapy Department, Boston, MA.

New York University Medical Center, Department of Radiology/Breast Imaging, New York, NY.

NY Metropolitan Breast Cancer Awareness Partnership, Bohemia, NY.

Parkway Regional Comprehensive Cancer Center, N. Miami Beach, FL.

N.D. State Department of Health, Division of Health Promotion & Education, Bismark, ND.

National Association for Female Executives, Washington, DC.

National Coalition for Cancer Research, Washington, DC.

National Coalition for Cancer Survivorship, Ross, CA.

National Council of Catholic Women, Washington, DC.

National Lymphedema Network Inc., San Francisco, CA.

Nevada Breast Center, Las Vegas, NV.

New York Medical College, Institute of Breast Diseases, Valhalla, NY.

North Carolina Equity, Raleigh, NC.

Oncology Nursing Society, Pittsburgh, PA.

Pavillion Radiology Center, Owings Mills, MD.

Queen's Medical Center, Honolulu, HI.

Saint Mary's Breast Diagnostic and Education Center, Grand Rapids, MI.

Save Our Selves, San Francisco, CA.

SHARE, New York, NY.

St. Francis Hospital and Medical Center, Hartford, CT.

St. Johns Mercy Cancer Center, St. Louis, MO.

Strang Cancer Prevention Center, New York, NY.

Taylor Hospital Breast Care Center, Springfield, PA.

The Breast Care Center of Orange County, Orange, CA.

The Cancer Institute of New Jersey, New Brunswick, NJ.

The Mammatech Corporation, Gainsville, FL.

Rose Kushner Memorial Fund, Beverly Hills, CA.

Salick Health Care, Los Angeles, CA.

Scottsdale Memorial Hospital, Laboratory, Scottsdale, AZ.

Share & Care Breast Cancer Support Group, Garland, TX.

St. Francis Hospital and Medical Center, Multidisciplinary Breast Clinic, Hartford, CT.

St. Vincent Hospital & Medical Center, Cancer Program, Portland, OR.

Susan G. Komen Breast Center, Peoria, IL.

Tennessee Breast Center, Inc., Maryville, TN.

The Breast Center at Women & Infants Hospital, Providence, RI.

The Johns Hopkins Oncology Center, Baltimore, MD.

The Mary-Helen Mautner Project for Lesbians with Cancer, Washington, DC±.

The Union Institute Center for Women, Washington, DC.

Tufts-New England Medical Center Hospital, Boston, MA.

University of Maryland Cancer Center, Baltimore, MD.

Vital Alternatives, Sunrise, FL.

Westchester Mammography, Rye, NY.

Women's Breast Center, Sant Monica, CA.

Women's Cancer Task Force, San Francisco, CA.

Women's Community Cancer Project, Boston, MA.

Y-ME Bay Area Breast Cancer Network, Saratoga, CA.

Y-ME of the Berkshires, Lee, MA.

YWCA-Encore Women's Health Promotion Program, Minneapolis, MN.

Thomas Jefferson University Hospital, Philadelphia, PA.

United Food and Commercial Workers, Washington, DC.

Virginia Breast Cancer Foundation, Richmond, VA.

Vital Options, Studio City, CA.

Wisconsin Division of Health/ECDE, Madison, WI.

Women's Cancer Resource Center, Berkeley, CA.

Women's Center, Meriter Hospital/Capitol, Madison, WI.

Women's Diagnostic Breast Center, Richardson, TX.

Y-ME National Organization for Breast Cancer Information and Support, Homewood, IL.

YWCA of the USA, Washington, DC.

THE UNIVERSITY OF IOWA,
Iowa City, IA, March 20, 1992.
Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: I am pleased to respond to your request for my opinion on the constitutionality of section 202(b) of H.R. 2507, 102d Cong., 2d Sess. (1991). That subsection prohibits the Secretary of Health and Human Services from withholding funding for research on ethical grounds unless the Secretary convenes an advisory board, as described in that subsection, and a majority of that board recommends such withholding. Board members are to be appointed by the Secretary, and shall serve "for the life of the Board" (210 days from the determination that a board shall be convened), unless, pursuant to your proposed floor amendment, the Secretary shall remove a member "for neglect of duty or malfeasance or for other good cause shown."

Section 202, if enacted, would be constitutional. Its delineation of the Secretary's administrative authority and its provisions for the appointment and removal of advisory board members pose no separation of powers difficulties.

At the outset, there is clearly no constitutional problem with Congress delegating to the Secretary limited authority to withhold otherwise authorized research funding. Although the authority to "provide for the . . . general Welfare of the United States" through public spending is explicitly congressional, art. I, §8, ¶1, section 202 represents an entirely conventional delegation of authority to an executive officer to implement Congress's power pursuant to specified criteria. Cf. *Buckley* v. *Valeo*, 424 U.S. 1 (1976), upholding criteria under which Congress authorized public spending for presidential campaigns and nominating conventions. Unlike a legislative veto, Congress' *ex ante* specification of the limited circumstances in which delegated authority may be exercised does not impermissibly intrude into executive decision making. The executive has no inherent power to fund medical research apart from the authority that Congress delegates.

Because decisions by the advisory boards contemplated by section 202 would bind the Secretary, board members are "officers of the United States" in the constitutional sense. Id. at 126, 132. They must thus be appointed in some manner specified by art. II, §2, ¶2 of the Constitution. That paragraph explicitly authorizes Congress to vest "in the Heads of Departments" authority to appoint such "inferior Officers" as Congress deems proper.

The Supreme Court recently construed Congress' authority to vest appointment powers regarding inferior officers in *Morrison* v. *Olson*, 487 U.S. 654 (1988), upholding Congress' decision to vest the appointment of independent counsel in the U.S. Court of Appeals for the District of Columbia Circuit. Not only does Morrison support a broad literal reading of art. II, §2, ¶2, but comparing independent counsel to ethics advisory board members unambiguously confirms the status of the latter as "inferior officers." The only respect in which such board members seem other than subordinate to the Secretary is that their support for withholding funds on ethical grounds is necessary to authorize the Secretary's action. Yet, the Court regarded independent counsel as "inferior officers" although their capacity to intrude on the discretion of a cabinet officer, through a subpoena or even a prosecution, is obviously greater. Moreover, the scope and duration of the board members' functions is narrower than that of independent counsel and, unlike independent counsel, board members have the capacity to affect the decision making of only the one superior officer authorized to appoint and, within limits, to remove them. If "independent counsel" are "inferior officers," then ethics advisory board members are undoubtedly so.

The one limitation noted in Morrison to the literal scope of Congress' powers under art. II, §2, ¶2, is that, irrespective of the breadth of that paragraph, Congress may not vest appointments authority in a way that poses a constitutional "incongruity." Id. at 676. Morrison does not elaborate with examples, but presumably, the Court has in mind that Congress may not vest appointment authority in ways that disable the President in the discharge of inherent article II functions. For example, the judicial appointment of the Joint Chiefs of Staff would seem constitutionally incongruous because of the commander-in-chief power. There might also be certain "inferior officers" so essential to the President's powers of treaty negotiation or military command that he must control their appointment as well.

As noted above, however, the Board's decisions regarding public spending for health research do not implicate any inherent presidential authorities. Article II, of course, does not vest the President either with power to spend for public health research or general power to withhold congressionally authorized funding on ethical grounds. Although some Presidents have claimed seemingly plenary constitutional power to impound appropriated funds, the executive abandoned that position in the one Supreme Court case that might have adjudicated it, *Train* v. *City of New York*, 420 U.S. 35 (1975), and the clear weight of authority is against the existence of such power. Cf. *City of New Haven* v. *United States*, 809 F.2d 900 (D.C. Cir. 1987).

Morrison also answers any potential challenge to your proposed amendment governing the removal of ethics advisory board members. Under the Ethics in Government Act of 1978, independent counsel are subject to removal only by the Attorney General and only for grounds essentially identical to those specified in your proposed amendment. The Court indicated that such limited removability would be unconstitutional only if it disabled the President in the fulfillment of his constitutional role. The Court then upheld the limited removability of independent counsel because it did not undermine executive authority "to assure that the counsel is competently performing his or her statutory responsibilities in a manner that comports with the provisions of the Act." 487 U.S. at 692. Because the President's ability to oversee the executive effectively is even less implicated by the NIH reauthorization than by the Ethics in Government Act, the same conclusion would follow a fortiori for your proposed removability provision. The limited removability of advisory board members would not undermine the President's capacity to discharge his functions and would therefore be constitutional.

I have not used this letter to parse the pre-Morrison case law on appointments and removals because Morrison squarely governs, it is written more clearly than earlier decisions, and analysis of the earlier decisions would lead, in any event, to the same result. If, however, you would like additional information or amplification of any point I have made, please do let me know.

I hope this analysis proves helpful to you.

Sincerely,

PETER M. SHANE,
Professor of Law.

THE UNIVERSITY OF CHICAGO,
THE LAW SCHOOL,
Chicago, IL, March 23, 1992.
Hon. EDWARD M. KENNEDY,
Chairman, Committee on Labor and Human Resources, Dirksen Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: This will respond to your request for my views on the constitutionality of HR 2507, section 202, with the suggested floor amendment. I believe that with this amendment, section 202 would be constitutional.

In brief, section 202 would create an ethics board to help with grant decisions of the Secretary of HHS. The board would operate under the Secretary. With the suggested amendment, it would be subject to his supervision and control.

Section 202 raises two main constitutional issues. The first issue arises under the appointments clause. Under that clause, Congress has the power to vest the appointment of inferior officers in the heads of departments. See Morrison v. Olson, 487 US 654 (1988). If the members of the ethics board are "inferior officers," then they may be appointed by the Secretary. There are some unanswered questions about who qualifies as a inferior officer. But the board members would almost certainly count as inferior officers if they are removable by the Secretary for cause. See id., concluding that the independent counsel is an inferior officer in part for this reason. Since the proposed floor amendment would make them removable for cause, section 202, as amended, would be unobjectionable under the appointments clause.

The second issue relates to removal. Under the Constitution, most high-level executive branch employees must be removable by the President "at will." See Myers v. United States, 272 US 52 (1926). It is also clear that completely independent policymakers would raise extremely hard constitutional questions. In Morrison v. Olson, however, the Court upheld the independent counsel act in significant part on the ground that the Attorney General retained the authority to dismiss the independent counsel for cause. The Court thus suggested that there is no constitutional problem so long as lower-level federal employees are subject to "for cause" control, by the President, through the chain of command. The Court did not find it necessary to explain exactly what "cause" or "good cause" means. I assume that the same would be true here.

The Morrison case suggests that with the proposed amendment, section 202 would be permissible. The members of the ethics board would be removable on the same basis as the independent counsel. (Note also that they would not be as high-level, as traditionally executive, or as effectively free as the independent counsel is; and in these important respects section 202 presents a far easier question than that in Morrison.) Indeed, the ethics board would have some of the characteristics of ordinary civil servants, who are also removable only for cause. Many civil servants, with "for cause" protection, exercise discretionary, policymaking functions, and this has not been thought unconstitutional. See Myers, supra. I believe that as amended, the limit on the removal power is therefore acceptable.

The requisite supervisory power probably follows from the existence of the requisite removal power, though this issue has never been litigated. That is: As a general rule, it may be constitutionally necessary that the President, through his agents, have some supervisory authority over executive branch officials. He must ordinarily have some authority to consult with and influence them, as well as to fire them "for cause." But if there is some removal power, there is also, as a matter of statutory interpretation, supervisory power as well. See Myers, supra. Thus section 202, as amended, would confer the necessary supervisory power. (This seems an implication of Morrison v. Olson, supra, as well.)

No serious problem is raised by the various reporting requirements. There is no constitutional obstacle to a congressional effort to require executive branch officers to make reports to members of Congress. No executive privilege issue appears in this context.

I should add that the issue would be quite different if the floor amendment were not added. If the board's members could not be removed for cause—if they were essentially free agents—we would be faced with a difficult and unanswered constitutional issue. It would be harder, in that event, to say that the board's members are "inferior officers," and hence the appointments issue would be far more difficult. It would also be harder to fit the removal limitation within Morrison v. Olson and the civil service cases. Without the amendment, the Secretary of HHS would be subject to an effective veto by an entity uncontrolled by officers within the executive branch.

I therefore suggest that the suggested amendment is extremely important to avoidance of constitutional doubts. But with the amendment, the bill is constitutional.

With best regards.

Sincerely,

CASS R. SUNSTEIN,
Karl N. Llewellyn Professor of Jurisprudence.

TITLE III OF THE NIH REAUTHORIZATION

Mr. MURKOWSKI. Mr. President, I rise today with concerns about title III of H.R. 2507, as to its possible unintended effects on the outstanding research and development activities of the Department of Veterans Affairs.

I favor enactment of the NIH reauthorization and will vote for final passage. However, I have been alerted today to the possibility that title III—appropriately aimed at improving the health status of American women by directing so-called gender parity in NIH-authorized research grants and mandating other actions associated with research in women's health—may cause harm to the Department of Veterans Affairs' research and development programs.

Strict application of the gender parity requirements of title III to the VA may eliminate critical funding for VA research and development programs because the VA provides services to a health care population that is 95 percent male.

SUPPORT OF GOALS OF TITLE III

Let me make clear to my colleagues, I strongly support the goals of title III, but unless the VA is granted some flexibility in implementing this title, needed research dollars will be diverted away from the VA and the health care needs of America's veterans will suffer. I know this is not the intent of the authors of the legislation and I hope this language can be modified in conference.

VA: A RECORD OF EXCELLENCE IN HEALTH RESEARCH

Mr. President, the VA has a record of excellence in health research. Researchers of the Department of Veterans Affairs invented the technology we now call the CAT scanner; developed the antibiotics that eradicated tuberculosis; invented kidney dialysis and kidney transplant technologies; and perfected a number of psychotropic drugs, including those that are used to treat schizophrenia. Two VA researchers were awarded the Nobel prize in medicine. VA research and development is a treasure and a national resource of the highest order, whose contributions to curing disease and improving our health status are immeasurable.

The Department of Veterans Affairs is a major research participant in the NIH competitive-grants program. Researchers in the VA system in this fiscal year have won competitive NIH research grants to such an extent that the VA's appropriated levels for research and development have been substantially supplemented—in fact, fully 41 percent of VA's research funds come from NIH grants. As we all know, competitively awarded research grants offer great hope in solving the complex dilemma of human disease. In the case of VA research, much of which is supported by NIH grants, these efforts could make major progress in discovery about aging, mental health, spinal cord and brain injury, heart diseases, cancers, and many other human health concerns. Mr. President, I would not want the National Institutes of Health, the Secretary of Health and Human Services, or the Secretary of Veterans Affairs to conclude that the Senate's passage of the NIH reauthorization measure in its current form intends to exclude VA research from future NIH grants.

VA POPULATION PREDOMINANTLY MALE

Mr. President, it is a fact of history and tradition that Armed Forces are predominantly male. Today we see the military services entering a transition with women playing a greater role than ever before. I support this transition and I would predict this role will grow in the future. But the VA health-care system, the underlying clinical activity for VA health-related research and development, is a system that necessarily devotes the vast majority of its resources today to the care of the eligible veteran population—which is 95 percent male. VA's research efforts reflect the characteristics of its patient-care programs and the patients they serve; thus, most VA research relies on male patients as research participants. Mr. President, out of a total veteran population of 27 million, only 1.2 million are female. I am sure this will change in the future, but it is a fact at this time.

NEED FOR FLEXIBILITY

A strict interpretation of the requirements for gender parity in title III of this measure might cause NIH to reject VA research proposals without considering them on their merits. Such an outcome would be terrible for America's veterans. Based on the number of NIH grants presently awarded, Mr. President, VA research proposals are meritorious. If this environment were to change, however, some of the best research scientists and physicians in our country, those now participating in the NIH grant program, will leave VA. If VA loses its research base, it loses a base of excellence for patient care, a base of excellence for its academic relationships with the nation's schools of medicine and other health professions. I am certain, Mr. President, that such effects are not intended by this body.

Mr. President, title III does contain some built-in flexibility. The Director of NIH is permitted to issue guidelines associated with exceptions to the general rule of gender parity for all NIH grants. If this title is not amended in conference to clarify VA's participation, I would urge the Director of NIH to take into account the special nature of the Department of Veterans Affairs and the patients it serves in formulating these guidelines. Otherwise, vital research efforts in the Department of Veterans Affairs may be lost to the nation.

CONCLUSION

Mr. President, I support title III of this bill, but I would urge my colleagues to provide much-needed flexibility in applying this title to research efforts in the VA. Without this flexibility, we risk destroying one of America's greatest health-research assets, the Department of Veterans Affairs.

Mr. President, I ask unanimous consent an explanatory statement be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

EXPLANATORY STATEMENT—PROPOSED MURKOWSKI AMENDMENT TO H.R. 2507

Section 301 of the substitute amendment to H.R. 2507 adds provisions to the Public Health Service Act to provide for the inclusion of women and minorities in all clinical research funded by the National Institutes of Health.

The requirements could be applied to VA research projects funded by NIH. NIH furnishes 41% of current VA health-research funding, through competitive grants. An application of the new rules in ignorance of the fact that 95% of VA patients are males would jeopardize NIH-sponsored VA research projects because VA often lacks women veterans to serve as research subjects.

The proposed amendments would remedy the situation, expressly providing that the new requirements associated with women do not apply to research conducted pursuant to authority in title 38, United States Code, VA's authorizing statute. The requirement of Section 301 of minorities to be included in such research projects is unaffected by this amendment.

Section 4860 of the Public Health Service Act, as added by section 301 of H.R. 2507 as amended, is amended by redesignating paragraph (2) of subsection (b) as paragraph (3) and by inserting a new paragraph (2) to read: "(2) The requirement regarding women established by subsection (a) shall not apply to research conducted pursuant to authority in title 38, United States Code."

WOMEN'S HEALTH INITIATIVES

Mr. GRASSLEY. Mr. President, I rise today to address one very important aspect of the NIH reauthorization bill and that is the women's health initiatives contained in the bill.

Historically, there has not been enough attention paid to women's health issues. This bill contains a number of very important provisions which address a variety of topics relating to women's health including aggressive initiatives to combat the diseases that primarily affect women, such as osteoporosis, breast cancer, and cancers of the reproductive system. This bill also requires the inclusion of women as subjects in medical research and clinical trials.

Over the past several decades, significant progress has been made in many areas of women's health. For example, cervical cancer mortality has been reduced by more than 70 percent over the past 40 years as a result of early screening and diagnosis.

However, this positive trend is not matched by most other cancers that afflict women. In fact, for some cancers, the rates are increasing, not decreasing. One such glaring example is breast cancer. Over the last 20 years, the risk of developing breast cancer has grown. In 1960, 1 woman in 14 could expect to develop breast cancer in her lifetime. Today, a women's risk has increased to one in nine. This means that there will be 180,000 newly diagnosed cases of breast cancer this year.

I am painfully aware of this devastating disease as a result of my wife, Barbara's personal victory over breast cancer just a few years ago. We, however, were fortunate. Sadly, many others are not as fortunate and that is why we must focus upon this terrible disease.

Although incidence rates have been increasing over time, early detection and advances in treatment have kept mortality rates fairly stable. However, despite these advances, we still do not know the causes or cures for this disease, and even less is known about how to prevent it from developing. Further research is needed to identify those at risk and to cure the majority of women who do not benefit from early detection.

The provisions contained in this bill address these issues in a number of ways. Specifically, the bill allocates $55 million for basic research into the etiology and causes of breast cancer, $25 million for clinical research, prevention and education programs, and $75 million for research and development programs.

While breast cancer is the leading causing death for women, ovarian cancer is the fourth leading cause of death according to the American Cancer Society. The various types of reproductive cancers occur at alarming rates. One in seventy women will contact ovarian cancer during her lifetime and 1 in a 100 will die from the disease. This is primarily because ovarian cancer is difficult to diagnose since its symptoms are often silent or appear late in development. The consequences of a delayed diagnosis are traumatic and often result in the removal of the ovaries or death. Further research is needed to develop methods of earlier detection and treatment. This bill recognizes the tragedy of cancers of the reproductive system by almost doubling the current effort in research of ovarian and other gynecological cancers.

While this bill gives great attention to the leading causes of cancer in women, it also focuses upon an area that I have long been involved in, and that is osteoporosis. Last session, I introduced the Osteoporosis and Related Bone Disorders Research, Education and Health Services Act of 1991. I worked with members of the Labor Committee to include these provisions in the NIH reauthorization bill and I am encouraged that they did.

Osteoporosis is predominantly a women's disease. It is a crippling, debilitating disease that results in thin, weak, and brittle bones that make a person highly susceptible to bone fractures. These fractures occur in the spine, resulting in the familiar dowager hump, the wrists and hip. These bone fractures lead to lost mobility, increased institutionalization, and even death. According to the National Osteoporosis Foundation, 20 percent of those with hip fractures will not survive more than 1 year after the fracture.

Despite the prevalence of this disease and its consequences, there are many unanswered questions and that is why I introduced my legislation. I am pleased that this bill directs attention to osteoporosis. Provisions of the NIH bill enhance the research effort by three designated institutes on osteoporosis, Paget's disease, and other related bone diseases.

Although there are a number of diseases that afflict only women, women are at risk for many diseases that also affect men. For instance, heart disease and lung cancer are also leading causes of death for women. An estimated 146,000 women will die of lung cancer in 1992 and more than twice as many women will die from coronary heart disease.

As we examine the course of these diseases in women, we realize that much of the research on these diseases involved only men. Today, many medical therapies are based on studies conducted exclusively on men. Many of these studies fail to take into account the physiological differences between men and women. For instance, fluctuations in hormone levels can affect the course of disease and the reaction to treatment. Heart disease is a glaring example where research was conducted almost exclusively on men and where physiological differences between men and women are important and cannot be ignored.

For example, exclusively male research on heart disease disregards such coronary risk factors unique to women as oral contraceptive use, hysterectomies, menopause, and post menopausal hormone replacement therapy. Despite the fact that heart disease ranks as the number one cause of death among women, vast blocks of research have excluded women, thus disregarding gender based differences.

Several provisions contained within the bill seek to address this inequity. The bill requires the inclusion of women, as well as minorities, in medical research and clinical trials supported by NIH. However, women cannot merely be included. The studies must be designed to permit a valid analysis of the gender based differences resulting from the variables used in the study. These findings can then be used to distinguish the differences between men and women and any subsequent changes in medical treatment.

Dr. Bernadine Healy's appointment as Director of NIH and the 1990 establishment of an Office of Research on Women's Health were important steps forward. The women's health initiatives contained within this bill are also important steps. It is my hope that these efforts will provide our daughters and granddaughters with more hope for a healthy future.

NIH AND WOMEN'S HEALTH

Mr. GLENN. Mr. President, I rise today to express my support for H.R. 2507, the National Institutes of Health Reauthorization Act of 1992. This legislation strengthens our Nation's commitment to excellence in biomedical research, and it seeks to reverse the trend of the 1980's when funding increases for the National Institutes of

Health [NIH] barely kept pace with inflation. As I have advocated during my years in the Senate, I continue to believe that we should be giving our highest priority to Federal funding for medical research, treatment, and education programs.

H.R. 2507 also takes an important step toward research excellence by outlawing the administration's ban on fetal tissue transplantation research. Medical researchers believe that millions of Americans who are suffering from Alzheimer's disease, Parkinson's disease, diabetes, and other diseases could be treated or cured through fetal tissue transplantation. I support NIH funding for this research, along with the safeguards contained in H.R. 2507 to ensure that this important research does not encourage abortion.

I am very pleased that major provisions of two bills I cosponsored—the Women's Health Equity Act; and the Osteoporosis and Related Bone Disorders Research, Education, and Health Services Act—are included in the NIH reauthorization bill we are considering today. For too long, women's health issues have not been given as much attention as they deserve, and most research on diseases affecting both women and men is done only on men. The National Institutes of Health, at the urging of Congress and under the leadership of its first woman Director—Dr. Bernadine Healy from my home State of Ohio—is making changes to address these problems.

The bill we are considering today expands our commitment to improving the health of women by:

Requiring the inclusion of women and minorities as subjects in clinical research conducted or supported by NIH;

Providing statutory authority for the newly created Office of Research on Women's Health;

Providing for a Women's Health Clinical Research Advisory Committee and a data bank on women's health research;

Directing the National Institute on Aging to conduct research into the aging processes of women;

Establishing a research program on breast cancer and cancers of the reproductive system of women with increased funding, in addition to research already being conducted by the National Cancer Institute;

Creating a program to support five centers for research and training on contraception and infertility; and

Establishing a research program on osteoporosis, Paget's disease, and related bone disorders.

I would like to briefly highlight osteoporosis which is the most common bone disease affecting older Americans, particularly older women. Osteoporosis is characterized by a gradual and initially painless disease in the amount of bone tissue. As osteoporosis progresses, the bones become weaker and more porous, which makes them increasingly susceptible to fractures. The condition can affect any bone in the body, but the most common fracture sites are the hip, spine and wrist.

The number of people afflicted with osteoporosis is overwhelming. Today, at least 24 million Americans have some degree of osteoporosis. At least 1.3 million fractures a year—including 250,000 hip fractures—are attributable to this condition. Beyond the tremendous emotional and physical toll, osteoporosis has greatly increased our health care bill, costing over $10 billion annually in health care services and lost income. Osteoporosis, with its associated fractures, is an enormous public health problem; and there is no doubt that the emotional, physical and financial costs related to osteoporosis will continue to increase as our population ages.

Last year Senator GRASSLEY and I introduced legislation to authorize an additional $62.5 million for further research into the diagnosis, prevention, and treatment of osteoporosis. The NIH bill we are considering today authorizes an additional $40 million for expanding and intensifying research on osteoporosis, Paget's disease, and related bone disorders. Combating osteoporosis—through expanded research, broad dissemination of information about osteoporosis, and providing Medicare coverage of bone mass measurements to identify and treat individuals at greatest risk of fractures due to osteoporosis—will continue to be a high priority for me.

I commend Senator KENNEDY, chairman of the Labor and Human Resources Committee, for bringing forth this comprehensive legislation to strengthen our Nation's commitment to basic medical research, and to ensuring that the results of this research are available to benefit all Americans. I urge my colleagues to join me in passing H.R. 2507, the National Institutes of Health Reauthorization Act of 1992, by an overwhelming and veto-proof majority.

Mr. DOMENICI. Mr. President, I rise today to speak to the primary issue of contention in the NIH reauthorization act, fetal tissue research. On Tuesday, the Senate voted to table an amendment offered by my friend and the floor manager for this bill, the distinguished Senator from Utah. His amendment would have provided for the establishment of a physician and hospital registry and fetal tissue bank for fetal tissue that had been obtained from ectopic pregnancies and spontaneous abortions.

The amendment was an effort to allow fetal tissue research to continue without allowing the use of tissue that had been obtained from elective abortions. I certainly understand his concerns in this regard and I applaud his efforts. If I thought that this bill would somehow promote elective abortions I, too, would have opposed it, but frankly, I don't believe that is the issue we are dealing with here.

The medical research community has reason to believe that the use of fetal tissue could provide the link that will allow us to obtain huge advances in our search for cures to a number of debilitating diseases such as diabetes, Alzheimer's, and one that many of us here have witnessed the ravages of personally in our friend from Arizona, Mo Udall, Parkinson's disease. There is also a possibility that it could play a role in helping us in our search for the cure of the diseases that plague the severely mentally ill. While no research is certain, there appear to be enough positive developments in this type research involving fetal tissue that we should allow it to continue.

Unfortunately, the amendment offered by the Senator from Utah would have greatly hindered the continuance of this promising research. It is true that the amendment would have been beneficial in its establishment of a national registry and data bank to allow us to take full advantage of the tragedy of ectopic pregnancies and spontaneous abortions that occur to many women throughout this country.

However, it is unclear that the registry would have been a worthwhile effort because it is disputed whether or not enough usable tissue could have been retrieved from these sources. Even if we found that enough tissue could be obtained, there has not been enough study for us to know whether or not that tissue would be free from infection and bacteria and suitable for use.

Another reason for my support of the committee substitute for the NIH reauthorization act, is the current lack of regulation that exists within the private research community regarding fetal tissue research. By allowing the passage of the bill as it is currently written, we put in place regulations that will enable us to control illicit activity and eliminate such behavior in the private as well as public sector.

My views regarding the availability of abortions on demand are quite well known. As I stated earlier, if I truly believed that this was an issue that would result in an increase in the number of abortions that take place in this Nation, I would have voted in favor of Senator HATCH'S amendment.

However, this is an issue regarding freedom of research in the hopes of obtaining a cure for many of the destructive diseases that ruin the lives of millions of people and families. It is for this reason, Mr. President, that I voted against the amendment offered by my friend, the Senator from Utah.

Mr. BIDEN. Mr. President, being ranked No. 1 is often a proud honor.

However, my State of Delaware has a No. 1 ranking that we would just as soon not have and are working hard to lose. Delaware has the unwanted distinction of leading the Nation in deaths from breast cancer. But this is not an anomaly for our region. The top 10 States—including the District of Columbia—for breast cancer mortality are all in the Northeast.

Breast cancer is a devastating disease—one that attacks without impunity, without regard to family medical history, and without regard to socioeconomic status. The simple fact is no woman in America is immune. In the last 10 years, the number of women diagnosed with breast cancer has increased more than 33 percent each and every year. Today, nearly one in nine American women will develop the disease during her lifetime. This year alone, 180,000 women will be diagnosed with breast cancer and more than 46,000 will die of the disease.

While we know what is happening—we see the serious toll breast cancer is taking on our mothers, our wives, and our daughters—we do not fully understand why. Our knowledge of breast cancer is not sufficient to explain the increasing number of breast cancer cases.

There are plenty of theories—a lack of sunshine, high levels of air pollution, and low intakes of vitamin D have all been suggested as causes of breast cancer. But, the truth is, no one really knows what causes the disease or why women in the Northeast face such high risks. And, this lack of knowledge of the causes of breast cancer is the major roadblock to finding a cure for the disease.

The legislation before us—the National Institutes of Health Reauthorization Act—includes important provisions for women's health in general and breast cancer in particular. The bill provides permanent, statutory authority to the Office of Research on Women's Health within the NIH and creates a national data system for research on women's health. The funding authorization for breast cancer research at the National Cancer Institute would be increased to $250 million in fiscal year 1993. This includes both basic research on the disease as well as the establishment of at least six breast and prostate cancer research centers around the country. If fully funded in fiscal year 1993, we would nearly double our financial commitment to finding a cure for breast cancer. I commend Senator KENNEDY for including these important provisions on women's health in the bill.

However, the provisions of the bill take us only part way to our goal. Finding the causes of breast cancer is vital to discovering a cure for the disease. But that will not represent a complete understanding—and will, I believe, cause us to fall short in our fight for a cure. Not only is there a gap in our knowledge of what causes breast cancer, there is an even bigger gap in our knowledge of why women in the Northeast are dying from the disease in unprecedented numbers.

We know, Mr. President, that early detection and treatment of breast cancer can save 90 percent of those who have the disease. Yet, for unknown reasons, women in nine Northeastern States and the District of Columbia are dying at a higher rate. This has led experts to conclude that there is a missing element in our understanding of breast cancer, an element that early detection efforts fail to capture. We need to find out what that is—or I fear we may never really find a cure.

The amendment offered today by Senator LEAHY will expand our knowledge of this killer. The amendment, which I cosponsored, authorizes a study of breast cancer mortality in those States that have the highest rates, including the State of Delaware. We need to know why women are both victimized and killed by the disease. This amendment will ensure that we better study and better understand the breast cancer problem in America.

I want to recognize the leadership on this issue by Senator LEAHY, and I urge my colleagues to support the amendment.

The PRESIDING OFFICER. Under the previous order, the committee substitute, as amended, is agreed to.

The question is on the engrossment of the committee substitute, as amended, and third reading of the bill.

The amendment was ordered to be engrossed, and the bill to be read for the third time.

The bill was read a third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass?

The yeas and nays have been ordered. The clerk will call the roll.

The assistant bill clerk called the roll.

Mr. FORD. I announce that the Senator from Illinois [Mr. DIXON] and Rhode Island [Mr. PELL] are necessarily absent.

I further announce that, if present and voting, the Senator from Rhode Island [Mr. PELL] would vote "aye."

Mr. SIMPSON. I announce that the Senator from Indiana [Mr. LUGAR] is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 87, nays 10, as follows:

[Rollcall Vote No. 66 Leg.]

YEAS—87

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Boren
Bradley
Breaux
Brown
Bryan
Bumpers
Burdick
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dodd
Dole
Domenici
Durenberger
Exon
Fowler
Garn
Glenn
Gore
Gorton
Graham
Grassley
Harkin
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pryor
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Specter
Stevens
Thurmond
Wallop
Warner
Wellstone
Wirth
Wofford

NAYS—10

Bond
Burns
Craig
Ford
Gramm
Hatch
Helms
Pressler
Smith
Symms

NOT VOTING—3

Dixon
Lugar
Pell

So the bill (H.R. 2507), as amended, was passed.

MORNING BUSINESS

Mr. MITCHELL. Mr. President, I ask unanimous consent that there now be a period for morning business.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMENTS ON THE PRESIDENT'S PROPOSED AID PACKAGE FOR THE FORMER SOVIET UNION

Mr. WARNER. Mr. President, I rise to commend the President for the plan which he announced yesterday for a proposed aid package to the new States of the former Soviet Union. As my colleagues know, I have long been a supporter of aid to these new States. I believe that such aid can reduce the military threat which the United States and the entire Western World have long faced from the former Soviet Union. The President's proposed aid package holds out the prospect of being the single most important contribution that the West can make to help the new States achieve their goal of self-determination and democratic values. This is truly a historic moment, one in which the Congress and the executive branch are working in partnership. It was the spirit of partnership that was present yesterday, in the cabinet room, when the congressional leadership met with the President.

I continue to believe strongly, however, that assistance to these new States should be linked, in part, to a commitment and, eventually, demonstrated actions by those new States to reduce their strategic modernization programs to levels not exceeding their true legitimate defense requirements. The Commonwealth of Independent States need only maintain deterrent force levels that are justified by actual threats to their individual and collective security. Indeed, if they are willing to accept our aid, they should recognize that the West is not a threat, and should not be included in any threat assessment. As it stands today, however, it is these very strategic capabilities which could be used—intentionally or unintentionally—against the United States and our allies in the future if these commitments are not fulfilled.

The President's aid program is predicted, to some degree, on the assumption that we will be able to save money in the long term in our defense budget because of the reduction of the military threat from these new States. But at the same time, the President's package, as I understand it, is not conditioned on any evidence of an actual reduction of this threat or cessation of future nuclear weapons production. I am concerned by the apparent absence of any direct linkage of U.S. national security issues with the aid in the President's proposal. Specifically, there is little, if any, consideration of how this aid should be conditioned on a commitment from these States to reduce the nuclear threat to the West.

Mr. President, last year's legislation—known as Nunn-Lugar, of which I was an original cosponsor—authorized $400 million to assist the new States in ways that would lead to a reduction of the nuclear threat to the West. This would be accomplished by providing, among other things, assistance to dismantle the weapons of mass destruction of the former Soviet Union.

Authority to use this aid under Nunn-Lugar, however, required Presidential certification of certain conditions which must first be met by any recipient of such aid. In this regard, I am on record as believing that President Bush can now certify that most potential recipients have met the six conditions stated under the Nunn-Lugar provision.

But I must caveat my statement that this certification can be made by the President. For example, Nunn-Lugar specifically states that the President must certify to Congress that the proposed recipient is committed to:

(1) making a substantial investment of its resources for dismantling or destroying such weapons;

(2) forgoing any military modernization program that exceeds legitimate defense requirements and forgoing the replacement of destroyed weapons of mass destruction.* * *

There are four other important conditions, but I would like to focus on these first two. President Yeltsin and other Russian officials have made clear statements that they intend to curtail defense procurement. President Yeltsin declared in January of this year that defense production would be reduced by some 50 percent. Further, during my trip to Moscow last month, First Deputy Prime Minister Gaidar informed me that defense procurement would be reduced by some 75 percent. These are clearly stated commitments to reduce defense spending, particularly in an area like defense procurement.

Mr. President, it is on the basis of these statements and others, that I am willing to endorse the release of the initial aid package of $400 million. However, we need to note a number of potential problems that require close monitoring and which should be considered before releasing any future aid.

Again, during my recent trip to Russia, for example, the CODEL met with President Yeltsin's Advisor for Defense Conversion, Mikhail Maley. Mr. Maley indicated that while procurement for Russian military forces would ultimately decline, during the next 3 or 4 years they would continue to produce weapon systems for the purpose of selling this equipment on the international market in exchange for hard currency.

Mr. President, I have very serious concerns about this continued production, whether for purposes of export or use within the Russian military. I am also concerned because Mr. Maley was unclear about what type of equipment would continue to be produced. For example, he did not state that ballistic missile production—systems that should clearly not be sold overseas—would cease under this proposed plan. Indeed, one could easily infer from our discussion with him that he did not rule out the possibility of continued production of ballistic missiles and continued maintenance of the Russian nuclear weapons complex.

At the same time, Mr. President, I remind my distinguished colleagues that the United States is halting production of virtually all of its strategic programs and actually converting much of its defense infrastructure to other purposes. Since the trend toward democracy in the former Soviet Union is still not immutable, it is clear that we are converting our own defense production base while the Russians are planning to maintain theirs for a number of years. If the forces of democracy do not prevail in Russia and a new totalitarian threat emerges, it will be very difficult and expensive to restore critical parts of the American military production base.

Mr. President, the second area that needs close monitoring is the continued development of strategic nuclear programs and even production of certain systems in the former Soviet Union. Recent testimony by the Director of Central Intelligence, Mr. Bob Gates, before the Senate Armed Services Committee and Senate Intelligence Committee, as well as statements by Russian officials, indicate a number of disturbing trends. For example, Russia is continuing:

Development of new ICBM and SLBM follow-on ballistic missile programs, and may be even ready to flight test some of these systems.

Production of the highly lethal SS-18, though I have been told by the Ukrainian Minister for Defense Conversion that no new orders have been placed. Nonetheless, Russia is still modernizing silos in Kazakhstan for these new—more lethal and destabilizing—SS-18 Mod 5 missiles.

Production of the SS-25 road-mobile ICBM, even though President Bush has cancelled further production of the MX as well as the MX rail-garrison program, and the small ICBM program and its mobility component.

Production of weapons-grade plutonium, even though there is no need for additional nuclear weapons materials and when the United States is virtually shutting down its nuclear weapons production complex.

The full alert of its nuclear forces, even the SS-24 railmobile system located in garrison as well as maintaining fully alert field deployments of the SS-25 road-mobile system.

The construction of its enormous deep underground nuclear warfighting shelter program. This is a massive project that is consuming enormous resources that should be spent instead on providing housing to returning Soviet military forces and to improve the civilian infrastructure. This program, above all, should be halted immediately.

Mr. President, I ask unanimous consent that three articles which have appeared in the Russian press be inserted in the RECORD. These articles provide only a few examples of the enormous size of the Russian deep-underground nuclear warfighting shelter program. It also confirms that these programs, among others, are still under construction even during these times of improved relations with Russia and the end of the cold war.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Moscow Izvestiya, Jan. 11, 1992]

CONVERSION AT ZHELEZNOGORSK WEAPONS PLANT

(By Aleksey Tarasov and Dmitriy Khrupov)

This TAIGA CITY.—The holy of holies on the military-industrial complex which produces plutonium for arms and spy satellites and, previously, missiles as well—is located not far from the Stolba national preserve, 64 kilometers from Krasnoyarsk. Quite secret, it has had various names—"Devyatka," Krasnoyarsk-26, Zheleznogorsk. But it is most correct to refer to it as Atomgrad. There are two secret enterprises here which previously worked in harmony to forge the country's nuclear missile shield. The missile part of the shield was forged by the Scientific Production Association for Applied Mechanics (General designer—a scientist and colleague of S. Korolev, academician M. Reshetnev) and the nuclear part—the Mining-Chemical Combine (director—V. Lebedev). Now that the shield has shrunk and seems to be unnecessary, these unique enterprises have one task—to survive.

Deputy head engineer of the Mining-Chemical Combine P. Morozov, one of the pioneers of Atomgrad, says:

In conjunction with Soviet and foreign firms we intend to produce polycrystal silicon, monosilicon, and gallium arsenide. An agreement will soon be concluded with the Koreans—they will install at our site a technological line for assembling Samsung television sets. They have already manufactured experimental models that do not require isotopic illuminators. We will extract valuable components from medicinal herbs and fir trees. But in order for us to take a serious approach to these plans we will have to release working hands, which we do not have the right to do—for basic production is not being halted.

Having spent two days in the secret city and driven a car through tunnels and covered what seemed to a considerable part of the multilevel underground, going through innumerable laboratories, offices, and shops and having visited the very heart of the "kingdom of darkness"—the central reactor hall—when we returned to the light of day we found it difficult to believe the words of our guide: "You have seen barely one-twentieth of it." In the 1970's the volume of excavation of the man-made cavern was compared to that of the Moscow Metro. But here we have granite and rock. It took more than 65,000 prisoners and more than 100,000 soldiers to dig it out.

At the beginning of the seventies the atomic energy workers started thinking about what to do with the "tailings"—radioactive wastes (RAO). In 1972 they began to design the RT–2, and they started building it in 1978. Even the workers of the mining and chemical combine knew that an incredible amount of fissionable materials had been accumulated, and the reactors do not last forever. But the RT–2 would make it possible in any political climate not only to preserve the collective of the combine but also to keep the branch competitive. But in 1985 there was a sharp reduction of the financing for the project. Now the elaborate structures are being destroyed, and 200 million rubles ((R)) have been thrown to the wind. Just preserving the construction would require R30 million (in 1991 the mining and chemical combine was allotted only 1.5 million).

If one is to think seriously about the continuation of the construction of the RT–2, it will be necessary to attract foreign capital. It is clear that Russia will not be able to find the necessary sum. The South Koreans have shown an interest. They have already given us to understand that, although negotiations are not being conducted yet, they are prepared to pay a million dollars for every ton of fuel that is produced and stored at the mining and chemical combine. And in the future they will finance the construction of the RT–2 (so far only the first section is in operation). Nuclear facilities of Japan and India are being considered as possible suppliers of nuclear wastes and hard currency. The British have also expressed an interest in this project. And the leaders of the mining and chemical combine say that this is nothing like any "international waste dump."

What has not happened in the history of Atomgrad?! At the end of the fifties the military decided to place next to the reactors and radiochemical plants Krasmash (Krasnoyarsk machine building plant) as well—for producing cannons and missiles. This "delirious" fantasy of the generals was squelched by Nikita Khrushchev. When he visited the nuclear grave in 1961 he understood that should there be a nuclear attack, to put only production under ground was pointless—how many hours it could function, if a strike were delivered and the city that serves the underground destroyed?

The firm's subsequent development proceeded much more logically. They gradually changed over to designing, manufacturing, and testing spy satellites, space vehicles, special communications, and also satellites for the academy of sciences. More than one-third of the Kosmos space vehicles are the work of the skilled workers here. Today the Scientific Production Association of Applied Mechanics is the country's leading enterprise for space missile complexes for communications and television broadcasting. In this area the association's output is represented by the Molniya, Raduga, Gorizont, Ekran, Luch, and radio satellites, navigation (including the Tsikada and Glonass satellites), and Geodesy (Geoik and Etalon). Large western firms are glad to work with the Scientific Production Association. Their assessment of the items and the experimental base of the enterprise are the most enthusiastic.

But today it is hard to distinguish the problems of academician Reshetnev's firm from those of the Mining and Chemical combine. The collective of the unique space firm has changed from Kosmoses * * * to Kuznechiks. And the Kuznechiks are merely children's sports training simulators—a tubular frame with supports for the legs and springs. An enterprise capable of setting up reliable communications throughout the country is reduced to making water bottles and health gadgets.

[From Moscow Tass, Mar. 18, 1992]

SECURITY MINISTRY ON STRATEGIC UNDERGROUND OBJECTS

MOSCOW.—The Russian Ministry of Security does not intend to make information on the location and functions of underground strategic objects public as it will be a threat to "the strategic defense interests of Russia and the Commonwealth of Independent States," according to an official report issued by the ministry today.

The press-release was issued in connection with journalists' numerous requests to "acquaint them with the location and functions of underground strategic objects," as well as some newspaper publications, which, according to the ministry, "have nothing to do with the reality" and only are misinforming the public.

According to observers, several "sensational" materials have appeared in the news media on the issue over the last few weeks, including reports on a "secret metro line" allegedly linking the Moscow center with the suburbs, and a "secret underground town" near the Moscow University and so on.

With due respect for "professional interests of journalists", the ministry stated, nevertheless that "strategic defense interests of Russia and the Commonwealth do not permit to satisfy inquiries of news media on the score." Moreover, it expressed worry about actions of some journalists who "are collecting information about objects allegedly located in this or that region." The press-release says that on March 18 "a well-known publicist addressed radio listeners and gave them the address and the number of a contact telephone urging them to send him all appropriate information on the issue."

The Russian Ministry of Security considered these and similar actions to be "illegitimate actions which can impair the national security interests."

BELORETSK FACILITY SAID TO BE BUNKER FOR "LEADERSHIP"

Almost every region in our militarized and secrecy-obsessed country has its own little secret.

Take, for example, the settlement of Tatly and the facility marked on the map as the "Beloretsk-15" nature reserve and, a little further on, the City of Solnechniy and "Beloretsk-16." Very few people in the republic know that major changes in the very geography of Bashkortostan are connected with the appearance of these facilities: The construction of the Beloretsk-Karlaman Railroad (204 KM), the Beloretsk-UFA Highway (224 KM), and the small towns of Tatly and Solnechniy with 30,000 residents each.

We are well into 1992. The whole world already knows that "Chelyabinsk-65" stands for the "Mayak" combine designed to produce nuclear weapons. To this very day, however, nobody knows exactly what "Beloretsk-15" and "Beloretsk-16" are.

At last, the facility's leader himself—General L. Tsirkunov—decided to brief the "over-curious". Leonid Akimovich is a military construction worker. What does this mean? It means that when he is working he is a construction worker, and when he is acting as spokesman he is a general. Which means that he has a greater commitment to secrecy than to accuracy of information; "If anybody thinks it possible that uranium could be buried here in our region, then as a specialist I declare that this cannot be." A strong argument!

Fine, maybe not uranium. But what? M. Shakirov, former First Secretary of the Bashkir CPSU Oblast Party committee, answered this question in December last year: The construction of an underground shelter for the USSR leadership in case of war began over 15 years ago beneath Beloretsk.

It is clear that several billion rubles have been pumped over the last few years into constructing an underground facility and corresponding infrastructure in the South Ural Mountains, and that a collective of skilled workers and engineering and technical staff was hauled in to do this. The amazing thing is that the work began under Brezhnev, gained momentum under Gorbachev, and is continuing under Yeltsin as if nothing has happened.

Mr. WARNER. Because of these problems and continuing uncertainty about the future of these strategic programs, I believe that conditions similar to those in the Nunn-Lugar legislation relating to defense production by these new states must be attached to the President's new initiatives. I have heard it suggested that many of these strategic nuclear programs should not be a cause for alarm, because they are permitted under the existing START Treaty and therefore qualify as "legitimate defense requirements."

Mr. President, I reject that analysis. President Bush announced on September 27, 1991, and January 28, 1992, the cancellation of numerous strategic modernization programs, such as the B–2 and certain air launched cruise missiles, MX production, Small ICBM development, and further production of the D–5 SLBM warhead. These and many other programs, while allowed for under START, are being canceled. Similarly, Russia should also cancel their existing and follow-on programs, particularly given the state of their economy.

Mr. President, I would urge President Bush, in his continuing dialogue with President Yeltsin and the leaders of Ukraine, Kazakhstan, Belarus, and the other new states to ask, "What do you perceive as the threats to your own security?" Clearly, the United States and the other nations of the West are not a threat to these new nations. It is inconsistent to accept our aid, while at the same time continuing to treat us as a threat to their security. The President should ask, in this connection, why the strategic modernization program of the former Soviet Union is continuing in many important areas.

Mr. President, the United States should also seek an affirmative statement by the leaders of these new states with respect to the planned size and structure of their future military and security forces to deal with the threats they perceive to their security, leaving out the West. In short, in my opinion, the giving of aid by the West should greatly lower the degree of threat perceived by these new states. This then justifiably argues for a curtailment of their nuclear programs to a level necessary to deter threats from sources other than the West.

Finally, I would like to make one observation. While the President indicated that his aid package would be used to also support Ukraine and the other independent states of the former Soviet Union, I believe that this support to the other nations must be given a greater degree of emphasis. Specifically, this aid package should be more directly focused on these new independent states in some way, given the fact that currently the bulk of it must be directed towards Russia. Showing such direct support will serve two purposes.

First, it will provide confidence to new states by recognizing their independent national status, and by demonstrating that the United States believes that their success is also critical for establishing stability in that region of the world. In this regard, such support may alleviate the concerns of the remaining former Soviet Republics that still possess nuclear weapons. These concerns were highlighted to me by numerous Ukrainian officials during my recent trip. Specifically, they expressed deep concerns that once these weapons are removed from their territory, the United States and other Western nations would lose interest in ensuring their future success at establishing democracy for their people.

Second, in providing a substantial amount of the proposed aid to all these new states in the area of defense conversion, for example, it will directly work to curtail Russian defense production. Significant portions of the Russian defense production capability—component parts and final assembly—are located on the territories of the new states. In other words, we must ensure that some of this aid is used to help these new states to convert their defense infrastructure to more peaceful uses, such as needed civilian goods—thereby reducing the threat to the United States and our friends and allies.

Mr. President, President Bush has asked Congress to act on this historic proposal as quickly as possible. I will work aggressively for its passage. But I will also seek to ensure, by amendment if necessary, that the appropriate linkages relating to these U.S. national security considerations are included in this legislation. Thank you, Mr. President.

OSHA DELAY IN ISSUING THE CADMIUM STANDARD

Mr. KENNEDY. Mr. President, during the last 2 months the Senate Labor and Human Resources Committee has been forced to focus a great deal of attention on the various roadblocks imposed by the administration on OSHA, in a seemingly endless effort to prevent OSHA from adequately protecting workers' health and safety.

In January, President Bush ordered all administrative agencies—including OSHA—to conduct a top-to-bottom review of existing regulations. OSHA was told to devote its resources to the review, even if doing so would slow down its efforts to finalize much-needed and long-awaited health and safety protections. OSHA was also told to look for regulations to be watered down, but not for regulations to be strengthened.

In addition, OSHA was told to subject all regulations to a strict cost-benefit test, even though the Supreme Court has clearly stated that OSHA may not rely on cost-benefit analysis in setting worker protections from health hazards, such as asbestos, lead, or cadmium.

In March, the Office of Management and Budget ordered OSHA to delay an important and relatively noncontroversial health regulation that would protect more than 6 million workers in the agriculture, maritime, and construction industries, in order to analyze whether protecting these workers from exposure to toxic chemicals might somehow endanger their health by reducing their potential pay. OSHA doesn't need to spend its time studying whether 50 cents more a week will make workers healthier than protecting them from exposure to dangerous chemicals in the first place. OMB's attempt to force OSHA to conduct this study was a transparent effort to bog OSHA down in a needless risk analysis, in order to delay clear protections for workers.

Now, concern over OSHA's unconscionable delays has spread to the judiciary. Last week, the U.S. Court of Appeals for the District of Columbia Circuit issued an unusually strong opinion condemning OSHA's delays and ordering it to issue a standard addressing the significant health problems caused by cadmium exposure.

Approximately a quarter of a million workers are exposed to high levels of cadmium in the workplace, and hundreds of thousands more are exposed to somewhat lower levels. Workers in the battery industry, those who do electroplating, welding, or smelting, or who work with a variety of pigments are all at risk for cadmium exposure. Exposure to cadmium, even at levels well below OSHA's existing standard, can cause kidney failure and lung and prostate cancer. OSHA itself has stated that "[t]here is an abundance of data for [cadmium's] severe adverse health effects, clearly indicating that exposure to cadmium in the industrial environment can cause serious toxic effects in human beings."

OSHA was first asked by the International Chemical Workers Union and Public Citizen Litigation Group to issue a revised cadmium standard 6 years ago. For 5 years, OSHA has been promising to issue the standard by a series of specific dates, and has been urging the Federal court not to impose a judicial deadline. Over and over, the D.C. Circuit has deferred to OSHA and refused to impose a deadline. Year after year, OSHA failed to meet its self-imposed deadlines, and the patience of the Court of Appeals finally ran out.

At stake is much more than an abstract legal question. The question is whether this administration has any real intention of meeting its statutory and moral responsibility to protect workers. Using the administration's own figures, 84 people have unnecessarily died and 600 more have unnecessary become ill during the 6 years the cadmium standard has been buried at OSHA.

Last week, the D.C. Circuit finally said "enough is enough." As the judges told OSHA:

> There is a point when the court must "let the agency know, in no uncertain terms, that enough is enough," and we believe that point has been reached.
>
> We are not unmindful of OSHA's need to "juggle competing rulemaking demands on its limited scientific and legal staff," but we think the delay in promulgating a final rule that OSHA believes is necessary to workers' well-being has been too lengthy for us to temporize any longer.
>
> We accept OSHA's estimate of the additional time it needs to complete the final stages of the rulemaking, but we insist that there be no postponement beyond the August 31, 1992 target date. Any additional delay would violate this court's order.

I commend the D.C. Circuit for its opinion, and I ask that the full text of the opinion be placed in the RECORD at the conclusion of my remarks.

I hope that the combined efforts of the judiciary and Congress will finally force OSHA to start meaningfully pro-

tecting workers' health and safety. No employees anywhere in this country should be asked to sacrifice their lives or their health in order to make a living.

U.S. Court of Appeals for the District of Columbia Circuit

Issued March 20, 1992

No. 89-1357

IN RE INTERNATIONAL CHEMICAL WORKERS UNION, ET AL.

On Petitioner's Motion to Impose a Deadline for Completion of the Cadmium Rulemaking.

Petition for Writ of Mandamus Argued October 13, 1989.

Before: WALD, RUTH B. GINSBURG, and SILBERMAN, *Circuit Judges.*

Opinion for the Court filed *Per Curiam.*

Per Curiam:

I.

Six years ago, petitioners International Chemical Workers Union and Public Citizen Litigation Group filed rule-making petition with OSHA requesting it to issue immediately an Emergency Temporary Standard ("ETS") under section 6(c) of the Occupational Safety and Health Act of 1970, 29 U.S.C. §655(c) (1988), for occupational exposure to cadmium. *See* Petition (dated June 18, 1986). Petitioners asserted that

"[i]n light of the new human evidence on lung cancer, it is clear that the present OSHA standard is grossly inadequate, and there is absolutely no justification for further regulatory delay. Since no exposure to a carcinogen is considered to be safe, OSHA must regulate cadmium as a carcinogen and set as low a standard as possible." *Id.* at 3.[1]

In October 1986 and again in February 1987, petitioners inquired of OSHA about the status of their petition. After a full year had passed, petitioners filed in June 1987 for a writ of mandamus in this court to compel OSHA to take emergency action to protect workers from exposure to cadmium. One week later, on July 1, 1987, OSHA finally responded to petitioners' request. *See* Letter from OSHA to Petitioners (dated July 1, 1987) ("OSHA's July 1987 Response"). Although OSHA agreed that "there is clear evidence that exposure to cadmium can result in irreversible damage to the kidneys," the agency nonetheless refused to issue an ETS:

"[B]ased on our analysis of your petition and the underlying data, OSHA finds that the currently available data are not sufficiently definitive in certain critical areas to support the need for an ETS, particularly in light of the extremely stringent statutory criteria for issuing and sustaining such an action." *Id.* at 2. Even though it denied petitioners' request to proceed under section 6(c), OSHA admitted that "there is a need to embark promptly on further rulemaking" under the traditional section 6(b) procedures. *Id.* at 5.

In light of OSHA's announcement of its intention promptly to initiate rulemaking, this court treated the mandamus petition as one for review of OSHA's denial of an ETS, *In re International Chemical Workers Union,* 830 F.2d———, 370 (D.C. Cir. 1987)(per curiam). It denied the petition, concluding that OSHA is entitled to "great deference" in its assessment of scientifically complex facts and in its "balancing of the competing policies that underlie the decision whether to issue an ETS." *Id.* at 371.

OSHA stated at the time that "[w]e anticipate that a Notice of Proposed Rulemaking will be published in the *Federal Register* in December 1987. We anticipate the publication of a final standard 18 months after publication of the proposal," *i.e.,* in June 1989. OSHA's July 1987 Response at 2. After OSHA had missed its December 1987 timetable for proposing a rule, petitioners warned that

"[i]n light of the magnitude of this risk, we cannot stand by while OSHA persists in foot-dragging. Unless we are promptly assured that OSHA intends to expedite the cadmium rulemaking, and are provided realistic milestones with which we can chart the agency's progress, we will be compelled to once again take legal action to force the agency to move expeditiously in this rulemaking."

Letter from Petitioners to OSHA (dated June 29, 1988) at 2. OSHA responded that "[i]t is the Agency's intention to move as quickly as possible to establish a standard for cadmium" and that the proposed rule would be published "in late summer or early fall" of 1988. *See* Letter from OSHA to Petitioners (dated Aug. 10, 1988). At this point, OSHA was lagging almost a year behind its original rulemaking schedule.

In September 1988, OSHA issued guidelines to employers who produce or use cadmium to alert them to the inadequacy of OSHA's current exposure standards. *See* OSHA, U.S. Dep't of Labor, *Protective Measures for Controlling Exposure to Cadmium* (1988). These guidelines, however, were unenforceable and were intended to serve only as an interim measure, pending the adoption of a final rule. Two months later, in November 1988, OSHA informally circulated a draft proposed standard to members of the Construction Advisory Committee and held a public meeting. However, OSHA never published the proposed rule in 1988 as its altered schedule had promised.

Seven months more went by without a proposed rule, and petitioners once again wrote to respondents, expressing their "deep and long-standing concern that [OSHA] has unreasonably delayed adoption of a new standard to protect workers from the devastating health effects" attributable to cadmium exposure. Letter from Petitioners to Secretary of Labor (dated Mar. 21, 1989) at 1. In its reply, OSHA proposed still another postponement:

"It is anticipated that the earliest a proposed standard could be published would be in the fall of this year [1989]. If the rulemaking then proceeds routinely, it is likely to take until June 1991 to complete the Final standard. While OSHA has not met the schedule previously proposed, OSHA staff has worked diligently to expedite the development of this standard, which involved complex issues."

Letter from OSHA to Petitioners (dated Apr. 18, 1989) at 1. This revised schedule was now two years behind that which OSHA originally proposed to the court at the time of petitioners' request for an ETS.

In June 1989, petitioners petitioned this court for a writ of mandamus to compel OSHA to issue a proposed cadmium standard within one month and a final rule within one year. OSHA opposed any imposition of deadlines, representing to the court that it intended to produce a final cadmium standard within 18 months of publication of the proposal. On October 6, 1989, OSHA informed this court that after submitting a Notice of Proposed Rulemaking to the Office of Management and Budget ("OMB"), discussions between the Department of Labor and OMB were proceeding on an expedited basis. After oral argument, this court issued an order concluding that it is "reasonable to estimate that OMB should be able to complete its review of the proposed cadmium rule within three months of the date of this order" and that, by the end of the three-month period, OSHA should "file a report with the court indicating the status of the proposed rule and the date by which the agency expects to issue a final cadmium rule." Order (filed Oct. 20, 1989).

On January 22, 1990, respondents filed the required status report. They stated that OMB had completed its review of the proposed rule on January 19 and that OSHA would deliver it to the *Federal Register* on January 25. OSHA also argued that "[i]f this Court does set a date for issuance of a final rule, OSHA suggests, the agency be allowed 18 *to 24* months from publication of the proposed rule." Secretary of Labor's Status Report (filed Jan. 22, 1990) at 2 (emphasis added). Petitioners objected that OSHA was now stating for the first time that it would require 24 months, not 18 from notice of the proposed rule to the completion of the rulemaking. Under OSHA's new timetable, the issuance date was pushed forward to 1992.

The proposed rule was published in the *Federal Register* on February 6, 1990. *See* 55 Fed. Reg. 4052 (1990) (to be codified at 29 C.R.R. pt. 1910). In a subsequent order, we stated that "[w]e are satisfied with OSHA's compliance to this point, but note that OSHA's current projection of a 24-month period from the date of publication of the proposed rule to the publication of a final rule exceeds by six months the 18-month period it projected in its brief, which was filed several months ago." Order (filed Feb. 12, 1990) at 1-2. The court continued to retain jurisdiction over the case and ordered OSHA to submit a status report every six months until a final rule was published.

Over the next two years, respondents filed three status reports: On August 13, 1990 (reporting that public hearings were held in June and July, 1990); February 12, 1991 (reporting that the comment period had closed on October 18, 1990 and that the OSHA staff is "well underway in the process of reviewing and analyzing the record" of hearings and submissions); and on August 12, 1991 (reporting that "preliminary drafts of significant portions of the text of the standard and of the accompanying preamble" have been completed and that OSHA anticipated reopening the record for the limited purpose of soliciting comments on new information concerning carcinogenicity of certain cadmium compounds).

---

[1] Cadmium is a soft, blue-white metal or gray powder that is obtained as a by-product from the refinement of zinc and other metals. It has many industrial uses, ranging from rust protection to pigmentation. Workers in lead and zinc smelters, as well as those in electroplating and welding, all face potentially high exposures to cadmium.

It is undisputed in this record that cadmium is extremely dangerous. OSHA's 1971 permissible exposure limit of 100 micrograms per cubic meter of air ($\mu g/m^3$) was set as an interim level reflecting minimum health and safety standards at the time. This level is still the standard, despite numerous epidemiological studies that have demonstrated that exposure to levels well below 100 $\mu g/m^3$ causes kidney failure as well as lung and prostrate cancer. Although the parties disagree about the precise risk estimates associated with cadmium exposure at different levels, "[t]here is an abundance of data for several adverse health effects, clearly indicating that exposures to cadmium in the industrial environment can cause serious toxic effects in human beings." 55 Fed. Reg. 4052, 4065 (1990). OSHA's proposal would ensure that no worker is exposed to an airborne concentration in excess of 5 $\mu g/m^3$, calculated as an eight-hour time weighted average exposure.

Respondent's latest status report was filed on February 12, 1992 and reported, disappointingly, that "despite the progress to date, OSHA was unable to promulgate the final standard within 24 months of the proposal as projected." Secretary of Labor's Status Report (filed Feb. 11, 1992) ("1992 Status Report") at 2. Respondents predicted that the final rule would not be published until August 31, 1992. *Id.*

Respondents gave three reasons for this latest delay in the issuance of the final rule beyond the original 24 month period. First, the OSHA staff member responsible for producing the final risk assessment resigned unexpectedly in the fall of 1991 before completing it. "[A] significant amount of time was required to familiarize the contractor with the complex issues and data base involved and to discuss and evaluate appropriate risk methodologies." *Id.*

Second, the "development of the standard's medical surveillance requirements has proven more time consuming than anticipated." *Id.* Specifically, respondents represent that they have nearly completed only the "first draft" of the guidelines for protocols measuring Beta 2 microglobulin and cadmium levels in the blood. "To assess the feasibility of the biological monitoring requirements and assure the accuracy and reliability of laboratory analysis of monitoring results, OSHA had to contract out and oversee the development of appropriate guidelines." *Id.* at 3.

Third, as reported in the August 1991 status report, OSHA did briefly reopen the rulemaking record to receive the final reports of two recent studies on cadmium sulfide, as well as updated assessments by outside experts on these reports and public comments concerning cadmium sulfide generally and late-filed evidence submitted on certain other issues. *See* 56 Fed. Reg. 47,348–49 (1991). OSHA says it received more substantive comments on these other issues than it had anticipated and that "[s]ubstantial additional staff time is required to analyze and respond to the issues raised, delaying the drafting of portions of the final rule relating to the health effects of exposure to cadmium, including cadmium sulfide." 1992 Status Report at 4.

Finally, respondents predict that the August 31, 1992 data will provide time that is "absolutely necessary for completion of its statutorily mandated findings and conclusions concerning risk, benefit and feasibility in light of developments wholly beyond OSHA's control." *Id.* They acknowledge "the need to complete this rulemaking expeditiously and the current timetable reflects no lowering of the priority assigned to this project." *Id.*

II.

In light of this chronology, petitioners have renewed their motion to us to improve a definitive deadline for completion of the cadmium rulemaking. Petitioners do not oppose the seven month "extension of time"—from Februry 6, 1992 to August 31, 1992—that OSHA gives as its best estimate for completion of the rulemaking, but they "are adamant about the need for a court ordered deadline." *Id.* at 9. They insist that respondents' track record in meeting scheduling deadlines in the absence of a court order has been "dismal," *id.*; that the protracted delays exact too high a toll on exposed workers' health given the undisputed health risks of cadmium, *id*, at 10; and that the cumulative delay—extending over six years, from the time they requested an ETS—is so egregious as to demand the court's intervention to enforce as a deadline a termination date that the agency now agrees is reasonable and feasible, *id*, at 11 *see Public Citizen Health Research Group v. Brock*, 823 F.2d 626 (D.C. 1987) (per curiam) (ordering OSHA, after delay of six years, to adhere to schedule and warning that failure to comply with timetable may expose OSHA to contempt); *Public Citizen Health Research Group v. Auchter*, 702 F.2d 1150, 1157 (D.C. Cir. 1983) (per curiam) (ordering OSHA to issue a notice of proposed rulemaking within 30 days after a delay of only *three* years).

OSHA, however, opposes petitioners' motion, stressing that the additional seven-month period is necessary because "[t]he events in the late stages of this rulemaking, outlined in the February status report, could not have been anticipated or accounted for in OSHA's 1989 planning," Secretary's Response (filed Feb. 27, 1992) at 3 n.1, and "[t]hough some slippage in the previous schedule has occurred, that does not demonstrate the need for judicial intervention," *id*, at 5. Respondents insist that "[t]o issue a writ of mandamus on such a record . . . is to lower the threshold for mandamus to the point where the writ loses meaning and OSHA loses necessary freedom of judgment," *Id.* at 7.

III.

OSHA's rulemaking determinations are "essentially legislative and rooted in inferences from complex scientific and factual data," *United Steelworkers of Am. v. Marshall*, 647 F.2d 1189, 1206 (D.C. Cir. 1980), *cert. denied*, 453 U.S. 913 (1981), and, accordingly, they are entitled to great deference, *see Auchter*, 702 F.2d at 1156; *see also In re Barr Labs.*, 930 F.2d 72, 74 (D.C. Cir.) ("respect for the autonomy and comparative institutional advantage of the executive branch has traditionally made courts slow to assume command over an agency's choice of priorities"), *cert. denied*, 112 S. Ct. 297 (1991). This court rarely reviews nonfinal agency action, preferring instead to review a factual record developed by the agency through the application of its expertise. *See Telecommunications Research & Action Ctr. v. FCC*, 750 F.2d 70, 79 (D.C. Cir. 1984) (*"TRAC"*).

Nevertheless, in extraordinary circumstances, this court will review claims of unreasonable agency delay, for "[i]t is obvious that the benefits of agency expertise and creation of a record will not be realized if the agency never takes action." *Id.* Furthermore, the Administrative Procedure Act requires that an agency "proceed to conclude a matter presented to it" and that it do so "within a reasonable time." 5 U.S.C. §555(b) (1988). A reviewing court "shall compel agency action unlawfully withheld or unreasonably delayed." *Id.* §706(1); *see also TRAC*, 750 F.2d at 77 ("section 706(a) coupled with section 555(b) does indicate a congressional view that agencies should act within reasonable time frames and that court's [sic] designated by statute to review agency actions may play an important role in compelling agency action that has been improperly withheld or unreasonably delayed").

According to the law of the Circuit, a court must assess several factors in order to determine whether an agency's delay is "unreasonable." First, "the court should ascertain the length of time that has elapsed since the agency came under a duty to act," *Cutler v. Hayes*, 818 F.2d 879, 897 (D.C. Cir. 1987). Although there is no *per se* rule as how long is too long, "inordinate agency delay would frustrate congressional intent by forcing a breakdown of regulatory processes." *Id.* at 897 n.156. Second, "the reasonableness of the delay must be judged 'in the context of the statute' which authorizes the agency's action" *Auchter*, 702 F.2d at 1158 n.30 (quoting *National Congress of Hispanic Am. Citizens v. Marshall*, 626 F.2d 882, 888 (D.C. Cir. 1979)). Congress has declared that the purpose and policy of the Occupational Safety and Health Act of 1970, 29 U.S.C. §§651-678 (1988), is "to assure so far as possible every working man and woman in the Nation safe and healthful working conditions." *Id.* §651(b).

Third, the court must examine the consequences of the agency's delay. *Cutler*, 818 F.2d at 898. "Delays that might be altogether reasonable in the sphere of economic regulation are less tolerable when human lives are at stake." *Auchter*, 702 F.2d at 1157.

Finally, the court should give due consideration in the balance to "any plea of administrative error, administrative convenience, practical difficulty in carrying out a legislative mandate, or need to prioritize in the face of limited resources." *Cutler*, 818 F.2d at 898; *see also In re Barr Labs.*, 930 F.2d at 75; *TRAC*, 750 F.2d at 80 ("the court should consider the effect of expediting delayed action on agency activities of a higher or competing priority"). In this case, OSHA has cited to the resignation of a key staff member, the unanticipated delay in developing medical surveillance guidelines, and the need to respond to additional comments as contributing to the latest seven-month postponement. Furthermore, OSHA has argued that it "did not have unlimited resources with which to address these problems" because of deadlines imposed by Congress with respect to other rulemaking proceedings. *See* 1992 Status Report at 4 n.2.

It is OSHA itself, however, which has suggested August 31, 1992 as the date on which it can complete the rulemaking. "Although we are disappointed with this target date," *Brock*, 823 F.2d at 629, we accede on balance to OSHA's plea for additional time. But even if finally completed by August 31, 1992, the cadmium rulemaking will have taken over six years. This is an extraordinarily long time, in light of the admittedly serious health risks associated with the current permissible levels of cadmium exposure under the twenty-year-old standards still in place. Whether the delays at every stage are the result of the agency's "persistent excess of optimism," *Brock*, 823 F.2d at 629, or attributable to bureaucratic inefficiencies, *id.* at 628, there must be an end to the process sometime soon. Under the circumstances, we do not see how any further delay beyond August 31, 1992—resulting in continued exposure of workers to dangerous levels of cadmium—could be excusable. *See* 55 Fed. Reg. 4052, 4084–85 (1990) (cadmium exposure even at levels below the 100 $\mu g/m^3$ current standard may lead to kidney dysfunction, reduced pulmonary function, chronic lung disease, and cancer).

The agency is now in the concluding phase of the rulemaking; it predicts final issuance of a rule in five months from now. It is hard to conceive of why that date cannot be met. Yet for three years, OSHA has not met any timetable proposed to the court, and we have grave cause for concern that if we do not insist on a deadline now, some new impediment will be pleaded five months hence. OSHA's asserted justifications for the delay become less persuasive the longer the delay continues.

There is a point when the court must "let the agency know, in no uncertain terms, that enough is enough," *Brock*, 823 F.2d at 627, and we believe that point has been reached. We are not unmindful of OSHA's need to "juggle competing rulemaking demands on its limited scientific and legal staff," *id.* at 623, but we think the delay in promulgating a final rule that OSHA believes is necessary to workers' well-being has been too lengthy for us to temporize any longer. We accept OSHA's estimate of the additional time it needs to complete the final stages of the rulemaking, but we insist that there be no postponement beyond the August 31, 1992 target date. Any additional delay would violate this court's order.

IV.

Petitioners' Motion to Impose a Deadline for Completion of the Cadmium Rulemaking is granted, and respondents are ordered to issue a final rule by August 31, 1992.

It is so ordered.

U.S. SENATE,
Washington, DC, April 2, 1992.

MR. PRESIDENT: As you well know, even as the peoples of the former Soviet Union take their first breaths of free air, minorities throughout the newly created republics live in constant fear of oppressive majority elements. For the past several weeks, I have highlighted the reemergence of anti-Semitism in Russia and Ukraine, and today I turn to the situation confronting Jewish citizens in the Republic of Moldova.

The ethnic and political scenario for Jews in Moldova is much more complex than in many of the other nations of the Commonwealth of Independent States. Moldova, considered in conjunction with neighboring Romania with whom ties were extremely strong prior to the 1940's, has a historically significant level of anti-Semitism. Also, the economic situation in Moldova is by far one of the worst in the states of the former Soviet Union, and the chaos of recent economic events have renewed fears of violence against minority groups, who are scapegoated for the financial problems.

What is more, Moldova has been at the forefront of the nationalistic movements among the newly independent states, and their nationalism has increasingly become a movement of exclusion, rather than inclusion, for many minority groups, among them Russians, Gagauzis and Jews. Finally, there appears to be evidence of governmental anti-Jewish sentiment confronting Jews attempting to emigrate to both Israel and the United States. There are numerous cases exemplifying the government's refusal to permit emigration on the basis of arbitrary reasons that can only be understood as anti-Jewish policy.

However, anti-Semitism in Moldova over the past few years has not been as evident as the outbreaks of violence, graffiti and desecration so readily apparent in other regions. Rather, in this region, anti-Semitism is akin to a slumbering giant; it casts a lingering shadow over the hopes and aspirations of the remaining Jews, yet it does not appear as an immediate problem.

A brief overview of the history of Jews in Moldova will paint an interesting picture. By the close of the 19th century, the number of Jews in Kishinev, the capital of Moldova, numbered 50,237, 46 percent of the city's entire population. Two large pogroms in the first five years of the 20th century, however, drastically affected the Jewish population both in Kishinev and in Moldova at large. During Easter of 1903, agents of the Ministry of the Interior and the Bessarabian administration in charge of the region initiated a riot and 49 Jews were killed and 500 others were injured. Just two years later, mob action against Jewish citizens broke out once again. On October 19–20, 1905, "patriots" attacked the Jewish quarter of Kishinev, killing 19, injuring 56 and looting large numbers of Jewish shops and homes. In 1941, Kishinev was occupied by German and Romanian forces, who immediately initiated the massacre of the city's Jews, taking the lives of more than 10,000 Jewish citizens. These atrocities are well recorded in the history books.

Just as important though are recent events in Moldova, as they will inevitably affect that country's Jews. Moldova's declaration of independence of August 27, 1991, was immediately followed by secession proclamations by Moldova's Gagauz and Dnestr Valley Russian minorities. The relevance of these movements to the Jewish population is that they highlight a fear among many minorities of the possible reunification of Moldova and Romania, which have been linked as a region known as Bessarabia in the past.

Jews, through their experience of the heinous acts that Romanians have perpetrated against them in the past, give rise to fears of this reunification, which Romanian President Ion Iliescu has stated is "inevitable." And though the Moldovan government's official stance has backed away from its highly emotional sympathy for reunification, there are strong elements urging the reunion. What all of this means for minorities at present is not certain, but this tenuous situation has given rise to fears among minorities that have carried the country to the brink of war, threatening to divide Moldova along ethic lines. If that is the case, Jews, who compromise only about 1–2% of the Moldovan population could be caught in the middle.

Aside from these fears of the possible reunification of Moldova and Romania and the anti-Semitic violence that may be born from it, there are very real instances of anti-Jewish sentiment at present. I have received letters from Moldovan Jews pleading to be saved from the anti-Semitic violence that threatens their very lives. Perhaps most poignant is a letter from Torbina Michaylovna, whose family is the last remaining Jewish family in their village. She wrote:

"On the evening of October 7, 1989, (at) about 11:30 p.m. two (people) in black masks rushed into our house . . . It is difficult for me to write, the tears fill my eyes. They killed my mother, but she saved all of us. They tried to kill my (one-year old) baby, but I covered him with my body and they hit me on the head believing that they had killed me . . . We continue to live in constant fear for our lives and those close to us . . . nobody cares about us . . ."

And this is not an isolated incident. In a poll of 500 Jewish leaders in December of 1989, 93% of those who responded had personally experienced some manifestations/displays of anti-Semitism in the past six months in Moldova. In addition, over half of those polled expressed their feeling that there is a possibility in the near future of a flare of anti-Semitism with accompanying acts of brutality. As one Soviet Jew wrote in his letter to a staff member at the Center for Human Rights Advocacy, "And now we feel as if we lived on a volcano expecting a new break of violence any moment. And Jews, as you know, are to blame for everything."

Most importantly, though, there are a number of Moldovan Jews who have been experiencing great difficulties in their attempts to emigrate. Several of these Jewish citizens, such as Gagarina Bystrik, Karmanova Finkel and Sovetyskoy Gospas have been trying to secure permission to emigrate for over ten years, but have been refused on completely arbitrary grounds. In other cases, such as that of Gennady Blumin, Jewish citizens have been subject to extra-legal prosecution, merely for their desire to emigrate. Mr. Blumin, who has been held in jail for over a decade for the offense of using government supplies to make beach bags for private sale, was never questioned during the investigation, was denied the right to be present at his trial and was given a 12 year sentence for what is normally a four-five year crime. All of this has led many to the conclusion that Mr. Blumin's expressed interest to emigrate has brought the wrath of anti-Jewish sentiment to bear down upon him.

There are growing accounts of the Moldovan government's willingness to support the remaining Jewish population. According to Aleksandr Brodsky, the editor of the newspaper Nash Golos, a home for elderly Jews will be founded, there will be a department of Judaica at the university, former prisoners of ghettos and concentration camps will be given the status of disabled veterans and food aid for poor Jews will be given during the winters. And, recently, Moldovan President Mircha Snegar issued a statement pledging his support for these and other Jewish cultural projects.

Nevertheless, as Moldova stands on the brink of civil war between several ethnic interests, many view President Snegar's declaration as a symbolic political move indicative not of Moldova's concern for the Jews, but rather for international opinion about the treatment of minorities.

So, despite these latest attempts by the Moldovan government, the specter of anti-Semitism stands as clearly today as ever. We cannot stand idly by; now is the time for action to help not only the Moldovan Jews, but also Jews throughout the former Soviet Union as they struggle to escape the grasp of anti-Semitism that has so long held them in its grip.

SENATOR CONRAD NOT TO RUN

Mr. BURDICK. Mr. President, my distinguished colleague from North Dakota has made a very difficult decision not to run for reelection. Senator CONRAD is an aggressive, articulate fighter for North Dakota, and he will be greatly missed in the Senate.

From day one, KENT has fought for North Dakota farmers. He deserves special credit for his work on the Food, Agriculture, Conservation and Trade Act of 1990 and legislation to help drought-stricken farmers. He earned respect from his colleagues on the Agriculture Committee and played a key role in drafting the farm bill, particularly provisions dealing with farm credit, research, and rural development.

KENT CONRAD has been a strong advocate for economic development. Largely through his efforts, several new businesses have been attracted to North Dakota in recent years. I also commend him for his work to increase exports and eliminate unfair trade practices that hurt American agriculture.

In his successful race against Mark Andrews in 1986, Kent Conrad pledged to reduce the Federal deficit. As a U.S. Senator and a member of the Senate Budget Committee, he hasn't been afraid to speak up against waste in the budget and in individual spending bills.

Senator Conrad's work on the Energy and Natural Resources Committee has greatly benefited North Dakota. He has promoted careful development of our natural resources and done a great deal to address North Dakota's specific energy concerns.

Kent and I have worked together closely on the Garrison diversion project and other public works priorities in our State. We are jointly sponsoring legislation pending in this body to provide additional compensation to two North Dakota tribes for losses associated with construction of the Garrison Dam.

I especially enjoy working with Kent on the Select Committee on Indian Affairs, where this former North Dakota Tax Commissioner showed his compassion and concern for the problems facing native Americans. He also works with me on the Senate rural health caucus to address the health care needs of rural Americans, particularly senior citizens.

For many reasons, Senator Conrad has chosen not to run for a second term in the Senate, although I firmly believe he would have won reelection. On behalf of everyone in North Dakota, I would like to thank him for the 6 years he has devoted to serving North Dakota in this body and wish him the best in his future endeavors.

EXECUTIVE SESSION

INTERNATIONAL COVENANT ON CIVIL AND POLITICAL RIGHTS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider Executive Calendar 17, the International Covenant on Civil and Political Rights.

I further ask unanimous consent that the treaty be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification; that the recommended reservations, understandings, declaration and a proviso to Executive Calendar 17 be considered as having been proposed and agreed to and that no other amendments, reservations, understandings, declarations or provisos be in order; that any statements be inserted in the Congressional Record as if read; that the motion to reconsider be laid upon the table; that the President be notified of the Senate's action and that following disposition of the treaty.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PELL. Mr. President, the International Covenant on Civil and Political Rights, which we are now considering, is part of the international community's early efforts to give the full force of international law to the principles of human rights embodied in the Universal Declaration of Human Rights and the U.N. Charter. The covenant is rooted in Western democratic traditions and values. It guarantees basic rights and freedoms consistent with our own Constitution and Bill of Rights.

The covenant was unanimously adopted by the U.N. General Assembly on December 16, 1966, and entered into force on March 23, 1976. To date, 103 States have become party to the covenant and another 5, including the United States, have signed.

The Carter administration submitted the covenant along with three other human rights treaties to the Senate in 1979. I believe that there was significant support for ratification at that time. However, domestic and international events at the end of 1979 prevented the Foreign Relations Committee from moving to a vote on the covenant after hearings were completed. The Reagan administration, regrettably, had no interest in ratifying this treaty. I am pleased that the present administration finally decided to support it last August. In my view, ratification is long overdue, but better late than never.

The Foreign Relations Committee held a hearing on the Covenant on November 21, 1991. At that time, the administration submitted a package of reservations, understandings and declarations for the committee's consideration. In many respects this package is similar to the one proposed by the Carter administration in 1979.

On March 4 the committee voted 19 to 0 to report favorably the covenant with a resolution of ratification containing the reservations, understandings, and declarations proposed by the Bush administration and a proviso offered by Senator Helms. This proviso is similar to language adopted by the Senate in October 1990 as part of the resolution of ratification of the Convention Against Torture and Other Cruel, Inhuman or Degrading Treatment or Punishment. It clarifies the relationship between the covenant and the U.S. Constitution. Since this relationship is a matter of U.S. domestic law, the proviso will not be included in the instrument of ratification to be deposited by the President.

The United States plays a leading role in the international struggle to promote and protect human rights. However, failure to ratify the covenant has blemished our record and cast doubt, in some quarters, about the seriousness of our commitment to human rights. Ratification will reverse this situation. It will demonstrate that our commitment is serious and sincere and strengthen our voice as a champion of human rights. Ratification will enable the United States to participate in the work of the Human Rights Committee established by the covenant to monitor compliance. The rights guaranteed by the covenant are the cornerstones of a democratic society. By ratifying the covenant now, we have an opportunity to promote democratic rights and freedoms and the rule of law in the former Soviet Republics, Eastern Europe, and other areas where democracy is taking hold.

During the course of the committee's consideration of the covenant, concerns were expressed by some in the human rights and legal communities about particular conditions proposed by the administration for ratification. In some cases, U.S. law and practice were at issue. In others, it was a philosophical difference. However, in the final analysis, the vast majority of those expressing concern came down in favor of ratification with the administration's proposed package. It is clear that there is widespread support for U.S. ratification of this covenant now among those in the human rights field.

Mr. President, I ask unanimous consent that the following letters of support be printed in the Record.

Mr. President, this is a worthy covenant and one that we can be proud of ratifying. I urge all my colleagues to support it.

There being no objection, the letters were ordered to be printed in the Record, as follows:

Amnesty International USA,
Washington, DC, March 27, 1992.

Hon. Claiborne Pell,
Chairman, Senate Foreign Relations Committee, U.S. Senate, Washington, DC.

Dear Senator Pell: As you know, Amnesty International supports ratification by the United States of the International Covenant on Civil and Political Rights (ICCPR). We regard ratification of this instrument as a major first step in the process of the United States entering more fully into an international human rights system, which is of the greatest importance for the promotion of human rights around the world. We also consider that ratification should proceed as expeditiously as possible. For too long the influence and moral authority of the United States in the international promotion and protection of human rights has been seriously undermined by its failure to ratify some of the fundamental human rights instruments including the two International Covenants. We have welcomed your leadership on the issue of ratification of the ICCPR and the efforts you have made to carry forward this process in the Senate.

As you also well know, however, Amnesty International has consistently maintained its position that it is of the utmost importance that the United States ratify such international human rights treaties without reservations, declarations or understandings that undermine the guarantees of the ICCPR. We are, therefore, most concerned about the limiting reservations, declarations and understandings put forward by the Administration which we consider reflect an unwillingness by the United States to accept the full scope of the international standards set forth in the ICCPR.

In particular, Amnesty International has serious objections to the reservation proposed in respect to Article 6 of the ICCPR—a reservation that envisages the continued practice within the United States of the execution of juvenile offenders. Article 6 guarantees one of the most fundamental rights protected by the ICCPR—the right to life—and its provisions are among those which may never be derogated from in any circumstances, according to Article 4(2). Indeed, there is a serious question as to whether a reservation to a non-derogable right would be considered null and void. The international consensus against the execution of juvenile offenders, which is also reflected in a number of other important international human rights standards, is overwhelming. Only a very few governments continue to execute juvenile offenders—besides the United States these include Bangladesh, Iran, Iraq, Nigeria and Pakistan.

If this reservation is maintained, Amnesty International will continue to make every effort to draw attention to this grave limitation by the United States on the fundamental rights guaranteed by the ICCPR following ratification. We will actively seek through our membership in this country and internationally, to bring the United States fully into conformity with all the standards in the ICCPR. This would include approaches by our organization to urge other states parties to the ICCPR as well as its monitoring body, the Human Rights Committee, to take up directly with the United States Government the issue of the execution of juvenile offenders and the validity of a reservation to a nonderogable right.

We hope you will be able to take these concerns into account and we look forward to continuing to work with you in ensuring full compliance by the United States with international human rights standards.

Sincerely yours,

CAROLE NAGENGAST,
Chair, Board of Directors.

UNITED NATIONS ASSOCIATION OF
THE UNITED STATES OF AMERICA,
New York, NY, March 31, 1992.

Senator CLAIBORNE PELL,
Committee on Foreign Relations,
Washington, DC.

DEAR MR. CHAIRMAN: The United Nations Association of the United States welcomes the recent decision of the Foreign Relations Committee to support by unanimous vote a resolution of ratification for the International Covenant on Civil and Political Rights (ICCPR). We now urge you to join with your colleagues in seeking an expeditious vote on advice and consent to ratification of this important human rights document.

The Covenant, which obligates governments to protect civil and political freedoms contained in the Universal Declaration of Human Rights, is increasingly important to the process of democratization that is underway in so many areas of the world. Ratification of this treaty will strengthen the United States' credibility as a proponent of human rights while augmenting the ICCPR as the single standard for all nations in the field of civil and political rights. Our country's adherence to the Covenant will also enhance America's ability to influence the interpretation, application, and further development of international human rights law in a way that promotes universal respect for democratic principles and the rule of law.

The United States played an important role in drafting the Covenant, voted for its adoption in 1966, and President Carter signed it in 1977. Today, 102 states—including most of Western Europe—are parties to it. Like President Bush, we believe that US ratification of the Covenant will enhance our nation's efforts to improve respect for fundamental freedoms around the world. At its National Convention in 1990, UNA-USA adopted a resolution on ratification of international human rights treaties, noting, "in this new worldwide era of democracy, of international cooperation and of support for the United Nations, the promotion and protection of human rights deserve special priority on behalf of all nations." We urge you to support actively continuing US leadership in this field.

With best wishes,

Sincerely,

JOHN C. WHITEHEAD,
Chair of the Association.
MAX. M. KAMPELMAN,
Chair, Board of Governors.

YALE LAW SCHOOL,
New Haven, CT, March 20, 1992.

Senator CLAIBORNE PELL,
Chairman, Senate Foreign Relations Committee,
U.S. Senate, Washington, DC.

DEAR SENATOR PELL: We write to urge the Senate to advise and consent to the International Covenant on Civil and Political Rights so that the United States may promptly ratify it.

We are disappointed on some of the reservations, declarations and understandings that are proposed.[1] We believe they are unnecessary to protect genuine national interests and unhelpful to achievement of the objectives of the Covenant. United States' ratification even on those terms, however, is preferable to no ratification. The national momentum for ratifying human rights instruments, arrested some forty years ago but now reestablished, should not be stopped. Ratification of this and other instruments will enhance the cause of human rights, an important part of our foreign policy, and enable our government and citizens to play a more direct and active role in their implementation. Failure to advise and consent and to ratify will limit our role. The message we seek to send to governments and peoples everywhere will be greatly confused.

World order has taken enormous strides in recognizing and demanding human rights. In commencing to ratify human rights treaties, we have resumed an important and indispensable role in international organizational implementation.

We hope you and your colleagues in the Senate will now advise and consent to the International Covenant on Civil and Political Rights.

Sincerely,

Ralph Brown, S.E. Baldwin Professor of Law, Emeritus; W. Michael Reisman, W.N. Hohfeld Professor of Jurisprudence; Harold H. Koh, Professor of Law; Ruth Wedgwood, Associate Professor of Law; Myres S. McDougal, Sterling Professor of Law, Emeritus.

UNIVERSITY OF FLORIDA,
COLLEGE OF LAW,
Gainesville, FL, March 27, 1992.

Senator CLAIBORNE PELL,
Chairman, Senate Foreign Relations Committee,
U.S. Senate, Washington, DC.

DEAR SENATOR PELL: Attached you will find the copy of a letter signed by members of the faculty of the University of Florida College of Law. In this letter we urge that you support bringing the international covenant on Civil and Political Rights to the floor of the Senate for an affirmative advice and consent vote as soon as possible.

Yours sincerely,

WINSTON P. NAGAN,
Professor of Law.

UNIVERSITY OF FLORIDA,
Gainesville, FL, March 26, 1992.

Senator CLAIBORNE PELL,
Chairman, Senate Foreign Relations Committee,
U.S. Senate, Washington, DC.

DEAR SENATOR PELL: We write to commend your leadership and the Senate Foreign Relations Committee's good sense in voting out (by a vote of 19-0) the International Covenant on Civil and Political Rights. We now urge that you and your colleagues in the Senate act to promptly give the advice and consent of the Senate to the Covenant to ensure its prompt ratification by the United States.

As academic lawyers deeply concerned about the Rule of Law and the defense of democratic institutions, we are disappointed at some of the reservations, declarations and understanding [RUD's] that the Foreign Relations Committee has proposed. We do not believe that these qualifications on the Covenant are necessarily in the national interest, nor do we believe they will accelerate the achievement of the major purposes of the Convention. However, we strongly believe that it is in the national interest to secure ratification, even with the package of RUD's, rather than risk the prospect of no ratification.

The promise of the Rule of Law and a global initiative in favor of democracy was radically, and astigmatically limited forty years ago when the ratification log-jam started. The political will and the international climate now indicate a renewed commitment to the Covenants is warranted, and in the national interest. This process should not be arrested.

Ratification of the International Covenant on Civil and Political Rights will significantly enhance respect for human rights and fundamental freedoms around the world and is an important institutional support for the development of the civil society in vast corners of the globe where U.S. influence is paramount. The instrument when ratified will become an important part of our foreign policy calculus, and enable our government and citizens to play a direct and active role in the implementation of the prescriptions in the Covenant.

A failure to promptly give the Senate's advice and consent to ensure ratification will severely limit the efficacy of the U.S. role in world affairs and will send a confusing signal about the true genesis of American commitment to the Rule of Law and democratic values.

We strongly urge that you do all in your power to secure the ratification of the International Covenant of Civil and Political Rights.

Yours sincerely,

Winston P. Nagan, Professor of Law; Fletcher N. Baldwin, Jr., Professor of

---

[1] You may, of course, advise and consent while expressing your hesitations about all or some of the reservations, declarations and understandings. We would be prepared to offer you our own advice about what we think these failings are.

Law; Kermit L. Hall, Professor of Law; Stuart R. Cohn, Professor of Law; George K. Yin, Professor of Law; E.L. Roy Hunt, Professor of Law; Ernest M. Jones, Professor of Law; Thomas R. Hurst, Professor of Law; Joseph W. Little, Professor of Law; Walter Probert, Professor of Law; Michael W. Gordon, Professor of Law; Christopher Slobogin, Professor of Law; Jeffrey Davis, Professor of Law; Jon Mills, Professor of Law.

Amy R. Mashburn, Assistant Professor of Law; Steven J. Willis, Professor of Law; Walter O. Weyrauch, Professor of Law; Alyson Flournoy, Professor of Law; Jeffrey L. Harrison, Professor of Law; Elizabeth T. Lear, Assistant Professor of Law; Michael L. Seigel, Assistant Professor of Law; Richard N. Pearson, Professor of Law; Julian C. Juergensmeyer, Professor of Law; Juan F. Perea, Assistant Professor of Law; George L. Dawson, Professor of Law; Anne L. Spitzer, Professor of Law; Don Peters, Professor of Law; David M. Richardson, Professor of Law.

Mr. GORE. Mr. President, I ask unanimous consent to have printed in the RECORD a letter from the American Association for the Advancement of Science endorsing the International Covenant on Civil and Political Rights.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION FOR THE ADVANCEMENT OF SCIENCE,
Washington, DC, April 1, 1992.

Hon. AL GORE,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR GORE: The American Association for the Advancement of Science, the largest federation of scientific societies in the United States and the publisher of Science magazine, is on record in support of U.S. ratification of the International Covenant on Civil and Political Rights (ICCPR) and requests that the Senate give its advice and consent on the Covenant. Our recommendation is based on three considerations: (1) Many of the rights set out in the ICCPR are vital to maintain scientific and academic freedom. The ICCPR protects such rights central to the conduct of science as the right to liberty and security of person, freedom of thought, conscience, and religion; freedom from arbitrary deprivation of life; freedom of movement and choice of residence; and freedom of association. (2) Scientists in many countries experience violations of their human rights. In 1992, the American Association for the Advancement of Science documented violations ranging from the government revocation of academic degrees, demotions or dismissals, to arrests and arbitrary detentions, "disappearances," and extrajudicial killings of 109 foreign scientists, engineers, and health care professionals. (3) Support would constitute a humanitarian gesture and a commitment to the advancement of humankind. Infringements of human rights not only hinder the pursuit of scientific inquiry, but also adversely affect the progress and potential of human society. We believe that ratification of the ICCPR would greatly enhance the international legal framework that is intended to protect the human rights of all peoples, including scientists.

Sincerely,

RICHARD S. NICHOLSON.

COVENANT ON CIVIL AND POLITICAL RIGHTS

Mr. MOYNIHAN. Mr. President, I am pleased that the Senate is moving to give its advice and consent to the ratification of the Covenant on Civil and Political Rights. This covenant reflects the principles articulated in our own Bill of Rights. U.S. ratification will both strengthen the cause of international human rights and improve the ability of the United States to play a strong and constructive role in enforcing these standards.

Some have raised concerns about the standards in the covenant having to do with free speech. I strongly support the administration's reservation on this provision and believe that by ratifying the covenant the United States will be in a position to help prevent misinterpretation and abuse of this provision.

Others have raised the legitimate concern that the number of reservations in the administration's package might imply to some that the United States does not take the obligations of the covenant seriously. It should be noted, however, that the United States has accepted the overwhelming majority of the obligations of the covenant without reservation. Even though the covenant is non-self-executing, these will now become binding international obligations of the United States.

Moreover, it is possible to place a wholly different interpretation on the administration's package of reservations. The administration has not taken a blanket, or catchall reservation. It has not said that our domestic practices, wherever they differ from the covenant, are always superior. Rather, it has undertaken a meticulous examination of U.S. practice to ensure that the United States will in fact comply with the obligations that it is assuming. This can certainly be viewed as an indication of the seriousness with which the obligations are regarded rather than as an expression of disdain for the obligations. Certainly, there was a time when the nations of the totalitarian block ratified obligations without reservation—obligations that they had no intention of carrying out. Far better to ratify with the firm intention of living up to the covenant's terms.

Finally—and importantly—let none assume that a vote for the covenant is equivalent to acquiescence in any particular domestic practice. It should be clear that a vote in favor of giving the Senate's consent to ratification does not imply approval of each and every reservation, understanding and declaration in the administration's package. Some parts of the package deserve strong support, as in the case of the reservation on speech, which I have already mentioned, and U.S. acceptance of the jurisdiction of the Human Rights Committee under article 41. But a Senator might well conclude that it is in the interests of the United States to ratify the covenant with this package of reservations even if that Senator disagrees strongly with a particular domestic practice which has prompted a reservation. Some of those practices are most controversial and I know that many Senators who will vote to give consent to ratification will nonetheless continue their efforts to change these domestic practices in the committees of jurisdiction in the Senate. The two are not inconsistent in the least.

To say again, Mr. President, I believe that the decision of the President to request the Senate's consent to ratification is an important step—one which builds upon the Senate's consideration of the Genocide Convention, the Torture Convention and the International Labor Organization Convention on Forced Labor. I am pleased that the United States is moving to support these important human rights standards.

Mr. MITCHELL. Mr. President, I ask for a division vote.

The PRESIDING OFFICER. A division vote is requested. Senators in favor of the resolution of ratification will rise and stand until counted. (After a pause.) Those opposed will rise and stand until counted.

In the opinion of the Chair, two-thirds of the Senators as present has voted in the affirmative, the resolution of ratification is agreed to.

The resolution of ratification is as follows:

Resolved (two-thirds of the Senators present concurring therein), That the Senate advise and consent to the ratification of the International Covenant on Civil and Political Rights, adopted by the United Nations General Assembly on December 16, 1966, and signed on behalf of the United States on October 5, 1977 (Executive E, 95-2), subject to the following Reservations, Understandings, Declarations and Proviso:

I. The Senate's advice and consent is subject to the following reservations:

(1) That Article 20 does not authorize or require legislation or other action by the United States that would restrict the right of free speech and association protected by the Constitution and laws of the United States.

(2) That the United States reserves the right, subject to its Constitutional constraints, to impose capital punishment on any person (other than a pregnant woman) duly convicted under existing or future laws permitting the imposition of capital punishment, including such punishment for crimes committed by persons below eighteen years of age.

(3) That the United States considers itself bound by Article 7 to the extent that "cruel, inhuman or degrading treatment or punishment" means the cruel and unusual treatment or punishment prohibited by the Fifth, Eighth and/or Fourteenth Amendments to the Constitution of the United States.

(4) That because U.S. law generally applies to an offender the penalty in force at the time the offense was committed, the United States does not adhere to the third clause of paragraph 1 of Article 15.

(5) That the policy and practice of the United States are generally in compliance with and supportive of the Covenant's provi-

sions regarding treatment of juveniles in the criminal justice system. Nevertheless, the United States reserves the right, in exceptional circumstances, to treat juveniles as adults, notwithstanding paragraphs 2(b) and 3 Article 10 and paragraph 4 of Article 14. The United States further reserves to these provisions with respect to individuals who volunteer for military service prior to age 18.

II. The Senate's advice and consent is subject to the following understandings, which shall apply to the obligations of the United States under this Covenant:

(1) That the Constitution and laws of the United States guarantee all persons equal protection of the law and provide extensive protections against discrimination. The United States understands distinctions based upon race, color, sex, language, religion, political or other opinion, national or social origin, property, birth or any other status—as those terms are used in Article 2, paragraph 1 and Article 26—to be permitted when such distinctions are, at minimum, rationally related to a legitimate governmental objective. The United States further understands the prohibition in paragraph 1 of Article 4 upon discrimination, in time of public emergency, based "solely" on the status of race, color, sex, language, religion or social origin not to bar distinctions that may have a disproportionate effect upon persons of a particular status.

(2) That the United States understands the right to compensation referred to in Articles 9(5) and 14(6) to require the provision of effective and enforceable mechanisms by which a victim of an unlawful arrest or detention or a miscarriage of justice may seek and, where justified, obtain compensation from either the responsible individual or the appropriate governmental entity. Entitlement to compensation may be subject to the reasonable requirements of domestic law.

(3) That the United States understands the reference to "exceptional circumstances" in paragraph 2(a) of Article 10 to permit the imprisonment of an accused person with convicted persons where appropriate in light of an individual's overall dangerousness, and to permit accused persons to waive their right to segregation from convicted persons. The United States further understands that paragraph 3 of Article 10 does not diminish the goals of punishment, deterrence, and incapacitation as additional legitimate purposes for a penitentiary system.

(4) That the United States understands that subparagraphs 3(b) and (d) of Article 14 do not require the provision of a criminal defendant's counsel of choice when the defendant is provided with court-appointed counsel on grounds of indigence, when the defendant is financially able to retain alternative counsel, or when imprisonment is not imposed. The United States further understands that paragraph 3(e) does not prohibit a requirement that the defendant make a showing that any witness whose attendance he seeks to compel is necessary for his defense. The United States understands the prohibition upon double jeopardy in paragraph 7 to apply only when the judgment of acquittal has been rendered by a court of the same governmental unit, whether the Federal Government or a constituent unit, as is seeking a new trial for the same cause.

(5) That the United States understands that this Covenant shall be implemented by the Federal Government to the extent that it exercises legislative and judicial jurisdiction over the matters covered therein, and otherwise by the state and local governments; to the extent that state and local governments exercise jurisdiction over such matters, the Federal Government shall take measures appropriate to the Federal system to the end that the competent authorities of the state or local governments may take appropriate measures for the fulfillment of the Covenant.

III. The Senate's advice and consent is subject to the following declarations:

(1) That the United States declares that the provisions of Articles 1 through 27 of the Covenant are not self-executing.

(2) That it is the view of the United States that States Party to the Covenant should wherever possible refrain from imposing any restrictions or limitations on the exercise of the rights recognized and protected by the Covenant, even when such restrictions and limitations are permissible under the terms of the Covenant. For the United States, Article 5, paragraph 2, which provides that fundamental human rights existing in any State Party may not be diminished on the pretext that the Covenant recognizes them to a lesser extent, has particular relevance to Article 19, paragraph 3, which would permit certain restrictions on the freedom of expression. The United States declares that it will continue to adhere to the requirements and constraints of its Constitution in respect to all such restrictions and limitations.

(3) That the United States declares that it accepts the competence of the Human Rights Committee to receive and consider communications under Article 41 in which a State Party claims that another State Party is not fulfilling its obligations under the Covenant

(4) That the United States declares that the right referred to in Article 47 may be exercised only in accordance with international law.

IV. The Senate's advice and consent is subject to the following proviso, which shall not be included in the instrument of ratification to be deposited by the President:

Nothing in this Covenant requires or authorizes legislation, or other action, by the United States of America prohibited by the Constitution of the United States as interpreted by the United States.

Mr. MITCHELL. Mr. President, I move to reconsider the vote by which the resolution of ratification was agreed to.

Mr. STEVENS. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

THE EXECUTIVE CALENDAR

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Senate proceed to Executive Session to consider the following nomination:

Calendar No. 546. Edward J. Perkins to be U.S. Representative in the Security Council of the United Nations;

Calendar No. 547. Thomas R. Pickering to be Ambassador to India; and Nominations on the Secretary's Desk in the Foreign Service.

I further ask unanimous consent that the Senate proceed to immediate consideration, and that the nominees be confirmed, that any statements appear in the RECORD as if read, that the motions to reconsider be laid upon the table, that the President be immediately notified of the Senate's action, and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed are as follows:

DEPARTMENT OF STATE

Edward Joseph Perkins, of Oregon, a career member of the Senior Foreign Service, Class of Career Minister, to be the Representative of the United States of America to the United Nations with rank and status of Ambassador Extraordinary and Plenipotentiary, and the Representative of the United States of America in the Security Council of the United Nations.

Thomas R. Pickering, of New Jersey, a career member of the Senior Foreign Service, with the personal rank of Career Ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to India.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now resume legislative session.

ORDER FOR STAR PRINT—SENATE JOINT RESOLUTION 166

Mr. STEVENS. Mr. President, I ask unanimous consent that the Senate Joint Resolution 166 be star printed to reflect the following changes which I now send the desk.

The PRESIDING OFFICER. Without objection, it is so ordered.

AUTHORITY FOR COMMITTEE TO REPORT

Mr. MITCHELL. Mr. President, I ask unanimous consent that on Friday, April 3, from 12 noon until 6 p.m. the Senate Committee on the Budget may file a concurrent budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

REMOVAL OF INJUNCTION OF SECRECY—TREATY DOCUMENT NOS. 102-27 AND 102-28

Mr. MITCHELL. Mr. President, as in executive session, I ask unanimous consent that the injunction of secrecy be removed from the following two treaties transmitted to the Senate today by the President of the United States:

Partial Revision (1988), Radio Regulations, relating to Space Radiocommunications Services (Treaty Document No. 102-27); and

Partial Revision (1985), Radio Regulations, relating to Broadcasting-Satellite Service in Region 2 (Treaty Document No. 102-28).

I further ask that the treaties be considered as having been read the first time; that they be referred, with accompanying papers, to the Committee on Foreign Relations and ordered to be printed; and that the President's messages be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The messages of the President read as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the 1988 Partial Revision of the Radio Regulations (Geneva, 1979), signed on behalf of the United States at Geneva on October 6, 1988, and the United States statement as contained in the Final Protocol. I transmit also, for the information of the Senate, the report of the Department of State with respect to the 1988 Partial Revision.

The 1988 Revision constitutes a partial revision of the Radio Regulations, to which the United States is a party. The primary purpose of this revision is to update the existing Regulations to guarantee for all countries equitable access to the geostationary-satellite orbit and the frequency bands allocated to space services. The revised Regulations are consistent with the proposals of and positions taken by the United States at the Second Session of the World Administrative Radio Conference on the Use of the Geostationary-Satellite Orbit and the Planning of the Space Services Utilizing It (ORB-88).

At the time of signature, the United States joined 20 countries in submitting a statement in response to a statement by Colombia and Ecuador concerning claims of sovereign rights over segments of the geostationary-satellite orbit. The specific statement, with reasons, is given in the report of the Department of State.

The 1988 Partial Revision entered into force on March 16, 1990, for governments which, by that date, had notified the Secretary General of the International Telecommunication Union of their approval thereof.

I believe the United States should become a party to the 1988 Partial Revision, which provides new means and greater flexibility in securing access to the geostationary-satellite orbit and the frequency spectrum allocated to space services. It is my hope that the Senate will take early action on this matter and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, *April 2, 1992.*

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the Partial Revision of the Radio Regulations (Geneva, 1979), signed on behalf of the United States at Geneva on September 15, 1985, and the United States reservation and statements as contained in the Final Protocol. I transmit also, for the information of the Senate, the report of the Department of State with respect to the 1985 Partial Revision.

The 1985 Revision constitutes a partial revision of the Radio Regulations (Geneva, 1979), to which the United States is a party. The primary purpose of the revision is to incorporate into the Radio Regulations the decisions of the Regional Administrative Radio Conference for the Planning of the Broadcasting-Satellite Service in Region 2 (essentially the Western Hemisphere). The Broadcasting-Satellite Service is a radiocommunication service in which signals transmitted or retransmitted by satellites are intended for direct reception by the general public. The Partial Revision is broadly consistent with the proposals of and positions taken by the United States at the First Session of the World Administrative Radio Conference on the Use of the Geostationary-Satellite Orbit and the Planning of Space Services Utilizing It (ORB-85).

At the time of signature, the United States submitted a reservation concerning technical matters included in the Revision; a statement in response to statements by Indonesia, Colombia, and Ecuador concerning claims of sovereign rights of segments of the geostationary-satellite orbit; and a statement in response to Cuba's characterization of Radio Marti as "the use . . . by the Government of the United States, of the radio spectrum as a means of aggression . . . ." The specific reservation and statements, with reasons, are given in the report of the Department of State.

The 1985 Partial Revision of the Radio Regulations entered into force on October 30, 1986, for governments which, by that date, had notified the Secretary General of the International Telecommunication Union of their approval thereof.

I believe the United States should become a party to the Partial Revision, which will facilitate the development of a broadcasting-satellite service in the United States. It is my hope that the Senate will take early action on this matter and give its advice and consent to ratification.

GEORGE BUSH.

THE WHITE HOUSE, *April 2, 1992.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Emery, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations and treaties which were referred to the appropriate committees.

(The nominations and treaties received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 2:37 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 1743) to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers System, and for other purposes; with amendments, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the bill (S. 1150) to reauthorize the Higher Education Act of 1965, and for other purposes, with amendments; it insists upon its amendments to the bill, asks a conference with the Senate on the disagreeing votes of the two Houses on the amendments of the House, and appoints the following as managers of the conference on the part of the House:

From the Committee on Education and Labor, for consideration of the Senate bill, and the House amendments, and modifications committed to conference: Mr. FORD of Michigan, Mr. GAYDOS, Mr. MILLER of California, Mr. KILDEE, Mr. WILLIAMS, Mr. HAYES of Illinois, Mr. SAWYER, Mr. PAYNE of New Jersey, Mrs. LOWEY of New York, Mrs. UNSOELD, Mr. WASHINGTON, Mr. SERRANO, Mrs. MINK, Mr. ANDREWS of New Jersey, Mr. JEFFERSON, Mr. REED, Mr. ROEMER, Mr. GOODLING, Mr. PETRI, Mr. COLEMAN of Missouri, Mrs. ROUKEMA, Mr. GUNDERSON, Mr. ARMEY, Mr. HENRY, Ms. MOLINARI, Mr. BARRETT, and Mr. KLUG.

As additional conferees from the Committee on Foreign Affairs, for consideration of section 613 of the Senate bill, and modifications committed to conference: Mr. FASCELL, Mr. BERMAN, Mr. WEISS, Mr. BROOMFIELD, and Ms. SNOWE.

The message also announced that the House has passed the following bill and joint resolution, in which it requests the concurrence of the Senate:

he Panama Canal pursuant to the Panama Canal Treaty of 1977; and

66F

MEASURES REFERRED

The following bill and joint resolution were read the first and second times by unanimous consent, and referred as indicated:

he Panama Canal pursuant to the Panama Canal Treaty of 1977; to the Committee on Armed Services.

e on the Judiciary.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. DASCHLE (for himself, Mr. Wofford, and Mr. Simon):

S. 2513. A bill to provide universal access for all Americans to basic health care services and long-term care services; to the Committee on Finance.

By Mr. BUMPERS (for himself, Mr. Durenberger, Mr. Nunn, Mr. Grassley, Mr. Levin, Mr. Shelby, Mr. Lieberman, Mr. Breaux, Mr. Inouye, Mr. Reid, Mr. Kerry, Mr. Fowler, Mr. Dodd, Mr. Glenn, and Mr. Domenici):

S. 2514. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers a bad debt deduction for certain partially unpaid child support payments and to require the inclusion in income of child support payments which a taxpayer does not pay, and for other purposes; to the Committee on Finance.

By Mr. DeCONCINI (for himself, Mr. Graham, Mr. Akaka, and Mr. Daschle):

S. 2515. A bill to authorize the establishment of job training programs for unemployed veterans and persons who have been recently separated from the Armed Forces, to pay certain assistance and benefits to employers of such veterans and persons to defray certain costs relating to the provision of such training, and for other purposes; to the Committee on Veterans Affairs.

By Mr. BINGAMAN (for himself, Mr. Nunn, Ms. Mikulski, Mr. Kerrey, and Mr. Lieberman):

S. 2516. A bill to amend the National Security Act of 1947 to revise the functions of the National Security Council and to add the Secretary of Commerce, the Secretary of the Treasury, and the United States Trade Representative to the statutory membership of the National Security Council; to the Committee on Armed Services.

S. 2517. A bill to amend title 10, United States Code, to rename the Defense Advanced Research Projects Agency as the National Advanced Research Projects Agency, to expand the mission of that agency, and for other purposes; to the Committee on Armed Services.

By Mr. DODD (for himself, Mr. Gramm, Mr. Riegle, Mr. Garn, Mr. D'Amato, Mrs. Kassebaum, Mr. Wirth, Mr. Sanford, Mr. Mack, and Mr. Kasten) (by request):

S. 2518. A bill to amend the Securities Act of 1933 and the Investment Company Act of 1940 to promote capital formation for small businesses and others through exempted offerings under the Securities Act and through investment pools that are excepted or exempted from regulation under the Investment Company Act of 1940 and through business development companies; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GARN:

S. 2519. A bill to provide authority to regulate exports, to improve the efficiency of export regulation, and to minimize interference with the ability to engage in commerce; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY (for himself, Mr. Simpson, Mr. Dodd, and Mr. Lugar):

S. 2520. A bill to support efforts to promote democracy in Haiti; to the Committee on Foreign Relations.

By Mr. HEFLIN:

S. 2521. A bill to make techincal and procedural amendments pertaining to the United States Court of Federal Claims and the judges thereof in order to promote efficiency and fairness, and for other purposes; to the Committee on the Judiciary.

By Mr. SIMON:

S. 2522. A bill to direct the United States Sentencing Commission to make sentencing guidelines for Federal criminal cases that provide sentencing enhancements for hate crimes; to the Committee on the Judiciary.

By Mr. MOYNIHAN (for himself, Mr. Johnston, Mr. Mitchell, Mr. Lautenberg, Mr. Breaux, and Mr. D'Amato):

S. 2523. A bill to authorize the Secretary of the Army to develop an engineering strategy to minimize adverse environmental impacts of overflows and discharges from combined stormwater and sanitary sewer systems, and for other purposes; to the Committee on Environment and Public Works.

By Mr. NUNN (for himself and Mr. Warner):

S. 2524. A bill to provide for the temporary continuation of the current Deputy National Security Adviser in a flag officer grade in the Navy; to the Committee on Armed Services.

S. 2525. A bill to amend title 10, United States Code, to make the Vice Chairman a member of the Joint Chiefs of Staff, to provide joint duty credit for certain service; to the Committee on Armed Services.

By Mr. PACKWOOD (for himself, Mr. Moynihan, Mr. Lautenberg, Mr. McCain, Mr. Murkowski, Mr. Durenberger, Mr. Simon, Mr. Kasten, Mr. Daschle, Mr. Hatch, Mr. Pryor, Mr. Reid, and Mr. Inouye):

S. 2526. A bill to amend the Congressional Budget Act of 1974 to provide for truth in budgeting with respect to intragovernmental transactions involving trust funds; to the Committee on the Budget and the Committee on Governmental Affairs, jointly, pursuant to the order of August 4, 1977, with instructions that if one Committee reports the other Committee has thirty days to report or be discharged.

By Mr. ADAMS (for himself, Mr. Bradley, and Mr. Gorton):

S. 2527. A bill to restore Olympic National Park and the Elwha River ecosystem and fisheries in the State of Washington; to the Committee on Energy and Natural Resources.

By Mr. AKAKA (for himself, Mr. Cranston, Mr. DeConcini, Mr. Daschle, and Mr. Inouye):

S. 2528. A bill to amend chapter 37 of title 38, United States Code, to establish a pilot program for furnishing housing loans to Native American veterans, and for other purposes; to the Committee on Veterans Affairs.

By Mr. AKAKA (for himself and Mr. Wallop) (by request):

S. 2529. A bill to provide for the transfer of certain lands to the Government of Guam, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. STEVENS (for himself, Mr. Specter, Mr. Wofford, Mr. Dole, Mr. Thurmond, Mr. Byrd, Mr. Bond, Mr. Brown, Mr. Burns, Mr. Chafee, Mr. Coats, Mr. Cochran, Mr. Cohen, Mr. Craig, Mr. Johnston, Mr. D'Amato, Mr. Danforth, Mr. Domenici, Mr. Durenberger, Mr. Garn, Mr. Gorton, Mr. Gramm, Mr. Hatfield, Mr. Helms, Mr. Jeffords, Mrs. Kassebaum, Mr. Kasten, Mr. Lott, Mr. Lugar, Mr. Mack, Mr. McCain, Mr. McConnell, Mr. Murkowski, Mr. Nickles, Mr. Pressler, Mr. Rudman, Mr. Simpson, Mr. Smith, Mr. Symms, Mr. Warner, Mr. Akaka, Mr. DeConcini, Mr. Gore, Mr. Heflin, Mr. Kohl, Mr. Levin, Mr. Moynihan, Mr. Sasser, Mr. Shelby, Mr. Riegle, Mr. Lieberman, Mr. Bingaman, Mr. Grassley, Mr. Rockefeller, and Mr. Sanford):

S. 2530. A bill to establish the John Heinz Competitive Excellence Award; to the Committee on Banking, Housing, and Urban Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. GORE (for himself, Mr. Cranston, and Mr. Pell):

Malaysia; to the Committee on Foreign Relations.

By Mr. DANFORTH (for himself, Mr. Baucus, and Mr. Bingaman):

that distort international trade and injure United States industries; to the Committee on Finance.

By Mr. SPECTER (for himself, Mr. Thurmond, Mr. D'Amato, Mr. Burns, and Mr. Stevens):

onor on April 26, 1992; to the Committee on the Judiciary.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DASCHLE (for himself, Mr. Wofford, and Mr. Simon):

S. 2513. A bill to provide universal access for all Americans to basic health care services; to the Committee on Finance.

AMERICAN HEALTH SECURITY PLAN

Mr. DASCHLE. Mr. President, along with Senator Wofford and Senator Simmon I am today introducing the American Health Security Plan of 1992. Our goal is to do for health what Social Security has done for retirement. The bill calls for comprehensive reform of our health care system to control costs and to guarantee coverage for every American. It preserves the best features of our private delivery system while adopting a far superior framework to confront the problems that so clearly afflict that system.

The American Health Security Plan recognizes that those problems are comprehensive and, as such, require a comprehensive response. It is our view that this plan provides the best solutions to each of the five categories of health care problems afflicting our system and our people, and that any credible plan must be capable of making a similar claim.

The first problem is one that we addressed on the floor about a month ago. That problem is cost. Every day, Americans spend $2 billion on health care. This year alone, we will be spending $817 billion on our health care system. That comes out to $8,000 per family, That $8,000 is expected to reach $14,000 by the year 2000. Meanwhile, health care costs consume 14 percent of our gross national product and by the end of the decade that 14 percent will have grown to 20 percent.

Last year, health care costs exceeded business after tax profits; undermining the competitiveness of our Nation. Clearly, Mr. President, cost is the first and in some ways the most visible of the five categories of problems that we face.

The second problem is access. We are the richest Nation in the world, yet over 34 million people in this country have no health insurance. Twice that number are without coverage at some point during the year. One-fourth of those people are children. Furthermore, 3 out of 10 Americans today are the victims of job lock, unable to leave their jobs because of fear of losing coverage.

We are the only industrialized country in the world other than South Africa that fails to ensure its citizens have basic health care coverage. But it is not only a problem related to one's ability to acquire insurance. South Dakotans also suffer from a lack of access because of geography. Many parts of our State have no doctor. We are 60 doctors short in South Dakota today. In many other parts of the country, rural and urban individuals have no access to health care. That is a serious access problem.

The third problem has to do with allocation, both in the way we collect our health care dollars and the way we spend them. No one can convincingly defend our system's method of collecting health dollars. The fact is, some people pay a lot and get a little coverage. Some people pay a little and get a lot. It has to do with where you work where you live, the conditions of the workplace, and a number of other factors.

In my view an even more serious problem relates to the way we spend our money. Health care services in any society can be seen as a pyramid. At the base of the pyramid you have preventive care, primary care, wellness promotion—the most effective, least costly, and, in most societies, the most accessible forms of health care.

As you work your way up the pyramid you get more sophisticated, more individualized, more expensive services, until you get to the very top of the pyramid, where you have bone marrow transplants and heart transplants; the most unique health care services, sometimes only provided in this country.

Every other society guarantees access to health care at the base of the pyramid and then they work their way up the pyramid until the money runs out. If you are above that line on the pyramid in any other society you either do not get access to those health care services when you need them or you have to wait.

Our society is different. It always has been. We guarantee access to health care at the top of the pyramid and then work our way down until the money runs out. People have access to the most sophisticated forms of health care in an emergency room. But try to walk in and ask for some primary care without the resources to do so, and you will be turned away. We have to address this allocation problem, because the factor alone has a significant impact on the cost of our health care system today.

A second, equally fundamental and problematic matter relating to allocation, has to do with the amount of money we spend on administration. Twenty to 25 percent of the money we spend today on health care goes to administrative costs, bureaucracy, and paperwork.

We have a "gas-guzzler" system. If we got 4 or 5 miles to the gallon driving a car from here to Baltimore, we would be looking for another car. But today we spend 20 to 25 percent of our health care dollars driving our health care system. Just think how much we could save if we could divert $100 billion or $150 billion away from paperwork to preventive and primary care Mr. President, this is a very serious issue that must be addressed.

The fourth category of problems that we have to deal with is unnecessary medical care. Many analysts believe that up to 30 percent of the care we receive today is unnecessary—30 percent. This care is being provided for a lot of different reasons. One is defensive medicine. The fact is, doctors are doing things that they do not believe are medically necessary because they want to defend themselves against lawsuits. This is understandable.

Second, many doctors and other providers have a proprietary interest in equipment and clinics, and obviously, these investors have to be good business people as well as good providers. Studies reveal that these doctors tend to use devices, equipment, and clinics in which they have a proprietary interest a lot more than is medically required.

The third aspect of unnecessary care relates to technology—if it is there, we use it. It is almost like our astronauts today deciding to go to Mars just because we know we can. Forget the cost. We can do it.

Often, because technology is there, whether it is prescription drugs or a sophisticated piece of equipment, we overuse our technology. This, too, drives the cost of care.

The fourth factor is ignorance. Doctors will tell us in some cases they do not know a procedure's outcome on a consistent basis, but they provide the service anyway, just to be sure. And patients almost always ask more questions when they buy an automobile than when they get health care today.

There is no ability to comparison shop and, there is no way to determine before we get health care how much is it going to cost.

Finally, the fee-for-service structure itself contributes to this problem. The more fees, the more income and, of course, fees are generated by services.

So services lead to fees, fees led to income and income leads to an incentive to provide more services. All of those factors, Mr. President, are clearly responsible for the fact that 30 percent of the care today may be unnecessary.

Finally, the fifth and last category of problem is the hassle factor, the "user unfriendliness" of our system, the fact that patients, providers, and administrators alike tell us that the system is too complicated and, too costly. The AMA has indicated that doctors today spend 80 hours a month on paperwork. Eighty hours a month, Mr. President, is equivalent to spending 2 full weeks of work every month on paperwork alone. Not providing services, not providing care, not using their training, but providing the answers to question after question, filing claim after claim.

Over the last 14 months, we have studied how other countries have responded to these problems. We have looked at virtually every system in every industrialized nation. We have studied them extensively, and we have concluded that, if you were to look at all the systems we have in the world today, they could be placed on a spectrum from the most public to the most private systems. The most public systems are those we find in some European countries, like Scandinavia and Britain. Those systems are virtually all public. They are run very similarly to the systems in our country that provide care to veterans and military personnel.

As you work your way across the spectrum, you become quasi-public to the point where you get to our system, which is really the most private system in the world today. Yet most people are surprised to learn that it is really partially private and partially public. On the public-to-private spectrum, it is only about halfway to the entirely private side.

In fact, last year, about 40 percent of all health care was paid for by Government. This year, it is expected that approximately $325 billion of our health care system will be paid for by the Government. Through Medicare and Medicaid, through the Indian Health Service, the Veterans' Administration and the military. Thirty percent is all that is paid for by private insurance, approximately $245 billion this year, 25 percent paid for out-of-pocket, and 5 percent, about $40 billion, paid for by charity.

So we have a quasi-public quasi-private system. I think it is appropriate for us to ask, before we decide where on that public-to-private spectrum we would put a new American system, what we would want to acquire, and what is it about our current system that we would want to retain?

We thought about that. We have looked at the other systems. We have concluded on the basis of many, many interviews with people around the country, with providers, with administrators, with patients, that there are a number of characteristics that we either want to acquire or retain in a new system.

I believe that we want to acquire the absolute ability to control costs. If we cannot do that, then I do not think we can even get in the door in terms of offering a system that will deal with the problem that most people believe is our most serious one.

I think we also have to acquire the ability to ensure universal access. We have to retain our superiority in biomedical technology. The American health care system is the most technologically advanced in the world and that technology is one of the highlights, one of the advantages of our system, and we want to retain that advantage.

We want to retain personal choice. I know in my State people want the opportunity to choose their doctor and choose their hospital. Personal choice is an American value that we want to retain.

Utilizing the private sector as well is something we believe in very strongly, since we are a capitalist system. We have a health care system largely delivered through the private sector, and that aspect of the system has worked well. We want to retain to a large degree the significant role of the private sector in our health care system.

Sixth, we want to acquire portability. That 30 percent job lock is unacceptable. People should not have to stay in their job just to retain their health insurance. If someone wants to move to South Dakota, to West Virginia or Pennsylvania they should be confident that they can get health care. Portability is critical to obtain.

Finally, going back to my pyramid, I think we have to obtain preventive care, wellness promotion. We have to ensure that people have access at the base of the pyramid rather than at the very top. We need to reallocate resources to ensure we are providing the most effective, least costly care.

Mr. President, it really comes down to three questions, regardless of how we look at this problem: Do we want to control what we spend? Do we want to control what we spend it on? And can we construct an effective mechanism to do both?

Those are the questions. I really believe we have two choices. The first choice is to look at a health care system that has worked well in another country and adapt that system to America. Let us go to Canada, take their system and bring it back, or let us go to Germany or France. That is one choice.

The other choice is to take an American model, adapt medical principles and policies to that American model, and make it work here.

I have come to the conclusion, after carefully considering both options, that it would not be wise for us to adapt a foreign system to America; there is no foreign system that truly encompasses those values that I just addressed, one that has all of the characteristics that are capable of addressing all five problems effectively. So I have come to the conclusion that it is fruitless for us to take a Canadian or a German system and try to make it work here.

I was interested in some information that came across my desk over a year ago, information relating to the history of the monetary system that we have in this country and how it all began. It led me to read several books, including the biography of Woodrow Wilson.

At the turn of the century, there was a great debate about how this country would begin effectively controlling its monetary supply.

William Jennings Bryan—about whom the President pro tempore could, I am sure, speak so eloquently—made a proposal that evoked an extraordinary response among the American people. His view was that all we had to do is control the monetary supply by adopting a silver standard; his "Cross of Gold" speech is one we heard about in history lessons in high school and college.

But most people, including Woodrow Wilson, concluded that that was too simplistic, that neither a gold nor a silver standard would suit our purposes. After working for a number of years, he came to the conclusion that what we really needed to do was to create a Federal Reserve System that would be responsible for doing two things: No. 1, controlling the monetary supply; and, No. 2, allocating resources in that monetary supply through the private sector.

That system, for the last 80 years, has worked very well. Of course, I do not agree in every case with decisions made by the Federal Reserve Board. But, overall, the Federal Reserve System works well.

Mr. President, we are facing the same two questions today with regard to health care: Can we find an effective mechanism using the private sector that allows us to control our health care resources and can we reallocate those resources in a more effective way to the needs that we have today in our country?

And so we begin with a proposal to do with our health care system what we have done with monetary policy, to create a Fed, a depoliticized board to answer those two questions effectively. The American health security plan establishes such a mechanism for health. It abolishes Medicare, it abolishes Medicaid, it abolishes the Health Care Finance Administration, and it abolishes CHAMPUS.

It would begin by creating a basic benefits plan for all Americans which would include the following: Acute care, catastrophic care, primary and preventive care, long-term care, mental health care, home health care, and prescription drugs. A Federal Health Board similar in size and responsibility to the Federal Reserve Board would be created to accomplish several very important functions.

First, cost control. The Fed would determine the overall amount required to meet our country's health needs. Second, the Fed would ensure that every citizen had access to health coverage. Third, the Fed would allocate resources and determine eligibility for benefits. Fourth, the Fed would reduce administrative costs. Fifth, the Fed would ensure that our health system has quality control.

The system would be funded in four specific ways. First, roughly 40 percent would be funded, as it is provided today, through general revenues. About 60 percent of the Federal commitment would be in the form of a progressive public premium paid by individuals and businesses. Premiums could be paid weekly, monthly, or annually and would not be employment based. Businesses at long last would rid themselves of the burdensome responsibilities of providing health insurance for each of their employees. Twenty percent of the overall cost of the plan would be provided in the form of a match by the States. And finally, copayments would be required of patients.

Premiums would be collected in a health trust fund and allocated back to the States, or consortia of States, in the form of a block grant, allocated on the basis of a number of factors, including population and need of the State. And States, independently or in consortia, would have the sole responsibility for ensuring its citizens are covered under the plan and for allocating resources to the facilities as well as to the providers.

Mr. President, the private insurance industry would have three very specific roles. First, companies could contract with the States to provide the insurance products. Second, they would be encouraged to provide supplemental benefits. And finally, once businesses and individuals have paid the public premium, people could opt out entirely and purchase a competitive private plan.

The emphasis of this plan is clearly on cost containment. This emphasis is the main advantage of our plan over others thus far introduced. Our bill establishes an independent Federal

Health Board insulated from politics to determine a fixed national health care budget.

Second, health facilities would comply with State-negotiated budgets. Health care practitioners will be reimbursed according to a relative value fee schedule.

Third, the emphasis will be on primary and preventive care.

And fourth, the major goal will be to eliminate unnecessary care by implementing malpractice reform, increasing funding of outcomes research, conveying consumer pricing information, and evaluating the appropriateness of technologies.

And finally, cost containment would be achieved by deemphasizing care provided by specialists and by creating incentives for using nonphysician practitioners whenever possible.

The introduction of this bill today, Mr. President, is not meant to be the final word. We emphasize today that this legislation is a discussion draft. We look for ideas for improvement. We look for constructive criticism. We look for ways in which to resolve questions pertaining to the concept of this plan or any one of its provisions.

Let me emphasize that the core concepts represented here are identical to those proposed by the majority leader and sponsored in health America. Our bill calls for universal access and effective cost control. So does that bill. Our bill establishes an independent Federal Health Board. So does that bill. Our bill calls upon States to administer the new health system in large measure. So does that bill. Our bill calls for negotiations between payers and providers on rates and malpractice reforms. So does that bill. Our bill calls for freedom of choice of providers and a crucial role for the private sector. So does that bill. Our bill fashions a uniquely American response to our health care problems. So does health America. Both bills acknowledge the fundamental need for comprehensive reform, and both bills' sponsors strongly believe that the American people desire it as much as we do.

I truly believe, Mr. President, that comprehensive health care reform is not a question of if, but when. For the sake of all Americans, I sincerely hope that it is soon.

Mr. President, I ask unanimous consent, following remarks made by the distinguished Senator from Pennsylvania, the text of the bill as well as a summary of the American health security plan be inserted in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. DASCHLE. Mr. President, I now yield the floor to the distinguished Senator from Pennsylvania [Mr. WOFFORD].

The PRESIDENT pro tempore. The Senator from Pennsylvania [Mr. WOFFORD] is recognized for 21 minutes and 22 seconds.

Mr. WOFFORD. Mr. President, I have joined with Senator DASCHLE in sponsoring the American health security plan because it provides a uniquely American approach to fulfilling a self-evident truth that health care is a fundamental human right, not a privilege, not a perk, and not simply another commodity to be bought or sold on the marketplace.

Senator DASCHLE has so vividly stated some of the self-evident truths about health care, and I would like to add a few more, particularly the one that is found in the very idea of security that is central to this bill, not only in name but in substance. Insecurity is a fact of life almost every American feels today as to health care; the insecurity that comes from the fear, the almost universal fear that when you need health insurance the most—when you change jobs, lose your job, get in an accident, have a sick child—and you fear that you will not be covered.

In his address on the "four freedoms," Franklin Roosevelt talked about adequate medical care as a basic human right. Fifty years later, FDR's Social Security system provides the "freedom from want" he promised for older Americans. But we have yet to fulfill a vital aspect of "freedom from fear" in those four freedoms: The fear that health care will not be affordable or available to you when you need it.

With every press account and every new statistic, we see that insecurity and fear spreading to more and more American families. The purpose of this bill is to end that insecurity and that fear.

This bill, indeed, shares much with other comprehensive reform proposals already put on the table by our Democratic colleagues, beginning with the guarantee of health care to every American throughout their lives. The bill developed so carefully by Senators MITCHELL, KENNEDY, ROCKEFELLER, and RIEGLE, and by the Labor and Human Resources Committee makes that guarantee of universal health care, as do other proposals.

Our bill also shares with those other comprehensive reform bills the determination to contain the out-of-control costs of our current health care system.

Unlike some of those proposals, however, our bill breaks the existing link between health coverage and employment, a link, as Senator DASCHLE has just put to us, that increasingly ties people to jobs long after they should or could have left for something better.

That link between health care and jobs not only tends to lock people into jobs; it has another great disadvantage: it puts employers in the business of arranging for health care instead of making better products at competitive prices, and paying more to their employees.

Our bill moves us away from an employer-based system to a unified, simplified State-based system of health care for all Americans. It retains and builds on the best features of the American health care system, maintaining the patient's choice of doctor, and preserving the variety of health care delivery systems that have evolved in recent years, including Blue Cross plans and HMO's. Our bill encourages States to experiment with their own unique approaches to fulfilling the basic needs that exist, such as the initiative proposed by my creative Peace Corps colleague from California, Insurance Commissioner John Garamandi; the health reform proposals just advanced by our Governor in the State of Pennsylvania, Robert Casey; and the universal access program of the State of Hawaii.

The bill also promotes the development of new, organized delivery systems that provide one-stop shopping for the entire range of health care needs. States would be free to contract with private plans and managed-care networks to deliver efficient and high-quality care. The State agencies administering the plan would be nonprofit organizations that could themselves be important innovations in public-private partnerships.

Finally, the bill addresses our Nation's growing long-term care crisis. Today when families need long-term care, they too often have to spend themselves into bankruptcy before they can qualify for Medicaid. The President ignored this problem of long-term care in his health proposals last month. This bill does not ignore it. It provides essential long-term care coverage to all those who need it.

Of course, there is no silver bullet to solve our health care crisis, no single perfect solution that is appropriate to all people, states, and regions. But let us not use complexity as an excuse for doing nothing. An American plan will not be perfect. Nor will it emerge full-blown in one year, in one piece of legislation, but let us begin.

Let us begin this year, and develop by trial and error as we learn from experience. And the first experience to learn from is what is wrong with our system today. It would be hard to design a plan as flawed as the American health care status quo, a system that costs too much, covers too few, and burdens businesses, families, doctors, and hospitals with a level of paperwork and complexity that is beyond belief.

Health care is symbolic and symptomatic, I think, of the frustration many Americans are feeling with politics and politicians, with Washington's failure to make hard choices and to respond to the real problems people face in their daily lives. Since last November, even President Bush has acknowledged the need for change. But the program he presented would neither effectively control costs nor provide universal access. Our bill enables us to do both.

In a true sense this is, above all, an enabling bill. It establishes the structure for making the hard choices required. Our proposed Federal-State public and private structure would engage key parties in a national and local decisionmaking process. It is a structure designed to limit partisan politics in that process.

Mr. President, as the historian that you are, let me for a moment divert and myself try to be one. American history provides a rough parallel—the Declaration of Independence, the Articles of Confederation, and, finally, the U.S. Constitution.

In 1991, it was self-evident to voters in Pennsylvania that health care is an inalienable right. A majority of the Members of this body, like so many leaders of our national life, have declared their belief that this fundamental right must be made a reality. I believe Congress is ready to make such an affirmation. But it is time to go beyond the stage of declaration.

The President has proposed a weak structure for health care which, like the Articles of Confederation of old, is not up to the challenge. It is not strong enough to contend with all the forces driving up the costs of the health care system nor comprehensive enough to include all Americans. In the 1780's, the Founders responded to an increasingly chaotic situation by framing a more enduring structure for our Federal system.

The bill we are now proposing frames a new constitution for American health care. Like our original Federal Constitution, its strength lies in its federalism, in national action where necessary and a strong role for the people of each State to make their own choices, a federalism with State-by-State flexibility and innovation.

Senator DASCHLE has already sketched out from the top down how much better this system will be than the current maze of shifting costs and overlapping bureaucracies. I have a chart showing the maze of our present system today. I ask my colleagues to look at this chart and learn from it.

But I want to focus now on how our proposed simplified structure will improve things for American families from the bottom up. The bill establishes a universal, portable system in which each of us has a single health card, like this Blue Cross-Blue Shield card available to Federal employees government-wide who choose that plan. Every American will have such a card that will entitle every one of us to basic health services.

Let me give you a few examples.

Example No. 1: Today when a 61-year-old Pennsylvania woman needed a long hospital stay to deal with a variety of serious illnesses, the result was a stack of bills 191 pages long and still growing. Under our bill, with the national electronic data system, the health card would replace most of that paperwork.

Example No. 2: If you are a business owner who provides health benefits to your employees, right now you have to worry about costs often jumping 20 percent a year.

Under this bill, that grinding inflation that has been eating into your profits will be stopped by the "Federal Reserve System" of the health care industry that we will be establishing. You will not have to focus your time and your energy as a businessman on shopping for, arguing about, and negotiating with insurance companies. You will not have to hire entire benefit staffs to handle the paperwork employers now have to handle under the current employer-based system.

If you are a union member working at that business, you will be entitled to the basic, comprehensive health care benefits for all Americans, and your union can still bargain for the employer to pay your share of the public premium. The union can also bargain for extra benefits over and above the basic package of health benefits fundamental for every American.

A third example: If you are a parent, a new parent whose child has a chronic illness, you work at a job, and you find a better, higher paying job in another business across town or in another State. Today you are likely to be stuck. The other job might not offer health insurance, or the coverage might exclude you and your family because of your child's preexisting condition. Under this plan, no families would ever face that problem. Your coverage would follow you across town or across the country.

Consumers are not the only ones whose lives will be easier. If you are a doctor, if you work in a hospital, you will be relieved of much of the staggering current burden of paperwork, and American companies will be able to focus on their products and productivity, not on providing health care.

These are some of the goals this bill is designed to achieve. This is not the only possible approach or the only possible step forward for us to take this year. I have already said that the "play-or-pay" approach developed by some of our Democratic colleagues, especially with amendments added to strengthen its cost-control measures and include essential services like long-term care—can be an important step in the right direction.

Like our bill today, the Mitchell-Kennedy-Rockefeller-Riegle bill establishes clear standards for universal coverage that insurance carriers, HMO's, and Government programs would have to meet. That bill has many other valuable features that I would expect to be incorporated in comprehensive health care reform.

Senator KERREY'S bill with its bold and specific provisions is also an important contribution. And Senator WELLSTONE has put forward another clear cost-effective national health insurance model.

I also salute the work of the National Coalition for Health Care Reform chaired by Paul Rogers and Robert Ray with Presidents Ford and Carter as honorary cochairmen; the work of the Families U.S.A. Foundation, led by Phil Villers and Ron Pollack, and the work of the Committee for National Health Insurance, over many years chaired by Douglas Fraser and Melvin Glasser. These and many others agree on the many basic goals of comprehensive reform, and have worked hard toward achieving them.

There is an ad in the paper this very day, a full-page ad in the Washington Post, by the Committee for National Health Insurance, which I ask unanimous consent be printed in the RECORD.

There being no objection, the ad was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 2, 1992]

American Flag principles:
If anyone's excluded it's not real reform.
Cost controls must be real and enforceable.
A national-state partnership is needed.
Benefits must be comprehensive.
People want to choose their own doctor.
Quality of care must be protected.
Administrative waste has to be cut.
Private insurance should play a role.
Consumer voice must be heard and acted upon.
Piecemeal changes aren't enough.

Without each of these principles, health care reform in America just won't fly. America's had enough piecemeal solutions. It's time for a program that makes health care reform a practical, legislatively-passable reality.

The Health Security Partnership does just that. Rooted in efforts begun by the Committee for National Health Insurance in 1968, this is the only plan created by respected health experts, after years of careful work.

Unlike other plans, the Health Security Partnership tackles the entire problem—organization, access, delivery, quality and cost. So not only is it comprehensive and accessible to all, it's achievable—through pragmatic, enforceable cost constraints.

State and national budgets would be preapproved; and those state health budgets would not be permitted to rise faster than the national economy's growth. Administrative waste and duplication would be cut significantly. Incentives to organize services more efficiently would be built-in. Fees would be controlled by a regularized schedule. And carefully developed budgeting innovations would dramatically lower the cost of hospitals, nursing homes, physicians and prescription drugs. In fact, estimates indicate that rate of increase would drop and keep dropping each year the program operates.

Today, the Health Security Partnership gives America a unique chance to do the right thing. To replace our failing patchwork system with major reform, not major tradeoffs.

Write Congress and let them know you support that reform with the Health Security Partnership. And for complete details, contact the Committee for National Health Insurance. It's the totality and reality America's been waiting for.

The Committee for National Health Insurance. Where reform meets reality. 1757 N Street, NW., Washington, DC 20036 (202) 223-9685 Douglas Fraser, Chairman, Committee for National Health Insurance and former President, United Automobile Workers; Melvin Glasser, Director, Committee for National Health Insurance; Rashi Fein, Ph.D., Chairman, Technical Committee CNHI and Professor, Harvard Medical School.

Mr. WOFFORD. Every one of the tests put forth in that ad is a test this bill is designed to meet.

Indeed, over the past month, in discussions with those groups and with my colleagues, I find that we have more basic principles in common than we differ on details on how to apply them. For example, a remarkable 47 Democratic Senators signed our recent letter to the majority leader urging action this year on comprehensive health care reform.

The propositions agreed to by those Senators, and by the majority leader in his response to us, provides a good example of the consensus that is at hand, if we seize this day. We agreed in that letter that reform must:

Guarantee comprehensive health coverage to every American throughout your life, regardless of where you live and what your job is

Preserve individual choice of doctor and hospital

Contain skyrocketing costs

Improve the quality of care

Provide for long-term care

Cut unnecessary administrative costs and redundant paper work; and

Simplify a system that has become too complex, confusing and frustrating for patients and health care professionals alike.

Those are the principles we share. I have joined with Senator DASCHLE today, who has long been working on this bill in the context of the State of South Dakota and of the common good of our country, because I believe the approach in this bill will enable us to fulfill those principles by drawing on the best ideas that have already been put on the table and not only by members of my own party.

That leads me to the last reference to history. In February, Mr. President, I had the traditional honor of reading George Washington's farewell address in the Senate. It is a tradition well worth preserving, because it reminds us of the standard of leadership that was set for us by our very first leader, a standard to which the wise and honest should repair. He warned about faction, about a level of partisanship that can rob the people of the Government's ability to do the people's business. That is what the American people fear is happening in today's Washington.

For too long, the debate on health care has been a symbol of the political gridlock among parties and interest groups that frustrates our people with the Government's inability to take action. The hour has come for health care to be an example of how we can work together to overcome the division, the finger-pointing, and the stalemate, to create the uniquely American structure that will turn the right to affordable health care into a reality for every American.

Mr. President, to recall the chaplain's invocation this morning, we know what is good, what is good for the common good. We know, as Senator DASCHLE said, that we need now to do for health care what long ago we did through Social Security for people's retirement. We know what the good is. Our duty now is to do it.

Mr. DASCHLE. I commend the distinguished Senator from Pennsylvania for his excellent statement, for his cooperative effort, and for the tremendous contribution that he has made to this legislation, and to our efforts that have been demonstrated here this morning. He speaks with an eloquence, with a conviction, and with a real determination that was clear all the way back to the very night of his election.

I do not think that I am exceeding the analysis of any political experts who have given him the credit for spurring the Nation, for spurring the Congress, for igniting the debate about health care across the country. So we welcome his participation, and we are extremely pleased to have the good fortune to have Senator WOFFORD as the prime sponsor of this legislation, along with Senator SIMON of Illinois.

We look forward to working with all of those interested in pursuing this debate. As Senator WOFFORD so eloquently stated, it is our desire to find those areas upon which there is mutual agreement and, indeed, on this side of the aisle, there is a substantial amount of agreement about the need to move ahead in a comprehensive way to address all of the problems we have with health care, as we face our country's future.

So, with that, Mr. President, I yield the remainder of our time, and I ask unanimous consent that the text of the bill and a summary of the bill be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2513

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "American Health Security Plan".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Statement of principles.
Sec. 3. General definitions.

TITLE I—ELIGIBILITY AND ENROLLMENT

Sec. 101. Eligibility and entitlement.
Sec. 102. Enrollment.
Sec. 103. Portability.

TITLE II—BENEFITS

Subtitle A—Health Care Services

Sec. 201. Covered health care services.
Sec. 202. Limitations and exclusions.
Sec. 203. Patient cost-sharing.

Subtitle B—Long-Term Care Services

Sec. 211. Covered long-term care services.
Sec. 212. Long-Term Care Services Assessment Commission.

Subtitle C—Modification of Services

Sec. 221. Modification of services covered under this Act.

TITLE III—FEDERAL AND STATE ADMINISTRATION

Subtitle A—Federal Administration

Sec. 301. Federal Health Board.
Sec. 302. Federal Health Advisory Council.
Sec. 303. Federal Health Priorities Council.
Sec. 304. Authorization of appropriations.

Subtitle B—State Administration

Sec. 311. State programs.
Sec. 312. Use of fiscal intermediaries.
Sec. 313. State waivers; managed care.
Sec. 314. State regional consortia.
Sec. 315. Technical assistance to States.

TITLE IV—FINANCING

Subtitle A—Health Budgets

Sec. 401. National health budget.
Sec. 402. Payments to States.
Sec. 403. State program budgets.

Subtitle B—Payments to Providers

Sec. 411. Payments to hospitals and other health care and long-term care institutions.
Sec. 412. Payments for practitioners services.
Sec. 413. Special nonphysician practitioner provisions.
Sec. 414. Mandatory assignment.

Subtitle C—Revenues

Sec. 421. Federal sources of revenues.
Sec. 422. Tax treatment of American Health Security Plan and private health and long-term care insurance.
Sec. 423. Federal Health Trust Fund.
Sec. 424. State sources of revenues.

TITLE V—CONGRESSIONAL CONSIDERATION

Sec. 501. Rules governing congressional consideration.

TITLE VI—PRIVATE OPTIONS

Sec. 601. Private supplemental insurance.
Sec. 602. Option to purchase duplicative private insurance.
Sec. 603. Limits on private insurance.

TITLE VII—EXPANSION OF OUTCOMES RESEARCH AND DELIVERY OF SERVICES IN UNDERSERVED AREAS

Sec. 701. Expansion of outcomes research.
Sec. 702. National health service corps.
Sec. 703. Community and migrant health centers.

TITLE VIII—MALPRACTICE REFORM

Sec. 801. Grants to States.
Sec. 802. Criteria for State malpractice reforms.
Sec. 803. Authorization of appropriations

TITLE IX—EFFECTIVE DATES; TERMINATIONS; TRANSITION; RELATION TO ERISA.

Sec. 901. Effective dates.
Sec. 902. Termination of other programs.
Sec. 903. Transition.
Sec. 904. Relation to ERISA.

SEC. 2. STATEMENT OF PRINCIPLES.

The principles of this Act are—

(1) to provide universal access to basic health care services for all Americans regardless of their financial and medical conditions;

(2) to establish the institutional and political capacity to control the Nation's escalating health care costs and eliminate administrative waste;

(3) to ensure the portability of health care coverage to all regions of the country;

(4) to build on the strengths of American federalism, with the Federal Government contributing progressive financing and specifying minimum national standards while State governments supply additional funding and administer the program with the flexibility needed to address the specific concerns of each region;

(5) to maintain the proven advantages of the American health care delivery system, including private practice, the freedom to choose among practitioners, and superiority in biomedical technology;

(6) to encourage the effective use of preventive and primary care;

(7) to enhance the autonomy of practitioners by limiting the intrusiveness of government intervention in the actual delivery of care;

(8) to promote the role of competition among practitioners and to encourage innovation that results in higher quality and more efficient care;

(9) to reduce the incentives providers face to perform medically unnecessary or inappropriate services;

(10) to reinforce the public accountability of the health care system, permitting explicit and open deliberation about the allocation of society's resources to health care; and

(11) to provide that all Americans share in the responsibility of maintaining an efficient health care system.

SEC. 3. GENERAL DEFINITIONS.

(a) In General.—For purposes of this Act:

(1) The term "Board" means the Federal Health Board established in section 301.

(2) The term "Advisory Council" means the Federal Health Care Advisory Council established in section 302.

(3) The term "Priorities Council" means the Federal Health Priorities Council established in section 303.

(4) The term "State program" means a State health care program approved under section 311.

(5) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(6) The term "Trust Fund" means the Federal Health Trust Fund established in section 423.

(b) Other Definitions.—Except as otherwise provided, the definitions contained in section 1861 of the Social Security Act (42 U.S.C. 1395x), as in effect on the day before the date of the enactment of this Act, shall apply in this Act.

TITLE I—ELIGIBILITY AND ENROLLMENT

SEC. 101. ELIGIBILITY AND ENTITLEMENT.

(a) In General.—Every individual who is a resident of the United States and is a citizen or national of the United States or lawful resident alien (as defined in subsection (d)) is entitled to health care services and long-term care services covered under this Act in the State in which the individual maintains a primary residence.

(b) Treatment of Certain Non-immigrants.—

(1) In general.—The Board may make eligible for health care services and long-term care services covered under this Act such classes of aliens admitted to the United States as nonimmigrants as the Board may provide.

(2) Consideration.—In providing for eligibility under paragraph (1), the Board shall consider reciprocity in health care and long-term care services offered to United States citizens who are nonimmigrants in other foreign states, and such other factors as the Board determines to be appropriate.

(c) Treatment of Other Individuals.—The Board may make eligible for health care services and long-term care services covered under this Act other individuals not described in subsection (a) or (b), and regulate the nature of the eligibility of such individuals for the purposes of fulfilling the following criteria:

(1) Preserving the public health of communities.

(2) Compensating States for the additional health care financing burdens created by such individuals.

(3) Preventing adverse financial and medical consequences of uncompensated care.

(4) Inhibiting travel and immigration to the United States for the sole purpose of obtaining health care services or long-term care services covered under this Act.

(d) Lawful Resident Alien Defined.—For purposes of this section, the term "lawful resident alien" means an alien lawfully admitted for permanent residence and any other alien lawfully residing permanently in the United States under color of law, including an alien with lawful temporary resident status under section 210, 210A, or 245A of the Immigration and Nationality Act (8 U.S.C. 1160, 1161, or 1255a).

SEC. 102. ENROLLMENT.

(a) In General.—Each State program shall provide a mechanism for enrollment of individuals entitled to benefits under this Act and, in conjunction with such enrollment, the issuance of a State health insurance card which may be used for purposes of identification and processing of claims for benefits under this Act.

(b) Enrollment at Birth or Immigration.—The mechanism under subsection (a) shall include a process for the automatic enrollment of individuals at the time of birth in the State or at the establishment of permanent residence in the State, including at the time of immigration into the United States, other acquisition of lawful resident status in the United States, or eligibility for other individuals established under section 101(c).

SEC. 103. PORTABILITY.

To ensure continuous access to health care services and long-term care services covered under this Act, each State program—

(1) shall not impose any minimum period of residence in the State, or waiting period, in excess of 3 months before residents of the State are entitled to such services;

(2) shall provide continuation of payment for such services to individuals who have terminated their residence in the State and established their residence in another State, for the duration of any waiting period imposed in the State of new residency for establishing entitlement to such services; and

(3) shall provide for the payment for health care services covered under this Act provided to individuals while temporarily absent from the State based on the following principles:

(A) Payment for such health care services is at the rate that is approved by the State program in the State in which the services are provided, unless the States concerned agree to apportion the cost between them in a different manner.

(B)(i) Except as provided in clause (ii), payment for such health care services provided outside the United States is made on the basis of the amount that would have been paid by the State program for similar services rendered in the State, with due regard, in the case of hospital services, to the size of the hospital, standards of service, and other relevant factors.

(ii) Payment for services described under clause (i) which are elective services may be subject to prior consent of the agency that administers and operates the State program if such elective services are available on a substantially similar basis in the State.

(iii) For the purposes of this subparagraph, the term "elective services" means health care services covered under this Act other than services that are provided in an emergency or in any other circumstance in which medical care is required without delay.

TITLE II—BENEFITS

Subtitle A—Health Care Services

SEC. 201. COVERED HEALTH CARE SERVICES.

(a) In General.—Every eligible individual is entitled to have payment made for the health care services covered under this Act by a participating provider if the service is necessary or appropriate for the maintenance of health or for the diagnosis or treatment of, or rehabilitation following, injury, disability, or disease.

(b) Specific Services.—Subject to limitations described in section 202, health care services covered under this Act are as follows:

(1) Inpatient and outpatient hospital care, including 24-hour per day emergency services.

(2) Diagnostic and screening tests.

(3) Medical and other health services furnished by health care professionals who are authorized to provide such services under State law.

(4) Preventive health care, including care for well-defined causes of illness and injury (such as breast, cervical, and colon cancer), immunizations, prenatal and postnatal care, and well-baby and well-child care (including physical examinations and vision, dental, hearing, and developmental examinations).

(5) Prescription drugs, biologicals, and devices.

(6) Substance abuse treatment services, including comprehensive residential treatment services for pregnant women and women with children seeking treatment for substance abuse.

(7) Outpatient mental health services to provide an active preventive, diagnostic, therapeutic, or rehabilitative service with respect to emotional or mental disorders.

(8) Hospice care for patients certified to be terminally ill, provided under a State approved program.

(9) Habilitation and rehabilitation services, including physical, speech, and occupational therapies.

(10) Home medical equipment and prosthetic devices prescribed by a licensed practitioner.

(11) Experimental treatment as deemed necessary by the review of the Board and the State Advisory Boards.

SEC. 202. LIMITATIONS AND EXCLUSIONS.

(a) No Limits in General.—Except as provided in this section, section 203, and section 221, a State program may not limit the amount, duration, or scope of health care services covered under this Act.

(b) SPECIFIC EXCLUSIONS.—Health care services excluded from coverage under this Act include the following:

(1) Cosmetic surgery, except medically necessary reconstruction.

(2) Certain amenities in inpatient facilities, such as private rooms and other amenities determined by the Board, unless medically necessary.

SEC. 203. PATIENT COST-SHARING.

(a) IN GENERAL.—Except as provided in this section, a State program may not impose cost-sharing for services under this Act.

(b) ESTABLISHMENT OF COST-SHARING SCHEDULE.—

(1) IN GENERAL.—Copayments and out-of-pocket limits shall be established by the Board. The Board shall base its determinations on the following principles:

(A) Assurance of administrative simplicity and efficiency.

(B) Maintenance of the fiscal integrity of the public health insurance program.

(C) Deterrence of unnecessary use of services.

(D) Encouragement of healthy behaviors.

(E) Encouragement of the use of preventive services.

(F) Maximization of economic fairness.

(G) Minimization of financial barriers to appropriate medical care.

(2) STUDY OF MODIFICATIONS.—

(A) IN GENERAL.—The Priorities Council shall study whether the out-of-pocket limits should be modified to take into account family size, and whether cost sharing requirements should be different for individuals that engage in certain practices deemed to increase the likelihood such individuals will utilize more health care resources than individuals who do not engage in such practices.

(B) SPECIFIC RECOMMENDATIONS.—The Priorities Council within 2 years of the date described in section 901(b)(1) shall issue recommendations regarding the study described in subparagraph (A). The recommendations must balance the following goals:

(i) Preserve the fiscal integrity of the public health insurance program.

(ii) Minimize the shifting between individuals and families of the burden of financing the public program.

(iii) Encourage behaviors by governments, intermediaries, providers, and individuals that lead to reduced costs to the health care system.

(3) REGULATIONS BASED ON RECOMMENDATIONS.—

(A) IN GENERAL.—The Board is authorized to promulgate regulations, as it deems appropriate, for implementing the recommendations of the Priorities Council.

(B) MODIFICATIONS.—The Board is also authorized to promulgate regulations to make periodic adjustments for inflation to income categories, copayments, and deductibles.

(C) EFFECT OF REGULATIONS.—The regulations incorporating these modifications to the cost sharing and out-of-pocket limits described in this section shall have the force of law, unless within 60 days of the promulgation of the regulations, the Congress enacts a disapproval resolution under the procedures described in section 501.

Subtitle B—Long-Term Care Services

SEC. 211. COVERED LONG-TERM CARE SERVICES.

(a) IN GENERAL.—The Board, by regulation, shall set standards for eligibility, long-term care services covered, cost-sharing, income protection, and case management, subject to the criteria described in the following subsections.

(b) ELIGIBILITY.—

(1) IN GENERAL.—The Board shall determine the standards for eligibility for institutional and for home and community-based long-term care services based on an individual's ability to perform activities of daily living (ADLs) and instrumental activities of daily living (IADLs), and comparable cognitive or behavioral impairments.

(2) DETERMINATION.—Eligibility for long-term care services shall be based on a determination by a case manager of the individual's ability to perform the minimum level of ADLs and IADLs, according to the standard set by the Board.

(3) STANDARD.—The Board shall, pursuant to recommendations by the Advisory Council and the Long-Term Care Services Assessment Commission, periodically make recommendations about the efficacy of using deficits in ADLs and IADLs, or measures of comparable cognitive or behavioral impairment, or both, to determine eligibility for long-term care services.

(c) SERVICES COVERED.—

(1) IN GENERAL.—The Board shall determine the long-term care services to be covered under this Act to meet the long-term care needs of the eligible population.

(2) MINIMUM SERVICES.—At a minimum, long-term care services to be covered under this Act, subject to standards set by the Board, shall include:

(A) Home and community-based services, such as nursing care and rehabilitative and restorative care.

(B) Nursing home care.

(C) Hospice care.

(D) Home medical equipment.

(E) Services for individuals with developmental disabilities and mental illness.

(d) COST SHARING.—The Board shall establish an income-related cost-sharing schedule for individuals eligible for long-term care services covered under this Act, taking into account such factors as what out-of-nursing home expenses would have been.

(e) INCOME PROTECTION.—

(1) IN GENERAL.—The Board shall reduce the cost sharing to ensure that the income and assets of the individual using long-term care services covered under this Act are sufficient to enable such individual to retain a personal needs allowance sufficient—

(A) to cover all items needed in addition to those provided by the long-term care facility,

(B) to maintain such individual's primary residence, and

(C) to maintain such individual's independence once the individual no longer needs long-term care services.

(2) SPOUSAL PROTECTION, ETC.—The Board shall reduce the cost sharing to ensure that the income of the spouse or dependent of the individual using long-term care services covered under this Act is not reduced below levels determined appropriate by the Board, but in no case less than the spousal protection levels under title XIX of the Social Security Act, as in effect on the day before the date of the enactment of this Act.

(f) CASE MANAGEMENT.—

(1) IN GENERAL.—The Board shall set standards for case management of long-term care services covered under this Act.

(2) CASE MANAGER.—

(A) IN GENERAL.—Under the case management system, services shall be made available to individuals through a case manager who will be responsible for matching services to each individual's needs, and coordinating the delivery of services.

(B) SPECIFIC RESPONSIBILITIES.— The specific responsibilities of the case manager include:

(i) The assessment and periodic reassessment of an individual's need for services, and the availability and efficacy of informal services.

(ii) the development of plan of care for the individual.

(iii) The authorization and coordination of services designed to meet an individual's unmet needs.

(g) EFFECT OF REGULATIONS.—The regulations incorporating the standards described in subsection (a) shall have the force of law, unless within 60 days of the promulgation of the regulations, the Congress enacts a disapproval resolution under the procedures described in section 501.

SEC. 212. LONG-TERM CARE SERVICES ASSESSMENT COMMISSION.

(a) ESTABLISHMENT.—The Director of the Congressional Office of Technology Assessment (hereafter in this section referred to as the "Director") shall provide for the appointment of a Long-Term Care Services Assessment Commission (hereafter in this section referred to as the "Commission").

(b) MEMBERSHIP.—The Commission shall consist of 10 individuals appointed for a seven-year term, beginning on October 1, 1993. The membership of the Commission shall include long-term care service providers, other health and social service professionals, individuals skilled in the conduct and interpretation of biomedical, health services, and health economics research, and representatives of consumers, the elderly, and the disabled. The Director shall fill any vacancy in the membership of the Commission in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Commission.

(c) COMPENSATION.—All members of the Commission shall be reimbursed by the Board for travel and per diem in lieu of subsistence expenses during the performance of duties of the Commission in accordance with subchapter I of chapter 57 of title 5, United States Code.

(d) ORGANIZATION.—The Commission shall cease to exist at the end of the 7-year term described in subsection (b).

(e) FACA NOT APPLICABLE.—The provisions of the Federal Advisory Committee Act shall not apply to the Commission.

(f) DUTIES.—

(1) IN GENERAL.—The Commission shall make recommendations to the Board not later than January 31 of 1994 (and of each subsequent year) regarding—

(A) the adequacy and appropriateness of the long-term care services covered under this Act,

(B) the criteria for eligibility for long-term care services,

(C) the effect of the cost sharing requirements for long-term care services,

(D) the financial protections provided individuals in the use of such services and the ability of the patient and any spouse or dependent of the patient in the community to remain financially independent once the patient no longer needs long-term care services,

(E) the effect of the long-term care services covered under this Act on the availability and use of informal long-term care services and private long-term care insurance, and

(F) the overall functioning of the provision of long-term care services covered under this Act, once fully implemented.

(2) REVIEW.—The Commission shall review and analyze any long-term care services regulations or proposed regulations of the Board

and report to the Congress its assessment of the appropriateness of the regulations in meeting the statutory criteria established under this Act.

(g) Authorization of Appropriations.—There are authorized to be appropriated such sums as are necessary for the establishment and operation of the Commission to carry out the purposes of this Act.

Subtitle C—Modification of Services

SEC. 221. MODIFICATION OF SERVICES COVERED UNDER THIS ACT.

(a) Recommendations by Priorities Council.—Not later than January 31 of 1997 (and of each subsequent year), the Priorities Council shall issue a report to the Board describing any changes, additions, deletions, or clarifications the Priority Council recommends for the health care services and long-term care services covered under this Act.

(b) Board Regulations.—

(1) In general.—The Board is authorized to promulgate regulations, as the Board deems appropriate, for implementing the recommendations of the Priorities Council. Such regulations are to be promulgated within 1 year of the submission of the Priorities Council's report.

(2) Effect.—The regulations incorporating modifications in the health care services and long-term care services covered under this Act shall have the force of law, unless within 60 days of the promulgation of the regulations, the Congress enacts a disapproval resolution under the procedures described in section 501.

TITLE III—FEDERAL AND STATE ADMINISTRATION

Subtitle A—Federal Administration

SEC. 301. FEDERAL HEALTH BOARD.

(a) In General.—There is hereby established a Federal Health Board.

(b) Appointment and Terms of Members.—

(1) Appointment.—The Board shall be composed of 9 individuals appointed by the President, with the advice and consent of the Senate, not later than October 1, 1993, and shall be chosen on the basis of backgrounds in health policy, health economics, the healing professions, and the administration of health care institutions. At least 1 member of the Board shall represent consumer interests, and due regard must be given to geographic, urban, and rural representation. No more than 5 members may be affiliated with a single political party.

(2) Terms of members.—The individuals appointed shall serve for a term of 9 years (or until a successor is appointed), except that the terms of individuals initially appointed shall be (as specified by the President) for such fewer number of years as will provide for the expiration of terms on a staggered basis.

(3) Removal for cause only.—Upon confirmation, members of the Board may not be removed except for cause upon notice and hearing.

(c) Vacancies.—

(1) In general.—The President shall fill any vacancy in the membership of the Board in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Board.

(2) Vacancy appointments.—Any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed.

(3) Reappointment.—The President may reappoint an appointed member of the Board for a second term in the same manner as the original appointment.

(d) Chairperson and Vice Chairperson.—The Board shall select a Chairperson and a Vice Chairperson from among the members of the Board.

(e) Compensation.—Members of the Board shall be compensated at a level comparable to level II of the Executive Schedule, in accordance with section 5313 of title 5, United States Code.

(f) Staff.—The Board shall employ such staff as the Board may determine necessary.

(g) Applicability of Civil Service Provisions.—The staff of the Board may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and be compensated without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5 relating to classification and General Schedule pay rates, except that no individual may receive pay less than 120 percent of the minimum rate of basic pay payable for GS-15 of the General Schedule or more than the rate of basic pay payable for level IV of the Executive Schedule.

(h) Duties.—

(1) In general.—The Board is responsible for the overall administration of this Act, including such duties specifically designated by this Act.

(2) Additional duties.—The duties of the Board also include—

(A) facilitating the exchange of information among States,

(B) establishing, evaluating, and updating national minimum quality standards,

(C) establishing uniform reporting requirements,

(D) reviewing and approving interstate consortia, and

(E) assisting States in developing systems to minimize fragmented care.

(i) Reports.—

(1) Initial report.—Not later than January 1, 1995, the Board shall report to the Congress regarding the implementation of the program established under this Act, including any recommendations for further implementing legislation.

(2) Annual reports.—Beginning January 1, 1996, the Board shall annually report to Congress on the status of expenditures under this Act and the long-range plans and goals of the Board for the organization and delivery of health care services and long-term care services under this Act.

SEC. 302. FEDERAL HEALTH ADVISORY COUNCIL.

(a) Appointment.—Not later than January 1, 1994, the Board shall provide for appointment of a Federal Health Advisory Council to advise the Board on its activities.

(b) Membership.—Such Advisory Council shall consist of 15 members who are representatives of consumers, providers, unions, health care experts, senior citizen groups, public health officials, rural health experts, and other individuals with an interest in the health care system. Such members shall serve for terms of 3 years, except that, in the initial appointment, 5 members shall be each appointed for terms of 1-year, 2-years, and 3-years.

(c) Vacancies.—

(1) In general.—The Board shall fill any vacancy in the membership of the Advisory Council in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Advisory Council.

(2) Vacancy appointments.—Any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed.

(3) Reappointment.—The Board may reappoint an appointed member of the Advisory Council for a second term in the same manner as the original appointment.

(d) Chairperson and Vice Chairperson.—The Advisory Council shall select a Chairperson and a Vice Chairperson from among the members of the Advisory Council.

(e) Compensation.—All members of the Advisory Council shall be reimbursed by the Board for travel and per diem in lieu of subsistence expenses during the performance of duties of the Advisory Council in accordance with subchapter I of chapter 57 of title 5, United States Code.

(f) FACA Not Applicable.—The provisions of the Federal Advisory Committee Act shall not apply to the Advisory Council.

(g) Duties.—The Advisory Council shall conduct studies and make recommendations to the Board on the overall functioning of the program established under this Act and consumer and provider satisfaction with such program.

SEC. 303. FEDERAL HEALTH PRIORITIES COUNCIL.

(a) In General.—There is hereby established a Federal Health Priorities Council.

(b) Appointment and Terms of Members.—

(1) Appointment.—The Priorities Council shall be composed of 15 individuals appointed by the President, with the advice and consent of the Senate, not later than October 1, 1993. Such individuals shall be representatives from the fields of medicine, dentistry, mental health care, nursing, social services, ethics, economics, business, and consumer groups.

(2) Terms of members.—The individuals appointed shall serve for a term of 5 years, except that the terms of individuals initially appointed shall be (as specified by the President) for such fewer number of years as will provide for the expiration of terms on a staggered basis.

(c) Vacancies.—

(1) In general.—The President shall fill any vacancy in the membership of the Priorities Council in the same manner as the original appointment. The vacancy shall not affect the power of the remaining members to execute the duties of the Priorities Council.

(2) Vacancy appointments.—Any member appointed to fill a vacancy shall serve for the remainder of the term for which the predecessor of the member was appointed.

(3) Reappointment.—The President may reappoint an appointed member of the Priorities Council for a second term in the same manner as the original appointment.

(d) President and Vice President.—The Priorities Council shall select a President and a Vice President from among the members of the Priorities Council.

(e) Compensation.—Members of the Priorities Council shall be compensated at a level comparable to level II of the Executive Schedule, in accordance with section 5313 of title 5, United States Code.

(f) Staff.—The Priorities Council shall employ such staff as the Priorities Council may determine necessary.

(g) Applicability of Civil Service Provisions.—The staff of the Priorities Council may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service and be compensated without regard to the provisions of chapter 51, and subchapter III of chapter 53 of title 5 relating to classification and General Schedule pay rates, except that no individual may receive pay less than

120 percent of the minimum rate of basic pay payable for GS-15 of the General Schedule or more than the rate of basic pay payable for level IV of the Executive Schedule.

(h) COMMITTEES.—The Priorities Council may establish such committees of its members and other medical, economic, or health services advisers as it determines to be necessary to assist the Priorities Council in the performance of its duties.

(i) FUNCTIONS.—In order to build a consensus on the values to be used to guide health resource decisions, the Priorities Council shall have the following functions:

(1) Conduct public hearings and solicit testimony and information from advocates for children, senior citizens, the disabled, consumers of mental health services, low-income people, providers of health care, business leaders, and others.

(2) Building on outcomes research and the development of practice guidelines, conduct studies and make recommendations for how health care dollars should be allocated in the context of a publicly funded national health insurance plan.

(j) REPORTS.—The Priorities Council shall report to the Board a list of health services ranked by priority, from the most important to the least important, representing the comparative benefits of each service to the Nation's population. The recommendation shall be accompanied by a report of an independent actuary retained for the Board to determine rates necessary to cover the costs of the included services in order to establish an appropriate annual global budget. The recommendation is to be used in evaluating and modifying the health care services and the long-term care services covered under this Act. The reports from the Priorities Council to the Board are to be submitted by January 31 of 1995 (and of each subsequent year), to be acted on by the Board by the following January 31.

SEC. 304. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary for the establishment and operation of the Board, Advisory Council, and Priorities Council to carry out the purposes of this Act.

Subtitle B—State Administration

SEC. 311. STATE PROGRAMS.

(a) SUBMISSION OF PROGRAMS.—

(1) IN GENERAL.—Not later than October 1, 1995, each State shall submit to the Board the State program in the State.

(2) REGIONAL PROGRAMS.—Any State may join with neighboring States to submit to the Board a regional program in lieu of a State program, as described in section 314.

(b) REVIEW AND APPROVAL OF PROGRAMS.—The Board shall review programs submitted under subsection (a) and determine whether such programs meet the requirements for approval, not later than October 1, 1996. The Board shall not approve such a program unless it finds that the program provides, consistent with the provisions of this Act, for—

(1) adequate financing of health care services and long-term care services covered under this Act through a designated fund, including the annual submission of the State program budget to the Board,

(2) adequate administration, including the designation of a single nonprofit State agency responsible for administration of the program, and sufficient provisions to ensure against fraud and abuse,

(3) the establishment of—

(A) an institution reimbursement negotiation board to negotiate global operating, capital, and health training budgets with hospitals and other health care and long-term care institutions,

(B) a practitioner reimbursement negotiation board (with membership including State government representatives, consumers, general practice physicians, specialists, and nonphysician practitioners) to negotiate reimbursement rates for participating providers, and

(C) at the State's option, a State advisory board (with broad representation of health policy experts, institutional providers, practitioners, and consumers) to generally oversee and review the performance of the State program,

(4) assurances that individuals have the freedom to choose practitioners and other health care providers for services covered under this Act, and

(5) an organized grievance procedure available to consumers through which complaints about the organization and administration of the State program may be filed, heard, and resolved.

(c) OPERATIONAL STATUS.—A State program in a State shall not be considered operational unless it is approved and remains approved under subsection (b).

(d) FAILURE TO COMPLY WITH THIS ACT.—Whenever the Board, after reasonable notice and opportunity for hearing to the designated State agency finds that in the administration of the State program there is a failure to comply with any provision of this Act, the Board may—

(1) withhold further payments to the State under section 402 and may limit such withholding to specific portions of such program affected by the failure, or

(2) place the State program, or specific portions of such program, in receivership under the jurisdiction of the Board,

until such failure has been corrected.

(e) JUDICIAL REVIEW.—

(1) IN GENERAL.—If any State is dissatisfied with the Board's action in denying approval of such State's program or finding a failure under subsection (d) with respect to such program, such State may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Board. The Board thereupon shall file in the court the record of the proceedings upon which the Board's action was based, as provided in section 2112 of title 28, United States Code.

(2) FINDINGS OF FACT.—The findings of fact by the Board, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Board to take further evidence, and the Board may thereupon make new or modified findings of fact and may modify the Board's previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) JURISDICTION OF COURT.—Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Board or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

SEC. 312. USE OF FISCAL INTERMEDIARIES.

(a) IN GENERAL.—Each State program may contract with fiscal intermediaries in a process of competitive bidding.

(b) ROLE OF FISCAL INTERMEDIARY.—

(1) IN GENERAL.—Subject to paragraph (2) and under continuous State oversight, the fiscal intermediary shall process claims and reimbursements, distribute the allocation of funds as specified in agreements on global operating budgets, and assume general responsibility for the administration of the State program.

(2) LIMITATION.—The fiscal intermediary may not participate in, nor administer, the negotiating processes used to establish global operating budgets or practitioner reimbursement rates.

(c) TYPE OF ORGANIZATION.—The fiscal intermediary may be any type of entity designated by the State, including nonprofit associations and private companies, as long as the State or regional program provides for public accountability. Such accountability may include review of the operations of the fiscal intermediary by the State advisory board.

SEC. 313. STATE WAIVERS; MANAGED CARE.

(a) STATE WAIVERS.—A State program shall be allowed to obtain waivers from the Board—

(1) to implement alternative and innovative—

(A) methods of reimbursing health care providers,

(B) patient cost sharing arrangements, and

(C) administrative structures, and

(2) to provide the services covered under this Act through the use of health plans paid through a capitation method in order to allow the freedom of choice of all eligible individuals in the selection of a health plan.

In approving any waiver the Board shall assure itself that the State program otherwise complies with the requirements of this Act that are not inconsistent with the granting of such waiver.

(b) MANAGED CARE OPTION.—No provision of this Act shall be construed to prohibit or discourage any State from developing, or contracting with, managed care networks for the purpose of delivering services covered under this Act of a higher quality and in a more cost-effective manner, as long as such networks otherwise meet the requirements of this Act.

(c) ORGANIZED APPROACHES TO DELIVERY OF SERVICES.—The Board shall sponsor efforts to encourage States and providers of services to develop and expand organized approaches to the delivery of health care services covered under this Act, including health maintenance organizations, hospital-based and community-oriented team health services, and neighborhood-hospital-home health care plans.

SEC. 314. STATE REGIONAL CONSORTIA.

(a) IN GENERAL.—Any group of States may enter into an agreement to establish a regional consortium for the purposes of implementing a program to be approved by the Board under section 311. Such regional consortium shall have jurisdiction over all States that are parties to such agreement and that shall be subject to the provisions of section 311 as if such consortium were established by a single State.

(b) CONSORTIUM AGREEMENT.—Any agreement to establish a State regional consortium shall, in addition to providing for the requirements specified in section 311(b), provide for—

(1) a mechanism to resolve any disputes between or among the States that are parties to the agreement, and

(2) the collection of data and information concerning the operations of the consortium and the submission of such data and information to the Board on an annual basis.

(c) CONGRESSIONAL REVIEW.—Any consortium agreement described in this section which has been approved by the Board, shall be submitted to the Congress and shall be considered in effect, unless within 60 days of the submission of the agreement, the Congress enacts a disapproval resolution under the procedures described in section 501.

SEC. 315. TECHNICAL ASSISTANCE TO STATES.

(a) Grants.—

(1) In general.—Not later than October 1, 1994, the Board shall award a grant to each State or group of States to assist in paying the costs associated with the establishment and initial operation of the State plan or the State regional consortium agreement.

(2) Amounts.—Not less than $500,000 shall be provided to each State or group of States under a grant awarded under paragraph (1), and any State or group of States shall remit to the Trust Fund any unspent amount of such grant at the end of the 2-year period beginning with the date of the awarding of such grant.

(3) Planning functions.—Amounts provided under grants awarded under paragraph (1) shall be utilized for planning functions only.

(4) Study.—Not later than October 1, 1997, the Board shall prepare and submit to the appropriate committees of Congress, a report that shall contain the results of a study conducted by the Board concerning the use of the grants awarded under paragraph (1), and whether such use was effective preparing State plans and State regional consortia agreements and simplifying administrative procedures.

(b) Technical Assistance.—The Board shall provide technical assistance to States in developing State plans and State regional consortia agreements.

(c) Authorization of Appropriations.—There are authorized to be appropriated such sums as may be necessary to carry out this section.

TITLE IV—FINANCING

Subtitle A—Health Budgets

SEC. 401. NATIONAL HEALTH BUDGET.

(a) In General.—

(1) Annual budgets.—Except as provided in paragraph (2), the Board shall establish an annual fiscal year budget of expenditures that estimates the total expenditures to be made in such fiscal year by the Federal Government and States for health care services and long-term care services covered under this Act, including the administrative costs associated with such services.

(2) Biennial budgets.—The Board may establish biennial fiscal year budgets in lieu of annual budgets.

(b) National Average Per Capita Costs.—

(1) In general.—At least 6 months before the beginning of the first fiscal year of the program under this Act, the Board shall compute the national average per capita cost for each of the services described in subsection (a) using data the Board deems to be appropriate.

(2) Adjustments for risk groups.—

(A) In general.—The Board shall develop an adjustment factor to the national average per capita costs computed under paragraph (1) for each risk group (as designated under subparagraph (B)) to reflect the national average per capita costs for that risk group.

(B) Risk groups.—The Board shall designate a series of risk groups, determined by age, sex, and other factors that represent distinct patterns of health care services and long-term care services utilization and costs.

(3) State adjustments to national average per capita costs.—The Board shall develop for each State a factor to adjust the national average per capita costs for each risk group to reflect—

(A) average labor and nonlabor costs that are necessary to produce the services described in subsection (a),

(B) any special social, environmental, epidemiological, or other condition affecting health status or the need for health care services and long-term care services,

(C) the geographic distribution of the State's population, particularly the proportion of the population residing in rural or medically underserved areas,

(D) the quality and availability of the State's existing health care resources needed for delivering health care services and long-term care services, and

(E) any other economic, geographic, and sociologic factors.

(c) State Total Expenditures.—The Board shall compute for each State total projected expenditures in the next fiscal year for each of the services described in subsection (a), by multiplying—

(1) the national average per capita costs of each risk group designated in subsection (b)(2)(B), by

(2) the product of the State adjustment factors described in subsection (b)(3) and the number of persons in the State estimated by the Bureau of the Census to be resident members of each risk group at the beginning of the next fiscal year.

(d) Federal Contributions.—

(1) In general.—The Board shall determine the appropriate Federal contribution for each State, constituting the Federal percentage share of each State's total projected expenditures for the services described in section (a). The Federal share shall be determined by subtracting the State share from 100 percent of the total projected expenditures for such State (as described under subsection (c)), but in no event shall such Federal contribution be less than 75 percent nor more than 85 percent of such expenditures. The Federal share for all States shall equal 80 percent of the aggregate of such expenditures for all States.

(2) Adjustments in state share.—In determining each State share, the Board shall develop a formula that considers a State's—

(A) per capita income,

(B) total taxable resources,

(C) economic performance relative to the national economy as it affects the availability of taxable resources, and

(D) other relevant economic and demographic indicators.

(e) Subsequent Calculations.—For each subsequent fiscal year, the Board shall recompute under subsections (a), (b), (c), and (d) at least 6 months before the beginning of such fiscal year. In making such a recomputation, the Board shall take into account—

(1) changes in medical technology, outcomes research evidence concerning the efficacy and safety of health care services and long-term care services, needs for health personnel, professional practice guidelines, and changing health care priorities, after reviewing recommendations of the Advisory Council and the Priorities Council, and

(2) changes in the services described in subsection (a) under regulations promulgated by the Board and accepted by the Congress under section 204.

(f) Effect of Board Actions.—Any determination made by the Board under this section with respect to any fiscal year shall be submitted to the Congress at least 6 months before the beginning of such fiscal year, and shall have the force of law, unless within 60 days of the submission of such determination, the Congress enacts a disapproval resolution under the procedures described in section 501.

SEC. 402. PAYMENTS TO STATES.

(a) In General.—For each fiscal year, each State with a State program approved under section 311, is entitled to receive (subject to section 311(d)), from amounts in the Trust Fund, a Federal contribution in an amount equal to the product of—

(1) the Federal share for such State (computed under section 401(d)), and

(2) such State's total projected expenditures (computed under section 401(c)).

(b) Use of Dedicated Funds.—

(1) In general.—All revenues, including the Federal contribution and State revenues provided to finance a State program under this Act shall be allocated to a dedicated fund specified by the State. Payments for health care services and long-term care services covered under this Act shall be made from such fund.

(2) Special accounts.—Each State shall establish within its designated fund special accounts, the amount of revenues deposited in each to be determined by the State. The various special accounts shall include the following:

(A) An Institutional Global Operating Budget Account shall be used to fund total expenditures for the operating costs of hospitals and other health care and long-term care institutions, allocated according to the method specified in section 411(b).

(B) An Institutional Capital Account shall be used to fund total expenditures for capital-related items in hospitals and other health care and long-term care institutions, allocated according to the method specified in section 411(c).

(C) A Health Training Account shall be used to fund direct and indirect graduate medical education in hospitals and other health care and long-term care institutions to cover excess operating and capital costs associated with teaching and related research activities, allocated according to the method specified in section 411(d).

(D) A Practitioner Reimbursement Account shall be used to fund the reimbursement of services provided by physicians and other health care practitioners, allocated according to the method specified in section 412.

SEC. 403. STATE PROGRAM BUDGETS.

(a) In General.—Each State program shall establish an annual fiscal year State program budget which provides for—

(1) the total expenditures to be made under the State program in such fiscal year for health care services and long-term care services covered under this Act (including administrative and associated costs), and

(2) the revenues to meet such expenditures.

(b) Coordination.—Each State program budget shall be coordinated, in a manner specified by the Board, with the national health budget established under section 401(a).

(c) State Share.—

(1) In general.—Each State program shall cover the State share of program costs through the use of tax revenues and other financing methods allowed under section 424.

(2) Additions to state share.—Each State shall raise the revenues necessary to cover at least the State share specified in the national health budget established by the Board (computed under section 401(d)). Each State is permitted to raise additional revenues and to increase such State's health pro-

gram expenditures beyond the amount specified in the State share specified for the national health budget—

(A) to cover the costs of benefits for health care services or long-term care services the State program authorizes in addition to the services covered in this Act or as amended by the Board and the Congress,

(B) to provide for increased global operating, capital, or health training budgets for hospitals and other health care and long-term care institutions,

(C) to provide for any unexpected increase in health care costs identified by the State program, and

(D) for other purposes that may be identified by the Board.

(d) Barriers to Access Prohibited.—No State, either by intention or as an unstated consequence of budget allocations, may restrict or cause to be restricted timely access to the medically necessary and appropriate health care services and long-term care services covered under this Act, or permit queues for services to form that have the potential of being life threatening.

(e) Annual Publication.—The State program shall provide for the publication annually of the most recent State program budget established under this section.

Subtitle B—Payments to Providers

SEC. 411. PAYMENTS TO HOSPITALS AND OTHER HEALTH CARE AND LONG-TERM CARE INSTITUTIONS.

(a) In General.—Each State program shall be responsible for—

(1) allocating from the State program budget the aggregate amount of money to be directed to hospitals and other health care and long-term care institutions for the global operating, capital, and health training budgets of such institutions, and

(2) devising mechanisms for the allocation from such budget of capital expenditures in non-institutional settings.

(b) Global Budgets for Operating Expenses for Hospitals and Other Health Care and Long-Term Care Institutions.—The following principles shall guide a State institution reimbursement negotiation board in negotiating institutional global operating budgets:

(1) Each State program budget shall include a separate account for global operating expenses to provide for total State expenditures for the operating expenses of hospitals and other health care and long-term care institutions.

(2) Payment shall be based on an annual prospective global budget for operating expenses submitted by an institution, in a manner specified by the State program, to the agency designated by the State program.

(3) The budgets shall take into account amounts that are reasonable and necessary in the efficient provision of necessary hospital and other institutional services covered under this Act.

(4) The operating budgets shall not include capital-related and health training expenses.

(5) Adjustments may later be made in the budget to reflect significant changes in the volume or types of services assumed in the approval of the budget.

(6) A State should encourage innovation by permitting any institution to include in its budget for the immediate year any programs designed to increase efficiency in later years, if those improvements can be demonstrated to the satisfaction of the designated State agency.

(c) Capital Budgets for Hospitals and Other Health Care and Long-Term Care Institutions.—The following principles shall guide a State institution reimbursement negotiation board in negotiating institutional capital budgets:

(1) Each State program budget shall include a separate account for capital expenses to provide for total State expenditures for the capital-related items in hospitals and other health care and long-term care institutions.

(2) Each State program budget shall specify the general manner in which such expenditures for capital-related items are to be distributed among different types of institutions and the different areas of the State to take into account the need for capital expenditures throughout the State.

(3) Capital expenditures are those authorized by the State for the provision of insured health services, regardless of whether the source of funds for the capital expenditure is derived from accumulated depreciation charges, operating surpluses or retained earnings, expenditure of accumulated fund balances, issuance of bonds, notes, debentures or other evidence of indebtedness, borrowed funds, or any other source including equity capitalization.

(4) Unless otherwise provided in this Act regarding underserved areas, or waived by the designated State agency if necessary to provide equitable resource allocation and access to quality care, hospitals and other health care and long-term care institutions shall furnish a 15 percent match for funds allocated from the Institutional Capital Account of the budget.

(d) Health Training for Hospitals and Other Health Care and Long-Term Care Institutions.—The following principles shall guide a State institution reimbursement negotiation board in negotiating institutional health training budgets:

(1) Each State program budget shall include a separate account for direct and indirect graduate medical education-related expenses in hospitals and other health care and long-term care institutions.

(2) Each state program budget shall specify the general manner in which such expenditures for direct and indirect graduate medical education are to be distributed among different types of institutions and the different areas of the State.

(3) The distribution of funds to hospitals and other health care and long-term care institutions from the Health Training Account must conform to the following principles:

(A) At least 50 percent of the funding from the Health Training Account is to be directed to primary care training programs.

(B) For each 5-year period beginning after the date which is 5 years after the date of the enactment of this Act, the Advisory Board will evaluate the required minimum percentage of funds that States must direct to primary care and recommend whether the percentage should be changed to ensure consistency with the goal of encouraging primary care residency training programs.

(C) The State is to develop a methodology for funding nonhospital-based residency programs and to establish opportunities for residencies in community-based health care facilities.

(D) The distribution of funds from the Health Training Account must take into account the potentially higher costs of placing medical students in rural residency programs.

(E) The distribution of funds from the Health Training Account must accommodate the education and training needs of nonphysician practitioners.

SEC. 412. PAYMENTS FOR PRACTITIONERS SERVICES.

The State practitioner reimbursement negotiation board shall negotiate with the State organizations representing each of the practitioner disciplines in order to derive a relative value scale fee schedule that fulfills each of the following principles:

(1) Appropriate levels of payment are provided primary care services, including general, family, and preventive procedures.

(2) The same compensation is given for the same procedures even when performed by different types of practitioners licensed to offer those procedures.

(3) Reimbursement rates for different procedures performed by practitioners in different disciplines reflect the relative value of those procedures.

(4) Urban and rural practitioners receive the same reimbursement rates for the same services, unless the State determines that a differential rate is required to increase the access to health care practitioners in underserved areas.

(5) A process is established that keeps overall reimbursements in line with the amount of funding budgeted for practitioner reimbursements.

SEC. 413. SPECIAL NONPHYSICIAN PRACTITIONER PROVISIONS.

The following principles shall guide the State practitioner reimbursement negotiation board in negotiating reimbursement rates for nonphysician practitioners:

(1) When the same services covered under this Act are provided by practitioners licensed by the State, reimbursement rates for those same services shall be the same regardless of the type of practitioner providing such services.

(2) For procedures covered under this Act, services provided by all practitioners licensed in the State for those services are to be included in the reimbursement fee schedule.

SEC. 414. MANDATORY ASSIGNMENT.

(a) In General.—Except with respect to patient cost-sharing provisions under section 203 of this Act, no individual shall be liable for payment of any amount for health care services or long-term care services covered under this Act, and payment by a State program shall constitute payment in full for such services.

(b) Enforcement.—The State program shall apply appropriate sanctions against the entity if such entity knowingly and willfully charges for an item or service or accepts payment in violation of subsection (a).

Subtitle C—Revenues

SEC. 421. FEDERAL SOURCES OF REVENUES.

(a) American Health Security Plan Premiums.—The Board, in consultation with the Secretary of the Treasury, shall develop a mechanism for determining and collecting a premium from individuals and employers for health care services and long-term care services covered under this Act, to be known as the American Health Security Plan premium.

(b) Determination of Premium Amount.—The Board shall determine the American Health Security Plan premium for each taxable year beginning after December 31, 1995, by estimating the total amount necessary to equal the excess of—

(1) expenditures described in section 423(c) for the fiscal year beginning in such taxable year, over

(2) receipts described in section 423(b) (other than paragraph (1)) for such fiscal year.

(c) Collection of Premium.—

(1) INDIVIDUALS.—The Board shall collect the American Health Security Plan premium from individuals using a mechanism with the following characteristics:

(A) Income-based (including earned and unearned income).

(B) Progressive.

(C) Payable in increments during the course of the year.

(D) Payable by individuals or by employers on behalf of employees (at the option of the employer), as described in paragraph (2)(C).

(E) Subject to the provisions of subtitle F of the Internal Revenue Code of 1986.

(2) EMPLOYERS.—The Board shall collect the American Health Security Plan premium from employers using a mechanism with the following characteristics:

(A) Aggregate employer contributions would equal an amount necessary to prevent an increase in the percentage of 1992 aggregate household health care expenditures.

(B) Contribution rate based on each employer's ability to pay as indicated by factors such as the size of the employer's workforce and profitability.

(C) Any employer would have the option of paying all or part of the American Health Security Plan premium otherwise payable by such employer's employees.

(D) Subject to the provisions of subtitle F of the Internal Revenue Code of 1986.

(d) EFFECT OF BOARD ACTIONS.—Any premium determination made by the Board under this subsection with respect to any taxable year shall be submitted to the Congress at least 6 months before the beginning of such taxable year, and shall have the force of law, unless within 60 days of the submission of such determination, the Congress enacts a disapproval resolution under the procedures described in section 501.

(e) EFFECTIVE DATE.—The provisions of this section shall apply with respect to remuneration paid after December 31, 1995, and with respect to earnings from self-employment attributable to taxable years beginning after such date.

SEC. 422. TAX TREATMENT OF AMERICAN HEALTH SECURITY PLAN AND PRIVATE HEALTH AND LONG-TERM CARE INSURANCE.

(a) TAX EXCLUSIONS FOR AMOUNTS RECEIVED FROM, AND EMPLOYER CONTRIBUTIONS TO, THE PLAN.—

(1) AMOUNTS RECEIVED.—Subsection (e) of section 105 of the Internal Revenue Code of 1986 (relating to amounts received under accident and health plans) is amended to read as follows:

"(e) ACCIDENT OR HEALTH INSURANCE.—For purposes of this section, section 104, and section 106, the term 'accident or health insurance' means an approved State program under section 311 of the American Health Security Plan.".

(2) EMPLOYER CONTRIBUTIONS.—Section 106 of such Code (relating to contributions by employer to accident and health plans) is amended by striking "an accident or health plan" and inserting "accident or health insurance".

(3) CONFORMING AMENDMENT.—Section 105 of such Code is amended by striking subsection (h).

(b) BUSINESS EXPENSE DEDUCTION FOR HEALTH INSURANCE.—Section 162 of the Internal Revenue Code of 1986 (relating to trade or business expenses) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) GROUP HEALTH PLANS.—The expenses paid or incurred by an employer for a group health plan shall not be allowed as a deduction under this section unless the plan is an approved State program under section 311 of the American Health Security Plan.".

(c) RULES RELATING TO DEDUCTIONS FOR INDIVIDUALS.—

(1) SAME TREATMENT FOR SELF-EMPLOYED INDIVIDUALS AND BUSINESSES.—Section 162(l) of the Internal Revenue Code of 1986 (relating to special rules for health insurance costs of self-employed individuals) is amended—

(A) by striking "25 percent of" in paragraph (1), and

(B) by striking paragraph (6).

(2) SIMILAR TREATMENT FOR OTHER INDIVIDUALS.—Subsection (d) of section 213 of such Code (relating to medical, dental, etc., expenses) is amended—

(A) by striking paragraph (1) and inserting the following new paragraph:

"(1) MEDICAL CARE.—The term 'medical care' means American Health Security Plan premiums and cost-sharing amounts paid for coverage under an approved State program under section 311 of the American Health Security Plan.",

(B) by striking paragraphs (2), (6), (7), and (9), and by redesignating paragraphs (3), (4), (5), and (8) as paragraphs (2), (3), (4), and (5), respectively.

(d) TERMINATION OF CHILD HEALTH INSURANCE CREDIT.—Clause (i) of section 32(b)(2)(A) of such Code is amended by inserting "(0 percent for taxable years beginning after December 31, 1998)" after "6 percent".

(e) EFFECTIVE DATE.—The amendments made by this section shall apply with respect to any taxable year beginning after December 31, 1998.

SEC. 423. FEDERAL HEALTH TRUST FUND.

(a) TRUST FUND ESTABLISHED.—There is hereby created on the books of the Treasury of the United States a trust fund to be known as the "Federal Health Care Trust Fund". The Trust Fund shall consist of such gifts and bequests as may be made and such amounts as may be deposited in, or appropriated to, such Trust Fund as provided in this Act.

(b) RECEIPTS.—

(1) TRANSFER OF AMOUNTS EQUIVALENT TO CERTAIN TAXES.—

(A) IN GENERAL.—There are hereby appropriated to the Trust Fund amounts equivalent to 100 percent of the American Health Security Plan premiums received in the Treasury as the result of the mechanism described in section 421 of this Act.

(B) ADDITIONAL REVENUES.—There are appropriated to the Trust Fund amounts equivalent to the additional revenues received in the Treasury as the result of the amendments made by section 422 of this Act.

(C) TRANSFERS BASED ON ESTIMATES.—The amounts appropriated by subparagraphs (A) and (B) shall be transferred from time to time (not less frequently than monthly) from the general fund in the Treasury to the Trust Fund, such amounts to be determined on the basis of estimates by the Secretary of the Treasury of the taxes and premiums, specified in such subparagraphs, paid to or deposited into the Treasury; and proper adjustments shall be made in amounts subsequently transferred to the extent prior estimates were in excess of or were less than the taxes and premiums specified in such subparagraphs.

(2) TRANSFER OF FUNDS.—All amounts, not otherwise obligated, that remain in the Federal Hospital Insurance Trust Fund and the Federal Supplemental Medical Insurance Trust Fund on the first day of the fiscal year 1999 shall be transferred to the Trust Fund.

(3) APPROPRIATION OF ADDITIONAL SUMS.—For fiscal years beginning after September 30, 1998, there are hereby authorized to be appropriated, and are appropriated, to the Trust Fund such additional sums as equal the amounts appropriated with respect to title XIX of the Social Security Act, section 1079 of title 10, United States Code (CHAMPUS), and chapter 89 of title 5, United States Code, as in effect for fiscal year 1988. Such amount shall be adjusted each fiscal year by the increase in the Consumer Price Index (as determined by the Department of Labor) for the previous fiscal year.

(4) APPROPRIATION OF SUMS FOR ADMINISTRATIVE COSTS.—For fiscal years 1994, 1995, and 1996, there are hereby authorized to be appropriated, and are appropriated, to the Trust Fund such additional sums as may be required to make expenditures referred to in subsection (c)(2).

(5) RETURNED GRANT FUNDS.—Any returned grant funds as described in section 315(a)(2) of this Act shall be transferred to the Trust Fund.

(c) EXPENDITURES.—

(1) TO STATES.—Payments in each fiscal year to each State from the Trust Fund as determined under section 402 are hereby authorized and appropriated.

(2) ADMINISTRATIVE EXPENSES AND GRANTS.—There are hereby authorized and appropriated such sums as are necessary for the administrative expenses and grants described in sections 212(g), 304, 315(c) and 803 of this Act for each fiscal year.

(3) CONTINGENCY ACCOUNT.—There are hereby authorized and appropriated such sums as determined necessary by the Board to cover unanticipated events that affect the health care needs of individuals described in section 101(a), to be available without fiscal year limitation.

(d) INCORPORATION OF TRUST FUND PROVISIONS.—The provisions of subsections (b) through (e) of section 1841 of the Social Security Act (42 U.S.C. 1395t), as in effect on the day before the date of the enactment of this Act, shall apply to the Trust Fund in the same manner as such provisions apply to the Federal Supplemental Medical Insurance Trust Fund, except that any reference to the Secretary of Health and Human Services or the Administrator of the Health Care Financing Administration shall be deemed a reference to the Board.

(e) TRUST FUND OFF-BUDGET.—The receipts and disbursements of the Trust Fund and the taxes described in subsection (b)(1) shall not be included in the totals of the budget of the United States Government as submitted by the President or of the congressional budget and shall be exempt from any general budget limitation imposed by statute on expenditures and net lending (budget outlays) of the United States Government.

SEC. 424. STATE SOURCES OF REVENUES.

(a) IN GENERAL.—Each State shall be responsible for establishing a financing program for the implementation of the State program in the State. Such financing program may include—

(1) funds used to finance the State share of medicaid under title XIX of the Social Security Act as in effect on the day before the date described in section 902(f) of this Act,

(2) State and local funding for public hospitals and other indigent care programs, and

(3) State funding from general revenues, earmarked taxes, payroll taxes, sales taxes, and such other measures consistent with this Act as the State may provide.

(b) ON-GOING ENTITLEMENT.—Each State with a State program approved by the Commission is entitled to funding from the Commission in the amounts provided under section 402.

TITLE V—CONGRESSIONAL CONSIDERATION

SEC. 501. RULES GOVERNING CONGRESSIONAL CONSIDERATION.

(a) RULES OF HOUSE OF REPRESENTATIVES AND SENATE.—This section is enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of disapproval resolutions described in subsection (b), and supersedes other rules only to the extent that such rules are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(b) TERMS OF THE RESOLUTION.—For purposes of this Act, the term "disapproval resolution" means only a joint resolution of the two Houses of the Congress, providing in—

(1) the matter after the resolving clause of which is as follows: "That the Congress disapproves the action of the Federal Health Board as submitted by the Board on _________________________", the blank space being filled in with the appropriate date; and

(2) the title of which is as follows: "Joint Resolution disapproving the action of the Federal Health Board".

(c) INTRODUCTION AND REFERRAL.—On the day on which the action of the Board is transmitted to the House of Representatives and the Senate, a disapproval resolution with respect to such action shall be introduced (by request) in the House of Representatives by the Majority Leader of the House, for himself and the Minority Leader of the House, or by Members of the House designated by the Majority Leader of the House, for himself and the Minority Leader of the House, or by Members of the House designated by the Majority Leader and Minority Leader of the House; and shall be introduced (by request) in the Senate by the Majority Leader of the Senate, for himself and the Minority Leader of the Senate, or by Members of the Senate designated by the Majority Leader and Minority Leader of the Senate. If either House is not in session on the day on which such an action is transmitted, the disapproval resolution with respect to such action shall be introduced in the House, as provided in the preceding sentence, on the first day thereafter on which the House is in session. The disapproval resolution introduced in the House of Representatives and the Senate shall be referred to the appropriate committees of each House.

(d) AMENDMENTS PROHIBITED.—No amendment to a disapproval resolution shall be in order in either the House of Representatives or the Senate; and no motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this subsection by unanimous consent.

(e) PERIOD FOR COMMITTEE AND FLOOR CONSIDERATION.—

(1) IN GENERAL.—Except as provided in paragraph (2), if the committee or committees of either House to which a disapproval resolution has been referred have not reported it at the close of the 45th day after its introduction, such committee or committees shall be automatically discharged from further consideration of the disapproval resolution and it shall be placed on the appropriation calendar. A vote on final passage of the disapproval resolution shall be taken in each House on or before the close of the 45th day after the disapproval resolution is reported by the committees or committee of that House to which it was referred, or after such committee or committees have been discharged from further consideration of the disapproval resolution. If prior to the passage by one House of a disapproval resolution of that House, that House receives the same disapproval resolution from the other House then—

(A) the procedure in that House shall be the same as if no disapproval resolution had been received from the other House; but

(B) the vote on final passage shall be on the disapproval resolution of the other House.

(2) COMPUTATION OF DAYS.—For purposes of paragraph (1), in computing a number of days in either House, there shall be excluded any day on which the House is not in session.

(f) FLOOR CONSIDERATION IN THE HOUSE OF REPRESENTATIVES.—

(1) MOTION TO PROCEED.—A motion in the House of Representatives to proceed to the consideration of a disapproval resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) DEBATE.—Debate in the House of Representatives on a disapproval resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the disapproval resolution. A motion further to limit debate shall not be debatable. It shall not be in order to move to recommit a disapproval resolution or to move to reconsider the vote by which a disapproval resolution is agreed to or disagreed to.

(3) MOTION TO POSTPONE.—Motions to postpone, made in the House of Representatives with respect to the consideration of a disapproval resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) APPEALS.—All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a disapproval resolution shall be decided without debate.

(5) GENERAL RULES APPLY.—Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a disapproval resolution shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions in similar circumstances.

(g) FLOOR CONSIDERATION IN THE SENATE.—

(1) MOTION TO PROCEED.—A motion in the Senate to proceed to the consideration of a disapproval resolution shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) GENERAL DEBATE.—Debate in the Senate on a disapproval resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours. The time shall be equally divided between, and controlled by, the Majority Leader and the Minority Leader or their designees.

(3) DEBATE OF MOTIONS AND APPEALS.—Debate in the Senate on any debatable motion or appeal in connection with a disapproval resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the disapproval resolution, except that in the event the manager of the disapproval resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the Minority Leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a disapproval resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) OTHER MOTIONS.—A motion in the Senate to further limit debate is not debatable. A motion to recommit a disapproval resolution is not in order.

(h) POINT OF ORDER REQUIRING SUPERMAJORITY FOR MODIFICATIONS TO ACTIONS ONCE APPROVED.—

(1) IN GENERAL.—It shall not be in order in the House of Representatives or the Senate to consider any amendment to the actions of the Federal Health Board except as provided in paragraph (2).

(2) WAIVER.—The point of order described in paragraph (1) may be waived or suspended in the House of Representatives or the Senate only, by the affirmative vote of three-fifths of the Members duly chosen and sworn.

TITLE VI—PRIVATE OPTIONS

SEC. 601. PRIVATE SUPPLEMENTAL INSURANCE.

Except as provided in section 603, nothing in this Act shall be construed to prohibit the purchase of private insurance that provides coverage of health care and long-term care services supplementing the services covered under this Act.

SEC. 602. OPTION TO PURCHASE DUPLICATIVE PRIVATE INSURANCE.

Except as provided in section 603, nothing in this Act shall be construed to prohibit the purchase of private insurance that provides coverage of health care and long-term care services covered under this Act.

SEC. 603. LIMITS ON PRIVATE INSURANCE.

(a) IN GENERAL.—No insurer may issue a private insurance policy if such policy provides coverage for the cost-sharing requirements for health care services and other non-long-term care services covered under this Act.

(b) CERTIFICATION OF NOTIFICATION.—At the time of sale, the issuer of any private insurance policy shall secure in writing a certification by the purchaser that the purchaser has been informed of any duplication in coverage of the services covered under this Act.

(c) REVIEW OF PRACTICES.—No later than 2 years after the full implementation of the provisions of this Act, the Comptroller General of the United States shall review the practices of the private insurance industry and make such recommendations as necessary to the Congress in order to prevent fraud and abuse in the sale of duplicative or supplemental private health insurance and to protect the integrity of the American Health Security Plan.

(d) OBLIGATION TO PAY PREMIUM REMAINS.—The purchase of any type of private health insurance policy shall not relieve the purchaser of the payment of the American Health Security Plan premium imposed under section 421.

TITLE VII—EXPANSION OF OUTCOMES RESEARCH AND DELIVERY OF SERVICES IN UNDERSERVED AREAS

SEC. 701. EXPANSION OF OUTCOMES RESEARCH.

Paragraph (1) of section 1142(i) of the Social Security Act (42 U.S.C. 1320b-12(i)) is amended by striking subparagraphs (D) and (E) and inserting the following:

"(D) $225,000,000 for fiscal year 1993;

"(E) $275,000,000 for fiscal year 1994; and

"(F) $325,000,000 for fiscal year 1995.".

SEC. 702. NATIONAL HEALTH SERVICE CORPS.

(a) INCREASE IN AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out subpart II of part D of title III of the Public Health Services Act (42 U.S.C. 254d et seq.) for fiscal year 1993, an amount equal to—

(1) the amount appropriated under such subpart for fiscal year 1992; and

(2) an additional amount equal to 40 percent of the amount described in paragraph (1).

When making loans under such subpart, priority should be given to students from schools that have primary care programs and that stress underserved practices.

(b) COMMUNITY FINANCING PROGRAM.—Subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.) is amended by inserting after section 336, the following new section:

"SEC. 336A. COMMUNITY FINANCING PROGRAMS.

"(a) ESTABLISHMENT.—The Secretary may award grants under this section to local communities to enable such communities to establish programs to finance the health-related education of residents of such communities.

"(b) APPLICATION.—To be eligible to receive a grant under subsection (a), a community shall prepare and submit to the Secretary an application, at such time, in such manner and containing such information as the Secretary may require.

"(c) USE.—A community that receives a grant under subsection (a), shall use amounts received under such grant to provide assistance to local residents with respect to the health-related educational expenses of such residents. Such community shall not provide assistance under a grant under this section to a local resident unless such resident agrees to practice in a health-related field in such community for not less than 4 years after graduation. In providing assistance to such residents, the community should give priority to residents attending schools that have primary care programs and that stress underserved practices.

"(d) AMOUNTS.—The amount of a grant awarded to a community under this section shall not exceed 75 percent of the cost to such community in administering and implementing a community financing program under this section.

"(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to carry out this section, $10,000,000 for each of the fiscal years 1993 through 1995.".

SEC. 703. COMMUNITY AND MIGRANT HEALTH CENTERS.

Subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.) is amended by inserting after section 330, the following new section:

"SEC. 330A. NEW COMMUNITY AND MIGRANT HEALTH CENTERS.

"(a) NEW COMMUNITY AND MIGRANT HEALTH CENTERS.—

"(1) IN GENERAL.—The Secretary shall award grants to eligible entities to expand the availability of comprehensive primary health services (as defined in section 330(b)(1)) in medically underserved areas.

"(2) ELIGIBILITY.—To be eligible to receive a grant under this section an entity shall—

"(A) be an entity that—

"(i) meets the requirements of section 329(a) or 330(a) for being a migrant or community health center, though not a recipient of a grant under either section;

"(ii) does not meet the requirements of section 329(a) or 330(a) for being a migrant or community health center, but that provides assurances satisfactory to the Secretary, including subsequent demonstrable evidence, that such entity will meet the requirements of either section not later than 2 years after receiving a grant under this section;

"(iii) is eligible for a planning grant under sections 329(c) or 330(c); or

"(iv) is able to provide a subset of the required services, be able to prove that it cannot meet the requirements of section 329(a) or 330(a), and demonstrate that it is the most qualified entity in the service area; and

"(B) prepare and submit to the Secretary an application at such time, in such manner and containing such information as the Secretary may require.

"(b) EXPANSION OF CURRENT COMMUNITY AND MIGRANT HEALTH CENTERS.—

"(1) IN GENERAL.— Community and migrant health centers in existence on the date of enactment of this section may utilize any increase in revenue experienced as a result of the increase in the number of insured patients treated for the expansion of the amounts and types of services furnished, to serve additional patients or areas, or to promote the recruitment, training or retention of personnel.

"(2) RECOMMENDATIONS.—Not later than 3 years after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress recommendations concerning the provision of paragraph (1).

"(c) REPORT.—Not later than 3 years after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the need for further migrant and community health center primary care service capacity development and recommendations concerning the appropriate level of support needed for activities to address such capacity development.

"(d) AUTHORIZATIONS OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, $300,000,000 for fiscal years 1993 through 1995.

"(2) ADDITIONAL AMOUNTS.—Amounts provided under this section shall be in addition to any amounts appropriated under sections 329 and 330.".

TITLE VIII—MALPRACTICE REFORM

SEC. 801. GRANTS TO STATES.

(a) IN GENERAL.—The Board shall make grants to States for the development and implementation of medical malpractice reforms, as described in section 802. A State shall use a grant made under this section to develop, implement, and evaluate the effectiveness of such reforms.

(b) COMPLIANCE WITH FEDERAL STANDARDS.—Beginning 2 years after the implementation of the reforms, each State shall annually submit a report to the Board containing such information as the Board may require to determine whether the State is in compliance with the terms of the grant made under this section.

SEC. 802. CRITERIA FOR STATE MALPRACTICE REFORMS.

(a) IN GENERAL.—Each State must demonstrate to the Board that the reforms to the State medical malpractice system that the State develops or has already adopted or intends to adopt meet the criteria described in subsection (b).

(b) CRITERIA.—The criteria for medical malpractice reforms are as follows:

(1) COSTS.—Decrease administrative costs and reduce incentives for filing non-meritorious claims.

(2) EFFICIENCY.—Reduce the time between the filing of medical malpractice claims and case resolutions using procedures which may include the establishment of voluntary alternative dispute resolution mechanisms, such as mediation, arbitration, minitrials, and summary judgments, to facilitate earlier case resolutions.

(3) ACCESS.—Develop mechanisms to ensure that victims of malpractice or medically injured patients have the meaningful ability to seek compensation, including voluntary alternative dispute resolution mechanisms designed for small claims.

(4) QUALITY.—Improve the quality of health care by strengthening mechanisms that reduce the occurrence of medical injury, and detect and sanction health care professionals who commit health care malpractice.

(5) EQUITY.—Enhance the fairness of compensation provided to injured individuals for both medically and non-medically-related damages, and increase incentives for experience rating of insurance premiums.

(c) BOARD STUDY OF CRITERIA.—

(1) STUDY.—The Board shall collect data from the States awarded grants under section 801 on the effects of the reforms established to meet the criteria described in subsection (b) on the medical malpractice systems of such States. The data shall be used to evaluate the effectiveness and appropriateness of the criteria described in subsection (b) in addressing the problems of the medical malpractice systems of such States. The Board may modify such criteria based on such study.

(2) REPORT.—The Board shall report the results of the study described in paragraph (1) to the Congress on a periodic basis.

SEC. 803. AUTHORIZATION OF APPROPRIATIONS

There are authorized to be appropriated for grants under this title such sums as may be necessary for fiscal years 1993 through 1996.

TITLE IX—EFFECTIVE DATES; TERMINATIONS; TRANSITION; RELATION TO ERISA.

SEC. 901. EFFECTIVE DATES.

(a) FEDERAL ADMINISTRATION.—Not later than October 1, 1994, the Board shall promulgate regulations regarding the health care and long-term care services covered under this Act and the related patient cost-sharing schedules under title II, develop the means for computing the National Health Budget and Federal contributions to the States under subtitle A of Title IV, and establish the procedures for reviewing and approving State plans under section 311.

(b) PROVISION OF SERVICES.—

(1) PREVENTIVE AND PRIMARY CARE SERVICES.—The provision of preventive and primary care services under approved State plans, as established under section 201, shall take effect with respect to services furnished on or after October 1, 1996.

(2) ACUTE CARE SERVICES.—The provision of acute care services under approved State plans, as established under section 201, shall take effect with respect to services furnished on or after October 1, 1997.

(3) LONG-TERM CARE SERVICES.—The provision of long-term care services under approved State plans, as established under section 202, shall take effect with respect to services furnished on or after October 1, 1998.

(c) MODIFICATION OF TRANSITION PERIOD.—

(1) IN GENERAL.—Notwithstanding any other provision of this Act and to the extent the Board determines it is appropriate and

fiscally responsible, the Board may promulgate regulations to reduce the period between the date of the enactment of this Act and the effective dates otherwise provided in this Act.

(2) EFFECT OF BOARD ACTIONS.—Any determination made by the Board under this subsection to change an effective date under this Act shall be submitted to the Congress at least 6 months before the new effective date, and shall have the force of law, unless within 60 days of the submission of such determination, the Congress enacts a disapproval resolution under the procedures described in section 501.

SEC. 902. TERMINATION OF OTHER PROGRAMS.

(a) MEDICARE AND MEDICAID.—

(1) IN GENERAL.—Titles XVIII and XIX of the Social Security Act are repealed.

(2) REPEAL OF HOSPITAL INSURANCE TAXES UPON FULL IMPLEMENTATION OF PLAN.—Sections 1401(b), 1402(k)(2), 3101(b), 3111(b), 3121(x)(2), 3231(e)(2)(B)(i)(II), and 6413(c)(3) of the Internal Revenue Code of 1986 are repealed.

(b) REPEAL OF CHAMPUS PROVISIONS.—

(1) AMENDMENTS TO CHAPTER 55 OF TITLE 10.—Sections 1079 through 1083, 1086, and 1097 through 1100 of title 10, United States Code, are repealed.

(2) TABLE OF SECTIONS.—The table of sections at the beginning of chapter 55 of title 10, United States Code, is amended by striking out the items relating to the sections referred to in paragraph (1).

(3) CONFORMING AMENDMENTS.—Chapter 55 of title 10, United States Code, is amended as follows:

(A) DEFINITION.—Section 1072 is amended by striking out paragraph (4).

(B) REIMBURSEMENT OF THE DEPARTMENT OF VETERANS AFFAIRS.—Section 1104(b) is amended—

(i) in the subsection heading, by striking out **"from CHAMPUS funds"**; and

(ii) by striking out "from funds" and all that follows and inserting in lieu thereof "for medical care provided by the Department of Veterans Affairs pursuant to such agreement.".

(c) REPEAL OF FEDERAL EMPLOYEES HEALTH BENEFITS PROGRAM.—Chapter 89 of title 5, United States Code, is repealed.

(d) EFFECTIVE DATE.—The repeals and amendments made by this section shall take effect on October 1, 1998.

SEC. 903. TRANSITION.

(a) IN GENERAL.—The Board shall issue such regulations as are necessary to provide for a transition to the American Health Security Plan established under this Act from the programs repealed under section 902.

(b) RELATION TO OTHER PROGRAMS.—The Board shall recommend to the Congress appropriate legislative proposals for the amendment or repeal of any other Federal program inconsistent with, or duplicative of, the principles of the American Health Security Plan established under this Act.

SEC. 904. RELATION TO ERISA.

The provisions of the Employee Retirement Income Security Act are superseded to the extent inconsistent with the requirements of this Act.

AMERICAN HEALTH SECURITY PLAN—BILL SUMMARY

This bill would create a universal health system that is publicly-funded, administered by the states, and whose specific services and budget are determined by an independent Federal Health Board (modeled after the Federal Reserve Board to minimize of political interference). It preserves the best features of the private delivery system, establishes an overall budget for health spending in the public sector, and maintains an important role for private insurance.

TITLE I: ELIGIBILITY AND ENROLLMENT

A. Eligibility: Every resident of the United States, whether a citizen or a legal resident alien, is entitled to coverage of health care services under this Act.

B. Enrollment: States will enroll individuals resident in the State on the effective date of the Act, and will automatically enroll individuals at the time of birth or at the time of establishment of permanent residence in the State.

C. Portability: State programs may not impose a waiting period longer than 3 months for eligibility of new residents, and must provide payment for covered services for former State residents during their new State's waiting period. When residents of a State are temporarily absent, the home State will pay for health services (at the rate established in the home State). Emergency care outside the United States will be covered by the State plan.

TITLE II: BENEFITS

A. Acute Care Services: The categories of services covered under this act include:

1. Inpatient and outpatient hospital care, including 24-hour per day emergency services.
2. Diagnostic and screening services.
3. Medically necessary services.
4. Preventive care (including immunizations, pre-natal and well-baby care, etc.).
5. Prescription drugs, biologicals, and devices.
6. Substance abuse treatment.
7. Mental health services.
8. Hospice care.
9. Habilitation and rehabilitation services.
10. Home medical equipment and prosthetics.

Limitations: States may not limit the amount, duration, or scope of services specified by the Federal Health Board.

Exclusions: Cosmetic surgery except for medically necessary reconstruction. Private rooms and other amenities, unless medically necessary.

Cost-sharing: States may not impose cost-sharing beyond that specified by the Board. The Board will determine copayments and out-of-pocket limits, based on several principles: assuring administrative simplicity and efficiency, maintaining the fiscal integrity of the public plan, deterring the unnecessary use of services, encouraging health behaviors, maximizing economic fairness, and minimizing financial barriers to appropriate care.

B. Long-term care services:

Eligibility: The Board will determine the standards for eligibility for institutional and for home and community-based long-term care services based on an individual's ability to perform activities of daily living and instrumental activities of daily living (ADLs and IADLs), and/or the determination of comparable cognitive or behavioral impairment. Eligibility will be determined by a case manager.

Specific services:

1. Home and community-based services, such as nursing care and rehabilitative and restorative care.
2. Nursing home care.
3. Hospice care.
4. Home medical equipment.
5. Services for individuals with developmental disabilities and mental illness.

Cost-sharing: The Board will establish an income-related schedule that will take into account contributions by patients based on their average expenditures if they were living in the community.

Income protection: Cost sharing will be reduced on an income-related basis to ensure that the income of the individual is sufficient to retain a personal needs allowance to cover all items needed in addition to those provided by the long-term care facility and to maintain the individual's primary residence, as well as independence once long-term services are no longer needed.

Spousal protection: Cost-sharing will be reduced on an income-related basis to ensure that the income of the spouse or dependent is not reduced below the level currently provided under Title XIX of the Social Security Act.

Case management: All services will be made available through a case manager who will be responsible for matching services to needs, as well as coordinating the delivery of those services. Specific responsibilities include the initial assessment and periodic reassessment of the need for services; development of a care plan; and the authorization and coordination of services to meet specific needs.

Long-Term Care Services Assessment Commission: A 10-member commission will be appointed by the Director of OTA for 7-year terms. Membership will be comprised of long-term care providers, other health and social service professionals, health services and economics experts, and consumer representatives. This commission will exist for 7 years, then be dissolved. Its duties are to make recommendations to the Board regarding the adequacy and appropriateness of long-term care services, criteria for eligibility, cost-sharing, financial protection, and the overall functioning of long-term care services.

TITLE III: FEDERAL AND STATE ADMINISTRATION

A. Federal Health Board:

Composition: The Board will consist of 9 members, appointed by the President and confirmed by the Senate for staggered terms of 9 years and eligible for re-appointment. Candidates must have backgrounds in health policy, health economics, the healing professions, and the administration of health care institutions, and at least 1 must represent consumers. Due regard must be given to geographic, urban, and rural representation, and no more than 5 members may be affiliated with a single political party. Once appointed and confirmed, members of the Board may only be removed for cause.

Duties: The Board is responsible for the overall administration of the Plan. It will establish the specific services to be provided within the general benefits categories, determine the budget necessary to do so, allocate appropriate resources to the States, and, within guidelines established in Title IV, set specific levels of the public premium Additional duties are to: facilitate the exchange of information among States; establish and update minimum quality standards; establish uniform reporting requirements; review and approve state consortia; and assist States in developing systems to minimize fragmented care, including the use of managed care and other organized delivery systems.

B. Federal Health Advisory Council:

This Council will consist of 15 members appointed by the Board for staggered terms of 3 years, representing consumers, providers, unions, health care experts, senior citizen groups, and rural health experts. Its responsibility is to study the overall functioning of the program, including consumer and provider satisfaction, and to make recommendations for improvement to the Board.

C. Federal Health Priorities Council:

This Council will consist of 15 members appointed by the President and confirmed by the Senate for terms of 5 years. Its members are to be representative of medicine, dentistry, mental health care, nursing, social services, ethics, economics, business, and consumer groups. Its duties are to conduct public hearings and, building on outcome research, make recommendations on how health care dollars are to be allocated within the public plan—specifically, that services should be provided under the public plan, and that ones should not be. It will report to the Board a list of health services ranked by priority, to represent the comparative benefits of each service to the populations. Its report will be accompanied by a report of an actuary to determine the funds necessary to cover the costs of the services included in the annual overall budget. These recommendations will be used by the Board in making its determination of covered services.

D. State Programs:

Each state must submit its plan for providing covered services to the Board for its review and approval. States are encouraged to form consortia with other states for the more efficient administration of plans. The Board has the authority to approve those agreements, subject to Congressional review.

Program requirements: The state program must provide for adequate financing of services through a designated fund; for adequate administration, including the designation of a single nonprofit State agency; and for the establishment of specific accounts within the fund. The State is to create an institution reimbursement board to negotiate overall operating, capital, and health training budgets with hospitals and other health care and long-term care institutions. It must have a practitioner reimbursement board to negotiate reimbursement rates for participating practitioners. The State may create a State advisory board to oversee and review the performance of the program. There must be an organized grievance procedure.

Fiscal Intermediaries: Each State or consortium may contract with fiscal intermediaries, that may be private insurance companies or other entities, to administer the plan. The intermediary is to process claims and reimbursements, distribute the allocation of funds, and may contract to perform other services on behalf of the State. However, the fiscal intermediary may not participate in the negotiating processes that establish the operating budgets or practitioner reimbursement rates.

State waivers: State may obtain waivers to implement alternative and innovative methods of reimbursing providers, patient cost-sharing arrangements, and administrative structures, or the use of health plans paid through a capitation method. A State must continue to provide adequate financing and at least the minimum benefits defined by the Board; provide universal coverage; meet minimum quality standards; not impose cost-sharing in excess of that established by the Board; not increase administrative burdens to providers and patients; and allow individuals freedom of choice in selecting health plans.

Managed care: State are encouraged to develop managed care programs, and the Federal Health Board will sponsor efforts to encourage states and providers to create other innovative approaches to delivery of services.

Organized approaches to delivery of services: The Board will sponsor efforts to encourage States and providers to develop and expand organized approaches to health care delivery, such as HMOs, hospital-based and community-oriented team health services, and neighborhood-hospital-home health care plans.

TITLE IV: HEALTH BUDGETS

A. The National Health Budget:

The Board establishes a budget on either an annual or biennial basis that estimates the total expenditures of the Federal and State Governments for the defined health services, including administrative costs. It apportions funds to States based on a variety of factors, including risk groups within the State; particular social, environmental, epidemiological, or other considerations that affect the health status or need for services within the State; the geographic distribution of the state's population; and the quality and availability of the existing health services within the State. On average, the Federal contribution to a State plan will be 80%, but may be adjusted narrowly up or down based on the state's per capita income, taxable resources, and economic status.

B. State Payments:

States will be responsible for operating four accounts within the fund:

1. Payments to facilities: The State will establish a board to negotiate overall operating budgets with each hospital, nursing home, and other facility in the State. The board will make annual payments of funds necessary and reasonable to provide necessary hospital and other institutional services.

2. Capital budgets will also be negotiated by the board, covering all capital expenditures, regardless of the source of funding.

3. Health training budgets will also be negotiated with institutions, including a separate account for direct and indirect graduate medical education-related expenses in hospitals and other health care and longterm care institutions. The distribution of these funds should include at least 50% to primary care training programs, with periodic readjustment thereafter as needed to encourage primary care programs. The State must also provide funding for non-hospital based residency programs, and must also take into account the higher costs of placing students in rural residency programs, and must provide for the education and training of non-physician practitioners.

4. Practitioner Payments: The practitioner reimbursement board will negotiate with organizations representing the various practitioner disciplines to derive a relative value scale fee schedule that provides appropriate levels of payment for primary care services, equal payment for services regardless of provider, and a process for keeping overall reimbursement in line with the practitioner budget.

Nonphysician Practitioner Provisions: When services are provided by nonphysicians, the reimbursement rate shall be the same as for physicians.

Mandatory assignment: Except for the cost-sharing provisions established by the Board, payment by a State program shall constitute payment in full.

C. Revenues: The Federal Health Trust Fund:

Federal sources: Three sources of revenue at the Federal level will be deposited into the Health Trust fund to finance benefits covered under this Act.

1. An American Health Security Premium, paid by individuals. The Board will determine the amount to be funded, and will collect it using a mechanism that is income-based, progressive, payable in increments; and payable either by individuals or by employers (at their option) on behalf of employees.

2. An employer contribution equal to an amount necessary to prevent an increase (when compared to pre-enactment levels) in the household proportion of total health care expenditures. The amount per employer is based on an employer's ability to pay as reflected by the size of the work force and profitability.

3. Funds equivalent to the amounts currently provided for in Medicare, Medicaid, and CHAMPUS in the Federal Budget, and increased each year by the CPI.

D. Revenues: State Sources:

States will finance their share of the public plan by contributing the preenactment State share of medicaid, and any other source necessary to provide adequate funding.

TITLE V: CONGRESSIONAL CONSIDERATION

The Federal Health Board will file a report with both Houses of Congress detailing the services to be covered and the financing necessary to provide those services. Unless disapproved within 60 days by a concurrent resolution of both Houses, the Board's report takes effect. Debate is limited, and amendments to the resolution are not in order unless the point of order is waived by a three-fifths majority.

TITLE VI: PRIVATE OPTIONS

A. Supplemental Insurance:

Private supplemental insurance is permitted. Premiums will not be tax-deductible.

B. Duplicative Insurance:

Private insurance that duplicates services provided under the public plan is permitted, although premiums are not tax-deductible, and payment of the public premium is still required of those who purchase this coverage.

C. Limits on private insurance:

Insurance may not be sold that covers the cost-sharing requirements of the public plan.

[The Act thus envisions three major roles for insurance companies:

—as contractors to process claims and/or administer benefits and to create and operate managed care networks;

—to sell supplemental insurance;

—to sell duplicative insurance.]

TITLE VII: UNDERSERVED AREAS

Substantially increased funding is provided for the National Health Service Corps and for Community and Migrant Health Centers.

TITLE VIII: MALPRACTICE REFORM

The Board will award grants to states for the development and implementation of these reforms. Reforms must meet the following criteria:

1. Reduced administrative costs;
2. Improved efficiency;
3. Ensured access;
4. Improved quality of care;
5. Reduced uncertainty and unpredictability.

By Mr. BUMPERS (for himself, Mr. DURENBERGER, Mr. NUNN, Mr. GRASSLEY, Mr. LEVIN, Mr. SHELBY, Mr. LIEBERMAN, Mr. BREAUX, Mr. INOUYE, Mr. REID, Mr. KERRY, Mr. FOWLER, Mr. DODD, Mr. GLENN, and Mr. DOMENICI):

S. 2514. A bill to amend the Internal Revenue Code of 1986 to allow taxpayers a bad debt deduction for certain partially unpaid child support payments and to require the inclusion in income of child support payments which a taxpayer does not pay, and for other purposes; to the Committee on Finance.

CHILD SUPPORT TAX EQUITY ACT

Mr. BUMPERS. Mr. President, today I am introducing legislation to provide equity in the tax laws between the taxpayers, principally mothers, who are unable to collect the child support that is due to them and the taxpayers, principally fathers, who fail to pay the child support that they owe.

The legislation also provides equity in the access that mothers have to the services of the IRS in the collection of child support payments between the mothers who are recipients of aid to families with dependent children and those who are not.

This legislation is called the Child Support Tax Equity Act because it gives like-situated taxpayers the same rights under our tax laws. It eliminates the discrimination that now exists against taxpayers, principally mothers, who are owed child support payments and in favor of taxpayers, principally fathers, who refuse to pay the support that they owe.

OUTLINE OF LEGISLATION

The legislation permits mothers to take a nonbusiness bad debt deduction for the amount of child support that is due to them but which they are unable to collect. This amendment is consistent with the tax policy for nonbusiness bad debt deductions and it is necessary because mothers are not now permitted to take the bad debt deduction for unpaid child support debts.

In terms of the bad debt deduction for unpaid child support payments, this legislation simply puts mothers who are unable to collect child support on a par with businesses and other taxpayers who can't collect their debts. Mothers and businessmen both have debts that they cannot collect. They both suffer an economic loss. And they both deserve a bad debt deduction. This is a matter of simple equity.

The legislation then includes the amount of child support that is not paid as taxable income to the fathers who fail to pay the child support that they owe. This amendment is also consistent with the tax policy for discharge of indebtedness and it is necessary because fathers are now permitted to avoid any tax liability when they refuse to honor their child support debts.

When a taxpayer is discharged from a debt, that taxpayer is deemed to have received income in the amount of the debt that was discharged. If we did not have this provision in the tax code, everyone would be giving gifts to everyone else and it would all be tax exempt. The discharge of indebtedness provision ensures that taxpayers who receive an economic gain in the form of a discharged debt are treated the same as taxpayers who receive an economic gain in the form of a salary or wage.

In terms of the discharge of indebtedness provision, the legislation simply puts the fathers who aren't paying child support on a par with businesses and other taxpayers who don't repay their debts. Fathers and other debtors both have obligations that they do not honor. They both reap an economic windfall when they do not repay their debts. And they both deserve to recognize taxable income on the amount of the debt that they do not pay. This is also a matter of simple equity.

This pairing of the bad debt deduction with the discharge of indebtedness provision is perfectly appropriate. When the mother takes the bad debt deduction for a debt she cannot collect, it follows that the father has been discharged from his child support indebtedness for the debt he is not paying.

The bad debt deduction for the mother and the discharge of indebtedness for the father are logical corollaries, book ends of the same transaction, and perfectly just. When a debt is written off, that debt is, in effect, discharged. If one taxpayer realizes a loss—she can't collect the debt that is due to her and her children—and is permitted a deduction for that loss, the other taxpayer realizes a gain—he no longer has to pay the debt—and he is taxed on the value of that gain.

This is symmetrical and it is equitable in terms of tax policy and it is clearly just in terms of social policy. We have every reason to assist mothers who cannot collect child support and we have every reason to penalize fathers who refuse to pay the support they owe to their children.

REVENUE IMPLICATIONS OF TAX PROVISIONS

In the current budget climate the key issue for any new proposal is its cost. On this issue this legislation stands on very strong grounds.

The nonbusiness bad debt deduction for unpaid child support will lose revenue and this revenue loss must be financed under the pay-as-you-go requirements of last year's deficit agreement. Fortunately, according to the Joint Committee on Taxation the discharge of indebtedness provision will raise more than enough revenue to pay for the new bad debt deduction.

In fact, the joint committee finds that the discharge of indebtedness provision raises $30 million more in revenue over the first 6 years than the bad debt deduction provision loses. This finding is based on the fact that the fathers who fail to pay child support tend to be in a higher tax bracket than the mothers who are not paid child support. So, when the fathers pay tax on the discharge of their child support debts it raises more revenue than when the mothers take a bad debt deduction for the amount of the child support payments that they cannot collect.

This revenue estimate also takes into account the likelihood that the IRS will not be able to collect taxes for the discharge of indebtedness in each case where a taxpayer has claimed a bad debt deduction. The fact that the fathers are in higher tax brackets more than offsets this factor.

The revenue estimate year-by-year finds that there is no revenue impact in the first year, the year waiting period required for all claimants for the bad debt deduction. Then in the first year in which these deductions can be claimed, 1993, the joint committee finds that the legislation loses $15 million in revenue. The third year the bill loses $14 million. This is the year in which more bad debt deductions will probably be claimed but the year in which discharge of indebtedness taxes will be paid. In the fourth year—the first year when the bill is fully implemented—the bill raises $41 million. In the fifth year the bill raises $10 million and in the sixth year it raises $8 million. The net revenue impact is to raise $30 million over the 6-year period.

I have obtained nine additional revenue estimates for other versions of the bill. Every one of these versions of the bill raises revenue. For example, if we limited the bill to taxpayers with less than $50,000 in adjusted gross income—as provided for in the bill I am introducing today—but increase the per child limit from $5,000 to $7,500, the revenue gain over the 6-year period would be $24 million. If we increased the income limit to $60,000 and set the per child limit at $5,000, the revenue increase would be $9 million. And, finally, if we set the income at $60,000 and set the per child limit at $7,500, the revenue increase would be $5 million.

The key point is that every version of the bill I have considered raises revenue. Everyone of them finds that the father's payments for the discharge of indebtedness will exceed the mother's claims for the bad debt deduction.

STRENGTHENING EXISTING CHILD SUPPORT PROGRAMS

The bill could be drafted simply to provide for the bad debt deduction and the discharge of indebtedness and we could use the net gain in revenue to reduce the deficit. I had hoped that the bill would raise more in revenue and that we could use the revenue that is raised to increase the availability and effectiveness of some of the other Federal child support enforcement programs. I have determined not to do this, but let me outline some of the options that are available here.

We need to find a way to waive some of the fees that currently restrict the utilization of the IRS tax refund intercept program and full enforcement program. The fees and payments that we should eliminate are the payment to the IRS from all families receiving Federal tax offset services to cover administrative costs; an application fee charged to new non-AFDC families receiving child support enforcement services; and additional fee for the use of Federal tax offset services by non-AFDC families; and a cost recovery fee for genetic tests applied to non-AFDC absent parents.

These latter three fees are only assessed for non-AFDC mothers who are seeking IRS assistance in collecting child support. By waiving these fees we could make this IRS assistance available to welfare and nonwelfare mothers on an equal basis.

The Congressional Budget Office finds that these provisions cost nothing in the first 2 years, cost $55 million in the third year, $65 million in the fourth year and $75 million in the fifth year.

Taken together these expenditures cost $140 million in the fourth and fifth years when the tax provisions raise $30 million in those same years. This means that had I waived these fees I could not claim that the bill is revenue neutral. The bill would have hurt our deficit situation, so reluctantly I decided not to propose waiving the fees in this bill. Had we raised more revenue, that is how I would have used the funds. I will continue to look for ways to waive these fees.

UNPAID CHILD SUPPORT

Let me share with you some revealing and shocking facts about the problem of unpaid child support. These facts indicate that we must do everything we can to help mothers who are unable to collect the child support to which they are entitled.

In 1989, there were a total of 9,955,000 mothers who have children under the age of 21 and are head of a household without a father present. Of that number, 4,953,000 families were expecting child support payments. However, 24.8 percent of those families received nothing at all. The actual number involved is 1,228,000 families receiving nothing at all. Another 1,179,000 families received only a partial payment, another 23.8 percent. So, 2,407,000 million families or 58.6 percent of those that expected to receive child support either received no payment or received only a partial payment.

Of the 9,955,000 families where the father was not present 4,207,000 did not expect to receive support. Only 923,000 of these, however, did not want to receive an award of support—674,000 could not locate the father and 810,000 just gave up looking.

In 1989 $16.3 billion in child support was owed to families, yet only $11.2 billion was paid. This leaves a gap of $5.1 billion that was not paid. But, this is only the amount due for that year. If one counts the amounts due for previous years, the amount due increases by $23.9 billion.

This loss of child support is critical to the families to which it is owed in due child support payments. The average income of those families was only $11,793. This income is countered by the average income of those who do receive payments, which is $14,245. In those families who receive nothing, the breakdown as to the number of children in the family is as such: there were a total of 622,000 families with 1 child, 396,000 families with two children involved, 99,000 families with three children involved, and 37,000 families where there was four or more children involved.

Of the families receiving no child support payments, 346,000 have incomes below the poverty level. In those cases, the number of families with: there was a total of 162,000 families where there was one child involved. In 112,000 cases, there was two children involved, in 48,000 cases, three children were involved, and in 24,000 cases, there were four or more children involved.

Furthermore, of the cases where no payment was made, 913,000 were court ordered payments, and 195,000 were voluntary written payments.

Since I have been focusing solely on the families to this point, let me shift my emphasis to those who are paying, or in this case are supposed to pay child support. In a recent study done of 649 absent parents, 63 percent of those reported some type of income. Of those who reported some type of income, 122 or 20 percent had earned over $10,000. This suggests some permanence in their employment. In eight cases, the parent earned over $30,000 and one father paying no child support earned $83,900. The data concludes from this survey, that absent parents can and should be paying more or can afford to pay more in child support. This survey represents the larger problem that has been encountered by custodial parents, namely that support is not occurring in all cases.

Let me talk for a minute about Arkansas. We have data for the cases managed by the Office of Child Support Enforcement and this data represents perhaps 75 percent of the total child support problem. In 1989 for these OCSE cases $153,832,000 was owed, an amount that includes arrearages. Of this amount only $27,094,000 was paid, 17.6 percent. If one takes the payments due only for 1989 $57,210,867 was due and only $26,144,103 was paid, 47.3 percent. This represents 73,485 families in Arkansas. Let me emphasize that this is only about 75 percent of the total.

The facts tell the story. We are encountering a grave problem in enforcing our child support payments and this legislation will help the mothers who are not receiving the support they need to raise their children. It is only just that those who fail to pay the support that is owed should pay the cost of the assistance this bill provides.

INCENTIVES UNDER PROPOSED LEGISLATION

All tax laws provide incentives to taxpayers. In drafting this bill I have been very concerned about any possible incentives for mothers not to attempt to collect the child support payments to which they are entitled or for fathers not to pay the amounts of child support that they owe.

I am convinced that neither of these incentives is created by this legislation and other incentives are created that will increase the collection efforts and payments that are made. In short, this bill will help the situation.

A mother only qualifies for the deduction if she has first obtained a "divorce or separation instrument" that obligates the father to make child support payments. As I have said a divorce or separation instrument is a decree of divorce or separate maintenance or a written instrument incident to such a decree or a written separation agreement. This requirement for the deduction gives mothers an incentive to formalize the child support payment obligation. Mothers who obtain these legal documents are much more likely to be able to collect child support payments than those who don't. So, in creating an incentive for mothers to formalize the child support payment obligation this legislation will help them to collect the payments to which they are due.

Mothers who take the deduction in most cases will be in the 15-percent tax bracket. The deduction is worth only 15 percent of the face value of the child support that is owed. She can only collect the other 85 percent of the claim by continuing her efforts to enforce the payment obligation. The legislation permits her to do this and, if she is later successful in securing payment, she will simply declare that payment as income in the year in which it is received.

When a father has been given notice by the mother or the IRS, he is likely to be shocked. He will be facing a situation where he must either pay the mother or pay the IRS. He would only have to pay the IRS the amount of tax that is due and this amount will vary with the tax bracket in which he finds himself. But, paying 15 percent, 28 percent or more of the amount that is due may well encourage him to make the payments to the mother. Given a choice of paying the IRS or paying the child support for his children, many fathers would prefer the latter.

When the father is found by the IRS, the IRS will not be giving the mother information on his location. This would violate his confidentiality as a taxpayer. But, he will have been found and that may have a major psychological impact on his inclination to pay. He will no longer be immune to the mother's attempts to collect the child support. He will be paying a penalty for his failure to make the payments that are due.

SUPPORT FOR LEGISLATION

I am happy to have the support of a number of child support enforcement advocacy groups.

Mr. Harry Wiggins is the director of the Division of Child Support Enforcement for the State of Virginia and serves as the executive director of the National Council of State Child Support Enforcement Agencies and he has written me a letter saying:

> This proposal is an excellent piece of legislation in financially aiding millions of custodial parents and children who are unable to receive the support due them, support which in most cases they have made every possible effort to obtain.

Ms. Geraldine Jensen is the national president of the Association for Children for Enforcement of Support, Inc., and she has written to say:

> ACES is very supportive of the Child Support Tax Equity Act of 1992 * * * (W)hen it becomes law (it) will assist millions of children who are entitled to child support. ACES believes that the (bill) will work to alleviate child poverty caused by no-support.

Ms. Paula Roberts, senior staff attorney for the Center for Law and Social Policy, has written to "support the Child Support Tax Equity Act of 1992." She points out that:

> Thirty-one percent of child support goes uncollected each year. This $1.5 billion loss impoverishes many mothers and children * * * Despite the existence of techniques such as liens on property and reports to credit agencies, many of these parents are * * * able to avoid payment. To the extent that these obligors file income tax returns, the Child Support Tax Equity Act provides a potent remedy to force them to pay attention to their obligations.

Ms. Kay Hollestelle, executive director of the Children's Foundation, has written that:

> This critically needed legislation promises to be an effective new component to established enforcement tools already available * * * (It provides) a new means to help custodial parents support their children. It would also become a much needed safety net for those custodial parents who cannot benefit from established enforcement tools * * * The tax benefits provided by the (bill) could thus help a segment of our population clearly in need.

In drafting the legislation I consulted with many other national children and child support advocacy groups and I expect that they will also endorse the bill.

CONCLUSION

The legislation I am introducing today uses a new tool to work on the national crisis on unpaid child support. This is a multifaceted crisis and we need as many tools as we can assemble to ensure that our Nation's children receive the financial support that is essential for them to grow to be responsible, productive adults.

The fact that this important legislation is deficit neutral is a bonus. I would be proposing this bill even if it carried a cost to the Government. But, it is drafted so that it does not impose any cost and this makes it not just attractive, but it makes it irresistible.

I look forward to working with the chairman and members of the Finance Committee on this bill. I am delighted to have the support of a broad-base of respected children and child support enforcement organizations.

I ask unanimous consent that an outline of the bill and the text of the bill be printed at this point in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2514

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Support Tax Equity Act of 1992".

SEC. 2. NO EFFECT ON RIGHTS AND LIABILITIES.

Nothing in this Act shall be construed to affect—

(1) the right of an individual or State to receive any child support payment; or

(2) the obligation of an individual to pay child support.

SEC. 3. ALLOWANCE OF BAD DEBT DEDUCTION FOR PARTIALLY UNPAID CHILD SUPPORT PAYMENTS.

(a) IN GENERAL.—Section 166 of the Internal Revenue Code of 1986 (relating to deduction for bad debts) is amended by redesignating subsection (f) as subsection (g) and by inserting after subsection (e) the following new subsection:

"(f) CERTAIN UNPAID CHILD SUPPORT PAYMENTS.—

"(1) IN GENERAL.—In the case of any eligible taxpayer who has any applicable child support payments remaining unpaid as of the close of the taxable year—

"(A) subsections (a) and (d) shall not apply to such payments, and

"(B) there shall be allowed as a deduction for such taxable year an amount equal to the amount of such payments.

"(2) PER CHILD LIMITATION ON DEDUCTION.—The aggregate amount allowable as a deduction for any taxable year under paragraph (1) with respect to any child for whom applicable child support payments are required to be paid shall not exceed $10,000.

"(3) ELIGIBLE TAXPAYER.—For purposes of this subsection, the term 'eligible taxpayer' means an individual—

"(A) whose adjusted gross income for the taxable year does not exceed $40,000,

"(B) with respect to whom the amount of applicable child support payments remaining unpaid as of the close of the taxable year is equal to or greater than $500, and

"(C) who meets the identification requirements of paragraph (5).

"(4) APPLICABLE CHILD SUPPORT PAYMENT.—

"(A) IN GENERAL.—The term 'applicable child support payment' means, with respect to any taxable year of the eligible taxpayer—

"(i) any periodic payment of a fixed amount, or

"(ii) any payment of a medical or educational expense, insurance premium, or other similar item,

which is required to be paid to such taxpayer during such taxable year by an individual under a support instrument meeting the requirements of paragraph (8) for the support of any qualifying child of such individual.

"(B) QUALIFYING CHILD.—For purposes of this paragraph, the term 'qualifying child' means a child of an eligible individual with respect to whom a deduction is allowable under section 151 for the taxable year (or would be so allowable but for paragraph (2) or (4) of section 152(e)) or, while eligible for such deduction, was determined to be disabled under subtitles 2 or 16 of chapter 42.

"(C) PAYMENTS MUST BE DELINQUENT FOR AT LEAST ENTIRE YEAR.—Any payment described in subparagraph (A) which is required to be made by an individual to an eligible taxpayer shall not be treated as an applicable unpaid child support payment if at least half of the payments which are required to be paid to the eligible taxpayer during the 12-month period ending on the last day of the taxable year are paid. In the case of the 1st taxable year to which this subsection applies to payments from any individual, the preceding sentence shall be applied by substituting '24-month' for '12-month'.

"(D) COORDINATION WITH AFDC.—The term 'applicable child support payment' shall not include any payment the right to which has been assigned to a State under section 402(a)(26) of the Social Security Act (42 U.S.C. 602(a)(26)).

"(5) IDENTIFICATION REQUIREMENTS.—The requirements of this paragraph are met if the eligible taxpayer includes on the return claiming the deduction under this subsection the name, address, and taxpayer identification number of—

"(A) each child with respect to whom child support payments to which this subsection applies are required to be paid, and

"(B) the individual who was required to make such child support payments.

In the case of a failure to provide the information under subparagraph (B), the preceding sentence shall not apply if the eligible taxpayer certifies that any such information is not known.

"(6) COST-OF-LIVING ADJUSTMENTS.—In the case of any taxable year beginning after 1992, the $10,000 amount under paragraph (2)(A), the $40,000 amount under paragraph (3)(A), and the $500 amount under paragraph (3)(B) shall each be increased by an amount equal to—

"(A) such dollar amount, multiplied by

"(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, except that section 1(f)(3)(B) shall be applied by substituting '1991' for '1989'.

"(7) SUBSEQUENT PAYMENTS.—If any payment with respect to which a deduction was allowed under paragraph (1) is subsequently made, such payment shall be included in gross income of the eligible taxpayer for the taxable year in which paid. This paragraph shall not apply to any amount if an individual has assigned the right to receive such amount to a State (and the State does not pay such amount to such individual).

"(8) SUPPORT INSTRUMENT.—For purposes of this subsection, a support instrument meets the requirements of this paragraph if it is—

"(A) a decree of divorce or separate maintenance or a written instrument incident to such a decree,

"(B) a written separation agreement, or

"(C) a decree (not described in subparagraph (A)) of a court or administrative agency requiring a parent to make payments for the support or maintenance of 1 or more children of such parent."

(b) DEDUCTION FOR NONITEMIZERS.—Section 62(a) of such Code is amended by adding at the end thereof the following new paragraph:

"(14) UNPAID CHILD SUPPORT PAYMENTS.—The deduction allowed by section 166(f)."

(c) CONFORMING AMENDMENT.—Section 166(d)(2) of such Code is amended by striking "or" at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting ", or" and by adding at the end thereof the following new subparagraph:

"(C) a debt which is an applicable child support payment under subsection (f)."

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

SEC. 4. INCLUSION IN INCOME OF AMOUNT OF UNPAID CHILD SUPPORT PAYMENTS.

(a) IN GENERAL.—Section 108 of the Internal Revenue Code of 1986 (relating to discharge of indebtedness income) is amended by adding at the end thereof the following new subsection:

"(h) UNPAID CHILD SUPPORT PAYMENTS.—

"(1) IN GENERAL.—For purposes of this chapter, any taxable unpaid child support payments of a taxpayer for any taxable year shall be treated as amounts includible in gross income of the taxpayer for the taxable year by reason of the discharge of indebtedness of the taxpayer.

"(2) TAXABLE UNPAID CHILD SUPPORT PAYMENTS.—For purposes of this subsection, the term 'taxable unpaid child support payments' means payments—

"(A) which were applicable child support payments which the taxpayer was required to pay under a support instrument for the support of a child of the taxpayer, and

"(B) with respect to which the notice requirements of paragraph (3) are met.

"(3) NOTICE REQUIREMENTS.—

"(A) IN GENERAL.—During January of the second calendar year following a calendar year in which there begins a taxable year for which a deduction allowed under section 166(f) was claimed, the eligible taxpayer shall send a notice (in such form as the Secretary may prescribe) to the individual who failed to make payments which contains—

"(i) the amount of the applicable child support payments for such taxable year, and

"(ii) notice that the individual is required to include such amount in gross income for the taxable year beginning in the preceding calendar year.

"(B) NOTICE BY SECRETARY.—If notice cannot be provided under subparagraph (A) because the address is not known to the eligible taxpayer, the Secretary shall send such notice if the address is available to the Secretary.

"(C) ADDRESS UNKNOWN.—If notice cannot be provided under subparagraph (A) or (B) because there is no known address, no income shall be included in gross income for any taxable year beginning before the calendar year preceding the calendar year in which such notice may be sent.

"(4) SUBSEQUENT PAYMENTS.—If any payment required to be included in gross income under paragraph (1) is subsequently made, the amount of such payment shall be allowed as a deduction for the taxable year in which such payment is made.

"(5) DEFINITIONS.—For purposes of this subsection, the terms 'applicable child support payments' and 'eligible taxpayer' have the meanings given such terms by section 166(f).

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1991.

OUTLINE: CHILD SUPPORT TAX INCENTIVES

Bill uses tax law regarding bad debt deductions and discharge of indebtedness to help parents who cannot collect child support and to prevent windfall for parents who do not pay child support.

BAD DEBT DEDUCTION

Clarifies that taxpayers, principally mothers, who are not paid child support owed to them to take a bad debt deduction for the amount of the child support that is not paid.

Deduction is allowed for taxpayers who do not itemize their deductions. Above the line deduction.

Bad debt deduction is allowable up to $5,000 in unpaid child support per child per year. Threshold is indexed for inflation.

Deduction is allowable only if taxpayer's adjusted gross income does not exceed $50,000 per year. Threshold is indexed.

Deduction is allowable for any periodic payment of a fixed amount that is required to be paid.

Requirement for payment to be made must be found in a legally enforceable agreement, decree or order. Encourages taxpayer to obtain enforceable child support right.

No deduction is allowed for first year in which payments are not made. Encourages taxpayers who owe or are owed child support to work out initial problems with payments.

In subsequent years, the deduction is allowable only if at least $500 in child support payments have not been paid. Once threshold is exceeded, full amount of non-payment is deductible.

The taxpayer claiming the deduction must identify the children with respect to whom child support payments are required to be made and, to the extent possible, the taxpayer who is required to make these payments. Same standard as in welfare reform law.

The deduction is allowed for child support payments to any child for whom an exemption for a dependent is allowable.

If the child support payments for which a deduction has been taken subsequently are paid the mother must include payments as taxable income in the year in which they are paid.

Mother is not barred from seeking to collect the child support that is owed by father. Value of deduction is only 15% or 28% of value of payments, so mother has incentive to seek collection of full amount rather than simply taking deduction.

DISCHARGE OF INDEBTEDNESS

Requires taxpayers, principally fathers, to pay tax on the amount of any child support payments they do not make as a discharge of such indebtedness. Prevents windfall for fathers who fail to pay child support.

When mother claims bad debt deduction, father is notified by the mother or the I.R.S. of the amount of the unpaid child support payments and that he must include this amount in his gross income on his next tax return.

If the father subsequently pays the child support that is due, he may claim a deduction for such payments in the year in which they are paid.

Minimal I.R.S. burden involved. Taxpayer claiming deduction must have legally enforceable order and record of non-payment. Taxpayer who allegedly has failed to make payments may dispute obligation to pay or provide records of payments. A simple and objective process. Current penalties for fraudulent tax claims prevents abuse.

BUDGET IMPACT OF LEGISLATION

Joint Tax Committee finds that tax provisions of the bill raise $30 million in revenue over a five year period. This is true because fathers, who pay tax, are in higher tax brackets than mothers, who claim deduction.

POLICY ISSUES WITH LEGISLATION

A mother who cannot collect a child support debt should be treated the same for tax purposes as a businessman who cannot collect a debt. This is simple equity.

A father who refuses to pay child support payment debt should be treated the same for tax purposes as a borrower who is discharged from a debt by the lender. This is simple equity.

Legislation gives mothers incentive to obtain legal order requiring payments to be made and gives fathers incentive to make payment to mother rather than to I.R.S.

Legislation helps children of families where no child support payments are made. It penalizes fathers who fail to make required child support payments.

Discharge of indebtedness for fathers pays for bad debt deduction for mothers and fee waivers.

Mr. REID. Mr. President, I rise today to join Senator BUMPERS in offering a solution to a national dilemma. It is not a new one, however. The legislative proposal we will introduce today is a new approach to a problem, an approach that I believe is fair and an approach that will have positive effects nationwide.

The dilemma about which I speak is a problem of many single mothers who have been awarded child support payments but never see a penny of that child support payment. It is a problem of which I have been aware for many years.

Prior to coming to this body, Mr. President, I was an attorney, and a part of my practice consisted of divorce cases. One of the things that I really liked getting involved in was divorce cases. Not a lot of lawyers like to, but I did. The reason that I did, I received great satisfaction out of getting things for women who deserved it.

I found in my law practice that men with children are not very responsible, and statistically, as we will talk about in a minute, that is true. As a result of my experience in courtrooms, I believe this legislation is even more meaningful. The statistics relating to nonpayment of child support show an ever-increasing problem. It is worse than when I practiced law.

According to the 1989 Bureau of Census data, there are approximately 10 million mothers who live with children under 21 years of age where there is no father present. Of these mothers, almost 60 percent have been awarded child support payments, and, according to the Bureau, only one-half of these mothers ever see the child support that is due them. We will talk about these statistics a little more.

The State of Nevada is not an exception to this problem. The Office of Child Support Enforcement within the Department of Health and Human Services here in Washington keeps tabulations for each State on child support paid to mothers who have registered for some form of Federal assistance. It is my understanding that this data represents about 75 percent of the total number of mothers that are due some form of child support. According to the records they have kept through 1989, less than 16 percent of the child support due to Nevada mothers is ever collected—16 percent. There is no doubt that this is a serious problem.

It is widely accepted that divorced or separated mothers earn less than the father after the separation. The courts determine the amount of child support based on this fact. Yet, according to the statistics I have cited, it will be a safe guess that many of these mothers are forced into situations where they must work two jobs to pay the bills of their family because they do not receive the child support payments the courts have ordered to be paid. It is no wonder that the poverty rate for children is skyrocketing and the educational qualifications of our youth is ever declining.

Mr. President, I read a book written last year by a woman by the name of Hewlett. It is a book called "When the Bow Breaks." It is a depressing book but glaringly alarming to me, as I think it is to every Member of Congress. Let me give you some statistics out of this book "When the Bow Breaks."

Two and a quarter million more children are poor today than 10 years ago. What are the causes of poverty? Drop in wages, divorce rates, and child abandonment. We think of child abandonment as where a mother and father just leave the little kids in a car and take-off, or leave from a home and go someplace, or leave the kids with the grandparents and take off. But that is not, in fact, what it is. Child abandonment in this book is when a father abandons the children, and that is what happens a lot of times.

Mr. President, the rate of divorce has tripled between 1960 and 1982. After divorce, ex-wives' hiring standards drop by 30 percent. After divorce, men's incomes increase 8 percent; a woman's drops 30 percent. One-half of all divorced fathers after the divorce fail to see their children. Let me repeat that. After divorce, 50 percent of the fathers never see their children. Two-thirds of these fathers fail to pay child support.

Between 1978 and 1987, Government spending on children dropped 4 percent when it should have been increasing with some of the statistics I am giving. Today, 50 percent of preschool children have working mothers, and it goes without saying the mothers have to work, single mothers, and, as I indicated earlier, some two jobs.

In 1990, 12 percent of children lived alone with their mothers. In 1988, 24 percent of children—it has doubled in that short period of time—lived alone with their mothers. Forty-one percent of divorced men, when the divorce takes place, agree to pay child support. Fifty-one percent of mothers entitled to child support get child support, 25 percent who are entitled to child support get partial support, and 23 percent of those entitled to child support get nothing.

It is interesting because these same men, Mr. President, keep their car payments up. Seventy-five percent of them keep their car payments up. The number of women holding two or more jobs has gone up 500 percent between 1970 and 1990. Fifty percent of all divorced fathers fail to see their children. That goes without saying, because we have already established that 50 percent of them abandon them basically.

Full-time workers that are women only earn 71 percent of what men earn doing the same kind of work. The statistics go on and on and on.

Mr. President, none of the statistics are good. This legislation that we are talking about here today, Senator BUMPERS and I, is being introduced today because it will create some tax fairness regarding the situation about which I have spoken. It will create an incentive for the payment of court-ordered child support. We need an incentive.

I have memories of the way that men try to get out of paying child support that is really unbelievable. Had I not been there representing the women I would not believe it. We need more incentive and maybe the Tax Code will do that.

This legislation is really very simple. It provides the same tax status to single parents that exists for businesses when they are owed money but cannot collect it. If a business cannot collect money that is owed to them, they are allowed to write that debt off of their taxes as a bad debt. In addition, when the business writes off this bad debt, the borrower who has defaulted must pay taxes on the amount that is written off.

That is, in effect, what we are doing here.

It is only fair that single parents in the same situation be allowed the same tax advantage or penalty. In other words, should a single parent—in most cases a single mother—who has custody of a dependent child not receive the child support that is due to her, she should be able to take a tax deduction for the uncollected portion of the amount she is owed.

On the other hand, should the other single parent—in most cases the father—not pay the child support he has been ordered to pay, he should have to pay tax on the amount unpaid.

Mr. President, that is exactly what this legislation does.

Not only is this legislation a good idea, it will raise Federal revenues. As I mentioned above, fathers earn more after a separation than mothers—30 percent more. The amount that fathers will be taxed on what they do not pay far outweighs the amount that mothers will be able to deduct. The Joint Tax Committee has estimated that the difference will provide an additional $30 million over 5 years for this Government.

This legislation makes good sense, good common sense. The tax fairness issue is obvious, but, in addition, it will provide real incentives for the payment of child support that continues to go unpaid in the State of Nevada, the State of Florida, the State of Louisiana, the State of Nebraska, and the State of Illinois. Wherever it is, people simply do not pay that.

The tax fairness is obvious, as I have indicated. I urge my colleagues to join with us in this legislation.

I yield the floor.

Mr. DURENBERGER. Mr. President, I am pleased to join with my colleague, the senior Senator from Arkansas, in the introduction of the Child Support Tax Equity Act of 1992. I commend him, not only for his initiative in addressing the issue of delinquency in child support payments, but also for his innovative approach to ameliorating this widespread problem.

The Child Support Tax Equity Act makes two important changes in the Tax Code which will work to directly address child support delinquency. First, the proposal would provide those taxpayers owed child support funds with the opportunity to take an above-the-line tax deduction for the delinquent debt. Within certain parameters, this is the same treatment which is available to businesses which are unable to collect moneys owed to them. While it is not as valuable as the delinquent payment itself, the deduction can be a significant aid to the expense of raising children.

The rationale for permitting a deduction for delinquencies is that those owed child support, typically mothers, have been promised by the legal system that they will receive support. When they are unable to collect on this legally enforceable debt, they ought to be entitled to at least the same treatment as businesses so that they can more easily provide for their children.

The second change that would be made by the Child Support Tax Equity Act is that delinquent payers of child support, in most cases it is the fathers, would be treated in the same way as those whose business debts are forgiven. Under current law, someone who benefits from the discharge of indebtedness is liable for taxes on the value of this de facto income. Abusers of their child support obligations will now have a tax liability against the value of their delinquency.

Of course, Mr. President, this proposal will not solve all of the problems facing mothers who rely on child support for raising their children, but it can surely help. In examining this proposal, I was pleased to discover that it can also help to reduce the deficit. Because fathers owing child support are usually in a higher tax bracket than the mothers who can claim the deduction, the Child Support Tax Equity Act is expected to raise over $30 million over the next 6 years which can be used for deficit reduction. The potential tax revenues from this proposal will, of course, be reduced if outstanding child support payments are brought up to date. This possibility would delight me, Mr. President, because it would mean that the bill is achieving its goal of reducing the problem of child support delinquencies.

Mr. President, I was dismayed to learn the current size of this problem from the Office of Child Support Enforcement at the Department of Health and Human Services. In 1989 alone, in my State of Minnesota, there were over $100 million in outstanding child support obligations. Even though my State had the third best experience with collecting outstanding obligations that year, with a 74.5-percent success rate, over $25 million went unrecovered. For the women owed child support in 1989, almost 20 percent of their income is attributable to child support payments. In spite of the importance of this source of income, nearly 25 percent of the women owed child support were unable to collect what they were legally entitled to receive from the absent parent.

This money is not owed just to mothers, it is owed to children. It is a disgrace, Mr. President, that this delinquency is so widespread. While the Child Support Tax Equity Act is not a guaranteed solution to the problem, it is a major step forward on behalf of the children of this Nation. I urge my colleagues to join Senator BUMPERS and me in supporting this effort.

By Mr. DECONCINI (for himself, Mr. GRAHAM, Mr. AKAKA, and Mr. DASCHLE):

S. 2515. A bill to authorize the establishment of job training programs for unemployed veterans and persons who have been recently separated from the Armed Forces, to pay certain assistance and benefits to employers of such veterans and persons, such veterans, and such persons to defray certain costs relating to the provision of such training, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS' EMPLOYMENT AND TRAINING ACT

Mr. DECONCINI. Mr. President, I rise today to introduce very important legislation to provide employment assistance to hundreds of thousands of currently unemployed veterans and several hundred thousand active duty military personnel who will be voluntarily or involuntarily separated in the next few months. I am very pleased that Senators GRAHAM, AKAKA, and DASCHLE have joined me as cosponsors.

Mr. President, the number of Americans who are out of work has steadily grown over the past year. Over 8.4 million Americans, including some 917,000 veterans, are currently unemployed. To make matters worse, another 400,000 military personnel will be discharged from our Armed Forces over the next 5 years. Many of the soon-to-be-separated men and women entered the Armed Forces because they were promised a satisfying full-length career. This promise is now broken, and many careers will be cut short through no fault of the individuals involved. As a matter of conscience, we owe these men and women help in their transition from military to civilian life.

The bill we are introducing today, the Veterans Employment and Training Act of 1992, is a revised and expanded version of the emergency Vietnam veterans job training bill of 1983, later known as the veterans job training bill. By providing incentives to employers to hire and train veterans in fields leading to stable, long-term employment, this bill will help recently discharged veterans, those veterans from earlier eras who have been unemployed for longer periods of time, and homeless veterans.

This bill would authorize a 5-year employment and training program. Employers who hire and train veterans under this act will be eligible for payments of up to $5,000 per year to defray the costs of training. Veterans participating in an approved job training program, including apprenticeship programs, may receive up to $1,500 for work-related expenses such as special clothing, tools, bus or car fare, and child care.

Mr. President, more than 2 million veterans are disabled. In many cases, unemployed disabled veterans could work if the worksite were adapted to their special needs or if specialized tools or equipment were provided. My bill therefore includes a special incentive of up to $3,000 for employers hiring disabled veterans for the purpose of worksite modification.

An estimated one-third of all homeless single men are veterans, and 80 to 85 percent of homeless veterans are unemployed.

On any given night, a deplorable 110,000 to 250,000 veterans are homeless. To address the employment problems of these veterans, I have included $5 million to establish pilot projects to provide employment services—including counseling and development of job placement skills—to these veterans.

The bill we offer today is the product of many months of work and incorporates suggestions from the Department of Veterans Affairs and Department of Labor, several veteran service organizations, and both the majority and minority professional staffs of the Senate Committee on Veterans Affairs. Discussions were also held with representatives of the National Coalition for the Homeless and local-level State veteran unemployment services representatives.

I am very appreciative of their contributions to date and once again express my desire to keep each of them involved in the process as this bill moves through the legislative process. The payment mechanisms and administrative details of this bill have been roughed in, but will require fine-tuning to assure the most efficient and effective use possible of funds.

Mr. President, this bill is not a perfect bill. It addresses some but not all of the glitches in the 1983 Emergency Veterans Job Training Act. EVJTA was a very good program which, according to a 1985 evaluation, had a significantly positive impact on participating veterans' employment rates and earnings levels. It was, however, handicapped at two points:

Fiscal policy differences between Congress and the administration; and

The need for interagency coordination between the Veterans' Administration and the Department of Labor.

The EVJTA was funded erratically. In 1984, $150 million was appropriated for the EVJTA. In 1985, it received no additional funding whatsoever. In both 1986 and 1987, we had to fight for the funds needed to sustain it to completion. This uncertain financial support raised questions about the program's viability right from the start.

The fragmentation of program operations between agencies required ongoing, often intensive intraagency and interagency coordination. This tended to divert staff, time, and fiscal resources from other tasks required for program implementation. This bill consolidates activities as much as possible. The Department of Labor will have primary responsibility for implementing the hands-on provisions of this bill. The VA will be responsible for disbursing payments to veterans and employers under this act. Further, I have provided a set-aside to help support new resources needed to implement and administer this program, particularly at local levels.

Mr. President, there is a simple means to assure greater continuity in fiscal support, while also reducing the administrative burden and costs. Unfortunately, this route appears closed for the moment. Employer tax credits would solve both problems by eliminating the need for annual appropriations relative to employers and also any need for employer payments. Unfortunately, the budget summit firewalls and the March 20 deadline for congressional passage of the economic recovery tax bill ruled out this approach at this time. Should another revenue vehicle reemerge during this session, and if reasonable offsets could be located, I would strongly support a tax credit to employers in place of the quarterly payments proposed in my bill.

The Veterans Employment and Training Act would attempt to maximize appropriate matches of veterans with employers by requiring the Department of Veterans Affairs and the Department of Labor to develop an adequate referral process. Close monitoring of the program will also be encouraged by requiring submission of annual status reports to the congressional committees. Last, both the Department of Veterans Affairs and Department of Labor will be encouraged to train their local representatives in the coordination activities necessary for the success of this program.

Mr. President, I fully recognize that veterans represent only one part of our Nation's overall unemployment problem. It is, however, my opinion that we owe special consideration to those who have served in our Armed Forces, especially those who will forever bear the scars of that great personal sacrifice. There is another reason why we should provide the resources and programs necessary to get these discharged men and women on their feet—it is cost effective. Veterans as a group have very high potential for benefiting from a program of job training. Military experience has provided them with discipline; they have drive and energy; and they are eager to make their own way. All they need is a boost to get them going. And that is what I am proposing.

In conclusion, I again thank my distinguished colleagues on the Committee on Veterans' Affairs who have joined me as original cosponsors of the Veterans Employment and Training Act of 1992 and strongly urge my colleagues in the Senate to join us in support of this important legislation for America's veterans.

Mr. President, I ask unanimous consent that the full text of the bill be printed in the RECORD immediately following the conclusion of my remarks, and further ask unanimous consent that a summary of the bill's provisions be printed in the RECORD immediately following the text of the bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2515

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Veterans' Employment and Training Act of 1992".

SEC. 2. PURPOSE.

The purpose of this Act is to address the problem of severe and often continuing unemployment among veterans by providing incentives to certain employers to permit such employers to defray the costs of training veterans (including veterans who have been recently separated from an Armed Force as a result of the current reduction in the size of the Armed Forces) and to encourage such employers to employ and train such veterans in stable and permanent positions of employment for which significant training is required.

SEC. 3. DEFINITIONS.

In this Act:

(1) The term "Secretary" means the Secretary of Veterans Affairs.

(2) The terms "veteran", "Armed Forces", "compensation", "service-connected", "State", and "active military, naval, or air service" have the meanings given such terms in paragraphs (2), (10), (13), (16), (20), and (24) of section 101 of title 38, United States Code, respectively.

SEC. 4. AUTHORITY TO CARRY OUT PROGRAMS.

(a) IN GENERAL.—In accordance with the provisions of this Act, the Secretary and the Secretary of Labor shall assist eligible veterans in obtaining employment with eligible employers in permanent and stable positions of employment that require significant training. Assistance shall be provided under this Act through—

(1) the payment of training assistance to employers who employ and train eligible veterans in such positions to assist such employers in defraying the costs of such training; and

(2) the provision to such veterans of training benefits and appropriate counseling to assist such veterans in receiving such training.

(b) ASSISTANCE IN CARRYING OUT PROGRAM.—The Secretary of Labor shall carry out that Secretary's responsibilities under this Act through the Assistant Secretary of Labor for Veterans' Employment and Training referred to in section 4102A of title 38, United States Code.

SEC. 5. ELIGIBILITY OF VETERANS FOR PARTICIPATION IN JOB TRAINING PROGRAMS.

(a) IN GENERAL.—A veteran may participate in a job training program under this Act if—

(1) the veteran is eligible for such participation under subsection (b);

(2) the veteran submits to the Secretary of Labor an application for a certificate of eligibility for participation in the program under subsection (c); and

(3) the Secretary of Labor issues such a certificate to the veteran under subsection (d).

(b) ELIGIBILITY.—(1) A veteran is eligible to participate in a job training program if—

(A) the veteran—

(i) is unemployed at the time the veteran submits an application for a certificate of eligibility for participation under subsection (c); and

(ii) has been unemployed for at least 10 of the 15 weeks immediately preceding the date of the veteran's commencement of participation in the program; or

(B) the veteran was separated from active military, naval, or air service not more than 10 weeks before the commencement of such participation.

(2) For purposes of paragraph (1), the term "veteran" means a veteran who—

(A) performed service in the active military, naval, or air service for a period of more than 90 days; or

(B) was discharged or released therefrom for a service-connected disability.

(3) For the purposes of paragraph (1), a veteran shall be considered to be unemployed during any period that the veteran is not employed and wants and is available for employment.

(c) APPLICATION FOR CERTIFICATE OF ELIGIBILITY.—(1) A veteran who desires to participate in a job training program under this Act shall submit to the Secretary of Labor an application for a certificate of eligibility for participation in such a program. Such an application shall—

(A) include a statement by the veteran that the veteran meets the criteria for eligibility referred to in subsection (b); and

(B) contain such other information as the Secretary of Labor shall prescribe.

(2) The Secretary of Labor shall prescribe the form of an application under this subsection.

(d) CERTIFICATE OF ELIGIBILITY.—(1) Subject to paragraph (2), the Secretary of Labor shall issue to each veteran who meets the eligibility requirements referred to in subsection (b) and who submits an application for a certificate of eligibility under subsection (c) a certificate of eligibility for participation in a job training program under this Act.

(2) The Secretary of Labor may withhold the issuance of a certificate of eligibility under this subsection to any veteran if the Secretary of Labor determines that it is necessary to limit the number of veterans who participate in job training programs under this Act by reason of a lack of funds to carry out such programs.

(e) APPEAL OF DENIAL OF CERTIFICATE.—The Secretary of Labor shall permit each veteran who is not issued a certificate of eligibility under subsection (d) (other than a veteran who is not issued such a certificate by reason of paragraph (2) of that subsection) to challenge in a hearing before the Secretary of Labor the failure of the Secretary of Labor to issue the certificate. The Secretary of Labor shall prescribe procedures with respect to the initiation and conduct of hearings under this subsection.

(f) PERIOD FOR COMMENCEMENT OF PARTICIPATION UNDER CERTIFICATE.—A veteran who is issued a certificate of eligibility for participation in a job training program under this section shall commence participation in such a program not more than 90 days after the date of the issuance of the certificate. The date on which a certificate is furnished to a veteran shall be stated on the certificate.

(g) RENEWAL OF CERTIFICATE.—A veteran may apply for a renewal of a certificate of eligibility for participation in a job training program (including a renewal of a renewed certificate). The application for the renewal of any such certificate shall be treated as an initial application for such a certificate under this section.

SEC. 6. EMPLOYER JOB TRAINING PROGRAMS.

(a) IN GENERAL.—Job training shall be provided to veterans under this Act by eligible employers through job training programs that meet the requirements of this section.

(b) ELIGIBLE EMPLOYERS.—An employer is eligible to provide job training to veterans through a job training program under this Act if, as determined by the Secretary of Labor, the employer intends to provide such training in a field of employment providing the reasonable probability of stable, long-term employment.

(c) REQUIREMENTS OF JOB TRAINING PROGRAMS.—Except as provided in subsection (d) and subject to subsections (f) and (g), in carrying out a job training program under this Act, an employer shall agree as follows:

(1) To identify a stable and permanent position of employment of the employer—

(A) in which there is a vacancy at the time of the identification;

(B) that requires an employee with significant training; and

(C) for which the employer is willing to provide such training.

(2) To devise a training program of such period and having such content, training materials, and instructors as are necessary to provide an employee with such training.

(3) To employ and train in the position on a full-time basis a veteran who—

(A) has been issued a certificate of eligibility for participation in such a program under section 5(d); and

(B) is not already qualified for employment in that position by reason of prior training or experience.

(4) To provide the veteran with such training for a period that is not longer than the period customarily required by similar employers in the community of the employer, if any, to provide similar training to the employees of such employers.

(5) During such employment and training, to provide the veteran with compensation and other benefits that are similar to the compensation and other benefits provided by the employer to non-veteran employees during such training.

(6) If practicable, to employ the veteran in that position upon the veteran's completion of the program.

(d) RESTRICTIONS ON EMPLOYMENT POSITIONS.—An employer may not employ a veteran in a job training program under this Act if—

(1) the training is for a position of employment—

(A) that consists of seasonal, intermittent, or temporary employment;

(B) for which the primary pay is commissions;

(C) that includes political or religious activities; or

(D) in any department, agency, instrumentality, or branch of the Federal Government (including the United States Postal Service or the Postal Rate Commission);

(2) the training under the program will not be carried out in the United States; or

(3) the employment of the veteran during the training—

(A) will result in the displacement (including any reduction in hours of non-overtime work, wages, or employment benefits or other partial displacement) of employees currently employed by the employer; or

(B) will be in a position of employment—

(i) while any other employee of the employer is currently laid off from the position or a substantially similar position; or

(ii) for which there is a vacancy as a result of the employer's reduction of the workforce of the employer (including the termination of any regular employee) for the purpose of employing the veteran under the program.

(e) JOB TRAINING THROUGH EDUCATION.—An eligible employer may provide job training to veterans under this Act, in whole or in part, by permitting such veterans to pursue or enroll in programs of education that—

(1) are offered by educational institutions that meet the requirements of chapter 36 of title 38, United States Code; and

(2) do not violate any provision of that chapter.

(f) LIMITATIONS ON TRAINING PERIODS.—(1) Except as provided in paragraph (2), an employer shall provide a period of training under a job training program under this Act of not less than six months or more than two years.

(2) An employer may provide a period of training under a job training program of three months to six months if the Secretary of Labor determines that a program of training of that period will satisfy the purposes of a job training program under this Act.

(g) ADDITIONAL REQUIREMENTS.—The Secretary of Labor may prescribe such additional requirements with respect to job training programs under this section as the Secretary of Labor determines are necessary to carry out the purposes of this Act.

SEC. 7. APPROVAL OF EMPLOYER JOB TRAINING PROGRAMS.

(a) IN GENERAL.—The Secretary of Labor shall approve each job training program established by an employer under this Act. The Secretary of Labor shall approve such programs in accordance with this section.

(b) SUBMITTAL OF APPLICATION FOR APPROVAL.—An employer who intends to carry out a job training program under this Act shall submit to the Secretary of Labor an application for approval of that program. The application for approval shall contain the following:

(1) A statement that the employer is an eligible employer under section 6(b).

(2) A statement that the proposed job training program of the employer meets the requirements for such programs established in section 6, together with such documentation to support that statement as the Secretary of Labor may prescribe.

(3) A statement of—

(A) the total number of hours of participation required of a veteran under the program;

(B) the number of weeks that the veteran will participate in the program; and

(C) the starting wages (and other compensation) of the veteran under the program.

(4) A description of—

(A) the training objective of the program; and

(B) the training content of the program (including the intent, if any, of the employer to permit the veteran to pursue or enroll in a program of education under section 6(e)).

(5) In the event that training under the program will include a veteran's pursuit of or enrollment in a program of education under section 6(e), a statement of the manner in which such training will include the program of education.

(c) APPROVAL OF THE SECRETARY OF LABOR.—The Secretary of Labor shall approve a job training program of an employer under this section if the Secretary of Labor determines from the information contained in the application for approval submitted by the employer under subsection (b) that the program meets the requirements for such a program under this Act.

(d) APPRENTICESHIP PROGRAMS.—(1) Except as provided in paragraph (2), a program of apprenticeship or other on-job training that meets the requirements of section 3687 of title 38, United States Code, shall be considered to be a job training program that is approved by the Secretary of Labor under this section.

(2) A program of apprenticeship or other on-job training shall not be considered to be a job training program that is approved by the Secretary of Labor under this subsection if it provides for apprenticeship or training for any position of employment referred to in section 6(d)(1).

(e) DISCONTINUATION OF APPROVAL.—(1) The Secretary of Labor may discontinue approval of any job training program previously approved under subsection (c) if the Secretary of Labor determines that—

(A) the program no longer meets the requirements of an approved program under this section; or

(B) the rate of the successful completion of the program by participating veterans is unacceptably low (when compared with rates of such completion for other such programs) by reason of deficiencies in the program.

(2) In making the determination referred to in paragraph (1)(B), the Secretary of Labor shall take into account any information that the Secretary of Labor considers to be relevant, including—

(A) the information collected in the quarterly assessment referred to in section 17(b) relating to—

(i) the number of veterans who are provided with job training under this Act;

(ii) the number of veterans who receive counseling in connection with job training provided under this Act;

(iii) the number of veterans who complete such training; and

(iv) in the case of veterans who do not complete such training, the reasons for such lack of completion; and

(B) data compiled through employer compliance surveys.

(3) A job training program that is disapproved by the Secretary of Labor under paragraph (1) shall not be an approved job training program for the purposes of this section.

(4)(A) Upon disapproving a job training program under this subsection, the Secretary of Labor shall notify the employer carrying out the program and any veterans participating in the program of that disapproval. The notice shall contain—

(i) a statement of the reasons for that Secretary's disapproval of the program; and

(ii) a statement that the employer and such veterans are entitled to challenge the disapproval in a hearing before the Secretary of Labor.

(B) Any notice under this paragraph shall be by certified or registered letter, return receipt requested.

(5)(A) The Secretary of Labor may reapprove any program that the Secretary of Labor has disapproved under paragraph (1) if the Secretary of Labor determines that the employer has taken appropriate remedial actions with respect to those matters upon which the Secretary of Labor based the disapproval.

(B) A program that is reapproved under this paragraph shall be considered to be a job training program that is approved by the Secretary of Labor for the purposes of this section.

SEC. 8. PAYMENTS OF TRAINING ASSISTANCE AND OTHER ASSISTANCE TO EMPLOYERS.

(a) IN GENERAL.—The Secretary shall pay training assistance to employers who provide job training to veterans in job training programs under this Act.

(b) AMOUNT OF PAYMENT.—(1) Subject to paragraph (2), for each payment period referred to in subsection (c) during which an employer provides job training to a veteran under this Act, the Secretary shall pay training assistance to the employer of the veteran on behalf of the veteran in an amount equal to 50 percent of the product of—

(A) the rate of the starting hourly wage (excluding overtime or premium pay) of the veteran under the program; and

(B) the number of hours worked by the veteran during the period.

(2) The amount paid to an employer on behalf of a veteran in any year under paragraph (1) may not exceed $5,000.

(c) PAYMENT PERIOD.—(1) Except as provided in paragraph (2), the Secretary shall pay training assistance to employers under this section on a quarterly basis.

(2) The Secretary may pay training assistance to an employer on a monthly basis if the Secretary determines (pursuant to regulations prescribed by the Secretary) that the number of employees of the employer is such that the payment of assistance on a quarterly basis would be burdensome to the employer.

(d) APPROVAL OF SECRETARY OF LABOR.—The Secretary shall pay training assistance to an employer for a quarterly or monthly period (as the case may be) after—

(1) the Secretary of Labor receives the certifications with respect to that period referred to in subsection (e);

(2) the Secretary of Labor approves of the payment of such assistance for that period based upon such certifications; and

(3) the Secretary of Labor transmits notice of such approval to the Secretary.

(e) Certifications Relating to Payment.—(1) Subject to paragraph (2), with respect to each period for which an employer seeks payment of training assistance on behalf of a veteran under this section, the following shall be submitted to the Secretary of Labor:

(A) By the employer, a certification—

(i) that the employer provided the veteran with training during the period;

(ii) of the number of hours worked by the veteran in the program during the period; and

(iii) that the progress of the veteran in the training program during the period was satisfactory.

(B) By the veteran, a certification that the veteran was provided with job training by the employer in a job training program on a full-time basis during the period.

(2) The first certification submitted to the Secretary of Labor by an employer under paragraph (1)(A) and by a veteran under paragraph (1)(B) shall include—

(1) the date on which the veteran commenced participation in the job training program; and

(2) the rate of the starting hourly wage of the veteran under the program.

(f) Payment of Assistance To Accommodate Disabled Veterans.—(1) The Secretary shall pay accommodation assistance to employers who provide job training to disabled veterans under this Act to permit such employers to make modifications of the facilities or equipment of such employers on behalf of such veterans to facilitate the training and employment of such veterans.

(2) To be eligible for the payment of accommodation assistance for modifications of facilities or equipment made on behalf of a disabled veteran under this subsection, an employer shall submit to the Secretary of Labor—

(A) prior to the commencement of such modifications, a detailed proposal relating to such modifications, including the estimated cost of such modifications; and

(B) upon the completion of such modifications, any documentation that the Secretary may require that indicates (i) that the employer has completed such modifications, and (ii) the final cost of such modifications.

(3)(A) The Secretary of Labor shall—

(i) approve each proposal for modifications submitted to the Secretary of Labor under paragraph (2)(A);

(ii) approve the cost of each modification indicated in the documentation submitted to the Secretary of Labor under paragraph (2)(B); and

(iii) transmit a notice of each such approval to the Secretary.

(B) The Secretary of Labor shall approve the cost of a modification of facilities or equipment under paragraph (A)(ii) only if the Secretary of Labor determines that the cost of the modification is reasonable.

(4) The Secretary shall pay as accommodation assistance under this subsection the cost of any modification approved by the Secretary of Labor under paragraph (3)(A)(ii). The total amount of accommodation assistance payable to an employer for modifications made by the employer on behalf of a disabled veteran under this subsection may not exceed $3,000.

(5) Each employer paid accommodation assistance under this subsection shall permit the Secretary of Labor reasonable access to the facilities and equipment of the employer to enable the Secretary of Labor to ensure that the employer has made the modifications of such facilities and equipment in accordance with the proposals and documentation submitted to the Secretary of Labor by the employer.

(6) For the purposes of this subsection, modifications of facilities or equipment on behalf of a disabled veteran shall include any improvement, alteration, or purchase of facilities or equipment that is necessary to make the facilities or equipment readily accessible to, and usable by, a disabled veteran.

(g) Overpayment.—(1) A payment of training assistance (other than accommodation assistance under subsection (f)) to an employer on behalf of a veteran for a quarterly or monthly period, as the case may be, shall be an overpayment of assistance for that period if the Secretary or the Secretary of Labor determines that—

(A) during that period, the employer—

(i) has failed to comply in material respect with the requirements of this Act; and

(ii) is responsible for such failure;

(B) the payment is based upon the willful submittal by the employer to the Secretary of Labor in a certification under subsection (d)(1)(A) of material information that the employer knows to be false;

(C) the payment is based upon the willful or negligent submittal by the veteran to the employer of any material information that is false;

(D) the payment is based upon the willful or negligent submittal by the veteran to the Secretary of Labor in an application for a certificate of eligibility for participation in the program under section 5(b) of any material information that is false; or

(E) the payment is based upon the willful or negligent submittal by the veteran to the Secretary of Labor in a certification under subsection (d)(1)(B) of any material information that is false.

(2)(A) An employer shall be liable to the United States for an overpayment referred to in subparagraph (A) or (B) of paragraph (1).

(B) A veteran shall be liable to the United States for an overpayment referred to in subparagraph (C), (D), or (E) of that paragraph.

(h) Recovery of Overpayment.—(1) Except as provided in paragraph (2), the Secretary may recover an overpayment under this section by any method that is provided by law for the recovery of amounts owing to the Federal Government. Any overpayment recovered shall be credited to the account relating to the funds available to carry out this Act. If there is no such account, any overpayment recovered shall be covered into the Treasury.

(2) The Secretary may waive the recovery of an overpayment under this section, in whole or in part, in accordance with the provisions of section 5302 of title 38, United States Code.

SEC. 9. TRAINING BENEFITS FOR VETERANS.

(a) In General.—The Secretary shall pay training benefits to veterans who participate in job training programs under this Act. The purpose of such training benefits is to assist such veterans in defraying the cost of work-related expenses. The total amount of training benefits payable to a veteran by the Secretary under this section may not exceed $1,500.

(b) Approval of Secretary of Labor.—A veteran shall be entitled to the payment of a training benefit for work-related expenses incurred by the veteran if—

(1) the veteran submits to the Secretary of Labor an application for payment (in such form and including such documentation as the Secretary of Labor may require) stating the amount of any such expenses incurred by the veteran as a result of the veteran's participation in a job training program under this Act; and

(2) the Secretary of Labor approves the payment of a training benefit with respect to such expenses.

(c) Administration of Payment.—The Secretary of Labor, in consultation with the Secretary, shall prescribe the manner of the payment of training benefits under this section, including the period and frequency of the payment of benefits to veterans and the means of ensuring the prompt payment of benefits to veterans by the Secretary.

(d) Overpayment.—(1) A veteran shall not be entitled to the payment of a training benefit under this section if the veteran terminates participation in a job training program prior to the scheduled date of the completion of the program by the veteran.

(2) In the event that the Secretary determines that a veteran has been paid a training benefit to which the veteran was not entitled, the amount of the benefit paid to the veteran to which the veteran was not so entitled shall constitute an overpayment of the benefit and a liability of the veteran to the United States.

(e) Recovery of Overpayment.—(1) Subject to paragraph (2), the United States may recover an overpayment of a training benefit from a veteran by any method that is provided by law for the recovery of amounts owing to the Federal Government.

(2) The Secretary may waive the recovery of an overpayment of a training benefit, in whole or in part, in accordance with the provisions of section 5302 of title 38, United States Code.

(f) Definition.—For the purposes of this section, the term "work-related expenses", in the case of a veteran who participates in a job training program under this Act, means any expenses incurred by the veteran by reason of such participation, including expenses for the purchase of work clothes and tools, car or bus fare, and the provision of child care.

SEC. 10. PROHIBITION ON COMMENCEMENT OF JOB TRAINING PROGRAMS UNDER CERTAIN CIRCUMSTANCES.

(a) In General.—An employer may not provide a veteran with job training under a job training program if the Secretary determines that, on the date on which the employer intends to commence providing such training, there are insufficient funds available under this Act to carry out the program.

(b) Commencement of Program.—Each employer shall—

(1) notify the Secretary of the employer's intention to commence furnishing job training to a veteran under a job training program not less than 14 days before such commencement; and

(2) commence the program in accordance with that notification unless the Secretary advises the employer within the 14-day period referred to in paragraph (1) that there are insufficient funds available under this Act to carry out the program.

(c) Additional Requirement Relating to Commencement of Program.—An employer who provides a veteran with job training in a job training program under this Act shall provide the veteran with a copy of the application for approval of the program submitted by the employer to the Secretary of Labor under section 7(b).

SEC. 11. INVESTIGATION AND MONITORING OF PROGRAMS BY THE SECRETARY OF LABOR.

(a) IN GENERAL.—(1) The Secretary of Labor shall ensure that the job training programs carried out under this Act (including the activities of veterans and employers under such programs) are carried out in accordance with the provisions of this Act. In ensuring such compliance, the Secretary of Labor may investigate any matter relating to a job training program (including any application of a veteran for a certificate of eligibility under section 5(c), any employer application for approval of a program under section 7(b), and any program records under subsection (b) of this section).

(2) In conducting an investigation under paragraph (1), the Secretary of Labor may enter onto the premises at which an employer furnishes job training under a job training program and question employees of the employer (including any veterans who are provided with job training under the program) with respect to the program.

(b) PROGRAM RECORDS.—(1) Each employer that provides job training in a job training program under this Act shall maintain such records of the provision of such training as are necessary for the Secretary of Labor to monitor the provision of such training. The Secretary of Labor shall prescribe the form and content of such records.

(2) The Secretary of Labor shall have reasonable access to the records maintained by employers under paragraph (1) for the purpose of monitoring the provision of job training by such employers.

SEC. 12. COORDINATION WITH OTHER JOB TRAINING ASSISTANCE PROGRAMS.

(a) PROHIBITION ON RECEIPT OF CREDIT OR ASSISTANCE FOR VETERANS PARTICIPATING IN CERTAIN OTHER PROGRAMS.—(1) An employer may not be paid training assistance on behalf of a veteran under section 8 during the period referred to in paragraph (3) if, during that period, the employer is allowed a tax credit or is paid an allowance for that veteran under any of the following provisions of law:

(A) Chapters 31, 32, 34, 35, or 36 of title 38, United States Code.

(B) The Job Training Partnership Act (29 U.S.C. 1501 et seq.).

(C) Section 44B of the Internal Revenue Code of 1986 (relating to tax credits for employment of certain new employees).

(2) A veteran may not be paid training benefits under section 9 during the period referred to in paragraph (3) if, during that period, the veteran is paid or receives a benefit or allowance under any of the provisions of law referred to in subparagraphs (A) through (C) of paragraph (1).

(3) The period referred to in this paragraph is the period beginning on the date on which an employer begins to provide job training to a veteran under a job training program under this Act and ending on the date on which the employer ceases to provide such training to the veteran under the program.

(b) PROHIBITION ON RECEIPT OF CREDIT OR ASSISTANCE FOR VETERANS WHO COMPLETE CERTAIN PROGRAMS.—An employer may not be paid training assistance under section 8 on behalf of a veteran, and a veteran may not be paid benefits under section 9, for participation of the veteran in a job training program under this Act if the veteran has completed a program of job training under this Act or under the Veterans' Job Training Act (29 U.S.C. 1721 note).

SEC. 13. COUNSELING AND CASE MANAGEMENT SERVICES.

(a) AUTHORITY TO PROVIDE COUNSELING SERVICES.—(1)(A) The Secretary and the Secretary of Labor may provide the employment counseling services and employment guidance services referred to in subparagraph (B) to veterans who are issued certificates of eligibility for participation in a job training program under section 5(d).

(B) The counseling services and guidance services authorized under this paragraph are services relating to the development of any job-readiness skills and services relating to any other assistance that a veteran may require (as determined by the Secretary and the Secretary of Labor) to enable the veteran to participate in a job training program under this Act, including assistance relating to the resolution of difficulties encountered by the veteran in finding, applying for, and participating in a job training program that is suitable to the veteran.

(2) In the event that the Secretary and the Secretary of Labor exercise the authority to provide counseling services to veterans under this subsection, the Secretary and the Secretary of Labor shall—

(A) upon the issuance to a veteran of a certificate of eligibility for participation in a job training program under section 5(d), advise veterans of the availability of such counseling services;

(B) urge such veterans to request such services; and

(C) provide such services to veterans upon the request of such veterans.

(3) To the extent practicable, the Secretary and the Secretary of Labor shall coordinate the provision of counseling services and guidance services under this subsection, if any, with counseling services provided under sections 1712A, 4103A, 4104, 7723, and 7724 of title 38, United States Code.

(b) CASE MANAGEMENT SERVICES.—(1) The Secretary of Labor shall establish a program of case management services under which the Secretary of Labor shall provide the services described in paragraph (2) to the veterans referred to in paragraph (3) and (4).

(2) The Secretary of Labor shall provide case management services under this subsection as follows:

(A) By assigning to each veteran eligible for such services under this subsection a case manager who is a disabled veterans' outreach program specialist appointed pursuant to section 4103A of title 38, United States Code.

(B) By ensuring that the veteran has a personal interview with the outreach specialist not later than 60 days after the date on which the veteran commences participation in a job training program under this Act.

(C) By ensuring that the veteran meets personally with the outreach specialist on a monthly basis for the purpose of—

(i) preventing the unnecessary voluntary or involuntary termination of the veteran from the program;

(ii) referring the veteran to appropriate counseling, if necessary;

(iii) following the veteran's progress in the program;

(iv) facilitating the veteran's successful completion of the program; and

(v) assessing the veteran's participation in and, as applicable, completion of the program.

(3)(A) Except as provided in subparagraph (B), the Secretary of Labor shall provide case management services under this subsection to any veteran who—

(i) is issued a certificate of eligibility for participation in a job training program under this Act; and

(ii) notifies the Secretary of Labor that the veteran has identified an employer with which the veteran will participate in such a program.

(B) The Secretary of Labor is not required to provide a veteran with case management services referred to in paragraph (2)(C) if—

(i) on the basis of a personal interview between the veteran and an outreach specialist under paragraph (2)(B), the outreach specialist recommends that the veteran does not need such services and the Secretary of Labor ratifies that recommendation; or

(ii) the Secretary of Labor determines that—

(I) the employer of the veteran under the program has an appropriate and effective employee assistance program that is available to the veteran; or

(II) the rate of successful completion of the program by veterans on the date the veteran intends to commence participation in the program (either during the course of the entire program or during the calendar year preceding that date) is more than 60 percent.

(4) Notwithstanding paragraph (3), the Secretary of Labor, after consultation with the Secretary, shall provide case management services under this section to each veteran—

(A) whose participation in a job training program is terminated (either voluntarily or involuntarily); and

(B) who applies to the Secretary of Labor for a certificate of eligibility for participation in another such program under section 5(c).

(d) COUNSELING INFORMATION.—(1) The Secretary and the Secretary of Labor shall carry out a program to provide to veterans who participate in a job training program under this Act information relating to the availability and scope of the following:

(A) The counseling services and guidance services, if any, provided under subsection (a).

(B) The case management services, if any, provided under subsection (b).

(C) The supportive services and resources available to service-connected disabled veterans and veterans who are recently separated from military service under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1721 et seq.).

(D) Any additional counseling services, guidance services, and other support services and resources available to veterans through appropriate Federal, State, and local agencies.

(2) In order to facilitate the provision of services and information to veterans under paragraph (1), the Secretary and the Secretary of Labor shall advise the veterans referred to in that paragraph of the availability, if any, of such services and information not later than the date upon which the Secretary of Labor issues a certificate of eligibility for participation in a job training program under section 5(d).

(e) PAYMENT FOR THE PROVISION OF COUNSELING AND OTHER SERVICES.—(1) Notwithstanding any other provision of law, the Secretary may enter into contracts with appropriate entities or individuals for the provision by such entities or individuals of counseling services, guidance services, case management services, or other services under this section. Such contracts shall contain any terms or conditions that the Secretary determines to be necessary to ensure the appropriate provision of such services and to protect the interests of the United States.

(2) The Secretary may pay entities or individuals for the provision of services under paragraph (1) in accordance with the contracts entered into with such entities or individuals under that paragraph. Any such

payments shall be made from the account relating to the funds available for readjustment benefits referred to in section 3104(a)(7)(B) of title 38, United States Code.

(3) The total amount that the Secretary may pay out of the account referred to in paragraph (2) for the provision of services under this subsection in any fiscal year may not exceed an amount equal to 2 percent of the amount obligated to carry out the purposes of this Act in that fiscal year.

SEC. 14. INFORMATION AND OUTREACH SERVICES.

(a) INFORMATION AND OUTREACH SERVICES.—Subject to subsection (b), the Secretary and the Secretary of Labor shall carry out a program of public information and outreach under which program the Secretary and the Secretary of Labor shall—

(1) inform veterans of the job training programs (and other employment opportunities) provided for under—

(A) this Act;

(B) chapters 30, 31, 36, 41, and 42 of title 38, United States Code; and

(C) any other applicable provisions of law, as determined by the Secretary and the Secretary of Labor;

(2) inform private businesses (including small businesses), appropriate public agencies and organizations, institutions of higher education, trade associations, and labor organizations of such training programs and employment opportunities; and

(3) promote the development of job training and employment opportunities for veterans by—

(A) encouraging employers to create job training programs under this Act;

(B) advising appropriate Federal departments and agencies of the authority provided for under this Act for the establishment of job training programs; and

(C) advising employers of the responsibilities of employers of veterans under chapters 41 and 42 of title 38, United States Code.

(b) COORDINATION OF PROGRAMS.—To the extent practicable, the Secretary and the Secretary of Labor shall coordinate the provision of public information and outreach program under this section with the provision of job counseling, placement, development, and other services under chapters 41 and 42 of title 38, United States Code, and with the provision of similar services offered by other Federal, State and local agencies and organizations.

SEC. 15. ADDITIONAL ASSISTANCE AND RESOURCES.

(a) PERSONNEL.—(1) The Secretary shall make available in regional and local offices of the Department of Veterans Affairs, and the Secretary of Labor shall make available in regional and local offices of the Department of Labor, such personnel as are necessary to carry out the provisions of this Act.

(2) In carrying out the responsibilities of the Secretary of Labor under this Act, the Secretary of Labor shall, to the maximum extent practicable, make use of the services of Directors for Veterans' Employment and Training and Assistant Directors for Veterans' Employment and Training appointed under section 4103 of title 38, United States Code, disabled veterans' outreach program specialists appointed pursuant to section 4103A of that title, and local veterans' employment representatives appointed under section 4104 of that title.

(b) ASSISTANCE OF SMALL BUSINESS ADMINISTRATION.—(1) The Secretary of Labor shall obtain from the Administrator of the Small Business Administration a list of small businesses that are suitable businesses (as determined by the Administrator in consultation with the Secretary of Labor) to carry out job training programs under this Act.

(2) The Administrator of the Small Business Administration shall update the list referred to in paragraph (1) on a regular basis (as determined by the Secretary of Labor).

(c) USE OF RESOURCES AVAILABLE UNDER JOB TRAINING PARTNERSHIP ACT.—(1) To facilitate the carrying out of job training programs under this Act, the Secretary of Labor shall, to the extent practicable, use such resources as are available to assist service-connected disabled veterans and veterans who are recently separated from military service under part C of title IV of the Job Training Partnership Act (29 U.S.C. 1721 et seq.).

(2) The Secretary of Labor shall assist veterans who are denied certificates of eligibility for participation in job training programs under section 5 in taking advantage of any opportunities available to such veterans under any programs carried out pursuant to title III of the Job Training Partnership Act (29 U.S.C. 1651 et seq.) or under any other similar programs that are carried out with funds made available to the Secretary of Labor.

SEC. 16. PILOT PROGRAM OF EMPLOYMENT SERVICES FOR HOMELESS VETERANS.

(a) IN GENERAL.—(1) In each of fiscal years 1993 through 1997, the Secretary of Labor shall award grants to the entities referred to in paragraph (2) with which such entities shall provide employment assistance (including counseling and other assistance) to homeless veterans. The Secretary of Labor shall prescribe procedures for the award of such grants.

(2) An entity entitled to a grant under this subsection is any non-profit entity determined by the Secretary of Labor (under regulations prescribed by that Secretary) to have special expertise or experience in the provision of employment assistance to homeless individuals or in other employment matters relating to such individuals.

(b) FUNDING LIMITATION.—In carrying out this section, the Secretary of Labor may use not more than $5,000,000 of the funds obligated or otherwise made available to the Department of Veterans Affairs and the Department of Labor in each of fiscal years 1993 through 1997 pursuant to the authorization of appropriations referred to in section 20.

SEC. 17. PROGRAM ASSESSMENT.

(a) IN GENERAL.—The Secretary of Labor, in consultation with the Secretary, shall evaluate on an annual basis the status of the programs authorized and carried out under this Act to ensure that such programs satisfy the purposes of this Act.

(b) QUARTERLY ASSESSMENT.—The Secretary of Labor shall collect on a quarterly basis from appropriate officials of State employment services or offices and the Directors of Veterans' Employment and Training of each State in which job training programs are carried out under this Act the following information:

(1) The number of veterans in the State who were certified for participation in such programs under section 5(d) during the previous calendar quarter.

(2) The number of such veterans who participated in such programs during that period.

(3) The number of such veterans who completed participation in such programs during that period.

(4) The number of veterans who terminated (either voluntarily or involuntarily) participation in such programs, and the reasons for each such termination.

(5) Such other information as the Secretary of Labor, in consultation with the Secretary, determines to be appropriate for the purposes of ensuring the effective administration of the programs.

SEC. 18. REPORTS.

(a) PRELIMINARY REPORT.—(1) Not later than 90 days after the date of the enactment of this Act, the Secretary of Labor shall submit to the committees referred to in paragraph (2) a report on—

(A) the actions taken by the Secretary and the Secretary of Labor to implement this Act; and

(B) the estimated administrative costs of carrying out this Act.

(2) The Secretary of Labor shall submit the report under paragraph (1) to the following:

(A) The Committee on Veterans' Affairs of the Senate.

(B) The Committee on Labor and Human Resources of the Senate.

(C) The Committee on Veterans' Affairs of the House of Representatives.

(D) The Committee on Education and Labor of the House of Representatives.

(b) ANNUAL REPORTS.—Not later than March 31, 1994, and on an annual basis thereafter, the Secretary of Labor shall submit to the committees referred to in subsection (a)(2) a report containing the following:

(1) The general assessment of the Secretary of Labor under section 17(a) of the programs carried out under this Act during the calendar year preceding the report.

(2) The quarterly assessments carried out by the Secretary of Labor under section 17(b) for each of the four calendar quarters preceding the date of the report.

(3) A statement by the Secretary relating to—

(A) amounts paid by the Secretary to employers and veterans under this Act during such calendar quarters;

(B) any obligation of funds in connection with the implementation of this Act that is projected by the Secretary for the calendar year following the report;

(C) a general assessment by the Secretary of the adequacy and timeliness of payments made by the Secretary under this Act; and

(D) such other information as the Secretary considers appropriate relating to the process of making payments to employers and veterans under this Act.

(4) Any additional assessments, matters, or recommendations that the Secretary of Labor or the Secretary consider appropriate.

SEC. 19. TERMINATION OF PROGRAM.

An employer may not be paid training assistance on behalf of a veteran under section 8 and a veteran may not be paid training benefits under section 9 with respect to any training provided to the veteran in a job training program under this Act if the training is provided after September 30, 1997.

SEC. 20. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION OF APPROPRIATIONS.—(1) There is authorized to be appropriated to the Department of Veterans Affairs and the Department of Labor for the purpose of carrying out the provisions of this Act the following:

(A) $75,000,000 in fiscal year 1993.

(B) $100,000,000 in fiscal year 1994.

(C) $125,000,000 in fiscal year 1995.

(D) $125,000,000 in fiscal year 1996.

(E) $100,000,000 in fiscal year 1997.

(2) Amounts appropriated pursuant to this section shall remain available until September 30, 1997, without fiscal year limitation.

(b) LIMITATION ON OBLIGATION FOR ADMINISTRATIVE COSTS.—Not more than 5 percent of the amount appropriated or otherwise made available to the Department of Veterans Affairs and the Department of Labor in a fiscal year pursuant to the authorization of appropriations for that fiscal year under subsection (a) may be obligated for administrative activities of the Secretary or the Secretary of Labor under this Act.

SUMMARY—VETERANS' EMPLOYMENT AND TRAINING ACT OF 1992

Section 1. Short Title: Veterans' Employment and Training Act of 1992.

Section 2. Purpose: To address the problem of severe and often continuing unemployment among veterans by providing incentives to employers to hire and train veterans in stable and permanent positions of employment.

Section 3. Definitions.

Section 4. Provides that the Secretary of Veterans Affairs and the Secretary of Labor shall assist eligible veterans in obtaining employment in permanent and stable positions requiring significant training.

Section 5. Provides that the Secretary of Labor certify veterans to participate in a job training program under this Act if the veteran meets requirements established by this section and submits an application for such a certificate. The Secretary may withhold issuance of a certificate of eligibility if it is necessary to limit the number of participants in job training programs due to lack of funds. Veterans denied certificates of eligibility may appeal the denial. Veterans must commence participation in a job training program within 90 days of the date the certificate is issued.

Section 6. Establishes requirements for approval of a job training program under this Act. Employers seeking approval of a job training program must provide such training in a field having reasonable probability of stable, long-term employment. They must devise an appropriate training program, and employ and train a certified veteran in that position. In general, an employer shall provide a period of training of not less than six months nor more than two years. Veterans in job training programs are to receive compensation and benefits similar to those provided by the employer to non-veteran employees. If practicable, the employer is to retain the veteran in the position for which the veteran was trained upon completion of the training program.

Section 7. Provides that the Secretary of Labor shall approve each job training program established by an employer in accordance with the requirements of this section. Job training programs may include certain apprenticeships or other on-job training programs. The Secretary of Labor may discontinue approval of a program if that program no longer meets the established requirements or if the rate of successful completion of the program by participating veterans is unacceptably low.

Section 8. Provides that the Secretary of Labor shall approve payment of training assistance to employers upon receipt from the employer of certifications required by this section. The Secretary of Veterans Affairs shall pay training assistance to eligible employers upon notice of approval from the Secretary of Labor. Payments shall equal the product of 50 percent of the hourly wage of the veteran and the number of hours worked by the veteran during the period, and shall not exceed $5,000 per annum. In addition, employers may receive up to $3,000 for the modification of facilities or equipment on behalf of a disabled veteran hired and trained under this Act.

Section 9. Provides that the Secretary of Veterans Affairs shall pay certified veterans participating in an approved job training program under this Act up to $1,500 to defray such work-related expenses as the purchase of work clothes and tools, car or bus fare, and the provision of child care.

Section 10. Prohibits commencement of job training programs under certain circumstances. An employer may not provide a veteran with job training under this Act if the Secretary of Veterans Affairs determines that, on the date on which the employer intends to commence providing such training, there are insufficient funds to carry out the program. Employers must notify the Secretary of Veterans Affairs at least 14 days before commencing a program of job training, and may commence the program after 14 days unless the Secretary of Veterans Affairs notifies them otherwise.

Section 11. Provides for the investigation and monitoring of job training programs. The Secretary of Labor may investigate any matter relating to the job training program. The Secretary of Labor shall prescribe the form and content of records to be maintained by employers providing job training under this Act, and shall have reasonable access to such records for monitoring purposes.

Section 12. Provides for coordination with other job training assistance programs to assure that employers and veterans do not receive payments under this Act if they are receiving payments in the form of tax credits, training assistance, or training benefits under another training assistance program. Payments may not be made to an employer or a veteran under this Act if the veteran has previously completed a program of job training under this Act or under the Veterans' Job Training Act.

Section 13. Provides that the Secretary of Veterans Affairs and the Secretary of Labor may provide employment counseling and employment guidance services to certified veterans to enable such veterans to participate in a job training program under this Act. The Secretary of Labor shall establish a program of case management services for certain certified veterans.

Section 14. Provides for establishment of a public information and outreach program to inform veterans of the job training programs provided under this and other Federal training programs; and to inform private businesses, appropriate public agencies, and others of such training programs.

Section 15. Provides that the Secretary of Veterans Affairs and Secretary of Labor make available in regional and local offices such personnel as are needed to carry out the provisions of this Act. The Secretary of Labor shall, to the maximum extent practicable, make use of other available resources including services of Directors for Veterans' Employment and Training, the Small Business Administration, and the Job Training Partnership Act.

Section 16. Provides that the Secretary of Labor shall establish a pilot program to provide employment services, including counseling and other assistance, to homeless veterans. In carrying out this section, the Secretary of Labor may use not more than $5,000,000 per year of funds made available under this Act.

Section 17. Provides that the Secretary of Labor shall collect information on the job training programs on a quarterly basis. The Secretary of Labor, in consultation with the Secretary of Veterans Affairs, shall annually evaluate the status of the programs authorized and carried out under this Act to ensure that they satisfy the purposes of this Act.

Section 18. Establishes reporting requirements under this Act. Not later than 90 days after the effective date of this Act, the Secretary of Labor shall submit a report on the actions taken to implement this Act and supply estimated administrative costs for carrying it out. The Secretary shall also submit annual reports assessing the job training programs carried out under this Act.

Section 19. Provides for termination of the programs carried out under this Act on September 30, 1997.

Section 21. Authorizes to be appropriated to the Department of Veterans Affairs and the Department of Labor for carrying out the provisions of this Act: $75,000,000 in FY 1993; $100,000,000 in FY 1994; $125,000,000 in FY 1995 and FY 1996; and $100,000,000 in FY 1997. Amounts appropriated pursuant to this section shall remain available until September 30, 1997, without fiscal year limitation. Not more than 5 percent of the amount made available under this section may be obligated for administrative activities under this Act.

By Mr. BINGAMAN (for himself, Mr. NUNN, Ms. MIKULSKI, Mr. KERREY, and Mr. LIEBERMAN):

S. 2516. A bill to amend the National Security Act of 1947 to revise the functions of the National Security Council and to add the Secretary of Commerce, the Secretary of the Treasury, and the United States Trade Representative to the statutory membership of the National Security Council; to the Committee on Armed Services.

NATIONAL SECURITY COUNCIL AMENDMENTS

• Mr. BINGAMAN. Mr. President, today, I am introducing the National Security Council Amendments of 1992. This is one of two bills that Senators NUNN, MIKULSKI, KERREY, and LIEBERMAN and I are introducing today. I particularly want to note the contribution of Senator NUNN and Senator MIKULSKI in drafting this legislation; we've been working closely to try to adapt cold war policy and institutions to a post cold war world.

I am pleased to announce that Congressman AUCOIN and Congressman MCCURDY introduced the identical bills today. I am delighted to have collaborate with them on this important legislation.

This bill, and the companion bill, the National Advanced Research Projects Agency Act of 1992, adjusts Government policies in light of the end of the cold war to improve our technological competitiveness and increase our national security, especially our national economic security.

These bills draw on the recommendations of a recent report of the Carnegie Commission on Science, Technology and Government entitled, "Technology and Economic Performance: Organizing the Executive Branch for a Stronger National Technology Base." That report was prepared by a distinguished task force that included Adm. Bobby Inman, chair, Dr. William Perry, Dr. Lewis Branscomb, and Dr. Robert Solow. In drafting our legislation, my colleagues and I have benefited greatly from the work of this expert group.

CHANGING NATURE OF NATIONAL SECURITY

The scope and nature of the national security threat facing the United States have fundamentally changed in recent years. The former Soviet Union has ceased to exist, its economy shattered. The Warsaw Treaty Organization has been dissolved. The nations of Eastern Europe and the former Soviet Union have embarked upon an ambitious course to remake their societies based on the principles of democracy and free market economics. These events have led to reduce military threats and lessened international tensions.

Coincident with the reduction of direct military threats, there has been an increased recognition of the relative importance of economic growth, trade, and technology as the underpinnings of the long-term strength and security of the United States.

True national security is founded upon a vigorous and broad-based national economy. An economy that provides advanced and critical technologies for national defense as well as commercial products. An economy that provides adequate manufacturing in the United States to assure productive employment for each American who desires it. An economy that consistently spurs higher productivity and provides a rising standard of living for American citizens. Based on these standards, we have not achieved true national security.

In fact, we are experiencing limited economic growth. We have enormous budget and trade deficits, and a huge international debt. We are becoming increasingly and excessively dependent on foreign suppliers for vital industrial goods and energy. We face unacceptable constraints on this country's policy options in military affairs, foreign affairs, and economic affairs. This means that as a Nation we do not have the money to spend on such domestic necessities as education, plant and equipment, and infrastructure. We do not have the money to spend to ease the difficulties facing underdeveloped nations or the former Soviet republics. We are unable to assure an uninterruptable domestic supply of critical industrial goods, not only for our important commercial enterprises, but also to properly support our military in times of crisis. And we recently were forced to go to war in the Persian Gulf to secure sources of oil for this country and the world.

The National Security Council Amendments of 1992 will not solve the problems of deficits, debt, and dependence. In fact, this bill would make relatively modest changes in the organization of the Government. However, the bill is a crucial step toward recognizing the vital role that economics, trade, and technology play in assuring the long-term national security of this country. It will also improve the organizational environment for fully addressing these problems.

NATIONAL SECURITY COUNCIL AMENDMENTS OF 1992

The National Security Council amendments recognize that economic strength, and the resultant benefits to national security, can best be obtained through planning and the coordination of strategic economic, trade, and technology policies.

The bill contains two amendments to the National Security Act of 1947. The first would revise the functions of the National Security Council to encompass advising the President on matters of domestic policy, foreign policy, foreign trade, and military policy as they affect national security—including national economic security.

The second amendment would encourage broader coordination and strategic planning by making the Secretary of Commerce, the Secretary of the Treasury, and the U.S. Trade Representative statutory members of the National Security Council. When matters of national security are discussed and policies determined by the highest councils of Government, the caretakers of the Nation's economic health will have a place at the table. The additional membership on the National Security Council will assure that the hard choices and difficult problems we are facing today are fully considered.

How will we manage defense conversion and downsizing with the minimum of dislocation? How will this country adjust to the economic challenges of a united Europe and a burgeoning Japan? How will we achieve energy security? How will we pursue the need for export controls without unnecessarily limiting international sales of our most competitive industries? These are the kinds of issues that are vital to the future of this country and that, under its amended charter, the National Security Council must consider in all their ramifications.

TECHNOLOGY POLICY AND NATIONAL SECURITY

The clearest link between our Nation's economic performance and its national security is a strong science and technology base. Unfortunately, the trends are not encouraging. Our commercial technological leadership has eroded in many areas. And in fast-moving fields, where defense technology historically led commercial technology, the reverse is now true. Moreover, that reversal, together with complex military accounting and procurement policies, mean that the commercial technology base is less and less accessible to the Department of Defense.

In effect, the United States now has two technology bases—one tied to the defense industry, the other tied to commercial industry. This inefficiency is particularly striking at a time of growing convergence between the underlying technologies that support military and commercial activities—computers, electronics, software, and advanced materials, to name the most important.

If we are to reverse this decline, we must move toward a cutting-edge technology base that will serve both military and commercial needs—a national technology base. Such a move would allow the Department of Defense to draw more easily from the commercial sector to meet national security needs. At the same time, it would allow DOD's continuing support of technology to contribute substantially more to the Nation's commercial performance and the growth of our economy.

The National Security Council, under its amended charter, could give particular attention to issues related to the strengthening of the national technology base. This approach reflects the view that economic performance is critically important to national security and that technological vitality is of central importance to the economy.

CONCLUSION

The changed nature of the threat to the security of the United States is readily apparent to all who care to look. The need to recognize the economic challenges facing us and respond to those challenges is urgent.

Moreover, the emphasis on economic security need not jeopardize traditional military might. The key is an integrated national technology base, which would strengthen simultaneously the capabilities of Government and industry.

We are entering an era in which it is imperative that we link our economic policy and our military policy—a significant departure from past practice. But that link will have to be forged through the policy development process at the highest level of the executive branch. This bill, by expanding the charter and membership of the National Security Council, seeks to begin that process.

Mr. President, I ask unanimous consent that the text of the National Security Council Amendments of 1992 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2516

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Security Council Amendments of 1992".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The scope and nature of the national security threat facing the United States has fundamentally changed as a result of the dissolution of the Soviet Union and the Warsaw Treaty organization.

(2) Coincident with the reduction of direct military threats, there has been an increasing recognition of the relative importance of

economics, trade, and finance to the long-term strength and security of the United States.

(3) Limited economic growth, budget deficits, international debt, and excessive dependence on foreign sources for vital industrial goods and sources of energy constitute unacceptable constraints on the Nation's policy options in defense, foreign, and economic affairs.

(4) National security is founded upon (A) a vigorous and broad-based national economy which provides advanced and critical technologies for national defense as well as commercial products, (B) adequate production in the United States to provide productive employment for each American who desires it, and (C) a rising standard of living for American citizens.

(5) Economic strength, and the resultant benefits to national security, can best be obtained through planning and the coordination of strategic economic, trade, and financial policies.

(6) There is a pressing need to increase the level of presidential attention to economic and technological issues that directly affect national security.

SEC. 3. FUNCTIONS OF THE NATIONAL SECURITY COUNCIL.

Section 101(a) of the National Security Act (50 U.S.C. 402(a)) is amended in the third undesignated paragraph—

(1) by inserting "foreign trade," after "foreign,";

(2) by inserting "Federal" before "Government"; and

(3) by inserting ", including national economic security" before the period at the end.

SEC. 4. MEMBERSHIP OF THE NATIONAL SECURITY COUNCIL.

Section 101(a) of the National Security Act of 1947 (50 U.S.C. 402(a)) is amended in the fourth undesignated paragraph—

(1) by striking out clauses (5) and (6);

(2) by redesignating clause (7) as clause (8); and

(3) by inserting after clause (4) the following:

"(5) the Secretary of Commerce;

"(6) the Secretary of the Treasury;

"(7) the United States Trade Representative; and".●

By Mr. BINGAMAN (for himself, Mr. NUNN, Ms. MIKULSKI, Mr. KERREY, and Mr. LIEBERMAN):

S. 2517. A bill to amend title 10, United States Code, to rename the Defense Advanced Research Projects Agency as the National Advanced Research Projects Agency, to expand the mission of that agency, and for other purposes; to the Committee on Armed Services.

NATIONAL ADVANCED RESEARCH PROJECTS AGENCY ACT

● Mr. BINGAMAN. Mr. President, today I am introducing the National Advanced Research Projects Agency Act of 1992. This is one of two bills that Senators NUNN, MIKULSKI, KERREY and LIEBERMAN and I are introducing today. I particularly want to note the contribution of Senator NUNN and Senator MIKULSKI in the drafting of this legislation; we've been working closely to try to adapt cold war policy and institutions to a post-cold-war world.

I am pleased to announce that Congressman AUCOIN and Congressman MCCURDY are introducing identical bills. I am delighted to have collaborated with them on this important legislation.

This bill, and the companion bill, the National Security Council Amendments of 1992, adjust Government policies in light of the end of the cold war to improve our economic competitiveness and increase our national security, especially our national economic security. These bills also recognize the urgent need to move toward a single, national technology base. Distinctions between defense technology and civilian technology have blurred, and the effective integration of these two, largely separate, technology bases will strengthen the capabilities of both Government and industry.

The bills I introduce today draw on the recommendations of a recent report of the Carnegie Commission on Science, Technology and Government entitled, "Technology and Economic Performance: Organizing the Executive Branch for a Stronger National Technology Base." That report was prepared by a distinguished task force that included Adm. Bobby Inman, chair, and Dr. William Perry, Dr. Lewis Branscomb, and Dr. Robert Solow. In drafting our legislation, my colleagues and I have benefited greatly from the work of this expert group.

DECLINE OF U.S. TECHNOLOGICAL LEADERSHIP

The Carnegie Commission identified three adverse changes in America's technological position since the 1960's.

First, our commercial technological leadership has eroded in many areas—a trend that has received widespread attention. For example, a recent report from the private sector Council on Competitiveness, "Gaining New Ground: Technology Priorities for America's Future," warned that our country's position in many critical technologies is slipping and, in some cases, has been lost altogether. American industry faces particular problems in process technology and its application to manufacturing and production systems.

Second, in fast-moving dual-use fields—those with both commercial and defense applications—the Department of Defense has gone from being a technological leader to a follower. Although defense technology investments still have a powerful impact on commercial technology, the defense technology base is increasingly dependent on developments in the larger and more dynamic commercial sector.

Moreover, dual-use technologies account for an increasing share of the basic technologies critical to the military. Electronics, software, and new materials are among the technologies critical both to economic competitiveness and to advanced weapon systems. Thus even though defense and commercial products continue to diverge from one another, the supporting technologies are increasingly converging.

Third, the commercial technology base has become less and less accessible to the Department of Defense, both because of the rapid growth of commercial technology and because of complex military accounting and procurement policies. In effect, the United States now has two technology bases—one tied to the defense industry, the other tied to commercial industry.

These changes, in the view of the Carnegie Commission and other experts, add up to a significant relative decline in America's technological position. Moreover, this occurs at a time when the end of the cold war is bringing reduced defense budgets.

If we are to reverse this decline, we must move toward a single, cutting-edge technology base that will serve both military and commercial needs—a national technology base. Such a move would allow the Department of Defense to draw more easily from the commercial sector to meet national security needs. At the same time, it would allow DOD's continuing investments in technology to contribute substantially more to the Nation's commercial performance and the growth of our economy.

NATIONAL ADVANCED RESEARCH PROJECTS AGENCY ACT OF 1992

The National Advanced Research Projects Agency Act of 1992 is designed to help integrate defense and commercial technologies into a strong, unified, national technology base.

The act transforms the Defense Advanced Research Projects Agency [DARPA] into the National Advanced Research Projects Agency [NARPA], The new NARPA's mission is threefold.

First, NARPA would remain in the Department of Defense, and it would continue to support technologies of potential military importance, as viewed from a longer term perspective than the individual services can be expected to take. Many of NARPA's projects would no doubt continue to draw on defense firms, and some—like the Stealth fighter programs in the 1980's—would be highly classified or even black programs.

Second, however the new NARPA would focus more heavily on dual-use technology and reach out to commercial firms that traditionally have not worked with the Department of Defense.

To elaborate, an increasing fraction—but not all—of the work supported by NARPA would involve technologies with both defense and commercial applications. For example, computers, software, and electronics—areas of increasing military importance—are also areas in which commercial technology is often more sophisticated than defense technology. In such areas, NARPA would be charged with moving the Nation toward a strong, unified, national technology base. The Department of Defense would benefit by getting faster and cheaper access to commercial technology, and commercial firms would benefit by the availability of additional Federal R&D dollars.

To accomplish this, NARPA would reach out to nondefense firms and rely more heavily on the cooperative agreement, in place of the contract, as the legal mechanism for supporting research. DARPA currently controls all decisions about technical goals and project management. To attract firms that traditionally have not worked with DOD, NARPA will have to operate more collaboratively.

Third, NARPA would be allowed to support advanced technologies that are primarily aimed at the missions of other Federal departments and agencies, but only when other agencies request and pay for that support. The National Security Agency is a model for NARPA in this regard. DOD is the predominant customer of the National Security Agency, but NSA has a charter to meet the security needs of the State Department and other departments and agencies—an approach that has proven both efficient and effective.

To help NARPA carry out its charter, the act creates an interagency executive committee to advise the Secretary of Defense and the head of NARPA on policies, priorities and programs of the Agency. This committee would be composed of the Director of the White House Office of Science and Technology Policy, the Director of Defense Research and Engineering, and the Under Secretary of Commerce for Technology. The Director of OSTP would chair the executive committee.

The interagency executive committee would serve to provide NARPA both with a broad understanding of technological capabilities in Government and industry and with the means to coordinate with other Federal technology agencies. We view this not as intrusion into DOD's decisionmaking process, but rather as a necessary reinforcement of NARPA's dual-use charter.

The act also would raise the status of both the Director of NARPA to a level IV, and the Director of Defense Research and Engineering to a level III, in keeping with the high level of responsibility attached to those positions.

WHAT THIS ACT DOES NOT DO

To anticipate potential criticisms of this bill, let me also tell you what it does not do.

First, the bill does not raid the Department of Defense budget in order to bolster commercial competitiveness. By leaving NARPA within DOD, we have assured continuing support for purely military projects. Moreover, we have not given NARPA the job of fixing the competitive problems of U.S. industry. DOD could not fix industry's competitive problems even if it wanted to.

But DOD must be able to engage more effectively with the commercial sector, for its own sake. Dr. Lewis Branscomb, an author of the Carnegie Commission report and for many years IBM's chief scientist, put it this way at a Joint Economic Committee hearing last fall:

> [T]he fact of the matter is that unless DARPA has a charter to explore dual-use technology, it's going to go down the tubes with the rest of the Defense Department into a defense ghetto. We'll go back to having arsenals, and we will have a poorly defended country. . . . DARPA and the rest of the Defense Department is going to have to realize that the United States now lives in a world of technology, most of which is private, a large part of which is not even located in the United States. Defense is going to have to use it.

Second, the transformation of DARPA into NARPA does not open the door to unrestricted Federal involvement in commercial technology development. On this point, it's worth recalling that DARPA's traditional approach was to support fundamental research with long-term importance, even if there was no direct or immediate military application. For example, DARPA supported pathbreaking R&D by the commercial computer industry on the grounds that DOD was a major user of computers and that acceleration of the technology would benefit military procurement of commercial products. Industrial spinoffs were traditionally a conscious objective of DARPA's project managers in computers and elsewhere.

In recent years, however, internal DOD budget pressures and other factors have forced DARPA to narrow its sights, to the detriment of the Nation's commerical technology base and, ultimately, DOD itself. Kenneth Flamm, a technology specialist at the Brookings Institution, describes the cyclical process by which DARPA's "tolerance for visionary research projects with only indirect military relevance has been followed by budgetary distress and renewed emphasis on immediate applications, engineering, and working hardware."

> Even today, when economic competition with Japan is high on the agenda of projects like DARPA's strategic computing program, military research expenditure is constantly forced to define itself in terms of concrete military applications. Strategic computing, for example, must channel a significant portion of its funds to traditional military contractors, and evidence of production of concrete military applications—deliverables—must be presented to justify continued funding. "Kenneth Flamm, Targeting the Computer: Government Support and International Competition." Washington, DC: The Brookings Institution, 1987, p. 190.

Congress has offset adverse pressures on DARPA to some degree with additional funds for dual-use technology, but the problem remains.

In short, the bill I am introducing today does not seek to enlarge, but rather to restore, DARPA's traditional role in the Department of Defense. That role puts DOD's mission first, to be sure. But it sees that mission as requiring a national technology base, rather than a defense industry "ghetto," to use Dr. Branscomb's phrase. The indirect effect of that approach would be to enhance NARPA's contribution to the national technology base even as the agency funded a smaller fraction of the Nation's technical effort.

Finally, the transformation of DARPA to NARPA does not preclude the expansion of the Commerce Department's Advanced Technology Program or the creation of other, NARPA-like entities in civilian agencies—approaches I would fully support.

CONCLUSION

The convergence of technologies that support commercial and military activities makes it possible to move to a single national technology base. Moreover, DOD's declining access to the commercial sector, where much leading-edge technology now resides, makes the move to a national technology base necessary as well. DARPA, with its proven ability to develop pathbreaking dual-use technologies, is the logical organization to help bring about this transition.

Toward that end, the National Advanced Research Projects Agency Act of 1992 adjusts the name and formal charter of DARPA. In part, through the creation of NARPA we seek to restore DARPA's traditional approach to dual-use technologies such as computers. That approach—characterized by support for visionary research with only indirect military relevance—has too often been abandoned in the face of DOD pressures. But the act envisions more. It seeks to raise the fraction of DARPA's resources devoted to dual-use technologies, in keeping with the increasing convergence of commercial and military support technologies. The act also enables DARPA to undertake R&D projects for other departments and agencies, while recognizing that DOD remains its major customer.

Commercial firms in the United States should benefit from the transformation of DARPA into NARPA. To the extent that DOD's current technology investments do not span the commercial-military divide, 60 percent of Federal R&D funds are going to support only 6 percent of our GNP. Increased support for commercial industry is not the major justification for this act, however. Rather it is to ensure military readiness by eliminating what has aptly been called the ghettoization of defense technology.

In short, we are entering an era in which it is imperative that we link our competitive policy and our military policy. That marks a departure from past practice, which treated national security and industrial competitiveness as separate, and often contradictory goals. This act acknowledges their growing commonality and takes a major step toward helping to achieve it.

Mr. President, I ask unanimous consent that the text of the National Advanced Research Projects Agency Act of 1992 be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2517

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Advanced Research Projects Agency Act of 1992".

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) United States leadership in commercial manufacturing has eroded in many sectors at the same time that growth in the world technology base and the globalization of industrial activities have increased international economic interdependence.

(2) The Department of Defense no longer leads the national technology base of the United States in setting priorities for research and development of emerging and advancing technologies having both defense and commercial applications as the demands of commercial enterprises for increasingly complex systems and subsystems now define the priorities for research and development of technologies having commercial applications.

(3) The commercial technology base of the United States has become increasingly inaccessible to the defense technology base of the United States, in part because of complex accounting and procurement policies and procedures applicable to Department of Defense research and development activities, and in part because commercial research and development has grown much more rapidly than defense research and development.

(4) The future economic and military security of the United States depends on technological advances impelled by commercial needs.

(5) Although primary responsibility for the advancement and use of commercial technology rests with private industry, the Federal Government must work deliberately to advance civilian, as well as military, technological capacity in order to create a truly national technology base in the United States.

(b) PURPOSES.—The purposes of this Act are—

(1) to rename the Defense Advanced Research Projects Agency (DARPA) as the National Advanced Research Projects Agency (NARPA);

(2) to expand the mission of that agency to include not only the conduct of research, development, and prototyping of advanced technologies having only defense applications, but also the conduct of research and development of advanced technologies having nondefense as well as defense applications;

(3) through performance of that expanded mission by the agency, to provide a stronger linkage between the modern military needs of the Armed Forces of the United States and the high technology needs of commercial industry in the United States;

(4) to ensure that NARPA retains the responsibility to the military departments that DARPA has had while the agency helps to create a national, rather than solely a defense, technology base; and

(5) to direct NARPA to support research and development of—

(A) generic technologies having commercial as well as military applications;

(B) long-range, high-risk technologies having the potential to yield significantly beneficial results for the prosperity and security of the United States; and

(C) advanced technologies leading to products that meet the mission objectives of nondefense agencies of the Federal Government when requested and supported by those agencies.

SEC. 3. NATIONAL ADVANCED RESEARCH PROJECTS AGENCY.

(a) DARPA RENAMED.—The Defense Advanced Research Projects Agency, an agency within the Department of Defense, is hereby renamed the "National Advanced Research Projects Agency".

(b) STATUTORY CHARTER FOR NARPA.—(1) Chapter 8 of title 10, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER III—NATIONAL ADVANCED RESEARCH PROJECTS AGENCY

"Sec.
"211. Establishment and administration.
"212. Functions and duties.
"213. Private sector participation.
"214. Support by other departments and agencies.

"§ 211. Establishment and administration

"(a) IN GENERAL.—The National Advanced Research Projects Agency is a Defense Agency.

"(b) DIRECTOR.—(1) The head of the agency is the Director.

"(2) The Director is appointed by the President, by and with the advice and consent of the Senate. The Secretary of Defense, after consultation with the executive committee established by subsection (d), shall recommend persons for appointment to the position of Director.

"(3) Subject to the authority, direction, and control of the Secretary of Defense, the Director shall carry out the mission and perform the duties provided in section 212 of this title.

"(c) DEPUTY DIRECTOR.—(1) There is a Deputy Director of the agency who is appointed by the Director with the approval of the Secretary of Defense.

"(2) The Deputy Director performs such duties and exercises such authority as may be prescribed by the Director with the approval of the Secretary of Defense.

"(3) When there is a vacancy in the office of Director or in the absence or disability of the Director, the Deputy Director acts as Director and performs the duties, and exercises the authority, of the Director until a successor is appointed or the absence or disability ceases.

"(d) INTERAGENCY EXECUTIVE COMMITTEE.—(1) There is an interagency executive committee composed of—

"(A) the Director of the Office of Science and Technology Policy, who shall be the chairman of the committee;

"(B) the Director of Defense Research and Engineering; and

"(C) the Under Secretary of Commerce for Technology.

"(2) The executive committee shall advise the Secretary of Defense and the Director of the National Advanced Research Projects Agency regarding policies, priorities, and programs of the agency. The President may assign the executive committee additional duties regarding the agency that the President considers appropriate.

"§ 212. Functions and duties

"(a) IN GENERAL.—The National Advanced Research Projects Agency is the central research and development organization of the Department of Defense. It is a primary responsibility of the agency to maintain the technological superiority of the United States over the potential adversaries of the United States.

"(b) SPECIFIC DUTIES.—The agency shall—

"(1) together with United States industry, federal laboratories, and colleges and universities, pursue (A) imaginative and innovative research and development projects having significant potential for both military and commercial applications, and (B) imaginative and innovative research and development projects having significant potential solely for military applications;

"(2) support and stimulate a national technology base that—

"(A) serves both civilian and military purposes through enhanced technology sharing and otherwise; and

"(B) by so serving both purposes, increases the productivity of both the civilian and military sectors;

"(3) manage and direct the conduct of basic and applied research and development that exploits scientific breakthroughs and demonstrates the feasibility of revolutionary approaches for improved cost and performance of advanced technology having future military applications, including advanced technology also having future civilian applications;

"(4) when requested and supported by a department or agency of the Federal Government not primarily involved in the performance of national security functions, manage and direct the conduct of basic and applied research and development of any other advanced technology that can be applied to increase the capability of that department or agency to attain mission objectives of the department or agency; and

"(5) stimulate increased emphasis on prototyping in defense systems and subsystems by—

"(A) conducting prototype projects embodying technology that might be incorporated in joint programs, programs in support of deployed forces, or selected programs of the military departments; and

"(B) on request of the Secretary of a military department, assisting that military department in any prototyping program of the military department.

"(c) OTHER DUTIES.—The agency shall perform any additional duties that the Secretary of Defense assigns.

"§ 213. Private sector participation

"(a) COOPERATIVE AGREEMENTS.—To the extent practicable, the Director shall enter into cooperative agreements and other transactions with private sector firms in order to carry out research and development within the responsibility of the National Advanced Research Projects Agency, especially research and development of advanced technologies with the potential for having commercial and defense applications.

"(b) PARTICIPATION OF NONDEFENSE FIRMS.—The Director shall take appropriate action to ensure that, among the private sector firms participating in agency research and development activities, there are involved to a significant extent private sector firms that have not had a significant level of involvement in research and development activities of the Department of Defense.

"§ 214. Support by other departments and agencies

"The head of a department or agency of the Federal Government may transfer to the National Advanced Research Projects Agency, out of funds available to that department or agency for research and development, such sums as may be necessary for the National Advanced Research Projects Agency to carry out research and development requested by such department or agency head pursuant to section 212(b)(3) of this title.".

(2) The table of subchapters at the beginning of chapter 8 of such title is amended by inserting after the item relating to subchapter II the following new item:

"III. National Advanced Research Projects Agency .... 211".

SEC. 4. PERSONNEL MATTERS.

(a) PAY RATE OF THE DIRECTOR OF DEFENSE RESEARCH AND ENGINEERING.—(1) Section 5314 of title 5, United States Code, is amended by adding at the end the following:

"Director of Defense Research and Engineering, Department of Defense.".

(2) Section 5315 of such title is amended by striking out the following:

"Director of Defense Research and Engineering.".

(b) PAY RATE OF THE DIRECTOR OF NARPA.—(1) Section 5315 of such title is amended by adding at the end the following:

"Director, National Advanced Research Projects Agency, Department of Defense.".

(2) Section 5316 of such title is amended by striking out the following:

"Director, Advanced Research Projects Agency, Department of Defense.".

SEC. 5. CONFORMING AMENDMENTS AND REFERENCES.

(a) CONFORMING AMENDMENTS.—(1) Section 101(44)(B) of title 10, United States Code, is amended by inserting "by law or" after "designated".

(2) Section 2371(a) of such title is amended by striking out "Defense Advanced Research Projects Agency" and inserting in lieu thereof "National Advanced Research Projects Agency".

(b) REFERENCE IN OTHER LAW.—Any reference in any other law to the Defense Advanced Research Projects Agency shall be deemed to refer to the National Advanced Research Projects Agency.●

By Mr. DODD (by request for himself, Mr. GRAMM, Mr. RIEGLE, Mr. D'AMATO, Ms. KASSEBAUM, Mr. WIRTH, Mr. SANFORD, Mr. MACK, and Mr. KASTEN):

S. 2518. A bill to amend the Securities Act of 1933 and the Investment Company Act of 1940 to promote capital formation for small business and others through exempted offerings under the Securities Act and through investment pools that are expected or exempted from regulation under the Investment Company Act 1940 and through business development companies; to the Committee on Banking, Housing and Urban Affairs.

SMALL BUSINESS INCENTIVE ACT OF 1992

● Mr. DODD. Mr. President, today I am introducing the Small Business Incentive Act of 1992, legislation to facilitate access to the capital markets for small businesses in this country. I am joined in introducing the bill by the ranking minority member of the Securities Subcommittee, Senator GRAMM, as well as Senators RIEGLE, GARN, D'AMATO, KASSEBAUM, WIRTH, SANFORD, MACK, and KASTEN. This legislation was developed by the SEC as part of its small business initiative, and we are introducing it at the request of the agency.

This legislation, together with proposed regulatory changes by the SEC, would reduce the regulatory burdens on offerings of securities by small businesses. In addition, through a number of amendments to the Investment Company Act, the legislation would give venture capital pools, business development companies and other pooled investment vehicles new flexibility to fund small business enterprises.

The bill was the subject of a hearing in the Securities Subcommittee last week. At the hearing, small business representatives and other experts testified in support of the proposed legislation, although they urged us to go farther in addressing the current problems facing small businesses seeking to raise capital. These experts have offered additional recommendations, as we have begun to examine their proposals as well.

My colleagues and I are introducing the legislation today, however, so that we can start the congressional debate on these issues immediately. While some may not agree with everything in the bill, and other believe it should go farther in certain areas, I believe we all agree that if there are steps we can take this year to help small businesses in their efforts to raise capital, we should make every effort to do so.

As we discussed at last week's hearing, the legislation, and the SEC's proposed rules, are highly technical. But the problems they seek to address are not hard to understand. In my part of the country, and in my State, we have been living with them for more than 3 years.

The New England region has been suffering from the longest and hardest recession since the Great Depression of the 1930's. In Connecticut alone, we have lost 165,000 jobs since February 1989.

According to Dun and Bradstreet, business failure in Connecticut last year were up 106 percent over 1990.

The people behind these statistics make the case far better than any numbers, compelling though they may be: Laborers; construction workers; clerical employees; mid-level managers; financial services employees; and small business owners and workers—people have lost their jobs, their businesses, and, in many cases, their homes and their way of life as well.

We are facing a tragedy of enormous proportions, severely deepened by the credit crunch. When banks cannot lend, businesses cannot grow. Good, sound businesses in my State have had to forego opportunities for expansion and for job creation, simply because the capital was not available. Others have had to shrink their operations and lay off good workers; still others have gone bankrupt.

This problem has been especially acute for small businesses, which traditionally have relied on bank loans for their financing needs. Small business has been the primary source of economic growth and job creation in this country in the past. We cannot ignore their hardships today. We simply must look for ways to help these small firms get the capital they need to grow and prosper and put people back to work.

Over the past several years, we have tried one approach after another to deal with the needs of small business in the credit crunch environment. Last year, we developed the Small Business Recovery Act, which would have strengthened the capital positions of small banks by providing SBA loan guarantees for a portion of the value of a new stock issue. We hoped that by increasing the lending power of small banks we could begin to address the problems of small businesses gaining access to bank credit. The SBA opposed it, however, and some of my colleagues opposed it as well. We were unable to move the bill.

The Small Business Incentive Act provides another approach: Giving small businesses better access to the public capital markets and making it easier for mutual funds, venture capital firms and other investors to channel money to small businesses.

This is an extremely important effort. It obviously is not a panacea for the problems faced by small businesses. But the legislation we are introducing today costs taxpayers nothing. Indeed, it is intended to lower the costs of doing business, and, ultimately, lower costs to consumers, with no additional costs to the taxpayer.

However, we must, of course, be concerned about the possible costs to investors. Some of the disclosure and other provisions of current law designed to protect investors would be modified by this legislation, and we have talked with the SEC about the critical need for balance in this area. In my view, the disclosure and other requirements of the Federal securities laws promote investor confidence. They help keep businesses honest. They encourage competition, because businesses are confident that they enter a market where everyone plays by the same rules. In short, good regulations just like good law enforcement, are good for business. We must be careful that in our efforts to help small businesses, we also preserve the vital investor protection measures that have made our securities markets strong and efficient.

At the same time, we certainly do not need disclosure documents and registration requirements that are so onerous that they cost hundreds of thousands of dollars in legal and other fees for small businesses—and are so complicated that they serve absolutely no useful purpose for the investors we are trying to protect. We don't need more disclosure—let's have less in terms of volume—but better disclosure.

I believe this is what the SEC is trying to achieve with its proposals. In the coming weeks, we will examine further the legislation we are introducing today to determine whether it accomplishes the goal of making the disclosure and other requirements work better for everyone—for small businesses and investors as well.

I would add here that the States have been extremely creative in developing alternatives to the traditional disclosure documents. Many States have taken it one step further, and have been working actively with small businesses and securities firms in their efforts to tap the public capital markets. My State of Connecticut recently adopted what is known as the "SCOR" system, the Small Corporate Offering Registration Program, which provides simplified State disclosure requirements for small offering.

Mr. President, let me close by urging my colleagues to carefully consider the legislation we are introducing today. My colleagues and I, together with the SEC and the small business community, will work over the coming weeks to determine whether the legislation proposed by the SEC is adequate, or whether additional amendments are necessary to further facilitate small business access to capital.

I ask unanimous consent to include in the RECORD a letter from SEC Chairman Richard Breeden, transmitting the legislative proposal, as well as a copy of the bill, a section-by-section analysis of the bill, and a memorandum from the SEC further explaining the legislation.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2518

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Incentive Act of 1992".

TITLE I—AMENDMENT TO THE SECURITIES ACT OF 1933

SEC. 101. EXEMPTED SECURITIES.

Section 3(b) of the Securities Act of 1933 (15 U.S.C. 77c(b)) is amended by striking "$5,000,000" and inserting "$10,000,000".

TITLE II—AMENDMENTS TO THE INVESTMENT COMPANY ACT OF 1940

SEC. 201. EXCLUSION FROM DEFINITION OF INVESTMENT COMPANY.

Section 3(c)(7) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(7)) is amended to read as follows:

"(7) Any issuer whose outstanding securities are owned exclusively by persons who, at the time of acquisition of such securities, are qualified purchasers, except that such issuer shall be deemed to be an investment company for purposes of the limitations set forth in section 12(d)(1) governing the purchase or other acquisition by such issuer of any security issued by a registered investment company and the sale of any security issued by a registered open-end investment company to any such issuer.".

SEC. 202. DEFINITION OF QUALIFIED PURCHASER.

Section 2(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)) is amended by adding at the end the following new paragraph:

"(51) 'Qualified purchaser' means any person whom the Commission, by rule or regulation, has determined does not need the protections of this title. The Commission's determination shall include consideration of a person's—

"(A) financial sophistication;

"(B) net worth;

"(C) knowledge of and experience in financial matters;

"(D) amount of assets owned or under management;

"(E) relationship with an issuer; or

"(F) such other factors as the Commission may determine to be consistent with the purpose of this paragraph.".

SEC. 203. BENEFICIAL OWNERSHIP OF SECURITIES.

Section 3(c)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(c)(1)) is amended—

(1) in the first sentence, by striking the period and inserting ", except that such issuer shall be deemed to be an investment company for purposes of the limitations set forth in section 12(d)(1) governing the purchase or other acquisition by such issuer of any security issued by a registered investment company and the sale of any security issued by a registered open-end investment company to any such issuer.";

(2) in subparagraph (A)—

(A) by inserting "and the company is or, but for the exceptions set forth in this paragraph and paragraph (7), would be an investment company," after "voting securities of the issuer,"; and

(B) by striking "unless, as of the date" and all that follows the end of subparagraph (A) and inserting a period.

SEC. 204. DEFINITION OF INVESTMENT SECURITIES.

Section 3(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-3(a)) is amended in the last sentence by inserting before the period "or which are excluded from the definition of an investment company solely by virtue of section 3(c)(1)".

SEC. 205. ADDITIONAL INVESTMENT COMPANY EXEMPTION.

Section 6(a) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(a)) is amended by adding at the end the following new paragraph:

"(5)(A) Any company that is not engaged in the business of issuing redeemable securities, the operations of which are subject to regulation by the State in which it is organized under a statute governing entities that provide financial or managerial assistance to enterprises doing business, or proposing to do business, primarily in that State if—

"(i) the organizational documents of such company state that the purpose of the company is limited to providing financial or managerial assistance to enterprises doing business, or proposing to do business, primarily in that State;

"(ii) immediately following each sale of the securities of such company by the company or any underwriter for the company, not less than 80 percent of the company's securities being offered in such sale, on a class-by-class basis, are held by persons who reside or have a substantial business presence in that State;

"(iii) the securities of such company are sold, or proposed to be sold, by the company or any underwriter for the company, solely to accredited investors, as defined in section 2(15) of the Securities Act of 1933, or to such other persons that the Commission, as necessary or appropriate in the public interest and consistent with the protection of investors, may permit by rule, regulation, or order; and

"(iv) the company does not purchase any security issued by an investment company, as defined in section 3, or by any company that would be an investment company except for the exclusions from the definition of investment company in section 3(c), other than—

"(I) any security that is rated investment grade by at least 1 nationally recognized statistical rating organization; or

"(II) any security issued by a registered open-end investment company that is required by its investment policies to invest at least 65 percent of its total assets in securities described in subclause (I) or securities that are determined by such registered open-end investment company to be comparable in quality to securities described in subclause (I).

"(B) Notwithstanding the exemption provided in this paragraph, the provisions of section 9 (and, to the extent necessary to enforce such provisions, sections 38 through 51) of this title shall apply to a company described in this paragraph as if the company were an investment company registered under this title.

"(C) Any company proposing to rely on the exemption provided in this paragraph shall file with the Commission a notification stating that it intends to do so, in such form and manner as the Commission may by rule prescribe.

"(D) Any company meeting the requirements of this paragraph may rely on the exemption provided herein immediately upon filing with the Commission the notification required by subparagraph (C), unless the Commission determines by order that such company's reliance is not in the public interest or consistent with the protection of investors.

"(E) The exemption provided pursuant to this paragraph may be subject to such additional terms and conditions as the Commission may by rule, regulation, or order determine are necessary or appropriate in the public interest or for the protection of investors.".

SEC. 206. CLOSED-END INVESTMENT COMPANY EXEMPTION.

Section 6(d)(1) of the Investment Company Act of 1940 (15 U.S.C. 80a-6(d)(1)) is amended by striking "$100,000" and inserting "$10,000,000, or such other amount as the Commission may set by rule, regulation, or order".

SEC. 207. DEFINITION OF ELIGIBLE PORTFOLIO COMPANY.

Section 2(a)(46)(C) of the Investment Company Act of 1940 (15 U.S.C. 80a-2(a)(46)(C)) is amended—

(1) in clause (ii), by striking "or" at the end;

(2) by redesignating clause (iii) as clause (iv); and

(3) by inserting after clause (ii) the following:

"(iii) it has total assets of not more than $4,000,000, and capital and surplus (shareholders equity less retained earnings) in excess of $2,000,000, except that the Commission may adjust such figures by rule, regulation, or order to reflect changes in 1 or more generally accepted indices or other indicators for small businesses; or".

SEC. 208. DEFINITION OF BUSINESS DEVELOPMENT COMPANY.

Section 2(a)(48)(B) of the Investment Company Act of 1940 (15 U.S.C. 80a–2(a)(48)(B)) is amended by inserting before the semicolon at the end the following: ", and provided further that a business development company need not make available significant managerial assistance with respect to any company described in section 55(a)(7) or with respect to any other company that meets such criteria as the Commission may by rule, regulation, or order permit, as consistent with the public interest, the protection of investors, and the purposes fairly intended by the policy and provisions of this title".

SEC. 209. ACQUISITION OF ASSETS BY BUSINESS DEVELOPMENT COMPANIES.

Section 55(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–54(a)) is amended—

(1) by striking "(6)" the first time it appears and inserting "(7)";

(2) by striking "(7)" the first 2 times such figure appears and inserting "(8)";

(3) in subparagraph (1)(A)—

(A) by striking ", or from any person" and inserting ", from any person"; and

(B) by inserting before the semicolon ", or from any other person, subject to such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors";

(4) in paragraph (6), by striking "and" at the end;

(5) by redesignating paragraph (7) as paragraph (8); and

(6) by inserting after paragraph (6) the following:

"(7) securities of any eligible portfolio company with respect to which the business development company satisfies the requirements of section 2(a)(46)(C)(iii); and".

SEC. 210. CAPITAL STRUCTURE AMENDMENTS.

Section 61(a) of the Investment Company Act of 1940 (15 U.S.C. 80a–60(a)) is amended—

(1) in paragraph (2), by striking "if such business development company" and all that follows through the end of paragraph (2) and inserting a period; and

(2) in paragraph (3)(A)—

(A) by striking "senior securities representing indebtedness accompanied by";

(B) inserting "either alone or accompanied by securities," after "of such company,"; and

(C) in clause (ii), by striking "senior".

U.S. SECURITIES AND EXCHANGE COMMISSION.

Washington, DC, March 20, 1992.

Hon. CHRISTOPHER J. DODD,

Chairman, Subcommittee on Securities, Committee on Banking, Housing, and Urban Affairs, Washington, DC.

DEAR MR. CHAIRMAN: On behalf of the Securities and Exchange Commission, I am pleased to submit for consideration by Congress a legislative proposal entitled the "Small Business Incentive Act of 1992," which is enclosed.

The availability of capital is particularly critical for millions of small American businesses as they seek to develop new products, expand their facilities and add employees. In recent years, the financing available to small businesses from traditional sources like banks and venture capital firms appears to have fallen short of the needs of small businesses. At the same time, many costs for small businesses, particularly those caused by regulation, have grown. The combination of these trends has resulted in less vitality in the small business sector, which is the traditional backbone of the U.S. economy.

The proposed legislation would allow the Commission to increase the size of the small offerings that could be exempt from registration under Section 3(b) of the Securities Act of 1933 from $5 million to $10 million. This change would permit the Commission to facilitate capital-raising by small businesses in a manner consistent with the protection of investors. The Commission has exercised its current authority under Section 3(b) to permit small public offerings under the Commission's Regulation. A to be made without registration and without the automatic imposition of the continuous reporting obligation under the Securities Exchange Act of 1934. At the same time, Regulation A assures that investors receive a simplified offering circular that has been reviewed by the SEC. The Commission has recently proposed for public comment an increase in the annual permissible amount of offerings under Regulation A to the full $5 million authorized by current law. Any further flexibility to encourage simplified offerings of securities by small businesses will require a change in law as included in our proposed legislation.

The legislation would also make changes to the Investment Company Act of 1940 in a manner designed to make it easier to form pools of investment capital that could be available to fund small business development. The Commission believes that these proposed changes would help create or expand sources of small business financing without creating the type of risks to public investors that the Investment Company Act was originally designed to address.

Finally, the legislation would amend some of the provisions of the Investment Company Act for Business Development Companies ("BDCs"). BDCs are a special type of public investment company investing in, and often providing managerial assistance to, small businesses. The proposed legislation should encourage more public investment in BDCs and more investment by BDCs in small businesses. It would not, however, remove or alter the basic Securities Act and Investment Company Act measures for the protection of investors in BDCs.

The Commission believes this legislative proposal would make a significant contribution to the simplification of the securities laws applicable to small businesses without endangering the protection of investors. By expanding the availability of capital for small businesses and reducing the costs of securities offerings by small firms, the Small Business Incentive Act would encourage growth in the small business sector that has traditionally provided the majority of new jobs and the core of U.S. economic vitality.

The Office of Management and Budget has advised that there is no objection from the standpoint of the Administration's program to the submission of this legislative proposal.

Thank you for your consideration.

Sincerely,

RICHARD C. BREEDEN,
Chairman.

MEMORANDUM OF THE SECURITIES AND EXCHANGE COMMISSION IN SUPPORT OF THE SMALL BUSINESS INCENTIVE ACT OF 1992

I. INTRODUCTION

The Commission seeks enactment of the attached legislation, which would amend the Securities Act of 1933 and the Investment Company Act of 1940 to promote capital formation for small businesses and others by removing regulatory constraints that are unnecessary for investor protection. The proposed legislation would increase the statutory limitation for exempted offerings under the Securities Act, and would amend the Investment Company Act with respect to four types of excepted or exempt investment companies that play a critical role in capital formation for small businesses. The legislation also would lessen certain restrictions on the formation and operation of business development companies under the Investment Company Act. These proposals are in furtherance of the directive in the Omnibus Small Business Capital Formation Act of 1980 for the Commission to reduce regulatory burdens on small businesses.

Section 101 of the legislation would increase the offering limitation for exempted offerings under section 3(b) of the Securities Act to $10 million. The proposal would enhance the Commission's efforts to reduce regulatory burdens on small businesses, consistent with the protection of investors.

Section 201 of the legislation would create a new "qualified purchaser" exception from regulation under the Investment Company Act for investment pools whose securities are held by certain highly sophisticated investors. Section 202 of the bill would give the Commission the authority to define by rule those investors that would be eligible to participate in the new "qualified purchaser" pools. The new exception is intended as an alternative to the existing, more narrow exception under section 3(c)(1) of the Investment Company Act, which currently exempts venture capital funds and other pooled investment vehicles whose operations and activities are essentially of a private nature and thus do not warrant federal regulation.

Section 203 would amend section 3(c)(1) itself to facilitate participation in "private" investment companies by corporate investors and registered investment companies. Section 204 would modify section 3(a)(3) to prevent companies from avoiding regulation under the Act by creating subsidiaries that meet the requirements of amended section 3(c)(1).

Section 205 would amend section 6(a) of the Investment Company Act by adding a new section 6(a)(5) to create an exemption for certain qualified business and industrial development companies.

Section 206 would amend section 6(d)(1) of the Investment Company Act. Section 6(d)(1) currently provides that the Commission may exempt certain intrastate closed-end investment companies from any or all of the provisions of the Act. The section today limits such exemptions to companies that do not receive more than $100,000 from the sale of all of their outstanding securities and sell their securities solely through intrastate offerings. The amendment would increase the maximum proceeds that a company may receive from the sale of all of its outstanding securities to $10 million or such other amount as the Commission may determine by rule, regulation, or order.

Section 207 would amend section 2(a)(46) of the Investment Company Act to define a new class of eligible portfolio company to include any company which does not have total assets in excess of $4 million and capital and surplus (shareholders equity less retained earnings) in excess of $2 million. Section 207 would also authorize the Commission to adjust these amounts through rule or order to account for changes in one or more generally accepted indices or other indicators for small business.

Section 208 would amend section 2(a)(48) of the Investment Company Act to provide that a business development company is not required to make available significant managerial assistance to any company which falls within the new definition of eligible portfolio company in section 2(a)(46)(C)(iii), or any company that meets such other criteria as the Commission may by rule or order establish as consistent with investor protection.

Section 209 would amend section 55 of the Investment Company Act to bring securities of companies that fall within the new definition of eligible portfolio company in section 2(a)(46)(C)(iii) within the list of permissible investments. Section 209 also would amend section 55(a)(1)(A) of the Investment Company Act to permit a business development company to acquire the securities of an eligible portfolio company from persons other than the eligible portfolio company or its affiliated persons subject to such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

Section 210 would amend Section 61(a)(2) of the Investment Company Act of 1940 to permit a business development company to issue, without restriction, more than one class of debt securities. Section 210 also would amend section 61(a)(3)(A) to permit a business development company to issue warrants, options, or rights to subscribe or convert to voting securities, under certain conditions, either alone or accompanied by debt or other securities.

II. THE COMMISSION'S PROPOSED LEGISLATION

A. Title I—Amendment to the Securities Act of 1933

Section 3(b) of the Securities Act authorizes the Commission to exempt certain classes of securities from the registration requirements of that Act if their total offering price to the public does not exceed $5 million. As originally enacted in 1933, section 3(b) contained a $100,000 offering limit. According to its legislative history, the purpose of section 3(b) is to expedite the raising of capital for the commencement or expansion of small business enterprises.[1]

Section 3(b) has been amended on four occasions since its original enactment in order to raise the offering limitation from $100,000 to its current level of $5 million. In 1945, from $100,000 to $300,000; in 1970 from $300,000 to $500,000; in May, 1978 from $500,000 to $1.5 million; in October, 1978 from $1.5 million to $2 million; and in 1980 from $2 million to $5 million.[2] The principal purpose of these amendments was to compensate for increases in costs to small businesses. The increases were also made to encourage underwriters to participate in offerings by small business issuers. As underwriters typically charge a percentage of the total offering amount, a small offering may not be as attractive to underwriters as a large offering. Increases in the offering limitations were therefore intended to make exempt offerings more attractive to underwriters and to enhance small issuer access to underwriters.

The foregoing reasons, which justified prior amendments to the section 3(b) offering limitation, also serve as the basis for the proposal to increase the limit to $10 million. As the Commission has recently proposed to extend its rules to the section 3(b) statutory limit, an increase in the statutory ceiling to $10 million would provide the Commission with flexibility in the future and free the Committee of the need to legislate on a frequent basis in the future. Within the proposed limit, the Commission could increase the offering limitation for small business issuers as well as business development companies, which invest in small businesses.

B. Title II—Amendments to the Investment Company Act of 1940

1. Legislation Creating a New "Qualified Purchaser" Exception from Regulation under the Investment Company Act

Section 3(c)(1) of the Investment Company Act generally excepts from the definition of investment company any issuer that does not have more than 100 investors and does not engage or propose to engage in a public offering. Currently, a wide variety of investment pools rely on the section 3(c)(1) exception. These pools range from small groups of investors acting as "investment clubs" to innovative investment vehicles well-suited for sophisticated investors. Venture capital funds are section 3(c)(1) issuers that are particularly critical in providing capital to smaller businesses. Too often, however, large-scale capital participation by sophisticated investors in venture capital funds and other private investment companies is frustrated by the requirements of section 3(c)(1).

To eliminate unnecessary constraints, a new "qualified purchaser" exception is warranted for investors who are able to accept the risks typically associated with investing in smaller enterprises about which little information is publicly available. The new provision would except any company all of whose security holders meet objective standards of financial sophistication. There would be no prohibition on public offerings nor a limit on the number of investors. As an alternative to the more narrow exception provided under section 3(c)(1), the proposed qualified purchaser exception is intended to encourage participation in venture capital funds and other vehicles by investors who do not need the protection of the Investment Company Act's regulatory structure, thereby increasing the capital available for small business as well as larger concerns.

The legislation would create a new section 3(c)(7) of the Investment Company Act to read as follows:

"(7) Any issuer whose outstanding securities are owned exclusively by persons who, at the time of acquisition of such securities, are qualified purchasers. Such issuer nonetheless is deemed to be an investment company for purposes of the limitations set forth in section 12(d)(1) governing the purchase or other acquisition by such issuer of any security issued by any registered investment company, and the sale of any security issued by any registered open-end investment company to any such issuer."

In addition, to implement the new exception, the legislation would amend section 2(a) of the Act by adding the following new subparagraph (51):

"(51) Qualified purchaser means any person who the Commission, by rule or regulation, shall have determined not to need the protections of this title on the basis of such factors as financial sophistication, net worth, knowledge and experience in financial matters, amount of assets owned or under management, relationship with an issuer, or such other factors as the Commission may determine to be within the intent of the definition."

Proposed section 3(c)(7) would except from regulation under the Investment Company Act any issuer whose securities are beneficially owned exclusively by one or more persons who, at the time of acquisition, are "qualified purchasers." The new exception is premised on the theory that "qualified purchasers" do not need the Act's protections because they are capable of monitoring such matters as management fees, transactions with affiliates, governance, investment risk, and leverage.[3] In addition, the new exception would enable issuers to realize the benefits associated with public offerings, including greater access to capital markets and increased liquidity for their securities.[4]

Proposed section 2(a)(51) would authorize the Commission to define by rule those investors that constitute "qualified purchasers." This rulemaking authority would provide flexibility to respond to changing conditions and the benefit of the public comment process. The Commission's determinations would be based on factors such as financial sophistication, net worth, knowledge and experience in financial matters, amount of assets owned or under management, relationship with the issuer, or such other factors as the Commission determines to be within the intent of the section.[5]

The Commission anticipates that, at least initially, the definition of "qualified institutional buyer" in rule 144A under the Securities Act of 1933[6] would represent an appropriate standard for determining the level of sophistication for those institutions investing in proposed section 3(c)(7) issuers. Under rule 144A, a qualified institutional buyer generally includes institutional investors, such as employee benefit plans, insurance companies, banks, and investment companies, that own or invest on a discretionary basis at least $100 million in securities. In addition, the Commission believes that it would be appropriate to allow natural persons to invest in the new section 3(c)(7) pools, so long as those persons possess a high degree of sophistication. As in the case of their institutional counterparts, such natural persons would be fully capable of evaluating and accepting the level of risk associated with the new section 3(c)(7) pools. In formulating the class of investors eligible to invest in proposed section 3(c)(7) issuers, the Commission would be particularly sensitive to the risks presented by unregulated investment pools and the breadth of the proposed section 3(c)(7) exception, which would not otherwise be limited.

The new exception would not limit investments by registered investment companies in section 3(c)(7) issuers as is currently the case for certain excepted issuers relying on section 3(c)(1). Investments in registered investment companies by section 3(c)(7) issuers, however, would be restricted under section 12(d)(1) of the Investment Company Act[7] for the same reasons supporting this approach for all section 3(c)(1) issuers as discussed below. Finally, an issuer qualifying for the new section 3(c)(7) exclusion nonetheless could register under the Investment Company Act if it chose to forego the exclusion.

2. Legislation Amending Sections 3(c)(1) and 3(a)(3) of the Act

Section 3(c)(1) of the Investment Company Act represents a viable and important exception for private investment pools. Certain aspects of section 3(c)(1), however, should be improved.

Footnotes at end of article.

To qualify for the section 3(c)(1) exception, an issuer generally may not have more than 100 investors and may not engage in a public offering. These two requirements are intended to provide a means for determining the existence of a public investment company for which regulation under the Act is clearly justified.

Section 3(c)(1) also has a two-part attribution text, designed to prevent circumvention of the 100 investor limit. This test, which may require a prospective section 3(c)(1) issuer to "look through" its security holders to their underlying investors, is best illustrated by an example. Assume Company B is seeking to rely on section 3(c)(1). If Company A beneficially owns ten percent or more of Company B's voting securities, Company A's security holders are counted individually as security holders of Company B (part I of the attribution provision), unless Company A has no more than ten percent of its assets in securities of section 3(c)(1) issuers (part II).

The attribution test is also pivotal in determining which section 3(c)(1) issuers are deemed to be investment companies for purposes of the "fund of fund" investment limitations of section 12(d)(1) of the Act. Section 12(d)(1) is intended to restrict the pyramiding of funds by limiting the purchase of registered investment company securities by any investment company (whether or not registered) and the purchase of securities of any investment company (whether or not registered) by registered funds.[8] Unlimited pyramiding raises public policy concerns because, for example, a fund acquiring another fund's securities could exercise undue influence over that fund or disrupt its orderly management through the threat of redemption. Such investments may also result in a layering of costs to investors through duplicate advisory fees, administrative expenses, and sales charges.

Under current section 3(c)(1), only those issuers that would be investment companies but for the second part of that section's attribution provision (i.e., they have large security holders but these holders do not have more than ten percent of their assets in securities of section 3(c)(1) issuers) are subject to section 12(d)(1)'s restrictions on inter-fund investments. Pyramiding investments involving other section 3(c)(1) issuers and investment companies are not subject to section 12(d)(1).

The Commission believes that the current attribution test of section 3(c)(1) is unnecessarily broad. Investments in section 3(c)(1) issuers by companies that are not themselves investment companies generally do not, standing alone, raise the concerns respecting the layering of intermediaries that the attribution test is intended to address. In fact, the attribution provision may result in the counting of the security holders of corporate investors who do not have a significant economic interest in a section 3(c)(1) issuer's performance.

The proposed legislation would simplify the attribution test of section 3(c)(1). Under the proposal, if an intermediate investing entity (i.e., Company A) is not an investment company subject to regulation under the Act, or is itself not relying on section 3(c)(1) or the proposed qualified purchaser exception, the issuer (i.e., Company B) would not be required to consider the entity's security holders in applying the 100 investor limit.

In connection with this change, the legislation would also amend section 3(a)(3) of the Act to provide that securities of majority-owned subsidiaries that would be investment companies but for amended section 3(c)(1) would not be excluded from the definition of "investment securities" under section 3(a)(3). This amendment is intended to preclude a company that would itself fall within the definition of an investment company under section 3(a)(3) from avoiding regulation under the Act by establishing a section 3(c)(1) subsidiary.[9]

The Commission also believes that the investment restrictions of section 12(d)(1) as applied under current section 3(c)(1) should be revised. Limitations on the ability of all section 3(c)(1) issuers to invest in registered investment companies are necessary to protect the public shareholders of registered funds. Section 3(c)(1) issuers, excepted from regulation under the Act, could acquire controlling interests and exert undue influence over registered investment companies, disrupting their portfolio management through the threat of redemption.

As applied to investments by registered investment companies, on the other hand, section 12(d)(1) unduly restricts the ability of a registered fund to invest in a section 3(c)(1). issuer.[10] The Commission believes any anti-pyramiding concerns are minimized by the other safeguards under the Act governing such investments, such as the Act's provisions regarding conflicts of interest and breaches of an adviser's fiduciary duty. Moreover, as a result of the proposed legislation as noted below, a registered fund's investment would be limited to ten percent of any one section 3(c)(1) issuer.

Accordingly, the proposed legislation would revise the "fund of fund" investment restrictions of section 12(d)(1) as applied to private investment companies. As revised, section 12(d)(1) would apply to any private investment company's purchase of the voting securities of a registered investment company, whether open-end or closed-end;[11] it would no longer apply to a registered fund's purchase of private investment company securities. The combined effect of the proposed changes to the application of section 12(d)(1) and the attribution provision would be to raise the limit on investment company purchases of section 3(c)(1) issuers from three percent to ten percent of any one such issuer.[12] Based on the general size of portfolio positions taken by small capitalization and aggressive growth funds and of private investment companies, the Commission believes that this increase is sufficient to accommodate registered investment companies seeking to invest in section 3(c)(1) issuers.

3. Legislation to Create a New Exemption from Regulation under the Investment Company Act for Qualified Business and Industrial Development Companies that are Organized to Provide Assistance to Businesses and Whose Operations are Subject to State Regulation

Business and industrial development companies (or "BIDCOs") are organized for the express purpose of providing financing, and in some cases managerial assistance, to projects or concerns located within a particular state. Such companies typically are licensed by a state and regulated under state law.[13] Because of their extensive investments in securities, these companies frequently fall within the definition of an investment company under section 3(a) of the Investment Companies Act. Therefore, unless an exemption or an exception is available, they are subject to stringent regulation at both the state and federal level.

While substantive regulation at both the state and federal level may increase investor protection, it also increases the operational costs of these companies. These additional costs have a significant adverse effect even on companies able to coordinate large, interstate offerings. BIDCOs designed to stimulate local economies typically operate on a smaller scale. For these companies, the cost of dual regulation can exhaust a significant percentage of their capital and human resources.

The Commission has granted a number of individual exemptive orders from the provisions of the Investment Company Act with regard to some BIDCOs.[14] The time and money involved in applying for such exemptions, however, may discourage would-be sponsors of small BIDCOs. An exemption from regulation under the Act for BIDCOs would eliminate unnecessary federal obstacles to the organization and operation of these vehicles.

Section 204 of the bill would amend section 6(a) of the Act by adding subparagraph (5) as follows:

"(5)(A) Any company that is not engaged in the business of issuing redeemable securities, the operations of which are subject to regulation by the State in which it is organized under a statute governing entities that provide financial and/or managerial assistance to enterprises doing business, or proposing to do business, primarily in that State, provided that

"(i) the organizational documents of such company state that the purpose of the company is limited to providing financial and/or managerial assistance to enterprises doing business, or proposing to do business, primarily in that State;

"(ii) immediately following each sale of the securities of such company by the company or any underwriter therefor, not less than 80 per centum of the company's securities being offered in such sale, calculated on a class-by-class basis, are held by persons who reside, or have a substantial business presence, in that State;

"(iii) the securities of such company are sold, or proposed to be sold, by the company or any underwriter therefor, solely to accredited investors, as defined in section 2(15) of the Securities Act of 1933, or to such other persons that the Commission, as necessary or appropriate in the public interest and consistent with the protection of investors, may permit by rule, regulation, or order; and

"(iv) the company does not purchase any security issued by an investment company, as defined in section 3 of this title, or by any company which would be an investment company except for the exclusion from the definition of investment company in section 3(c) of this title, other than

"(aa) any security that is rated investment grade by at least one nationally recognized statistical rating organization; or

"(bb) any security issued by a registered open-end investment company that is required by its investment policies to invest at least 65 per centum of its total assets in securities described in subsection (aa) above or that are determined by such registered open-end investment company to be comparable in quality to securities described in subsection (aa) above.

"(B) Notwithstanding the exemption provided in this section, the provisions of section 9 (and, to the extent necessary to enforce such provisions, sections 38 through 51) of this title shall apply as if the company were an investment company registered under this title.

"(C) Any company proposing to rely on the exemption provided in this section shall file with the Commission a notification stating that it intends to rely on the exemption, in such form and manner as the Commission may be rule prescribe.

"(D) Any company meeting the requirements of this section shall be entitled to rely on the exemption provided herein immediately upon filing with the Commission the notification described in subsection (C) above, unless and except insofar as the Commission determines by order that such company's reliance is not in the public interest or consistent with the protection of investors.

"(E) The exemption provided pursuant to this section may be subject to such additional terms and conditions as the Commission may by rule, regulation, or order determined are necessary or appropriate in the public interest or for the protection of investors."

The proposed legislation is premised upon states having a strong interest in protecting investors in companies of this type and, accordingly, the new exemption would be available only to those companies in which a state has a strong regulatory interest. The individual states are best situated to examine the needs of their residents and to determine the structure and operations of entities intended to meet the requirements of local business for capital formation, while also protecting state residents from abusive practices in the investment industry.

A company seeking to rely on the proposed exemption would be required to be organized in the state where it is regulated. In addition, proposed section 6(a)(A)(i) would emphasize the intent of the exemption by requiring that the organizational documents (such as the articles of incorporation) of companies relying on the exemption state that the purpose of the company is limited to providing financial and/or managerial assistance to enterprises doing business, or proposing to do business, primarily in the state under which laws the company is regulated.

Proposed section 6(a)(5)(A)(ii) provides that immediately following each sale of the company's securities by the company or any underwriter therefor, not less than eighty percent of the company's securities being offered in such sale, calculated on a class-by-class basis, must be held by persons who reside, or who have a substantial business presence, in the state where the company is regulated. The eighty per cent requirement provides flexibility for companies located near state borders while insuring the states will have a strong interest in regulating the companies' operations. While the residency requirement would apply to each new offering, it would not apply with respect to transactions made on the secondary market. The Commission anticipates that the percentage of securities owned by persons residing or with a substantial business presence in the state where the company is regulated will vary from time to time due to resales of the securities, changes in residency of the holders of the securities, and transfers of the securities through operation of law.

Proposed section 6(a)(5)(A)(iii) would limit the exemption to those companies that offer their securities solely to accredited investors, as defined in section 2(15) of the Securities Act of 1933, and Commission rules thereunder, or to such other persons as the Commission may permit. The section would not, however, preclude the sale of securities through a public offering.

The Commission believes that the proposed eligibility stated for section 6(a)(5) should be different from that applicable to the proposed exemption for qualified purchasers as defined in proposed section 2(a)(51). The qualified purchaser exception focuses solely on the nature of the purchaser. In contrast, proposed section 6(a)(5) is limited to a specific type of issuer and relies on state law to provide alternative regulatory protections. Companies relying on section 6(a)(5) are likely to be smaller in scale and more local in operation than most entities relying on the qualified purchaser exception.

Proposed section 6(a)(5)(A)(iv) would prohibit exempt companies from purchasing securities issued by investment companies, other than securities rated investment grade by at least one nationally recognized statistical rating organization or securities issued by registered open-end investment companies that invest at least sixty-five percent of their assets in such securities or similar obligations. The Commission expects that exempt companies would make long-term investments solely in companies that are primarily engaged in businesses other than investing, reinvesting, owning, holding, or trading in securities. Thus, except as noted above, an exempt company could not invest in any issuer that, but for an exclusion in section 3(c) of the Investment Company Act, would meet the definition of investment company. To provide exempt companies with the flexibility to invest capital not immediately needed for investment in operating companies, the proposal would permit the purchase of investment grade securities regardless of whether the issuer is an investment company, and also would permit the purchase of securities issued by registered open-end investment companies that invest primarily in investment grade securities or comparable securities.

Proposed section 6(a)(5)(B) provides that the provisions of section 9 of the Investment Company Act would apply with respect to the exempt company as if it were a registered investment company. Section 9 of the Act provides that certain activities disqualify a person, and concomitantly, certain related persons, from acting in specified capacities on behalf of investment companies. Section 9 is based on the determination that certain persons, because of securities-related violations, should be disqualified from any involvement with registered investment companies absent an order of the Commission allowing such involvement. Section 6(a)(5)(B) would ensure that the the proposed exemption for BIDCOs does not provide a safe haven for persons prohibited from associating with investment companies. Certain administrative sections of the Act also would apply to ensure that the Commission has enforcement power over any violations of the section.

Proposed section 6(a)(5)(C) requires companies to file with the Commission a notification of the company's intent to rely on the exemption. The Commission intends to promulgate rules setting forth the minimum information that must be included in the notification. It is anticipated that the notification would include at least the following information: the company's name, address, and telephone number; and a list of the company's officers and directors.

Pursuant to proposed 6(a)(5)(D), although the exemption would become automatically available upon filing the required notification, the Commission may institute proceedings to determine whether a company's reliance on the exemption is not in the public interest or consistent with the protection of investors. This authority would allow the Commission to deny the exemption in circumstances where, for example, the Commission is in possession of information relating to the bona fides of the entity or its sponsors.

Proposed section 6(a)(5)(E) provides that the exemption may be subject to such additional terms and conditions and the Commission may by rule, regulation, or order determine necessary for the protection of investors. This authority would allow the Commission, for example, to require BIDCOs selling securities outside the state in which they are organized to provide certain information to regulators in those other states.

4. Legislation to Amend Section 6(d)(1) of the Investment Company Act to Increase the Aggregate Proceeds Raised by Closed-End Funds Engaged in Intrastate Offerings

Section 6(d) of the Investment Company Act currently provides that the Commission shall exempt a closed-end investment company from any or all of the provisions of the Act, subject to such terms and conditions as may be necessary or appropriate in the public interest or for the protection of investors, provided that the aggregate amount of proceeds permitted to be received from offerings of the company's securities is not more than $100,000, and provided further that the public sale of the company's securities by the company or any underwriter therefor is made solely through intrastate offerings. In contrast to proposed section 6(a)(5), an exemption under section 6(d) is not automatic in that a company must apply for an exemption from all or some of the provisions of this Act.[15]

The $100,000 maximum aggregate amount of proceeds specified in section 6(d)(1) has remained unchanged since 1940. This amount should be increased to reflect more accurately current financial requirements of companies providing capital to small businesses and others. In addition, in order to respond to changing financial conditions, the Commission should have the authority to adjust the ceiling by rule or order.

Section 206 of the bill would amend section 6(d)(1) of the Investment Company Act to increase the aggregate amount of proceeds that may be raised in intrastate offerings by closed-end funds to $10 million or such other amount as the Commission may set by rule or order.

Under the proposed legislation, the Commission would continue to review individual applications to determine whether an exemption is consistent with the protection of investors, despite the absence of specific state regulation. Where appropriate, the Commission would continue to grant the requested exemption under section 6(d), subject to compliance with specified provisions of the Act, and such other terms and conditions as are necessary or appropriate in the public interest or for the protection of investors.

5. Legislation Amending Section 2(a)(46) of the Investment Company Act

Section 2(a)(46) of the Investment Company Act defines eligible portfolio company to include companies that are not eligible for margin under Federal Reserve Board regulations, are controlled by a business development company, or that meet such other criteria as the Commission may establish by rule. The Commission believes that this definition may be difficult to apply and may impede investments in some small businesses. The proposed legislation would amend section 2(a)(46) of the Investment Company Act to define a new class of eligible portfolio company. It would expand the definition of eligible portfolio company to include any company which does not have total assets in excess of $4 million and capital and surplus (shareholders equity less retained earnings) in excess of $2 million. It would also authorize the Commission to adjust these amounts through rule or order to account for changes in one or more generally accepted indices or other indicators for small business. The Commission believes that this amendment will provide a bright-line test for small businesses and should result in business development companies investing more assets in small businesses.

6. Legislation Amending Section 2(a)(48) of the Investment Company Act

Section 2(a)(48) of the Investment Company Act requires a business development company to make available significant managerial assistance to all the companies treated by it as satisfying the 70% test in Section 55 of the Act. The Commission believes that this requirement may discourage the flow of capital to very small businesses. The proposed legislation would amend section 2(a)(48) of the Investment Company Act to provide that a business development company is not required to make available significant managerial assistance to any company which falls within the new definition of eligible portfolio company in section 2(a)(46)(C)(iii), or any company that meets such other criteria as the Commission may by rule or order establish consistent with investor protection.

7. Legislation Amending Section 55 of the Investment Company Act

Section 55 of the Investment Company Act prohibits a business development company from making investments unless, at the time an investment is made, at least 70% of its assets (excluding assets necessary to maintain the business, such as office furniture) are represented by, in general, securities of small, developing or financially troubled businesses and liquid assets such as cash, government securities, or short-term high quality debt securities. The Commission believes that securities of very small businesses should specifically be included within the 70% test in section 55. The proposed legislation would therefore, amend section 55 of the Investment Company Act to bring securities of companies that fall within the new definition of eligible portfolio company in section 2(a)(46)(C)(iii) within the 70% test.

Section 55 of the Investment Company Act also requires a business development company to acquire the securities of an eligible portfolio company directly from the portfolio company, or from a person who is, or who within the preceding thirteen months has been, an affiliated person of such eligible portfolio company. The Commission believes that this requirement is too restrictive, since acquisitions of eligible portfolio company securities from other persons may also benefit the company. The proposed legislation would amend section 55(a)(1)(A) of the Investment Company Act to permit a business development company to acquire the securities of an eligible portfolio company from persons other than the eligible portfolio company or its affiliated persons subject to such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors.

8. Legislation Amending Section 61(a)(2) and Section 61(a)(3) of the Act

Section 61(a)(2) of the Investment Company Act provides that notwithstanding section 18(c) of the Act,[16] a business development company may issue more than one class of senior debt security if such company does not have any publicly held indebtedness outstanding, there is no intent to publicly distribute any class or debt securities, and all such senior securities are privately held or guaranteed by the Small Business Administration, banks, insurance companies, or other institutional investors. The Commission believes that section 61(a)(2) is too restrictive. Although public investors are not permitted to participate in multiple debt offerings, their equity holdings are affected by the outstanding debt. The proposed legislation would amend section 61(a)(2) to permit a business development company to issue, without restriction, multiple classes of debt. This would further facilitate the flow of capital to small businesses.

Section 61(a)(3)(A) of the Act provides that notwithstanding section 18(d), a business development company may issue senior securities representing indebtedness accompanied by warrants, options, or rights to subscribe or convert to voting securities of such company under certain conditions. Section 18(d) of the Act makes it unlawful for a registered management investment company to issue warrants or rights to subscribe to or purchase the company's securities unless certain conditions are met, including a requirement that they expire no later than 120 days after their issuance. Business development companies are permitted greater flexibility under section 61(a)(3)(A) to issue warrants with expiration dates of up to ten years, but only if the instrument is accompanied by a debt security. The legislative history of section 61(a)(3)(A) is silent regarding the purpose of this limitation and the Commission believes it is not required for investor protection. The proposed legislation would amend section 61(a)(3)(A) to permit a business development company to issue warrants, options, or rights to subscribe or convert to voting securities of such company either on a stand-alone basis or when accompanied by debt or equity securities.

III. CONCLUSION

By raising the statutory limit for exempted offerings under the Securities Act, the proposed legislation would provide the Commission with additional flexibility to increase the offering limitation for small business issuers as well as business development companies. By removing unnecessary regulatory constraints, the legislation would promote the formation of capital for small businesses and others through broader-based participation in excepted and exempted investment pools under the Investment Company Act. It also would remove unnecessary restrictions on the formation and operation of business development companies. The proposed legislation would accomplish these objectives without compromising important investor protections. In view of the costs of unnecessary regulation and the importance of capital formation to the growth and health of our economy, these are important and needed amendments.

FOOTNOTES

[1] See, e.g., 59 Stat. 167 (May 15, 1945); 84 Stat. 1480 (Dec. 19, 1970); Pub. L. No. 95-283 (May 21, 1978); 92 Stat. 962 (Oct. 6, 1978); and Pub. L. No. 96-477 (Oct. 21, 1980).

[2] Id.

[3] The rationale of section 3(c)(7) is not novel. A number of provisions under the federal securities laws are based, in part, on objective criteria concerning the degree of sophistication of investors. See section 4(6) of the Securities Act of 1933 (accredited investors), rule 144A under that Act (17 C.F.R. §230.144A(1991)) (qualified institutional buyers), and rule 205-3 under the Advisers Act of 1940 (17 C.F.R. §230.205-3 (1991)) ("sophisticated" clients).

[4] Issuers relying on proposed section 3(c)(7) would be permitted to engage in public offerings registered under the Securities Act of 1933, so long as their securities are owned only by qualified purchasers.

[5] In defining eligible investors, the Commission could also decide to provide reasonable care defenses similar to those in Regulation D and rule 144A. 17 C.F.R. §§230.501(a) and 230.144A (1991).

[6] Rule 144A provides a non-exclusive safe harbor for resales of unregistered securities. See Resale of Restricted Securities; Changes to Method of Determining Holding Period of Restricted Securities Under Rules 144 and 145, Securities Act Release No. 6862 (Apr. 27, 1990).

[7] See infra note 7.

[8] Section 12(d)(1) prohibits such purchases if, after the purchase, the acquiring company owns (1) more than three percent of the voting stock of the acquired company; (2) securities issued by the acquired company having an aggregate value of more than five percent of the assets of the acquiring company; or (3) securities issued by the acquired company and all other investment companies having an aggregate value of more than ten percent of its assets.

[9] Section 3(a)(3) generally provides that an investment company includes any company with more than 40% of its assets in investment securities. The definition of investment securities under section 3(a)(3) excludes securities issued by majority-owned subsidiaries which are not investment companies; because of the section 3(c)(1) exclusion, the securities of a majority-owned section 3(c)(1) issuer are not investment securities. In light of the proposed change in the attribution provision of section 3(c)(1) and in the absence of the proposed amendment to section 3(a)(3), companies could avoid regulation under the Act by "downstreaming" their investment activities through a section 3(c)(1) subsidiary.

[10] Section 12(d)(1) limits investments by registered funds to no more than three percent of certain section 3(c)(1) issuers. See note 7 and accompanying text.

[11] To cover the other side of transactions open-end funds, section 12(d)(1) also would apply to a registered open-end investment company's sale of its securities to a section 3(c)(1) issuer. The application of section 12(d)(1) to all section 3(c)(1) issuers under the proposed amendments would not affect existing investments by such issuers in registered funds since section 12(d)(1) prohibits only purchases or other acquisitions that cause holdings to exceed the numerical limits in the section.

[12] The revised attribution provision of section 3(c)(1) would count toward the 100 investor limit, without exception, the shareholders of an investment company owning 10% or more of a section 3(c)(1) issuer.

[13] Currently, 45 states have enacted laws regulating such companies. See, e.g., Cal. Fin. Code §§31000-31953 (Deering 1991) (Business and Industrial Development Corporations Law); Tenn. Code Ann. §§45-8-201 to 225) (1991) (Tennessee BIDCO Act); Wash. Rev. Code Ann. §§31.24.010 to 900. (1990) (Washington Industrial Development Corporations).

[14] See, e.g., Indiana Community Business Credit Corporation, Investment Company Act Release Nos. 14528 (May 21, 1985) (Notice) and 14585 (June 18, 1985) (Order); Business and Industrial Development Corporation of Washington, Investment Company Act Release Nos. 7250 (June 28, 1972) (Notice) and 7301 (Jul. 28, 1972) (Order); and Pennsylvania Development Credit Corporation, Investment Company Act Release Nos. 3954 (Apr. 6, 1964) (Notice) and 3965 (Apr. 28, 1964) (Order). Orders issued to BIDCOs have been subject to various conditions, including requirements that the companies be subject to state licensing and regulation and that potential investors be sophisticated in securities matters and capable of understanding the risks involved.

[15] Section 6(d) and proposed section 6(a)(5) would represent alternative exemptions from a substantive perspective as well. If a state does not have a regulatory structure in place for business and industrial development companies, or if such a company cannot otherwise meet the requirements of proposed section 6(a)(5), the Commission may exempt under section 6(d) a proposed intrastate offering from all or part of the Investment Company Act if it determines, after examining the specific proposal, that the exemption is consistent with the protection of investors.

[16] Section 18(c) makes it unlawful for "any registered closed-end investment company to issue or sell any senior security representing indebtedness if immediately thereafter such company will have outstanding more than one class of senior security representing indebtedness, or to issue or sell any senior security which is a stock if immediately thereafter

such company will have outstanding more than one class of senior security which is a stock," except under certain conditions.

THE SMALL BUSINESS INCENTIVE ACT OF 1992—SECTION-BY-SECTION ANALYSIS

TITLE I—AMENDMENT TO THE SECURITIES ACT OF 1933

Section 101 would amend section 3(b) of the Securities Act of 1933 by increasing the offering limitation of that section to $10,000,000.

TITLE II—AMENDMENTS TO THE INVESTMENT COMPANY ACT OF 1940

Section 201 would add section 3(c)(7) to the Investment Company Act of 1940 to create a new exception from the definition of investment company for investment pools whose securities are held exclusively by qualified purchasers as defined under section 202, discussed below. Under proposed section 3(c)(7), there would be no prohibition on public offerings or a limit on the number of "qualified purchasers" participating in the investment pool. The "fund of funds" investment restrictions of section 12(d)(1) of the Investment Company Act would apply to issuers relying on the exception but only in connection with the purchase of securities issued by registered investment companies. To cover the other side of transactions involving open-end funds, registered open-end investment companies selling their securities to proposed section 3(c)(7) issuers also would be subject to section 12(d)(1).

Section 202 would add a new subparagraph (51) to section 2(a) of the Investment Company Act providing the Commission with the authority to define by rule or regulation the term "qualified purchaser" in connection with the proposed exception for "qualified purchaser" investment pools discussed under section 201, above. Under proposed subparagraph 2(a)(51), regulations defining the term "qualified purchaser" would be based on a determination by the Commission that certain persons do not need the protections of the Investment Company Act on the basis of such factors as financial sophistication, net worth, knowledge and experience in financial matters, amount of assets owned or under management, relationship with an issuer, or such other factors as the Commission determines to be within the intent of the proposed subparagraph.

Section 203 would amend section 3(c)(1) of the Investment Company Act, which excepts investment pools that have no more than 100 investors and do not engage in public offerings. For the purposes of the 100 investor limit as amended, section 3(c)(1) would treat beneficial ownership by a company to be beneficial ownership by one person, unless the company (i) owns ten percent or more of the section 3(c)(1) issuer and (ii) is, or but for the exception under section 3(c)(1) or the proposed exception discussed under section 201 above, would be, an investment company. When both of these two tests are met, beneficial ownership of the section 3(c)(1) issuer would include the holders of the company's outstanding securities (other than short-term paper). This amendment reduces the complexity associated with the way in which the 100 investor limit of section 3(c)(1) currently is calculated. The amendments also would impose the investment restrictions of section 12(d)(1) of the Investment Company Act on all section 3(c)(1) issuers in connection with the purchase of registered investment company securities and in connection with the sale of registered open-end investment company securities to section 3(c)(1) issuers.

Section 204 would amend section 3(a)(3) of the Investment Company Act to include within the definition of investment securities set forth in that section securities of majority-owned subsidiaries that would be investment companies but for the exclusion under section 3(c)(1). The amendment would preclude a company from avoiding regulation under section 3(a)(3) of the Act by establishing a section 3(c)(1) subsidiary.

Section 205 would add section 6(a)(5) to the Investment Company Act to exempt certain business and industrial development companies, or BIDCOs, from regulation under the Act. These companies could not be in the business of issuing redeemable securities and their operations would have to be regulated under a state statute providing for the creation of entities to provide financial and/or managerial assistance to enterprises doing business, or proposing to do business, primarily in that state. Each company would have to be organized in the state where it is regulated and, under proposed subparagraph 6(a)(5)(A)(i), the company's organizational documents would have to state its limited purpose.

Proposed subparagraph 6(a)(5)(A)(ii) would require that at least eighty percent of each class of securities being offered by the company or any underwriter therefor must be held by persons who reside, or who have a substantial business presence, in the state where the company is regulated. While applicable to each new offering, the residency requirement would not apply to transactions made on the secondary market. Pursuant to proposed subparagraph 6(a)(5)(A)(iii), the exemption would be limited to companies that offer their securities solely to accredited investors, as defined in section 2(15) of the Securities Act of 1933, and Commission rules thereunder, or to such other persons as the Commission may permit. The exemption would not preclude the sale of securities through a public offering.

Proposed subparagraph 6(a)(5)(A)(iv) would prohibit companies from purchasing securities issued by investment companies and companies excepted from the definition of investment company by section 3(c), other than securities rated investment grade or securities issued by registered open-end investment companies that invest at least sixty-five percent of their assets in such investment grade or comparable obligations. This provision is intended to provide limited flexibility to invest capital not immediately needed for the company's long-term commitments.

Proposed subparagraph 6(a)(5)(B) provides that the provisions of section 9 of the Investment Company Act would apply to an exempt company as if it were a registered investment company so that the exemption could not be used as a safe haven for persons prohibited from associating with investment companies. Certain administrative sections of the Investment Company Act also would apply to provide the Commission with enforcement power over any violations of section 9.

Under proposed subparagraph 6(a)(5)(C), companies must file with the Commission a notification as prescribed by Commission rule. Although the exemption is available automatically upon filing, proposed subparagraph 6(a)(5)(D) gives the Commission the authority by order to disallow the exemption if it is not in the public interest or consistent with the protection of investors. Under proposed paragraph 6(a)(5)(E), the exemption may be subject to such additional terms and conditions as the Commission may by rule or order determine are necessary for the protection of investors.

Section 206 amends section 6(d)(1) of the Investment Company Act to increase the maximum aggregate amount permitted to be received from intrastate securities offerings of any closed-end investment company to $10,000,000 or such other amount as the Commission may set by rule or order.

Section 207 would amend section 2(a)(46) of the Investment Company Act to define a new class of eligible portfolio company. It would expand the definition of eligible portfolio company to include any company which does not have total assets in excess of $4,000,000. And capital and surplus (shareholders equity less retained earnings) in excess of $2,000,000. It would also authorize the Commission to adjust these amounts through rule or order to account for changes in one or more generally accepted indices or other indicators for small business. Section 2(a)(46) currently defines eligible portfolio company to include companies that are not eligible for margin under Federal Reserve Board regulations, are controlled by a business development company, or that meet such other criteria as the Commission may, by rule, establish. The amendment would permit business development companies to invest in more small businesses thus increasing the flow of capital.

Section 208 would amend section 2(a)(48) of the Investment Company Act to provide that a business development company is not required to make available significant managerial assistance to any company which falls within the new definition of eligible portfolio company in section 2(a)(46)(C)(iii), or any company that meets such other criteria as the Commission may by rule, regulation, or order establish consistent with investor protection. Section 2(a)(48) currently requires a business development company to make available significant managerial assistance to all the companies treated by it as satisfying the 70% test in Section 55 of the Act. The amendment would encourage the flow of capital to very small businesses.

Section 209 would amend section 55 of the Investment Company Act to bring securities of companies that fall within the new definition of eligible portfolio company in section 2(a)(46)(C)(iii) within the 70% test. Section 55 currently prohibits a business development company from making investments unless, at the time an investment is made, at least 70% of its assets (excluding assets necessary to maintain the business, such as office furniture) are represented by, in general, securities of small, developing or financially troubled businesses and liquid assets such as cash, government securities, or short-term high quality debt securities. The amendment would make it clear that a business development company's investment in the new eligible portfolio company securities counts toward the 70% of their assets that must be invested in specific securities.

Section 209 would also amend section 55 of the Investment Company Act of 1940 to permit a business development company to acquire the securities of an eligible portfolio company from persons other than the eligible portfolio company and its affiliated persons subject to such rules and regulations as the Commission may prescribe as necessary or appropriate in the public interest or for the protection of investors. Section 55(a)(1)(A) currently requires a business development company to acquire the securities of an eligible portfolio company directly from the portfolio company, or from a person who is, or who within the preceding thirteen months has been, an affiliated person of such eligible portfolio company. The amendment would facilitate acquisitions of eligible portfolio company securities from other persons.

Section 210 would amend sections 61(a)(2) and 61(a)(3)(A) of the Investment Company Act. Section 61(a)(2) currently permits a business development company to issue more than one class of debt securities if it does not have any publicly-held indebtedness outstanding, there is no intent to publicly distribute any class of debt securities, and all its debt securities are privately held or guaranteed by the Small Business Administration, banks, insurance companies, or other institutional investors. Section 210 would amend section 61(a)(2) to permit a business development company to issue, without restriction, multiple classes of debt securities.

Section 61(a)(3)(A) of the Investment Company Act currently provides that a business development company may only issue warrants, options, or rights to subscribe or convert to voting securities of such company if accompanied by senior securities representing indebtedness and in accordance with certain conditions. Section 210 would amend section 61(a)(3)(A) to allow a business development company to issue warrants, options, and rights either on a stand-alone basis or accompanied by debt or other securities provided the conditions of that section are met. The amendment would provide business development companies with greater flexibility in their capital structure.•

• Mr. KASTEN. Mr. President, I am pleased to rise today and join Senator DODD as an original cosponsor of the Small Business Incentives Act of 1992. Small businesses play a major role in our Nation's economy. They account for over half of the U.S. gross domestic product. Small businesses are the No. 1 creator of jobs for our workers—this is their most valuable contribution to the economy. Almost two-thirds of U.S. employment growth in recent years can be credited to small business.

As ranking Republican on the Senate Small Business Committee, I have maintained that when our small businesses are hurting, the Nation is hurting as well. We in the Senate need to take steps to ensure the growth of small businesses, and I believe the Small Business Incentives Act of 1992 will do just that.

Small business owners across the country are still feeling the effects of the credit and capital crunch. In the last year alone, the total of outstanding commercial and industrial loans declined around $30 billion.

Some of these small business owners need capital to get their ventures off the ground; others need money to expand their existing operations and hire more workers. There are still other small business owners who run profitable businesses but are being denied access to capital to stay afloat because of the effects of the recession. The result is that jobs are lost or never created. These small business owners and their workers are the ones who will benefit from the proposed bill.

The effort which produced this legislation demonstrates the bipartisan cooperation needed to solve our Nation's economic problems. I am encouraged by this attempt to get at the root problem in our economy by getting more capital to those who can create jobs. Small business is the engine that will pull us out of the recession, and the Small Business Incentives Act will help speed the process.•

Mr. D'AMATO. Mr. President, I have shared with the distinguished chairman of the Securities Subcommittee a deep concern about the impact of the credit crunch on small businesses. Small businesses that traditionally rely on bank loans to meet both short-term and long-term capital needs have been hit the hardest by the credit crunch.

Banks have been increasingly reluctant to lend to small businesses, in part because banks have retreated from the business of lending altogether. The well for credit to entrepreneurs and individuals with small businesses has run dry over the last 18 months. Over the last year and a half, numerous constituents have told me that they have had their loans denied and lines of credit pulled in—frequently in spite of a long-standing relationship with the lender.

Small businesses are the backbone of the U.S. economy. Without adequate access to capital, our small businesses will falter and eventually fail. There will be no incentive for individuals to start up small businesses if they cannot access capital to operate the business. As a result, Americans will be deprived of many of the technological and other advances that are traditionally developed through small businesses.

The recession has starved most small businesses of credit. Until we find a way to get credit to these small businesses, the economy will remain sluggish. Restoring the health of small businesses is integral to leading the economy out of the recession.

The SEC has proposed initiatives in legislation being introduced today by the distinguished chairman of the Securities Subcommittee, the Small Business Incentive Act of 1992. This bill is intended to make the capital markets more accessible to small businesses.

The SEC has developed an impressive series of rules and legislative proposals aimed at making it easier for small businesses to issue securities. The SEC has also worked to enhance the market for the securities of small businesses by removing or easing certain restrictions that presently contribute to the illiquidity of these securities.

I commend the SEC for its efforts to find a way to restore vitality to small businesses. I am pleased to cosponsor this important piece of legislation, and I hope that Congress can expeditiously pass legislation along the lines of what has been suggested by the SEC.

By Mr. GARN:

S. 2519. A bill to provide authority to regulate exports, to improve the efficiency of export regulation, and to minimize interference with the ability to engage in commerce; to the Committee on Banking, Housing, and Urban Affairs.

EXPORT ADMINISTRATION ACT

Mr. GARN. Mr. President, I rise today for the last time during my Senate career to propose fundamental reform of the process by which the United States controls the export of high technology. The Export Administration Act of 1992 is a major revision of our current export control laws that would centralize management of all U.S. export controls in an Office of Strategic Trade and Technology.

This bill is a substantial redraft of legislation I have proposed in the 97th, 98th, and 101st Congresses but it addresses the same theme I have been pursuing during my 17 years in the Senate. I am firmly convinced that the export control system will never function well as long as it is based on open competition among bureaucracies, each with inherent biases that distort their approach to export controls. Our national security has been poorly served by this focus on agency views and prerogatives. As the export control challenge shifts more and more to proliferation and away from East-West trade, the number of agencies involved and the resulting confusion will only rise.

It is my firm belief that centralizing all export control functions will make the system more efficient, more responsive to U.S. exporters, and better able to meet its primary national security objective. I also believe that this change will limit the constant and often counterproductive appeal to Congress to solve the bureaucratic infighting. For example, I believe that we would simply never find duplicative or overlapping munitions and dual-use controls if one person were in charge of both sets of controls.

We have now seen a succession of EAA reauthorizations in which the Congress has taken on the job of setting licensing thresholds and picking winners and losers in the interagency bidding wars. Congressional micromanagement has become so intense that it has produced a complete impasse with the administration in setting the rules of the system. Congress and the President are battling for control of the system and our failure to reach an accommodation has left the law out of force for 18 months. The best way to end the policy drift is to put the system in good working order, under unified command, and let it function.

The urgency to make sense of the system is underlined by developments in the former Soviet Union and by the growing problem of proliferation of weapons of mass destruction. To deal with the rapidly changing export control situation, we need a firm hand at the tiller. Unfortunately, both the

Commerce and State Departments have come under heavy criticism for allowing sales in the Middle East that, on reflection, should not have gone forward. Defense officials have blown the whistle in a couple of cases but DOD is just as guilty of being asleep at the switch. It is precisely to insulate the technology security process from the pressures of competing agencies and the political fashion of the moment that I am proposing its placement in an independent Office of Strategic Trade and Technology.

While I am placing a brief summary of the highlights of the bill in the RECORD following my statement, I would like to review some of the revisions in this version of the bill. As in past versions, a new office would be created within the Executive Office of the President as the single agency responsible for technology security issues. Its Director would be the President's principal advisor on technology issues and would be solely responsible for routine operations of the U.S. export control system. Broad policy would be set by a Strategic Trade Policy Council, chaired by the Director, with major policy disputes referred to the President.

There would be a single U.S. National Security Export Control Index identifying all goods or technology subject to U.S. controls, including dual-use, munitions, missile, chemical, biological, nuclear, and other foreign policy controlled items. All export control functions and staff at the Commerce, State, and Defense Departments and some authorities of the Energy and Treasury Departments would be transferred to the OSTT.

The growing problem of proliferation of chemical, biological, and nuclear weapons and missle delivery systems would be recognized by placing all of these authorities in the national security section of the act, making them coequal with controls related to strategic weapons. A separate bureau headed by an Associate Director for nonproliferation would be created to provide necessary support for this added workload and provide focus to these efforts.

Internationally, stopping the spread of destabilizing technologies to Third World destinations will require the negotiation of effective control arrangements outside the traditional Cocom framework. A number of multilateral agreements exist but much work is needed to produce uniform controls and agreed approaches to enforcement and to knit them together into an effective nonproliferation framework. The new bill provides for a new export control negotiator, assistance to foreign governments in upgrading export control systems, and encouragement of multilateral sanctions against proliferators.

While I do not underestimate the resistance to or initial cost of creating a single agency, I believe that the efficiency and effectiveness of the system will be enhanced by consolidation of functions in the OSTT. Over time, budget savings should be realized through combination of budget and personnel from the various agencies, even allowing for some backfilling in the policy levels of the agencies. Interagency debate should focus on key policy issues, not on every piece of paper that goes through the export control system. No Cabinet agency will have special consultation rights in the process so we can stop worrying about whether Commerce is putting trade above national security or Defense is closing down foreign markets.

I would be remiss if I did not acknowledge one critical issue that is not addressed by this bill, and on which current law is also completely silent. Silence may be appropriate in this case since the issue is the extent to which export controls should be used to protect U.S. intelligence capabilities. Clearly intelligence gathering is important to our national security but it is not an end in itself absent a significant military threat. In the current export control debate, with the Soviet military threat declining, the ability to gather intelligence is emerging as the major justification for controls in the areas of telecommunications and computer software. If this trend continues over time, industry would face a range of complex export controls with no explicit basis in law. This would not be very workable for the administrators of the export control system or its users.

Needless to say, this is an issue that does not lend itself to public debate. And I do not pretend to have an easy answer as to how appropriately to factor intelligence concerns into the law. However, it is an issue that must be addressed in defining the future of our export control system.

In particular, because of the contentiousness of isues of this kind, I believe creation of an OSTT is the best approach to resolving the problems of our control system. In fact, I believe it is the only hope left short of having Congress destroy the system by trying to fix it. After playing the lone voice crying in the wilderness on this issue for many years, in the last Congress I was joined in this effort by Senator John Heinz. More recently, the House Government Operations Committee proposed a single office and a number of industry spokesmen have begun to recognize the benefits of a single office for export licensing. The Center for Strategic and International Studies has begun to examine seriously the merits of such an approach and the President's Export Council Subcommittee on Export Administration has recommended many of the components of the OSTT bill. It may be an idea whose time is finally coming.

I will not be around to carry forward this fight the next time the EAA comes up for reauthorization and sadly we can no longer rely on the leadership of Senator Heinz on export control issues. Nonetheless, I urge my colleagues to consider this legislation carefully and to adopt the single agency approach in the next Congress.

I ask unanimous consent that a brief summary of the bill and a section-by-section analysis of changes to current law be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE EXPORT ADMINISTRATION ACT OF 1992

The Export Administration Act of 1992 represents a substantial revision and restructuring of the current export control statute, the Export Administration Act of 1979. While the bill is not a completely fresh start, it is intended to provide a new framework for control of military and militarily critical technology and for policymaking in the broader area of U.S. technology security during a period of transition in the 1990s. In addition to streamlining export control procedures and substantially revising or eliminating outdated legislative language in current law, it has the following major components.

A new control framework.—The bill creates a single office as sole administrator of the control system and a new Cabinet council for technology security policy. Routine matters such as individual licensing decisions and list review and classifications would be separated from the interagency process of establishing broad policy.

The Office of Strategic Trade and Technology (OSTT) would be created within the Executive Office of the President. It would combine the export and munitions control staff and functions of Commerce, State, Defense and Energy into a single agency responsible for technology security issues and for exclusive management of the export control system. Its Director would be the President's principal advisor on technology issues and issues related to U.S. economic security such as foreign investment.

A Strategic Trade Policy Council (STPC) would establish broad export control and technology security policies. The Council would be chaired by the OSTT Director and would include the Secretaries of Commerce, Defense, State and Treasury, the U.S. Trade Representative, the Director of Central Intelligence and other officials as appropriate. The STPC would have no role in review and clearance of individual export cases.

A strengthened role for industry would be provided through creation of an Office of Industry Advisory Committees. The office would be headed by the Chairman of the President's Export Council Subcommittee on Export Administration who would advise the Director on technology issues and coordinate the activities of the various industry advisory committees.

Enforcement of all export and munitions control laws would be consolidated in the Customs Service, with compliance functions related to licenses, pre-license and post-shipment checks retained in an Office within the OSTT. The OSTT would provide on-line service to assist exporters in complying with the complexities of new non-proliferation regimes.

A comprehensive approach to national security and export controls.—The bill creates a single source of information on export controls and broadens the national security focus of controls to include the growing problem of proliferation of weapons of mass destruction.

Controls on proliferation of nuclear, chemical and biological weapons and missile systems would be added to the national security section of the law. The growing importance of proliferation would also be recognized in the creation of a separate Bureau headed by an Associate Director for Non-Proliferation. The new Bureau would support the growing proliferation licensing workload and give focus to the difficult challenge of negotiating new proliferation control arrangements outside COCOM.

International cooperation in controlling illegal export would be encouraged through U.S. assistance in upgrading export control systems, procedures for upgrading the export status of controlled and cooperating countries, and encouragement of multilateral sanctions against diverters.

Negotiations to achieve uniform, multilateral controls on all controlled commodities would be pursued by a Chief Negotiator within OSTT, appointed by the President and holding the rank of Ambassador.

The United States Export Control Index would be a single source of information identifying all goods and technology subject to control for any purpose and on any control list. The Militarily Critical Technologies List and munitions list would be incorporated into the comprehensive index.

Economic security issues.—Creation of a new Bureau for Economic Security would recognize the growing importance of a variety of import, export and investment issues that affect U.S. security.

Commerce's economic security responsibilities would be transferred to OSTT including imports threatening U.S. national security under section 232 of the Trade Expansion Act of 1962, short supply controls, antiboycott regulations, and responsibilities under the Defense Production Act.

The Director would assume the leadership of CFIUS, the Committee on Foreign Investment in the United States, now headed by the Treasury Secretary. The responsibilities assumed by OSTT would include monitoring overall foreign direct investment and investment review under the Exon-Florio provisions.

The Director would participate in all policy deliberations related to economic security including the Competitiveness Policy Council and the Trade Policy Committee.

SUMMARY OF CHANGES TO CURRENT LAW

Section 1. Short Title; Table of Contents. Renames the statute and provides a revised table of contents.

2. Section 2. Findings and Policy. Shortens and revises the Findings and Policy section of current law to reflect the increased emphasis on proliferation of weapons of mass destruction.

3. Section 3. Office of Strategic Trade and Technology. Establishes the Office of Strategic Trade and Technology incorporating the export control responsibilities and resources of the Departments of Commerce, State and Defense and a partial transfer of responsibilities from the Department of Energy and the Office of Foreign Assets Control at Treasury.

Makes the Director solely responsible for export licensing and control, eliminating interagency license referrals and overlap of controls among agencies.

Designates the Director as the President's principal adviser on strategic trade and technology policy, chair of the Strategic Trade Policy council and the Committee for Foreign Investments in the United States, and member of other policy councils related to economic security.

Establishes the Strategic Trade Policy Council chaired by the Director and consisting of the Secretaries of Commerce, Defense, Energy, State and Treasury and the Director of Central Intelligence, the National Security Adviser, the United States Trade Representative, the Director of the Arms Control and Disarmament Agency and the Chairman of the Nuclear Regulatory Commission. The STPC would establish overall strategic trade policy and any disputes would be subject to firm deadlines.

Mandates principal officers as follows: a Deputy Director responsible for day-to-day operations; an Associate Director for Export Administration responsible for all licensing; an Associate Director for Non-Proliferation; an Associate Director for Economic Security responsible for foreign investment, the Defense Production Act and other economic security issues; and a Chief Negotiator with the rank of ambassador.

Creates an Office of Industry Advisory Committees to coordinate and upgrade industry input in the control process.

Section 4. General Provisions. Generally clarifies current law and—

Establishes a United States Export Control Index as a single source of information regarding all export licensing requirements under U.S. law.

Clarifies and streamlines the rules for foreign availability determinations under the Act, eliminating confusing rules for West-West decontrol.

Section 5. National Security Controls. While maintaining all current control and licensing authorities, substantially revises the national security authorities under the Act to eliminate the exclusive focus on the Soviet Union and allied countries and to reflect the changing national security threat confronting the United States and the West.

Establishes a dual national security focus on two classes of countries: those that are a strategic military threat and subject to COCOM controls; and those that are of concern regarding proliferation of weapons of mass destruction including chemical, biological and nuclear weapons and missile delivery systems.

Mandates procedures for removing countries that are cooperating with the West from the list of controlled countries and provides assistance to such governments in development of export control systems and defense conversion.

Maintains a separate control policy for the People's Republic of China denying special preferences to China and placing conditions related to end-use and reexport on shipments of items controlled for proliferation purposes.

Mandates negotiations to establish fully multilateral national security controls and a common standard of enforcement among cooperating countries which would then enjoy preferential licensing or license-free trade as in COCOM.

Requires publication of COCOM control lists and agreements affecting those lists.

Section 6. Foreign Policy Controls. Generally clarifies the text of current law, moves all proliferation control authority to section 5, and strengthens the requirement that the President pursue diplomatic alternatives to foreign policy controls.

Section 7. Short Supply Controls. Substantial clean up of current law with expansion of the authority to petition for monitoring or controls to permit petition by any party affected by short supply conditions.

Section 10. Procedures for Processing Export License Applications; Other Enquiries. Cleans up the text of current law and—

Tightens timeframes for review of national discretion and favorable consideration cases in COCOM.

Eliminates special procedures for the Secretary of Defense because all interagency referral of licenses is eliminated under the new Office.

Section 11. Violations. Clarifies and consolidates the various categories of violations under the Act and increases penalties.

Section 11A. Multilateral Export Control Violations. Combines sanctions authority provided for violations of strategic controls as well as nuclear, chemical, biological and missile proliferation into a single sanctions section of the Act.

The separate standards in current law for each sanctionable violation are maintained but common sanctions, time periods, affected parties, exceptions and waivers are provided.

The role of consultation with other governments is strengthened to encourage application of collective sanctions against violators and to permit the President to waive sanctions where a government of jurisdiction is a participant in a multilateral control arrangement and takes effective action to terminate the involvement of the foreign party in illegal transfers.

Section 12. Enforcement. Consolidates authority for enforcement of the Act under the Commissioner of Customs, eliminating the overlap of authority between Commerce and Customs in current law.

Directs the Commissioner to coordinate activities with the OSTT, the FBI, Treasury, and the intelligence agencies and to establish an interagency working group to ensure uniform policies, improved training, and the fullest possible utilization of enforcement authorities under the Act.

Activities reserved for the OSTT include: monitoring compliance with the terms of all licenses; prelicense and postshipment verifications, including overseas; close cooperation with Customs on enforcement; and imposition of civil penalties and administrative sanctions under the Act.

New responsibilities assigned to the OSTT include: assistance to foreign governments, including controlled countries, in improving their export control systems; and providing expanded and timely information to exporters on proscribed parties, unreliable end-users and projects of concern regarding proliferation.

The Commissioner is required to report annually on all enforcement activities under the Act including coordination of activities with other agencies and total resources dedicated to enforcement.

Section 13. Administrative Procedure and Judicial Review. Generally clarifies current law and—

Expands judicial review in areas that do not involve agency discretion such as statutory mandates, prohibitions or deadlines.

Provides a new legal defense for exporters in cases in which noncompliance with contracts to export goods or technology is caused by denial of export licenses.

Section 14. Reports. Streamlines annual reporting requirements under the Act, removing outdated material.

Section 15. Definitions. Greatly expands the definition section of the Act providing a statutory definition for all technical terms used.

Section 16. Effect on Other Acts. Authority of the OSTT over export controls on goods, technology or property pursuant to this Act, the Arms Export Control Act, the Nuclear Non-Proliferation Act of 1978, the International Emergency Economic Powers Act, the Trading with the Enemy Act, and other statutes is detailed. Clear rules are established for the division of responsibility between Export Administration Act of 1992 and the Arms Export Control Act.

Section 17. Authorization of Appropriations. Such sums as may be necessary are authorized to be appropriated.

Sections 18–21. Conforming Amendments. Conforming amendments are made to the Defense Production Act of 1950, the Trade Expansion Act of 1962, the Arms Export Control Act, and the Nuclear Non-Proliferation Act of 1978 specifying the new authority of the OSTT and its Director.

Section 22. Savings Provisions. Provides for continuation of all delegations, rules, regulations, etc. in force on the date of enactment and provides that new requirements in the Act shall not apply to administrative proceedings underway and licenses pending on the date of enactment.

Sections 23–24. Effective Date; Termination Date. The Act is effective upon expiration of the Export Administration Act of 1979 and terminates on September 30, 2000.

By Mr. KENNEDY (for himself, Mr. SIMPSON, Mr. DODD, and Mr. LUGAR):

S. 2520. A bill to support efforts to promote democracy in Haiti; to the Committee on Foreign Relations.

DEMOCRACY IN HAITI ACT

Mr. KENNEDY. Mr. President, I would like to introduce a bill on behalf of myself, Senator SIMPSON, Senator DODD, and Senator LUGAR. This measure supports efforts to return to power the democratically elected government of Haitian President Jean-Bertrand Aristide, and to promote democracy in Haiti.

Six months ago, President Aristide was toppled by a violent military coup. Today, he remains in exile, and the military regime which deposed him continues to repress the Haitian people and intimidate members of the democratically elected Parliament.

International efforts to negotiate President Aristide's return and end this violence, including the February protocol between President Aristide and representatives of the Haitian Parliament, have been undermined by this repressive regime. In a travesty of justice, the Haitian Supreme Court recently found the protocol unconstitutional. With the decision of this puppet court firmly in hand, coup leaders have now threatened to arrest members of the Haitian Parliament if they try to ratify the prodemocracy accord.

This continuing assault on Haiti's democracy is an affront not only to the people of Haiti, but to all friends of freedom around the world. It is more important than ever for the United States to maintain a strong stand with the Haitian people in their struggle for a peaceful, democratic Government.

It is time for the Bush administration and the Organization of American States to strengthen international sanctions against the illegal Haitian regime, expedite the return of President Aristide, and restore democratic Government in Haiti.

More than 1,500 people have died in violence stemming from the coup. The regime has cracked down on all sectors which supported President Aristide, including priests, pastors, human rights organizations, labor unions, and journalists.

Over 16,000 Haitian citizens fled the chaos and brutality in Haiti by taking to the high seas in makeshift rafts and boats in the hope of finding a safe haven in the United States. A third of these individuals were screened for entry into the United States. The rest were forcibly returned by the Bush administration to the violence they had fled.

Thousands of other Haitians are displaced across the country, uncertain of how they will survive, and fearing for their lives at the hands of soldiers and remnants of the outlawed Tons-Tons Macoutes death squads.

The embargo initiated against Haiti last October by the OAS has been weakened substantially by blatant violations, the ill-advised unilateral easing of the United States embargo, lack of participation by many European countries, and frequent trips to the United States by wealthy Haitians who support the military government and use their ability to travel to ease the hardships of the embargo.

If the embargo is to be effective in bringing pressure on the regime to negotiate a satisfactory resolution to the crisis, we must work to convince all of Haiti's trading partners to join in and tighten the embargo. and we must not allow individuals funding the regime access to assets in the United States.

The most appropriate measures for resolving the Haitian crisis have already been defined. On February 23, President Aristide and representatives of the Haitian Parliament signed an accord which contains many of the steps necessary to restore a democratic Government. All parties to this protocol recognized the need for the Haitian Parliament to restore President Aristide to power, install a prime minister of his choice and the Parliament's approval, and proclaim a general amnesty for participants in the coup.

In addition, the OAS has developed a proposal for a civilian mission, called the OAS-DEMOC, to facilitate the reestablishment and strengthening of democratic institutions in Haiti and promote the full force and effect of the Haitian constitution, respect for human rights, and the administration of justice. The protocol endorsed President Aristide's request for the OAS–DEMOC mission in Haiti.

Unfortunately, ratification of the protocol by the Haitian Parliament has been repeatedly postponed as its members have been intimidated and bribed by the regime. Last week, the illegally constituted Supreme Court, under pressure from the military, found the protocol unconstitutional.

This transparent effort by the military regime to prevent the return of Haiti's democratically elected Government cannot be allowed to stand. If the Congress wants to ensure that Haiti's legitimate Government is returned to power, we must make it clear by every means possible that the American people stand with the forces of freedom within Haiti, and that we will not acquiesce in the rule violence and corruption in this hemisphere.

The reestablishment of stability and democracy in Haiti will require assistance from the international community and a sustained international presence in Haiti. In addition, it will require the building and strengthening of democratic institutions, the creation of a functioning judicial system, the creation of a new police force, and respect by those in authority for the human rights of all Haitians. The Haitian Armed Forces must be reformed and restructured under civilian control to remove the military from political activity.

The OAS–DEMOC mission, once put into motion, will provide critical support to these efforts to build a lasting democracy in Haiti and to create a functioning democratic society.

To this effect, we are introducing today a measure designed to promote the return of democracy.

It is my understanding that this legislation is also being introduced in the House by Congressmen RANGEL and TORRICELLI.

To restore the democratically elected Government of Haiti, the measure:

First, urges all governments, including those outside this hemisphere, to abide by the OAS-supported embargo of Haiti, and to consider measures to strengthen international sanctions if significant progress toward the restoration of the democratically elected Government of Haiti is not promptly achieved;

Second, urges all governments participating in the embargo to permit assistance to impoverished areas in Haiti by nongovernmental organizations;

Third, gives its full support to the protocol between President Aristide and the Parliamentary Negotiating Committee regarding a permanent solution to the Haitian crisis;

Fourth, expresses its grave concern over delays in the Haitian Parliament in the ratification of the protocol;

Fifth, calls upon the Haitian Parliament to lend its full support to the agreement and calls on the Haitian Armed Forces and the de facto government to respect the actions of the Parliament;

Sixth, calls upon Haiti's Armed Forces, Parliament, and de facto government to restore individual rights and freedoms within Haiti;

Seventh, calls upon Haiti's Armed Forces to submit to civilian control;

Eighth, calls upon all parties to renounce violence as a means of achieving political goals;

Ninth, lends its full support to the OAS proposal for a civilian OAS-DEMOC mission in Haiti and calls upon the international community to support its continuation for an extended period of time; and

Tenth, calls upon the OAS to consider additional measures if significant progress toward the restoration of the democratically elected government is not promptly achieved.

The measure authorizes the Secretary of State to contribute $22 million on behalf of the United States to the OAS-DEMOC Program in Haiti over a 5-year period. It urges the Secretary to allocate an additional $3 million at once, and to ensure appropriate burden-sharing among OAS member governments in providing resources for OAS-DEMOC.

In addition, the measure makes Haitians who directly assisted the military coup or who participated in terrorist acts against the Haitian people ineligible for admission to the United States until a democratically elected government has been restored in Haiti.

It also authorizes the President to block the assets in the United States of Haitians who were directly involved in the coup.

The United States should lose no time in responding to the crisis in Haiti. If the Haitian people's dream of freedom and democracy is to become a reality, we must act now to restore the rule of law in Haiti. Haiti's military oppressors must learn that naked aggression will not prevail and that a penalty will be paid for attempts to undermine democracy in this hemisphere.

If the Congress wants to build on our long and close relationship with the Haitian people, we must take steps to ensure that we are supporting progress toward a democratic system of government that guarantees fundamental rights of freedom and liberty, that we are not permitting a repressive military regime to destroy a democratic government by our inaction.

I urge my colleagues to join us in supporting this measure on behalf of the Haitian people.

Mr. SIMPSON. Mr. President, I am very pleased to join with my colleague from Massachusetts in introducing this bill which expresses the Congress' interest in building a durable democracy in Haiti.

Since winning of their independence 188 years ago, the Haitian people have never known political stability or economic security. Then the promise of free elections in February of 1990 gave the Haitian people hope that political freedom and economic opportunity would finally come to Haiti.

Unfortunately, while the elections produced a democratically elected president and Parliament, it did not produce a democratic government. The President feuded with the Parliament and the military. The business community, some members of Parliament, and even some in the military, felt threatened by the masses which took to the streets in support of the President. And the masses feared the military. Those institutions so important to a true democracy: A functioning judiciary, a civilian police, and a military under civilian control, simply did not exist.

Without these institutions to support its democratically-elected government, the hope of a democratic Haiti flickered out with the military coup on September 30, 1991.

As a result of the coup, followed by the OAS embargo, many Haitians gave up hope of a better future, and more than 16,000 set sail for Florida. Those with a credible claim to refugee status—over 6,000 to date—have been brought to the United States to pursue that claim. The majority, those who left for economic reasons, have been returned. I fully support the administration's repatriation policy. Our Embassy, as well as independent monitors, have followed up on those who were repatriated, and there is no supportable evidence that the returnees are mistreated.

The embargo, which I do support, has caused the loss of tens of thousands of assembly sector jobs. The market for Haiti's only significant agricultural export, mangoes, has been lost to the embargo. And on top of everything, Haiti is suffering through a 40-year low in rainfall with a corresponding loss of food production which will add to the malnutrition already developing in that country.

My point is, Mr. President, that things are bad and growing worse in Haiti, and we must act swiftly now, together with our neighbors in the hemisphere, if we are to assist this country to get to its feet and stand tall by itself.

This measure expresses our findings that the democratically elected President of Haiti, Jean-Bertrand Aristide, must be returned to office. The international community must lend its strong support to the establishment of economic stability and the securing of democracy in Haiti by building and strengthening democratic institutions in that country. The bill expresses the Congress' strong support for a more effective embargo; for the swift approval of the OAS-sponsored protocol between President Aristide and the Haitian parliamentary Negotiating Committee; and for the sustained support and presence of an international contingent in Haiti until a functioning and secure democracy is achieved.

I urge my colleagues to join us in this strong expression of our support for an economical secure and politically stable Haiti.

By Mr. HEFLIN:

S. 2521. A bill to make technical and procedural amendments pertaining to the U.S. Court of Federal Claims and the judges thereof in order to promote efficiency and fairness, and for other purposes; to the Committee on the Judiciary.

COURT OF FEDERAL CLAIMS TECHNICAL AND PROCEDURAL IMPROVEMENTS ACT

• Mr. HEFLIN. Mr. President, I rise today to introduce legislation to amend title 28 of the United States Code to improve the Federal claims litigation process before the U.S. Claims Court and to assist the court in providing better and more efficient service to its litigants. It will also insure fair treatment for the regular and senior judges of the court by providing certain benefits equivalent to those available to other Federal trial judges.

The Claims Court is the Nation's primary forum for monetary claims against the Federal Government. The court has jurisdiction to entertain suits for money against the United States that are founded upon the Constitution, as act of Congress, and Executive order, a regulation of an executive department, or contact with the United States and that do not sound in tort. The court hears major patent cases, Government contract suits, tax refund suits, fifth amendment takings cases and Indian claims, among many other type of law suits. The court has national jurisdiction, and the judges hear cases around the country at locations that are most convenient to the litigants and the witnesses.

The legislation that I am introducing today extends several existing provisions of title 28 to apply to the Claims Court and clarifies other provisions. The amendments will improve the procedures for judicial continuity and recall. The amendments will also make applicable to Claims Court judges provisions that now apply to federal judges in general. The amendments will improve the service that the court can provide to litigants by clarifying issues over court jurisdiction and appropriate sites for holding trials. In addition, the amendments will provide resources needed to improve the court's already impressive performance in difficult, complex cases. Finally, the bill will also reduce confusion over the name of the court. Let me provide a brief summary of my bill:

Section 2 will change the name of the Court from U.S. Claims Court to "U.S. Court of Federal Claims." This properly reflects the actual Federal jurisdiction of the Claims Court, is faithful to the historic name of the court and will also reduce confusion between this court and small claims courts in various jurisdictions.

Section 3 provides that in the event a judge is not reappointed, the judge will nonetheless remain in regular active status until his successor is appointed and takes office, thus insuring that the court will always have a full compliment of regular active judges.

Section 4 will insure that Claims Court judges over age 65 who are on senior status will receive the same treatment as other Federal trial judges on senior status insofar as Social Security taxes and payments are concerned.

Section 5 amends title 28 to clarify that the judges of the U.S. Claims Court are judicial officers eligible for coverage under annuity, insurance and other programs available under title 5 of the United States Code.

Section 6 provides that judges of the Claims Court are covered by section 371(e) of title 28 and are to receive any military retirement pay to which they are otherwise entitled. This will extend to Claims Court judges the same treatment now provided for other Federal trail judges insofar as earned military retirement pay is concerned.

Section 7 eliminates superseded and duplicated provisions pertaining to the recall of a senior judge of the Claims Court.

Section 8 will insure that Claims Court judges have the authority to hire the same number of law clerks as U.S. District Court judges. This will insure that the Claims Court judges have sufficient legal resources to discharge their unique and heavy judicial responsibilities.

Section 9 clarifies the authority of the court to hold proceedings where convenient to the litigants and witnesses. The amendment will restore the authority of the court to preside in hearings overseas, particularly in Government contract disputes, when the circumstances of the case make that the most appropriatelocation for the parties and witnesses.

Section 10 amends the court's jurisdiction in four ways to reduce recurring, wasteful litigation over jurisdictional issues. The first change provides the claims court with declaratory judgment jurisdiction in contract cases, which will allow the court to address default termination claims unaccompanied by a claim for money damages. The second change will extend ancillary jurisdiction to a tort claim under the Federal Tort Claims Act when that claim is related to an action otherwise plainly within the court's subject matter jurisdiction. The third change will repeal section 1500 of title 28, eliminating much wasteful litigation over non merits issues. Finally, the fourth change will make certification of claims under the Contract Disputes Act non jurisdictional. Wasteful and esoteric litigation over this issue has produced several hundred written conflicting opinions from various courts and agency appeals boards. The treatment of this topic parallels a 1983 recommendation of the Administrative Conference of the United States.

Sections 11 and 12 will promote uniformity among the courts by making applicable to the Claims Court various provisions of title 28 pertaining to costs, witness fees, forma pauperis proceedings and payment of judgments now applicable to other Federal trial courts.

Section 13 will amend 28 U.S.C. section 2521 to provide for the Claims Court the same authority to enforce its orders and processes as is presently provided for the U.S. Tax Court.

I urge my colleagues to support this legislation, which I believe will promote efficiency and fairness. The U.S. Claims Court is an important part of the Federal court system. The creation of this court by the Congress to do justice responded to a very basic democratic imperative: Fair dealing by the Government in disputes between the Government and the private citizen. As Abraham Lincoln noted: "It is as much the duty of the Government to render prompt justice against itself, in favor of citizens, as it is to administer the same, between private individuals." These amendments will allow it to better comply with its mandate and assist it in providing improved service to litigants and to the entire country.

Mr. President, I request unanimous consent that the text of the bill be included in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2521

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Court of Federal Claims Technical and Procedural Improvements Act of 1992".

SEC. 2. COURT DESIGNATION.

(a) IN GENERAL.—Chapter 7 of title 28, United States Code, in amended by—

(1) striking "United States Claims Court" each place it appears and inserting "United States Court of Federal Claims"; and

(2) striking "Claims Court" each place it appears and inserting "Court of Federal Claims".

(b) OTHER PROVISIONS OF LAW.—Reference in any other Federal law or any document of or relating to—

(1) the "United States Claims Court" shall be deemed to refer to the "United States Court of Federal Claims"; and.

(2) the "Claims Court" shall be deemed to refer to the "Court of Federal Claims".

SEC. 3. HOLDOVER TENURE.

Section 172(a) of title 28, United States Code, is amended by adding at the end thereof the following new sentence: "If a judge is not reappointed, such judge may continue in office until a successor is appointed and takes office.".

SEC. 4. SOCIAL SECURITY AMENDMENTS.

Section 178 of title 28, United States Code, is amended by adding at the end thereof the following new subsection:

"(m) For the purpose of construing section 3121(i)(5) of the Internal Revenue Code of 1986 and section 209(h) of the Social Security Act (42 U.S.C. 409(h)), the annuity of a Court of Federal Claims judge on senior status after age 65 shall be deemed to be an amount paid under section 371(b) of this title for performing services under the provisions of section 294 of this title.".

SEC. 5. ELIGIBILITY FOR INSURANCE AND ANNUITIES PROGRAMS.

Chapter 7 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 179. Insurance and annuities programs

"For the purpose of construing title 5, a judge of the United States Court of Federal Claims shall be deemed to be a 'judge of the United States' as designated in section 2104(a) of title 5.".

SEC. 6. MILITARY RETIREMENT PAY FOR RETIRED JUDGES.

(a) IN GENERAL.—Chapter 7 of title 28, United States Code, is amended by adding at the end thereof the following new section:

"§ 180. Military retirement pay for retired judges

"Section 371(e) of this title shall be applicable to judges of the United States Court of Federal Claims, and for the purpose of construing section 371(e) of this title, a judge of the United States Court of Federal Claims shall be deemed to be a judge of the United States as defined by section 451 of this title.".

(b) TABLE OF SECTIONS.—The table of sections for chapter 7 of title 28, United States Code, is amended by adding at the end thereof of the following:

"179. Insurance and annuities programs.".

"180. Military retirement pay for retired judges.".

SEC. 7. RECALL OF COURT OF FEDERAL CLAIMS JUDGES ON SENIOR STATUS.

(a) IN GENERAL.—Section 375 of title 28, United States Code, is amended—

(1) in the first sentence of subsection (a)(1) by striking ", a judge of the Claims Court," and ", judge of the Claims Court,";

(2) by amending paragraph (2) of subsection (a) to read as follows:

"(2) For purposes of paragraph (1) of this subsection, a certification may be made, in the case of a bankruptcy judge or a United States magistrate, by the judicial council of the circuit in which the official duty station of the judge or magistrate at the time of retirement was located.";

(3) by amending paragraph (3) of subsection (a) to read as follows:

"(3) For purposes of this section, the term 'bankruptcy judge' means a bankruptcy judge appointed under chapter 6 of this title or serving as a bankruptcy judge on March 31, 1984."; and

(4) in subsection (f) by—

(A) striking ", a judge of the Claims Court,"; and

(B) striking ", a commissioner of the Court of Claims,".

(b) RECALL OF RETIRED JUDGES.—Section 797 of title 28, United States Code, is amended—

(1) in subsection (a) by inserting "section 178 of this title or under" after "under"; and

(2) in the second sentence of subsection (d) by striking "civil service".

SEC. 8. LAW CLERKS AND SECRETARIES.

The first sentence of section 794 of title 28, United States Code, is amended by inserting after "may approve" the following: "for district judges".

SEC. 9. SITES FOR HOLDING COURT.

(a) IN GENERAL.—Section 798(a) of title 28, United States Code, is amended to read as follows:

"(a) The United States Court of Federal Claims is authorized to utilize facilities and hold court in Washington, District of Columbia, and throughout the United States (including its territories and possessions) as necessary for compliance with sections 173 and 2503(c) of this title. The facilities of the Federal courts, as well as other comparable facilities administered by the General Services Administration, shall be made available for trials and other proceedings outside of the District of Columbia.".

(b) FOREIGN COUNTRY.—

(1) REDESIGNATION.—Subsection (b) of section 798 of title 28, United States Code, is redesignated as subsection (c).

(2) HEARING IN A FOREIGN COUNTRY.—Section 798 of title 28, United States Code, is amended by inserting after subsection (a) the following:

"(b) Upon application of a party or upon the judge's own initiative, and upon a showing that the interests of economy, efficiency and justice will be served, the chief judge may issue an order authorizing a judge of the court to conduct proceedings, including evidentiary hearings and trials, in a foreign country whose laws do not prohibit such proceedings.".

SEC. 10. JURISDICTION.

(a) REMEDIES.—The last sentence of section 1491(a)(2) of title 28, United States Code, is amended by inserting after "judgment" the following: ", including declaratory judgment,".

(b) ANCILLARY JURISDICTION.—Section 1491(a) of title 28, United States Code, is amended by adding at the end thereof the following:

"(4) To afford complete relief on any claim within its jurisdiction, the Court of Federal Claims shall also have ancillary jurisdiction to render judgment upon any related claim authorized by sections 1346 (b) and (c) and 2674 of this title, provided that there has been compliance with section 2675 of this title.".

(c) REPEAL.—Section 1500 of title 28, United States Code, is repealed.

(d) PUBLIC CONTRACTS.—Section 6 of the Contract Disputes Act of 1978 (41 U.S.C. 605) is amended by adding at the end thereof a new subsection as follows:

"(f) Notwithstanding any other provisions of law or judicial doctrine, the claim certification requirements of this section shall not be deemed jurisdictional in any court or agency board proceeding pursuant to sections 607, 608 or 609 of this title.".

SEC. 11. AWARDABLE COSTS.

Section 1919 of title 28, United States Code, is amended by—

(1) striking "or" and inserting a comma; and

(2) inserting after "Trade" the following: ", or the Court of Federal Claims".

SEC. 12. PROCEEDINGS GENERALLY.

Section 2503 of title 28, United States Code, is amended by adding at the end thereof the following:

"(d) For the purpose of construing sections 1821, 1915, 1920 and 1927 of this title, the United States Court of Federal Claims shall be deemed to be a court of the United States.".

SEC. 13. SUBPOENAS AND INCIDENTAL POWERS.

(a) IN GENERAL.—Section 2521 of title 28, United States Code, is amended by—

(1) amending the section heading to read as follows:

"§ 2521. Subpoenas and incidental powers";

(2) inserting "(a)" before "Subpoenas requiring"; and

(3) adding at the end thereof the following new subsections:

"(b) The United States Court of Federal Claims shall have power to punish by fine or imprisonment, at its discretion, such contempt of its authority as—

"(1) misbehavior of any person in its presence or so near thereto as to obstruct the administration of justice;

"(2) misbehavior of any of its officers in their official transactions; or

"(3) disobedience or resistance to its lawful writ, process, order, rule, decree, or command.

"(c) The United States Court of Federal Claims shall have such assistance in the carrying out of its lawful writ, process, order, rule, decree or command as is available to a court of the United States. The United States marshal for any district in which the Court of Federal Claims is sitting shall, when requested by the chief judge of the Court of Federal Claims, attend any session of the Court of Federal Claims in such district.".

(b) SECTION HEADING.—The table of sections for chapter 165 of title 28, United States Code, is amended by amending the item relating to section 2521 to read as follows:

"2521. Subpoenas and incidental powers.".

SEC. 14. EFFECTIVE DATE.

This Act and the amendments made by this Act shall take effect on the date of the enactment of this Act.•

By Mr. SIMON:

S. 2522. A bill to direct the U.S. Sentencing Commission to make sentencing guidelines for Federal criminal cases that provide sentencing enhancements for hate crimes; to the Committee on the Judiciary.

HATE CRIMES SENTENCING ENHANCEMENT ACT

• Mr. SIMON. Mr. President, I rise today to introduce the Hate Crime Sentencing Enhancement Act of 1992, which enhances the penalty for committing a crime in which bias is the motivating factor. As many of my colleagues may recall, in 1990, I sponsored the Hate Crimes Statistics Act, which requires the Attorney General to collect information on hate crimes. By doing so, we can study trends and try to predict and prevent such unthinkable acts.

While I am pleased that the FBI has worked hard on implementation of the Hate Crimes Statistics Act, and data should be available this summer, recent newspaper reports lead me to conclude that we are seeing a rise in these incidents. In the past month alone, I have made several statements in the CONGRESSIONAL RECORD about recent hateful acts.

Today, I rise to take the next logical step in addressing this problem, which does not appear to be subsiding. As our Nation grapples with a weak economy and worrisome cries of some politicians who want to recede into isolationism, too many of our citizens react with hate toward others. Mr. President, our country cannot tolerate crimes that victimize innocent people who are members of a majority.

As the leaders of our Nation, we must serve as role models in this fight to provide security to all of our citizens, whether they find themselves in a minority or in a majority. If we do nothing as the elected representatives of our country, who are looked to for guidance, we cannot condemn others for inaction. It is time that we get up and act.

For these reasons, I am proud to introduce the Hate Crimes Sentencing Enhancement Act of 1992. This bill directs the U.S. Sentencing Commission to provide sentencing enhancements of not less then three offense levels for offenses that are hate crimes. The enhancement will increase penalties for crimes, when motivated by hate, by an average of one-third. The act directs the Sentencing Commission to promulgate guidelines that will accomplish this penalty enhancement in such a way as to avoid problems of duplicitious punishment and to assure reasonable consistency with other guidelines.

Hate crimes are defined in the bill as being those criminal acts that were motivated by hatred, bias, or prejudice based on the victim's actual or perceived race, color, religion, national origin, ethnicity, gender, or sexual orientation. This bill will send a warning to those who might be tempted to submit to their illogical hate and bias and commit crimes against others, that if they do such misconduct, they will be accordingly punished.

Any crime against people is cause for serious concern, but crimes that evolve from hate are the most foreboding. Hate crimes, such as the several cross burnings that have recently occurred in nearby Maryland, often are viewed not only as acts of the criminals, but symptoms of a deeper societal illness. We have the ability to try to eradicate this illness from our Nation. We can warn would-be criminals who seethe with hate that their misconduct is not acceptable and will be met with an increased punishment. We must combat these unconscionable acts if we seek to be recognized as the leaders of our great Nation, whose strength still rests on the amalgam of our individual citizens' differences.

Mr. President, the people of our country and I look forward to the speedy enactment of this bill so that we can take one more small step to cure this ill.•

By Mr. MOYNIHAN (for himself, Mr. JOHNSTON, Mr. MITCHELL, Mr. LAUTENBERG, Mr. BREAUX, and Mr. D'AMATO):

S. 2523. A bill to authorize the Secretary of the Army to develop an engineering strategy to minimize adverse environmental impacts of overflows and discharges from combined stormwater and sanitary sewer systems, and for other purposes; to the Committee on Environment and Public Works.

COMBINED STORMWATER AND SEWER OVERFLOW MANAGEMENT STRATEGY ACT OF 1992

• Mr. MOYNIHAN. Mr. President, I rise today to introduce legislation that will help form a strategy for eliminating one of the most serious threats remaining to our Nation's waters. I am most pleased that Senators JOHNSTON, MITCHELL, LAUTENBERG, BREAUX, and D'AMATO have joined me as original cosponsors.

Mr. President, this is not a difficult issue to understand. A nation concerned with the quality and integrity of its water resources cannot fail to address the matter of combined sewer overflows. It is an ugly name for an ugly problem. A combined sewer overflow, or CSO, as they are commonly called, is a sewer system that uses the same pipes to carry both household sewage and rainwater. Unfortunately, wastewater collection systems and treatment facilities in many older cities were not designed to handle the volume of water that results from heavy storms.

The result is a mixture of rainwater and sewage that bypasses the sewage treatment facility and is pumped directly into the nearest river, lake, or harbor. Oftentimes the result is the closure of nearby beaches and waterways for health reasons. Not a very efficient way of handling human waste. Indeed, this is a problem common to Third World nations.

CSO systems currently serve about 1,100 communities nationwide. During rainstorms these areas violate the health based standards of the Clean Water Act. For instance, in my own State there is a lake in upstate New York which has the unfortunate distinction of being known as the dirtiest lake in the Nation. Those who have heard me before on this subject know that I speak of Onondaga Lake in Syracuse, NY. I will spare my colleagues most of the story; the lake's problems are too numerous to discuss in great detail.

I can, however, state that years of neglect and abuse have tuned a once pristine water into a very unattractive and, for the most part, an unusable body of water. During the course of an average year, Onondaga Lake receives 1.8 billion gallons of mixed raw sewage and untreated stormwater from its CSO system.

In 1990, this body enacted the Onondaga Lake Management Act, which I sponsored. The Environmental Protection Agency, U.S. Army Corps of Engineers, New York State Department of Environmental Conservation, New York State Attorney General, Mayor of Syracuse, Onondaga County Executive, and other community leaders are now engaged in a monumental effort to regain this lost resource. Rarely in an area as politically diverse as this one is a consensus for action achievable. But a consensus is developing. The people of Onondaga County want their lake back and I have promised my support.

Mr. President, the Environmental Protection Agency estimates that the cost of needed investments in sewage treatment nationwide is $110 billion. These costs to communities are likely to increase as programs to control stormwater discharges and overflows of raw sewage are implemented.

The bill I will introduce today will start the process of developing a coherent national strategy for CSO's. Specifically, I will authorize the U.S. Army Corps of Engineers to spend $250 million to design and construct CSO prevention systems in Boston, New Orleans, Portland, and Bangor, ME, Onondaga Lake, Newark Bay, and Long Island Sound.

These areas represent a cross section of CSO problems. The Corps of Engineers will also conduct a national study of this problem from an engineering standpoint and make recommendations within existing regulations established by the Clean Water Act and adjust for any changes to the act.

Mr. President, this is not a way for communities to escape their obligations to adhere to the Clean Water Act. This is rather, a supplemental program which will engage the country's most preeminent engineering corps, in solving what is, in essence, an engineering problem.

The Army Corps of Engineers is charged with managing the Nation's water resources. It has had a historic involvement with waste water management. In the late 1970's and early 1980's the Nation was beginning to come to grips with waste water management problems. During that period the corps responded with an urban studies program. This program was developed to assist communities with assessing waste water problems to help them in finding solutions.

Following Clean Water Act Amendments in 1977, the corps' efforts evolved into the EPA Construction Grants Program. It was designed to help communities improve their infrastructure for water management. Now, we must again call on the corps to help solve a perplexing national problem.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point and that it be appropriately referred.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2523

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Combined Stormwater and Sewer Overflow Management Strategy Act of 1992".

SEC. 2. FINDINGS.

The Congress finds the following:

(1) Pollutants discharged into the waters of the United States by overflow from combined stormwater and sanitary sewer systems are one of the major sources of degradation of the estuaries, estuarine zones, coastal waters, lakes, and rivers of this Nation.

(2) The infrastructure of this Nation is insufficient to meet the requirements for water quality under the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

(3) The Federal Government must take an active role in providing such technical and financial assistance to State and local governments as is necessary to correct overflows from combined stormwater and sanitary sewer systems into the waters of the United States.

(4) The Federal Government lacks an engineering and technology-based management strategy to optimize Federal investment in combined stormwater and sanitary system improvements to protect the waters of the United States, aquatic ecosystems, and public health.

SEC. 3. DEFINITIONS.

For the purposes of this Act—

(1) the term "CSO" means the overflow or effluent, or point of discharge thereof, from a combined stormwater and sewer system or stormwater drainage canals;

(2) the term "Secretary" means the Secretary of the Army;

(3) the term "Administrator" means the Administrator of the Environmental Protection Agency; and

(4) the term "assessment" means a comprehensive management plan that identifies and quantifies the infiltration of storm sewers by municipal sewage systems and other point source discharges, and selects, applies, and evaluates abatement technologies.

SEC. 4. COMBINED SEWER OVERFLOW PREVENTION PROGRAM.

(a) IN GENERAL.—

(1) COMBINED SEWER OVERFLOW PREVENTION PROGRAM.—The Secretary, in cooperation with the Administrator, and in consultation with local organizations, is authorized to conduct a program to assess, through scientific, management, and economic engineering analyses, the technologies and methodologies that are available to—

(A) address the adverse impacts of receiving waters or discharges from combined stormwater and sanitary systems; and

(B) ensure compliance with the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

(2) CONSULTATION WITH LOCAL ORGANIZATIONS.—In consulting with local organizations pursuant to paragraph (1), the Secretary shall, with respect to the program area described in subsection (b)(2), consult with the Lake Pontchartrain Basin Foundation.

(b) PROGRAM AREAS.—For the purposes of carrying out subsection (a) of this section, the Secretary shall conduct a study of conditions and problems associated with CSOs, and appropriate management and engineering strategies to remedy such problems and complete an assessment for each of the following areas and associated waters:

(1) The watershed areas of the Boston, Massachusetts metropolitan area, from which waters discharge into the Charles River and Boston Harbor.

(2) The New Orleans metropolitan area within the Jefferson and Orleans parishes, Louisiana, from which waters discharge into Lake Pontchartrain and the Mississippi River.

(3) The watershed areas of the Penobscot River in the vicinity of Bangor, Maine, and

the Casco Bay in the vicinity of Portland, Maine.

(4) The watershed area of the New Jersey side of the Hudson River and Newark Bay and the watershed area of Long Island Sound.

(5) The watershed area of Onondaga County and Syracuse, New York, from which waters discharge into Onondaga Lake.

(c) ASSESSMENT REQUIREMENTS.—

(1) ASSESSMENT CONTENTS.—The engineering-based assessment for each area described in subsection (b) shall include—

(A) an inventory and analysis of all CSO discharges and the impacts of such discharges on receiving water bodies;

(B) the environmental and public health impacts of loading of CSO pollutants into receiving waters and associated ecosystems;

(C) available technologies and methodologies, and other innovative management and planning techniques that may be applied to address water quality problems associated with CSOs;

(D) a management strategy for each area that makes recommendations concerning the least costly Federal and non-Federal actions based on the best available control technology that will result in compliance with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.); and

(E) for each management strategy described in subparagraph (D), an evaluation of regional growth and other community impacts attributable to the management strategy.

(2) USE OF AVAILABLE INFORMATION.—In carrying out the study under paragraph (1), the Secretary shall, to the extent practicable, make use of available information from the Administrator and from the head of any State or local department or agency that the Secretary determines to be appropriate.

(d) REPORTS.—Within 4 years after the date of the enactment of this Act, the Secretary shall submit a written report to the Congress that includes—

(1) for each area described in subsection (b), a description of the assessment conducted under subsection (c) for such area, and recommendations concerning such assessment; and

(2) any additional recommendations or observations that the Secretary determines to be appropriate.

(e) CSO PREVENTION PROJECTS.—

(1) IN GENERAL.—(A) As part of the assessment under subsection (c)(1) for each program area described in paragraphs (1) through (5) of subsection (b), the Secretary is authorized to enter into an agreement with the appropriate official of a State or local government in the program area (that submits an approved application to the Secretary) to construct and monitor a CSO prevention project that uses the best available control technology (with respect to CSOs) that are most appropriate for the program area.

(B) As a condition of the agreement, the appropriate official of the State or local government shall provide assurances that the State or local government shall maintain and operate the CSO prevention project. The non-Federal share of the cost of operation, maintenance, and monitoring of the CSO prevention project shall be 100 percent.

(C) The Federal share of the cost of the construction of a CSO prevention project under this paragraph shall be 100 percent.

(2) USE OF INFORMATION FROM PROJECT.—The Secretary shall evaluate the treatment capabilities and performance of each project under this subsection for use in the development of the Federal strategy for combined stormwater and sanitary sewer system infrastructure under section 5 of this Act.

(f) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—To carry out the program under this section, except for the CSO prevention projects under subsection (e) of this section, there are authorized to be appropriated to the Department of the Army, $4,000,000 for each of the fiscal years 1993 through 1996.

(2) CSO PREVENTION PROJECTS.—There are authorized to be appropriated to the Department of the Army, for the period beginning with fiscal year 1993 and ending with fiscal year 1996, $250,000,000 to carry out the CSO prevention projects under subsection (e).

SEC. 5. FEDERAL STRATEGY FOR CSO INFRASTRUCTURE.

(a) IN GENERAL.—The Secretary is authorized to develop a Federal strategy for the optimal expenditure of Federal funds for the purposes of—

(1) minimizing the adverse effects of CSOs on the waters and aquatic ecosystems of this Nation; and

(2) assuring compliance with the requirements of the Federal Water Pollution Control Act (33 U.S.C. 1251 et seq.).

(b) STRATEGY CONTENTS.—The strategy described in subsection (a) shall include—

(1) using currently available data, an inventory of the combined stormwater and sanitary sewer systems of this Nation, with special emphasis on regional, historical, and demographic similarities and differences in infrastructure for such systems;

(2) an analysis of the relationship between hydrologic and hydraulic variables on pollutant loadings and discharges, including geographic and seasonal factors; and

(3) using the information developed under section 4 of this Act, and currently available scientific and economic data, a model to optimize Federal investment in combined stormwater and sanitary sewer system infrastructure.

(c) REPORT.—Within 5 years after the date of the enactment of this Act, the Secretary shall submit to the Congress a written report that contains the strategy required to be developed under this subsection.

(d) AUTHORIZATION.—There are authorized to be appropriated to the Department of the Army, $1,000,000 for each of fiscal years 1993 through 1997, to carry out this section.

SEC. 6. COORDINATION.

To ensure that the combined sewer overflow program under section 4 and the activities associated with the development of a Federal strategy for combined stormwater and sanitary sewer system infrastructure under section 5 are designed and carried out in such manner as to ensure useful results for making decisions relating to the regulation of combined stormwater and sanitary sewer systems and other related decisionmaking, the Secretary shall consult with the Administrator, the Administrator of the National Atmospheric and Oceanic Administration of the Department of Commerce, and other appropriate Federal and non-Federal entities.●

Mr. JOHNSTON. Mr. President, today I rise to cosponsor the Combined Stormwater and Sewer Overflow Management Strategy Act of 1992. This legislation provides for comprehensive management of stormwater runoff, a problem perplexing our Nation's urban areas. One of the Nation's most difficult stormwater pollution problems is located in the State of Louisiana. Therefore it is with my particular interest that this legislation targets one of Louisiana's premier environmental treasures: Lake Pontchartrain.

Lake Pontchartrain and its adjacent lakes form one of the largest estuaries in the United States. In my generation, thousands can recall a time when the lake offered the residents of New Orleans and surrounding communities with an unparalled urban lake experience. For the forties through the early sixties, Lake Pontchartrain was a place to enjoy the fruits of freshwater seafood, the thrills of a lakeside resort, and the benefits of swimming and other nautical activities. Commercial fishermen, seafood dealers and restaurateurs prospered from the lakes bounty of shell and fin fish.

However, the lake now suffers from prolonged neglect and the problems associated with its proximity to a large metropolitan area. The transformation of the surrounding communities of the lake from small waterside villages to growing metropolitan suburbs outpaced the ability of the sewage treatment infrastructure to properly dispose of its municipal runoff. Parish governments in the Lake Pontchartrain basin simply lack the resources to meet these pollution challenges and comply with Federal water quality standards.

The result has been tragic. In the past three decades Lake Pontchartrain's water quality has declined to the point where water born recreation has been posted by local health officials as hazardous to human health. Last summer the Tangipahoa, a picturesque river long used for canoeing, tubing and swimming which flows into Lake Pontchartrain was declared a public health threat by State officials, canceling activities of local Girl Scouts and other recreational users.

In the last several years, community leaders in the State organized a foundation to stimulate community awareness and to promote restoration activities for the lake. This legislation recognizes the importance of this foundation by giving it a formal consultive role in the comprehensive management process. In this way, the legislation to the community effort to reclaim a vital environmental and economic resource.

The Lake Pontchartrain restoration effort poses unique environmental challenges which are truly national in importance. The majority of land surrounding Lake Pontchartrain is below sea level, making any secondary treatment of municipal runoff a difficult prospect. Drainage canals which lead from municipal areas into the lake simply do not have the capacity to store stormwater runoff for treatment purposes before the water drains into the lake. Therefore, innovative filtration techniques, such as the construction of manmade wetlands, in some cases is the only means to provide adequate secondary treatment of this point-source runoff.

In order to address the problems associated with municipal point-source runoff into Lake Pontchartrain, this legislation authorizes Federal funds to control point-source pollution in the Lake Pontchartrain basin. It is fair to say that without these funds, State and local government will fall far short of the amount required to fund this enormous undertaking and come into compliance with Federal water quality standards.

Mr. President, this legislation is an enormous undertaking of great national and regional significance. It is estimated that restoration of Lake Pontchartrain will directly produce at least 1,000 jobs locally and will have economic benefits of at least $750 million. Under this criteria, the restoration project which we propose today more than pays for itself in ancillary economic, as well as social benefits.

It is my hope that this effort will help allow the citizens of the Lake Pontchartrain basin to reclaim the lake and to restore Lake Pontchartrain to its former glory as one of this Nation's top urban lakes.

The program authorized by our bill will allow us to reclaim this irreplaceable natural resource, before it is too late, to see that it is maintained responsibly as a habitat for plant and wildlife and as an asset for public benefit and enjoyment, and to assure that it is preserved for future generations.

• Mr. LAUTENBERG. Mr. President, I rise to join Senator MOYNIHAN in introducing the Combined Stormwater and Sewer Overflow Management Strategy Act of 1992. This bill addresses the problems caused by one of the largest remaining sources of water pollution in coastal waters, combined sewer overflows or CSO's.

CSO's occur where domestic sanitary sewage, industrial wastes, and stormwater runoff are collected and treated together. Under normal flows, sewage treatment plants treat this wastewater. When it rains, however, the sewage system can overflow and discharge raw sewage, garbage, runoff, and toxic chemicals, by-passing existing treatment systems and entering our waterways.

Approximately 40 million people live in cities with combined sewer overflows [CSO's]. Over half of these CSO's are located in marine and estuarine areas. In 1989, 250,000 acres of shellfish waters were affected by these raw sewage flows in the northeastern United States. Local communities lose billions of dollars every year because of marine and Great Lake beach closures due at least in part to CSO's.

CSO's result in high bacteria levels, oxygen depletion of waterways, discharges of toxic organic compounds and heavy metals, the smothering of sensitive fish and wildlife breeding grounds with sediment and the discharge which floats in our waters and washes up on our Nation's beaches.

The costs of controlling CSO's are potentially very high. So we must encourage the development and use of cost effective technologies. The bill Senator MOYNIHAN and I are introducing will ensure that this will happen.

The bill does this by requiring the Crops of Engineers to engage in a CSO technology study for five areas with CSO's including northern New Jersey. This study will inventory CSO's discharges and their impacts, and determine available technologies and methodologies available to solve the problems associated with CSO's. It will develop a management strategy for each area that will make recommendations concerning the least costly Federal and non-Federal actions that will result in compliance with the Federal Water Pollution Control Act. And it will determine the costs and benefits associated with implementation of the recommended strategy.

Once the problems and solutions are understood, the bill provides for a series of pilot programs to implement some of the recommendations in each study area. The information generated from these pilot studies will be used to develop a Federal strategy for CSO infrastructure development. By developing strategies for the study areas and testing these strategies, this bill ensures that the Federal strategy developed will be the best technically and economic available.

This bill makes an important step in addressing the CSO problem. I commend Senator MOYNIHAN who is committed to protecting our environment. And I urge my colleagues to support this bill.•

• Mr. BREAUX. Mr. President, I rise today to cosponsor legislation which addresses a very distressing environmental problem: The discharge of untreated stormwater and sanitary sewage pollution into our Nation's estuaries, estuarine zones, coastal waters, lakes, and rivers.

The Combined Stormwater and Sewer Overflow Management Act of 1992 provides for comprehensive management of stormwater runoff. Many urban areas around the country are having great difficulty in addressing stormwater pollution problems because existing infrastructure and technology are insufficient. One of the most difficult examples of this problem is located in my home State of Louisiana. The water quality of Lake Pontchartrain, once treasured by residents of southeast Louisiana for both its economic and recreational resources, has degraded significantly because of pervasive stormwater and sanitary sewage pollution. This legislation targets Lake Pontchartrain in addition to four other areas around the country currently grappling with this problem.

Lake Pontchartrain and its adjacent Lakes form one of the largest estuaries in the United States. Nearly 1½ million people live in the 14 parishes of the Lake Pontchartrain basin, one-third of the entire population of Louisiana. Historically, Lake Pontchartrain's shores and waters offered year-round opportunities for fishing, swimming, boating, crabbing and family picnics, complementing an array of seafood dealers and small restaurants supplied by the lake.

In the past several decades, however, Lake Pontchartrain's water quality has declined at a rapid pace. Untreated toxics such as fecal coliform bacteria, metals, organics, and suspended solids have been discharged from the pumping stations in Orleans and Jefferson Parishes directly into Lake Pontchartrain. Dissolved oxygen levels in the lake have also been linked to stormwater pollution. As a result, dead zones have appeared, indigenous shellfish and fisheries have diminished, swimming has been posted, beaches have been closed, and its substantial commercial and recreational values have been largely written off.

Two years ago, the Lake Pontchartrain Causeway Commission asked a team of scientists, economists, planners, attorneys and local government representatives to study the lake and develop a plan to restore it. One of the key recommendations of that study was the creation of a foundation whose primary mission would be to stimulate community awareness and to promote restoration activities for the Lake. This legislation recognizes the importance of this foundation by giving it a formal consultative role in the comprehensive management process. In this way, the legislation responds to the community effort to reclaim a vital environmental and economic resource.

The problems of restoring Lake Pontchartrain are unique for a number of reasons. First, the New Orleans metropolitan area, which includes Orleans and Jefferson Parishes, gets more stormwater than any other metropolitan area in the country: Six feet of rain a year. Because the area is below sea level, a system of drainage canals collect the rainfall and discharge it to the lake.

Since rain events occur frequently in the area, the rainwater must be pumped out of the canals as quickly as possible in order to prepare for future rainfall. As a result, these drainage canals simply do not have the capacity to store stormwater runoff for secondary treatment purposes before the water drains into the lake.

Second, because the New Orleans metropolitan area has a tendency to subside, a resulting breakage in pipelines that take the area's sewage to the Mississippi River allows sewage to make its way through the stormwater drains to the lake.

This legislation addresses the problems associated with stormwater and sewerage discharges into Lake Pontchartrain as well as several other areas around the country. It authorizes Federal funds for the Secretary of the Army to study and develop an engineering strategy to minimize the adverse environmental impacts of overflows and discharges from stormwater and sanitary sewer systems. Once the studies are completed, the information obtained from these studies will be used by the Secretary to construct and monitor stormwater and sewer prevention projects that use the best available control technology most appropriate for the program area. Finally, the Secretary is directed to use the information obtained from each project for use in the development of a Federal strategy for minimizing the adverse effects of stormwater and sanitary sewer systems on all the waters of the Nation.

Mr. President, this legislation undoubtedly is important for restoring the environmental, recreational, and economic benefits of Lake Pontchartrain. I would also like to stress, however, that the benefits of this legislation extends to all the other communities around the country which do not have the funds or the technology to tackle stormwater and sanitary sewage pollution problems. This bill will help bring the country one step closer to realizing the objectives outlined by the framers of the Federal Water Pollution Control Act of 1972: To restore and maintain the chemical, physical, and biological integrity of the Nation's waters. I ask my colleagues to join me in this effort.●

By Mr. NUNN (for himself and Mr. WARNER):

S. 2524. A bill to provide for the temporary continuation of the current Deputy National Security Advisor in a flag officer grade in the Navy; to the Committee on Armed Services.

TRANSITION GRADE FOR THE DEPUTY NATIONAL SECURITY ADVISOR

Mr. NUNN. Mr. President, today I am introducing a bill with Senator WARNER to provide a transition grade for the Deputy National Security Advisor. Under current law, an officer who has been appointed to three or four star grade for service in a position of importance and responsibility continues to hold that grade after termination of his assignment to the qualifying position for a period of 90 days, while awaiting retirement. This transition period has been provided in recognition of the substantial administrative requirements involved in processing an individual from active duty military to civilian status. It also provides a period of time for the individual to sort out his personal affairs for this change in status.

The present Deputy National Security Advisor reported to that position slightly more than 24 hours after the termination of his prior assignment. The circumstances that precluded a delay in reporting to that new position have also posed obstacles to the administrative requirements for transition to civilian status.

This bill will merely extend the transition period in this case from 90 to 180 days before this officer retires from active military service. I want to emphasize, however, that I continue to believe that it is inappropriate for an officer on extended active duty to fill the position of National Security Advisor or Deputy National Security Advisor. I believe that a short extension in the statutory transition period prior to retirement is in order in this case.

Mr. President, I urge prompt consideration and passage of this bill, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2524

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. GRADE OF THE CURRENT DEPUTY NATIONAL SECURITY ADVISOR WHILE PENDING RETIREMENT IN THE NAVY.

Notwithstanding the period of limitation contained in section 601(b)(4) of title 10, United States Code, the person who began service in the position of Deputy Assistant to the President and Deputy for National Security Affairs on December 5, 1991, shall continue to hold the grade of admiral while awaiting retirement in the Navy, except that such person may not continue to hold that grade under the authority of this section after the earlier of—

(1) the date on which he terminates service in that position; or

(2) June 4, 1992.

SEC. 2 EFFECTIVE DATE.

This Act shall take effect as of December 5, 1991.

By Mr. NUNN (for himself and Mr. WARNER):

S. 2525. A bill to amend title 10, United States Code, to make the Vice Chairman a member of the Joint Chiefs of Staff, to provide joint duty credit for certain service; to the Committee on Armed Services.

MAKING THE VICE CHAIRMAN A MEMBER OF THE JOINT CHIEFS OF STAFF

Mr. NUNN. Mr. President, today I am introducing with Senator WARNER legislation to make the Vice Chairman a full member of the Joint Chiefs of Staff. This legislation was included in last year's defense authorization measure that passed the Senate but was not included in the conference report. This action would change the statutory provisions concerning the Vice Chairman, as established in the Goldwater-Nichols Department of Defense Reorganization Act of 1986. That act established the position of the Vice Chairman of the Joint Chiefs of Staff; provided that the Vice Chairman outranks all other members of the Armed Forces except the Chairman; provided for the Vice Chairman to participate in all meetings of the Joint Chiefs; and made the Vice Chairman the acting Chairman of the Joint Chiefs of Staff in the event of the absence or disability of the Chairman. The legislation did not, however, provide for the Vice Chairman to be a member of the Joint Chiefs of Staff.

Designation of the Vice Chairman as a full member of the Joint Chiefs of Staff is appropriate in view of the important responsibilities that the Vice Chairman performs. He is the Chairman of the Joint Requirements Oversight Council, represents the Chairman and the other members of the Joint Chiefs on the National Security Council Deputies Committee, and during time of crisis, like Operations Desert Shield and Desert Storm, he handles those issues not directly relating to the crisis but still requiring the attention of the Chairman. Additionally, this legislation, which has the full support of General Powell and the other members of the Joint Chiefs, would enrich the advice that is available to the Secretary of Defense, the National Security Council, and the President.

The legislation would also provide authority to grant credit for having completed a tour of duty in a joint duty assignment in the case of an officer who performed duty in the Persian Gulf combat zone. The Goldwater-Nichols Department of Defense Reorganization Act of 1986 has as one of its primary purposes the improvement of joint officer management polices to help ensure that future combat operations would be planned and conducted through the efficient integration of land, sea, and air forces. The Congress in 1986 concluded that greater exposure of officers to joint matters through joint duty assignment would encourage the joint perspective necessary to achieve that combat integration goal. Operations Desert Shield and Desert Storm demonstrated the effectiveness of our Armed Forces when the efforts of the various service commands and units are truly integrated.

The Goldwater-Nichols Act established certain standards and criteria for a "joint tour" of duty. Those standards are essential to ensure that individual officers receive the peacetime exposure to joint matters that is necessary to function effectively during combat. During Operations Desert Shield and Desert Storm, many officers served in positions that involved the planning for or the execution of efficient integration of land, sea, and air forces. Moreover, these operations were planned and executed in the intense environment of anticipated or actual combat.

The assignment of officers in the Persian Gulf combat zone during Operations Desert Shield and Desert Storm, however, did not generally meet the requirements of existing law for a joint tour of duty. This legislation would provide a considerable degree of flexibility to allow the granting of credit for a joint tour of duty for officers who served in the Persian Gulf combat zone. The legislation would establish the requirement that an officer must have served in an assignment that provided significant experience in joint matters or involved frequent professional interaction with units and members of another service or an allied armed force.

Mr. President, I urge prompt consideration and passage of this bill, and I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2525

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. VICE CHAIRMAN OF THE JOINT CHIEFS OF STAFF.

(a) DESIGNATION AS A MEMBER OF THE JOINT CHIEFS OF STAFF.—Section 151(a) of title 10, United States Code, is amended—

(1) by redesignating paragraphs (2) through (5) as paragraphs (3) through (6), respectively; and

(2) by inserting after paragraph (1) the following new paragraph (2):

"(2) The Vice Chairman.".

(b) CONFORMING AMENDMENTS.—(1) Section 154 of such title is amended—

(A) in subsection (c), by striking out "such" and inserting in lieu thereof "the duties prescribed for him as a member of the Joint Chiefs of Staff and such other";

(B) by striking out subsection (f); and

(C) by redesignating subsection (g) as subsection (f).

(2) Section 155(a)(1) of such title is amended by striking out "and the Vice Chairman."

SEC. 2. JOINT DUTY CREDIT FOR EQUIVALENT DUTY IN OPERATIONS DESERT SHIELD AND DESERT STORM.

(a) IN GENERAL.—(1) The Secretary of Defense, upon a recommendation made in accordance with paragraph (3), shall credit an officer of the Armed Forces of the United States who has completed service described in paragraph (2) as having completed a full tour of duty in a joint duty assignment for the purposes of chapter 38 of title 10, United States Code.

(2) Paragraph (1) applies to any officer who, after August 1, 1990, and before October 1, 1991, performed service in an assignment in the Persian Gulf combat zone that—

(A) provided significant experience in joint matters; or

(B) involved frequent professional interaction of that officer with (i) units and members of any of the armed forces other that the officer's armed force, or (ii) an allied armed force.

(3) The Secretary shall take action under paragraph (1) in the case of any officer if that action is recommended, with the concurrence of the Chairman of the Joint Chiefs of Staff, by the Chief of Staff of the Army (for an officer in the Army), the Chief of Naval Operations (for an officer in the Navy), the Chief of Staff of the Air Force (for an officer in the Air Force), or the Commandant of the Marine Corps (for an officer in the Marine Corps).

(b) INAPPLICABILITY OF CERTAIN REPORTING AND POLICY REQUIREMENTS.—Officers for whom joint duty credit has been granted pursuant to subsection (a) shall not be counted for the purposes of paragraphs (7), (8), (9), (11), or (12) of section 667 of title 10, United States Code, and subsections (a)(3) and (b) of section 662 of such title.

(c) INFORMATION ON EXERCISE OF AUTHORITY TO BE INCLUDED IN FISCAL YEAR 1993 ANNUAL REPORT.—The annual report submitted to Congress by the Secretary of Defense for fiscal year 1993 under section 113(c) of title 10, United States Code, shall include the following information:

(1) The total number of officers granted joint duty credit pursuant to subsection (a).

(2) The total number of such officers for each armed force.

(3) The total number of officers in each grade and each occupational specialty who has been granted joint duty credit pursuant to subsection (a).

(4) For each armed force, the total number of such officers in each grade and each occupational specialty who have been granted such credit.

(d) DEFINITIONS.—In this section:

(1) The term "joint matters" has the meaning given such term in section 668(a) of title 10, United States Code.

(2) The term "Persian Gulf combat zone" means the area designated by the President as the combat zone for Operation Desert Shield, Operation Desert Storm, and related operations for purposes of section 112 of the Internal Revenue Code of 1986.

By Mr. PACKWOOD (for himself, Mr. MOYNIHAN, Mr. LAUTENBERG, Mr. MCCAIN, Mr. MURKOWSKI, Mr. DURENBERGER, Mr. SIMON, Mr. KASTEN, Mr. DASCHLE, Mr. HATCH, Mr. PRYOR, Mr. REID, and Mr. INOUYE):

S. 2526. A bill to amend the Congressional Budget Act of 1974 to provide for truth in budgeting with respect to intragovernmental transactions involving trust funds; pursuant to the order of August 4, 1977, referred jointly to the Committee on the Budget and the Committee on Governmental Affairs.

TRUTH IN BUDGETING ACT

• Mr. PACKWOOD. Mr. President, three times Congress has passed laws to take Social Security out of the budget. Nevertheless, OMB continues to count it in the budget totals, thereby using Social Security surpluses to hide other Federal spending.

Our budget is like a shellgame. We use slight of hand when we portray Social Security's budget. The Social Security trust fund receives more revenue than it spends, and we need to show that when we lay out the budget. We in Congress need to respect the integrity of Social Security and leave its trust fund alone. The bill I am introducing today, the Truth in Budgeting Act, would ask that the budget be shown for what it is—that we fully detail the money Social Security takes in.

Current Federal accounting practices provide incentives to cut programs financed through trust funds, even though these programs are now generating more revenue than they pay out in benefits. Because trust fund programs are included in budget totals, cuts in these programs appear to reduce the overall deficit. And because cuts in trust fund programs also increase the reserves in these programs, they provide the Government with a captive source of funds to borrow to cover general fund deficits, since trust fund reserves can only be invested in Government securities.

In addition, the interest the Government pays to trust funds on the money it has borrowed does not show up in the bottom line of the Federal budget. The interest paid to the trust funds is subtracted from total interest payments in arriving at the Federal budget totals, making it appear that the Government owes significantly less interest than is actually the case. This accounting procedure hides the role the trust funds play in financing the deficit. Furthermore, it makes the Federal Government's liability to pay interest on the Nation's debt appear significantly smaller.

The Truth in Budgeting Act will make three accounting changes to more accurately portray revenue and spending from Social Security and other mandatory trust funds. Essentially, my budgeting proposal will offset the mandatory trust fund outlays by including the payroll tax receipts, interest the trust funds receive, and contributions from the Government as employer. The Truth in Budgeting Act is intended to end the practice of using the Social Security surpluses to mask the deficit.

It is time to end the gimmickry and provide clarity in budgeting. The Truth in Budgeting Act is a step in that direction. I am encouraged by the show of support this bill has received from the 12 original cosponsors. I would also like to acknowledge the contributions of the National Committee to Preserve Social Security and Medicare in helping me develop the Truth in Budgeting Act. I encourage my colleagues to join me in cosponsoring this important bill.•

• Mr. MCCAIN. Mr. President, today I join my colleagues, Senators PACKWOOD, LAUTENBERG, MOYNIHAN, MURKOWSKI, DURENBERGER, SIMON, KASTEN, DASCHLE, HATCH, PRYOR, REID, and BREAUX in introducing the Truth in Budgeting Act of 1992. This legislation is of critical importance to all Americans. Let me begin by explaining exactly what this legislation does.

First, the bill would ensure that the balances of the trust fund for Social Security, Medicare, and other related Government programs are not used to mask the size of the Federal budget deficit.

Second, this legislation would ensure that the Federal budget reflects the interest owed to these trust funds. The special Government securities that the trust fund balances are invested in are purchased from revenue from these programs are the soundest and safest investment possible. This legislation clarifies and confirms the Government's obligation to pay the interest on those bonds.

Third, the Truth in Budgeting Act requires that the payments the Federal Government makes to the trust funds on behalf of its employees are treated the same way as the contributions of all employers in calculating the Federal budget.

Mr. President, one of the first votes I took as a Member of Congress in the House of Representatives was to enact legislation based on a series of recommendations made by an independent commission to save the Social Security system from impending bankruptcy. As a result of action taken then, the Social Security system is now on the firmest financial footing it has ever been and will remain so well into the next century. But, Mr. President, there is a problem. The Federal Government has been unable or unwilling to do one thing that the American people want and that I have continued to fight for: stop the practice of calculating revenue from this and other trust funds as part of general revenue in order to make the Federal budget deficit look smaller. Mr. President, using trust funds to hide the true size of the deficit is simply dishonest.

Mr. President, our Nation faces an enormous Federal budget deficit. In fact, if this legislation is enacted into law, the deficit will look even bigger. But, in my view, the first step toward addressing the deficit is to be honest about the way it is calculated. Let me be clear, the legislation does not increase the size of the deficit because it forces new spending. Instead, the budget deficit will look bigger because we will finally be honest about the full extent of our obligations.

Mr. President, if the American people lack anything, it is confidence in the Congress of the United States. I regret to say that, to a large extent, I have to agree. First, we have the problem with how the trust fund balances are handled in the budget process. In addition, every time I have come to the Senate floor in an attempt to reform the budget process, my efforts have been thwarted by a majority in the Senate who seem to favor the business as usual, tax and spend policies that have incensed the American people and put us in the very position we find ourselves in today.

Mr. President, there has to be a better way. When the Congress is unwilling to provide the President with a line-item veto to cut the fat from Government spending, and is unwilling to commit itself to making efforts to reduce spending before it raises taxes—both proposals which I offered but were defeated—you know there's something wrong. Mr. President, the American people want a fundamental change in the way we do business around here, and I, for one, will continue to fight for that.

The Congress alone is responsible for our Nation's huge deficit. We have mortgaged the future of our children and grandchildren. We must now put budget gimmickery aside and do what is right.

In the meantime, we can take a step in the right direction by restoring confidence in a program that affects every American, working or retired: the Social Security system.

Mr. President, the American people would like to see the actions of their Congress brought into the sunlight of public scrutiny. I support that desire, and that's why I am a cosponsor of this legislation. Let us bring truth and honesty to the budget process and let's make good on our commitment not just to today's retirees but to today's workers as well, who are paying into a system that they will be able to count on later in life.•

• Mr. DURENBERGER. Mr. President, I am pleased to join with my colleagues in introducing the Truth in Budgeting Act of 1992. While some of the cosponsors of this legislation serve with me on the Finance Committee, all of the sponsors share the same concern about the Nation's continuing operating deficits. This legislation will help bring into greater focus the severity of the Nation's fiscal problems, the resources which are drained by it, and the size of the burden we are piling on our children.

Truth in budgeting means that our annual operating deficits and national debt will no longer be masked by budgetary gimmicks in accounting for receipt of revenues dedicated to trust funds, such as Social Security, Medicare, unemployment trust fund, railroad retirement, and several others.

It disturbs me that budget deficits do not play a more prominent part in the debate on our Nation's budget and national priorities. When the President's 1,500-page budget was released earlier this year, I tried to find out the real interest costs necessary for servicing our debt. I looked on page 25 in part 1 of the budget at the chart entitled "Outlays, Revenues, and Deficits." What I found on that chart was that fiscal year 1993 interest on the debt is $213 billion. But that is not the real cost of the national debt. That is the net cost of interest.

Hundreds of pages later in the budget, buried in a 10-column chart on page 14 of appendix 1, one finds the real interest costs associated with the debt—$315.8 billion.

It has been said before that, as a nation, we are bribing ourselves with our own money. These accounting gimmicks have perpetuated this deception.

Truth in budgeting will make three changes to the way in which the Government accounts for dedicated trust fund revenues. First, this bill will require that accounting for the benefit expenditures from trust funds be offset by the receipts from payroll taxes and other revenues going to the funds. Second, it will treat the interest owed on borrowed trust fund revenues in the same way as all other Government borrowing. Finally, truth in budgeting will require the Federal Government to assign the contributions which it makes to the trust funds on behalf of its employees in the same manner as taxes paid by private employers.

The Federal Government's propensity to minimize the true cost of budgetary imbalances by manipulating over $100 billion in trust funds will be substantially reduced by this legislation. Revenues in trust funds are required, by law, to be invested in Government securities. And, like all holders of Government debt, trust funds receive interest payments from the Government. Unlike the payments to other creditors, however, interest payments to trust funds are entered on the Government ledger, not as interest payments, but as intergovernmental transfers.

This is deceptive and inaccurate. Yet, the Nation continues to bury its head in the sand about the huge burden we have created for ourselves and our children.

By changing the accounting of trust fund revenues, truth in budgeting will underscore the stability of these critical dedicated trust funds, while reducing the incentives to cut benefits offered through these important programs. Since trust funds are counted against the deficit, cutting benefits has the appearance of reducing the deficit. In reality, the funds are self-financing. Social Security, for example, continues to collect more in contributions than it currently pays out in benefits. Because these reserve funds are critical to the future stability of the Social Security Program, they ought to be protected and accounted for as accurately as possible.

I commend Senator PACKWOOD for his leadership in this important issue. I hope that many more of our colleagues will join us in this effort to define the reality of our continuing budget crisis.•

By Mr. ADAMS (for himself, Mr. BRADLEY, and Mr. GORTON):

S. 2527. A bill to restore Olympic National Park and the Elwha River ecosystem and fisheries in the State of Washington; to the Committee on Energy and Natural Resources.

ELWHA RIVER ECOSYSTEM AND FISHERIES RESTORATION ACT

• Mr. ADAMS. Mr. President, I am introducing today, along with my colleagues Senators BRADLEY and GORTON, legislation to resolve the controversy and economic uncertainty surrounding the possible relicensing of the hydropower projects on the Elwha River in Washington's Olympic Peninsula.

This is an extremely important bill to the people in this area. It is important to their jobs, the economy, the environment and the Lower Elwha Tribe. The negotiation of this legislative solution will enable all parties to avoid the adversarial nature of litigation and of the Federal Energy Regulatory Commission licensing process.

As with any legislation, I am sure it will require and benefit from further modifications. I want to assure all those who have been involved that it is my intent to continue seeking their input to further refine and perfect this bill.

All parties are to be commended for participating in such a cooperative and innovative manner. I especially wish to thank Senator BRADLEY and his staff for their contribution to this legislation.

The key to resolution of the conflicts was the agreement by Daishowa and James River, the owner of the dams and largest employer on the Olympic Peninsula, to relinquish all ownership in the projects in exchange for electric power delivered at a cost comparable to what they would have paid had the projects been relicensed. Using such a cost of doing business approach avoided all of the issues and precedents that would have been involved in a Federal buyout of the facilities. Under this approach, the companies agreed to relinquish all asset and intangible values in exchange for a comparable source of power.

Federal acquisition of the projects will not only terminate the controversy over FERC authority and impacts on the Olympic National Park, but will also provide the Department of the Interior with the opportunity to substantially further the Federal Government's salmon restoration efforts in the Pacific Northwest.

The major areas of controversy include:

Pending litigation over the Federal Energy Regulatory Commission's jurisdiction to license projects within national parks;

Potential legislation to prohibit FERC licensing of projects with national parks;

Potential tribal claims for loss of cultural and economic values associated with submerged creation sites and loss of salmon runs;

High capital costs and substantial uncertainty of fish and wildlife mitigation that would be required if the projects were relicensed;

Problems with declining and endangered salmon stocks throughout the Pacific Northwest.

The estimated cost of the bill, including anticipated removal of the dams, is $60 to 80 million with the majority of such costs to be incurred in years 5 through 15. This total compares favorably with Federal investments in salmon restoration in other Pacific Northwest river basins. For example, the Bureau of Reclamation has spent approximately $50 to $60 million on just fish screens and ladders in the Yakima River basin. Additional costs from other agencies for planning, hatcheries, and habitat improvements raise the figure to approximately $100 million. Comparable or higher amounts have been or are authorized for expenditure in the Umatilla River basin in Oregon and the Upper Snake in Idaho.

The return on investment in the Elwha is expected to meet or exceed that in other basins. Salmon returns are expected to be in the 150,000 to 400,000 range due to the high productivity of the virtually pristine Elwha watershed and the historic diversity and quantity of salmon produced from that basin.

SUMMARY OF MAJOR PROVISIONS

ELECTRIC POWER RATES

The Bonneville Power Administration will be used as the mechanism to deliver replacement power to Daishowa through the Port Angeles municipal utility. All costs to BPA of providing this service will be deducted from BPA's repayment obligation and thus will be "ratepayer neutral."

The cost of power to Daishowa was negotiated based on the costs the company would have paid had the project been relicensed with extensive fish, wildlife, and recreation mitigation measures required by FERC. The costs include all past, present, and future mitigation, operation, and maintenance costs that would have been incurred. The rate Daishowa will pay is close to the current BPA rate, which is what was predicted in the FERC draft environmental impact statement.

Daishowa's preferred rate will be indexed to inflation so as to mimic the costs the company would have paid under the hypothetical relicense-plus-mitigation scenario. The indexed rate will apply for a 40-year period which was the negotiated hypothetical license period.

The amount of power the company will receive is limited to the capacity of the projects. There will also be a monthly cap on the company's ability to claim power at the preferred rate to reflect the fact that the projects are virtually run-of-the-river, leaving only marginal ability to schedule power to offset BPA's higher demand charges during peak load periods.

ACQUISITION OF PROJECTS

After execution of the contract with BPA and the Port Angeles utility to provide replacement power to Daishowa, the Secretary of the Interior is authorized and directed to accept title to the projects, including all property and all other rights and interests and any power that may be produced by the projects. The Federal Government will assume liability for dam safety but not for any claims against the companies for past fish and wildlife losses.

Upon transfer of title to the projects, the Bureau of Reclamation will operate the projects to maximize fisheries and wildlife values until completion of a long-term operating plan. Any power generated at the projects after transfer to Federal ownership will be incidental and subordinate to fish and wildlife purposes so as to protect the Federal investment in fish and wildlife restoration.

It is not possible to deliver any power generated at the projects into the public power grid because the transmission lines from the projects connect only to the Daishowa Mill. Any power generated during Federal ownership will therefore be delivered to the Daishowa Mill and the value of such power will be credited against the reduction in BPA's repayment obligation.

FISHERIES AND WILDLIFE RESTORATION

After Federal acquisition of the projects, the Secretary of the Interior shall convene a task force comprised of all of the Federal, State, and local entities and parties. The task force shall conduct a comprehensive, multidisciplinary analysis of the alternatives for achieving restoration of fisheries and wildlife, protection of water quality, restoration of the Olympic Park ecosystem, and the other purposes of the act.

The task force shall prepare a plan based on its findings and make a recommendation to the Secretary. Upon approval of the plan, the Secretary is authorized and directed to implement the plan, including authority to remove the projects.

WATER QUALITY PROTECTION

The Secretary is authorized and directed to take all steps necessary to protect water quality for all Elwha water users, primarily the city of Port Angeles and the Dry Creek Water Association. Such actions shall be taken prior to any restoration actions that may adversely affect water quality.

DISPOSITION OF PROJECT LANDS

The project lands within the boundaries of the Olympic National Park shall become part of the Park.

The river corridor lands acquired at the lower project, and determined by the Secretary to be necessary for protection of the Federal investment in restoration, shall be designated as a U.S. Fish and Wildlife Refuge within the Refuge Administration System. Remaining lands shall be exchanged or held by the Secretary in trust for the Lower Elwha Tribe to provide lands for tribal housing and economic development purposes.●

By Mr. AKAKA (for himself, Mr. CRANSTON, Mr. DECONCINI, Mr. DASCHLE, and Mr. INOUYE):

S. 2528. A bill to amend chapter 37 of title 38, United States Code, to establish a pilot program for furnishing housing loans to Native American veterans, and for other purposes; to the Committee on Veterans' Affairs.

NATIVE AMERICAN VETERANS' HOME LOAN EQUITY ACT

• Mr. AKAKA. Mr. President, on behalf of myself and Senators CRANSTON, DECONCINI, DASCHLE, and INOUYE, I am today introducing the Native American Veterans' Home Loan Equity Act of 1992. This legislation would establish, within the Department of Veterans Affairs, a 5-year pilot program of direct loans to native American veterans—including American Indians, native Hawaiians, Pacific Islanders, and Alaskan Natives—to purchase, construct, or improve housing on U.S. trust lands. The measure would create a special revolving fund to provide the funds necessary to carry out the pilot program, and authorizes $5 million in appropriations for fiscal year 1993.

Our bill would permit VA to make loans of as much as $80,000 to a qualifying veteran, at interest rates no greater than that charged for VA-guaranteed loans, with the veteran to pay closing costs and loan-origination expenses. Because of the diversity of the native American population and the conditions under which they live, the bill would require VA to test the program in a variety of geographic areas and economic circumstances. The Secretary would be required to consider the overall purpose of the legislation—encouraging opportunities for home ownership on reservations—in developing underwriting requirements for the program. The measure would require VA to enter into agreements with tribal organizations to protect the financial interests of veterans and the Federal Government alike, including provisions for the foreclosure and resale of property in the event of default.

Mr. President, under the VA home loan guaranty program, qualified veterans are able to purchase, construct, or improve housing, including newly constructed, previously occupied, and manufactured homes. Currently, VA generally guarantees up to $36,000 of a veteran's home loan; based on this guaranty, in lieu of the substantial downpayment and other investment safeguards applicable to conventional mortgage transactions, private lenders issue loans for up to four times that amount, or $144,000. For loans exceeding $144,000, VA may guarantee up to $46,000, for an effective top loan rate of $184,000.

As my colleagues know, the VA home loan program was established in 1944 as a means of diminishing the economic and sociological readjustment problems faced by millions of service persons returning from the war. The mortgage guaranty allowed veterans, whose military service precluded the opportunity to save for a downpayment and establish favorable credit ratings, to obtain home loans that they would not have been able to qualify for otherwise, unlike those who did not serve in the Armed Forces. As the program developed over the years, it evolved from one viewed as an immediate adjustment aid to a long-range benefit that could be utilized many years after a veteran's period of active service.

Few programs have had such a lasting and wide-ranging impact on society and the economy as VA's home loan program. According to VA, from its inception at the end of World War II through March 1991, the VA guaranty has resulted in private lenders extending approximately $356.2 billion in mortgage loans to over 13.1 million veterans. In 1990 alone, VA guaranteed nearly 200,000 loans totaling more than $15 billion. Many of these veterans would not have qualified for conventional loans. The beneficial terms of VA-guaranteed loans also induced a competitive liberalization of the terms on conventional mortgages, whose recipients have benefited as well, according to VA's history of the program.

Unfortunately, the guaranty program, which has made the dream of home ownership come true for millions of veterans, and indirectly assisted millions of nonveterans through lowered loan terms, has not benefited American Indians, native Hawaiians, Native Alaskans, Pacific Islanders, and other Native peoples who reside or wish to reside on reservations or other trust lands. Indeed, to the best of our knowledge, since the beginning of the home loan program, not a single native American veteran living on U.S. trust lands has been able to utilize his or her VA home loan guaranty entitlement.

A recent, congressionally mandated VA study, conducted under contract by Booz Allen & Hamilton, found that, in 1988, out of a total of 21,204 American Indian veterans living on trust lands, only 15 had been able to utilize VA home loan programs—a participation rate of just 0.07 percent. This is compared to a participation rate of 0.67 percent for all veterans and a 0.96 percent rate for all Indian veterans. In fact, the authors of the report believe that all 15 of these loans represented the total number of loans made during the entire period 1961–1977. More egregious still, the report suggests that these 15 loans were direct loans for specially adapted housing for handicapped veterans, not ordinary VA-guaranteed home loans.

Mr. President, while frighteningly low in itself, the home loan utilization rate cited by the Booz Allen study for American Indian veterans on reservations is, if anything, greatly understated. In its 1988 report, the VA Advisory Committee on Native American Veterans believes that as many as half, or nearly 80,000, of the 159,900 Indian veterans live on reservations. If this is true, the actual utilization rate for all VA home loans by this population falls to an incredibly low two one-hundredths of 1 percent.

But this is not the worst of it, Mr. President. As I noted earlier, the 15 loans referred to in the Booz Allen study were direct loans for disabled housing, not VA-guaranteed home loans. In fact, no one has been able to document a single VA-guaranteed home loan ever being issued to an Indian veteran on trust land. Nor has there been a single documented case of such a loan ever being made for any of the thousands of Native Alaskan, native Hawaiian, and Pacific Islander veterans who also live on U.S. trust lands, be they Alaska settlement lands, Hawaiian homelands, or communally owned "matai" lands. Thus, the effective utilization rate for these veterans is zero.

Mr. President, there are several reasons why Native Americans on trust lands cannot utilize their entitlement, including outright discrimination, lack of VA outreach, and the higher costs associated with administering and servicing loans on reservations. One of the most important reasons is simply that Indian reservations are among the most economically depressed areas of the Nation. It is not uncommon to find unemployment rates of 40, 50, or even 90 percent on some reservations. In such circumstances, without an income or credit history, veterans find it difficult, if not impossible, to meet lenders' minimum financial requirements, even if the services of private lending institutions were available.

But another major obstacle facing native American veterans in accessing home loan benefits is the legal status of trust lands. According to the Booz Allen study:

> The most significant reason that VA home loans are not made on trust land is that economic disincentives exist for lenders to pursue these types of loans. * * * The VA Home Loan Program is currently structured to provide an incentive for lenders to make loans to individual veterans purchasing their own home, using the land and house as security for the loan. If the land is not owned by the borrower, as is the case with tribal trust land, mortgage lenders have no security for the loan. The VA Program, and mortgage lending in general, is not structured to deal with the complexities of making mortgage loans on land with tribal or community ownership. In addition, issues relating to Native American government sovereignty, isolation of trust lands, and cultural issues make origination and servicing costly and logistically difficult to implement. Under the current VA Home Loan Program guidelines, no special provision is made for loan applications for homes on tribal trust land. This exposes lenders to additional risk because in the event of a foreclosure, the lender does not have clear recourse to taking possession of the property. This translates into a difficult, time consuming, and costly foreclosure process. Without some type of guaranty that a marketable title can be con-

veyed to the lender in the event of default, private lenders will not feel that they have adequate security to fund loans made on tribal lands.

Mr. President, it is clear from the foregoing that native American veterans who live or wish to live on trust lands, whether they are Navajos or Hawaiians or Samoans or Alaskans, are faced with circumstances that preclude them from obtaining VA home loan guarantees as effectively as if Congress had legally barred them from receiving the entitlement. Of course, some of these circumstances—such as endemic unemployment, the difficulties and costs to banks of servicing loans on reservations, and radical and cultural discrimination by lending institutions—cannot be addressed by this bill. Only when we as a nation experience a sea-change in our sense of moral and social responsibility to these forgotten peoples will these issues be resolved.

However, our bill does address the inhibiting effect that the legal status of trust land has on lenders' willingness to make loans. The legislation does this by substituting VA as the lender. Although we generally agree with policies taking the Federal Government out of the banking business, we also recognize that exceptions can and must be made when the private sector is unable or unwilling to serve this function. In the case of native American veterans on trust lands, the problem is so egregious, so beyond the capabilities of the private sector to address, that the Government is obligated to intervene.

In proposing that VA provide direct loans to veterans on trust lands, we are cognizant that there are many obstacles to the efficient administration of such a program, chiefly the physical, economic, and political diversity of U.S. trust lands. Approximately 52 million acres of land are held in trust by the United States for tribes and individuals; 40 million acres have been set aside for Alaskan Natives under the Alaska Native Claims Settlement Act; 200,000 acres have been secured for the benefit of native Hawaiians under the Hawaiian Homestead Act; and, virtually all of American Samoa is held in common by Samoan natives. In addition, American Indians alone comprise more than 500 federally recognized tribes of varying sizes, each with their own legal, political, and administrative practices. Finally, the different reservations exist in a wide variety of economic circumstances—some are large, well-endowed tribes in major urban regions; others are small, poor, and located in isolated rural areas.

To require VA to operate an inflexible direct home loan program in such vastly differing environments would be to doom such an initiative to failure. This is why our legislation is conceived of as a pilot program with great flexibility: We want to ensure that VA can make loans in diverse environments before we mandate a full-scale direct loan program. Our bill therefore specifically stipulates that VA make test loans to native Americans "who are located in a variety of geographic areas and in areas experiencing a variety of economic circumstances."

In consideration of this, we give significant latitude to VA in developing and carrying out the direct loan program with individual tribes. For example, the Secretary is required to negotiate with tribes on an individual basis to develop the conditions that apply to each veteran who is a member of that tribe, including loan processing, enforcement, and foreclosure proceedings. Our major stipulation is that, in order to protect the taxpayer, such memoranda of understanding include a provision that transfers to VA upon foreclosure a veteran's meaningful interest in the property—whether that is a life estate, a 50-year leasehold, or fee-simple ownership. This provision will give VA some ability to minimize VA losses in order to continue making these direct loans.

Mr. President, the bill we are offering today offers a practical first step to address a fundamental inequity in VA's home loan guaranty programs. Instead of offering a prescriptive solution to a knotty problem, we are giving VA a flexible mandate to develop pilot initiatives that are based on the complex, diverse realities that exist on U.S. trust lands across the Nation. We believe that this test approach is both fiscally and morally responsive to the needs of native American veterans, who ask only that they be able to use an entitlement that they earned through service to the Nation.

Before closing, I would like to note that this initiative has not been developed in isolation. VA; the Department of Housing and Urban Development; the Department of the Interior; the financial, thrift, and housing industries; and, the native American community offered valuable suggestions in the drafting of this measure. I assure my colleagues that we will continue to solicit the advice of all interested parties in improving this legislation.

I also want to recognize the individual who first brought the trust lands problem to the attention of Congress. I speak of my late predecessor, Senator Spark Matsunaga, who 3 years ago introduced the legislation upon which this bill is modeled. While Sparky's bill differed from ours in duration and scope—it would have established a 3-year pilot program to examine the feasibility of providing both direct and VA-guaranteed home loans on trust lands—its intent was exactly the same: To make VA home loan benefits available to veterans who, through no fault of their own, have been denied the use of their entitlement. Senator Matsunaga's bill was never adopted, but it did inspire enough interest in the subject that Congress enacted legislation in late 1989 requiring a comprehensive study of home loans for native Americans on trust lands—the Booz Allen study mentioned previously. If our bill is one day adopted, it will be in large measure due to the trailblazing efforts of the man whose seat this Senator now occupies.

Thank you, Mr. President. I urge my colleagues to cosponsor this important measure. I ask that a copy of the bill and a summary be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2528

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Native American Veterans' Home Loan Equity Act of 1992".

SEC. 2. NATIVE AMERICAN VETERANS DIRECT HOUSING LOAN PILOT PROGRAM.

(a) PROGRAM.—Chapter 37 of title 38, United States Code, is amended by adding at the end the following new subchapter:

"SUBCHAPTER V—NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM

"§ 3761. Pilot program

"(a) The Secretary shall establish and implement a pilot program under which the Secretary may make direct housing loans to Native American veterans. The purpose of such loans is to permit such veterans to purchase, construct, or improve dwellings on trust land. The Secretary shall establish and implement the pilot program in accordance with the provisions of this subchapter.

"(b) In carrying out the pilot program under this subchapter, the Secretary shall, to the extent practicable, make direct housing loans to Native American veterans who are located in a variety of geographic areas and in areas experiencing a variety of economic circumstances.

"(c) No loans may be made under this subchapter after September 30, 1997.

"§ 3762. Direct housing loans to Native American veterans

"(a) The Secretary may make a direct housing loan to a Native American veteran if—

"(1) the Secretary has entered into a memorandum of understanding with respect to such loans with the tribal organization that has jurisdiction over the veteran; and

"(2) the memorandum is in effect when the loan is made.

"(b)(1) Subject to paragraph (2), the Secretary shall ensure that each memorandum of understanding that the Secretary enters into with a tribal organization shall provide for the following:

"(A) That each Native American veteran who is under the jurisdiction of the tribal organization and to whom the Secretary makes a direct loan under this subchapter—

"(i) holds, possesses, or purchases using the proceeds of the loan a meaningful interest in a lot or dwelling (or both) that is located on trust land; and

"(ii) will purchase, construct, or improve (as the case may be) a dwelling on the lot using the proceeds of the loan.

"(B) That each such Native American veteran will convey to the Secretary by an appropriate instrument the interest referred to in subparagraph (A) as security for a direct housing loan under this subchapter.

"(C) That the tribal organization and each such Native American veteran will permit the Secretary to enter upon the trust land of that organization or veteran for the purposes of carrying out such actions as the Secretary determines are necessary—

"(i) to evaluate the advisability of the loan; and

"(ii) to monitor any purchase, construction, or improvements carried out using the proceeds of the loan.

"(D) That the tribal organization has established standards and procedures that apply to the foreclosure of the interest conveyed by a Native American veteran pursuant to subparagraph (B), including—

"(i) procedures for foreclosing the interest; and

"(ii) procedures for the resale of the lot or the dwelling (or both) purchased, constructed, or improved using the proceeds of the loan.

"(E) That the tribal organization agrees to such other terms and conditions with respect to the making of direct loans to Native American veterans under the jurisdiction of the tribal organization as the Secretary may require in order to ensure that the pilot program established under this subchapter is implemented in a responsible and prudent manner.

"(2) The Secretary may not enter into a memorandum of understanding with a tribal organization under this subsection unless the Secretary determines that the memorandum provides for such standards and procedures as are necessary for the reasonable protection of the financial interests of the United States.

"(c)(1) The principal amount of any direct housing loan made to a Native American veteran under this section may not exceed $80,000.

"(2) Loans made under this section shall bear interest at a rate determined by the Secretary, which rate may not exceed the appropriate rate authorized for guaranteed loans under section 3703(c)(1) or section 3712(f) of this title, and shall be subject to such requirements or limitations prescribed for loans guaranteed under this title as the Secretary may prescribe.

"(3) Notwithstanding section 3704(a) of this title, the Secretary shall establish minimum requirements for planning, construction or improvement, and general acceptability relating to any direct loan made under this section.

"(d) The Secretary shall establish credit underwriting standards to be used in evaluating loans made under this subchapter. In establishing such standards, the Secretary shall take into account the purpose of this program to make available housing to Native American veterans living on trust lands.

"(e) Loans made under this section shall be repaid in monthly installments.

"(f) In connection with any loan under this section, the Secretary may make advances in cash to provide for repairs, alterations, and improvements and to meet incidental expenses of the loan transaction. The Secretary shall determine the amount of any expenses incident to the origination of loans made under this section, which expenses, or a reasonable flat allowance in lieu thereof, shall be paid by the veteran in addition to the loan closing costs.

"(g) Without regard to any provision of this chapter (other than a provision of this section), the Secretary may—

"(1) take any action that the Secretary determines to be necessary with respect to the custody, management, protection, and realization or sale of investments under this section;

"(2) determine any necessary expenses and expenditures and the manner in which such expenses and expenditures shall be incurred, allowed, and paid;

"(3) make such rules, regulations, and orders as the Secretary considers necessary for carrying out the Secretary's functions under this section; and

"(4) in a manner consistent with the provisions of this chapter and with the Secretary's functions under this subchapter, employ, utilize, and compensate any persons, organizations, or departments or agencies (including departments and agencies of the United States) designated by the Secretary to carry out such functions.

"§ 3763. Housing loan revolving fund

"(a) There is hereby established in the Treasury of the United States a revolving fund known as the 'Native American Veteran Housing Loan Fund' (hereafter in this subchapter referred to as the 'Fund').

"(b) The Fund shall be available to the Secretary to carry out all operations relating to the making of direct housing loans to Native American veterans under this subchapter, including any administrative expenses relating to the making of such loans. Amounts in the Fund shall be available without fiscal year limitation.

"(c) The Fund shall consist of such amounts as are appropriated to the Fund and all amounts received by the Secretary by reason of the direct housing loan pilot program carried out under this subchapter, including all collections of principal and interest, any loan fees, and any proceeds from the use of property held or sale of property disposed of pursuant to that program.

"§ 3764. Definitions

"For the purposes of this subchapter—

"(1) The term 'trust land' means any land that—

"(A) is held in trust by the United States for Native Americans;

"(B) is subject to restrictions on alienation imposed by the United States on Indian lands (including native Hawaiian homelands);

"(C) is owned by a Regional Corporation or a Village Corporation, as such terms are defined in section 3(g) and 3(j) of the Alaska Native Claims Settlement Act, respectively (43 U.S.C. 1602(g), (j)); or

"(D) is on any island in the Pacific Ocean if such land is, by cultural tradition, communally-owned land, as determined by the Secretary.

"(2) The term 'Native American veteran' means any veteran who is a Native American.

"(3) The term 'Native American' means—

"(A) an Indian, as defined in section 4(a) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(a));

"(B) a native Hawaiian, as that term is defined in section 201(a)(7) of the Hawaiian Homes Commission Act, 1920 (Public Law 67–34; 42 Stat. 108);

"(C) an Alaska Native, within the meaning provided for the term 'Native' in section 3(b) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(b)); and

"(D) a Pacific Islander, within the meaning of the Native American Programs Act of 1974 (42 U.S.C. 2991 et seq.).

"(4) The term 'tribal organization' shall have the meaning given such term in section 4(c) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b(c)) and shall include the Department of Hawaiian Homelands, in the case of native Hawaiians, and such other organizations as the Secretary may prescribe.".

(b) CONSULTATION.—In carrying out the direct housing loan pilot program authorized under subchapter V of title 38, United States Code (as added by subsection (a)) the Secretary of Veterans Affairs shall consider the views and recommendations, if any, of the Advisory Committee on Native-American Veterans established under section 19032 of the Veterans' Health-Care Amendments of 1986 (title XIX of Public Law 99–272; 100 Stat. 388).

(c) CONFORMING AMENDMENT.—The table of sections of such chapter is amended by adding at the end the following new matter:

"SUBCHAPTER V—NATIVE AMERICAN VETERAN HOUSING LOAN PILOT PROGRAM

"Sec.
"3761. Pilot program.
"3762. Direct housing loans to Native American veterans.
"3763. Housing loan revolving fund.
"3764. Definitions.".

SEC. 3. ANNUAL REPORTS.

Not later than February 1 of each of 1994 through 1998, the Secretary of Veterans Affairs shall transmit to the Committee on Veterans' Affairs of the Senate and the Committee on Veterans' Affairs of the House of Representatives a report relating to—

(1) the implementation of the Native American veterans direct housing loan pilot program established under subchapter V of title 38, United States Code (as added by section 2) during the period ending on September 30 of the year preceding the date of the report; and

(2) the Secretary's recommendations, if any, for legislation regarding the pilot program.

SEC. 4. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $5,000,000 for fiscal year 1993 for the Department of Veterans Affairs to carry out the Native American veteran housing loan pilot program established under subchapter V of title 38, United States Code (as added by section 2), which amount shall remain available without fiscal year limitation.

SUMMARY OF PROVISIONS OF NATIVE AMERICAN VETERANS' HOME LOAN EQUITY ACT OF 1992

The proposed "Native American Veterans' Home Loan Equity Act of 1992" would:

1. Establish a five-year pilot program of direct loans to Native American veterans to purchase, construct, or improve dwellings on trust lands.

2. Require that, to the extent practicable, the loans be made to eligible veterans who are located in a variety of geographic areas and in areas experiencing a variety of economic circumstances.

3. Require that, before a loan is made to a veteran there be in effect a memorandum of understanding between VA and the tribal organization having jurisdiction over the veteran that ensures that (a) the veteran would have a meaningful interest in the trust land upon which the home is or will be located; (b) each veteran would convey to the Secretary the veteran's interest in the property as collateral for the loan; (c) VA would have access to the land in connection with the loan; (d) the tribal organization has established procedures for foreclosure and resale

of the property in the event of default by the veteran; (e) the tribal organization agrees to other terms and conditions the Secretary may require to carry out the loan program; and (f) the financial interests of the United States are otherwise reasonably protected.

4. Permit loans of up to $80,000, with an interest rate no greater than VA's interest rates for VA-guaranteed loans, and require the veteran to pay closing costs and loan-origination expenses or a fee representing these expenses.

5. Require the Secretary to establish special credit underwriting standards that take into account the purpose of the pilot program, which is to make available housing to Native American veterans living on trust lands.

6. Allow the Secretary to make cash advances in connection with construction or home-improvement loans.

7. Establish a "Native American Veterans Housing Loan Revolving Fund" to provide funds necessary to carry out the pilot program and authorize appropriations to the fund of $5 million for fiscal year 1993. (Under the Credit Reform Act of 1990, this appropriation represents the portion of loan disbursements made in FY 1993 that the government ultimately does not expect to recover. To illustrate, VA estimates that the subsidy rate for "vendee" loans, a type of VA direct loan, will be 8.4 percent for FY 1993. If the subsidy rate for loans under the pilot program is the same, a $5-million appropriation would allow VA to make loans totaling approximately $60 million.)

8. Define "trust land" as any land that is (a) held in trust by the United States for Native Americans; (b) subject to restrictions on alienation imposed by the United States on Indian lands (including native Hawaiian homelands); (c) owned by a Regional Corporation or a Village Corporation, as those terms are defined in the Alaska Native Claims Settlement Act; or (d) on any island in the Pacific Ocean if the land is, by cultural tradition, communally owned land.

9. Define "Native American" as (a) an Indian, as defined in the Indian Self-Determination and Education Assistance Act; (b) a native Hawaiian, as defined in the Hawaiian Homes Commission Act; (c) an Alaska Native, within the meaning provided for the term "Native" in the Alaska Native Claims Settlement Act; and (d) a Pacific Islander, within the meaning of the Native American Programs Act of 1974.

10. Define "tribal organization" as having the meaning given to that term in the Indian Self-Determination and Education Assistance Act, including the Department of Hawaiian Homelands and such other organizations as the Secretary may prescribe.

11. Require the Secretary to submit to the Veterans' Affairs Committees on February 1, of 1994 through 1998, reports on implementation of the pilot program, including any recommendations by the Secretary for legislation regarding the pilot program.•

• Mr. CRANSTON. Mr. President, as chairman of the Committee on Veterans' Affairs, I am very pleased to be an original cosponsor of the proposed Native American Veterans' Home Loan Equity Act of 1992, which is being introduced by my good friend, a member of our committee, Senator AKAKA. I congratulate him on this bill, which I believe will make a significant contribution to removing the barriers that effectively have precluded native American veterans living on reservations and other trust lands from using VA home loan benefits that they have earned through service to their country.

The VA-Guaranteed Home Loan Program depends on private lenders to provide the mortgage loans. But native American veterans living on reservations or other trust lands cannot obtain direct ownership of the land upon which the home is or will be located because that land is held by the United States or a State in trust for a particular group of native Americans. Lenders, therefore, are not willing to make loans for homes on these properties because the potential borrower has no fee-simple interest to serve as collateral for the loan. Thus, the regular VA-Guaranteed Home Loan Program is out of reach of many native American veterans, a fact particularly troubling because native Americans serve in our military in disproportionately high numbers.

Mr. President, Senator AKAKA's bill builds on a foundation established by his distinguished predecessor and my friend, the late Senator Spark Matsunaga, who introduced a related bill in the 101st Congress, S. 1146. In the hope of obtaining more information on this problem before enacting corrective legislation, the Congress in 1989 required VA to conduct a study of the issues affecting the ability of native American veterans living on trust lands to participate in the VA loan program.

VA issued this report in July 1991. The report, entitled "Assessment of the Utilization of the VA Home Loan Benefit by Native American Veterans Living on Tribal Trust Land," was conducted by a VA contractor and, quite frankly, provided very little enlightenment. The report did confirm, however, that these veterans effectively are precluded from using their home loan guaranty entitlements and recommended the creation of a direct loan program for them.

The pilot program that Senator AKAKA's bill would establish will give VA the experience to determine whether and how a direct-loan program can work. It is a modest, innovative approach that leaves a great deal of flexibility for VA to tailor the program to the widely varying needs and circumstances of individual native Americans and native American groups. The bill requires VA to work out, with the cooperation and assistance of each tribal organization, arrangements for implementing and administering the program in a manner that provides reasonable protection for the Government's interest.

Mr. President, I look forward to working with Senator AKAKA on this legislation and urge all of my colleagues to support this important bill aimed at helping to ensure that all veterans have access to the benefits they earned while serving our country.•

By Mr. AKAKA (for himself and Mr. WALLOP):

S. 2529. A bill to provide for the transfer of certain lands to the Government of Guam, and for other purposes; to the Committee on Energy and Natural Resources.

TRANSFER OF CERTAIN LANDS TO THE GOVERNMENT OF GUAM

• Mr. AKAKA. Mr. President, on behalf of myself and Senator WALLOP, I am introducing the Guam Excess Lands Act. Our action comes at the request of Congressman BLAZ.

The bill introduced today would provide for the transfer of certain excess Federal lands to the Government of Guam. While I have a number of reservations about the content of this legislation, I am introducing it as a courtesy to Congressman BLAZ.

Many of us in Hawaii can remember the time when the only representation we had in Congress was a House Delegate. I am most sympathetic to this situation and feel that the proposals advanced by my House colleagues who represent U.S. territories deserve to be considered in the Senate as well.•

• Mr. WALLOP. Mr. President, I am pleased to join with Senator AKAKA in introducing legislation to dispose of certain excess lands in Guam at the request of Congressman BEN BLAZ. I hope that the Committee on Energy and Natural Resources will hold a hearing on this measure in the near future and that we will be able to bring it to the Senate as expeditiously as possible.

While I am not taking any position on the legislation itself at this point, I do understand how very important a resolution of the excess lands problem is for the people of Guam, and I want to congratulate Congressman BLAZ for his dedication and commitment to having this issue resolved and enacted this year.

I have a great deal of sympathy for the people of Guam and their desire to have full control over as much acreage as possible. Wyoming, as well as most of the Western States, have had to live with a dominating Federal presence which denies us the resources and options which Eastern States acquired through the disposal of the public domain. On an island the size of Guam, the problem becomes even more acute.

Congressman BLAZ has introduced this bill in every Congress since the 99th and has worked with all the interested parties in Guam and the Federal Government to resolve any problems. He has managed to have individual parcels transferred for public purposes, such as schools, but it is critical to Guam that an overall resolution can be found. During the last Congress, both the Senate and the House had agreed to legislation, but unfortunately it was held up by differences over other provisions in an omnibus territory bill. I sincerely hope that we can avoid that type of linkage this Congress and I want to again express my admiration for the exceptional work which Congressman BLAZ continues to do for the people of Guam.●

By Mr. STEVENS (for himself, Mr. SPECTER, Mr. WOFFORD, Mr. DOLE, Mr. THURMOND, Mr. BYRD, Mr. BOND, Mr. BROWN, Mr. BURNS, Mr. CHAFEE, Mr. COATS, Mr. COCHRAN, Mr. COHEN, Mr. CRAIG, Mr. JOHNSTON, Mr. D'AMATO, Mr. DANFORTH, Mr. DOMENICI, Mr. DURENBERGER, Mr. GARN, Mr. GORTON, Mr. GRAMM, Mr. HATFIELD, Mr. HELMS, Mr. JEFFORDS, Mrs. KASSEBAUM, Mr. KASTEN, Mr. LOTT, Mr. LUGAR, Mr. MACK, Mr. MCCAIN, Mr. MCCONNELL, Mr. MURKOWSKI, Mr. NICKLES, Mr. PRESSLER, Mr. RUDMAN, Mr. SIMPSON, Mr. SMITH, Mr. SYMMS, Mr. WARNER, Mr. AKAKA, Mr. DECONCINI, Mr. GORE, Mr. HEFLIN, Mr. KOHL, Mr. LEVIN, Mr. MOYNIHAN, Mr. SASSER, Mr. SHELBY, Mr. RIEGLE, Mr. LIEBERMAN, Mr. BINGAMAN, Mr. GRASSLEY, Mr. ROCKEFELLER, and Mr. SANFORD):

S. 2530. A bill to establish the John Heinz Competitive Excellence Award; to the Committee on Banking, Housing, and Urban Affairs.

JOHN HEINZ COMPETITIVE EXCELLENCE AWARD ACT

Mr. STEVENS. Mr. President, Saturday, April 4, marks the first anniversary of the death of our colleague and a good friend of all the Members of the Senate, former Senator John Heinz.

In a letter written just hours before his tragic death, he expressed concern about the level of our Nation's competitiveness in the area of critical technology.

After the news of the tragic death of my friend, I came to the floor and indicated that I wished to draft legislation establishing a medal in honor of Senator Heinz and named after him.

At that time I read from his letter the following:

> Our constituents, many for the first time, learned the importance of smart bombs and other sophisticated semiconductor-based technology in the Persian Gulf. There is no doubt in my mind that the same kinds of advanced technology are likewise critical to our ability to compete internationally in the next century. Inevitably, political and military strength are directly related to economic strength. I believe we can only sustain our role in the world's poltical leadership if we maintain our economic leadership as well.

Only this week I have heard from Teresa Heinz, Mrs. Heinz. Let me quote just a paragraph of her personal letter to me. She said:

> I am anxious to see the establishment of the Heinz Competitiveness Award. What a fitting tribute this will make.

Today, to honor his memory and follow through on the comment I made a year ago, and to follow through on his goal of revitalizing the American spirit of competitiveness, I send to the desk and introduce legislation to establish the John Heinz Competitive Excellence Award.

Senator SPECTER and Senator WOFFORD and Senator DURENBERGER are here to join in introducing this measure. We are joined today by 46 cosponsors and would like to—47 cosponsors, I stand corrected, Mr. President. We are pleased to have Senator ROCKEFELLER join us.

We invite every Member of the Senate to join us in honoring our departed friend by cosponsoring this legislation.

Let me say that Mrs. Heinz and Senator Heinz' former staff have provided invaluable assistance to us as we crafted this legislation.

Under our legislation, the Senate would present two awards annually—one to an individual and another to an institution, organization, or business. Each winner would have demonstrated superiority in promoting U.S. industrial competitiveness in the international marketplace.

Technical innovation and improvement in competitive strategies would be the major criterion for consideration of this award.

The John Heinz Competitive Excellence Award would not only honor our colleague but help revitalize America's competitive spirit.

I am really proud of the bipartisan support that has been demonstrated here in the Senate to honor our former colleague in support of this legislation.

Mr. President, I yield, if I may to my senior colleague from Pennsylvania.

The PRESIDING OFFICER. The senior Senator from Pennsylvania is recognized.

Mr. SPECTER. Mr. President, I thank our distinguished colleague, Senator STEVENS, for his leadership on this very important legislative proposal.

The John Heinz Competitive Excellence Award is a fitting memorial to a very distinguished U.S. Senator who did so much for competitive excellence in international trade.

This award will seek out an individual, organization, institution, or business which has demonstrated excellence in promoting U.S. industrial competitiveness.

Competitiveness was practically John Heinz' middle name.

He was an outstanding competitor in his business career. He was an extraordinary competitor in politics as he sought office for the House of Representatives and the U.S. Senate. He was an extraordinary competitor as a public servant. He was an extra extraordinary competitor in athletic events—skiing, tennis, for instance. I can personally comment about his spirit on the softball field as the John Heinz softball team competed with my office softball team year in and year out.

I recollect in his early days in the House of Representatives he received the award for being "king of the hill" in the combined athletic activities. He brought that sense of competitiveness with him to the U.S. Senate where his work on the Finance Committee and on the Banking Committee was very important in moving toward U.S. superiority and U.S. competitiveness abroad.

We miss him very much in our State, in our country, and in the entire world. As I have traveled through Pennsylvania during the course of the past year, I have heard frequent comments about how much the people of the State, who elected him on three occasions to the U.S. Senate, miss his service. Fifty-two weeks ago today, Thursday afternoon, his life was taken by a tragic accident. I think this legislative action is a partial recognition, partial memorial to a great American.

One further comment, Mr. President, as to how much we miss Senator Heinz. Three days ago, the voluntary restraint agreements lapsed. That program was testament to his accomplishments in seeing to it that the steel industry—specifically the specialty steel industry—was able to achieve international competitiveness through a program which he structured and saw that it was initiated.

I remember well the Saturday before the 1988 Presidential election at a rally in Chester County, PA, when Senator Heinz presented a letter to then Vice President Bush in the closing days of that campaign. Senator Heinz made a strong case to the President that the voluntary restraint program would be good for Pennsylvania steel, would be good for American steel, would be good for Vice President Bush and good for America generally.

It worked out exactly that way. As a result of that program, specialty steel has slimmed down, toughened up, become very competitive. I think if Senator Heinz were with us today, the voluntary restraint program would probably be carried on.

This award, Mr. President, will stimulate excellence in U.S. industrial competitiveness, and I think it is fitting on the anniversary of his passing in a tragic airplane accident, that we propose this legislation. I join my colleague, Senator STEVENS, in urging all Senators to cosponsor this. We will have speedy enactment of this bill. I thank the Chair and yield the floor.

Mr. WOFFORD addressed the Chair.

The PRESIDING OFFICER. The junior Senator from Pennsylvania.

Mr. WOFFORD. Mr. President, as one who has voted to do everything in his power to make some things good come out of the tragedy of the loss of John Heinz, I rise to join my colleagues in urging the establishment of the John Heinz Competitive Excellence Award.

As our hearts go out to Teresa Heinz and to John and Andre and Christopher, it is well that we do something practical to honor John Heinz's legacy.

And so the least we can do is go forward with this good idea of the excellence award.

This morning, as we heard the prayer from the visiting chaplain, I thought of John Heinz and his legacy, as I often do. I realize that he was a man who lived up to what the chaplain asked us to do. Rabbi Slosberg, my colleagues will recall, prayed that we be given the courage and the strength of conviction to fulfill the vision expressed by the Prophet Micah:

> He has told you, "O man, what is good and what the Lord requires of you, only to do justice and to love goodness and to walk humbly with your God, then will your name achieve wisdom.

John Heinz was a man who had that vision. He sought what is good; he did justice; he loved goodness and the common good; he achieved wisdom. May we and all those who in the future win the John Heinz Competitive Excellence Award do our best to do the same.

Mr. DURENBERGER. Mr. President, I rise to extend my congratulations first to the author of this legislation. There were a lot of us who were left bewildered by the loss of John Heinz and a lot of us were trying to figure out what to make of it, what to say about it. It was TED STEVENS who hit the nail on the head, so to speak, here a year later presenting all of us with an opportunity to memorialize what we remember best about John Heinz, and that is, as has been said by others, his competitiveness.

So I take this occasion, as part of the larger family John had, to thank Teresa and the rest of his family for the opportunity to have shared this period of John's life.

As others have said many times, John Heinz was a man who had everything, but he gave everything. I think about that in many ways. I think about it at the present time as I look at the Presiding Officer presiding over the Senate. This is a body inhabited largely by millionaires, multimillionaires, people, some of whom carry names rich in tradition, but most of them, to me, since I do not fall in that category, I end up admiring greatly because they are people who by many people's standards have everything and yet they choose a position like this from which one of the very few places in the world they can give everything. That not only includes themselves, it includes their families. It includes the tragedy that comes with a sudden loss, circumstances over which we have no control.

I ask unanimous consent that two wonderful homilies by another one of our colleagues who bears certainly the famous name, rich tradition, who like many around here represent what people who have everything come here to do, JACK DANFORTH, both of those homilies, that all of us listened to—one in Pittsburgh on the 10th day of April, and the other here at the National Cathedral on the 12th day of April—when available be reprinted in the RECORD as part of my remarks in cosponsoring this legislation.

Mr. STEVENS. Mr. President, I think the Senate realizes that I had an experience quite similar to Teresa Heinz. It was a little bit different in that I was in the airplane which crashed and resulted in the death of my wife. I felt very close to Teresa Heinz for that reason, and I have in mind now the real tragedy that follows the loss of a spouse.

Senator DURENBERGER has just indicated that many of us put our own lives and the lives of our families at risk as we engage in the pursuits of the Senate. John Heinz was a close friend of everyone here. He was a man that left his mark on the Senate, and I have a great feeling that had he lived he would have left an even greater mark on our democracy, our union of States.

I really feel that it is sad that we will not be in session on the anniversary of Senator Heinz' death, and I am pleased that Senator DURENBERGER will have placed in the RECORD the two great statements made by Senator DANFORTH.

My sadness that we will not be in session is that I wish we could all be present here in the Senate, and be presented with a prayer in his honor. It is not fitting at this time, I think, to ask the Senate to do that. But I want the Senate to know that the feelings that we have with regard to our late departed friend are very strong in the hearts and minds of many of us now.

It is with a deep sadness that I have brought this bill to the floor in one respect, and yet with great joy in another sense because it has the blessing of John Heinz' family. It is something that we have waited to do until we had an indication that it was timely from the point of view of Teresa Heinz and her family that we take this action.

It is time now. It is amazing how fast time passes, but I do think that it is a subject that we should work on, we should try to get passed, and enacted into law as soon as possible.

I make these last remarks just to indicate that to many of us John represented a man of deep faith, a man of deep conviction to our country, and certainly unlimited commitment to his family. It was his commitment to his country that we try to honor in this legislation.

I again urge that everyone in the Senate who is willing to do so join in cosponsorship of it. It is my understanding it will be referred to the Banking Committee, and I intend to pursue that and see if we can get that legislation back here and enacted as quickly as possible.

I thank the Chair. I thank the leader for allotting us this time, and to my good friend for yielding.

Mr. DOLE. Mr. President, 1 year ago this Saturday, America lost one of her finest public servants, with the tragic death of our colleague, John Heinz.

Those of us who were privileged to serve with Senator Heinz knew him to be a uniquely effective Senator—a Senator who saw Government not as a game, but as a calling—a Senator who entered the public arena, not out of ambition, but out of duty.

When I look at the issues which are on top of the public agenda today—health care, economic growth, care for our elderly—I think of how much Senator Heinz contributed to each of these issues, and how much his wisdom and leadership is missed.

Many tributes were paid to Senator Heinz following his death. And Senator STEVENS is to be congratulated for his proposal creating the Heinz Competitive Excellence Award.

Perhaps the most fitting tribute we could pay to Senator Heinz' memory is to tackle the issues he did with the same determination and common sense he displayed throughout his career.

I know that all the Members of this body join with me in remembering our friend and colleague today, and in telling Teresa, John, Andre, and Christopher, that they remain in our thoughts and prayers.

Mr. THURMOND. Mr. President, I am pleased to join today with Senator STEVENS and others in introducing legislation to establish the "John Heinz Competitive Excellence Award." This will serve as a fitting tribute to his memory.

John Heinz was a man of great character, commitment, and ability. During his tenure in the Senate, he was a champion of older Americans. John was also deeply concerned about the ability of this great Nation to compete internationally in the next century. Before his untimely death, he had taken steps to organize a working group to examine competitiveness problems and the role of the Government in addressing this issue. The award that this bill establishes will put the Congress on record as supporting private sector efforts to find ways to compete internationally.

As we remember John Heinz on the first anniversary of his passing, this award will serve as a lasting reminder of his commitment to his State and the Nation.

ADDITIONAL COSPONSORS

S. 4

At the request of Mr. WELLSTONE, his name was added as a cosponsor of S. 4, a bill to amend titles IV, V, and XIX of the Social Security Act to establish innovative child welfare and family support services in order to strengthen families and avoid placement in foster care, to promote the development of comprehensive substance abuse programs for pregnant women and caretaker relatives with children, to provide improved delivery of health care services to low-income children, and for other purposes.

S. 15

At the request of Mr. BIDEN, the name of the Senator from New York [Mr. D'AMATO] was added as a cosponsor of S. 15, a bill to combat violence and crimes against women on the streets and in homes.

S. 240

At the request of Mrs. KASSEBAUM, the names of the Senator from Montana [Mr. BURNS] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 240, a bill to amend the Federal Aviation Act of 1958 relating to bankruptcy transportation plans.

S. 757

At the request of Mr. LEAHY, the name of the Senator from Illinois [Mr. SIMON] was added as a cosponsor of S. 757, a bill to amend the Food Stamp Act of 1977 to respond to the hunger emergency afflicting American families and children, to attack the causes of hunger among all Americans, to ensure an adequate diet for low-income people who are homeless or at risk of homelessness because of the shortage of affordable housing, to promote self-sufficiency among food stamp recipients, to assist families affected by adverse economic conditions, to simplify food assistance programs' administration, and for other purposes.

S. 765

At the request of Mr. BREAUX, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 765, a bill to amend the Internal Revenue Code of 1986 to exclude the imposition of employer social security taxes on cash tips.

S. 1257

At the request of Mr. BOREN, the name of the Senator from Colorado [Mr. WIRTH] was added as a cosponsor of S. 1257, a bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain real estate activities under the limitations on losses from passive activities.

S. 1423

At the request of Mr. DODD, the name of the Senator from Missouri [Mr. DANFORTH] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1565

At the request of Mr. GRAHAM, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1565, a bill to amend the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in connection with route transfers.

S. 1691

At the request of Mr. DIXON, the name of the Senator from Idaho [Mr. CRAIG] was added as a cosponsor of S. 1691, a bill to amend title 18, United States Code, to govern participation of Federal Prison Industries in Federal procurements, and for other purposes.

S. 1883

At the request of Mr. HOLLINGS, the names of the Senator from Arkansas [Mr. PRYOR], the Senator from Arkansas [Mr. BUMPERS], the Senator from Wisconsin [Mr. KOHL], the Senator from Washington [Mr. GORTON], and the Senator from Vermont [Mr. LEAHY] were added as cosponsors of S. 1883, a bill to provide for a joint report by the Secretary of Health and Human Services and the Secretary of Agriculture to assist in decisions to reduce administrative duplication, promote coordination of eligibility services and remove eligibility barriers which restrict access of pregnant women, children, and families to benefits under the food stamp program and benefits under titles IV and XIX of the Social Security Act.

S. 2027

At the request of Mr. CHAFEE, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 2027, a bill to amend title XVIII of the Social Security Act to eliminate the annual cap on the amount of payment for outpatient physical therapy and occupational therapy services under part B of the medicare program.

S. 2064

At the request of Mr. HATFIELD, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 2064, a bill to impose a one-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2100

At the request of Mr. DASCHLE, the name of the Senator from Arizona [Mr. MCCAIN] was added as a cosponsor of S. 2100, a bill to amend the Internal Revenue Code of 1986 to encourage the development of renewable energy and the conservation of energy, and for other purposes.

S. 2236

At the request of Mr. SIMON, the names of the Senator from Iowa [Mr. HARKIN] and the Senator from Florida [Mr. GRAHAM] were added as cosponsors of S. 2236, a bill to amend the Voting Rights Act of 1965 to modify and extend the bilingual voting provisions of the Act.

S. 2345

At the request of Mr. SPECTER, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2345, a bill to extend the provisions of the Steel Import Stabilization Act for specialty steel and other purposes.

S. 2387

At the request of Mr. LEAHY, the name of the Senator from California [Mr. CRANSTON] was added as a cosponsor of S. 2387, a bill to make appropriations to begin a phase-in toward full funding of the special supplemental food program for women, infants, and children [WIC] and of Head Start programs, to expand the Job Corps program, and for other purposes.

S. 2388

At the request of Mr. MCCAIN, the names of the Senator from Alaska [Mr. MURKOWSKI] and the Senator from Utah [Mr. HATCH] were added as cosponsors of S. 2388, a bill to provide for a Democracy Corps to mobilize and coordinate the expertise and resources of United States citizens in providing targeted assistance to support the development of democratic institutions and free market economies in the former Soviet republics and the Baltic states.

S. 2490

At the request of Mr. SASSER, the name of the Senator from Kentucky [Mr. FORD] was added as a cosponsor of S. 2490, a bill to provide that employees of the Tennessee Valley Authority who are covered by a collective bargaining agreement shall not be subject to any regulations which take employee efficiency or performance ratings into account in determining the order of retention of competing employees in a reduction in force.

S. 2503

At the request of Mr. SIMON, the name of the Senator from New York [Mr. MOYNIHAN] was added as a cosponsor of S. 2503, a bill to amend the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, to make available additional funds to the Department of State for the United States contributions to international peacekeeping activities.

SENATE JOINT RESOLUTION 18

At the request of Mr. SIMON, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of Senate Joint Resolution 18, a joint resolution proposing an amendment to the constitution relating to a federal balanced budget.

SENATE JOINT RESOLUTION 166

At the request of Mr. DOLE, the name of the Senator from Washington [Mr. GORTON] was added as a cosponsor of Senate Joint Resolution 166, a joint resolution designating the week of October 6 through 12, 1991, as "National Customer Service Week."

SENATE JOINT RESOLUTION 248

At the request of Mr. CONRAD, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Joint Resolution 248, a joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day."

SENATE JOINT RESOLUTION 252

At the request of Mr. DIXON, the names of the Senator from Iowa [Mr.

GRASSLEY] and the Senator from Arkansas [Mr. PRYOR] were added as cosponsors of Senate Joint Resolution 252, a joint resolution designating the week of April 19-25, 1992, as "National Credit Education Week."

SENATE JOINT RESOLUTION 257

At the request of Mr. LAUTENBERG, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 257, a joint resolution to designate the month of June 1992, as "National Scleroderma Awareness."

SENATE JOINT RESOLUTION 261

At the request of Mr. CRANSTON, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Rhode Island [Mr. CHAFEE], the Senator from New York [Mr. MOYNIHAN], the Senator from Michigan [Mr. RIEGLE], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Indiana [Mr. COATS], the Senator from Wyoming [Mr. SIMPSON], the Senator from Nevada [Mr. REID], the Senator from Iowa [Mr. GRASSLEY], the Senator from Massachusetts [Mr. KENNEDY], the Senator from North Carolina [Mr. SANFORD], the Senator from Vermont [Mr. JEFFORDS], the Senator from Tennessee [Mr. SASSER], the Senator from Tennessee [Mr. GORE], the Senator from Ohio [Mr. METZENBAUM], the Senator from Ohio [Mr. GLENN], the Senator from Michigan [Mr. LEVIN], the Senator from West Virginia [Mr. ROCKEFELLER], the Senator from California [Mr. SEYMOUR], the Senator from Nevada [Mr. BRYAN], the Senator from Florida [Mr. MACK], the Senator from Montana [Mr. BURNS] and the Senator from Oregon [Mr. PACKWOOD] were added as cosponsors of Senate Joint Resolution 261, a joint resolution to designate April 9, 1992, as a "Day of Filipino World War II Veterans."

SENATE JOINT RESOLUTION 263

At the request of Mr. SARBANES, the names of the Senator from Rhode Island [Mr. PELL] and the Senator from Montana [Mr. BURNS] were added as cosponsors of Senate Joint Resolution 263, a joint resolution to designate May 4, 1992, through May 10, 1992, as "Public Service Recognition Week."

SENATE JOINT RESOLUTION 277

At the request of Mr. D'AMATO, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 277, a joint resolution to designate May 13, 1992, as "Irish Brigade Day."

SENATE JOINT RESOLUTION 282

At the request of Mr. BOREN, the names of the Senator from New York [Mr. D'AMATO] and the Senator from Iowa [Mr. GRASSLEY] were added as cosponsors of Senate Joint Resolution 282, a joint resolution to provide for the expeditious disclosure of records relevant to the assassination of President John F. Kennedy.

SENATE CONCURRENT RESOLUTION 17

At the request of Mr. HATCH, the names of the Senator from Wisconsin [Mr. KOHL], the Senator from Oklahoma [Mr. BOREN], the Senator from New Jersey [Mr. LAUTENBERG], the Senator from Colorado [Mr. BROWN] and the Senator from Indiana [Mr. COATS] were added as cosponsors of Senate Concurrent Resolution 17, a concurrent resolution expressing the sense of Congress with respect to certain regulations of the Occupational Safety and Health Administration.

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. BOREN, the names of the Senator from Louisiana [Mr. BREAUX], the Senator from Iowa [Mr. HARKIN], the Senator from Massachusetts [Mr. KERRY], the Senator from Vermont [Mr. LEAHY], the Senator from Pennsylvania [Mr. WOFFORD], the Senator from Delaware [Mr. BIDEN], the Senator from Arizona [Mr. DECONCINI], the Senator from Minnesota [Mr. DURENBERGER], the Senator from Alaska [Mr. MURKOWSKI], the Senator from Idaho [Mr. SYMMS] and the Senator from New Hampshire [Mr. RUDMAN] were added as cosponsors of Senate Concurrent Resolution 57, a concurrent resolution to establish a Joint Committee on the Organization of Congress.

SENATE CONCURRENT RESOLUTION 95

At the request of Mr. DURENBERGER, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of Senate Concurrent Resolution 95, a concurrent resolution concerning the United States Trade Representative's review of previously rejected Generalized System of Preferences [GSP] petitions from Central and Eastern European Countries, and the denial of certain petitions for which no review was initiated in the 1990 review.

SENATE RESOLUTION 215

At the request of Mr. COATS, the name of the Senator from Iowa [Mr. GRASSLEY] was added as a cosponsor of Senate Resolution 215, a resolution to amend the Standing Rules of the Senate to require that any pay increase for Members be considered as freestanding legislation and held at the desk for at least 7 calendar days prior to consideration by the Senate.

SENATE RESOLUTION 277

At the request of Mr. LAUTENBERG, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of Senate Resolution 277, a resolution expressing the sense of the Senate regarding loan guarantees for refugee resettlement in Israel.

SENATE CONCURRENT RESOLUTION 105—SUPPORTING THE PRESENTATION OF THE ELLIS ISLAND MEDAL OF HONOR ON APRIL 26, 1992

Mr. SPECTER (for himself, Mr. THURMOND, Mr. D'AMATO, Mr. BURNS, and Mr. STEVENS) submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. CON. RES. 105

Whereas the immigrant station at Ellis Island, New York, opened on January 1, 1892, and admitted 700 immigrants to the United States on its first day of operation;

Whereas January 1, 1992, marked the centennial of the opening of Ellis Island;

Whereas approximately 17,000,000 immigrants were admitted through Ellis Island between 1892 and 1954;

Whereas approximately 40 percent of all people in the United States today can trace their heritage to immigrant ancestors who were admitted through Ellis Island;

Whereas the presentation of the Ellis Island Medal of Honor on April 26, 1992, by the National Ethnic Coalition of Organizations, in association with the Statue of Liberty-Ellis Island Foundation, will be a symbolic way to commemorate the centennial of the opening of Ellis Island;

Whereas the Ellis Island Medal of Honor will be presented to distinguished citizens who have promoted the bond between their native countries and their adoptive country and who exemplify a lifetime dedicated to the growth and strength of the United States while preserving the values and tenets of their heritage;

Whereas the Ellis Island Medal of Honor will also be awarded to individuals for distinguished service to humanity in all fields, professions, and occupations; and

Whereas the United States House of Representatives has passed a resolution designating January 1, 1992, as National Ellis Island Day: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress supports the presentation of the Ellis Island Medal of Honor on April 26, 1992, to initiate in a most worthy manner the centennial celebration of the opening of Ellis Island.

Mr. SPECTER. Mr. President, today I am submitting a concurrent resolution expressing support for awarding the Ellis Island Medal of Honor on Sunday, April 26, 1992. My colleague in the House of Representatives, FRANK GUARINI, introduced House Joint Resolution 130, designating January 1, 1992, as "National Ellis Island Day."

The Statue of Liberty-Ellis Island Foundation and the National Ethnic Coalition of Organizations will award the Ellis Island Medal of Honor to a group of notable American citizens, who typify the ideal of a life dedicated to the American way, while maintaining the values of their particular heritage. The awards ceremony will take place on April 26, 1992, in the Grand Hall at Ellis Island.

On opening day, January 1, 1892, 700 immigrants entered the United States through Ellis Island, and from 1892 to 1954 17 million immigrants were admitted through this historic passageway. The Ellis administration and staff, on the average processed up to 5,000 people a day. It is estimated that 100 million Americans can trace their ancestry to the immigrants that came through Ellis Island before traveling and setting throughout the country. Again, the room at Ellis Island will be filled with hundreds of thousands of visitors.

During this time of mass immigration, the newcomers had little to no knowledge of English and hardly any money. Many arrived with only the clothes on their backs. Essentially, they risked their lives in exchange for freedom and a better way of life.

President Reagan asked Lee Iacocca to undertake a private sector venture and restore the Statue of Liberty and Ellis Island. In 1984, the restoration and preservation of Ellis Island and the Statue of Liberty began. It was the largest refurbishment project in the United States. On September 10, 1990, the Ellis Island Immigration Museum opened, marking the completion of the restoration. One of the features of the Immigrant Museum is the American Immigrant Wall of Honor. This exhibit is devoted to a display of names from a number of national origins. At the opening last fall, 2,000 names were inscribed on the Wall of Honor.

Mr. President, I come to this issue with a point of view, you might even say a substantial bias, because my parents were both immigrants. My father came to this country in 1911 at the age of 18 from Russia, and my mother came to this country at the age of 5 from a section of Russo-Poland. America is a land of immigrants who have enriched our country with their dedication, hard work, and traditions. I urge my colleagues to review and cosponsor this concurrent resolution, for I am sure they will concur that it is appropriate to honor those individuals who have made special contributions to build this great Nation.

SENATE RESOLUTION 280—RELATIVE TO THE TROPICAL RAIN FORESTS OF MALAYSIA

Mr. GORE (for himself, Mr. CRANSTON, and Mr. PELL) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 280

Whereas the tropical rain forests of the East Malaysian State of Sarawak, some of the most biologically and culturally diverse rain forests, are being logged at the fastest rate in the world;

Whereas despite the recommendation of the International Tropical Timber Organization that this logging rate be significantly reduced to ensure long-term sustainability, the rate has instead risen dramatically;

Whereas this rate of logging will lead to the disappearance of virtually all primary tropical rain forests in Sarawak within a decade;

Whereas the effects of this logging on the indigenous peoples of Sarawak are causing hunger and suffering, and will lead to the destruction of their traditional cultures if it is not stopped immediately;

Whereas many of these populations face severe discrimination, denial of human rights, loss of cultural and religious freedoms, and in the worst case, cultural or physical destruction;

Whereas one of the most severely impacted tribal groups in Sarawak is the Penan, the last intact nomadic hunting and gathering culture in Southeast Asia;

Whereas commercial logging backed by foreign capital is the driving force behind deforestation in Sarawak;

Whereas most of the logging concessions in Sarawak are distributed in a politically motivated and arbitrary manner, without regard to the socioecological consequences;

Whereas most of the timber logged in Sarawak is exported in raw form to Japan and other Asian countries for secondary processing, concentrating wealth from the exports in the hands of a few individuals, and providing no additional income or employment for the people of Sarawak; and

Whereas it is incumbent upon the world community to create an environment favorable to the survival of the rain forests and the cultures dependent upon them: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

(1) it should be the policy of the United States to call upon the Government of Malaysia to act immediately in defense of the environment of Sarawak by ending the uncontrolled exploitation of the rain forests of Sarawak, by reducing the annual rate of timber cutting by at least two-thirds, and by formally recognizing and upholding the customary land rights and the internationally established human rights of all indigenous peoples of such Government; and

(2) it should be the policy of the United States to call upon the Government of Japan to investigate the activities of certain private companies of Japan in contributing to the destruction of the Sarawak rain forest, and therefore to the destruction of the culture of the indigenous people of Sarawak.

• Mr. GORE. Mr. President, I rise today to submit a resolution on behalf of myself and Senators CRANSTON and PELL calling attention to a profoundly important struggle that is going on in the East Malaysian State of Sarawak. It is a struggle being waged by the Penan Indians, the indigenous tribal people of Sarawak, who have lived self-sufficiently within the rain forests there for tens of thousands of years. They are engaged today in a struggle for their very survival. But it is a profoundly symbolic struggle, as well—for it represents the struggles being waged all around the world to preserve the Earth's environment for generations to come.

The Penan Indians are desperately trying to save their homes and their culture from the incessant onslaught of bulldozers and chainsaws of timber companies. These companies have a ravenous appetite for the hardwoods that make up the forests in which the Penan live. They have been working so fast that they have logged in heavy rains, and in some cases have even used floodlights to conduct logging operations 24 hours a day.

The impact of this logging on the natives and their land is catastrophic, causing a depletion of the resources on which the Penan depend, including wild game, fish, and clean water. In many cases, logging companies have shown tremendous disrepect to these people by bulldozing land used as sacred burial sites.

For the last several months, hundreds of Penan have peacefully protested the continued deforestation. Gathering on the logging roads, they have tried their best to hold off the loggers. The Malaysian Government is now acting aggressively to stop their opposition. Recently, the leaders of the Penan have been jarred and their call for help is being silenced as the government has barred journalists from the area.

Mr. President, the rain forests of Sarawak are among the world's oldest and richest forest ecosystems. The forests are being cut down so fast, however, that if current rates are maintained, the entire region will be deforested within 8 years. Some of the estimated 2,500 species of trees have already been logged to extinction.

Sadly, the struggle of the Penan is not an isolated event. All around the world, cultures that have developed and thrived over the millenia are being destroyed by timber, mining, and commercial agricultural interests. Their loss is a tragedy to us all, and I believe that we must speak out against the human rights and environmental abuses they endure.

The resolution I submit today calls upon the Government of Malaysia to preserve the tropical rain forests and the indigenous tribal culture of Sarawak. It calls upon the Government of Japan to investigate the activities of certain companies that are contributing to the destruction of the Sarawak rain forest and, therefore, to the destruction of the culture of the Penan.

It is also being submitted in coordination with a nationwide media campaign to call attention to the plight of the Penan. I commend the bravey of the Penan people in protecting the natural treasure of the rain forests of Sarawak. They truly have placed themselves on the front lines of the war against nature.•

SENATE RESOLUTION 281—RELATIVE TO FOREIGN GOVERNMENT TRADE SUBSIDIES

Mr. DANFORTH (for himself and Mr. BAUCUS) submitted the following resolution; which was referred to the Committee on Finance:

S. RES. 281

Resolved, That it is the sense of the Senate that the United States Government should not, as a matter of official policy, condone or legitimize trade distorting subsidies, including development subsidies, by foreign governments that cause material injury to industries in the United States.

• Mr. DANFORTH. Mr. President, today I am introducing a sense of the Senate resolution regarding foreign government subsidies. Congressman GEPHARDT has introduced an identical resolution in the House of Representatives.

The resolution is very straightforward. It says simply that the U.S. Government should not, as a matter of official policy, condone or legitimize trade distorting subsidies that injure U.S. industries. The reason for making this obvious point is that the administration seems prepared to accept an international trade agreement with the European Community that does just that: It condones the huge subsidies provided by four European governments to Airbus Industrie.

Under article I, section 8, of the Constitution, the Congress is given the authority to regulate commerce with foreign nations. For practical reasons, Congress has delegated the power to negotiate trade agreements to the executive branch. However, Congress has retained the power to make fundamental policy decisions on trade.

In 1979, the Congress, acting under its constitutional authority, passed legislation implementing the GATT Subsidies Code. In doing so, Congress ratified the general policy contained in the Subsidies Code: That countries should not be permitted to subsidize their industries in a manner that causes injury to the domestic industry of another country. Our countervailing duty law was amended by the Congress to be consistent with that fundamental policy.

The EC also signed the Subsidies Code and agreed to abide by that policy. However, since that time the EC has ignored its obligations under the Subsidies Code and has heavily subsidized Airbus—to the serious detriment of the U.S. industry. According to the Commerce Department, Airbus has received $26 billion in subsidies since 1970. These subsidies have allowed Airbus to sell below normal commercial costs and thereby undercut U.S. aircraft manufacturers.

These subsidies have clearly caused injury to the U.S. aerospace industry. During the 1980's, Airbus went from about a 15-percent world market share to a 30-percent share. At the same time McDonnell Douglas went from about 30 percent to less than 15 percent market share.

As a result of this increasingly serious situation, the U.S. Government began negotiations with the EC over Airbus some 6 years ago. Yesterday, an agreement was announced. To my dismay, however, this agreement ratifies the Airbus subsidy scheme, rather than ending it. For instance, the agreement does not require Airbus to repay the $26 billion in subsidies already paid or committed. Nor does it restrict subsidies for Airbus planes currently under development, like the A330 and A340, which are Airbus' answers to the Boeing 747 and the MD-11.

In fact, under the agreement the EC would be expressly permitted to subsidize one-third of the development cost of new aircraft. Since the cost of developing a new aircraft is about $5 billion, this would allow a subsidy at the level of $1.65 billion.

This ratification of Government subsidies is a major change in U.S. policy. In my view, it is inconsistent with the policy set forth in the Subsidies Code approved by Congress in 1979. Such a fundamental policy change deserves congressional review and approval. I urge the administration to not accept this agreement until Congress can vote on it.

Mr. President, because Congressman GEPHARDT and I are both from Missouri and have McDonnell Douglas as a major constituent, some might think that our action on this issue is on McDonnell Douglas' behalf. This is not the case. The chairman of McDonnell Douglas has told me personally that he supports the agreement reached with the EC. As sometimes happens, McDonnell Douglas and I disagree on this issue.●

AMENDENTS SUBMITTED

NATIONAL INSTITUTES OF HEALTH REVITALIZATION AMENDMENTS

KENNEDY AMENDMENT NO. 1753

Mr. KENNEDY proposed an amendment to the bill (H.R. 2507) to amend the Public Health Service Act to revise and extend the programs of the National Institutes of Health, and for other purposes, as follows:

On page 26, line 20, after the period add the following new sentence: "Of the amounts appropriated under this section for any fiscal year, not less than 25 percent of such amount shall be made available for institutions that meet the requirements of section 499E(d)(2)(B)(25)(II)(aa)."

At the appropriate place in title I, insert the following new sections:

SEC. ___. PROSTATE CANCER RESEARCH.

(a) FINDINGS.—Congress finds that—

(1) one in every 11 men will develop prostate cancer;

(2) it is estimated that 34,000 deaths will occur in 1992 from prostate cancer, the second leading cause of cancer deaths in men;

(3) an estimated 132,000 new cases of prostate cancer will occur in 1992;

(4) current Federal research efforts in prostate cancer totaled $28,000,000 in fiscal year 1992;

(5) additional research concerning prostate cancer is urgently needed; and

(6) there is a need to accelerate the investigation into the cause, treatment and prevention of prostate cancer.

(b) EXPANDED RESEARCH.—Subpart 1 of part C of title IV (42 U.S.C. 285 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 417. EXPANDED PROSTATE CANCER RESEARCH.

"(a) IN GENERAL.—The Secretary shall undertake to expand and intensify prostate cancer research efforts through appropriate activities, including—

"(1) the conduct of basic research concerning the etiology and causes of prostate cancer;

"(2) the conduct of clinical research and related activities into the causes, prevention, detection and treatment of prostate cancer;

"(3) the implementation of prevention and control and early detection programs with respect to prostate cancer in accordance with section 412, particularly as it relates to intensifying research on the role of PSA for the screening and early detection of prostate cancer;

"(4) the implementation of information and education programs with respect to prostate cancer in accordance with section 413;

"(5) the implementation of research and demonstration programs with respect to prostate cancer in accordance with section 414, including the development and operation of prostate cancer research centers to bring together basic and clinical, biomedical and behavioral scientists to conduct basic and clinical, epidemiologic, psychosocial, prevention and treatment research and related activities; and

"(6) the establishment of an Inter-Institute Task Force, under the direction of the Director of the Institute, to provide coordination between relevant National Institutes of Health components of cancer research efforts.

"(b) AUTHORIZATION OF APPROPRIATIONS.—To carry out this section, in addition to the amounts authorized be appropriated for the National Cancer Institute under section 301 and 408, there are authorized to be appropriated $72,000,000 for fiscal year 1993, and such sums as are necessary for each of the fiscal years 1994 through 1997.".

SEC. ___. PROSTATE CANCER PREVENTION.

(a) FINDINGS.—Congress finds that—

(1) prostate cancer is the second most common cause of death from cancer among men;

(2) early detection can prevent death from prostate cancer;

(3) routine digital examination is one method for detecting potentially malignant prostatic nodules, and should be performed annually on all men over 40 years of age;

(4) advances in the early detection of prostate cancer, such as tests for prostate-specific antigens in the blood and non-invasive imaging techniques, may prove to be cost-effective screening techniques;

(5) education is needed to improve the application of proven cancer screening techniques; and

(6) increased efforts are needed to ensure that cost-effective methods for early prostate cancer detection are made available to men at risk.

(b) MORTALITY PREVENTION.—Part B of title III is amended by inserting after section 317A (42 U.S.C. 247b-1) the following new section:

"SEC. 317B. PROSTATE CANCER MORTALITY PREVENTION.

"(a) GRANTS.—The Secretary, acting through the Director of the Centers for Disease Control, may award grants to States and local health departments for the purpose of enabling such States and departments to carrying out programs to—

"(1) screen men for prostate cancer as a preventive health measure;

"(2) provide appropriate referrals for medical treatment of men screened pursuant to paragraph (1) and to ensure, to the extent practicable, the provision of appropriate follow-up services;

"(3) develop and disseminate public information and education programs for the detection and control of prostate cancer;

"(4) improve the education, training, and skills of health professionals (including allied health professionals) in the detection and control of prostate cancer;

"(5) establish mechanisms through which the States can monitor the quality of screening procedures for prostate cancer, including the interpretation of such procedures; and

"(6) evaluate activities conducted under paragraphs (1) through (5) through appropriate surveillance or program monitoring activities.

"(b) GRANT APPLICATIONS.—

"(1) REQUIREMENT.—No grant may be awarded under subsection (a), unless an application for such grant has been submitted to, and approved by, the Secretary. Such an application shall be in such form and submitted in such manner as the Secretary shall prescribe, and shall include—

"(A) a complete description of the program which is to be provided by or through the applicant;

"(B) assurances satisfactory to the Secretary that the program to be provided under the grant will include education programs designed to communicate to men, and local health officials the significance of the early detection of prostate cancer;

"(C) assurances satisfactory to the Secretary that the applicant will report, on a quarterly basis, the number of men screened for prostate cancer and the number of men who were found to have prostate cancer, the number and type of medical referral made with respect to such men, the outcome of such referrals, and other information to measure program effectiveness as required under paragraph (2);

"(D) assurances satisfactory to the Secretary that the applicant will make such reports respecting the program involved as the Secretary may require; and

"(E) such other information as the Secretary may prescribe.

"(2) TECHNICAL ASSISTANCE.—The Secretary may prove training and technical assistance with respect to the planning, development, and operation of any program or service carried out pursuant to this section.

"(c) MAINTENANCE OF EFFORT.—No grant may be awarded under subsection (a) unless the Secretary determines that there is satisfactory assurance that Federal funds made available under such a grant for any period will be so used as to supplement and, to the extent practical, increase the level of State, local, and other non-Federal funds that would, in the absence of such Federal funds, be made available for the program for which the grant is to be made, and will in no event supplant such State, local, and other non-Federal funds.

"(d) METHOD AND AMOUNT OF PAYMENT.—The Secretary shall determine the amount of a grant made under subsection (a). Payments under such grants may be made in advance on the basis of estimates or by way of reimbursement, with necessary adjustments on account of the underpayments or overpayments, and in such installments and on such terms and conditions as the Secretary finds necessary to carry out the purposes of such grants. Not more than 10 percent of any grant may be obligated for administrative costs.

"(e) SUPPLIES, EQUIPMENT, AND EMPLOYEE DETAIL.—The Secretary, at the request of a recipient of a grant under subsection (a), may reduce the amount of such grant by—

"(1) the fair market value of any supplies or equipment furnished the grant recipient; and

"(2) the amount of the pay, allowances, and travel expenses of any officer or employee of the Government when detailed to the grant recipient and the amount of any other costs incurred in connection with the detail of such officer or employee; when the furnishing of such supplies or equipment or the detail of such an officer or employee is for the convenience of and at the request of such grant recipient and for the purpose of carrying out a program with respect to which any such grant is so reduced. Such amount shall be available for payment by the Secretary of the costs incurred in furnishing the supplies or equipment, or in detailing the personnel, on which the reduction of such grant is based, and such amount shall be deemed as part of the grant and shall be deemed to have been paid to the grant recipient.

"(f) RECORDS.—Each recipient of a grant under subsection (a) shall keep such records as the Secretary shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the undertaking in connection with which such grant was made, and the amount of that portion of the cost of the undertaking supplied by other sources, and such other records as will facilitate an effective audit.

"(g) AUDIT AND EXAMINATION OF RECORDS.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of a grant under subsection (a), that are pertinent to such grant.

"(h) INDIAN TRIBES.—For purposes of this section, the term 'units of local government' includes Indian tribes.

"(i) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—There are authorized to be appropriated to carry out this section not more than $20,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) SET-ASIDE FOR TECHNICAL ASSISTANCE.—Of the amounts appropriated under paragraph (1) for a fiscal year, the Secretary shall reserve not more than 20 percent for carrying out activities under this section at the national level.".

On page 41 of the committee amendment, strike out lines 11 through 14 and insert the following:

"(c) CRIMINAL PENALTIES FOR VIOLATIONS.—

"(1) IN GENERAL.—A person who violates subsection (a) or (b) shall be fined in accordance with title 18, United Stats Code, and imprisoned for not more than 10 years.

"(2) PENALTIES APPLICABLE TO PERSONS RECEIVING CONSIDERATION.—A person who receives valuable consideration in connection with an offense under subsection (a) or (b) shall, notwithstanding section 3571 (c) and (d) of title 18, United States Code, be fined not less than twice the amount of the valuable consideration received.

On page 41 of the committee amendment, after line 25, insert the following new section:

SEC. 205. ESTABLISHMENT OF REGISTRY AND BANK AND STUDY.

Part G of title IV, as amended by sections 203 and 204, is further amended by inserting after section 498B the following new section:

"SEC. 498C. ESTABLISHMENT OF REGISTRY AND BANK.

"(a) IN GENERAL.—The Secretary shall establish a human fetal tissue registry and bank for the purposes of collecting and storing human fetal tissue obtained subsequent to a spontaneous or induced abortion, ectopic pregnancies or subsequent to a stillbirth.

"(b) STUDY CONCERNING THE PRESERVATION OF FETAL CELLS AND TISSUE.—The Secretary shall conduct a study to assess the various methods available for the optimal preservation of viable human fetal cells and tissue, including an assessment of—

"(1) the transportation and storage conditions involved;

"(2) the intervals between the collection of such cells and tissues and the cryopreservation or utilization of such; and

"(3) the methods and conditions for maintaining the optimal viability and functional integrity of both frozen and unfrozen cells and tissues.

"(c) CONSTRUCTION.—Nothing in this section shall be construed as authorizing or requiring a delay in the provision or continuation of funding for research concerning human fetal tissue transplantation.".

On page 42 of the committee amendment, line 1, strike out "205" and insert in lieu thereof "206.

On page 44 of the committee amendment, line 3, strike out "206" and insert in lieu thereof "207.

Strike out title IX, and insert in lieu thereof the following new title:

TITLE IX—REVITALIZATION OF INTRAMURAL RESEARCH PROGRAM

Subtitle A—Authorities of the Director

SEC. 901. MANAGEMENT OF THE INTRAMURAL PROGRAM.

Section 402(b) (42 U.S.C. 282(b)) is amended—

(1) in paragraph (10), by striking out "and" at the end thereof;

(2) by redesignating paragraph (11) as paragraph (12); and

(3) by inserting after paragraph (10), the following new paragraph:

"(11) exercise supervision, through the directors of the national research institutes, over the intramural research program of the National Institutes of Health; and".

Subtitle B—Personnel

SEC. 911. PERSONNEL STUDY OF RECRUITMENT, RETENTION AND TURNOVER.

Part A of title IV (42 U.S.C. 281 et seq.) is amended by adding at the end thereof the following new section:

"SEC. 404. PERSONNEL STUDY OF RECRUITMENT, RETENTION AND TURNOVER.

"(a) STUDY OF PERSONNEL SYSTEM.—Not later than 1 year after the date of enactment of this section, the Secretary, acting through the Director of NIH, shall conduct a study to review the retention, recruitment, vacancy and turnover rates of support staff, including firefighters, law enforcement, procurement officers, technicians, nurses and clerical employees, to ensure that the National Institutes of Health is adequately supporting the conduct of efficient, effective and high quality research for the American public. The Director of NIH shall work in conjunction with appropriate employee organizations and representatives in developing such a study.

"(b) SUBMISSION TO CONGRESS.—Not later than 1 year after the date of enactment of this section, the Secretary shall prepare and submit to the appropriate committees of Congress a report containing the study conducted under subsection (a) together with the recommendations of the Secretary concerning the enactment of legislation to implement the results of such study.".

Subtitle C—Warren Grant Magnuson Clinical Center

SEC. 921. RENOVATION AND REPLACEMENT PROGRAM.

Title IV (42 U.S.C. 281 et seq.) (as amended by section 106) is further amended by adding at the end thereof the following new part:

"PART J—RESTORATION AND RENOVATION OF FACILITIES AND INFRASTRUCTURE

"Subpart 1—Warren Grant Magnuson Clinical Center

"SEC. 499N. WARREN GRANT MAGNUSON CLINICAL CENTER RENOVATION AND REPLACEMENT PROGRAM.

"(a) ESTABLISHMENT.—To address the problems existing at the Warren Grant Magnuson Clinical Center (hereafter referred to as the 'Clinical Center'), the Director of NIH may establish and implement a program for the renovation of the existing Clinical Center facility or the construction of a replacement facility. The Director may conduct feasibility studies to determine the appropriate action to be taken concerning the Clinical Center.

"(b) TRANSFER OF LAND.—

"(1) IN GENERAL.—The Secretary, acting through the Director of NIH, is authorized to accept the transfer to the National Institutes of Health of not less than 25 acres of land from other Federal agencies. Such land shall be suitable for the construction of a new research hospital and clinical center. Such land may include land obtained from the Secretary of the Navy, located on the reservation of the National Naval Medical Center, in Bethesda, Maryland.

"(2) USE AGREEMENT AND MEMORANDUM OF UNDERSTANDING.—The Secretary, acting through the Director of NIH, may enter into a Use Agreement and a Memorandum of Understanding with the Administrators, Director, or Secretaries of the appropriate executive branch entity, to accomplish the transfer of property pursuant to paragraph 1.

"(c) REQUIREMENTS.—

"(1) FACILITIES.—Any facility renovated or constructed under this section shall be equipped with a state-of-the-art capacity for beds and necessary laboratories and be comparable to the current Clinical Center complex, with necessary amenities for employees, volunteers, research subjects and visitors, including cafeteria and vehicle parking facilities.

"(2) TRANSFER OF PERSONNEL.—If a new facility is to be constructed under this section, the Secretary may expend amounts necessary to transfer the personnel and administration of the current Clinical Center to the new facility upon its completion.

"(3) COMPLETION.—Notwithstanding any other provisions of law, the renovation or construction performed under this section shall be completed as soon as feasible.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary to carry out this section. Such funds shall be available beginning October 1, 1992, and shall remain available until expended.".

Subtitle D—Acquisition of Land and Facilities

SEC. 931. ACQUISITION OF LAND AND FACILITIES.

Part I of title IV, as added by section 921, is amended by adding at the end thereof the following new subpart:

"Subpart 2—Acquisition of Land and Facilities

"SEC. 499O. PHYSICAL INFRASTRUCTURE FOR RESEARCH.

"(a) ESTABLISHMENT OF PROGRAM.—The Secretary, acting through the Director of NIH, may establish and implement a comprehensive program that is designed to provide for the replacement or refurbishment of less than adequate buildings, utility equipment and distribution systems (including the resources that provide electrical and other utilities, chilled water, air handling, and other services that the Secretary, acting through the Director, deems necessary), roads, walkways, parking areas, and grounds that underpin the laboratory and clinical facilities of the National Institutes of Health. Such program may provide for the undertaking of new projects that are consistent with the objectives of this section, such as encircling the National Institute of Health Federal enclave with an adequate chilled water conduit.

"(b) REQUIREMENTS.—

"(1) DESIGN OF PROGRAM.—In establishing the program under subsection (a), the Secretary shall ensure that such program is designed to modernize the existing research and clinical laboratory infrastructure of the National Institutes of Health in the shortest possible time consistent with good stewardship of Federal funds.

"(2) FUTURE EXPANSION.—In designing the program under subsection (a), the Secretary may make reasonable allowance for future expansion and usual employee amenities, such as cafeteria services and vehicle parking.

"(3) NONDISRUPTION OF OPERATIONS.—In carrying out the program established under subsection (a), the Director of NIH shall, to the extent feasible, plan renovations and construction in such a manner that significant elements of the research program at the Institutes are not significantly disrupted.

"SEC. 499P. ACQUISITION OF LAND.

"(a) IN GENERAL.—The Director of NIH may purchase not to exceed a total of 300 acres of land for the establishment of a satellite campus in Maryland for the purpose of enhancing the intramural research capacity of the National Institutes of Health.

"(b) STUDY.—Prior to the purchase of land under subsection (a), the Director of NIH shall conduct a study concerning the expansion needs of the National Institutes of Health and the purpose for which the land is to be purchased. A report concerning such study shall be submitted for approval to the Committee on Appropriations of the House of Representatives, the Committee on Appropriations of the Senate, the Committee on Labor and Human Resources of the Senate, and to the other appropriate committees of Congress.

"SEC. 499Q. AUTHORIZATION OF APPROPRIATIONS.

"There are authorized to be appropriated such sums as may be necessary to carry out this subpart. Amounts appropriated under this subsection shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which such amounts are appropriated.".

Subtitle E—Procurement

SEC. 941. STUDY.

The Director of the National Institutes of Health and the Administrator of the General Services Administration shall jointly conduct a study to develop a streamlined procurement system for the National Institutes of Health that complies with the requirements of Federal Law.

Subtitle F—General Provisions

SEC. 951. FINDINGS.

Congress finds that participation of women in the National Institute of Health research enterprise and its undertakings is essential to the continued growth of the intramural program and, to this end, efforts should be directed, to the extent practicable, to provide accommodations such as child care so that more women, particularly at the child-rearing stage, can participate as scientists in the intramural research program and as subjects in research programs conducted at the research hospital and clinical center of the National Institutes of Health.

SEC. 952. DAY CARE.

Part G of title IV is amended by inserting after section 496 (42 U.S.C. 289e) the following new section:

"SEC. 496A. DAY CARE.

"(a) ESTABLISHMENT OF DAY CARE PROGRAM.—The Director of NIH may establish a program to provide day care service for the employees of the National Institutes of Health similar to those services provided by other Federal agencies.

"(b) SLIDING SCALE.—Any day care provider at the National Institutes of Health may establish a sliding scale that takes into consideration the income and needs of the employee.

"(c) OTHER SERVICES.—The Director of NIH may provide for the availability of day care service on a 24-hour-a-day basis if the Director considers such appropriate to meet the needs of employees. In order to accommodate these needs, the Director is further authorized to enter into a rental or lease purchase agreement as needed.".

At the appropriate place in title X, insert the following new sections:

SEC. ____. CHILDREN'S VACCINE INITIATIVE.

Part G of title IV is amended by inserting after section 494 (42 U.S.C. 289c) the following new section:

"SEC. 494A. CHILDREN'S VACCINE INITIATIVE.

"(a) AUTHORITY.—The Secretary, in collaboration with the National Vaccine Program under title XXI, shall conduct vaccine research and development to contribute to the global Children's Vaccine Initiative envisioned by world leaders at the World Summit on Children.

"(b) DEVELOPMENT OF NEW VACCINES.—In carrying out subsection (a), the Secretary, through the National Institute for Allergy and Infectious Diseases, the National Institute for Child Health and Human Development, the National Institute for Aging, and other public and private programs, shall carry out activities to develop affordable new and improved vaccines to be used in the United States and in the developing world that will increase the efficacy and efficiency of the prevention of infectious diseases. The goal of the activities conducted under this section is to develop and make available vaccines that require fewer contacts to deliver, that can be given early in life, that provide long lasting protection, that obviate refrigeration, needles and syringes, and that protect against a larger number of diseases.

"(c) REPORT.—The Secretary shall include in the report required under section 2104, information with respect to activities and the progress made in implementing the provisions and achieving the goals of this section.

"(d) AUTHORIZATION OF APPROPRIATIONS.—In addition to any other amounts authorized to be appropriated for activities of the type described in this section, there are authorized to be appropriated to carry out this section, $15,000,000 for fiscal year 1993, $20,000,000 for fiscal year 1994, $25,000,000 for fiscal year 1995, and $30,000,000 for fiscal year 1996.".

SEC. ____. WORKERS' FAMILY PROTECTION

(a) SHORT TITLE.—This section may be cited as the "Workers' Family Protection Act".

(b) FINDINGS AND PURPOSES.—

(1) FINDINGS.—Congress finds that—

(A) hazardous chemicals and substances that can threaten the health and safety of workers are being transported out of industries on workers' clothing and persons;

(B) these chemicals and substances have the potential to pose an additional threat to the health and welfare of workers and their families;

(C) additional information is needed concerning issues related to employee transported contaminant releases; and

(D) additional regulations may be needed to prevent future releases of this type.

(2) PURPOSE.—It is the purpose of this section to—

(A) increase understanding and awareness concerning the extent and possible health impacts of the problems and incidents described in paragraph (1);

(B) prevent or mitigate future incidents of home contamination that could adversely affect the health and safety of workers and their families;

(C) clarify regulatory authority for preventing and responding to such incidents; and

(D) assist workers in redressing and responding to such incidents when they occur.

(c) EVALUATION OF EMPLOYEE TRANSPORTED CONTAMINANT RELEASES.

(1) STUDY.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Director of the National Institute for Occupational Safety and Health (hereafter in this section referred to as the "Director"), in cooperation with the Secretary of Labor, the Administrator of the Environmental Protection Agency, the Administrator of the Agency for Toxic Substances and Disease Registry, and the heads of other Federal Government agencies (such as the National Institutes of Health) as determined to be appropriate by the Director, shall conduct a study to evaluate the potential for, the prevalence of, and the issues related to the contamination of workers' homes with hazardous chemicals and substances, including infectious agents, transported from the workplaces of such workers.

(B) MATTERS TO BE EVALUATED.—In conducting the study and evaluation under subparagraph (A), the Director shall—

(i) conduct a review of past incidents of home contamination through the utilization of literature and of records concerning past investigations and enforcement actions undertaken by—

(I) the National Institute for Occupational Safety and Health;

(II) the Secretary of Labor to enforce the Occupational Safety and Health Act of 1970 (29 U.S.C. 651 et seq.);

(III) States to enforce occupational safety and health standards in accordance with section 18 of such Act (29 U.S.C. 667); and

(IV) other government agencies (including the Department of Energy and the Environmental Protection Agency), as the Director may determine to be appropriate;

(ii) evaluate current statutory, regulatory, and voluntary industrial hygiene or other measures used by small, medium and large employers to prevent or remediate home contamination;

(iii) compile a summary of the existing research and case histories conducted on incidents of employee transported contaminant releases, including—

(I) the effectiveness of workplace housekeeping practices and personal protective equipment in preventing such incidents;

(II) the health effects, if any, of the resulting exposure on workers and their families;

(III) the effectiveness of normal house cleaning and laundry procedures for removing hazardous materials and agents from workers' homes and personal clothing;

(IV) indoor air quality, as the research concerning such pertains to the fate of chemicals transported from a workplace into the home environment; and

(V) methods for differentiating exposure health effects and relative risks associated with specific agents from other sources of exposure inside and outside the home;

(iv) identify the role of Federal and State agencies in responding to incidents of home contamination;

(v) prepare and submit to the Task Force established under paragraph (2) and to the appropriate committees of Congress, a report concerning the results of the matters studied or evaluated under clauses (i) through (iv); and

(vi) study home contamination incidents and issues and worker and family protection policies and practices related to the special circumstances of firefighters and prepare and submit to the appropriate committees of Congress a report concerning the findings with respect to such study.

(2) DEVELOPMENT OF INVESTIGATIVE STRATEGY.—

(A) TASK FORCE.—Not later than 12 months after the date of enactment of this Act, the Director shall establish a working group, to be known as the "Workers' Family Protection Task Force". The Task Force shall—

(i) be composed of not more than 15 individuals to be appointed by the Director from among individuals who are representative of workers, industry, scientists, industrial hygienists, the National Research Council, and government agencies, except that not more than one such individual shall be from each appropriate government agency and the number of individuals appointed to represent industry and workers shall be equal in number;

(ii) review the report submitted under paragraph (1)(B)(v);

(iii) determine, with respect to such report, the additional data needs, if any, and the need for additional evaluation of the scientific issues related to and the feasibility of developing such additional data; and

(iv) if additional data are determined by the Task Force to be needed, develop a recommended investigative strategy for use in obtaining such information.

(B) INVESTIGATIVE STRATEGY.—

(i) CONTENT.—The investigative strategy developed under subparagraph (A)(iv) shall identify data gaps that can and cannot be filled, assumptions and uncertainties associated with various components of such strategy, a timetable for the implementation of such strategy, and methodologies used to gather any required data.

(ii) PEER REVIEW.—The Director shall publish the proposed investigative strategy under subparagraph (A)(iv) for public comment and utilize other methods, including technical conferences or seminars for the purpose of obtaining comments concerning the proposed strategy.

(iii) FINAL STRATEGY.—After the peer review and public comment is conducted under clause (ii), the Director, in consultation with the heads of other government agencies, shall propose a final strategy for investigating issues related to home contamination that shall be implemented by the National Institute for Occupational Safety and Health and other Federal agencies for the period of time necessary to enable such agencies to obtain the information identified under subparagraph (A)(iii).

(C) CONSTRUCTION.—Nothing in this section shall be construed as precluding any government agency from investigating issues related to home contamination using existing procedures until such time as a final strategy is developed or from taking actions in addition to those proposed in the strategy after its completion.

(3) IMPLEMENTATION OF INVESTIGATIVE STRATEGY.—Upon completion of the investigative strategy under subparagraph (B)(iii), each Federal agency or department shall fulfill the role assigned to it by the strategy.

(d) REGULATIONS.—

(1) IN GENERAL.—Not later than 4 years after that date of enactment of this Act, and periodically thereafter, the Secretary of Labor, based on the information developed under subsection (c) and on other information available to the Secretary, shall—

(A) determine if additional education about, emphasis on, or enforcement of existing regulations or standards is needed and will be sufficient, or if additional regulations or standards are needed to protect workers and their families from employee transported releases of hazardous materials; and

(B) prepare and submit to the appropriate committees of Congress a report concerning the results of such determination.

(2) ADDITIONAL REGULATIONS OR STANDARDS.—If the Secretary of Labor determines that additional regulations or standards are needed under paragraph (1), the Secretary shall promulgate such regulations or standards as determined to be appropriate not later than 3 years after such determination.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each fiscal year such sums as may be necessary to carry out this section.

SEC. . ANNUAL REPORT CONCERNING THE LEADING CAUSES OF DEATH.

(a) REPORT.—The Secretary of Health and Human Services shall, not later than August 31, 1992, and not later than March 31 of each year thereafter, prepare a report that lists—

(1) the 20 illnesses that are the leading causes of death in the United States and the number of deaths from each such cause, the age-specific and age-adjusted death rates for each such cause, the death rate per 100,000 population for each such cause, the percentage of change in cause specific death rates for each age group, and the percentage of total deaths for each such cause;

(2) the amount of money that the Department of Health and Human Services spent on research, prevention, and education with respect to each of the 20 illnesses described in paragraph (1) for the most recent year for which the actual expenditures are known;

(3) the amount of money the Secretary estimates that the Department of Health and Human Services will spend on research, prevention, and education with respect to each of the 20 illnesses described in paragraph (1) for the year for which the report is prepared; and

(4) with respect to the years specified in paragraphs (2) and (3), the percentage of the

total of the annual expenditures for research, prevention, and education on the 20 illnesses described in paragraph (1) that are attributable to each illness.

(b) SUBMISSION TO CONGRESS.—The Secretary of Health and Human Services shall submit the report required under subsection (a), together with relevant budget information, to the chairman and ranking minority member of the Committee on Energy and Commerce and the Committee on Appropriations of the House of Representatives and the Committee on Labor and Human Resources and the Committee on Appropriations of the Senate.

At the appropriate place, insert the following new title:

TITLE —NATIONAL PROGRAM OF CANCER REGISTRIES

SEC. 01. SHORT TITLE.

This title may be cited as the "Cancer Registries Amendment Act".

SEC. 02. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) cancer control efforts, including prevention and early detection, are best addressed locally by State health departments that can identify unique needs;

(2) cancer control programs and existing statewide population-based cancer registries have identified cancer incidence and cancer mortality rates that indicate the burden of cancer for Americans is substantial and varies widely by geographic location and by ethnicity;

(3) statewide cancer incidence and cancer mortality data, can be used to identify cancer trends, patterns, and variation for directing cancer control intervention;

(4) the American Association of Central Cancer Registries (AACCR) cites that of the 50 States, approximately 38 have established cancer registries, many are not statewide and 10 have no cancer registry;

(5) AACCR also cites that of the 50 States, 39 collect data on less than 100 percent of their population, and less than half have adequate resources for insuring minimum standards for quality and for completeness of case information; and

(6) nine States and localities participate in the Surveillance, Epidemiology, and End Results Program administered by the Director of the National Cancer Institute, a highly successful national cancer registry program that should be maintained and enhanced in accordance with its original intent.

(b) PURPOSE.—It is the purpose of this Act to establish a national program of cancer registries.

SEC. 03. ESTABLISHMENT OF A NATIONAL PROGRAM OF CANCER REGISTRIES.

Title III (42 U.S.C. 241 et seq.) is amended by adding at the end the following new part:

"PART M—NATIONAL PROGRAM OF CANCER REGISTRIES

"SEC. 399B. NATIONAL PROGRAM OF CANCER REGISTRIES.

"(a) IN GENERAL.—The Secretary, acting through the Director of the Institute involved, may make grants to States, or may make grants or enter into contracts with academic or non-profit organizations designated by the State to operate the State's cancer registry in lieu of making a grant directly to the State, to support the operation of population-based, statewide cancer registries in order to collect, for each form of in-situ and invasive cancer with the exception of basal cell and squamous cell carcinoma of the skin, data concerning—

"(1) demographic information about each case of cancer;

"(2) information on industry and occupation for each case of cancer, to the extent such information is available from the same record;

"(3) administrative information, including date of diagnosis and source of information;

"(4) pathological data characterizing the cancer, including the cancer site, stage of disease (Staging Guide), incidence, and type of treatment; and

"(5) other elements determined appropriate by the Secretary.

"(b) MATCHING FUNDS.—

"(1) IN GENERAL.—The Secretary may make a grant under subsection (a) only if the State, or the academic or nonprofit private organization designated by the State to operate the cancer registry of the State, involved agrees, with respect to the costs of the program, to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 25 percent of such costs or $1 for every $3 of Federal funds provided in the grant.

"(2) DETERMINATION OF AMOUNT OF NON-FEDERAL CONTRIBUTION; MAINTENANCE OF EFFORT.—

"(A) Non-Federal contributions required in paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

"(B) With respect to a State in which the purpose described in subsection (a) is to be carried out, the Secretary, in making a determination of the amount of non-Federal contributions provided under paragraph (1), may include only such contributions as are in excess of the average amount of such contributions made by the State toward the collection of data on cancer for the 2-year period preceding the first fiscal year for which a grant under subsection (a) is made with respect to the State. State contributions towards cancer control prevention services made during fiscal year 1992 shall be included in satisfying the State matching requirement for the initial fiscal year during which this section is in effect.

"(c) ELIGIBILITY FOR GRANTS.—

"(1) IN GENERAL.—No grant shall be made by the Secretary under subsection (a) unless an application therefore has been submitted to, and approved by, the Secretary. Such application shall be in such form, submitted in such a manner, and be accompanied by such information, as the Secretary may specify. No such application may be approved unless it contains assurances that the applicant will use the funds provided only for the purposes specified in the approved application and in accordance with the requirements of this section, that the application will establish such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement and accounting of Federal funds paid to the applicant under subsection (a) of this section, and that the applicant will comply with the peer review requirements under sections 491 and 492.

"(2) ASSURANCES.—Each applicant, prior to receiving Federal funds under subsection (a), shall provide assurances satisfactory to the Secretary that the applicant will—

"(A) provide for the establishment of a statewide population-based cancer registry by the State health department, or by one or more academic health centers, nonprofit cancer research and prevention organizations, or medical societies acting in collaboration with the State health department;

"(B) comply with appropriate standards of completeness, timeliness, and quality or population-based cancer registry data;

"(C) provide for the annual publication of reports of cancer data under subsection (a); and

"(D) provide for the authorization under State law of the statewide cancer registry, including—

"(i) a means to assure complete reporting of cancer cases (as described in subsection (a)) to the statewide cancer registry by hospitals or other facilities providing screening, diagnostic or therapeutic services to patients;

"(ii) a means to assure the complete reporting of cancer cases (as defined in subsection (a)) to the statewide cancer registry by physicians, surgeons, and all other health care practitioners diagnosing or providing treatment for cancer patients, except for cases directly referred to or previously admitted to a hospital or other facility providing screening, diagnostic or therapeutic services to patients in that State and reported by those facilities;

"(iii) a means for the statewide cancer registry to access all records of physicians and surgeons, hospitals, outpatient clinics, nursing homes, and all other facilities, individuals, or agencies providing screening, diagnostic or therapeutic services to patients which would identify cases of cancer or would establish characteristics of the cancer, treatment of the cancer, or medical status of any identified patient;

"(iv) the reporting of cancer case data to the statewide cancer registry in such a format, with such data elements, and in accordance with such standards of quality timeliness and completeness, as may be established by the Secretary;

"(v) the protection of the confidentiality of all cancer case data reported to the statewide cancer registry, including a prohibition on disclosure to any person of information reported to the statewide cancer registry that identifies, or could lead to the identification of, an individual cancer patient, except for disclosure to other States cancer registries and local and State health officers;

"(vi) the promulgation of regulations under which confidential case data may be disclosed to cancer researchers for the purposes of cancer prevention, control and research;

"(vii) the authorization or the conduct, by the statewide cancer registry or other persons and organizations, of studies utilizing statewide cancer registry data, including studies of the sources and causes of cancer, evaluations of the cost, quality, efficacy, and appropriateness of diagnostic, therapeutic, rehabilitative, and preventative services and programs relating to cancer, and any other clinical, epidemiological, or other cancer research; and

"(viii) protection for individuals complying with the law, specifically that no person shall be held liable in any civil action with respect to a cancer case report provided to the statewide cancer registry, or with respect to access to cancer case information provided to the statewide cancer registry.

"(d) RELATIONSHIP TO CERTAIN PROGRAMS.—

"(1) IN GENERAL.—This section may not be construed to act as a replacement for or diminishment of the program carried out by the Director of the National Cancer Institute and designated by such Director as the Surveillance, Epidemiology, and End Results Program (SEER).

"(2) SUPPLANTING OF ACTIVITIES.—In areas where both such programs exist, the Secretary shall ensure that SEER support is not supplanted and that any additional activities are consistent with the guidelines provided for in subsection (c)(2) (C) and (D) and are appropriately coordinated with the existing SEER program.

"(3) TRANSFER OF RESPONSIBILITY.—The Secretary may not transfer administration responsibility for such SEER program from such Director.

"(4) COORDINATION.—To encourage the greatest possible efficiency and effectiveness of Federally supported efforts with respect to the activities described in this subsection, the Secretary shall take steps to assure the appropriate coordination of programs supported under part M with existing Federally supported cancer registry programs.

"(e) REQUIREMENT REGARDING CERTAIN STUDY ON BREAST CANCER.—In the case of a grant under subsection (a) to any State specified in section 399D(a)(2), the Secretary may establish such conditions regarding the receipt of the grant as the Secretary determines are necessary to facilitate the collection of data for the study carried out under section 399C.

"SEC. 399C. PLANNING GRANTS REGARDING REGISTRIES.

"(a) IN GENERAL.—

"(1) STATES.—The Secretary, acting through the Director of the Institute involved, may make grants to States for the purpose of developing plans that meet the assurances required by the Secretary under section 399B(c)(2).

"(2) OTHER ENTITIES.—For the purpose described in paragraph (1), the Secretary may make grants to public entities other than States and to nonprofit private entities. Such a grant may be made to an entity only if the State in which the purpose is to be carried out has certified that the State approves the entity as qualified to carry out the purpose.

"(b) APPLICATION.—The Secretary may make a grant under subsection (a) only if an application for the grant is submitted to the Secretary, the application contains the certification required in subsection (a)(2) (if the application is for a grant under such subsection), and the application is in such form, is made in such manner, and contains such agreements, assurances, and information as the Secretary determines to be necessary to carry out this section.

"SEC. 399D. STUDY IN CERTAIN STATES TO DETERMINE THE FACTORS CONTRIBUTING TO THE ELEVATED BREAST CANCER MORTALITY RATES.

"(a) FINDING.—

"(1) IN GENERAL.—Congress finds that the Director of the National Cancer Institute has determined that the rates of mortality for breast cancer in the States specified in paragraph (2) are elevated compared to rates in other States.

"(2) RELEVANT STATES.—The States referred to in paragraph (1) are Connecticut, Delaware, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Rhode Island, Vermont, and the District of Columbia.

"(b) STUDY TO DETERMINE THE FACTORS CONTRIBUTING TO ELEVATED MORTALITY RATES.—

"(1) IN GENERAL.—Subject to paragraphs (2) and (3), the Secretary, acting through the Director of the Institute involved, shall conduct a study for the purpose of determining factors contributing to the determination described in subsection (a) with respect to the States.

"(2) COOPERATION OF STATE.—The Secretary may conduct a study required in paragraph (1) in a State only if the State agrees to cooperate with the Secretary in the conduct of the study, including providing information from any registry operated by the State pursuant to section 399B(a).

"(3) PLANNING, COMMENCEMENT, AND DURATION.—The Secretary shall, during each of the fiscal years 1993 and 1994, develop a plan for conducting the study required in paragraph (1). The study shall be initiated by the Secretary not later than fiscal year 1994, and the collection of data under the study may continue through fiscal year 1998.

"(4) REPORT.—Not later than September 30, 1999, the Secretary shall complete the study required in paragraph (1) and submit to the appropriate committees of Congress the findings and recommendations made as a result of the study.

"(5) DEFINITION.—As used in this subsection, the term 'relevant State' means a State specified in subsection (a)(2).

"SEC. 399E. TECHNICAL ASSISTANCE IN OPERATIONS OF STATEWIDE CANCER REGISTRIES.

"The Secretary, acting through the Director of the Institute involved, may, directly or through grants and contracts, or both, provide technical assistance to the States in the establishment and operation of statewide registries, including assistance in the development of model legislation for statewide cancer registries and assistance in establishing a computerized reporting and data processing system.

"SEC. 399F. AUTHORIZATION OF APPROPRIATIONS.

"(a) REGISTRIES.—For the purpose of carrying out this part, there are authorized to be appropriated $30,000,000 for each of fiscal years 1993 through 1999. Out of any amounts appropriated for any such fiscal year, the Secretary may obligate not more than 25 percent for carrying out section 399C, and not more than 10 percent may be expended for assessing the accuracy, completeness and quality of data collected, and not more than 10 percent of which is to be expended under subsection 399E.

"(b) BREAST CANCER STUDY.—From amounts appropriated for the National Cancer Institute under sections 301 and 408, the Secretary shall expend not less than $1,000,000 for each fiscal year to carry out section 399D.".

KENNEDY AMENDMENT NO. 1754

Mr. KENNEDY proposed an amendment to the bill H.R. 2507, supra, as follows:

At the appropriate place insert the following:

SEC. . REQUIREMENTS REGARDING SURVEYS OF SEXUAL BEHAVIOR.

With respect to any survey of human sexual behavior proposed to be conducted or supported through the National Institutes of Health, such survey may not be carried out unless—

(1) the proposal for such survey has undergone review in accordance with the applicable requirements of sections 491 and 492 of the Public Health Service Act.

SIMON AMENDMENT NO. 1755

Mr. SIMON proposed an amendment to amendment No. 1754 proposed by Mr. KENNEDY to the bill H.R. 2507, surpa, as follows:

In lieu of the matter proposed to be inserted, insert the following:

SEC. . REQUIREMENTS REGARDING SURVEYS OF SEXUAL BEHAVIOR.

With respect to any survey of human sexual behavior proposed to be conducted or supported through the National Institutes of Health, such survey may not be carried out unless—

(1) the proposal for such survey has undergone review in accordance with the applicable requirements of sections 491 and 492 of the Public Health Service Act; and

(2) the Secretary, in accordance with the provisions of Title II of this Act, will make a determination that the information expected to be obtained through the survey will assist—

(A) in reducing the incidence of sexually transmitted diseases, the incidence of infection with the human immunodeficiency virus, or the incidence of any other infectious disease; or

(B) in improving reproductive health or other conditions of health.

SIMON AMENDMENT NO. 1756

Mr. SIMON proposed an amendment to the bill, H.R. 2507, supra, as follows:

At the appropriate place, insert the following new section:

SEC. —. REQUIREMENTS REGARDING SURVEYS OF SEXUAL BEHAVIOR.

With respect to any survey of human sexual behavior proposed to be conducted or supported through the National Institutes of Health, such survey may not be carried out unless—

(1) the proposal for such survey has undergone review in accordance with the applicable requirements of sections 491 and 492 of the Public Health Service Act; and

(2) the Secretary, in accordance with the provisions of Title II of this Act, will make a determination that the information expected to be obtained through the survey will assist—

(A) in reducing the incidence of sexually transmitted diseases, the incidence of infection with the human immunodeficiency virus, or the incidence of any other infectious disease; or

(B) in improving reproductive health or other conditions of health.

HELMS AMENDMENT NO. 1757

Mr. HELMS proposed an amendment to the bill, H.R. 2507, supra, as follows:

On page 115, strike lines 1 through 17 and insert the following:

"SEC. 1010. PROHIBITION AGAINST SHARP ADULT SEX SURVEY AND THE AMERICAN TEENAGE SEX SURVEY.

"The Secretary of Health and Human Services may not, during fiscal year 1992 or any subsequent fiscal year, conduct or support the SHARP survey of adult sexual behavior or the American Teenage Study of adolescent sexual behavior. This section becomes effective April 15, 1992.".

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. JOHNSTON. Mr. President, I would like to announce for my colleagues and the public that hearings have been scheduled before the Committee on Energy and Natural Resources.

A hearing will take place on Wednesday, May 6, 1992, at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building, First and C Streets, NE, Washington, DC. The purpose of the hearing is to receive testimony on the science concerning global climate change.

A second hearing has been scheduled for Tuesday, May 12, 1992, at 9 a.m. in room SD-366 of the Dirksen Senate Office Building, to receive testimony concerning energy policy implications of global climate change and international agreements regarding carbon dioxide emissions.

Because of the limited time available for the hearings, witnesses may testify by invitation only. However, those wishing to submit written testimony for the printed hearing record should send their comments to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC. 20510, Attention: Leslie Black Cordes.

For the further information, please contact Leslie Black Cordes of the committee staff at 202/224-9607.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate, Thursday, April 2, 1992, at 10 a.m. to conduct a hearing on availability of credit and real estate values.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Thursday, April 2, 1992, at 9:30 a.m., for a hearing on the subject: IRS tax systems modernization.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet during the session of the Senate on Thursday, April 2, 1992, at 10:30 a.m. to hold a hearing on the nomination of George J. Terwilliger, III, to be Deputy Attorney General.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON CONSUMERS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Consumers Subcommittee, of the Committee on Commerce, Science and Transportation, be authorized to meet during the session of the Senate on April 2, 1992, at 9:30 a.m. on S. 664, Alcohol Beverage Advertising Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EAST ASIAN AND PACIFIC AFFAIRS

Mr. MITCHELL. Mr. President, I ask unanimous consent that the Subcommittee on East Asian and Pacific Affairs of the Foreign Relations Committee be authorized to meet during the session of the Senate on Thursday, April 2, at 2:30 p.m. to hold a hearing on Hong Kong's reversion to China and implications for United States policy.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

OVERCOME HOLIDAY CELEBRATION

• Mr. SARBANES. Mr. President, I rise today to pay tribute to the Baltimore Times' third annual "Overcome Holiday Celebration." This important celebration is sponsored by Father Peter Bramble and the members and community of St. Katherine's Church in Baltimore, MD. The Overcome Holiday is celebrated in honor of African-Americans, their proud heritage, and ongoing contributions to this city and to our Nation.

I join with pride in this special tribute as the Overcome Celebration honors the dedication and personal sacrifice of the Reverend Dr. Martin Luther King, Jr., to the principles of justice and equality in America and I am most proud to once again honor the life-long struggle of Nelson Mandela to overcome the abhorrent apartheid system in South Africa. We must remember these men as great leaders, each in his own country, who, because of their courage and bravery, should serve as inspiration to all Americans. Both men dedicated their lives to achieving equal treatment and enfranchisement for all people. Each moved their own Nation in a lasting way and inspired thousands to follow their examples.

St. James Episcopal Church is hosting the Overcome Program and Feast on Saturday, April 4, 1992 and I want to commend the community for actively promoting workshops and other events during the remainder of the month of April. African-Americans have overcome many obstacles in the history of this Nation with great pride and success. As we honor them in celebration, we must assure young people that the doors of opportunity will remain open and that they must continue to seek to fulfill their potential—for this Nation's greatest strengths are drawn from the individual contributions of every man and woman.•

MORMON CHURCH RELIEF SOCIETY

• Mr. CRAIG. Mr. President, this March as every March, we celebrated one very well-known holiday that brings together individuals of like mind to remember a long and productive heritage, that is of course, Saint Patrick's Day.

I would like to call to the attention of my colleagues another significant event being celebrated this month. It is the sesquicentennial of the organization of the Relief Society of the Church of Jesus Christ of Latter-Day Saints, if you will, the women's organization of the Mormon Church.

This organization of women was established with 20 members on March 17, 1842, in the then, frontier town of Nauvoo, IL. One hundred fifty years later, there are 3 million members in communities large and small in over 100 nations.

This voluntary organization, with a motto of "Charity Never Faileth," is dedicated to works of charity, education, and training of women.

Its first president, Emma Smith, gave the members a charge that has served the organization successfully for its 150 year history: "Each member should be ambitious to do good."

Through the years, unnumbered acts of charity have been performed by individual members of the Relief Society; food put on barren tables, nurturing in hours of illness, wounds bound, pains relieved by loving hands, quiet reassuring words in times of death. More than 19,000 units of the Relief Society worldwide are also giving organized daily service to others.

Mr. President, I understand that over the years, many specific projects have been undertaken by the Relief Society. For example, in the late 1800's Relief Society women gathered wheat for a day of possible need. In 1918, that wheat was made available to the Government of the United States and used to alleviate food shortages in Europe resulting from World War I.

It is not peculiar, but certainly commendable, that this organization, after 150 years of service to others in 100's of individual and collective projects both large and small, has chosen "Celebrate through Service" as their sesquicentennial theme.

One important dimension that the organization has emphasized throughout the years is education. It is my understanding that the celebration of the sesquicentennial will be celebrated by initiating a great new project. The project program will be to teach those who suffer from functional illiteracy. This will be undertaken in the small units worldwide and tailored to the needs and capacity of individual communities and units.

At a time when we are all searching for ways to more effectively and efficiently use the sometimes limited resources at our disposal, the quiet performance this organization has provided can be an example for all of us. The Relief Society is certainly to be congratulated for its long and productive past and its goals for the future.

I would like to join Gordon B. Hinckley, first counselor in the first presidency of the Mormon Church in stating:

> May the spirit of love which has motivated its members for a century and a half continue to grow and be felt over the world. May their works of charity touch for good the lives of uncounted numbers wherever they find expression.•

TRIBUTE TO LUANNE NYBERG

• Mr. DURENBERGER. Mr. President, today, I rise to recognize and commend a champion for children.

My friend, Luanne Nyberg, challenges all of us to remember that if we expect children to succeed in life, or have a fighting chance in school, we must take a look at the total environment outside the classroom and the school grounds. Against all the odds in today's broken and troubled world, children continue to maintain a positive attitude and have hopes and dreams for their future. Adequate health care, nutrition, and supervision are important investments for the welfare of children and will help guarantee their bright future.

Luanne is a true visionary and advocate for children. As the director of the Children's Defense Fund in St. Paul, MN, she brings to life the issues and realities of children and parents, particularly those who may be poor, minority, or disabled. Many of her stories tell of self-employed or single families for whom earnings must pay for food, clothing, shelter, gas, childcare, and other emergencies, leaving little money to pay for health insurance. These families live on the edge hoping they do not have to go the doctor. They suffer because they cannot afford to pay the high costs of medical care and medication, or they must wheel and deal to get some sort of health care for their uninsured children.

She certainly has helped me think about expanding preventive and primary care health services for moms and kids. In June 1988, Luanne provided testimony at a national infant mortality hearing, and in 1989 she participated in the first field hearing of the U.S. Bipartisan Commission on Comprehensive Health Care Hearing. Most recently, she participated in the 1992 North Star Health Forum: National Challenges, Minnesota Solutions.

Last spring, Minnesota, a publication of the University of Minnesota Alumni Association, featured Luanne as an outstanding individual and alumnae. I would like to share with you their recognition of the work she has done in Minnesota:

> * * * Luanne has led the fight for adequate health and nutrition programs to serve uninsured mothers and children, and has championed welfare reform, state funding for child support and programs to teach mothers how to raise healthy children. The Children's Health Plan, which Luanne is credited with getting passed by the state legislature, is one of the most forward-looking plans ever designed to provide, health, nutrition, and education programs for mothers and children. The plan, which now serves more than 20,000 Minnesota children from birth to age 18, is considered a national model of excellence and has already been copied in Colorado and New York.

There is no better, wiser, or more significant investment than the one that we make in our children. In our busy world, Luanne is committed to not allow children to be forgotten. She reminds and urges us always to ensure that all children have the best possible start in life and good health care throughout childhood so that more costly expenses, due to neglect, can be avoided.

Since 1986, Luanne has led the Children's Defense Fund. Previously, she was program director of the Urban Coalition of Minneapolis, State director of the Minnesota Recipients Alliance and the first-ever client advocate for the Hennepin County Welfare Department. In addition, Luanne founded the Children's Coalition, Food First Coalition, Child Care WORKS Coalition, and the JOBS NOW Coalition.

American clergyman Phillips Brooks once said, "He who helps a child helps humanity with an immediateness which no other help in any other stage of human life can possibly be given again." Thank you, Luanne, for your dedication, expertise, and care. As you have always given to future generations, I wish the best for you, and your family, Ingrid and Willie.•

A TRIBUTE TO THE GREATER HAZELTON CHAMBER OF COMMERCE

• Mr. WOFFORD. Mr. President, it is my pleasure to recognize and commend The Greater Hazelton Chamber of Commerce as they begin their 1992 centennial celebration. This organization began as the Hazelton Board of Trade in 1892. Its stated purpose was to promote the city's well-being by assistance and development to the commercial, industrial, and business community. The Board of Trade eventually changed its name to the Greater Hazelton Chamber of Commerce to reflect the inclusion of the many surrounding communities.

Repeatedly over the years, the chamber has successfully responded to regional industry changes. They formed an accomplished industrial development group known as CAN DO which has attracted new jobs to Hazelton. During the 1960's, the chamber literally opened new roads by working to locate the intersection of the new Interstates 80 and 81 in the region. Furthermore, they were instrumental in establishing the area's most prominent tourist attraction, Eckley Miners Village.

The Greater Hazelton Chamber of Commerce has been responsible for the formation of other like-minded civic organizations including Leadership Hazelton, Junior Leadership, and the Arts Council of Greater Hazelton. In fact, Hazelton was the All-American City of 1964 and received an honorable mention citation for All-American City in 1970.

The Greater Hazelton Chamber was officially accredited by the U.S. Chamber of Commerce in 1971 and recognized by the President's Commission on Private Sector Initiatives in 1988. The Greater Hazelton Chamber of Commerce today serves over 520 members representing a population of approximately 75,000 people.

This is a 100-year story of progress and development facilitated by the hard work and testimony of the Greater Hazelton Chamber of Commerce officials. I applaud the achievements of their efforts, extend my fullest support, and look forward to the continued prosperity of Greater Hazelton and its chamber of commerce.•

REDESIGNING UNITED STATES-CHINA RELATIONS

• Mr. INOUYE. Mr. President, I wish to share with my colleagues the inaugural address of the Clarence T.C. Ching lecture series on Asian affairs delivered by Dr. Harry Harding of the Brookings Institution entitled "Redesigning United States-China Relations" which was presented on March 12 at the East-West Center in Honolulu. At a time when the United States relations with China are undergoing change and are in conflict over matters of human rights, trade, and weapons proliferation, this lecture is most timely. It will serve to increase our knowledge of China and help us in our efforts to formulate the policies that are necessary and appropriate to live and work with the world's most populous nation. I ask unanimous consent to have it printed in the CONGRESSIONAL RECORD.

The material follows:

REDESIGNING UNITED STATES-CHINA RELATIONS

(By Dr. Harry Harding)

> It is always a pleasure to visit the beautiful State of Hawaii, and to see so many friends from the East-West Center, the University of Hawaii, and other organizations in Honolulu. It is a particular honor to be invited to give the inaugural address in the Clarence T.C. Ching Lecture Series on Asian affairs.
>
> Ever since the Tiananmen Crisis of June 1989, U.S. policy toward China has been in tatters. Public opinion on our China policy is divided: roughly half of the public seems to support a stable relationship with Peking, while the other half favors placing more pressure on China in pursuit of American interests. Congress and the White House remain at loggerheads. The Congress has been attempting ever since 1990 to impose conditions on China's most-favored-nation trading status, or else to withdraw it completely. The Bush administration has been able to veto this legislation so far, but it has not

been able to restore a consensus with Congress over our China policy.

This deadlock reflects an underlying problem in our relationship with China: the conceptual frameworks that have guided the relationship since the rapprochement of the early 1970's have now proven obsolete, and no new framework has been devised to take their place. What is needed, above all, is a new design for U.S.-China relations—a design that can provide coherence to policy, that can mobilize domestic support, and that is suited to the complex realities of today's China.

What might such a conceptual framework be? I want to organize my remarks this afternoon around the major alternatives. Three of these represent the frameworks that have guided the relationship in the past; two are concepts that have emerged in the post-Tiananmen era. I will conclude that the most promising design is to seek what I will call a "normal" relationship with China—a relationship that recognizes that we have many interests at stake in our relationship with Peking, that understands that our two countries share both common and divergent perspective on all of those interests, and that applies to China the same standards and policies that we apply to other countries. I will not be able to discuss every issue in our relationship with China tonight, but hope simply to suggest that this is the most promising conceptual framework for addressing them.

1. A STRATEGIC ALIGNMENT

Historically, the first conceptual framework to guide U.S.-China relations after the rapprochement of the early 1970's was the idea of a strategic alignment or united front between Washington and Peking, based on common opposition to the threat of an expansionist Soviet Union. That united front, embodied in the Shanghai Communique of February 1972, was forged at a time when both China and the United States were relatively weak, and the Soviet Union appeared relatively strong. China was enmeshed in its turbulent Cultural Revolution; the United States was ensnared in the war in Vietnam; and the Soviet Union under Leonid Brezhnev was rapidly expanding its conventional and nuclear power. In this context, ending the mutual isolation of China and the United States, and forging a strategic alignment between the two countries, would obviously promote the security of both Peking and Washington.

This conceptual framework made several things possible in the 1970's and early 1980's. First, it permitted both the China and the United States to redirect some of their military assets to deal with the Soviet threat, rather than to prepare for a confrontation with each other. Second, it allowed the two countries to engage in limited forms of military cooperation, including sharing intelligence on the Soviet Union, and coordinating policies on Cambodia and Afghanistan. Third, and perhaps most important, the notion of a strategic alignment between China and the United States allowed the two countries to manage their differences over Taiwan, and to overlook the vast discrepancies between their ideologies and political and social systems.

By the mid-1980's however, this conceptual framework had become the victim of its own success. Mikhail Gorbachev had come to the conclusion that the Soviet Union could not sustain a policy of military buildup and strategic advance, especially if it meant continued confrontation with both China and the United States. In essence, Gorbachev's "new thinking" in foreign policy involved a reduction of tensions with both Peking and Washington. His summit meetings, first with Ronald Reagan and then with Deng Xiaoping, marked the end of both the cold war and the Sino-Soviet split. But these welcome developments also obviated the need for a Sino-American alignment against the Soviet Union, and thus greatly weakened the strategic rationale for the U.S.-China relationship. The collapse of the Soviet Union in 1991 merely placed the last nail in the coffin of the united front against the Kremlin.

Some analysts in China appear to hope that this kind of strategic relationship with the United States could be resurrected, largely as a way of managing the differences between the two countries over trade and human rights. Even the Bush administration, in the first months after the Tiananmen Crisis of 1989, also seemed interested in preserving some kind of alignment with China.

It is not clear, however, who would serve as the common enemy to motivate such a relationship. For the foreseeable future, Russia will be preoccupied with its own internal affairs, and is unlikely to resume an adventurist or expansionist foreign policy. Even if it were to do so, perhaps under more conservative leadership, it seems unlikely that Moscow would be willing to take on both China and the United States simultaneously. Thus, a renewed Sino-American alignment against Russian adventurism appears implausible.

Some observers have raised the possibility of a Sino-American alignment against Japan, but this too, is an unlikely development. To be sure, there are growing tensions between Tokyo and Washington over our commercial relationship. But the Japanese-American rivalry is likely to remain economic rather than strategic; and China is unlikely to want to forswear access to Japanese capital, technology, and markets. It is therefore implausible that Japan would evoke an alignment between China and the United States that in any way resembles their united front against the Soviet Union in the 1970's.

In short, the strategic alignment between Peking and Washington is dead, and is unlikely to be reconstituted in the foreseeable future. If we are looking for a conceptual framework for our relationship with China, we must therefore look elsewhere.

2. AN ECONOMIC PARTNERSHIP

Even as the strategic alignment between the two countries began to fade in the mid-1980's, analysts and policy makers in Peking and Washington were quickly able to find a new conceptual framework to take its place. With China now committed to economic modernization, and interested in commercial and scientific links with the outside world, it seemed that bilateral economic and cultural ties between China and the United States would now lie at the heart of their relationship. In 1984, Richard Nixon was one of the first Americans to articulate this new conceptual framework when he pointed out, on the eve of President Reagan's visit to China, that strategic interests might have brought the two countries together in the 1970's, but that economic interests would keep them together in the 1980's. It was widely believed that, as the world's largest developed country and the world's largest developing country, the United States and China were naturally complementary economies. Moreover, many Chinese and American analysts believed that a relationship rooted in common economic and cultural interests would be more stable and more mature than a marriage of convenience directed against a third country.

And, indeed, this new conceptual framework did promote a rapid expansion of commercial and cultural ties between the two countries—an expansion that has continued to the present day. Bilateral trade grew from $1 billion in 1978 to $20 billion in 1990. American foreign investment in China—actual investment, not merely contracted investment—increased from zero to nearly $2 billion over the same period. The flow of Chinese students and scholars to the United States rose from a handful in 1978 to more than 13,000 per year, reaching a cumulative total of around one hundred thousand. In the other direction, the flow of American tourists to China increased from a trickle in the late 1970's to around 230,000 in 1990, for a cumulative total of more than two million.

The qualitative changes in Sino-American relations have also been dramatic. American investors in China are now manufacturing goods for both the Chinese and American markets, and are doing so in wholly owned subsidiaries as well as in joint ventures. American and Chinese scholars are engaged in various kinds of collaborative research. American popular culture has made its mark on urban China, with rock music popular on Chinese radio and with American soap operas and adventure shows among the most avidly watched on Chinese television. These developments, in turn, have increased the numbers of Chinese and Americans with a direct stake in a stable Sino-American relationship.

But interdependence has produced conflict as well as collaboration. The terms of trade and investment have been controversial from the beginning of the 1980s. Peking has complained about American import quotas, especially in textiles, about restrictions on the export of advanced American technology, and about Washington's failure to inaugurate a bilateral economic assistance program for China. The United States has criticized the inadequacies in China's investment climate, and the existence of various trade policies that promote exports while restricting imports. More recently, too, American observers have criticized signs that Chinese firms are exporting products manufactured by prison labor, or with false certificates of origin.

The tensions in the Sino-American commercial relationship, which were evident throughout the 1980's, have become more serious in the past several years, as China's trade surplus with the United States has grown. At $12–13 billion in 1991, America's deficit with China is now second only to that with Japan. And, as China's economy continues to grow, as its foreign trade sector continues to reform, and as Hong Kong and Taiwanese manufacturers continue to relocate their manufacturing operations to China to take advantage of lower labor costs, the trade imbalance is likely to widen even further.

As a result, the idea of a mutually beneficial economic partnership no longer provides a compelling conceptual framework for Sino-American relations. To be sure, China remains a large potential market, from which the United States would not want to be excluded. And both American exporters, consumers, and investors continue to benefit from commercial ties with China. But the details and terms of those relations are likely to remain contentious, particularly as neo-mercantilism in China encounters growing protectionism in the United States.

3. IDEOLOGICAL CONVERSION?

Even as these disputes over terms of trade begin to complicate Sino-American relations in the mid-1980's, the United States began to develop a third conceptual framework for its relationship with China—perhaps the most emotionally powerful of all. China's program of economic and political reform, which had at first seemed piecemeal and cautious, now appeared more comprehensive, systematic, and radical. China's urban reforms promised to transform a centrally planned economy into a regulated market economy, and to leaven state industry with substantial private, collective, and foreign ownership. The creation of special economic zones, economical and technological development zones, and other open areas along the coast greatly increased the opportunities for foreign trade and investment. Political reform also entered the Chinese agenda, in part as Chinese elites accepted the need to cast aside outmoded doctrines and create a more rational bureaucratic apparatus, but also as younger Chinese intellectuals began to press for more freedom and greater pluralism. It seemed clear that China was, by the late 1980's, embarked on a program of political and economic liberalization unprecedented in the Communist world. Assisting this historic transformation could therefore be regarded as the conceptual basis for American policy toward China.

This new and more radical wave of reform in China gave further impetus to the quantitative and qualitative expansion of economic and cultural ties that we outlined a few minutes ago. But its more significant contribution was to solidify the political base for Sino-American relations in the United States. By 1989, fully 72 percent of Americans surveyed reported that they had favorable impressions of China, whereas only 13 percent—an all-time low—said that they had unfavorable images of the country. Indeed, conservative opinion leaders who had once been skeptical about the U.S.-China relationship now became among its most enthusiastic supporters, since they had become persuaded that China had become the first Communist country to reject Marxism in favor of capitalism and democracy.

This new enthusiasm for China tapped deep and longstanding wellsprings of goodwill and emotion in the United States. Even since they had first come into contact with China in the 19th century, many Americans had held the hope that, somehow, China could be remade in the American image. In the late 19th and early 20th century, that image had been a highly religious one, with the goal being the conversion of Chinese to Christianity. Now, in the late 20th century, the image has had a more secular flavor, with the objective being China's transformation into a democratic, market-oriented society. In either case, American hopes were encouraged by their contacts with earnest young Chinese intellectuals who, dissatisfied with their country's level of economic and political development, were looking abroad for attractive and comprehensive solutions to their country's problems, and found much of appeal in the United States.

At first, the popular demonstrations that swept Tiananmen Square in the spring of 1989 seemed to reinforce this new framework for Sino-American relations. The protests provided more evidence that urban Chinese were demanding political reform. The invocation of Thomas Jefferson and Patrick Henry, and the construction in Shanghai of a small replica of the Statue of Liberty, convinced many Americans that young Chinese were indeed looking to the United States for inspiration and support. And at first it appeared that the protests were irrepressible, and thus that political liberalization was irreversible.

This conceptual framework was, of course, shattered by the massacre in Peking in the predawn hours of June 4, by the subsequent wave of political repression and economic retrenchment that swept across the country in the following months, and by developments elsewhere in the Communist world. While other Communist countries seemed finally to be embarking on political and economic liberalization, Peking appeared to have thrown its reform program into reverse. From the vanguard of change in the Communist world, China seemed to have moved to the rear, along with other recalcitrant and reactionary regimes such as Cuba and North Korea. The proportion of Americans holding favorable impressions of China fell, in 1989 alone, from nearly three-quarters to about one-third—from 72 percent to around 31 percent—just above the levels of the mid-1970's, when the Gang of Four still shaped much of Chinese domestic and foreign policy.

But this conceptual framework still retains its appeal to many Americans today. To them, the revival of political liberalization in China is only a matter of time, which will be brought about when the octogenarian architects of the Tiananmen Massacre pass from the scene and are replaced by younger and more open-minded leaders. In the post-Deng era, the two countries can resume a partnership which the United States remakes China in its own image.

Unfortunately this framework is an overly simplistic, and ultimately unrealistic, concept on which to base American policy. For one thing, the revival of reform is not the only conceivable scenario for post-Deng China. Political decay—featuring corruption, ethnic tensions, eroding central authority, and social unrest—remains a disturbing possibility. A reassertion of tighter administrative controls over both the economy and the political system is also conceivable, particularly if China cannot cope effectively with its economic, demographic, and environmental problems. Perhaps most likely is a continuation, in some form, of the present pattern, whereby successful economic performance is used to obviate the need for political liberalization. In short, although Americans can hope for the revival of political reform, they should not presume it will occur.

Moreover, even if political and economic reform do both revive, they may not mean the restoration of a harmonious Sino-American relationship. Reform may be a turbulent process, with periodic outbreaks of protest and repression that continue to complicate relations with the United States. The two countries may well have different perspectives on international economic, environmental, and security questions. Above all, a successfully reforming China may see its trade conflicts with the United States intensify, rather than recede.

4. A RETURN TO CONFRONTATION

Ever since the Tiananmen Massacre, some Americans have seemed willing to adopt yet another conceptual framework—a return to a confrontational relationship with China, at least until the revival of economic and political reform. In their view, China has become repressive at home and irresponsible abroad. In response to Peking's misconduct it would therefore be appropriate for the United States to end normal political and commercial contacts with Peking by, among other things, restricting high-level diplomatic contact and by terminating China's most-favored-nation status.

The bill of particulars against China is by now a familiar one. Since Tiananmen, the advocates of this position have argued, Chinese leaders have reimposed administrative controls over the economy so as to restrict the operation of collective and private enterprises. They have cut back on imports, and promoted exports through illegal means as prison labor and false labeling. They have vigorously suppressed independent religious organizations and labor unions, and have directed renewed repression against Chinese scholars, journalists, artists, and ethnic minorities. Abroad, China continues to export missiles and other conventional weapons to unstable regions such as the Middle East, and to provide diplomatic and material support to such unsavory political forces as the military junta in Burma and the Khmer Rouge in Cambodia. China's critics are prepared to link all these issues to Peking's most-favored-nation trading status, threatening to end normal commercial relations with China unless Peking's performance on all these issues significantly improves.

We should make no mistake about it: actually removing China's most-favored-nation status would be interpreted in Peking as the United States adopting a confrontational policy toward China. And adopting such a conceptual framework would be, in my opinion, both unwise and unwarranted.

It is unwise because it would be both costly and counterproductive. A confrontational policy toward China would greatly restrict our ability to reduce our military deployments in Asia, would throw our relations with other Asian countries into disarray, and would reduce the chances of cooperating with China on global economic, strategic, and environmental issues. Withdrawing China's most-favored-nation status would not only impose considerable hardship on American exporters and consumers, but would also encourage Peking to tighten administrative controls over the economy and impose restrictions on scholars and intellectuals with links to the United States. It would do measurable harm to the economic prosperity of both Taiwan and Hong Kong, each of which is becoming increasingly economically intertwined with the Chinese mainland. Moreover, it would also slow down the economic growth that is the long-term engine for political change in China.

Moreover, a confrontational posture toward China is not warranted by Peking's conduct either at home or abroad. To be sure, we find much objectionable in China's human rights record, foreign trade practices, and arms sales. But they only represent part of a much more complicated equation. Although political liberalization has halted, economic reform now appears to be moving forward, and even accelerating. Although the political environment is more repressive than it was just before the Tiananmen protests of 1989, the Chinese Communist Party has not been able to reestablish the totalitarian controls of the Maoist era, or to prevent independent thinking by Chinese intellectuals. Despite its disturbing record of arms sales abroad, Peking still seeks a peaceful environment in the Asia-Pacific region, and has played a constructive role in discouraging nuclear proliferation on the Korean peninsula and in reaching a comprehensive political settlement in Cambodia.

5. A NORMAL RELATIONSHIP

If none of these conceptual frameworks is appropriate, what then is the alternative? Let me propose a concept that will sound commonplace, but would in fact be unprecedented for Sino-American relations: a normal relationship with Peking, in which we regard China neither with admiration nor disdain, neither as ally nor adversary, neither as eager student nor ideological rival. Unlike all the alternatives, this would imply a balanced and dispassionate assessment of China, and a sophisticated and nuanced policy for dealing with it.

More specifically, a normal relationship with Peking would suggest that we view China in the following ways:

It would imply a realization that China is involved in a protracted and complex process of modernization and reform, in which frustrations are as likely as accomplishments. Like other large developing countries, China is grappling with the problems of corruption, legitimation, inflation, inequality, population pressures, and environmental damage. Like other Communist nations, China is coping with the legacy of decades of central planning, ideological dogmatism, and isolation from the West. And, like other Asian countries at comparable stages in their development, China is trying to combine a market-oriented economy with an authoritarian political system. As Americans, it is vital that we view China from a long-term comparative perspective, avoiding the temptation to become elated at progress or despondent over failure.

It would imply a realization that a wide range of American interests—strategic, commercial, academic, humanitarian, and environmental—are at stake in China. A unidimensional policy that focuses on one of these issues at the expense of the others is unwise and unsustainable.

It would imply a realization that, on virtually all these issues, the United States and China have both complementary and competitive interests. This makes it impossible to view China in simplistic terms as either "friend" or "foe."

And a normal relationship with Peking would imply a realization that China is neither central to American foreign policy, nor irrelevant to it. It is not the major threat to American strategic interests today, the principal potential ally of the United States, the most promising market for American exports, or the most likely convert to American values. But, conversely, we cannot and must not treat China with benign neglect. It is a major factor in both the economic interactions and the strategic balance in the Asia-Pacific region. Peking also has global reach, as a permanent member of the Security Council, as a major polluter, and as a large arms exporter. On most international issues, China can either make things either considerably worse or marginally better.

In short, the U.S.-China relationship should be less hostile than it was in the 1950's and 1960's, and less effusive than it was in the 1970's and 1980's. The exaggerated rhetoric of the past—describing China as a radical revolutionary state bent on world domination, portraying Peking as an honorary member of NATO, or hailing China as the first Communist country to renounce Marx and embrace capitalism—needs to be replaced by more balanced and less emotional portraits.

Adopting the conceptual framework would also have some significant implications for American policy toward China. Without going into details, let me briefly indicate some of the highlights.

First, the main thrust of American policy can be viewed as persuading Peking to join and abide by the international regimes accepted by most other nations, such as the GATT, the Nuclear Non-Proliferation Treaty, the Missile Technology Control Regime, and the major multilateral human rights conventions. China should also be encouraged to participate constructively in the creation of still other regimes, such as the Asia-Pacific Economic Cooperation process [APEC] and a system of cooperative security in Asia. Couching U.S. policy in these terms is more likely to gain international support and Chinese acceptance than if it is presented as unilateral and arbitrary American preferences.

Relatedly, the principal American strategy should be to use the same incentives and disincentives toward China that we would apply to other nations in similar circumstances. This would not involve threats to withdraw China's most-favored-nation-treatment—a trading status that we routinely give to virtually every other nation in the world—but would instead entail the use of more targeted and flexible measures. For example, we should link bilateral and multilateral financial assistance to China's human rights record, as well as using steady diplomatic pressure to criticize Peking's human rights abuses. We should use section 301 of the Trade Act to address unfair Chinese trade practices. And we should restrict technology transfer and military cooperation until Peking agrees to restrict the proliferation of conventional and nuclear weapons.

Treating China as a normal country, rather than as a pariah state, would also require constant engagement of Chinese and American officials at all levels. This implies lifting the ill-advised sanctions against cabinet-level contacts and military exchanges between the two governments. Tough-minded dialogue with Peking should be seen not as kowtowing to Chinese leaders, but as a crucial instrument for pursuing American interests.

6. AN EVALUATION OF PRESENT AMERICAN POLICY

Finally, let me share my assessment of where U.S. China policy stands today. For the first 18 months after the June 4 incident, the Bush administration's China policy seemed wedded to the strategic alignment and economic partnership of the past, without a full realization that these conceptual frameworks had lost their appropriateness abroad and their legitimacy at home. The administration's muted condemnation of the Tiananmen Massacre, its professions of continued friendship for China and for Deng Xiaoping, and its attempt to resolve the crisis in Sino-American relations by making continued conciliatory gestures to Peking in the hopes of reciprocation—all these reflected an effort to preserve and rebuild a relationship whose time had passed.

Conversely, much of congressional and editorial opinion seems wedded to a different set of concepts that are equally inappropriate. Some are willing to risk a confrontation with China, in the name of promoting human rights, fair trade, and nonproliferation. Others appear committed to a policy of benign neglect of Peking, waiting for the emergence of new leaders who will resume political liberalization.

Since early 1991, the Bush administration has gradually adopted a policy much in keeping with that recommended here, using a variety of diplomatic and economic incentives and disincentives to address the various issues in the relationship. Moreover, this strategy has begun to achieve some preliminary results. China has ratified the Nuclear Non-Proliferation Treaty, and agreed to abide by the Missile Technology Control Regime. It has reached an agreement with the United States on the protection of intellectual property rights, and has promised to ban the export of commodities produced by prison labor or carrying false certificates of origin. Even in the area of human rights, Peking has given a better accounting of those detained or arrested after Tiananmen, has released some dissidents from prison, and has allowed the families of dissidents in exile to join their relatives abroad. None of these steps has completely resolved the issues at stake, but they all represent moves in the right direction.

Unfortunately, this new policy has not yet rebuilt a domestic consensus on our relationship with China, largely because it has not been adequately explained to the American public. Few people, even in Washington, fully understand the components of American policy toward Peking. Even more important, the administration has not yet articulated the conceptual framework from which that policy springs. Until it does so, many Americans will understandably continue to believe that the White House is continuing its earlier policy of concession and restraint. This, in turn, will make it difficult to resolve the ongoing debate over China's most-favored-nation status or to gain the flexibility the White House needs to implement a nuanced policy effectively.

One might think that obtaining support for a normal relationship with China would be a rather easy task. In fact, it will be quite difficult. Americans have typically tended toward simplistic and emotional images of an extremely complex and often enigmatic country, and toward correspondingly unidimensional and exaggerated policies. Achieving normalcy in our relationship with China will therefore paradoxically require some wrenching adjustments in our customary ways of thinking. But such adjustments are essential if U.S.-China relations are to be put on a more stable and appropriate course.•

FOREIGN OPERATIONS CONTINUING RESOLUTION

• Mr. ADAMS. Mr. President, foreign assistance remains one of the most unpopular Federal programs. Whether in the Congress, the administration, or the Presidential campaigns, no one wants to incur the wrath of voters by supporting the foreign aid budget. The common wisdom is that Americans have turned inward and are totally unwilling to fund the programs that would help maintain our leadership in international affairs.

Yet, it is important to remember that there is much in the foreign aid account that the American people support. And there is much more that we in Congress and Government can and should do to increase that support and to improve public understanding of our foreign aid program.

For example, the majority of people in my State support United States assistance to the former Soviet Union. They support short-term food aid, technical assistance, and agricultural credits. They support swapping weapons for wheat. They support increased private involvement and official support to spur that involvement.

Military assistance to the Government of El Salvador has never been popular in Washington State, but support for the people of El Salvador runs very, very deep. The desire to help Salvadorans solidify the democratic strides made in the recent peace accords translates into widespread support for shifting United States assistance from military aid to economic aid.

One out of every four jobs in Washington State depends on international trade. Several of the programs under the foreign assistance account help companies in my State and throughout the country compete overseas and expand into new markets.

The legislation that the Senate passed yesterday is vital to the continuation of our foreign assistance programs. Politics prevented the enactment of a regular appropriations bill for fiscal year 1992. I am pleased that they did not likewise prevent the Senate from carrying these important programs over until the next fiscal year.

Here are some of the programs whose funding we guaranteed yesterday: Peace Corps, Child Survival, U.N. peacekeeping missions, international population assistance, the Export-Import Bank, the Trade and Development Program, the Overseas Private Investment Corporation, and a host of bilateral and multilateral initiatives in health, education, environmental protection, and economic development.

In response to changing world conditions, there are several areas in the legislation that do not simply continue fiscal year 1991 levels or authorities. There is new authority for aiding the former Soviet Union, there is a transfer of military funding for El Salvador to a new demobilization account designed to support the peace accords, and there are increased levels of funding for our contribution to U.N. peacekeeping efforts and to IAEA monitoring and enforcement work in Iraq, and for certain humanitarian programs such as the Peace Corps and refugee assistance. I applaud these efforts.

The continuation of these programs is clearly in the U.S. national interest. A stable world order depends on a strong and viable international community, on broad-based economic growth, and on sustainable development that protects the world's resources.•

AIDS UPDATE

• Mr. CRANSTON. Mr. President, according to the Centers for Disease Control, as of February 21, 1992, 213,641 Americans have been diagnosed with AIDS; 136,473 Americans have died from AIDS; and 77,168 Americans are currently living with AIDS.

COLD FEET ON AIDS EDUCATION

The Centers for Disease Control has just unveiled a national education campaign about AIDS. Tragically, it tells us less about AIDS than it does about how far the Government will go to avoid discussing sex or drugs.

In this multimillion dollar effort, to be printed and broadcast through the country, Federal officials have ignored both what the public wants and what veteran AIDS educators know works. In a Roper poll last year, 90 percent of Americans surveyed said they needed to know more about how to use condoms; 80 percent thought that "pretty explicit sexual material" would be necessary to get teenagers to protect themselves against AIDS.

Yet in the national campaign announced last week the words "sex" and "condoms" are never used. There is not a shred of information in the ads about how to protect against AIDS. Instead, the public is invited to call 1-800-342-AIDS or to write to a post office box in Rockville, MD. A reporter for the Washington Post tried the 800 number 24 times, got 18 busy signals and was put on hold six times. Two members of my staff tried repeatedly this week to get through, with no success.

Mr. President, the CDC campaign would be laughable were it not so tragic. This year 40,000 more Americans will become infected with the virus that causes AIDS. Close to 100 percent of these Americans would not have been infected with the HIV if they had used condoms for sex or clean needles if they used drugs.

This simple message—condoms and clean needles—is the message that saves lives. For thousands of Americans who may become infected with the HIV because they did not get this message, the CDC's wrongheadedness may prove fatal.•

UNITED WAY OF BUFFALO AND ERIE COUNTY, 75TH ANNIVERSARY

• Mr. D'AMATO. Mr. President, it is with great pride that I rise today to pay tribute to the United Way of Buffalo and Erie County on the auspicious occasion of their 75th anniversary. This organization is monumentally successful at addressing health and human care needs through the efficient generation and distribution of resources.

A key element in any successful venture is the ability of diverse groups to come together and work toward a common goal. For the past 75 years, the United Way of Buffalo and Erie County has been doing just that, functioning as the catalyst in a communitywide effort to address health and human service needs by uniting corporations, government, organized labor, human service agencies, private citizens, and others.

In 1917, our country was faced with the violence and horrors of war. While help was needed for those overseas, the need was also great for helping organizations back home. It was from this need that the United Way of Buffalo and Erie County was born. Three local organizations, the Charity Organization Society, the Children's Aid Society and Society for the Prevention of Cruelty to Children, and the District Nursing Association all joined together in their fundraising efforts in order to more effectively meet the growing community needs.

The joint charities and community fund grew and developed over the years, steadily increasing the number of agencies involved and the amounts raised. The name changed throughout history, but the mission remained the same: United forces to increase the community's capacity to care for one another.

Today, the United Way exists as a family of 89 health and human service agencies that provide more than 300 service programs to the community, as well as a community problem solver that channels both money and other resources toward the most pressing needs currently facing western New York.

The agencies funded by today's United Way address a wide variety of issues, providing services from cradle to grave. Service areas include: Food and shelter, crisis intervention services, children's services, mental health counseling, services to the disabled, services to frail elders, employment training, and substance abuse prevention. In addition to funds allocated to member agencies, over 500 additional agencies receive funds and services through donor designations, grant programs, gifts-in-kind, emergency food and shelter, and management assistance services.

Every aspect of United Way activity involves a cooperative effort on the part of knowledgeable, dedicated community volunteers and the well-trained and highly qualified United Way staff. Over 3,000 local volunteers devote their time each year to fundraising, allocating funds, planning, marketing, service delivery, and other activities for the United Way and its member agencies. The strength of the organization lies in this volunteer structure, as it allows for the most cost efficient and effective use of donors' dollars. The result is that over 90 cents of every dollar raised in the United Way's annual fundraising campaign finds its way directly to community services. The less than 10 percent that goes toward administrative costs is among the lowest for any nonprofit organization in the country.

Over 2,000 individuals are involved in the intricate communitywide operation which has been helping to improve the lives of the citizens of Buffalo and Erie County for 75 years.

In keeping with its mission, the United Way has responded to the changing needs of the 1990's through various programs and initiatives. Areas such as literacy skills, elder care, and services to children have been targeted as sources of growing concern, and will receive increased attention and funding throughout this decade.

I ask my colleagues to join me in commending this desideratum of the Buffalo community. I congratulate the United Way of Buffalo and Erie County for their 75 years of service and expect that they will continue to make important contributions to their community for many years to come.●

FOREIGN OPERATIONS CONTINUING APPROPRIATIONS

● Mr. BAUCUS. Mr. President, I rise to discuss my opposition yesterday to House Joint Resolution 456, the foreign operations continuing appropriations for fiscal year 1992.

House Joint Resolution 456 reflects a foreign policy confined by the assumptions and goals of another era. The cold war is over. We have enormous problems within our borders. The United States needs policies that reflect the situation of 1992—not 1962.

International security today is in large part a matter of economic prowess. It is high time that we took a hard look at our foreign assistance program to insure that it promotes American economic interests.

Our current foreign economic assistance efforts are out of touch with the competitive world we face. Sixty-eight percent of our economic assistance is provided as cash giveaways to foreign governments. Moreover, only 35 cents of each U.S. aid dollar is spent for American products.

Other donor countries, such as Japan and Germany, require that large portions of their aid be used by recipient countries to purchase goods and services from the donor's industries. These practices have cost the United States between $2.4 and $4.8 billion annually in lost exports.

It is true that many foreign countries face dire circumstances. I wish the United States could help everyone everywhere. But the United States faces dire economic circumstances as well.

Just last week, the President sent Congress a list of domestic projects he intends to kill. That list includes three projects in Montana. The total cost of the foreign operations bill is $14.2 billion. By contrast, the three Montana projects cost a total of only $1.65 million.

Something is wrong with our priorities; we have so many urgent domestic problems—health care, unemployment, and education, just to name a few.

There are some foreign aid programs, such as agriculture credits, that benefit both U.S. producers and foreign recipients. There are other specific efforts, such as stabilizing the volatile situation in the former Soviet Union, that clearly promote America's security. There are even worthwhile projects, such as the Peace Corps, in the foreign operations bill.

Unfortunately, however, taken as a whole, this bill is a giveaway—a giveaway we can no longer afford.●

CABLE IN THE CLASSROOM

● Mr. SIMON. Mr. President, I rise today to recognize the cable industry for its unique contribution to our Nation's schools by matching cable's vast information resources with the needs of the schools. Not only is the cable industry working to provide useful, informative programming for teachers to use, but it is also committed to getting schools wired for cable at no cost to the schools.

The major cable companies and national cable programmers formed Cable in the Classroom in 1989. Cable in the Classroom is a nonprofit service whose members offer educational programming including news, documentaries, and dramatic presentations as additional tools for learning. Local cable companies work together with their schools to address equipment needs and encourage effective use of the provided programs.

It is my understanding that local cable companies will provide free cable installation to every junior and senior high school accessible to cable. These schools can then receive basic service and other additional educational programs at no cost. This is an extremely helpful contribution. As we are all too aware, our communities and school districts are struggling for funds to provide new and innovative classroom opportunities.

The cable industry provides teachers with curriculum-based support materials to assist them in using the programs in the classroom. One of these materials is the monthly Cable in the Classroom magazine which lists programs by academic subject area and includes articles written by teachers on how they have used the programs. The magazine covers a wide range of current issues and is a valuable tool to teachers using cable programs in their classrooms.

Teachers face a tremendous challenge in providing students with an expanded view of the world. Nearly 10 million students are now benefiting from the cable industry's commercial free educational programs. I commend the cable industry on its educational endeavor to assist teachers in motivating students to seek new horizons.●

THE BROWNS OF CHARLESTON: A FAMILY OF ACHIEVERS

● Mr. HOLLINGS. Mr. President, I rise to extend my warm congratulations to the Brown family of Charleston for being honored by the National Black Family Summit as Black Family of the Year for 1992. I have known Melvin and Juanita Brown for years, and I know how much their family means to them. I know the deep pride they feel in their Naval Academy graduate son, Ensign William Melvin Brown III, and their businesswoman daughter, Tamara Brown Boone, a Talladega College graduate like her mother.

Mr. President, the Browns are the typical, all-American family and, in that respect, perhaps they are increasingly atypical. They are extremely close knot. When the kids were growing up, there was always time for help with the homework, dinner together at home, and worship at St. Patrick's Catholic Church. And somehow, while raising two standout children, Juanita found time to continue her teaching career, and Melvin, Sr., succeeded in building one of the most successful black companies in America, the American Development Corp.

I have long had a theory that there is no particular magic or mystery to raising a good family. It is like growing tomatoes; there is a simple formula for success. That formula includes an abundance of love and respect, a strong sense of discipline and structure, plus an accent on values. It sounds so simple, and yet it seems like fewer and fewer parents are willing to invest the time and energy to make this time-honored formula work.

On that score, Mr. President, we owe a debt of gratitude to Melvin and Juanita Brown for setting a superb example of just how good and fulfilling a family can be. I salute their many achievements, and congratulate them on being named the 1992 Black Family of the Year.●

THE DANGERS OF PLAYING POLITICS WITH PEACE

● Mr. DASCHLE. Mr. President, those of us in this country, and in much of the world, find ourselves in the eye of the storm—maybe I should say several different storms of varying strengths and forms. As a result, we are sometimes disoriented, unsure of the direction the storm is taking, and all too often veering off from the course that will lead us to safety.

The storm in the Middle East has been in enduring one, and the effort to help bring calm to that region is one of the greatest challenges facing the United States. In that process, we must be careful not to lose sight of the fundamental facts of the situation or the fundamental goals of U.S. policy in the region.

Although the stormy nature of the last few months has been used by some to cloud the issue, we must not forget that Israel is our strongest ally, our most consistent friend in the Middle East. Israel's commitment to democracy is unmatched by any other country in the region.

The goals of our policy in the Middle East have been, and continue to be: protection of Israel's right to exist within secure borders; region stability; protection of human rights; and peace and freedom for all people. Toward that end, the United States has an important role to play in the peace process, and I applaud the President for recognizing that fact.

However, the efforts of the administration and others to weaken Israel through unfair, surprise rhetorical attacks have been irresponsible. They belittle the longstanding and unparalleled United States-Israel relationship—and the friendship between the American and Israeli people—and they threaten the very process the administration claims to be advancing.

I am not suggesting that the administration should deny legitimate disagreements it may have with the Israeli Government. Just as United States administrations vary in style and substance, so do Israeli administrations. Even the best of friends have disagreements. But if the administration has disagreements with Israel, or any other strong ally, it should address them in a way that reflects and respects the friendship between the two countries. The White House and State Department leaks and hastily spoken words fly in the face of that principle.

Furthermore, the politicization by the President of the serious issues in the Middle East threatens to undermine not only the important United States-Israel relationship, but the prospects for peace and stability in this war-torn region. We simply cannot afford either of these consequences. The President may be winning quick political points with his gross misrepresentations and oversimplifications of complex issues, but what he risks losing for the country and for all the people of the Middle East is far more important.

Trust and friendship are relationships that develop over time. They cannot be rushed, and they should not be taken lightly once they have developed. We have such relationships with Israel. And, while I hope this will change someday, we simply cannot say that about any other country in the Middle East. We need to be honest about who our friends are and not give in to the efforts of some to distract us from those realities or from our fundamental policy goals.

Israel is a genuine and strong ally of the United States. The events of a year ago are a tragic reminder of the pain the Israeli people have endured for their friendship with the United States. We are in danger of eroding that relationship for what I believe are unfair and shortsighted reasons. Maybe we are caught in a storm and unable to see clearly. But we must right our course, or we, and the world, will suffer the consequences.•

AMERICAN HEALTH SECURITY PLAN FOR 1992

• Mr. PRYOR. Mr. President, I rise to commend my friend and distinguished colleague from South Dakota, Senator DASCHLE, for introducing the American Health Security Plan of 1992. He has tirelessly worked on this legislation for years now, and the bill he is introducing today makes a substantial and notable contribution to the health care reform debate.

There can be no doubt in anyone's mind that this Nation faces a health care crisis. Despite the fact that we are well on our way to spending $1 trillion a year on health care, over 35 million Americans have absolutely no basic insurance, tens of millions more live in fear of joining the ranks of the uninsured, and many millions more have no protection against the burdensome costs of long-term care and prescription drugs.

This year, Americans will spend $817 billion on health care. To put this into perspective, that means that we are spending an unbelievable $2.2 billion a day, $93.3 million each hour, $1.6 million each minute, and $26,000 each second.

Even more startling is the fact that, unless we stem the tide of out-of-control health care costs, health care expenditures will rise from $2,566 an American in 1990 to $5,712 by the turn of the century. In other words, in 8 short years, we will be spending $3,000 a person more a year than we are now spending.

By anyone's definition, these skyrocketing health care costs are unsustainable. They are the number one reason why we have such large numbers of uninsured and underinsured Americans. We all understand this, but Senator DASCHLE, WOFFORD, and SIMON are today introducing a proposal that attempts to directly confront this overwhelming problem.

Senator DASCHLE, however, did not develop his legislation on the back of a napkin. It was no knee-jerk reaction. He went out, talked to people all over the country, and learned about the problem. He knows how important it is to understand the problem you are attempting to solve before you actually address it.

During his examination of this issue, Senator DASCHLE learned many important facts. He developed a firsthand understanding of the very real financial burdens that health care costs are placing on businesses, and small business in particular. He learned that different parts of the country want to have the flexibility to design their own responses to the health care crisis they face. He found that our Nation has a warped sense of health care priorities that ignores the need for, and cost effectiveness of, preventive and primary care. He witnessed how prescription drug costs are out of control and saw the need for protection against these costs. The health care proposal he, Senator WOFFORD, and Senator SIMON are introducing today attempts to address these and the many other shortcomings of our health care system that Senator DASCHLE has immersed himself in over the many past months.

Just recently, I had the chance to discuss the proposal with Senator DASCHLE. I have yet to fully understand the legislation and have a number of outstanding questions. As a result, I am not ready to cosponsor the bill at this time. Having said this, I do believe the broad concepts he has incorporated into his bill merit serious attention and discussion. There is certainly no doubt that this legislation would change the course that our health care system is headed.

Having just come back from Arkansas, if there is one thing I know, it is that my constituents are ready for a change. Most of them do not believe our health care system can get much worse.

Mr. President, it is always much simpler to criticize proposals than to develop comprehensive initiatives to address our chronically ill health care system. While I have not yet decided whether the American health security plan is the option my constituents and I are desperately seeking, we owe a debt of gratitude to Senators DASCHLE, WOFFORD, and SIMON for offering something new and bold for us to consider. I look forward to working with my colleagues, and their excellent staff, in this challenging but essential undertaking.•

GROWING ROLE FOR THE SIKHS

• Mr. BINGAMAN. Mr. President, I ask that the following article, "Growing Role for the Sikhs", by Glenn Hunter be submitted into the RECORD.

The article follows:

[From the Santa Fe Report, Feb. 11, 1992]

GROWING ROLE FOR THE SIKHS

(By Glenn Hunter)

Tuesday, Jan. 21, turned out to be a long day for Siri Singh Sahib Yogi Bhajan, the leader of the American Sikh community and a part-time resident of Española. The tall, 62-year-old holy man, a one-time government official and military officer in his native India, devoted much of that day to politicking, Santa-Fe style.

Hours after rising to pray at 4 a.m., Yogi Bhajan (pronounced BUD-jen) attended the opening session of the 1992 New Mexico Legislature at the state Capitol, where he delivered the invocation and listened to Gov. Bruce King's State of the State address from a coveted seat in the downstairs gallery. Later, the yogi moved on to a fund-raising celebration for the state Democratic Party at La Fonda.

The yogi was scheduled to give the benediction at the close of the so-called Hall of Fame banquet, an annual affair attended this year by some 600 of the party's movers and shakers. But, fueled by filet mignon, rolled tacos and the spirited music of David

Salazar—not to mention other sorts of spirits as well—the celebration, by some accounts, got a little out of hand.

First, a cake intended for Governor King was wheeled out prematurely, well before it could be properly announced. When the evening's keynote speaker strode to the podium, the crowd began shouting instead for a version of the Democrats' traditional, Depression-era campaign song, "Happy Days Are Here Again." They soon discovered that few in the hall could carry the tune, however, and the victory anthem was abandoned. By the time the yogi gave the closing prayer, many of the party faithful had already left.

"I admire the yogi stamina. He stayed until 10 p.m.," says Ray Powell, the chairman of the state Democratic Party. "By that time, so much had already happened."

When it comes to long hours spent on behalf of the party, Democrats throughout the state are realizing they have fewer more reliable, hard-working allies than Yogi Bhajan and his community of New Mexico Sikhs. Mainly American-born followers of a 500-year-old Indian religion blending the Hindu and Muslim faiths, Sikh devotes in the Land of Enchantment have lived since 1971 in a 30-acre ashram, or community, in Sombrillo, just southeast of Española.

There, some 200 men, women and children live their lives by principles such as devotion to a single God, vegetarianism and abstinence from alcohol and drugs. They also adhere to credos including a militant defense of the downtrodden, the importance of chastity for personal fulfillment and the spiritual and psychological value of hard work.

Over the years, the members of the community have founded some 20 businesses in New Mexico—including at least five based in Santa Fe—and injected themselves vigorously into political affairs, especially within the Democratic Party. And as the state's majority party gears up for the 1992 election campaign, the Sikhs' involvement seems to be growing.

According to Daya Singh Khalsa, a member of the Democratic Party Finance Council, the Sikhs' political involvement in New Mexico originated with Yogi Bhajan himself, who first came to the state in the late '60s to teach the principles of Sikhism to young people Khalsa says the yogi spoke out strongly against drug use and the disintegrating family, stressing the value of "meditation, education and different kinds of psychological therapies" in confronting such trends. That message won a number of youthful converts—many of them middle-class Anglo hippies seeing a more structured lifestyle—as well as the ear of Bruce King, who was running for his first term as governor.

"We were campaigning in northern New Mexico when somebody said, 'Let's stop by at the Sikhs—they seem to be Democrats, and we'll see if we can elicit their help,'" King remembers. "So we stopped and there was a group of 60 or 70 of them, and they looked very temporary to me—barely hanging in with tents and other types of temporary facilities. I thought, 'Well, it'll be a wonder if they even stay around long enough to vote on election day, but we better visit with 'em anyway.'

"The yogi was there and he said, 'Well, I've been working more with the Democrats, and we were thinking about helping you,'" the governor continues. "Then they said, 'You better eat with us,' and I said, 'OK'—but they didn't have any beefsteak! After that, they gave us kind of a herb tea.

"They were always very interested in working with us, and were never demanding of anything," King goes on. "They were always interested in good government, honesty and sincerity and children and the family—in human interest areas like protecting your health and furthering one's education, things of that nature. So over the years, we developed a very good working rapport."

Jack Cruz Hopkins, the executive-committee chairman of the state party's influential Chairman's Council, says that Sikh participation on the 40-member council has increased recently, from two to "perhaps six or seven" members. The Chairman's Council consists of party activists who pay $1,000 per year—or donate equivalent time or business services—in exchange for access to a "networking" roster of their fellow council members, plus private meetings with the governor, the state legislative leadership and members of the New Mexico congressional delegation.

Two Sikhs also sit on the state party's Finance Council, an umbrella organization for fund-raising activities chaired by Santa Fe lawyer Earl Potter. One of them, Daya Singh Khalsa, is an original member of the party's New Mexico Business Task Force, as well as an executive-committee member of King's Business Advisory Council. Khalsa works as senior vice president of the Sikhs' flagship business, Akal Security Inc., whose deputy commanding officer, Shanti Kaur Khalsa, was appointed several years ago to the New Mexico Commission on the Status of Women.

"The nice thing about the party in New Mexico is that you don't have to shell out huge sums of money to be involved," Daya Singh Khalsa says.

Indeed, a check of campaign contribution reports for a typical statewide election shows that Sikh contributions were relatively modest. During the 1986 campaign, for example, Yogi Bhajan gave $200 to Democratic gubernatorial candidate Ray Powell. And during the same year, records show, Shanti Kaur Khalsa made separate contributions of $30 and $55 to Democrat Bob McNeill's campaign for attorney general.

Both Daya Singh Khalsa and Yogi Bhajan have been inducted into the state Democratic Party's "Hall of Fame," in part for their work on behalf of the Sikhs' annual Peace Prayer Day—a summer event that draws as many as 1,500 politicians, educators and artists to a 140-acre parcel of Sikh-owned land in the Jemez Mountains, west of Española. Last year, attendees included Lt. Gov. Casey Luna, former Gov. Toney Anaya and state Democratic Party Chairman Powell, whom the Sikhs named their 1991 "Man of Peace,"

"The Sikhs really court the powers-that-be," observes one longtime Roundhouse insider. "They've got money and energy, and they put their money where their mouth is. So they're a real factor.

"I think they do it in part because Yogi Bhajan's got a big ego," the insider adds. "All these legislators and state officials give him respectability. Plus, the Sikhs are significant elements in the New Mexico business community. They work hard and deliver on their contracts and maintain a high level of morality, which are all big positives."

Like most Democratic leaders, party chairman Powell says the Sikhs' activist role is welcome, but he insists that there's no quid pro quo. "They're interested in the public and welfare and so on," Powell says. "But I'd be very surprised if they got anything as political favors in return." Eric Serna, the chairman of the state Corporation Commission, adds that while individual Sikhs have contributed to his election campaigns, "they've never asked anything of me, other than to be a guest at their functions."

Our involvement in politics isn't for gain or to make a point or to exert influence," says Daya Singh Khalsa. "As soon as we were established here, we got involved in the community and got to know the community leaders. Because the state is determined by the Democrat—and because the Democratic Party tends to concern itself more with social and family issues—Yogi Bhajan began to develop a relationship with Democratic leaders.

"Another reason [for the party activism] is that we [the Sikhs] have been well accepted in New Mexico. It's a state where people tend to include, rather than to exclude, and that's not the case everywhere."

Potter, the party Finance Council chairman, agrees on the Sikhs' fit with the Democrats. "The Sikhs have been good solid participants in the party on both the state and local levels," he says. "Their biggest emphasis is on world peace. Another big emphasis is on improving the economic climate in the individual communities. I also think they believe that international business and trade leads to international understanding."

Daya Singh Khalsa says that since Yogi Bhajan holds a doctorate in the psychology of communications, his advice on communications often is sought by political leaders. "I've seen public figures ask him, 'How should I respond [to a certain policy question]? And if I don't respond at all, how would that message be received?'" Khalsa recalls. The yogi also holds a master's in economics, Khalsa adds, an asset in his international travels as a "kind of unofficial goodwill ambassador" for New Mexico business.

"While he was on a recent trip to Asia, for example, he talked to some very wealthy businessmen and advised them to move their activities to New Mexico," Khalsa says. "He is very excited about the prospects for economic development here." He says, "Let's stop keeping New Mexico a secret! Let's let the world know that this is a great place to do business!'"

Certainly, New Mexico has been a great place for the Sikhs to do business. In the mid-1980s, their Akal Security (Akal means "deathless" in Punjabi) twice was named one of America's fastest-growing private businesses by Inc. magazine. Last summer, Akal's Daya Singh Khalsa played the key role in bringing the magazine's annual "Inc. 500" conference to Albuquerque and Santa Fe. In addition to Akal, which is headquartered in Española, Sikhs own and operate such Santa Fe-based businesses as the Zia Alarm Co., the GRD chiropractic/acupuncture clinic, two home-building firms called Khalexico and Tyaga & Co., and Teg Security.

With 50 employees and clients including La Fonda, Vivigen Inc. and the College of Santa Fe, Teg was recently spun off from Akal, a widely praised, 12-year-old company with 1,000 employees and clients ranging from the White Sands Missile Range near Socorro to the New Mexico State Fairgrounds in Albuquerque. According to State Fair manager Sam Hancock, Akal has won the fair's contract on a competitive bid basis since 1987, primarily because of its "great expertise in all forms of security. Its management is very stable, and its training programs are very good," Hancock says. The state fair contract is worth some $500,000 a year.

While the Sikhs have been oriented overwhelmingly toward the Democratic party in New Mexico, they are not averse to courting influential Republicans as well. Yogi Bhajan nourished a close friendship with GOP Gov. Garrey Carruthers in the late '80s, and during the 1990 election, attended several events in support of Republican gubernatorial candidate Frank Bond, who was born and reared in the Española Valley.

"Carruthers is always kidding Yogi Bhajan, taking a voter registration up to Española, and telling him, 'Yogi, you ought to register where your heart is' "—with the Republicans, Bond says with a laugh. "Because the Sikhs are very strongly pro death penalty, very strongly militant. Plus, of course, they're the ultimate capitalists."

So long as the Democrats remain in power, however, the Sikhs' conversion to Republicanism seems unlikely. That seemed evident during a birthday bash for Yogi Bhajan at the Sombrillo ashram last August. A catered lawn party held beneath a scattering of white tents, the affair appeared to attract every important politician in the state.

Among them were Gov. and Mrs. King, Attorney General Tom Udall, state Personnel Director Judy Basham, state Tourism Director Michael Cerletti, National Democratic Committee members Art Trujillo and Mary Gutierrez, Supreme Court Justice Gene Franchini, former Interior Secretary Stewart Udall, Corporation Commissioners Eric Serna and Louis Gallegos, and Potter, the Democratic Party finance chief.

Not surprisingly, Bond was one of the few Republicans in sight.•

Mr. MITCHELL. Mr. President, I ask unanimous consent that Senators STEVENS, SPECTER, DURENBERGER, and WOFFORD be recognized to address the Senate and at the conclusion of their remarks, the Senate stand in recess as ordered.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MITCHELL. Mr. President, I thank my colleagues. I yield the floor.

ON FINAL PASSAGE NIH REAUTHORIZATION

Mr. DURENBERGER. Mr. President, the progress of human knowledge in the area of science over the last two decades is almost too large to quantify. I think we know the major steps forward which previous generations took decades to accomplish now occur every year. That is the result of the talent of our people, the rewards which exist for successful research and the quantity of investment in the research, the capital which is brought together to begin and sustain promising research.

We, in America, certainly get what we pay for in medical research. There is probably no single location on the planet that is more responsible for this scientific progress than a place 10 miles from here called the National Institutes of Health.

The development of our fundamental understanding of the workings of the human body and mind that goes on there is literally writing our future.

As we try to shape the role of the Federal Government for our times, as our predecessors have done in theirs, the basic question is the same: what are the national purposes, those things which society needs that only a National Government can do? For a long list of reasons—national focus, efficiency of centralization, standards of excellence, maximum leveraging of private funding, et cetera—scientific research belongs near the head of that list.

That brings me to the bill before us. This bill, with the exception of title II which I will discuss shortly, represents a major step forward in Federal support for health research.

There are increases in funding for the National Cancer Institute and the National Heart, Lung and Blood Institute. There is an expanded commitment to research on contraception and infertility, children's health research, and trauma research and data collection.

The bill gently expands research on breast cancer and cancers of women's reproductive systems, which I have strenuously supported and which is long overdue. The additional funds increase support for basic and clinical research and prevention and education programs on these dread diseases. The bill also establishes on a permanent basis the Office of Research on Women's Health, and ensures that women and minority groups will be included in the design of clinical research projects.

The capacity of the National Library of Medicine has been expanded to promote rapid transfer of current medical information to individual physicians throughout the country.

As a Minnesotan, I also take pride in the work NIH supports in my State at the Mayo Clinic and the University of Minnesota. NIH grant awards are supporting the work of Dr. William Bourne's cornea studies, Dr. Bruce Kottke's heart disease research, and Dr. B. Lawrence Riggs' work on osteoporosis; these distinguished scientists work at the Mayo Clinic in Rochester.

At the University of Minnesota, NIH supports Dr. Henry Balfour's AIDS research, Dr. Henry Buchwald's work on the relationship between cholesterol and heart disease, and the transplantation breakthroughs of Drs. John Najarian and Arthur Matas.

As a Senator who has devoted most of his career to understanding this diverse and emotionally charged thing we call health, I know the role health research must play. We can change our financing and delivery systems and our Government programs all we want and do less to improve the health of our people than can be accomplished by the application of a few scientific discoveries.

Medical research also undergirds medical education, which develops talented men and women who serve our small towns and big cities, and who provide the discovery of new drugs and medical devices.

So in spite of my reservation on the subject I now turn to—fetal tissue transplantation—the balance for me tips strongly in favor of this bill, because of the contribution it can make to the health of America.

Mr. President, the vote I cast Tuesday in favor of the Hatch amendment, which was defeated by the Senate by a 77-23 vote, was probably the single most difficult vote I have taken in this Chamber.

I thank all those who participated in my continuing education on the scientific and moral issues at stake in this matter. I especially appreciate the many contributions of individuals like Joan Samuelson, Ann Udall, Dr. James Watson, Msgr. Brian Hehir and Rev. Guy Walden, and former and current Government officials like Dr. Bob Windom and Dr. James Mason.

I am grateful for the opportunity this debate has given me to learn more about the miracles of research taking place at the University of Minnesota in the areas of neurological disorders, diabetes, leukemia, metabolism, and immune deficiencies, under the leadership of Drs. Krivit, Sutherland, Chou, Uckun, and Twiggs. I regret that during the course of the debate their commitment to this field was misinterpreted. I think from my action here on the floor of the U.S. Senate, I trust the appropriate record has been made, and I know from experience that appropriate apologies to these great researchers have been made.

Let me say to begin with that I did see the Hatch amendment as a compromise between the status quo and the lifting of the ban on transplantation in the bill. It represented a de facto codification of the status quo as far as I was concerned.

My disposition on these issues, as I have already stated, is to support and give maximum opportunity to the scientific community to do what it does best.

About 100 years ago Thomas Huxley made the following statement: "Science commits suicide when it adopts a creed."

And that as well as I can express says much of the argument that has been presented to me about the problems with current NIH ban of fetal tissue transplant research. In order to meet very important human needs, science needs to go forward unencumbered.

But, Mr. President, I am not a scientist. I am a politician and a policymaker. Turning Huxley around, it would be akin to suicide for me as a Member of this Senate if I failed to put this judgment up against the creeds and basic values I held when I was elected to serve.

There were three issues I wrestled with to come to my conclusion: the question of whether this research would induce abortions; the question of whether a higher good justified the use of tissue from aborted fetuses for transplantation; and finally, the question of whether the use of the tissue could be morally separated from the means by which it was obtained. I want to take them in that order.

First, when this issue came before the Labor and Human Resources Committee, my main concern was with the potential in this research that women now or at some future date would be induced to have an abortion. That was the chief argument made by Dr. Mason on behalf of the administration for the ban.

As a matter of deepest moral conviction, I have not and never will support abortion, as a personal choice or as Government policy.

Since that markup, I have become convinced that the inducement argument is not a sufficient reason to stop the research. I believe as a matter of policy that safeguards can be erected, such as those in the bill, which have a high probability of preventing medical personnel from offering financial or other incentives to women contemplating the option of abortion to make that choice.

I am sensitive to the argument that research will go on despite the administration's ban and the result may be a far more uncontrollable situation in the final analysis. Unless Government steps in and manages the research at the outset, many of the scenarios we fear most are more likely to develop. And that, to me is a very good argument. Ethical standards enacted with exact knowledge of consequences of discovery are vastly superior to those we put in effect at the infancy of research.

Second, Mr. President, the next issue, the higher good argument was troubling for me. I am not sure any of my colleagues explicitly made this argument to justify their vote, but it may have influenced their thinking. In other words, a little bit of wrong is all right as long as society received a lot of benefit from it. I cannot agree with that logic.

For example, the Member who is sensitized by the fact his daughter suffers from diabetes, a disease which might be affected by this research.

The New York Times published an editorial earlier this week which summarizes again as close as I could define my view. They were commenting on the situation of tiny Theresa Ann Campo Pearson, who was born with only a small portion of a brain, and who died on Monday.

Her parents sought authority to transplant her organs. It was denied, we know. The editorial concluded with these words:

> It is tempting, all right: this idea of transplanting organs that are useless to a baby like Theresa Ann to a baby whose life they might save. But it is also horrific: this turning of a baby into a farm to be harvested for organs while she is still alive. True, she could not know or feel; she could not experience her own tragedy. But the rest of us can. If we deny Theresa Ann Campo Pearson her humanity, then we have denied our own.
>
> What is true in her individual case, must be true for society. For me, there is no higher good than preserving life.

Government policy not only determines what is legal and illegal, it communicates messages, with the authority of the common voice of the people, that certain things are right or wrong. If we begin research on transplantation of fetal tissue from elective abortions, we start an irreversible process of making some abortions medically necessary in a new way—not for the mother's health, but for the good of society. That is the potential of that view, and that is the message it will send.

As a person opposed to abortion, I cannot consent to Government, in some way, giving its endorsement to abortion as a social good. That represents an indirect societal inducement, an officially sponsored imprimatur on abortion, which I believe—because of the creed I came here with—is wrong.

Third, the final issue is that of separation: whether the use of the tissue can be divided from the means by which it was obtained.

By voting for the Hatch amendment, which allows research to continue using tissue from ectopic pregnancies and spontaneous abortions, I made it clear that the transplantion research on fetal tissue was not wrong per se.

My bottom line is that where the fetal tissue essential to the transplant research comes from an act which I believe to be wrong—an elective abortion—I cannot give my consent to that research.

If abortion is wrong, I cannot conclude that the use of the product of abortion can somehow be made right. I cannot separate use of the tissue from the act which produced it.

Mr. President, I am painfully aware of the potential good we forgo if we continue the current ban, such as a treatment for Parkinson's disease or diabetes—and by the way, on the day I cast this vote, my dearest friend in my political life, Harold LeVander, died of Parkinson's disease—or help for those suffering spinal cord injuries or techniques for stimulating dormant brain cells we have carried around in our heads since birth.

I also know that my decision is at odds with many of my constituents, as it is with many of my colleagues. That makes it all the more difficult. It also means I must continue to weigh the consideration and the conclusions.

But popular or not, my conscience is clear.

Mr. President, having fought that fight and lost, having made that point, my dilemma was then whether or not to vote for this bill.

My staff has informed me that final passage on this bill will be what is known around here as a rated vote. Of the hundreds of votes I cast each year, a handful are pulled out by various groups and mailed out to my constituents as the record for the Members of the Senate.

I mention this because for the first time in my 14 years in the Senate, when the pro-life groups send out the record on this bill, my name will have a minus side next to it on a vote dealing with abortion.

My "aye" vote on final passage will probably be described as my "position on fetal tissue transplants." That is clearly not the case.

Many of our colleagues, Senators RUDMAN and DANFORTH in particular, have spoken about the frustration of being in the Senate. That we cannot seem to get anything done around here except increase the deficit.

Part of that frustration comes from being boxed in by these rated votes. One week it is pro-life or pro-choice. The next week it is pro-environment or pro-business. The next week it is proguns and pro-gun control. Unfortunately, we have allowed the raters to supplant our judgment and our conscience.

Last summer, many Members of this body received warnings on how our gun ratings were going to be affected if we voted for the Brady bill. Some of us worked for months to reach a reasonable compromise, always knowing that even a compromise would blemish our record. Ultimately, there was a compromise, the Mitchell-Dole amendment. We were warned that the vote on the Stevens amendment was going to be rated, and so was the Mitchell-Dole vote and so was final passage.

But raters only have the power we give to them.

Mr. President, this is not the Fetal Transplantation Research Act. It is the reauthorization of the National Institutes of Health. It will do a tremendous amount of good for the health of the citizens of this Nation. My constituents, scientists, physicians, patients, and regular people will benefit from its passage.

I believe in almost everything this bill works to accomplish. And regardless of what the raters say, I am going to use my final passage vote to support all the things I enthusiastically approve of in this bill.

I oppose fetal tissue transplantation research from electively aborted fetuses and I support this bill. On both those issues, my position and my conscience are clear.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. I thank the Chair.

(The remarks of Mr. STEVENS and Mr. SPECTER, Mr. WOFFORD and Mr. DURENBERGER pertaining to the introduction of S. 2530 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

ORDERS FOR FRIDAY, APRIL 3, 1992, AND TUESDAY, APRIL 7, 1992

Mr. MITCHELL. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in recess until 11 a.m., Friday, April 3; that on Friday, the Senate meet in pro forma session only; that at the close of the pro forma session, the Senate stand in recess until 9 a.m., Tuesday, April 7, that on Tuesday following the prayer, the Journal of Proceedings be deemed approved to date and the time for the two leaders be reserved for their use later in the day; that upon disposition of House Concurrent Resolution 292, the Senate stand in recess until 2:30 p.m., in order to accommodate the respective party conferences.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 11 A.M.

The PRESIDING OFFICER. Under the previous order, the Senate now stands in recess.

Thereupon, the Senate, at 7:44 p.m., recessed until Friday, April 3, 1992, at 11 a.m.

NOMINATIONS

Executive nominations received by the Senate April 2, 1992:

DEPARTMENT OF STATE

LAURALEE M. PETERS, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF SIERRA LEONE.

THE JUDICIARY

LOURDES G. BAIRD, OF CALIFORNIA, TO BE U.S. DISTRICT JUDGE FOR THE CENTRAL DISTRICT OF CALIFORNIA VICE A NEW POSITION CREATED BY PUBLIC LAW 101-650, APPROVED DECEMBER 1, 1990.

ROBERT D. HUNTER, OF ALABAMA, TO BE U.S. DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ALABAMA VICE E.B. HALTOM, JR., RETIRED.

MAUREEN E. MAHONEY, OF VIRGINIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA VICE ALBERT V. BRYAN, JR., RETIRED.

DEPARTMENT OF COMMERCE

JOAN M. MCENTEE, OF NEW YORK, TO BE UNDER SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION, VICE DENNIS EDWARD KLOSKE, RESIGNED.

CONFIRMATION

Executive nominations confirmed by the Senate April 2, 1992:

DEPARTMENT OF STATE

EDWARD JOSEPH PERKINS, OF OREGON, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS WITH RANK AND STATUS OF AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY, AND THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA IN THE SECURITY COUNCIL OF THE UNITED NATIONS.

THOMAS R. PICKERING, OF NEW JERSEY, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, WITH THE PERSONAL RANK OF CAREER AMBASSADOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO INDIA.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE FOREIGN SERVICE

FOREIGN SERVICE NOMINATIONS BEGINNING GEORGE MU, AND ENDING PAUL T. WALTERS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 18, 1992.

EXTENSIONS OF REMARKS

EQUAL CULTURES—OR EQUALITY?

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. FRANK of Massachusetts. Mr. Speaker, the Outlook section of the Sunday, March 29 Washington Post carries an extraordinarily thoughtful and well argued article by Cathy Young on the conflict between a misguided effort to treat all cultures as morally equal and a genuine respect for universal human rights. I believe that the flawed logic which Ms. Young is attacking is an obstacle to sensible public policy analysis by many of my friends on the liberal side, and given that the issues she deals with are issues that are quite relevant to our deliberations in Congress, I ask that her very clear-headed essay be printed here.

EQUAL CULTURES—OR EQUALITY?

(By Cathy Young)

Feminism and multiculturalism have become essential articles of current progressive faith. A recent report from the American Association of University Women on eliminating gender bias in high school, for example, also enthusiastically endorsed a multicultural curriculum. But, like most academics the report's authors fail to recognize that these two tenets are often incompatible.

The central premise of the multiculturalist credo, after all, is that all cultures are created equal. To judge other cultures by Western standards is unforgivably ethnocentric. Yet, as Islamic fundamentalists remind us, equality of the sexes is a Western value judgment. It is, moreover, a standard by which most non-Western cultures—even allowing for a few quasimatriarchal tribes—come up short.

Last year, the New York Times reviewed anthropologist Kenneth Good's memoir of life with the Yanomamo tribe in Venezuela. Having summarized his account of the tribe's misogynist brutality—unmarried girls past puberty, widows and runaway wives are routinely gang-raped and sometimes maimed—the critic went on to quote, approvingly, Good's assertion that "violence [was] not a central theme of Yanomamo life." This angered a woman reader, who wrote to the Times denouncing "the myopia . . . where violence against women is concerned."

Yet surely there was something else at work. One can hardly imagine a Times reviewer extending such tolerance to violence against women by American men. With a Stone Age Amazonian tribe, however, it is safer to be myopic than "ethnocentric," even at the price of mental contortion.

In a world civilization course I once took at a community college in New Jersey, our female professor explained that while the status of women in India might seem low, they often wielded much power in the household and were revered as mothers of sons. I expressed surprise she would make excuses for an oppressive patriarchy. "Well," the professor snapped back, "there's no reason for us to be smug. We still have a lot of discrimination against women in this society too." As if female infanticide and the immolation of widows equaled the unfair denial of a promotion.

Similarly, advocates of Afrocentrism rarely say much about cliterodectomy, polygamy or the acceptance of wife-beating in much of Africa. It seems that the position of women has to be cast in the best possible light when it comes to non-Western cultures—and in the worst possible light when it comes to the West (which, even before feminism, accorded women a higher status than any other major culture).

The double standard is blatant. The only civilization that made an effort to overcome its sexist traditions, the West is berated for failing to do away with them completely. But Third World cultures are treated as static; to try to protect the Yanomamo's ancestral customs from the onslaught of Western ways is noble.

The issue is not just an academic one. America is home to millions of immigrants from a diverse array of cultures. Current "politically correct" thinking holds that these immigrants and their children should be encouraged to preserve their cultural identities and values; assimilation is viewed as a form of psychic violence. But what if these values include polygamy or arranged marriages of nine-year-old girls? Shall we condone the slaying of unfaithful wives by husbands avenging their honor if that was the custom in their native countries?

If you think I am pushing the multiculturalist logic to an absurd extreme, think again. The answer to the last question is: We already do.

In 1987, a Chinese immigrant named Doug Lu Chen killed his wife, smashing her head with a claw hammer after she confessed to an affair. At the 1989 trial, which included testimony of an anthropologist, the defense argued that Chen's background—"the special high place the family holds in the Chinese community" and "the shame and humiliation" of a wife's infidelity—made him lose control. Mostly on the strength of this "cultural defense," a Brooklyn judge sentenced Chen to five years probation on a manslaughter charge.

The sentence initially sparked protests among women's groups and Asian activist groups alike. But the coalition fell apart because Asian groups were fearful of undermining the notion of a cultural defense. To bar it "would promote the idea that when people come to America, they have to give up their way of doing things," huffed Margaret Fung, executive director of the Asian-American Legal Defense and Education Fund.

Yet is it not possible that many people come here because they are attracted to the American way of doing things? This may be particularly true of women, who often relish liberation from the patriarchal customs back home. What a cruel mockery if, out of deference to multicultural sensitivities, our institutions began to mimic these customs.

That was just how the Chen sentence was perceived by women who had the most reason to take it personally: Asian American battered wives. After that case, according to Newsday, many told counselors that the threat of taking their men to court had ceased to be a deterrent. Said an immigration lawyer, "Their view is that maybe the courts here protect the male the same way the system protects the male in China." The "cultural defense" has since cropped up in several spousal homicide and rape cases involving immigrants from other Third World countries.

One powerful symbol of Desert Storm was the contrast between the veiled and silent women of Saudi Arabia and U.S. female soldiers working alongside the men. It was a source of pride to most Americans, and a reminder that at least when it comes to gender, some cultures are clearly more equal than others.

Once this simple fact is recognized, it might bring us to ponder the possibility that women may owe something to such uniquely Western ideals as reverence of the individual, freedom of choice, and even technological mastery of nature—which helped ease the biological constraints whose weight on women has always been especially heavy. And once we start thinking of that, who knows what heresies could be next?

OUR CHANGING NATIONAL LABS

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. RICHARDSON. Mr. Speaker, as we embark on how best to manage our defense and related facilities in these post-cold-war times, it is important that we not miss a golden opportunity to adjust the missions of our national laboratories. Instead of focusing almost solely on designing nuclear weapons, we must wean these treasures of technology away from a military mission and toward a civilian purpose.

I would like to call your attention to an outstanding article which recently appeared in the opinion pages of the Washington Post. Author Robert Kuttner describes in simple, yet forthright, terms the amazing potential of our national labs. At Los Alamos National Laboratory in my district, for example, Mr. Kuttner explains how military technology is being applied to private sector nondefense needs. But as Mr. Kuttner wisely warns, "* * * We must either acknowledge the value of having national laboratories work with civilian industry—or gradually lose this unique resource."

I am attaching Mr. Kuttner's article, National Labs-Industrial Policy for my colleagues' review.

NATIONAL LABS-INDUSTRIAL POLICY

(By Robert Kuttner)

LOS ALAMOS, NM.—Nearly 50 years ago, J. Robert Oppenheimer led a band of scientists to these mesas and canyons northwest of Santa Fe to develop the world's first atomic bomb. Today, Los Alamos National Labora-

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

tory is a crown jewel in a national industrial policy whose very existence is denied by the Bush administration and whose mission is in flux.

The National Laboratory at Los Alamos, one of nine such labs, spends a billion dollars a year and employs some 3,000 scientists, engineers and technicians. In the first years of the Cold War, scientists at Los Alamos did nothing but design weapons. In the '50s, under Eisenhower's Atoms for Peace program, they also began researching nuclear energy. In the Carter years, when the old Atomic Energy Commission became the Department of Energy, scientists at Los Alamos began work aimed at energy self-sufficiency. Under Ronald Reagan, energy funding was cut, and Los Alamos turned its attention to Star Wars.

Today, as the Cold War winds down and funding for nuclear weaponry declines, this lab and others like it operated by the Department of Energy are the closest thing America has to a national technology or industrial policy. Legislation passed by Congress in 1986 and 1989, over the resistance of the two administrations, encourages the national labs to work closely with private business to develop and refine commercial technology.

It turns out that a great deal of research and technology sponsored by government in order to produce weapons has commercial applications. At its advanced computing lab, Los Alamos just installed the world's most powerful computer—the Thinking Machines' CM5, a $35 million massive parallel computing machine whose development was subsidized by another branch of the military, the Pentagon's Defense Advanced Research Projects Agency.

Los Alamos needs extremely powerful computers to design nuclear weapons and simulate their impact. But the same computer used in the design of weapons can, for example, be used to model and research global climate change or to design a more efficient internal combustion engine or to map the human genetic system.

The same laser technology developed for the Strategic Defense Initiative's beam weapons has medical and industrial applications. Research in advanced composite materials developed for weapons can have a variety of industrial uses. Magnetic Resonance Imaging now used in hospital diagnostics is based on military technology devised at Los Alamos.

Technology originally developed to drill holes to test nuclear explosions and monitor their impact has been adapted for oilfield mapping and exploration. Even Los Alamos' need to dispose of nuclear wastes has spawned new technologies for recycling them.

At Los Alamos, the presence of a variety of labs specializing in both basic research and in engineering in diverse fields creates an industrial research facility that none but the biggest private corporations could afford. This year, Los Alamos will still spend about 75 percent of its overall budget on military-related work. But that proportion will gradually drop.

As the need for design and production of nuclear weapons diminishes, the government's aid to commercial technology will no longer be able to hide behind a military mission or to pretend that a commercial application was purely accidental. We must either acknowledge the value of having national laboratories work with civilian industry—or gradually lose this unique resource.

For despite America's official disdain of anything smacking of "industrial policy," labs like Los Alamos are about as close as America gets to Japan's famed Ministry of International Trade and Industry. After some initial skepticism, the Bush administration in its recent National Technology Initiative, has just begun to encourage private industry to view the national labs as the national resource that they are.

Under a Cooperative Research and Development Agreement, as provided by Congress in the 1989 legislation, a private company or consortium of companies may work with a national laboratory or other government facility to develop a technology for commercial application. The government negotiates an agreement that defines how the fruits of the research are to be shared.

In the past two years, several of America's most prominent companies—General Motors, Grumman, Conoco, Boeing—as well as many smaller ones in such fields as energy extraction, superconductivity, fuel cell technology for electric vehicles, biotechnology, lithography—have negotiated agreements to work with Los Alamos and other national labs.

Because of the huge expense involved and the long lead-time before commercial payoff, much of this research simply would not be undertaken by the private sector acting alone. Nor would competing companies be willing to collaborate without a government agency providing both research facilities and neutral territory. The fact that private industry brings its own resources to the table and decides which technologies seem promising makes this approach a far cry from some government commissar "picking winners." Several national labs compete vigorously with each other.

Los Alamos and the other national laboratories are more than labs for scientific research. Increasingly, they are laboratories for policy. And while the administration and Congress continue to debate whether the nation ought to have a technology policy, one is quietly unfolding. The national laboratories are an exceptional example of America's capacity for national purpose, now at last freed for peaceful uses.

We would be insane to throw them on the scrap heap of the Cold War.

TRIBUTE TO J.C. "CHICK" TILLOTSON

HON. PAT ROBERTS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. ROBERTS. Mr. Speaker, I rise today to pay special tribute to a beloved Kansas lawmaker, J.C. Chick" Tillotson of Norton, KS, who died recently at the age of 86. Senator Tillotson served in the Kansas Senate from the same district as my predecessor, the late Kieth Sebelius. They were legislators cut from the same cloth, both dedicated to serving their constituents and building their State and community.

I offer the following resolution in tribute to Senator Tillotson as passed by the Kansas Senate to be printed in the CONGRESSIONAL RECORD:

SENATE RESOLUTION 1843

Whereas, J.C. Tillotson, Norton, died on March 7, 1992. He was 86 years old; and

Whereas, J.C. Tillotson was the son of H.R. and Maude Johnston Tillotson. He was born in Lenora, Kansas, on February 4, 1906, and was named John after the late Chief Justice John S. Dawson, a great friend of H.R. Tillotson when the two "read" the law and were admitted to the Kansas Bar together. He was graduated from Lenora High School and received his Juris Doctorate from Washborn University of Topeka in 1932; and

Whereas, J.C. Tillotson was a second generation lawyer, beginning practice with his father in Lenora. In 1934 he was elected Norton County attorney and subsequently became President of the Kansas County Attorneys' Association, serving in this capacity for four terms; and

Whereas, J.C. Tillotson was elected to the Kansas house of Representatives in 1960, served three terms and was Speaker Pro Tem from 1965 to 1966. He was elected to the Kansas Senate in 1968, served two terms as Chairman of the Judiciary Committee and was Vice-President from 1975 to 1976; and

Whereas, J.C. Tillotson served on the Norton Community High School Board for twelves years and was school board attorney for the boards of the Norton, Almena and Lenora schools. He also served as Norton's city attorney. He helped to establish the High Plains Mental Health Center at Hays, and was active in many other organizations, including The Kansas State Chamber of Commerce of which he was a vice-president; and

Whereas, As president of the Board of Governors of the Washburn University School of Law, J.C. Tillotson was a guiding force in the reconstruction of law school buildings which had been demolished in the Topeka tornado in 1966; and

Whereas, J.C. Tillotson was a member of the Norton Methodist Church and was an active participant in Norton civic and fraternal organizations; and

Whereas, J.C. Tillotson served as president of the Native Sons of Kansas. He also was a past president of the Kansas Day Club and was active in state and local Republican political affairs. He attended the Republican National Convention as a delegate at the time Dwight D. Eisenhower was nominated for the presidency; and

Whereas, J.C. Tillotson received Distinguished Service awards from the Washburn Law School, the High Plains Mental Health Association and the Norton Area Chamber of Commerce; and

Whereas, J.C. Tillotson was married to the former Maxine Middleton who survives him. Other survivors are a son, John; a daugther, Carolyn Smith; two grandchildren, Catherine Ann and Charles Albert; and a sister, Margarette; and

Whereas, In the death of J.C. Tillotson, the Norton community and the State of Kansas have lost a truly distinguished citizen and a great friend: Now, therefore,

Be it resolved by the Senate and the State of Kansas, That we express to the family and friends of J.C. Tillotson our deepest sympathy.

IN MEMORY OF MICHAEL ALOYSIUS FEIGHAN—FEBRUARY 16, 1905–MARCH 18, 1992

HON. LOUIS STOKES

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. STOKES. Mr. Speaker, just recently, I notified the House of the passing of our former colleague, Michael A. Feighan, who was the uncle of the gentleman from Ohio, ED FEIGHAN. Mass was celebrated for former Congressman Michael Feighan on March 24, 1992, at the St. John Cathedral in Cleveland, OH.

I would like to share with my colleagues the remarks of our colleague ED FEIGHAN on that occasion regarding the passing of his uncle.

[Eulogy Delivered by Hon. Edward F. Feighan, St. John Cathedral, Cleveland, OH, Mar. 24, 1992]

IN MEMORY OF MICHAEL ALOYSIUS FEIGHAN—FEBRUARY 16, 1905–MARCH 18, 1992

FAMILY AND FRIENDS,

Welcome to this Mass of the Resurrection for Michael A. Feighan.

I am especially grateful to Fleur and Bill for giving me an opportunity to say a few words today.

I am especially grateful because who among us today could have had his life more affected, more transformed by Michael Feighan's life than myself.

In so many ways I have been the most obvious beneficiary of the distinguished and honorable career of Uncle Michael.

But, in truth, each of us here today has been the beneficiary of Michael Feighan's life.

Each of us owes—to some degree—the success and satisfaction in our own lives, to the fact that Michael Feighan inspired us, encouraged us, supported us, or simply made us proud to say, "Yes, Michael Feighan is my uncle, or my brother, or my father, or my cousin, or simply my friend."

Michael Feighan was the most public of all the Feighans of his generation.

For many of us, particularly his relatives, he helped define who we were as we grew up.

But for so many others, for literally thousands of others, he was the single most consequential figure in their lives.

Because he knew the struggle of emigration of his own people, he became the champion of opening America to thousands of others.

Because he witnessed the pain and suffering of an almost decade-long economic depression, he became one of America's most prominent leaders on literally every major social legislation of the 1940's, 1950's, and 1960's.

Because he found unbearable the ravages of war, he became an international leader in the effort to bring food, medicine and hope to people across the globe.

Uncle Michael's death represents not just the passing of a man, but the passing of an era. For me, as for many of you, that era was captured—momentarily—in a family photograph taken on St. Patrick's Day 40 or 50 years ago. Five young men surrounding their father. All dressed in morning suits and top hats. Each bursting with pride at the great accomplishments of an Irish immigrant family. Each eager, determined to face their futures.

And today we mark the passing of the last young man in that photograph.

Michael Feighan was one of the great public figures of our time, but he was more than that . . . he was a man of compassion, understanding, generosity and humor.

That's not to say he was completely without some of those more unflattering Feighan characteristics.

Like his brothers, Jack, Joseph, Edward and Francis, he had his moments when he could be irascible, quick-tempered and impatient.

But, like them, those moments were rare and fleeting.

What remains in our memories are his vitality, his energy, his supportive guidance, his pride in his children and grandchildren, his striking white hair, his impassioned rhetoric, his elegant stature and his disarming smile.

Uncle Michael knew well an array of historic Americans. He counted among his friends John Kennedy, John McCormick, Tip O'Neill, Lyndon Johnson and Harry Truman.

But our sense of pride and honor in him stems more from the friendship and devotion of less celebrated, more humble people.

People like Mary Treece—an elderly pensioner who was devoted to Mike Feighan till the day she died.

Or Joe Kocab, a school teacher, who remains ever grateful to Michael Feighan for bringing his family to America where they first tasted freedom.

Or Mouly Marniella, a highway construction worker who honored Mike Feighan's name till the day he died for helping him get a job and provide for his family.

At the end of a man's life it is appropriate to try to take a measure of the man.

Uncle Michael enjoyed great glory in his lifetime.

No one better stated the greatest glory of Michael Feighan's life than the great Irish poet, William Butler Yeats:

"Count where a man's glory most begins and ends
And say has glory was he had such friends."

CARMEN PORTELA: IN THE FIGHT AGAINST CHILD ABUSE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to recognize Carmen Portela, who in 1987 founded a nonprofit organization called "Hands in Action" dedicated to helping and providing shelter to abused children. Ms. Portela and the organization were recently featured in the Miami Herald for their continuous fight against child abuse. The article, "Out of Great Evil Can Come Great Good" by David Lawrence, Jr., tells of their miraculous accomplishments:

"No hay mal que por bien no venga." "There is no evil that does not bring good." The English translation conveys the essence of the Spanish proverb, but misses its poetry.

Carmen Portela lives the essence and the poetry of the proverb. She lives it in a depth and an intimacy that few of us will ever comprehend—and none of us would want.

The year 1984 started off well for Carmen and Jesus Portela. Their construction business, Portela Investments, was flourishing. In February their son, Mario, conceived in Cuba but born in the United States 22 years earlier, married the daughter of a long-time friend. Mario had joined his parents in the business a year earlier.

"He was a partner," recalls Carmen Portela, "but he was more like a friend. He and his father were always together."

THE DAY THAT LIFE CHANGED FOREVER

On Aug. 7, 1984, "my life changed completely," said Carmen Portela.

That day, Mario Portela was kidnapped. Later he was murdered.

Carmen Portela's life, built on family love and hard work, was shattered. It would be rebuilt on those same foundations.

Born 20 years ago in San Cristobal, in the province of Pinar del Rio, Cuba, she was the daughter of a welder and a homemaker. "I had a very, very, very happy life in Cuba," she remembers. "I had a beautiful family and a beautiful home. I was raised with love."

She studied in Havana and graduated as an elementary education teacher in 1959. She never taught, however, because, "I was against Fidel Castro and because of that, I couldn't find work there."

She had other dreams as well. In 1961 she married Jesus Portela, a man "I am in love with . . . after 31 years."

On Jan. 24, 1962, Carmen—now pregnant with Mario—and Jesus fled to the United States. It wasn't easy leaving Cuba. In her words: "You have lost your roots. When you lose that, you lose part of yourself."

They settled in New York. Carmen worked as a manicurist and hairdresser, Jesus did heavy construction, carpentry, painting, and odd jobs by day and worked in an embroidery factory at night. In 1965, Jesus started his own painting and maintenance company. Between the embroidery factory and his own business, he worked 20 hours a day. At night, Carmen did the bookkeeping. "Among all the hard times, we were happy," she recalls.

By 1967, Jesus was doing well enough to be able to quit the embroidery factory. Three years later they moved to Miami, where he started as a painting and drywall subcontractor.

"It was an American dream come true," she says. "We bought four houses on the same block—my cousin, my aunt, my brother, and us. Everybody was always together."

THE BLESSING OF A DAUGHTER

Carmen learned that she was pregnant with their second child, Luisa, now 20. "Thank God I have my daughter. God knows what He's doing. There's a nine-year difference between my son and my daughter. Now I understand why."

Their Miami years before Mario's death were happy ones: "It was a very peaceful, happy, productive life," she remembers.

On Aug. 7, 1984, Mario Portela was kidnapped while he was showing a condominium in South Dade to prospective buyers. On Aug. 21, his body was found in a ditch, a crucifix around the neck. He had been wrapped mummy-like with heavy duct tape, then stuffed head first into a sleeping bag. He died of asphyxiation.

"It tore the family apart," said Carmen. "I was so full of hate that I wasn't me any more."

At the trial of her son's killers, all now in prison, the defense presented evidence that one of them had endured many cruelties as a child: He had been choked with a broomstick, hung upside down from a meat hook, and forced to put his hands on a hot skillet.

"I tried to turn hate into something positive," she says. "I wanted to prevent what happened to my son from happening to any other children."

She found a way. She went with friends to the Children's Home Society at Christmas a half-dozen years ago to give away toys. She saw "these small children, so tiny and so helpless. So many families destroyed by this disease, child abuse. But Children's Home Society didn't have enough room for all the kids.

"We were builders, and I thought it would be a good idea to build this home."

Now Carmen Portela, through Hands in Action, the organization that she founded in 1987, is working to build the home. Hands in Action, or in Spanish *Manos en Accion*, leased eight acres near Metrozoo from Dade County for $1 a year for the next 50 years; architect Felix Pardo contributed the plans. Then Carmen Portela and Hands in Action set out to raise $2.5 million to build the new home.

Construction started last month. The first phase—which houses the administrative offices, the kitchen, the cafeteria, and two pavilions where 24 children will live—will be ready by summer. Eventually there will be room for 96 children.

Hands in Action has raised $400,000 in cash and $600,000 via in-kind contributions. Much of the rest could come through its second annual *Eight Hours of Love* telethon on WSCV-Channel 51 from 4 p.m. to midnight today. Call 889-1111 to make a donation. Bilingual volunteers will take your pledge.

Carmen Portela says that Hands in Action has become her mission in life. "It fills the emptiness that my son's death left in me."

Mr. Speaker, I would also like to acknowledge the organization's board members who have done so much for its success: Carmen Portela, president; Alina Cepero, executive vice president; Rosa Perez, vice president; Elena Rosado, treasurer; Maria E. Cardenas, vice treasurer; Carmen G. Corpion, secretary; Elida Fine, vice secretary; Jorge Rouco, fundraising chairperson; Daisy Varela, fundraising cochairman; Rick Rodriguez-Pina, legislative chairperson; James Fine, P.R. chairperson; board of directors: Maria Cristina Barros, Mikki Canton, Esq., Xiomara Casado, Maria Elena Cardenas, Regina Fernandez-Cacicedo, Louisa Ferrero, Haydee Garcia-Rios, Rosa M. Mello, Miriam Novo, Jacqueline M. Perez, Carmen M. Sabater, Belen Saborido, Silvia Seoanes-Levison, Lynette M. Muzaurieta, Mark Swanson. Esq., Adalberto Vara Jr., Grace R. Visideo; Advisory Board: Annie Betancourt, Mercy Diaz-Miranda, Judge William Gladstone, J. Manuel Calvo, Gustavo Casado C.P.A., Ana De Solo, Nereida Santa Cruz, Dr. David Perez-Ginart, Elsie Plasencia, Jesus Portela, Maria Teresa Zorrilla, Fran Yacovone.

I commend Carmen Portela and "Hands In Action" for their outstanding dedication, courage, and leadership. They are an inspiration to us all.

Their recent fundraising TV marathon was a great success, and this worthwhile group depends so much on the generosity of the community. More must be done to help them.

NUCLEAR REACTOR LICENSING ACT OF 1992

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. CLEMENT. Mr. Speaker, in the CONGRESSIONAL RECORD of Tuesday, March 31, 1992, I inserted a statement in support of my legislation, H.R. 4488, the Nuclear Reactor Licensing Act of 1992. Unfortunately, the full text of a letter on nuclear licensing reform by Secretary of Energy James Watkins to the chairman of the Subcommittee on Energy and the Environment, Representative PETER KOSTMAYER, was inadvertently omitted. I now submit it for the RECORD to accompany my March 31 statement:

THE SECRETARY OF ENERGY,
Washington, DC, March 4, 1992.

Hon. PETER H. KOSTMAYER,
Chairman, Subcommittee on Energy and the Environment, Committee on Interior and Insular Affairs, Washington, DC.

DEAR MR. CHAIRMAN: We appreciate the interest that your subcommittee has shown in acting on licensing reform legislation for nuclear powerplants. Reform of the procedure for licensing nuclear powerplants is needed urgently to preserve nuclear energy as a viable option for generating electricity in this Nation.

Nuclear power can enhance environmental quality while sustaining future economic growth because it produces electricity without emissions of sulfur dioxide, nitrogen oxide, or greenhouse gases. Even with aggressive conservation efforts, the U.S. will need substantial additional base-load electricity generating capacity to fuel a growing economy. Nuclear power can cleanly and safely meet a significant portion of those needs.

However, a streamlined licensing approach is required if the Nation is to achieve these benefits. A single license for construction and operation of a nuclear plant would eliminate the costly, drawn-out post-construction proceedings that prevent the operation of a safely constructed nuclear plant.

Unfortunately, H.R. 3629 falls far short of the Administration's goals for licensing reform and, if passed by the Congress in its present form, I would have to recommend that it be vetoed.

In its present form, H.R. 3629 would increase regulatory and judicial burdens and delays without improving plant safety or increasing effective public participation in the regulatory process. The regulatory uncertainty and hurdles that would be created by the bill would, in effect, preclude consideration of investment in new nuclear powerplants and would hinder efforts to renew the licenses of safe, existing plants that currently produce about twenty percent of our Nation's electricity without emissions of greenhouse gases or acid rain precursors.

H.R. 3629 is divided into three titles. Title I covers hearings and judicial review in licensing proceedings. Title I effectively would negate the Nuclear Regulatory Commission's efforts to make the licensing process more predictable and timely. The proposed amendments to the Atomic Energy Act eliminate many of the advantages that could be derived from a combined construction and operating license. Title II covers license renewal. It would hinder efforts to renew licenses at existing plants by requiring consideration of issues that are not necessary to ensure their continued safe operation. Title III, which covers judicial review of denials of enforcement petitions, would significantly impede the Nuclear Regulatory Commission's enforcement process by diverting resources to unneeded judicial review proceedings. Judicial review of the denial of enforcement petitions is unnecessary as evidenced by the proven effectiveness of the current process in protecting the public health and safety for more than 30 years. Our objections to the bill are discussed in more detail in the enclosure.

In contrast, enacting a bill that contains the licensing provisions found in H.R. 1301, the Administration's National Energy Strategy Act, would protect the public health and safety while creating a regulatory environment that would not present an unreasonable barrier to the development of nuclear power.

We look forward to working with you and your colleagues in enacting mutually agreeable legislation.

The Office of Management and Budget advises that there is no objection to the submission of this report to Congress and that enactment of H.R. 3629 would not be in accord with the program of the President.

Sincerely,

JAMES D. WATKINS,
Admiral, U.S. Navy (Retired).

DECLARATION OF THE PERMANENT COUNCIL ON THE SITUATION IN HAITI

HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. FASCELL. Mr. Speaker, it is now 6 months since Haiti's military overthrew that nation's constitutional, freely elected, President, Jean-Bernard Aristide. Since President Aristide's ouster, the United States has worked vigorously and in close cooperation with other nations in our hemisphere to restore democratic rule to Haiti. U.S. actions have been taken within the framework of resolutions adopted by the Organization of America States. These actions have included a rejection of the legitimacy of the de facto government, a trade embargo, and substantial diplomatic efforts to resolve the crisis which deprives Haiti's impoverished people of the opportunity to pursue economic progress and social justice.

Last February 23 the elected leaders of Haiti's Parliament joined with President Aristide under the auspices of the OAS to sign a protocol to find a permanent solution to the Haitian crisis. That agreement is designed to serve as a basic framework to resolve the crisis and restore constitutional rule. It was and is a remarkable document and a notable diplomatic achievement of the OAS. Despite expectations that the protocol would be quickly submitted to the Parliament it has not been. Parliament has not acted because those opposed to democracy have systematically worked to prevent Parliament's consideration through intimidation and bribery.

Let no one in Haiti who seeks to subvert the will of Haiti's people and to end democratic government be under the illusion that the passage of time will lessen the will of the United States or the OAS. Only yesterday, as one example, the OAS Permanent Council adopted a statement reiterating the hemisphere's determination to secure a return to constitutional rule in Haiti. That declaration expresses the readiness of hemisphere countries to increase controls to ensure the effectiveness of the embargo and to take measures against those individuals directly responsible for preventing a peaceful and constitutional resolution of the current crisis.

In addition the Council called upon all governments to tighten and broaden the embargo and reiterated its appeal to the European Economic Community to adopt measures similar to the OAS.

As for the United States, our continuing determination to assure an acceptable resolution of the Haiti crisis is reflected by the introductions in both the House and Senate today of new legislation on Haiti. I am pleased to be a cosponsor of that bill.

Mr. Speaker, I insert the full text of the OAS declaration at this point:

DECLARATION OF THE PERMANENT COUNCIL ON THE SITUATION IN HAITI

The Permanent Council of the Organization of American States expresses once again its serious concern that, six months after the violent and abrupt interruption of the legitimate exercise of power by the democratically elected government of Haiti, the people of Haiti are still being denied their fundamental rights.

This concern is aggravated by the repeated machinations designed to prevent ratification of the Agreement signed in Washington by the President of Haiti, Jean-Bertrand Aristide, the President of the Senate, Dejean Belizaire, and the President of the Chamber of Deputies, Alexandre Medard. The Council condemns the evident intimidation of freely elected parliamentarians. It also rejects the claim to constitutionality made by those who have violated the very constitution they purport to defend.

The Council feels that the implementation of the Agreement of February 23, 1992, represents an important step toward the restoration of democracy and the full rule of law in Haiti. The Council remains convinced that this Agreement also constitutes an essential factor in the economic recovery of Haiti. The Permanent Council reaffirms its support for the efforts of the Haitian people, on the basis of the Washington accords, to bring about democratic coexistence and a peaceful society.

The Council recalls the full and continuing validity of the commitments and decisions made by its member states, as expressed at the Ad Hoc Meeting of Ministers of Foreign Affairs held from October 3 to 8, 1991, and, more specifically, in Resolutions MRE/RES. 1/91 and MRE/RES. 2/91.

In this context, it reports that governments represented in the Council have indicated their readiness:

a. to increase controls to insure the effectiveness of the embargo referred to in subparagraph (4), Part I, of Resolution MRE/RES. 2/91;

b. to take measures, in keeping with their national laws, against those individuals directly responsible for preventing a peaceful and constitutional resolution of the current crisis, including measures pertaining to visas and the freezing of assets.

In addition, the Council calls upon all governments to consider additional ways to tighten and broaden the embargo, including air traffic restrictions and the denial of port facilities to any ship that does not observe the embargo.

The Council reiterates its appeal to the international community, and, in particular, to the member states of the European Economic Community, to adopt measures similar to those taken by this Organization.

Finally, the Council is transmitting this declaration to the Ad Hoc Meeting of Ministers of Foreign Affairs, and proposes that the Meeting of Ministers be reconvened as soon as possible and before the General Assembly holds its next regular session in Nassau, The Bahamas (May 18–23, 1992).

LET'S SUSPEND THE DAVIS-BACON ACT

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. BALLENGER. Mr. Speaker, needless regulations ought to be repealed to promote economic growth. One burdensome regulation is the outdated Davis-Bacon Act. This depression-era statute raises the cost of construction $1 billion a year by requiring a federally mandated wage for Federal construction projects above $2,000.

In my opinion, the Davis-Bacon Act needlessly pushes up Federal construction costs, and in many cases pads the pockets of union workers. It shuts out minority contractors and others who bid competitively on Federal work. The act imposes artificial wages and causes construction costs to dramatically increase.

Several well-respected organizations have contacted the President urging that he use his authority to suspend Davis-Bacon. Letters from the Associated Builders and Contractors, the American Farm Bureau Federation, and Americans for Tax Reform are listed below.

ASSOCIATED BUILDERS
AND CONTRACTOR, INC.,
Washington, DC, March 19, 1992.

Hon. GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: With the deadline for Congressional action on a tax bill fast approaching and with little hope of Congress taking any positive action, we want to again urge you to suspend the Davis-Bacon Act.

Suspension of the Davis-Bacon Act would create 31,333 jobs in the construction industry and would save $4.7 billion in outlays over five years.

Perhaps more important, suspension of the Davis-Bacon Act would indicate to the millions of small businesses and state and local governments which are your natural constituencies leadership and decisiveness when Congress is unwilling to take action.

Declaring an industry-specific emergency within an industry which has experienced $60 billion in lost construction and is experiencing unemployment as high as 28 percent in certain job categories would stimulate economic growth in a segment of the economy which traditionally leads the country into economic recovery.

Sincerely,
CHARLES E. HAWKINS III, CAE,
Senior Vice President.

AMERICAN FARM BUREAU FEDERATION,
Washington, DC, March 23, 1992.

Hon. GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: Farm Bureau commends you for your intent to lift the Davis-Bacon requirements for federally-subsidized construction. In light of the present budget impasse, the continuing deficit, the recession, and little hope for support in Congress to alleviate the situation, we hope that you remain resolute in this regard.

Suspension of Davis-Bacon would create 31,333 jobs in the construction industry and save U.S. taxpayers $4.7 billion in outlays over five years. This comes at a time when dollars for infrastructure are scarce, and the savings could be put to excellent use.

Further, it would send a strong message to the small business and employer communities of this country.

Farm Bureau urges that you move quickly to examine this and other federally-mandated wage structures.

Sincerely,
DEAN KLECKNER,
President.

AMERICANS FOR TAX REFORM,
Washington, DC, March 18, 1992.

President GEORGE BUSH,
The White House,
Washington, DC.

DEAR MR. PRESIDENT: The economic downturn that has effected this country is, undeniably, protracted and severe. It will require bold initiatives to restore the record economic growth that was the hallmark of the 1980s.

These initiatives must save taxpayers dollars if they are to lead to job creation and economic growth. With this in mind, I strongly suggest that you exercise your statutory authority to suspend the Davis-Bacon Act.

Suspension of Davis-Bacon would create over 31,000 jobs in the construction industry and would save more than 4.5 billion dollars in outlays over a five year period. In addition, suspension of Davis-Bacon would indicate to millions of small businessmen and state and local government officials the commitment of your administration to get America working again and to remove many of the barriers to economic growth that have been put in place by the Congress.

I strongly urge your forceful action on this critical issue.

Sincerely,
GROVER NORQUIST,
President.

AN INTELLIGENT ASSESSMENT OF HEALTH CARE REFORM

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. KOLBE. Mr. Speaker, the following is an article by Mr. Norman Macrae that appeared in the December 16, 1991, issue of the National Review. A constituent of mine cogently pointed out that every Member of Congress should read Mr. Macrae's remarks with special attention to his obvious command of economics and knowledge of health care delivery systems all over the world. Every Member who has an interest in reforming the American health care system should take note of Mr. Macrae's remarks:

THE GOOD HEALTH GUIDE

(By Norman Macrae)

Health care is now probably the world's largest industry, and just about the least efficient. All the big rich countries run slightly different anti-competitive systems. The combined waste and cruelty from them are enormous. This is a field where "caring" statesmen, by interfering with logical market forces, kill or keep in pain millions of people a year. It is now possible to see what sort of competitive system all rich countries will eventually have to move to. We 68-year-olds (I was born in 1923) naturally think the move is urgent. A man or woman aged over 75 uses ten times as much health care as the average person aged between twenty and fifty. During the next three decades all rich countries are going to have far more 75-years-olds, quite soon including me.

The international drive to reform will have four main barriers in the way. First, the politicians. They will try to make all "reforms" as populist and yet as obsequious to entrenched interests as possible. In an industry where the use of cost-reducing technology ought to be increasing quickly, that is disastrous.

The temptation for politicians is to make health care "free" (i.e., paid for by insurers or taxpayers) at the point of delivery. When supply is thus "free," demand becomes infinite. If demand is infinite, the incentives for innovating and reducing costs disappear. Production is in the hands of politician-created institutions instead of market-obeying ones, in a situation of constant over-demand with power held by existing producers. This is Brezhnevism (i.e., the last stage of Soviet Communism, which crashingly failed). If you live in a small town or suburb, the largest business will often be the local hospital. The reforms advocated by "caring" politicians could make that largest business in town is over-staffed, inefficient, and incompatible with modern technology as a Soviet steelworks in Omsk.

The second barrier to reform will come from protectionist medical lobbies, including the doctors. They operate some of the worst pre- and post-entry restrictive practices in any business in the world, unfortunately often to public acclaim. The average American physician makes nearly $150,000 a year in an industry which does not work properly, so he is not an ardent advocate of freer competition, cheapness, and reform. The right people to rule the roost in medical practice really are not distinguished sexagenarians who were expensively trained forty years ago, before either the computer revolution or the biotechnological revolution. Health care (especially diagnosis) is largely a matter of information processing, and computers enable us to process information two billion times faster than we could when the distinguished heads of our medical profession were in school. If the industry had turned competitive, it would by now have a totally different shape. We would be shopping around as much better informed customers, in an industry with alternative technologies on offer. We would be checking our case histories and body scans against computerized evidence of what had worked best in other people. We would not be agreeing so numbly when a physician tells us that the treatment we need is the one that will bring him the most money.

Many doctors will say that last paragraph is a libel. It wasn't meant to be that. My own view is that most people in medicine have acted as ministering angels, during a period when all incentives have been distorted to make them act in the worst way.

This leads to the third barrier to reform, which is that we haven't set up the right market incentives in health care for the last two thousand years. The best market leaders may have been the mandarins in ancient China, who paid village doctors only if their patients remained well. In America's fee-for-service system, the incentive to the hospital or physician is to treat you in the most expensive possible way after you become ill. On top of this, the service is free to the customer, and thus demand approaches infinite. The bill goes to the insurance provided by your employer or to the state (Medicare or Medicaid). Unsurprisingly, America therefore spends a swelling 12 percent of GDP on health care, while getting worse crude health figures (infant mortality, life expectancy) than some much poorer countries that spend a fraction as much.

Britain's total expenditure on health for the next year is decided by the Chancellor of the Exchequer on budget day, a moment when he does not want to raise taxes and has other government expenditures he does not want to cut. Britain therefore spends only 6 percent of GDP on health care, but insists on nil cost to the patient, creating a virtually infinite demand which in turn runs up against the deliberately restrained supply. Hospitals and physicians then ration by waiting list, giving some priority to those operations that are most prestigious and interesting. For some boring and cold surgery (such as hip-replacement operations) waiting lists can extend for several years, leaving patients in excruciating pain.

The fourth barrier to reform is the amazing ignorance in and about this learned profession. American research is beginning to suggest that between a quarter and a third of surgical operations and other medical procedures in America and Continental Europe probably should not have been done. In Japan, which has the longest life expectancy, surgery is much less frequent. In America and Europe, there are extraordinary differences in surgery rates (and in death rates under that surgery) between different hospitals. Obviously this information should be made available to every patient, so that he can decide what treatment he prefers where. Instead, the information is often kept secret. This is particularly bad in Britain's National Health Service (NHS) hospitals. America's hospitals do partly compete with each other, but Britain's NHS hospitals are state institutions with salaried staff. These hospitals have hardly any accounting system to show what the cost of various surgical or other procedures are.

The notion of measures of "health-care output" is now spreading fast in America. Similarly, Britain has the concept of quality-adjusted life years (or QALYs), originating from the University of York. The idea of QALYs is that "health output" consists not just of extending life expectancy, but more often of saving somebody from pain, or giving him more years of being able to keep walking and coping (like dressing himself) instead of relapsing into a wheelchair or being dependent on others. When QALYs are measured, it becomes obvious that the output of Britain's NHS hospitals is hopelessly skewed. In all countries far too many resources are devoted to the last six months of life, to trying to keep a dying comatose octogenarian (like me in 2011?) living for an extra week at enormous expense. In Britain, for instance, there are too many glamorous transplant operations, and too few hip operations or other pain-relieving surgery. The right goal for a health-care system in any country is to maximize the output of QALYs, at the lowest possible cost per QALY.

DO THE FITTEST SURVIVE?

How far do the health-care systems of different rich countries reach toward that ideal, or indeed accord with cruder measures of health output? Our opening figures have to come from the OECD. If you don't like tables, the rest of this paragraph summarizes what the table below startingly says. In 1989 the cost of health care per head was $2,354 in the U.S., $1,683 in Canada, $1,282 in West Germany, $1,274 in France, $1,035 in Japan, $836 in Britain. Expenditure per head in the U.S. was therefore nearly three times that in Britain. Measures of crude health output had no correlation with money spent. Britain actually had slightly longer life expectancy for males (72.4 years versus America's 71.5) and lower infant mortality (8.4 per 1,000 live births, versus America's 9.7). The best crude health figures were in the second cheapest country, Japan. In 1989 Japan had life expectancy of 75.9 years for men, 81.8 for women, and infant mortality of a tiny 4.6 per 1,000 live births. What can we learn from each country?

Although America's health-care system is absurdly costly, it passes other international comparisons better than most Americans think. America is the most innovative country in medical research, bringing forward successful new cures for all the world. It has a superb choice of hospitals and doctors, with no waiting lists. Its output of QALYs is larger than crude figures of life expectancy and infant mortality suggest. Foreigners are shocked when first told that 35 million Americans have no insurance or state health coverage. They then discover that care for the uninsured—in hospitals which cannot turn them away—is usually actually better than in Britain's NHS hospitals for all the British people. A medical emergency can drive the inadequately insured bankrupt. It would plainly be better to extend insurance coverage with incentives for sensible behavior by both doctors and patients. But the main problem is not too little interference by politicians, but too much. State regulation of insurance companies in America is far too fussy, so that small firms often cannot economically secure coverage for their employees.

Costs in America are expanded by various absurdities, especially awards in medical malpractice suits, which have soared out of control, and now by Mandated Health Insurance Benefit laws [see box p. 30]. Worse, the fee-for-service system encourages supply of the most expensive possible treatment, and the insurance and Medicare/Medicaid systems mean that demand for the most expensive treatment is too uncontained. Unoriginally, I think that the future in America must lie with health maintenance organizations (HMOs), which I use here as a generic name for any pre-payment scheme. You pay an annual fee to the HMO of your choice, and it looks after your health for the year—bargaining with the hospitals to get the lowest fees for satisfactory treatment.

The route to encouragement of HMOs that I would prefer is that advocated by Stanford University's admirable Professor Alain Enthoven. He thinks that tax exemption for employers' health insurance should extend only up to the cheapest adequate insurance policy available. If you wanted more expensive fee-for-service or other treatment, you or your employer would have to buy the insurance for that out of taxed income. The objections to HMOs (beside objections from doctors who do not like bargainers driving down their fees) come from those who rightly say that the 70 million Americans registered with HMOs have not always had the best or cheapest service, and that some HMOs have gone bust. But this is mainly because the other 180 million Americans (spending somebody else's money—insurance companies or Medicaid's/Medicare's) have a positive incentive not to use HMOs.

All experience suggests that the HMO system would work most effectively if it were the main (though not the only) bargainer for health care in the market: able to publish hospitals' death rates, to tell particular hospitals that they should use more paramedics, and to fight the producer-dominated spendocracy on behalf of customers. The aim should be to elevate hospitals all over the world to being like other customer- and market-influenced businesses instead of like a steelworks in Omsk.

Sometimes these HMOs would make fearful mistakes. It would be discovered that the cheaper treatments they preferred for some diseases were also shoddy. In those cases people would take out private non-tax-aided insurance policies for better treatments—and competitive HMOs would quickly include them in their offers, so as to attract subscribers. The need all over the rich world is to get health care operating under the two normal incentives of free markets: the customer has to be seeking the cheapest and most effective quality treatment; the producer has to be seeking each day to improve treatment cost-effectively with an eye on what the market shows him customers want. The crucial needs are a) that the customer has to be able to choose competitively (with full information) the intermediary body which looks to him the likeliest to provide the most efficient primary care at the cheapest cost; b) that the intermediary (HMO or whatever) then has to find which hospitals and specialist physicians provide the most cost-effective secondary service; c) that the intermediary body has to have large clout over the hospitals (which, being a jargon-using economist, I call near-monopsony clout—monopsony means the power of a big buyer); but d) that when the HMOs or other intermediaries are making bad mistakes, competition from other insurance schemes should show what these mistakes are.

NATIONAL WAITING SERVICE

It is usual to say that Britain's "socialist health service" is at the opposite pole from America's. In Britain most money for health is provided through the taxpayer; in America, through employers' insurance. More important, American hospitals try to be entrepreneurial, getting fees for service if they attract patients. British hospitals have bureaucratic salaried staffs, and a low productivity per man or woman employed, because they have no incentive to be attractive or efficient. The nicest outcome for a worker in a British NHS hospital is to draw your salary without having too many of those bloody patients wanting to flock in. If you are a specialist in some sort of surgery, it is ideal to have slowly moving (not speedy) waiting lists for NHS patients for that sort of surgery. You can then tell those waiting that they can jump the line by paying for private surgery from you.

Yet the British system has two advantages. It provides life expectancy comparable to America's at about one-third the cost. And family doctors or general practitioners (GPs) in Britain—the best part of the British system—increasingly run their practices like American HMOs, although most people don't realize this.

We Britons choose which group practice of GPs we will register with. The government then pays a capitation fee to that group practice, according to the number of patients it attracts. Although silly secrecy is maintained about each practice's record, this system works well in posh London suburbs like that in which I live. One can find out from gossip at the local tennis club which doctors are drunks, and which have the best practices. And then register with the latter. The system works less well for poorer districts where doctors (unless they are ministering angels) prefer not to live. An inner-city Liverpudlian who speaks only Scouse (the Liverpool dialect) may find that the only available local doctor is an immigrant Pakistani who doesn't speak Scouse. The system should give higher capitation fees in inner cities, and much higher ones for over-75-year-olds, who give doctors ten times as much work.

Still these group practices work satisfactorily to find which patients are hypochondriacs, which need primary treatment, and which should be hospitalized (or put onto a waiting list). Emergency cases get through quickly enough, but the hospitals are the great failure of the NHS. British hospitals get no extra money for treating people efficiently at lowest cost. They are therefore fearfully over staffed by trade-unionized workers with many restrictive practices. Collectively, British NHS hospitals have been the biggest employer in Europe except the Red Army. Now that the Red Army is being demobilized, they might soon be in elephantine top place—unless the sensible but wildly unpopular reforms that Margaret Thatcher put in train in 1990 are allowed time to work.

Under these "Thatcherite health reforms" group practices of GPs are given more control over their budgets and an incentive to find which hospitals are ready to receive their patients quickly and efficiently. (Hitherto doctors have just trundled patients along to the local hospital, however full and inefficient it was.) Hospitals, meanwhile, can opt for a new status whereby their staffs get more money if they attract more patients and handle them efficiently at lower cost. These reforms had their origin in 1985 when Alain Enthoven visited Britain and wrote a brilliant report. Since there was a danger this would be read only by NHS people, who didn't want to be uncomfortably reformed, I plagiarized it into a shorter, two-thousand-word version (with reediting by Enthoven) for The Economist. This two-thousand-word version was put into one of the bags which Mrs. Thatcher was wont to take away for recommended weekend reading. Her marginal comments on that article are said to have started the Thatcherite health reforms, which is why I am sometimes now blamed by Tory MPs among my friends for probably losing the Tories the coming election.

Any sensible reform schemes will initially be unpopular. If an overstaffed hospital makes itself more efficient, it necessarily rids itself of some staff. These are then called "Tory cuts." If a group of GPs gets its patients into distant hospitals more quickly, this is called "queue jumping." If some empty hospitals in northern England—which would otherwise have had to close—receive patients from waiting lists in the richer south, this is locally called "rich Londoners pinching our hospital beds." But the forward road will have to be to make group practices of British GPs more like American HMOs, and to see if competition between hospitals can be based on something other than fee for service—perhaps fee per production of QALYs?

THEY DO THINGS DIFFERENTLY

Canada's health-care costs in 1989 were $1,683 per head, which looks cheap beside the United States' $2,354 but expensive beside West Germany's $1,282. The Canadian system is paid for by taxes. Each Canadian province operates a public insurance scheme, which then bargains with private fee-for-service doctors. The government schemes thus have near-monopsony clout, which keeps drug prices and some other costs low. But even with Canadians able to pop over the border to the U.S., there are waiting lists. Furthermore, Canada's health figures may be misleading because of the youth of the Canadian population. There is not as much innovation as in the United States. I doubt if Canada's system is the model of the future. [See box p. 33.]

West Germany's health care is financed by a payroll tax on employers and employees. These payroll taxes are then paid to more than one thousand "sickness funds," which bargain with hospitals and fee-for-service doctors and private clinics. These sickness funds play some of the intermediary role of HMOs, although not as competitively as they should. The individual worker has less choice of sickness fund than you should suppose; that is generally determined by his employer. Payments to hospitals are geared to such-and-such a payment per day, with the result that patients stay in hospitals for too long.

Japan clearly has the longest life expectancy for the lowest cost, despite the lack of preventive medicine and the fact that too many Japanese still smoke like chimneys. About two-thirds of Japanese health care is paid by employers, though with the government running schemes for small businesses and retired people. The money is then gathered by sickness funds, which compete on the German model to bargain with lots of hospitals and with an extraordinary number of quite tiny clinics—manybe two rooms attached to a paramedic's house. As in Germany, the sickness funds play some of the intermediary role of HMOs.

The feature of Japan is competition, with less respect for professionals like doctors (also less respect for lawyers). Japan has far more hospital beds per 1,000 population than any other rich country, but generally fewer doctors, and far more paramedics. There is fierce price competition between clinics. The longer-living Japanese have fewer surgical operations than Americans, which suggests that some of the expensive surgery in the West is unnecessary. It was in Japan that I was shown a list alleging that in some Western countries there were far more deaths of children under appendectomies; the lists correlated with the countries where doctors got more money from cutting little bodies open, perhaps when they only had wind. In return for less surgery, the Japanese swallow more medicine than anybody else. Doctors in Japanese clinics make money by selling medicine to patients. There are usually co-payments to be made by patients after typically overlong stays in Japanese hospitals or clinics, but competition keeps these prices low.

PRESCRIPTION

None of the facts in this article is new. What is interesting is that most outside economists are now coming to an international consensus on how to tackle health-care problems—a consensus very different from what is being said by politicians or by people who draw their incomes from health care.

The sensible way to pay for basic health care is still by insurance, which can be private insurance or state insurance. There should be a slight preference for private insurance, because it will seek better packages for particular things. More important, state subsidies should go only far enough to ensure that everybody can get coverage for basic health care.

There should then be competitive intermediaries which are prepaid to provide that basic care. Those intermediaries—whether called HMOs or sickness funds or group practices or family doctors—need to have every incentive to buy more complicated secondary health care from efficient competitive hospitals and specialists at the cheapest available price. My view is that real competition would bring dramatic new patterns in health care: more automated scans, fewer surgical operations, more emphasis on cost effectiveness, more paramedics, new sorts of health institutions and semi-professionals as the biotechnology and computer revolutions sweep along. In a competitive world I would expect to see advertisements which said things like: "Last year, as our auditors and inspectors show, we produced 5,000 QALYs for each $500 that HMOs spent on us—twenty times the American average."

If the intermediaries were not providing effective treatments for some ailments, private unsubsidized insurance would become popular for those. Competitive HMOs or other intermediaries, eager to attract patients, would then add these to the packages they put on offer. If we do not go down these competitive roads, but trust politicians who say they will throw limitless tax money at limited supply, then our production of health care will turn as inefficient as that steelworks in Omsk. Per dollar spent, it possible already is.

RELATIVE COST-EFFECTIVENESS OF HEALTH CARE

	Dollars per head spending on health care	Life expectancy at birth (years)		Infant mortality per 1,000 births
		Male	Female	
United States	2,354	71.5	78.5	9.7
Canada	1,683	73.0	79.8	7.2
West Germany	1,282	71.8	78.4	7.5
France	1,274	72.4	80.6	7.1
Japan	1,035	75.9	81.8	4.6
Britain	836	72.4	78.1	8.4

Source: Originally OECD, but also culled from different tables in "The Economist," July 6, 1991—survey by John Peet.

CANADA'S HEALTH PLAN

A superficial analysis suggests that the Canadian system, in which the government controls all medical fees, is better at cost control. Unfortunately, the true cost of "free" medical care is not reflected in national economic statistics. Canadians must endure long, potentially dangerous waiting periods for surgical procedures which are readily available in the United States. A survey recently published by the Fraser Institute in Vancouver found that patients in British Columbia wait an average of 23.7 weeks for coronary bypass surgery, 16.3 weeks for a hysterectomy, and 14.1 weeks for disc surgery. Of course, patients of doctors who have seniority rights or who have political pull wait less than others.

Diagnostic procedures are rudimentary by American standards. Until recently there was only one functioning CAT-scanner in Newfoundland (population 570,000), resulting in a two-month wait and the requirement that a specialist order the procedure. The safest diagnostic device yet invented is the magnetic resonance imaging (MRI) machine, of which there are more in Michigan than in all of Canada.

Even the much vaunted savings achieved in Canada appear questionable. For example, the share of GNP devoted to medical care grew more slowly in Canada because economic growth was higher: from 1967 to 1987 real GNP per capita grew 74 percent in Canada versus only 38 percent in the United States. Real per-capita health spending grew at about the same rate in both nations over this period, with Canada spending about 25 percent less per capita both before and after the introduction of universal government funding. The remaining difference can be explained by other factors. Canada is a younger nation (11 percent of the population is over age 65, versus 12.2 percent in the United States), and does not have the large inner-city populations that drive up medical costs. The age difference alone accounts for one-fifth of the spending difference between the two nations, according to a recent study.

Once these factors are taken into account, U.S. health costs fall below Canada's. A recent study compared per-capita costs in Canada with those of the largest American health maintenance organizations (HMOs), which are private plans giving the same universal health coverage available in Canada. The HMOs had per-enrollee costs $300 to $500 below the Canadian average, without the accessibility problems seen in Canada—Ed Rubenstein.

BON VOYAGE, "MIGHTY MO"

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. ANDERSON. Mr. Speaker, as I stand here today, one of this country's greatest naval treasurers, the battleship U.S.S. *Missouri,* is being towed from its true home in Long Beach, CA. This removal is occurring despite months of hard work to convince the U.S. Navy that the *Missouri* should be permanently reassigned to Long Beach.

Mr. Speaker, Long Beach is a Navy town. For generations, Navy ships and sailors have been stationed in Long Beach, doing their part to ensure the security of this country and its citizens. I am proud, and I know the people of Long Beach are proud, of the sacrifices and contributions they have made over the years. Now faced with the prospect of losing America's last and most historic battleship, these patriotic citizens have rallied together and voiced strong opposition to the Navy's plans. I regret to say that our petitions have repeatedly fallen on deaf ears.

I wish to thank the citizens of Long Beach, and throughout California, for their tremendous efforts to keep the U.S.S. *Missouri* in Long Beach. We have taken our struggle to the Navy. We have taken it to the highest office in the land. Our arguments have been made in good faith, and I refuse to accept that our efforts have been in vain. I pledge to continue pursuing all available avenues to bring the "Mighty Mo" back home.

PRIDE IN BEING AN AMERICAN INDIAN

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing for the consideration of my colleagues a letter to the editor and poem by Mark A. Purcell, a member of the Eastern Creek Tribe. Both were published in the February 15, 1992, edition of the Seminole Tribune. The title of the poem is "Native America—1992" and it eloquently describes the pride many American Indians feel, even after 500 years of being on the losing end of conflicts with the U.S. Government.

INDIAN PEOPLE HAVE SURVIVED 500 YEARS

I recently had the privilege of attending "Native America—1992" sponsored by the Seminole Tribe of Florida through the Ancient People Culture Project. As a mixed-blood, Creek-Cherokee Indian and an enrolled member of the Eastern Creek Indian Tribe, I felt great pride in watching the Grand Entry and pageantry of the veterans, drummers, singers, and dancers who represented many different tribes. I thought of the many Native American people who had come from the four winds of this continent and from great distances to participate in that celebration. We celebrated the fact that Indian people, customs, traditions, and dances have survived 500 years. Many of those years were years of great difficulties, land stealing, reservation-corraling, kidnapping and genocide, and other innumerable oppressions from non-Indian people who began arriving on this land five hundred years ago. This history of our ancestors is rampant with atrocities that Native American people have experienced. (Re-read Bury My Heart at Wounded Knee: An Indian History of the American West by Dee Brown, or other similar, more historically accurate books, if you've forgotten.)

Yet, during this celebration as I stood with my nine-year old son and watched the multitude of dancers respond to the drumming and singing, I was moved with the realization of what we were all witnessing. We were watching and experiencing the dancing and drumming, the songs and legends, and the traditions and customs that nothing could or can ever suppress. I thought of the Trail of Tears and the Ghost Dancers of Wounded Knee, and I could not help but to think that the spirits of our dead and slaughtered ancestors danced and sang in celebration with us as we honored and took pride in who we are and what our people have survived.

In 1990, I read a letter in The Seminole Tribune by James Jumper detailing his idea to have a celebration pow-wow in 1992 for Native American people. I had the privilege to have breakfast a couple of times with James at the now-closed Amy's Restaurant on the Hollywood Reservation where I listened to his ideas for the Ancient People Culture Project. James Jumper, your idea came to fruition at "Native America—1992" in a most wonderful and memorable way. James is a fine example of an Indian man who had an idea that he and many supportive people believed in enough and through much preparation and effort made it happen! Congratulations to James Jumper, the Seminole Tribe, and the many fine people that supported and helped in the realization of "Native America—1992"!

I have been writing poetry for over 22 years, and sometimes that is the most effective means I have to communicate my experiences. I am including in this letter a poem I wrote after attending this recent celebration of Indian people. I am grateful for this opportunity to express my now-deepened pride in being a member of the Indian community.

NATIVE AMERICA—1992

Nearly 500 years have painfully passed,
Since the ships arrived on our shores,
Bringing many new people so different, so fast,
Who hurt us, betrayed us and brought many wars.
Stealing our land and mocking our traditions;
Delivering us their illness; horrible reservation conditions.
Many children died; many grandparents stopped dreaming.
The oppression from these people, endless lies and scheming.

We signed treaties that were broken,
Believed words they said were not spoken.
And when they ceased hurting us, we hurt ourselves badly;
Drank too much, believed too little, lived so sadly.
But 500 years later, we have still survived.
Our people are great in number; our spirits revived.
Though many died without reason; many atrocities done.
The Trail of Tears is over; Trails of Strength have begun.

Our sacred drums beat on, loud and true.
We still tell our story . . .
Our celebration dances continue.
We walk with honor and glory.
We respect and thank the four sacred directions.
We cherish our families; maintain our connections.
Our prayer smoke still rises.
Great Spirit still listens; Grandmother Moon recognizes.

Five centuries later we are still here,
growing in number with each passing year;
Drumming and dancing like never before.
Look to Father Sky; the eagle still soars.

Prouder and freer, our people stand tall,
Like mighty oaks of the forest, we will
never fall.
The spirits of our ancestors laugh loudly these days,
Rejoicing with us as we honor and believe in our ways.

Our customs and traditions, viewed by some as wrong,
But five hundred years later, we're still going strong:
Drumming, singing and dancing with feather;
The fire of the Indian burns brighter than ever.

Enthusiastically,

MARK A. PURCELL,
Eastern Creek Tribal Member.

ARE WE REALLY WINNING THE WAR AGAINST CANCER

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. CONYERS. Mr. Speaker, without a doubt, one of the greatest challenges we face as a nation is the scourge of cancer. Each year in America, one in three people will become its victim. One in four will die from it. The disease taxes the American economy of over $100 billion annually and creates incalculable human suffering.

Recently, a group of distinguished scientists issued a public statement questioning whether we were really making any progress in the war against cancer. Specifically, the statement contested claims that our ability to cure various cancers has improved in recent decades. It further questions whether both the National Cancer Institute and the American Cancer Society have adequately prioritized and resourced the all-important cancer prevention efforts.

The statement is central today as this body grapples with health care reform in general, and the devastating problem of cancer in particular. It follows, along with a Washington Post op-ed article on the same subject:

LOSING THE WAR AGAINST CANCER: NEED FOR PUBLIC POLICY REFORMS

Cancer now strikes one in three and kills one in four Americans, with over 500,000 deaths last year. Over the last decade, some 5 million Americans died of cancer and there is growing evidence that a substantial proportion of these deaths was avoidable.

We express grave concerns over the failure of the "war against cancer" since its inauguration by President Nixon and Congress on December 23, 1971. This failure is evidenced by the escalating incidence of cancer to epidemic proportions over recent decades. Paralleling and further compounding this failure is the absence of any significant improvement in the treatment and cure of the majority of all cancers. Notable exceptions are the successes with some relatively rare cancers, particularly those in children.

A recent report by the American Hospital Association predicts that cancer will become the leading cause of death by the year 2000 and the "dominant specialty" of American medicine. The costs in terms of suffering and death and the inflationary impact of cancer, now estimated at $110 billion annually (nearly 2% of the GNP), is massive. These costs are major factors in the current health care crisis, with Per-case Medicare payments exceeding those of any other disease.

We express further concerns that the generously funded cancer establishment, the National Cancer Institute (NCI), the American Cancer Society (ACS) and some twenty comprehensive cancer centers, have misled and confused the public and Congress by repeated claims that we are winning the war against cancer. In fact, the cancer establishment has continually minimized the evidence for increasing cancer rates which it has largely attributed to smoking and dietary fat, while discounting or ignoring the casual role of avoidable exposures to industrial carcinogens in the air, food, water, and the workplace.

Furthermore, the cancer establishment and major pharmaceutical companies have repeatedly made extravagant and unfounded claims for dramatic advances in the treatment and "cure" of cancer. Such claims are generally based on an initial reduction in tumor size ("tumor response") rather than on prolongation of survival, let alone on the quality of life which is often devastated by highly toxic treatments.

We propose the following reforms, not as a specific blueprint, but as general guidelines for redefining the mission and priorities of the NCI:

1. The NCI must give cancer cause and prevention at least equal emphasis, in terms of budgetary and personnel resources, as its other programs including diagnosis, treatment and basic research; NCI's current annual budget is 1.8 billion. This major shift in direction should be initiated immediately and completed within the next few years. This shift will also require careful monitoring and oversight to prevent misleading retention of old unrelated programs under new guises of cancer cause and prevention.

2. A high priority for the cancer prevention should be a large scale and ongoing national campaign to inform and educate the media and the public, besides Congress, the administration and the industry, that much cancer is avoidable and due to past exposures to chemical and physical carcinogens in air, water, food and the workplace, as well as to lifestyle factors particularly smoking. It should, however, be noted that a wide range of occupational exposures and urban air pollution have been incriminated as causes of lung cancer, besides smoking. Accordingly, the educational campaign should stress the critical importance of identifying and preventing carcinogenic exposures and reducing them to the very lowest levels attainable within the earliest practically possible time.

3. The NCI should develop systematic programs for the qualitative and quantitative characterization of carcinogens in air, water, food and the workplace, with particular emphasis on those that are avoidable. Such information should be made available to the general public, and particularly to sub-populations at high risk, by an explicit and ongoing "right to know" educational campaign, such as the specific labelling of food and consumer products with the identity and levels of a carcinogenic contaminant. While taking a lead in this program, the NCI should work cooperatively with federal and state regulatory and health agencies and authorities, industry, public health and other professional societies, labor, and community-based citizen groups.

4. The NCI should cooperate with the National Institute of Environmental Health Sciences (NIEHS), and other NIH institutes, in investigating and publicizing other chronic toxic effects induced by carcinogens, including reproductive, neurological, haematological and immunological diseases, besides cancer.

5. The NCI should cooperate with the National Institutes for Occupational Safety and Health, and other agencies to develop large scale programs for monitoring, surveillance and warning of occupational, ethnic, and other sub-population groups at high risk of cancer due to known past exposures to chemical or physical carcinogens.

6. In close cooperation with key regulatory agencies and industry, the NCI should initiate large scale research programs to develop non-carcinogenic products and processes as alternatives to those currently based on chemical and physical carcinogens. This program should also include research on the development of economic incentives for the reduction or phase-out of the use of industrial carcinogens, coupled with economic disincentives for their continued use, especially when appropriate non-carcinogenic alternatives are available.

7. The NCI should provide scientific expertise to Congress, federal and state regulatory and health agencies and authorities, and industry on the fundamental scientific principles of carcinogenesis including: the validity of extrapolation to humans of data from valid animal carcinogenicity tests; the inva-

lidity of using insensitive or otherwise questionable epidemiological data to negate the significance of valid animal carcinogenicity tests; and the scientific invalidity of efforts to set safe levels or thresholds for exposure to chemical and physical carcinogens. The NCI should stress that the key to cancer prevention is reducing or avoiding exposure to carcinogens, rather than accepting and attempting to "manage" such risk. Current administration policies are, however, based on questionable mathematical procedures of quantitative risk assessment applied to exposures to individual carcinogens, while concomitant exposures to other carcinogens in air, water, food and the workplace are ignored or discounted.

8. The NCI should provide Congress and regulatory agencies with scientific expertise necessary to the development of legislation and regulation of carcinogens. Illustrative of such need is the administration's revocation in 1988 of the 1958 Delaney amendment to the Federal Food Drug and Cosmetic Act, banning the deliberate addition to foods of any level of carcinogen. This critical law was revoked in spite of the overwhelming endorsement of its scientific validity by a succession of expert committees over the past three decades. Neither the NCI, nor others in the cancer establishment, provided any scientific evidence challenging the validity of this revocation, including its likely impact on future cancer rates.

9. The limited programs on routine carcinogen testing, now under the authority of the National Toxicology Program (NTP), should be expanded and expedited with the more active and direct involvement of the NCI. (On a cautionary note, it should be emphasized that this program, which is clearly the direct responsibility of the NCI, was transferred to the NTP in 1978 because of mismanagement and disinterest of the NCI.) Underutilized federal resources, particularly national laboratories, should be involved in carcinogenicity testing programs. The cost of carcinogenicity testing of profitable, and potentially profitable, chemicals should be borne by the industries concerned, and not by NTP and the NCI and ultimately the taxpayer.

10. The NCI should undertake large-scale intramural and extramural research programs to characterize known carcinogenic exposures, both industrial and lifestyle, in terms of their estimated impact on cancer, and the practical feasibility of their avoidability or elimination within defined early periods.

11. The NCI should substantially expand its intramural and extramural programs on epidemiology research and develop large-scale programs on sensitive human monitoring techniques, including genetic and quantitative analysis of body burdens of carcinogens, and focus them specifically on cancer cause and prevention. The NCI should also take a key role in the design, conduct and interpretation of epidemiological investigations of cancer by federal and state regulatory and health agencies and authorities.

12. The NCI should develop large-scale training programs for young scientists in all areas relating to cancer cause and prevention.

13. Continued funding by the NCI of its comprehensive cancer centers should be made contingent on their developing strong community outreach programs in cancer cause and prevention, as opposed to their present and almost exclusive preoccupation with diagnosis and treatment. Centers should also establish tumor registries focused on identifying environmental and occupational carcinogens, and on the surveillance of occupational and other populations at high risk of cancer.

14. With Congressional oversight and with advice from the NIH Office of Scientific Integrity, the NCI should take early action to disclose information on any interlocking financial interests between its Panel, Advisory Board, advisory committees and others in the cancer establishment, and major pharmaceutical companies involved in cancer drugs and therapy, and other industries. The NCI should also take the necessary precautions to prevent any such future conflicts.

15. The NCI should be enjoined from making or endorsing claims for new "cancer cures" unless these are clearly validated by data on reduced mortality rates and unless they conform to standard FDA regulations on claims for therapeutic efficacy.

16. The NCI should be removed from direct Presidential authority, and reintegrated within NIH, and thus made directly responsive to the scientific community at large and the advice and consent of Congress. Currently, the President appoints the Director of the NCI, who reports directly to the President, the twenty-three member executive National Cancer Advisory board (NCAB), and three member National Cancer Advisory Panel (NCAP) which controls the policies and priorities of NCI. The NCAP should be replaced by an executive committee recruited from advisory committees conforming to standard requirements of the Federal Advisory Committee Act for openness and balanced representation. Half of all appointees to NCI advisory committees should be recruited from scientists with credentials and record of active involvement in cancer cause and prevention. Appointments should also be granted to representatives of citizens', ethnic and women's groups concerned with cancer prevention.

There is no conceivable likelihood that such reforms will be implemented without legislative action. The National Cancer Act should be amended explicitly to re-orient the mission and priorities of the NCI to cancer cause and prevention. Compliance of the NCI should then be assured by detailed and ongoing Congressional oversight and, most critically, by House and Senate Appropriation committees. However, only strong support by the independent scientific and public health communities, together with concerned grassroots citizen groups, will convince Congress and Presidential candidates of the critical and immediate need for such drastic action.

Samuel S. Epstein, M.D., Prof. Occupational and Environmental Medicine, School of Public Health, Univ. of Illinois.

Eula Bingham, Ph.D., Professor of Environmental Health, Univ. of Cincinnati Medical Center, Ohio, (Former Assistant Secretary of Labor, OSHA).

David Rall, M.D., Ph.D., (Former Assistant Surgeon General USPHS and Director NIEHS), Washington, DC.

Irwin D. Bross, Ph.D., Pres. Biomedical Metatechnology, Buffalo, (Former Director Biostatistics, Roswell Park Memorial Institute).

This statement has also been endorsed by the signatories listed below.

Jerrold L. Abraham, M.D., Dept. of Pathology, College of Medicine, SUNY, Syracuse.

Dean Abrahamson, M.D., Ph.D., Professor of Public Affairs, University of Minnesota.

Nicholas A. Ashford, Ph.D., J.D., Professor of Technology and Policy, MIT.

Dr. Louis S. Beliczky, United Rubber, Cork, Linoleum and Plastic Workers of America, Ohio.

Rosalie Bertell, Ph.D., International Institute of Concern for Public Health, Toronto.

Elizabeth A. Bourque, Ph.D., Boston, MA.

Bryan O. Budholz, Ph.D., Dept. of Work Environment, University of Lowell, MA.

Walter Burnstein, D.O., President Food & Water, New York.

Leopoldo E. Caltagirone, Ph.D., Chairman, Div. of Biological Control, UC Berkeley.

Barry Castleman, Ph.D., Environmental Consultant, Baltimore.

Richard Clapp, Ph.D., Dir. JSI Center for Env. Studies, Boston.

Shirley Conibear, M.D., Carnow, Conibear & Assoc., Chicago.

Paul Connett, Ph.D., Professor of Chemistry, St. Lawrence University, Canton, NY.

Donald L. Dahlsten, Div. Biol. Control, UC Berkeley.

Susan Daum, M.D., Consultant in Occupational Medicine, Mt. Sinai Medical Ctr., NY.

Brian Dolan, M.D., M.P.H., Consultant in Preventive and Occupational Medicine, Santa Monica.

Ellen A. Eisen, M.D., Professor of Work Environment, University of Lowell, MA.

Michael Ellenbecker, Ph.D., Professor of Work Environment, University of Lowell, MA.

Arthur L. Frank, M.D., Ph.D., Dept. of Preventive Medicine, Univ. of Kentucky College of Medicine.

Richard Garcia, Ph.D., Professor of Entomology, UC Berkeley.

Michael R. Gray, M.D., M.P.H., Chief of Staff, Benson Hospital, Benson, AZ.

Ruth Hubbard, Ph.D., Harvard Univesity, Cambridge.

David Kriebel, Sc.D., Professor of Work Environment, University of Lowell, MA.

Marc Lappe, Ph.D., Professor of Health Policy & Ethics, Univ. of Illinois College of Medicine.

Marvin S. Legator, Ph.D., Professor of Preventive Medicine, Univ. or Texas, Galveston.

Stephen U. Lester, M.S., M.P.H., Falls Church, VA.

Charles Levenstein, Professor of Work Environment, University of Lowell, MA.

Edward Lichter, M.D., Professor of Preventive Medicine, Univ. of Illinois College of Medicine.

Thomas Mancuso, M.D., Emeritus Professor of Occupational Medicine, Univ. of Pittsburgh.

Sheldon Margen, M.D., Professor of Public Health, UC Berkeley.

Anthony Mazzocchi, Oil, Chemical & Atomic Workers Union, Denver.

Myron A. Mehlman, M.D., R.W. Johnson Medical School, Piscataway, NJ.

Franklin E. Mirer, Ph.D., Health and Safety Dept., International United Auto Workers, Detroit.

Rafael Moure, Ph.D., Professor Work Environment, University of Lowell, MA.

Vicente Navarro, M.D., Professor of Health Policy and Management, Johns Hopkins Univ.

Herbert Needleman, M.D., Professor of Psychiatry and Pediatrics, University of Pittsburgh.

B. Paigen, Ph.D., The Jackson Laboratories, Bar Harbor, Consultant Toxicologist.

Richard Piccioni, Ph.D., Senior Staff Scientist, Food & Water, Inc. Seattle, WA.

Michael J. Plewa, Ph.D., Institute for Environmental Studies, University of Illinois, Urbana.

Laura Punnett, Sc. D., Professor of Work Environment, University of Lowell, MA.

Melvin Reuber, M.D., Consultant in Carcinogenesis and Toxicology, Baltimore.

Knut Ringen, M.D., Laborer's Health and Safety Fund of North America, Washington, DC.

Anthony Robbins, M.D., Professor of Public Health, Boston University School of Medicine (Past Director National Inst. for Occupational Safety and Health).

Kenneth Rosenman, M.D., Professor of Medicine, Michigan State University, East Lansing.

Ruth Shearer, Ph.D., Issaquah, Washington, Consultant Toxicologist.

Janette D. Sherman, M.D., Consultant in Internal Medicine and Toxicology, Alexandria, VA.

Victor W. Sidel, M.D., Professor of Epidemiology and Social Medicine, Montefiore Medical Center, New York.

Joseph H. Skom, M.D., Professor of Clinical Medicine, Northwestern Univ. Medical School, Chicago.

Noel Sommer, Ph.D., Professor of Env. Science, Univ. of California, Davis.

Theodore D. Sterling, Ph.D., Professor, School of Computing Science, Simon Fraser Univ., Burnaby, Canada.

Alice Stewart, M.D., Pres. Childhood Cancer Research, Boston, MA.

Joel Swartz, Ph.D., Consultant in Epidemiology, Emeryville, CA.

David Teitelbaum, M.D., Professor of Preventive Medicine, University of Colorado, Denver.

Vijayalaxmi, Ph.D., Research Geneticist, Research Triangle Park, NC.

George Wald, Ph.D., Nobel Laureate, Harvard University.

Bailus Walker, Ph.D., Dean, College of Public Health, Univ. of Oklahoma, Oklahoma City, Past Commissioner of Health, Commonwealth of Massachusetts.

David H. Wegman, M.D., Professor of Work Environment, Univ. of Lowell, MA.

Susan Woskie, Ph.D., Professor of Work Environment, Univ. of Lowell, MA.

Arthur C. Zahalsky, Professor of Immunology, Southern Illinois Univ., Edwardsville.

Grace Ziem, M.D., Dr. P.H., Consultant in Occupational Medicine, Baltimore.

Emanuel Farber, M.D., Chairman Dept. of Pathology, University of Toronto.

D.J.R. Sarma, M.D., Dept. of Pathology, University of Toronto.

Additional signatures received after February 3:

Arnold Schecter, M.D., Professor of Preventive Medicine, SUNY Health Science Center-Syracuse, Binghamton.

Charles F. Wurster, M.D., Professor Environmental Toxicology, Marine Sciences Research Center SUNY, Stony Brook, NY.

[From the Washington Post, March 10, 1992]

THE CANCER ESTABLISHMENT

(By Samuel S. Epstein)

"The Cancer War and Its Critics" [editorial, Feb. 16] is a welcome expression of the overdue debate on federal cancer policies. However, the editorial misattributes criticisms of the cancer establishment, the National Cancer Institute (NCI) and American Cancer Society (ACS), exclusively to me—as well as seriously misrepresenting such criticisms.

These criticisms were based on a statement released on Feb. 4 by 65 prominent authorities in cancer research, public health and preventive medicine, including former senior government scientists.

We expressed grave concerns about the failure of the war against cancer, evidenced over the past four decades by escalating cancer rates (now striking one in three and killing one in four), paralleled by absence of significant improvement in treatment except for relatively uncommon cancers. We expressed further concern that the lavishly funded establishment has "misled and confused the public and Congress by repeated claims that we are winning the war against cancer."

As recently as 1986, the NCI promised that annual cancer mortality rates would be halved by the year 2000. The establishment now belatedly admits that cancer rates are increasing sharply. However, with the enthusiastic support of the chemical industry, these are ascribed exclusively to smoking, dietary fat itself (ignoring the tenuous evidence relating this to colon, breast and other cancers) and "mysterious" causes. Meanwhile, it discounts substantial evidence incriminating a wide range of chemical and radioactive carcinogens permeating the environment, air, water, food and the workplace. Examples include occupational carcinogens causing lung cancer in nonsmoking workers; parental exposure to occupational carcinogens (implicated in more than 20 studies as causes of childhood cancer, which increased by 28 percent between 1950 and 1987) and carcinogenic pesticides in food, which are estimated to cause tens of thousands of excess cancers annually.

Non-mysterious causes of breast cancer, which the establishment ignores let alone investigates, include carcinogenic contaminants in dietary fat, particularly pesticides, PCBs and estrogens (with extensive and unregulated use as growth-promoting animal feed additives.)

Mammography, claimed as a diagnostic triumph, is an important ad ominous cause. The high sensitivity of the breast, especially in younger women, to radiation-induced cancer was known by 1970. Nevertheless, the establishment then screened some 300,000 women with X-ray dosages so high as to increase breast cancer risk by up to 20 percent in women aged 40 to 50 who were mammogramed annually. Women were given no warning whatever, how many subsequently developed breast cancer remains uninvestigated.

Mammography risks persist with lower X-ray doses at modern centers. This is evidenced by excess breast cancer mortality in younger women noted in a Canadian study, besides four other published studies, reported in a June 1991 editorial of The Lancet. Strangely, the NCI and ACS castigate my reference to this public information as "unethical and invalid." Moreover, there is no known benefit from screening of younger, as opposed to post-menopausal, women—a warning endorsed by the American College of Physicians and Canadian Breast Cancer Task Force. Additionally, the establishment ignores safe and effective alternatives to mammography, particularly transillumination with infrared scanning.

While explaining away soaring cancer rates, the establishment, abetted by cheerleading science journalists, grossly exaggerates treatment successes. Periodic announcements of dramatic advances are based on initial reduction in tumor size rather than on prolonger survival. For most cancers, survival has not changed for decades. Contrary claims are based on rubber numbers.

Furthermore, the establishment is financially interlocked with giant pharmaceutical companies (grossing $1 billion annually in cancer drug sales), with inherent conflicts of interest.

The establishment devotes minimal resources to research and education on cancer cause and prevention—only 5 percent of the $1.9 billion NCI budget. Furthermore, the establishment provides no scientific support for legislation and regulation to reduce available exposures to industrial carcinogens.

As emphasized by critics of the cancer establishment, drastic reforms are needed.

CUTTING CONGRESS DOWN TO SIZE

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Ms. SNOWE. Mr. Speaker, today I am introducing legislation to cap the size of committee membership at 25 and to limit each Member to service on 1 standing committee.

Our committee process is the congressional equivalent of the Pentagon's $600 toilet seat. It is too costly and it is too inefficient. Committees run the gamut of size from 12 to 59, with 13 of the 21 standing committees having 40 or more members. Big committees mean more staff, more subcommittees—there are 129 currently—and more roadblocks to moving legislation through the process. The House committee process proves that bigger isn't always better.

By limiting committees to 25 members and limiting each Member to 1 committee, we will return the focus of our work to the crafting of responsible legislation. Streamlining the system will allow each Member to take more of a hands-on approach to the legislation moving through their committee. With more input and more attention placed on these bills, we might improve our track record with the public and administration by producing better bills.

Limiting committee size and membership is a congressional reform whose time has come.

TRIBUTE TO ST. CLAIR COUNTY LIBRARY

HON. DAVID E. BONIOR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. BONIOR. Mr. Speaker, it is a great pleasure for me to join others in Michigan's 12th Congressional District in celebrating National Library Week. At this most appropriate time, I would like to extend a special congratulations to the St. Clair County Library on their 75th anniversary.

Located in Port Huron, the St. Clair County Library has grown with its community. In the first 9 months of operation in 1917, 547 library cards were issued on which 3,358 books were borrowed. In 1990, over 44,000 library cards were furnished and more than 620,000 volumes borrowed.

By providing services to the blind and physically handicapped the St. Clair County Library has taken important steps to ensure their facilities are available to all our residents.

Our Nation's libraries provide the tools and resources to assist in enhancing our knowledge. They are a crucial link to an increasingly competitive job market and world economy. And they bring great joy to readers of all ages.

Mr. Speaker, I am proud that St. Clair County Library is located in my congressional district and ask that my colleagues join me in recognizing this fine institution and all others for National Library Week.

SOUTH FLORIDA CELEBRATES GREEK INDEPENDENCE DAY

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, on Saturday, March 28, south Florida's Greek-American community celebrated Greek Independence Day with a special celebration at the Intercontinental Hotel in Miami. The celebration of the 171st anniversary of modern Greece's independence was organized by the Committee of Greek Independence Day in southeast Florida which was chaired by Dr. George Palatianos. The event was in accord with the Presidential proclamation of March 25 as Greek Independence Day—a day of celebration of Greek and American democracy.

In this year's celebration, the 2,500 years of Greek democracy from ancient to modern times was reviewed with an inspirational speech by Dr. David F. Graf, professor of history at the University of Miami. Dr. Palatianos delivered a speech emphasizing the determination and self-sacrifice of the Greek freedom fighters of 1821 throughout Greece. He also stressed the positive contribution of the United States toward the final victory.

Dr. Basil S. Yanakakis, a prominent member of the organizing committee, presented Mr. Alec Courtelis with a commemorative plaque in appreciation of his distinguished service to the Greek-American community in the United States. Mrs. Penny Angleton and the choir of the St. Sophia Cathedral of Miami led the participants in singing "God Bless America" at the conclusion of the official celebration.

In light of the many changes the world has witnessed during the past years and the many men and women who have worked so hard for true freedom in Romania, East Germany, Poland, Czechoslovakia, and Nicaragua, we should also remember those who so many years ago did the same for Greece.

By their revolution, this small band of Greek patriots renewed the spirit of freedom that so long ago had its earliest beginnings in ancient Greece, the cradle of democracy. The legacy of democracy which began so many years ago in Athens continues today as an inspiration to us all.

Mr. Speaker, it is an honor for me to congratulate the Greek-American community of south Florida during this celebration of the spirit of freedom and justice. I was pleased that my office presented a U.S. flag which had flown over our Nation's Capitol as part of this important event. I would like to thank Dr. George M. Palatianos and Dr. Basil S. Yanakakis, and the other members of the committee on celebration of Greek Independence Day in southeast Florida for their contribution to commemorating this important date in the history of freedom.

NUCLEAR PROLIFERATION IN THE FORMER SOVIET UNION THREATENS UNITED STATES INTERESTS

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. LEVINE of California. Mr. Speaker, we should all be concerned by events in the former Soviet Union. The new Republics of the CIS and Georgia face monumental challenges in making the transition from their status as Soviet Republics to independent States. The United States must do more to nurture and strengthen this democratic process. Unfortunately, the Bush administration has failed to seize this historic opportunity.

The Bush administration has also failed to adequately address the threat of nuclear proliferation in the former Soviet Union. Nuclear and conventional weapons, as well as millions of troops, continue to be deployed throughout the former Soviet State. The Republics, desperate for cash and needing the equipment for themselves, are struggling with the center to retain control over the weapons deployed on their territory. Already, Russia, Ukraine, and Kazakhstan have expropriated Soviet military hardware and sold it to countries like Syria and Iran.

The threat of nuclear proliferation is very real. Libya, Syria, Iran, and North Korea are some of the countries seeking to acquire nuclear material and technology from the former Soviet Republics. In fact, reliable reports have stated that Iran has already gained possession of several nuclear warheads.

The Bush administration must act decisively to help the States of the former Soviet Union establish free market economies and controls over weapons exports, both conventional and nuclear. I urge my colleagues to review the following article which appeared in the April 6 edition of the U.S. News and World Report.

[From the U.S. News and World Report, Apr. 6, 1992]

EMPTY CONTAINERS

Three more nuclear warheads—these designed for strategic missiles—reportedly have disappeared from a storage facility inside the former Soviet Union. The new loss was revealed during a recent briefing in Ukraine for members of the International Security Council, a Washington-based conservative think tank. The American visitors say they were told by Russian Gen. Viktor Samoilov that the disappearance came to light when a weapons security unit found three empty warhead containers outside the arsenal. Samoilov also said that while Russians were doing their best to count and maintain control over all nuclear weapons, too many "unauthorized" persons have had access to the storage sites. The security problem, he added, was even worse outside Russia and Ukraine. Last month, U.S. intelligence reported that three tactical nuclear weapons were missing from an arsenal in Kazakhstan in central Asia (U.S. News, March 23, 1992).

WE NEED TO SHIFT FOCUS FROM WASTE DISPOSAL TO WASTE REDUCTION

HON. CURT WELDON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 2, 1992

Mr. WELDON. Mr. Speaker, today we find ourselves facing a solid waste crisis where the United States has been labeled the "throwaway society." Americans generate over 180 million tons of municipal solid waste each year, and the amount is rising steadily. Landfilling has been the most common method of disposal in the United States but the landfills are quickly filled beyond their capacities. Municipalities are having difficulties citing new landfills and incinerators because no one wants them in their own backyard. For this reason, it is necessary that we shift our focus from waste disposal to waste reduction.

Currently, the Resource Conservation and Recovery Act is under consideration in the Energy and Commerce Committee. RCRA, first passed in 1976, was intended to set up a framework for regulation of all types of solid waste, including garbage, trash, or any other discarded material, including the waste byproducts of manufacturing, agriculture, and mining. One of this law's original goals was to recover the hidden resources available in material that has been thrown away. While effective recycling programs have been established, more needs to be done.

Recycling is being practiced more and more by the private sector and nonprofit organizations, both for profit and to conserve natural resources. Citizen groups, communities, and States are becoming more involved in the collection, processing, and marketing of recyclable materials. However, without the recycling effort being strongly supported on a national level, these actions are completely inadequate.

In response to the need of solid waste reduction, I have introduced H.R. 755, the Recycling Information Clearinghouse Act of 1991. This bill would promote recycling through the creation of a recycling clearinghouse within EPA's Office of Solid Waste Management. Through seminars, a tollfree hotline, and other resources, the clearinghouse would make available technical assistance on recycling to interested State and local officials.

Mr. Speaker, without the efforts of local municipalities, our Nation will fail to fully address our current solid waste disposal needs. I am hopeful that legislation, such as H.R. 755, will serve as a means to launch effective recycling programs.

INTRODUCTION OF THE GLOBAL WARMING PROTECTION ACT

HON. HENRY A. WAXMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. WAXMAN. Mr. Speaker, I am pleased today to join Congressmen MILLER, FASCELL, BOEHLERT, and over 100 other colleagues in introducing a vitally important legislative proposal, the Global Climate Protection Act. This bill mandates that the U.S. freeze CO_2 emissions at 1990 levels by the year 2000, as almost every other nation in the industrialized world has pledged to do.

A decade ago most Americans thought—understandably—that the greatest threat to the continued existence of our society was the potential for nuclear war.

Today, with the demise of the Soviet Union, and the emergence of new data on the damage mankind is doing to the planet's ozone layer and climate system, it is clear that the most severe threats we face as a society are the potentially devastating environmental changes that we are inflicting on our planet.

Greenhouse warming is probably the most severe such threat. Mankind has dramatically increased the natural concentration of greenhouse gases such as carbon dioxide that trap the planet's heat. Scientists predict that by early in the next century we will have more than doubled the natural level of carbon dioxide in the planet's atmosphere.

Experts from around the world agree that we must control carbon dioxide emissions to protect our planet from dangerous climate changes that might have devastating impacts on our ecosystems, our health, our living environment, and our supply of food and drinking water supply. The potential effects of climate change include increased frequency and severity of droughts and hurricanes, reduced agricultural productivity, flooding of coastal areas and wetlands, inundation of drinking water aquifers with salt water, increased spread of infectious disease, and loss of important natural ecosystems.

We need an effective international agreement to deal with this global problem, and we need it soon.

Unfortunately, however, the Bush administration has made the United States the major obstacle to meaningful international action to protect our planet. At ongoing international negotiations, the United States is the only developed nation, other than Turkey, to oppose control of carbon dioxide emissions.

Newspaper editorials across the nation have condemned the U.S. position. According to the New York Times, the refusal to support carbon dioxide control has made the United States an environmental pariah. The Atlanta Constitution says the Bush administration position on global warming has made the United States "an outlaw nation."

This is an unacceptable situation, and one that Congress must move to change. In the spring of 1990, when the Bush administration opposed strong action to protect our ozone layer, Congress stepped in and unanimously passed a provision requiring that the President take a more responsible position for protection of our planet. Two weeks later, at an international meeting in London, U.S. opposition disappeared, and an effective international agreement was reached. We must do no less on protection of the global climate.

That is why the Global Climate Protection Act is so important. It mandates that the United States take the responsible first step to address our global climate problem. It is a step that the rest of the industrialized world is now advocating at international negotiations—stabilizing carbon dioxide emissions by the year 2000.

Numerous studies, including analyses by the National Academy of Science, the Congressional Office of Technology Assessment, and the U.S. Environmental Protection Agency, indicate that carbon dioxide emissions can be stabilized at little or no costs, or even at a net savings to the economy.

The exceptionally large number of original cosponsors demonstrates the strong congressional support for assuming a more responsible position on the global climate issue. We are sending a strong message to other nations participating in the international negotiations: "U.S. opposition to an effective international agreement on global climate will not stand."

I urge my colleagues to join us in cosponsoring this important bill, which I have asked to be reprinted here in the RECORD.

When the energy bill comes up on the House floor in April or May, I will offer this bill as an amendment. In the energy bill, Congress may establish the principles to guide America's energy policy into the next century. It's important that protection of our planet's climate be a fundamental part of this program.

The fight to avert greenhouse warming will be long and difficult. But it is time that it began in earnest with a meaningful first step.

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Global Climate Protection Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) manmade emissions of carbon dioxide CO_2 are dramatically increasing the natural concentrations of this greenhouse gas in the Earth's atmosphere;

(2) the world's leading scientific experts, including the Intergovernmental Panel on Climate Change and the United States National Academy of Sciences, have concluded that continued emissions of CO_2 and other greenhouse gases will lead to a warming of the global climate;

(3) such a change in global climate could increase the frequency and severity of hurricanes and droughts, have disastrous impacts on the planet's agricultural productivity, flood coastal areas and wetlands, inundate drinking water supplies with salt water, devastate many of the planet's natural ecosystems, cause serious human health impacts, and threaten the habitability of the Earth;

(4) an international agreement is needed soon to provide for effective control of CO_2 and other greenhouse emissions globally;

(5) among the world's major industrialized nations only the United States has failed to support an international agreement to stabilize emissions of CO_2;

(6) numerous studies, including analyses by the National Academy of Sciences, and the Congressional Office of Technology Assessment, show that CO_2 emissions in the United States can be stabilized at 1990 levels at little or no costs or even a substantial savings to the economy;

(7) a requirement for stabilization of CO_2 emissions in the United States will be an important first step in responding effectively to the global climate problem and will constitute an important United States commitment towards assuming this country's share of responsibility for protection of the global environment; and

(8) a statutory requirement for stabilization of CO_2 emissions in the United States will dramatically enhance prospects for reaching an international agreement to control emissions of greenhouse gases before the United Nations Conference on Environment and Development in Rio de Janeiro in June of 1992.

SEC. 3. STABILIZATION OF CO_2 EMISSIONS.

(a) REGULATIONS.—Not later than 2 years after the enactment of this Act, the President shall promulgate final regulations that will achieve stabilization of CO_2 emissions by January 1, 2000. The regulations shall use the statutory and administrative authorities of the Environmental Protection Agency and other departments, agencies, and instrumentalities of the United States to achieve such stabilization. Such regulations shall be proposed within 1 year after the enactment of this Act.

(b) PROGRESS DETERMINATIONS.—Not later than 4 years after enactment of this Act and at 2-year intervals thereafter, the Administrator of the Environmental Protection Agency shall complete an evaluation of the progress made pursuant to the regulations promulgated under this section and submit a report to the Congress containing the results of such evaluation. Each such evaluation shall contain a determination whether such regulations will achieve the stabilization required under subsection (a). If the Administrator determines that such regulations will not achieve such stabilization, the President shall, within 1 year after such determination, promulgate additional regulations that will achieve such stabilization, using the authorities referred to in subsection (a).

(c) CITIZEN ACTION.—Any citizen of the United States may bring an action in the United States District Court for the District of Columbia against any officer of the United States where there is an alleged failure by such officer to perform any act or duty under this section which is not discretionary with such officer. In any such action, the United States District Court for the District of Columbia shall issue such orders as may be necessary to assure that such officer performs such act or duty.

(d) DEFINITIONS.—The term "stabilization of CO_2 emissions" means the achievement and maintenance of a level of aggregate annual CO_2 emissions from all anthropogenic sources of such emissions in the United States at a level which does not exceed the aggregated level of such emissions in the United States from such sources in 1990.

MEDICARE DEPENDENT HOSPITALS LEGISLATION

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. GUNDERSON. Mr. Speaker, today I am introducing legislation that will extend special treatment of rules for Medicare-dependent, small rural hospitals. Approximately one-fourth of all hospitals have Medicare utilization exceeding 60 percent. This number has increased steadily over the past 3 years. According to the American Hospital Association, rural hospitals with fewer than 100 beds comprise 62 percent of the Medicare-dependent classification. In Wisconsin there are 22 hospitals that currently receive Medicare-dependent status, seven in my congressional district.

In 1989, we passed legislation that adjusted payments to Medicare-dependent small rural hospitals. Hospitals eligible for this adjustment are rural, have 100 beds or fewer, are not classified as sole community providers, and have 60 percent Medicare patient days or discharges based on the 1987 cost reporting period. This legislation applies to hospital cost reporting periods beginning on or after April 1, 1990 and ending on or before March 3, 1993. Because of the wording of the statute, some hospitals will lose this designation prior to March 1993. Thus, the current provision will sunset for some Medicare-dependent hospitals in mid-1992. My proposal will extend these special payments from March 1993 to March 1994.

In many rural communities, Medicare-dependent hospitals serve as the primary entity for delivery of care to seniors. In my district, the Osseo Area Municipal Hospital, which is classified as a Medicare-dependent hospital, provides essential health care services to seniors and otehr individuals who otherwise would have to travel 45 minutes to receive care. If this hospital and others in Wisconsin and across this Nation lost these special payments, many Americans, especially our seniors, would lose access to a health care delivery system. I urge my colleagues to pass this important initiative this year.

HONORING TITO ANTHONY PUENTE

HON. SOLOMON P. ORTIZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. ORTIZ. Mr. Speaker, as chairman of the congressional Hispanic caucus, I rise on behalf of the national Hispanic community to pay tribute to one of the most influential and popular musical forces in the world today—Tito Anthony Puente.

Known throughout the Latin world as "El Rey," which means "the King" in Spanish, Tito Puente is the originator and driving force behind a style of music whose popularity transcends all ethnic, social, and geographic barriers. His unique fusion of jazz and Afro-Cuban music has given rise to styles of music—mambo and salsa—which are listened and danced to around the world.

In his four decade long career Tito Puente has produced more than 100 albums, received four Grammy awards, and has even been awarded a star on the Hollywood Walk of Fame for his outstanding musical achievements. He began his musical training with piano lessons at the age of 7. He was a drummer by the age of 13 and at 16, a full-time band member. After serving in World War II, Tito Puente honed his skills at the Juilliard Conservatory of Music. In addition to the piano and drums, he mastered the saxophone, the vibraphone, the marimba, and the timbal.

Tito Puente's contributions extend beyond great records and great performances. By bringing common ground to very disparate peoples, his music has become a catalyst for mutual understanding. And the scholarship program he has sponsored for the past 10 years at the Juilliard School of Music has enabled scores of extremely talented young musicians to pursue their dreams.

Mr. Speaker, please join the congressional Hispanic caucus and the national Hispanic community today in expressing our appreciation to an individual who has brought joy to many, many people through his dedication to music—Tito Anthony Puente, the one and only king of the Latin beat.

THE APPROPRIATIONS ACCOUNTABILITY ACT OF 1992

HON. GARY A. CONDIT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. CONDIT. Mr. Speaker, today I am introducing the Appropriations Accountability Act of 1992. This legislation would rescind specific projects in the Department of Defense Appropriations Act for fiscal year 1992 requested which were requested by the President in his March 10, 1992 special message to Congress. If enacted into law, this legislation would decrease our expenses by $136,250,000 in this fiscal year.

In the special message to Congress, the President indicated that these projects, which are included in the Appropriations Accountability Act, exceeded program requirements and that the Department of Defense's ability to accomplish its mission successfully would not be affected by these rescissions nor would they contribute to the overall mission of the Department of Defense.

In addition to the reasons stated by the President for rescinding these projects Mr. Speaker, there are other valid reasons as to why we should never have included these projects in the Department of Defense Appropriations Act of 1992. In every case, these projects were never the subject of an authorizing committee or subcommittee hearing. Moreover, they were not the subject of a specific authorization, but rather added by the committee in conference when neither the House bill nor the Senate bill going to conference originally contained these projects. Finally, these projects were noncompetitively awarded in violation of established congressional procedure or the process proscribed by law.

While many Americans believe that rising deficits are crucial, the policy remedies we have recently enacted have not adequately addressed the crisis. For example, despite the passage of the 1990 Budget Enforcement Act, the Federal budget deficit for fiscal year 1992 will still be a record $400 billion. Moreover, the Congressional Budget Office has reported that annual deficits are projected to grow at an alarming rate during the later half of the decade, threatening the Nation's potential for economic growth and for addressing societal problems. These record budget deficits raise serious questions about the quality of life our children can expect now and in the next century.

The confidence of the American people in the ability of the executive and the legislative branches to serve the public and address the Nation's long-term domestic problems has never been worse in recent memory. The American people believe Government has gotten too big, that it does not function well, and that it is unable to resolve the problems the American people face. Many also believe that Government is responsible for these problems.

The American people want Congress to confront the Federal budget deficit now rather than later. The key is to stop wasteful spending! While it won't resolve our budget crisis, it is a beginning. Unless we take concrete action to curb wasteful spending, we will never get our fiscal house in order. The Congressional Budget and Impoundment Act of 1974 provides the way to reduce wasteful spending. The only question is, Does the Congress have the will?

IT IS IMPRACTICAL TO REQUIRE NUTRITIONAL LABELING ON CONFECTIONERY PRODUCTS

HON. MICHAEL G. OXLEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. OXLEY. Mr. Speaker, it's obvious to me that one reason economic growth in this country is not what it should be is a renewed surge in the growth of Government regulation of private business. Businesses in America must devote increasingly significant resources to meeting the social objectives of Government. At some point the costs of regulation begin to outweigh the sometimes questionable benefits.

On January 28, 1992, the President of the United States, to his great credit, directed the heads of 12 departments and 12 independent agencies to refrain from issuing new regulations for 90 days, and to review their regulations to develop proposals to eliminate unnecessary regulatory burdens.

Although there are myriad examples of regulatory excess from which to choose, I would like to address the implications of the food-labeling regulations proposed by the Food and Drug Administration on retail confectionery businesses. Retail confectioners are small, independent businesses that produce and sell specialty chocolate and confectionery goods directly to consumers.

As a member of the Committee on Energy and Commerce, I am aware that, in enacting the Nutrition Labeling and Education Act of 1990, Congress expressly allowed that nutrition labeling not be required where it would be impractical or unduly costly. The President's directive reinforces the importance of considering the economic costs of the act. I therefore urge FDA to closely examine the reach of its nutrition-labeling regulations. While the proposed regulations provide for several exemptions, they do not go far enough in protecting the viability of retail confectioners.

Due to the unique nature of the business, it would be impractical to require the nutritional labeling of the confectionery products of retail operators. The retail confectioner manufactures a variety of products that are made and sold directly to customers in different quantities and combinations. The nutrient variability among these seemingly similar products is substantial, and the cost of providing nutrition information are too great for many small businesses to absorb.

Candymakers are not selling their products on the promise of high nutritional content, nor are consumers buying bonbons and chocolate turtles for that reason. It is my understanding that Retail Confectioners International and other trade groups have submitted thoughtful, comprehensive comments to FDA. I encourage FDA to give these suggestions very serious consideration and fashion final regulations that will not drive the small businessman from the confection marketplace.

HAZELTON CHAMBER OF COMMERCE CELEBRATING 100 YEARS

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. KANJORSKI. Mr. Speaker, I am pleased to rise today to pay tribute to the Greater Hazelton Chamber of Commerce on the occasion of its centennial celebration.

The city of Hazelton is located in southern Luzerne County in my district in Pennsylvania. The Hazelton Chamber of Commerce began as the board of trade in 1892. When it was incorporated in 1899, its purpose was: "To promote the general welfare of the city, to aid and develop its commercial, industrial and business interests." There is no question that the Hazelton Chamber of Commerce has successfully fulfilled its goal time and again over the past 100 years.

In the 1950's, when the decline of the coal industry left the area with massive unemployment, the chamber formed an industrial development group to attract new jobs. That group, known as CAN-DO is recognized as one of the most successful organizations of its kind in the country.

The chamber can take credit for literally opening roads to the area when it worked to locate the intersections of two interstate highways in the region. It has helped to promote the proud coal mining heritage through a popular tourist attraction at Eckley Miners Village. Offspring of the Greater Hazelton Chamber of Commerce include the distinguished Leadership Hazelton, Junior Leadership, and the Arts Council of Greater Hazelton.

Thanks largely to the efforts of the chamber, Hazelton has been the recipient of many awards throughout the years. In 1964, the city was named an All American City, and received honorable mention for the same award again in 1970. In 1971, the Greater Hazelton Chamber of Commerce received official accreditation by the U.S. Chamber of Commerce, and in 1988, was recognized by President Reagan's Commission on Private Sector Initiatives for outstanding service in the public/private arena. At present, the chamber has 520 members and serves as an area populated by some 75,000 people.

During my tenure in Congress, I have had the opportunity to work with the Greater Hazelton Chamber of Commerce and CAN-DO many times and I am extremely proud of our close working relationship. I am pleased to pay tribute to this fine organization and congratulate them on 100 years of fine service to the community and wish them many more years of success.

ALABAMA AND AMERICA THANK THE BRUNO FAMILY

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. ERDREICH. Mr. Speaker, I would like to take this time to recognize one of Birmingham's outstanding families, Lee J. and Nancy M. Bruno. Over the years, Lee and Nancy have led the way in generously giving to help our community.

On April 6, another example of this family's generosity, the Lee J. and Nancy M. Bruno Rehabilitation Center at St. Vincents Hospital, will be dedicated into service. This fine facility will be used for outpatient therapy and fitness training by thousands of patients across the State of Alabama. If not for the Bruno's gift of $4.3 million, the largest gift ever received by a medical institution in Alabama, this center would only be a dream instead of the reality it is today.

But the Bruno's generosity does not stop here. There are countless educational and religious institutions in Birmingham and across Alabama that have benefited from the gifts of Lee and Nancy Bruno.

Tragically, Birmingham lost a great man when Lee Bruno was killed in a plane crash on December 11, 1991. Alabama mourned losing this caring, involved civic leader, who once said, "Now, thanks to God, I can help others who have not been as fortunate."

Mr. Speaker, we all thank and commend the Bruno family for all of the contributions they have made to Birmingham and Alabama. Their efforts have helped to make our community a better place for all our citizens.

TRIBUTE TO WILLIAM SWANN

HON. JOHN CONYERS, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. CONYERS. Mr. Speaker, one of the most important threads of any democracy is information, particularly that information generated by a representative government which is critical to keep the system accountable and functioning. Today with the departure of Bill Swann, a valued member of our team at the House Committee on Government Operations, I would like to take the opportunity to salute not just him but all the others that make sure that this critical task if performed in the U.S. Congress.

Most Members know that the operations of any Committee in Congress require the management of innumerable critical activities, many of which are not always noticed on a daily basis. The publication of committee products—hearings, investigative and activities reports, committee prints, et cetera—is an enormous task and one we often fail to appropriately acknowledge. It involves working hundreds of pages of copy each week, a keen eye for typographical and syntactical errors, a stamina for detail, a pride and desire for perfection. And because of the volume of work, the peril of mistake is always present. Bill Swann's work has been a testament to discipline, professionalism, accuracy, and plain old good human nature.

In saluting him, I am not sure what first comes to mind: whether it is his gentle, soft spoken and warm character, the consistent high quality of his work, or the fact that his tall physical stature towers over me and virtually every one else. All characteristics stand out about Bill. I do not know about others, but when I stare at copy all day, I gloss over. Bill does it with an unusual grace and charm, a likability and a gentleness that are too often taken for granted on Capitol Hill.

Bill has served this body for 20 years and his management of innumerable important publications is truly a matter of posterity. It is food for scores of hungry journalists and lobbyists, a firsthand resource for historians, and the firsthand source of information for the public which keeps this institution accountable.

Bill is now more than entitled to his retirement. He should look back proudly on the work that he helped us accomplish and with the knowledge that without his support—and that of many others like him across Capitol Hill—this and other committees could not get on with doing the Nation's business. On behalf of the committee and its staff, we wish Bill and his lovely new wife Lois many happy and deservedly restful years of happiness.

PROPOSED AMENDMENT TO THE RURAL ELECTRIFICATION ACT OF 1936

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, today I am introducing legislation to amend the Rural Electrification Act of 1936, to qualify American Samoa to participate in the loan and loan guarantee programs authorized under the act.

As you know Mr. Speaker, the Rural Electrification Act of 1936 authorizes credit assistance programs administered by the Rural Electrification Administration of the U.S. Department of Agriculture. This agency has provided low-interest loans, loan guarantees, and other assistance to 47 States, Puerto Rico, the Virgin Islands, Guam, the Republic of the Marshall Islands, the Northern Mariana Islands, and the Federated States of Micronesia, to construct, expand, and improve rural electric and telephone systems.

American Samoa, however, is excluded from programs authorized by the act due to a requirement that loans can only be made where persons in rural areas are not receiving central station service. This is not the case in the territory.

Mr. Speaker, for the past 30 years, American Samoa has been confronted with massive power generation problems due mainly to financial constraints, aging equipment, and outdated technology used at the only electric utility in the territory. The inability of our single utility to sustain growing business demands and the significant increase in population, reportedly one of the highest in the Nation, has posed a severe problem to the economic development of Samoa.

The Rural Electrification Administration through its low-interest loans and loan guarantees would provide much needed assistance to improve and develop Samoa's electrical system.

I believe the amendment proposed by this legislation will help relieve the critical need for electric improvement and development in American Samoa.

Mr. Speaker, I urge my colleagues to pass this bill during this Congress.

TRIBUTE TO JOSEPH J. McCANN

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. McMILLEN of Maryland. Mr. Speaker, it is with pleasure that I bring to the attention of this body an individual who has served the government and residents of my home of Anne Arundel County, MD.

Joseph J. McCann has served as the Director of Recreation and Parks for Anne Arundel County for 17 years. During that time he has distinguished himself in ways I cannot begin to enumerate. He is credited with designing one of the finest county park systems in the entire United States. He was instrumental in increasing the amount of county parkland from 1,000 acres to more than 5,000 acres.

Joe has also been the driving force behind the development of a countywide park system that takes advantage of Anne Arundel County's coastline along the Chesapeake Bay. And he has had the foresight to create unique recreation parks, such as the Baltimore and Annapolis Trail Park.

Mr. Speaker, today Joe McCann is retiring after more than two decades of service to Maryland and Anne Arundel County. While we will sorely miss him, we wish him well in his retirement. And we hope that now he'll have a little time of his own to perhaps spend enjoying some of the magnificent parks he help create for Anne Arundel County's citizens.

JANICE COLOSIMO SMARTO JEANNETTE JAYCEES' WOMAN OF THE YEAR

HON. JOHN P. MURTHA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. MURTHA. Mr. Speaker, I'd like to take a moment to recognize an outstanding citizen from Jeannette, PA who will be recognized as the Jeannette Jaycees' 1992 Woman of the Year. The Jaycees could not have made a better choice than Janice Colosimo Smarto, and I'd like to extend my congratulations to her on this honor.

Janice is the broker/owner of ERA Smarto Real Estate in Jeannette, and has been active in real estate for more than 16 years. She was the first woman to serve as president of the Greater Jeannette Board of Realtors, and she also serves as a State director of the Pennsylvania Association of Realtors.

But beyond her many professional accomplishments, Janice has been tremendously active in the Jeannette community. As president of the Seneca Heights PTA, promoter of the National Red Ribbon Campaign for Drug Free Schools and Communities, and chairwoman of the Jeannette Zoning and Hearing Board, she demonstrates an extraordinary commitment and desire to helping people in her community. In fact, when Janice is honored at the Jaycees Woman of the Year banquet, the proceeds from the banquet, at her direction, will go to a fund to assist a Jeannette resident who was severely injured in a motorcycle accident.

I'd like to join the people of the Jeannette community in saying thanks to Janice Colosimo Smarto for her efforts on behalf of the citizens of Jeannette. Jeannette is a better place to live because of her efforts, and we should be proud that she is getting some of the recognition she deserves for her work.

BICENTENNIAL BIRTH CELEBRATION OF THADDEUS STEVENS

HON. ROBERT S. WALKER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. WALKER. Mr. Speaker, on April 4 of this year, we will honor the bicentennial of the birth of the antislavery and Reconstruction leader Thaddeus Stevens, one of the House's most influential figures. A tribute to Stevens will take place in Lancaster at the Thaddeus Stevens State School of Technology on April 4. It will be followed by a conference on the Legacy of Thaddeus Stevens in Lancaster on October 30 and 31.

Stevens represented the Lancaster County area of Pennsylvania in Congress for 14 years, and chaired both the Ways and Means Committee and the Appropriations Committee during the Civil War and Reconstruction. His political career dates back to the 1830's when he served as a representative in the Pennsylvania legislature. He is justly called the father of Pennsylvania's public schools, for his 1835 speech "On the School Law" virtually single-handedly persuaded the Pennsylvania legislature not to repeal a bill establishing a public school system.

Stevens used his legal skills to defend fugitive slaves in Pennsylvania courts, and adamantly criticized the institution of slavery. While a Congressman, Whig, from Pennsylvania's Ninth District for two terms, 1849–1853, Stevens gave several major speeches opposing the extension of slavery.

Stevens returned to Congress as a Republican in 1859, and served until his death in 1868. He became the chairman of the powerful Ways and Means during the Civil War, and used this position to see that funds were appropriated to vigorously prosecute the war. In this capacity, he also exercised his concern for fiscal responsibility. Later, when the committee was divided, Stevens became the first chairman of the Appropriations Committee.

During the war, Stevens also urged the emancipation of slaves, and employment of, and equal pay for, black troops. As one of the architects of Reconstruction, Stevens helped craft what became the 14th Amendment, giving citizenship and due process to the freed slaves.

In connection with this bicentennial observance of his birthday, work is underway to publish a documentary edition of Stevens' letters and speeches, which have never been collected.

Always a controversial figure, Stevens was regarded by both friend and foe as honest, determined, and direct. His congressional career demonstrated his deep concern with a wide range of issues—among them, civil rights and social justice, constitutional theory and practice, and public education in a democratic society. His birthday bicentennial affords us the opportunity to remember one of the House's leading legislators. In fact, some scholars regard him as the most powerful parliamentary figure of all times.

We hope that these bicentennial commemorations will give Stevens recognition for his important contributions to this country. And in recognizing Thaddeus Stevens, perhaps we can also better understand the body where he made his most important contributions, the U.S. House of Representatives.

THE PRESIDENT'S BALANCED, THOUGHTFUL PLAN TO AID RUSSIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. BROOMFIELD. Mr. Speaker, President Bush has offered what I believe is a balanced and thoughtful plan to aid Russia at a very difficult moment in its history.

It takes some courage to offer a new foreign aid program just months before a Presidential election, but President Bush knows, as I hope every Member of this body knows, that we are peering through a very narrow window of opportunity.

Just as the Russians are building down their powerful military establishment, they are trying to build up free political and economic institutions.

The President's foreign aid plan is an investment not only in democratic institutions for Russia, but also in America's national security. We have found through experience that free nations have little to fear from their democratic neighbors and much to fear from those regimes that don't have to answer to public opinion.

Forty-four years ago America faced the possibility that Western Europe, still in turmoil from a destructive war, could be swept by the forces of communism. That it wasn't is largely the result of the Marshall Plan. That plan was a credit to America's generosity and to America's foresight.

It took great political courage for Harry Truman to submit the Marshall Plan to Congress just 11 months before the 1948 elections. The amount of money requested was enormous for that time, and America had wearied of a long war, just as many Americans have now wearied in the wake of our long stand against communism in the cold war.

The American people have tired of being virtually the sole support of the Western democracies. We have a right to be. We have been the arsenal of democracy for half a century. It's time to turn over more of the responsibility to others.

Fortunately the Allies whose economies we helped restore 44 years ago are now in a position to take on much of the burden of funding this aid plan.

America will be spending far less on its military forces. This aid plan will be a cost-effective method of redirecting some of those savings towards building working democracies and investing indirectly in America's security.

AMENDMENTS TO THE EMERGENCY UNEMPLOYMENT COMPENSATION ACT

HON. PAT WILLIAMS

OF MONTANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. WILLIAMS. Mr. Speaker, I rise today to introduce legislation to amend the Emergency Unemployment Compensation Act.

The amendments that I am introducing today will alleviate an inadvertent problem that has occurred in a number of States including California, Montana, Texas, Nevada, and Utah. Due to the rapid implementation of the program, mistakes were made in defining who was eligible for these extended benefits. As a result, in a limited number of cases, long-term unemployed individuals were judged as eligible for extended benefits and received payments under the program. After further examination, these individuals were then told, through no fault of their own, that they received their benefits incorrectly.

As a result, States are now asking these long-term unemployed individuals to repay benefits that they received and used to live on. This is like taking blood from a turnip. These folks applied for benefits in good faith and should not now be penalized due to bureaucratic error.

This legislation creates a one-time waiver of repayment of benefits under this act.

TRIBUTE TO CARMEN "CHICK" CHICKLO AND SHIRL "JACK" THOMPSON

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. TRAFICANT. Mr. Speaker, on April 5, the Trumbull County Area Boxer's Legends of Leather will come together with their members and boxing fans throughout the valley to honor two of the all-time boxing greats of the Steel Valley. They are Carmen "Chick" Chicklo and Shirl "Jack" Thompson. Together these two men have accumulated over 125 years of boxing experience which helped stabilize the boxing scene in this valley.

"Chick" Chicklo started boxing at the young age of 16 in the midst of the Great Depression in 1932. He fought in such States as Ohio, Utah, Kentucky, California, and Montana. He boxed until 1936 when he decided to quit the fight game as a participant and devote himself to training young fighters. His extensive career as a trainer-manager brought 700 youngsters into his gymnasium over a period of years. His fighters won 15 team trophies, and over 300 of his fighters won Golden Gloves titles. A true member of the Curbstone Coaches Hall of Fame and the Legends of Leather Hall of Fame. His fighters made the big time with the likes of Tony Janiro, Ricky Ronci, Joey Carkido, Joey "Red" D'Amato, Jimmy Quinn, Frankie Lentine, Tommy DeSantis, Billy Tanner, Ward Lee, Mike Sandine, Mike Kornicki and Art Mayorga just to mention a few. Chicklo won the Cleveland Plain Dealer's Trainer of the Year Award in 1948, 1949, and in 1950.

Shirl "Jack" Thompson started his career at the tender age of 14 under the guidance of Alex Raeburn, Sr. Fighting for the Sphinx Athletic Club, Thompson won the 118-pound title and from there produced a 55–10 amateur record. At the age of 17, Thompson, whose close resemblance to all-time great and idol Jack Dempsey began on a professional career soon became a top drawing card. Thompson's career ended at 35–6. Among his bouts were the highly touted Alvie Miller, Paul Otis, Jimmy Flemming, Jack Johnson, Joey Bizone and Jimmy Ellis. In 1938 Thompson started to referee and he soon opened up his own stable in Central Athletic Club in which over 600 youngsters passed through one time or another. A true Legends of Leather, Jack is also inducted into the Legends of Leather Hall of Fame. Thompson trained outstanding ranked boxers like Joe Salcone, Lalu Sabotin, Jimmy Sanders, Deniss "Moe" Harvey, Bobby Hughes, Tommy Brocken, Ted Fittipaldo and Joey "Red" D'Amoto.

Mr. Speaker, both of these great men have made major inroads in the game of boxing. With over 125 years, yes that was 125 years of boxing experience between them, "Jack" Thompson and "Chick" Chicklo helped to keep kids off of the streets while teaching them self discipline. Today, these two men are the most respected boxing people in the area.

MELALEUCA IS ADDED TO THE FEDERAL NOXIOUS WEED LIST

HON. E. CLAY SHAW, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. SHAW. Mr. Speaker, I am pleased to inform my colleagues that Melaleuca, an exotic pest plant devastating the Everglades, has been officially added to the Federal Noxious Weed List [FNWL] by the U.S. Department of Agriculture [USDA]. The regulation adding Melaleuca to the FNWL appeared in the March 13, 1992, issue of the Federal Register.

The addition of Melaleuca to the FNWL has been a priority of mine for over 2½ years. I originally requested that the USDA list Melaleuca on the FNWL in a July 1989 letter to the U.S. Secretary of Agriculture, which the entire Florida congressional delegation joined in signing. That initial request was turned down. Undaunted, I immediately began negotiations with the USDA to convince them of the benefits of listing Melaleuca on the FNWL. These negotiations lasted right up until this month.

The benefits of listing Melaleuca are many. Designating Melaleuca as a Federal noxious weed means that Melaleuca can now be moved into the United States or between States only by written permit issued by the USDA and under conditions that would not involve a danger of dissemination of the weed. This change will help protect areas not infested from becoming infested through the artificial movement of the weed. By listing Melaleuca, it is also possible that Everglades' wetlands lost to this weed could revert back to wetland status.

Additionally, Federal funds could be made available to combat Melaleuca by this change in regulation. Perhaps most importantly, however, public awareness concerning the problems Melaleuca and other noxious weeds pose to the Everglades will be heightened by this action.

Melaleuca is the first weed to be added to the FNWL in at least 12 years. I am hopeful, now that the USDA is more aware of the damage exotic pest plants cause Florida's ecosystems, that the USDA will be more receptive to list other plants in the future without bureaucratic delay. The Brazilian pepper and the Australian pine, two plants which are almost as widespread in Florida as the Melaleuca, deserve the USDA's immediate consideration to be listed on the FNWL.

Mr. Speaker, adding Melaleuca to the FNWL is a victory for the fragile environment of Florida, and I am pleased that I was able to play a role in this effort. Although this is an important first step, much work remains to be done if we are to save one of our Nation's true national treasures, the Everglades.

TRIBUTE TO MR. JAMES EATON

HON. PETE PETERSON

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Thursday, April 2, 1992

Mr. PETERSON of Florida. Mr. Speaker, I rise today to pay tribute to Mr. James Eaton, an outstanding educator in the Second Congressional District of Florida. In addition to being a dedicated teacher and curator of the Black Archives Research Center and Museum at Florida A&M University, Mr. Eaton is also recipient of the Florida professor of the year. Over the course of his 33 years as an educator, Mr. Eaton has influenced numerous students, colleagues, and visitors to the Black Archives.

The Black Archives is situated on the campus of Florida A&M University, a historically black college that is rapidly gaining a reputation as one of the premier educational institutions in America. I support and commend Florida A&M University in its ongoing pursuit to achieve educational quality as demonstrated by its commitment to the Black Archives.

The Black Archives welcomes over 100,000 visitors a year and houses more than a half-million artifacts, papers, and other objects relating to the African-American experience. One can find memorabilia ranging from Harriet Tubman's eyeglasses to a Zulu rifle once used to fight for freedom in Africa.

Mr. Speaker, it is interesting to note that the Black Archives is located on the highest hill in Tallahassee, a location that truly represents the status the Black Archives holds as repository of the African-American experience, a location befitting the high esteem this institution has achieved.

I would like to recognize Mr. Eaton for his tireless efforts and enthusiasm toward education and the enlightenment of all to the African-American heritage.

SENATE—*Friday, April 3, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 11 a.m., on the expiration of the recess, and was called to order by the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 3, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable RICHARD H. BRYAN, a Senator from the State of Nevada, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. BRYAN thereupon assumed the chair as Acting President pro tempore.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will stand in recess until 9 a.m., on Tuesday, April 7, 1992.

RECESS UNTIL 9 A.M., TUESDAY, APRIL 7, 1992

Thereupon, at 11 o'clock and 36 seconds a.m., the Senate recessed, under the order of Thursday, April 2, 1992, until Tuesday, April 7, 1992, at 9 a.m.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

HOUSE OF REPRESENTATIVES—*Friday, April 3, 1992*

The House met at 11 a.m. and was called to order by the Speaker pro tempore (Mr. MONTGOMERY).

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
April 3, 1992.

I hereby designate the Honorable G.V. (SONNY) MONTGOMERY to act as Speaker pro tempore on this day.

THOMAS S. FOLEY,
Speaker, House of Represenatives.

PRAYER

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

The Psalmist has written: "Be still before the Lord, and wait patiently for Him." We are grateful, O God, for all Your wonderful gifts to us and to every person—the gifts of gratitude and understanding, the gift of wisdom and knowledge, the gifts of friends and family, the gift of healing and the gift of life. On this day we are conscious of the gift of patience and we pray that with all the concerns in our lives and in the world we may learn to wait patiently for Your word of assurance and comfort. Forgive our impatience and our demand for answers and grant us Your peace and abiding spirit. Amen.

THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. The Chair would ask the gentleman from Hawaii [Mr. ABERCROMBIE] to lead the House in the Pledge of Allegiance.

Mr. ABERCROMBIE led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. McCathran, one of his secretaries.

CONFERENCE REPORT ON S. 3, CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992

Mr. GEJDENSON submitted the following conference report and statement on the Senate bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes:

CONFERENCE REPORT (H. REPT. 102–479)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3), to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election Campaigns, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1992".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of Campaign Act; table of contents.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

Sec. 101. Senate spending limits and benefits.
Sec. 102. Restrictions on activities of political action and candidate committees in Federal elections.
Sec. 103. Reporting requirements.
Sec. 104. Disclosure by noneligible candidates.
Sec. 105. Extension of time period when franked mass mailings are prohibited.

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

Sec. 121. Provisions applicable to eligible House of Representatives candidates.
Sec. 122. Limitations on political committee and large donor contributions that may be accepted by House of Representatives candidates.
Sec. 123. Excess funds of incumbents who are candidates for the House of Representatives.

Subtitle C—General Provisions

Sec. 131. Broadcast rates and preemption.
Sec. 132. Extension of reduced third-class mailing rates to eligible House of Representatives and Senate candidates.
Sec. 133. Reporting requirements for certain independent expenditures.
Sec. 134. Campaign advertising amendments.
Sec. 135. Definitions.

TITLE II—INDEPENDENT EXPENDITURES

Sec. 201. Clarification of definitions relating to independent expenditures.

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

Sec. 301. Personal contributions and loans.
Sec. 302. Extensions of credit.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Sec. 311. Contributions to political party committees.
Sec. 312. Provisions relating to national, State, and local party committees.
Sec. 313. Restrictions on fundraising by candidates and officeholders.
Sec. 314. Reporting requirements.

TITLE IV—CONTRIBUTIONS

Sec. 401. Contributions through intermediaries and conduits.
Sec. 402. Contributions by dependents not of voting age.
Sec. 403. Contributions to candidates from State and local committees of political parties to be aggregated.
Sec. 404. Limited exclusion of advances by campaign workers from the definition of the term "contribution".

TITLE V—REPORTING REQUIREMENTS

Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.
Sec. 502. Personal and consulting services.
Sec. 503. Reduction in threshold for reporting of certain information by persons other than political committees.
Sec. 504. Computerized indices of contributions.

TITLE VI—FEDERAL ELECTION COMMISSION

Sec. 601. Use of candidates' names.
Sec. 602. Reporting requirements.
Sec. 603. Provisions relating to the general counsel of the Commission.
Sec. 604. Enforcement.
Sec. 605. Penalties.
Sec. 606. Random audits.
Sec. 607. Prohibition of false representation to solicit contributions.
Sec. 608. Regulations relating to use of non-Federal money.

TITLE VII—BALLOT INITIATIVE COMMITTEES

Sec. 701. Definitions relating to ballot initiatives.
Sec. 702. Amendment to definition of contribution.
Sec. 703. Amendment to definition of expenditure.
Sec. 704. Organization of ballot initiative committees.
Sec. 705. Ballot initiative committee reporting requirements.
Sec. 706. Enforcement amendment.
Sec. 707. Prohibition of contributions in the name of another.

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Sec. 708. Limitation on contribution of currency.

TITLE VIII—MISCELLANEOUS

Sec. 801. Prohibition of leadership committees.
Sec. 802. Polling data contributed to candidates.
Sec. 803. Debates by general election candidates who receive amounts from the Presidential Election Campaign Fund.
Sec. 804. Prohibition of certain election-related activities of foreign nationals.
Sec. 805. Amendment to FECA section 316.
Sec. 806. Telephone voting by persons with disabilities.
Sec. 807. Prohibition of use of Government aircraft in connection with elections for Federal office.
Sec. 808. Sense of the Congress.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

Sec. 901. Effective date.
Sec. 902. Delay of effective dates until funding legislation enacted.
Sec. 902. Budget neutrality.
Sec. 903. Severability.
Sec. 904. Expedited review of constitutional issues.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SEC. 101. SENATE SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

"SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

''(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

''(1) meets the primary and general election filing requirements of subsections (b) and (c);

''(2) meets the primary and runoff election expenditure limits of subsection (d); and

''(3) meets the threshold contribution requirements of subsection (e).

''(b) PRIMARY FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration that—

''(A) the candidate and the candidate's authorized committees—

''(i) will meet the primary and runoff election expenditure limits of subsection (d); and

''(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

''(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b); and

''(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a).

''(2) The declaration under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

''(c) GENERAL ELECTION FILING REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

''(A) the candidate and the candidate's authorized committees—

''(i) met the primary and runoff election expenditure limits under subsection (d); and

''(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

''(B) the candidate met the threshold contribution requirement under subsection (e), and that only allowable contributions were taken into account in meeting such requirement;

''(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

''(D) such candidate and the authorized committees of such candidate—

''(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 502(b);

''(ii) will not accept any contributions in violation of section 315;

''(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b) and the amounts described in subsections (c) and (d) of section 502, reduced by—

''(I) the amount of voter communication vouchers issued to the candidate; and

''(II) any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii);

''(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

''(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission; and

''(vi) will cooperate in the case of any audit and examination by the Commission under section 506; and

''(E) the candidate intends to make use of the benefits provided under section 503.

''(2) The declaration under paragraph (1) shall be filed not later than 7 days after the earlier of—

''(A) the date the candidate qualifies for the general election ballot under State law; or

''(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

''(d) PRIMARY AND RUNOFF EXPENDITURE LIMITS.—(1) The requirements of this subsection are met if:

''(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

''(i) 67 percent of the general election expenditure limit under section 502(b); or

''(ii) $2,750,000.

''(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

''(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to the Secretary of the Senate with respect to such period under section 304(c).

''(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

''(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

''(i) would result in the violation of any limitation under section 315; or

''(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

''(e) THRESHOLD CONTRIBUTION REQUIREMENTS.—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

''(A) 10 percent of the general election expenditure limit under section 502(b); or

''(B) $250,000.

''(2) For purposes of this section and section 503(b)—

''(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

''(B) The term 'allowable contributions' shall not include—

''(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

''(ii) contributions from any individual during the applicable period to the extent such contributions exceed $250; or

''(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 503(b).

''(3) For purposes of this subsection and section 503(b), the term 'applicable period' means—

''(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

''(i) the date on which the certification under subsection (c) is filed by the candidate; or

''(ii) for purposes of section 503(b), the date of such general election; or

''(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

''(f) INDEXING.—The $2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for purposes of subsection (d)(1), the base period shall be calendar year 1992.

"SEC. 502. LIMITATIONS ON EXPENDITURES.

''(a) LIMITATION ON USE OF PERSONAL FUNDS.—(1) The aggregate amount of expenditures which may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

''(A) 10 percent of the general election expenditure limit under subsection (b); or

''(B) $250,000.

''(2) A source is described in this paragraph if it is—

''(A) personal funds of the candidate and members of the candidate's immediate family; or

''(B) personal debt incurred by the candidate and members of the candidate's immediate family.

''(b) GENERAL ELECTION EXPENDITURE LIMIT.—(1) Except as otherwise provided in this

title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) $5,500,000; or

"(B) the greater of—

"(i) $950,000; or

"(ii) $400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible Senate candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(f) (relating to indexing).

"(c) Legal and Accounting Compliance Fund.—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures made by a candidate or the candidate's authorized committees or a Federal officeholder from a legal and accounting compliance fund meeting the requirements of paragraph (2).

"(2) A legal and accounting compliance fund meets the requirements of this paragraph if—

"(A) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate amounts transferred to, and expenditures made from, the fund do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) $300,000; plus

"(ii) the amount determined under paragraph (4); and

"(C) no funds received by the candidate pursuant to section 503(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection, the term 'qualified legal and accounting expenditures' means the following:

"(A) Any expenditures for costs of legal and accounting services provided in connection with—

"(i) any administrative or court proceeding initiated pursuant to this Act during the election cycle for such general election; or

"(ii) the preparation of any documents or reports required by this Act or the Commission.

"(B) Any expenditures for legal and accounting services provided in connection with the general election for which the legal and accounting compliance fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures will exceed the limitation under paragraph (2)(B)(i), the candidate may petition the Commission by filing with the Secretary of the Senate a request for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation. Such determination shall be subject to judicial review under section 506.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5) Any funds in a legal and accounting compliance fund shall be treated for purposes of this Act as a separate segregated fund, except that any portion of the fund not used to pay qualified legal and accounting expenditures, and not transferred to a legal and accounting compliance fund for the election cycle for the next general election, shall be treated in the same manner as other campaign funds.

"(d) Payment of Taxes.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to a candidate's authorized committees.

"(e) Expenditures.—For purposes of this title, the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or a candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) or (vi) thereof.

"SEC. 503. BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE.

"(a) In General.—An eligible Senate candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3626(e) of title 39, United States Code;

"(3) payments in the amounts determined under subsection (b); and

"(4) voter communication vouchers in the amount determined under subsection (c).

"(b) Amount of Payments.—(1) For purposes of subsection (a)(3), the amounts determined under this subsection are—

"(A) the independent expenditure amount; and

"(B) in the case of an eligible Senate candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure limit under section 502(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible Senate candidate which are required to be reported by such persons under section 304(c) with respect to the general election period and are certified by the Commission under section 304(c).

"(3) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(B) is not greater than 133⅓ percent of the general election expenditure limit under section 502(b), an amount equal to one-third of such limit applicable to the eligible Senate candidate for the election; plus

"(ii) if such excess equals or exceeds 133⅓ percent but is less than 166⅔ percent of such limit, an amount equal to one-third of such limit; plus

"(iii) if such excess equals or exceeds 166⅔ percent of such limit, an amount equal to one-third of such limit.

"(B) In the case of an eligible Senate candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible Senate candidate during the applicable period in excess of the threshold contribution requirement under section 501(e); or

"(ii) 50 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(c) Voter Communication Vouchers.—(1) The aggregate amount of voter communication vouchers issued to an eligible Senate candidate shall be equal to 20 percent of the general election expenditure limit under section 502(b) (10 percent of such limit if such candidate is not a major party candidate).

"(2) Voter communication vouchers shall be used by an eligible Senate candidate to purchase broadcast time during the general election period in the same manner as other broadcast time may be purchased by the candidate.

"(d) Waiver of Expenditure and Contribution Limits.—(1) An eligible Senate candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (2) and (3) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 502(b).

"(2)(A) An eligible Senate candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 501(c)(1)(D) or subsection (a) or (b) of section 502 if any one of the eligible Senate candidate's opponents who is not an eligible Senate candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 200 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(B) The amount of the expenditures which may be made by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(3)(A) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 501(c)(1)(D) if—

"(i) a major party candidate in the same general election is not an eligible Senate candidate; or

"(ii) any other candidate in the same general election who is not an eligible Senate candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 502(b).

"(B) The amount of contributions which may be received by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(e) Use of Payments.—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(k), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"SEC. 504. CERTIFICATION BY COMMISSION.

"(a) In General.—(1) The Commission shall certify to any candidate meeting the requirements of section 502 that such candidate is an eligible Senate candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible Senate candidate files a request with the Secretary of the Senate to receive benefits under section 505, the Commission shall issue a certification stating whether such candidate is eligible for payments under this title or to receive voter communication vouchers and the amount of such payments or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 505 and judicial review under section 506.

"SEC. 505. EXAMINATION AND AUDITS; REPAYMENTS; CIVIL PENALTIES.

"(a) EXAMINATION AND AUDITS.—(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of all candidates for the office of United States Senator to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection. If the Commission selects a candidate, the Commission shall examine and audit the campaign accounts of all other candidates in the general election for the office the selected candidate is seeking.

"(2) The Commission may conduct an examination and audit of the campaign accounts of any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) EXCESS PAYMENTS; REVOCATION OF STATUS.—(1) If the Commission determines that payments or vouchers were made to an eligible Senate candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a)(1), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the payments and vouchers received under this title.

"(c) MISUSE OF BENEFITS.—If the Commission determines that any amount of any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay the amount of such benefit.

"(d) EXCESS EXPENDITURES.—If the Commission determines that any eligible Senate candidate who has received benefits under this title has made expenditures which in the aggregate exceed—

"(1) the primary or runoff expenditure limit under section 501(d); or

"(2) the general election expenditure limit under section 502(b),

the Commission shall so notify such candidate and such candidate shall pay an amount equal to the amount of the excess expenditures.

"(e) CIVIL PENALTIES FOR EXCESS EXPENDITURES AND CONTRIBUTIONS.—(1) If the Commission determines that a candidate has committed a violation described in subsection (c), the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

"(2)(A) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 2.5 percent or less shall pay an amount equal to the amount of the excess expenditures.

"(B) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by more than 2.5 percent and less than 5 percent shall pay an amount equal to three times the amount of the excess expenditures.

"(C) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 5 percent or more shall pay an amount equal to three times the amount of the excess expenditures plus a civil penalty in an amount determined by the Commission.

"(f) UNEXPENDED FUNDS.—Any amount received by an eligible Senate candidate under this title may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid.

"(g) LIMIT ON PERIOD FOR NOTIFICATION.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"SEC. 506. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 507. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 506 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 508. REPORTS TO CONGRESS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible Senate candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 504 as benefits available to each eligible Senate candidate; and

"(3) the amount of repayments, if any, required under section 505 and the reasons for each repayment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) STATEMENT TO SENATE.—Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"SEC. 509. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE SENATE CANDIDATES.

"No eligible Senate candidate may receive amounts under section 503(a)(3) unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.".

(b) EFFECTIVE DATES.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1993.

(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

(A) no expenditure made before January 1, 1993, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

(B) all cash, cash items, and Government securities on hand as of January 1, 1993, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1993, to pay for expenditures which were incurred (but unpaid) before such date.

(c) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If section 501, 502, or 503 of title V of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act shall be treated as invalid.

SEC. 102. RESTRICTIONS ON ACTIVITIES OF POLITICAL ACTION AND CANDIDATE COMMITTEES IN FEDERAL ELECTIONS.

(a) CONTRIBUTIONS.—Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) CONTRIBUTIONS BY POLITICAL ACTION COMMITTEES TO SENATE CANDIDATES.—(1) In the case of a candidate for election, or nomination for election, to the United States Senate (and such candidate's authorized committees), subsection (a)(2)(A) shall be applied by substituting "$2,500" for "$5,000".

"(2) It shall be unlawful for a multicandidate political committee to make a contribution to a candidate for election, or nomination for election, to the United States Senate (or an authorized committee) to the extent that the making of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed the lesser of—

"(A) $825,000; or

"(B) the greater of—

"(i) $375,000; or

"(ii) 20 percent of the sum of the general election spending limit under section 502(b) plus the primary election spending limit under section 501(d)(1)(A) (without regard to whether the candidate is an eligible Senate candidate).

"(3) In the case of an election cycle in which there is a runoff election, the limit determined under paragraph (2) shall be increased by an amount equal to 20 percent of the runoff election expenditure limit under section 501(d)(1)(B) (without regard to whether the candidate is such an eligible Senate candidate).

"(4) The $825,000 and $375,000 amounts in paragraph (2) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that for purposes of paragraph (2), the base period shall be calendar year 1992.

"(5) A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (2) shall return the amount of such excess contribution to the contributor.".

SEC. 103. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE SENATE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 501(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b). Such declaration shall be filed at the time provided in section 501(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible Senate candidate under section 501; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 75 percent of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b),

shall file a report with the Secretary of the Senate within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 24 hours after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 200 percent of such limit) with the Secretary of the Senate within 24 hours after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 133⅓, 166⅔, and 200 percent of such limit.

"(3) The Commission—

"(A) shall, within 24 hours of receipt of a declaration or report under paragraph (1) or (2), notify each eligible Senate candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 502(b), shall certify, pursuant to the provisions of subsection (d), such eligibility for payment of any amount to which such eligible Senate candidate is entitled under section 503(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible Senate candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 24 hours after making each such determination, notify each eligible Senate candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 502(b), certify (pursuant to the provisions of subsection (d)) such candidate's eligibility for payment of any amount under section 503(a).

"(b) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than the limitation under section 502(a) during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 24 hours after such expenditures have been made or loans incurred.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each eligible Senate candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 24 hours after making such determination shall notify each eligible Senate candidate in the general election involved about each such determination.

"(c) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual,

shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate for the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of influencing the election of the individual to the office of United States Senator.

"(d) CERTIFICATIONS.—Notwithstanding section 505(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination.

"(e) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this section or of title V (whenever a 24-hour response is required of the Commission) as soon as possible (but no later than 4 working hours of the Commission) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 311(a)(5).

"(f) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V.".

SEC. 104. DISCLOSURE BY NONELIGIBLE CANDIDATES.

Section 318 of FECA (2 U.S.C. 441d), as amended by section 133, is amended by adding at the end thereof the following:

"(e) If a broadcast, cablecast, or other communication is paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible Senate candidate, or the authorized committee of such candidate, such communication shall contain the following sentence: 'This candidate has not agreed to voluntary campaign spending limits.'.".

SEC. 105. EXTENSION OF TIME PERIOD WHEN FRANKED MASS MAILINGS ARE PROHIBITED.

Section 3210(a)(6) of title 39, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking clause (i) and inserting the following:

"(i) if the mass mailing is mailed during the calendar year of any primary or general election (whether regular or runoff) in which the Member is a candidate for reelection; or"; and

(B) in clause (ii)(II) by striking "fewer than 60 days immediately before the date" and inserting "during the year"; and

(2) in subparagraph (C) by striking "fewer than 60 days immediately before the date" and inserting "during the year".

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

SEC. 121. PROVISIONS APPLICABLE TO ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES.

(a) IN GENERAL.—FECA, as amended by section 101(a), is amended by adding at the end the following new title:

"TITLE VI—EXPENDITURE LIMITATIONS, CONTRIBUTION LIMITATIONS, AND MATCHING FUNDS FOR ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES

"SEC. 601. EXPENDITURE LIMITATIONS.

"(a) IN GENERAL.—An eligible House of Representatives candidate may not, in an election cycle, make expenditures aggregating more than $600,000, of which not more than $500,000 may be expended in the general election period.

"(b) RUNOFF ELECTION AND SPECIAL ELECTION AMOUNTS.—

"(1) RUNOFF ELECTION AMOUNT.—In addition to the expenditures under subsection (a), an eligible House of Representatives candidate who is a candidate in a runoff election may make expenditures aggregating not more than 20 percent of the general election period limit under subsection (a).

"(2) SPECIAL ELECTION AMOUNT.—An eligible House of Representatives candidate who is a candidate in a special election may make expenditures aggregating not more than $500,000 with respect to the special election.

"(c) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, subject to the general election period limitation in subsection (a), the candidate may make additional expenditures of not more than $150,000 in the general election period. The additional expenditures shall be from contributions described in section 603(h) and payments described in section 604(f).

"(d) NONPARTICIPATING OPPONENT PROVISIONS.—

"(1) LIMITATION EXCEPTION.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if any other candidate seeking nomination or election to that office—

"(A) is not an eligible House of Representatives candidate; and

"(B) makes expenditures in excess of 80 percent of the general election period limitation specified in subsection (a).

"(2) CONTINUED ELIGIBILITY AND ADDITIONAL MATCHING FUNDS.—An eligible House of Representatives candidate referred to in paragraph (1)—

"(A) shall continue to be eligible for all benefits under this title; and

"(B) shall receive matching funds without regard to the ceiling under section 604(a).

"(3) REPORTING REQUIREMENT.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress—

"(A) who is not an eligible House of Representatives candidate; and

"(B) who—

"(i) receives contributions in excess of 50 percent of the general election period limitation specified in subsection (a)(1); or

"(ii) makes expenditures in excess of 80 percent of such limit;

shall report that the threshold has been reached to the Clerk of the House of Representatives not later than 48 hours after reaching the threshold. The Clerk shall transmit a report received under this paragraph to the Commission as soon as possible (but no later than 4 working hours of the Commission) after such receipt, and the Commission shall transmit a copy to each other candidate in the election within 48 hours of receipt.

"(e) EXEMPTION FOR CERTAIN COSTS AND TAXES.—Payments for legal and accounting compliance costs, and Federal, State, or local taxes with respect to a candidate's authorized committees, shall not be considered in the computation of amounts subject to limitation under this section.

"(f) EXEMPTION FOR FUNDRAISING COSTS.—

"(1) Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee in connection with the solicitation of contributions on behalf of such candidate shall not be considered in the computation of amounts subject to limitation under this section to the extent that the aggregate of such costs does not exceed 5 percent of the limitation under subsection (a) or subsection (b).

"(2) An amount equal to 5 percent of salaries and overhead expenditures of an eligible House of Representatives candidate's campaign headquarters and offices shall not be considered in the computation of amounts subject to limitation under this section. Any amount excluded under this paragraph shall be applied against the fundraising expenditure exemption under paragraph (1).

"(g) CIVIL PENALTIES.—

"(1) LOW AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

"(2) MEDIUM AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess expenditures.

"(3) LARGE AMOUNT OF EXCESS EXPENDITURES.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess expenditures plus a civil penalty in an amount determined by the Commission.

"(h) INDEXING.—The dollar amounts specified in subsections (a), (b), (c), and (e) shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"SEC. 602. STATEMENT OF PARTICIPATION; CONTINUING ELIGIBILITY.

"(a) IN GENERAL.—The Commission shall determine whether a candidate is in compliance with this title and, by reason of such compliance, is eligible to receive benefits under this title. Such determination shall—

"(1) in the case of an initial determination, be based on a statement of participation submitted by the candidate; and

"(2) in the case of a determination of continuing eligibility, be based on relevant additional information submitted in such form and manner as the Commission may require.

"(b) FILING.—The statement of participation referred to in subsection (a) shall be filed with the Clerk of the House of Representatives not later than January 31 of the election year or on the date on which the candidate files a statement of candidacy, whichever is later. The Clerk of the House of Representatives shall transmit a statement received under this section to the Commission as soon as possible.

"SEC. 603. CONTRIBUTION LIMITATIONS.

"(a) ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATE LIMITATION.—An eligible House of Representatives candidate may not, with respect to an election cycle, accept contributions aggregating in excess of $600,000.

"(b) NONPARTICIPATING OPPONENT PROVISIONS.—The limitations imposed by subsection (a) do not apply in the case of an eligible House of Representatives candidate if any other candidate seeking nomination or election to that office—

"(1) is not an eligible House of Representatives candidate; and

"(2) receives contributions in excess of 50 percent of the general election period limitation specified in section 601(a).

"(c) TRANSFER PROVISIONS.—

"(1) If an eligible House of Representatives candidate transfers any amount from an election cycle to a later election cycle, the limitation with respect to the candidate under subsection (a) for the later cycle shall be an amount equal to the difference between the amount specified in that subsection and the amount transferred.

"(2) If an eligible House of Representatives candidate transfers any amount from an election cycle to a later election cycle, each limitation with respect to the candidate under section 315(j) for the later cycle shall be one-third of the difference between the applicable amount specified in subsection (a) and the amount transferred.

"(d) RUNOFF AMOUNT.—In addition to the contributions under subsection (a), an eligible House of Representatives candidate who is a candidate in a runoff election may accept contributions aggregating not more than 20 percent of the general election expenditure limit under section 601(a) in the general election period. Of such contributions, one-half may be from political committees and one-half may be from persons referred to in section 315(j)(2).

"(e) PERSONAL CONTRIBUTIONS.—

"(1) IN GENERAL.—An eligible House of Representatives candidate may not, with respect to an election cycle, make contributions to his or her own campaign totaling more than $50,000 from the personal funds of the candidate. The amount that the candidate may accept from persons referred to in section 315(j)(2) shall be reduced by the amount of contributions made under the preceding sentence. Contributions from the personal funds of a candidate may not be matched under section 604.

"(2) LIMITATION EXCEPTION.—The limitation imposed by paragraph (1) does not apply in the case of an eligible House of Representatives candidate if any other candidate—

"(A) is not an eligible House of Representatives candidate; and

"(B) receives contributions in excess of 50 percent of the general election period limitation specified in section 601(a).

"(3) TRIPLE MATCH.—An eligible House of Representatives candidate, whose opponent makes contributions to his or her own campaign in excess of 50 percent of the general election period limitation specified in section 601(a), shall receive $3 in matching funds for each $1 certified by the Commission as matchable for the eligible candidate.

"(f) CIVIL PENALTIES.—

"(1) LOW AMOUNT OF EXCESS CONTRIBUTIONS.—Any eligible House of Representatives candidate who accepts contributions that exceed the limitation under subsection (a) by 2.5 percent or less shall refund the excess contributions to the persons who made the contributions.

"(2) MEDIUM AMOUNT OF EXCESS CONTRIBUTIONS.—Any eligible House of Representatives candidate who accepts contributions that exceed a limitation under subsection (a) by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess contributions.

"(3) LARGE AMOUNT OF EXCESS CONTRIBUTIONS.—Any eligible House of Representatives candidate who accepts contributions that exceed a limitation under subsection (a) by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess contributions plus a civil penalty in an amount determined by the Commission.

"(g) EXEMPTION FOR CERTAIN COSTS.—(1) Any amount—

"(A) accepted by a candidate for the office of Representative in, or Delegate or Resident Commissioner to the Congress; and

"(B) used for legal and accounting compliance costs, or used to pay Federal, State, or local taxes with respect to a candidate's authorized committees shall not be considered in the computation of amounts subject to limitation under subsection (a).

"(2) The balance of funds maintained for legal and accounting compliance costs by the authorized committees of an eligible House of Representatives candidate shall not exceed 20 percent of the limit under subsection (a) at any time.

"(3) No funds received by a candidate under section 604 may be transferred to a separate legal and accounting compliance fund.

"(h) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, notwithstanding the limitation in subsection (a), the candidate may, in the general election period, accept additional contributions of not more than $150,000, consisting of—

"(1) not more than $50,000 from political committees; and

"(2) not more than $50,000 from individuals referred to in section 315(j)(2).

"(i) INDEXING.—The dollar amounts specified in subsections (a), (d), (e), and (h) shall be adjusted at the beginning of the calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"SEC. 604. MATCHING FUNDS.

"(a) IN GENERAL.—An eligible House of Representatives candidate shall be entitled to receive, with respect to the general election, an amount equal to the amount of contributions from individuals received by the candidate, but not more than $200,000, and not to the extent that contributions from any individual during the election cycle exceed $250 in the aggregate.

"(b) INDEPENDENT EXPENDITURE PROVISION.—If, with respect to a general election involving an eligible House of Representatives candidate, independent expenditures totaling $10,000 are made against the eligible House of Representatives candidate or in favor of another candidate, the eligible House of Representatives candidate shall be entitled, in addition to any amount received under subsection (a), to a matching payment of $10,000 and additional matching payments equal to the amount of such independent expenditures above $10,000, and expenditures may be made from such payments without regard to the limitations in section 601.

"(c) SPECIFIC REQUIREMENTS.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may receive matching funds under subsection (a) only if the candidate—

"(1) in an election cycle, has received $60,000 in contributions from individuals, with not more than $250 to be taken into account per individual;

"(2) qualifies for the general election ballot;

"(3) has an opponent on the general election ballot; and

"(4) files a statement of participation in which the candidate agrees to—

"(A) comply with the limitations under sections 601 and 603;

"(B) cooperate in the case of any audit by the Commission by furnishing such campaign records and other information as the Commission may require; and

"(C) comply with any repayment requirement under section 605.

"(d) WRITTEN INSTRUMENT REQUIREMENT.—No contribution in any form other than a gift of money made by a written instrument that identifies the individual making the contribution may be used as a basis for any matching payment under this section.

"(e) CERTIFICATION AND PAYMENT.—

"(1) CERTIFICATION.—Except as provided in paragraphs (2) and (3), not later than 5 days after receiving a request for payment, the Commission shall certify for payment the amount requested under subsection (a) or (b).

"(2) PAYMENTS.—The initial payment under subsection (a) to an eligible candidate shall be $60,000. All payments shall be—

"(A) made not later than 48 hours after certification under paragraph (1); and

"(B) subject to proportional reduction in the case of insufficient funds.

"(3) INCORRECT REQUEST.—If the Commission determines that any portion of a request is incorrect, the Commission shall withhold the certification for that portion only and inform the candidate as to how the candidate may correct the request.

"(f) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, the candidate shall be entitled to matching funds totaling not more than $50,000, in addition to any other amount received under this section.

"(g) CONVERSIONS TO PERSONAL USE.—A candidate may not convert any amount received under this section to personal use other than for reimbursement of verifiable prior campaign expenditures.

"(h) INDEXING.—The dollar amounts specified in subsections (a), (b), (c) (other than the amount in subsection (c) to be taken into account per individual), and (f) shall be adjusted at the beginning of the calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"SEC. 605. EXAMINATION AND AUDITS; REPAYMENTS.

"(a) GENERAL ELECTION.—After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of the eligible House of Representatives candidates, as designated by the Commission through the use of an appropriate statistical method of random selection, to determine whether such candidates have complied with the conditions of eligibility and other requirements of this title. No other factors shall be considered in carrying out such an examination and audit. In selecting the accounts to be examined and audited, the Commission shall select all eligible candidates from a congressional district where any eligible candidate is selected for examination and audit.

"(b) SPECIAL ELECTION.—After each special election, the Commission shall conduct an examination and audit of the campaign accounts of all eligible candidates in the election to determine whether the candidates have complied with the conditions of eligibility and other requirements of this title.

"(c) AFFIRMATIVE VOTE.—The Commission may conduct an examination and audit of the campaign accounts of any eligible House of Representatives candidate in a general election if the Commission, by an affirmative vote of 4 members, determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(d) PAYMENTS.—If the Commission determines that any amount of a payment to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify the candidate, and the candidate shall pay an amount equal to the excess.

"SEC. 606. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 607. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 606 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 608. REPORTS TO CONGRESS; CERTIFICATIONS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the House of Representatives setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the aggregate amount of matching fund payments certified by the Commission under section 604 for each eligible candidate; and

"(3) the amount of repayments, if any, required under section 605, and the reasons for each repayment required.

Each report submitted pursuant to this section shall be printed as a House document.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under section 604) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 605 or judicial review under section 606.

"(c) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (d), to conduct such audits, examinations and investigations, and to require the

keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(d) REPORT OF PROPOSED REGULATIONS.—The Commission shall submit to the House of Representatives a report containing a detailed explanation and justification of each rule, regulation, and form of the Commission under this title. No such rule, regulation, or form may take effect until a period of 30 legislative days has elapsed after the report is received. As used in this subsection—

"(1) the term 'legislative day' means any calendar day on which the House of Representatives is in session; and

"(2) the terms 'rule' and 'regulation' mean a provision or series of interrelated provisions stating a single, separable rule of law.

"SEC. 609. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES.

"No eligible House of Representatives candidate may receive amounts under section 604 unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.".

(b) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If title VI of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act, shall be treated as invalid.

SEC. 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 102, is amended by adding at the end the following new subsection:

"(j)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions from political committees aggregating in excess of $200,000.

"(2) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions aggregating in excess of $200,000 from persons other than political committees whose contributions total more than $250.

"(3) In addition to the contributions under paragraphs (1) and (2), a House of Representatives candidate who is a candidate in a runoff election may accept contributions aggregating not more than $100,000 with respect to the runoff election. Of such contributions, one-half may be from political committees and one-half may be from persons referred to in paragraph (2).

"(4) Any amount—

"(A) accepted by a candidate for the office of Representative in, or Delegate or Resident Commissioner to the Congress; and

"(B) used for legal and accounting compliance costs, Federal, State, and local taxes,

shall not be considered in the computation of amounts subject to limitation under paragraphs (1), (2), and (3), but shall be subject to the other limitations of this Act.

"(5) In addition to any other contributions under this subsection, if, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, the candidate may, in the general election period, accept contributions of not more than $150,000, consisting of—

"(A) not more than $50,000 from political committees; and

"(B) not more than $50,000 from persons referred to in paragraph (2).

"(6) The dollar amounts specified in paragraphs (1), (2), (3), and (5) (other than the amounts in paragraphs (2) and (5) relating to contribution totals) shall be adjusted in the manner provided in section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.".

SEC. 123. EXCESS FUNDS OF INCUMBENTS WHO ARE CANDIDATES FOR THE HOUSE OF REPRESENTATIVES.

An individual who—

(1) is a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in an election cycle to which title VI of FECA (as enacted by section 121 of this Act) applies;

(2) is an incumbent of that office; and

(3) as of the date of the first statement of participation submitted by the individual under section 502 of FECA, has campaign accounts containing in excess of $600,000;

shall deposit such excess in a separate account subject to the provision of section 304 of FECA. The amount so deposited shall be available for any lawful purpose other than use, with respect to the individual, for an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.

Subtitle C—General Provisions

SEC. 131. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "forty-five" and inserting in lieu thereof "30";

(B) by striking out "sixty" and inserting in lieu thereof "45"; and

(C) by striking out "lowest unit charge of the station for the same class and amount of time for the same period" and insert "lowest charge of the station for the same amount of time for the same period on the same date"; and

(2) by adding at the end the following new sentence:

"In the case of an eligible Senate candidate (as defined in section 301(19) of the Federal Election Campaign Act of 1971), the charges during the general election period (as defined in section 301(21) of such Act) shall not exceed 50 percent of the lowest charge described in paragraph (1).".

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (e) and (f), respectively, and by inserting immediately after subsection (b) the following new subsection:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1), of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to the provisions of subsection (b)(1).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.

"(d) In the case of a legally qualified candidate for the United States Senate, a licensee shall provide broadcast time without regard to the rates charged for the time.".

SEC. 132. EXTENSION OF REDUCED THIRD-CLASS MAILING RATES TO ELIGIBLE HOUSE OF REPRESENTATIVES AND SENATE CANDIDATES.

Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)(A)—

(A) by striking out "and the National" and inserting in lieu thereof "the National"; and

(B) by striking out "Committee;" and inserting in lieu thereof "Committee, and, subject to paragraph (3), the principal campaign committee of an eligible House of Representatives or Senate candidate;";

(2) in paragraph (2)(B), by striking out "and" after the semicolon;

(3) in paragraph (2)(C), by striking out the period and inserting in lieu thereof "; and";

(4) by adding after paragraph (2)(C) the following new subparagraph:

"(D) the terms 'eligible House of Representatives candidate', 'eligible Senate candidate', and 'principal campaign committee' have the meanings given those terms in section 301 of the Federal Election Campaign Act of 1971."; and

(5) by adding after paragraph (2) the following new paragraph:

"(3) The rate made available under this subsection with respect to an eligible House of Representatives or Senate candidate shall apply only to—

"(A) the general election period (as defined in section 301 of the Federal Election Campaign Act of 1971); and

"(B) that number of pieces of mail equal to the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the congressional district or State, whichever is applicable.".

SEC. 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of FECA (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking out the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (5); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

"(3)(A) Any independent expenditure (including those described in subsection (b)(6)(B)(iii) of this section) aggregating $1,000 or more made after the 20th day, but more than 24 hours, before any election shall be reported within 24 hours after such independent expenditure is made.

"(B) Any independent expenditure aggregating $10,000 or more made at any time up to and including the 20th day before any election shall be reported within 48 hours after such independent expenditure is made. An additional statement shall be filed each time independent expenditures aggregating $10,000 are made with respect to the same election as the initial statement filed under this section.

"(C) Such statement shall be filed with the Clerk of the House of Representatives or the Secretary of the Senate, whichever is applicable, and the Secretary of State of the State involved and shall contain the information required by subsection (b)(6)(B)(iii) of this section, including whether the independent expenditure is in support of, or in opposition to, the candidate involved. The Clerk of the House of Representatives and the Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

"(D) For purposes of this section, the term 'made' includes any action taken to incur an obligation for payment.

"(4)(A) If any person intends to make independent expenditures totaling $5,000 during the 20 days before an election, such person shall file a statement no later than the 20th day before the election.

"(B) Such statement shall be filed with the Clerk of the House of Representatives or the Secretary of the Senate, whichever is applicable, and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure will support or oppose. The Clerk of the House of Representatives and the Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a statement under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

"(5) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any Federal election which in the aggregate exceed the applicable amounts under paragraph (3) or (4). The Commission shall notify each candidate in such election of such determination within 24 hours of making it.

"(6) At the same time as a candidate is notified under paragraph (3), (4), or (5) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 504(a) or section 604(b).

"(7) The Clerk of the House of Representatives and the Secretary of the Senate shall make any statement received under this subsection available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such statements in the same manner as the Commission under section 311(a)(5)."

SEC. 134. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking "an expenditure" and inserting "a disbursement";

(2) in the matter before paragraph (1) of subsection (a), by striking "direct";

(3) in paragraph (3) of subsection (a), by inserting after "name" the following "and permanent street address"; and

(4) by adding at the end the following new subsections:

"(c) Any printed communication described in subsection (a) shall be—

"(1) of sufficient type size to be clearly readable by the recipient of the communication;

"(2) contained in a printed box set apart from the other contents of the communication; and

"(3) consist of a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the statement required by paragraph (1) shall—

"(A) appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) be accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement—

'________ is responsible for the content of this advertisement'.

with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor; and, if broadcast or cablecast by means of television, shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.".

SEC. 135. DEFINITIONS.

(a) IN GENERAL.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

"(19) The term 'eligible Senate candidate' means a candidate who is eligible under section 502 to receive benefits under title V.

"(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office, but does not include an open primary election.

"(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

"(22) The term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B).

"(23) The term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified under State law for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of title V.

"(24) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

"(25) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

"(26) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

"(27) The term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

"(28) The term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"(29) The term 'eligible House of Representatives candidate' means a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who, as determined by the Commission under section 602, is eligible to receive matching payments and other benefits under title VI by reason of filing a statement of participation and complying with the continuing eligibility requirements under section 602.

"(30) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.".

(b) IDENTIFICATION.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent residence address".

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) INDEPENDENT EXPENDITURE DEFINITION AMENDMENT.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure for an advertisement or other communication that—

"(i) contains express advocacy; and

"(ii) is made without the participation or cooperation of a candidate or a candidate's representative.

"(B) The following shall not be considered an independent expenditure:

"(i) An expenditure made by a political committee of a political party.

"(ii) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

"(iii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

"(iv) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

"(v) An expenditure if the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

"(vi) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing those services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office.

"(vii) An expenditure if the person making the expenditure has consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(18) The term 'express advocacy' means, when a communication is taken as a whole, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity.".

(b) CONTRIBUTION DEFINITION AMENDMENT.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that does not qualify as an independent expenditure under paragraph (17)(A)(ii).".

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SEC. 301. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 122, is amended by adding at the end the following new subsection:

"(k) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle, no contributions after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors.".

SEC. 302. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)), as amended by section 201(b), is amended—

(1) by striking "or" at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting "; or"; and

(3) by inserting at the end the following new clause:

"(iv) with respect to a candidate and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mailings, or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period greater than the period, not in excess of 60 days, for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished or the date of the mailing in the case of advertising by a mailing.".

Subtitle B—Provisions Relating to Soft Money of Political Parties

SEC. 311. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000; or".

(c) INCREASE IN OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended by adding at the end thereof the following new sentence: "The limitation under this paragraph shall be increased (but not by more than $5,000) by the amount of contributions made by an individual during a calendar year to political committees which are taken into account for purposes of paragraph (1)(C).".

SEC. 312. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) EXPENDITURES BY STATE COMMITTEES IN CONNECTION WITH PRESIDENTIAL CAMPAIGNS.—Section 315(d) of FECA (2 U.S.C. 441a(d)) is amended by inserting at the end thereof the following new paragraph:

"(4) A State committee of a political party, including subordinate committees of that State committee, shall not make expenditures in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party which, in the aggregate, exceed an amount equal to 4 cents multiplied by the voting age population of the State, as certified under subsection (e). This paragraph shall not authorize a committee to make expenditures for audio broadcasts (including television broadcasts) in excess of the amount which could have been made without regard to this paragraph.".

(b) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (xi), by striking "direct mail" and inserting "mail"; and

(B) by repealing clauses (x) and (xii).

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended by repealing clauses (viii) and (ix).

(c) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—(1) Title III of FECA is amended by inserting after section 323 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 324. (a) Any amount solicited, received, or expended directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to an activity which, in whole or in part, is in connection with an election to Federal office shall be subject in its entirety to the limitations, prohibitions, and reporting requirements of this Act.

"(b) For purposes of subsection (a)—

"(1) Any activity which is solely for the purpose of influencing an election for Federal office is in connection with an election for Federal office.

"(2) Except as provided in paragraph (3), any of the following activities during a Federal election period shall be treated as in connection with an election for Federal office:

"(A) Voter registration and get-out-the-vote activities.

"(B) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that—

"(i) are generic campaign activities; or

"(ii) identify a Federal candidate regardless of whether a State or local candidate is also identified.

"(C) The preparation and dissemination of campaign materials that are part of a generic campaign activity or that identify a Federal candidate, regardless of whether a State or local candidate is also identified.

"(D) Development and maintenance of voter files.

"(E) Any other activity affecting (in whole or in part) an election for Federal office.

"(3) The following shall not be treated as in connection with a Federal election:

"(A) Any amount described in section 301(8)(B)(viii).

"(B) Any amount contributed to a candidate for other than Federal office.

"(C) Any amount received or expended in connection with a State or local political convention.

"(D) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that are exclusively on behalf of State or local candidates and are not activities described in paragraph (2)(A).

"(E) Administrative expenses of a State or local committee of a political party, including expenses for—

"(i) overhead;

"(ii) staff (other than individuals devoting a substantial portion of their activities to elections for Federal office);

"(iii) meetings; and

"(iv) conducting party elections or caucuses.

"(F) Research pertaining solely to State and local candidates and issues.

"(G) Development and maintenance of voter files other than during a Federal election period.

"(H) Activities described in paragraph (2)(A) which are conducted other than during a Federal election period.

"(I) Any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office.

"(4) For purposes of this subsection, the term 'Federal election period' means the period—

"(A) beginning on June 1, of any even-numbered calendar year (April 1 if an election to the office of President occurs in such year), and

"(B) ending on the date during such year on which regularly scheduled general elections for Federal office occur.

In the case of a special election, the Federal election period shall include at least the 60-day period ending on the date of the election.

"(c) SOLICITATION OF COMMITTEES.—(1) A national committee of a political party may not solicit or accept contributions not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to contributions that—

"(A) are to be transferred to a State committee of a political party for use directly for activities described in subsection (b)(3); or

"(B) are to be used by the committee primarily to support such activities.

"(d) AMOUNTS RECEIVED FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1) For purposes of subsection (a), any amount received by a national, State, district, or local committee of a political party (including any subordinate

committee) from a State or local candidate committee shall be treated as meeting the requirements of subsection (a) and section 304(d) if—

"(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount, and

"(B) the State or local candidate committee—

"(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met, and

"(ii) certifies to the other committee that such requirements were met.

"(2) Notwithstanding paragraph (1), any committee receiving any contribution described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act with respect to receipt of the contribution from such candidate committee.

"(3) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office.".

(2) Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by subsection (a), is amended by adding at the end thereof the following new paragraph:

"(5)(A) The national committee of a political party, the congressional campaign committees of a political party, and a State or local committee of a political party, including a subordinate committee of any of the preceding committees, shall not make expenditures during any calendar year for activities described in section 324(b)(2) with respect to such State which, in the aggregate, exceed an amount equal to 30 cents multiplied by the voting age population of the State (as certified under subsection (e)).

"(B) Expenditures authorized under this paragraph shall be in addition to other expenditures allowed under this subsection, except that this paragraph shall not authorize a committee to make expenditures to which paragraph (3) or (4) applies in excess of the limit applicable to such expenditures under paragraph (3) or (4).

"(C) No adjustment to the limitation under this paragraph shall be made under subsection (c) before 1992 and the base period for purposes of any such adjustment shall be 1990.

"(D) For purposes of this paragraph—

"(i) a local committee of a political party shall only include a committee that is a political committee (as defined in section 301(4)); and

"(ii) a State committee shall not be required to record or report under this Act the expenditures of any other committee which are made independently from the State committee.".

(3) Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end the following new sentence:

"For purposes of subparagraph (C), any payments for get-out-the-vote activities on behalf of candidates for office other than Federal office shall be treated as payments exempted from the definition of expenditure under paragraph (9) of this section.".

(d) GENERIC ACTIVITIES.—Section 301 of FECA (2 U.S.C. 431), as amended by section 135, is amended by adding at the end thereof the following new paragraph:

"(31) The term 'generic campaign activity' means a campaign activity the preponderant purpose or effect of which is to promote a political party rather than any particular Federal or non-Federal candidate.".

SEC. 313. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) STATE FUNDRAISING ACTIVITIES.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 301, is amended by adding at the end thereof the following new subsection:

"(l) LIMITATIONS ON FUNDRAISING ACTIVITIES OF FEDERAL CANDIDATES AND OFFICEHOLDERS AND CERTAIN POLITICAL COMMITTEES.—(1) For purposes of this Act, a candidate for Federal office (or an individual holding Federal office) may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under this Act, and are not from sources prohibited by this Act with respect to elections to Federal office.

"(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

"(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, or any national, State, district, or local committee of a political party (including subordinate committees).

"(3) The appearance or participation by a candidate or individual in any activity (including fundraising) conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if—

"(A) such appearance or participation is otherwise permitted by law; and

"(B) such candidate or individual does not solicit or receive, or make expenditures from, any funds resulting from such activity.

"(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

"(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978.".

(b) TAX-EXEMPT ORGANIZATIONS.—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(m) TAX-EXEMPT ORGANIZATIONS.—(1) If during any period an individual is a candidate for, or holds, Federal office, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

"(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978.".

SEC. 314. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d) POLITICAL COMMITTEES.—(1) The national committee of a political party and any congressional campaign committee, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 324 applies shall report all receipts and disbursements in connection with a Federal election (as determined under section 324).

"(3) Any political committee to which section 324 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(c) and the reason for the transfer.

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election.

"(5) If any receipt or disbursement to which this subsection applies exceeds $200, the political committee shall include identification of the person from whom, or to whom, such receipt or disbursement was made.

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(b) REPORT OF EXEMPT CONTRIBUTIONS.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by inserting at the end thereof the following:

"(C) The exclusions provided in clauses (v) and (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions in excess of $200 shall be reported.".

(c) REPORTING OF EXEMPT EXPENDITURES.—Section 301(9) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)) is amended by inserting at the end thereof the following:

"(C) The exclusions provided in clause (iv) of subparagraph (B) shall not apply for purposes of any requirement to report expenditures under this Act, and all such expenditures in excess of $200 shall be reported.".

(d) CONTRIBUTIONS AND EXPENDITURES OF POLITICAL COMMITTEES.—Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end the following: "For purposes of this paragraph, the receipt of contributions or the making of, or obligating to make, expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office or of any political party, in general public political advertising; and the proximity to any primary, runoff, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(e) REPORTS BY STATE COMMITTEES.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(e) FILING OF STATE REPORTS.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.".

TITLE IV—CONTRIBUTIONS

SEC. 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection:

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be *made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—*

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the intermediary or conduit rather than the intended recipient; or

"(ii) the intermediary or conduit is—

"(I) a political committee with a connected organization;

"(II) an officer, employee, or agent of such a political committee;

"(III) a political party;

"(IV) a partnership or sole proprietorship;

"(V) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(VI) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C)(i) The term 'intermediary or conduit' does not include—

"(I) a candidate or representative of a candidate receiving contributions to the candidate's principal campaign committee or authorized committee;

"(II) a professional fundraiser compensated for fundraising services at the usual and customary rate;

"(III) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(B); or

"(IV) an individual who transmits a contribution from the individual's spouse.

"(ii) The term 'representative' means an individual who is expressly authorized by the candidate to engage in fundraising, and who occupies a significant position within the candidate's campaign organization, provided that the individual is not described in subparagraph (B)(ii).

"(iii) The term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting.

"(iv) The term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(IV):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(I) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

"(iii) bona fide fundraising efforts conducted by and solely on behalf of an individual for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, but only if all contributions are made directly to a candidate or a representative of a candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient.".

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 313(b), is amended by adding at the end the following new subsection:

"(n) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.".

SEC. 403. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) A candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee), if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section.".

SEC. 404. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM "CONTRIBUTION".

Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(1) in clause (xiii), by striking "and" after the semicolon at the end;

(2) in clause (xiv), by striking the period at the end and inserting: "; and"; and

(3) by adding at the end the following new clause:

"(xv) any advance voluntarily made on behalf of an authorized committee of a candidate by an individual in the normal course of such individual's responsibilities as a volunteer for, or employee of, the committee, if the advance is reimbursed by the committee within 10 days after the date on which the advance is made, and the value of advances on behalf of a committee does not exceed $500 with respect to an election.".

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2) through (7) of section 304(b) of FECA (2 U.S.C. 434(b)(2)–(7)) are amended by inserting after "calendar year" each place it appears the following: "(election cycle, in the case of an authorized committee of a candidate for Federal office)".

SEC. 502. PERSONAL AND CONSULTING SERVICES.

Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to the candidate or his or her authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

SEC. 503. REDUCTION IN THRESHOLD FOR REPORTING OF CERTAIN INFORMATION BY PERSONS OTHER THAN POLITICAL COMMITTEES.

Section 304(b)(3)(A) of FECA (2 U.S.C. 434(b)(3)(A)) is amended by striking "$200" and inserting "$50".

SEC. 504. COMPUTERIZED INDICES OF CONTRIBUTIONS.

Section 311(a) of FECA (2 U.S.C. 438(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) maintain computerized indices of contributions of $50 or more.".

TITLE VI—FEDERAL ELECTION COMMISSION

SEC. 601. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not include the name of any candidate in its name or use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 602. REPORTING REQUIREMENTS.

(a) Option To File Monthly Reports.—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end;

(2) in subparagraph (B) by striking the period at the end and inserting "; and"; and

(3) by inserting the following new subparagraph at the end:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.".

(b) Filing Date.—Section 304(a)(4)(B) of FECA (2 U.S.C. 434(a)(4)(B)) is amended by striking "20th" and inserting "15th".

SEC. 603. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) Vacancy in the Office of General Counsel.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by adding at the end the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed.".

(b) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence; and

(2) by striking the third sentence.

SEC. 604. ENFORCEMENT.

(a) BASIS FOR ENFORCEMENT PROCEEDING.—Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking "it has reason to believe that a person has committed, or is about to commit" and inserting "facts have been alleged or ascertained that, if true, give reason to believe that a person may have committed, or may be about to commit".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found.".

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

SEC. 605. PENALTIES.

(a) PENALTIES PRESCRIBED IN CONCILIATION AGREEMENTS.—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of $5,000 or an amount equal to any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) not greater than all contributions and expenditures involved in the violation".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of $10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 150 percent of all contributions and expenditures involved in the violation".

(b) PENALTIES WHEN VIOLATIONS ARE ADJUDICATED IN COURT.—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (A) or (B) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found.".

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 200 percent of all contributions and expenditures involved in the violation,

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or chapter 95 of chapter 96 of the Internal Revenue Code of 1986.".

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which is—

"(i) not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) not greater than 250 percent of all contributions and expenditures involved in the violation.".

SEC. 606. RANDOM AUDITS.

Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by adding at the end the following new paragraph:

"(2) Notwithstanding paragraph (1), the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of an eligible Senate candidate subject to audit under section 505(a) or an authorized committee of an eligible House of Representatives candidate subject to audit under section 605(a).".

SEC. 607. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting after "SEC. 322." the following: "(a)"; and

(2) by adding at the end the following:

"(b) No person shall solicit contributions by falsely representing himself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 608. REGULATIONS RELATING TO USE OF NON-FEDERAL MONEY.

Section 306 of FECA (2 U.S.C. 437c) is amended by adding at the end the following new subsection:

"(g) The Commission shall promulgate rules to prohibit devices or arrangements which have the purpose or effect of undermining or evading the provisions of this Act restricting the use of non-Federal money to affect Federal elections.".

TITLE VII—BALLOT INITIATIVE COMMITTEES

SEC. 701. DEFINITIONS RELATING TO BALLOT INITIATIVES.

Section 301 of FECA (2 U.S.C. 431), as amended by section 312(d), is amended by adding at the end the following new paragraphs:

"(32) The term 'ballot initiative political committee' means any committee, club, association, or other group of persons which makes ballot initiative expenditures or receives ballot initiative contributions in excess of $1,000 during a calendar year.

"(33) The term 'ballot initiative contribution' means any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the State, commonwealth, territory, or District of Columbia level which involves—

"(A) interstate commerce;

"(B) the election of candidates for Federal office and the permissible terms of those so elected;

"(C) Federal taxation of individuals, corporations, or other entities; or

"(D) the regulation of speech or press, or any other right guaranteed under the United States Constitution.

"(34) The term 'ballot initiative expenditure' means any purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the state, commonwealth, territory, or District of Columbia level which involves—

"(A) interstate commerce;

"(B) the election of candidates for Federal office and the permissible terms of those so elected;

"(C) Federal taxation of individuals, corporations, or other entities; or

"(D) the regulation of speech or press, or any other right guaranteed under the United States Constitution.".

SEC. 702. AMENDMENT TO DEFINITION OF CONTRIBUTION.

Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)), as amended by section 404, is amended—

(1) in clause (xiv), by striking "and" after the semicolon;

(2) in clause (xv), by striking the period and inserting "; and"; and

(3) by adding at the end the following new clause:

"(xvi) a ballot initiative contribution.".

SEC. 703. AMENDMENT TO DEFINITION OF EXPENDITURE.

Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended—

(1) in clause (ix)(3), by striking "and" after the semicolon;

(2) in clause (x), by striking the period and inserting "; and"; and

(3) by adding at the end the following new clause:

"(xi) a ballot initiative expenditure.".

SEC. 704. ORGANIZATION OF BALLOT INITIATIVE COMMITTEES.

Title III of FECA (2 U.S.C. 431 et seq.) is amended by inserting after section 302 (2 U.S.C. 432) the following new section:

"ORGANIZATION OF BALLOT INITIATIVE COMMITTEES

"SEC. 302A. (a) Every ballot initiative political committee shall have a treasurer. No ballot initiative contribution shall be accepted or ballot initiative expenditure shall be made by or on behalf of a ballot initiative political committee during any period in which the office of treasurer is vacant.

"(b)(1) Every person who receives a ballot initiative contribution for a ballot initiative political committee shall—

"(A) if the amount is $50 or less, forward to the treasurer such contribution no later than 30 days after receiving the contribution; and

"(B) if the amount of the ballot initiative contribution is in excess of $50, forward to the treasurer such contribution, the name, address, and occupation of the person making such contribution, and the date of receiving such contribution, no later than 10 days after receiving such contribution.

''(2) All funds of a ballot initiative political committee shall be segregated from, and may not be commingled with, the personal funds of any individual.

''(3) The treasurer of a ballot initiative political committee shall keep an account for—

''(A) all ballot initiative contributions received by or on behalf of such ballot initiative political committee;

''(B) the name and address of any person who makes a ballot initiative contribution in excess of $50, together with the date and amount of such ballot initiative contribution by any person;

''(C) the identification of any person who makes a ballot initiative contribution or ballot initiative contributions aggregating more than $200 during a calendar year, together with the date and amount of any such contribution;

''(D) the identification of any political committee or ballot initiative political committee which makes a ballot initiative contribution, together with the date and amount of any such contribution; and

''(E) the name and address of every person to whom any ballot initiative expenditure is made, the date, amount and purpose of such ballot initiative expenditure, and the name of the ballot initiative(s) to which the ballot initiative expenditure pertained.

''(c) The treasurer shall preserve all records required to be kept by this section 3 years after the report is filed.''.

SEC. 705. BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS.

Title III of FECA (2 U.S.C. 431 et seq.), as amended by section 103, is amended by inserting after section 30A (2 U.S.C. 434) the following new section:

''BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS

''SEC. 304B. (a)(1) Each treasurer of a ballot initiative political committee shall file reports of receipts and disbursements in accordance with the provisions of this subsection. The treasurer shall sign each such report.

''(2) All ballot initiative political committees shall file either—

''(A)(i) quarterly reports in each calendar year when a ballot initiative is slated regarding which the ballot initiative committee plans to make or makes a ballot initiative expenditure or plans to receive or receives a ballot initiative contribution, which shall be filed no later than the 15th day after the last day of each calendar quarter: except that the report for the quarter ending on December 31 of such calendar year shall be filed no later than January 31 of the following calendar year; and

''(ii) preballot initiative reports, which shall be filed 5 days before the occurrence of each ballot initiative in which the ballot initiative committee plans to make or has made a ballot initiative expenditure or plans to receive or has received a ballot initiative contribution; or

''(B) monthly reports in all calendar years which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month.

''(3) If a designation, report, or statement filed pursuant to this section (other than under paragraph (2)(A)(ii)) is sent by registered or certified mail, the United States postmark shall be considered the date of filing of the designation, report, or statement.

''(4) The reports required to be filed by this section shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during each year, only the amount need be carried forward.

''(b) Each report under this section shall disclose—

''(1) the amount of cash on hand at the beginning of the reporting period;

''(2) for the reporting period and the calendar year, the total amount of all receipts, and the total amount of all receipts in the following categories:

''(A) ballot initiative contributions from persons other than political committees;

''(B) ballot initiative contributions from political party committees;

''(C) ballot initiative contributions from other political committees and ballot initiative political committees;

''(D) transfers from affiliated political committees;

''(E) loans;

''(F) rebates, refunds, and other offsets to operating expenditures; and

''(G) dividends, interest, and other forms of receipts;

''(3) the identification of each—

''(A) person (other than a political committee or ballot initiative political committee) who makes a ballot initiative contribution to the reporting committee during the reporting period, whose ballot initiative contribution or ballot initiative contributions have an aggregate amount or value in excess of $50 within the calendar year, or in any lesser amount if the reporting committee should so elect, together with the date and amount of any such contribution and the address and occupation (if an individual) of the person;

''(B) political committee or ballot initiative political committee which makes a ballot initiative contribution to the reporting committee during the reporting period, together with the date and amount of any such contribution;

''(C) affiliated political committee or affiliated ballot initiative political committee which makes a transfer to the reporting committee during the reporting period;

''(D) person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and the date and amount or value of such loan and the address and occupation (if an individual) of the person;

''(E) person who provides a rebate, refund, or other offset to operating expenditures to the reporting committee in an aggregate amount or value in excess of $200 within the calendar year, together with the date and amount of such receipt and the address and occupation (if an individual) of the person; and

''(F) person who provides any dividend, interest, or other receipt to the reporting committee in an aggregate value or amount in excess of $200 within the calendar year, together with the date and amount of any such receipt and the address and occupation (if an individual) of the person;

''(4) for the reporting period and the calendar year, the total amount of disbursements, and all disbursements in the following categories:

''(A) ballot initiative expenditures;

''(B) transfers to affiliated political committees or ballot initiative political committees;

''(C) ballot initiative contribution refunds and other offsets to ballot initiative contributions;

''(D) loans made by the reporting committee and the name of the person receiving the loan together with the date of the loan and the address and occupation (if an individual) of the person; and

''(E) independent expenditures; and

''(5) the total sum of all ballot initiative contributions to such ballot initiative political committee.''.

SEC. 706. ENFORCEMENT AMENDMENT.

Section 309 of FECA (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

''(e) The civil penalties of this Act shall apply to the organization, recordkeeping, and reporting requirements of a ballot initiative political committee under section 302A or 304B, insofar as such committee conducts activities solely for the purpose of influencing a ballot initiative and not for the purpose of influencing any election for Federal office.''.

SEC. 707. PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER.

Section 320 of FECA (2 U.S.C. 441f) is amended to read as follows:

''PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER

''SEC. 320. No person shall make a contribution or ballot initiative contribution in the name of another person or knowingly permit his name to be used to effect such a contribution or ballot initiative contribution, and no person shall knowingly accept a contribution or ballot initiative contribution made by one person in the name of another person.''.

SEC. 708. LIMITATION ON CONTRIBUTION OF CURRENCY.

Section 321 of FECA (2 U.S.C. 441g) is amended to read as follows:

''LIMITATION ON CONTRIBUTION OF CURRENCY

''SEC. 321. No person shall make contributions or ballot initiative contributions of currency of the United States or currency of any foreign country which in the aggregate, exceed $100, to or for the benefit of—

''(1) any candidate for nomination for election, or for election, to Federal office;

''(2) any political committee (other than a ballot initiative political committee) for the purpose of influencing an election for Federal office; or

''(3) any ballot initiative political committee for the purpose of influencing a ballot initiative.''.

TITLE VIII—MISCELLANEOUS

SEC. 801. PROHIBITION OF LEADERSHIP COMMITTEES.

Section 302(e) of FECA (2 U.S.C. 432(e)) is amended—

(1) by amending paragraph (3) to read as follows:

''(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

''(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

''(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee.''; and

(2) by adding at the end the following new paragraph:

''(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, maintain, or control any political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office.

''(B) For one year after the effective date of this paragraph, any such political committee may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed $1,000 to candidates for elective office.''.

SEC. 802. POLLING DATA CONTRIBUTED TO CANDIDATES.

Section 301(8) of FECA (2 U.S.C. 431(8)), as amended by section 314(b), is amended by inserting at the end the following new subparagraph:

"(D) A contribution of polling data to a candidate shall be valued at the fair market value of the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made.".

SEC. 803. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end the following new paragraph:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are eligible under section 9003 of the Internal Revenue Code of 1986 to receive payments from the Secretary of the Treasury shall not receive such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 4 debates, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) be ineligible to receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under that section.".

SEC. 804. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of FECA (2 U.S.C. 441e) is amended by adding at the end the following new subsections:

"(c) A foreign national shall not directly or indirectly direct, control, influence or participate in any person's election-related activities, such as the making of contributions or expenditures in connection with elections for any local, State, or Federal office or the administration of a political committee.

"(d) A nonconnected political committee or the separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall include the following statement on all printed materials produced for the purpose of soliciting contributions:

" 'It is unlawful for a foreign national to make any contribution of money or other thing of value to a political committee.'.".

SEC. 805. AMENDMENT TO FECA SECTION 316.

Section 316(b) of FECA (2 U.S.C. 441b(b)) is amended—

(1) by inserting "(A)" at the beginning of paragraph (2) and redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(2) at the beginning of the first sentence in subparagraph (A), by inserting the following: "Except as provided in subparagraph (B),"; and

(3) by adding at the end of paragraph (2) the following:

"(B) Expenditures by a corporation or labor organization for candidate appearances, candidate debates and voter guides directed to the general public shall be considered contributions unless—

"(i) in the case of a candidate appearance, the appearance takes place on corporate or labor organization premises or at a meeting or convention of the corporation or labor organization, and all candidates for election to that office are notified that they may make an appearance under the same or similar conditions;

"(ii) in the case of a candidate debate, the organization staging the debate is either an organization described in section 301 whose broadcasts or publications are supported by commercial advertising, subscriptions or sales to the public, including a noncommercial educational broadcaster, or a nonprofit organization exempt from Federal taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 that does not endorse, support, oppose candidates or political parties; and

"(iii) in the case of a voter guide, the guide is prepared and distributed by a corporation or labor organization and consists of questions posed to at least two candidates for election to that office,

except that no communication made by a corporation or labor organization in connection with the candidate appearance, candidate debate or voter guide contains express advocacy, or that no candidate is favored through the structure or format of the candidate appearance, candidate debate or voter guide.".

SEC. 806. TELEPHONE VOTING BY PERSONS WITH DISABILITIES.

(a) STUDY OF SYSTEMS TO PERMIT PERSONS WITH DISABILITIES TO VOTE BY TELEPHONE.—

(1) IN GENERAL.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(2) CONSULTATION.—The Federal Election Commission shall conduct the study described in paragraph (1) in consultation with State and local election officials, representatives of the telecommunications industry, representatives of persons with disabilities, and other concerned members of the public.

(3) CRITERIA.—The system or systems developed pursuant to paragraph (1) shall—

(A) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(B) propose procedures to identify persons who are so disabled; and

(C) describe procedures and equipment that may be used to ensure that—

(i) only those persons who are entitled to use the system are permitted to use it;

(ii) the votes of persons who use the system are recorded accurately and remain secret;

(iii) the system minimizes the possibility of vote fraud; and

(iv) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(4) REQUESTS FOR PROPOSALS.—In developing a system described in paragraph (1), the Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(5) PHYSICAL ACCESS.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons with disabilities.

(6) DEADLINE.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the date of enactment of this Act.

SEC. 807. PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE.

Title III of FECA (2 U.S.C. 431 et seq.), as amended by section 312(c) is amended by adding at the end the following new section:

"PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE

"SEC. 325. (a) No aircraft that is owned or operated by the Government (including any aircraft that is owned or operated by the Department of Defense) may be used in connection with an election for Federal office.

"(b)(1) Subsection (a) shall not apply to travel provided to the President or Vice President.

"(2) The portion of the cost of any travel provided to the President or Vice President that is allocable to activities in connection with an election for Federal office shall be paid by the authorized committee of the President. Such portion shall be paid within 10 days of the travel. For purposes of this section, travel which is in any part related to campaign activity, shall be treated as in connection with an election for Federal office, and the payment for such travel shall be sufficient to reflect that portion which is campaign-related.

"(3) The actual costs and payment for costs of any travel provided to the President and Vice President shall be disclosed in accordance with section 304.".

SEC. 808. SENSE OF THE CONGRESS.

The Congress should consider legislation that would provide for an amendment to the Constitution to set reasonable limits on campaign expenditures in Federal elections.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 901. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1993.

SEC. 902. BUDGET NEUTRALITY.

(a) DELAYED EFFECTIVENESS.—The provisions of this Act (other than this section) shall not be effective until the estimated costs under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 have been offset by the enactment of subsequent legislation effectuating this Act.

(b) SENSE OF CONGRESS.—It is the sense of the Congress that subsequent legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal program, or increase the Federal budget deficit.

SEC. 903. SEVERABILITY.

Except as provided in sections 101(c) and 121(b), if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

SEC. 904. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) DIRECT APPEAL TO SUPREME COURT.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) ACCEPTANCE AND EXPEDITION.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and benefits for congressional election campaigns, and for other purposes.".

And the House agree to the same.

CHARLIE ROSE,
SAM GEJDENSON,
DICK GEPHARDT,
AL SWIFT,
LEON E. PANETTA,
MIKE SYNAR,
GERALD D. KLECZKA,

For consideration of sections 103 and 202 of the Senate bill, section 802 of the House amendment, and modifications committed to conference:

EDWARD J. MARKEY

For consideration of sections 104, 404, 409, and 411 of the Senate bill, section 103 of the House amendment, and modifications committed to conference:

WILLIAM L. CLAY,
FRANK MCCLOSKEY,
Managers on the Part of the House.

WENDELL H. FORD,
DAVID L. BOREN,
GEORGE MITCHELL,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3, the "Senate Election Ethics Act of 1991") to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, submit the following joint statement to the House and to the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments (H.R. 3750, the "U.S. House of Representatives Campaign Spending Limit and Election Reform Act of 1991") struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendments.

The Committee of Conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the bill, with an amendment which is a substitute for both the text of the Senate bill and the House amendment to the text of the Senate bill.

The differences between the text of the Senate bill, the House amendment thereto, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate bill (S. 3), the House Amendment (H.R. 3750), and the conference agreement provide that this legislation may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1992".

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SECTION 101. SENATE SPENDING LIMITS AND PUBLIC BENEFITS

Senate bill

The Senate bill amended the Federal Election Campaign Act of 1971 (hereinafter in this statement referred to as the "Act") to provide for a voluntary system of spending limits and benefits. The formula adopted is a base amount of $400,000: plus 30 cents times the voting age population of the State up to a voting age population of 4 million, plus 25 cents times the voting age population in excess of 4 million, but not less than $950,000, or more than $5.5 million. Higher spending limits are permitted in a State with no more than one VHF television station licensed to operate in that State. The formula for the spending limit in such a State is set at $400,000: plus 80 cents times the voting age population up to 4 million, and 70 cents times the voting age population over that figure, but not less than $950,000 or more than $5.5 million.

As a condition to participate in the system, Senate candidates must agree to abide by the expenditure limits in primary and runoff elections.

Because the activities previously associated with Senate campaigns would probably not be curtailed, but merely shifted to the primary election period, it is necessary to extend spending limits to the primary period. Thus, the Senate bill provides for a primary election limit of 67 percent of the general election spending limit (up to a maximum of $2.75 million) and a runoff limit of 20 percent of the general election spending limit. By defining the primary election period to begin the day after the last general election for the seat in question, the bill effectively limits Senate campaign spending throughout a six year Senate election cycle.

The Senate bill provides for a compliance fund equal to the lesser of 15 percent or $300,000 of the candidate's general election limit in order to deal with the likelihood of additional legal and accounting services under this system. All funds which are deposited into this account are subject to the limitations and prohibitions of the FECA. This provision permits expenditures for such purpose both during and after a general election without such expenditures counting against either such general election spending limit or the next primary election spending limit. The use of the fund is solely for the purpose of paying for legal and accounting services incurred in relation to compliance with the Act and the preparation of compliance documents, or expenditures for the extraordinary costs of legal and accounting services incurred in connection with the candidate's activities as a federal office-holder.

The compliance fund is not intended as a reserve or revolving fund; therefore, once funds have been transferred into the account, they may not be transferred back to the campaign fund or used for any purpose other than compliance. A candidate will be permitted to petition the Commission for permission to raise and spend an amount in excess of that fund. Before authorizing any additional funds for compliance, the Commission should first be satisfied that the candidate did not use any portion of the compliance fund for any purpose other than compliance.

The Senate bill limits a participating candidate's personal spending to $25,000. Members of a candidate's immediate family would be subject to existing contribution limitations, as this provision would not impose any additional or new limits on such family members. This limit would apply to what a candidate may spend or loan to the campaign from personal funds, including funds of the candidate's immediate family, in the election cycle.

Eligibility for all candidates, whether a major party nominee, a minor party nominee, or an independent candidate, is based on the candidate raising a qualifying threshold of private contributions equal to 10 percent of the general election spending limit for the State. All of such funds must be contributed directly to the candidate by individuals (not through any intermediary) in amounts aggregating up to $250 and must be received after January 1 of the year preceding the election. To further assure that such candidates have a base of support from within their State, at least 50 percent of the threshold amount must be raised from contributors from within the candidate's State.

To be eligible to receive benefits, a candidate must be opposed in the general election and must certify that he or she has raised the qualifying threshold, and has not exceeded the primary and, where applicable, the runoff spending limits. Also, the candidate must agree to certain administrative requirements, not to exceed the general election spending limits, and not to accept contributions in violation of the Act.

Like the Presidential financing system, the Federal Election Commission would certify the eligibility of a candidate based on the candidate's submissions to that agency and would be charged with the general administration of the system. Unlike the Presidential system that requires that all candidates be audited, the Commission would be required to audit only 10 percent of the eligible Senate candidates on a random basis and, in addition, any other candidate for cause.

Eligible candidates are entitled to five benefits: communication vouchers, lower broadcast media rates, reduced postal rates; independent expenditure payments; and contingent financing. These are intended to serve both as incentives to participation by candidates and as cost reduction devices for ever more expensive campaigns.

House amendment

No similar provision.

Conference substitute

The conference agreement adopts the Senate bill with respect to the Senate, with the following modifications:

1. The conference agreement limits the provision of the Senate bill which permitted the compliance fund to make expenditures for the extraordinary costs of legal or accounting services incurred in connection with the candidate's activities as a Federal office-holder.

2. The conference agreement deletes the provision of the Senate bill which would have permitted an increase of 25 percent of the spending limits for candidates based on small contributions of up to $100 received from individuals who reside within the State of a Senate candidate. In an effort to establish some uniform rules with the House bill (which had no similar provision), the conferees agreed to eliminate this provision.

3. The conference agreement modifies the use of personal funds to an amount equal to the lesser of ten percent of the expenditure limit, or $250,000. This conforms to the House provision which limits the use of personal funds of an eligible House candidate to ten percent of the expenditure limit.

4. The conference agreement clarifies the audit authority of the Commission to provide that when an eligible candidate is selected for an audit, his or her opponent in the same election shall also be audited.

5. The conference agreement deletes the provision which would require that broadcast time purchased with vouchers must be for broadcasts of one to five minutes in length.

6. The conference agreement revises the reduced postage rates section of both the House and Senate bills to provide one standard for all eligible candidates. The Senate bill permitted eligible candidates to make first-class mailings at one-fourth the rate in effect and third-class mailings at two cents less than the reduced rate for first class mail. The total spending on postage at these reduced rates could not exceed five percent of the general election expenditure limit. The conference agreement now provides that eligible candidates can mail up to one piece of mail per voting age population of the State (in the case of an eligible Senate candidate) or congressional district (in the case of an eligible House candidate) at the lowest third-class non-profit rate.

7. The conference agreement modifies the Senate's contingent benefits to provide that an eligible Senate candidate would receive a grant equal to one-third the expenditure limit once a non-complying opponent exceeds the limit. When a non-complying opponent exceeds the limit by one-third, an eligible candidate would be entitled to another grant equal to one-third of the expenditure limit. Once a non-complying candidate exceeds the limit by two-thirds, an eligible candidate would receive a third and final grant equal to one-third the expenditure limit. In addition, an eligible candidate whose opponent did not participate could raise contributions equal to twice the expenditure limit, but such funds could not be spent until the opponent exceeds the limits by 100 percent. Thus, the conference agreement would cap all spending at 300 percent of the general election limit; where the Senate bill had removed all limits.

These changes were made to conform the Senate bill with the intent of the conferees to provide an alternative election finance system for candidates who choose to run for Senate election without spending limits. Contingent benefits are provided to eligible Senate candidates to reduce the rigors of fundraising, and not to create an advantage over opposing candidates choosing to stay outside the system. Because campaign funds can be spent quite rapidly, it is necessary to make resources quickly available to an eligible candidate. Otherwise, prudent candidates would be reluctant to voluntarily participate in the alternative spending limit system.

The conference agreement reduces the amount of the initial grant in half to more closely conform the size of the grant to the amount by which the spending limit is exceeded. While the grants are still provided in one-third increments, the conferees believe this is a proper balance between the objective of maintaining a competitive election and the desire to avoid the administrative burdens attendant to smaller, more frequent grants.

The conference agreement provides grants up to 100 percent of the general election limit at which point the eligible candidate may spend campaign contributions up to 100 percent of the general election limit. The conference agreement imposes a limit on total contributions and expenditures by the eligible candidate in order to preserve the overall objective to establish an alternative campaign finance system in order to reduce the deleterious influence of large contributions on the election process and the rigors of fundraising for eligible Senate candidates.

8. The conference agreement requires the closed captioning of television and cablecasts of eligible Senate candidate campaign advertisements. This adopts a similar provision contained in the House amendment. With this modification to the Senate bill, a uniform standard is adopted for both chambers.

9. The conference agreement eliminates all provisions referring to the Secretary of the Treasury and the Senate Election Campaign Fund. The conferees recognize that as a Senate bill, any bill relating to the public financing of congressional campaigns must originate in the House. Thus, the conference agreement provides that no section of the bill will be effective until a subsequent legislative vehicle provides for a funding mechanism for the benefits of the bill.

10. The conference agreement modifies the civil penalties provisions of the bill with regard to expenditures in excess of the limitations. The revised civil penalties are based on a low, medium and high scale of up to 2.5 percent, 2.5 percent but less than 5 percent, and 5 percent or greater, respectively. Civil penalty amounts are likewise based on this scale. This provision will apply in like manner to the House.

11. The conference agreement eliminates the criminal penalties provisions, at the request of the House, which had no similar provision. In its place, the agreement establishes joint and separate civil liability for the candidate and the candidate's authorized committees. This liability provision applies to both participating Senate and House candidates.

SECTION 102. RESTRICTIONS ON ACTIVITIES OF POLITICAL ACTION AND CANDIDATE COMMITTEES IN FEDERAL ELECTIONS

Senate bill

The Senate bill bans activities of political action committees by prohibiting such committees from making contributions or expenditures to influence a federal election. In the event this ban on PAC activities is ruled unconstitutional, the Senate bill includes a fall-back provision reducing PAC contribution limits from $5,000 to $1,000 and imposing an aggregate limit on the amount of the total amount of PAC contributions a Senate candidate may receive. The limit would be 20 percent of the election cycle limit, but not less than $375,000 in the smallest states, nor more than $825,000 in the largest states.

House amendment

The House bill limits political action committee contributions that may be received by House campaigns to $200,000 per election. For those who agree to voluntarily agree to spending limits, this amount is equal to one-third of the overall spending limit.

Conference substitute

The conference agreement follows the House and Senate bills. The House provisions limiting political action committee contributions to one-third of the election spending limit are preserved unchanged. The provisions of the Senate bill establishing rules for political action committee in the event a PAC ban is found unconstitutional are adopted except that the per election limit on PAC contributions to Senate candidates is established at $2,500.

The conferees recognize the role of political action committees as a legitimate exercise of collective participation of individuals of like minds in the electoral process. The conferees recognize that citizens may pool their resources to participate in the electoral process. To the extent this participation is balanced with disinterested sources of campaign funds, the conferees support the role of political action committees in the electoral process.

Nevertheless, the conferees agree that Congress must confront the legitimate public concern that political action committees can have a negative, even corrupting, impact on the election campaign process when they become too large a source of any candidate's campaign funds. Moreover, when these sources of campaign funds flow overwhelmingly to incumbents, the public perception is that Congress is too beholden to special interests.

The conferees recognize that simply having limits on the amount of money that individual PACs can give to a candidate does not of itself control the flow of special interest funds to campaigns. Individual PAC contribution limits alone result in a number of PACs with the same interest playing too large a role in funding a congressional campaign. Therefore, the conferees believe that in addition to individual PAC contribution limits there should be aggregate limits on PAC receipts by a candidate's campaign committee. These aggregate limits will have the effect of minimizing the candidate's reliance on special interest funds and reducing the potential for undue influence and corruption. The conferees believe that figures chosen for aggregate PAC limits in the House and Senate represent a reasonable effort to curtail aggregate influence of PAC contributions.

The conferees seek to strike a balance to reduce the influence of special interests in the election process while maintaining the legitimate exercise of collective action through political action committees. The conferees believe this goal is met by imposing aggregate limits on PAC receipts as well as ceilings on individual PAC contributions.

SECTION 103. REPORTING REQUIREMENTS

Senate bill

Candidates who agree to abide by the spending limits and become eligible to receive benefits must file a certification with the Federal Election Commission. First, the candidate must file a declaration with the FEC on the date of filing for the primary election that the candidate and the candidate's authorized committees will meet the limitations on spending in the primary, runoff, and general elections; will meet the limitation on expenditures from personal funds, and will not accept contributions for the primary and runoff elections that exceed the limits. Within 7 days of qualifying for the general election ballot or winning a primary or runoff election held after September 1 (whichever is earlier), the candidate must file a certification, under penalty of perjury, which states that the candidate has not exceeded the primary expenditure and contribution limits, the contribution threshold has been met, at least one other candidate has qualified for the general election, the candidate and the authorized committee will not exceed the contribution and expenditure limits for the general election.

A general election candidate who does not intend to become eligible for public benefits must file a declaration with the Commission stating whether the candidate intends to make expenditures which will exceed the general election spending limit. Additional reports are required of such a candidate after he or she raises or spends more than 75 percent of the spending limit. An additional report is required each time a non-participating candidate spends an additional 10 percent of the limit until 133⅓ percent of the limit is reached.

The system of public benefits provides a compensating payment to eligible candidates for independent expenditures when such expenditures exceed an aggregate of $10,000. So that eligible candidates would receive such funding in an efficient manner, the bill requires that when an individual or group makes or obligates to make an independent expenditure for a Senate election in excess of $10,000, they are required to file a report with the Commission within 24 hours and to file additional reports within 24 hours each time an additional expenditure exceeds an aggregate of $10,000. These reports must be filed under penalty of perjury with the Commission and the appropriate Secretary of State and identify the affected candidate.

Because the bill restricts the spending by a candidate of personal funds, the Senate bill requires that any candidate who expends more than $25,000 from personal or immediate family funds or by personal loan incurred by the candidate or the candidate's immediate family, must file a report with the Commission within 24 hours.

The bill requires that within seven days of becoming a Senate candidate, such candidate must file a statement with the Commission setting forth the amount and nature of any expenditures made before becoming a candidate which could be treated as a Senate campaign expenditure. The Commission is charged to review such a statement and determine whether such expenditures were made in connection with the Senatorial campaign and are thus subject to the applicable spending limit.

House amendment

No similar provision.

Conference substitute

The conference substitute follows the Senate bill with the modification for the filing of reports by non-participating candidates. The modified scheme of contingent benefits for a non-participating candidate requires a subsequent change in the reporting requirements. Non-participating candidates are required to file a report when they exceed the spending limits, and for each time that such a non-participating candidate exceeds the limits by 133⅓ and 166⅔ up to 200 percent of the limit.

SECTION 104. DISCLOSURE BY NONELIGIBLE CANDIDATES

Senate bill

Requires that any broadcast or other communication paid for or authorized by a noneligible Senate candidate contain a disclaimer that such candidate has not agreed to abide by the spending limits.

House amendment

No similar provision.

Conference substitute

Adopts the Senate provision.

SECTION 105. EXTENSION OF TIME PERIOD WHEN FRANKED MASS MAILINGS ARE PROHIBITED

Senate bill

Prohibits a Member of the Senate who is a candidate for re-election from making a mass mailing under the frank during the calendar year of any primary or general election.

House amendment

No similar provision.

Conference substitute

Adopts the Senate provision.

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

SECTION 121. NEW TITLE OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

Senate bill

No similar provision.

House amendment

The House amendment provides a voluntary spending limit for House candidates at $600,000 for the election cycle, no more than $500,000 of which can be spent during the general election period. The "general election period" is defined in the bill to begin the day after the primary and end the last day of the election year. Overall election cycle expenditures are subject to the $600,000 limit. A limit of $500,000 is also established for special elections.

Two specific increases are allowed to be made in the spending limit: (1) an additional $100,000 may be spent in the general election period in the event of a runoff election; and (2) an extra $150,000 may be spent in the general election period, if the candidate wins a contested primary with a margin of 10 percentage points or less.

In return for committing to abide by the applicable spending limits, certain benefits are made available to candidates. Enrollment is officially made in a "Statement of Participation" filed by the candidate with the Federal Election Commission and the Secretary of State in which state the candidate resides. This statement, in which the candidate irrevocably pledges to abide by the specified limits on spending and contributions (along with various compliance requirements) as a condition for receiving benefits, must be filed by January 31 of the federal election year or along with the official FEC statement of candidacy, whichever occurs later.

The House bill establishes a system of limits on the sources of contributions an eligible candidate may accept. The bill establishes limits of no more than 1/3 of receipts comes from PACs, and no more than 1/3 comes from large individual donations (defined as contributions from $200 to $1,000 per election). The remaining 1/3 may come from matching funds or small individual donations. Some of these targets are mandatory, whereas others are contingent upon a candidate's participation in the spending limit system. As with the expenditure limit, money raised for legal and accounting compliance costs and for paying federal and state taxes are exempt from the receipts limit (as well as from the PAC and large donor receipts limits discussed below). And just as the expenditure limit may be exceeded under specified circumstances, so too may the limit on contributions received, in parallel fashion. Candidates with runoff elections may raise an additional $100,000, with no more than half coming from PACs and no more than half from large donors.

Candidates who win closely contested primaries may raise an extra $150,000, with up to 1/3 from PACs, 1/3 from large donors, and 1/3 in additional matching funds.

Provision is also made for eligible candidates who transfer surpluses from one election cycle to the next. Up to $600,000 or the maximum cycle amount may be transferred, but that money is deducted from the $600,000 fundraising limit in the next cycle for purposes of determining the proportionate amounts which may then be raised from various sources. Once the transferred amount is subtracted, no more than 1/3 of the remaining figure may come from PACs, no more than 1/3 may come from large donors, and no more than 1/3 may come from matching funds.

Also, the penalties for raising money in excess of the contribution limits follow the same pattern as those for exceeding the expenditure limits, except that any amount raised that is less than 5% over the limit shall simply be refunded to contributors. This is to account for contributions which may be received in the closing weeks of a campaign, when the candidate is close to the permissible levels, but has not yet reached them. Because fundraising is an on-going process, and because contributions may be received unsolicited, the campaign is permitted a small excess to refund, rather than be subject to a civil penalty.

Matching funds will be available on a voluntary basis, to participating candidates, up to $200,000, or 1/3 of the overall campaign spending limit. The first payment would match the $60,000 eligibility threshold; thereafter, the first $200 of contributions from individuals will be matched, as applied for by candidates along with copies of checks or other negotiable instruments (which identify the contributor).

The $200,000 cap on matching funds received by a candidate (also indexed for inflation) may be increased under three circumstances: (1) by up to $50,000, if the general election spending limit was raised to offset a closely contested primary; (2) by an unspecified amount, if a candidate's non-participating opponent raises or spends more than $250,000 in the election cycle; and (3) by an unspecified amount, to offset at least $10,000 in independent expenditures made against the candidate or for his or her opponent.

Another benefit available to eligible candidates takes the form of reduced postal rates. Participating candidates in the general election will be eligible for the same third-class mailing rate that national political parties now receive. The number of pieces of mail will be limited to three times the voting age population (VAP) of that congressional district, presumably translating to three mailings to every voter.

The House bill provides that no eligible House candidate may receive amounts from the Make Democracy Work Fund unless such candidate certifies that any television commercial prepared or distributed by the candidate will be prepared in a manner containing or permitting close captioning.

Conference substitute

The conference agreement adopts the provisions of the House amendment to apply to the House, with the following changes:

1. In the Conference agreement, the House recedes to the Senate provision whereby eligible candidates with a runoff election may spend an additional 20% of the general election limit.

2. The Conference agreement omits the provision which would remove the spending limit for eligible House candidates if independent expenditures aggregating more than $60,000 are made in favor of another candidate, or against the eligible candidate.

3. Requires a non-participating candidate who makes expenditures in excess of 80 percent of the general election limit to report to the Federal Election Commission within 48 hours when such a threshold has been met. Moreover, a participating candidate may only make expenditures in excess of the $200,000 matching fund limit once the non-participating opponent has made expenditures in excess of 80% general election limit.

4. The Conference agreement changes the definition of low, medium, and large

amounts of excess expenditures and contributions to be: less than 2.5%, between 2.5% and 5%, and over 5% respectively, and requires that such penalties shall be paid to the Commission. In addition, a corresponding modification is made with respect to the civil penalties section. This modification provides for a uniform schedule of civil penalties for both the Senate and House candidates who exceed the specified limits.

5. The House recedes to the Senate approach whereby indexing of expenditure and contribution limits would occur annually.

6. The Conference agreement provides that an eligible candidate may accept contributions for runoff elections equal to 20% of the general election limit, subject to further limitations of the House provision.

7. The Conference agreement limits the personal spending of participating House candidates to ten percent of the general election limit. This establishes a similar provision in the conference agreement as it relates to the Senate participating candidates.

8. The Conference agreement establishes a ceiling of 20% of the election cycle limit on the balance of the legal and accounting compliance account and further specifies that no benefits may be transferred to a separate legal and accounting fund. This account is permanently segregated and may not be transferred into the candidate's campaign account.

9. The Conference agreement omits the provision of the House bill which removes the aggregate contribution limits for eligible candidates if independent expenditures aggregating more than $60,000 are made in favor of another candidate or against the eligible candidate.

10. The Conference agreement increases the small individual contribution amount to $250 or less.

11. The Conference agreement omits the provision establishing the Make Democracy Work Fund. This modification is consistent with the intent of the conferees to eliminate all provisions relating to the funding mechanism of the bill.

SECTION 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES

Senate bill

No similar provision.

House amendment

The House amendment limits eligible candidates for the House of Representatives to receiving contributions from political action committees to $200,000. Moreover, this section limits the total contributions such a candidate may receive in individual contributions in excess of $200 to $200,000. In the case of an eligible candidate for the House who wins the primary by 10 percentage points or less, that candidate may, in the general election, accept contributions of no more than $150,000 (with $50,000 PAC limit and $50,000 large donor contributions).

Conference substitute

Adopts the House provision, with modification that the large donor threshold is $250.

SECTION 123. EXCESS FUNDS OF INCUMBENTS WHO ARE CANDIDATES FOR THE HOUSE OF REPRESENTATIVES

Senate bill

No similar provision.

House amendment

Provides that, for the initial election cycle for which the new limitations will apply, any incumbent of the House of Representatives who is a candidate for reelection, must deposit any campaign funds in excess of $600,000 into a separate account by the date he or she files a statement of participation under new section 502. This separate account must comply with the reporting requirements of the Federal Election Campaign Act of 1971. The amounts so deposited are available for any lawful use, other than for a campaign for the office of Representative.

Conference substitute

Adopts the House provision.

Subtitle C—General Provisions

SECTION 131. BROADCAST RATES AND PREEMPTION

Senate bill

Requires lowest unit rate to be available to all candidates in last 30 days before the primary and the last 45 days before the general election. This section also prohibits broadcasters from preempting advertisements sold to political candidates at lowest unit rate, unless beyond the broadcasters control.

House amendment

Identical provision.

Conference substitute

The Conference Agreement adopts the House provision as modified to provide that participating Senate candidates are permitted to purchase time at 50 percent of the lowest unit rate for the 45 days before the general election.

Section 132. Extension of reduced third-class mailing rates to eligible House of Representatives and Senate candidates

Senate bill

Provides that eligible Senate candidates can mail first class mail at one-fourth the normal rate, and third-class mail at 2 cents less than the reduced first-class rate, with the candidate's share up to 5 percent of the general election limit.

House amendment

Provides that eligible House candidates can mail up to 3 pieces per eligible voter in district at same reduced third-class rate as national party committees.

Conference substitute

Eligible Senate and House candidates will be permitted to mail up to one piece per eligible voter (voting age population) at lowest third-class non-profit rate. This rate is available to eligible candidates during the general election period only.

SECTION 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES

Senate bill

Section 304A(b) of the Senate bill requires persons, whether alone or in cooperation with others, who make or obligate to make independent expenditures for Senate elections in excess of $10,000, to report to the Secretary of Senate within 24 hours, and to file additional reports within 24 hours of each time the additional aggregate in such expenditures exceeds $10,000. Each report must identify the affected candidate. Within 24 hours of receiving a report of such independent expenditures, the Commission is required to notify each eligible candidate of independent expenditures in excess of $10,000 made against them of in favor of their opponent. The Commission is authorized to make its own findings regarding independent expenditures and is required to give the affected candidates notice of its findings.

House amendment

Section 402 of the House amendment requires any person who makes independent expenditures aggregating $5,000 to report to the Commission such independent expenditure within 48 hours after it is made and to file additional reports within 48 hours of each time an additional $5,000 in independent expenditures are made with respect to the same election. The term "made" means any action taken to incur an obligation for payment. Each report must indicate whether the expenditure is in support of or opposition to the candidate involved. Within 48 hours of receiving a report of such independent expenditures, the Commission is required to transmit a copy of such report to the candidate involved.

The House amendment also requires any person intending to make independent expenditures in the 20 days before an election to file a statement on the 20th day before the election. The statement must identify the candidate involved. Within 48 hours after receipt, the Commission must transmit a copy of the report to the candidate involved.

Conference substitute

The Conference agreement is the same as the House amendment, with the following modifications:

1. The threshold for filing the aggregate independent expenditure reports during the election cycle up to 20 days before an election is $10,000, as contained in the Senate bill. The pre-election report of independent expenditures filed on the 20th day before an election is still triggered at a $5,000 threshold.

2. The reports required by these sections shall be filed with the Secretary of Senate, Clerk of the House and the appropriate Secretary of State, depending upon the candidate involved. It is the conferees understanding that the Secretary of Senate and the Clerk of the House, operating under current resource levels, are sufficiently able to transmit copies of all reports to the Commission in a period of two to four hours. This will enable the Commission to meet its transmission requirements.

3. As contained in the Senate bill, the Commission is authorized to make its own findings regarding independent expenditures and is required to give the affected candidate notice of its findings.

SECTION 134. CAMPAIGN ADVERTISING

Senate bill

Requires candidates to clearly state the he or she approved any message, through a personal appearance for television advertisements, an audio statement for radio advertising, or a written statement for print advertisements. This disclaimer must also state that the advertisement was paid for and authorized by the candidate.

House amendment

Requires a clear statement of responsibility in advertisements with: a clearly readable type and color contrasts for print advertisements; clearly readable type, color contrasts, the candidate's image, and for a duration of at least 4 seconds, for television advertisements; and a clearly spoken message by the candidate for both television and radio advertisements.

Conference substitute

Adopts the House amendment.

SECTION 135. DEFINITIONS

Senate bill

The Senate bill defines the terms "eligible candidate," "Senate Election Campaign Fund," "Fund," "general election," "general election period," "immediate family," "major party," "primary election," "primary election period," "runoff election," "runoff election period," "voting age population," and "expenditure" and incorporates by reference all other definitions in Section 301 of the Act.

House amendment

The House bill defines the terms "eligible House of Representatives candidate," "general election period," and "election cycle."

Conference substitute

The conference agreement adopts the Senate bill with the following modifications:

1. The provisions of the Senate bill defining the Senate Election Campaign Fund are deleted, consistent with the conferees intent to eliminate all provisions relating to the funding mechanism of the bill.

2. Adopts appropriate definitions as they relate to the House system.

3. Section 301(13) of the FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent mailing address." The conferees believe that the reporting requirement of a contributor's address should be revised in the interest of better disclosure of relevant information on reports. Experience since the 1980 amendments that permitted the reporting of a contributor's mailing address has shown that the use of permanent mailing address more accurately identifies an individual. It is the intent of the conferees that the "permanent mailing address" is the permanent residence of the individual.

TITLE II—INDEPENDENT EXPENDITURES

SECTION 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES

Senate bill

Section 201(a) of the Senate bill adds the term "cooperative expenditure" to 2 U.S.C. 431(8) and states that an independent expenditure cannot include a cooperative expenditure, the latter being treated as a contribution from the person making the expenditure to the candidate on whose behalf it was made and as an expenditure by the candidate for whose benefit it was made.

Section 201(b) defines "cooperative expenditure" to specify certain relationships and activities between candidates and committees or other persons that constitute coordination, consultation or concerted activity between the parties and which do not constitute a relationship of sufficient independence to permit unlimited spending for or against a candidate.

House amendment

Section 401(a) of the House amendment amends the definition of "independent expenditure" contained at 2 U.S.C. 431(17) to include communications which contain express advocacy and are made without the participation or cooperation of a candidate. The definition excludes expenditures by political parties, political committees established, maintained or controlled by persons or organizations required to register as lobbyists or foreign agents, or persons who communicate or receive information regarding activities that have a purpose of influencing the candidate's election, from being considered independent expenditures.

Section 401(a) of the House amendment also adds the definition of "express advocacy" to 2 U.S.C. 431 to mean a communication that, when taken as a whole, is an expression of support for or opposition to a specific candidate, a specific group of candidates, or candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity.

Conference substitute

The Conference agreement is the same as the House amendment, with the addition of the provisions of the Senate bill that set forth certain relationships and activities that result in expenditures which may not be considered independent. Consequently, the Conference agreement does not create a new class of expenditures, i.e., cooperative expenditures, but, rather, includes among the prohibitions contained in the House amendment, a number of specific types of relationships and activities which would abrogate the independence of an individual or organization.

The Conferees also agreed as to the importance of clarifying what is an independent expenditure by defining express advocacy. Among the problems recognized by the Conferees are communications which are candidate specific, but which lack specific words of exhortation, such as "vote for" or "vote against". The definition contained in the Conference agreement is intended to adopt the standard set forth in *FEC v. Furgatch*, 807 F.2d 857 (9th Cir., 1987) that no specific word is required for express advocacy, but, rather, a clear and unambiguous suggestion to take action is sufficient. In addition, the communication should be "taken as a whole," that is, reference, though limited, may be given to external events, such as the timing and context of the communication, as well as its content, in determining whether it contains express advocacy.

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SECTION 301. PERSONAL CONTRIBUTIONS AND LOANS

Senate bill

Section 211 amends 2 U.S.C. 441a to prohibit contributions received after the general election from being used to repay loans from a candidate or immediate family member. No contribution may be returned to a candidate or immediate family member except as part of a pro rata distribution of excess funds to all contributors.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision.

SECTION 302. EXTENSIONS OF CREDIT

Senate bill

The Senate bill amended the Act to count as a contribution any extension of credit of more than $1,000 for more than 60 days to Senate candidates by vendors of advertising and mass mailing services. This was intended to put an end to the practice of large vendor debts which remain unpaid for long periods of time and which are thus construed to have been contributions (in amounts which exceed the Act's limits).

House amendment

No similar provision.

Conference substitute

Adopts the Senate provision modified to apply to both House and Senate candidates.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Senate bill

The Senate bill includes several provisions to limit the use of nonfederal funds that affect federal elections. Political party committees would be prohibited from using soft money for any activities that affect a federal election, including get-out-the-vote activities, voter registration, and generic and mixed election activities that are during a federal election period. In addition, state and local party committee spending on mixed Federal-State activities would be subject to overall limits of 30 cents per voter.

State party contribution limits would be increased to the amount permitted to national parties. Federal office holders and candidates would be prohibited from soliciting contributions in excess of the federal limits and from sources not permitted under federal law. The exemptions for contributions and expenditures in current law that permit unlimited State party spending for "volunteer activities" that affect a federal election and for get-out-the-vote and voter registration for Presidential elections would be repealed. These exemptions would be replaced by a general four cents per voter coordinated expenditure allowance for Presidential elections. (This is indexed for inflation back to 1974 and is approximately 10 cents per voter in 1992 dollars). Slate cards and sample ballots would continue to be treated as exempt activities except to the extent of the cost of mass mailing such listings.

House amendment

The House bill codifies existing rules established by the Federal Election Commission that require an allocation between federal and nonfederal accounts for spending that affects both federal and nonfederal elections. This includes spending on slate cards, sample ballots, voter registration, get-out-the-vote, fundraising and other generic and mixed activities which affect both federal and nonfederal elections. The bill establishes methods for allocating such costs depending on whether the national or state and local committee makes the expenditure and depending on what type of expenditure is made.

Conference substitute

The conference agreement adopts the Senate bill with certain modifications and clarifications regarding the responsibility and the role of state party committees and nonfederal candidates.

The conference agreement fully reflects the Senate intention to deal with what is perhaps the most serious abuse of the present system — the process of raising large sums of money not regulated under federal law to affect federal elections. This use of so-called "soft money" has seriously undermined existing anti-corruption laws and strained public confidence in the fairness of the electoral process and the integrity of government.

The soft money provisions of the conference agreement are intended to end the current practice of using large sums of nonfederal money to evade the federal contribution limits and prohibitions in order to affect federal elections. These provisions are designed to prohibit the use of soft money for activities which may, in whole or in part, affect a federal election. Moreover, the conference agreement requires that expenditures on these activities derive solely from sources that are permitted under federal law. This is the only way to ensure that the integrity of federal contribution limits and prohibitions is protected.

To this end, the conference report requires that all money solicited, contributed or spent with respect to an activity which in whole or in part is in connection with a federal election meets the limitations, prohibitions, and reporting requirements of the Act.

In adopting final conference language, it is the intention of the conferees to ensure that only contributions subject to the limitations and prohibitions of the Act may be used by state parties to conduct activities that affect federal elections—such as any get-out-the-vote drive during a federal election period, or generic or mixed activities which affect federal elections. All such activities must be, and have been, included in order to ensure that the soft money ban is effective. If, for example, a get-out-the-vote drive by a state party committee were conducted in the name of a gubernatorial candidate at a time when other, federal candidates were also on the ballot and this was not covered, the entire system of soft money in support of federal candidates would simply flow through this channel.

The state party activities which are exempt from the Act, as amended by the conference agreement, may not be used to evade federal contribution limits and prohibitions. The exemptions provided are only available for any activity which affects a nonfederal election.

For example, the exemption for "amounts contributed [by a state party] to a candidate for other than federal office" only applies to contributions to a nonfederal candidate which are used on activities that affect nonfederal candidates. The exemption does not permit a nonfederal candidate to serve as a conduit for receiving contributions which are then used for activities to benefit a federal candidate, such as a get-out-the-vote drive or generic advertising.

Similarly, the exemption that allows state parties to make expenditures for "campaign activities . . . that are exclusively on behalf of State or local candidates" cannot be used as a vehicle for expenditures by a state party which are used for *any kind* of get-out-the-vote activities (or any other activity) which affects a federal election, in whole or in part. The conference report specifically requires that if these activities, including get-out-the-vote activity of any kind, affects a federal election, the exemption would not apply and the activity would have to be financed with contributions which fully meet the limitations and prohibitions of the federal law.

The conference agreement prohibits state party committees from evading the contribution limits of federal law by using nonfederal money for get-out-the-vote activities for nonfederal candidates, recognizing that such activities may be undertaken with the real intention of aiding federal candidates. However, this would not prohibit the use of nonfederal money for written campaign materials, such as slate cards or brochures that support only specifically named nonfederal candidates, that have only an incidental effect on voting for the entire ticket, and that are not devices to use nonfederal money to assist federal candidates.

The exemption for state party administrative costs is meant to include those staff, overhead and related costs which are directly related to the support of state candidates or conventions. Staff who devote substantial portions of their activities to elections for federal office must be financed solely with funds which meet the contribution limits and prohibitions of the Act. State party administrative expenses may not to be used to finance federally-related activities.

Under the conference agreement, national party committees may spend nonfederal money to support activities which are defined as not in connection with a federal election. National party committees are prohibited from raising or spending nonfederal money for any activity which in whole or in part affects a federal election.

While the conferees intend to put an end to the practice of using soft money to affect federal elections, they do not wish to interfere with the legitimate responsibilities of state party committees to help organize and coordinate election efforts for both federal and nonfederal candidates. Therefore, the conference report includes modifications to the Senate provisions to clarify the means by which state parties may operate coordinated campaigns between federal and nonfederal candidates.

These provisions permit state and local candidate committees to participate in coordinated campaign efforts sponsored by state party committees so long as the amounts received from the state and local candidate committees are derived from funds which are legal under federal law; that is, they are from sources and in amounts permitted under the Act. This is determined by examining the account balance of the state or local candidate committee at the time the payment or transfer is made. The balance shall be considered to consist of the funds most recently received by the committee for purposes of determining that the source and amount restrictions of federal law are met.

The state and local candidate committee must certify that such funds meet those requirements. However, the certification does not create a presumption that such funds meet the source and amount restrictions of federal law. State and local candidate committees, which make payments to state party committees for activities which in whole or in part affect federal elections, must keep records of the sources of the funds in their accounts from which the payments are made and be prepared to make such records available for examination to the Federal Election Commission.

The conferees are aware that coordinated campaign efforts between federal and nonfederal candidates can be organized and funded in many different ways. In some cases, coordinated campaigns may be informal arrangements where federal and nonfederal candidates appear together on campaign materials. In other cases, formal arrangements are made for the pooling of funds to be spent on a variety of activities to promote the election of federal and nonfederal candidates.

In some cases, candidates may wish to raise funds directly for the political party to fund a coordinated campaign. In other cases, candidates may make contributions to the party or may make payments to the party committee or to a vendor for the services provided to the campaign. In none of these cases are soft money funds allowed to be used for expenditures that may affect a federal election.

The conference agreement does not provide a detailed statutory framework to cover every conceivable arrangement of coordinated campaigns. Rather, the conference agreement is drafted in sufficiently broad language to cover varying arrangements for state party activities that affect federal elections. It is the intent of the conferees, as expressly stated in the conference agreement, that the Federal Election Commission promulgate regulations to ensure that the provisions of this section are not undermined or evaded through devises or arrangements which have the purpose or effect of avoiding the soft money restrictions.

In the past, campaign finance laws has been undermined by schemes that have been developed to avoid the limitations and prohibitions of the Act. The FEC should develop more elaborate accounting or reporting requirements to ensure the law is not evaded by candidates with more substantial financial resources such as state wide candidates or those with larger campaign operations.

The conferees are advised that some state and local candidate committees will make payments unrelated to any coordinated campaign for services such as voting lists which in part affect federal elections. The conferees do not require that such payments must meet the source and amount restrictions of the Act as long as such funds are in payment for services unrelated to a coordinated campaign with federal candidates or for activities that affect a federal election. Such funds will retain their character as nonfederal money in the accounts of the state party committee.

The conference agreement repeals provisions in current law which exempt certain campaign materials and presidential get-out-the-vote activities by state and local party committees from the definition of expenditure. These so-called "exempt activities" provisions have proven to be vehicles for the evasion of the contribution and coordinated expenditure limits of the law. Because of the varied fact patterns that can apply to such activities, this has been a difficult area of the law for the FEC to enforce. Party committees have claimed to have satisfied the "volunteer" aspect of these provisions simply by having a few volunteers stamp preprinted, pre-sorted mass mailings. Extremely complex accounting has been required to ascertain if national party funds are being used in part or in whole.

In replace of these exempt activities provisions, the conference agreement gives state party committees their own coordinated expenditure allowance of four cents per voting age population (actually approximately ten cents per voter because this is indexed for inflation back to 1974) to correspond to other coordinated expenditure allowances in Act. The Senate bill is modified to limit this new coordinated expenditure allowance to expenditures other than television broadcasts.

The conference agreement deletes the Senate provision limiting the ability of political party committees to transfer federally permissible funds. The definition of "federal election period" for purposes of determining whether certain expenditures affect a federal election is modified to provide a uniform rule among states regardless of when their primary begins. Under the conference agreement, the "federal election period" will begin on April 1 in years when there is a presidential election, and on June 1 in nonpresidential election years.

TITLE IV—CONTRIBUTIONS

SECTION 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS

Senate bill

Contributions made through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, would be limited to the contribution limit of the intermediary or conduit. In general, political committees; connected organizations; and their officers, employees and agents; as well as lobbyists, would be prohibited from acting as conduits or intermediaries of contributions to candidates except to the extent such contributions do not exceed the contribution limit of the conduit or intermediary. An officer, employee, or agent of an organization prohibited from making contributions under federal law (corporation, labor organization, or national bank) would be prohibited from serving as a conduit on behalf of the organization in excess of the contribution limit of the officer, employee, or agent. These rules would not prohibit bona fide joint fundraising efforts undertaken by candidates and party committees.

House amendment

Contributions through a conduit or intermediary would be prohibited, however, certain persons would not be considered to be a conduit or intermediary, including: a candidate or representative of a candidate; a professional fundraiser providing paid services to the candidate; a volunteer hosting a fundraising event at the volunteer's home; an individual transmitting a contributions from the individual's spouse. For these purposes, the following cannot be a representative of a candidate: a political committee with a connected organization; a political party; a partnership or sole proprietorship, or an organization prohibited from making contributions under federal law, i.e. a corporation, labor organization, or national bank.

Conference substitute

The conference agreement follows the Senate bill with certain modifications taken from the House bill to clarify the reach of the provisions.

The intent of these provisions is to stop evasion of the contribution limits and prohibitions of current law whereby political committees, individuals, and others solicit individual campaign contributions and then bundle the contributions together or otherwise arrange for the candidate to receive the contributions in a way which allows them to be recognized as providing the contributions. In the case of a PAC, for example, this means that contributions are organized and provided by the PAC in excess of its contribution limits in a way that makes clear that the PAC is responsible for the contributions being made.

The purpose of the contribution limits and prohibitions of current law is to prevent corruption and the appearance of corruption. The bundling provisions in the conference report are designed to prevent the existing contribution limits and prohibitions from being evaded and undermined.

The conference agreement limits bundling by lobbyists; partnerships and sole proprietorships; organization prohibited from making contributions under federal law and their officers, employees or agents acting on the organization's behalf; and individuals who are agents, employees, or officers of a political party or connected political committee.

In general, the bundling provisions are not intended to interfere with the ability of federal candidates to raise campaign funds from persons who do not present problems of corruption or the appearance of corruption. Therefore, the conference agreement does not cover individuals acting in their own capacity (other than registered lobbyists to whom special provisions apply) unless they are engaging in such efforts on behalf of another entity covered by federal contribution limits and prohibitions.

For example, the bundling provisions do not apply to individuals serving as volunteers helping raise campaign funds for candidates through fundraising receptions or by other methods. So that there is no confusion about the reach of these provisions, the conferees have adopted specific clarifications from the House bill providing that the bundling restrictions do not apply to the following: a volunteer hosting a fundraising event at the volunteer's home; representatives of the candidate occupying a significant position in the campaign, professional fundraisers working for the candidate, and individuals transmitting a contribution from the individual's spouse.

If an individual in raising contributions for a candidate for federal office is acting in behalf of another entity covered by federal campaign limits and prohibitions, such as assisting a PAC or political party in making contributions in excess of its limit, then the contributions would be treated as coming from the PAC or political party as well as the original donor, in order to prevent evasion of the law.

Persons required to register as lobbyists or foreign agents would also be required to treat contributions they bundled for a federal candidate against their own contribution limit. The purpose of this provision is to ensure that lobbyists are not able to evade their contribution limits and use large sums of money beyond that which they are otherwise permitted to contribute to obtain influence with government officials.

SECTION 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE

Senate bill

Section 223 of the Senate bill amends section 315 of the Act to count contributions of non-voting age dependents of another individual as contributions of that individual, and allocated between that individual and his or her spouse, if applicable. This was intended to prevent wealthy individuals from circumventing the Act's contribution limits by channeling donations through their children.

House amendment

Section 202 of the House bill contains the identical provision.

Conference substitute

The conference substitute is the same as the Senate and House provisions.

SECTION 403. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED

Senate bill

No provision.

House amendment

The House amendment includes a provision to assure that candidates do not receive contributions from state and local party committees in excess of the limit. Since the amount a candidate can receive from all such committees is subject to a single limit, aggregation by all such committees is required and the candidate may not accept any contribution from any such party committee if that contribution when aggregated with all other contributions will exceed the overall limit.

Conference substitute

Adopts the House provision.

SECTION 404. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM "CONTRIBUTION"

Senate bill

No provision.

House amendment

Provides for an exemption from the definition of the term "contribution" for any campaign expense voluntarily paid for by a campaign worker as an advance to the campaign provided the amount did not exceed $1,000 and that repayment was made by the campaign to the worker within 60 days of the date of the advance.

Conference substitute

Adopts the House provision with a modification of the amount to $500 and the period of the advance reduced to 10 days.

TITLE V—REPORTING REQUIREMENTS

SECTION 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Senate bill

Section 231(a) of the Senate bill amended section 304(b) of the Act to require candidates and authorized committees to aggregate information on their financial activity reports on an election cycle, rather than a calendar year, basis. This was intended to make reports conform to the way we actually conduct and think of elections today, rather than attempt to fit them into the artificial boundaries of the calendar.

House amendment

Similar provision.

Conference substitute

Adopts the House provision, applied to all Federal candidates.

SECTION 502. PERSONAL AND CONSULTING SERVICES

Senate bill

Section 231(b) of the Senate bill requires candidates to report any expenditure in excess of the reporting threshold made to a person who provides services or materials for the candidate, whether the payment was made directly or indirectly. This provision was intended to provide for the identification of subcontractors, or secondary payees, who are hired by campaign consultants to perform specific services for campaigns and thus to achieve fuller disclosure under the Act.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

SECTION 503. REDUCTION IN THRESHOLD FOR REPORTING OF CERTAIN INFORMATION BY PERSONS OTHER THAN POLITICAL COMMITTEES

Senate bill

No provision.

House amendment

Section 1001 of the House bill amended section 304(b)(3)(A) of the Act to require candidates to itemize contributions of over $50, rather than the current threshold of $200. This was intended to increase the amount of information which may be publicly available.

Conference substitute

Adopts the House provision.

SECTION 504. COMPUTERIZED INDICES OF CONTRIBUTIONS

Senate bill

No provision.

House amendment

Section 1004 of the House bill amended section 311(a) of the Act to require the FEC to maintain computerized indices of all contributions of at least $50, reduced from the current threshold of $200. This was intended to facilitate public access to the greater amount of information required to be disclosed under this legislation.

Conference substitute

Adopts the House provision.

TITLE VI—FEDERAL ELECTION COMMISSION

SECTION 601. USE OF CANDIDATES' NAMES

Senate bill

Section 301 of the Senate bill amended section 302(e)(4) of the Act to prohibit a political committee that is not an authorized committee from using a candidate's name in a way to suggest that the committee has been authorized by that candidate.

House amendment

Section 602 of the House bill contains a virtually identical provision.

Conference substitute

Adopts the House amendment.

SECTION 602. REPORTING REQUIREMENTS

Senate bill

Section 302(a) of the Senate bill allows candidate committees to file disclosure reports on a monthly basis in all years.

House amendment

No provision.

Conference substitute

Adopts the Senate provision.

SECTIONS 603-8. OTHER PROVISIONS RELATING TO THE COMMISSION

Senate bill

Several provisions would effect several substantive and procedural changes in the activity of the Commission.

The Senate was concerned with perceived inefficiency in the ability of the Federal Election Commission, as currently constituted, to enforce the law in an efficient and effective manner. The problem stems partly from partisan deadlock on a Commission which is made up of an equal number of individuals from each of the major parties. The bill would change the current requirement that the Commission have four affirmative votes to proceed on a recommendation of the general counsel to an affirmative vote of three members of the Commission. Under the provisions of the bill, the Commission could proceed to a finding of "reason to believe," to initiate or proceed with an investigation, the requirement for the production of documentary evidence, or to order and conduct testimony by three affirmative votes on a recommendation of the General Counsel.

S. 3 also took steps to remedy the unnecessarily lengthy amount of time in which it takes the Commission to resolve enforcement matters. Under the provision of the Act, the Commission is required to make a finding of "reason to believe" that a violation has occurred. This standard produces dual inefficiencies: (1) it requires extensive staff time of the Commission's general counsel to process the complaint, and (2) candidates, against whom a complaint is filed, are unwilling to proceed to conciliation of a complaint because the Commission's finding of reason to believe that a violation has occurred creates the impression that the candidate has in fact violated the laws. To remedy these problems, the bill makes the reason to believe finding one in which there is reason to believe that a violation may have occurred. The rationale being that this lesser standard creates a less stigmatizing allegation of wrongdoing, and therefore will make candidates accused of wrongdoing more likely to conciliate a complaint and resolve the matter in a more efficient manner.

In an effort to further expedite the process, S. 3 reduces the time period for the Commission to correct apparent violations through conciliation.

The bill also restores authority to the Commission to conduct random audits of political committees.

The bill would also establish the rate of pay for the general counsel to be the same as the staff director and further provides, that in the event of a vacancy in the position of the general counsel, the next highest ranking enforcement official shall serve as acting general counsel, pending the appointment of a successor.

House amendment

No similar provisions.

Conference Substitute

Adopts the Senate bill with the following modifications:

1. The conference agreement eliminates the provision which would have permitted the Commission to proceed on certain prescribed recommendations of the general counsel by 3 affirmative votes. The conferees expressed concern that such a policy on an evenly divided politically oriented Commission might create an unreasonable number of inquiries. Further, such a policy may not adequately protect the rights of one being subjected to the process.

2. The conference agreement eliminates the provisions of the Senate bill which would have reduced the conciliation periods for enforcement matters. The conferees believes that the periods for conciliation in S.3 would not produce an adequate amount of time for the full benefits of conciliation to be realized.

TITLE VII—BALLOT INITIATIVE COMMITTEES

SECTION 701. DEFINITIONS RELATING TO BALLOT INITIATIVES

Senate bill

No similar provision.

House amendment

Defines the terms "ballot initiative political committee," ballot initiative contribution" and "ballot initiative expenditure." A ballot initiative political committee is any committee, club, association, or other group of persons which makes ballot initiative expenditures or receives ballot initiative contributions in excess of $1,000 during a calendar year. A ballot initiative contribution is any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the State, commonwealth, territory, or District of Columbia level which involves (A) interstate commerce; (B) the election of candidates for Federal office and the permissible terms of those so elected; (C) Federal taxation of individuals, corporations or other entities; or (D) the regulation of speech or press, or any other right guaranteed under the U.S. Constitution. The definition of ballot initiative expenditure parallels the definition of ballot initiative contribution.

Conference substitute

Adopt the House provision.

SECTION 702. AMENDMENT TO DEFINITION OF CONTRIBUTION

Senate bill

No similar provision.

House amendment

Amends the definition of "contribution" under the Act to exclude ballot initiative contributions.

Conference substitute

Adopts the House amendment.

SECTION 703. AMENDMENT TO DEFINITION OF EXPENDITURE

Senate bill

No similar provision.

House amendment

Amends the definition of "expenditure" under the Act to exclude ballot initiative expenditures.

Conference substitute

Adopts the House provision.

SECTION 704. ORGANIZATION OF BALLOT INITIATIVE COMMITTEES

Senate bill

No similar provision.

House amendment

Amends provisions of the Act pertaining to the organization of political committees to make them applicable to ballot initiative political committees.

Conference substitute

Adopts the House amendment.

SECTION 705. BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS

Senate bill

No similar provision.

House amendment

Amends provisions of the Act pertaining to political committee reporting requirements to make them applicable to ballot initiative political committees.

Conference substitute

Adopts the House amendment.

SECTION 706. ENFORCEMENT AMENDMENT

Senate bill

No similar provision.

House amendment

Provides that the civil penalties of the Act shall apply to the organizational, recordkeeping and reporting requirements of a ballot initiative political committee.

Conference substitute

Adopts the House provision.

SECTION 707. PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER

Senate bill

No similar provision.

House amendment

Provides that no person shall make a ballot initiative political contribution in the name of another person, and that no person shall knowingly accept a ballot initiative political committee contribution made by one person in the name of another.

Conference substitute

Adopts the House amendment.

SECTION 708. LIMITATION ON CONTRIBUTION OF CURRENCY

Senate bill

No similar provision.

House amendment

Provides that no person shall make a ballot initiative contributions of currency which, in the aggregate, exceed $100.

Conference substitute

Adopts the House amendment.

TITLE VIII—MISCELLANEOUS

SECTION 801. PROHIBITION OF LEADERSHIP COMMITTEES

Senate bill

Section 401 prohibits Federal candidates or officeholders from establishing, maintaining, or controlling a political committee, other than an authorized candidate committee or party committee.

House amendment

Section 601 prohibits a candidate for Federal office from establishing, maintaining or controlling any political committee other than a principal campaign committee, authorized committee, party committee, or joint fundraising committee. One year after the effective date of this Act, leadership committees must have disposed of their funds by giving them to charity, to the Treasury, to political parties, or to candidates subject to a $1,000 limitation per candidate.

Conference substitute

Adopts House amendment with modification to apply prohibition to a Federal officeholder as in Senate bill.

SECTION 802. POLLING DATA CONTRIBUTED TO CANDIDATES

Senate bill

Section 402 provides that contributions of polling data to Senate candidates be valued at fair market value on the date of the poll's completion, and depreciated at a rate of no more than 1% a day from the completion to the transmittal of the data.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision applicable to all Federal candidates.

SECTION 803. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND

Senate bill

Section 406 establishes that in order for general election candidates for President to be eligible to receive public financing they must agree in writing to participate in at least 4 debates; candidates for Vice President must participate in at least 1 debate. If the Commission determines that such candidates have failed to participate in a debate, the candidate shall be ineligible to receive payments from the Presidential Election Campaign Fund and pay to the Treasury an amount equal to the amount of payments made.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision.

SECTION 804. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS

Senate bill

Section 410 of the Senate bill sought to curb the influence of foreign nationals in the U.S. electoral process, beginning with a statement of Congress' intent that such participation is to be prohibited. It amended section 319 of the Act, extending the prohibition on contributions by foreign nationals to cover any influence in directing, dictating, controlling, or participating in (even indirectly) any person's or committee's decision making concerning contributions or expenditures in any election. It further required political action committees to state in solicitations that foreign nationals may not contribute and to certify to the FEC that foreign nationals did not participate in any decision making.

House amendment

Section 603 of the House bill amended section 319 of the Act to extend the prohibition on contributions by foreign nationals to cover any influence in directing, dictating, controlling, or participating in any person's election-related activities, such as making contributions or administering a political action committee.

Conference substitute

The conference substitute includes the House provision prohibiting influence by foreign nationals in any person's or committee's decisions regarding contributions and expenditures. It also includes the Senate solicitation requirement for PACs, but it deletes the Senate bill's FEC certification requirement and its statement of findings. It was felt that the conference substitute will adequately protect the political process from undue foreign influence, such as that perceived by some in a time of foreign ownership of many American corporations, while still safeguarding the political rights of employees of such businesses.

SECTION 805. AMENDMENT TO FECA SECTION 316

Senate bill

No provision.

House amendment

Permits union and corporate expenditures for candidate appearances, debates and voter guides as exempt from prohibition on corporate and union contributions and expenditures in Federal elections if certain conditions are met that are intended to assure that there is no express advocacy or favoritism through the structure or format of the activity.

CONFERENCE SUBSTITUTE

Adopts House amendment.

SECTION 806. TELEPHONE VOTING BY PERSONS WITH DISABILITIES

Senate bill

Section 501 requires the Commission to conduct a feasibility study on the development of telephonic voting for persons with disabilities. This would not supersede or supplant efforts by State or local officials from making polling places physically accessible to persons with disabilities. The Commission is required to file a report to the Congress within one year following the enactment of this Act.

House amendment

No similar provision.

Conference substitute

Adopts Senate bill provision.

SECTION 807. PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE

Senate bill

No provision.

House amendment

Provision would limit use of government aircraft in connection with a Federal election to the President and Vice President, and require that the government be reimbursed for actual cost of that portion of the use allocable to political activities and require full disclosure of the costs and the amount paid.

Conference substitute

Adopts the House provision.

SECTION 808. SENSE OF THE CONGRESS

Senate bill

No provision.

House amendment

Section 1301 of the House bill stated the sense of the Congress that it should consider legislation to provide for a constitutional amendment providing for limitations on Federal election expenditures. This was intended to allow Congress greater latitude in this area, in view of the restrictions imposed by the Supreme Court's 1976 ruling in Buckley v. Valeo.

Conference substitute

Adopts the House provision.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

SECTION 901. EFFECTIVE DATE

Senate bill

Provides that the Act, except as specifically provided elsewhere, should take effect on the date of enactment of the Act, but should not apply to any activities in connection with any election occurring before January 1, 1993.

House amendment

Similar provision.

Conference substitute

Conference agreement provides the Act, except as specifically provided elsewhere, should take effect on the date of enactment of the Act, but should not apply to any activities in connection with any election occurring before January 1, 1993. Moreover, the conferees have adopted section 902 which supersedes language in S.3 and the House amendment that enacted various effective dates that were contingent upon different funding mechanisms. The approach of the Conference agreement establishes that the effective date of the provisions of the Act is the latter of Section 901 or the date of enactment of subsequent legislation as specified in Section 902.

SECTION 902. BUDGET NEUTRALITY

Senate bill

The Senate bill included Senate Amendment 244 which expressed the "Sense of the Senate" that funding for any benefits to candidates provided under the legislation is to be derived from removing the subsidy for political action committees with regard to their contributions and for other organizations with regard to their lobbying activities. The latter envisioned curtailing section 162(e) of the Internal Revenue Code, allowing for a deduction against federal income tax liability of certain expenses to lobby the federal government for changes in federal laws and regulations. Under the Senate's construction, deductions would be denied to businesses for amounts incurred directly or paid to lobbying firms for a purpose other than that which would have direct impact on the business of that person. Lobbying firms could continue to deduct expenses incurred in representing clients before the Congress and Federal agencies. The Joint Committee on Taxation provided an estimate that enactment of this provision would raise federal budget receipts by $500 million over the Fiscal Year 1992 to 1996 period.

It was also the Sense of the Senate that benefits would not be paid for by increasing revenues, reducing federal programs, or in any way increasing the federal budget deficit.

Moreover, section 101 of the Senate bill stated that, with regard to the broadcast vouchers provided to participating Senate candidates, funding was to be derived from voluntary contributions by citizens and groups, tax checkoff donations which do not stem from any tax liability (such as under the Presidential Election Campaign Fund's checkoff), or from persons and organizations made in connection with election activities.

House amendment

Title III of the House bill provides that estimates of the costs under Section 252 of the Balanced Budget and Emergency Deficit Control Act ("Deficit Control Act") will not immediately be counted towards the pay-as-you-go scorecard for sequestration purposes for Fiscal Year 1992. Instead, by January 1, 1993, all net costs of the bill must be fully offset by provisions to either raise revenues or reduce spending. Because the bill does not obligate expenditures, in terms of providing benefits to eligible candidates, until the second quarter of Fiscal Year 1994 at the earliest, the cost estimates required under Section 252 of the Deficit Control Act must be offset by savings that accrue from provisions to raise revenues or reduce spending for both Fiscal Years 1994 and 1995.

Moreover, the House amendment specified that if the following conditions have not been met by January 1, 1993, then the provisions of the Title VII relating to excess funds of incumbents, section 201 relating to the limitations on political committee and large donor contributions, and sections 504 through 509 relating to provision of matching payments and establishment of a Make Democracy Work Fund do not become effective: provisions creating incentives for individuals to make voluntary contributions to the candidate of their choice and for individuals or organizations to make voluntary contributions to the Make Democracy Work Fund.

Under the parameters of Title III of the House amendment, no revenue measure is implemented. The amendment establishes a Make Democracy Work Fund as the account to provide funds for matching payments pursuant to section 504 and to offset initial costs assumed by the Commission in the increased computerization of reporting requirements. The Make Democracy Work Fund is a Treasury account as specified under section 504(e), but the Committee on House Administration recommended that this account could be administered by a nongovernmental organization similar in structure to the "Points of Light Foundation Act" or the National Endowment for Democracy. The Committee further believes that the Make Democracy Work Fund could be entirely funded by voluntary private contributions by individuals or organizations subject to the long-standing principles underlying contributions to federal elections. Moreover, other avenues of investigation should include the addition of provisions for federal income tax purposes whereby taxpayers could voluntarily increase their tax liability and direct such sums to the Make Democracy Work Fund.

Conference substitute

The Conference agreement does not provide for any source of funds to pay for the benefits contemplated under Title I. Since the conference vehicle is a Senate bill, it would violate Article 1, Section 7 of the United States Constitution which requires that all bills which affect revenues must originate in the U.S. House of Representatives. Consequently, the Conferees have omitted any statutory language linking the establishment or administration of any account to the United States Government.

The Conferees have adopted the authorization approach of title III of the House amendment. Section 902 of the Agreement specifies that none of the provisions of the conference agreement shall be effective until the Congress enacts subsequent legislation effectuating this Act. This provision prohibits any estimated costs of the bill from being counted towards the pay-as-go scorecard for sequestration purposes. Furthermore, the conferees intend that this provision creates an open-ended authorization framework for campaign finance reform. And that designating the source of financing is an issue to be decided in subsequent legislation.

The Conference agreement also provides for a Sense of the Congress resolution that subsequent legislation effectuating this act shall not provide for any general revenue increase, reduce expenditures for any existing federal program, or increase the federal budget deficit. The Conferees believe that this Sense of the Congress approach best reflects the desire of both Houses to avoid the commitment of public resources to financing any part of Congressional campaigns.

SECTION 903. SEVERABILITY.

Senate bill

The Senate bill provides that if any parts of S. 3, other than the spending limits and public benefits section, are held invalid, other parts of the Act are unaffected. However, if the spending limits and public benefits section was held invalid, the rest of the bill would also be invalid.

House amendment

The House amendment provides that if any part of the spending and contribution limits, matching funds, and reduced mail rates are held invalid, all of the political action committee and large donor limits are also held invalid.

Conference substitute

In an effort to avoid enacting piecemeal legislation, the Conference agreement provides that if key sections of the Spending Limits and Benefits section (section 101) are held invalid, or any section of the House amendment aggregate limit on political action committee and large donor contributions (section 122) are held invalid, the entire bill is invalid. However, if any other parts of the bill are held invalid other provisions remain intact.

CHARLIE ROSE,
SAM GEJDENSON,
DICK GEPHARDT,
AL SWIFT,
LEON E. PANETTA,
MIKE SYNAR,
GERALD D. KLECZKA,

For consideration of sections 103 and 202 of the Senate bill, section 802 of the House amendment, and modifications committed to conference:

EDWARD J. MARKEY

For consideration of sections 104, 404, 409, and 411 of the Senate bill, section 103 of the House amendment, and modifications committed to conference:

WILLIAM L. CLAY,
FRANK MCCLOSKEY,
Managers on the Part of the House.

WENDELL H. FORD,
DAVID L. BOREN,
GEORGE MITCHELL,
Managers on the Part of the Senate.

HOUR OF MEETING ON WEDNESDAY, APRIL 8, 1992

Mr. ABERCROMBIE. Mr. Speaker, I ask unanimous consent that when the House adjourns on Tuesday, April 7, it adjourn to meet at 11 a.m. on Wednesday, April 8, 1992.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Hawaii?

There was no objection.

A BETTER CAMPAIGN REFORM BILL

(Mr. GEJDENSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GEJDENSON. Mr. Speaker, I have just brought to the House the conference report on campaign finance reform. We have been working on this for over a year now, with support from many of the Members and the work of the Senate.

I think we have come up with even a better bill than originally passed in the House.

For House Members, this bill is important because it will do what virtually everyone interested in campaign finance reform says must be done. This bill will limit spending. It will limit PAC's and it will limit the money that wealthy individuals can give to candidates as well.

So, Mr. Speaker, what we have here I think is an important first step in making up for the damaged campaign finance reform done by the Buckley versus Valeo case.

There is a lot of talk suddenly about reform in the Congress. We have been working on this now for over a year. We have had a great effort done between the House and the Senate and I am hopeful that early next week we will be able to pass this campaign finance bill, this bill that limits spending, and hope we can convince the President to sign the bill, because you cannot have campaign finance reform without a limit on spending. This bill does that and we certainly hope we can get the President to sign it.

INTRODUCTION OF TWO UTAH LAND EXCHANGE BILLS

(Mr. HANSEN asked and was given permission to address the House for 1 minute and revise and extend his remarks.)

Mr. HANSEN. Mr. Speaker, I rise today at the request of Gov. Norman Bangerter, the Governor of the great State of Utah, to introduce two important land exchange bills involving Federal lands.

The first bill involves the exchange of lands between the State of Utah and the Bureau of Land Management [BLM] and the National Forest Service. The bill directs the Secretary of the Interior to exchange Federal mineral interests in Utah for certain State of Utah owned lands located within units of the National Forest System in Utah.

The second bill involves an exchange of lands between the State of Utah and the BLM and the National Park Service [NPS]. In addition, there would be an exchange ordered of lands owned by the Navajo Nation and the Goshute Indian Tribe and the Federal Government.

Ultimately, education interests in Utah will benefit from the exchange of these lands. Royalties generated from activities conducted on the lands will provide important revenues for Utah education purposes.

Given the fact that approximately 75 percent of the Utah's total land mass is federally owned, the State has had difficulty creating a property tax base in order to fund education needs. Although these bills affect only a very small amount of acreage within the State of Utah, they will go a long way toward correcting a longstanding funding inequity.

I understand that these bills are being introduced in the other body by both Members of the Utah delegation. We are working hard to forge consensus bills that can be supported by all interested parties in the State.

REMOVAL OF NAME OF MEMBER AS COSPONSOR OF H.R. 2368

Mr. THOMAS of Wyoming. Mr. Speaker, I ask unanimous consent that my name be removed as a cosponsor of the bill, H.R. 2368.

The SPEAKER pro tempore (Mr. ABERCROMBIE). Is there objection to the request of the gentleman from Wyoming?

There was no objection.

INCENTIVES FOR DOMESTIC OIL PRODUCTION

The SPEAKER pro tempore (Mr. ABERCROMBIE). Under a previous order of the House, the gentleman from Wyoming [Mr. THOMAS] is recognized for 5 minutes.

Mr. THOMAS of Wyoming. Mr. Speaker, I want to take this 5 minutes to address a matter that I consider to be of extreme economic importance and very important also to industry within this country, and particularly in my case the State of Wyoming, and that is domestic oil production and the incentives that I believe are required to improve domestic oil production.

Mr. Speaker, we become more dependent each day, and certainly each year on foreign imports. It is sort of interesting that we went through just over a year ago the conflict in the Middle East and much of it had to do with oil, of course. I suppose it is because we did not have lines at the gas stations, or whatever, but we came away without ever having changed much in terms of what we do on domestic oil production. Indeed, we are importing more now than we were then. We are more dependent.

We have lost 300,000 jobs in the domestic oil industry.

We talk about the military changes. We talk about General Motors. Here is an industry that has lost 300,000 jobs because of the transfer of production of oil from domestic to foreign.

There are some things we can do about it. Probably just as important is that we are dismantling an industry that we may need very quickly and have needed in the past very quickly, and you cannot put it back into place real quick. We have oil rigs, for instance, at the airport in Casper, WY, and they are not ready to go. Parts have been taken off. It is not as if you can turn on an oil spigot the next day.

Let me first basically talk about a couple of things that I think are equally as important, and that is the process that has kept us from dealing with the issue of energy, and particularly making incentives for the oil industry.

□ 1110

I spoke the other day about the management of this House, and I say again that I am very disappointed in the management of our issues here, the management of our time and our resources.

Here we are, for example, today we have done very little this week; I think we voted on one substantive issue. Mr. Speaker, we are elected to do more than that. I think that we should.

The leadership has not brought us the opportunity to solve problems. We are here to solve problems. We seem to find, in an election year, more interest in talking about issues that might have something to do with the election than we do dealing with the reason we are here, and that is to solve problems. Almost everyone would agree we ought to be talking about health care; it is the issue that almost everyone agrees is the most pressing social issue that we have.

We know what to do about it. We know if we make decisions, that we ought to be talking also about education. Nearly everyone agrees we ought to be doing a better job in education. But we do not do it—we do more of what we have been doing and then wonder why things are not different. We ought to be talking about crime. We had a crime package here. We have not done it.

Most of all we ought to have an economic package before us. We had one here, and the President vetoed it. Apparently, everyone is pouting because that was not accepted. We ought to come back with another. I urge the Republican leadership to come forward with one.

I think we need an economic package that is not politically motivated tax relief, that is not income redistribution, that is not bells and whistles dealing with miners' retirement in northern West Virginia, but it ought to be one that creates jobs. That is what I am talking about in the oil business. I think the Republicans ought to be proud of the fact that we have proposed reasonable economic growth packages during the 102d session of Congress. Unfortunately, we have been prevented from enacting them into law.

Mr. Speaker, for much of the Nation there are good reasons for people to be confident about their futures. Signs of growth are surfacing every day. I hope they will continue, and I hope they will strengthen. But there is still a need to have a targeted economic package to create more growth for more people, more jobs.

A change in the alternative minimum tax could cause Americans in the oil and gas industry, who presently have little reason to think relief is around the corner, to have increased confidence in their investments. I mentioned that 300,000 jobs were lost in the past decade. While demand for imports have climbed 2 million barrels a day, our loss is another country's gain. The Independent Producers Association estimates that every day 12 supertankers pull into the U.S. ports from foreign shores, resulting in a loss of $142 million a day to our economy. The largest single issue in our deficit, balance of payment, is the importation of crude oil.

For many in the private sector, the Federal Government and its policies have created this ever-widening crevice separating where we should be and where we are. I am concerned about the long-term implications of this situation. As we see renewed growth in the general economy, we want to turn this industry around as well.

Changes in the alternative minimum tax would certainly carry us closer to meeting our own needs and weaning us from our dependence on imported energy products.

It makes it difficult to deduct reasonable expenses that go into drilling. Furthermore, it makes difficult, if not impossible, to deduct the kinds of things that you have to do for the environment.

So I think it is fair to say, Mr. Speaker, that there is reason to move and to move quickly, and I hope that we can consider the alternative minimum tax as part of an economic package to create jobs in the country.

CONFERENCE REPORT ON CAMPAIGN FINANCE REFORM

The SPEAKER pro tempore (Mr. ABERCROMBIE). Under a previous order of the House the gentleman from Connecticut [Mr. GEJDENSON] is recognized for 5 minutes.

Mr. GEJDENSON. Mr. Speaker, first let me thank Speaker FOLEY and Majority Leader GEPHARDT for all the work they have done in the campaign finance reform bill. Without them and our whip, the gentleman from Michigan [Mr. BONIOR] we would not have gotten to this point. With the leadership of the Speaker, the majority leader, and the whip, we have before the Congress now a conference report on campaign finance reform. This is not something that started in the weeks of turmoil that we have had recently, but over a year ago the Speaker asked me to lead this effort on campaign finance reform.

The gentleman from North Carolina [Mr. ROSE], chairman of the Committee on House Administration, at every instance was helpful and put in the kind of effort that made this accomplishment possible.

Clearly, the gentleman from Washington [Mr. SWIFT], who had gone through this process but a year or two ago, helped us immensely with the work that he had done and also his advice and counsel.

While all the members of the committee worked hard, particularly I would like to thank again the gentleman from Wisconsin [Mr. KLECZKA] for his help in the hearings that we held in Wisconsin and Minnesota and the work back here in the capital.

Mr. Speaker, when my parents came to this country in 1949, they came to a land where it was not the economic process that attracted them, because there were other countries in the world where you could live comfortably. It was the political process. It was a process that provided opportunity for all. And the democratic institutions protected the most powerful as well as those without power.

There is concern in the land today that the political process is weighed heavily for those with power. In a democracy, perception is, frankly, as important as the reality. Even though we can point to an over 80-percent turnover in the House of Representatives since 1970 and a 62-percent turnover since 1980, there is still a feeling in the countryside that there are problems in the system.

The biggest problem I see is the race for money. Whether you are running for President, Congressman, or Senator, we all spend entirely too much time trying to raise money. As we go back to our town meetings and talk to our constituents and listen to folks and organizations such as Common Cause and others who think about the political process, there is general agreement that, unless we limit spending, we will not reform the political system.

I remember a number of years ago, two friends of mine in Norwich, CT, Helen and Howard Glick got a call from a Senator from the other part of the country, clear across the United States. He was calling them and asking them for a campaign contribution.

It struck me then that if a Senator was calling to my constituents in eastern Connecticut, he was spending too much time raising money and that meant he was either not spending enough time with his family or with his job.

So, I would hope that Members focus on what is most important in this bill for both the House and the Senate. For the first time since the Supreme Court, in the Buckley versus Valeo decision, we are able to constitutionally construct a process that will limit spending. Let me tell you, you cannot say that you are for campaign finance reform if you are not for a limit on spending in the House and Senate races.

We have seen an escalation in the cost of campaigns almost like the arms race, where the Soviet Union and the United States each ratcheted up a number of missiles and weapons systems pointed at each other.

In the same sense here, the arms race between opponents, whether in primaries or general elections, do not improve the quality of debate; what they end up providing for is a race for money that is often used for 30-second negative campaign commercials that add little to the political debate in our own constituencies.

The bill that we from the Committee on House Administration and this special committee on campaign finance reform, with our colleagues from the Senate, bring to the House of Representatives is one that will limit spending for the first time.

For House Members it will do several additional things. It will not only limit political action committee money and the public's concern about political action committee money is correct; their concern is that it does not dominate the political landscape; that candidates who run for office should not get two-thirds or three-quarters or all of their money from political action committees. Our bill would limit political action committees.

But those that argue that only political action committees should be limited miss the point. That is, whether you get your $1,000 or $5,000 from the Sierra Club or the chairman of the board and five members of the board of Exxon give you $1,000 each, it has the same political impact.

So, what we have done in our legislation is we have limited the amount of money you can get from wealthy individuals as well and we have allowed for small contributions to be the bulk of the campaign framework.

Now, I am very fortunate to have a district with constituents who, through the years, have been very supportive with small contributions. We had the Speaker at a political event in my district where we had 1,800 people at a pancake breakfast. It is more difficult raising your funds that way, but it is better for the political process.

I would hope that we as a country will write to the White House, write to the Congress, write to your Senator and ask them to support this legislation so that we can move the political process forward.

☐ 1120

THE HOUSE REFORM TASK FORCE PROPOSAL

The SPEAKER pro tempore (Mr. ABERCROMBIE). Under a previous order of the House, the gentleman from Illinois [Mr. MICHEL] is recognized for 5 minutes.

Mr. MICHEL. Mr. Speaker, Republican Members of the House Reform Task Force introduced the following reform proposal:

MICHEL REFORM BILL—SECTION-BY-SECTION

TITLE I CHIEF FINANCIAL OFFICER, GENERAL COUNSEL, AND OTHER REFORMS

Section 101. Amendments relating to the Elections of officers of the House.

Eliminates the office of the Doorkeeper and the Postmaster.

The Sergeant-at-Arms should be a nationally respected law enforcement professional.

Section 102. Amendments relating to the duties of the Clerk.

Removes various financial responsibilities from the Clerk and gives them to the new Chief Financial Officer.

Duties of the Doorkeeper are transferred to the Clerk (announcing messengers from the President and Senate, superintend the House document room, cloakrooms of the House, telephone service, and supervise pages).

Section 103. Amendment relating to the duties of the Sergeant-at-Arms.

Removes accounts and pay responsibilities from the Sergeant-at-Arms and transfers those responsibilities to the Chief Financial Officer.

Section 104. Chief Financial Officer.

Creates the office of Chief Financial Officer. The Chief Financial Officer is elected by a two-thirds vote of the House.

Chief Financial Officer shall be responsible for reviewing and analyzing the financial operations of the House, including the efficiencies of its operations, the functions of its offices, and the cost effectiveness of its operations, and providing periodic recommendations to the Speaker and Minority Leader respecting these operations.

The Chief Financial Officer shall conduct periodic audits of the financial operations of the House, keep accounts for the pay and mileage of Members, and carry out all other financial functions and operations that were exercised by the Clerk.

The Chief Financial Officer shall superintend the post office in the Capitol (he may contract with the U.S. Postal Service to run the operations).

Section 106. Oversight Reform.

By March 1 of the first session of any Congress, each committee shall adopt and submit to the Committee on House Administration an oversight plan for that Congress.

Funding will not be provided to committees until they have submitted their oversight plans.

Section 107. Bipartisan Representation on Committee on House Administration.

Committee on House Administration would have equal representation of majority party and minority party members.

Section 108. Equality of Majority and Minority Party Representation on the Subcommittee on Legislative Appropriations.

Section 109. Task Force on Reform of the House of Representatives.

Creates a 10 member Task Force (5 Members appointed upon the recommendation of the Majority Leader and 5 appointed upon the recommendation of the Minority Leader) to propose institutional reforms necessary to restoring public confidence in the House of Representatives.

Section 110. Limitation on Reprogramming of Funds in the House.

No funds may be reprogrammed without the written approval of the Speaker and the Minority Leader.

Section 111. Limitation on Initial House of Representatives Appropriations for Fiscal Year 1993.

The Fiscal Year 1993 Legislative Branch appropriation bill for the House shall expire on March 31, 1993.

Section 112. Inspector General.

The Speaker, Majority and Minority Leaders appoint an Inspector General who shall conduct audits and investigations.

Subtitle B—Office of the General Counsel

Section 122. Accountability.

The Office shall be directly accountable to the Leadership Group composed of the Speaker, Majority Leader, Minority Leader, Majority Whip, Minority Whip, the Chairman and Ranking Minority Member of the Committee on the Judiciary, and two members appointed upon the recommendation of the majority and minority leaders.

Section 123. Purpose and Policy.

The purpose of the Office is to provide legal assistance to Members, officers, and employees of the House on matters directly related to their duties.

Section 124. Specific Approval Requirements.

The Office shall seek prior approval by resolution of the House regarding entering an appearance before any court, filing a brief in any court, or representing any member of the House in any contested matter that will result in formal legal proceedings.

The Office must seek the approval of the Leadership Group where preparation of any legal memorandum or other legal research which requires more than four hours of preparation time.

In carrying out any action where the matter affects an area of responsibility committed to another office, officer, or employee, the Office shall consult and coordinate such action with the office, officer or employee.

Section 125. General Counsel.

The General Counsel shall be appointed by the Speaker from among individuals recommended by the Majority Leader and the Minority Leader, without regard to political affiliation.

The General Counsel shall serve at the pleasure of the Leadership Group.

Section 126. Staff.

The General Counsel may employ such attorneys and other employees as may be necessary for the performance of the functions of the Office. At least one attorney in the Office shall be appointed upon the recommendation of the minority leader.

TITLE II LEGISLATIVE REFORM

Section 201. House Scheduling Reform.

Requires the Speaker to announce the legislative program for the year including target dates for consideration of specified major budgetary, authorization, and appropriation bills. The Speaker must also indicate weeks during which the House will be in session, weeks set aside for District Work Periods and the target date for adjournment.

Section 202. Treatment of Vetoed Bills.

Immediately after the receipt of a bill returned by the President, the Speaker shall state the question on the reconsideration of that bill, without intervening motion, and the House shall proceed to vote on the reconsideration of that bill.

Section 203. Multiple Referral of Legislation.

Ends joint referrals.

The Speaker must designate the committee of principal jurisdiction.

Section 204. Presentment of Bills to the President.

Sets a time certain (10 days) for bills to be presented to the President.

Section 205. Committee Ratios.

The membership of each committee, subcommittee, must reflect the ratio of majority to minority party Members of the House at the beginning of the Congress.

Section 206. Subcommittee Limits.

Each standing committee that has over 20 members may establish at least four subcommittees but not more than six.

Section 207. Proxy Voting Ban.

Eliminates proxy voting in committee and subcommittees.

Section 208. Open Meetings.

Meetings are to be open unless "because disclosure of matters to be considered would endanger national security, would tend to defame, degrade, or incriminate any person or would otherwise violate any law or rule of the House."

Section 209. Majority Quorums.

A majority of the members of each committee or subcommittee shall constitute a quorum for the transaction of any business, including the markup of legislation.

Section 210. Report Accountability.

On a roll call vote to report a bill or resolution, the names of those voting for and against, are to be included in the committee report on the measure.

Section 211. Committee Documents.

Committee documents are to either be approved by the committee or subcommittee prior to public distribution with appropriate opportunity for minority views and supplemental information, or else the document must contain a disclaimer that the document "may not necessarily reflect the views of [the committee] members."

Section 212. Same Day Consideration of Rules Committee Reports.

There must be a ⅔ vote for same calendar day consideration of Rules Committee reports, or subsequent calendar day of the same legislative day.

Section 213. Permitting Instructions in Motions to Recommit.

Prohibits any rule or order which would prevent the motion to recommit from being made as provided by clause 4 of rule XVI, including a motion with amendatory instructions.

Section 214. Restrictive Rules Limitation.

A bill could not be considered under a closed rule unless the Chairman of the Rules Committee announced on the House floor four legislative days prior that less than an open amendment process might be recommended by the Committee.

Section 215. Limitation on Self-Executing Rules.

Self-executing rules would have to be adopted by a ⅔ vote.

Section 216. Budget Waiver Limitation.

It will not be in order to consider any resolution reported from the Committee on Rules which waives any specified provision of the Budget Act unless the committee report includes an explanation of, and justification for, any such waiver, an estimated cost of the provisions to which the waiver applies.

Section 217. Committee Staffing.

Reduces committee staffing for the 103rd Congress by 50 percent.

Section 218. Commemorative Calendar.

Creates a Commemorative Calendar. Objections by two or more Members may remove the bill from the Calendar.

Section 219. Automatic Roll Call Votes.

On any appropriation bill, or other measure providing revenue, or adjusting Members pay, the yeas and nays will be considered ordered.

Section 220. Appropriation Reforms.

A continuing appropriations bill shall not exceed 30 days, shall reflect the lesser amount of the House passed, Senate passed or conference agreement or enacted for the preceding fiscal year. Such bill must contain a list of all appropriations contained in the bill for any expenditure not previously authorized by law. A ⅗ vote is required to waive the provisions of clause 2 of rule XXI against the consideration of any continuing appropriation measure.

Section 221. Reconciliation Limitation.

A reconciliation bill shall not contain provisions which are not related to achieving the purposes of the directives to the committees. Amendments which achieve greater savings than those directed of a committee shall be made in order.

Section 222. Authorization Reporting Deadline.

It will not be in order to consider any bill or joint resolution which directly or indirectly authorizes enactment of new budget authority for a fiscal year unless that bill or joint resolution is reported in the House on or before May 15.

Section 223. Pledge of Allegiance.

The second order of business shall be the pledge of allegiance.

Section 224. Suspension of the Rules.

The Chairman of the committee of jurisdiction must request the measure be considered under suspension of the rules. Any bill which authorizes over $50,000,000 in any fiscal year shall not be made in order under suspension of the rules.

Section 225. Discharge Motion.

When 100 Members have signed the motion to discharge, the Clerk must print in the Record the names of Members signing the motion.

Section 226. Inclusion of Views with Conference Reports.

Any conferee shall have three calendar days to file supplemental or minority views.

Section 227. Intelligence Committee Oath.

Each member of the Intelligence Committee shall take an oath not to disclose any classified information.

Section 228. Enhanced Rescission Authority.

The Committee on Rules and the Committee on Government Operations shall report legislation granting the President enhanced rescission authority. Such legislation shall provide that any such budget authority shall be considered to be permanently canceled unless a joint resolution disapproving such rescission is enacted within 45 calendar days.

Section 229. Biennial Budget Appropriations Process.

Committee on Rules is directed to conduct a complete and thorough study of a biennial budget and appropriation process.

Section 230. Applicability of Certain Laws to the House.

Legislation must be reported to the House to implement: the National Labor Relations Act; the Occupational Safety Act and Health Act; the Equal Pay Act of 1963; the Age Discrimination in Employment Act of 1967; Section 552 of title 5, United States Code (Freedom of Information Act); Section 552a of title 5 (Privacy Act of 1974); Title VII of the Civil Rights Act of 1964; chapter 39 of title 28 (independent counsel).

Section 231. Equitable Committee Staff Ratios.

The ratio of majority party to minority party staff positions shall reflect the ratio of majority party to minority party Members of the House.

Section 232. Elimination of Certain Select Committees.

Eliminates the Select Committees on Aging, Hunger, Narcotics and Children, Youth and Families.

Section 233. Application of Information Disclosure Requirements to Congress.

Brings Congress under the Freedom of Information Act.

Section 234. Limitation on the Duration of Payments of Expenses of Former Speakers of the House of Representatives.

Former Speakers are authorized three staff positions for no more than three years.

Section 235. Prohibition on Franked Mass Mailings by Members Outside their Congressional Districts.

Section 236. Requirement that Legislation Adjusting Pay for Members of Congress be Considered Separately.

Section 237. Legislative Branch Appropriations to be for One Year Only.

Section 238. One Attorney in the Office of the Parliamentarian to be Appointed Upon the Recommendation of the Minority Leader.

Section 239. Chairmanship of Committee on Standards of Official Conduct shall Rotate with each New Session.

Section 240. Rules of the House must be adopted by Individual Roll Call Votes.

SERVICEMEMBERS' CIVIL RELIEF ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, today along with my colleagues, BOB STUMP, LANE EVANS, and MIKE BILIRAKIS, I am introducing H.R. 4763, the Servicemembers' Civil Relief Act. Building on the efforts of an internal Department of Defense task force, this legislation updates, clarifies and makes changes in the current protections provided by the Soldiers' and Sailors' Civil Relief Act of 1940, as amended.

With the successful conclusion of Operation Desert Shield/Storm, we want to again focus attention on making material changes in the current law protections provided by the Soldiers' and Sailors' Civil Relief Act of 1940. These provisions received brief attention by the Congress shortly after Operation Desert Shield/Storm. Based on that review, Congress further amended the Soldiers' and Sailors' Civil Relief Act of 1940 with enactment of Public Law 102–12.

Our Subcommittee on Oversight and Investigations, headed by the Honorable LANE EVANS and MIKE BILIRAKIS, has scheduled a hearing on the measure being introduced today. This hearing will be held on April 29, in room 340 Cannon, beginning at 8:30 a.m. We will hear from the Department of Defense, the National Military Family Association, Inc., and many other interested parties.

There follows a brief explanation of the changes in current law proposed by the Servicemembers' Civil Relief Act [SCRA]:

1. Adds definition of terms "material effect" and "dependent."

2. Clarifies that protections extend to servicemembers' business obligations.

3. Provides for a minimum 90 day stay of any civil action or proceeding upon application by servicemember.

4. Clarifies that application for stay does not deprive servicemember of any procedural or substantive defenses.

5. Requires servicemembers when applying for a stay to inform the court when the servicemember will be available to appear, and requires commanding officer to submit statement as to unavailability.

6. Requires court to appoint counsel if application for additional stay is denied.

7. Changes statute of limitations tolling provision in claims against the United States except for cause of action accruing during a period of war or armed conflict or during a period of service outside the United States. In such cases, requires servicemember to show material effect of service.

8. Clarifies that interest not collected due to six per cent interest limitation is forgiven, and defines the term "interest".

9. Provides for future increases in rental ceiling limitation; increase linked to basic allowance for quarters plus additional monthly housing allowance authorized under title 37, United States Code.

10. Clarifies the period of time an eviction proceeding can be stayed.

11. Broadens protection against termination of installment purchase contracts to include leases.

12. Broadens lease termination provisions to servicemembers who receive orders for permanent change of station or to deploy for 90 days or more.

13. Prohibition of judicial review of title IV insurance determination by DVA changed to permit review by BVA and COVA.

14. Increases amount of insurance protected under title IV; face amount increased from $10,000 to $120,000 and tied to future increase in maximum amount of SGLI.

15. Clarifies that protection of non-resident tax limitation applies to property owned jointly by servicemember and family members.

16. Clarifies that non-resident servicemember compensation shall not be considered in determining state tax liability of spouse.

17. Clarifies that attorneys in military service are covered by malpractice insurance suspension provision.

18. Clarifies that the Act applies to administrative proceedings in which servicemember rights may be affected.

19. Clarifies that protection for desert land entries and mining claims under U.S. laws will continue during any period of rehabilitation from wounds or disabilities incurred in line of duty.

FREEDOM FOR RUSSIA AND EMERGING EURASIAN DEMOCRACIES AND OPEN MARKETS SUPPORT ACT OF 1992—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–282)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs, the Committee on Agriculture, the Committee on Banking, Finance and Urban Affairs, the Committee on the Judiciary, and the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992" (the FREEDOM Support Act of 1992). Also transmitted is a section-by-section analysis of the proposed legislation.

I am sending this proposal to the Congress now for one urgent reason: With the collapse of the Soviet Union, we face an unprecedented historical opportunity to help freedom flourish in the new, independent states that have replaced the old Soviet Union. The success of democracy and open markets in these states is one of our highest foreign policy priorities. It can help ensure *our* security for years to come. And the growth of political and economic freedom in these states can also provide markets for our investors and businesses and great opportunities for friendship between our peoples.

While this is an election year, this is an issue that transcends any election. I have consulted with the congressional leadership and have heard the expressions of support from both sides of the aisle for active American leadership. I urge all Members of Congress to set aside partisan and parochial interests.

Just as Democrats and Republicans united together for over 40 years to advance the cause of freedom during the Cold War, now we need to unite together to win the peace, a democratic peace built on the solid foundations of political and economic freedom in Russia and the other independent states.

This proposal gives me the tools I need to work with the international community to help secure the post-Cold War peace. It provides a flexible framework to cope with the fast-changing and unpredictable events transforming Russia, Ukraine, Armenia, and the other states. This proposal will allow us to:

—Mobilize fully the executive branch, the Congress, and the private sector to support democracy and free markets in Russia and the other independent states of the former Soviet Union;

—Address comprehensively the military, political, and economic opportunities created by the collapse of the Soviet Union, targeting our efforts and sharing responsibilities with others in the international community; and

—Remove decisively the Cold War legislative restrictions that hamstring the Government in providing assistance and impede American companies and businesses from competing fairly in developing trade and investment with the new independent states.

Passage of this proposal will enable the United States to maintain its leadership role as we seek to integrate Russia and the other new independent states into the democratic family of nations. Without the tools this proposal provides, our policy of collective engagement will be constrained, our leadership jeopardized.

This proposal has 10 key elements:

First, this proposal provides the necessary flexibility for the United States to extend emergency humanitarian assistance to Russia and the other new independent states.

Emergency humanitarian assistance will help the peoples of the former Soviet Union to avoid disaster and to reduce the danger of a grave humanitarian emergency next winter. In this endeavor, the United States will not go it alone but will continue to work closely with the international community, a process we initiated at the Washington Coordinating Conference in January and will continue in the months ahead in regular conferences with our allies. By dividing our labors and sharing our responsibilities, we will maximize the effects of our efforts and minimize the costs.

Second, this proposal will make it easier for us to work with the Russians and others in dealing with issues of nuclear power safety and demilitarization. This proposal broadens the authority for Department of Defense monies appropriated last fall for weapons destruction and humanitarian transportation to make these funds, as well as foreign military financing funds, available for nonproliferation efforts, nuclear power safety, and demilitarization and defense conversion.

Third, technical assistance can help the Russians and others to help themselves as they build free markets. Seventy years of totalitarianism and command economics prevented the knowledge of free markets from taking a firm hold in the lands of Russia and Eurasia. By providing know-how, we can help the peoples and governments of the new independent states to build their own free market systems open to our trade and investment. It will also allow agencies authorized to conduct activities in Eastern Europe under the "Support for East European Democracy (SEED) Act of 1989" to conduct comparable but separate activities in the independent states of the former Soviet Union. Through organizations such as a Eurasia Foundation, we will be able to support a wide range of technical assistance efforts.

Fourth, this proposal will allow us to significantly expand our technical assistance programs that facilitate democratization in the new states, including our expanding rule of law program. It will authorize support for programs such as "America Houses." It also provides support for expanded military-to-military programs with Russia and the other new independent states to cultivate a proper role for the military in a democratic society.

Fifth, this proposal provides a clear expression of bipartisan support to continue to extend Commodity Credit Corporation credit guarantees to Russia and the other new independent states in light of the progress they are making toward free markets. As they overcome their financial difficulties, we should take into account their commitment to economic freedom in providing credit guarantees that will help feed their peoples while helping American farmers.

Sixth, for American business, this proposal expands authority for credit and investment guarantee programs such as those conducted by the Overseas Private Investment Corporation (OPIC) and the Export-Import Bank. It will allow us to waive statutory ceilings on credit guarantee programs of the Export-Import Bank Act and other agencies that applied to the Soviet Union and the restrictions of the Johnson Debt Default Act on private lending. In this way, it will expand U.S. exports to and investment in Russia and the other new independent states.

Seventh, this bill will facilitate the development of the private sector in the former Soviet Union. This bill removes Cold War impediments while promoting outside investment and enhanced trade. It will also allow waiver of restrictions on imports from the independent states of the former Soviet Union beyond those applied to other friendly countries. It will support efforts to further ease Coordinating Committee (COCOM) restrictions on high technology. The bill will also allow the establishment of Enterprise Funds and a capital increase for the International Financial Corporation.

Eighth, this proposal will allow the United States to work multilaterally with other nations and the international financial institutions toward macroeconomic stabilization. At the end of World War II, the United States stood alone in helping the nations of Western Europe recover from the devastation of the war. Now, after the Cold War, we have the institutions in place—the International Monetary Fund (IMF) and the World Bank—that can play a leading role in supporting economic reform in Russia and Eurasia.

Therefore, this proposal endorses an increase in the IMF quota for the United States. This will help position the IMF to support fully a program of macroeconomic stabilization. I request the Congress to pass both the authorization and appropriations necessary for this purpose.

Ninth, this proposal endorses a significant U.S. contribution to a multilateral currency stabilization fund. Working with the international financial institutions and the other members of the G-7, we are putting together a stabilization fund that will support economic reform in Russia and the other independent states.

Tenth, this proposal provides for an expanded American presence in Russia and the other new independent states, facilitating both government-to-government relations and opportunities for American business. Through organizations such as the Peace Corps and the Citizens Democracy Corps, we will be able to put a large number of American advisors on the ground in the former Soviet Union.

In sending this authorization legislation to the Congress, I also request concurrent action to provide the appropriations necessary to make these authorizations a reality. In order to support fully multilateral efforts at macroeconomic stabilization, I urge the Congress to move quickly to fulfill the commitment of the United States to the IMF quota increase. And I urge prompt enactment of the appropriations requests for the former Soviet Union contained in the Fiscal Years 1992 and 1993 Budget requests presently before the Congress.

I call upon the Congress to show the American people that in our democratic system, both parties can set aside their political differences to meet this historic challenge and to join together to do what is right.

On this occasion, there should be only one interest that drives us forward: America's national interest.

GEORGE BUSH.

THE WHITE HOUSE, *April 3, 1992.*

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. THOMAS of Wyoming) to revise and extend their remarks and include extraneous material:)

Mr. THOMAS of Wyoming, for 5 minutes, today.

Mr. THOMAS of California, for 5 minutes, today.

Mr. WALSH, for 5 minutes, today.

Mr. KYL, for 15 minutes, on April 7.

Mr. MICHEL, for 5 minutes, today.

(The following Members (at the request of Mr. GEJDENSON) to revise and extend their remarks and include extraneous material:)

Mr. GEJDENSON, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. OWENS of Utah, for 60 minutes, each day on April 7 and 8.

Mr. POSHARD, for 60 minutes, on April 8.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Member (at the request of Mr. THOMAS of Wyoming) and to include extraneous matter:)

Mr. WALSH.

(The following Members (at the request of Mr. GEJDENSON) and to include extraneous matter:)

Mr. Aspin.

Mr. Owens of Utah in 2 instances.

ADJOURNMENT

Mr. GEJDENSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 22 minutes a.m.), under its previous order, the House adjourned until Tuesday, April 7, 1992, at 12 noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3242. A letter from the Deputy Director for Administration, Central Intelligence Agency, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3243. A letter from the Secretary, Department of Health and Human Services, transmitting the annual report on Indian Health Service Tribal contract costs, pursuant to Public Law 100-472, section 205 (102 Stat. 2293); to the Committee on Interior and Insular Affairs.

3244. A letter from the Senior Vice President, Tennessee Valley Authority, transmitting the statistical summaries as part of the TVA's annual report, covering the period beginning October 1, 1990, to September 30, 1991, pursuant to 16 U.S.C. 831h(a); to the Committee on Public Works and Transportation.

3245. A letter from the Board of Trustees, transmitting the 1992 annual report of the Boards of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Funds, pursuant to section 709 of the Social Security Act; to the Committee on Ways and Means.

3246. A letter from the Board of Trustees of the Federal Hospital Insurance Trust Fund, transmitting the 1992 annual report of the Board of Trustees of the Federal Hospital Insurance Trust Fund, pursuant to 42 U.S.C. 1395i(b) (H. Doc. No. 102-280); to the Committee on Ways and Means and ordered to be printed.

3247. A letter from the Board of Trustees of the Federal Old-Age and Survivors Insurance and Disability Insurance Trust Fund, transmitting the 1992 annual report of the Board of Trustees of the Federal Old-Age and Survivors Insurance and the Federal Disability Insurance Trust Funds, pursuant to 42 U.S.C. 401(c)(2) (H. Doc. No. 102-279); to the Committee on Ways and Means and ordered to be printed.

3248. A letter from the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, transmitting the 1992 annual report of the Board of Trustees of the Federal Supplementary Medical Insurance Trust Fund, pursuant to 42 U.S.C. 1395t(b)(2) (H. Doc. No. 102-281); jointly, to the Committees on Ways and Means and Energy and Commerce, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSE: Committee of Conference. Conference Report on S. 3. (Rept. 102-479). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MONTGOMERY (for himself, Mr. Stump, Mr. Evans, and Mr. Bilirakis):

H.R. 4763. A bill to restate and clarify the Soldiers' and Sailors' Civil Relief Act of 1940; to the Committee on Veterans' Affairs.

By Mr. de la GARZA, (for himself, Mr. Panetta, Mr. Coleman of Missouri, Mr. Morrison, Mr. Stenholm, Mr. Roberts, Mr. Stallings, Mr. Jones of North Carolina, Mr. Jontz, Mr. Huckaby, Mr. Tallon, Mr. Lehman of California, Mr. Fascell, Mr. Fazio, Mr. Hatcher, Mr. Volkmer, Mr. Gunderson, Mr. Lewis of Florida, Mr. Lagomarsino, Mr. Bruce, Mr. Horton, Mr. McDade, Mr. Ireland, Mr. Matsui, Mr. Lewis of California, Mr. Davis, Mr. Bereuter, Mr. Emerson, Mr. Herger, Mr. Spratt, Mr. Chandler, Mr. Smith of Oregon, Mr. Gekas, Mr. Henry, Mr. Houghton, Mr. Ravenel, Mr. Holloway, Mr. Sarpalius, Mr. Condit, Mr. Campbell of Colorado, Mr. Walsh, Mr. Stearns, Mr. LaRocco, Mr. Dooley, Mr. Kopetski, Mr. Bacchus, Mr. Ewing, Mr. Allard, Mr. Doolittle, Mr. Boehner, Mr. Barrett, Mr. Camp, Mr. Marlenee, Mr. Shaw, and Mr. Montgomery):

H.R. 4764. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act with respect to minor use of pesticides; to the Committee on Agriculture.

By Mr. GONZALEZ:

H.R. 4765. A bill to provide additional funding for, and reduce the costs associated with, the Resolution Trust Corporation, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BEREUTER:

H.R. 4766. A bill to consolidate the programs for Indian housing and community development assistance to provide for an effective national program for the delivery of such assistance, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

H.R. 4767. A bill to amend 502(h) of the Housing Act of 1949 to increase the maximum income limitation for borrowers of loans guaranteed under the Rural Housing Loan Guarantee Program; to the Committee on Banking, Finance and Urban Affairs.

By Mrs. COLLINS of Illinois:

H.R. 4768. A bill to amend the Airport and Airway Improvement Act of 1982 relating to the Disadvantaged Business Enterprise Program; to the Committee on Public Works and Transportation.

By Mr. HANSEN:

H.R. 4769. A bill to exchange lands within the State of Utah, between the State of Utah and the Bureau of Land Management, the National Park Service, the Navajo Nation, and the Goshute Indian Tribe; to the Committee on Interior and Insular Affairs.

H.R. 4770. A bill to exchange lands within the State of Utah, between the State of Utah and the Bureau of Land Management, and the National Forest Service; to the Committee on Interior and Insular Affairs.

By Mr. LAUGHLIN:

H.R. 4771. A bill to designate the facility of the U.S. Postal Service being constructed at FM 1098 Loop in Prairie View, TX, as the "Esel D. Bell Post Office Building"; to the Committee on Post Office and Civil Service.

By Mr. WISE (for himself, Mr. Costello, Mr. Regula, and Mr. Synar):

H.R. 4772. A bill to establish a research and demonstration program to promote cofiring of natural gas and coal in certain boilers; to the Committee on Science, Space, and Technology.

By Mr. WYDEN (for himself and Mr. Lent):

H.R. 4773. A bill to provide for reporting of pregnancy success rates of assisted reproductive technology programs and for the certification of embryo laboratories; to the Committee on Energy and Commerce.

By Mr. OWENS of Utah (for himself, Mr. Miller of California, Mr. Vento, Mr. Rahall, Mr. Kostmayer, Mr. Lehman of California, Mr. DeFazio, Mr. McDermott, Mr. Owens of New York, Mr. Stark, Mr. Costello, Mr. Peterson of Minnesota, Mr. Poshard, Mr. Towns, Mr. Beilenson, Mrs. Boxer, Mr. Mrazek, Mr. Kildee, Mr. Gilchrest, Mr. Machtley, and Mr. Ackerman):

H.J. Res. 460. Joint resolution calling for the Secretary of the Interior, in cooperation with the Secretary of State, to enter into agreements with Canada to protect the Alsek and Tatshenshini Rivers, for the Secretary of the Interior to ensure that Glacier Bay National Park and Preserve is not degraded by potential mine developments in Canada, and for other purposes; jointly, to the Committees on Foreign Affairs and Interior and Insular Affairs.

By Mr. OWENS of Utah (for himself and Mr. Bilirakis):

H. Con. Res. 304. Concurrent resolution expressing the sense of the Congress that access to health care is a fundamental right of every person in the United States; to the Committee on Energy and Commerce.

By Mr. MICHEL (for himself, Mr. Solomon, Mr. Lewis of California, Mr. Walker, Mr. Livingston, Mr. Ridge, Mr. Henry, and Mr. Barrett):

H. Res. 419. Resolution amending the Rules of the House of Representatives to provide for a chief financial officer for the House, and for other purposes; jointly, to the Committees on Rules, House Administration, Government Operations, and Post Office and Civil Service.

MEMORIALS

Under clause 4 of rule XXII,

359. The SPEAKER presented a memorial of the House of Representatives of the Commonwealth of Pennsylvania, relative to the cable television industry; to the Committee on Energy and Commerce.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 20: Mr. Campbell of California.

H.R. 53: Mr. Ford of Michigan, Mrs. Johnson of Connecticut, Mr. Gunderson, Mr. Livingston, Ms. Molinari, Mr. Gejdenson, Mr. Sundquist, and Mr. Pastor.

H.R. 382: Mr. Campbell of California and Ms. Horn.

H.R. 393: Ms. Molinari.

H.R. 576: Mr. Ewing, Mr. Hochbrueckner, Mr. Vander Jagt, Mr. Dellums, Mr. Herger, Mr. Skeen, Mr. Wilson, Mr. Murphy, Mrs. Boxer, Mr. Ford of Tennessee, and Mr. Neal of Massachusetts.

H.R. 755: Ms. Norton.

H.R. 814: Mr. McMillen of Maryland.

H.R. 1300: Mr. Pallone.

H.R. 1468: Mr. Jacobs and Mr. Zeliff.

H.R. 1500: Mr. Jefferson, Mr. Erdreich, Mr. Campbell of California, Mr. Moran, and Mr. Sanders.

H.R. 2210: Mr. Rangel.

H.R. 2385: Mr. Hoyer.

H.R. 2410: Mr. Rangel, Mr. Jenkins, and Mr. Slattery.

H.R. 2448: Mr. Hammerschmidt.

H.R. 2755: Mr. Kennedy.

H.R. 3058: Mr. Hatcher, Mr. Tallon, Mr. Gillmor, and Mr. Dickinson.

H.R. 3059: Mr. Hatcher and Mr. Gillmor.

H.R. 3141: Mr. Engel.

H.R. 3204: Mr. Cardin, Mr. Cramer, Mr. Dellums, Mr. Edwards of Texas, Mr. Jefferson, Mr. Levin of Michigan, Mrs. Morella, and Mr. Rhodes.

H.R. 3253: Mr. Cardin, Mr. Sanders, and Mr. Pallone.

H.R. 3473: Ms. Kaptur.

H.R. 3516: Mr. Miller of Ohio.

H.R. 3555: Mr. Bilirakis.

H.R. 3681: Mr. Mavroules, Mr. Hayes of Illinois, Mrs. Kennelly, and Mr. Faleomavaega.

H.R. 3725: Mr. Owens of Utah, Mr. Jontz, Mr. Atkins, and Mr. Allen.

H.R. 3783: Mr. McMillan of North Carolina.

H.R. 3806: Mr. Ray, Mrs. Mink, Mr. Jones of North Carolina. and Mr. Hutto.

H.R. 3843: Mr. Lewis of Florida, Mr. Gallo, and Mr. Hyde.

H.R. 3943: Mr. Weiss, Mr. Boehlert, Mr. Rahall, Mr. Browder, Mr. Jontz, Mr. Coble, Mr. Ravenel, Mr. Andrews of Texas, Mr. Matsui, and Mr. Owens of Utah.

H.R. 3955: Mr. Hamilton.

H.R. 4013: Mr. Andrews of New Jersey and Mr. Oberstar.

H.R. 4076: Mr. Bryant, Mr. Frost, Mr. Lipinski, and Mr. Towns.

H.R. 4100: Mr. Sangmeister.

H.R. 4104: Mr. Bennett, Mr. Kostmayer, Mr. Olin, Mr. Reed, and Mr. Quillen.

H.R. 4182: Mr. Bennett.

H.R. 4230: Mr. Lipinski.

H.R. 4272: Mr. Gekas.

H.R. 4361: Mrs. Mink, Mr. Wolpe, Mr. Rahall, Mr. Towns, and Mr. Foglietta.

H.R. 4372: Ms. Horn and Mr. Gaydos.

H.R. 4396: Mr. Jones of North Carolina, Mr. Hyde, Mr. Stump, Mr. Dannemeyer, Mr. Gingrich, Mr. Taylor of Mississippi, Mr. Shaw, Mr. Dickinson, Mr. Lowery of California, Mr. Sensenbrenner, Mr. Hunter, Mr. Burton of Indiana, Mr. Martinez, Mr. Poshard, Mr. Boehner, Mr. Allen, Mr. Dornan of California, and Mr. Solomon.

H.R. 4399: Mr. Porter, Mr. Stark, and Mr. Wolpe.

H.R. 4419: Mr. Goss, Mr. McMillen of Maryland, Mr. Roe, Mr. Sangmeister, Mr. Lipinski, and Mr. Anthony.

H.R. 4430: Mr. Zeliff and Mr. Kolbe.

H.R. 4565: Mr. Zeliff.

H.R. 4571: Mr. Stokes, Mr. Yates, Mr. Blackwell, Ms. Norton, Mr. Wise, Mr. Scheuer, Mrs. Patterson, Mr. Jontz, and Mr. McCloskey.

H.J. Res. 371: Mr. Borski, Mr. Clinger, Mr. Conyers, Mr. Gordon, Mr. Johnson of Texas, Mr. Kanjorski, Mr. McNulty, and Mrs. Morella.

H.J. Res. 388: Mr. Hoyer, Mr. Yatron, Mr. Montgomery, Mr. Bateman, Mr. Dixon, Mr. de la Garza, Mr. Oberstar, Mr. Bilirakis, Mr. Spratt, Mr. Volkmer, Mr. Bliley, Mr. de Lugo, and Mr. Staggers.

H.J. Res. 396: Mr. Lewis of Georgia and Mr. Morrison.

H.J. Res. 399: Mr. Rangel.

H.J. Res. 411: Mrs. Bentley, Mr. Bilbray, Mr. Bilirakis, and Mr. Blackwell.

H.J. Res. 422: Mr. Weiss, Ms. Norton, Mr. Callahan, Mr. Rinaldo, Mr. Fascell, Mr. Weber, Mr. Frank of Massachusetts, Mr. Richardson, Ms. Snowe, Mr. Gallo, Mr. Hochbrueckner, Mr. Coughlin, Mr. Roe, Mr. Bennett, Mr. Smith of New Jersey, Mr. Moakley, Mr. Dickinson, Mr. Espy, Mr. Gordon, and Mr. Saxton.

H. Con. Res. 297: Mr. Broomfield, Mr. Machtley, Mr. Klug, Mrs. Morella, Mr. Hochbrueckner, Mr. Roe, Ms. Molinari, Mr. Wolpe, Mr. Hughes, Mr. Scheuer, Mr. Bateman, Mrs. Lowey of New York, Mr. Towns, Mrs. Boxer, Mr. Weiss, Mr. McGrath, Mr. Houghton, Mr. Miller of Washington, Mr. Neal of Massachusetts, and Mr. Shaw.

H. Res. 321: Mr. Kennedy and Mr. Dreier of California.

DELETIONS OF SPONSORS FROM PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, sponsors were deleted from public bills and resolutions as follows:

H.R. 2368: Mr. Thomas of Wyoming.

EXTENSIONS OF REMARKS

MINOR CROP PROTECTION ASSISTANCE ACT OF 1992

HON. E de la GARZA

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. de la GARZA. Mr. Speaker, today I am joined by more than 50 of our colleagues in introducing the Minor Crop Protection Assistance Act. This legislation is needed to ensure that minor crop growers continue to have access to those safe and effective crop protection chemicals they need.

Minor crops are fruits, vegetables, and other crops which are produced on less than 300,000 acres each a year. While these crops account for less than 2 percent of all the acreage planted in the United States annually, minor crops are not insignificant. So-called minor crops are a major contributor to the agricultural economy of many States and, more importantly, they are a major and vital part of the human diet.

Developing and registering pesticides for crop protection can be expensive. A complete data set—the information on the safety of the product, and its possible effect on consumers, workers and the environment—can cost millions of dollars to prepare. Residue data alone for a crop can cost more than $100,000.

Pesticide manufacturers are shying away from investing in the research and development of products that are intended for use on minor crops because of their limited market.

Nor is this problem always limited to the minor crops. It is also happening to some pesticides intended for use on major crops—such as wheat, corn, soybeans, and cotton—where a pest problem is not widespread and the potential market for the product is relatively small.

Reregistering a product that is currently registered for use on minor crops is also costly. The 1988 amendments to the Federal Insecticide, Fungicide, and Rodenticide Act [FIFRA] require EPA to initiate a process to update the registrations of pesticides that had been registered prior to November 1, 1984. As a result of this process, registrants must update the data supporting their registrations, and, where this information is lacking, perform new studies or gather new data to fill the data gaps.

When companies weigh the costs of developing this new data versus the potential profits from minor crop pesticide sales, some are deciding to voluntarily cancel the registration rather than seek renewal.

Mr. Speaker, minor crop pesticides are important to agricultural production in all 50 States. These pest management tools are particularly vital to the continued production of fruits and vegetables. Often overlooked is the fact that minor crop pesticides are critical components of many integrated pest management [IPM] systems currently in place to control agricultural pests in an environmentally prudent manner.

The legislation we have introduced will help maintain minor use pesticide registrations. Just as important, our bill will do so in a way that does not comprise the health and safety standards for farm workers, consumers, and the environment that are currently in place under FIFRA.

Our proposal is designed to provide a number of options to EPA for registering existing pesticides and promoting new minor use registrations. These options include:

Waive certain data requirements if the pesticide's use does not present an unreasonable risk to human health or the environment;

Grant extensions for developing data in certain cases;

Require the expedited review of applications for registration for minor uses; and

Use of data from an identical or substantially similar pesticide whose registration has been allowed to lapse for economic reasons.

In no instance would these mechanisms be allowed to be used if EPA's Administrator has determined that the pesticide poses an unreasonable adverse risk to human health or the environment, or where the missing data are essential for making such a determination.

The Congressional Research Service, at my request, reviewed this bill's impact on current safety standards. They have concurred that existing health and safety standards under FIFRA would not be compromised by this bill.

Members of the House should be aware that the Committee on Agriculture is preparing to grapple with the difficult issues associated with pesticide regulation and use. Our Subcommittee on Department Operations, Research, and Foreign Agriculture, under the able leadership of Subcommittee Chairman CHARLIE ROSE, has held extensive hearings on the subject and is preparing for subcommittee markup.

The legislation I have introduced addresses an important issue in this debate. However, I recognize that other improvements in the regulation and use of pesticides, particularly for minor crops, are needed.

For example, USDA's handling of pesticide issues, including the Department's pesticide data collection efforts, need improvement. In addition, USDA has been slow to develop and implement the recordkeeping provisions of the 1990 farm bill as they pertain to restricted-use pesticides.

According to the findings of a GAO study I requested, the Department's IR–4 Program management needs improvement. IR–4 can be a useful tool in securing and maintaining pesticide registrations for minor crop uses. Unfortunately, the IR–4 program has suffered from a lack of resources and leadership to date.

USDA also needs to establish a more effective system for providing advance warning to producers of changes in the availability of pest control chemicals due to registration decisions by EPA and pesticide registrants. In addition, USDA has been slow to investigate and identify alternative pest control strategies which place less reliance on chemical approaches such as IPM strategies. This situation must change. Finally, measures must be found to accelerate EPA registration of biological pest control agents and to promote the development of safer pesticides.

I look forward to working with Mr. ROSE and the other members of the committee in addressing these and other pesticide issues this year.

Mr. Speaker, I want to thank the Minor Crop Farmers Alliance and their many members from the ranks of individual agricultural producers, their commodity organizations, and other farm groups for their help and support in drafting this important legislation.

A summary of the provisions of the Minor Crop Protection Assistance Act follows:

SECTION-BY-SECTION SUMMARY OF MINOR CROP PROTECTION ASSISTANCE ACT OF 1992

Section 1 and 2. Short Title and Findings.—Provides a short title and findings.

Section 3. Minor Use.—Defines the term "minor use" as the use of a pesticide on a total of fewer than 300,000 acres or a use that does not provide sufficient economic incentive to support registration, if the use has not been determined to pose an unreasonable risk to human health or the environment.

Section 4. Minor Use Waiver.—Allows the EPA Administrator to waive certain data requirements for a minor use only if the Administrator determines that the minor use does not present an unreasonable risk to human health or the environment.

Section 5. Exclusive Data Use.—Provides 10 years of protection for registration data, submitted after the date of enactment of this bill, that relates solely to the registration of a minor use.

Section 6. Expediting Minor Use Registrations.—Requires the Administrator to complete the review of applications for registrations of certain minor uses within 6 months. Also, preserves the full time period for submitting data if a data waiver that is submitted in good faith is denied.

Section 7. Time Extensions for Development of Minor Use Data.—Authorizes the Administrator to extend the deadlines by 4 years for the submission of data to support a minor use registration if adequate data has been or is being submitted to support other uses of the pesticide and if the registrant submits a satisfactory data production schedule. However, the Administrator is prohibited from extending the deadline if the Administrator determines that the minor use may pose unreasonable adverse effects during the extension period or that available data is insufficient to determine the risk associated with such minor use.

Section 8. Conditional Registration for Minor Uses.—Directs the Administrator to provide conditional amendments to pesticide registrations to permit additional minor uses of certain pesticides, provided such uses do not significantly increase any risks associated with the pesticide.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Section 9. Temporary Extension of Registration for Unsupported Minor Uses.—Temporarily prohibits the Administrator from taking any action with regard to an unsupported minor use of a pesticide until the final deadline for submitting data with respect to other uses of the pesticides that the registrant is supporting (and providing data for).

Section 10. Utilization of Data for Voluntarily Canceled Chemicals.—Allows EPA to utilize data from an identical or substantially similar pesticide that has been voluntarily cancelled for economic reasons within 2 years to support the registration of an identical or substantially similar minor use.

Section 11. Environmental Protection Agency Minor Use Program.—Directs EPA to establish a minor use program within the Office of Pesticides Programs to coordinate minor use issues.

Section 12. Department of Agriculture Minor Use Program.—Directs USDA to coordinate its responsibilities by establishing a minor use program. Also, authorizes the establishment of a minor use matching fund to help ensure the continued availability of minor use chemicals.

INTRODUCING A BILL TO PROTECT THE TATSHENSHINI AND ALSEK RIVERS

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. OWENS of Utah. Mr. Speaker, I am introducing a bill today to focus our attention on a threat to one of the most spectacular and pristine areas on Earth. Geddes Resources, Ltd., of Toronto, is proposing one of the biggest open pit copper mines in North America in British Columbia, just 15 miles from the United States border and Glacier Bay National Park, in one of the wildest areas on Earth. Besides desecration of 100 miles of road and a dozen major bridges across the river and streams, drainage from the mine will flow downstream into the United States and Glacier Bay National Park. Protecting the Tatshenshini and the Alsek from this improper development will also mean protecting Glacier Bay National Park on the U.S. side of the border from environmental damage, and even possible ecological catastrophe, with a 360-foot-high earthen dam holding back a 4-mile lake of toxic waste water in one of the world's most seismically active zones, with some of the most productive fisheries in Alaska directly downstream.

My bill will put a spotlight on a situation that has not yet received enough attention. It will require that the United States pursue negotiations on several fronts with the Canadian Government to protect the resource. The bill calls on the Secretary of the Interior to negotiate with the Canadian Government to protect the resources of the region, and requires a study by the National Park Service of the potential impacts of the Windy Craggy Mine. It also calls on the Secretary of State to work with Canada to refer this proposed development to the International Joint Commission which will take a comprehensive look at the potential adverse environmental and social impacts of the mine. Finally, the bill calls for the United States to seek the cooperation of Canada to obtain world heritage site status for this remarkable area.

There is significant opposition to the Geddes project in Canada, both at the provincial and national level, and this resolution can serve as a rallying point for action in both our countries.

We are building a strong coalition of diverse interests against this misguided proposal, uniting economic, recreational, esthetic, and ethical interests, including the United Fisherman of Alaska, Yak-Tat Kwann Native Corp., the United States National Park Service, and the environmental community of the United States and Canada, Tatshenshini International is made up of over 50 groups, with over 5 million members.

Although the mine site is in Canada, the United States Government has vital interests to protect: Glacier Bay National Park, and the fisheries at the mouth of the Alsek River. Damage to the fisheries would devastate local economies and the subsistence culture of native Americans. Working through both the Interior and the Foreign Affairs Committee, we will negotiate with Canada to protect this resource, and we will bring a focus to the mine project before it is too late to stop it.

The Tatshenshini and the Alsek are among the most spectacular and pristine rivers on earth, nominated for world heritage status, and singled out by the International Union for the Conservation of Nature for the quality of their environment. This is one of the great river trips in the world and a great recreational resource, in large part because of its wildness and solitude. The scenery on the Tatshenshini and the Alsek is astounding. It is one of the premiere, irreplaceable wild places on Earth, teeming with unmolested wildlife, including brown bears and wolves. There is no sign of man for 2 weeks on the river, except for one abandoned cabin. And, 20 miles from the coast, is Alsek Bay, one of the single most spectacular places on Earth, with immense glaciers calving into the iceberg filled Alsek River.

This river system, with its surrounding 15,000-foot mountains and dozens of glaciers, is a true temple of rock and ice, unique in all the world. Unless we act, this land and its fish and wildlife will be irrevocably scarred by this development. A mine on this colossal scale will pollute water in the rivers and streams, and bring more than 100 miles of road and bridges into one of the least disturbed areas on Earth.

This is perhaps the most spectacular, and threatened, river system on Earth, and it will be prominently featured on American Rivers annual list of most endangered rivers next week. This legislation already has the support of GEORGE MILLER, the chairman of the Interior Committee, as well as every subcommittee chair. I understand that Senator GORE will introduce a companion resolution shortly in the Senate.

As rich as this area admittedly is in mineral resources, it is rich in other resources as well, resources that should never be put at risk. There are some values simply too price less to put up for sale.

ESSAYS BY AMERICAN INDIANS

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of the majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years.

In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing for the consideration of my colleagues two essays written by American Indians and published by the Falmouth Institute in its March 1992 edition of the "American Indian Report." These essays are part of a series being published by the Falmouth Institute this year.

[From American Indian Report, Mar. 1992]

"'Once begun, the tide of change, precipitated by Columbus' arrival, has forever impacted the native people of this country.' Native American history, since Columbus, is laden with acts of destruction, displacement and deprivation. Despite this oppression, American Indian peoples have continued to endure and are experiencing a social and cultural resurgence which itself should be celebrated."

The Falmouth Institute asked a selected group of educators, tribal administrators, students, attorneys, social workers and business owners to reflect on the above quotation and write and essay on what the 1st 500 years have meant to the original inhabitants of this land.

Each month the American Indian Report is featuring those essays written by Native Americans from all walks of life.

500 YEARS SINCE COLUMBUS

(By Pamela G. Mendoza-Reece)

It has only been 500 years since that momentous event of the landing of Columbus. Within that time a race of people has almost reached extinction, as have the once numerous buffalo.

We have been exploited, degraded and disregarded as mere insignificant creatures. Nothing to be concerned about.

We have also allowed ourselves to become the stereotype that the white man has labeled us as: lazy, alcoholic, unintelligent and worthless people.

We have not assimilated into this nation that was once ours as we should have. Now we have become social outcasts, pushed to the side as if we were non-existent or as if we can be forgotten.

In order to continue to exist, we must all learn to take the knowledge and technology that is available and use it to our benefit. We must make a place for our children whose future greatly depends on our struggle to survive in this society.

We must release ourselves from the outside controls that so many of our brothers and sisters fall into and use that energy towards a positive life before it is too late.

I am a proud Nez Perce Native American. I am learning about my culture and regaining a pride that was almost lost. I broke away from the degradation, humiliation and alcoholism that has plagued my family. I remember the short lives of many of my family members that were brought to the point of not caring, addiction, loss of self-pride and then self-destruction.

Who will cry and remember us? Or will there be anyone left?

Ne mee Poo Nez Perce

(The author is a student at the Seattle Indian Center in Seattle, Wash.)

500 YEARS SINCE COLUMBUS

(By William W. Miller, Jr.)

The cockroach is truly a relative of ours. It has been exposed to many different kinds of adversity, but it still lives on.

We, the aboriginal people of these two continents, still have our fair share of adversaries (including our own people), but we have our spiritual beliefs handed down since the beginning of time. We will depend on these spiritual beliefs to carry us and our generations to come for thousands of years, provided non-natives will heed our ancient beliefs and preserve this earth.

Many diseases have been brought to us, but we're still here. Some of these non-natives were bright enough to utilize some of our spiritual ways to combat diseases like alcoholism. Alcoholics Anonymous uses the spiritual beliefs of native people.

Democracy is now being put in the hands of people across the pond, but we formulated it first. Some people use the term "family unit," but we already know about it because we are all related: every tribe, every plant, the sky, the water, the rocks * * * the whole environment.

The Bureau of Indian Affairs tried to divide and conquer, but we are still here.

Many of our ancestors have given their last full measure of devotion—the Revolutionary War, Civil War, World War I, World War II, the Korean War and Vietnam—for us to get this far. Now it is our turn, what are we willing to do?

It's time for our people to make a change. When our children, from preschool on up, sit with computers on one hand and the grandparents' knowledge on the other, then we can look forward to changes. Our sacrifices and prayers for a thousand years down the "Red Path" will come to pass with peace and harmony.

Columbus made a fatal mistake. I hope his relatives and followers don't do the same. These sickly immigrants failed to see the real nature of our people. After our people nourished them back to health, they forgot. They should have assimilated, but our people don't impose their will on others because we believe their spirit is strong also.

Our spirit is strong today, 500 years after Columbus, because we have been able to maintain our culture. Some of our people still worship in places in the Black Hills and the Badlands.

We have enough spiritual strength to hold this earth together. Some of us want to share this power with our non-native brothers and sisters.

Are they in a position to learn?

Will they pass these messages on without the exchange of money?

Are they willing to honor the treaties?

(The author is a member of the Cheyenne River Sioux Tribe.)

CONSTITUENT WRITES LETTER TO PRESIDENT BUSH

HON. JAMES T. WALSH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. WALSH. Mr. Speaker, last November one of my constituents, Mr. Frank DeBritz, wrote an excellent letter to the President regarding his approach to our domestic problems. I received a copy of this correspondence recently and after reading the content, felt it should be placed in the CONGRESSIONAL RECORD for others to read. The letter reads as follows:

MANLIUS, NY,
November 7, 1991.

DEAR PRESIDENT BUSH: I have been impressed by your leadership and stewardship and have not regretted having voted for you. I do believe, however, that your efforts in the foreign policy arena are not matched by your domestic agenda. In the final analysis, this will be the important issue in 1992. I feel that you badly need a comprehensive domestic program which shows creativity and vision and which will captivate the minds of the people. This program can't depend on the Russian bogeymen or any external threat but must address fundamental issues and adverse trends within our own borders, within our collective psyche which have been at work for longer than your administration. Since I believe that another four years of your administration will be beneficial for the country, I am writing this somewhat lengthy treatise to be constructively helpful in achieving that end.

First, let me deal with a fundamental gut issue, jobs. America has been exporting manufacturing jobs abroad for almost two decades and replacing them with service jobs. These service jobs are generally low paying and provide relatively little incentive to move away from public assistance for those on the low end of the scale. Consequently, the mobility which has fueled America's energy for generations has become much more difficult and this fact is disenfranchising a growing percentage of the population. If a large minority of our population feels it cannot move to a better socio-economic position in its lifetime or that of its children, it will either give up or go outside the law. Either one of these outcomes tends to destabilize a Democracy. Moreover, a country which increasingly relies on others for their fundamental goods and increasingly becomes a service economy tends to be subservient in the limit. Our economy was in stagnation when President Reagan was elected. It was revitalized primarily by a large defense build-up and modernization program. Now that we have won the cold war and are reducing this budget drastically our economy is sputtering. I believe that we as a nation don't realize how greatly our economy depends on the defense industry. Its no accident that the balance of payments always goes more negative at this time of year than expected since most things that the vast majority of the people buy at Christmastime are no longer made in the USA. It's time to realize that while seizing the peace, we also need a new thrust into products and programs that people will use and that we can manufacture here. This manufacture must be accompanied by a new set of training programs that force a broader profile of the people into the work place.

JOB FORMATION

At the heart of the job formation issue is the reduction of relatively unskilled good paying jobs. This trend combined with the high cost of a college education portends an economic polarization of our society. To combat this a new 50 billion, ten year program should be announced. This program will involve the construction of a new transportation system for six megacenters. I suggest that centers might be as follows: 1) New York, 2) Greater Boston, 3) (Philadelphia, Washington, Baltimore), 4) Los Angeles, 5) Chicago and 6) New Orleans. The vehicle for letting contracts to specify, design and construct these systems would be a NASA like organization. Qualifiers for such contracts should be consortia of aerospace, transportation and construction companies. This program would be kicked-off in FY '93 and be funded by the reduction of the defense budget. The solution systems will have quantitative measures of performance to decrease energy requirements, pollution and user costs. Firms winning these contracts will be competitors for the commercial operation of the systems for the first 10 years of operation.

Further, we must drive our country to less energy dependency on foreign suppliers. The governing principle, here, is that as long as the sun shines there is no energy shortage just difficulty in its means of delivery. Along these lines a new solar energy conversion program should be announced. Again consortia of energy companies, aerospace companies and construction companies should be encouraged to compete for solar energy conversion facilities. Five sites should be designated. I suggest the following for priority Dallas-Forth Worth, San Diego, Phoenix, Miami and Albuquerque. The five year goal shall be to provide 80% of the electric power for those areas by direct solar conversion. Again the companies which provide the systems would qualify to provide the energy for the next 10 years to the region. An approximate cost for this project would be 25 billion, over ten-year period. The goal would be to create at least one fully operational site by 1996 and all five by the turn of the century.

COST OF MEDICAL CARE, DEGENERATIVE DISEASE RESEARCH AND BIOTECH INDUSTRY SUPPORT

Another gut issue addresses the aged and medical care in general. The high cost of medical care is almost at the strangulation point. An underlying cost driver is the size and frequency of malpractice suits. To combat this we need a new set of laws. First, the Congress must pass a law which puts an absolute ceiling on malpractice suits, I suggest $250,000. A Physician found guilty of malpractice twice in three years will have his license revoked for one year while he is retrained and must pass a re-examination to be reinstated. Secondly, legislation should be passed which sets up a new public non-profit corporation. This corporation will administer a fund to which all workers 40 years of age or above could choose to contribute until retirement. The fund would provide nursing care for people who (a) reach 70 years of age and request such care or (b) have a brain degenerative disease and are over the age of 60, Social Security funds, for which such people who enter this care are eligible, would be automatically paid into the fund. This nonprofit corporation would never transfer funds to any general fund.

The last leg of this medical program would address the high cost of diagnostic equipment, hospitalization and care of degenerative diseases. To combat this a program with these government initiatives should be undertaken. First, a systems approach to the creation of a hospital with its appropriate data collection and testing equipment would be taken. A five billion dollar program over five years should be initiated. The government would let five contracts of $1 billion dollars each to specify, design and construct five complexes. The sites would be selected based on municipalities' proposals to provide matching funds on a 25% basis. Second, a directed biotech approach to the solution of degenerative diseases such as Alzheimers, cancer and aids would be enabled. The goal is a cure or at least arrestment of such diseases in five years. The program would provide (a) matching funds for biotech companies involved in such research, (b) tax incentives for construction of domestic manufacturing facilities. Third a tax incentive should be given to firms creating new domestic manufacturing facilities for medical diagnostic equipment and medical instruments. The later 2 initiatives would be arbitrarily sized at $2 billion a year.

EDUCATION PROGRAM

To address your education issue, we must be very circumspect. Simply throwing money at the education system will not make it improve. It appears that our ability to train our children in the fundamentals of science, mathematics and language has decreased radically. The root cause of this decline is debatable, but it arguably starts with the training of the trainers. It is no secret that the best students of science and math do not choose elementary and secondary education as a career. Accordingly, I suggest a billion dollar program a year to provide $20K/year to individuals who are math, science or engineering majors and who agree to take primary or secondary education jobs for at least 3 years after graduation from college. These students would have to take an education minor to qualify but would not be required to stay in the teaching ranks past 3 years if they so choose. A new curriculum worked out in cooperation with 10 universities across the nation to prepare for such combined degree programs would be defined in the next year. The $20K would be granted to students on a yearly basis to pay tuition and would require a grade of B or above to maintain.

TAX CUTS

Lastly, a tax program is proposed that would stimulate the economy but also would be equitable. I propose serious consideration of the following: A flat 18% tax on all taxable income over $20,000. Deductions would be limited to primary and secondary mortgages and dependents. This would greatly simplify the tax collection process, lower its costs and eliminate any tax burden for those whose income is not sufficient to survive. Capital gains and any other income would be treated as a normal income. I would also eliminate all other sources of non-taxable income for individuals. Corporations would be granted tax credits for such programs as outlined above.

SUMMARY

The above suggestions have the following benefits:

(a) Involves regions of the country that are likely to be hard hit by defense cut backs and/or the loss of manufacturing jobs.

(b) Addresses large segments of the population being hurt by skyrocketing medical costs.

(c) Encourages domestic manufacturing in product areas where the USA appears to have technological or know-how leadership.

(d) Provides a directed education program and economic aid which can help all socioeconomic strata.

(e) Provides a tax policy which is balanced.

(f) Can be targeted geographically to obtain a broad political consensus.

The above programs are estimated to be in the $10 to $128 annual cost range. Should this estimate be optimistic by a factor of two, we are still in the $25 billion a year range. This money might easily be furnished by defense budget cutbacks and diversion of some funds from existing programs, if necessary. The net cost of the recommended programs could be significantly less if the velocity of money and the spawned industry generates more tax revenue which should occur.

I hope that these ideas are useful to you and your advisors and helpful in stimulating a thought process that leads to a successful domestic program.

Sincerely,

FRANK DEBRITZ.

THE SILVER ANNIVERSARY OF INDIANA UNIVERSITY AT SOUTH BEND

HON. TIMOTHY J. ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. ROEMER. Mr. Speaker, one of the pleasures of holding this office is the ability to share in the great triumphs of my constituency. Nowhere is that privilege more exciting and important than in noting great works in education, because education is the key to our future and the world we leave our children.

Mr. Speaker, I rise today to recognize the silver anniversary of an institution of higher learning that has been serving the greater South Bend-Mishawaka area for 25 years. The Indiana University at South Bend has been an integral part of our community for both the local residents, and others who have come to take part in the studies there.

IUSB has a strong educational foundation, rooted in civic duty and cultural awareness. Its hallmarks are quality and diversity, and its very presence enhances the quality of life in northern Indiana.

Mr. Speaker, the Michiana region is blessed with a number of fine learning institutions. IUSB proudly stands shoulder to shoulder with each of them, and is known for its success in demanding and receiving the highest quality of teaching and teaching results. Indeed, the administration, faculty, and staff all display the qualities of dedication, caring, hard work and foresight that make up any high caliber college.

IUSB continues to grow and prosper. Never satisfied with the status quo, this school continues to earn growing respect from the community, the region, and from beyond the State boundaries. Newly endowed chairs and departments are normal here, as the school balances sensible growth with the constant demands of nurturing curious minds and fulfilling an ambitious cultural agenda.

IUSB is a complete university, which places a high priority on the counselling, health and residential needs of its community. As the student body grows and diversifies, the university's services continue to as well. Such needs as child care provide for more learning opportunities for more individuals, and place IUSB in the forefront of modern institutional management.

Mr. Speaker, IUSB offers a full plate of educational programs and majors, from the arts to education, from business to nursing, from women's studies to foreign opportunities, and so much more. Many of their students and programs have won honors and awards; many more will continue to do so. The comprehensive array of opportunity here continues to grow and refine itself under enlightened guidance.

Mr. Speaker, with a 25-year record of accomplishment and achievement, the people of IUSB could be content to rest on their laurels and bask in satisfaction. But I know they will never do this. The first quarter century was just a beginning, and IUSB will continue to mature and evolve as a learning center, community member, and home for extended academic awareness.

It is with great pleasure that I salute them today.

ERROR IN THE BOSTON GLOBE

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. CLAY. Mr. Speaker, I would like to insert into the RECORD two letters which I have sent today correcting an error in an editorial of the Boston Globe. That factually incorrect editorial was sent to all Members in a Dear Colleague letter on March 30, 1992, by Mr. THOMAS of California.

COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,
Washington, DC, April 3, 1992.

Hon. WILLIAM M. THOMAS,
U.S. House of Representatives,
Washington, DC.

DEAR BILL: I have just read your "Dear Colleague" letter in which you copied a March 20, 1992, editorial from the Boston Globe. I am disappointed that you would disseminate an editorial among our colleagues containing a significant error made by the editors of the Boston Globe. Although the Committee which I chair has "Post Office" in its title, the statement in the editorial that I am "chairman of the committee that overseas the House Post Office" is totally false. As the Ranking Minority Member of the Committee on House Administration, you know that the Committee on House Administration, not the Committee on Post Office and Civil Service, has oversight responsibility over the House Post Office. I would have hoped that you would not have perpetuated that erroneous statement by copying the editorial in your letter without any clarifying language.

Sincerely,

WILLIAM L. CLAY,
Chairman.

COMMITTEE ON POST OFFICE
AND CIVIL SERVICE,
Washington, DC, April 3, 1992.

EDITOR,
The Boston Globe,
Boston, MA.

DEAR EDITOR: Your editorial concerning congressional mail which appeared in the

Boston Globe on Friday, March 20, 1992, contained a glaring error involving my name and the Committee which I chair. You stated in the editorial, "Rep. Bill Clay of Missouri, the chairman of the committee that oversees the House Post Office. . . ." That statement is absolutely false. Although "Post Office" is in the title of the Committee I chair, the Committee on Post Office and Civil Service, has the responsibility for oversight of the House Post Office. I hope that you will correct that error and refrain from perpetuating it.

Sincerely,

WILLIAM L. CLAY,
Chairman

HEALTH CARE IS A FUNDAMENTAL RIGHT

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. OWENS of Utah. Mr. Speaker, our health care system is sick—we have heard the statistics before—37 million Americans are uninsured. Millions more are underinsured. This growing number of Americans lacking access to adequate health care coverage is a national scandal.

Over the past few years, we have heard quite a lot of talk about changing our health care system; reform is vital. The status quo is no longer acceptable. Too many people are falling through the cracks because they are unable to afford the rising costs of health care. How can we allow millions of Americans to live in fear of a long-term illness, to live in fear of having their hard-won financial and emotional resources wiped out. Numerous proposals have been introduced attempting to solve our ailing health care system. But, the bottom line is health care is not a privilege, but a right of every man, woman, and child, and I am not taking second opinions on this diagnosis.

Today, I am introducing a concurrent resolution stating that health care is a fundamental right of every person in the United States.

The Japanese have established health care as a right, so have the Germans, the French, and the Swedish; in fact every industrialized country, except South Africa has established such a policy.

We would never turn away a first grader from receiving an education, nor should we turn away a 2-year-old from receiving immunization. We are living in a country which forces older Americans to choose between filling a prescription or paying their rent. We are living in a country where many pregnant women do not receive adequate prenatal care.

The time is long overdue that health care be established as a fundamental right.

I invite my colleagues to support this legislation and establish this as national policy.

FERTILITY CLINIC SUCCESS RATE AND CERTIFICATION ACT OF 1991

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. WYDEN. Mr. Speaker, on behalf of the distinguished ranking member of the Energy and Commerce Committee, Mr. LENT and myself, I rise today to introduce legislation that will protect the public and establish accountability in the burgeoning infertility treatment business.

This is not a new issue. In fact, I have pursued a solution to these problems for 4 years, introducing a succession of four bills to accomplish what everyone involved has agreed must be done. The legislation I am introducing today reflects amendments recommended by witnesses in a February 27 Health and Environment Subcommittee hearing on my previous bill, H.R. 3940.

The first people to blow the whistle on infertility scams were the fertility professionals themselves. For years now, leaders in the infertility field have sounded the alarm bell about the exploitation of consumers. For example, in the November 1987 issue of Fertility and Sterility, appeared an editorial entitled "Are We Exploiting the Infertile Couple?" This landmark statement of professional principles was authored by 11 of the most distinguished fertility specialists in the United States.

They stated that—

> The lack of standards and absence of a credentialing process with [In Vitro Fertilization is] disturbing—

And expressed concern that—

> the motive for establishing [some infertility] programs may be [little more than . . . an attempt by a hospital corporation to increase its market share.

But these whistleblowing experts reserved their most telling criticism for their colleagues who exaggerated pregnancy success rates and misled couples seeking help at infertility clinics. They stated that:

> Infertile patients often develop unrealistically high expectations regarding specific therapies. The medical community is partly responsible for these inflated expectations when practitioners claim pregnancy rates that far exceed those found in the current literature. . . .
>
> [For example,] patients are often not told that the practitioner has limited experience or success with this operative procedure or is quoting another surgeon's statistics . . . . we strongly advise that each surgeon present his or her own pregnancy rates in talking with patients about surgery.

This expert assessment of the state of the art in the infertility business is best summed up in their own words:

> Considering that half of the IVF programs that have been established in the country have no pregnancies, it would seem that the standards of practice are quite variable.

Mr. Speaker, infertility is a major public health concern today. With a steadily increasing incidence of sexually transmitted diseases, and the trend toward delayed childbearing, it can only become a more serious concern in the future. Already, there are millions of infertile American couples, desperate to have children, who may fall prey to these poor standards of practice. Even under the best of circumstances, these anxious couples face invasive medical procedures, the risk of dangerous complications, and low pregnancy success rates.

My investigation of this field uncovered many disturbing examples of frustrated, emotionally drained couples who were exploited and misled by those who took advantage of their faith in modern medicine.

Couples seeking help for an infertility problem are bombarded with advertising claims which have touted success rates of 30, 40, 50 percent or more. They don't know that a minority of clinics are responsible for the most successful IVF births, let alone which clinics have the best track record in treating patients with their specific infertility problem. And they don't even know that there's no one watching to make sure that these facilities meet even minimal quality controls.

I am pleased to say that since the first congressional hearings probing these problems in June 1988, the major consumer and professional organizations have worked together to take action on the problems we found. Their efforts deserve praise, and are clearly a step in the right direction.

But there is much more to do. The voluntary programs now in place have virtually no leverage against questionable practitioners, who are doing genuine harm to the public.

In an effort to remedy this, Mr. LENT and I drafted this legislation that stipulates the following:

First, all fertility clinics would be required to report their pregnancy success rates, in line with the uniform definitions worked out by the Secretary in consultation with the Centers for Disease Control.

Second, the Federal Government would annually publish these pregnancy success rates in a consumer guide booklet, noting where appropriate the clinics which had failed to report some or all of their success rates.

Third, all fertility clinics would also be required to identify the embryo laboratories that they rely on for lab work. This information would also be published in the Secretary's annual consumer guide.

Fourth, the HHS Secretary would develop a model program for the inspection and certification of embryo labs, and promulgate this model certification program to every State for their consideration and adoption.

Fifth, if a State should fail to implement the model certification program, either directly or through a private accreditation organization approved by the HHS Secretary, the Federal Government would report this fact to the public in its annual consumer guide. But under our bill, embryo labs operating in a State that did not adopt the model certification program could still get certified by an accreditation organization which has been approved by the Secretary, and have their certification status published in the annual consumer guide.

Some may ask why the public needs this bill, since many fertility clinics already report some version of success rates to their professional society. But current reporting by clinics is voluntary, and there is no reason for a questionable practitioner to report anything, because there are no consequences.

This legislation would empower infertile couples by giving them a consumer guide in which the clinics with low-success rates, or those that don't report, will be exposed. Couples, for the first time, would have the tools to be informed consumers, and can either avoid these clinics, or to ask the clinic administrators to supply them with the missing success rate information.

Mr. Speaker, this whole bill is predicated on the well-accepted idea that consumers, empowered with good, sound information about patient outcomes, can reward the best fertility clinics by taking their business to those with good success rates, and avoid those with poor success rates or uncertified labs, or which simply fail to report their experience.

The legislation involves no unfunded Federal or State costs. The States and the Federal Government would be authorized to assess fees so that clinics would pay for the quality assurance program.

In closing, Mr. Speaker, there are many honorable and compassionate health care professionals working in the fertility field. But the infertility business is booming. The lure of deep pockets will attract many entrepreneurs less interested in health care than in cashing in on hopeful couples' willingness to pay for a chance to have a family. The legislation we are considering today will establish a meaningful set of consumer protections to help these couples get what they want most—a child.

As the sponsor of this legislation, I would like to thank several additional people, especially Chairman HENRY WAXMAN and Dr. Louis Sullivan and Dr. Bill Roper, who have been most gracious in helping me think through the best way to assist infertile couples with this legislation. In addition, several members and staff from professional societies and consumer groups worked hard with me to perfect this legislation over the past several weeks, particularly Lynne Lawrence and Dr. Robert Visscher, M.D., of the American Fertility Society. Finally, I owe a great debt of gratitude to the professionalism and expertise of Health and Environment Subcommittee staff Ruth Katz and Mike Hash, and Mr. LENT's minority staff, Mary McGrane and Melody Hughson.

MINOR CROP PROTECTION ASSISTANCE ACT OF 1992

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. PANETTA. Mr. Speaker, I am pleased to join the chairman of the House Agriculture Committee, Representative KIKA DE LA GARZA, and over 50 of my House colleagues in cosponsoring the Minor Crop Protection Assistance Act of 1992.

As a member from one of the most bountiful districts in the State of California, I represent a region that includes some of the most productive fruit and vegetable farmland in the country. The many fruits and vegetables grown in my district, which include broccoli, asparagus, and strawberries, are referred to as minor or specialty crops.

These crops are important not only to California but to the Nation's economy as well. Approximately $35 billion in fruit, vegetable, and horticultural crops are produced annually in the United States. Exports of specialty crops amounted to about $5 billion in 1990 which is 12.5 percent of the $40 billion in total agricultural exports. In addition to their economic importance, fruits and vegetables have taken on an increasingly significant nutritional role in our diets as Americans have become more health conscious.

This legislation will address concerns that are of specific interest to the minor use industry by preserving the availability of safe pesticides for these small acre crops. This measure will provide options for pesticide manufacturers, farmers, and the Environmental Protection Agency [EPA], which regulates pesticide use, for continuing or developing new uses for pesticides to protect minor uses.

These provisions include: waiving certain data requirements if the pesticide's use does not present an unreasonable risk to human health or the environment; granting extensions for developing data in certain cases; requiring expedited review of applications for registration for minor crop uses; and using data from an identical or substantially similar pesticide whose registration has been allowed to lapse for economic reasons. These mechanisms would not be permitted if EPA determined that the pesticide in question posed an unreasonable adverse risk to human health or the environment, or where the missing data were considered essential for making such a determination.

As my colleagues know, both the registration and reregistration process can be very costly. Over time, the amount of data needed has increased as well as the ability to test for the presence of pesticides and their effects in order to ensure a safe food supply. The legislation is designed to minimize the likelihood that a safe chemical will be taken off the market simply because the manufacturer does not want to incur the added costs of generating additional data for EPA registration. We need to have a reasonable process for small scale use of pesticides that safeguards the environment and people's health but does not end up taking necessary and safe pesticides off the market.

I believe that many more changes are needed to improve the regulation of pesticides and minor crops, such as increased funding for the agricultural interregional project for data collection in support of minor-use registration [the IR–4 project]. This program, which I strongly support, is paramount to the future successful maintenance of minor use registrations.

It is my understanding that this legislation will be considered as part of a broader bill to reauthorize the Federal Insecticide, Fungicide and Rodenticide Act [FIFRA] this year. I look forward to working with the members on the committee in addressing these important issues.

ISRAEL LOAN GUARANTEE

HON. GARY A. FRANKS

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. FRANKS of Connecticut. Mr. Speaker, Israel has requested $10 billion in loan guarantees from the United States Government. I support the guarantee of these loans and urge my colleagues in the U.S. Congress to see the immediate need for their approval.

Mr. Speaker, Israel has absorbed over a million refugees from the former Soviet Union and Ethiopia. The economic ramifications of clothing and housing these people could prove disastrous, the cost to Israel being between $45 and $50 billion over the next 5 years. The refugees have been arriving in numbers way beyond what Israel can handle in such a short period of time.

On September 6, 1991, the administration asked Congress to delay consideration of the loan guarantees for 120 days so as to allow the peace talks to begin with one less barrier. The 120 days are up and it is time to keep a promise, not only to the Congress but to the Israeli Government.

The loan guarantees are not direct loans as some in Congress have indicated. In fact, they are guarantees that the Israeli Government can get loans at a lower interest rate from banks. Legislation would stipulate that Israel pay back the full amount of the loans as well as administrative costs. I have been concerned with the provision in the 1990 budget agreement that stated funds had to be set aside so as to "insure" these loans, but if Israel's payments include this sum, as they have indicated, then there would in fact be no cost to the United States Government.

Mr. Speaker, the risk of these loans should not be of grave concern. Israel has been rated highly favorable and has never defaulted on a loan and never received debt forgiveness from the United States Government.

However, the guarantee of these loans is not only a humanitarian issue but one of national security. Israel has historically been a very strong and much needed ally, as we witnessed in the Persian Gulf war. In a region that is riddled with conflict and violence it is imperative for the United States to maintain an alliance on which we can rely.

The increased rate at which certain Arab countries are arming themselves, coupled with the rising mood of Islamic fundamentalism, threatens not only Israel, but American interests in the Persian Gulf as well. Further, if the peace process is to remain an integral part of our country's foreign policy, which it must, then we should not favor one country over another. Last year the United States gave $4 billion in loan guarantees to Arab countries. Israel has requested $2 billion a year over 5 years.

Mr. Speaker, the administration has switched its position again. Despite its commitment to consider the loan guarantees after the 120 days were up, they have again been stalled, this time because of their concern with settlements. However, settlements should not be an issue in the granting of loan guarantees.

Albeit the settlements are an integral ingredient in any solution that could resolve the

Arab-Israeli conflict but it is not an issue that the United States should be deciding. If we could find a solution regarding the settlements then the peace process would be unnecessary. The land-for-peace issue has been the primary concern between Israel and its Arab neighbors and the administration has shrouded land for peace behind a curtain of settlements.

Mr. Speaker, Israel has committed not to use the money received from loan guarantees to build settlements in the West Bank or Gaza. Therefore the United States involvement should be to preserve and encourage a solution, not become a barrier to one. As a supporter of the loan guarantees to Israel I certainly hope that Congress will realize the humanitarian and national security ramifications of not granting the guarantees. While the cold war has ended, regional conflicts have not and we should not alienate a long time ally.

DEBATE ON NATIONAL SECURITY

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. ASPIN. Mr. Speaker, we are in danger of losing something we urgently need in these times of historic change—the ability to have a rational, intellectually honest debate on national security.

We are all aware that the whole basis for our national security planning has been changed. These historic times demand that we think freshly about what we require to defend ourselves—to defend ourselves in the broadest sense—in this new, post-cold war, post-Soviet world. This House has been doing that.

When Iraq invaded Kuwait in August 1990, the Nation faced its first, great post-cold war national security challenge. This House faced that challenge in the classic form devised in our Constitution—a vote on whether to authorize the President to use the force of arms. The debate that accompanied that vote represented some of the finest hours of this body as Members spoke eloquently to their convictions about the Nation and what it stood for. The House voted to authorize the use of force to expel the invaders and our men and women in uniform went on to win a historic victory in Operation Desert Storm.

Today, we are again engaged in a national security debate of enormous importance. It centers on the first true post-Soviet defense budget, that for fiscal year 1993, but it extends beyond that to the kind of defense we will need at the turn of the century. This House is again meeting the challenge. So far, we have passed a budget resolution that contains numbers for defense that arise from a rigorous analysis, from the ground up, of the threats we face and the size of the forces we need to meet those threats. Reasonable men and women can and do disagree about those numbers. But the defense figures in our resolution are the product of a serious, substantive process, one the House can take some pride in.

We must see to it that the process stays serious and substantive. There are those who would have it otherwise. In the heat of the budget battles, it would be easy to fall into the traps of the past. We must not permit the "Weinbergerization" of the defense debate. Most of us remember the days of Defense Secretary Caspar W. Weinberger. The early Reagan administration years were marked by a very large peacetime defense buildup, but Cap was quick to predict utter ruin if Congress deviated from his program.

In 1983, for instance, he claimed that congressional cuts in the rate of increase would cause reductions in the number of Army and Marine divisions, and Air Force fighter wings. Carrier task forces would no longer be able to cruise the Indian Ocean and one of our carriers would have to come home from the Mediterranean. We cut and none of these things happened.

In 1985, when Congress sought to slow the steep rise in defense spending, Cap predicted that "such reductions could lead us back into the situation of the late 1970s, with a military establishment clearly unable to meet the Nation's commitments." Congress did stop the increases and, of course, these dire consequences did not happen.

This sort of thing cost Cap dearly. Eventually, he "Weinbergerized" himself out of the debate. His claims simply weren't credible. But it took a while. This time, we don't want to wait so long for reality to intrude. Mr. Speaker, this defense debate must have an element often lacking in the past—accountability.

I believe I have done my part. When I made my recommendations to the budget committee on fiscal year 1993 defense spending levels, I made plain the origins of those recommendations. I established a methodology for estimating the threat, and for gauging U.S. military capabilities. And I made those methodologies public. I also made plain at the time that this process did not automatically yield one, correct defense plan. It was designed to generate a substantive debate on the military requirements for the United States in this new era. It enables members to make their own judgments about the defense we need and how much we ought to spend to get it. My own judgment based on this methodology is that we can cut about twice as many dollars in fiscal year 1993 as the Bush administration and have a defense better than the one it proposes.

But in response to this effort, we have seen the revival of Weinbergerization. The Pentagon has produced a script with two main themes. The first is that if we mark up a defense authorization bill to the House Budget Resolution defense numbers it will force cuts of 300,000 more uniformed personnel positions in fiscal year 1993 than the administration has already proposed. The second is that funds in operation and maintenance accounts, including training, will be cut so severely under the House numbers that training accidents will increase in peacetime and casualties will increase in wartime.

Dick Cheney, Cap Weinberger's successor once removed, told the House Foreign Affairs Committee that "the only way to get savings of this magnitude"—the House numbers, in other words—"in a short period of time is for me to fire 300,000 active duty military people" over what is already planned.

We saw this script in action during the House debate on the budget just about 3 weeks ago. The gentleman from Illinois, the Republican leader, read from it. He said, and I quote, "If the Democrats' defense budget becomes a reality, an extra 300,000 active duty military personnel would have to be cut in 1993."

General Merrill McPeak, the chief of staff of the Air Force, has done a little ad libbing on his script. He talked about the impact of the House budget numbers in early March. He said, and I quote again, "What you would have to do is close down the Air Force. You might as well let all the people go." I want to let General McPeak know now that I'm going to ask him about this next fall. I want him to have time to figure out how to climb back down from the preposterous limb on which he's placed himself.

Last week, we saw the Pentagon material in testimony for the Senate Armed Services Committee prepared by the Pentagon apparatus for release under the name of General Colin Powell, the chairman of the Joint Chiefs of Staff.

Cap Weinberger claimed vastly overblown consequences for defense cuts to protect his defense budgets. After seeing this material from the Pentagon, I'm tempted to paraphrase Ronald Reagan. There they go again.

I've also found an example of the kind of civil, principled debate and disagreement that generates light instead of heat. This also from my good friend Colin Powell. I have examined the transcript of his actual testimony before the Senate Armed Services Committee. Colin Powell is a tough but fair advocate for his positions in person. But his prepared testimony contains some of the worst examples of Weinbergerization. I don't know what to make of this performance. I think I'd like the real Colin Powell to stand up.

But now let me deal with the substance of the Pentagon line. First, the charge that we'll cause an additional 300,000 in active duty cuts next fiscal year. When I recommended defense budget numbers for fiscal year 1993 to the House Budget Committee for inclusion in the budget resolution, I had in mind how we would handle those cuts in my chairman's mark of the fiscal year 1993 defense authorization bill. Those cuts do not include personnel cuts beyond those in the administration proposal.

Let's put it in perspective. The Bush-Cheney budget for fiscal year 1993 asks for $291.4 billion in outlays. The House Budget Resolution would cut $5.2 billion from that figure, or 1.8 percent.

The Pentagon says this 1.8 percent cut would cause the dismissal of an additional 300,000 service members. General Powell's prepared testimony says this would "devastate the all volunteer force." That's vintage Cap Weinberger. You'll recall that Cap would say things like we were going to lose the equivalent of the U.S. Marine Corps if we made cuts. That claim was silly then and this one is silly now.

It's also doubly shortsighted. This is not one of those issues in which the two sides make mutually exclusive assertions, then walk off and forget it. The folks behind the Pentagon campaign don't seem to realize that they're going to be proved wrong in a matter of weeks.

Let me tell you how I will demonstrate that this claim is wrong. The House Armed Services Committee will write a defense authorization bill for fiscal year 1993 to the numbers in the House Budget Resolution. That bill will provide a strong defense for America and it will make no military personnel cuts greater than those proposed by the Bush Administration for fiscal year 1993.

When we do this in May, I am going to point it out as strongly as I can. And when the House approves this defense authorization bill in June, I am going to point it out again, as strongly as I can. And when the defense authorization bill for fiscal year 1993 receives final approval next fall, I am going to point it out again. We are going to have a lot of accountability.

Let's take the second theme, the one about cuts in operation and maintenance accounts. These accounts pay for training, among many other things. The Pentagon says that the cuts in operation and maintenance could be so severe under the House Budget Resolution that training will decrease greatly and the readiness of our forces to fight will be impaired. General Powell's prepared testimony takes a grotesquely distorted view of O&M cuts and goes so far as to say—and I quote—"Cuts of this enormity are easy to translate: They would result in higher American casualties the next time we go to war. They would also mean higher casualties during peacetime"—end quote—through training accidents.

This is too much. It's Weinbergerization at its worst. Can it really be possible that the Pentagon can't think of anywhere to make cuts except places where they increase the chances that our men and women in uniform will die in accidents? If they can't, we at the House Armed Services Committee can and will.

We know where to look for our operation and maintenance cuts. We're going to look at overseas spending for cuts. We're going to look at unnecessary overhead for cuts and we're going to look at excess stocks for cuts. The House Armed Services Committee will demonstrate that this claim, too, is unfounded with a bill that will protect training and the real combat readiness of our forces while cutting unneeded spending out of a military establishment bigger than we need for the threats we face today.

When we write that bill that protects training and real readiness, I'm going to point it out strongly. And again when it passes the House and again when it finally passes the Congress. Again, accountability.

But in the meantime, I want to assure my House colleagues that the tool I've offered them for asking the right questions about future force structure is a sound one. The Pentagon is shooting at it and we have plenty of ammunition to return fire.

In fact, this part of the debate raises another kind of Weinbergerization. This tactic involves making claims on the public record that are known to be contradicted in classified information. It puts those of us who know the facts on the spot. We can put up with the distortions and misrepresentations, or we can reveal classified information. I want to put the Pentagon on notice that I'm not going to sit by while these misrepresentations are promoted publicly.

For instance, there is the basic Desert Storm Equivalent. This is the force that could tackle a fight the size we were in with Iraq and win handily. It is built on what we call the force that mattered in the war with Iraq, plus additional forces to beef it up. It includes 6 heavy divisions, an air assault division, an air-transportable light division, 1 Marine division-wing on land and in excess of 1 brigade at sea, 24 Air Force fighter squadrons, 3 squadrons of defense suppression and reconnaissance aircraft. It includes 70 heavy bombers, and 2 early-arriving carrier battle groups building up over time to 4 carrier battle groups, including surface combatants providing Aegis defenses and capability for launching large numbers of cruise missiles.

General McPeak has had some things to say about the adequacy of the Air Force component of this basic building block. He says the U.S. deployed 33 squadrons to the war and had the substantial help of allied air forces. So he says, and again I quote, the "Desert Storm Equivalent is not a Desert Storm Equivalent. I call it Desert Drizzle."

I can only conclude that General McPeak has not been reading the Pentagon's own classified scenarios for a renewed conflict in Southwest Asia. If he had, I hope a respect for the facts would make him change his tune. I can't go into detail here, but the classified documents say McPeak is wrong and the Desert Storm Equivalent could do the job.

Using our threat assessments and our building blocks, we built four illustrative U.S. force structure options. All are heavy on airlift and sealift, the two largest options having more lift than the Bush-Cheney base force.

Option A would permit us to handle one Iraq-sized contingency and a sizable humanitarian relief effort. Option B would add forces to handle option A contingencies plus a regional contingency such as a conflict in Korea. General Powell says these provide "just enough forces to respond to the contingencies postulated in each" with no strategic reserve. Fair enough. They are austere.

Option C would accomplish the missions of options A and B, and add the ability to handle a Panama-takeover sized contingency, plus a rotation base for a long-term deployment short of war. I personally believe that capabilities like these are about what we need in the late 1990's. Option D is a more robust version of option C.

The Pentagon line is that option C could not accomplish all it purports to simultaneously. In fact, it's been said that the bigger base force being promoted by the administration couldn't do it all. Actually, the base force could if enough airlift and sealift were provided to get the forces and their war materiel where they are needed when they are needed. Option C can now.

Option C would total about 1.4 million men and women in uniform by 1997. The base force would total about 1.6 million by 1995. Not as big a difference as you might think, given all the complaints. The reason is that option C builds in the lift, and support forces to make its combat forces count. The base force saves more slots for generals, but leaves a portion of its combat forces all dressed up with no way to get to the fight.

We began this bottom-up exercise by asking what threats we face in this new, post-Soviet world. The Pentagon said that was the wrong way to do it. The Pentagon said the force of the future had to be big enough to handle uncertainty, and it was anyone's guess how big that was. Since then, we've learned from the New York Times that the Pentagon builds classified threat scenarios when it really wants to know what it needs to fight.

The New York Times reported recently that seven such scenarios dominated budget guidance to the military services for fiscal year 1994. The Pentagon is using threat analysis internally to shape future budgets while claiming publicly that it will not work. We say it will. If the seven scenarios written as fiscal year 1994 budget guidance were part of the public debate, I suspect it would thoroughly validate the Desert Storm equivalent, the basic building block in my force options.

Mr. Speaker, we can safely reduce our forces below the levels proposed in the Bush-Cheney budget. It would be an enormous help if we could do it after a serious, substantive debate, not a Weinbergerized one.

I want to close now with one more reason for foregoing a Weinbergerized debate. Our men and women in uniform are our most precious national security resource. They have made and will make sacrifices for their country. We must keep the faith with them. Yet we have seen this fiction of the 300,000 additional dismissals for fiscal year 1992 floated time and again. This sort of thing creates turmoil and unnecessary anxiety among the very people for whom we should be showing the most concern. The Pentagon ought to stop it. It's not right.

A TRIBUTE TO SADIE T.M. ALEXANDER: A CHAMPION OF PHILADELPHIA

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. BLACKWELL. Mr. Speaker, I am extremely delighted to memoralize a phenomenal woman who has done so much to inspire so many in the city of Philadelphia and throughout the country, the late great Sadie T.M. Alexander.

Ms. Alexander's outstanding devotion to community service and sisterhood made her a beacon for uplifting the status of black women in America.

Born in Philadelphia, PA, in 1898, the daughter of Aaron Mossell and Mary Turner, Sadie Alexander strived for excellence in all that she did.

Ms. Alexander is noted for being not only the best, but also the first in a long list of achievements. She was the first black woman to graduate from the law school at the University of Pennsylvania, pass the Pennsylvania bar exam, establish a law practice in Pennsylvania, and receive a doctorate degree in economics. In addition, she helped to establish the National Bar Association.

Her dedication to service can best be exemplified in the role she played as the first national president of one of the leading organizations for black women, Delta Sigma Theta Sorority.

She became a member of the Gamma Chapter of Delta Sigma Theta in 1917. After joining, her loyalty to the sorority manifested itself in many ways. She helped to convene the first national convention in 1919, started the May Week Program—which was an incentive for black students to continue their education—directed the sorority's first academic scholarship, and operated the headquarters from her own home.

The results of Sadie T.M. Alexander's hard work can be seen today. Many of the programs she helped to implement are still operating successfully.

Mr. Speaker, Delta Sigma Theta Sorority must be commended for pioneering such a champion. The miraculous works of Sadie T.M. Alexander must be hailed in American history. She is definitely a role model for all women.

I would be remiss, if I were not to pay homage to Sadie T.M. Alexander and Delta Sigma Theta Sorority. The commitment that this great organization has made to education and community service cannot be overlooked.

Mr. Speaker, there is no doubt that Sadie T.M. Alexander is one of the most outstanding black Americans of our time.

TRIBUTE TO DR. GORDON GUYER: SCIENTIST AND ADMINISTRATOR

HON. BOB CARR

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. CARR. Mr. Speaker, since I was first elected to Congress in 1974, I have had the privilege of representing Michigan State University in East Lansing, MI. During that time I have come to know numerous distinguished individuals associated with that institution. And as the years have passed on, I have regretfully come to see a number of them retire. And few of them have had as much personal impact on me as Gordon Guyer.

The individual I rise to honor today has an association with Michigan State University both long and distinguished. It was 1947 when Gordon Guyer first came to East Lansing as a student. He earned three degrees from the university—has baccalaureate, masters, and doctoral degrees in entomology—and served in a variety of leadership roles.

As an entomologist, he focused on developing safe methods of limiting insect damage to crops, and was among the first American scientists to visit China in the mid-1970's. Working with the U.S. Department of Agriculture, Dr. Guyer has served in Australia, China, Brazil, and Africa. Author of more than 70 scientific papers, he has ranged widely over the subjects of international agriculture policy, aquatic ecology, as well as his area of greatest expertise, integrated pest control technology.

As he was conducting a research project in Africa in 1973, he was first tapped for an administrative post: director of the Michigan State University Cooperative Extension Service. He served in that post until 1984, "putting the land-grant university to work in every one of Michigan's 83 counties," as he told the Lansing State-Journal recently. One of the highlights of his service to CES was development of a successful 4-H program into urban Detroit.

When Gordon left his post at CES, he intended to give his full attention to entomology, as director of the Kellogg biological station from 1982 to 1985. But then Gov. James Blanchard tapped Guyer to direct the State's Department of Natural Resources. Anxious to return to science, he left that post only to be called upon again by Michigan State, to lead the university's governmental affairs unit after his long-time colleague and friend Jack Breslin, passed on.

Now Gordon is once again ready to move on, but this time to devote more time to W.K. Kellogg Foundation education projects in Costa Rica and the Dominican Republic.

And personally, he has provided a positive example. The way he treats everyone with respect and kindness has earned him a universe of friends and admirers—of which I'm a particular fan—and few, if any, enemies.

I take this opportunity to add to the hundreds of awards and citations Gordon has received with the deepest gratitude of the people of Michigan for his service. I want to wish Gordon and his lovely wife Norma every possible joy in his retirement. He will be missed by those of us who had the privilege to work with him.

TRIBUTE TO THE DAILY CARDINAL NEWSPAPER

HON. SCOTT L. KLUG

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. KLUG. Mr. Speaker, I rise today to pay tribute to the Daily Cardinal newspaper at the University of Wisconsin—Madison. On Saturday, April 4, 1992, the Daily Cardinal will celebrate the 100th anniversary of its first publication. I am honored to have this opportunity to pay tribute to one of the finest and oldest campus dailies in the country.

Throughout the years, the Daily Cardinal has distinguished itself as a student newspaper determined to bringing a level of professionalism to journalism that is unmatched at the collegiate level. The Cardinal not only reports on a wide array of campuswide topics, but has prided itself on educating the University of Wisconsin—Madison campus on worldwide events and their implications locally.

The Daily Cardinal first broke onto the national scene during the 1960's and played an active and courageous role in opposing the war in Vietnam. The Cardinal has continued its activist theme by often focusing its efforts on controversial topics such as racism, sexual abuse, and an ongoing battle for a diverse and peaceful multicultural society. The opinion page tackles all debatable subjects and anyone or anything considered the establishment—beware. When I was a graduate student at the university, I always looked forward to the paper's next edition.

Happy Birthday Daily Cardinal. Best of luck in your next 100 years.

FLEET SAFETY AWARD WINNER

HON. WAYNE OWENS

OF UTAH

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. OWENS of Utah. Mr. Speaker, I would like to call to the attention of my colleagues a singular accomplishment. This week, C.R. England & Sons, a truckload motor carrier headquartered in Salt Lake City was awarded the prestigious grand prize trophy in the 1991 fleet safety contest. The trophy was given by the Interstate Truckload Carriers Conference.

The conference represents the truckload, irregular route, common, and contract motor carriers of the United States and is affiliated with the American Trucking Associations.

Mr. Daniel England, chief executive officer of C.R. England & Sons, was presented this award at the conference's annual meeting. The annual fleet safety contest is a competition between the 575 carrier members of the conference to determine which company has the best safety record and safety program from the preceding year. C.R. England & Sons drivers log more than 100 million miles annually, and to be judged the best from among their peers in the important field of highway safety is a great tribute.

All the more significant is the fact that this is the second time in the past 3 years that C.R. England & Sons has been given this trophy. For years the company has been active in promoting highway safety in Utah. It is fitting that C.R. England & Sons has been nationally recognized once again for its exemplary achievements.

THE 21ST ANNUAL HUMAN RELATIONS AWARDS OF THE NASHVILLE CHAPTER OF THE NATIONAL CONFERENCE OF CHRISTIANS AND JEWS

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Friday, April 3, 1992

Mr. CLEMENT. Mr. Speaker, on Thursday evening, April 9, the board of directors of the Nashville chapter of the National Conference of Christians and Jews will award to four distinguished citizens in our community the 1992 Human Relations Award. I would like to join their friends and neighbors in congratulating the four award recipients—Charles O. Frazier, Suzanne J. Morris, and McDonald and Jamye Williams. All are truly deserving of this fine tribute.

As you know, Mr. Speaker, the National Conference of Christians and Jews, and its Nashville chapter, are dedicated to promoting civic cooperation and mutual understanding among all people, regardless of religion, race, or ethnic background. This commitment to human rights is symbolized by the Human Relations Award, which is presented annually to recipients whose achievements have helped our community realize its ultimate goal of "One nation under God * * * with liberty and justice for all."

This quote from our Pledge of Allegiance is a most appropriate place to begin to praise the career of Dr. Charles O. Frazier. I am sure that in the last 38 years not a day began for Dr. Frazier without these words being said, either by himself, the many teachers under his leadership, or the thousands of students under his charge.

But as a teacher of social science and math and as director of schools, Dr. Frazier had dedicated his life to educating children and youth and teaching them the value of tolerance, respect, cooperation, and confidence. He has successfully led our public schools through a period of great change in American education and in our society at large. His achievements have been recognized by many professional and community awards and, as he retires as director of the metro schools, it is only fitting that he receive the Human Relations Award.

Suzanne J. Morris has also been a leader in our community and an example to us all. Her civic and cultural involvement has genuinely made our community stronger. As an active member of many civic organizations, including the Metro Charitable Solicitation Board and Leadership Nashville, and as past president of the Dede Wallace Mental Health Center and the National Council of Jewish Women, Suzanne has reached out to all parts of the city. She has worked vigorously to break down the many racial and social barriers that divide us, utilizing her many skills to bring diverse groups together for the common good. As a native Nashvillian and successful businesswoman, she has dedicated a lifetime of good work to our city and to our citizens and we all thank her for making Nashville one of the best places in our Nation to live.

McDonald and Jamye Williams are a most extraordinary couple in our community. Individually and together, they have distinguished themselves as exemplary leaders in the fields of education and religion. Both taught at Tennessee State University from 1958 to 1988 and have as a living legacy the many students who listened to their lessons in literature, communications, and life itself. Both were active in the civil rights movement of the 1960's and authored "The Negro Speaks: The Rhetoric of Contemporary Black Leaders" (1970), which was adopted as an approved supplementary text for the schools in Tennessee.

Both have been active members of the African Methodist Episcopal Church. Jamye, for example, is the first woman elected a major general officer in the 205-year history of the church, as well as the elected editor of the AME Church Review. McDonald is associate editor of this journal and a member of his church's board. Each has made an important contribution to our community through their many civic and charitable activities, particularly those directed at helping the young and those less fortunate or unable to care for themselves. But, whether taken as individuals or as a couple, McDonald and Jamye Williams are invaluable members of our community who have looked at life as an opportunity to do good for others. We thank them and congratulate them for their generosity.

Mr. Speaker, these four individuals have used their many talents wisely in education, race relations, and religious harmony. Through their individual and concerted efforts, they have helped bridge the natural differences caused by the great diversity in our community. They have worked tirelessly to foster understanding and to eradicate bigotry and intolerance.

The Human Relations Award they are to receive from the Nashville chapter of the National Conference of Christians and Jews is a token of recognition and appreciation. I am pleased to join my fellow citizens in congratulating Charles O. Frazier, Suzanne J. Morris, and McDonald and Jamye Williams.

HOUSE OF REPRESENTATIVES—*Tuesday, April 7, 1992*

The House met at 12 noon.

The Chaplain, Rev. James David Ford, D.D., offered the following prayer:

O gracious God, from whom has come the creation of the whole world and whose power has given all life and love, we give thanks for every good gift. May Your blessing, O God, that is above all we could ask or imagine, be with us and bless each of us in the depths of our own hearts. In the stillness of this moment of prayer, we place before You our own needs, asking that You would give us renewed hope and life this day and every day. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from New Jersey [Mr. ZIMMER] please come forward and lead the House in the Pledge of Allegiance?

Mr. ZIMMER led the Pledge of Allegiance as follows:

> I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

> H.R. 2507. An act to amend the Public Health Service Act to revie and extend the programs of the National Institutes of Health, and for other purposes.

LETTER TO THE PRESIDENT

(Mr. BONIOR asked and was given permission to address the House for 1 minute.)

Mr. BONIOR. Mr. Speaker, the President has a plan to provide billions in aid to the former Soviet Republic, a billion to stabilize the ruble.

Today, the gentleman from West Virginia [Mr. WISE] and I will circulate a letter to be presented to the President, and it says this:

> Jobs for Americans must come first. We have 7.3 percent of our people in this country out of work, and, if you include those who are discouraged and those who have part-time jobs, looking for full time, it approaches close to 14 percent. It's fine to help the ex-Soviet states, but what about the United States?

Mr. Speaker, our letter says we will support the President's plan once he supports two things, first, an extension of unemployment benefits; and, second, an accelerated jobs bill to speed up the creation of jobs here at home.

I urge my colleagues to sign the letter. Let us tell the President we will join him in helping stabilize the ruble once he joins us in helping Americans trying to earn a buck.

DEMOCRAT-CONTROLLED CONGRESS' ABUSE OF POWER: HOUSE POST OFFICE—MAKE ALL GAO REPORTS PUBLIC

(Mr. BALLENGER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BALLENGER. Mr. Speaker, marble floors in elevators; unauthorized construction in the Capitol; Members of the House writing hot checks out of the Democrat-controlled bank to cover last minute campaign expenses; embezzlement and cocaine sales at the Democrat-controlled post office. Where will it end?

The House has been brought into disrepute. The people do not trust us. And, sadly, we no longer trust ourselves. And with good reason. The secrecy with which the Democrat-controlled House has been run in these last years has now come home to roost. Members have not been made aware of problems. It appears that much time and effort went into covering these problems rather than bringing them into the light of day so we could fix them.

Now we learn that the GAO tried to sound the alarm on some of these problems as early as 1984. And their advice went unheeded. Where will it end?

Mr. Speaker, I ask now that you make public all GAO reports in your possession concerning the Democrat-controlled bank and the post office—unedited and unsanitized. Only when we know the full extent of the problem may we undertake the bold action necessary to fix the problems and to prevent them from ever happening again.

AMERICA IS PROCHOICE

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute.)

Mr. EDWARDS of California. Mr. Speaker, once again President Bush has decided to pander to the right wing, this time by filing an amicus brief, a friend-of-the-court brief, in the Pennsylvania case before the Supreme Court. Initially, President Bush had decided not to file this brief. But the enormous success of the prochoice march this weekend must have dismayed his supporters, and they must have insisted that this brief be filed.

America is prochoice. By continuing to highlight this antichoice position, President Bush is only digging in deeper. And, by insisting in the brief that life begins at conception, the administration would impose a particular religious belief on the rest of us when most religions do not share that belief.

Mr. Speaker, President Bush's insistence is just a cynical sop thrown to his supporters who apparently are very much dismayed at the success of the ProChoice march this weekend.

DEMOCRAT-CONTROLLED CONGRESS' ABUSE OF POWER: HOUSE POST OFFICE—DEMOCRATS MORE CONCERNED ABOUT PATRONAGE THAN FIXING THE PROBLEMS

(Mr. DELAY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. DELAY. Mr. Speaker, the mismanagement of the House post office by the House Democrat leadership continues as evidenced by the surprise audit by the General Accounting Office just 2 weeks ago.

The GAO indicated a number of shortcomings in the House post office system as designated in the April 4 issue of the Congressional Quarterly. Among these shortcomings were an "open vault with keys in it" containing a stack of $100 money orders worth $75,000; cash shortages in significant amounts; personal funds being "commingled with public funds;" mishandling of important documents showing gross financial mismanagement and other similar incidents.

The post office and bank scandals are indications of the overall Democrat leadership mismanagement of this House. Is it any wonder the Federal Government now has deficits of $400 billion a year when the House Democrat leadership can't even manage a tiny post office system and a tiny bank? As usual, the Democrats are more concerned about patronage than

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

the quality of services provided by House officers like the postmaster and the Sergeant at Arms.

Mr. Speaker, incompetent management by the Democrat leadership in this House have created all the scandals during the past year. Mr. Speaker, you must realize all the GAO reports, not only about the House post office, but about the House bank, and do it now.

ADMINISTRATION'S ANSWER TO PROCHOICE RALLY

(Mrs. SCHROEDER asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. SCHROEDER. Mr. Speaker, hundreds of thousands of families came to Washington this weekend to speak for choice, and yesterday, unfortunately, the administration answered. It accepted Soliciter General Ken Starr to the court to enter an appearance on behalf of the administration in the Pennsylvania case requesting Roe versus Wade be overturned. Starr said in his brief to the court:

> A State's interest in protecting fetal life throughout pregnancy overweighs a woman's liberty.

Mr. Speaker, that tells us how this administration views women. They have no fundamental rights or liberties, and, while they have not done such a good job managing the debt, or managing this Government, or regulation or anything else, they are going to take time to manage women's lives and do everything that they can to put restrictions on women's most private health choices and personal religious choices.

Mr. Speaker, that is not what this country is about. The people who were here on Sunday understood what this country is about. This country is big enough for more than one opinion, and it is outrageous that this country would treat over half of its citizens as less than citizens, as the administration did yesterday by asking for this 20-year constitutional right to be rescinded.

□ 1210

ANOTHER HOUSE BANK FOR MEMBERS—CAMPAIGN FINANCE REFORM

(Mr. HENRY asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. HENRY. Mr. Speaker, belatedly but blessedly, the House closed down its bank. How shocked we ought to be and how shocked the American people ought to be, however, to learn that now the leadership this week wants to open up a new bank for Members called campaign finance reform. This new bank would give every incumbent Member of Congress a $200,000 line of credit paid for by the taxpayer to finance Members' elections. Note that in this so-called campaign finance reform, to be eligible for the $200,000 taxpayer-subsidized line of credit as an incumbent Member of Congress, one would not have to raise one single penny from individual contributions within one's own congressional district. Yes, there would be so-called private match, but there would be no assurance that any of this matching is drawn from those who are called upon to cast judgment upon the electability of a Member.

Mr. Speaker, we have closed down one bank. Let us not open another.

A COMMITMENT TO FREEDOM AND LIBERTY

(Mrs. MINK asked and was given permission to address the House for 1 minute, and to revise and extend her remarks.)

Mrs. MINK. Mr. Speaker, this Nation witnessed on Sunday a spectacular expression of commitment to freedom and liberty. Over half a million people—men, women, and children—assembled to express their belief in themselves and in their country and in their country's ability to understand the deepest signal of freedom and liberty that is expressed in many of our court decisions that have become part of the fabric of this country. That is exactly what Roe versus Wade has meant to millions of people across this land.

The march on Sunday was a march of freedom, an expression of determination that our freedom is not going to be taken away by mere people.

So I am astounded today to learn that the President has decided to file and did indeed file a brief. For the first time in the history of this country a President and his administration have asked for the withdrawal of a fundamental liberty given to the citizens of this country. This matter of Roe versus Wade is a matter of freedom, and if women are to be free and equal citizens of this country, that decision has to be maintained.

WASHINGTON POST FINDS ABORTION RIGHTS MARCHERS DO NOT REPRESENT THE VIEW OF MAJORITY OF AMERICANS

(Mr. SMITH of New Jersey asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SMITH of New Jersey. Madam Speaker, the Washington Post probed past the obvious in its coverage of Sunday's proabortion march in Washington and found exactly what many of us have been saying for some time: mainstream America is pro-life and the abortion rights activists do not speak for most Americans.

The Post randomly interviewed 881 demonstrators and found that:

> Virtually all of those who marched yesterday favor abortion in cases where parents do not want or cannot afford another child—circumstances under which majorities of Americans say abortion should not be legal.
>
> Nearly eight out of ten said they were politically liberal, an ideology they share with about a third of all Americans. Only 4% said they were politically conservative, and 16% identified themselves as moderates. Six out of ten said they were Democrats. Only 5% said they were Republicans.
>
> Six out of ten said they had previously participated in an abortion rights rally or demonstration.
>
> A third of the demonstrators said they had attended a rally in support of gay or lesbian rights, and an equal proportion had participated in an organized demonstration against the Persian Gulf War.
>
> Nine out of ten rally participants also said a pregnant teenager should not have to notify a parent before obtaining an abortion, a view shared by only 18% of those in the national survey * * *.

Just as the abortion rights marchers are out of step with the American public, their priority agenda item—the so-called Freedom of Choice Act—does not enjoy public support. This legislation—H.R. 25, S. 25—"would impose on all 50 States an unprecedented regime of abortion on demand," according to Attorney General William Barr.

The Post poll, along with Gallup, Wirthlin, and others, demonstrates that a majority of the American public is opposed to abortions which are performed for social and economic reasons. These are the reasons for which most abortions are performed, according to the Alan Guttmacher Institute—the research arm of Planned Parenthood.

Madam Speaker, the Post performed a valuable public service in showing us who the proabortionists really are and that they are out of the mainstream by a wide margin.

CAMPAIGN FINANCE REFORM DESERVES MEMBERS' SUPPORT

(Mr. MAZZOLI asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. MAZZOLI. Madam Speaker, this week the House has an opportunity to take a positive step toward restoring waning public confidence in government, not just the Federal Government but all government, and that is by passing resoundingly the conference report on campaign finance reform. The bill is not a great bill, but it is a good bill and a very strong step forward in extricating the political process from the coils of big money and big special interests. It calls for limiting campaign contributions, it calls for limiting campaign expenditures, it calls for eliminating bundling, and it calls for restricting the use of soft money.

I would prefer at some point to see political action committees entirely banned and contributions severely reduced but that will be for a later day.

Madam Speaker, I understand the President has vowed to veto this bill. I hope that the President will reconsider. This is a good bill. It is a step forward. I hope the President will sign it into law.

GOTTI CONVICTION IS MAJOR STEP IN WAR AGAINST CRIME

(Mr. OXLEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OXLEY. Madam Speaker, it was a decade ago that President Ronald Reagan declared war on the mob, calling it this dark, evil enemy within. In the intervening years literally hundreds of gangsters have been caught and convicted, but none bigger than Don John Gotti.

Gotti was convicted of 13 felonies, including 6 murder counts, last Thursday in New York City. Every charge stuck to the former "Teflon Don," culminating a 6-year campaign by Federal prosecutors. He now faces possible life in prison when sentenced on June 23.

The investigators and prosecutors of the Federal Bureau of Investigation and the Justice Department deserve enormous credit for their skill and perseverance. The judge and jurors earned equal praise for their good judgment, mettle, and courage.

The war against organized crime is far from over, but a major battle has been won. It is only appropriate to thank the soldiers who fought it.

UNTIE THE GAG RULE

(Mr. ANDERSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ANDERSON. Madam Speaker, the countdown has begun. Two weeks ago the administration released a guidance memo on new abortion regulations for title 10 clinics, commonly referred to as the gag rule. Sixty days from now family planning clinics will be forced to withhold information from patients. In the memo the administration stated that doctors will have the authority to discuss medical information with their patients. I am sure the President is aware that a vast majority of counseling at title 10 clinics is handled by nurses or physician assistants, not doctors. In effect, while appearing to compromise, the administration has put family planning clinics in the cruel position of choosing between reducing services or denying information. If these clinics wish to give poor women access to all available medical information, they will be forced to hire doctors to do all of the counseling. This is a luxury they cannot afford without vastly reducing the number of women they serve. The other option is to deny poor women medical information. I cannot support either option.

The administration is trying to convince the public that it has taken the gag out of the gag rule. However, even with this recent clarification, women will be prohibited from receiving full information on all pregnancy options. It is left to Congress to correct this restrictive policy. The clock is ticking, the gag rule must be untied.

"LOVE ME TENDER" OR "HOUND DOG"

(Mr. TRAFICANT asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. TRAFICANT. Madam Speaker, it is decision time. America is on fire, and never before have voters had to make such a crucial decision. And make no mistake, only one will be chosen, like it or not.

I am not talking about Brown or Clinton today. I am talking about Elvis. Will it be the old or the young, the clean-shaven or the sideburns? Will it be "Love Me Tender" or "Hound Dog"?

But the tragedy is, Madam Speaker, that there will be more people voting for Elvis than will vote in the Democratic primary, and they will pay 29 cents to vote for Elvis.

This may be great for Elvis fans, but it is "Heartbreak Hotel" for the Democratic Party and the rest of the country.

CAMPAIGN SPENDING CHANGES ARE NEEDED

(Mr. GLICKMAN asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. GLICKMAN. Madam Speaker, it is time to pass campaign law changes, and the bill we have before us this week is a first start. Frankly, it is a much weaker proposal than I would like to see. I would rather see much stricter limits on campaign spending to reduce the obscene costs of Senate and House races, but the bill does open the door to reducing special interest dominance of the American political process.

Contributions of $250 or less are rewarded in a special way, and perhaps those contributions will begin to squeeze out reliance on $1,000 individual contributions and $5,000 PAC checks. The bill will cause us to focus on fundraising efforts at home, rather than at breakfast and evening receptions at the Republican and Democratic Clubs in Washington, which have been all too frequent occurrences in recent years.

These are tough times for American politicians. But these are even tougher times for the struggling American voter. The message from the public to politicians this year is—"Put yourselves in our shoes and do not separate yourselves from your communities." Opening the door to greater citizen control of campaigns is a good first step.

Madam Speaker, H. Ross Perot has said, "The people own the country." This bill is a small important first step to reinforce that right.

□ 1220

COMPREHENSIVE AIDS PROGRAM NEEDED NOW

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Madam Speaker, recently I received information that a number of high schools in the country are finding that more and more high school students are testing HIV positive. Recently we also found out that approximately 80 percent of the high school and college students around the country are sexually active, and I do not think that is any big surprise to anybody.

But the fact of the matter is this deadly disease AIDS is spreading silently through the future generations of this country. The future of this country depends upon these young people. Unless we take steps to protect these young people and educate them and create the kind of environment that is going to protect their lives and their future, we are going to see a terrible catastrophe, not only in the health care field, but in the economy of this country.

Madam Speaker, I have said on this floor many times that we have right now over 300,000 people dead or dying of the AIDS virus. By the mid-1990's it is going to be well over 1 million. Many of these are going to be young people.

So I say to my colleagues one more time, if we are going to do the right thing and protect the public in this country, we are going to have to come up with a comprehensive program to deal with this terrible pandemic, including education, scientific research, testing, contact tracing, protection of civil rights, and penalties for those who knowingly spread the disease. We cannot keep our head in a sack on this issue any longer.

THE REAL PERK OFFENDERS IN AMERICA

(Mr. APPLEGATE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. APPLEGATE. Madam Speaker, I think what we ought to do is try to get our priorities straight. We hear all these Republicans, particularly, coming up here and knocking the Democrats about the bank scandal, if it is a bank scandal. It is nothing but a cover for all the indebtedness that the Republicans are heaping down upon the Democrats, the Republicans, the independents, and everybody else.

This pales alongside of George Bush, the king of check bouncers. He gave us one for $1.5 trillion, and it was $400 billion insufficient funds. How is it going to be covered and who is talking about it?

What about George Bush, who is the king of perks, with his 100 servants, his myriads of limos, his golf courses, his Air Force One which he runs around the country campaigning in. Yes, it costs $30,000 an hour, and he gives regular rates and says he is paying for it.

Come on, America. Let us wake up and find out where the real problem is and where the real offenders are.

AMERICA WANTS AN ISSUE-ORIENTED ELECTION

(Mr. NAGLE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. NAGLE. Madam Speaker, I listened with some puzzlement to my colleagues this morning from the Republican side. I did not realize the Speaker had taken a gun and held it at their heads and forced them to write all those checks on that bank. Somewhere I missed something as to why it would be solely our responsibility for their personal finances.

It is an unfortunate situation, the rule changes abused by some on both sides of the aisle.

Why then would they try to make it a Democratic problem solely? It is very simple.

I would like to introduce myself. I am a Member of the Congress of the United States. But for all of 1992, to cover the absence of a Republican legislative agenda, I shall be forever known as Willie Horton. This is one more of the President's attempts to shift the balance of blame and responsibility from the failure of his own policies to the back of the opposition.

The American people, however, are too smart for that. When all the dust has cleared, when the recriminations are over, this country wants an issue-oriented election in the fall, and there I think my side of the aisle will stand very well and very strong.

DEMOCRATS HAVE CONTROLLED HOUSE FOR 38 YEARS

(Mr. WALKER asked and was given permission to address the House for 1 minute.)

Mr. WALKER. Madam Speaker, for the edification of some of those on the Democratic side who do not seem to understand, the problem in the House bank arose from the fact the Democrats have controlled this body for 38 years and have picked all the officers and have made all the decisions with regard to the policies that ran the House bank, the House post office, and the other constitutional officers in this body.

Not one Republican has ever voted for any of those officers, not one Republican has ever voted for any of those policies, and now the Democrats, who have been responsible for all of those policies, want to duck the blame.

I am sorry, folks, the blame is yours, completely, and irrefutably.

There is no Republican that has ever voted for any of these things for the last 38 years. You have given us one vote on opening day, and then you have used your power to conduct things the way you wanted it.

The way you wanted it resulted in chaos, confusion, and scandal. The country cannot continue any longer to have the kind of operation of the House of Representatives that daily holds us up to ridicule and scandal throughout the country.

We need change. We need reform. Republicans are determined to work toward reform, but the Democrats cannot continue to come to the well and say, "Oh, we had nothing to do with it." You had everything to do with it, folks.

WOMEN WILL NOT GO QUIETLY BACK INTO THE NIGHT

(Ms. NORTON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. NORTON. Madam Speaker, we will not go quietly back into the night. So said the three quarters of a million Americans who gathered in the bright sun here on Sunday. Bush administration lawyers may be able to argue their way back before this count. But we must see that they do not carry women with them. The Freedom of Choice Act has now become imperative.

The administration's brief in Planned Parenthood of Southeastern Pennsylvania versus Casey looked back to where we must not go. The brief argued that a woman's reproductive right should be reduced precipitously from fundamental to one that can be judged by the lowest constitutional standard—a legitimate State interest.

Madam Speaker, women's bodies cannot be regulated like rancid meat. The State's interest lies in protecting the fundamental right to choose, not destroying it. Only the Freedom of Choice Act can stop the march backward into discredited history.

COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

WASHINGTON, DC, *April 3, 1992.*

Hon. THOMAS S. FOLEY,
Speaker of the U.S. House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Pursuant to the permission granted in Clause 5 of Rule III of the Rules of the U.S. House of Representatives, I have the honor to transmit a sealed envelope received from the White House on Friday, April 3, 1992 and said to contain a message from the President wherein he transmits a report pursuant to subsection 402 (c)(2)(A) of the Trade Act of 1974 (Jackson-Vanik Amendment), determinating that a waiver is desirable with regard to Armenia, Belarus, Kyrgyzstan, and Russia. A copy of Presidential Determination No. 92-20 is attached.

With great respect, I am

Sincerely yours,

DONNALD K. ANDERSON,
Clerk, House of Representatives.

WAIVER OF CERTAIN PORTIONS OF TRADE ACT OF 1974 RELATING TO EMIGRATION PRACTICES—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102-283)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Ways and Means and ordered to be printed:

To the Congress of the United States:

Pursuant to subsection 402(c)(2)(A) of the Trade Act of 1974 (the "Act") (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Armenia, Belarus, Kyrgyzstan, and Russia will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Armenia, Belarus, Kyrgyzstan, and Russia required by subsection 402(c)(2)(B) of the Act. This letter constitutes the report to the Congress required by subsection 402(c)(2).

Pursuant to subsection 402(c)(2), I shall waive by Executive order the application of subsections (a) and (b) of section 402 of the Act with respect to Armenia, Belarus, Kyrgyzstan, and Russia.

GEORGE BUSH.

THE WHITE HOUSE, *April 3, 1992.*

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (Mrs. SCHROEDER). Pursuant to the provisions of clause 5 of rule I, the Chair announces that she will postpone further proceedings today on each motion to suspend the rules on which a recorded vote or the yeas and nays are ordered on which the vote is objected to under clause 4 of rule XV. Such rollcall votes, if postponed, will be taken after the debate has concluded on all motions to suspend the rules.

EDWARD P. BOLAND DEPARTMENT OF VETERANS AFFAIRS MEDICAL CENTER

Mr. MONTGOMERY. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4184) to designate the Department of Veterans Affairs Medical Center located in Northampton, MA, as the Edward P. Boland Department of Veterans Affairs Medical Center.

The Clerk read as follows:

H.R. 4184

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. DESIGNATION.

The Department of Veterans Affairs Medical Center located in Northampton, Massachusetts, shall be known and designated as the "Edward P. Boland Department of Veterans Affairs Medical Center".

SEC. 2. LEGAL REFERENCES.

Any reference in any law, regulation, document, record, map, or other paper of the United States to the medical center referred to in section 1 shall be deemed to be a reference to the "Edward P. Boland Department of Veterans Affairs Medical Center".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Mississippi [Mr. MONTGOMERY] will be recognized for 20 minutes, and the gentleman from Florida [Mr. JAMES] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Mississippi [Mr. MONTGOMERY].

GENERAL LEAVE

Mr. MONTGOMERY. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 4184.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

□ 1240

Mr. MONTGOMERY. Mr. Speaker, I yield myself such time as I may consume.

Mr. SPEAKER, our friend and distinguished colleague, Eddie Boland, devoted most of his life to his country, his State, and his family. He served for 36 years in this body as a Representative of the Second Congressional District of the State of Massachusetts. Thirty-six years of service in the House is, in itself, a remarkable achievement, but it is much more than longevity for which one is paid tribute, it is for the quality and style of one's work. During his years in the Congress, Mr. Boland established a reputation as a gentleman of great integrity. He continues to be highly respected by members of both political parties.

Upon his retirement in 1988, his colleague, the late Silvio Conte remarked:

> I can say without hesitation that I've never known a more trustworthy and reasonable man than Eddie. He has anchored this institution to the fundamental virtues of good government.

Eddie served 34 years as a member of the Committee on Appropriations, 18 as chairman of the Subcommittee on VA, HUD, and Independent Agencies. Eddie was a strong champion of veterans' benefits and services, and before leaving the House, several of the major veterans organizations recognized his good work by presenting him with their highest awards, including the American Legion's Distinguished Public Service Award and AMVETS' Silver Helmet Award.

During his 34 years on the Appropriations Committee, Eddie played a major role in preserving VA programs and made certain they were properly funded. Veterans were high on Eddie's priority list. He listened to the recommendations of the authorization committee and over the years we established a warm relationship between our two committees that continues today. Through his leadership, the VA budget was carefully reviewed and always strengthened. Staffing levels were maintained at a steady level in VA hospitals in spite of repeated attempts by OMB to eliminate thousands of health care positions.

Mr. Speaker, naming the Northampton VA Hospital in honor of Eddie Boland is supported by the entire Massachusetts congressional delegation and by all of the federally chartered veterans' service organizations in the State of Massachusetts. That says a lot about the man. But the admiration and appreciation for him goes far beyond the borders of his home State. And I can tell you that in the opinion of this Mississippi Congressman, he is, and always will be, one of the best. He is certainly deserving of the honor this bill would grant to him. We are very proud to present this legislation to the House.

Mr. Speaker, I reserve the balance of my time.

Mr. JAMES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I want to state my strong support for H.R. 4184, a bill to name the Department of Veterans Affairs Medical Center in Northampton, MA, for our colleague, Congressman Edward Patrick Boland.

As my colleagues are aware, Mr. Boland served as the first chairman of the Intelligence Oversight Committee.

In addition, Mr. Boland served as chairman of the Appropriation's VA, HUD and Independent Agencies Subcommittee for 17 years. Under his leadership, this subcommittee, which has responsibility for the final funding provided to VA programs, was able to maintain the strong commitment this Nation has made to veterans.

While I did not have the honor of serving with Mr. Boland personally, many of my colleagues have spoken warmly of his great integrity, sense of dedication, and gentlemanly presence here in Congress.

The naming of the Northampton VA Medical Center for Ed Boland is a small way in which we can recognize his exceptional public service.

Mr. Speaker, I urge the support of my colleagues to pass H.R. 4184.

Mr. Speaker, if there are no further requests for time, I yield back the balance of my time.

Mr. NEAL of Massachusetts. Mr. Speaker, I want to thank the gentleman from Mississippi [Mr. MONTGOMERY] for yielding time to me. Mr. Speaker, it is an honor to be the sponsor of H.R. 4184, which would name the Department of Veterans Affairs Medical Center in Northampton, MA, the Edward P. Boland Department of Veterans Affairs Medical Center. I would like to thank Chairman MONTGOMERY of the Veterans' Affairs Committee for taking quick action on this measure, which was submitted just 2 months ago.

Many of you here in this Chamber served with former Congressman Edward Boland during his 36 years in the House of Representatives. His list of accomplishments is too long to completely cover here today. Let me just hit the highlights; for nearly 20 years, Eddie Boland chaired the Appropriations Committee Subcommittee on HUD-Independent Agencies. This subcommittee also has the responsibility to insure that programs vital to the nearly 30 million military veterans in this country are adequately funded.

Through this chairmanship Boland also fought hard for housing programs that provided hundreds of thousands of homes for low- and moderate-income Americans. In this post Boland also worked to expand and improve our space program. During the Boland years the space shuttle became a reality. In the late 1970's, Eddie Boland was appointed by Speaker Tip O'Neill to be the first chairman of the Select Committee on Intelligence. At the time, Speaker O'Neill said, "I know of nobody more trustworthy than Eddie Boland." Boland's service in that sensitive post established the Intelligence Committee and set a high standard for future chairmen. And, of course, history will remember Edward Boland for his steadfast belief that United States involvement in the war in Nicaragua would be a disaster. The foreign policy struggles in the 1980's in this body center largely around the Boland amendment.

Mr. Speaker, this is merely a thumbnail sketch of the career of Eddie Boland. As his successor in the Second District of Massachusetts and, like Boland, a native of Springfield, I had the privilege of working with Eddie Boland as a member of the Springfield City Council and as mayor. It may be a cliche, but for Eddie Boland, it is one of the truest things you can say about him; he never forgot where he came from. His good friend Tip O'Neill says that "all politics is local." Boland practiced this rule better than any politician in America. He would talk to reporters from Springfield, but paid little attention to the national press. He returned to Springfield from Washington every weekend.

Mr. Speaker and Chairman MONTGOMERY, today we are considering a bill to name the Northampton, MA, VA medical center after Eddie Boland. This is an altogether fitting tribute to former chairman Boland. In addition to his work funding the VA, Boland is a veteran himself, serving for 4 years during World War Two. Eddie enlisted as a private in the Army and left as a captain. He served in the Pacific theater as we fought Japan. As I noted earlier, many of you worked with chairman Boland to create and adequately fund the programs that our military veterans depend upon. Although I was not in Congress at the time, I have heard from a tremendous number of vets who speak with great respect of Eddie Boland and his support for VA programs. He truly was a friend to our men and women in uniform.

To get this bill ready for our consideration, I had to seek the support of each and every federally chartered veterans group in Massachusetts. It almost goes without saying that this was not a problem. They all wrote back almost immediately with their strong support. State Commander William J. Madera of the Massachusetts Department of the Veterans of Foreign Wars wrote, "former Congressman Edward Boland did so very much to support and advance the cause of the veteran." Eddie Boland has been to the Northampton facility many times and lives just 20 miles away. I urge my colleagues to support his measure and honor Edward Boland for his years of dedicated service to America's military veterans.

Mr. Speaker, I would like to thank Chairman MONTGOMERY, ranking member BOB STUMP and the staff at the VA Committee for their assistance in this matter. Two of my colleagues from Massachusetts also deserve recognition for their work with this bill; Congressman JOSEPH KENNEDY, a member of the VA Committee and Rules Committee chairman JOE MOAKLEY.

□ 1240

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman from Massachusetts [Mr. NEAL], who represents Mr. Boland's district, for his remarks.

Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. MOAKLEY], chairman of the Committee on Rules.

Mr. MOAKLEY. Mr. Speaker, it gives me great pleasure to rise today in support of H.R. 4184, a bill to name the Northampton, MA Veteran's Medical Center after my dear friend, Eddie Boland.

When my colleague from Massachusetts, RICHIE NEAL, and I first considered this bill, we were not sure that Eddie would be in favor of it. He had always been such a low key, behind the scenes operator. But when we spread the word that we were considering it, the response was immediate and overwhelming.

I remember talking to Eddie when the bill had met all the necessary requirements and was before the Committee on Veterans' Affairs. He was a little bit embarrassed by it all. I told him that there had been unanimous support for the measure in the Congress and in the Commonwealth and that the bill was rolling along. We are moving ahead, I told him, so you might as well enjoy the ride.

In my years in Congress, one of the greatest losses I have ever felt was when Eddie Boland told me that he was going to retire. I was stunned. Eddie has been representing the citizens of the Commonwealth for so long, it seemed like it would always be that way. I asked him, "Why are you leaving?"

He told me:

> Joe, I know the time is right. I have a wonderful family and it is time to enjoy being with them.

Eddie is a wonderful family man; he's a loving husband and a caring father. He started this part of his life a little later than some, as a matter of fact, he is known for being the oldest third base coach in Springfield Little League.

The passion and commitment that he always brought to his job, he now brings to his family. When he was in the Congress, no issue stirred him more than caring for our Nation's veterans. He regarded our promise to our veterans as an unbreakable vow. Tirelessly and unceasingly, Eddie would use his years of experience, his position on the Appropriations Committee, and his ability to persuade others to guarantee that those who had served the country received what they deserved.

Eddie knew that it would be impossible to ever fully repay those people for the disruption in their lives. He knew that there were many things he could not fix or replace. But he also knew that there were things he could do for them. He could see to it that they never wanted for health care, that they never felt alone, that they never felt that their country had turned its back on them.

Mr. Speaker, it would be impossible to stand here today and recite the accomplishments of Eddie Boland. There has rarely been a public servant so dedicated and so well regarded. Eddie was truly liked by all who knew him and the Commonwealth of Massachusetts and the entire Nation are richer for his having served.

I commend the gentleman from Springfield, Mr. NEAL, for introducing this bill. I also want to recognize the fine work of the chairman of the committee, Mr. MONTGOMERY, and his staff for bringing this measure to the floor today. But more than anything, I want to state how much Eddie Boland has meant to me and to us all. There could be no more deserving person of this honor than Eddie Boland.

Mr. Speaker, they just don't make 'em like that anymore.

Mr. MONTGOMERY. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. KENNEDY], who is a member of the Committee on Veterans' Affairs.

Mr. KENNEDY. Mr. Speaker, first of all I thank very much the gentleman from Mississippi [Mr. MONTGOMERY], the chairman of the Committee on Veterans' Affairs, for the tremendous leadership that he has shown on the committee in looking out for our Nation's veterans.

I also think that there has been no one who could more personify Eddie Boland's leadership on the Committee on Appropriations than the current chairman of the Subcommittee on VA, HUD and Independent Agencies, the gentleman from Michigan [Mr. TRAXLER] for the job that he has done in looking out for our Nation's veterans. I know Eddie Boland would be delighted with the work that has continued in his absence by Mr. TRAXLER and the leadership that the gentleman from Mississippi [Mr. MONTGOMERY] has shown.

I also want to thank and pay tribute to the man who we are here to honor today, the individual who has served this House for over a half century and who has made life better for the citizens of Massachusetts, and who has devoted a great deal of his life for the improvement of our great country.

Eddie Boland was one of the most respected Members of Congress during his 36 years of service. And during his tenure as chairman of the Appropriations Subcommittee with jurisdiction over the Veterans' Administration, I can truly say that Eddie has been a great friend of veterans all across America. It is only fitting that we honor him now by supporting legislation that will name the Department of Veterans Affairs Medical Center in Northampton, MA, as the "Edward P. Boland Department of Veterans Affairs Medical Center."

During his service on the Appropriations Committee, Eddie Boland worked tirelessly to make sure that Americans' tax dollars were spent efficiently and effectively. He also championed the cause of nonprofits through the section 202 housing program. Most importantly, we are here today to honor the work that he did through the cutback years of the Reagan administration, making sure that time and time again, when this Congress saw fit to cut programs, that he was there to defend veterans programs.

As a result of his work with that program, our elderly and handicapped citizens are better housed than they have ever been in the history of our Nation.

At home in Massachusetts, Eddie Boland was well loved and respected. From the time he was first elected to the Massachusetts House of Representatives in 1935 until his retirement 4 years ago in 1988, Eddie Boland never lost an election. For 7 of his 17 congressional campaigns, the Republicans never even offered an opponent to run against him.

Along with the late Representative Silvio Conte, Eddie Boland helped reshape and revitalize central Massachusetts by helping the people of that city secure financing for their homes, their schools, their post offices, hospitals, and community centers. As a public citizen who always avoided the limelight, the designation of the Northampton Veterans Center will serve as an everlasting, silent tribute to an outstanding citizen.

On a more personal note, Eddie's friendship has enriched the lives of my family for many years. As a little boy, I can remember walking into our living room to see my father and my uncles planning strategies for winning elections or policy fights. It was Eddie Boland whose speech and endorsement helped my Uncle TED win a tough Senate primary in 1962. He was also there to help his old friend, my uncle Jack Kennedy in 1960, and he was there for my father in 1968.

Eddie Boland was always an integral part of the team. Through the good times and all of the sad times, Eddie has been someone that everyone in my family has been glad to call a friend.

It is with great pleasure that on behalf of the entire Massachusetts delegation, that we ask the House of Representatives to consider H.R. 4184, and designate the Northampton Department of Veterans Affairs Medical Center, as the "Edward P. Boland Department of Veterans Affairs Medical Center."

Mr. MONTGOMERY. Mr. Speaker, I yield 3 minutes to the gentleman from Michigan [Mr. TRAXLER], who is chairman of the Subcommittee on VA, HUD and Independent Agencies of the Committee on Appropriations, the subcommittee Mr. Boland chaired for a number of years.

Mr. TRAXLER. Mr. Speaker, I wish to express my appreciation and thanks to the chairman of the full Committee on Veterans' Affairs, who has been an outstanding advocate for America's veterans and has done so much to make their lives so well worthwhile.

Mr. Speaker, it is my pleasure to join with my colleagues in supporting this resolution to name the hospital after Representative Boland. He was a giant among men in this institution. He was a Congressman of Congressmen. He never forgot where he came from. He knew who his people were. He always represented them to the very best of his ability.

In the course of his long career—and he was 36 years a Member of this body and 34 years as a member of the full Committee on Appropriations—and additionally, he served 34 years as a member of the Subcommittee on VA, HUD, and Independent Agencies of the Committee on Appropriations. Furthermore, he was the chairman of that subcommittee, which it is my honor to further chair at this time. He was the chairman there for 18 years, a remarkable record.

During that time, and we are emphasizing now, of course, what he did for the veterans, during that time he was responsible for considerable facility improvements at Northhampton, but additionally and more importantly—as has been indicated earlier—Mr. Boland presided over the subcommittee during very, very difficult budgetary periods.

☐ 1250

It was through his effort that moneys were channeled—with the full support of the gentleman from Mississippi [Mr. MONTGOMERY]—channeled into the Veterans Administration, above and beyond the President's request, millions and indeed several billions of dollars over a 12-year period beyond the President's request. And it was those additional dollars that Mr. Boland made available that preserved the VA medical system and kept it alive for what it is today, and he deserves the thanks of every veteran.

But I would also say in the course of those years as chairman and as a member of that subcommittee he was instrumental in the growth of NASA [the National Aeronautics and Space Administration]. He was instrumental in seeing that the EPA was firmly launched as an agency, and he saw to it that they were adequately funded. He played an important role in our Nation's housing through the funding of the Housing and Urban Development Agency.

Among all other things, he was a person who cared about this Nation and its people—and he strove to do those things which were in the national interest—a person of great courage, a person who was a friend of many of the Members here, a person whom we have always admired and looked up to, and whom we have missed over these past 4 years. That is a totally appropriate honor for him, and it is one that I look forward to joining with him in at the time of the appropriate dedication ceremonies.

The SPEAKER pro tempore (Mr. MAZZOLI). The time of the gentleman from Mississippi [Mr. MONTGOMERY] has expired.

Mr. JAMES. Mr. Speaker, I ask unanimous consent to yield the balance of my time, which I had relinquished, to the gentleman from Mississippi [Mr. MONTGOMERY].

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. MONTGOMERY. Mr. Speaker, I yield myself half a minute.

Mr. Speaker, Eddie Boland is certainly a friend of the veterans, and I urge all of my colleagues to support the adoption of this legislation.

Mr. GREEN of New York. Mr. Speaker, I rise in support of H.R. 4184, to name the VA hospital in Northampton, MA, after our retired colleague Ed Boland.

I had the distinct honor of serving with Mr. Boland for 8 years on the VA, HUD and Independent Agencies Subcommittee. I can tell those Members who did not serve with him that there was no greater friend of the veterans in the Congress than Ed Boland. He recognized that a great nation owes a great debt to those who defended their Nation in its time of need.

That debt is most visibly repaid by caring for the medical needs of our Nation's veterans. It is, therefore, especially fitting that we should name a veterans hospital after our colleague because, as chairman of our subcommittee, he always made sure that veterans' health care needs were taken care of first—before any other need in our bill.

Mr. Speaker, Ed Boland came to the House of Representatives in 1952 and served until 1989. From 1953 on, he served on the House Appropriations Committee, and for 18 years as chairman of the HUD and Independent Agencies Subcommittee. In that position, he saw to the needs of not only the Nation's veterans, but the Government's housing program, its space program, its science program, and its environmental program.

Chairman Boland led our committee through the Apollo era, the shuttle era and into the space station era—with some trepidation, I might add. He presided over a near doubling of the National Science Foundation budget, both the creation of the Nation's environmental programs and their restoration and protected our Nation's housing against a complete evisceration.

Yet, Mr. Speaker, in no area did he lead us as ably as in providing for our Nation's veterans. At a time when expenditures for veterans' health care began to increase enormously as WWII veterans aged and the needs of Vietnam-era veterans became apparent, Ed Boland proved himself to be a true friend of the Nation's veterans and a genuine leader in the Congress.

It gives me great pleasure to rise in favor of this bill and I urge my colleagues to support it unanimously.

Mr. STOKES. Mr. Speaker, I rise today in strong support of H.R. 4184, a bill to rename the Northampton, MA, Veterans Affairs Medical Center as the "Edward P. Boland Department of Veterans Affairs Medical Center." I had the privilege of serving with Chairman Boland on the VA/HUD and Independent Agencies Appropriations Subcommittee. His record in Congress for 36 years, and the leadership that he provided during the 34 years he served on the subcommittee and chaired for 18 years, is to be commended.

Mr. Speaker, Edward Boland is one of the finest individuals I have had the pleasure of knowing during my tenure in Congress. The designation of this VA facility in his name is a meaningful tribute to an outstanding and worthy individual. I ask my colleagues to join me in support of this measure.

Mr. MURTHA. Mr. Speaker, I want to offer my strong support for H.R. 4184, a bill designating the Department of Veterans Affairs Medical Center in Northampton, MA, as the Edward P. Boland Department of Veterans Affairs Medical Center.

It was an honor for me to have served with Eddie Boland in the House of Representatives and on the Appropriations Committee on which Eddie served for several years. He was one of the most admired, well respected, and effective Members of Congress this institution has ever seen and is missed dearly by friends and colleagues.

Our mutual friend Tip O'Neill chose Eddie Boland as the chairman of the Select Committee on Intelligence when created in 1977. Eddie ably served as chairman of the Intelligence Committee which has a reputation for confidentiality and professionalism—the direct result of the manner in which Congressman Boland ran it during his tenure as chairman.

Eddie was considered one of the most able subcommittee chairmen in Congress and always presented an excellent bill to the House of Representatives. As chairman of the Appropriations Subcommittee on VA, HUD, and Independent Agencies, Eddie kept alive housing for the elderly, was a life-long supporter of public housing, and originated an entire program for the homeless. Eddie was committed to our Nation's veterans and fought for their benefits and medical construction projects throughout the Nation.

During his 36 years in Congress, Eddie Boland diligently attended to the advancement and development of the Northampton Veterans Medical Center. Thousands of veterans have benefited because of Congressman Boland's determination and dedication to the veterans of our Nation. It is only appropriate the Northampton Center be named for Eddie Boland.

Mr. Speaker, for these reasons I respectfully request your support for H.R. 4184.

Mr. MAVROULES. Mr. Speaker, for a decade it was my honor to serve with one of the most respected Members of Congress, the Honorable Edward Patrick Boland. For 36 years, Eddie served the Second Congressional District of Massachusetts in the House of Representatives, playing a prominent role on behalf of the Veterans' Administration and its programs.

As chairman of the House Appropriations Subcommittee on HUD-Independent Agencies, which has jurisdiction over VA funding, Edward Boland fought a ceaseless battle with the White House Office of Management and Budget, saving thousands of VA jobs across the country. His tireless work on behalf of our Nation's vets serves as a model for those who have followed in his footsteps.

Eddie, a dear friend and colleague, is an honest, hardworking individual who dedicated his life to the service of his country. Eddie rose not only through the ranks of the U.S. Army to become a captain, but also through the ranks of public service. Elected as a member of the Massachusetts House of Representatives from 1935 to 1940, and later as the registrar of deeds for Hampden County, Eddie served the people of Massachusetts for more than half a century. The quintessential public servant, Eddie represents the hearty New England spirit, tenacious yet reasonable, with rock-solid integrity.

So it is today that I voice my strong support for H.R. 4184, which would rename the Northampton Veterans Medical Center in Eddie's honor. It is a very fitting tribute to Ed Boland that one of the VA's health care facilities be named in his honor. I can think of few people more worthy of such a distinction, and I am honored to lend my support to the effort.

Mr. HAMMERSCHMIDT. Mr. Speaker, I, too, want to lend my support to H.R. 4184, a bill to designate the VA medical center in Northampton, MA, as the "Edward P. Boland VA Medical Center."

I consider Eddie Boland a good friend and it was a privilege to serve with him for 21 years in Congress. He is a man of high integrity and his 36 years of distinguished service here was marked by his dedication to the institution.

In Eddie Boland's 17 years as chairman of the VA-HUD Appropriations Subcommittee, he was committed to ensuring that veterans' programs received adequate funding. As we all know, this is no easy task. We were very fortunate on the Veterans' Affairs Committee to have Representative Boland as our ally.

It is only fitting that the Northampton VAMC be named in his honor. I urge my colleagues to support H.R. 4184.

Mr. MONTGOMERY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi [Mr. MONTGOMERY] that the House suspend the rules and pass the bill, H.R. 4184.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

HISTORIC SITES SELECTION REFORM ACT OF 1992

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4276) to amend the Historic Sites, Buildings, and Antiquities Act to place certain limits on appropriations for projects not specifically authorized by law, and for other purposes.

The Clerk read as follows:

H.R. 4276

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Historic Sites Selection Reform Act of 1992".

SEC. 2. REQUIREMENT FOR SPECIFIC AUTHORIZATION FOR PROJECTS UNDER THE HISTORIC SITES, BUILDINGS, AND ANTIQUITIES ACT.

Section 6 of the Act entitled "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes" (16 U.S.C. 461-467) is amended to read as follows:

"SEC. 6. (a) Notwithstanding any other provision of law, no funds appropriated or otherwise made available to the Secretary of the Interior to carry out section 2(e) or 2(f) may be obligated or expended after the date of enactment of this section—

"(1) unless the appropriation of such funds has been specifically authorized by law enacted on or after the date of enactment of this section; or

"(2) in excess of the amount prescribed by law enacted on or after such date.

"(b) Except as provided by subsection (a), there is authorized to be appropriated for carrying out the purposes of this Act such sums as the Congress may from time to time determine.".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the measure before us.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 4276 amends the Historic Sites Act of 1935 to prevent the earmarking of special interest funds through the appropriations process for non-Federal sites which have neither been reviewed through the historic preservation fund process nor authorized directly by Congress. I introduced H.R. 4276 on February 19, 1992, with bipartisan sponsorship, and the bill was unanimously approved by the Interior and Insular Affairs Committee on March 25, 1992.

Mr. Speaker, I have become greatly concerned about the increasing use of special interest earmarks in appropriations acts for non-Federal sites which have neither been reviewed through the historic preservation fund process nor authorized directly by Congress. In the last 2 fiscal years alone, $33 million of National Park Service funds have been funneled into such projects, using the open-ended language of the Historic Sites Act of 1935 as the authority.

While these earmarks have been included in the Interior appropriations bills, my purpose is not to disparage the work of the Interior Appropriations Subcommittee or to engage in a jurisdictional dispute. In fact, the chairman of the Interior Appropriations Subcommittee, Mr. YATES, has been a great friend and supporter of the National Park System, and has consistently presented the House with appropriations bills reflecting a commitment to both budgetary restraint and national parks protection. I know of no Member with a stronger appreciation for our existing natural and cultural resources or a deeper abhorrence for actions which erode public and congressional support for the National Park System and stigmatize legitimate historic preservation projects. We have worked closely in the past to assure the continued efficient operation of the National Park Service, and I know firsthand of his strong commitment to the protection of our most valuable resources.

However, because the projects that H.R. 4276 takes aim at are technically authorized through the Historic Sites Act, it is almost impossible for these earmarks to be challenged. In fact, it is predominantly Members of the other body who are responsible for these add-ons. And, while they also decry this practice, the administration has found the Historic Sites Act useful when requesting funding for projects they wish to undertake without congressional review. In fact, Mr. Speaker, when the administration was afforded the chance to take a stand against these special interest projects they incredibly chose to oppose H.R. 4276, citing their concern that the bill would deprive them of flexibility. In other words, the administration is apparently reluctant to cut off this process because they hope to use it themselves. I suggest that that offers even further reason to curtail this process and change the law. Mr. Speaker, I make no apology for taking away such flexibility to the Bush administration or Members of Congress.

Testimony presented by the National Park Service, the Advisory Council on Historic Preservation, and other interested groups at a hearing on H.R. 4276 on March 10, 1992, exposed a highly abused process in which the wishes of a few influential Members of Congress and the executive branch override the views of both professionals who customarily review such proposals and the authorizing committee charged with ensuring that special interest economic development projects do not usurp scarce National Park Service resources. Currently, the National Park Service cites a construction backlog of approximately $2 billion. Independence Hall, the Lincoln and Jefferson Memorials and many other established park sites today are in desperate need of repair and the Interior Appropriations Subcommittee is hard pressed to find the necessary funds. Yet, as I pointed out earlier, in the past 2 years alone at least $33 million of National Park Service funds have been poured into non-Federal projects such as a sports stadium in Louisiana and a movie theater in West Virginia.

Funds so appropriated are subject to none of the safeguards established for properties assisted through the historic preservation fund or authorized directly by Congress. There are no requirements that the site remain protected in the future, nor are there guidelines for the NPS to use in obligating or expending these funds. A site funded 1 year could be destroyed or used for totally unrelated purposes the next. These Federal dollars come with virtually no strings attached. In fact, the National Park Service acts as merely a conduit for these funds, choosing not to exercise any discretion in the contracts and agreements governing their obligation and expenditure. Ironically, renovations at the Tad Gormley Stadium in New Orleans are being reviewed by the Advisory Council for Historic Preservation as possibly destroying the historic fabric of the site. In this instance at least, funds designed to protect historic sites ironically may support projects which destroy them.

As chairman of the Subcommittee on National Parks and Public Lands, I am very concerned about this back door approach which allows funding for projects whose national significance has never been established. That is why I introduced H.R. 4276, and am moving this keep pork out of parks legislation as quickly as possible.

Budgetary reality requires significant limits in many National Park Service programs today. There is no justification for earmarking funds for non-Federal special interests especially when worthy historic preservation programs are underfunded or receive no funds at all.

We must demand that the guidelines established in Federal law to differentiate between park pork and legitimate projects are followed. The historic preservation fund [HPF] is designed to provide a fair and equitable method of determining which non-Federal projects merit Federal assistance in partnership with State and local governments. Ironically, the HPF is authorized to receive $150 million annually, but this program has been disregarded while special interest projects blatantly absorb tens of millions in scarce National Park appropriations dollars. Consequently, many important historical sites have been underfunded while others, incidental at best to our understanding of American history and culture, continue to soak up funding. The authorization process of the House and Senate, with its hearings and open debate, is designed to ensure that proposals are considered thoroughly and grounded in historical research. This process has been perverted by the present use of the Historic Sites Act.

I have been very concerned not only about the cost of these projects but about the message we are sending with regard to our commitment to historic preservation. Not surprisingly, the national media have seized upon these blatant examples of what is described as park pork to illustrate Congress' irresponsibility, pointing out their significant cost, especially in view of national budget limits. However, using National Park Service funds for these non-Federal projects, initiated by some to funnel Federal dollars to depressed areas, also implies, rather cynically, that historic and cultural value is determined solely by potential economic development. Such special interest initiatives really corrupt the National Park Service budget, and the NPS's strong base of public and congressional support will be seriously eroded unless such special interest funding is brought to a halt.

As chairman of the Subcommittee on National Parks and Public Lands, I have been receptive to worthy proposals from members who seek the establishment or expansion of nationally significant and qualified national park sites, and the committee and I will continue to provide deliberate careful analysis and guidance to such efforts to improve our National Park System. I believe, as do most of my colleagues, that the historic and cultural preservation process must remain faithful to its purpose—"to preserve for public use historic sites, buildings, and objects of national significance for the inspiration and benefit of the people of the United States." The authorization proposals from the Interior and Insular Affairs Committee are specifically subject to full and open debate in committee and in both Houses of Congress. Hopefully, they will be enacted on their merits. The process works and Members and advocates of various proposals should be willing to use it.

Clearly, the actions of recent years' funding indicate that problem projects have eclipsed whatever good intent exists in the 1935 act. We need to eliminate the abuse of this law now and restore basic credibility and integrity to the designation and funding of historic preservation in the U.S. Congress. H.R. 4276 is a bipartisan initiative to do just that and I urge my colleagues' support for this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 4276, a bill to limit expenditures under the 1935 Historic Sites Act. I am very concerned about the number of unauthorized projects which have been funded in the National Park Service portion of the Interior appropriation bill in recent years. Many of these projects have not been subject to full public review and to at least some extent, funding of these projects is causing a reduction in funding available to meet the significant backlog of needs faced by the agency. Furthermore, funds appropriated through this method are subject to none of the normal safeguards contained in the historic preservation fund.

While this measure will not solve all of my concerns in this area, with its passage we will begin to restore some of the integrity to the authorization/appropriation process. I believe that Members from this side of the aisle are willing to work with the chairman in this regard if we can be assured that these efforts will be across the board and not selective.

I commend the chairman for his efforts on this bill, and am disappointed that the administration testified on the one hand that they are in complete agreement with our concerns, but fail to provide any assistance in the resolution of this issue.

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield 4 minutes to the gentleman from Maine [Mr. ANDREWS]. He is a sponsor of the measure and a strong supporter of it, and I appreciate that.

Mr. ANDREWS of Maine. Mr. Speaker, I thank the gentleman for yielding this time to me. I also want to thank Chairman VENTO for his leadership in this area. This piece of legislation not only deserves our support and our vote, but we also need to provide a good slap on the back to Congressman VENTO for his leadership in this area.

Mr. Speaker, we are talking here pure and simple about pork barrel politics. We are talking about sacred cows. We are talking about special interests. And we are talking about taxpayer dollars that are being invested not in the national interest, but in the interest of a few powerful, influential people who are able to get their particular projects into the process.

□ 1300

There are two ways that we can take on this kind of spending. One way is to be able to come to the floor and vote against pork barrel spending that has no relationship to the national interest, and there are times when we have the opportunity to do that, and it takes sometimes a lot of courage to do it, but I am grateful that there are many Members in this House that are willing to do it.

But the second way we can do it is attack some of the structural problems that allow pork barrel politics to be built into the system and not see the light of day of public scrutiny.

What the gentleman from Minnesota [Mr. VENTO], the chairman, is doing with this piece of legislation is shining the light on those dark corners that allow pork barrel politics to continue and wasteful spending to go on without the public accountability that we have a right to have. That is why I support this legislation.

This particular process that this bill is attacking has been described as a highly corrupted process where the wishes of a few influential Members of Congress and a few influential members of the executive branch come together and override common sense and the national interest to support the secular narrow interests of a few influential people and groups.

Mr. Speaker, I am happy to see that we have some bipartisan support here for this legislation. I would hope that the administration would change its mind and support this initiative.

It takes us a step in the direction that this country so desperately needs, that politicians like to give lipservice to but too often are afraid to take. Mr. Speaker, let us take on pork barrel politics. Let us do it in a bipartisan fashion. Let us pass this initiative, and I say to the President, let us sign this bill.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Idaho [Mr. LAROCCO].

Mr. LAROCCO. Mr. Speaker, in a continuing effort to control unauthorized Federal spending, I rise in support of the Historic Site Selection Reform Act of 1992, which amends the Historic Sites Act of 1935.

The act currently provides Federal funds for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and other purposes. Unfortunately, many of these other purposes lately have included such items as a sports stadium in New Orleans and a movie theater in West Virginia, neither of which are units of the National Park System nor have they been designated historic landmarks.

Mr. Speaker, too frequently, the relevant authorizing committees in Congress are being bypassed. These costly "pork" barrel projects tarnish the image of the National Park Service and discredit the preservation process. Financing questionable projects consumes resources for projects that were never intended to be funded under the Historic Sites Act.

Broad concern over the misapplication of the Historic Sites Act has made this legislation necessary. With the adoption of this reform legislation, the unauthorized projects will not be funded. Congressionally authorized projects under the National Park Service will get the protection they need. I urge approval of the Historic Sites Selection Reform Act.

At the same time, legitimate historic sites such as the Lincoln and Jefferson Memorials need to be repaired.

This bill seeks to redirect funds to their rightful ends and eliminate the blatant disregard for the congressional authorization process. The open-ended language of the original act does not prohibit line-item expenditures which are added in appropriations bills without the approval of the appropriate congressional authorizing committees.

Under this bill, project funds appropriated without authorization will be suspended until such time as these sites are deemed worthy of preservation. This will be done in cooperation with State and local governments and the Secretary of the Interior.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would just point out that the problems with the 1935 act that have come to the surface in the last several years have been distressing to all of us, but the point is that we have, as I said before in my preliminary remarks—and I note that my distinguished colleague, the gentleman from Illinois [Mr. YATES], the subcommittee chairman of the Interior Appropriations, is now on the floor—but I want to reiterate that I commented about his diligence in attempting to curtail projects that are unworthy and to try and channel dollars to the Park Service in an appropriate manner.

But the problem here, of course, is that he is faced with a dilemma as I am faced with a dilemma of projects that are interpreted by law and interpreted by practice as actually being authorized under the 1935 Historic Sites Act.

So what we choose to do here or attempt to do is to close that loophole where some $30 million have been appropriated, over $30 million, in the last two appropriation measures without any of the traditional safeguards that are necessary. As an example, the Park Service has chosen not to exercise and to monitor the funds, that is, funds that go into a site in one given year. The site could be completely obliterated or destroyed the next year. It does not sound sensical, but that type of authority and check is not in place.

Funds that are expended ostensibly for the purpose of historic preservation or cultural-resource preservation could, in fact, do quite the opposite, as is indicated in the preliminary work dealing with the facility in Louisiana. So I think it is enormously important that we could curtail that.

We have other disagreements clearly. It is not an effort, and we certainly do not need more work in our committees, but we certainly want to take on the major tasks that we are expected to.

I think the most damaging aspects of these types of actions, and these dollars spent, is that they simply paint the entire National Park Service with a color and character of these types of projects and, therefore, undermine the ability of us to sustain a credibility in the minds of the public with regard to the National Park Service.

At this time and in this period, we simply cannot afford that type of loss of credibility with regard to our national parks. They pay the price, the real resources, the cultural and natural resources which are paying the price for the type of expenditures and actions that have taken place.

Mr. Speaker, I yield such time as he may consume to my distinguished colleague, the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, I thank the gentleman for yielding me this time.

Mr. Speaker, I support this measure. I support the purposes of the bill.

I rise only to assure the gentleman and those who may have given the impression that the funds that go to the Park Service only go to pork barrel projects rather than those that should receive the funding, that monuments like the Lincoln Memorial, like the Jefferson Memorial, like Faneuil Hall in Boston, like Old South Church and the other historic buildings, are receiving funds from our committee. We are preserving them. We recognize how important they are to the history and to the heritage of the country.

As the gentleman knows, during the discussion on the conference report on the Interior bill last year, the gentleman from California [Mr. MILLER] and I engaged in a colloquy in which I said that I assured him that I would not place in my bill funds for any projects that had not received the approval of the authorizing committees. I intend to follow that out and, of course, that is the purpose of this bill.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank the gentleman for his support, and I know that I certainly want to indicate my appreciation for his support for this.

What we are talking about in this instance, as the chairman is aware, are projects that basically end up receiving the imprimatur of authorization under the Historic Sites Act. It has, I think, proven to be a problem.

Beyond that, I want to say that I am going to support the chairman in his efforts. He is a powerful member of the Committee on Appropriations, but one member, and obviously under a great pressure at the end of the session to come forth with bills and has been forced, I think, in the past to accept measures that he is reluctant—but he has to exercise his judgment. I certainly intend to support that and appreciate his efforts to deal with the matter. I will work strongly with him to the end that he has agreed to, with regard to this, and that he has made commitments to.

Mr. OWENS of Utah. Mr. Speaker, I rise in support of Chairman BRUCE VENTO's Historic Site Selection Reform Act of 1992. It is our duty to preserve the country's heritage, and not to subvert needed funds to unrelated projects that have more to do with pork than parks. Our history represents the common threads of heritage and culture that hold the Nation together. Independence Hall, the Lincoln and Jefferson Memorials, and other historic sites of our Nation, require immediate restoration. It's tough enough to find the needed funds, without having to pay for unnecessary and unrelated projects.

H.R. 4276 will halt the earmarking of special-interest funds for non-Federal sites. These projects stigmatize the legitimate need for historic preservation. After this bill is passed, projects will undergo appropriate review or be authorized directly by Congress. National Park Service funds are far too precious to waste. I encourage my colleagues to vote to eliminate this park pork. I commend Chairman VENTO for his leadership on this issue. it's good for the Park Service, good for the budget, and good for the integrity of this institution.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4276.

The question was taken.

Mr. VENTO. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 5 of rule I and the Chair's prior announcement, further proceedings on this motion will be postponed.

□ 1310

LITTLE RIVER CANYON NATIONAL PRESERVE ACT OF 1992

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3665) to establish the Little River Canyon National Preserve in the State of Alabama, as amended.

The Clerk read as follows:

H.R. 3665

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Little River Canyon National Preserve Act of 1992".

SEC. 2. ESTABLISHMENT.

(a) IN GENERAL.—In order to protect and preserve the natural, scenic, recreational, and cultural resources of the Little River Canyon area in DeKalb and Cherokee Counties, Alabama, and to provide for the protection and public enjoyment thereof, there is hereby established the Little River Canyon National Preserve (hereinafter in this Act referred to as the "preserve").

(b) AREA INCLUDED.—The preserve shall consist of the land, waters, and interests therein generally depicted on the boundary map entitled "Little River Canyon National Preserve", numbered NA-LRNP-80,001C, and dated March 1992. The map shall be on file and available for public inspection in the offices of the National Park Service, Department of the Interior, Washington, D.C. and shall be filed with the appropriate offices of DeKalb and Cherokee Counties in the State of Alabama. The Secretary of the Interior (hereinafter in this Act referred to as the "Secretary") shall, as soon as practicable after the enactment of this Act, publish in the Federal Register a detailed description of the boundaries of the preserve.

SEC. 3. ADMINISTRATION.

(a) IN GENERAL.—The preserve shall be administered by the Secretary in accordance with this Act and in accordance with the provisions of law generally applicable to units of the National Park System, including the Act entitled "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1-4) and the Act of August 21, 1935 (16 U.S.C. 461-467).

(b) HUNTING AND FISHING.—The Secretary shall permit hunting, sport and subsistence trapping, and fishing on lands and waters under his jurisdiction within the preserve in accordance with applicable Federal and State laws. The Secretary may, after consultation with the State of Alabama Department of Conservation and Natural Resources and adjacent land owners, designate zones where, and establish periods when, such activities will not be permitted for reasons of public safety, administration, fish and wildlife habitat or public use and enjoyment subject to such terms and conditions as he deems necessary in the furtherance of this Act. Nothing in this Act shall be construed as affecting the jurisdiction or responsibilities of the State of Alabama with respect to fish and wildlife. After consultation with the State of Alabama Department of Conservation and Natural Resources, and with the owners of lands contiguous to the preserve, the Secretary may restrict hunting in areas within the preserve which are adjacent to the boundaries of the preserve where such restriction is necessary or appropriate to protect public safety.

(c) APPLICATION OF OTHER PROVISIONS.—The provisions of section 7(a) of the Act of October 2, 1968 (16 U.S.C. 1278(a)), shall apply to the preserve in the same manner and to the same extent as such provisions apply to river segments referred to in such provisions. The application of such provisions to the preserve shall not affect the determination of the valuation of the land, waters, or interests therein within the boundaries of the preserve.

(d) COOPERATIVE AGREEMENTS WITH STATE.—In administering the preserve the Secretary is authorized to enter into cooperative agreements with the State of Alabama, or any political subdivision thereof, for the rendering of rescue, fire fighting, and law enforcement services and cooperative assistance by nearby law enforcement and fire preventive agencies. To facilitate the purposes of this section, the Secretary may enter into cooperative agreements with the State and its directly affected political subdivisions to provide professional assistance in the preparation of the management plan for the preserve.

(e) DESOTO STATE PARK.—If the lands within the DeSoto State Park are acquired by the Secretary, at the request of the State of Alabama Department of Conservation and Natural Resources, the Secretary shall enter into a cooperative agreement with such Department for the continued management by the Department of the lodge and other facilities which, as of the date of enactment of this Act, are part of the DeSoto State Park. Such cooperative agreement should provide for the management and operation of such lodge and facilities in a manner which, to the maximum extent practicable, is generally consistent with similar operations elsewhere in the National Park System.

(f) PUBLIC INVOLVEMENT.—The Secretary shall promote awareness of and participation in the development of the general management plan for the preserve, and shall develop and conduct a concerted program to this end. Prior to final approval of such plan, the Secretary shall hold public meetings in DeKalb and Cherokee counties. The Secretary shall promote and encourage participation in the development of such plan by persons owning property in the vicinity of the preserve, other interested groups and individuals, State, county, and municipal agencies, and the general public. In preparing and implementing such plan, the Secretary shall give full consideration to the views and comments of such persons, groups, individuals, agencies, and the general public.

(g) GREEN PITCHER PLANT.—Upon the transfer by the Alabama Power Company to the United States of any lands within the boundaries of the preserve which contain the Green Pitcher Plant (Sarracenia oreophila), all rights and obligations of the Alabama Power Company under the agreement entered into between the company and the Department of the Interior (including the United States Fish and Wildlife Service) on May 12, 1983, in settlement of the action brought on September 24, 1980, against the Secretary and Director of the Fish and Wildlife Service in the United States District Court for the Northern District of Alabama (Civil Action No. CV 80–C–1242–M) shall be extinguished.

SEC. 4. ACQUISITION.

(a) IN GENERAL.—(1) The Secretary is authorized to acquire lands, waters, or interests therein within the boundaries of the preserve by donation, purchase with donated or appropriated funds, or exchange, except that no lands, waters, or interests therein may be acquired for purposes of the preserve without the consent of the owner thereof. Lands, waters, and interests therein within the boundaries of the preserve which are owned by the State of Alabama or any political subdivision thereof, may be acquired only by donation.

(2) Immediately after publication of the boundaries of the preserve the Secretary shall commence negotiations for the acquisition of the lands, waters, and interests therein. Within 1 year after the enactment of this Act, the Secretary shall submit, in writing, to the Committee on Interior and Insular Affairs of the United States House of Representatives, to the Committee on Energy and Natural Resources of the United States Senate, and to the Committees on Appropriations of the United States Congress a detailed schedule of actions and a progress report regarding such acquisition.

(3) Promptly following completion of any environmental audit performed by or on behalf of the Secretary with respect to any property proposed to be acquired for purposes of this Act, the Secretary shall make available to the owner of such property a copy of such audit.

SEC. 5. TECHNICAL AND PLANNING ASSISTANCE.

The Secretary is authorized and directed to provide technical and planning assistance to political subdivisions of the State of Alabama having jurisdiction over land and waters adjacent to the Preserve for the purpose of developing and implementing plans, programs, regulations, or such other means as may be necessary for the development and use of such lands and waters in a manner which will not have a direct and adverse effect on the Preserve.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The SPEAKER pro tempore (Mr. MAZZOLI). Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks, and include therein extraneous material, on H.R. 3665, the bill now under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3665 is legislation introduced by Representative TOM BEVILL to establish the Little River Canyon National Preserve in the State of Alabama.

The Little River Canyon area of northeastern Alabama has long been recognized for its unique natural and cultural resources. With an average depth of 400 feet, the canyon is the second deepest gorge east of the Mississippi River. The canyon's relative isolation and lack of development has led to the emergence of several rare plants and animals, including the endangered green pitcher plant. In addition to its natural and cultural features, the canyon provides numerous recreation opportunities including camping, kayaking, rock climbing, hunting, hiking and other pursuits.

H.R. 3665, as amended, would establish a 14,000-acre Little River Canyon National Preserve to protect and provide public enjoyment of the natural and cultural resources of the Little River Canyon. This area was extensively studied by the National Park Service in 1990 and 1991. The National Park Service concluded that the area met the criteria of national significance, suitability and feasibility, and the administration testified in support of the bill at the hearing last November before the Subcommittee on National Parks and Public Lands.

The bill, as reported by the Committee on Interior and Insular Affairs, contains an amendment in the nature of a substitute adopted by the committee which makes several changes in the bill as introduced to reduce costs and improve the manageability of the preserve. Most significantly, the committee amendment deletes the secondary resource boundary contained in the bill as introduced. This change means that the only landowners in the boundaries will be the Alabama Power Co., which is a willing seller; the State of Alabama; and Cherokee County. This boundary is based on one of the alternatives proposed by the National Park Service and includes the primary resources of the river and the canyon and adequate space for endangered species protection and park administration. While a larger park area would have provided more resource protection and greater recreation opportunities, the primary boundary is a viable unit which is more manageable and less costly than the larger area proposed in the bill as introduced.

The committee amendment also makes several other changes including deleting a provision in the bill which would have interfered with the authority of the State of Alabama under the clean air act and adding a new section authorizing the Secretary of Interior to provide technical assistance to State and local governments on a voluntary basis for plans to encourage compatible development outside the park boundaries.

Mr. Speaker, H.R. 3665, as amended, is a well-crafted bill which will protect and preserve a natural area of outstanding quality in a region of the country with very new nationally recognized areas. It meets the National Park Service standards of significance, suitability, and feasibility. The bill has been scaled back substantially in terms of cost and acreage from the bill as introduced, and all concerns of private landowners have been addressed by the committee amendment. I urge Members to support the bill and want to commend the gentleman from Alabama [Mr. BEVILL] for the leadership and foresight he has exhibited in developing this worthy conservation initiative.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise to be recognized on H.R. 3365, a bill to establish the Little River National Preserve in Alabama. While I do not intend to oppose this bill before us today, I must say that I have two basic concerns with the measure. The first concern relates to the basic underlying premise of this bill that because a relatively small portion of this area contains resources of national significance, the proper course of action is for Congress to enact legislation creating a new Federal area. The second concern I have relates to what I believe is an unprecedented authorization for a State-run concessions operation within a unit of the park system.

It is somewhat ironic that we are considering this bill on the floor on the same day that we are also considering

H.R. 4276, a bill to limit Federal expenditures under the 1935 Historic Sites Act. Our committee chairman introduced that bill, which has received strong support through the committee process from this side of the aisle. In large part he was concerned that funds were being diverted from essential needs of existing parks, under the broadly worded 1935 act.

However, I would contend that the cost of nonessential authorization bills passed through our committee far exceeds the minor amount of funds which have been diverted from Park Service purposes by the Appropriation Committee under that 1935 act. With this bill we will be authorizing the Federal takeover of an existing State park. We will be creating another obligation for the Federal Govenment without any real benefits to be gained in terms of visitor use or resource preservation. I note the administration agrees with this concern in their views.

This is clearly a beautiful area and clearly deserves preservation, but it does not require the participation of the Federal Government. This resource is in good condition and is not threatened. Even the park service new area study for this site states:

> There are no natural or cultural themes or types of recreational resources not represented in the National Park System known to this site.

While the initial cost of this site may only be in the range of $15 million, and constructive changes have been made, environmentalists and a number of Members of Congress have made their desires known during consideration of this bill, that future expansion is likely.

Second, I must also comment on the concession operation authorized in this bill. I find it curious that at a time when there is so much concern in Congress over concession management issues, we are going to legislate continuation of a concession operation in a park which may or may not even be needed and forego any future attempts at competitive bidding for this operation.

The existing lodge must be a good deal for the people of Alabama, or the State would not want to retain this operation, but I am not sure it is a good deal for the Federal Government.

Mr. VENTO. Mr. Speaker, I am pleased to yield such time as he may consume to the gentleman from Alabama [Mr. BEVILL]. The gentleman from Alabama is the principal sponsor and architect of this measure and has worked long and hard on it.

Mr. BEVILL. Mr. Speaker, I thank the committee chairman for yielding me this time.

Mr. Speaker, I rise today to strongly urge my colleagues to support H.R. 3665, my legislation which would establish the Little River Canyon National Preserve in northeast Alabama.

This legislation would protect some of the most spectacular scenery in the Southeast. The National Park Service has studied this area extensively and after finding it to be of national significance recommended it for national designation.

The Little River Canyon is a breathtaking sight. It is 700 feet deep in some places and has huge sandstone cliffs. It is one of the deepest canyons east of the Mississippi River and one of the most unusual. The Little River, which formed the canyon, flows entirely on top of Lookout Mountain. The water in the river is about as pure as you can get.

The area supports a number of rare plants and fish, including the green pitcher plant which is on the endangered species list.

My legislation provides needed protection for this unique area so that it can be preserved and enjoyed by generations to come.

The preserve boundary would encompass about 14,000 acres of land which is owned by the State of Alabama, Cherokee County and Alabama Power Co. No other landowners are involved.

I want to thank my good friend and colleague chairman BRUCE VENTO and his committee which made a field inspection trip to the Little River Canyon last year. I appreciate his committee's help on this bill.

We worked for months with the area landowners and other interested parties. I made every effort to answer all the concerns expressed by the public.

The vast majority of people want to see the canyon permanently protected. This legislation does that.

We have also been concerned about protecting the rights of area landowners. This legislation does that.

In fact, we are only talking about one major landowner and that's Alabama Power Co. The company is a willing seller and they plan to use the proceeds from selling their land to fund a special educational foundation.

I want to stress that no private homes or privately-held lands are included within the boundary of the preserve.

As I have mentioned, this bill is the result of active and beneficial public involvement, which has improved it. My legislation also provides for ongoing public participation during the development of the management plan for the preserve.

The area is currently used by a number of outdoor enthusiasts including hunters, fishermen, boaters, hikers, rock climbers, birdwatchers and picnickers. These recreational uses are important and they will be encouraged and promoted.

My legislation designates the area as a preserve because that is what the majority of citizens want to see accomplished here. They know this area is unique and they want to preserve it for many, many years to come.

I have also worked closely with the Alabama Department of Conservation and Natural Resources on this legislation. I want to commend my good friend, commissioner Jim Martin, for his hard work and determination in this effort.

A number of Alabama newspapers have taken strong editorial stands in support of my legislation and see it as a needed method of preserving this rich and unique resource.

I appreciate my colleagues' support for this legislation. I believe that the Little River Canyon National Preserve will become one of the finest units of the National Park Service.

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Georgia [Mr. DARDEN], a member of the committee, who is from the adjacent district and has had quite a key role on the subcommittee and the committee in the advocacy and working with the gentleman from Alabama [Mr. BEVILL].

Mr. DARDEN. Mr. Speaker, I rise in support of H.R. 3665, the Little River Canyon National Preserve Act. I would like to commend the bill's author, Mr. BEVILL of Alabama and Mr. VENTO, our chairman of the National Parks and Public Lands Subcommittee, for their diligent work in reaching an agreement among a number of interested groups to bring this legislation to the floor today. The addition of the DeSoto State Park and related properties of Alabama Power Co. will make a valuable addition to our Nation's park system.

Mr. Speaker, as you know the land designated in the Little River Canyon National Preserve Act is in the State of Alabama, but I represent parts of northwest Georgia, Chattanooga, Dade, and Floyd Counties, that border the Little River Canyon park area. In protecting the natural, scenic, and recreational value of the Little River Canyon, this measure makes a positive contribution to the quality of life of the people of northwest Georgia.

Mr. Speaker, the facilities and resources included in the Little River Canyon National Preserve Act are currently enjoyed by many people in northwest Georgia. The measure before us today enhances the long-term survival of those resources. In addition to being a short journey away for many residents of the Seventh District of Georgia, this preserve area connects Lake Weiss to other sites serving northwest Georgia as natural and recreational resources. Also, creation of the national recreation preserve recommended in this bill would likely enhance the responsible use and development of the Coosa River in Georgia which flows into Weiss Lake.

Mr. Speaker, this measure creates a preserve that will be available for the enjoyment of people for many uses. As the gentlemen have mentioned, this measure will not only serve visitors to the Little River Canyon as a natural and river recreation resource, but it will also allow park visitors to make use of the preserve area for fishing, hunting, and trapping.

Mr. Speaker, the importance of preserving this area in some fashion has been under consideration for over two decades. I joined a group of several committee members on a tour of the Little River Canyon area last year and can personally attest to the scenic beauty of the falls and surrounding lands in DeSoto State Park. In addition to the falls and spectacular 400-foot deep gorge, the preserve area has been shown to contain rare plants and animals and significant archeological and historical sites.

Mr. Speaker, it is my understanding that the proceeds from the sale of Alabama Power Co. property in association with establishment of this preserve will go to a charitable organization established to make grants in support of educational, civic, and cultural activities. I am pleased to know that in addition to creating a resource of regional and national importance, there may be secondary benefits in education and the arts resulting from this bill.

Once again I commend the gentlemen from Alabama and Minnesota for their efforts in this matter, and I urge my colleagues to support H.R. 3665.

□ 1320

Mr. VENTO. Mr. Speaker, I yield such time as he may consume to the gentleman from Alabama [Mr. ERDREICH].

Mr. ERDREICH. Mr. Speaker, I rise today to support H.R. 3665, a bill to establish the Little River Canyon National Preserve in my home State of Alabama.

Hailed as the "Grand Canyon of the South," Little River enjoys great natural, scenic, recreational and wildlife resources. Virtually untouched by man, the beauty of this gorge is unsurpassed, and thousands of visitors in and around north Alabama have shared its treasures over the years.

This bill, introduced by my friend, colleague, and fellow Alabamian TOM BEVILL, would establish the Little River National Preserve to protect the natural beauty, wildlife and endangered species of Little River. The preserve would combine county and State parks with land owned by Alabama Power to encompass over 14,000 serene acres nestled atop Lookout Mountain.

As amended, this bill will not include private properties beyond the 14,000-acre boundary, and will make management of the preserve easier for the National Park Service.

From Spanish explorer Hernando DeSoto and the Cherokee Nation to the Indiana bat and the Southern bald eagle, Little River Canyon is rich in history and natural beauty. I am pleased to offer my support to this worthy measure. Moreover, I am delighted that the beauty of Alabama will be preserved long into the future so that more individuals will be able to witness the bounty of its extraordinary natural resources.

Mr. VENTO. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 3665, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended, and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

DESIGNATING CERTAIN SEGMENTS OF THE DELAWARE RIVER AS COMPONENTS OF THE NATIONAL WILD AND SCENIC RIVERS SYSTEM

Mr. VENTO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3457) to amend the Wild and Scenic Rivers Act to designate certain segments of the Delaware River in Pennsylvania and New Jersey as components of the National Wild and Scenic Rivers System, as amended.

The Clerk read as follows:

H.R. 3457

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. WILD AND SCENIC RIVER.

(a) DESIGNATION.—Section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph at the end:

"( ) DELAWARE, PENNSYLVANIA, AND NEW JERSEY.—The segments to be administered by the Secretary of the Interior, generally depicted in the map document entitled 'Delaware River Basin Commission, Flood Plain Management Program, Flood Plain Delineation' dated June, 1973 ('Map') as follows:

"(A) from the Bucks County and Northampton County, Pennsylvania, border as depicted on Plate 6 of the Map as a point just south (downstream) of River Mile 176 to a point just west (upstream) of River Mile 172 on Plate 5 of the Map where the western boundary of the Gilbert Generating Station property begins;

"(B) the segment from a point just east (downstream) of River Mile 171 on Plate 5 of the Map where the eastern boundary of the Gilbert Generating Station property ends to a point just north (upstream) of River Mile 157 on Plate 3 of the Map where the northern boundary of the Point Pleasant Pumping Station property begins;

"(C) the segment from a point just southeast (downstream) of River Mile 157 on Plate 3 of the Map where the southern boundary of the Point Pleasant Pumping Station property ends to a point just southeast (downstream) of River Mile 149 on Plate 2 of the Map at the north side of the Route 202 bridge; and

"(D) the segment from a point just southeast (downstream) of River Mile 148 on Plate 2 of the Map where the southern boundary of the town of New Hope ends to a point just southeast (downstream) of River Mile 142 on Plate 1 of the Map at Washington Crossing."

(b) MANAGEMENT PLAN.—In preparing and implementing the comprehensive management plan for the segments designated under this section, the Secretary shall provide appropriate opportunities for public involvement and shall—

(1) consult and cooperate with appropriate Federal, State, regional, and local agencies, including (but not limited to) the Pennsylvania Department of Environmental Resources, the New Jersey Department of Environmental Protection and Energy, the Delaware and Lehiegh Navigation Canal National Heritage Corridor Commission, and the Delaware and Raritan Canal Commission;

(2) consider previous plans for the protection of affected cultural, recreational, and natural resources (including water supply and water quality) and existing State and local regulations, so as to avoid unnecessary duplication; and

(3) give priority to the acquisition of undeveloped open space along the Delaware River, including islands, not already protected.

SEC. 2. EXISTING FACILITIES AND POSSIBLE ADDITIONS THERETO.

The designation of the segments of the Delaware River under section 1 of this Act, and any subsequent management or development plans to implement such designation, shall not be used in any proceeding or otherwise to preclude, prevent, restrict, or interfere with the completion, continued or changed operation, maintenance, repair, construction, reconstruction, replacement, or modification of the Gilbert Generating Station and associated facilities or the Point Pleasant Pumping Station and associated facilities or with the licensing, permitting, relicensing, or repermitting of such stations and associated facilities. Such designation or plans shall not preclude or interfere with the licensing, permitting, construction, operation, maintenance, repair, relicensing, or repermitting of any additions to any such facilities, so long as such additions are outside the segments of the Delaware River designated by this Act and impounded backwater from any such addition does not intrude on any such segment, and so long as the values present in such segments on the date of enactment of this Act are not unreasonably diminished thereby.

SEC. 3. TRANSMISSION AND DISTRIBUTION FACILITIES.

The designation of segments of the Delaware River made by section 1 of this Act, and any subsequent management or development plans to implement such designation, shall not be used in any proceeding or otherwise to preclude, prevent, restrict, or interfere with the present or future access to or operation, maintenance, repair, construction, reconstruction, replacement, or modification of electric or gas transmission or distribution lines across such segments, or with the licensing, permitting, relicensing, or repermitting of such lines across such segments: *Provided, however,* That each new electric or gas transmission or distribution line across any such segment shall be located no further than ½ mile from the center line of any transmission or distribution line across any such segment in existence on the date of enactment of this Act.

SEC. 4. STUDIES.

(a) DESIGNATION FOR STUDY.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding the following new paragraph at the end:

"( ) DELAWARE RIVER, PENNSYLVANIA AND NEW JERSEY.—The segment of approximately 4.8 miles from Washington's Crossing to the point where the river intersects the Trenton, New Jersey, city limits, together with the Cook's Creek, Tinicum Creek, and Tohickon Creek tributaries to the Delaware River.".

(b) RIVER CONSERVATION PLAN.—The Secretary of the Interior, pursuant to section 11(b)(1) of the Wild and Scenic Rivers Act, shall undertake a river conservation plan for the segment of the Delaware River from the northern city limits of Trenton, New Jersey, to the southern boundary of Bucks County, Pennsylvania.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Minnesota [Mr. VENTO] will be recognized for 20 minutes, and the gentleman from California [Mr. LAGOMARSINO] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Minnesota [Mr. VENTO].

GENERAL LEAVE

Mr. VENTO. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on H.R. 3457, the legislation presently under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, H.R. 3457 would designate certain segments of the Delaware River in Pennsylvania and New Jersey as components of the National Wild and Scenic Rivers System.

The bill was introduced by our colleague from Pennsylvania Mr. KOSTMAYER, who has been tireless in working for protection of the resources associated with the Delaware River. The bill is similar to a measure—H.R. 3764—that the House passed in the last Congress but on which the Senate did not complete action.

During the consideration of H.R. 3457, the Interior Committee adopted a number of minor amendments, primarily technical in nature, which are explained on the committee's report. I believe that these committee amendments improve the bill, and make clear that appropriate State and local entities will be properly involved in its implementation.

Mr. Speaker, the four river segments that the bill would add to the National Wild and Scenic Rivers System extend from the Northern Boundary of Bucks County, PA, to Washington's Crossing. Excluded from designation would be the areas associated with the existing Gilbert generating station and the Point Pleasant pumping station.

The Delaware River is one of the few remaining free-flowing, relatively undeveloped rivers in its region. It rises in the Appalachian plateau region of the Catskill Mountains, in New York and flows over 300 miles to the Atlantic Ocean. While there is extensive urban development from southern Bucks County, PA, through the port of Philadelphia, the portions of the river dealt with in this bill are comparatively rural or suburban, and afford many valuable opportunities for enjoyment of relatively undisturbed landscapes and outdoor, water-based recreation. The designation of these river segments will also complement and enhance those portions of the Delaware River that were previously designated as part of the National Wild and Scenic Rivers System.

Having personally visited these areas, I can attest to the qualities of this river and its natural, cultural, and other resources. The river segments designated by H.R. 3457 definitely deserve the additional protection and care that they would receive through enactment of this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, with all due respect to my friend, the gentleman from Pennsylvania [Mr. KOSTMAYER], I must rise in strong opposition to H.R. 3457.

Although I am also concerned about protecting the important resource values on these segments of the lower Delaware River, I believe this bill runs roughshod over existing statutes and administrative practices and sets a dangerous precedent. There are other techniques available such as a national recreation area, as was the case with the Chattahoochee River in Georgia.

There are two fundamental problems with this bill. First, it establishes a precedent of designating a stream under the Wild and Scenic Rivers Act that is far too developed to meet existing criteria. Second, there has been very limited discussion with private landowners on how this designation will affect them.

Members of the Interior Committee frequently discuss the issue of precedence when considering legislation and especially the need to avoid dangerous precedents. The same argument holds here. Passage of this bill will be a directive to the administration to rewrite their criteria for determining how much development is acceptable along a wild, scenic, or recreational river. It is telling other Members to bring forward their proposals for designating any river in their district which they would like to protect, regardless of how developed it is. Of even more concern, it is signaling the administration that greater levels of development are acceptable at existing units of the Wild and Scenic Rivers System.

Finally, I would like to point out that further restrictions would be placed on this river if S. 1081 becomes law. This is a bill to reauthorize the Clean Water Act that has been introduced by key Senators on the Senate Environment and Public Works Committee. Section 8 of that bill contains a provision that the House Public Works Committee believes effectively would establish a zero discharge standard along units of the Federal Wild and Scenic Rivers System. Needless to say, this could have a devastating impact on a highly developed river such as the Delaware.

Mr. Speaker, I will insert into the RECORD letters to Mr. DON YOUNG by a member of the Delaware River Basin Commission as well as a letter from a landowner who would be affected by this bill.

DELAWARE RIVER BASIN COMMISSION,
Washington, DC, March 31, 1991.

Hon. DON YOUNG,
Ranking Minority Member, Committee on Interior and Insular Affairs, House of Representatives, Washington, DC.

DEAR MR. YOUNG: I note that H.R. 3457, amended, has been reported out of the House Interior Committee and can be scheduled for House floor action at any time. That legislation would instantly designate—without prescribed studies—certain additional segments of the Delaware River mainstem as components of the National Wild and Scenic River System. I believe the legislation is inappropriate and ill-advised for the following reasons:

The area is already used extensively for recreation, without any Federal involvement.

The area is in no danger of being dammed or impounded.

The area is under no great threat from development which could jeopardize the recreational use of the proposed segments. Testimony last October before the National Parks Subcommittee, supported by aerial photographs, indicated only 10% of the land bordering the proposed river segments is now undeveloped privately-owned land. The remainder is already developed, publicly-owned, or unsuitable for development by its topographical nature as palisades, wetlands, or floodplains.

Existing State and local governmental controls are sufficient to protect the area's remaining open spaces and continued recreational use.

In the absence of any threat to the recreational attributes of the area, and in view of the area's presently extensive recreational use and adequate State and local controls, there is no legitimate rationale for the Federal scenic river designations.

The area's developed nature fails to meet established criteria for national river status. Its designation would indicate a Congressional willingness to invest the Nation's limited fiscal resources in an unqualified area while superlative areas may go begging.

The legislation by-passes Congressionally-mandated procedures designed to protect the quality of the National system, and by so doing opens the door to further attacks on the integrity of the system itself.

114 miles of the Delaware mainstem are already included in two segments of the National Wild and Scenic River system. Adding the segments proposed by H.R. 3457 would result in 70 percent of the 200 mile-long nontidal Delaware being set aside in the national system, which raises questions about

the apparent absence of need-based priorities applicable to the national system and about such a disproportionate part of a river, which must meet many needs, being set aside for a single use—recreation.

H.R. 3457 raises questions about the National Park Service supplanting present levels of government to manage urbanized river areas. The National Park Service lacks authorities to deal with the non-recreation water needs of the 22 million people in the Basin and its service area who depend on the Delaware's waters for their social and economic wellbeing.

The legislation amounts to a blank check which could result in violation of the budget control act. The legislation does not specify boundary widths or how much land is to be acquired, but the basic Scenic Rivers Act authorizes up to an average of 100 acres per mile on each side of a designated river to be acquired in fee. There is no limit on less-than-fee acquisition or easements. If only half that amount of expensive riverfront or riverview property in the proposed area were acquired for each of the 32.5 miles to be added to the system, land acquisition and condemnation costs alone could amount to a budget buster—and the legislation has no provision for offsetting revenues.

There is the distinct likelihood that significantly higher waste treatment costs would have to be borne by communities upstream of the proposed scenic river segments, such as Easton and New Hope, Pennsylvania, and Phillipsburg and Lambertville, New Jersey. This likelihood stems from (1) the requirement of the National Wild and Scenic Rivers Act that designated rivers and their immediate environments be protected for future generations and (2) provisions of a water quality program developed by the Commission and the National Park Service, which will go to public hearings in May, that would preclude Delaware waters designated for special protection (such as National scenic river segments) from being used for waste and assimilation of effluents and non-point sources emanating from tributaries and other upstream waters.

In addition, the pending Clean Water Act amendments, S. 1081, would require classification of all National Scenic River components as Outstanding National Resource Waters. The ONRW classification is a no-growth policy that could preclude those townships and industries which now discharge to the proposed Scenic River segments from increasing their discharges—even if the development triggering an increase occurred outside scenic river boundaries.

H.R. 3457's by-passing of study procedures designed to inform the public of such matters has left the local public unaware of such consequences.

And, finally, the bill does not state the purpose of the conservation plan directed to be undertaken in the additional 25-mile stretch from the northern city limits of Trenton, New Jersey, to the southern boundary of Bucks County, Pennsylvania. This area involves a segment of the Delaware Estuary, which is highly urbanized and contains a shipping channel. If the objective of H.R. 3457 is also to set aside this section of the Delaware exclusively for recreation, that intent was not made known and, thus, precluded any informed comments from being made about the proposal.

I am enclosing a copy of my testimony before the National Parks Subcommittee last October, as well as a copy of Executive Director Gerald Hansler's comments on previous comparable legislation.

Sincerely,

IRENE B. BROOKS,
U.S. Commissioner.

TESTIMONY OF IRENE B. BROOKS, U.S. COMMISSIONER OF THE DELAWARE RIVER BASIN COMMISSION, ON H.R. 3457, TO DESIGNATE CERTAIN SEGMENTS OF DELAWARE RIVER AS COMPONENTS OF NATIONAL WILD AND SCENIC RIVERS SYSTEM

Mr. Chairman, I am Irene B. Brooks, United States Commissioner of the Delaware River Basin Commission. President Bush appointed me to this position in September of 1989. I consider myself an environmentalist and a strong supporter of the national scenic and recreational river system. For this very reason, I have serious concerns about this particular scenic river proposal.

According to the National Park Service, the area proposed for national status in H.R. 3457 is too developed to be eligible even for study as a possible component of the National Wild and Scenic Rivers System. The developed nature of the area poses water quality issues which need to be understood because the National Park Service has no authority to control adverse impacts of pollution on the recreational attributes of the river which emanate from urban development upstream and between the four proposed disjointed segments.

Experience in the Upper and Middle Delaware Scenic Rivers has demonstrated that higher-than-normal waste treatment will be required to protect water quality associated with national river status. Those two nationally designated river segments constitute the primary economic base of that area. Rapid development is just beginning there, and a general consensus has grown among those in the area that paying the cost of meeting higher water quality standards is essential to preserve the very amenity that is the source of their economic well-being.

In the area proposed for national status by H.R. 3457, however, growth has already occurred and the economic base is not dependent upon national river status. Imposing tertiary waste treatment coupled with possible spray irrigation and non-point pollution controls upon the communities and industries impacting that area would be extremely expensive. If those measures are insufficient to meet water quality levels associated with national river status, a no-growth policy may have to be imposed in the area. The public needs to fully understand such consequences and, in my own mind, there is no such understanding.

H.R. 3457's immediate designation of four additional segments of the Delaware as components of the National Wild and Scenic Rivers System would defer the determination of local impacts until after the bill becomes law. Not until then would the public be aware of the boundaries and width of the protected river corridors so they could determine what and whose land would be affected, the type of river designation, the total amount of land that would be acquired and removed from the local tax base, the restrictive limitations the Federal Government might impose on privately-owned land, and the diminished land values resulting from such action.

In addition, I am concerned about the signals that adding the segments proposed in H.R. 3457 to the national system would send in light of the National Park Service findings that the area doesn't qualify for such status. Such action would indicate a willingness by Congress to by-pass the very safeguards it has adopted to assure a high-quality national system. It could also signal that Congress condones detracting from the national system and is willing to invest the Nation's limited fiscal resources in such an area while worthy areas elsewhere in the country may go begging.

Certainly, fiscal limitations are of primary importance. H.R. 3457 amounts to a blank check without any indication of estimated costs for administration and land acquisition. Riverfront and riverview land close to urbanized areas is not cheap. Land acquisition, easement and condemnation costs alone could amount to a budget buster without any provision for offsetting revenues. The Federal investment to date in the sparsely populated Upper and Middle Delaware designated segments approximates one-quarter billion dollars.

Also, if the segments proposed by H.R. 3457 are added to the 114 miles of the Delaware that are already in the National Wild and Scenic River system, 70% of the length of the 200 mile-long non-tidal Delaware would end up being administered by the Federal Government. This raised fundamental concerns about:

(1) the appropriateness of the National Park Service managing such a disproportionate length of a river that is vital to the social and economic well being of 22 million Americans, and

(2) preserving such an extensive length of that river for a single purpose—recreation.

Designation of the segments proposed by H.R. 3457 also raises a question about the wisdom of the Federal Government supplanting other levels of government ostensively for the sake of recreation when the area is already being used extensively for recreation.

Finally, H.R. 3457 does not spell out the purpose and objective of the conservation plan directed to be undertaken in Section 4(b). The proposed conservation plan would cover an additional 25-mile stretch of the Delaware—from the northern city limits of Trenton, New Jersey, to the southern boundary of Bucks County, Pennsylvania. This area involves primarily a segment of the Delaware Estuary, which is highly urbanized and industrialized, and also contains a shipping channel.

In all fairness to the affected States and local citizens, if it is the intent of H.R. 3457 to manage this Estuary section exclusively for recreation, the bill should make that intention clear in order to eliminate misunderstandings and elicit meaningful comments.

Mr. Chairman, I appreciate having the opportunity to share these concerns with the committee today.

POINT PLEASANT CANOE & TUBING,
Bucks County, PA, March 6, 1992.

Re H.R. 3457, to designate portions of the Delaware River as wild and scenic.

Hon. ROBERT J. LAGOMARSINO,
2332 Rayburn Building, Washington, DC.

DEAR CONGRESSMAN LAGOMARSINO: I testified at the National Parks and Public Lands Subcommittee's hearing on this bill on October 29, 1991.

In my written testimony I pointed out that my wife and I own two substantial properties in the area that the bill would designate as parts of the national wild and scenic rivers system, and that I have firm plans to improve both properties—including building up to 12 detached homes or 60 townhomes on 12 acres of a 280-acre property we own there.

In my verbal testimony I described, with reference to large, official government aerial maps of the area covered by the bill, how those portions of the area that are developable—i.e., that aren't parkland, flood plain or so frequently flooded that they can't be developed—are all at least partially developed. There simply isn't any undeveloped developable land!

What passage of H.R. 3457 would do, then, isn't to prevent development but halt further development. And that's why most owners of residential property along the banks of the Delaware want this bill. They want to keep others from enjoying what they enjoy and thereby increase the value of their properties.

The old-fashioned, American way for residential property owners to achieve their goals is to buy up the surrounding property and exercise the rights of owners not to develop it. H.R. 3457 achieves those results by enlisting the vast resources of the federal government to take away the property rights of the rest of us without compensation.

H.R. 3457 is elitist legislation. It's the old story: "We're on board. Now pull up the ladder so nobody else can get on board."

If that was a purpose of the Wild and Scenic Rivers Act, then Congress sold the American people a bill of goods when they passed it. But I submit it wasn't a purpose of the Wild and Scenic Rivers Act. I submit H.R. 3457 instead subverts the purpose of the Wild and Scenic Rivers Act.

I urge you to defeat it.

Respectfully,

THOMAS W. MCBRIEN,
CEO.

□ 1330

Mr. Speaker, I reserve the balance of my time.

Mr. VENTO. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as I have indicated in my earlier remarks, the gentleman from Pennsylvania [Mr. KOSTMAYER] has long been a champion of the Delaware River, and in protecting it he has achieved past victories. After intense and interested debate, he has brought this bill forward again in this session. It passed the House in the last session, and we hope it will do so now.

Mr. Speaker, I yield such time as he may consume to the gentleman from Pennsylvania [Mr. KOSTMAYER].

Mr. KOSTMAYER. Mr. Speaker, I would like to thank you and Chairman VENTO for acting on my proposal to designate approximately 32 miles of the Delaware River as part of the Nation's Wild and Scenic Rivers System.

I first introduced this legislation to protect the portion of the Delaware River flowing through Bucks County on January 25, 1983. During consideration of my bill the National Parks Subcommittee under Chairman Seiberling visited my district and approved the bill on November 17, 1983. However, due to the controversy over the construction of the Point Pleasant pumping station, further progress on the bill was stalled.

I reintroduced my legislation last year because I believe as I did 9 years ago, that the natural, cultural, and historic resources of the river merit its protection from any further development.

My bill is part of a larger effort to restrict development along that portion of the Delaware River corridor from the Bucks County line at Riegelsville to Washington Crossing, to preserve and protect the still undeveloped countryside and farmland of rapidly growing southeastern Pennsylvania.

The Federal Government has already achieved some success in this effort. In 1978, Congress passed legislation designating 114 miles of the upper third of the Delaware as wild and scenic. In 1988, legislation authored by my colleague from Pennsylvania, Mr. RITTER, and me designated the Delaware-Lehigh Canal, much of which parallels the river, as a national heritage corridor.

In a poll taken 4 years ago in my district, the top local concerns of the public were—not taxes, not unemployment, not even drugs, but traffic congestion, overdevelopment, and the environment. This legislation requires that the Federal Government do what it can to save the Delaware so that citizens can be assured that the deterioration of the countryside can be stopped.

I hope we do not debate another 7 years the merits of protecting the Delaware. It is free flowing, it has outstandingly remarkable values, and provides unique recreational resources to millions of Americans. Further delay of Federal protection for this river would be a serious mistake. Let us move forward to save the Delaware, and preserve the countryside through which it flows.

Mr. ZIMMER. Mr. Speaker, as a cosponsor of H.R. 3457, I am delighted to see the House recognize the historical significance and natural value of the Delaware River.

The Delaware River is a truly remarkable river with historic connections to the Revolutionary War, to early barge canal navigation, and to the early settlement of New Jersey and Pennsylvania.

My wife and I love to walk along the banks of the Delaware, which makes up a large portion of the western border of the 12th District of New Jersey, and it never ceases to amaze us how the area has remained so pristine and tranquil despite more than 300 years of development.

The river provides an outstanding recreational opportunity for millions who enjoy canoeing, fishing, and hiking amidst its rustic setting and natural beauty.

While the Delaware River is generally more developed than other rivers designated as wild and scenic, this legislation accounts for this fact by recognizing existing facilities and permitting them to continue.

Designating these segments of the Delaware River as wild and scenic will help to protect the river from further inappropriate development and insure that future generations in America's most densely populated region will continue to be able to appreciate the scenic, recreational, historic, and cultural values of the area.

I want to thank the committee for its timely consideration of this legislation.

Mr. ALLARD. Mr. Speaker, I rise in support of this legislation, introduced by Mr. KOSTMAYER, to designate four segments—totalling some 33 miles—of the lower Delaware River as components of the Wild and Scenic River System.

While I know that my support for this legislation puts me at odds with some of my colleagues on the Republican side of the aisle on the Interior Committee who have dissented, I have reached my conclusions on the merits of this legislation after considerable thought. While it is true that those of us who represent areas in the West are generally skeptical of Government intrusion into our lives, we arrive at our skepticism by firsthand knowledge of the excesses sometimes visited upon our constituents by well-meaning, but wrong, designations of this type. This reasons for this are quite simple, Our constituents live close to the land, and much of that land is federally owned. Westerners love the outdoors—that is why we choose to live there. We also feel we do a pretty good job of stewardship of that land and should be respected to continue to do so without Federal intrusion. By comparison, the eastern part of the United States is largely privately owned, and Federal intrusion into land management is a novel concept.

Therefore, it seems to me to make sense to share the wealth, if you will, with our colleagues in the East. The more Federal designations in the East, the more quickly folks in that part of the country will understand some of the frustrations those of us in the West have felt through the years. In the case of the Delaware River, these frustrations are likely to come sooner, rather than later, due to the significant development on abutting private lands throughout the 33-mile stretch designated by this legislation. This is, without a doubt, a beautiful river. In fact, part of its charm is in its historic homes and buildings which predominate the banks of the river. And, while I wish the good people of this area all the best with this designation, I do hope that they come to understand some of the reasons why those of us in the West feel that such designations in our areas are double-edge swords.

Mr. Speaker, I welcome the people of this region to the ranks of those of us who understand Federal ownership best, and would welcome opportunities to support further designations in the eastern United States.

Mr. VENTO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LAGOMARSINO. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 3457, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

HORN OF AFRICA RECOVERY AND FOOD SECURITY ACT

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the Senate bill (S. 985) to assure the people of the Horn of Africa the right to food and the other basic necessities of life and to promote peace and development in the region, as amended.

The Clerk read as follows:

S. 985

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Horn of Africa Recovery and Food Security Act".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The Horn of Africa (the region comprised of Ethiopia, Somalia, Sudan, and Djibouti) is characterized by an extraordinary degree of food insecurity as a result of war, famine, mounting debt, recurrent drought, poverty, and agricultural disruption, as well as gross violations of human rights, political repression, environmental destruction, and the breakdown of such essential services as primary education and health care.

(2) Internal conflict and famine have killed an estimated 2,000,000 people in Ethiopia, Sudan, and Somalia since 1985, and generated another 8,000,000 displaced persons and refugees, a number so high as to make millions wards of the United Nations and the international community. Relief officials now estimate that another 15,000,000 to 20,000,000 people are threatened by starvation as civil war and drought continue to ravage the area.

(3) Governments and armed opposition groups in Ethiopia, Sudan, and Somalia have been guilty of gross violations of human rights, which further erode food security in those countries.

(4) Assistance policies have failed in large part because of political and economic insecurity, which have prevented the development of programs to achieve sustainable development and programs to achieve food security.

(5) Appropriate assistance should promote real food security, which means access by all people at all times to enough food for an active and healthy life and the availability of sufficient income and food to prevent chronic dependency upon food assistance.

(6) The end of the Cold War rivalries in the Horn of Africa affords the United States the opportunity to develop a policy which addresses the extraordinary food security problem in the region.

(7) Notwithstanding other pressing needs, the United States must accordingly fashion a new foreign policy toward the Horn of Africa and cooperate with other major donors and the United Nations—

(A) to develop an emergency relief plan which meets the immediate basic human needs that arise as long as civil strife and famine afflict the region;

(B) to promote immediately cease-fires, secure relief corridors, and an end to these conflicts; and

(C) to provide creative developmental assistance which attacks the root causes of famine and war and assists these nations on the path to long-term security, reconstruction, voluntary repatriation, economic recovery, democracy, and peace, and which targets assistance to assist the poor majority more effectively.

SEC. 3. STATEMENT OF POLICY REGARDING INDIVIDUAL COUNTRIES.

(a) ETHIOPIA.—It is the sense of the Congress that the President should—

(1) call upon the authorities who now exercise control over the central government in Ethiopia to protect the basic human rights of all citizens, to release from detention all political prisoners and other detainees who were apprehended by the Mengistu regime, and to facilitate the distribution of international relief and emergency humanitarian assistance throughout the country;

(2) urge all authorities in Ethiopia to make good faith efforts to—

(A) make permanent the cease-fire now in place and to permit the restoration of tranquility in the country, and

(B) make arrangements for a transitional government that is broadly-based, that accommodates all appropriate points of view, that respects human rights, and that is committed to a process of reform leading to the writing of a constitution and the establishment of representative government; and

(3) support efforts to ensure that the people of Eritrea are able to exercise their legitimate political rights, consistent with international law, including the right to participate actively in the determination of their political future, and call upon the authorities in Eritrea to keep open the ports of Mitsiwa and Aseb and to continue to permit the use of those ports for the delivery and distribution of humanitarian assistance to Eritrea and to Ethiopia as a whole.

(b) SOMALIA.—It is the sense of the Congress that the President should—

(1) use whatever diplomatic steps he considers appropriate to encourage a peaceful and democratic solution to the problems in Somalia;

(2) commit increased diplomatic resources and energies to resolving the fundamental political conflicts which underlie the protracted humanitarian emergencies in Somalia; and

(3) ensure, to the maximum extent possible and in conjunction with other donors, that emergency humanitarian assistance is being made available to those in need, and that none of the beneficiaries belong to military or paramilitary units.

(c) SUDAN.—It is the sense of the Congress that the President should—

(1) urge the Government of Sudan and the Sudanese People's Liberation Army to adopt at least a temporary cessation of hostilities in order to assure the delivery of emergency relief to civilians in affected areas;

(2) encourage active participation of the international community to meet the emergency relief needs of Sudan; and

(3) take steps to achieve a permanent peace.

SEC. 4. HORN OF AFRICA RELIEF AND REHABILITATION PROGRAM.

(a) EQUITABLE DISTRIBUTION OF RELIEF AND REHABILITATION ASSISTANCE.—It should be the policy of the United States in promoting equitable distribution of relief and rehabilitation assistance in the Horn of Africa—

(1) to assure noncombatants (particularly refugees and displaced persons) equal and ready access to all food, emergency, and relief assistance and, if relief or relief agreements are blocked by one faction in a region, to continue supplies to the civilian population located in the territory controlled by any opposing faction;

(2) to provide relief, rehabilitation, and recovery assistance to promote self-reliance; and

(3) to assure that relief is provided on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

(b) MAXIMIZING INTERNATIONAL RELIEF EFFORTS.—It should be the policy of the United States in seeking to maximize relief efforts for the Horn of Africa—

(1) to redouble its commendable efforts to secure safe corridors of passage for emergency food and relief supplies in affected areas and to expand its support for the growing refugee population;

(2) to commit sufficient resources under title II of the Agricultural Trade Development and Assistance Act of 1954 (relating to emergency and private assistance programs), and under chapter 9 of part I of the Foreign Assistance Act of 1961 (relating to international disaster assistance), to meet urgent needs in the region and to utilize unobligated security assistance to bolster these resources;

(3) to consult with member countries of the European Community, Japan, and other major donors in order to increase overall relief and developmental assistance for the people in the Horn of Africa;

(4) to lend the full support of the United States to all aspects of relief operations in the Horn of Africa, and to work in support of United Nations and other international and voluntary agencies, in breaking the barriers currently threatening the lives of millions of refugees and others in need; and

(5) to urge the Secretary General of the United Nations to immediately appoint United Nations field coordinators for each country in the Horn of Africa who can act with the Secretary General's full authority.

(c) HORN OF AFRICA CIVIL STRIFE AND FAMINE ASSISTANCE.—

(1) AUTHORIZATION OF ASSISTANCE.—The President is authorized to provide international disaster assistance under chapter 9 of part I of the Foreign Assistance Act of 1961 for civil strife and famine relief and rehabilitation in the Horn of Africa.

(2) DESCRIPTION OF ASSISTANCE TO BE PROVIDED.—Assistance pursuant to this subsection shall be provided for humanitarian purposes and shall include—

(A) relief and rehabilitation projects to benefit the poorest people, including—

(i) the furnishing of seeds for planting, fertilizer, pesticides, farm implements, crop storage and preservation supplies, farm animals, and vaccine and veterinary services to protect livestock;

(ii) blankets, clothing, and shelter;

(iii) emergency health care; and

(iv) emergency water and power supplies;

(B) emergency food assistance (primarily wheat, maize, other grains, processed foods, and oils) for the affected and displaced civilian population of the Horn of Africa; and

(C) inland and ocean transportation of, and storage of, emergency food assistance, including the provision of trucks.

Assistance described in subparagraphs (B) and (C) shall be in addition to any such assistance provided under title II of the Agricultural Trade Development and Assistance Act of 1954.

(3) USE OF PVOS FOR RELIEF, REHABILITATION, AND RECOVERY PROJECTS.—Assistance under this subsection should be provided, to the maximum extent possible, through United States, international, and indigenous private and voluntary organizations.

(4) MANAGEMENT SUPPORT ACTIVITIES.—Up to two percent of the amount made available for each fiscal year under paragraph (5) for use in carrying out this subsection may be used by the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 for management support activities associated with the planning, monitoring, and supervision of emergency humanitarian and food assistance in the Horn of Africa provided under this subsection and subsection (d).

(5) TRANSFER OF SECURITY ASSISTANCE FUNDS.—The authority of section 610 of the Foreign Assistance Act of 1961 may be used to transfer for use in carrying out this subsection, without regard to the 20-percent increase limitation contained in that section, unobligated secu-

rity assistance funds made available for fiscal year 1992 and 1993. As used in this paragraph, the term "security assistance funds" means funds available for economic support assistance, foreign military financing assistance, or international military education and training.

(d) EMERGENCY FOOD ASSISTANCE.—The President is urged to use the authorities of title II of the Agricultural Trade Development and Assistance Act of 1954 to provide supplemental emergency food assistance for the various civilian victims of civil strife in the Horn of Africa, in accordance with paragraphs (2)(B), (2)(C), and (3) of subsection (c), in addition to the assistance otherwise provided for such purposes.

SEC. 5. HORN OF AFRICA PEACE INITIATIVE.

(a) SUPPORT FOR GRASSROOTS PARTICIPATION.—It shall be the policy of the United States in promoting peace and development in the Horn of Africa—

(1) to support expanded pluralistic and popular participation, the process by which all groups of people are empowered to involve themselves directly in creating the structures, policies, and programs to contribute to equitable economic development, and to local, national, and regional peace initiatives;

(2) to ensure that all citizens enjoy the protection of civil, political, economic, social, religious, and cultural rights, an independent judiciary, and representative governmental institutions, regardless of gender, religion, ethnicity, occupation, or association; and

(3) to provide assistance to indigenous nongovernmental institutions that carry out activities in government-controlled or opposition-controlled territories and have the capacity or potential to promote conflict resolution, to advance development programs, or to carry out relief activities such as those described in section 4(c)(2).

(b) CONSULTATIONS.—The President is encouraged to undertake immediate consultations with appropriate countries, with armed and unarmed parties in the Horn of Africa, and with the Secretary General of the United Nations, in order to bring about negotiated settlements of the armed conflicts in the Horn of Africa.

(c) MECHANISMS.—It is the sense of the Congress that the President should—

(1) direct the United States Representative to the United Nations to—

(A) urge the Secretary General of the United Nations to make cease-fires, safe corridors for emergency relief, and negotiated settlements of the armed conflicts in the Horn of Africa a high and urgent priority;

(B) propose that the United Nations Security Council establish a United Nations arms embargo to end the supply of arms to the region, pending the resolution of civil wars and other armed conflicts; and

(C) pledge diplomatic and material resources for enhanced United Nations peacekeeping and peacemaking activities in the region, including monitoring of cease-fires;

(2) play an active and ongoing role in other fora in pressing for negotiated settlements to armed conflicts in the Horn of Africa; and

(3) support and participate in regional and international peace consultations that include broad representation from the countries and factions concerned.

SEC. 6. HORN OF AFRICA FOOD SECURITY AND RECOVERY STRATEGY.

(a) TARGETING ASSISTANCE TO AID THE POOR MAJORITY; USE OF PVOS AND INTERNATIONAL ORGANIZATIONS.—

(1) TARGETING ASSISTANCE.—United States developmental assistance for the Horn of Africa should be targeted to aid the poor majority of the people of the region (particularly refugees, women, the urban poor, and small-scale farmers and pastoralists) to the maximum extent practicable. United States Government aid institutions should seek to—

(A) build upon the capabilities and experiences of United States, international, and indigenous private and voluntary organizations active in local grassroots relief, rehabilitation, and development efforts;

(B) consult closely with such organizations and significantly incorporate their views into the policymaking process; and

(C) support the expansion and strengthening of their activities without compromising their private and independent nature.

(2) PVOS AND INTERNATIONAL ORGANIZATIONS.—While support from indigenous governments is crucial, sustainable development and food security in the Horn of Africa should be enhanced through the active participation of indigenous private and voluntary organizations, as well as international private and voluntary organizations, and international organizations that have demonstrated their ability to work as partners with local nongovernmental organizations and are committed to promoting local grassroots activities on behalf of long-term development and self-reliance in the Horn of Africa.

(3) POLICY ON ASSISTANCE TO GOVERNMENTS.—United States assistance should not be provided to the Government of Ethiopia, the Government of Somalia, or the Government of Sudan until concrete steps toward peace, democracy, and human rights are taken in the respective country.

(4) SUPPORT FOR PVOS.—Meanwhile, the United States should provide developmental assistance to those countries by supporting United States, indigenous, and international private and voluntary organizations working in those countries. Such assistance should be expanded as quickly as possible.

(b) EXAMPLES OF PROGRAMS.—Assistance pursuant to this section should include programs to—

(1) reforest and restore degraded natural areas and reestablish resource management programs;

(2) reestablish veterinary services, local crop research, and agricultural development projects;

(3) provide basic education, including efforts to support the teaching of displaced children, and rebuild schools;

(4) educate young people outside of their countries if conflict within their countries continues;

(5) reconstitute and expand the delivery of primary and maternal health care; and

(6) establish credit, microenterprise, and income generation programs for the poor.

(c) VOLUNTARY RELOCATION AND REPATRIATION.—Assistance pursuant to this section should also be targeted to the voluntary relocation and voluntary repatriation of displaced persons and refugees after peace has been achieved. Assistance pursuant to this Act may not be made available for any costs associated with any program of involuntary or forced resettlement of persons.

(d) DEBT RELIEF; INTERNATIONAL FUND FOR RECONSTRUCTION.—Developmental assistance for the Horn of Africa should be carried out in coordination with long-term strategies for debt relief of countries in the region and with emerging efforts to establish an international fund for reconstruction of developing countries which settle civil wars within their territories.

(e) ASSISTANCE THROUGH PVOS AND INTERNATIONAL ORGANIZATIONS.—Unless a certification has been made with respect to that country under section 8, development assistance and assistance from the Development Fund for Africa, for Ethiopia, Somalia, and Sudan shall be provided only through—

(1) United States, international, and indigenous private and voluntary organizations (as the term "private and voluntary organization" is defined in section 496(e)(2) of the Foreign Assistance Act of 1961); or

(2) through international organizations that have demonstrated effectiveness in working in partnership with local nongovernmental organizations and are committed to the promotion of local grassroots activities on behalf of development and self-reliance in the Horn of Africa (such as the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations High Commissioner for Refugees, the United Nations Development Program, and the World Food Program).

This subsection does not prohibit the organizations referred to in paragraphs (1) and (2) from working with appropriate ministries or departments of the respective governments of such countries.

(f) WAIVER OF RESTRICTIONS.—Assistance pursuant to this section may be made available to Ethiopia, Somalia, and Sudan notwithstanding any provision of law (other than the provisions of this Act) that would otherwise restrict assistance to such countries.

(g) UNITED STATES VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS FOR DEVELOPMENTAL ASSISTANCE FOR THE HORN OF AFRICA.—It should be the policy of the United States to provide increasing voluntary contributions to United Nations agencies (including the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations High Commissioner for Refugees, the United Nations Development Program, and the World Food Program) for expanded programs of assistance for the Horn of Africa and for refugees from the Horn of Africa who are in neighboring countries.

(h) DEVELOPMENTAL ASSISTANCE AUTHORITIES.—Developmental assistance to carry out this section shall be provided pursuant to the authorities of chapter 1 of part I (relating to development assistance) and chapter 10 of part I (relating to the Development Fund for Africa) of the Foreign Assistance Act of 1961.

SEC. 7. PROHIBITIONS ON SECURITY ASSISTANCE TO ETHIOPIA, SOMALIA, AND SUDAN.

(a) PROHIBITION.—Economic support assistance, foreign military financing assistance, and international military education and training may not be provided for fiscal year 1992 or 1993 for the Government of Ethiopia, the Government of Somalia, or the Government of Sudan unless the President makes the certification described in section 8 with respect to that government.

(b) ASSISTANCE FOR ETHIOPIA; CONDITIONAL WAIVER OF BROOKE-ALEXANDER AMENDMENT.—If the President makes the certification described in section 8 with respect to the Government of Ethiopia, the President may provide economic support assistance, foreign military financing assistance, and international military education and training for Ethiopia for fiscal years 1992 and 1993 notwithstanding section 620(q) of the Foreign Assistance Act of 1961 or any similar provision.

SEC. 8. CERTIFICATION.

The certification required by sections 6(e) and 7 is a certification by the President to the appropriate congressional committees that the government of the specified country—

(1) has begun to implement peace agreements, national reconciliation agreements, or both;

(2) has demonstrated a commitment to human rights within the meaning of sections 116 and 502B of the Foreign Assistance Act of 1961;

(3) has manifested a commitment to democracy, has held or established a timetable for free and fair elections, and has agreed to implement the results of those elections; and

(4) in the case of a certification for purposes of section 6(e), has agreed to distribute developmental assistance on the basis of need with-

out regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

SEC. 9. REPORTING REQUIREMENT.

Not later than 180 days after the date of enactment of this Act and each 180 days thereafter, the President shall submit a report to the appropriate congressional committees on the efforts and progress made in carrying out this Act.

SEC. 10. DEFINITIONS.

As used in this Act—

(1) the term "appropriate congressional committees" means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate;

(2) the term "assistance from the Development Fund for Africa" means assistance under chapter 10 of part I of the Foreign Assistance Act of 1961;

(3) the term "development assistance" means assistance under chapter 1 of part I of the Foreign Assistance Act of 1961;

(4) the term "economic support assistance" means assistance under chapter 4 of part II of the Foreign Assistance Act of 1961;

(5) the term "foreign military financing assistance" means assistance under section 23 of the Arms Export Control Act; and

(6) the term "international military education and training" means assistance under chapter 5 of part II of the Foreign Assistance Act of 1961.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. DYMALLY] will be recognized for 20 minutes and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, we consider the 1992 Horn of Africa Recovery and Food Security Act. This most worthy piece of legislation will send the message that the United States is prepared to coordinate with the rest of the world to help alleviate the pain and suffering in the region.

For years, the world has watched the tragedy of famine, civil war, refugee and displaced persons unfold before our very eyes on the national news. For years individual nations, international organizations, private voluntary organizations and nongovernmental organizations have devoted millions of dollars, manpower and resources to alleviating the crises.

In the interim, the end of the United States-Soviet rivalry in the region has led to a sweeping movement toward democratization and the ouster of dictatorial regimes in Somalia and Ethiopia. The people of Djibouti are engaged in a struggle with the government for equal access to the political system. In Sudan, with the onset of the dry season offensive, the north-south conflict is still ravaging the country.

Essentially, despite a clear and sweeping move toward democratic rule in most of Africa, the Horn of Africa remains mired in relentless civil wars, devastating famines, and severe economic crisis.

Mr. Speaker, the legislation before us today makes a serious attempt to refocus our policy toward humanitarian and emergency assistance in the Horn. What it does is reinforce our commitment and establishes the leading role of the United States in the international effort.

This legislation encourages the use of nongovernmental organizations. International organizations and private voluntary organizations in our overall strategy to help reduce the suffering of the innocent victims of intra-clan, inter-clan, and/or inter-ethnic conflicts.

While events continue to unfold in the Horn, the political landscape changes daily. This legislation does not automatically provide assistance, but rather clears the path for the U.S. Government to provide assistance where possible and appropriate.

It is important to note, Mr. Speaker, that this legislation does not contain any new money. This legislation is designed to give the President discretionary transfer authority over funds from existing appropriations. The fact that the Congress supports this measure is critical to the successful implementation of the President's humanitarian assistance programs. This legislation essentially represents the language in the amendment to the foreign aid authorization bill which passed the House with bipartisan support in a 410-0 vote of approval.

Mr. Speaker, on behalf of the foreign affairs committee, I applaud the House for moving judiciously and expeditiously in passing this legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support this amendment in the nature of a substitute to S. 985, the Horn of Africa Recovery and Food Security Act of 1991.

I want to commend chairman FASCELL and Congressmen DYMALLY and BURTON for their determined efforts to bring this bill to the floor. But I would like to give special recognition to Congressman BEREUTER. It was due to his leadership on this legislation, and his strong interest in the welfare of the people in the Horn that we have this bill before the House today.

Last summer, S. 985 passed the Senate and most of its provisions were incorporated into the foreign aid bill in an amendment that was offered in the House by Congressman BEREUTER. That amendment had broad support and passed by a vote of 410 to 0.

It is that section of the Foreign Aid bill which is being offered as a substitute to the original Senate bill.

I want to point out that funds in this legislation would come from existing resources and that no new money is contained in this measure.

This substitute addresses the pattern of United States relief, recovery, diplomatic and assistance activities that are appropriate for the tragic situation in Ethiopia, Sudan and Somalia, where protracted civil wars, drought and poverty have created a nightmare for the innocent people there.

When most Americans think of the Horn of Africa, they visualize terrible despair and starving people without hope who have been forgotten by the world. This legislation is a message to those who have suffered that the American people and Congress have not forgotten them.

I urge my colleagues to support the committee's amendment in the nature of a substitute to S. 985.

□ 1340

Mr. DYMALLY. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. HALL].

Mr. HALL of Ohio. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise in strong support of the House amendment to S. 985, the Horn of Africa Recovery and Food Security Act. This is a bipartisan bill, which represents more than a year of work by international hunger experts and members of the Select Committee on Hunger; Mr. DORGAN, Mr. WHEAT, and Mr. BEREUTER.

The Horn of Africa is one of the most infamous places on earth. It's known mainly for hunger, famine, civil war and death. More than 2 million people have died in the Horn since 1985. Eight million have become refugees. This week, with the help of the legislation we are considering today, the leaders of the Horn of Africa are beginning to turn that situation around.

This bill authorizes the President to provide disaster relief to meet the needs of the region. It promotes efforts to bring peace, and insure the access to food to hungry people. The bill bars development assistance to any country until the President certifies that the government has improved human rights. This is a good bill, Mr. Speaker. And it will make a real difference to the lives of the people of the Horn.

But another event is taking place in Ethiopia this week, which makes it even more important for the House to pass this bill. The heads of state of the nations of the Horn, along with the leaders of the opposition groups, are going to come together for a summit conference. They are going to agree never to use food as a weapon again. These leaders are stepping up to a real challenge; they are taking their destiny into their own hands. They may disagree—there may even be civil wars—but after this week, all the leaders in the Horn will agree to put the needs of their people ahead of politics. They will not block humanitarian supplies, they will not attack relief convoys, they will not use food as a weapon, they will not allow innocent children to starve.

This is the first arms control agreement for the weapon of food, Mr. Speaker. It will save lives, and it sets a precedent that other nations around the world can follow.

The idea of a humanitarian summit for the Horn of Africa was first proposed during a meeting I had with the President of Ethiopia last summer, along with my Hunger Committee colleagues Representatives ALAN WHEAT and DENNY HASTERT. A member of the Hunger Committee staff is in Addis Ababa right now, as an observer. I was planning on attending the summit myself. The select committee played an important role in creating this summit.

That's why it makes me angry when I read about people in this House talking about eliminating the select committees. The Select Committee on Hunger is making a difference, around the world and here in America. We're working in the Horn of Africa. We're creating hunger-free communities here at home. We are doing our jobs, helping the Congress to meet the needs of hungry people around the world. And we are doing it all for less than it costs to run a single Member's congressional office.

I am very proud of my committee this week, Mr. Speaker. I am proud of this legislation that my colleagues produced, and I'm proud of the historic event in the Horn that we helped to create. And I'm disappointed in the Members of the House who are taking out their frustrations on us, and on hungry people, on children, seniors, and our drug-plagued cities. It is not smart, and it is not fair, and it is not what this House is supposed to be about.

I urge my colleagues to pass this important legislation, and to reject any attempt to eliminate the select committees.

Mr. BROOMFIELD. Mr. Speaker, I yield 7 minutes to the distinguished gentleman from Nebraska [Mr. BEREUTER].

Mr. BEREUTER. Mr. Speaker, this Member rises in strong support of S. 985, as amended, which establishes aid and food security policies toward the Horn of Africa region and the countries of Ethiopia, Somalia, and Sudan. The legislation has grown from the concerns of many thousands of Americans who have watched with horror the tragedies of hunger and war which have afflicted those countries for too many years and have cost over 2 million human lives already. These citizens have written to their Members of Congress to ask that our Government lay out clear principles of action in the Horn countries, based on our history of humanitarian concern for people trapped in disasters—including manmade ones—and on our history of encouraging respect for human rights, democratic elections, economic freedom, and nondiscriminatory aid distribution in other countries.

This Member wants to thank Chairman FASCELL and ranking member BROOMFIELD of the Foreign Affairs Committee for their support in ensuring that this important legislation on foreign assistance policy in the countries of the Horn of Africa is considered today, and also to express my thanks to chairman DYMALLY and ranking member DAN BURTON of the Africa Subcommittee for their interest in the welfare of the people in the Horn, for their support as original cosponsors of the bill (H.R. 1454) on which today's amended language is based, and for continually monitoring the rapidly changing needs in the Horn countries during the past year through hearings in their subcommittee.

The amended language offered today is taken directly from the Horn of Africa provisions agreed upon in the conference report on foreign assistance authorizations for fiscal year 1992 and fiscal year 1993 and is identical to the version presently in Chairman FASCELL'S foreign assistance authorization bill, H.R. 4546. Those conference provisions in turn reflected very closely the action of this House on June 20, 1991, when it passed, by a vote of 410-0, my amendment to the Africa title of H.R. 2508 on the subject of relief and recovery policies in the countries of the Horn. That amendment reflected the efforts and support of 182 Members of this body who cosponsored H.R. 1454, the Horn of Africa Recovery and Food Security Act of 1991, which was introduced by Mr. DORGAN, Mr. WHEAT, and this Member on March 14, 1991. Over 60 major relief, development, and antihunger groups, including Bread for the World, endorsed the legislation. The latter organization played a very major role in offering to cosponsor to draft this legislation.

This amended version of S. 985, like H.R. 1454, addresses the pattern of United States relief, recovery, diplomatic, and assistance activities that are appropriate for the tragic situation in Ethiopia, Sudan, and Somalia where protracted civil wars, drought, and poverty have created a living hell—a disaster where millions continue to starve while running from one war zone into another. Both governments and armed opposition groups in the Horn have been guilty of gross violation of human rights and of making the food security situation of civilians worse and impeding relief efforts.

Fortunately, in the case of Ethiopia, a generation-long war ceased in 1991, and there is hope for a new era of reconciliation and reconstruction on the basis of political and economic freedoms for both Ethiopia and the Eritrean region. Somalia and Sudan remain in a state of bloody civil war and national fragmentation along regional, ethnic, and clan lines.

Both the encouraging case of Ethiopia and the ongoing conflicts where so many lives are at risk have demonstrated that we need to have a clear United States policy that is directed at helping the people who are suffering while refusing to assist governments that are contributing to needless suffering.

The bill therefore defines four basic areas of United States policy toward the Horn countries because of the special, emergency conditions there:

First, an expanded authority for relief, rehabilitation, and recovery assistance under the international disaster assistance authorities carried out by the Office of Foreign Disaster Assistance [OFDA]. No new or additional moneys are provided in this bill, but the President is given discretionary authority for fiscal years 1992 and 1993 to transfer unobligated security assistance funds to supplement OFDA resources for the Horn. OFDA is asked to carry out special rehabilitation and recovery activities such as primary health care, basic education, and restoring agricultural livelihoods of small producers in addition to normal emergency relief assistance. OFDA is also given the authority to fund the provision of emergency food to supplement Public Law 480, title II programs.

Second, the President is urged to take various actions to promote peace initiatives for the region in collaboration with Russia, other countries, the United Nations, and parties in the Horn. This approach has already borne great fruit in the case of Ethiopia. The objectives are to promote negotiated settlement of conflicts in the region, an end to further militarization of the Horn, safe corridors of passage for relief supplies during conflicts, and support for international peacekeeping efforts that may be needed as is currently being investigated by the United Nations in Somalia.

Third, medium- and long-term development assistance to the region is targeted toward the poorest and most vulnerable people, to the extent practicable, and must be channeled only through private voluntary groups and through international organizations like UNICEF that work at the grassroots level unless and until governments respect basic freedoms.

Fourth, no United States economic assistance, military assistance, or security assistance money can go to or through the Governments of Ethiopia, Somalia, or Sudan until the United States President certifies that they are making concrete progress toward peace, human rights, democratic elections, and nondiscriminatory distribution of aid. Once this certification is made, as will be the case of Ethiopia based on its encouraging progress in recent months, flexibility is given to the administration to work with transitional governments on assistance that will consolidate democracy and peace. The legislative process thus establishes a standard consistent with the most deeply held values that the people of the United States want foreign assistance to serve, and recognizes that the fast-changing world of transitions to freedom requires eliminating some of the rigid restrictions on aid that might have characterized U.S. policy toward the previous undemocratic regimes. Development priorities outlined in legislation for the development fund for Africa will then become the guiding principles for the aid under normal conditions.

Mr. Speaker, the dramatic events of last year in Ethiopia demonstrate exactly why this legislation is so valuable, since we could have moved much faster to assist the democratic transition there if these policies had already been in place in 1991. They continue to be valuable for sending a clear signal of United States concern and leadership in expanding emergency relief efforts and promoting conflict resolution in Sudan and Somalia before many more lives are lost.

Mr. Speaker, my thanks to all who have made this legislation possible, and I urge your support for the bill.

□ 1350

Mr. DYMALLY. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. WHEAT].

The SPEAKER pro tempore (Mr. MAZZOLI). Does the gentleman mean the State of Missouri?

Mr. DYMALLY. Mr. Speaker, I was referring to Kansas City.

Mr. WHEAT. Mr. Speaker, I wish to thank the chairman of the Subcommittee on Africa for his diligent work and leadership on this issue, even if he does not know where the middle of the country is, as well as thank the chairman of the Select Committee on Hunger, the gentleman from Ohio [Mr. HALL] for all of the work and leadership that he has provided on this issue.

I rise in strong support of the measure now before us. Today's consideration of the Horn of Africa Recovery and Food Security Act represents the culmination of over a year of hard work in the Congress and by a number of leading nongovernmental organizations to refocus United States policy toward the Horn of Africa.

The measure has enjoyed broad bipartisan support from the time it was first introduced in March 1991. In a vote of 410 to 0 last June, the House unanimously approved the Dorgan-Bereuter-Wheat amendment which incorporated the main provisions of the Horn legislation into the 1992 Foreign Assistance Authorization Act.

Now detached from the authorization bill, the House is once again considering this important measure. Since last June when the House last took up legislation regarding the Horn, the region has undergone change; however, the need to implement a comprehensive and coordinated relief and development policy toward this devastated part of the world remains just as critical and timely.

Over the course of the past year, Ethiopia has taken positive and hopeful steps toward establishing democratic rule. Finally rid of the brutal regime of Mengistu, the provisional Ethiopian Government has stated its commitment to securing a democratic future for its people.

The legislation before us today would help facilitate the transition to democratic rule by waiving restrictions which currently prohibit United States aid to the Ethiopian Government, thus permitting United States aid for development and electoral assistance.

Since last summer, the situation in Somalia has degenerated into the worst humanitarian crisis in the world today. From the time that bitter factional fighting erupted in the capital city of Mogadishu last November, an estimated 40,000 Somalis have been killed or wounded in the ensuing violence.

The legislation before us today would reinforce current efforts to bring an end to the fighting by calling on the administration to work through the United Nations to promote an end to civil strife and the safe passage of humanitarian relief supplies.

And in the past year, the repressive Government of Sudan has continued to challenge the dictatorships of the world in vying for the title of the world's most brutal regime. Most recently, the Government has undertaken a wide scale military offensive throughout the southern part of the country.

The legislation before us today would help ensure that the Sudanese Government does not profit from its brutality by prohibiting United States aid to the governments of the horn unless they make firm progress in establishing peace and promoting human rights and democracy.

Beyond authorizing relief and assistance in the near term, the bill lays the foundation for long-term sustainable development. It focuses on the root causes of the problems in the region. It targets aid to the most vulnerable part of the population. It highlights grassroots participation throughout the developmental and political process. In short, it offers the people of the region the means to help them help themselves.

Mr. Speaker, today's consideration of the Horn of Africa legislation coincides with a regional humanitarian summit taking place this week in Ethiopia. By approving this initiative, we send a signal to the participants in the summit, indeed to the entire population of the region, that the United States is committed to helping promote peace, democracy, respect for human rights, and sustainable development in the Horn of Africa.

Mr. DYMALLY. Mr. Speaker, will the gentleman yield?

Mr. WHEAT. I yield to the gentleman from California.

Mr. DYMALLY. Mr. Speaker, not only do I know where Missouri is, I actually attended school in Missouri. I know where Kansas City is, it is famous for its blues and Central High School.

Mr. WHEAT. Mr. Speaker, if the gentleman claims his education in geography came from Missouri, we will have to do better to improve our school system.

Mr. BROOMFIELD. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. GILMAN], a member of our committee.

Mr. GILMAN. Mr. Speaker, I rise in support of S. 985, to assure the people of the Horn of Africa the right to food and the other basic necessities of life and to promote peace and democracy. I want to thank the chairman of the House Foreign Affairs Committee, the gentleman from Florida [Mr. FASCELL]; the ranking minority member, the gentleman from Michigan [Mr. BROOMFIELD], the gentleman from California [Mr. DYMALLY], the distinguished chairman of the Subcommittee on Africa; and the committee's ranking minority member, the gentleman from Indiana [Mr. BURTON], for bringing the bill to the floor at this appropriate time. I also want to commend the distinguished chairman of the Select Committee on Hunger, the gentleman from Ohio [Mr. HALL]; the chairman of the International Task Force of the Select Committee on Hunger, the gentleman from North Dakota [Mr. DORGAN]; the ranking minority member, the gentleman from Nebraska [Mr. BEREUTER]; and their staff for their support in this effort.

The Horn of Africa, the region comprised of Ethiopia, Somalia, Sudan, and Djibouti, is reeling from extraordinary food insecurity caused by war, famine, mounting debt, recurring drought, poverty, agricultural disruption, and environmental degradation. S. 985 tackles these problems by directing the United States to accomplish four basic objectives in the Horn of Africa. First, to assure the people of Ethiopia, Somalia, and Sudan access to food and other basic necessities. Second, to target development assistance to poor and hungry people, building on their own efforts. Third, to set forth a peace initiative aimed at stopping ongoing wars and conflicts. And fourth, to restrict aid to governments in the region until progress toward peace, democracy and human right is made.

In the past decade, we have all been witness to the tragic cycle of drought, famine, and civil war that has touched the lives of millions of people throughout the Horn of Africa. S. 985 places the Congress firmly on record in attempting to alleviate these critical problems.

Accordingly, I support S. 985 and urge my colleagues to vote for this bill.

Mr. DYMALLY. Mr. Speaker, I yield 5 minutes to the gentleman from North Dakota [Mr. DORGAN].

Mr. DORGAN of North Dakota. Mr. Speaker, I am pleased to join my colleagues, DOUG BEREUTER and ALAN WHEAT, in urging passage of S. 985, as amended by the main provisions of our bill, the Horn of Africa Recovery and Food Security Act. Those provisions were already included as title X, chapter 4 of the pending conference report on the foreign aid authorization bill (H.R. 2508).

A SOUND APPROACH

Passage of this bill will demonstrate that Congress can indeed address public policy needs in the right way.

First, it's a bipartisan bill. The chairman and ranking minority member of the Hunger Committee, TONY HALL and BILL EMERSON, have provided invaluable help in this effort. May I also thank African Subcommittee chairman MERVYN DYMALLY and chairman DANTE FASCELL of the Foreign Affairs Committee, as well as the respective ranking members, DAN BURTON and WILLIAM BROOMFIELD, for agreeing to take up this measure as a freestanding bill. Without such strong bipartisan support, we would not have been able to pass this bill.

Second, we developed this legislation will the strong backing of Bread for the World and a wide coalition of private, voluntary organizations [PVO's] involved with promoting food security in the Horn of Africa. This common effort shows that Congress can respond to the grassroots concerns of the public.

Third, this bill will cost no new money. It provides food and other humanitarian aid through transfer of security aid. In other words, it converts the unused arms aid from the cold war into lifesaving resources: food, medicine, shelter, and farming tools.

RESPONDING TO BASIC HUMAN NEEDS

This measure will focus attention on the continuing human tragedy in the countries of Sudan, Ethiopia, and Somalia. The tragedy is hunger and civil war—killers which threaten some 20 million people in the Horn of Africa. As chairman of the Hunger Committee's International Task Force, I can think of no global problem which should receive greater attention in Congress.

Our legislation will also reformulate U.S. policy toward the region and set forth a comprehensive program to prevent widespread famine and to chart a course for long-term recovery and food security in the region. The bill underscores that a major tenet of our policy should be support for democracy and human rights. To that end, it sets forth realistic criteria for determining when the U.S. Government can provide aid to governments which previously had repressed human rights and freedom.

A REGION IN PERIL

The region has been plagued by persistent famine, widespread poverty, and decades of devastating civil wars. Some 2,000,000 Ethiopians and Sudanese have died from war or famine in the last 5 years alone. Relief officials estimate that another 8,000,000 have become refugees or displaced persons. Although the civil war in Ethiopia has ended, military conflict, famine, and poverty still threaten millions of people in the Horn. This is not an abstract problem but a current emergency.

Ethiopia has ended its own civil war. However, its early steps to establish a democratic government for the first time in history are imperiled by poverty and underdevelopment. This bill gives the President the authority to provide development aid once he certifies that the new government has made substantial progress to protect human rights and democracy. Instead of providing no aid, as we used to do with such transitional governments, we should offer it to governments which respect freedom and human rights.

Further, we must not overlook continuing fractional conflict which has resulted in the suspension of United Nations relief operations in areas with severe malnutrition and serious refugee problems.

Similarly, the people of Somalia concluded a fight against a repressive regime only to be engulfed by vicious interclan warfare. This new, deadly conflict has killed or wounded 30,000 civilians since last November. It has also cut off most reliable supplies of food aid, leaving 1.5 million people at risk of starvation and epidemics in the capital of Mogadishu and another 4.5 million more, in outlying areas. Artillery shelling in the capital area has been so intense at times that relief organizations have been all but forced to suspend lifesaving operations.

We must encourage the United Nations to play a more aggressive role in seeking peace and urge the warring factions to negotiate truces and a peace settlement. We should also support the use of U.N. peacekeeping personnel to protect relief workers, particularly in the capital area.

Continuing unrest and civil war menace the people of Sudan. Regional and fractional conflicts directly threaten the civilian population and also endanger the certain supply of food aid to refugees and displaced persons. The United Nations estimates that about 7.5 million people face food shortages, among which are 4 million internally displaced Sudanese. The Government of Sudan has exacerbated the latter problem by forcibly evicting one-half million homeless from Khartoum to remote desert camps.

Again, our Government must encourage reconciliation efforts by the United Nations and do our utmost to protect millions of vulnerable people.

NEW REALITIES OF AFRICAN FAMINE

Let me say that the sponsors of this legislation are acutely aware that famine stalks several other parts of Africa—particularly in Angola, Mozambique, and other southern African nations. Just yesterday, the Washington Post reported the worst drought of the century imperils 115 million people, who face acute shortages of both food and water. It appears that 10 million tons of food aid will be needed in the next year in order to avert massive starvation.

The United States will certainly need to exercise leadership in responding to these emergencies, as well. I know that the Hunger Committee has, and will continue, to press for timely and sufficient relief arrangements in these nations, too.

A NEW COURSE FOR THE HORN OF AFRICA

Our purpose, then, is not to single out the Horn of Africa to the exclusion of other needy nations. It is rather, to reaffirm that the United States will not neglect the Horn of Africa in an hour of dire human need. It is to say that many of the problems affecting individual nations in the region can only be resolved as peace, stability, and food security grow in the whole region.

We would also assert that the peace settlements which have been achieved elsewhere in Africa should be sought with equal diligence in the Horn, as well. This will require the top-level attention of the President and the United Nations.

The bill does not authorize new funding, as I noted before. It provides authority to transfer from unobligated security aid balances such funds as are necessary to meet food and other emergency requirements in the Horn. It also authorizes the use of existing resources in the development fund for Africa to support the special, human-needs-based projects described in the bill. Among these are restoring agricultural extension services, veterinary assistance, and primary health care centers. It channels these resources through private, community, and international organizations with proven track records of working with impoverished people. If we truly believe that averting starvation and human tragedy should be a top foreign policy priority, then surely we should be prepared to divert resources from lower priority needs to achieve more important goals.

I urge the administration and all of my colleagues to join 182 sponsors in this fight to keep millions of people alive. And, then, I request support for the ensuring effort to help the people of Somalia, Sudan, and Ethiopia on the road to recovery and food security.

So I ask for unanimous support of the bill as amended and call for its prompt implementation by the administration.

Mr. FASCELL. I rise in support of S. 985, as amended, the Horn of Africa Recovery and Food Security Act, which outlines assistance and security policies toward the Horn of Africa countries of Ethiopia, Somalia, and the Sudan.

I want to thank Mr. DYMALLY and Mr. BURTON of the Africa Subcommittee for their efforts in support of this measure. In addition, I want to commend Mr. BEREUTER for his leadership and work on this important piece of legislation.

Mr. Speaker, S. 985, as amended, is a noncontroversial bill that originally passed the House on June 20, 1991, by a vote of 410 to 0 as an amendment to the foreign aid authorization bill. The bill is essentially unchanged from the version that was unanimously passed by the House last June. Funds for this legislation would come from existing authorities.

As we are all aware, conditions in the Horn of Africa are critical. The ongoing regional drought and massive dislocations of the civilian population due to civil wars have brought about an incredible level of suffering and deprivation throughout the region. This legislation attempts to address these realities by providing AID's Office of Foreign Disaster Assistance with expanded authority to carry out activities such as primary health care and education; by urging the President to promote peace initiatives in conjunction with other nations, including the United Nations; by stipulating that development assistance to the region shall be targeted toward the poorest, and to the extent possible, provided through non-governmental groups; and, finally, by stipulating that no U.S. economic, military, or developmental assistance shall be provided to any government in the region until the President certifies that they are making significant progress toward peace, democratic elections, and ensuring human rights.

In addition, the bill provides for Presidential waiver authority for those countries in the horn that are in arrears on their loan repayments. This is particularly significant in the case of Ethiopia, which, it is our understanding, has or is about to reach an agreement with the United States Government on payment of its outstanding loans, therefore making it eligible for bilateral assistance from United States to aid in its transformation to a multiparty, democratic society.

As we are all aware, southern Africa is currently experiencing the worst drought of this century. U.N. agencies anticipate a 10 million ton food shortfall over the next 12 months. International relief experts now anticipate that this drought could very shortly engulf the whole eastern portion of the African continent.

I urge my colleagues to support this timely and important piece of legislation.

Mr. EMERSON. Mr. Speaker, I am pleased today to join with my colleagues on the Hunger Committee in supporting the passage of S. 985, the Horn of Africa Recovery and Food Security Act.

The Horn of Africa is no stranger to tragedy. For decades, the grim litany of drought, famine, and civil war has been repeated throughout the countries of the Horn. This year, unfortunately, appears little more hopeful than past years have been.

Renewed hostilities in the 9-year war between government and rebel forces in the Sudan have forced relief groups to suspend operations crucial to the survival of thousands. Political and clan rivalries in Ethiopia have erupted into violent clashes, threatening food deliveries to hundreds of thousands of refugees on the Somali border. And vicious fighting in Samalia's capital, Mogadishu, has claimed the lives of almost 10,000 people in one of the worst humanitarian crises that the continent has ever seen.

But today, in Ethiopia's capital, there may be some relief in sight for the long-suffering people of the Horn. Leaders and opposition groups from Ethiopia, Eritrea, Somalia, Sudan, Djibouti, and Kenya are meeting for the first time at a humanitarian summit in Addis Ababa to hammer out an agreement on humanitarian assistance to the region. The agreement will, I hope, establish principles to facilitate the distribution of emergency aid to the needy inside and outside national borders. it is, therefore, appropriate that this legislation be passed now as a demonstration of our country's support for the goals of this historic meeting. Moreover, it provides the President with important new authority to resume desperately needed development assistance to Ethiopia to ease the difficult transition from dictatorship to democracy.

I thank my colleagues on the Hunger Committee—Mr. DORGAN, Mr. HALL, Mr. BEREUTER, and Mr. WHEAT—for their work on this important legislation. And I welcome its passage as a reaffirmation of our commitment to freedom and prosperity in the Horn of Africa.

□ 1400

Mr. DYMALLY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. MAZZOLI). The question is on the motion offered by the gentleman from California [Mr. DYMALLY] that the House suspend the rules and pass the Senate bill, S. 985, as amended.

The question was taken and (two thirds having voted in favor thereof), the rules were suspended and the Senate bill, as amended, was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members have 5 legislative days in which to revise and extend their remarks on S. 985, the Senate bill just considered and passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

WAIVING BROOKE-ALEXANDER PROHIBITIONS TO ALLOW LIMITED ASSISTANCE TO LIBERIA

Mr. DYMALLY. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 271) expressing the sense of Congress regarding the peace process in Liberia and authorizing limited assistance to support this process.

The Clerk read as follows:

S.J. RES. 271

Whereas the civil war in Liberia, begun in December 1989, has devastated that country, killing an estimated 25,000 civilians and forcing hundreds of thousands of Liberians to flee their homes;

Whereas in an effort to end the fighting, the parties to the Liberian conflict and the leaders of the West African states signed a peace accord in Yamoussoukro, Cote d'Ivoire on October 30, 1991;

Whereas this agreement sets in motion a peace process, including the encampment and disarmament of the fighters and culminating in the holding of free and fair elections;

Whereas despite several difficulties, this peace process continues to proceed largely on track, including the recent opening of roads in Liberia and the initiation of the political campaigns by several parties; and

Whereas the election process outlined in the Yamoussoukro agreement is essential for reestablishing peace, democracy and reconciliation in Liberia, and limited United States assistance could play an important role in promoting this process: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) the Congress—

(1) strongly supports the peace process for Liberia initiated by the Yamoussoukro peace accord;

(2) urges all parties to abide by the terms of the Yamoussoukro agreement;

(3) commends and congratulates the governments of the Economic Community of West African States (ECOWAS) for their leadership in seeking peace in Liberia; and

(4) extends particularly praise to President Babangida of Nigeria, President Houphouet-Boigny of Cote d'Ivoire, and President Diouf of Senegal for their efforts to resolve this conflict;

(b) AUTHORIZATION OF LIMITED ASSISTANCE.—Notwithstanding section 620(q) of the Foreign Assistance Act of 1961 or any similar provision, the President is authorized to provide—

(1) nonpartisan election and democracy-building assistance to support democratic institutions in Liberia, and;

(2) assistance for the resettlement of refugees, the demobilization and retraining of troops, and the provision of other appropriate assistance to implement the Yamoussoukro peace accord:

Provided, That the President determines and so certifies to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and the Committee on Foreign affairs and the Committee on Appropriations of the House of Representatives that Liberia has made significant progress toward democratization and that the provision of such assistance will assist that country in making further progress and is otherwise in the national interest of the United States. A separate determination and certification shall be required for each fiscal year in which such assistance is to be provided.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from California [Mr. DYMALLY] will be recognized for 20 minutes, and the gentleman from Michigan [Mr. BROOMFIELD] will be recognized for 20 minutes.

The Chair recognizes the gentleman from California [Mr. DYMALLY].

Mr. DYMALLY. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, today, we will consider Senate Joint Resolution 271, a bill to permit limited assistance to Liberia by way of a waiver of the Brooke-Alexander prohibition.

Specifically, this bill is designed to provide nonpartisan election and democracy-building assistance to support the democratic process in Liberia, and assistance for the resettlement of refugees, the demobilization and retraining of troops, and that provision of other appropriate assistance to implement the Yamoussoukro peace accord, pending the President's certification.

The civil war in Liberia, which began in December 1989, has killed thousands of innocent Liberians, completely dismantled the agricultural infrastructure of the nation and totally collapsed the political system.

Through the efforts of the economic community of west African states, several agreements have been signed which were designed to lead the country toward free and fair elections.

Mr. Speaker, this leigislation does not ask for any additional funds. This bill simply lifts the prohibitions preventing assistance and requires the President to make the determination that Liberia has made significant progress toward democratization. It further stipulates that a separate determination and certification shall be required for each fiscal year in which such assistance is to be provided.

This action on the part of the House will send the message to the two main parties in Liberia that if they are willing and prepared to settle the political dispute peacefully, the United States is prepared to remove the barriers which prohibit assisting the democratic process in Liberia.

Mr. Speaker, we have rewarded nations around the globe for their sincere and consistent movement towards democratization. We are pleased to lend our support and encouragement to the people of Liberia—who are now scattered around the globe.

This legislation speaks directly to our commitment to democracy on the continent of Africa. The Liberian people need to know that our devotion to the democratic process is not limited to lip service, but includes concrete deeds of support and encouragement.

Mr. Speaker, on behalf of the Foreign Affairs Committee, I applaud the House for acting exeditiously on this most important piece of legislation.

Mr. Speaker, I reserve the balance of my time.

Mr. BROOMFIELD. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I support the passage of Senate Joint Resolution 271, which would allow the provision of limited assistance to Liberia.

I am usually very reluctant to waive the so-called Brooke-Alexander amendment which prohibits further aid to countries that are in default on past debts. I believe we should not normally provide additional aid to countries which have not proven to be responsible debtors.

However, the case of Liberia is unique for several reasons. First, the debt in question was incurred by a previous government which no longer exists.

Second, assistance is available from existing resources and, therefore, this bill does not increase foreign aid by one dollar.

Finally, aid could go to Liberia under Senate Joint Resolution 271 only after the President certifies that progress toward peace has been made and that such aid is in the United States national interest.

Liberia and the United States have a long history of close cooperation. I join my colleagues in supporting this legislation which may help bring an end to the tragic civil war in Liberia.

Mr. FASCELL. Mr. Speaker, I rise in support of Senate Joint Resolution 271, which expresses the sense of Congress regarding the peace process in Liberia and authorizes limited assistance to support this process.

I would like to commend my colleague, Mr. DYMALLY of California, for bringing this matter to the attention of the House and for his longstanding concern about conditions in Liberia.

Mr. Speaker, Senate Joint Resolution 271 is a noncontroversial resolution that recognizes the efforts by the parties of Liberia for moving toward a peaceful resolution of 2 years of bloody warfare that has led this small African nation to the brink of economic and social dissolution. Under the auspices of the Economic Community of West African States [ECOWAS], the Interim Government of Liberia, and the National Patriotic Front of Liberia [NPFL] have begun implementing the breakthrough agreement reached in Yamoussoukro, Ivory Coast, on October 30, 1991. This agreement calls for democratic elections in 1992. While a number of obstacles still remain before elections can be held, not the least of which is the large number of Liberian refugees and displaced persons that still must be attended to, the West African nations and the leaders of the Liberian parties remain committed to the process.

As part of the effort to implement the terms of the accords, the Liberian Elections Commission was constituted in early January and is made up of members of both major political parties. The elections commission has issued an appeal for external support to help preserve its impartiality. In addition, the West African heads of state and the various Liberian parties have unanimously invited the Carter Center to help organize and monitor the elections.

However, because of the mismanagement and widespread corruption of the previous Doe government, Liberia is ineligible for development assistance under the Brooke amendment (section 620q) of the Foreign Assistance Act. Senate Joint Resolution 271 would provide relief from the Brooke sanctions, subject to a Presidential determination that the country of Liberia has made significant progress toward democratization and that it is in the United States national interest to provide such assistance.

Mr. Speaker, the nations of Liberia and the United States have enjoyed a special relationship for the past 150 years. In spite of the recent hardships that the nation of Liberia has endured, most Liberians continue to believe in the special bond between our two nations. Senate Joint Resolution 271 rightly affirms that the United States will and should continue to play the leading role in Liberia's's transformation to peace and democracy in view of our strong historic relationship with Liberia, our strong support of the regional peace plan, and the major role that United States NGO's will play in rebuilding this country.

In closing, I urge the speedy adoption of this timely, important, and noncontroversial resolution.

Mr. BROOMFIELD. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. DYMALLY. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from California [Mr. DYMALLY] that the House suspend the rules and pass the Senate joint resolution, Senate Joint Resolution 271.

The question was taken; and (two-thirds having voted in favor thereof), the rules were suspended and the Senate joint resolution was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. DYMALLY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 271, the Senate joint resolution just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

CHILD ABUSE, DOMESTIC VIOLENCE, ADOPTION AND FAMILY SERVICES ACT OF 1992

Mr. PASTOR. Mr. Speaker, I move to suspend the rules and pass he bill (H.R. 4712) to amend the Child Abuse Prevention and Treatment Act, to revise and extend programs under such act, and for other purposes, as amended.

The Clerk read as follows:

H.R. 4712

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Child Abuse, Domestic Violence, Adoption and Family Services Act of 1992".

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.
TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT
Subtitle A—General Provisions
Sec. 101. Amendatory references.
Sec. 102. Findings.
Subtitle B—General Program
Sec. 111. Advisory board on child abuse and neglect.
Sec. 112. Research and assistance activities of the National Center on Child Abuse and Neglect.
Sec. 113. Grants to public agencies and nonprofit private organizations for demonstration or service programs and projects.
Sec. 114. Grant program for child abuse neglect prevention and treatment.
Sec. 115. Emergency grant program.
Sec. 116. Grant program for investigation and prosecution of child abuse cases.
Sec. 117. Authorization of appropriations.
Subtitle C—Community-Based Prevention Grants
Sec. 121. Title heading and purpose.
Sec. 122. Grants authorized; authorization of appropriations.
Sec. 123. State eligibility.
Sec. 124. Limitations.
Subtitle D—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness
Sec. 131. Authorization of appropriations.
Subtitle E—Miscellaneous Provisions
Sec. 141. Technical amendments.
Sec. 142. Report concerning voluntary reporting system.
TITLE II—TEMPORARY CHILD CARE FOR CHILDREN WITH DISABILITIES AND CRISIS NURSERIES ACT
Sec. 201. Short title.
Sec. 202. Administrative provisions.
Sec. 203. Authorization of appropriations.
TITLE III—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO FAMILY VIOLENCE
Sec. 301. Amendatory references.
Sec. 302. Expansion of purpose.
Sec. 303. Expansion of State grant program.
Sec. 304. Involvement in planning.
Sec. 305. Confidentiality assurances.
Sec. 306. Procedure for evicting violent spouses.
Sec. 307. Penalties for noncompliance.
Sec. 308. Grants to Indian tribes.
Sec. 309. Maximum ceiling.
Sec. 310. Grants to entities other than States; local share.
Sec. 311. Shelter and related assistance.
Sec. 312. Allotment of funds.
Sec. 313. Secretarial responsibilities.
Sec. 314. Evaluation and report to Congress.
Sec. 315. Funding for technical assistance centers.
Sec. 316. Authorization of appropriations.
Sec. 317. Contracts and grants for state domestic violence coalitions.
Sec. 318. Regulations.
Sec. 319. Family member abuse information and documentation.
Sec. 320. Grants for public information campaigns.
Sec. 321. Model State leadership incentive grants for domestic violence intervention.
Sec. 322. Educating youth about domestic violence.
TITLE IV—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO ADOPTION
Sec. 401. Findings and purpose.
Sec. 402. Model adoption legislation and procedures.
Sec. 403. Information and service functions.
Sec. 404. Authorization of appropriations.

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

Subtitle A—General Provisions

SEC. 101. AMENDATORY REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.).

SEC. 102. FINDINGS.

(a) IN GENERAL.—The Act is amended by inserting after section 1 the following new section:

"SEC. 2. FINDINGS.

"Congress finds that—

"(1) each year, hundreds of thousands of American children are victims of abuse and neglect with such numbers having increased dramatically over the past decade;

"(2) many of these children and their families fail to receive adequate protection or treatment;

"(3) the problem of child abuse and neglect requires a comprehensive approach that—

"(A) integrates the work of social service, legal, health, mental health, education, and substance abuse agencies and organizations;

"(B) strengthens coordination among all levels of government, and with private agencies, civic, religious, and professional organizations, and individual volunteers;

"(C) emphasizes the need for abuse and neglect prevention, investigation, and treatment at the neighborhood level;

"(D) ensures properly trained and support staff with specialized knowledge, to carry out their child protection duties; and

"(E) is sensitive to ethnic and cultural diversity;

"(4) the failure to coordinate and comprehensively prevent and treat child abuse and neglect threatens the futures of tens of thousands of children and results in a cost to the Nation of billions of dollars in direct expenditures for health, social, and special educational services and ultimately in the loss of work productivity;

"(5) all elements of American society have a shared responsibility in responding to this national child and family emergency;

"(6) substantial reductions in the prevalence and incidence of child abuse and neglect and the alleviation of its consequences are matters of the highest national priority;

"(7) national policy should strengthen families to remedy the causes of child abuse and neglect, provide support for intensive services to prevent the unnecessary removal of children from families, and promote the reunification of families if removal has taken place;

"(8) the child protection system should be comprehensive, child-centered, family-focused, and community-based, should incorporate all appropriate measures to prevent the occurrence or recurrence of child abuse and neglect, and should promote physical and psychological recovery and social re-integration in an environment that fosters the health, self-respect, and dignity of the child;

"(9) because of the limited resources available in low-income communities, Federal aid for the child protection system should be distributed with due regard to the relative financial need of the communities;

"(10) the Federal government should ensure that every community in the United States has the fiscal, human, and technical resources necessary to develop and implement a successful and comprehensive child protection strategy;

"(11) the Federal government should provide leadership and assist communities in their child protection efforts by—

"(A) promoting coordinated planning among all levels of government;

"(B) generating and sharing knowledge relevant to child protection, including the development of models for service delivery;

"(C) strengthening the capacity of States to assist communities;

"(D) allocating sufficient financial resources to assist States in implementing community plans;

"(E) helping communities to carry out their child protection plans by promoting the competence of professional, paraprofessional, and volunteer resources; and

"(F) providing leadership to end the abuse and neglect of the nation's children and youth.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 1 the following new item:

"Sec. 2. Findings.".

Subtitle B—General Program

SEC. 111. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

(a) DUTIES.—Section 102(f) (42 U.S.C. 5102(f)) is amended—

(1) in paragraph (2), by striking "and" after the semicolon at the end of subparagraph (E);

(2) in paragraph (3), by striking the period and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(4) not later than 24 months after the date of the enactment of the Child Abuse Programs, Adoption Opportunities, and Family Violence Prevention Amendments Act of 1992, submit to the Secretary and the appropriate committees of the Congress a report containing the recommendations of the Board with respect to—

"(A) a national policy designed to reduce and ultimately to prevent child and youth maltreatment-related deaths, detailing appropriate roles and responsibilities for State and local governments and the private sector;

"(B) specific changes needed in Federal laws and programs to achieve an effective Federal role in the implementation of the policy specified in subparagraph (A); and

"(C) specific changes needed to improve national data collection with respect to child and youth maltreatment-related deaths.".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 102 (42 U.S.C. 5102) is amended by adding at the end thereof the following new subsection:

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.".

SEC. 112. RESEARCH AND ASSISTANCE ACTIVITIES OF THE NATIONAL CENTER ON CHILD ABUSE AND NEGLECT.

(a) RESEARCH TOPICS.—Section 105(a)(1) (42 U.S.C. 5105(a)(1)) is amended—

(1) in subparagraph (A), by striking "and treatment of" and inserting ", treatment and cultural distinctions of";

(2) in subparagraph (B), by striking "appropriate and effective" and inserting "appropriate, effective and culturally sensitive"; and

(3) in subparagraph (C)(ii), by inserting "cultural diversity," after "child support,".

(b) PUBLICATION AND DISSEMINATION OF INFORMATION.—Section 105(b)(1) (42 U.S.C. 5105(b)(1)) is amended to read as follows:

"(1) as a part of research activities, establish a national data collection and analysis program—

"(A) which, to the extent practicable, coordinates existing State child abuse and neglect reports and which shall include—

"(i) standardized data on false, unfounded, or unsubstantiated reports; and

"(ii) information on the number of deaths due to child abuse and neglect; and

"(B) which shall collect, compile, analyze, and make available State child abuse and neglect reporting information which, to the extent practical, is universal and case specific, and integrated with other case-based foster care and adoption data collected by the Secretary;".

(c) PEER REVIEW FOR GRANTS.—Section 105(e) (42 U.S.C. 5105(e)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), by inserting "and reviewing" after "evaluating"; and

(B) by amending subparagraph (B) to read as follows:

"(B) In establishing the process required by subparagraph (A), the Secretary shall appoint to the peer review panels only members who are experts in the field of child abuse and neglect or related disciplines, with appropriate expertise in the application to be reviewed, and who are not individuals who are officers or employees of the Office of Human Development. The panels shall meet as often as is necessary to facilitate the expeditious review of applications for grants and contracts under this section, but may not meet less than once a year.";

(2) in paragraph (2)—

(A) in subparagraph (A), by inserting "and evaluate" after "determine"; and

(B)(i) by striking "and" after the semicolon at the end of subparagraph (A);

(ii) by striking the period at the end of subparagraph (B) and inserting "; and"; and

(iii) by adding at the end the following new subparagraph:

"(C) make recommendations to the Secretary concerning whether the application for the project shall be approved."; and

(3) in paragraph (3), by amending subparagraph (A) to read as follows: "(A) The Secretary shall provide grants and contracts under this section from among the projects which the peer review panels established under paragraph (1)(A) have determined to have merit.".

SEC. 113. GRANTS TO PUBLIC AGENCIES AND NONPROFIT PRIVATE ORGANIZATIONS FOR DEMONSTRATION OR SERVICE PROGRAMS AND PROJECTS.

(a) GENERAL AUTHORITY.—Section 106(a) (42 U.S.C. 5106(a)) is amended—

(1) by striking "(a)" and all that follows through "Secretary" and inserting the following:

"(a) GENERAL AUTHORITY.—

"(1) DEMONSTRATION OR SERVICE PROGRAMS AND PROJECTS.—The Secretary"; and

(2) by adding at the end the following paragraph:

"(2) EVALUATIONS.—In making grants or entering into contracts for demonstration projects, the Secretary shall require all such projects to be evaluated for their effectiveness. Funding for such evaluations shall be provided either as a stated percentage of a demonstration grant or contract, or as a separate grant or contract entered into by the Secretary for the purpose of evaluating a particular demonstration project or group of projects.".

(b) DISCRETIONARY GRANTS.—Section 106(c)(1) (42 U.S.C. 5106(c)(1)) is amended—

(1) in subparagraph (B), by inserting "culturally specific" before "instruction"; and

(2)(A) in subparagraph (A), by striking "or" after the semicolon at the end;

(B) in subparagraph (B), by striking the period and inserting "; or"; and

(C) by adding at the end the following subparagraph:

"(C) to improve the recruitment, selection, and training of volunteers serving in private and public nonprofit children, youth and family service organizations in order to prevent child abuse and neglect through collaborative analysis of current recruitment, selection, and training programs and development of model programs for dissemination and replication nationally.".

SEC. 114. GRANT PROGRAM FOR CHILD ABUSE NEGLECT PREVENTION AND TREATMENT.

(a) DEVELOPMENT AND OPERATION GRANTS.—Section 107(a) (42 U.S.C. 5106a(a)) is amended to read as follows:

"(a) DEVELOPMENT AND OPERATION GRANTS.—The Secretary, acting through the Center, shall make grants to the States, based on the population of children under the age of 18 in each State that applies for a grant under this section, for purposes of assisting the States in improving the child protective service system of each such State in—

"(1) the intake and screening of reports of abuse and neglect through the improvement of the receipt of information, decisionmaking, public awareness, and training of staff;

"(2)(A) investigating such reports through improving response time, decisionmaking, referral to services, and training of staff;

"(B) creating and improving the use of multidisciplinary teams and interagency protocols to enhance investigations; and

"(C) improving legal preparation and representation;

"(3) case management and delivery services provided to families through the improvement of response time in service provision, improving the training of staff, and increasing the numbers of families to be served;

"(4) enhancing the general child protective system by improving assessment tools, automation systems that support the program, information referral systems, and the overall training of staff to meet minimum competencies; or

"(5) developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs.

Not more than 15 percent of a grant under this subsection may be expended for carrying out paragraph (5). The preceding sentence does not apply to any program or activity authorized in any of paragraphs (1) through (4).".

(b) ESTABLISHMENT OF CERTAIN REQUIREMENT.—Section 107 (42 U.S.C. 5106a) is amended—

(1) by redesignating subsections (c) through (f) as subsections (d) through (g), respectively; and

(2) by inserting after subsection (b) the following new subsection:.

"(c) STATE PROGRAM PLAN.—To be eligible to receive a grant under this section, a State shall submit every four years a plan to the Secretary that specifies the child protective service system area or areas described in subsection (a) that the State intends to address with funds received under the grant. The plan shall describe the current system capacity of the State in the relevant area or areas from which to assess programs with grant funds and specify the manner in which funds from the State's programs will be used to make improvements. The plan required under this subsection shall contain, with respect to each area in which the State intends to use funds from the grant, the following information with respect to the State:

"(1) INTAKE AND SCREENING.—

"(A) STAFFING.—The number of child protective service workers responsible for the intake and screening of reports of abuse and neglect relative to the number of reports filed in the previous year.

"(B) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in report-taking, screening, decision-making, and referral for investigation.

"(C) PUBLIC EDUCATION.—An assessment of the State or local agency's public education program with respect to—

"(i) what is child abuse and neglect;

"(ii) who is obligated to report and who may choose to report; and

"(iii) how to report.

"(2) INVESTIGATION OF REPORTS.—

"(A) RESPONSE TIME.—The number of reports of child abuse and neglect filed in the State in the previous year where appropriate, the agency response time to each with respect to initial investigation, the number of substantiated and unsubstantiated reports, and where appropriate, the response time with respect to the provision of services.

"(B) STAFFING.—The number of child protective service workers responsible for the investigation of child abuse and neglect reports relative to the number of reports investigated in the previous year.

"(C) INTERAGENCY COORDINATION.—A description of the extent to which interagency coordination processes exist and are available Statewide, and whether protocols or formal policies governing interagency relationships exist in the following areas—

"(i) multidisciplinary investigation teams among child welfare and law enforcement agencies;

"(ii) interagency coordination for the prevention, intervention and treatment of child abuse and neglect among agencies responsible for child protective services, criminal justice, schools, health, mental health, and substance abuse; and

"(iii) special interagency child fatality review panels, including a listing of those agencies that are involved.

"(D) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as investigation, risk assessment, court preparation, and referral to and provision of services.

"(E) LEGAL REPRESENTATION.—A description of the State agency's current capacity for legal representation, including the manner in which workers are prepared and trained for court preparation and attendance, including procedures for appealing substantiated reports of abuse and neglect.

"(3) CASE MANAGEMENT AND DELIVERY OF ONGOING FAMILY SERVICES.—For children for whom a report of abuse and neglect has been substantiated and the children remain in their own homes and are not currently at risk of removal, the State shall assess the activities and the outcomes of the following services:

"(A) RESPONSE TIME.—The number of cases opened for services as a result of investigation of child abuse and neglect reports filed in the previous year, including the response time with respect to the provision of services from the time of initial report and initial investigation.

"(B) STAFFING.—The number of child protective service workers responsible for providing services to children and their families in their own homes as a result of investigation of reports of child abuse and neglect.

"(C) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as risk assessment, court preparation, provision of services and determination of case disposition, including how such training is evaluated for effectiveness.

"(D) INTERAGENCY COORDINATION.—The extent to which treatment services for the child and other family members are coordinated with child welfare, social service, mental health, education, and other agencies.

"(4) GENERAL SYSTEM ENHANCEMENT.—

"(A) AUTOMATION.—A description of the capacity of current automated systems for tracking reports of child abuse and neglect from intake through final disposition and how personnel are trained in the use of such system.

"(B) ASSESSMENT TOOLS.—A description of whether, how, and what risk assessment tools are used for screening reports of abuse and neglect, determining whether child abuse and neglect has occurred, and assessing the appropriate level of State agency protection and intervention, including the extent to which such tool is used statewide and how workers are trained in its use.

"(C) INFORMATION AND REFERRAL.—A description and assessment of the extent to which a State has in place—

"(i) information and referral systems, including their availability and ability to link families to various child welfare services such as homemakers, intensive family-based services, emergency caretakers, home health visitors, daycare and services outside the child welfare system such as housing, nutrition, health care, special education, income support, and emergency resource assistance; and

"(ii) efforts undertaken to disseminate to the public information concerning the problem of child abuse and neglect and the prevention and treatment programs and services available to combat instances of such abuse and neglect.

"(D) STAFF CAPACITY AND COMPETENCE.—An assessment of basic and specialized training needs of all staff and current training provided staff. Assessment of the competencies of staff with respect to minimum knowledge in areas such as child development, cultural and ethnic diversity, functions and relationship of other systems to child protective services and in specific skills such as interviewing, assessment, and decisionmaking relative to the child and family, and the need for training consistent with such minimum competencies.

"(5) INNOVATIVE APPROACHES.—A description of—

"(A) research and demonstration efforts for developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs, including the interagency efforts at the State level; and

"(B) the manner in which proposed research and development activities build on existing capacity in the programs being addressed.".

(c) TECHNICAL CORRECTION.—Section 107(d), as redesignated by subsection (b) of this section, is amended in the matter preceding subparagraph (A) by striking "this subsection" and inserting "subsection (a)".

(d) DELAYED EFFECTIVE DATE FOR NEW REQUIREMENTS.—The amendments described in subsections (a) and (b) are made upon the date of the enactment of this Act. Such amendments take effect on October 1, 1993, or on October 1 of the first fiscal year for which $40,000,000 or more is made available under subsection (a)(2)(B)(ii) of section 114 of the Child Abuse Prevention and Treatment Act (as amended by section 117 of this Act), whichever occurs first. Prior to such amendments taking effect, section 107(a) of the Child Abuse Prevention and Treatment Act, as in effect on the day before the date of the enactment of this Act, continues to be in effect.

SEC. 115. EMERGENCY GRANT PROGRAM.

(a) IN GENERAL.—Section 107A(e) (42 U.S.C. 5106a-1(e)) is amended by striking out "and such sums" and all that follows through the end thereof and inserting "such sums as may be necessary for fiscal year 1991, $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.".

(b) TECHNICAL AMENDMENT.—Section 1 is amended in the table of contents by inserting after the item relating to section 107 the following:

"Sec. 107A. Emergency child abuse prevention services grant.".

SEC. 116. GRANT PROGRAM FOR INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.

(a) IN GENERAL.—Section 109 (42 U.S.C. 5106c) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 109. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.";

(2) in subsection (a), by striking out paragraphs (1) and (2), and inserting in lieu thereof the following new paragraphs:

"(1) the handling of child abuse and neglect cases, particularly cases of child sexual abuse and exploitation, in a manner which limits additional trauma to the child victim;

"(2) the handling of cases of suspected child abuse or neglect related fatalities; and

"(3) the investigation and prosecution of cases of child abuse and neglect, particularly child sexual abuse and exploitation.";

(3) in subsection (b)—

(A) by striking out "and 107(e) or receive a waiver under section 107(c)" in paragraph (1);

(B) by striking out "and" at the end of paragraph (3);

(C) by inserting "annually" after "submit" in paragraph (4); and

(D) by striking out the period at the end thereof and inserting the following: "; and

"(5) submit annually to the Secretary a report on the manner in which assistance received under this program was expended throughout the State, with particular attention focused on the areas described in paragraphs (1) through (3) of subsection (a).";

(4) in subsection (c)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting ", and maintain" after "designate"; and

(ii) by striking out "child abuse" and inserting in lieu thereof "child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities";

(B) by striking out "judicial and legal officers", in subparagraph (B) and inserting in lieu thereof "judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect";

(C) by inserting before the semicolon in subparagraph (C), the following: ", including both attorneys for children and, where such programs are in operation, court appointed special advocates";

(D) by striking out subparagraph (E); and

(E) by striking out "handicaps;" in subparagraph (F), and inserting in lieu thereof "disabilities; and"; and

"(G) by striking out subparagraph (G) and redesignating subparagraph (H) as subparagraph (G);

(5) in subsection (d)—

(A) by striking out "the State task force shall" in the matter preceding paragraph (1), and inserting in lieu thereof "and at three year intervals thereafter, the State task force shall comprehensively";

(B) by striking out "judicial" and all that follows in paragraph (1), and inserting in lieu thereof the following: "both civil and criminal judicial handling of cases of child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal;";

(C) by inserting "policy and training" before "recommendations" in paragraph (2); and

(6) in subsection (e)(1)—

(A) by striking out "child abuse" and all that follows through "child victim" in subparagraph (A), and inserting in lieu thereof the following: "child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal, in a manner which reduces the additional trauma to the child victim and the victim's family";

(B) by striking out "improve the rate" and all that follows through "abuse cases" in subparagraph (B), and inserting in lieu thereof the following: "improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children"; and

(C) in subparagraph (C)—

(i) by inserting ", protocols" after "regulations"; and

(ii) by inserting "and exploitation" after "sexual abuse".

(b) CONFORMING AMENDMENT.—Section 1 is amended in the item relating to section 109 in the table of contents by striking "Grants" and all that follows and inserting the following: "Grants to States for programs relating to the investigation and prosecution of child abuse and neglect cases.".

SEC. 117. AUTHORIZATION OF APPROPRIATIONS.

Section 114(a) (42 U.S.C. 5106h(a)) is amended to read as follows:

"(a) IN GENERAL.—

"(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this title, except for section 107A, $100,000,000 for fiscal year 1992, and such sums as may be necessary for each of this fiscal years 1993 through 1995.

"(2) ALLOCATIONS.—

"(A) Of the amounts appropriated under paragraph (1) for a fiscal year, $5,000,000 shall be available for the purpose of making additional grants to the States to carry out the provisions of section 107(g).

"(B) Of the amounts appropriated under paragraph (1) for a fiscal year and available after compliance with subparagraph (A)—

"(i) 33⅓ percent shall be available for activities under sections 104, 105 and 106; and

"(ii) 66⅔ percent of such amounts shall be made available in each such fiscal year for activities under sections 107 and 108.".

Subtitle C—Community-Based Prevention Grants

SEC. 121. TITLE HEADING AND PURPOSE.

(a) TITLE HEADING.—The heading for title II (42 U.S.C. 5116 et seq.) is amended to read as follows:

"TITLE II—COMMUNITY-BASED CHILD ABUSE AND NEGLECT PREVENTION GRANTS".

(b) PURPOSE.—Section 201 (42 U.S.C. 5116) is amended—

(1) in the section heading to read as follows:

"SEC. 201. PURPOSES."; and

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"It is the purpose of this title, through the provision of community-based child abuse and neglect prevention grants, to assist States in supporting child abuse and neglect prevention activities.".

SEC. 122. GRANTS AUTHORIZED; AUTHORIZATION OF APPROPRIATIONS.

Section 203 (42 U.S.C. 5116b) is amended—

(1) by striking out subsection (b);

(2) by redesignating subsection (c) as subsection (b); and

(3) in subsection (b) (as so redesignated), by striking out "such sums" and all that follows through the period and inserting in lieu thereof "$45,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.".

SEC. 123. STATE ELIGIBILITY.

Section 204 (42 U.S.C. 5116c) is amended—

(1) by striking out "or other funding mechanism"; and

(2) by striking out "which is available only for child" and all that follows through the end thereof, and inserting "which includes (in whole or in part) legislative provisions making funding available only for the broad range of child abuse and neglect prevention activities.".

SEC. 124. LIMITATIONS.

Section 205 (42 U.S.C. 5116d) is amended—

(1) by striking out paragraph (1) of subsection (a) and inserting in lieu thereof the following new paragraph:

"(1) ALLOTMENT FORMULA.—

"(A) IN GENERAL.—Amounts appropriated to provide grants under this title shall be allotted among eligible States in each fiscal year so that—

"(i) 50 percent of the total amount appropriated is allotted among each State based on the number of children under the age of 18 in each such State, except that each State shall receive not less than $30,000; and

"(ii) the remaining 50 percent of the total amount appropriated is allotted in an amount equal to 25 percent of the total amount collected by each such State, in the fiscal year prior to the fiscal year for which the allotment is being determined, for the children's trust fund of the State for child abuse and neglect prevention activities.

"(B) USE OF AMOUNTS.—Not less than 50 percent of the amount of a grant made to a State under this title in each fiscal year shall be utilized to support community-based prevention programs as authorized in section 204(a), except that this subparagraph shall not become applicable until amounts appropriated under section 203(b) exceed $10,000,000."; and

(2) in subsection (b)(1)—

(A) by striking out "trust fund advisory board" and all that follows through "section 101" in subparagraph (A) and inserting in lieu thereof "advisory board established under section 102";

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (F) and (G), respectively; and

(C) by inserting after subparagraph (A), the following new subparagraphs:

"(B) demonstrate coordination with other child abuse and neglect prevention activities and agencies at the State and local levels;

"(C) demonstrate the outcome of services and activities funded under this title;

"(D) provide evidence that Federal assistance received under this title has been supplemented with non-Federal public and private assistance (including in-kind contributions) at the local level (Federal assistance expended in support of activities authorized under paragraphs (1), (2), and (3) of section 204 shall be supplemented by State assistance);

"(E) demonstrate the extent to which funds received under this title are used to support community prevention activities in underserved areas, in which case the supplemental support required under subparagraph (D) shall be waived for the first 3 years in which assistance is provided to a grantee described in this subparagraph;".

Subtitle D—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness

SEC. 131. AUTHORIZATION OF APPROPRIATIONS.

Section 306(a) (42 U.S.C. 5118e(a)) is amended by inserting ", and such sums as may be necessary for each of the fiscal years 1993 through 1995" before the period.

Subtitle E—Miscellaneous Provisions

SEC. 141. TECHNICAL AMENDMENTS.

The Act (42 U.S.C. 5101 et seq.) is amended—

(1) by striking "handicapped child" each place such term appears and inserting "child with disabilities";

(2) by striking "child with handicaps" each place such term appears and inserting "child with disabilities";

(3) by striking "handicap" each place such term appears and inserting "disability";

(4) by striking "handicapped" each place such term appears and inserting "disabled"; and

(5) in the case of any variation of a term struck by paragraph (1), (2), (3), or (4) that results from the capitalization of any of the letters of such term, from the use of the plural or the singular, from the use of the possessive, from the use of a different tense, from the use of a different form of typeface, or from any combination thereof, by striking such variation each place the variation appears and inserting the analogous variation of the term inserted in lieu of the term struck by paragraph (1), (2), (3), or (4), respectively.

SEC. 142. REPORT CONCERNING VOLUNTARY REPORTING SYSTEM.

Not later than April 30, 1993, and annually thereafter, the Secretary of Health and Human Services, acting through the Director of the National Center on Child Abuse and Neglect, shall prepare and submit to the appropriate committees of Congress a report concerning the measures being taken to assist States in implementing a voluntary reporting system for child abuse and neglect. Such reports shall contain information concerning the extent to which the child abuse and neglect reporting systems developed by the States are coordinated with the automated foster care and adoption reporting system required under section 479 of the Social Security Act.

TITLE II—TEMPORARY CHILD CARE FOR CHILDREN WITH DISABILITIES AND CRISIS NURSERIES ACT

SEC. 201. SHORT TITLE.

This title may be cited as the "Temporary Child Care for Children With Disabilities and Crisis Nurseries Act Amendments of 1992".

SEC. 202. ADMINISTRATIVE PROVISIONS.

(a) DEFINITIONS.—Section 205(d)(2) of the Temporary Child Care for Children With Disabilities and Crisis Nurseries Act of 1986 (42 U.S.C. 5117c(d)(2)) is amended by striking "given" and all that follows and inserting the following: "given such term in section 602(a)(1) of the Individuals with Disabilities Education Act;".

(b) TECHNICAL AMENDMENT.—Section 205(a)(1)(A)(vi) of the Temporary Child Care for Children With Disabilities and Crisis Nurseries Act of 1986 (42 U.S.C. 5117c(a)(1)(A)(vi)) is amended by striking out "(vi)" and inserting in lieu thereof "(v)".

SEC. 203. AUTHORIZATION OF APPROPRIATIONS.

Section 206 of the Temporary Child Care for Children With Disabilities and Crisis Nurseries Act of 1986 (42 U.S.C. 5117d) is amended in the first sentence—

(1) by striking "and" after "1989,"; and

(2) by inserting before the period the following: ", and $20,000,000 for each of the fiscal years 1992 through 1995".

TITLE III—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO FAMILY VIOLENCE

SEC. 301. AMENDATORY REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to that section or other provision of the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.).

SEC. 302. EXPANSION OF PURPOSE.

Section 302 (42 U.S.C. 10401) is amended—

(1) in paragraph (1)—

(A) by striking out "demonstration the effectiveness of assisting" and inserting in lieu thereof "assist"; and

(B) by striking out "to prevent" and inserting in lieu thereof "to increase public awareness about and prevent"; and

(2) in paragraph (2), by inserting ", courts, legal, social service, and health care professionals" after "(including law enforcement agencies".

SEC. 303. EXPANSION OF STATE GRANT PROGRAM.

Section 303(a) (42 U.S.C. 10402(a)) is amended—

(1) in paragraph (1), by striking out "demonstration grants" and inserting in lieu thereof "grants"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" in the matter preceding subparagraph (A), and inserting in lieu thereof "grant";

(B) by striking out "demonstration grant" in subparagraph (A), and inserting in lieu thereof "grant"; and

(C) by striking out "particularly those projects" in subparagraph (B)(ii) and all that follows through the end thereof, and inserting in lieu thereof the following: "the primary purpose of which is to operate shelters for victims of family violence and their dependents, and those which provide counseling, advocacy, and self-help services to victims and their children.".

SEC. 304. INVOLVEMENT IN PLANNING.

Section 303(a)(2)(C) (42 U.S.C. 10402(a)(2)(C)) is amended by inserting "State domestic violence coalitions" after "involve".

SEC. 305. CONFIDENTIALITY ASSURANCES.

Section 303(a)(2)(E) (42 U.S.C. 10402(a)(2)(E)) is amended by striking out "assurances that procedures will be developed" and inserting in lieu thereof "documentation that procedures have been developed, and implemented including copies of the policies and procedure,".

SEC. 306. PROCEDURE FOR EVICTING VIOLENT SPOUSES.

Section 303(a)(2)(F) (42 U.S.C. 10402(a)(2)(F)) is amended to read as follows:

"(F) provide documentation to the Secretary that the State has a law or procedure that has been implemented for the eviction of an abusing spouse from a share household;".

SEC. 307. PENALTIES FOR NONCOMPLIANCE.

Section 303(a)(3) (42 U.S.C. 10402(a)(3)) is amended—

(1) by inserting "a 6-month period providing an" before "opportunity"; and

(2) by adding at the end thereof the following new sentences: "The Secretary shall provide such notice within 45 days of the date of the application if any of the provisions of paragraph (2) have not been satisfied in such application. If the State has not corrected the deficiencies in such application within the 6-month period following the receipt of the Secretary's notice of intention to disapprove, the Secretary shall withhold payment of any grant funds to such State until the date that is 30 days prior to the end of the fiscal year for which such grant funds are appropriated or until such time as the State provides documentation that the deficiencies have been corrected, whichever occurs first. State Domestic Violence Coalitions shall be permitted to participate in determining whether a grantee is in compliance with paragraph (2), except that no funds made available to State Domestic Violence Coalitions under section 311 shall be used to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of such paragraph.".

SEC. 308. GRANTS TO INDIAN TRIBES.

Section 303(b) (42 U.S.C. 10402(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "is authorized to make demonstration grants" and inserting in lieu thereof ", from amounts appropriated to carry out this section, shall make available not less than 10 percent of such amounts to make grants";

(B) by striking out "and tribal" and inserting in lieu thereof ", tribal"; and

(C) by inserting "and nonprofit private organizations approved by an Indian Tribe for the operation of a family violence shelter on a Reservation", after "tribal organizations";

(2) in paragraph (2)—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by striking out "and (E)" and inserting in lieu thereof "(E) and (F)"; and

(C) by adding at the end thereof the following new sentence: "No entity eligible to submit an application under paragraph (1) shall be prohibited from making an application during any fiscal year for which funds are available because such entity has not previously applied or received funding under this section."; and

(3) by adding at the end the following new paragraph:

"(3) In the case of a project for which the initial application for a demonstration grant under this subsection is made on or after the date of the enactment of the Child Abuse Programs, Adoption Opportunities, and Family Violence Prevention Amendments Act of 1992, the terms 'Indian tribe' and 'tribal organization', for purposes of this subsection, have the meaning given such terms in section 4 of the Indian Self-Determination and Education Assistance Act.".

SEC. 309. MAXIMUM CEILING.

(a) In General.—Section 303 (42 U.S.C. 10402) is amended—

(1) by striking out subsection (c); and

(2) by redesignating subsections (d) through (g) as subsections (c) through (f), respectively.

(b) Effectivity of Amendments.—The amendments made by subsection (a) are effective in the case of amounts appropriated for fiscal year 1992 and subsequent fiscal years.

SEC. 310. GRANTS TO ENTITIES OTHER THAN STATES; LOCAL SHARE.

Section 303(e) (as redesignated by section 309 of this Act) is amended—

(1) in the first sentence—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by inserting "or an Indian Tribe" after "State";

(C) by striking out "35 percent" and inserting in lieu thereof "20 percent";

(D) by striking out "55 percent" and inserting in lieu thereof "35 percent";

(E) by striking out "and 65 percent in the third such year" and inserting in lieu thereof "and 50 percent in the third such year and in any such year thereafter"; and

(2) in the second sentence, by striking out "50 percent" and inserting in lieu thereof "25 percent".

SEC. 311. SHELTER AND RELATED ASSISTANCE.

(a) Shelter.—Section 303(f) (42 U.S.C. 10402(g)) (as so redesignated by section 309) is amended—

(1) by striking out "60 percent" and inserting in lieu thereof "70 percent"; and

(2) by inserting before the period the following "as defined in section 309(4). Not less than 25 percent of the funds distributed under subsection (a) or (b) shall be distributed for the purpose of providing related assistance as defined under section 309(5)(A)".

(b) Definition.—Paragraph (5) of section 309 (42 U.S.C. 10408(5)) is amended to read as follows:

"(5) The term 'related assistance' means the provision of direct assistance to victims of family violence and their dependents for the purpose of preventing further violence, helping such victims to gain access to civil and criminal courts and other community services, facilitating the efforts of such victims to make decisions concerning their lives in the interest of safety, and assisting such victims in healing from the effects of the violence. Related assistance shall include—

"(A) prevention services such as outreach and prevention services for victims and their children, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school age children, family violence public awareness campaigns, and violence prevention counseling services to abusers;

"(B) counseling with respect to family violence, counseling by peers individually or in groups, and referral to community social services;

"(C) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health-care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health-care services;

"(D) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

"(E) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims.".

SEC. 312. ALLOTMENT OF FUNDS.

Section 304(a)(1) (42 U.S.C. 10403(a)(1)) is amended—

(1) by striking out "whichever is the greater of the following amounts: one-half of"; and

(2) by striking out "$50,000" and inserting in lieu thereof "$200,000, whichever is the lessor amount".

SEC. 313. SECRETARIAL RESPONSIBILITIES.

Section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) is amended—

(1) by striking out "into the causes of family violence";

(2) by inserting "most effective" before "prevention";

(3) by striking out "and (ii)" and inserting in lieu thereof "(ii)"; and

(4) by inserting before "and (B)" the following: "(iii) the effectiveness of providing safety and support to maternal and child victims of family violence as a way to eliminate the abuse experienced by children in such situations, (iv) identification of intervention approaches to child abuse prevention services which appear to be successful in preventing child abuse where both mother and child are abused, (v) effective and appropriate treatment services for children where both mother and child are abused, and (vi) the individual and situational factors leading to the end of violent and abusive behavior by persons who commit acts of family violence, including such factors as history of previous violence and the legal and service interventions received,".

SEC. 314. EVALUATION AND REPORT TO CONGRESS.

Section 306 (42 U.S.C. 10405) is amended—

(1) by inserting "and every two years thereafter," after "the first time after the date of the enactment of this title,";

(2) by striking out "assurances" and inserting in lieu thereof "documentation"; and

(3) by striking out "303(a)(2)(F)" and inserting in lieu "303(a)(2)(B) through 303(a)(2)(F)".

SEC. 315. FUNDING FOR TECHNICAL ASSISTANCE CENTERS.

Section 308 (42 U.S.C. 10407) is amended to read as follows:

"SEC. 308. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

"(a) Purpose and Grants.—

"(1) Purpose.—It is the purpose of this section to provide resource information, training, and technical assistance to Federal, State, and Indian tribal agencies, as well as to local domestic violence programs and to other professionals who provide services to victims of domestic violence.

"(2) GRANTS.—From the amounts appropriated under this title, the Secretary shall award grants to private nonprofit organizations for the establishment and maintenance of one national resource center (as provided for in subsection (b)) and not to exceed six special issue resource centers (as provided for in subsection (c)) focusing on one or more issues of concern to domestic violence victims.

"(b) NATIONAL RESOURCE CENTER.—The national resource center established under subsection (a)(2) shall offer resource, policy and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, and shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics and analyses thereof relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.

"(c) SPECIAL ISSUE RESOURCE CENTERS.—The special issue resource centers established under subsection (a)(2) shall provide information, training and technical assistance to State and local domestic violence service providers, and shall specialize in at least one of the following areas of domestic violence service, prevention, or law:

"(1) Criminal justice response to domestic violence, including court-mandated abuser treatment.

"(2) Improving the response of Child Protective Service agencies to battered mothers of abused children.

"(3) Child custody issues in domestic violence cases.

"(4) The use of the self-defense plea by domestic violence victims.

"(5) Improving interdisciplinary health care responses and access to health care resources for victims of domestic violence.

"(6) Improving access to and the quality of legal representation for victims of domestic violence in civil litigation.

"(d) ELIGIBILITY.—To be eligible to receive a grant under this section an entity shall be a private nonprofit organization that—

"(1) focuses primarily on domestic violence;

"(2) provides documentation to the Secretary demonstrating experience working directly on issues of domestic violence, particularly in the specific subject area for which it is applying;

"(3) include on its advisory boards representatives from domestic violence programs in the region who are geographically and culturally diverse; and

"(4) demonstrate the strong support of domestic violence advocates from across the country and the region for their designation as the national or a special issue resource center.

"(e) REPORTING.—Not later than 6 months after receiving a grant under this section, a grantee shall prepare and submit a report to the Secretary that evaluates the effectiveness of the use of amounts received under such grant by such grantee and containing such additional information as the Secretary may prescribe.

"(f) DEFINITION.—For purposes of this section, the term 'Indian tribal agency' means an Indian tribe or tribal organization, as defined in section 4 of the Indian Self-Determination and Education Assistance Act.

"(g) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations.".

SEC. 316. AUTHORIZATION OF APPROPRIATIONS.

Section 310 (42 U.S.C. 10409) is amended to read as follows:

"SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

"(a) IN GENERAL.—There are authorized to be appropriated to carry out the provisions of sections 303 through 309 and section 313, $60,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.

"(b) SECTION 303(a) AND (b).—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 80 percent shall be used for making grants under subsection 303(a), and not less than 10 percent shall be used for the purpose of carrying out section 303(b).

"(c) SECTION 308.—Of the amounts appropriated under subsection (a) for each fiscal year, 5 percent shall be used by the Secretary for making grants under section 308.".

SEC. 317. CONTRACTS AND GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 (42 U.S.C. 10410) is amended to read as follows:

"SEC. 311. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

"(a) IN GENERAL.—The Secretary shall award grants for the funding of State domestic violence coalitions. Such coalitions shall further the purposes of domestic violence intervention and prevention through activities, including—

"(1) working with judicial and law enforcement agencies to encourage appropriate responses to domestic violence cases and examine issues including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation when domestic violence is involved;

"(C) the use of mandatory arrests of accused offenders;

"(D) the discouragement of dual arrests;

"(E) the adoption of aggressive and vertical prosecution policies and procedures;

"(F) the use of mandatory requirements for presentence investigations;

"(G) the length of time taken to prosecute cases or reach plea agreements;

"(H) the use of plea agreements;

"(I) the consistency of sentencing, including comparisons of domestic violence crimes with other violent crimes;

"(K) the restitution of victims;

"(L) the use of training and technical assistance to law enforcement and court officials and other professionals;

"(M) the reporting practices of, and significance to be accorded to, prior convictions (both felony and misdemeanor) and protection orders;

"(N) the use of interstate extradition in cases of domestic violence crimes;

"(O) the use of statewide and regional planning; and

"(P) any other matters as the Secretary and the State domestic violence coalitions believe merit investigations;

"(2) work with family law judges, Child Protective Services agencies, and children's advocates to develop appropriate responses to child custody and visitation issues in domestic violence cases as well as cases where domestic violence and child abuse are both present, including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation where domestic violence is involved;

"(C) the inappropriate use of marital or conjoint counseling in domestic violence cases;

"(D) the use of training and technical assistance for family law judges and court personnel;

"(E) the presumption of custody to domestic violence victims;

"(F) the use of comprehensive protection orders to grant fullest protections possible to victims of domestic violence, including temporary support and maintenance;

"(G) the development by Child Protective Service of supportive responses that enable victims to protect their children;

"(H) the implementation of supervised visitations that do not endanger victims and their children; and

"(I) the possibility of permitting domestic violence victims to remove children from the State when the safety of the children or the victim is at risk;

"(3) conduct public education campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence; and

"(4) participate in planning and monitoring of the distribution of grants and grant funds to their State under section 303(a).

"(b) ELIGIBILITY.—To be eligible for a grant under this section, an entity shall be a statewide nonprofit State domestic violence coalition meeting the following conditions:

"(1) The membership of the coalition includes representatives from a majority of the programs for victims of domestic violence in the State.

"(2) The board membership of the coalition is representative of such programs.

"(3) The purpose of the coalition is to provide services, community education, and technical assistance to such programs to establish and maintain shelter and related services for victims of domestic violence and their children.

"(4) In the application submitted by the coalition for the grant, the coalition provides assurances satisfactory to the Secretary that the coalition—

"(A) has actively sought and encouraged the participation of law enforcement agencies and other legal or judicial entities in the preparation of the application; and

"(B) will actively seek and encourage the participation of such entities in the activities carried out with the grant.

"(c) ALLOTMENT OF FUNDS.—From amounts appropriated under this section for each fiscal year, the Secretary shall allot to each State, the District of Columbia, the Commonwealth of Puerto Rico, and the combined U.S. Territories an amount equal to 1/53 of the amount appropriated for such fiscal year. For purposes of this section, the term 'combined U.S. Territories' means Guam, American Samoa, the U.S. Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands and shall not receive less than 1.5 percent of the funds appropriated for each fiscal year.

"(d) PROHIBITION ON LOBBYING.—No funds made available to entities under this section shall be used, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State or local agency, or to undertake to influence the passage or defeat of any legislation by Congress, or by any State or local legislative body, or State proposals by initiative petition, except that the representatives of the entity may testify or make other appropriate communication—

"(1) when formally requested to do so by a legislative body, a committee, or a member thereof; or

"(2) in connection with legislation or appropriations directly affecting the activities of the entity.

"(e) REPORTING.—Each State domestic violence coalition receiving amounts under this section shall submit a report to the Secretary describing the coordination, training and technical assistance and public education services performed with such amounts and evaluating the effectiveness of those services.

"(f) DEFINITION.—For purposes of this section, a State domestic violence coalition may include representatives of Indian tribes and tribal organizations, as defined in section 4 of the Indian Self-Determination and Education Assistance Act.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to be used to award grants under this section $8,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.

"(h) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing this section.".

SEC. 318. REGULATIONS.

Section 312(a) (42 U.S.C. 10409(a)) is amended by adding at the end thereof the following new sentence:

"Not later than 90 days after the date of enactment of this sentence, the Secretary shall publish proposed regulations implementing sections 303, 308, and 314. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing such sections.".

SEC. 319. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION.

Section 313(1) (42 U.S.C. 10409(1)) is amended by striking out "characteristics relating to family violence" and inserting in lieu thereof "develop data on the number of victims of family violence and their dependents who are homeless or institutionalized as a result of the violence and abuse they have experienced".

SEC. 320. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

The Act is amended by adding at the end thereof the following new section:

"SEC. 314. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

"(a) IN GENERAL.—The Secretary may make grants to public or private nonprofit entities to provide public information campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence.

"(b) APPLICATION.—No grant, contract, or cooperative agreement shall be made or entered into under this section unless an application that meets the requirements of subsection (c) has been approved by the Secretary.

"(c) REQUIREMENTS.—An application submitted under subsection (b) shall—

"(1) provide such agreements, assurances, and information, be in such form and be submitted in such manner as the Secretary shall prescribe through notice in the Federal Register, including a description of how the proposed public information campaign will target the population at risk, including pregnant women;

"(2) include a complete description of the plan of the application for the development of a public information campaign;

"(3) identify the specific audiences that will be educated, including communities and groups with the highest prevalence of domestic violence;

"(4) identify the media to be used in the campaign and the geographic distribution of the campaign;

"(5) describe plans to test market a development plan with a relevant population group and in a relevant geographic area and give assurance that effectiveness criteria will be implemented prior to the completion of the final plan that will include an evaluation component to measure the overall effectiveness of the campaign;

"(6) describe the kind, amount, distribution, and timing of informational messages and such other information as the Secretary may require, with assurances that media organizations and other groups with which such messages are placed will not lower the current frequency of public service announcements; and

"(7) contain such other information as the Secretary may require.

"(d) USE.—A grant, contract, or agreement made or entered into under this section shall be used for the development of a public information campaign that may include public service announcements, paid educational messages for print media, public transit advertising, electronic broadcast media, and any other mode of conveying information that the Secretary determines to be appropriate.

"(e) CRITERIA.—The criteria for awarding grants shall ensure that an applicant—

"(1) will conduct activities that educate communities and groups at greatest risk;

"(2) has a record of high quality campaigns of a comparable type; and

"(3) has a record of high quality campaigns that educate the population groups identified as most at risk.

"(f) For purposes of this section, the term 'public or private nonprofit entity' includes an 'Indian tribe' or 'tribal organization', as defined in section 4 of the Indian Self-Determination and Education Assistance Act.".

SEC. 321. MODEL STATE LEADERSHIP INCENTIVE GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

The Act (as amended by section 320) is further amended by adding at the end thereof the following new section:

"SEC. 315. MODEL STATE LEADERSHIP GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

"(a) IN GENERAL.—The Secretary, in cooperation with the Attorney General, shall award grants to not more than 10 States to assist such States in becoming model demonstration States and in meeting the costs of improving State leadership concerning activities that will—

"(1) increase the number of prosecutions for domestic violence crimes;

"(2) encourage the reporting of incidences of domestic violence; and

"(3) facilitate 'arrests and aggressive' prosecution policies.

"(b) DESIGNATION AS MODEL STATE.—To be designated as a model State under subsection (a), a State shall have in effect—

"(1) a law that requires mandatory arrest of a person that police have probable cause to believe has committed an act of domestic violence or probable cause to believe has violated an outstanding civil protection order;

"(2) a law or policy that discourages 'dual' arrests;

"(3) statewide prosecution policies that—

"(A) authorize and encourage prosecutors to pursue cases where a criminal case can be proved, including proceeding without the active involvement of the victim if necessary; and

"(B) implement model projects that include either—

"(i) a 'no-drop' prosecution policy; or

"(ii) a vertical prosecution policy; and

"(C) limit diversion to extraordinary cases, and then only after an admission before a judicial officer has been entered;

"(4) statewide guidelines for judges that—

"(A) reduce the automatic issuance of mutual restraining or protective orders in cases where only one spouse has sought a restraining or protective order;

"(B) discourage custody or joint custody orders by spouse abusers; and

"(C) encourage the understanding of domestic violence as a serious criminal offense and not a trivial dispute;

"(5) develop and disseminate methods to improve the criminal justice system's response to domestic violence to make existing remedies as easily available as possible to victims of domestic violence, including reducing delay, eliminating court fees, and providing easily understandable court forms.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to the funds authorized to be appropriated under section 310, there are authorized to be appropriated to make grants under this section $25,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995.

"(2) LIMITATION.—A grant may not be made under this section in an amount less than $2,000,000.

"(3) DELEGATION AND TRANSFER.—The Secretary shall delegate to the Attorney General the Secretary's responsibilities for carrying out this section and shall transfer to the Attorney General the funds appropriated under this section for the purpose of making grants under this section.".

SEC. 322. EDUCATING YOUTH ABOUT DOMESTIC VIOLENCE.

(a) GENERAL PURPOSE.—For purposes of this section, the Secretary of Education, hereinafter referred to as the "Secretary" shall develop model programs for education of young people about domestic violence and violence among intimate partners.

(b) NATURE OF PROGRAM.—The Secretary, in consultation with the Secretary of Health and Human Services, shall through grants or contracts develop three separate programs, one each for primary and middle schools, secondary schools, and institutions of higher education. Such model programs shall be developed with the input of educational experts, law enforcement personnel, legal and psychological experts on battering, and victim advocate organizations such as battered women's shelters. The participation of each such group or individual consultants from such groups is essential to the development of a program that meets both the needs of educational institutions and the needs of the domestic violence problem.

(c) REVIEW AND DISSEMINATION.—Not later than 9 months after the date of enactment of this Act, the Secretary shall transmit the model programs, along with a plan and cost estimate for nationwide distribution, to the relevant committees of Congress for review.

(d) AUTHORIZATION.—There are authorized to be appropriated under this section for fiscal year 1992, $200,000 to carry out the purposes of this section.

TITLE IV—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO ADOPTION

SEC. 401. FINDINGS AND PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5111) is amended to read as follows:

"SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

"(a) FINDINGS.—Congress finds that—

"(1) the number of children in substitute care increased by nearly 50 percent between 1985 and 1990, as our Nation's foster care population included more than 400,000 children at the end of June, 1990;

"(2) increasingly children entering foster care have complex problems which require intensive services;

"(3) an increasing number of infants are born to mothers who did not receive prenatal care, are born addicted to alcohol and other drugs, and exposed to infection with the etiologic agent for the human immunodeficiency virus, are medically fragile, and technology dependent;

"(4) the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and some such children are in need of placement in permanent, adoptive homes;

"(5) many thousands of children remain in institutions or foster homes solely because of local and other barriers to their placement in permanent, adoptive homes;

"(6) the majority of such children are of school age, members of sibling groups or disabled;

"(7) currently one-half of children free for adoption and awaiting placement are minorities;

"(8) adoption may be the best alternative for assuring the healthy development of such children;

"(9) there are qualified persons seeking to adopt such children who are unable to do so because of barriers to their placement; and,

"(10) in order both to enhance the stability and love of the child's home environment and to avoid wasteful expenditures of public funds, such children should not have medically indicated treatment withheld from them nor be maintained in foster care or institutions when adoption is appropriate and families can be found for such children.

"(b) PURPOSE.—It is the purpose of this title to facilitate the elimination of barriers to adoption and to provide permanent and loving home environments for children who would benefit from adoption, particularly children with special needs, including disabled infants with life-threatening conditions, by—

"(1) promoting model adoption legislation and procedures in the States and territories of the United States in order to eliminate jurisdictional and legal obstacles to adoption; and

"(2) providing a mechanism for the Department of Health and Human Services to—

"(A) promote quality standards for adoption services, pre-placement, post-placement, and post-legal adoption counseling, and standards to protect the rights of children in need of adoption;

"(B) maintain a national adoption information exchange system to bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children, and conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption; and

"(C) demonstrate expeditious ways to free children for adoption for whom it has been determined that adoption is the appropriate plan.".

SEC. 402. MODEL ADOPTION LEGISLATION AND PROCEDURES.

Section 202 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5112) is repealed.

SEC. 403. INFORMATION AND SERVICE FUNCTIONS.

Section 203 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5113) is amended—

(1) in subsection (a)—

(A) by inserting ", on-site technical assistance" after "consultant services" in the second sentence;

(B) by inserting "including salaries and travel costs," after "administrative expenses," in the second sentence; and

(C) by adding at the end thereof the following new sentence: "The Secretary shall, not later than 12 months after the date of enactment of this sentence, prepare and submit to the committees of Congress having jurisdiction over such services reports, as appropriate, containing appropriate data concerning the manner in which activities were carried out under this title, and such reports shall be made available to the public."; and

(2) in subsection (b)—

(A) by striking out paragraph (1) and redesignating paragraph (2) as paragraph (1);

(B) by inserting after paragraph (1) (as so redesignated) the following new paragraph:

"(2) conduct, directly or by grant or contract with public or private nonprofit organizations, ongoing, extensive recruitment efforts on a national level, develop national public awareness efforts to unite children in need of adoption with appropriate adoptive parents, and establish a coordinated referral system of recruited families with appropriate State or regional adoption resources to ensure that families are served in a timely fashion;";

(C) in paragraph (4), by inserting before the semicolon the following: ", and to promote professional leadership training of minorities in the adoption field"; and

(D)(i) in paragraph (7), by striking "and" after the semicolon at the end;

(ii) by redesignating paragraph (8) as paragraph (9); and

(iii) by inserting after paragraph (7) the following new paragraph:

"(8) maintain (directly or by grant to or contract with public or private nonprofit agencies or organizations) a National Resource Center for Special Needs Adoption to—

"(A) promote professional leadership development of minorities in the adoption field;

"(B) provide training and technical assistance to service providers and State agencies to improve professional competency in the field of adoption and the adoption of children with special needs; and

"(C) facilitate the development of interdisciplinary approaches to meet the needs of children who are waiting for adoption and the needs of adoptive families; and".

SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Child Abuse Prevention and Treatment and Adoption Reform Act of 1978 (42 U.S.C. 5115) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) There are authorized to be appropriated, $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995, to carry out programs and activities under this Act except for programs and activities authorized under sections 203(b)(9) and 203(c)(1)."; and

(2) in subsection (b), by striking out "$3,000,000", the first place that such appears, and all that follows through the end thereof, and inserting in lieu thereof the following: "$10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995, to carry out section 203(b)(9), and there are authorized to be appropriated $10,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 through 1995, to carry out section 203(c)(1).".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Arizona [Mr. PASTOR] will be recognized for 20 minutes, and the gentleman from Wisconsin [Mr. KLUG] will be recognized for 20 minutes.

The Chair recognizes the gentleman from Arizona [Mr. PASTOR].

Mr. PASTOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of H.R. 4712, the Child Abuse Programs, Adoption Opportunities and Family Violence Prevention Amendments of 1992.

I wish to thank the chairman of the Select Education Subcommittee, Congressman MAJOR OWENS, and his staff for their diligent work in developing this legislation and moving it to the House floor for consideration today. I also wish to express my appreciation to the ranking Republican on the subcommittee, Congressman BALLENGER, and his staff, for their cooperation throughout this legislative process. The legislation before us today is a culmination of the hard work by Chairman OWENS and the members of the subcommittee.

The American family is struggling to survive under enormous pressures today. Increasingly, newspapers and television across the country document many instances of child abuse, domestic violence, child neglect, and homelessness.

The programs reauthorized in this legislation would help to stem the tide of mistreatment and neglect suffered by these children and troubled families.

The statistics associated with these problems are shocking and clearly illustrate the need for this legislation.

Reports of child abuse and neglect more than doubled in the past decade to 2.5 million in 1990, according to the National Committee for the Prevention of Child Abuse.

Approximately 6 million women in the United States are victims of some form of violence from their husbands or boyfriends each year.

Annually, approximately 1.1 million older persons are victims of moderate to severe abuse, according to a 1985 study conducted by the House Select Committee on Aging.

The FBI estimates that 4,000 women are killed each year by their spouses.

It is generally known that these statistics do not reflect the true picture since these incidences of child abuse or domestic violence are often not reported or are underreported.

The legislation before us today, H.R. 4712, addresses many of these problems and provides the means to fight the underlying causes and to fund the necessary interventions.

For example, title I of the legislation addresses programs targeted toward the prevention and treatment of child abuse. It authorizes approximately $100 million to support a variety of programs to protect children who may be vulnerable to abuse, neglect, or mistreatment. Included in the bill are grants to public and private organizations which work on the identification, prevention, and treatment of child sexual abuse. It supports programs to improve the reporting of medical neglect of children. Funds are also provided to enhance the investigation and prosecution of child abuse cases. Challenge grants are provided to States which maintain children's trust funds to prevent child abuse and neglect. Moreover, it provides emergency child abuse prevention services for children whose parents are substance abusers. For the first time, funds are targeted to programs which prevent the abuse and neglect of homeless children, as well as the separation of these children from their parents.

There are several reports over the past few years calling for a recognition that child abuse has reached crisis proportions. One such report was issued in August 1990 by the U.S. Advisory Board on Child Abuse and Neglect declaring child abuse a national emergency.

The continuing abuse of children is not only a national emergency—it is a national disgrace. Inasmuch as we have declared national emergencies on many other occasions, we cannot and should not accept the high numbers of children being damaged—physically and emotionally—without doing something constructive about it. H.R. 4712 channels funds into preventive and treatment programs to eliminate or reduce child abuse in communities across the country.

Under title III of this legislation, about $68 million is authorized for family violence prevention and services. These funds will be used to provide shelter and other related assistance to the victims of domestic violence. These victims are not only battered women, but also their dependents. All too often, we learn of women and their children fleeing an unbearable home situation and seeking protection elsewhere. To a great extent, this measure will protect and assist those individuals.

State and local law enforcement agencies—which are closely involved with domestic violence issues—will also receive funds to train their personnel on techniques for handling potential domestic disputes or actual family violence incidents.

This bill will also provide grants to foster cooperation between law enforcement agencies, domestic violence shelters, social service agencies, and hospitals involved in these explosive and unfortunate situations.

H.R. 4712 also renews existing programs which provide temporary care for children with special needs. Specially targeted for assistance are those children who have a chronic or terminal illness, those abused or neglected children who are temporarily being cared for in nurseries, as well as babies at risk of abuse.

Finally, this bill provides $30 million for a number of adoption services. This includes a national exchange program to link prospective parents with children who are available for adoption. Programs to promote the adoption of children who have certain mental, physical, or emotional handicaps are also funded in this legislation.

No doubt, the adoption of special needs children has increased. More special needs children are entering the foster care system. Many of these children are young, from minority families, are often drug-exposed, and often are from at-risk families. Since the mid-1980's, AIDS, homelessness, teen pregnancy, alcohol abuse, and the widespread crack cocaine epidemic have combined to overwhelm the various support systems.

Our choice today is clear. The children and adults from these troubled, at-risk families need our continued support. To do less for them would be unconscionable.

Demonstrate your compassion by helping to improve the health and welfare of these victimized individuals. On their behalf, I strongly urge all of my colleagues to vote for passage of this important legislation.

Mr. Speaker, I am including in the RECORD a section-by-section analysis of H.R. 4712.

SECTION BY SECTION ANALYSIS

Section 1.—Short Title and Table of Contents.

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

Subtitle A—General Provisions

Section 101.—Amendatory References.

Section 102.—Findings.

Amends the Act by inserting a section on findings, including the roles and responsibilities of local, State and Federal governments.

Subtitle B—General Program

Section 111.—Advisory Board.

Requires the Advisory Board to submit to the Secretary and to the appropriate committees of Congress a report on child and youth maltreatment-related deaths, including the Board's recommendations with respect to (1) a national policy to reduce and ultimately prevent such deaths, detailing the appropriate roles and responsibilities for State and local governments, as well as the private sector; (2) specific changes in Federal laws and programs to achieve an effective Federal role in implementing the policy; and (3) specific changes to improve national data collection on such deaths.

Authorizes $1 million for FY 1992 and such sums as may be necessary for FY 1993 through FY 1995 for the activities of the Advisory Board.

Section 112.—Research and Assistance Activities of the National Center on Child Abuse and Neglect.

Requires that research activities take into account relevant cultural factors and distinctions; that State reporting information be universal and case specific (to the extent practical) and integrated with other case-based foster care and adoption data collected by the Secretary. Requires that members of the peer review panel be experts in the field of child abuse or related disciplines; that the panel meet as often as is necessary to facilitate the expeditious review and evaluation of applications, but not less than once each year; that the panel make recommendations to the Secretary regarding whether the application shall be approved; and that the Secretary make grants from among the applications which the peer review panel has determined to have merit.

Section 113.—Grants for Demonstration or Service programs and Projects.

Requires evaluations of all projects as part of each project's activities, funding for such evaluations to be provided either as a stated percentage of the demonstration grant or contract or as a separate grant or contract for the purpose of evaluation. Discretionary grants will include training to improve the recruitment, selection, and training of volunteers.

Section 114.—Grant Program for Child Abuse, Neglect, Prevention, and Treatment.

Amends the General State Grant Program to require that grants to the States be based on the population of children under the age of 18; that grants be for the purpose of assisting the States in improving the child protective service system of each such State in: (1) intake and screening of reports of abuse and neglect; (2) investigation of such reports; (3) case management and delivery services; (4) general system enhancement (e.g., automation, training, etc.); and/or (5) developing, strengthening and carrying out child abuse and neglect prevention, treatment, and research. Subject to appropriations "trigger", limits the expenditure of funds for activity #5 to not more than 15%.

Requires submission of State Program Plans which specify the area or areas to be improved, data on current system capacity, and how improvements will occur.

The changes detailed in this subsection will not become effective until the appropriations for section 107 and 108 of the Act reaches $40 Million or on October 1, 1993, whichever comes first. While the statute is specific that States shall not be required to submit the more detailed applications or plans spelled out in the amendments until the conditions mentioned above have been fulfilled, there is nothing in the current statute or in the amendments which precludes or interferes with a State undertaking any activity included in the amendments or submitting a more detailed plan, if it chooses.

Concerns were raised by reports received that the Department is considering a "redefinition" or a policy "clarifying" the requirements of the Act pertaining to nonmedical treatments for medical conditions and their inclusion or exclusion in the term "negligent treatment or maltreatment".

No change was made to the statute, since none is necessary. The statute is clear on this point, and its interpretation has been consistent since its inception. The exact parameters of adequate parental care are to be delineated by State law and the State Courts. Reporting and other requirements pertaining to the consistent application of these State laws and administrative/judicial systems for the protection of children and review of their medical conditions and treatments is now, and always has been, within the purview of the statute. However, nothing in the statute or its legislative history warrants or authorizes the Secretary to require the provision of medical treatment, at any point in the proceedings. As long as the State and its entities apply protective procedures and reviews consistent with the State statutes, such determinations regarding the adequacy, type and timing of medical treatment are within the sole judgement of each State system. State child protective agencies and Courts must balance all factors and follow State law and procedures in making these determinations.

Section 115.—Emergency Child Abuse Prevention Services Grant Program.

Authorizes $40 million for FY 1992, and such sums as may be necessary for FY 1993 through FY 1995.

Section 116.—Grant Program for Investigation and Prosecution of Child Abuse Cases.

Amends the title and expands the scope of the program relating to the investigation and prosecution of child abuse and neglect cases by including child sexual exploitation and suspected child abuse or neglect fatalities.

Modifies the State eligibility requirements. With respect to the State Task Force, the bill modifies its composition, broadens its mandate, and makes several technical amendments to conform with current practice.

Section 117.—Authorization for Appropriations.

Authorizes $100,000,000 for FY 1992, and such sums as may be necessary for FY 1993 through FY 1995. $5 Million would be reserved from the funds appropriated for grants under Section 107(g) of the Act, with the remainder of funds being distributed by formula between activities under Sections 104, 105 & 106 and 107 & 108 of the Title.

Subtitle C—Community-Based Prevention Grants Program

Section 121.—Title and Purpose.

Amends the title for this program and adds a purposes section.

Section 122.—Grants Authorized; Authorization of Appropriations.

Authorizes $45 million for FY 1992, and such sums as may be necessary for FY 1993 through FY 1995; removes the $7 million cap on authorizations.

Section 123.—State Eligibility.

Modifies State eligibility by requiring a trust fund and to broaden the funds which may be counted for purposes of the non-Federal match.

Section 124.—Limitations.

Modifies the formula for funding the State Child Abuse Trust funds to distribute 50% of the funds appropriated under a child count/per capita distribution (with each State receiving no less than $30,000) and 50% allotted on the basis of the amount of funds in a State's Trust fund. At least 50% of these funds must be used to support community-based authorized activities, when the appropriations level exceeds $10 million. Also makes a technical amendment relating to the State Advisory Council and adds new requirements to the application concerning coordination with other programs and outcomes.

Subtitle D—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness

Section 131.—Authorization of Appropriations.

Authorizes such sums as may be necessary for FY 1993 through FY 1995 (currently authorized through 1992).

Subtitle E—Miscellaneous Provisions

Section 141.—Technical Amendments.

Amends the statute to reflect the current usage of the term "with disabilities".

Section 142.—Report Concerning Voluntary Reporting System.

Requires a report from the Secretary on the assistance given by the Department to the States in implementing the Act and the extent to which State reporting requirements conform to those required by other Federal programs.

TITLE II—REAUTHORIZATION OF THE TEMPORARY CHILD CARE FOR CHILDREN WITH DISABILITIES AND CRISIS NURSERIES ACT

Section 201.—Short Title.

Section 202.—Administrative Provisions.

Adds a definition identical to that in the Individuals with Disabilities Education Act and makes a technical amendment.

Section 203.—Authorization of Appropriations.

Authorizes $20 million in each of FY 1992 through FY 1995.

TITLE III—FAMILY VIOLENCE PREVENTION AND SERVICES ACT

Section 301.—Amendatory References.

Section 302.—Expansion of Purpose.

Expands the purposes section of the program to reflect the change in nature of this program from a program to fund demonstration projects to one to fund service programs.

Section 303.—Expansion of State Grant Program.

Changes the program from a demonstration grant program to a service delivery program, and states that the primary purpose of these grants is for shelters.

Section 304.—Involvement in Planning.

Requires the State to involve State domestic violence coalitions in the formulation of its plan.

Section 305.—Confidentiality Assurances.

Requires the State to submit documentation proving development and implementation of policies and procedures on confidentiality.

Section 306.—Procedure for Evicting Violent Spouses.

Requires the State to submit documentation that the State has a law or procedure that has been implemented for eviction of an abusing spouse from a shared household.

Section 307.—Penalties for Noncompliance.

Modifies the provision regarding the correction of application deficiencies and permits the State domestic violence coalitions to participate in the process.

Section 308.—Grants to Indian Tribes.

Requires that 10% of the funds under this section be set-aside for Indian tribes and tribal organizations, as defined in the Indian Self-Determination and Education Assistance Act of 1975. Such tribes and organizations are also made eligible applicants under the other programs created in this Title.

Section 309.—Maximum Ceiling.

Removes the ceiling on a maximum grant under this program.

Section 310.—Grants to Entities Other Than States; Local Share.

Lowers the non-Federal matching requirements to 20% for the first year, 35% in the second year, and 50% for the third year and each year thereafter. In addition, the bill reduces the requirement for a private match from 50% to 25%.

Section 311.—Shelter and Related Assistance.

Modifies the provision of services section to increase the amount to be used for shelters, and to require that no less than 25% of the funds allotted be used for related services, which are broadly defined in the provision and include prevention services.

Section 312.—Allotment of Funds.

Increases the State minimum grant.

Section 313.—Secretarial Responsibilities.

Modifies and expands the research to be done by the Secretary into the area of family violence prevention and treatment.

Section 314.—Evaluation and Report to Congress.

Modifies the provision on evaluation and the report to Congress.

Section 315.—Funding for Technical Assistance Center.

The bill substantially alters the current provision for a national clearinghouse on family violence. The Secretary is required to award grants to private nonprofit entities meeting particular criteria to establish a national resource center and up to six "special issue resource centers", which are stipulated in the amendment. Funding for this activity is to be 5% of the funds appropriated for this Title.

Section 316.—Authorization of Appropriations.

Authorizes $60 million for FY 1992, and such sums as may be necessary for FY 1993 through 1995, for activities under sections 303 through 309 and 313. The bill contains certain set-asides.

Section 317.—Contracts and Grants for State Domestic Violence Coalitions.

Repeals the current law enforcement training and technical assistance program and replaces it with a program to fund state domestic violence coalitions. Specifies make-up of the coalitions, services authorized and allowed, evaluations and needs assessments and eligibility criteria. Includes an allotment formula for equal distribution between States and trust territories and has provisions on lobbying, regulations, and reports. Each domestic violence coalition is to show, in its application, that it has consulted with law enforcement entities in the development of the application and will involve the same in the program.

Authorizes $8 million for FY 1992, and such sums as may be necessary for FY 1993 through FY 1995.

Section 318.—Regulations.

Stipulates that the Secretary is to publish proposed regulations for this Act within 90 days and final regulations within 120 days.

Section 319.—Family Member Abuse Information and Documentation.

Modifies the information to be collected regarding victims of family violence.

Section 320.—Grants for Public Information Campaigns.

Adds a new provision for grants for public information campaigns regarding family violence and its facets.

Section 321.—Model State Leadership Incentive Grants for Domestic Violence Intervention.

Requires the Secretary, in cooperation with the Attorney General, to make grants available to not more than ten States for the purpose of developing model methods to improve the criminal justice system's response to domestic violence. No State may receive less than $2 Million in each Fiscal Year it receives a grant. The Secretary would delegate to the Attorney General the responsibilities for carrying out this section and would transfer the funds appropriated under this section. Eligibility requirements a State must meet, relating to its systems and policies, are stipulated in the bill. The bill authorizes a separate amount of $25 million for FY 1992, and such sums as may be necessary for FY 1993 through FY 1995 for this program.

Section 322.—Education of Youth About Domestic Violence.

Requires the Secretary of Education, in consultation with the Secretary of Health and Human Services, to establish a program for educating youth about family violence. The Secretary of Education is to develop three separate model programs for different grade levels. The bill authorizes $200,000 for Fiscal Year 1992 for this activity.

TITLE IV—ADOPTION OPPORTUNITIES

Section 401.—Findings and Purpose.

Modifies the current findings provision and purposes section for the Act.

Section 402.—Model Adoption Legislation and Procedures.

Repeals the provision on the Model Adoption Legislation and Procedures, which has been carried out.

Section 403.—Information and Service Functions.

Expands the requirements for Departmental technical assistance, national recruitment efforts (particularly of minorities), public education and awareness activities and professional leadership training (particularly of minorities) and requires a report on the activities for Congress. It also amends the activities of the Secretary to require the Secretary to maintain a National Resource Center for Special Needs Adoption, in order to increase adoption opportunities for minorities and other historically underserved populations.

Section 404.—Authorization of Appropriations.

Authorizes $10 million for FY 1992, and such sums as may be necessary for FY 1993 through FY 1995 for programs under the Act, other than those under 203(b)(8) and 203(c)(1). Separate and equal amounts for each of these provisions are authorized for the same periods.

□ 1410

Mr. Speaker, I reserve the remainder of my time.

Mr. KLUG. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I would first of all like to thank the chairman and ranking member of our subcommittee for their work on this important matter. Today we are considering H.R. 4712, a bill reauthorizing child abuse programs which try to find ways to prevent child abuse, neglect, and domestic violence, as well as encourage the adoption of children with special needs.

Over the past two decades, all of us have become increasingly aware of the impact that child abuse and neglect have in our society. The Select Education Subcommittee, as well as the Select Committee of Children, Youth and Families—both of which I am a member—have recently held hearings on this troubling matter. We heard testimony from child abuse experts that over 2 million children are abused and neglected each year and over 1,000 children die as a result of this abuse. Just last week, the National Center on Child Abuse Research reported in their annual survey of all 50 States that child abuse has increased 6 percent from last year, and 40 percent since 1985. Further, child fatalities resulting from child abuse increased 11 percent between 1990 and 1991.

Mr. Speaker, as the father of three children, I am greatly concerned by these statistics, and believe, like many of my colleagues, that we must move expeditiously to protect our children and families from incidents of abuse, neglect, and family violence. H.R. 4712 attempts to meet these needs by targeting Federal dollars to States, who in turn can channel these moneys to areas of their child protective services system. These areas include intake and screening of reports, investigation of reported abuse, case management, general system enhancement, developing prevention, treatment, and research. States would be required to specify which area of the child protective service systems they would be improving, provide data on the current system capacity, and indicate how funds would be used to make improvements. While I would have liked to have seen more responsibility given to States for the improvement of the child protective services system, I do believe these activities will enhance the States' efforts to reduce child abuse and neglect.

H.R. 4712 also reauthorizes the Child Abuse Challenge Grant Program, the only Federal program devoted solely to the prevention of child abuse and neglect. This bill revises this program so that the majority of the funds are spent on community-based child abuse prevention programs. I applaud this effort because I strongly believe that only at the local level can we really make an impact on reducing and preventing child abuse and neglect.

Mr. Speaker, while I am in general agreement with this bill and will support its passage, I do have two concerns that I believe deserve the Members' attention. First, H.R. 4712 changes the Family Violence State Grant Program by making these grants permanent rather than retaining them as demonstration grants, and second the local match required in order to qualify for a grant is significantly reduced. While I recognize the serious fiscal crisis facing many of our States, I do not believe these grants should become permanent. By taking such actions, I fear that commitments from State and local governments, both financial and otherwise, would be lessened, further placing the burden of dealing with family violence on the Federal Government. In order to create strong programs, I believe we need to encourage local and private dollars to compliment those from the Federal Government.

Each year billions of dollars are spent at all levels of government through law enforcement, juvenile courts, foster care, and residential facilities on adults who were mistreated and abused as children. Annual out-of-home placement and treatment costs for a single child are as high as $50,000 in some communities. By focusing our efforts on all levels of government—Federal, State, and local—we can hope to reduce the tremendous social costs of these human tragedies.

Once again I want to thank the chairman for bringing this legislation to us today, and I urge my colleagues to support H.R. 4712.

Mr. Speaker, I yield such time as he may consume to my friend, the gentleman from North Carolina [Mr. BALLENGER], the ranking member on the subcommittee.

Mr. BALLENGER. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I rise to support H.R. 4712, the Child Abuse Prevention and Treatment Act which authorizes programs to prevent child abuse and neglect and domestic violence while providing opportunities through adoption of children with special needs.

Child abuse and neglect is increasing in this country and it is my hope that this legislation can help States design child protective services systems that will reduce such abuse and work to keep families together. According to a report recently issued by the National Center on Child Abuse Prevention Research, there were 2.6 million reports of child abuse and neglect in 1991, an increase of 6 percent over 1990. Nearly 1,400 children died as a result of child maltreatment in 1991 which is an 11-percent increase over 1990. Most alarming in the report is that almost 80 percent of children who died as a result of child abuse were under age 5 and 56 percent were infants. These statistics must be reduced.

H.R. 4712 begins to address this problem by requiring States to target Federal dollars in five different areas in order to improve their child protective services system. Those areas include intake and screening of reports of child abuse and neglect, investigation of such reports, case management, general system enhancement and developing prevention, treatment and research programs. By targeting Federal dollars to specific areas of need, States can improve their system so that children are protected and families are given the necessary services to stay together thereby lowering out-of-home placements for children.

In addition, this bill authorizes grants to States to prevent domestic violence and targets the majority of the Federal dollars to shelters for victims of domestic violence. Domestic violence is also increasing with an estimated 3 to 4 million American women injured each year. As we have come to realize, family violence and child abuse are intertwined with an estimated 3.3 million children witnessing family violence each year. These children, in turn, are more at risk of suffering physical abuse or neglect themselves and also more at risk of repeating such abuse on their own children. H.R. 4712 provides funding for direct services such as shelters and counseling while retaining the focus on prevention. In addition, a new program is authorized to begin educating children at school about ways to prevent family violence and talk out problems before resorting to violence to resolve their problems. Such education is critical if we want to ensure that domestic violence is not repeated in the next generation.

Finally, Mr. Speaker, H.R. 4712 reauthorizes the Temporary Child Care for Children with Disabilities and Crisis Nurseries Act. This legislation continues demonstration grants to States to assist private and public organizations in providing respite care to families who have a disabled child. Respite care is a needed service for parents and families of children with disabilities and it is a program that will ultimately save the taxpayer millions of dollars. Without the availability of respite care, the other alternative for parents is out-of-home residential placement. This alternative currently costs the Federal Government approximately $8.5 billion annually and has negative consequences for the parents, for the disabled child, and for the taxpayer. Respite care is a service that provides parents with severely disabled children an occasional break from the needs of those children. I visited a respite care center in Boone, NC, and was convinced that this program and others like it across the country is good for the parents; good for the family; good for the disabled child; and good for the taxpayer.

I want to thank Chairman OWENS and his staff for working with the minority to bring this bill to the floor and I urge my colleagues to support this legislation.

□ 1420

Mr. KLUG. Mr. Speaker, I yield 3 minutes to the gentlewoman from Maryland [Mrs. MORELLA].

Mrs. MORELLA. Mr. Speaker, I rise in support of the Child Abuse Prevention and Family Services Act. I know the committee has worked diligently to create this much needed legislation and I commend them for their work.

Because I have been an advocate for domestic violence programs, I am especially pleased with the Family Violence Prevention and Services Act. Included in this legislation, among other provisions, is Federal funding for shelters and support programs. This legislation changes State grant demonstration programs to permanent service delivery programs. The primary purpose of these programs is for shelters—a lifetime for battered women.

Housing is, in fact, one of the most basic issues a battered woman and her children face when attempting to escape an abusive home. For a battered woman, the availability of safe and affordable housing can mean the difference between life-threatening abuse and a life free from the terror. Programs funded by this legislation will create viable options for women and children fleeing domestic violence.

Another important part of this legislation is the inclusion of State domestic violence coalitions in the planning and evaluation of programs authorized by this legislation. State domestic violence coalitions provide leadership in the development and maintenance of shelters and related services for domestic violence survivors. They also provide direction for community-based domestic violence education programs.

This year 3 to 4 million women will be beaten by a spouse or partner, 3,000 to 4,000 women will die from those beatings, and more than 3 million children will watch this violence in their own homes.

Today we have the opportunity to take a step toward ending this national tragedy of family violence. We should take that step and support this legislation.

Again, I commend those leaders on both sides of the aisle, the gentleman from New York [Mr. OWENS], the gentleman from Arizona [Mr. PASTOR], our ranking member, the gentleman from North Carolina [Mr. BALLENGER], and the gentleman from Wisconsin [Mr. KLUG], for their dedication in bringing this legislation forward.

Mr. KLUG. Mr. Speaker, I yield 3 minutes to the distinguished ranking member of the Committee on Education and Labor, my friend, the gentleman from Pennsylvania [Mr. GOODLING].

Mr. GOODLING. Mr. Speaker, I rise in support of H.R. 4712 which will reauthorize important programs to prevent child abuse and neglect and domestic violence.

One of the most tragic problems facing this Nation is child abuse and neglect. For the innocent children who are the victims of these crimes, child abuse often leaves physical and emotional scars that never heal.

H.R. 4712 attempts to address some of these problems through an expanded State grant program which will target Federal dollars in specific areas where improvements can be made to State child protective services systems. One of those areas is in case management and the delivery of services to children and their families where the child abuse has been substantiated but where the child has remained in the home without the risk of removal. Under this bill, the State must assess the activities and outcomes of improved response time for services to these children and families and report on the number of child protective service workers responsible for providing services to the family and the child in their own home.

I am very concerned that programs we authorize in this area work to keep families together and I am pleased that this legislation specifically states that our national policy should strengthen families to remedy the cause of child abuse, provide support for intensive services to prevent the unnecessary removal of children from their families, and promote the reunification of families if removal has taken place. It is critical that we do not take children out of the home without well substantiated facts that abuse has occurred. Child protective services workers must be absolutely sure that abuse has occurred before disrupting the family and removing the child. Well trained child protection services workers are needed to ensure that these needs are met. H.R. 4712 allows States to spend Federal dollars on staff training so that staff on the frontlines of intervention will have the necessary skills, tools, and knowledge with which to provide services to families and their children.

Every year children are starved and abandoned, burned and severely beaten, raped and sexually abused, berated and belittled. The system the Nation has devised to respond to child abuse and neglect is failing, and the United States is spending billions of dollars on programs that deal with its failure. Furthermore, the evidence indicates abused children often grow up to become abusive parents. It is my hope that the changes we have made to these programs through H.R. 4712 will begin to make a dent in reducing child abuse and neglect in this country and promote ways to prevent abuse from taking place. I urge my colleagues to support this legislation so that efforts can be made to prevent child abuse and neglect where possible and to treat its victims in a timely, compassionate, and effective manner.

Mr. PASTOR. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, on behalf of the people who will benefit from these moneys and these programs, the children who are abused or neglected, the women who are battered, the special-needs children will be adopted, on their behalf I would like to thank my Republican colleagues, and in particular the gentleman from North Carolina [Mr. BALLENGER] and the gentleman from Wisconsin [Mr. KLUG], for their cooperation in bringing this bill on the floor.

□ 1430

I would also like to commend the gentleman from New York [Mr. OWENS] and the subcommittee for their fine work, and I urge my colleagues to adopt this legislation.

Mr. OWENS of New York. Mr. Speaker, it is fitting that we pass H.R. 4712 during Child Abuse Prevention Month. The bill represents the most significant advance since child abuse programs were established almost two decades ago. The seriousness of the problem is underscored by reports of 2.5 million suspected cases of child abuse and neglect and more than 1,200 confirmed fatalities.

I want to thank Congressman PASTOR for managing the bill, and would like to acknowledge the work of Congressman BALLENGER, the members of the Subcommittee on Select Education, and our respective staffs.

The bill makes significant changes to the act to improve both the impact and visibility of Federal child abuse and neglect efforts. It is appropriate that H.R. 4712 signal a more vigorous role for the Federal Government in this area. In this regard, the U.S. Child Abuse Advisory Board has been vital in helping us to respond to this national emergency. The Advisory Board has called for a national, child-centered, neighborhood-based, comprehensive child protection approach. Although there are at least 28 agencies charged with specific activities pertaining to child abuse and neglect, the Advisory Board has identified the National Center on Child Abuse and Neglect [NCCAN] as coming closest to providing a focal point for Federal efforts. However, inadequate funding and staffing have hampered the center's ability to play the critical leadership role that is needed.

The reauthorization has mobilized the Democrats and Republicans to seek significant increases for the Advisory Board, the center, and the programs. The bill supports an authorization of $1 million for the Advisory Board so that NCCAN's budget is no longer affected by the Board's activities. The Advisory Board requires a budget that will allow it to continue to carry out functions that guide our Federal efforts as well as take on new responsibilities in providing leadership in the area of child abuse fatalities. There is a disturbing rise in the number of child abuse fatalities; yet, there is no standardized system for identifying and reporting them. The Advisory Board's recommendations in this area will be vitally important.

H.R. 4712 will strengthen the quality of NCCAN-funded research and demonstration projects by enhancing the peer review system to ensure that only those meritorious applications selected by qualified peer review panelists are funded and by requiring an evaluation for each funded project. The bill proposes a new State grant program to form the core component of the expanded Federal effort. States will develop plans to significantly improve their often overwhelmed child protective service systems. The revised community-based prevention grant program will encourage States to more fully participate in prevention activities at the level of urban and suburban neighborhoods. Changes to the Family Violence Prevention and Services Program include: The establishment of 6 information and technical assistance centers to provide resource information, training, and technical assistance to Federal, State, and Indian tribe agencies, local domestic violence programs, and other professionals who provide services to victims of domestic violence; provision for 10 model State leadership grants for domestic violence intervention; and the establishment of programs—1 each for primary and middle schools, secondary schools, and institutions of higher education—for educating youth about domestic violence.

I will continue to work to further strengthen these programs, particularly with regard to defining the role of the National Center on Child Abuse and Neglect and ensuring that it receives the appropriate level of resources and expertise.

I urge my colleagues to support the passage of this needed and important legislation.

Mrs. LLOYD. Mr. Speaker, I am very pleased to rise in strong support of H.R. 4712, the Child Abuse Prevention and Family Services Act. This important bill authorizes, through fiscal year 1995, programs under the Child Abuse Prevention and Treatment Act, The Family Violence Prevention Act, the Adoption Opportunities Act, and the Temporary Child Care for Children With Disabilities and Crisis Nurseries Act.

The measure provides much needed support for these programs, and significantly increases authorized levels of funding, providing fiscal year 1992 authorizations of $186 million for the Child Abuse Prevention Programs, $93 million for Family Violence Prevention Programs, and $30 million for Adoption Opportunities Programs.

These programs have many essential functions and are vital to the ongoing efforts in the Third Congressional District of Tennessee to address the growing problem of child abuse.

The Child Abuse Prevention and Treatment Act provides assistance for State and local efforts to prevent child abuse and to identify and treat its victims. It finances a national center on child abuse and neglect to oversee research on the problem, coordinates Federal child abuse prevention efforts, and acts as an information clearinghouse on prevention and treatment programs.

The Family Violence Prevention and Services Act provides assistance for programs to prevent family violence, train law enforcement officers in dealing with family violence, promote cooperation between law enforcement and social service providers, and operate a national information and research clearinghouse.

The Adoption Opportunities Act provides assistance to help place otherwise hard-to-place children in adoptive homes, including older children, minority children, and children with disabilities.

The Temporary Child Care for Children With Disabilities and Crisis Nurseries Act provides funding for temporary respite care for children with disabilities, and temporary crisis nurseries for children who have been, or are in danger of, being abused.

Passage of the Child Abuse Prevention and Family Services Act today, to reauthorize funding for these programs, couldn't be more timely. Over the past decade, the problems facing at-risk children and families has reached crisis proportions as reports of child abuse and neglect have more than doubled to 2.5 million in 1990, the number of children entering foster care has risen, and substance abuse among women has increased. These and other factors such as homelessness and teen pregnancy have begun to overwhelm programs intended to help such children and their families. Clearly, steps must be taken to assist those providers who are offering these essential services.

I am very pleased that in my own community there are many caring individuals involved in this issue who are a beacon of hope for children and families in crisis. I salute them for their outstanding work. This past Saturday, April 4, I was privileged to have the opportunity to attend, with my granddaughter Meredith, Chattanooga's first Children's March for Children, sponsored by the Altrusa International Club of Chattanooga, to raise money for the Children's Advocacy Center of Hamilton County.

The Altrusa International Club of Chattanooga is recognized within our community for numerous achievements. Many of their worthy projects benefit the children in the community.

The Children's Advocacy Center [CAC] of Hamilton County is a private, not-for-profit, organization which works on behalf of children within the system of public and private agencies to provide a team approach for children and their families involved in child abuse. The Children's Advocacy Center will offer a comfortable, homelike setting where children feel safe and their families can regain their ability to function. The Children's Advocacy Center serves the community through education of child abuse and offers staff training and development.

The importance of the Children's Advocacy Center in Hamilton County cannot be overstated. This group of representatives from area service providers are working together as a team for the benefit of children in need of support. The active involvement of different agencies demonstrates the broad interest in the success of this project. These agencies include: T.C. Thompson Children's Hospital, Chattanooga Police Department, and mental health and counseling agencies among others. Obviously, this program means a lot to many people. In 1990 alone, in Hamilton County there were 1,722 cases of reported child abuse. This problem plaques not only Hamilton County but the Nation as well, and we must be supportive of any efforts to ease the suffering.

I have been working with the center to help them secure assistance for their efforts and I'll continue to do whatever I can on their behalf. They are looking for staff assistance and volunteer help and I've also encouraged others to join with them in working for the benefit of children who desperately need support.

I am very proud of all the members of my community, particularly those involved with the Children's Advocacy Center of Chattanooga, who have taken it upon themselves to address this issue in a loving, caring, and thoughtful manner. They are people who are interested in working to better children's lives.

I am proud to salute the dedicated individuals in connection with the Children's Advocacy Center in Hamilton County, TN and I hope that other groups across the Nation will emulate their efforts.

Passage of this legislation is a good start in making sure that all programs serving families and children in crisis are adequately funded. I urge my colleagues to join with me in supporting the Child Abuse Prevention and Family Services Act.

Mrs. SCHROEDER. Mr. Speaker, I rise in strong support of H.R. 4712, the Child Abuse Programs, Adoption Opportunities, and Family Violence Prevention Amendments Act of 1992.

I have long been distressed by the abusive conditions which face millions of children, and the failure of child protection and child welfare systems to respond. The Child Abuse Prevention and Treatment Act was one of the first bills I introduced when I came to Congress and this legislation before us today is more urgently needed than ever.

Last week, the National Committee for Prevention of Child Abuse released its latest data on child abuse and the new statistics are shocking. Every 6 hours, a child is reported to be a fatal victim of maltreatment; reported child abuse fatalities rose last year alone by 10 percent. The total number of child abuse reports increased once again in 1991, climbing to over 2.6 million reports—42 reports for every 1,000 children in the United States. Child abuse reports have grown steadily in recent years, and now are 40 percent higher than in 1985.

Reversing these trends requires a change in strategy. We currently spend over $2 billion responding to child abuse after it has occurred. Last week, the select committee heard that prevention strategies which provide support to families before crises arise save money, spare pain, and save lives. Successful prevention efforts such as family preservation and home visiting already exist in several States, and should be encouraged throughout the Nation.

H.R. 4712 addresses this increased need for prevention services by expanding support for community-based and family violence prevention efforts. The legislation authorizes funds for respite care to assist children with chronic or terminal illnesses, crisis nurseries for abused and neglected children, and programs to prevent abuse to children of homeless families. The bill also increases child abuse investigative and treatment efforts, and strengthens the mission of the U.S. Advisory Board on Child Abuse and Neglect.

Today, because of our failure to address the crisis aggressively, another four children will probably die from child abuse. Let's put the programs in place to keep children alive and healthy. I urge my colleagues to approve this important cost-effective, child-saving legislation.

Mr. KLUG. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. PASTOR. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Arizona [Mr. PASTOR] that the House suspend the rules and pass the bill, H.R. 4712, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

Mr. PASTOR. Mr. Speaker, I ask unanimous consent that the committee on Education and Labor be discharged from further consideration of the Senate bill (S. 838) to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such Act, and for other purposes, and ask for its immediate consideration in the House.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. (Mr. MAZZOLI). Is there objection to the request of the gentleman from Arizona?

There was no objection.

The Clerk read the Senate bill, as follows:

S. 838

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Child Abuse, Domestic Violence, Adoption and Family Services Act of 1991".

TITLE I—CHILD ABUSE PREVENTION AND TREATMENT ACT

SEC. 101. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Child Abuse Prevention and Treatment Act (42 U.S.C. 5101 et seq.).

SEC. 102. FINDINGS.

(a) IN GENERAL.—The Act is amended by inserting after the table of contents the following new section:

"SEC. 2. FINDINGS.

"Congress finds that—

"(1) each year, hundreds of thousands of American children are victims of abuse and neglect with such numbers having increased dramatically over the past decade;

"(2) many of these children and their families fail to receive adequate protection or treatment;

"(3) the problem of child abuse and neglect requires a comprehensive approach that—

"(A) integrates the work of social service, legal, health, mental health, education, and substance abuse agencies and organizations;

"(B) strengthens coordination among all levels of government, and with private agencies, civic, religious, and professional organizations, and individual volunteers;

"(C) emphasizes the need for abuse and neglect prevention, investigation, and treatment at the neighborhood level;

"(D) ensures properly trained and supported staff with specialized knowledge, to carry out their child protection duties; and

"(E) is sensitive to ethnic and cultural diversity;

"(4) the failure to coordinate and comprehensively prevent and treat child abuse and neglect threatens the futures of tens of thousands of children and results in a cost to the Nation of billions of dollars in direct expenditures for health, social, and special educational services and ultimately in the loss of work productivity;

"(5) all elements of American society have a shared responsibility in responding to this national child and family emergency;

"(6) substantial reductions in the prevalence and incidence of child abuse and neglect and the alleviation of its consequences are matters of the highest national priority;

"(7) national policy should strengthen families to remedy the causes of child abuse and neglect, provide support for intensive services to prevent the unnecessary removal of children from families, and promote the reunification of families if removal has taken place;

"(8) the child protection system should be comprehensive, child-centered, family-focused, and community-based, should incorporate all appropriate measures to prevent the occurrence or recurrence of child abuse and neglect, and should promote physical and psychological recovery and social re-integration in an environment that fosters the health, self-respect, and dignity of the child;

"(9) because of the limited resources available in low-income communities, Federal aid for the child protection system should be distributed with due regard to the relative financial need of the communities;

"(10) the Federal government should ensure that every community in the United States has the fiscal, human, and technical resources necessary to develop and implement a successful and comprehensive child protection strategy;

"(11) the Federal government should provide leadership and assist communities in their child protection efforts by—

"(A) promoting coordinated planning among all levels of government;

"(B) generating and sharing knowledge relevant to child protection, including the development of models for service delivery;

"(C) strengthening the capacity of States to assist communities;

"(D) allocating sufficient financial resources to assist States in implementing community plans;

"(E) helping communities to carry out their child protection plans by promoting the competence of professional, paraprofessional, and volunteer resources; and

"(F) providing leadership to end the abuse and neglect of the nation's children and youth.".

(b) CONFORMING AMENDMENT.—The table of contents of the Act is amended by inserting after the item relating to section 1, the following new item:

"Sec. 2. Findings.".

SEC. 3. ADVISORY BOARD ON CHILD ABUSE AND NEGLECT.

(a) IN GENERAL.—Section 102 (42 U.S.C. 5102) is amended by adding at the end thereof the following new subsection:

"(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $1,000,000 for fiscal year 1992.".

Subtitle A—General State Program

SEC. 110. GRANT PROGRAM FOR CHILD ABUSE NEGLECT PREVENTION AND TREATMENT.

Section 107 (42 U.S.C. 5106a) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) DEVELOPMENT AND OPERATION GRANTS.—The Secretary, acting through the Center, shall make grants to the States, based on the population of children under the age of 18 in each State that applies for a grant under this section, for purposes of assisting the States in improving the child protective service system of each such State in—

"(1) the intake and screening of reports of abuse and neglect through the improvement of the receipt of information, decisionmaking, public awareness, and training of staff;

"(2)(A) investigating such reports through improving response time, decisionmaking, referral to services, and training of staff;

"(B) creating and improving the use of multidisciplinary teams and interagency protocols to enhance investigations; and

"(C) improving legal preparation and representation;

"(3) case management and delivery services provided to families through the improvement of response time in service provision, improving the training of staff, and increasing the numbers of families to be served;

"(4) enhancing the general child protective system by improving assessment tools, automation systems that support the program, information referral systems, and the overall training of staff to meet minimum competencies; or

"(5) developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs."; and

(2) by striking out subsection (c) and inserting in lieu thereof the following new subsection:

"(c) STATE PROGRAM PLAN.—To be eligible to receive a grant under this section, a State shall annually submit a plan to the Secretary that specifies the child protective service system area or areas described in subsection (a) that the State intends to address with funds received under the grant. The plan shall describe the current system capacity of the State in the relevant area or areas from which to assess programs with grant funds and specify the manner in which funds from the State's programs will be used to make improvements. The plan required under this subsection shall contain, with respect to each area in which the State intends to use funds from the grant, the following information with respect to the State:

"(1) INTAKE AND SCREENING.—

"(A) STAFFING.—The number of child protective service workers responsible for the intake and screening of reports of abuse and neglect relative to the number of reports filed in the previous year.

"(B) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in report-taking, screening, decision-making, and referral for investigation.

"(C) PUBLIC EDUCATION.—An assessment of the State or local agency's public education program with respect to—

"(i) what is child abuse and neglect;

"(ii) who is obligated to report and who may choose to report; and

"(iii) how to report.

"(2) INVESTIGATION OF REPORTS.—

"(A) RESPONSE TIME.—The number of reports of child abuse and neglect filed in the State in the previous year where appropriate, the agency response time to each with respect to initial investigation, the number of substantiated and unsubstantiated reports, and where appropriate, the response time with respect to the provision of services.

"(B) STAFFING.—The number of child protective service workers responsible for the investigation of child abuse and neglect reports relative to the number of reports investigated in the previous year.

"(C) INTERAGENCY COORDINATION.—A description of the extent to which interagency coordination processes exist and are available Statewide, and whether protocols or formal policies governing interagency relationships exist in the following areas—

"(i) multidisciplinary investigation teams among child welfare and law enforcement agencies;

"(ii) interagency coordination for the prevention, intervention and treatment of child abuse and neglect among agencies responsible for child protective services, criminal justice, schools, health, mental health, and substance abuse; and

"(iii) special interagency child fatality review panels, including a listing of those agencies that are involved.

"(D) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as investigation, risk assessment, court preparation, and referral to and provision of services.

"(E) LEGAL REPRESENTATION.—A description of the State agency's current capacity for legal representation, including the manner in which workers are prepared and trained for court preparation and attendance, including procedures for appealing substantiated reports of abuse and neglect.

"(3) CASE MANAGEMENT AND DELIVERY OF ONGOING FAMILY SERVICES.—For children for whom a report of abuse and neglect has been substantiated and the children remain in their own homes and are not currently at risk of removal, the State shall assess the activities and the outcomes of the following services:

"(A) RESPONSE TIME.—The number of cases opened for services as a result of investigation of child abuse and neglect reports filed in the previous year, including the response time with respect to the provision of services from the time of initial report and initial investigation.

"(B) STAFFING.—The number of child protective service workers responsible for providing services to children and their families in their own homes as a result of investigation of reports of child abuse and neglect.

"(C) TRAINING.—The types and frequency of pre-service and in-service training programs available to support direct line and supervisory personnel in such areas as risk assessment, court preparation, provision of services and determination of case disposition, including how such training is evaluated for effectiveness.

"(D) INTERAGENCY COORDINATION.—The extent to which treatment services for the child and other family members are coordinated with child welfare, social service, mental health, education, and other agencies.

"(4) GENERAL SYSTEM ENHANCEMENT.—

"(A) AUTOMATION.—A description of the capacity of current automated systems for tracking reports of child abuse and neglect from intake through final disposition and how personnel are trained in the use of such system.

"(B) ASSESSMENT TOOLS.—A description of whether, how, and what risk assessment tools are used for screening reports of abuse and neglect, determining whether child abuse and neglect has occurred, and assessing the appropriate level of State agency protection and intervention, including the extent to which such tool is used statewide and how workers are trained in its use.

"(C) INFORMATION AND REFERRAL.—A description and assessment of the extent to which a State has in place—

"(i) information and referral systems, including their availability and ability to link families to various child welfare services such as homemakers, intensive family-based services, emergency caretakers, home health visitors, daycare and services outside the child welfare system such as housing, nutrition, health care, special education, income support, and emergency resource assistance; and

"(ii) efforts undertaken to disseminate to the public information concerning the problem of child abuse and neglect and the prevention and treatment programs and services available to combat instances of such abuse and neglect.

"(D) STAFF CAPACITY AND COMPETENCE.—An assessment of basic and specialized training needs of all staff and current training provided staff. Assessment of the competencies of staff with respect to minimum knowledge in areas such as child development, cultural and ethnic diversity, functions and relationship of other systems to child protective services and in specific skills such as interviewing, assessment, and decisionmaking relative to the child and family, and the need for training consistent with such minimum competencies.

"(5) INNOVATIVE APPROACHES.—A description of—

"(A) research and demonstration efforts for developing, strengthening, and carrying out child abuse and neglect prevention, treatment, and research programs, including the interagency efforts at the State level; and

"(B) the manner in which proposed research and development activities build on existing capacity in the programs being addressed.".

SEC. 111. GRANT PROGRAM FOR INVESTIGATION AND PROSECUTION OF CHILD ABUSE CASES.

Section 109 (42 U.S.C. 5106c) is amended—

(1) by striking out the section heading and inserting in lieu thereof the following:

"SEC. 109. GRANTS TO STATES FOR PROGRAMS RELATING TO THE INVESTIGATION AND PROSECUTION OF CHILD ABUSE AND NEGLECT CASES.";

(2) in subsection (a), by striking out paragraphs (1) and (2), and inserting in lieu thereof the following new paragraphs:

"(1) the handling of child abuse and neglect cases, particularly cases of child sexual abuse and exploitation, in a manner which limits additional trauma to the child victim;

"(2) the handling of cases of suspected child abuse or neglect related fatalities; and

"(3) the investigation and prosecution of cases of child abuse and neglect, particularly child sexual abuse and exploitation.";

(3) in subsection (b)—

(A) by striking out "and 107(e) or receive a waiver under section 107(c)" in paragraph (1);

(B) by striking out "and" at the end of paragraph (3);

(C) by inserting "annually" after "submit" in paragraph (4); and

(D) by striking out the period at the end thereof and inserting the following: "; and

"(5) submit annually to the Secretary a report on the manner in which assistance received under this program was expended throughout the State, with particular attention focused on the areas described in paragraphs (1) through (4) of subsection (a).";

(4) in subsection (c)(1)—

(A) in the matter preceding subparagraph (A)—

(i) by inserting ", and maintain" after "designate"; and

(ii) by striking out "child abuse" and inserting in lieu thereof "child physical abuse, child neglect, child sexual abuse and exploitation, and child maltreatment related fatalities";

(B) by striking out "judicial and legal officers", in subparagraph (B) and inserting in lieu thereof "judges and attorneys involved in both civil and criminal court proceedings related to child abuse and neglect";

(C) by inserting before the semicolon in subparagraph (C), the following: ", including both attorneys for children and, where such programs are in operation, court appointed special advocates";

(D) by striking out subparagraph (E); and

(E) by striking out "handicaps;" in subparagraph (F), and inserting in lieu thereof "disabilities; and"; and

"(G) by striking out subparagraph (G) and redesignating subparagraph (H) as subparagraph (G);

(5) in subsection (d)—

(A) by striking out "the State task force shall" in the matter preceding paragraph (1), and inserting in lieu thereof "and at three year intervals thereafter, the State task force shall comprehensively";

(B) by striking out "judicial" and all that follows in paragraph (1), and inserting in lieu thereof the following: "both civil and criminal judicial handling of cases of child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal;";

(C) by inserting "policy and training" before "recommendations" in paragraph (2); and

(6) in subsection (e)(1)—

(A) by striking out "child abuse" and all that follows through "child victim" in subparagraph (A), and inserting in lieu thereof the following: "child abuse and neglect, particularly child sexual abuse and exploitation, as well as cases involving suspected child maltreatment related fatalities and cases involving a potential combination of jurisdictions, such as interstate, Federal-State, and State-Tribal, in a manner which reduces the additional trauma to the child victim and the victim's family";

(B) by striking out "improve the rate" and all that follows through "abuse cases" in subparagraph (B), and inserting in lieu thereof the following: "improve the prompt and successful resolution of civil and criminal court proceedings or enhance the effectiveness of judicial and administrative action in child abuse and neglect cases, particularly child sexual abuse and exploitation cases, including the enhancement of performance of court-appointed attorneys and guardians ad litem for children"; and

(C) in subparagraph (C)—

(i) by inserting ", protocols" after "regulations"; and

(ii) by inserting "and exploitation" after "sexual abuse".

Subtitle B—Community-Based Prevention Grants

SEC. 121. TITLE HEADING AND PURPOSE.

(a) TITLE HEADING.—The heading for title II (42 U.S.C. 5116 et seq.) is amended to read as follows:

"TITLE II—COMMUNITY-BASED CHILD ABUSE AND NEGLECT PREVENTION GRANTS".

(b) PURPOSE.—Section 201 (42 U.S.C. 5116) is amended—

(1) in the section heading to read as follows:

"SEC. 201. PURPOSES."; and

(2) by striking out subsections (a) and (b) and inserting in lieu thereof the following:

"It is the purpose of this title, through the provision of community-based child abuse and neglect prevention grants, to assist States in supporting child abuse and neglect prevention activities.".

SEC. 122. DEFINITIONS.

Section 202 (42 U.S.C. 5116a) is amended—

(1) in paragraph (1), by striking out "and" at the end thereof; and

(2) in paragraph (2), by striking out the period and inserting in lieu thereof "; and".

SEC. 123. STATE ELIGIBILITY.

Section 204 (42 U.S.C. 5116c) is amended—

(1) by striking out "or other funding mechanism"; and

(2) by striking out "which is available only for child" and all that follows through the end thereof, and inserting "which includes (in whole or in part) legislative provisions making funding available only for the broad range of child abuse and neglect prevention activities.".

SEC. 124. LIMITATIONS.

Section 205 (42 U.S.C. 5116d) is amended—

(1) by striking out paragraph (1) of subsection (a) and inserting in lieu thereof the following new paragraph:

"(1) ALLOTMENT FORMULA.—

"(A) IN GENERAL.—Amounts appropriated to provide grants under this title shall be allotted among eligible States in each fiscal year so that—

"(i) 50 percent of the total amount appropriated is allotted among each State based on the number of children under the age of 18 in each such State, except that each State shall receive not less than $30,000; and

"(ii) the remaining 50 percent of the total amount appropriated is allotted in an amount equal to 25 percent of the total amount collected by each such State, in the fiscal year prior to the fiscal year for which the allotment is being determined, for the children's trust fund of the State for child abuse and neglect prevention activities.

"(B) USE OF AMOUNTS.—Not less than 50 percent of the amount of a grant made to a State under this title in each fiscal year shall be utilized to support community-based prevention programs as authorized in section 204(a), except that this subparagraph shall not become applicable until amounts appropriated under section 203(b) exceed $10,000,000."; and

(2) in subsection (b)(1)—

(A) by striking out "trust fund advisory board" and all that follows through "section 101" in subparagraph (A) and inserting in lieu thereof "advisory board established under section 102";

(B) by redesignating subparagraphs (B) and (C) as subparagraphs (F) and (G), respectively; and

(C) by inserting after subparagraph (A), the following new subparagraphs:

"(B) demonstrate coordination with other child abuse and neglect prevention activities and agencies at the State and local levels;

"(C) demonstrate the outcome of services and activities funded under this title;

"(D) provide evidence that Federal assistance received under this title has been supplemented with non-Federal public and private assistance (including in-kind contributions) at the local level (Federal assistance expended in support of activities authorized under paragraphs (1), (2), and (3) of section 204 shall be supplemented by State assistance);

"(E) demonstrate the extent to which funds received under this title are used to support community prevention activities in underserved areas, in which case the supplemental support required under subparagraph (D) shall be waived for the first 3 years in which assistance is provided to a grantee described in this subparagraph;".

Subtitle C—Certain Preventive Services Regarding Children of Homeless Families or Families at Risk of Homelessness

SEC. 131. CERTAIN PREVENTIVE SERVICES REGARDING CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 302(b) (42 U.S.C. 5118a(b)) is amended—

(1) in paragraph (3), by striking out "and" at the end thereof;

(2) by redesignating paragraph (4) as paragraph (6); and

(3) by inserting after paragraph (3), the following new paragraphs:

"(4) the provision of emergency housing-related assistance necessary to prevent the placement of children in out-of-home care, to facilitate the reunification of children with their families, and to enable the discharge of youths not less than 16 years of age from such area, including assistance in meeting the costs of—

"(A) rent or utility arrears to prevent an eviction or termination of utility services;

"(B) security and utility deposits, first month's rent, and basic furnishings; and

"(C) other housing-related assistance;

"(5) the provision to families, and to youths not less than 16 years of age who are preparing to be discharged from such care, of temporary rent subsidies necessary to prevent the initial or prolonged placement of children in out-of-home care, which subsidies are provided in an amount not exceeding 70 percent of the local fair market rental value and are provided for a period not to exceed 180 days; and".

Subtitle D—Child Abuse Treatment Improvements Grants

SEC. 141. ESTABLISHMENT OF PROGRAM.

The Act is amended by adding at the end thereof the following new title:

"TITLE IV—MISCELLANEOUS PROGRAMS

"SEC. 401. CHILD ABUSE TREATMENT IMPROVEMENTS GRANT PROGRAM.

"(a) AUTHORITY.—The Secretary of Health and Human Services (hereafter referred to in this section as the 'Secretary'), acting through the Administration for Children, Youth and Families, may award grants to eligible entities to improve the treatment of children exposed to abuse or neglect and the families of such children, particularly when such children have been placed in out-of-home care.

"(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall—

"(1) be a State or local public or nonprofit private entity;

"(2) be responsible for administering or providing child welfare services (including out-of-home services); and

"(3) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require including the information required under subsection (c).

"(c) CONTENTS OF APPLICATION.—An application submitted by an entity under subsection (b)(4) shall contain—

"(1) a description of the proposed program to be established, implemented or improved using amounts received under a grant, including the specific activities to be undertaken, the agencies that will be involved, the process that has been established for evaluating such activities, and the nature of any innovations proposed;

"(2) evidence of the need that the activity or program, to be conducted using amounts received under the grant, will address;

"(3) assurances that amounts received under the grant will be used to supplement, not supplant, existing funds provided by the State for child welfare purposes;

"(4) assurances that the applicant entity will provide not less than 20 percent of the total amounts needed to pay the costs associated with the program funded under such grant;

"(5) assurances that the applicant entity will provide information to the Secretary concerning the progress and outcome of the program to be funded under such grant;

"(6) a description of the procedures to be used to disseminate the findings derived from the program to be funded under such grant within the State;

"(7) a description of the extent to which multiple agencies will be involved in the design, development, operation, and staffing of the program to be funded under such grant; and

"(8) and other information determined appropriate by the Secretary.

"(d) USE OF FUNDS.—An entity may use amounts provided under a grant awarded under this section to—

"(1)(A) develop models of out-of-home care that are designed to promote the reunification of children with their families, including training and support components for foster parents to enable such parents to assist the birthparents with reunification efforts, except that such efforts must be determined to be in the best interest of the child;

"(B) develop comprehensive service approaches for child out-of-home care and for the families of such children, specifically focused on reunification; and

"(C) establish activities that are designed to promote visitation of parents and children, such as the establishment of neutral settings for structured visits between biological parents and children in care;

"(2) develop activities that are designed to support relatives caring for children who have been abused or neglected or children from families where substance abuse is present;

"(3) enhance the reimbursement and other support provided to foster parents, including relatives, to promote better recruitment and retention of foster parents;

"(4) develop activities and programs designed to—

"(A) promote the healthy physical, social, emotional, and educational development of children in out-of-home care and under child abuse preventive services supervision, including—

"(i) the conduct of comprehensive, multidisciplinary assessments of the physical, social, emotional, and educational development of such children, with particular attention given to the needs and strengths of the families of such children; and

"(ii) the development of services to meet such needs which involve multiple service agencies and alternative support systems within the community;

"(B) provide training for foster parents to address the physical, social, emotional, and educational needs of the children in their care; or

"(C) provide special programs to assist children with academic or developmental problems;

"(5) develop and implement programs that provide mentors, who are adults from the community or who are former foster youths, to youths in out-of-home care, in order to address their special needs, increase self esteem, and provide role models;

"(6) provide incentives that may be necessary to establish and recruit foster family homes for special populations, including children who are medically fragile or have other special physical, mental, and emotional disabilities, adolescent mothers and their children who are in care, and children who have been sexually abused;

"(7) hire staff with specialized knowledge in the areas of substance abuse, child development, education, health care, and adolescents, to provide support and act as a resource for caseworkers working with children and families with special needs in these areas; and

"(8) conduct other activities as the Secretary determines appropriate.

"(e) CONSIDERATIONS IN AWARDING GRANTS.—In awarding grants under this section the Secretary shall consider—

"(1) the geographic dispersion of the applicants for such grants;

"(2) the likelihood that the proposed service approach of the applicant would be transferable to other sites; and

"(3) the need for variety in the problems to be addressed by the applicants and in the models used to address similar problems.

"(f) ADMINISTRATION.—In administering the grant program established under this section the Administration for Children, Youth and Families shall—

"(1) require grantees to submit annual reports concerning the projects funded under such grants and a final report assessing the outcome of such projects;

"(2) arrange for the dissemination of project results through such means as the child welfare resource centers and the National Clearinghouse on Child Abuse and Neglect; and

"(3) provide for the evaluation of projects funded under this section.

"(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, $30,000,000 for fiscal year 1992, and such sums as may be necessary in each of the fiscal years 1993 and 1994.".

SEC. 142. TECHNICAL AMENDMENT.

The Act is amended in the table of contents in section 1(b) by adding at the end thereof the following new items:

"TITLE IV—MISCELLANEOUS PROGRAMS

"Sec. 401. Child abuse treatment improvements grant program.".

Subtitle E—Reauthorization of Certain Programs

SEC. 151. EMERGENCY GRANT PROGRAM.

Section 107A(e) (42 U.S.C. 5106a-1(e)) is amended by striking out "and such sums" and all that follows through the end thereof and inserting "such sums as may be necessary for fiscal year 1991, $40,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 152. GENERAL GRANT PROGRAMS.

Subsection (a) of section 114 (42 U.S.C. 5106h(a)) is amended to read as follows:

"(a) IN GENERAL.—There are authorized to be appropriated to carry out this title, except for section 107A, $150,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994. Of amounts appropriated under this section in any fiscal year—

"(1) 33⅓ percent of such amounts shall be made available in each such fiscal year for activities under sections 104, 105 and 106; and

"(2) 66⅔ percent of such amounts shall be made available in each such fiscal year for activities under sections 107 and 108. A State may spend the entire amount provided to such State under this title in a fiscal year for the purposes described in subsection (a)(5) of section 107, except that subsequent to the date on which the amount appropriated and available under paragraph (2) exceeds $40,000,000, such State shall not spend in excess of 15 percent of such amounts for the purposes described in subsection (a)(5) of section 107.".

SEC. 153. COMMUNITY-BASED PREVENTION GRANTS.

Section 203 (42 U.S.C. 5116b) is amended—

(1) by striking out subsection (b);

(2) by redesignating subsection (c) as subsection (b); and

(3) in subsection (b) (as so redesignated), by striking out "such sums" and all that follows through the period and inserting in lieu thereof "$50,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.".

SEC. 154. PREVENTIVE SERVICES FOR CHILDREN OF HOMELESS FAMILIES OR FAMILIES AT RISK OF HOMELESSNESS.

Section 306(a) (42 U.S.C. 5118e(a)) is amended by inserting ", and such sums as may be necessary in each of the fiscal years 1993 and 1994" before the period.

Subtitle F—Miscellaneous Provisions

SEC. 161. REPORT CONCERNING VOLUNTARY REPORTING SYSTEM.

Not later than April 30, 1992, and annually thereafter, the Secretary of Health and Human Services, acting through the Director of the National Center on Child Abuse and Neglect, shall prepare and submit to the appropriate committees of Congress a report concerning the measures being taken to assist States in implementing a voluntary reporting system for child abuse and neglect. Such reports shall contain information concerning the extent to which the child abuse and neglect reporting systems developed by the States are coordinated with the automated foster care and adoption reporting system required under section 479 of the Social Security Act.

TITLE II—CHILDREN WITH DISABILITIES TEMPORARY CARE

SEC. 201. SHORT TITLE.

This title may be cited as the "Children With Disabilities Temporary Care Reauthorization Act of 1991".

SEC. 202. AUTHORIZATION OF APPROPRIATIONS.

Section 206 of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117) is amended in the first sentence, by inserting before the period the following: ", and $20,000,000 for each of the fiscal years 1992 through 1994".

SEC. 203. TECHNICAL AMENDMENT.

Section 205(a)(1)(A)(vi) of the Temporary Child Care for Handicapped Children and Crisis Nurseries Act of 1986 (42 U.S.C. 5117c(a)(1)(A)(vi)) is amended by striking out "(vi)" and inserting in lieu thereof "(v)".

SEC. 204. EFFECTIVE DATE.

The amendments made by this title shall take effect October 1, 1991, or on the date of the enactment of this Act, whichever occurs later.

TITLE III—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO FAMILY VIOLENCE

SEC. 301. REFERENCES.

Except as otherwise provided, whenever in this title an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Family Violence Prevention and Services Act (42 U.S.C. 10401 et seq.).

SEC. 302. EXPANSION OF PURPOSE.

Section 302 (42 U.S.C. 10401) is amended—

(1) in paragraph (1)—

(A) by striking out "demonstration the effectiveness of assisting" and inserting in lieu thereof "assist"; and

(B) by striking out "to prevent" and inserting in lieu thereof "to increase public awareness about and prevent"; and

(2) in paragraph (2), by inserting ", courts, legal, social service, and health care professionals" after "(including law enforcement agencies".

SEC. 303. EXPANSION OF STATE GRANT PROGRAM.

Section 303(a) (42 U.S.C. 10402(a)) is amended—

(1) in paragraph (1), by striking out "demonstration grants" and inserting in lieu thereof "grants"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" in the matter preceding subparagraph (A), and inserting in lieu thereof "grant";

(B) by striking out "demonstration grant" in subparagraph (A), and inserting in lieu thereof "grant"; and

(C) by striking out "particularly those projects" in subparagraph (B)(ii) and all that follows through the end thereof, and inserting in lieu thereof the following: "the primary purpose of which is to operate shelters for victims of family violence and their dependents, and those which provide counseling, advocacy, and self-help services to victims and their children.".

SEC. 304. INVOLVEMENT IN PLANNING.

Section 303(a)(2)(C) (42 U.S.C. 10402(a)(2)(C)) is amended by inserting "State domestic violence coalitions" after "involve".

SEC. 305. CONFIDENTIALITY ASSURANCES.

Section 303(a)(2)(E) (42 U.S.C. 10402(a)(2)(E)) is amended by striking out "assurances that procedures will be developed" and inserting in lieu thereof "documentation that procedures have been developed, and implemented including copies of the policies and procedure,".

SEC. 306. PROCEDURE FOR EVICTING VIOLENT SPOUSES.

Section 303(a)(2)(F) (42 U.S.C. 10402(a)(2)(F)) is amended to read as follows:

"(F) provide documentation to the Secretary that the State has a law or procedure that has been implemented for the eviction of an abusing spouse from a share household;".

SEC. 307. PENALTIES FOR NONCOMPLIANCE.

Section 303(a)(3) (42 U.S.C. 10402(c)) is amended—

(1) by inserting "a 6-month period providing an" before "opportunity"; and

(2) by adding at the end thereof the following new sentences: "The Secretary shall provide such notice within 45 days of the date of the application if any of the provisions of subsection (a)(2) have not been satisfied in such application. If the State has not corrected the deficiencies in such application within the 6-month period following the receipt of the Secretary's notice of intention to disapprove, the Secretary shall withhold payment of any grant funds to such State until the date that is 30 days prior to the end of the fiscal year for which such grant funds are appropriated or until such time as the State provides documentation that the deficiencies have been corrected, whichever occurs first. State Domestic Violence Coalitions shall be permitted to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2), except that no funds made available to State Domestic Violation Coalitions under section 311 shall be used to challenge a determination as to whether a grantee is in compliance with, or to seek the enforcement of, the eligibility requirements of subsection (a)(2).".

SEC. 308. GRANTS TO INDIAN TRIBES.

Section 303(b) (42 U.S.C. 10402(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "is authorized to make demonstration grants" and inserting in lieu thereof ", from amounts appropriated to carry out this section, shall make available not less than 10 percent of such amounts to make grants";

(B) by striking out "and tribal" and inserting in lieu thereof ", tribal"; and

(C) by inserting "and nonprofit private organizations approved by an Indian Tribe for the operation of a family violence shelter on a Reservation", after "tribal organizations"; and

(2) in paragraph (2)—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by striking out "and (E)" and inserting in lieu thereof "(E) and (F)"; and

(C) by adding at the end thereof the following new sentence: "No entity eligible to submit an application under paragraph (1) shall be prohibited from making an application during any fiscal year for which funds are available because such entity has not previously applied or received funding under this section.".

SEC. 309. MAXIMUM CEILING.

Subsection (c) of section 303 (42 U.S.C. 10402(c)) is repealed, and subsections (d) through (g) are redesignated as subsections (c) through (f), respectively.

SEC. 310. GRANTS TO ENTITIES OTHER THAN STATES; LOCAL SHARE.

The section 303(e) (42 U.S.C. 10402(f)) (as so redesignated by section 309) is amended—

(1) in the first sentence—

(A) by striking out "demonstration grant" and inserting in lieu thereof "grant";

(B) by inserting "or an Indian Tribe" after "State";

(C) by striking out "35 percent" and inserting in lieu thereof "20 percent";

(D) by striking out "55 percent" and inserting in lieu thereof "35 percent";

(E) by striking out "65 percent in the third such year" and inserting in lieu thereof "and, for any year thereafter"; and

(2) in the second sentence, by striking out "50 percent" and inserting in lieu thereof "25 percent".

SEC. 311. SHELTER AND RELATED ASSISTANCE.

(a) SHELTER.—Section 303(f) (42 U.S.C. 10402(g)) (as so redesignated by section 309) is amended—

(1) by striking out "60 percent" and inserting in lieu thereof "70 percent"; and

(2) by inserting before the period the following "as defined in section 309(4). Not less than 15 percent of the funds distributed under subsection (a) or (b) shall be distributed for the purpose of providing related assistance as defined under section 309(5)(A), and not more than 10 percent for the purpose of providing family violence prevention services as defined under section 309(5)(B)".

(b) DEFINITION.—Paragraph (5) of section 309 (42 U.S.C. 10408(5)) is amended to read as follows:

"(5) The term 'related assistance' means the provision of direct assistance to victims of family violence and their dependents for the purpose of preventing further violence, helping such victims to gain access to civil and criminal courts and other community services, facilitating the efforts of such victims to make decisions concerning their lives in the interest of safety, and assisting such victims in healing from the effects of the violence. Related assistance—

"(A) shall include—

"(i) counseling with respect to family violence, counseling by peers individually or in groups, and referral to community social services;

"(ii) transportation, technical assistance with respect to obtaining financial assistance under Federal and State programs, and referrals for appropriate health-care services (including alcohol and drug abuse treatment), but shall not include reimbursement for any health-care services;

"(iii) legal advocacy to provide victims with information and assistance through the civil and criminal courts, and legal assistance; or

"(iv) children's counseling and support services, and child care services for children who are victims of family violence or the dependents of such victims; and

"(B) may include prevention services such as outreach and prevention services for victims and their children, employment training, parenting and other educational services for victims and their children, preventive health services within domestic violence programs (including nutrition, disease prevention, exercise, and prevention of substance abuse), domestic violence prevention programs for school age children, family violence public awareness campaigns, and violence prevention counseling services to abusers.".

SEC. 312. ALLOTMENT OF FUNDS.

Section 304(a)(1) (42 U.S.C. 10403(a)(1)) is amended—

(1) by striking out "whichever is the greater of the following amounts: one-half of"; and

(2) by striking out "$50,000" and inserting in lieu thereof "$200,000, whichever is the lesser amount".

SEC. 313. SECRETARIAL RESPONSIBILITIES.

Section 305(b)(2)(A) (42 U.S.C. 10404(b)(2)(A)) is amended—

(1) by striking out "into the causes of family violence";

(2) by inserting "most effective" before "prevention";

(3) by striking out "and (ii)" and inserting in lieu thereof "(ii)"; and

(4) by inserting before "and (B)" the following: "(iii) the effectiveness of providing safety and support to maternal and child victims of family violence as a way to eliminate the abuse experienced by children in such situations, (iv) identification of intervention approaches to child abuse prevention services which appear to be successful in preventing child abuse where both mother and child are abused, (v) effective and appropriate treatment services for children where both mother and child are abused, and (vi) the individual and situational factors leading to the end of violent and abusive behavior by persons who commit acts of family violence, including such factors as history of previous violence and the legal and service interventions received,".

SEC. 314. EVALUATION AND REPORT TO CONGRESS.

Section 306 (42 U.S.C. 10405) is amended—

(1) by inserting "and every two years thereafter," after "the first time after the date of the enactment of this title,";

(2) by striking out "assurances" and inserting in lieu thereof "documentation"; and

(3) by striking out "303(a)(2)(F)" and inserting in lieu "303(a)(2)(B) through 303(a)(2)(F)".

SEC. 315. FUNDING FOR TECHNICAL ASSISTANCE CENTERS.

Section 308 (42 U.S.C. 10407) is amended to read as follows:

"SEC. 308. INFORMATION AND TECHNICAL ASSISTANCE CENTERS.

"(a) Purpose and Grants.—

"(1) Purpose.—It is the purpose of this section to provide resource information, training, and technical assistance to Federal, State, and Indian tribal agencies, as well as to local domestic violence programs and to other professionals who provide services to victims of domestic violence.

"(2) Grants.—From the amounts appropriated under this title, the Secretary shall award grants to private nonprofit organizations for the establishment and maintenance of one national resource center (as provided for in subsection (b)) and not to exceed six special issue resource centers (as provided for in subsection (c)) focusing on one or more issues of concern to domestic violence victims.

"(b) National Resource Center.—The national resource center established under subsection (a)(2) shall offer resource, policy and training assistance to Federal, State, and local government agencies, to domestic violence service providers, and to other professionals and interested parties on issues pertaining to domestic violence, and shall maintain a central resource library in order to collect, prepare, analyze, and disseminate information and statistics and analyses thereof relating to the incidence and prevention of family violence (particularly the prevention of repeated incidents of violence) and the provision of immediate shelter and related assistance.

"(c) Special Issue Resource Centers.—The special issue resource centers established under subsection (a)(2) shall provide information, training and technical assistance to State and local domestic violence service providers, and shall specialize in at least one of the following areas of domestic violence service, prevention, or law:

"(1) Criminal justice response to domestic violence, including court-mandated abuser treatment.

"(2) Improving the response of Child Protective Service agencies to battered mothers of abused children.

"(3) Child custody issues in domestic violence cases.

"(4) The use of the self-defense plea by domestic violence victims.

"(5) Improving interdisciplinary health care responses and access to health care resources for victims of domestic violence.

"(6) Improving access to and the quality of legal representation for victims of domestic violence in civil litigation.

"(d) Eligibility.—To be eligible to receive a grant under this section an entity shall be a private nonprofit organization that—

"(1) focuses primarily on domestic violence;

"(2) provides documentation to the Secretary demonstrating experience working directly on issues of domestic violence, particularly in the specific subject area for which it is applying;

"(3) include on its advisory boards representatives from domestic violence programs in the region who are geographically and culturally diverse; and

"(4) demonstrate the strong support of domestic violence advocates from across the country and the region for their designation as the national or a special issue resource center.

"(e) Reporting.—Not later than 6 months after receiving a grant under this section, a grantee shall prepare and submit a report to the Secretary that evaluates the effectiveness of the use of amounts received under such grant by such grantee and containing such additional information as the Secretary may prescribe.

"(f) Regulations.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations.

"(g) Funding.—From the amounts appropriated under section 310, not in excess of 5 percent of such amount for each fiscal year shall be used for the purpose of making grants under this section.".

SEC. 316. AUTHORIZATION OF APPROPRIATIONS.

Section 310 (42 U.S.C. 10409) is amended to read as follows:

"SEC. 310. AUTHORIZATION OF APPROPRIATIONS.

"(a) In General.—There are authorized to be appropriated to carry out the provisions of sections 303 through 309 and section 313, $85,000,000 for fiscal year 1992, and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(b) Section 303 (a) and (b).—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 80 percent shall be used for making grants under subsection 303(a), and not less than 10 percent shall be used for the purpose of carrying out section 303(b).

"(c) Section 308.—Of the amounts appropriated under subsection (a) for each fiscal year, not less than 5 percent shall be used by the Secretary for making grants under section 308.".

SEC. 317. LAW ENFORCEMENT TRAINING AND TECHNICAL ASSISTANCE GRANTS AND CONTRACTS AND GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

Section 311 (42 U.S.C. 10410) is amended to read as follows:

"SEC. 311. GRANTS FOR STATE DOMESTIC VIOLENCE COALITIONS.

"(a) In General.—The Secretary shall award grants for the funding of State domestic violence coalitions. Such coalitions shall further the purposes of domestic violence intervention and prevention through activities, including—

"(1) working with judicial and law enforcement agencies to encourage appropriate responses to domestic violence cases and examine issues including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation when domestic violence is involved;

"(C) the use of mandatory arrests of accused offenders;

"(D) the discouragement of dual arrests;

"(E) the adoption of aggressive and vertical prosecution policies and procedures;

"(F) the use of mandatory requirements for presentence investigations;

"(G) the length of time taken to prosecute cases or reach plea agreements;

"(H) the use of plea agreements;

"(I) the consistency of sentencing, including comparisons of domestic violence crimes with other violent crimes;

"(K) the restitution of victims;

"(L) the use of training and technical assistance to law enforcement and court officials and other professionals;

"(M) the reporting practices of, and significance to be accorded to, prior convictions (both felony and misdemeanor) and protection orders;

"(N) the use of interstate extradition in cases of domestic violence crimes;

"(O) the use of statewide and regional planning; and

"(P) any other matters as the Secretary and the State domestic violence coalitions believe merit investigations;

"(2) work with family law judges, Child Protective Services agencies, and children's advocates to develop appropriate responses to child custody and visitation issues in domestic violence cases as well as cases where domestic violence and child abuse are both present, including—

"(A) the inappropriateness of mutual protection orders;

"(B) the prohibition of mediation where domestic violence is involved;

"(C) the inappropriate use of marital or conjoint counseling in domestic violence cases;

"(D) the use of training and technical assistance for family law judges and court personnel;

"(E) the presumption of custody to domestic violence victims;

"(F) the use of comprehensive protection orders to grant fullest protections possible to victims of domestic violence, including temporary support and maintenance;

"(G) the development by Child Protective Service of supportive responses that enable victims to protect their children;

"(H) the implementation of supervised visitations that do not endanger victims and their children; and

"(I) the possibility of permitting domestic violence victims to remove children from the State when the safety of the children or the victim is at risk;

"(3) conduct public education campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence; and

"(4) participate in planning and monitoring of the distribution of grants and grant funds to their State under section 303(a).

"(b) Eligibility.—To be eligible for a grant under this section an entity shall be a statewide nonprofit State domestic violence coalition whose—

"(1) membership includes representatives from a majority of the programs for victims of domestic violence in the State;

"(2) board membership is representative of such programs; and

"(3) purpose is to provide services, community education, and technical assistance to such programs to establish and maintain shelter and related services for victims of domestic violence and their children.

"(c) Allotment of Funds.—From amounts appropriated under this section for each fiscal year, the Secretary shall allot to each State, the District of Columbia, the Commonwealth of Puerto Rico, and the combined U.S. Territories an amount equal to 1/53 of the amount appropriated for such fiscal year. For purposes of this section, the term 'combined U.S. Territories' means Guam, American Samoa, the U.S. Virgin Islands, the Northern Mariana Islands, and the Trust Territory of the Pacific Islands and shall not receive less than 1.5 percent of the funds appropriated for each fiscal year.

"(d) Prohibition on Lobbying.—No funds made available to entities under this section shall be used, directly or indirectly, to influence the issuance, amendment, or revocation of any executive order or similar promulgation by any Federal, State or local agency, or to undertake to influence the passage or defeat of any legislation by Congress, or by any State or local legislative body, or State proposals by initiative petition, except that the representatives of the entity may testify or make other appropriate communication—

"(1) when formally requested to do so by a legislative body, a committee, or a member thereof; or

"(2) in connection with legislation or appropriations directly affecting the activities of the entity.

"(e) REPORTING.—Each State domestic violence coalition receiving amounts under this section shall submit a report to the Secretary describing the coordination, training and technical assistance and public education services performed with such amounts and evaluating the effectiveness of those services.

"(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $15,000,000 for each fiscal year to be used to award grants under this section.

"(g) REGULATIONS.—Not later than 90 days after the date of enactment of this section, the Secretary shall publish proposed regulations implementing this section. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing this section.".

SEC. 318. REGULATIONS.

Section 312(a) (42 U.S.C. 10409(a)) is amended by adding at the end thereof the following new sentence:

"Not later than 90 days after the date of enactment of this sentence, the Secretary shall publish proposed regulations implementing sections 303, 308, and 314. Not later than 120 days after such date of enactment, the Secretary shall publish final regulations implementing such sections.".

SEC. 319. FAMILY MEMBER ABUSE INFORMATION AND DOCUMENTATION.

Section 313(1) (42 U.S.C. 10409(1)) is amended by striking out "characteristics relating to family violence" and inserting in lieu thereof "develop data on the number of victims of family violence and their dependents who are homeless or institutionalized as a result of the violence and abuse they have experienced".

SEC. 320. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

The Act is amended by adding at the end thereof the following new section:

"SEC. 314. GRANTS FOR PUBLIC INFORMATION CAMPAIGNS.

"(a) IN GENERAL.—The Secretary may make grants to public or private nonprofit entities to provide public information campaigns regarding domestic violence through the use of public service announcements and informative materials that are designed for print media, billboards, public transit advertising, electronic broadcast media, and other vehicles for information that shall inform the public concerning domestic violence.

"(b) APPLICATION.—No grant, contract, or cooperative agreement shall be made or entered into under this section unless an application that meets the requirements of subsection (c) has been approved by the Secretary.

"(c) REQUIREMENTS.—An application submitted under subsection (b) shall—

"(1) provide such agreements, assurances, and information, be in such form and be submitted in such manner as the Secretary shall prescribe through notice in the Federal Register, including a description of how the proposed public information campaign will target the population at risk, including pregnant women;

"(2) include a complete description of the plan of the application for the development of a public information campaign;

"(3) identify the specific audiences that will be educated, including communities and groups with the highest prevalence of domestic violence;

"(4) identify the media to be used in the campaign and the geographic distribution of the campaign;

"(5) describe plans to test market a development plan with a relevant population group and in a relevant geographic area and give assurance that effectiveness criteria will be implemented prior to the completion of the final plan that will include an evaluation component to measure the overall effectiveness of the campaign;

"(6) describe the kind, amount, distribution, and timing of informational messages and such other information as the Secretary may require, with assurances that media organizations and other groups with which such messages are placed will not lower the current frequency of public service announcements; and

"(7) contain such other information as the Secretary may require.

"(d) USE.—A grant, contract, or agreement made or entered into under this section shall be used for the development of a public information campaign that may include public service announcements, paid educational messages for print media, public transit advertising, electronic broadcast media, and any other mode of conveying information that the Secretary determines to be appropriate.

"(e) CRITERIA.—The criteria for awarding grants shall ensure that an applicant—

"(1) will conduct activities that educate communities and groups at greatest risk;

"(2) has a record of high quality campaigns of a comparable type; and

"(3) has a record of high quality campaigns that educate the population groups identified as most at risk.".

SEC. 321. MODEL STATE LEADERSHIP INCENTIVE GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

The Act (as amended by section 320) is further amended by adding at the end thereof the following new section:

"SEC. 315. MODEL STATE LEADERSHIP GRANTS FOR DOMESTIC VIOLENCE INTERVENTION.

"(a) IN GENERAL.—The Secretary, in cooperation with the Attorney General, shall award grants to not less than 10 States to assist such States in becoming model demonstration States and in meeting the costs of improving State leadership concerning activities that will—

"(1) increase the number of prosecutions for domestic violence crimes;

"(2) encourage the reporting of incidences of domestic violence; and

"(3) facilitate 'arrests and aggressive' prosecution policies.

"(b) DESIGNATION AS MODEL STATE.—To be designated as a model State under subsection (a), a State shall have in effect—

"(1) a law that requires mandatory arrest of a person that police have probable cause to believe has committed an act of domestic violence or probable cause to believe has violated an outstanding civil protection order;

"(2) a law or policy that discourages 'dual' arrests;

"(3) statewide prosecution policies that—

"(A) authorize and encourage prosecutors to pursue cases where a criminal case can be proved, including proceeding without the active involvement of the victim if necessary; and

"(B) implement model projects that include either—

"(i) a 'no-drop' prosecution policy; or

"(ii) a vertical prosecution policy; and

"(C) limit diversion to extraordinary cases, and then only after an admission before a judicial officer has been entered;

"(4) statewide guidelines for judges that—

"(A) reduce the automatic issuance of mutual restraining or protective orders in cases where only one spouse has sought a restraining or protective order;

"(B) discourage custody or joint custody orders by spouse abusers; and

"(C) encourage the understanding of domestic violence as a serious criminal offense and not a trivial dispute;

"(5) develop and disseminate methods to improve the criminal justice system's response to domestic violence to make existing remedies as easily available as possible to victims of domestic violence, including reducing delay, eliminating court fees, and providing easily understandable court forms.

"(c) AUTHORIZATION OF APPROPRIATIONS.—

"(1) IN GENERAL.—In addition to the funds authorized to be appropriated under section 310, there are authorized to be appropriated to make grants under this section $25,000,000 for fiscal year 1992 and such sums as may be necessary for each of the fiscal years 1993 and 1994.

"(2) LIMITATION.—Funds shall be distributed under this section so that no State shall receive more than $2,500,000 in each fiscal year under this section.

"(3) DELEGATION AND TRANSFER.—The Secretary shall delegate to the Attorney General the Secretary's responsibilities for carrying out this section and shall transfer to the Attorney General the funds appropriated under this section for the purpose of making grants under this section.".

SEC. 322. EDUCATING YOUTH ABOUT DOMESTIC VIOLENCE.

(a) GENERAL PURPOSE.—For purposes of this section, the Secretary of Education, hereinafter referred to as the "Secretary" shall develop model programs for education of young people about domestic violence and violence among intimate partners.

(b) NATURE OF PROGRAM.—The Secretary, in consultation with the Secretary of Health and Human Services, shall through grants or contracts develop three separate programs, one each for primary and middle schools, secondary schools, and institutions of higher education. Such model programs shall be developed with the input of educational experts, law enforcement personnel, legal and psychological experts on battering, and victim advocate organizations such as battered women's shelters. The participation of each such group or individual consultants from such groups is essential to the development of a program that meets both the needs of educational institutions and the needs of the domestic violence problem.

(c) REVIEW AND DISSEMINATION.—Not later than 9 months after the date of enactment of this Act, the Secretary shall transmit the model programs, along with a plan and cost estimate for nationwide distribution, to the relevant committees of Congress for review.

(d) AUTHORIZATION.—There are authorized to be appropriated under this section for fiscal year 1992, $200,000 to carry out the purposes of this section.

TITLE IV—REAUTHORIZATION OF PROGRAMS WITH RESPECT TO ADOPTION

SEC. 401. FINDINGS AND PURPOSE.

Section 201 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5111) is amended to read as follows:

"SEC. 201. CONGRESSIONAL FINDINGS AND DECLARATION OF PURPOSE.

"(a) FINDINGS.—Congress finds that—

"(1) the number of children in substitute care increased by nearly 50 percent between 1985 and 1990, as our Nations's foster care population included more than 400,000 children at the end of June, 1990;

"(2) increasingly children entering foster care have complex problems which require intensive services;

"(3) an increasing number of infants are born to mothers who did not receive prenatal care, are born addicted to alcohol and other drugs, and exposed to infection with the etiologic agent for the human immunodeficiency virus, are medically fragile, and technology dependent;

"(4) the welfare of thousands of children in institutions and foster homes and disabled infants with life-threatening conditions may be in serious jeopardy and some such children are in need of placement in permanent, adoptive homes;

"(5) many thousands of children remain in institutions or foster homes solely because of local and other barriers to their placement in permanent, adoptive homes;

"(6) the majority of such children are of school age, members of sibling groups or disabled;

"(7) currently one-half of children free for adoption and awaiting placement are minorities;

"(8) adoption may be the best alternative for assuring the healthy development of such children;

"(9) there are qualified persons seeking to adopt such children who are unable to do so because of barriers to their placement; and,

"(10) in order both to enhance the stability and love of the child's home environment and to avoid wasteful expenditures of public funds, such children should not have medically indicated treatment withheld from them nor be maintained in foster care or institutions when adoption is appropriate and families can be found for such children.

"(b) PURPOSE.—It is the purpose of this title to facilitate the elimination of barriers to adoption and to provide permanent and loving home environments for children who would benefit from adoption, particularly children with special needs, including disabled infants with life-threatening conditions, by—

"(1) promoting model adoption legislation and procedures in the States and territories of the United States in order to eliminate jurisdictional and legal obstacles to adoption; and

"(2) providing a mechanism for the Department of Health and Human Services to—

"(A) promote quality standards for adoption services, pre-placement, post-placement, and post-legal adoption counseling, and standards to protect the rights of children in need of adoption;

"(B) maintain a national adoption information exchange system to bring together children who would benefit from adoption and qualified prospective adoptive parents who are seeking such children, and conduct national recruitment efforts in order to reach prospective parents for children awaiting adoption;

"(C) maintain a National Resource Center for Special Needs Adoption to—

"(i) promote professional leadership development of minorities in the adoption field;

"(ii) provide training and technical assistance to service providers and State agencies to improve professional competency in the field of adoption and the adoption of children with special needs; and

"(iii) facilitate the development of interdisciplinary approaches to meet the needs of children who are waiting for adoption and the needs of adoptive families; and

"(D) demonstrate expeditious ways to free children for adoption for whom it has been determined that adoption is the appropriate plan.".

SEC. 402. MODEL ADOPTION LEGISLATION AND PROCEDURES.

Section 202 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5112) is repealed.

SEC. 403. INFORMATION AND SERVICE FUNCTIONS.

Section 203 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5113) is amended—

(1) in subsection (a)—

(A) by inserting ", on-site technical assistance" after "consultant services" in the second sentence;

(B) by inserting "including salaries and travel costs," after "administrative expenses," in the second sentence; and

(C) by adding at the end thereof the following new sentence: "The Secretary shall, not later than 12 months after the date of enactment of this sentence, prepare and submit to the committees of Congress having jurisdiction over such services reports, as appropriate, containing appropriate data concerning the manner in which activities were carried out under this title, and such reports shall be made available to the public."; and

(2) in subsection (b)—

(A) by striking out paragraph (1) and redesignating paragraph (2) as paragraph (1);

(B) by inserting after paragraph (1) (as so redesignated) the following new paragraph:

"(2) conduct, directly or by grant or contract with public or private nonprofit organizations, ongoing, extensive recruitment efforts on a national level, develop national public awareness efforts to unite children in need of adoption with appropriate adoptive parents, and establish a coordinated referral system of recruited families with appropriate State or regional adoption resources to ensure that families are served in a timely fashion;";

(C) by striking out "and (B)" in paragraph (3) and inserting in lieu thereof "(B) the operation of a national resource center for special needs adoption; and (C)"; and

(D) by inserting ", and to promote professional leadership training of minorities in the adoption field" before the semicolon in paragraph (4).

SEC. 404. AUTHORIZATION OF APPROPRIATIONS.

Section 205 of the Child Abuse Prevention and Treatment Act of 1978 (42 U.S.C. 5115) is amended—

(1) by striking out subsection (a) and inserting in lieu thereof the following new subsection:

"(a) There are authorized to be appropriated, $10,000,000 for each of the fiscal years 1992 through 1994, to carry out programs and activities under this Act except for programs and activities authorized under sections 203(b)(8) and 203(c)(1)."; and

(2) in subsection (b), by striking out "$3,000,000", the first place that such appears, and all that follows through the end thereof, and inserting in lieu thereof the following: "$10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(b)(8), and there are authorized to be appropriated $10,000,000 for each of the fiscal years 1992 through 1994, to carry out section 203(c)(1).".

MOTION OFFERED BY MR. PASTOR

Mr. PASTOR. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. PASTOR moves to strike all after the enacting clause of the Senate bill, S. 838, and to insert in lieu thereof the provisions of H.R. 4712, as passed by the House.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 4712) was laid on the table.

AUTHORIZING THE CLERK TO MAKE CORRECTIONS IN ENGROSSMENT OF H.R. 4712, CHILD ABUSE, DOMESTIC VIOLENCE, ADOPTION, AND FAMILY SERVICES ACT OF 1992

Mr. PASTOR. Mr. Speaker, I ask unanimous consent that in the engrossment of the bill, H.R. 4712, the Clerk be authorized to make corrections in section numbers, punctuation, and cross-references, and to make such other technical and conforming changes as may be necessary to reflect the action of the House in amending the Senate bill, S. 838.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. McCathran, one of his secretaries.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Debate has been concluded on all motions to suspend the rules.

Pursuant to clause 5, rule I, the Chair will now put the question on the motion on which further proceedings were postponed today.

HISTORIC SITES SELECTION REFORM ACT OF 1992

The SPEAKER pro tempore. The pending business is the question of suspending the rules and passing the bill, H.R. 4276.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Minnesota [Mr. VENTO] that the House suspend the rules and pass the bill, H.R. 4276, on which the yeas and nays are ordered.

The vote was taken by electronic device, and there were—yeas 381, nays 0, not voting 53, as follows:

[Roll No. 72]

YEAS—381

Abercrombie
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Conyers
Cooper
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Dixon
Donnelly
Dooley
Doolittle
Dorgan (ND)
Downey
Dreier
Duncan
Durbin
Dwyer
Early
Eckart
Edwards (CA)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Fields
Fish
Ford (MI)
Ford (TN)
Frank (MA)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hefley
Hefner
Henry
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Horn
Horton
Houghton
Hoyer
Hubbard
Hughes
Hutto
Hyde
Inhofe
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Luken
Machtley
Markey
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDermott
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Morrison
Murtha
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Paxon
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schumer
Sensenbrenner
Sharp
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Thornton
Torres
Torricelli
Traficant
Traxler
Unsoeld
Upton
Valentine
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waxman
Weber
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—0

NOT VOTING—53

Ackerman
Alexander
Berman
Bilirakis
Boxer
Condit
Costello
Dornan (CA)
Dymally
Edwards (OK)
Feighan
Flake
Foglietta
Franks (CT)
Hammerschmidt
Hayes (LA)
Herger
Hopkins
Huckaby
Hunter
Ireland
Jefferson
Lantos
Levine (CA)
Lowery (CA)
Lowey (NY)
Manton
Marlenee
McDade
McEwen
Mfume
Molinari
Mrazek
Murphy
Myers
Oakar
Patterson
Payne (NJ)
Peterson (FL)
Rangel
Schulze
Serrano
Shaw
Slaughter
Solarz
Stearns
Stump
Sundquist
Towns
Vander Jagt
Washington
Waters
Whitten

□ 1456

Mr. THOMAS of California changed his vote from "nay" to "yea."

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

NOTIFICATION OF IMPLEMENTATION OF SECTION 531 OF FOREIGN OPERATIONS, EXPORT FINANCING, AND RELATED PROGRAMS APPROPRIATIONS ACT OF 1991 RELATIVE TO SETTLEMENT OF EL SALVADOR CONFLICT—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–284)

The SPEAKER pro tempore (Mr. RAY) laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed.

To the Congress of the United States:

Section 531 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513), provides that amounts in the Demobilization and Transition Fund established for peacekeeping purposes by that act shall be made available for obligation and expenditure only upon notification by the President to the Congress that the Government of El Salvador and representatives of the Farabundo Marti Liberation Front (FMLN) have reached a permanent settlement of the conflict, including a final agreement on a cease-fire. On January 16, 1992, the Government of El Salvador and the FMLN signed such an agreement, bringing an end to the civil conflict.

Consistent with section 531, I hereby provide notification that the Government of El Salvador and representatives of the FMLN have reached a permanent settlement of the conflict, including a final agreement on a cease-fire.

This notification allows the amounts in the Demobilization and Transition Fund (Fund) to be made available for obligation and expenditure. The Secretary of State will have responsibility for administering the Fund.

It is extremely important for the United States to support the implementation of this historic peace agreement, and I look forward to your continued cooperation toward achieving our mutual objectives in this endeavor.

GEORGE BUSH.

THE WHITE HOUSE, *April 7, 1992.*

REPORT TO CONGRESS PURSUANT TO THE INTERNATIONAL EMERGENCY ECONOMIC POWERS ACT REGARDING BLOCKING OF PANAMANIAN GOVERNMENT ASSETS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–285)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report on October 3, 1991, concerning the continued blocking of Panamanian government assets. This report is submitted pursuant to section 207(d) of the International Emergency Economic Powers Act, 50 U.S.C. 1706(d).

2. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8,

1988, with respect to Panama. While this order terminated the sanctions imposed pursuant to that declaration, the blocking of Panamanian government assets in the United States was continued in order to permit completion of the orderly unblocking and transfer of funds that I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency did not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a).

3. The Office of Foreign Assets Control of the Department of the Treasury ("FAC") has released to the control of the Government of Panama approximately $134 million of the approximately $137.3 million that remained blocked at the time of my last report. The amount released represents blocked financial accounts that the Government of Panama requested be unblocked.

Of the approximately $6.1 million remaining blocked at this time (which includes approximately $2.8 million in interest credited to the accounts since my last report), some $5.5 million is held in escrow by the Federal Reserve Bank of New York at the request of the Government of Panama. Additionally, approximately $600,000 is held in commercial bank accounts for which the Government of Panama has not requested unblocking. A small residual in blocked reserve accounts established under section 565.509 of the Panamanian Transactions Regulations, 31 CFR 565.509, remains on the books of U.S. firms pending the final reconciliation of accounting records involving claims and counterclaims between the firms and the Government of Panama.

4. I will continue to report periodically to the Congress on the exercise of authorities to prohibit transactions involving property in which the Government of Panama has an interest, pursuant to 50 U.S.C. 1706(d).

GEORGE BUSH.

THE WHITE HOUSE, *April 7, 1992.*

STATE DEPARTMENT ANNOUNCES INDEPENDENCE OF SLOVENIA, CROATIA, AND BOSNIA-HERZEGOVINA

(Mr. OBERSTAR asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. OBERSTAR. Mr. Speaker, today the State Department announced the United States has officially recognized the independence of Slovenia, Croatia, and Bosnia-Herzegovina, an action which I heartily commend and which follows upon the earlier recognition by the European Economic Community in mid-January of the independence of Slovenia.

☐ 1500

This is recognition long overdue, but certainly permitted by a country that has adopted democratic principles, has had free elections, and elected a president and parliament. And to my ancestors and relatives in Slovenia, I know this is a very, very great day and great occasion for them to have entered the family of nations with this action by the United States of America.

Slovenia has been the economic backbone of the former country of Yugoslavia, providing 40 percent of the nation's revenue and over 40 percent of its industry and GNP. They are now a full, freestanding member of the family of nations, and take their rank appropriately with this action by the United States of America.

INTRODUCTION OF LEGISLATION TO PROVIDE FOR A $5,000 FIRST-TIME HOME BUYER CREDIT

(Mrs. KENNELLY asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. KENNELLY. Mr. Speaker, today I am introducing legislation to provide for a $5,000 2-year tax credit for first-time home buyers.

It is a well known fact that real estate, particularly single family housing, often leads the economy out of recession. This proposal, which was included in President Bush's State of the Union economic challenge, would help the construction industry lead the Nation out of the recession.

My legislation would provide for a $5,000 nonrefundable tax credit for first-time home buyers for the purchase of a principal residence between February 1 and December 31, 1992. The tax credit would equal 10 percent of the purchase price, up to a maximum of $5,000. Half of the credit would be allowed on a taxpayer's return for 1992 and the remainder on the taxpayer's return for 1993. Any unused credit could be carried forward for up to 5 years.

My legislation is identical to the proposal proposed by the President and supported by the National Association of Homebuilders. It will enable hundreds of thousands of American families to purchase their first homes. I would ask my colleagues to support this vital legislation.

REPORT ON RESOLUTION PROVIDING FOR RECOMMITTAL TO CONFERENCE OF CONFERENCE REPORT TO ACCOMPANY S. 3, SENATE ELECTION ETHICS ACT OF 1991

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102-484) on the resolution (H. Res. 420) providing for the recommittal to conference of the conference report to accompany the bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, which was referred to the House Calendar and ordered to be printed.

ANNOUNCEMENT REGARDING SUBMISSION OF AMENDMENTS ON H.R. 3090, FAMILY PLANNING AMENDMENTS OF 1991

(Mr. MOAKLEY asked and was given permission to address the House for 1 minute.)

Mr. MOAKLEY. Mr. Speaker, the Rules Committee may meet and grant a rule to H.R. 3090, the Family Planning Amendments of 1991, in the near future. A request may be made for a modified open rule, which would permit only those floor amendments designated in the rule.

On Monday, the committee circulated a "Dear Colleague" that requests all amendments to the bill be submitted to the Rules Committee no later than 5 p.m. Thursday, April 9, 1992.

In order to ensure Members' rights to offer amendments under the rule that may be requested, they should submit 55 copies of each amendment, together with a brief explanation of each amendment, to the committee office at H-312, the Capitol, by 5 p.m. on Thursday.

CONFERENCE REPORT ON H.R. 3337, WHITE HOUSE COMMEMORATIVE COINS

Mr. TORRES submitted the following conference report and statement on the bill (H.R. 3337), to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes:

CONFERENCE REPORT (H. REPT. 102-485)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3337), to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with amendments as follows:

In lieu of the matter proposed to be inserted by the Senate amendment, insert the following:

TITLE V—JAMES MADISON COINS

SEC. 501. SHORT TITLE.

This title may be cited as the "James Madison—Bill of Rights Commemorative Coin Act".

SEC. 502. COIN SPECIFICATIONS.

(a) FIVE DOLLAR GOLD COINS.—

(1) ISSUANCE.—The Secretary of the Treasury (hereafter in this title referred to as the "Sec-

retary") shall mint and issue not more than 300,000 five dollar coins each of which shall—

(A) weigh 8.359 grams;

(B) have a diameter of .850 inches; and

(C) be composed of 90 percent gold and 10 percent alloy.

(2) Design.—The design of the five dollar coins shall be emblematic of the first ten Amendments of the Constitution of the United States, known as the Bill of Rights. The Director of the United States Mint shall sponsor a nationwide open competition for the design of the five dollar coin beginning not later than 3 months after the date of the enactment of this Act. The Director of the United States Mint shall convene the Design Panel established under subsection (e) which shall select 10 designs to be submitted to the Secretary who shall select the final design.

(b) One Dollar Silver Coins.—

(1) Issuance.—The Secretary shall mint and issue not more than 900,000 one dollar coins each of which shall—

(A) weigh 26.73 grams;

(B) have a diameter of 1.5 inches; and

(C) be composed of 90 percent silver and 10 percent copper.

(2) Design.—The obverse design of the one dollar coins shall be emblematic of James Madison, the fourth President of the United States. The reverse design shall be emblematic of James Madison's home, Montpelier, between the years 1751 and 1836. The Director of the United States Mint shall sponsor a nationwide open competition for the design of the one dollar coin beginning not later than 3 months after the date of the enactment of this Act. The Director of the United States Mint shall convene the Design Panel established under subsection (e) which shall select 10 designs to be submitted to the Secretary who shall select the final design.

(c) Half Dollar Silver Coins.—

(1) Issuance.—The Secretary shall mint and issue not more than 1,000,000 half dollar coins each of which shall—

(A) weigh 12.50 grams;

(B) have a diameter of 30.61 millimeters; and

(C) be composed of 90 percent silver and 10 percent copper.

(2) Design.—The design of the half dollar silver coins shall be emblematic of the first ten Amendments of the Constitution of the United States, known as the Bill of Rights. The Director of the United States Mint shall sponsor a nationwide open competition for the design of the half dollar coin beginning not later than 3 months after the date of the enactment of this Act. The Director of the United States Mint shall convene the Design Panel established under subsection (e) which shall select 10 designs to be submitted to the Secretary who shall select the final design.

(d) Inscriptions.—All coins minted and issued under this title shall bear a designation of the value of the coin, an inscription of the year of issue and inscriptions of the words "Liberty", "In God We Trust", "United States of America", and "E Pluribus Unum".

(e) Design Panel.—The Design Panel referred to in subsections (a), (b), and (c) shall consist of the following members:

(1) The Chairperson of the Commission of Fine Arts.

(2) The president of the James Madison Memorial Fellowship Foundation.

(3) The Executive Director, National Numismatic Collection, the Smithsonian Institution.

(4) A representative member of the American Numismatic Association.

(5) A representative member of a national sculpture society or association.

(6) Two representatives of the United States Mint selected by the Director of the United States Mint.

The Secretary shall reimburse the members of the Design Panel for per diem expenses and other official expenses from the revenues received from the sale of the coins. The Design Panel shall not be subject to the Federal Advisory Committee Act (5 U.S.C. App.), and shall terminate following the selection process set forth in subsections (a), (b), and (c).

(f) Legal Tender.—The coins issued under this title shall be legal tender as provided in section 5103 of title 31, United States Code.

SEC. 503. SOURCES OF BULLION.

(a) Gold.—The Secretary shall obtain gold for minting coins under this title pursuant to the authority of the Secretary under existing law.

(b) Silver.—The Secretary shall obtain silver for minting coins under this title only from stockpiles established under the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98 et seq.).

SEC. 504. ISSUANCE OF COINS.

(a) Five Dollar Coins.—The five dollar coins minted under this title may be issued in uncirculated and proof qualities and shall be struck at the United States Mint at West Point, New York.

(b) One Dollar Coins and Half Dollar Coins.—The one dollar and half dollar coins minted under this title may be issued in uncirculated and proof qualities, except that not more than one facility of the United States Mint may be used to strike any particular combination of denomination and quality.

(c) Commencement of Issuance.—The coins authorized and minted under this title may be issued beginning on January 1, 1993.

(d) Termination of Authority.—Coins may not be minted under this title after December 31, 1993.

SEC. 505. SALE OF COINS.

(a) In General.—Notwithstanding any other provision of law, the Secretary shall sell the coins minted under this title at a price at least equal to the face value, plus the cost of minting and issuing the coins (including labor, materials, overhead, distribution, and promotional expenses).

(b) Bulk Sales.—The Secretary shall make any bulk sales of the coins minted under this title at a reasonable discount.

(c) Prepaid Orders.—The Secretary shall accept prepaid orders for the coins minted under this title prior to the issuance of such coins. Sale prices with respect to such prepaid orders shall be at a reasonable discount.

(d) Surcharges.—All sales of coins minted under this title shall include a surcharge of $30 per coin for the five dollar coins, $6 per coin for the one dollar coins, and $3 per coin for the half dollar coins.

SEC. 506. FINANCIAL ASSURANCES.

(a) No Net Cost to the Government.—The Secretary shall take such actions as may be necessary to ensure that minting and issuing coins under this title will not result in any net cost to the United States Government.

(b) Payment for Coins.—A coin shall not be issued under this title unless the Secretary has received—

(1) full payment for the coin;

(2) security satisfactory to the Secretary to indemnify the United States for full payment; or

(3) a guarantee of full payment satisfactory to the Secretary from a depository institution the deposits of which are insured by the Federal Deposit Insurance Corporation or the National Credit Union Administration Board.

(c) Reports to Congress.—Not later than fifteen days after the last day of each month, the Secretary shall transmit to the committee on Banking, Finance, and Urban Affairs of the House of Representatives and the committee on Banking, Housing, and Urban Affairs of the Senate a report detailing activities carried out under this title during such month. The report shall include a review of all marketing activities and a financial statement which details sources of funds, surcharges generated, and expenses incurred for manufacturing, materials, overhead, packaging, marketing, and shipping. No report shall be required after January 15, 1994.

SEC. 507. DISTRIBUTION OF SURCHARGES.

The surcharges received by the Secretary shall be transmitted promptly to the James Madison Memorial Fellowship Trust Fund established in 1986 by the James Madison Memorial Fellowship Act (20 U.S.C. 4501 et seq.). Such transmitted amounts shall qualify under section 811(a)(2) of that Act as funds contributed from private sources. In accordance with the purposes of the James Madison Fellowship Program, the funds transmitted to the Trust Fund shall be used to encourage teaching and graduate study of the Constitution of the United States, its roots, its formation, its principles, and its development.

SEC. 508. AUDITS.

The Comptroller General of the United States shall have the right to examine such books, records, documents, and other data as may be related to the expenditure of amounts transmitted under section 507 of this title. The expenditures and audit of surcharge funds deposited in the James Madison Memorial Fellowship Trust Fund under section 507 of this title shall be done in accordance with section 812 of the James Madison Memorial Fellowship Act (20 U.S.C. 4511). Annual reports shall be submitted by the Chairman of the James Madison Memorial Fellowship Foundation to both Houses of Congress on all expenditures of surcharge funds.

SEC. 509. GENERAL WAIVER OF PROCUREMENT REGULATIONS.

(a) In General.—Except as provided in subsection (b), no provision of law governing procurement or public contracts shall be applicable to the procurement of goods and services necessary for carrying out the provisions of this title.

(b) Equal Employment Opportunity.—Subsection (a) shall not relieve any person entering into a contract under the authority of this title from complying with any law relating to equal employment opportunity.

On page 15, between lines 19 and 20 of the House engrossed bill, insert the following:

SEC. 400. SHORT TITLE.

This title may be cited as the "Frank Annunzio Act".

And the Senate agree to the same.

Esteban E. Torres,
Carroll Hubbard,
Doug Barnard, Jr.,
Chalmers P. Wylie,
Al McCandless,
Managers on the Part of the House.

Don Riegle,
Alfonse D'Amato,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and Senate at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3337) to mint White House Commemorative Coins, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommend in the accompanying conference report.

The Senate amendment added a provision to redesign the reverses of the Nation's circulating coinage and a provision to mint a James Madison/Bill of Rights Commemorative coin.

The Senate recedes from its amendment on coin redesign. The House agrees to title VI, the Madison/Bill of Rights coin provision, as passed the Senate. The Senate agreed to the House amendment to title IV to rename the title "The Frank Annunzio Act".

The differences between the House bill and the Senate amendment, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by agreements reached by the conferees, and minor drafting and clarifying changes.

H.R. 3337 was amended on the Senate floor to add title VI, The James Madison Bill of Rights Commemorative Coins Act, which was not included in the House-passed measure. The conference report contains the Senate provision.

Objective: The Senate bill contained a provision not included in the House bill that would authorize in 1993 the minting and issuance of $5 gold coins, $1 silver coins, and half-dollar silver coins to commemorate James Madison and the first 10 Amendments of the Constitution, known as the Bill of Rights.

This title authorizes the Secretary of the Treasury to mint and issue not more than 300,000 gold coins; 900,000 silver dollars; and 1,000,000 half dollars. These are the lowest mintage levels for a 3-coin commemorative program since the minting of commemorative coins was re-instated in the early 1980s.

Surcharges accrued from the sales of these coins will be transmitted to the James Madison Memorial Fellowship Trust Fund, established in 1986 by the James Madison Memorial Fellowship Act (20 U.S.C., 4501 et seq.). The Comptroller General of the United States shall have the right to examine such books and records related to the expenditure of these surcharges.

The surcharges will be used solely to fund fellowships for high-school teachers and potential high-school teachers of American history and American government. This is a national program and every state benefits equally.

This title also requires that the program operate at no net cost to the Government. It requires the chairman of the Fellowship Foundation to submit annual reports to both House of Congress on all expenditures of surcharge funds.

ESTEBAN E. TORRES,
CARROLL HUBBARD,
DOUG BARNARD, Jr.,
CHALMERS P. WYLIE,
AL MCCANDLESS,
Managers on the Part of the House.
DON RIEGLE,
ALFONSE D'AMATO,
Managers on the Part of the Senate.

VACATING SPECIAL ORDER AND GRANTING SPECIAL ORDER

Mr. KYL. Mr. Speaker, I ask unanimous consent that my 15-minute special order for today be vacated, and that I may be permitted to address the House for 5 minutes instead.

The SPEAKER pro tempore (Mr. RAY). Is there objection to the request of the gentleman from Arizona?

There was no objection.

RBRVS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Arizona [Mr. KYL] is recognized for 5 minutes.

Mr. KYL. Mr. Speaker, today is day 70 of the President's moratorium on Federal regulations. As we have done throughout this moratorium, the Republican regulatory relay team brings you today yet another example of a disastrous attempt by the Government to place a vise grip on one of the main arteries of the private sector: health care.

Remarkably, while Eastern Europe and the former Soviet Union are shedding rigid commend and control economies, the United States has embarked upon a central planning effort to set medical prices and redistribute income among medical professionals.

With one sweeping commend, Congress unilaterally changed the way in which physicians are reimbursed for their services under Medicare. Congress accomplished this task through the Omnibus Budget Reconciliation Act of 1989 [OBRA 89], which established a physician fee schedule that assigns relative values to services based on the time, skill, and intensity it takes physicians to provide them. The fee schedule is known as the resource-based relative value scale [RBRVS]. In November 1991, the Health Care Financing Administration [HCFA] released its final rule implementing the RBRVS, which went into effect on January 1, 19092. RBRVS is comparable worth for physicians.

Thanks to Congress and the efforts of HCFA, the following algebraic monstrosity is now the basis for paying physicians participating in the Medicare program. Here is the formula:

> Physician work relative value units for the service times geographic cost index value reflecting one fourth of the geographic variation in physician work applicable in the fee schedule area plus the product of practice expense relative value units for the service and geographic cost index value for the practice expense applicable in the geographical fee schedule area plus the product of malpractice relative value units for the service and geographic cost index value for malpractice expense applicable in the fee schedule area, all of which is to be multiplied by the uniform national conversion factor.

According to the National Journal, this "may be the most sweeping regulatory scheme since the government imposed wage and price controls in the early 1970's." As I predicted over 2 years ago, it has already become that most arbitrary, confusing, and, by far, the most dangerous regulatory expansion in the history of the Medicare Program.

Why is the RBRVS so dangerous? Robert Moffit, who received his Ph.D. from the University of Arizona and who is now the deputy director of domestic policy studies at the Heritage Foundation, notes the troubling fact that the RBRVS "does not even pretend to account for the 'quality' or 'benefit' of a medical procedure in calculating Medicare's payment to a doctor. To the contrary, . . . he states, "the value of a medical procedure to a patient has absolutely no role whatsoever in setting the new Medicare fee."

Moreover, much like the Marxist labor theory of value, the RBRVS does not take into account differences in skill among individual physicians. In this case, Congress understood no better than Karl Marx that the value of a service simply cannot be determined by the average time required to produce it.

Frank Sloan, professor of economics at Vanderbilt University, stated the problem another way:

> One would like to pay the talented hand surgeon a high price and the blundering hand surgeon a pittance. As a practical matter, a relative value scale cannot make this type of distinction.

As a result of the artificial reimbursement levels of the RBRVS, many physicians will have no choice but to: First, limit the number of Medicare patients they are able to treat or refuse entirely to treat any Medicare patients; second, postpone surgery and attempt to treat patients medically; third, search for ways to make up for lost revenue through surcharges on private-pay patients, which will further drive up health care costs; and/or fourth, decline to invest in innovative technologies and new lifesaving methods of treatment because of a justifiable fear that they will not be reimbursed for the new procedure.

Apart from the adverse impact such a burdensome scheme will have on physicians and their patients generally, the most devastating consequence of the RBRVS and other Government-imposed physician payment reforms will be their impact on the quality and quantity of health care for the 34 million elderly Americans on Medicare. The RBRVS most assuredly will restrict access to health care for senior citizens. Seniors may be forced to travel considerable distances in order to obtain care. Elective surgeries will be delayed, and some seniors may feel that they have no other option than to disenroll from Medicare—and forfeit all benefits—in order to contract freely with the physician of their choice.

In the publication Contingencies, Harvey Sobel concluded:

> [P]erhaps the saddest outcome will be the loss of future doctors—overall, and more particularly, in the geriatric specialties. The ability of physicians who treat the elderly to enjoy high incomes as a reward for their labor helps to attract the finest minds and talents to the medical profession * * * These doctors have been providing care despite the rules, regulations, taxes, and declining federal reimbursement. As the true story about physician payment reform spreads, the inevitable consequence will be a gravitation away from Medicare, away from the elderly, and away from medicine.

Mr. Speaker, with access to quality affordable health care as a primary concern of every American, Members of Congress owe it to the people of this country to eradicate the RBRVS and other Government-imposed physician payment reforms which merely serve to restrict access to care, limit consumer choice, and drive up the cost of health care. Americans deserve better treatment.

□ 1510

SUNSHINE ON THE SOUTH BUILDING: REORGANIZING THE DEPARTMENT OF AGRICULTURE

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, they are still 7 months off, but the central lesson of this year's elections is already apparent. Americans are alienated and angry with a distant, ineffective, and seemingly unresponsive Federal Government. The message in the polls and the drumbeat from the ballot boxes are unmistakable: Business as usual is over, it is time for reinvigorating and, as a new book title says, reinventing government.

It is time, too, for those of us in agriculture to step up to the same challenge. The place to begin is with the bureaucracy, the overwhelming size and complexity of the Department of Agriculture itself. We must revamp USDA paperwork requirements, freeing farmers to be farmers, not form-filers. The job will not be finished until, from top to bottom and headquarters to county office, we have transformed a 19th century leviathan into a nimble structure able to meet the challenges of the 21st century.

Today, I am introducing legislation calling for such a transformation. It maps out a comprehensive reorganization plan for USDA, to streamline and make more efficient its county offices and cut its redtape. It will lead, I hope to a more efficient, more responsive bureaucracy and be, as well, the first step to making farm programs themselves simpler, more straightforward, and less complicated.

At the southwest corner of Washington's National Mall set USDA's headquarters, a giant complex straddling Independence Avenue. Its administration building is linked to the massive south building, which houses the offices, the officials, the mountains and mountains of paperwork. The south building is the nerve center of the vast network of USDA field offices flung across the country. The miles of halls and monotonous, endless rows of office door after office door symbolize how USDA's bureaucracy has permeated virtually every town and county in this country.

It is a metaphor for the farreaching bureaucracy has become and its imposing size, metaphor for the scope of the challenge this legislation undertakes.

Ninety-four percent of the counties in the country have one of USDA's alphabet-soup of agencies offices in them, although only 6 percent of the counties are defined as actual farming counties. Not only is it common to see an ASCS, SCS, or FmHA office in each county, it is common to see one of each in each county. In our own State, with 105 counties, ASCS has 104 county offices, 100 SCS county offices, and 38 FmHA county offices.

Today, USDA is the third largest civilian work force in the country. Five of its agencies have over 63,000 employees, at an annual cost of $2.4 billion. That is over $1,000 per farm in the country.

Consider what we could do with moneys saved from reorganizing USDA. I believe we could conservatively save anywhere from 10 to 20 percent of these overhead costs from the reorganization plan I am advocating, a savings of roughly $250 to $500 million per year. With those dollars, we could virtually double a wide range of USDA programs vital to American agriculture.

The $2.4 billion spent on field offices is more than the amount spent on research and education, more than the amount spent on Food for Peace, more than the amount spent on soil conservation programs, more than the amount spent on FmHA Farmer Programs, more than the amount spent on Rural Development Administration Programs, more than the amount spent on REA lending, and more than the amount spent on crop insurance.

This year, USDA expects to spend less on the wheat program than on its field office structure. Disaster payments will be less than one-half the amount spent on offices. Only the spending on the Feed Grains Program, spending on four different crops, will top the amount spent on USDA's field offices.

The web of USDA offices grows tighter and tighter, more and more complex at its headquarters, just like a spider's web at its heart. There are 9 under and assistant secretaries, 36 individual agencies, further divided into 9 different groups, and a whole range of other offices independent of any other structure which report directly to the secretary. The organizational chart of USDA's headquarters makes a Jackson Pollock painting look like blank canvas.

The doorways along the halls of the south building open not just to county offices scattered all over the country, they open, as farmers everywhere know all too well, on a bewildering array of forms, requirements, and regulations.

Picture this: Before planting, the typical farmer must make sure his plans comply with the edicts passed down from Government bureaucrats in the central Government. What the farmer produces will be based on Government production and marketing goals. The plans he submits for Government approval will determine what crops the farmer can plant, how much of the crop can be planted, and where the crop can be planted. When the crop is marketed, the Government will determine the price the farmer receives.

To make sure the farmer faithfully complies with the Government's plans for him, the bureaucracy employs a vast network of enforcement agents in virtually every village in the country. It is a network large enough to allow the government to check the farmer's compliance approximately 20 times each year. If he deviates from the plans, the farmer faces penalties and fines which can wipe out the entire earnings from the crop.

A description of agriculture on the collective farms of the former Soviet Union? No, a description of agriculture in modern America.

While we have seen the collapse and repudiation of government-controlled, centrally planned economies around the world, it remains the mainstay of the most productive sector of the American economy.

Officials from the old Communist government of the Soviet Union flocked to the United States, eager to learn how to establish a market based food economy. They wanted to learn how to convert from a state-controlled system to a market oriented production, processing, and distribution system. Yet, the American farmer continues to be bound to government dictates and planning. The typical American farmer often spends as much time in Government offices as on the tractor.

The productivity of American agriculture is being used to bolster the forces of liberalization in the Soviet Union and is the engine for one of the 20th century's most dramatic events. Yet, at home, it remains beholden to a command economy, a government determined, 5-year plan. It, more commonly known as the farm bill, is overseen and put into place by a bureaucracy that now numbers 1 Government employee for each 16 farmers.

The forces of liberalization are forcing revolutionary changes, everywhere, that is, except for on the American farm. While American agricultural experts rush to transform agriculture in the Commonwealth of Independent States and the Russian government moves to free farmers there from the most minute, detailed government dictates, the south building continues to churn them out.

The plan I am proposing and the bill I am introducing is simple, but will not, I know be a simple task to accomplish. Already I have been praised for advocating reorganization and streamlining and at the same time criticized for threatening the status quo, who as a wise man once said is just Latin for "the mess we are in."

I firmly believe we must seize the moment at hand. The call for bold action to make government do what it is supposed to do, to make government work better is growing louder every day. Those of us who turn a deaf ear to it, whether we be elected officials or citizens reliant on government, do so at our own peril. We can either lead and shape the change, or let it run us over. My bill will lead that change and lead the transformation of USDA into an agency known for farmer services and effectiveness, not its employee to farmer ratio, and not its number of offices, and not its number of forms.

My bill has seven main points: First, consolidation of all farmer programs into one USDA agency; second, consolidation of USDA field offices; third, reductions in the headquarters staff of USDA; fourth, paperwork reduction; fifth, reorganization of the county committee system; sixth, establishment of a new appeals system; and seventh, establishment of a goal to simplify farm programs.

The plan is meant to be implemented as a whole, over a 5-year period. In my view, reorganizing and consolidating field offices can not proceed unless, at the same time, we streamline and reduce the paperwork burden on farmers. The former makes the latter necessary and reducing the paperwork burden, needed in its own right, makes the consolidating of field offices easier. Both components are linked and should be implemented hand in hand. At the same time, as field offices are consolidated and paperwork reduced, we need to move to streamline the headquarters office of USDA. Finally, Congress has a major role to play in making sure that future farm legislation is simpler, clearer, and not so cumbersome. All of these are pieces of one puzzle that make sense only when fitted one with the other.

The first step in my proposal is the consolidation of all farmer service programs into one USDA agency. Currently, they are spread across and between agencies. I propose creating a new entity, the Farm Services Administration. It would assume responsibility for commodity programs from ASCS, conservation programs from SCS, farmer lender programs from FmHA, and crop insurance.

In short, all the programs which provide direct benefits and programs to farmers will be folded into one new, one-stop entity. By starting at the top, we can rationalize and streamline the field office structure.

No. 2, over a 5-year period, the Secretary will be required to consolidate the existing county offices, the Secretary will be required to establish guidelines, subject to public comment, for the consolidation plan. Those guidelines will have to take into account such factors as the number of farms and farmers in each new proposed district, the size of the area, the crops grown in the area, whether farmers will be inconvenienced, whether the Secretary has reduced the paperwork burden on farmers, and the ability of the new office to serve efficiently farmers in its area.

According to the guidelines and in cases where the Secretary determines it in the best interests of farmers in the area to be served, he may permit offices to serve individual counties. In some cases I recognize that this may make the most sense; however, as a general rule, the bill will require the establishment of new district offices of more than one county. Finally, if the reorganization plan leads to lower personnel needs, the Secretary is directed to achieve those levels through attrition.

Three, as the Secretary reorganizes the USDA field office structures, the bill requires him to make commensurate reductions in the size of the headquarters staff, again, giving first priority to attrition. I think it is important to emphasize that field office and headquarters consolidation are part and parcel of the same goal, make the Department more efficient.

Four, the bill requires the Secretary to undertake a vast paperwork reduction and simplification program. The program will include the establishment of a centralized data system regarding services available to farmers and information needed to participate in the programs in order to duplicate paperwork requirements. In addition, the Secretary is directed to establish a system to allow farmers to enroll in all farmer programs with one, user friendly application that may be completed and filed electronically, by fax, mail, or other method to ease the burden on farmers.

Five, just as the bill folds together the programs and agencies of today's USDA into one agency, so too would it fold together the existing county and State committee system. However, they would be broader in scope, more comprehensive and serve as integrated bodies, just as the new Farm Services Administration would be a new integrated entity. In order to permit specialized expertise for certain programs as appropriate, the bill would allow the committees to form subcommittees focusing on specific programs, such as commodity programs, lending programs, or conservation programs.

Six, the bill would make the National Appeals Division, established in the 1990 farm bill, the entity for hearing all appeals from farmers for all programs. It will be a separate agency from the agency responsible for implementing programs to assure independence in hearing appeals. Again, this provision carries through the bill's theme of consolidation and, if you will, one-stop shopping for all farmer programs.

Seven, the bill lays out a goal for Congress in writing the new farm bill. It expresses the sense of the Congress that that legislation should be to reduce the complexity of the programs, to simplify their administration, and make it easier for farmers to comply with them. As I said, in the end, it has been Congress which has created the complexity of the current farm programs. They simply have not sprung up by themselves. It is, then, Congress which must share a good portion of the burden for the status quo—the mess we are in—and for fixing it.

Just as the actual task of reorganization will take time, so too will the job of fleshing out the details of my proposal, or any other, and building the political consensus necessary to get it through Congress. It is important, absolutely critical to restoring farmers' faith and confidence in government that we take on the challenge and begin it now.

In closing it is important that we be bold, for unless we are not, we are not likely to accomplish very much. Unless we take giant steps, we will not go far along the road of progress. I am reminded of the words of a famous architect who, though he lived and worked in a world of buildings and urban planning, said something which is equally applicable to this task: "Make no little plans; they have no magic to stir men's blood."

It is a new, revolutionary political climate in America. It is permeating everything we do and transforming the old ways of looking at Government. I ask my colleagues to support this legislation, to join with me in taking advantage of this climate, and, join me in making no little plans.

SUMMARY OF DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1992

The goal of the "Department of Agriculture Reorganization Act of 1992" is to make the Department of Agriculture, and farm services it administers, more efficient by reorganizing and consolidating USDA agencies and offices and streamlining the paperwork requirements on farmers. The legislation has seven main provisions:

CONSOLIDATION AND REORGANIZATION OF AGENCIES AND PROGRAMS

The bill requires the Secretary of Agriculture, within five years, to consolidate the programs and activities of the following Department of Agriculture agencies: Commodity and conservation programs of the Agricultural Stabilization and Conservation Service; conservation programs of the Soil Conservation Service; farm lending programs of the Farmers Home Administration; and Federal Crop Insurance Corporation, into one new entity, the Farm Services Administration.

Other programs and activities not directly related to farmer services are transferred to the Rural Development Administration, including: Watershed district programs of the Soil Conservation Service; real estate loan programs of the Farmers Home Administration; and the activities of the Rural Electrification Administration.

CONSOLIDATION AND REORGANIZATION OF USDA FIELD OFFICES

The bill requires the Secretary of Agriculture, within five years of enactment, to consolidate existing Department of Agriculture field offices into new multi-county district Farm Services Administration offices.

Before establishing the new district office system, the Secretary must issue guidelines for the consolidation. The guidelines, which must be published for public comment before implementation, are to include the following criteria: Number of farms and farmers in each administrative area; geographic size of each administrative area; amount and kind of crops grown in each administrative area; cost of operating the office compared to the benefits it administers; likely inconvenience to farmers of the size of the administrative area; ability of the office to service efficiently the administrative area; ability of farmers to utilize user-friendly application processes; and extent of the paperwork burden on farmers has been streamlined.

The guidelines must also delineate circumstances under which the Secretary may establish administrative areas of single counties.

ADJUSTMENT OF PERSONNEL LEVELS

The bill requires the Secretary of Agriculture to reduce headquarters office staff by an amount commensurate with reductions resulting from the consolidating of the field office structure of the Farm Services Administration. In both instances, personnel reductions are to be accomplished by attrition whenever possible.

PAPERWORK REDUCTIONS

The bill requires the Secretary of Agriculture to establish a centralized data system for information regarding services provided to farmers and information required for participation in farm programs.

The Secretary must examine all forms, applications, and other information requests and eliminate duplication to save time for farmers. The Secretary must also establish a system for allowing farmers to enroll in programs with one, user-friendly, application process that may be completed and filed with the Farm Services Administration electronically, by facsimile, by mail, or other means appropriate to ease the paperwork burden on farmers.

REORGANIZATION OF USDA COMMITTEE SYSTEM

The bill establishes a new system of farmer-elected committees. Each new administrative office will have just one comprehensive committee, responsible for all the programs administrated by the Farm Services Administration in that area.

INDEPENDENT APPEALS SYSTEM

The bill establishes the National Appeals Division as the entity responsible for adjudicating administrative appeals for all Farm Services Administration programs.

SIMPLIFYING FUTURE FARM PROGRAMS

The bill sets a goal for Congress to make simplification of programs a primary goal for future farm legislation.

SECTION-BY-SECTION EXPLANATION OF DEPARTMENT OF AGRICULTURE REORGANIZATION ACT OF 1992

SECTION 1. SHORT TITLE.

Section 1 provides for the bill to be cited as the "Department of Agriculture Reorganization Act of 1992".

SECTION 2. FINDINGS.

Section 2 sets out four congressional findings—

(1) that the Department of Agriculture workforce has grown to become the third largest civilian workforce in the country with offices in all but six percent of the nation's counties, the farm population represents less than three percent of the total population of the country and only sixteen percent of all counties in the country are farming counties;

(2) that the ratio of USDA employees to farms is more than double what it was thirty years ago and USDA maintains a field office system that costs over $1000 per farm per year to operate for a total of approximately $2.4 billion annually;

(3) that the growth in employees and offices is due in part to the increasing complexity of farm programs and is an ineffective use of federal resources; and

(4) that reorganization and streamlining of the Department is necessary to save federal resources and more efficiently serve the needs of farmers and rural America.

SECTION 3. ESTABLISHMENT OF THE FARM SERVICES ADMINISTRATION.

Section 3 establishes the Farm Services Administration with the Department of Agriculture, headed by an Administrator appointed by the Secretary of Agriculture.

The purpose of the Farm Services Administration is to provide a single agency to administer all programs and activities of the Department of Agriculture that serve farmers in order to ensure more effective, efficient, and economical administration of those programs and activities and to eliminate duplication.

During the five-year period beginning with enactment, the Secretary is required to consolidate into the Farm Services Administration the following agencies:

(1) Agricultural Stabilization and Conservation Service;

(2) Soil Conservation Service;

(3) Farmers Home Administration; and

(4) Federal Crop Insurance Corporation.

In addition, if the Secretary determines that a program or activity of any agency of the Department of Agriculture is not directly related to farmer services or would be more appropriate for administration by the Rural Development Administration, the Secretary may transfer administration of that program or activity to the Rural Development Administration, including—

(1) watershed district programs of the Soil Conservation Service;

(2) real estate loan programs of the Farmers Home Administration; and

(3) activities of the Rural Electrification Administration.

SECTION 4. CONSOLIDATION OF FIELD OFFICES OF THE DEPARTMENT OF AGRICULTURE.

Section 4 requires the Secretary of Agriculture, within five years of enactment, to establish offices in administrative districts consisting of more than one county in a State or parts of different counties of the Farm Services Administration to replace the county field offices for the agencies being consolidated into the Farm Services Administration. However, at the discretion of the Secretary and according to guidelines established under the section, such offices may encompass only one county under conditions which warrant. In establishing such districts, the Secretary shall consider the number of farmers to be served by each district in a State, the area to be covered by a district, and the cost of operating a district compared to the value of the benefits to be provided through the district office.

In the event the reorganization of offices required under this section result in lower personnel needs, the Secretary is required to give first priority to achieving those levels through attrition rather than other reductions in force.

Prior to the establishing field offices for the Farm Services Administration, the Secretary is required to publish guidelines, subject to public comment before final implementation, for the criteria to be used in determining the size of administrative areas to be covered by district offices. Such criteria are to include number of farms and farmers in each administrative area; geographic size of each administrative area; amount and kind of crops grown in each administrative area; likely inconvenience to farmers of the size of the administrative area; ability of the office to service efficiently the administrative area; ability of farmers in the administrative area to utilize user-friendly application processes for the programs administered by the office; and extent to which the Secretary has eased paperwork burdens on farmers to be served by the administrative area.

SECTION 5. REDUCTIONS IN THE HEADQUARTERS OFFICE OF THE DEPARTMENT OF AGRICULTURE

Section 5 requires the Secretary of Agriculture, during the five-year period beginning on the date of enactment, to reduce the number of employees in the headquarters office of the Department of Agriculture by an amount commensurate with the reductions in the Department's workforce as a result of the consolidation of field offices into the Farm Services Administration. In making such reductions, the Secretary is required to give first priority to achieving them through attrition rather than other reductions in force.

SECTION 6. PAPERWORK REDUCTION

Section 6 requires the Secretary of Agriculture to establish a centralized data system within the Farm Services Administration for information regarding services provided to farmers and information required of farmers for participation in the programs administered by the Farm Services Administration.

As part of the reorganization of the Department of Agriculture, the Secretary is required to examine all forms, applications, and other information requests required to be submitted by farmers for programs and activities the Farm Services Administration administers to eliminate duplication and save time for farmers.

Further, the Secretary is required to establish a system for allowing farmers to enroll in programs administered by the Farm Services Administration with one, user-friendly, application process that may be completed and filed with the Farm Services Administration electronically, by facsimile, by mail, or other means the Secretary determines appropriate to ease the paperwork burden on farmers.

SECTION 7. REORGANIZATION OF LOCAL AND COUNTY COMMITTEE SYSTEM

Section 7 requires the Administrator of the Farm Services Administration to use the services of district committees in implementing its programs. Each district established under the reorganization plan must have one district committee consisting of at least three members elected to three-year terms in a district-wide election to be held every third year. Only farmers within a district who are producers who participate or cooperate in programs administered within their district shall be eligible for nomination and election to the district committee for that district. Only farmers who are participating or cooperating producers within a district shall be eligible to vote in the election in that district. Each district committee is required to meet once each year and will receive compensation for such meeting by the Secretary of Agriculture.

A district committee may establish subcommittees with responsibility to act for the committee with respect to particular programs or activities of the Farm Services Administration.

District committees will replace any local committee or county committee previously established under the Soil Conservation and Domestic Allotment Act for an area served by the district committee within five-years of enactment.

SECTION 8. APPLICATION OF FARM PROGRAM APPEALS SYSTEM

Section 8 establishes the National Appeals Divisions established under section 1132 of the Food, Agriculture, Conservation, and Trade Act of 1990 as the entity to hear appeals from farmers for any program or activity administered by the Farm Services Administration.

SECTION 9. SENSE OF CONGRESS

Section 9 expresses the sense of Congress that one of the primary goals of future farm legislation should be to reduce the complexity of farm programs, to simplify the administration of and compliance with their requirements, and to ease the paperwork burdens on farmers.

CORO'S 50TH ANNIVERSARY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California, Mr. ANDERSON, is recognized for 5 minutes.

Mr. ANDERSON. Mr. Speaker, I rise today in proud recognition of Coro's 50th anniversary. For those unfamiliar with this organization, Coro is a nonprofit, nonpartisan public affairs training institution established in 1942 to strengthen our country's democratic institutions and political system. To accomplish this goal, Coro has designed programs that expose students to various working organizations and groups, such as community organizations, political campaigns, the media, businesses, the courts, labor groups, and all levels of government, to give students a well-rounded education. Thus, when the Coro program is completed, students are prepared to be active participants in the community. This participation extends beyond government and reaches into our neighborhoods, cities, and States.

Although our country's democratic tradition is well grounded, the needs and challenges of our democratic institutions are constantly changing. Meeting these challenges requires our citizens to be participants in the democratic process. Coro has been meeting this need for the last 50 years. With the negative attitude surrounding politics today, Coro reminds us that leadership and participation are the key to a functioning democracy.

AN INTERVIEW WITH PAT CADDELL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California [Mr. DREIER] is recognized for 5 minutes.

Mr. DREIER of California. Mr. Speaker. I take the well this afternoon to, for just a few moments, once again touch on what I described here a few weeks ago as this rather tragic crisis of confidence that we have here in the House of Representatives, in the Congress overall and basically in Washington and really among all those who are in elective office.

We have heard from many people that the level of frustration is high. We have witnessed what is described as incumbency run amok. We have heard that we will most likely this year exceed the 118 new Members, which is apparently the record for the past Congresses, when the 103d Congress convenes in January of next year.

It is interesting to note that while the frustration level seems to be coming from many in the American electorate, I was rather struck with an interview which I read over the weekend in my hometown newspaper, the Los Angeles Times. And in it we heard from a very famous and prominent Democrat, who has been one of the key pollsters and strategists in five Presidential campaigns, beginning when he was 21 years old and worked for George McGovern's campaign in 1972.

He also was the architect of the basically come-from-nowhere campaign of Jimmy Carter in 1976, and he now has once again moved to the forefront as one of the leaders of Jerry Brown's Presidential campaign, my former Governor.

I am talking about Patrick Caddell, who made a decision in 1986 to leave this town, leave Washington. I think he described Washington as being on the verge of irrelevance, and he made a decision to go to the area which I represent, southern California. He actually lives in Brentwood.

This article that was in Sunday's Los Angeles Times, which I sent around to my Republican colleagues, actually casts an incredible indictment on the majority leadership of this Congress. Caddell has gone to a great deal of pain analyzing the problems that we have seen. He talks about, in this interview, the fact that we are faced with a major crisis of alienation.

It is interesting that in the Prayer Breakfast last Thursday, the chaplain of the Senate, Dr. Halverson, was talking about the problem of alienation and how great it is. The problem really is not the Congress, he was saying, it is alienation that the American people feel with their elected officials.

There is an alienation among family members and Caddell, interestingly enough, then went on in this piece and commented on the alienation problem which exists for those of us who hold elective office and are trying to represent the views of the electorate.

Caddell goes on in this piece to talk about the necessity to bring about this great revolution of restoration, the way he puts it. This revolution of restoration means we have the challenge of trying to restore America's greatness.

Rather than paraphrasing, I am going to directly quote some of the lines that clearly, this very, very partisan Democrat, Pat Caddell, leveled in Sunday's L.A. Times about the Democrat leadership.

He was asked the question: "There are mechanical things that can be done," are there not, in talking about the need for reform here in the Congress. "For instance, term limits. Does that make sense to you?"

"Yes, but it's such a minor thing. In a functioning democracy, I think term limits are wrong. But at the moment, I think you need a hatchet. I believe that America faces a crisis that only rivals the Civil War and the Revolution which bore it. It's not about term limits or campaign financing reform, it's about getting people in power."

He says, "Tom Foley, the Speaker of the House, is not going to reform himself."

When asked the question, "If the system is corrupt, can't one conclude that the political parties are corrupt as well?"

Caddell goes on to say, "Yes, and the Democratic corruption is much worse than the Republican corruption. I say that as a Democrat. My party is standing at the verge of following the Whigs into history, of disappearing overnight if they keep this up. The Republicans really do believe in what they say. When they say 'Help the rich,' these people act in obedience to their principles. When people in my party do it, they do so in absolute treason of their principles. I realize that my friends are more corrupt than my enemies."

Mr. Speaker, we do have a crisis of corruption in this House. I hope very much that as we look at our attempts to bring about reform, we can follow the words and advice of Patrick Caddell.

Mr. Speaker, I include for the RECORD a copy of the Los Angeles Times interview to which I referred.

[From the Los Angeles Times, Apr. 5, 1992]

Question: What's going on in the country? There's obviously a tremendous amount of frustration with politics and politicians. What do you sense is happening in the minds of the electorate?

Answer: Politics is disconnected from the country. We were already seeing signs of protest in 1990—David Duke, Dianne Feinstein, Clayton Williams [of Texas] and Bernie Sanders [of Vermont] were all supping out of the same pot. And it wasn't about ideology. For the last 25 years, the politicians in this country have presided over a decline, and it is impossible for them to acknowledge it. Because to change, to turn the country toward what has to be done, they would first have to tell the truth. And to do that would be to risk their own power, because, in a democracy, that means standing up and saying, "We have failed." And the track record of people who do that is not very good. So the Democratic Party lives a lie, the Washington Establishment lives a lie: "Nothing's really wrong, don't worry about the $400-million deficit, just elect us."

Q: This feeling of anti-incumbency has been building for a good while. Do you sense that it's finally coming to a head?

A: There are three things that have brought us to what I think is a firestorm. First, an alienated public. Alienation is something I've been dealing with politically since the beginning of my career. But this is the worst I've ever seen it. In the 1960s, when you asked, "Do your leaders do what's best for you and not for special interests?" people overwhelmingly agreed—60% or 70% of them. Now it's totally reversed. People today simply believe the political and economic system is stacked against them.

The second thing is a sense of decline. This are people saying that America is not No. 1 anymore. Americans will rage against that idea, because all America is built on the notion that things will get better. Moving across that psychological divide is a major thing.

Q: So are you saying that you accept the notion that things won't get better, that what we are, in fact, in decline?

A: Absolutely! Get somebody up here to argue with me that, as individuals and as a society, we are better off now than we were in 1968. You don't have to convince the American people of that—they now know it. Now the third thing, which I don't think anyone has articulated yet, is that what we pass on should be greater than what we got. We leave our children a better America, and more opportunity. You kill that idea and you will kill this country. And that's exactly what's happening! That's the overwhelming moral issue. When I look at the political leadership, the economic elite that has ripped off the country, the press that has been its propaganda mouthpiece, I tell you this: In their collective and individual pursuit of power, they have committed acts that are worse than treason. And that's what the American people feel now. That is the third great force that is at work here, and we have not even seen the full fury of that yet.

Q: Is it your role to offer a prescription?

A: No. I want to be like Toto in "The Wizard of Oz." I want to be the person who pulls back the curtain and shows them that there is no wizard, just an old man with a microphone. My job is to help people connect, and to see that they are not alone. I left politics, and I said I would never be in a venture where I couldn't speak with my own voice. I don't speak for Jerry Brown and he doesn't speak for me.

Q: Still, are there mechanical things that can be done? For instance, term limits. Does that make any sense to you?

A: Yes, But it's such a minor thing. In a functioning democracy, I think term limits are wrong. But at the moment, I think you need a hatchet. I believe that America faces a crisis that only rivals the Civil War and the Revolution which bore it. It's not about term limits or campaign-financing reform, it's about getting people in power. Tom Foley [the Speaker of the House] is not going to reform himself.

Q: Do you get rid of the legislature, do you get rid of the congressional staffs? Do you recreate the bureaucracy, do you move the government to Lincoln, Neb.?

A: I don't know. First of all, nobody has a single answer. Maybe you should break up the government. You've got to cut the staffs down; they are out of control. But you don't have to totally change the system. There's nothing wrong with the Constitution. When I say this country needs a revolution, it needs a revolution of restoration. We must first get an agenda of consensus in this country—that the country is in crisis and that we are willing to come together to deal with it. It's not about arguing if we like this health-care plan or that one. It's about taking the big steps to save the country. That's what the issue is, a commitment to change, to the restoration of American greatness. It's that simple.

Q: If the system is corrupt, can't one conclude that the political parties are corrupt as well?

A: Yes, and the Democratic corruption is much worse than the Republican corruption. I say that as a Democrat. My party is standing at the verge of following the Whigs into history, of disappearing overnight if they keep this up. The Republicans really do believe in what they say. When they say "Help the rich," these people act in obedience to their principles. When people in my party do it, they do so in absolute treason of their principles. I've realized that my friends are more corrupt than my enemies.

Q: You hear the term "populist" a lot these days. What do you think about that term, what do you think it means?

A: Populist means nothing to me. What, populist—for the people? Our problems are much broader. We need new political language for the new reality.

Q: What's your relationship with Ross Perot? Do you meet with him, do you speak with him regularly?

A: I have had one meeting with Ross Perot, several months ago, and we talked and I encouraged him. Other than that I have nothing to say about my relationship with Ross Perot.

Q: Perot is apparently getting thousands of phone calls a day offering support. How come the public, which presumably knows next to nothing about Perot's politics, is seemingly so eager to get behind him?

A: I don't know if this is going to be real; he has a tough course ahead of him. But he is a genuine folk hero. When he goes on TV and talks, people listen. He's said he will only run if his supporters pave the way for him, if they do the work. Instead of selling out to the Democrats or the Republicans, he says to the people, "I'll sell you out to you." His message is the reverse of Jerry Brown's. Jerry's was, "If I build it, they will come." Perot's is, "If you build it, I will come." His politics are much more complex than they seemed in the beginning. The man is pro-choice, pro-gun control. He's very eclectic guy.

Q: Tell me about Jerry Brown. How deep do you think his appeal can be?

A: I don't know yet. He's still growing, and they're still responding. He has a transition to make from simply being the vehicle for discontent, to where people see him as an acceptable leader. You know, in all my life in politics, I am used to dealing with people who are basically finished men. Grown. One thing that struck me about Jerry Brown, in the last year or so, is that the guy is still growing. Can he pass the test of being a real leader in people's minds? If so, he has many advantages that Ross Perot will never have. He can speak with knowledge about the government. He's run it.

Q: How optimistic are you about Brown's chances of capturing the nomination?

A: Every day Jerry Brown is raising $80,000 to $100,000 on his 800 number. He has gone from being a joke to being able to raise $100,000 every day, from people contributing less than $100! Man, I want to tell you, it's out there, the people are ready. As far as I am concerned, the campaign is just beginning. What happens if Brown sweeps his way through the primaries? He's going to go to the convention and tell the delegates that he is running on a platform that indicts them as personally corrupt. That's going to be very tough for those folks to swallow.

This is going to be as exciting as 1968 was politically. We don't know now how it's going to shape up. But there are great forces there, and great moments of possibility.

I remember hearing the Washington insiders view of Jerry Brown: "Great message, wrong messenger." And I would bristle. If your problem is the messenger, if you agree with his analysis of the problems with the political system, then I must ask, "How come his is the only voice?" The answer is there is not another voice, because they are not allowed in. We have a self-perpetuating class of people who have designed the system to keep anyone who questions it on the outside. It's a system designed to take democracy away from the people. So when Jerry Brown raises the banner of taking back the country, they must kill this message. It's a message of death for all of them. It is Cromwell, "Out, you are not a Parliament."

Q: Jerry Brown is running a campaign that has similarities to the race you helped run for Jimmy Carter. Carter also ran as an outside and a reformer. Can you make a comparison between the two campaigns?

A: It's gotten much worse. With Carter, we were battling with muskets. Now it's thermonuclear war. In 1976, the [Democratic] party was still a good party. It had not become what it is today.

Q: If the system is indeed failing, can this leadership recharge the engine, get the growth back? Or do we just have to face the reality of decline?

A: This country cannot survive if the reality is that we continue to go downhill economically. That is not necessary. There's no reason for it. We can get that engine moving. Jerry Brown's idea about the flat tax is an idea about getting that machinery going. When he announced it, I didn't know anything about it. I nearly fell on the floor. But I've gotten much more enthusiastic the more I look at it. The principle of it is to get something that's fair. Even the New York Times said it's the first interesting idea this year.

Q: Do you have any prediction for Tuesday's primary in New York.

A: Yes I do, but I'm not going to share it with you, because I don't believe in jinxing myself. Right this very minute, as I talk to you, I think Jerry Brown—I don't even want to say this—but it could be a big moment. Let me say this. On Tuesday night, there is the possibility that American politics could be shaken to its foundations in a way that has not happened in our lifetime.

RISKY RESERVE RETREAT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, I want to share with my colleagues an op-ed piece on the importance of our reserve components and the need to review the history books before we move too quickly to cut them. It was written by retired Col. Harry Summers, Jr., and appeared in the April 2 edition of the Washington Times.

[From the Washington Times, Apr. 2, 1992]

RISKY RESERVE RETREAT

(By Harry Summers, Jr.)

"Those who cannot remember the past," wrote the Spanish philosopher George Santayana in 1906, "are condemned to repeat it." It is an adage often quoted, and even more often ignored. With last week's announcement by Defense Secretary Dick Cheney of an initial 1992–93 cut of some 830 units and almost 140,000 men and women from America's military reserves—the Army and Air Force National Guard and the reserves of the Army, Navy, Air Force, and Marines—we may be on the verge of doing it yet again.

"The National Guard and Reserves are invaluable national assets," he said, "but we are cutting the size of the entire military force, both active duty and reserve." By 1997, another 100,000 will be cut from the reserves, reducing their overall size by some 25 percent almost the same percentage as the reductions under way in the active forces.

The National Guard and Reserves will play an absolutely vital part" in future strategy, Mr. Cheney emphasized, noting that the proportion of active duty forces (64 percent) to reserves (36 percent) "will remain the same." But these statistics mask an important shift in the philosophy undergirding the Total Force concept that grew out of the Vietnam War.

"We * * * need active forces when we are talking about combined arms forces * * * that go in harm's way with the greatest likelihood of sustaining casualties," Joint Chiefs of Staff Chairman Gen. Colin Powell said. "For that kind of proficiency * * * you need active units that are able to train at this day in and day out all year long."

While Gen. Powell's premise is arguably true when it comes to Army maneuver units (that is, front-line infantry, armor and cavalry units) it is dangerously similar to the arguments used at the height of the Cold War to justify neglecting the reserve forces in favor of a large active force. "If they can't get there in 90 days," ran the argument, "we don't need them."

"But what happens on the 91st day," asked Gen. John Vessey, who was passed over for promotion to his second star for asking such an embarrassing question. A former Minnesota National Guard first sergeant, who won a battlefield commission at the Anzio beachhead in World War II, Gen. Vessey wouldn't shut up. When his question was finally addressed, the reserve was found to be in such disarray that the only options open after 90 days were surrender or nuclear war.

Gen. Vessey (who rose to four stars and appointment as chairman of the Joint Chiefs) helped set in motion the mobilization machinery that paid off so handsomely in the Persian Gulf war when the reserve forces (as they had in every American war save Vietnam) literally made victory possible.

Reserve forces represented some 20 percent of U.S. military forces deployed to the Gulf, and Mr. Cheney acknowledged that they had performed "magnificently" in that war. But there is more to the reserves than their purely military capability, as then-Army Chief of Staff Gen. Creighton Abrams recognized when he established the "Total Army" concept in 1972, melding active and reserve components into a cohesive whole.

By incorporating reserve combat brigades into active-Army divisions, Gen. Abrams sought to eliminate the disastrous Vietnam War fallacy that wars could be fought "in cold blood" without paying the political price of national mobilization. It was precisely what many saw as the reserves' greatest weakness—their political sensitivity—that Gen. Abrams recognized as their greatest strength. Unlike the draft, which had degenerated into a national disgrace, the reserve forces, he believed, represented the true bridge between the active force and the American people.

The Persian Gulf war proved him exactly correct. As Gen. Crosbie E. Saint commented, "The early decision to call up the reserves turned out to be a major catalyst in consolidating American public opinion firmly behind our strategy in the Gulf. The size of the call-up meant that everyone had players from their state. The moral ascendancy that U.S. troops had when they knew their country was behind them cannot be discounted." "In war," Napoleon said, "the moral is to the material as three to one."

Cutting the size of the reserves to reflect post-Cold War realities is one thing. Cutting their role in providing for the common defense so as to avoid the perils and problems of mobilization is quite another. If we fail to remember that major lesson of the Vietnam War, we will surely once again reap the disastrous consequences.

THOUGHTS ON THE SCANDAL-RIDDEN HOUSE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas [Mr. DELAY] is recognized for 60 minutes.

Mr. DELAY. Mr. Speaker, I take this time in the well and before the House to express my opinions about what has been going on in this House or the lack of what has been going on in this House over the last few years, particularly during the scandal-ridden period of the last year or so.

□ 1520

I think it is important, at least I think it is important to me, and it is certainly important to the American people, to understand what has actually happened here and try to put it together and put some perspective on it.

The theme that I am attempting to bring to the House today is basically that, as has been said by the previous speaker from California and many other speakers that have come down to the floor of this House, that the Democrats have mismanaged this institution. Not only have they mismanaged the administration of this institution, but they have mismanaged policy as well.

I think it can be brought to bear by looking at what has happened in the bank scandal, the post office scandal, and other scandals, and try to relate that to what is happening on the floor of this House as far as passing legislation and doing what is right for the American people.

I was one of the few Members, one of only eight, that voted against the resolution to close the so-called House bank. Let me explain to not only my constituents but the American people why I voted against closing the House bank. I was outraged by the Democrat leadership's approach to this whole problem. I will get into the time line of how this all came about.

I thought that what was happening here was, No. 1, a lack of leadership in standing up for the institution itself, not standing up for abusers, not standing up for people that had misused the bank or had misused their privileges, or the leadership and staff that had mismanaged the bank, but I thought it was important for the Speaker of the House, particularly, to stand up and tell the American people what this was.

This was not a bank in the sense of what we think of as a bank. What it was, was a payroll system. It was a way of paying the Members of the House that was set up back in the early 1800's because it was difficult, because of separation of powers, to come up with a convenient, easy system to make payroll in the House, to make payroll.

Every company in this country has a payroll office. We have to have accountants and people that do the paperwork, do the accounting, make the debits and credits, and keep an honest accounting of what is going on. Even in banks one has to have a payroll office. That is what this House bank was. It was a payroll office that became a convenient cash disbursement service.

Over the years it became easy to bend the rules or expand the rules and allow Members to overdraft their accounts, because, indeed, this was a system of payroll where moneys were held, moneys that belonged to the Members of the House, the moneys that they were paid as payroll, in this account.

The way I understand it was set up was that the Congress would appropriate moneys that amounted to the total payroll of the Members of the House. That appropriation went to the U.S. Treasury, who made a deposit in a private bank in this town, who then credited the House bank, the payroll office, the amount of the total payroll.

The office here in the Capitol building then accredited to each Member's account the amount of the pay that that Member was to receive for that month. Every time the Member would write a check, the bank, the House bank, would then withdraw that money from the private bank here in Washington, DC.

Remember, this payroll service was a pot of money that belonged to the Members of the House of Representatives. I was very concerned that this was getting out of hand, that the American people were being told that everybody was a check kiter and a check bouncer and we were all crooks. Those that did have overdrafts in the bank were drawing moneys from other Members, because other Members' balances, deposit balances in other Members' accounts, went to cover these overdrafts. Maybe that was wrong. Maybe we should not have been doing that.

When it got out of hand, when Members would overdraft their account that was beyond the amount of their next monthly paycheck, that is when it started getting out of hand. Then Members got sloppy, and for whatever reason, abused the bank.

The point was when all this broke in the press our leadership did not investigate the situation immediately, stand up and look the American people in the eye, tell the American people, No. 1, what is this payroll service, and No. 2, "We are not going to allow abusers to continue this practice. We are not going to do something about it."

They did not do that. They thought if they passed a resolution immediately to close the bank down, then it would all be done and we would wash our hands of it. We could hide as many Members as possible that may have had overdrafts. We may have to throw some of the Members to the wolves, particularly the blatant abusers, and the rest of the Members would be protected.

That is exactly what happened. In fact, for months the Democrat leadership of this House tried to cover up or slow down the full disclosure of what was going on in relationship to the bank.

Mr. WALKER. Mr. Speaker, will the gentleman yield at that point?

Mr. DELAY. I am glad to yield to the gentleman from Pennsylvania [Mr. WALKER].

Mr. WALKER. Mr. Speaker, I think the gentleman from Texas [Mr. DELAY] is being generous in indicating it was for months. It was actually for years.

Mr. DELAY. It was for years. I stand corrected.

Mr. WALKER. Mr. Speaker, the first GAO reports on the bank go back to 1968, and at that time they were submitting secret reports to the Speaker. In those secret reports they were detailing Members of Congress who were in arrears in their House accounts. During that period of time it is clear that nothing was done about the bank, from 1968 until an interesting period in 1977.

In 1977 the decision was made to make the GAO reports public. Understand, this is the actual final report which, as a matter of practice, became a report that said little or nothing.

What they specifically decided to do in 1977 was to eliminate the names of Members who were not keeping their accounts straight in the House bank. Beginning in 1977, a coverup was specifically engaged in, because at that time the GAO reports were stripped of the names of Members who had previously appeared in reports. So as of

1977 there was evidently a decision made that, "We will begin covering this matter up, of the check kiting, as a matter of policy."

In fact, nothing then was known about these matters until the recent episodes when the GAO once again began to put this information in. It is not clear exactly why they decided to do that at this point. Evidently the situation had gotten so bad they could no longer tolerate it.

The fact is that there was a specific coverup engaged in for at least 15 years by the Democratic leadership to whom those reports were presented. Understand, these were not reports to the House as a whole. These were reports to the Democratic leadership, specifically to the Speaker. So we have a succession of Speakers, beginning in 1977, who engaged in an activity with the GAO which amounts to a coverup.

Mr. DELAY. Mr. Speaker, I appreciate the gentleman giving us that little bit of history. I think it is very beneficial to the overall theme of this special order. That is that this has been going on, this lack of leadership, the mismanagement of the House, has been going on for many years. It just points up that when someone is in power for an inordinate amount of time, then this kind of oversight, this kind of corruption, if you will, continues and builds upon itself and sort of feeds on itself.

I would like to get in just very quickly to go back not as far as the gentleman from Pennsylvania [Mr. WALKER], although that is very useful, to show how long this has been going on, this particular time frame of this particular scandal.

The unacceptable condition of the House bank came to light on September 18, 1991, as we all know, when the GAO submitted its biannual report. A Roll Call reporter noticed a footnote entitled "Accounts receivables from Members," an interesting way to put it, which included the item "Checks held for insufficient funds."

The reporter inquired into the matter and it was revealed for the time period of the GAO report, December 31, 1989 to June 30, 1990, over 4,000 checks were written on insufficient funds by Members of Congress. With this revelation, the Democrat leadership coverup began. The first step Speaker FOLEY took was to declare that the House bank would no longer honor bad checks. Then he stated, "This is a matter that is now over."

According to the Washington Post article of October 1, 1991, "Check bouncing stories hound House Members, GOP freshmen are demanding disclosure." "In subsequent news conferences * * * [Speaker FOLEY] also made it clear that the list of transgressors and their sins would not be published, and Members' banking privileges would be no more and no less than those accorded to any citizen bank secrecy laws."

Speaker FOLEY was made aware of the significant problems of the House bank in a GAO report released previously on February 7, 1990.

□ 1530

Apparently reforms were instituted then, according to the Speaker. However, the abuses and shoddy recordkeeping continued with no followup accountability on the Speaker's part.

Mr. FOLEY told Ted Koppel on the March 28, 1992 "Nightline" broadcast that he directed the House bank to clean up its act in 1989. He may have issued new guidelines, but there was no followup for years to see if they were adhered to.

This point brings up a significant contradiction. If Mr. FOLEY, the Speaker, issued guidelines, why do some Members of the ethics committee report maintain that there was no statement of policy regarding the overdrafts? The gentleman from Kentucky [Mr. BUNNING] submitted into the CONGRESSIONAL RECORD on March 13, 1992, the specific guidelines for bad checks presented at the House bank. Furthermore, according to articles in both the Washington Times and the Washington Post, on March 24, 1992, it was documented that Mr. FOLEY was informed in December 1989 by the GAO that former House Sergeant at Arms Jack Russ has written bad personal checks at the House bank totaling over $100,000.

In the real world, this would bring on criminal indictment. In fact, former Democrat Sergeant at Arms Kenneth Romney was sentenced to 30 years in prison in 1947 for a $125,000 shortfall. And I might add that the Sergeant at Arms at that time was a Democrat Sergeant at Arms, and the reason he was caught was that in 1947 the Republicans took over this House for a very short period of time, and before they would take over the House payroll office, the House bank as it has become known, they wanted an audit before they would take it over. And in that audit Mr. Romney was caught and charged and was convicted and went to prison.

In the Democrat leadership scheme of things, the fox was keeping charge of the hen house, unless the fox is caught. Then he becomes the scapegoat.

Mr. WALKER. Mr. Speaker, will the gentleman yield further?

Mr. DELAY. I am happy to yield to the gentleman from Pennsylvania.

Mr. WALKER. Mr. Speaker, it is not an interesting parallel here to what happened in the post office the other day when the House Clerk was assigned by the Speaker, on a temporary basis, the assignment of running the House post office, and to his credit the House Clerk said, "Well, I'm not going to take over anything without an audit," and brought in a group of auditors to look at the practices in the House post office, only to find out that all of the reforms that we had been told were being instituted there were not in fact instituted, and that there were shortfalls in cash drawers and all kinds of problems in the House post office weeks after we had been assured that steps were being taken to clean things up there? So it is an interesting parallel with what happened in 1947, that once again, when the change of command insisted upon an audit, we find out things about one of these internal operations entirely different from what we have been told is the situation. And that was certainly the case in the House post office, and one has reason to wonder how much more there is that an audit would reveal in the House of Representatives.

Mr. DELAY. I totally agree with the gentleman and I appreciate him calling for the release of the GAO records, not so much GAO reports, because we know all too well how reports are done. Usually the reports come from a draft report that has been massaged, and that draft report comes from very real and revealing records that not necessarily end up in the report. The gentleman is very right in calling for full disclosure of all of the records pertaining to these two scandals.

But I think it is interesting that Mr. Jack Russ, the House Sergeant at Arms, after having gone from fox to scapegoat in this sad state of affairs, as the Democrat leadership had deemed him ultimately responsible for the scandal. This is absolutely wrong. The Sergeant at Arms is appointed only by the Democrat leadership, and they are ultimately responsible for keeping him as their top political patron for years. Even after knowing he abused his privileges consistently, he was kept on because we all know the ultimate responsibility for running this institution lies in the Democrat leadership.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I am glad to yield to my friend, the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, let me just talk about that point for a moment, if I may. I have a copy of the manual of the House rules. A lot of folks when they think about the House, they think maybe Robert's Rules of Order will prevail, but let us be clear about one thing.

Every 2 years, prior to the convening of a new Congress, the House Democrats caucus separately and the House Republicans caucus separately. When they have their separate caucuses, they vote in their separate caucuses a set of Democrat House rules, and we vote in the Republican conference a set of Republican House rules. They vote a slate of officers, a Democrat slate of officers including the Speaker and the officers of the House. We put up a slate of Republican officers. Then on the first day of the convening of the House we have two very important votes. One, the vote on which slate of officers will govern the body. The majority rules and the Democrats have always, with one only exception that I know of, to a person voted entirely for their slate of officers, their Speaker, and the Republicans to my knowledge, have never had a single Member vote for the Democrat slate. Since they have the majority, their officers, their Speaker is elected.

The second vote we have is on whose rules will prevail. Again, by virtue of their majority, they vote in their rules.

In this manual of rules there is one thing I would like to talk about very quickly. Under rule II, the election of officers, describing this process of how we elect the officers, it says Congress will choose a Clerk, Sergeant at Arms, Doorkeeper, Postmaster, and Chaplain, each of whom shall take an oath to support the Constitution of the United States and for the true and faithful discharge of the duties of his office to the best of his knowledge and ability and to keep the secrets of the House; and each shall appoint all of the employees of his department provided for by law.

I would like to focus on this business of keeping the secrets of the House, and we do not have a lot of secrets in my house. One of the things that amazed me about this whole eruption of this House bank scandal is what I learned about this bank that I did not know until it was that somebody no longer kept the secrets of the House.

For example, I did not know that it was a longstanding tradition and convention that any Member of the House who had an account at the Sergeant at Arms may in fact choose not to do so. I had been told when I came here I must have this account, and I must receive my paycheck in this account. There was no other way to do it. Understanding the arcane ways of Government, that did not seem incredible to me. If there is a dumb way to do something, it occurs to me the Government will probably find and insist on that way. So I thought that that was an acceptable practice and I accepted that. I did not question it. I had been told the rules of the House require you to keep this account.

I now find out that the secret was that was not the case. I was also told that my wife could not be a cosigner on those accounts. It did not make sense to me, and I did not like it, but I was told it was a rule of the House by one of the officers of the House.

I went home, related that story to my wife, and she had a very difficult time accepting that, and gave me a little bit of a tongue lashing over that. In fact, we fought about that for several years. So when this scandal breaks and the secrets are out of the bag, the first thing my wife finds out is a Democrat Member says, "Well, I did not write those checks; my wife did."

☐ 1540

Now, I explained then to my wife how it is his wife could write the checks but she could not. I said, "Honey, the only difference I can see between you and her is she was married to a Democrat. They are in the majority. They write the rules. They write the waivers of the rules. They grant the exceptions to the rules. I am in the minority, and since they are not my rules, I must obey them with no exceptions, no waivers."

I now find out later when the secrets are out of the House bag that this is not a bank after all. It is variously described as a payroll office, as a commune, and, as the story distills, I find out that very few Republicans, and I have not been able to find any Republican, that was officially notified by any officer of the House that these extraordinary and unusual and eyebrow-raising protections for overdraft were in place. We did not know that that was a secret.

Mr. DELAY. I did not know it.

Mr. ARMEY. I did not know it. I never heard that story until we got down here and the Democrats starting explaining why it is they had 400 overdrafts and so on down the line.

When the rules of the House, written by the Democrats, passed by the Democrats, clearly required the officers of the House, elected by the Democrats, to keep the secrets of the House, does that mean they must keep the secrets from the Members of the House that do not happen to be in the majority party? Because I feel very strongly, and in a most heartfelt way, a lot of anger over this, because much of what I had been told, for example, to my wife in good faith and honest fidelity to the vows we had to one another were the rules of the House that I must obey. It turned out to have, in fact, not been the case, but just a secret in the House that was shared by the majority and not with the minority. I am angry about that.

There is another question I would have about the secrets of the House.

PARLIAMENTARY INQUIRY

Mr. DELAY. Would the gentleman hold right there?

Mr. Speaker, I have a parliamentary inquiry.

The SPEAKER pro tempore (Mr. RAY). The gentleman will state his parliamentary inquiry.

Mr. DELAY. Mr. Speaker, I make an inquiry of what does it mean when it says in the rules of the House that the House must keep the secrets of the House, the officers must keep the secrets of the House?

The SPEAKER pro tempore. The Chair is not prepared to respond to that, and will be consulting with the gentleman.

Mr. ARMEY. If the gentleman will yield further on this point, I want to thank the Chair. The gentleman sitting in the chair, as we all know, is a good and true man, and we certainly do not want to, in any way, leave the impression that we might be indicting the gentleman who is in fact presiding.

Mr. DELAY. I appreciate the gentleman pointing that out.

Actually, through a parliamentary inquiry, we are asking in this setting a question of the Parliamentarian.

Mr. ARMEY. Which is an officer of the House, appointed by the Speaker, elected by the Democratic caucus.

Mr. DELAY. That is correct.

Mr. ARMEY. Not voted on, of course, or appointed by the Republicans.

Let me just make one last point about the question of all of these big important House secrets that are being kept.

Even as a Member of the House from whom the secrets are being kept, I cannot even avail myself of the Freedom of Information Act to compel the majority of the House to tell me what are those secrets they have that govern my affairs in the House that they will not share with me, because the House is exempted from the requirements of the Freedom of Information Act. So I have no way of knowing what are the secrets of the House by which the majority operate differently than the minority operate, even through those mechanisms that I might find out what the CIA is doing, and I am not even in the CIA.

Finally, let me just say because it is very distressing to me that this is their rules. They put this bank in effect, and they did it so that people could, in fact, as we now know they did, routinely and methodologically, systematically use this as a private, personal cash cow not available to anybody who is not in on the secret. That is what I would call clearly partisan graft.

Now that they are caught in such an embarrassing situation with their hand up to their elbow in the cookie jar, they want to have a bipartisan sharing of the shame and sharing of the blame. Well, I may have to live with the fact that sharing with the embarrassment is inevitable, but sharing in the shame is optional, and I, for one, elect instead to share in the anger of those good and true and honest disappointed constituents back home that also were left out of knowing the inside story of the secrets of the House.

I want to thank the gentleman.

Mr. DELAY. I really thank the gentleman from Texas for once again demonstrating his eloquence in driving a point home, and I would just want to make sure whether the Chair is ready to respond on my parliamentary inquiry.

The SPEAKER pro tempore. The Chair will take the parliamentary inquiry under advisement. That course of action may be especially appropriate where, as here, the inquiry does not relate in any practical sense to the pending proceedings of the House.

Recognition for the purpose of parliamentary inquiry is, in any event, a matter wholly in the discretion of the Chair. The Chair will, therefore, take the present inquiry under advisement and will be pleased to consult personally with the gentleman from Texas in the meantime.

Mr. WALKER. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I am happy to yield to the gentleman from Pennsylvania. But before I yield to the gentleman from Pennsylvania, let me just say one thing about the presentation made by the gentleman from Texas which was so well done. He is expressing his outrage not only of the mismanagement of the bank, where deposits were credited days after they were actually put into the bank and those kinds of mismanagement problems, but he was also expressing outrage of malfeasance because what was happening here was a double standard, and I think Members on the other side of the aisle are also outraged at the lack of leadership that they got from their own leadership, because if the leadership then would have done what I suggested, and the whole reason I voted against the resolution, would have stood up for the institution and would have outlined what the payroll office was all about and how it operated, yes, we still would have been embarrassed with our overdrafts, but the American people would understand what it was all about.

I have constituents just as recently as last weekend thinking and talking to me and very upset with me thinking that not only were the overdrafts still going unpaid but the overdrafts were being covered by taxpayers' money. So they still have not, after all of these months, been able to articulate to the American people what this was all about, had some abusers doing it, and what were the rules, and not the rules, of how this was operated.

If I were a Democrat, I would be just as outraged at the mismanagement of this House as the Republicans obviously are.

Mr. WALKER. Will the gentleman yield?

Mr. DELAY. I am happy to yield to the gentleman from Pennsylvania.

PARLIAMENTARY INQUIRY

Mr. WALKER. I thank the gentleman for yielding.

Mr. Speaker, what I want to do is, I wanted to offer a parliamentary inquiry here of the Chair.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. WALKER. Do I understand the Chair correctly that the Chair is not prepared to rule at this time on what the phrase "secrets of the House" means?

The SPEAKER pro tempore. In reference to that question, the Chair says to the gentleman from Pennsylvania, the word "secrets" has appeared in the rule for a great number of years. The Chair will endeavor to try to find out for the gentleman what the word "secrets" means.

Mr. WALKER. Means in terms of what the officers are compelled to do by their oath of office? Is that correct?

The SPEAKER pro tempore. The Chair is just unprepared to respond to that question further at this time, but the Chair will endeavor to find out.

Mr. WALKER. I have a further parliamentary inquiry.

The Chair has said that it will take this under advisement. Can I assume that the Chair will also report to the House what the Chair's position is with regard to this matter, and could we get some idea as to when the Chair is going to report that information to the House?

□ 1550

The SPEAKER pro tempore (Mr. RAY). The Chair will take that under advisement as well.

Mr. WALKER. Well, a further parliamentary inquiry, Mr. Speaker. Do I understand that the Chair may or may not report this to the House?

The SPEAKER pro tempore. The Chair will consult the individuals involved, as previously stated.

Mr. WALKER. The Chair is going to report to the gentleman from Texas [Mr. DELAY] and to myself what the word "secrets" means as it pertains to the duties of the Officers within the House, is that correct?

The SPEAKER pro tempore. The current occupant of the chair will take the gentleman's question under advisement. The Chair will be pleased to consult with the gentleman.

Mr. WALKER. Well, I understand the gentleman occupying the chair may not be the one who ultimately reports this, but I am trying to ascertain what we can expect in terms of a report.

My parliamentary inquiry, since the Chair has indicated it will take it under advisement, can the gentlemen concerned expect a report from the Chair on this matter, and when would that report take place?

The SPEAKER pro tempore. The Chair will just have to consult with the Speaker on such matters as that and then consult with the gentleman.

Mr. ARMEY. Mr. Speaker, will the gentleman yield for a further parliamentary inquiry?

Mr. DELAY. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. ARMEY. As the Chair consults with the Speaker matter, and I understand the Chair must do that, but as the Chair does so, would the Chair also inquire as to whether or not once the Speaker determines which of the secrets of the House he will share with the Members, the extent to which we Members might be allowed to share those secrets with our wives? Because obviously one of the most painful things about this whole experience for me was that my wife was not in on the secrets.

Now, I can stand having secrets kept from me, but my wife is not real good at having secrets kept from her, and she gets pretty upset about it.

The SPEAKER pro tempore. The gentleman from Texas is welcome to proceed with his special order.

Mr. WALKER. Well, a further parliamentary inquiry, Mr. Speaker.

The SPEAKER pro tempore. The gentleman will state it.

Mr. WALKER. Mr. Speaker, I want to establish what it is we are concerned here. Is the term "secrets of the House" a standard parliamentary term? I am not just concerned about the word "secrets". I am concerned about the phrase "secrets of the House." Is that something which is in fact a standard phraseology which appears elsewhere in the rules and therefore has substantive meaning?

The SPEAKER pro tempore. Well, the Chair can only take the gentleman's inquiry under advisement. The word "secrets" does appear in the rule.

Mr. WALKER. Well, once again, the Chair has made that clear. I understand that the word "secrets" appears, but the phrase here is "secrets of the House."

Now, is that a phrase which appears consistently and does it have some particular meaning in terms of the duties of the Officers?

The SPEAKER pro tempore. Well, the Chair will have to take this under advisement and respond at a later date.

Mr. WALKER. Well, Mr. Speaker, I thank the Chair.

Mr. DELAY. Well, Mr. Speaker, I thank the Chair also.

Let me point out for those who made the watching, the parliamentary inquiries by the gentleman from Pennsylvania and this gentleman from Texas and the other gentleman from Texas, that the very distinguished gentleman sitting in the chair is not the Speaker of the House. Most parliamentary inquiries, again I repeat, are to the Parliamentarian through the Chair, so actually when we ask those questions, we are asking questions of the Parliamentarian.

Mr. Speaker, let me very quickly continue with my presentation of the mismanagement of the House.

I mentioned earlier there was a scandal found by the Republicans in 1947 when a Mr. Romney was caught $125,000 short after the Republicans had called for an audit, after they had taken over as the majority of this House. They were not going to take over the bank without an audit, and upon that audit they found this discrepancy and sent Mr. Romney to prison.

Another House bank scandal occurred in 1890 when again the Republicans were taking control of the House and the Democrats had to give an account and were found wanting, this time to the tune of $75,000; $50,000 of this amount had been embezzled by an employee who ran off with a prostitute to Canada, never to be found again.

The Republican inquiry revealed malfeasance and nonfeasance. Members lost money because of the embezzlement and taxpayers lost money because Members had to take salary advances to replenish their accounts. Again the taxpayers made up the shortfall as the courts ruled the money was public.

Now, the House needs new management, and that is Republican management. In my opinion, it will not do any good to get rid of the present Speaker or the present leadership, because what will happen is more will come in and it is the arrogance of power that we are talking about here. What is going on here is arrogance of power. We need a change in management.

Many Democrats feel confidence in the present Speaker has evaporated. They may offer a new Speaker; however, that just is not the answer to the problem.

Mr. Wright resigned from the Speakership amid a scandal and the present Speaker was offered as the clean candidate.

The Democrats could offer us another candidate, but it just will not change the system. Only when the public and Republican pressure becomes so great does the Democrat leadership act.

We need new leadership which will act because it is right, not because they have been caught in coverups and scandals.

The Democrat leadership's latest strategy is to deflect the heat by adopting Republican proposals of perk cuts, no more free prescription drugs, higher gym dues, less parking privileges. Republican freshmen have been proposing these changes since the beginning of the 102d Congress.

The Democrats are also trying to deflect attention by criticizing perks in the executive branch—more coverup.

The Scripture says to first deal with the beam in your own eye before taking out the speck in your brother's.

As usual, the Democrats are missing the point. Cutting perks has a certain political appeal and maybe it is needed; however, while the public is requiring better stewardship of its tax dollars, Democrats cannot even practice decent oversight of a post office and a bank.

We need internal congressional reforms that insure fairness and streamline the House to do the Nation's business.

The Republican Party offers Americans an alternative to the Democrat privileged House by offering very real reform.

The House bank mess has become a metaphor for overall mismanagement of the system of this institution by the Democrats. If Congress could practice restraint in spending, stop taxing Americans into oblivion, make the streets safe and pass legislation that helps strengthen the family, then maybe the voters would have the Olympian detachment necessary to overlook the bank scandal; however, when they see their incomes decline from tax increases and recessionary policies and regulations, and when they cannot go to night school or find that extra job because their street is not safe at night, then they have every right to get angry about the gross mismanagement of the affairs of the people's House by the Democrats.

I just want to quickly, if I may, before I yield to the gentleman from California, go from the bank to the post office, and I think it is important to get into the RECORD our concept of the time line of the coverup of the post office, and it goes like this. In early spring of 1991, a postal clerk fled the District of Columbia with $10,000 in embezzled cash and money orders. The Capitol Police began an investigation. On May 29, 1991, Robert Rota, postmaster of the House post office, announced a surprise audit of the House post office on June 6, 1991. The Capitol Police requested Mr. Rota's cooperation in an investigation of the post office.

Later in June, 1991, Postmaster Rota, according to police documents obtained by the Washington Times, ordered House postal employees not to cooperate with the police investigation. Mr. Rota was acting on direct orders from Stephen R. Ross, the General Counsel for the House.

On June 11, 1991, the investigation of the House post office by the Capitol Police was halted by the House leadership, and was not resumed until July 9.

On June 19, 1991, Frank Kerrigan, chief of police of the Capitol Hill Police Force, meets with Stephen Ross to discuss the probe. Shortly thereafter, Chief Kerrigan takes early retirement. This is 6 months earlier than announced and is believed to be over a dispute with the leadership.

July 9, 1991, at the request of U.S. Attorney Jay Stephens, the Postal Inspection Service begins an investigation into the activities of the House post office.

August 19, 1991, Roll Call reports that the administrative assistant to the Speaker is blocking a police investigation of the House of Representatives.

□ 1600

The reasons given were constitutional grounds of separation of powers. Maybe it is that secret-keeping secrets of the House, as the gentleman from Texas was talking about.

The report is very vague as to the nature of the investigation and the Republican leadership is still not notified of any problem.

September 1991, the report by the postal inspector's office is complete and turned over to Robert Rota, the House postmaster. According to Rota, he personally handed the report to the AA, chief of staff to the Speaker, Heather Foley.

January 22, 1992, the Washington Times breaks the story that theft and cocaine selling is commonplace at the House postal facility. One clerk has admitted to selling $25 bags of cocaine at the facility. This is the first time many Democrats and Republicans learned of the problem. The Speaker says that the failure to alert the Republican leadership was due to informational glitches, probably more keeping of the secrets of the House.

On February 5, 1992, the House votes to give the Committee on House Administration the authority to investigate the House scandal. February 3, 1992, four postal employees are charged with stealing more than $35,000 between 1988 and 1991. March 5, 1992, which is a good year later, two postal employees plead guilty to embezzling $11,000.

One of those convicted is Edward Pogue III, the son of Barbara Pogue, administrative assistant to Representative GAYDOS.

March 5, 1992, a surprise audit of the post office finds cash shortages. This is an audit held after all this mess went on that the gentleman from Pennsylvania alluded to earlier. But this surprise audit of the post office finds cash shortages of $600 in one drawer and $218 in another.

A report by the Clerk of the House following the audit found that many of the changes recommended by the U.S. Postal Service last fall had not been followed. According to the report, "A major concern is that current management personnel do not seem to have the skills needed to adequately conduct the financial aspects of the daily postal operations."

What I am trying to say, Members, what is going on is that there is no followup even when there are problems that have been found, there is no followup to correct those problems. We blame the employees of the House. We fire them, thinking that that will take care of it. We go through an investigation of the post office. The investigation is on one minute, it is off another minute; you have resignation of the chief of police, the Capitol Hill police for unknown reasons, but it was very timely; you have obviously another audit that has found hundreds of checks that amount to over—I believe the amount was $75,000, hundreds of money orders in the post office with the safe door open, money orders sitting there that amounted to over $75,000.

It just goes on and on. And this was after, a year after we found improprieties and problems in the post office. And then in that audit, that surprise audit, the report by the Clerk of the House finding that personnel working for the post office did not have the skills in order to run the postal operations properly.

You know what that means? It means patronage. People were getting jobs from the Democrat House based upon who they knew, not the skills that they had. That is going on throughout this House, in all different positions, but particularly in sensitive areas like the post office. We are hiring, we were hiring, the House was hiring people who did not have the skills to perform the jobs they had. All they had was who they knew, that is all they had, who they knew is how they got their jobs.

Once again, what we are pointing out here is that we are outraged at the mismanagement of this House, and it is not just this last year. It has been going on for years. It is the arrogance of power, the lack of follow-through, the "oh, yes, we can push that over in the corner and not address it." But when the scandal comes out, then we throw all the doors open and we attack things going on around here that have direct relationship to doing our jobs. Some people call them perks. But the leadership throws them out, says we have been doing wrong for all these years and we are going to correct them, only in response to scandal, only in reaction to press reports, only in reaction to outrage expressed by the American people, only then are things changing.

But things have been wrong in this House for many, many years. And I think this year if you can read the polls at all, the American people do understand what is going on in this House, and I think they are going to take the opportunity to change the management of this House. I hope they will.

Mr. Speaker, I yield to the gentleman from California [Mr. DOOLITTLE].

Mr. DOOLITTLE. I appreciate the gentleman yielding.

Mr. Speaker, I am sorry I was not here earlier to participate in the debate. I am very interested in the topic being discussed.

Mr. Speaker, Lord Acton was known to observe that, "Power tends to corrupt, absolute power corrupts absolutely."

For the past 38 years the House of Representatives of the United States has been under one party's solid control, that party is the Democratic Party.

Since 1955, every Speaker of the House has been a Democrat, every chairman of every committee in the House at all times has been a Democrat. And the accountability resides with the Democratic Party.

I would submit, Mr. Speaker, that scandals that have broken so far this year, whether it is the House bank, which we are in the midst of, whether it is the post office, which is still being investigated, many things I believe are yet to come to light; whether it is the unpaid restaurant tabs; these scandals are not isolated instances. They are symptomatic of the breakdown within this great House of Representatives, an institution created by the Constitution of the United States, which is great but which has fallen into serious disrepair.

I think the anger that we see on the part of the public relative to the House bank scandal and which we will see once they become aware of the facts when these other scandals are fully brought out into the open, is as much not just directed at the underlying facts pertaining to the scandals themselves—and this I say particularly with reference to the House bank. I think in some of the others, with the post office we are dealing with actual crimes that have been committed. But at least with reference to the House bank, I think it is the facts of that matter laid beside the terrible record that this Congress has in legislating for America. We have stood by and watched year after year after year as the family has been increasingly put upon by the Government. Today the level of taxation stands at an all-time high, in the history of this country, on the average American family.

Let me just recite a statistic that sticks in my mind and is one of the reasons I wanted to come to the House of Representatives to make a difference.

In 1948, the average family of four, with a median income, paid 2 percent of its total income to the United States Government in taxes of all kinds. Today, that same family of four, with a median income, pays 24 percent of its total income to the Federal Government in taxes of all kinds, a twelvefold increase.

Mr. Speaker, has the quality of life improved twelvefold in the United States since 1948?

In 1948, you could talk to people, I have talked to my mother, who was a young lady at that time in the city of Los Angeles, and she told me about how she would travel on the old "Red Car" across the city at night without a thought as to her public safety while en route.

I talked to a gentleman who was just out of the military in the city of New York, in Harlem, actually, in the 1940's. And he related to me that Harlem was a depressed area even in those days, but there was never a thought about one's safety. Traveling at night, going on the subway, I mean clearly when it comes to crime, the quality of life has not improved, it has gone precipitously downhill despite billions and billions of liberal Democrat social programs that we have overtaxed the American people to help pay for.

We have sown the wind, and we are reaping the whirlwind, as the Scriptures say. And the whirlwind consists of a generation engulfed in drug abuse, criminal activity, broken families, and general debauchery; and it is tragic.

□ 1610

Now that is not to say all the generation, or perhaps even a majority, but so many are either involved in it or are victims of it that it amounts to very, very large number.

Does the gentleman from Texas [Mr. ARMEY] wish to be yielded to?

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. DELAY. I yield to the gentleman from Texas.

Mr. ARMEY. Mr. Speaker, I appreciate, and I hear, the anger in the voice of the gentleman from California [Mr. DOOLITTLE]. I hear the anger in the voices of my constituents back home, and we all are hearing it.

The thing that I think I would like to see happen as a consequence of this bank scandal and this scandal with the post office is it is a scandal of self-indulgent mismanagement of what we all here like to call—and rightfully should call—the people's House. This is the people's House. But the mismanagement we are seeing is the fact that we have some people that have been here so long and so totally and absolutely in control with a concentration of power in their hands that they are acting as if they own the place. And they may talk about the people's House. But they do not treat it like the people's House.

And then we hear all this talk. I hear the President complained about for his lack of leadership causing the problems we have, but it is because we have a dual-divided Government.

The gentleman just talked about crime in the streets. President of the United States sent to this House over a year and half ago a very comprehensive crime bill. The House has not taken up the President's bill. They have taken up the issue of crime. They have brought a bill to the floor that is completely contrary to the President's bill. They have sent back, or tried to send back to the President, a bill that is totally opposite, in a different concept, a different vision, a different philosophy, than what the American people voted for President. And then of course, when in fact the President's legislation is not taken up by this Congress, and they turn out an aborted piece of legislation that is a mockery of his legislation, they then have the gall, the unmitigated gall, to say, "Well, our problem is we don't have leadership from the President."

The problem is they use a divided government, not to give checks and balances institutionally between the legislative branch and the executive branch, which is what was intended, but to co-opt the right to participate in this process by the executive branch, and I will cite one more example.

In 1974, we passed what was known as the Budget Reform Act. Well, the full title is: The Budget Reform and Impoundment Control Act. The act was passed by Congress because the President at that time, President Nixon, had the audacity to meddle in congressional spending bills, to exercise his legitimate power of rescission and impoundment, and to take on a line-item basis things out that he thought were wasteful and unnecessary. Now the gentlemen on the Committee on Appropriations, as the gentleman knows, know that here in Congress a Member's word is his bond; that is insofar as he gives it to another Member, and all spending bills are a collection of deals between Members. "I'll put your pork in the bill and support it if you'll support my pork." The President is not in on all these pork deals. The President used to have the power to exercise the rescission, to exercise an impoundment, to use some judicious discretion to stop wasteful spending.

Mr. Speaker, Congress could not tolerate that. So, they passed this Budget Act.

Now what does the Budget Act require of the President? Requires that the President submit a budget recommendation to Congress, and it requires the Congress to produce a budget. They may or may not work from the President's budget. They have generally ignored or ridiculed his budget until it came time to put their budget together, in which case they took the assumptions of the President's budget, cobbled together a two-page document and then pass it. The President does not sign that budget, Congress does not remain bound by it because, as the gentleman knows, time, after time, after time Congress waives the Budget Act and they put in new spending limits.

So, what I am suggesting in the final analysis is the American people have to talk to the Democratic majority that runs this place with an iron fist and remind them that, when they talk in such glowing, pretentious terms about this being the people's House, that they ought to mean it. They ought to recognize it, and they ought to honor that rather than running this place as if they owned it. It should not be run as their own private little fiefdom.

And I want to say to my colleagues that this is something the public must understand. The Democrat majority has run this place during every moment's operation, in every facet of it, from the assigning of office space to every detail of it, and if they have disappointing corruption in this body, they can look at the Democrats. The fact is we are not even in on the secret most of the time on this side of the aisle. We want to know what is going to be next week's business, and we are told by the Democrats, "When we decide, we'll let you know," and then, when their fat gets in the fire, they want to talk about this being the people's House, and those of us that have the audacity to come down here and point out the painful truth they accuse of being disloyal to the institution.

Well, Mr. Speaker, the disloyalty to the institution is found in those who would corrupt the institution for their self-seeking purposes, and I thank the gentleman from Texas [Mr. DELAY] for having yielded to me.

Mr. DELAY. Very well done by the gentleman from Texas [Mr. ARMEY]. Once again he has so eloquently pointed out the whole point, that we are not here to bash other Members. What we are here to do is to point out to the American people, No. 1, as the gentleman has said, that the Democrats control this House, they control every aspect of this House. They let us in on it and throw us a few crumbs when it serves their purpose or it does not get in their way. But by and large they control every aspect of this House, and they are responsible for it, and we are saying that they are not protecting the institution because of their arrogance and mismanagement.

Does the gentleman from California [Mr. DOOLITTLE] want to say something else? We are running out of time.

Mr. DOOLITTLE. Mr. Speaker, I just want to observe because the Members here, and the guests in the gallery and the viewers may wonder: Why are half a dozen of us present discussing this? What happened? Are we not saying something important enough to have everybody here? And this to me is an example of the Democrat abuse of power, where the Speaker, a couple of speakers ago, caused the camera to pan the Chamber.

Now, for those of my colleagues who are not that familiar with what goes on here, I would observe, Mr. Speaker, that frequently during the regular business we do not have many more Members than what one sees right here, but the cameras at that point are ordered to focus only on the speakers so that one never sees this vast empty Chamber, they are never calling into question the words of the speakers because so few are present. And I guess I would say to my colleagues, "We ought to get serious about reform. We ought to require equal treatment for the special orders, but more importantly than that is why aren't we compelling Members to be on the floor to hear debate? Why don't we ban the committees from meeting while this House is in session? Why don't we act more like a deliberative, legislative body, like we're really supposed to be, focusing attention on the Nation's issues instead of ignoring crime, ignoring jobs and the economy, ignoring the civil rights of all Americans?"

Mr. Speaker, these are important things that we should be concentrating upon, and with that I thank the gentleman from Texas [Mr. DELAY] for the opportunity to express these views.

Mr. DELAY. Mr. Speaker, I thank the gentleman from California [Mr. DOOLITTLE]. I thank the other gentlemen that helped me in this special order.

Mr. Speaker, I do not think much more can be said during this special order. There will be more to come because we intend to point out the mismanagement of this House, and there are other areas that we think have been abused by the leadership of this House, the Democrat leadership of this House, and we are going to spend a lot of time pointing out, not only to other Members of this House, but to the American people, that we need a change in management of the House of Representatives.

□ 1620

LOAN GUARANTEES TO ISRAEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Utah [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of Utah. Mr. Speaker, it is my pleasure to yield initially to the gentleman from Maryland [Mr. HOYER]

IT'S TIME TO CLOSE CEDAR KNOLL

Mr. HOYER. Mr. Speaker, I thank the gentleman from Utah [Mr. OWENS] for yielding. I will not be participating in the particular subject of the special order of the gentleman, and do appreciate him giving me this time.

Today, Mr. Speaker, I am introducing, along with my colleague, Representative TOM MCMILLEN, legislation intended to remedy a longstanding situation that is no longer acceptable. I am introducing a bill to close the doors on the obsolete Cedar Knoll Youth Detention Facility operated by the District of Columbia near Laurel, MD, which is a continuing threat to that community.

If enacted, the bill will close the doors on the escape-riddled facility by the end of the year. There are six specific reasons why we have chosen to take this step today:

First, the facility, which the District Government agreed to close in 1986, is a continuing threat to the community;

Second, the history of the facility is that, once attention shifts, either because there is lull in the number of escapes, or the city faces a bigger crisis, this problem falls off the city's radar screen;

Third, the administration of the youth detention facilities is such that Cedar Knoll can too easily be buried deep in the bowels of the largest city bureaucracy, the Department of Human Services;

Fourth, the fact that other city agencies sometimes must be involved in efforts to resolve problems at Cedar Knoll, for example, public works for facilities repair, or personnel for hiring for vacant positions, creates bottlenecks and delays;

Fifth, the mayor and the administrators, if not today, then tomorrow, may face crises with respect to providing human services that loom larger for city residents than does Cedar Knoll, tucked out of sight in Laurel, MD; and

Last, the District, like any local jurisdiction, has many worthy but competing priorities chasing scarce resources; given the years of inattention to this problem, it is critically important that closing Cedar Knoll and finding appropriate placement for these youths remain at the top of the list until this situation is rectified.

The District of Columbia has operated Cedar Knoll, a youth detention facility in Laurel, MD, for 40 years. For the last 5 of those years, the District government has continued to operate, in violation of a court-ordered consent decree, this same institution.

For these last 5 years, the District has continuously placed in jeopardy the communities that surround this facility by failing to provide adequate personnel to safely supervise the juveniles detained at Cedar Knoll, and by failing to provide adequate resources to secure the physical facility.

In 1990, when I obtained funding to begin security enhancements for the facility, there were approximately 40 escapes over a 5-day period. Since February of this year, there have been 21 escapes.

> The Washington Post asked a series of very pertinent questions in a recent editorial—What are we to make of the January escapee charged with armed rape. * * * The several other Cedar Knoll residents incarcerated on assault, drugs, and weapons charges. * * * The other 177 who have taken flight since 1990, or the 467 active cases of escapes from Cedar Knoll and the other youth detention facilities.

Mr. Speaker, I am outraged by the fact that as District officials admit: "* * * Cedar Knoll has experienced the same escape rate of 3 to 5 inmates monthly for the past 10 to 15 years."

I appreciate the honesty of that statement, and I also appreciate the mayor and her administrators' efforts to grapple with this problem, but that statement's point of view illustrates my concern—it is not Cedar Knoll which experiences escapes, it is the families, businesses, schools, and other members of the community that surround that facility that have had to endure these continuously recurring episodes.

A 16-year-old who violated the terms of his detention at Cedar Knoll surrendered to face charges in a shotgun slaying of a Maryland man last month.

It was a man who lost his life that evening at a Capitol Heights convenience store, not a "facility"; it was a mother's child and a wife's husband who lay dying beside the cash register, not several unfenced cottages.

Mr. Speaker, I want to make it clear that I believe that Mayor Sharon Pratt Kelly is as concerned as I am about the situation that exists at Cedar Knoll. She has taken steps to help bring this situation under control. I commend her for that and support her in her efforts. I appreciate the fact that this problem is not of her making, and believe that Mayor Kelly recognizes the problem.

Mr. Speaker, the only safe, acceptable solution for this intolerable situation, however, is to close this obsolete center, and I and Mr. MCMILLEN and my colleagues hopefully will do all that we can to make sure that happens.

Mr. Speaker, again I thank the gentleman from Utah [Mr. OWENS] for yielding me this time.

Mr. MCMILLEN of Maryland. Mr. Speaker, I am pleased to join my Maryland colleague, Representative STENY HOYER, in introducing legislation which would close the Cedar Knoll Detention Facility, located in my home of Anne Arundel County, MD, and operated by the District of Columbia.

The public safety situation at Cedar Knoll has become untenable. Reluctantly, in recent weeks, both Mr. HOYER and myself came to the conclusion that Federal legislation was necessary to permanently close this facility.

Mr. Speaker, Cedar Knoll is the result of one of those forgotten agreements between the Federal Government and the District of Columbia. The land was ceded to the DC government in the 1920's and has been used for many functions. It now is used primarily as a detention complex for juvenile offenders from the District of Columbia. The Complex is divided into two parts: Oak Hill and Cedar Knoll.

Both facilities have had a cloud of controversy hanging over them for the past decade. Under the 1986 court consent decree, the District of Columbia was ordered to close Cedar Knoll by December 1, 1987. Both youth detention facilities have been subject to multiple investigations by the General Accounting Office, the Federal Bureau of Investigation, and the courts.

In recent weeks, Cedar Knoll has been racked by a series of escapes. The latest one occurred last Friday when 11 youths escaped. This has been just the latest in a rash of escapes in the last few years. According to the Human Services Department, 319 youths were lost from January 1988 to January 1989. On any given day 30 percent of detention facility inmates are missing. Those missing range from juveniles convicted of homicide to lesser charges.

Mr. Speaker, while the District of Columbia has taken steps to attempt to deal with the situation, they have clearly been inadequate. The only solution is the one agreed to by the District of Columbia government in 1986—close Cedar Knoll.

I commend my colleague, Mr. HOYER, for introducing this legislation and will work with him to see its passage.

Mr. OWENS of Utah. Mr. Speaker, I, along with many of my colleagues, requested this special order to discuss an important issue, loan guarantees to Israel.

Mr. Speaker, nearly 20 years ago, I had the honor and privilege of voting for the Jackson-Vanik amendment. At the time, it was the pinnacle of congressional efforts to influence Soviet emigration policy. Over the years, there have been many who have derided this effort to condition trade benefits with certain emigration and other policies. But we could not, in good conscience, turn a blind eye to a policy that was immoral and repugnant. Simply put, Jackson-Vanik was the right thing to do.

In the last couple of years, our hopes, our efforts, our hard work, has all been rewarded. I have personally witnessed the scenes at Ben Gurion Airport, as the thousands of Soviet Jewish immigrants descended from planes. All this captures, simply and eloquently, Israel's raison d'etre.

But our responsibility is not over. Our commitment has not been fulfilled.

Some 400,000 Jewish immigrants have reached Israel in the past 2 years. Israel does not face a hypothetical absorption challenge, she faces a real genuine economic and social challenge. Another 1 million Soviet Jews hold immigration application forms.

Those who remain in the former Soviet Union face an uncertain future. If history is any guide, Soviet Jews are at risk. Political instability, a rise in ethnic violence, including yesterday's firebomb attack on a Moscow synagogue, are indicators that dangers do lie ahead. The point is that nobody really knows, and do we really want to take a chance—again?

Sadly, many Jews have remained in the former Soviet republics. They have delayed their departure because they have heard of the difficulties of life in Israel. Despite a generous diaspora Jewish community, Israel has been unable to raise the funds necessary to expand the infrastructure to meet the needs of this massive influx of immigrants.

So where does the U.S. come in? Not with extra grants or gifts, not with giveaways or taxpayer dollars. Nothing that would reduce domestic spending or loan guarantees in any way, shape or form. All Israel has requested is a loan guarantee package. Not even loans, just guarantees, the cosigning of a loan. Israel has even declared its intention to pay the soaring costs of these loans, meaning the cost to the taxpayer is zero.

The benefit to the taxpayer is enormous. Think about it. Israel borrows money and then uses much of it, most of it, to buy United States products. Israel repays the money, its loan repayment record is perfect, and it has successfully built the infrastructure of the country basically with goods made in the United States of America.

Last year alone, the export of U.S.-made modular housing has increased by $250 million. Due to the 400 million dollar housing guaranty released in 1991, over 70 percent of the housing units imported by Israel last year originated in the United States.

□ 1630

In addition to the loan guarantees being in America's own economic self-interest, the loan guarantees are consistent with U.S. values and traditions. The loan guarantees reflect America at its finest.

Two weeks ago, after months of negotiations, President Bush and Secretary Baker rejected any compromise to provide loan guarantees to assist Israel in the absorption of Soviet and Ethiopian refugees.

Sadly, it appears that this humanitarian aid will be delayed. The loan guarantee package was—wrongly, I believe—linked to political conditions.

Both for peace process and America's national security interests in the Middle East, the President's handling of the loan guarantee issue was wrong. Successful Israeli resettlement of the hundreds of thousands of Soviet and Ethiopian Jews would do much to enhance Israel's security and bolster the collective confidence of the Israeli people, all of which will enhance the chance for peace in the Middle East.

But President Bush and Secretary Baker have exhibited little imagination and creativity in this matter. Instead of looking for a compromise, the President turned the screws on Israel by insisting on conditions he knew Israel's Likud Government would never, could never, accept.

The President's mishandling of the loan guarantee issue cuts to the heart of Israel's existence as a homeland for all Jews, and erodes Israel's already ebbing confidence in its closest ally. By insisting on a settlement freeze as a condition of the loan guarantees, the United States was effectively extracting an Israeli concession outside the direct negotiations between Israel and the Arabs. Such linkage transforms the administration from honest broker to a negotiating agent for the Arabs. Like the Israeli settlements policy or not (and I do not), Still, linkage is unfair, ill-advised and counterproductive.

One year ago, the entire world saluted Israel's perseverance and self-restraint in the face of dozens of Iraqi scud attacks. One year ago we were thankful that the Israeli air force destroyed the Iraqi Osiraq nuclear facility, removing a threat that would have seriously impeded—if not altogether rendered impossible—efforts to dislodge Saddam Hussein.

It is a grave error to disregard our friends and allies who helped us win the cold war. Compared to our NATO and Asian security obligations, Israel was an inexpensive stumbling block to Soviet designs in the region. Israel should share in the spoils of this huge victory, not be cast aside like yesterday's news. The end of the United States-Soviet rivalry has not translated into peace on earth, anywhere, perhaps least of all for Israel.

What is truly disappointing is the insensitivity currently emanating from President Bush and Secretary Baker, especially after the effort it took to launch the unprecedented direct negotiations between the Arabs and Israel, for which I have been as commendatory as any Member of this House.

Bush, however, who refused to link Chinese trade benefits with its human rights, proliferation and slave labor practices, now conditions aid to Israel and employs age-old buzzwords to impugn supporters of Israel.

Israel's enemies are very real. Israel needs our help. America's job, its moral and strategic imperative, is to preserve the historically close relationship with Israel.

"Let my people go" has been a rallying cry for oppressed people since Moses led the children of Israel out of bondage in Egypt. As the Passover holiday approaches, we are reminded of our responsibilities to oppressed people. That responsibility does not end with freedom.

Mr. Speaker, I yield to the gentleman from New Jersey [Mr. SAXTON].

Mr. SAXTON. Mr. Speaker, I thank the gentleman from Utah for yielding to me.

Mr. Speaker, I am very pleased that we have been provided with this forum, and I thank the gentleman from Utah who called me on the telephone just the other day and suggested that we cooperate and do this special order. The issue of loan guarantees for Israeli housing or perhaps better said Soviet Jewish family housing in Israel, I believe, is one of the most misunderstood topics that this House has attempted to deal with since I have been here during the last 8 years.

We are being asked to guarantee, the word is "guarantee," not to loan, not to appropriate money to the foreign aid account to give to Israel. We are asked to guarantee or cosign a loan with the State of Israel to afford them the opportunity to borrow from someone else at a little bit less rate, at a little bit lower rate; loan guarantees, therefore, that cost us little or nothing; loan guarantees to our best ally and to our best friend in the Middle East.

They are loan guarantees to a friend who has never missed a loan payment ever.

There is confusion over this issue on many fronts. There is confusion in the American Jewish community. There is confusion in Israel. There is confusion in the Israeli government and there is confusion and misunderstanding in the general populace all across our country.

This, again, is not a loan. This is not foreign aid. This is a guarantee.

John Adams once said, "Facts are stubborn things." When you look at the facts, it is clear that American policy toward Israel and toward the international Jewish community as a whole has been very inconsistent.

Let us look at some of the facts. It is a fact that for years the United States has put political pressure on the former Soviet Union to let Jews emigrate from their Communist oppressors. Past administrations, Republican and Democrat alike, as well as the Congress have spent much time and effort encouraging Soviet leadership, encouraging them, asking them and, yes, sometimes threatening the Soviet leadership until their immigration policy was dramatically changed toward Jews.

We have a moral obligation today to these people. Jewish families are still leaving the Soviet Union in large numbers, and while the limit of immigrants to our country is quite limited, Jews are fleeing to Israel, their homeland, by the hundreds of thousands to escape anti-Semitism in former Soviet countries.

There is a way for us to help these people without it costing us a nickel and, yes, as the gentleman from Utah [Mr. OWENS] just a few minutes ago suggested, a way that will benefit our country as well. And that is with this program of loan guarantees.

Let us turn to another fact. During Operation Desert Storm, Saddam Hussein wanted to divide the coalition of forces in the Middle East and embroil the region in an Arab-Israeli conflict and, in so doing, he launched Scud missiles by the dozens. And they attacked Israel.

Israel showed an incredible amount of restraint by absorbing those attacks. This prevented Iraq from entangling the entire region in an Arab-Israel conflict, and that is exactly what Saddam Hussein wanted. And it was because of the Israelis that we were able to hold the coalition together. And it is also a fact that over the years Israel has supported U.S. policy in the Middle East and has helped us in many ways.

Israel has been our friend, a friend that destroyed Iraq's nuclear reactor in 1981. And I think we will all agree that the Persian Gulf War would have been a lot different if the madman had had atomic weapons at his disposal during Desert Shield and Desert Storm.

□ 1640

It is also a fact, at least according to the New York Times it is, that America made a loan of $500 million to Iraq as recently as 1989 and Iraq recently defaulted on that loan. The American taxpayer is left with the $500 million bill from what is today and has been for the last year and a half an enemy.

We find our position today a very unusual one in denying guarantees to a long-time ally with perfectly good credit and a record of making all their loan payments, and finding ourselves with an enemy who owes us $500 million. As John Adams said so well, "Facts are stubborn." In the light of the facts, is it any wonder that the Jewish communities and friends of Israel and this country and all around the world are wondering what is going on with American policy?

The gentleman from Utah [Mr. OWENS] mentioned the subject of linkage. I remember so well standing at this very podium some months ago, maybe more than a year ago, I do not remember the exact time, but there was an appropriations bill at the time when the Soviet Jews started to stream into Israel. There was an appropriations bill, because we recognized the necessity of helping these people get settled, getting roofs over their heads, and getting them to work.

Another Member offered an amendment to that appropriations bill that linked the establishment of settlements in the West Bank with our passage of that bill. That amendment was defeated. I made the point then, and I make the point again, that we recognize Israel as a democracy, a freely elected form of government, a freely elected Knesset, which decides how to structure itself and how to elect a Prime Minister and other cabinet officers.

That is what we are working for all around the world. It exists in Israel, and we made the point during that debate that West Bank housing should not be linked, at least by us, to the subject of appropriations or guarantees, as in this case, to the subject of housing in the West Bank, because that is an Israeli decision, a democratically formed government, to make those decisions. We need to remember who our friends are. We need to remember who has been a stable force in an unstable region. We must remember our moral commitment to a friend. Loan guarantees are about a moral commitment, a humanitarian commitment, a commitment of honor. There is little opportunity, few opportunities like this one, like this opportunity to stick by an old friend.

I hope we see our way clear to carry this mission out. I hope we are able to, in short order, put this guarantee, not loan but guarantee program into effect so that we can get those people, Members on both sides of this aisle, as well as people in the administration and past Presidents, who have worked so hard to get the right to emigrate to a part of the world where they can live as they choose in a democracy and in peace.

Mr. GILMAN. Mr. Speaker, will the gentleman yield?

Mr. OWENS of Utah. I yield to the gentleman from New York.

Mr. GILMAN. Mr. Speaker, I rise to express my unequivocal support for the loan guarantees to Israel, and commend the distinguished gentleman from Utah [Mr. OWENS], as well as the distinguished gentleman from New York [Mr. SAXTON] for arranging this special order.

The United States and Israel are poised at a historic moment. For over two decades, our Government made the freedom of Soviet Jewry a central tenet of our foreign policy toward the U.S.S.R. Now that we have succeeded in raising the Iron Curtain for emigration we are now missing the opportunity to assist and to encourage this historic, humanitarian effort—the successful absorption of these Jewish emigrees into Israel.

The anticipated emigration of 1 million Jews to Israel between 1990 and 1995 represents nothing less than the fulfillment of Israel's destiny as a homeland and safe-haven for Jews throughout the world. However, it is an economic challenge which Israel cannot meet on its own faced with such an awesome task, Israel needs credit guarantees that will help provide the infrastructure to make the successful absorption of these new immigrants possible.

We have a difficult task before us—convincing the administration that these loan guarantees are not tied to the successful culmination of the peace process. Attempting to link the fate of the humanitarian absorption credit guarantees to the political complexities of the peace process is the most vexing aspect of reaching an accommodation with the administration.

I believe and I know that many of my colleagues recognize that the greatest obstacle to peace is not any settlement activity—it is the lack of a sincere desire of Israel's neighbors to recognize Israel's right to exist within secure borders, it is the need to end the state of hostility that currently exists, and to rescind the administration's linkage of the settlement issue to the loan guarantees has placed undue pressure on Israel in the midst of sensitive negotiations with its Arab neighbors, the Arab boycott.

No successful peace has ever been imposed by any third party on billigerent parties. We must catalyze the process—just as we did in Camp David. By politicizing the humanitarian issue of loan guarantees, we could irrevocably damage the peace process. Imposition of such political linkage undermines attempts to produce mutually negotiated concessions in favor of forced unilateral nonnegotiated capitulation.

Many of our constituents properly inquire: Why should the United States approve these loan guarantees for Israel? First, in response, we must underscore that what we are considering are guarantees—loan guarantees—that will not cost our taxpayers any tax dollars—guarantees which are similar to cosigning a loan for a credit-worthy partner. And it is important to note that Israel has never defaulted on any of its past loans and it has even volunteered in this translation to pay for the "scoring" or set-aside money for such loan guarantees.

As our former United States Ambassador to Israel, William Brown, recently stated:

> * * * Granting Israel's request for loan guarantees will create hundreds of thousands of jobs for Americans, because much of the money will be spent in the United States for goods and services Israel needs to absorb Soviet and Ethiopian immigrants * * * when Israel was granted $400 million in housing loan guarantees two years ago, it all but rescued our U.S. housing industry.

The Israeli Minister of Economic Affairs has stated:

> While it may be difficult to project the exact impact of U.S. loan guarantees on Israel, it is reasonable to estimate that the net effect will be to stimulate an additional $10–15 billion in U.S. exports to Israel for the period 1992–1996. According to our forecast, Israel will purchase between $27–30 billion in the U.S. during the period 1992–1996. The U.S. Department of Commerce estimates that for every $1 billion in U.S. exports, an additional 20,000 jobs are created in the U.S. Thus, an additional $2 billion in exports per year to Israel will create an additional 40,000 jobs for U.S. workers.

Mr. Speaker, let us help to resolve the longstanding impasse which now exists on this critical loan guarantee issue. The guarantees are nothing short of sound policy for the United States. Accordingly, I urge our colleagues to support these loan guarantees when we find an appropriate legislative vehicle to revisit this issue.

Mr. OWENS of Utah. Mr. Speaker, I yield to the gentleman from Florida [Mr. BACCHUS].

Mr. BACCHUS. Mr. Speaker, I thank the gentleman from Utah for raising this issue today. It is a critical issue.

I wanted to join him to express my very strong personal support for the loan guarantees to the State of Israel. To me this issue is much simpler than it is often portrayed in the media. To me this is an issue of human rights. It is an issue of our obligation as a nation to help those people we have long sought to help, and by that I mean not only the Israelis, but especially those Jews who are emigrating finally from Russia and the other former republics of the Soviet Union.

□ 1650

For more than a generation, the expressed policy of this Nation has been to encourage such immigration, to liberate those peoples who have been oppressed for so long, and now they have their chance to leave. We know not how long that chance will endure. It seems to me that we must do all that we can as Americans to make it possible for them to find their new homeland. This is why we should support these loan guarantees.

As has been stated previously and eloquently and correctly, these are not loans, these are guarantees. The taxpayers of this country will not be out one penny by virtue of this.

But Mr. Speaker, if we do not proceed with these loan guarantees, in my mind we will have lost something as a Nation. We will have lost our right to stand up and say that we stand firmly for human rights.

I strongly support loan guarantees to the State of Israel, and I urge my colleagues to join in urging the President of the United States to support them as well.

Mr. OWENS of Utah. Mr. Speaker, I yield to the gentleman from Washington [Mr. MILLER].

Mr. MILLER of Washington. Mr. Speaker, I thank my colleague for yielding and thank both him and the gentleman from New Jersey [Mr. SAXTON] for having this special order. It is time that we speak some sense to the American people, to our colleagues, to those in the administration on this issue. There has just been too much nonsense on this.

My colleague from New Jersey [Mr. SAXTON] has already spoken some sense about what the loan guarantees mean, that they are not $10 billion of aid, that they are not $10 billion of loans. I would like to go back a little bit in history as to how we got where we are today and why it is legitimate for us to ask our colleagues to support this as an undertaking of the United States.

Our foreign policy in the last years of the cold war was forthright, and courageous, and specific, and idealistic on one point. We stood up for religious freedom, and we said to the then Soviet government: "Let your people who seek religious freedom go. Let those Jews and Christians who want to worship freely, let them leave the Soviet Union." For decades we fought for that, and then in the late 1980's and early 1990's the miracle occurred. We succeeded. Our policy succeeded, and those people—Jews and Christians, seeking religious freedom, fleeing persecution and oppression—were allowed to leave the Soviet Union, and there were many of those people.

And this Nation, while we were ready to take some fleeing from the Soviet Union, we were not ready to take all, we were not ready to take a majority. We were not even ready to take a significant number. Israel said we will take those Jews and Christians fleeing the Soviet Union. We will give them opportunity, a new home. That is what Israel was created for.

When talking about hundreds of thousands or in this case it might ultimately be a million people from the Soviet Union arriving in Israel, maybe that does not sound like a lot. But remember, Israel is a small nation. To put it in perspective, it is as if everybody in the nation of France suddenly arrived in the United States. I think we can imagine the challenges, the problems that would cause.

Israel has been our friend and our ally for many years in the Middle East. My colleague, the gentleman from New Jersey [Mr. SAXTON] has stated and I will not repeat how Israel cooperated in the recent war in the Persian Gulf. But beyond that, for decades Israel has been a trusted friend, a friend that we could rely on, the democracy in the Middle East, and for years the only democracy in the Middle East.

It is utterly appropriate that we help our friend and ally to assist the Soviet refugees to whom we gave our specific pledge of freedom for decades. The President has wanted to place conditions on the loan guarantees. I believe it is inappropriate to apply political conditions to what is essentially humanitarian aid.

In the past we have given humanitarian aid to countries that were enemies, that were not friends of ours at all. We have gave aid when there was an earthquake in the then Communist Armenia. We did not place political conditions on the assistance. I am not going to take the time to list the scores of examples when we gave humanitarian aid without conditions, and we should not place political conditions on humanitarian aid now to a friendly nation, to Israel.

It is my hope we will bring to a vote in Congress the question of providing loan guarantees to Israel for the resettlement of the refugees from the former Soviet Union. And if we are to inform the American public of the rightness of loan guarantees, that is what we have to do, that is what we must do. We cannot, we should not run and hide on this issue. It is time for Congress to stand up and take action.

Again I thank my colleague for yielding.

Mr. OWENS of Utah. Mr. Speaker, I yield to the gentleman from New York [Mr. SCHUMER], who is also a prime sponsor of this hour special order.

Mr. SCHUMER. Mr. Speaker, I thank the gentleman from Utah for yielding and for his leadership on this, as well as that of the gentleman from New Jersey [Mr. SAXTON] and for allowing me to speak at this time.

Ladies and gentlemen, this issue of loan guarantees is really one of utmost importance to all those who care about human rights and what is good in the world, because what we have seen in the Soviet Union in the last year is something that is very strange. Many of us throughout America fought hard for human rights in the Soviet Union, and rights for Soviet Jews. And fortunately, glasnost and perestroika have brought those rights to many of the Jewish people there. Synagogues are opening, religious books can be published, kosher food can be purchased. Jewish groups can organize. This is all very good.

Unfortunately, glasnost and perestroika have been a two-edged sword though to the Jewish people in the Soviet Union, because the very same freedom that has been given to the Jews has been given to the antisemites as well. So there are organized groups, one named Pamyat, that are flourishing. Pamyat has only two qualifications for membership. One, to show that you were of Russian blood, and two, that you submit the names of four Jews in your neighborhood to be kept on a list for an undisclosed purpose. For the first time we are seeing Jewish children being beaten up on the way home from school, we are seeing Jewish teachers harassed, we are seeing Jewish homes burnt and people killed within by arson.

The crumbling infrastructure in the Soviet Union does little to protect these people, and it is no wonder that of the 1.6 million Soviet, Russian, Ukranian citizens who have "Jew" stamped on their identity card, because that is what is considered as their nationality in Russia, 1.2 million have applied for exit visas to go to Israel.

□ 1700

There is only one thing stopping them, and that is the inability of Israel, which has already on its own housed and provided jobs for 300,000, to do any more. That is why the loan guarantees are of such great importance.

It is not simply a political issue. It is not simply an economic issue. It is one of the great humanitarian issues of our time, and, you know, a little over 50 years ago off the coast of Cuba, and then off the coast of Florida was a boat, the St. Louis. On it were some 900 Jewish men, women, and children fleeing Germany. They asked simply for a place to alight, not for a handout, not for citizenship, just a place to be while the storms in Europe burnt. Much to the shame of this country, and I must say to the Jewish community in particular in this country, voices were not raised or certainly not raised loud enough. That boat was sent back to Europe. Most of its inhabitants were killed in the concentration camps.

Are we going to let this happen again? Is it impossible, my colleagues, that the same thing might emerge in a Russia or a Ukraine or a White Russia? Let us hope so. But it is not beyond the realm of possibility, and the kind of virulent anti-Semitism that, thank God, we have never seen in America is already rearing its head.

I would now ask that one consider that fact and then compare it to the issue of settlements. I disagree with the President on settlements. I do not think they are an impediment for peace, but let us say he does. All the parties had agreed that they should be talked about at the peace talks until the President and Secretary of State said, "No, we are linking them to the loan guarantees," putting Israel in a political box. As a result, the loan guarantees are stalled. They are stymied.

For a moment, forget about the politics of the Middle East peace talks. Everyone wants peace, certainly the Israelis. In Israel far more than any other country every mother, father, brother, sister has a relative who was killed in wars, and that brings a desire for peace far stronger than any intellectual rationale. So everyone wants peace.

There are different views as to how to get there. But to hold the people in Russia back until there is some kind of agreement on the settlements dictated by this country, I would argue, is not only politically naive, it is substantively wrong and morally perilous.

So I say to my colleagues that this is not an issue of politics. This is a great issue of humanitarian longing and concern. It is a way to help put a blot on some of the horrible history that occurred between 1933 and 1945. It is a way to say that we have learned our lessons. It is a way to show that that Statue of Liberty which we all love shines brightly.

I would ask that the President and the Secretary reconsider.

The Leahy solution is one that I thought was too strict, and yet even now that has been rejected by the Secretary of State.

The loan guarantees are a humanitarian necessity. They should not be held up by politics.

Let us hope, let us pray that we do not come to regret the fact that this Congress this year failed to pass these loan guarantees and tens of thousands of innocent people's lives were made so much the worse.

I thank both of the gentlemen for their leadership; and thank the gentleman from Utah and the gentleman from New Jersey for their leadership.

Mr. OWENS of Utah. Mr. Speaker, I yield to the gentleman from Oklahoma [Mr. INHOFE].

Mr. INHOFE. Mr. Speaker, the major problem that I have had in dealing with loan guarantees for Israel is that people are confusing loan guarantees with foreign aid. Being a conservative, I watch our taxpayers dollars closer than most people. In fact, I will put my conservative credentials up against any Member of Congress.

I have been disturbed recently about Prime Minister Yitzhak Shamir's statements and the effect that they had on America and specifically my constituency. For this reason, loan guarantees for Israel have been the subject of my town hall meetings which I hold in Oklahoma. It has been my experience that the vast majority of Americans have been forming their opinions predicated on what they read in the newspapers and see on television. Once I explain to these mainstream Americans, they are supportive of loan guarantees.

Our $10 billion loan guarantee proposal is a small part of the total program in Israel. Some $20 and $30 billion will be raised locally in Israel and significant amounts from the United States Jewish community.

In the past Israel has had an excellent record and has never defaulted or had to be forgiven for any loan amount. That is precisely why the original Inouye/Kasten proposal did not contain a reserve fund amount. Even our own GAO report stated, February 12, 1992:

> Our analysis indicates that if the United States provides the $10 billion in loan guarantees requested by the Israeli government, Israel will likely be able to fully service its external debt, and to continue its past record of payment under most foreseeable circumstances.

Since 1949, Israel has borrowed $14.1 billion directly from the United States Government. These include economic foreign assistance loans worth $1.31 billion, OPIC investment support loans worth $1.5 million, military loans worth $4.43 billion, agricultural trade development loans worth $271 million, and Export/Import Bank loans worth $241 million. Israel is on schedule in all of these payments.

The United States has never had to pay any claims on Israel's loan guarantees. They include economic assistance guarantees worth $142.8 million, housing guarantees worth $548.7 million, Arms Export Control Act guarantees worth $4.83 billion, and Export/Import Bank guarantees worth $674.6 million.

It appears that the highest cost of the loans to the United States Government would be administrative fees that would be underwritten by the Israeli Government.

But of greater significance, I would like to briefly mention our relationships with various countries in the Middle East. There has been no country that can come close to the dependable and predictable relationship to the United States than Israel.

I had an experience in 1981 when I held the office of mayor of Tulsa, OK. I spent a week in Jordan representing President Ronald Reagan. When I came back to the United States, I was absolutely convinced that Jordan would always be our ally. But look what happened last year in the Middle East. They sided with the insane butcher Saddam Hussein.

Mr. Speaker, it is imperative to our Nation's security to assist those countries that we may well have to depend upon to be our allies in the future. The history of unrest in the Middle East is indelibly printed on the hearts of Americans and there should be no doubt in anyone's mind that we must help our friends succeed. This is one of the rare opportunities that we have to do it in a way that will not cost our taxpayers American dollars.

Mr. OWENS of Utah. Mr. Speaker, I yield to the gentleman from New Jersey [Mr. ZIMMER].

Mr. ZIMMER. Mr. Speaker, I thank the gentleman for yielding. I very much appreciate my colleague, the gentleman from New Jersey [Mr. SAXTON] and the gentleman from Utah [Mr. OWENS] for sponsoring this special order.

□ 1710

Mr. Speaker, I strongly support the guarantee of loans for the State of Israel. The action is a natural followup to what is one of the great successes of American foreign policy and human rights policy of the last several decades. For 20 years or so, the United States has been pressing in every conceivable way to permit the free emigration of Soviet Jews, and now when it has succeeded to accomplish that objective, all that remains is to make it possible for those emigrants to have a job, to have a house, and to be a part of the Israeli economy.

The people who are emigrating into Israel have the capability of transforming that nation. They are some of the best minds and the best educated and most skilled people of the former Soviet Union, who I believe when integrated into the Israeli economy will be able to make that economy so strong and so self-sufficient that it will at long last be free of the obligation to rely on continuing annual assistance from the United States.

So I believe not only as has been said by the former speakers this is not an expenditure of U.S. funds, in fact I believe it will make unnecessary the future expenditure of U.S. funds in the form of continuing foreign assistance.

I had the opportunity a couple months ago to speak to one of the giants of our generation, Nathan Shcharansky, the famous refusnik who finally was allowed to emigrate from the Soviet Union and is a leader of the Russian Jewish community in the State of Israel. He said that within the last few months his friends back in Russia were much less sanguine, were much less optimistic about their future in a democratic Russia. They had begun to see a change, a very troubling change amongst their neighbors and amongst their governments that indicated to them that it was time for them to leave.

Anyone would be naive to disregard the history of Eastern Europe, of Central Europe, of the Moslem Republics of the former Soviet Union and to assume that somehow Jews in that region of the world, for the first time in the history of that region of the world, would somehow be safe from oppression and safe from violence. It is not so.

There is an opportunity for those people to be resettled. It is not an indefinite opportunity. We should take advantage of this window of opportunity to make possible something that will be of very little expense to our citizens, of immeasurable help to hundreds of millions of citizens of the former Soviet Union and will realize the best in our tradition and make it possible for Israel to realize the best of its tradition.

Mr. OWENS of Utah. Mr. Speaker, I yield to the gentleman from New York [Mr. SCHEUER].

Mr. SCHEUER. Mr. Speaker, I thank the gentleman for yielding to me.

Mr. Speaker, our President and the Secretary of State, Mr. Baker, are clearly obsessed—obsessed with Israeli settlement activity. Now, reasonable men can differ as to whether the settlement activity is an obstacle to peace, but no reasonable man could say that the settlement activities are the only obstacle to peace.

What about many aspects of Arab behavior that have gone on for 44 years? Are they not obstacles to peace? Are they not problems that the President could have addressed when giving them $12 billion in loan guarantees during the last 5 years with not a suggestion of a condition, not a suggestion that we would like them to change their behavior.

I don't remember seeing him jawbone the Arab leaders, telling them their continuing state of war—which has lasted for 44 years—is an obstacle to peace.

I don't recall hearing him call on the Arab States to stop feeding their populations the constant diet of anti-Israel poison and viciousness that emanates every day, every hour from their radio, television, and press.

I don't recall him linking any of the arms sales and foreign aid for Jordan, Egypt, Saudi Arabia, and any of the other Gulf States to ending the Arab boycott.

He didn't even get some agreement from the Arabs to support the United States attempt at the United Nations only a few months ago to repeal the infamous zionism equals racism resolution—not one of the Arab countries supported our vote for repeal.

No, instead, just last year, his administration provided $3 billion in unconditional loan guarantees to Arab countries—no strings attached. Over the past 5 years, it was more than $12 billion in loan guarantees.

During a 7-year period of the Reagan and Bush administrations, our Government guaranteed $5 billion in loans to Iraq alone, $5 billion of loans we guaranteed to Iraq, and what was the net result of this enlightened policy of our President who likes to think of himself as a foreign policy expert?

Not only was there a tremendously costly war that placed our sons and daughters at risk of death in a foreign land, not only a tremendously costly war that pushed our economy over the brink into a recession; no, it also cost the United States Government $360 million when Iraq defaulted on the loans. That is more than a third of a billion dollars of taxpayer money that we had to finance due to that absurd, unsound, and irrational loan guarantee.

And yet, the President and his Secretary of State fight against loan guarantees for Israel.

Do they know something that we don't? Can they really think that there is more risk involved in guaranteeing loans for Israel, our ally of 44 years that has never defaulted on a loan, than there was for Iraq, an expanionist power that, at the time, had the fourth largest army in the world?

□ 1720

Mr. Speaker, I want to emphasize the harmful result of this utter preoccupation of the President and the Secretary of State on the Israeli settlement policy to the exclusion of all of the other aberrational and harmful policies of the Arabs that are disturbing and reducing the policies—for the possibilities of peace in the region.

The President, by his obsession with punishing Israel and painting Israel as the only obstacle to peace in the Middle East, has in effect told the Arabs, "Look, we are not going to worry about your state terrorism, about the illegal economic boycott, about the ugliness spewing from your media. We are not going to worry about any of that, because Israel is the problem. We are, in effect, telling you that you don't have to negotiate during this peace process, you don't have to make any of the hard decisions involved in meeting the Israelis part way, you don't have to give up your dreams of Arab glory dating back to the era of Saladin. You can sit tight, dig your heels into the ground because we are going to deliver Israel to you hog-tied and powerless."

Now, Mr. Speaker, we know that is not going to happen, so it is destructive of the peace process for the President to adopt that posture.

Furthermore, President Bush's attitude toward the Israeli loan guarantees has placed unprecedented strain on the United States-Israel relationship.

His uncompromising stand on loan guarantees, the free flow of leaks from administration draft reports critical of Israel, and his general coolness toward Israeli leaders have combined to poison the warm climate of friendship and trust that has existed for so long between our two countries.

There is a historic exodus going on of Soviet Jews to Israel of Biblical proportions—a million or more will arrive over the course of a few years, 40 to 50 percent of them with graduate degrees in science, math, and engineering, people who will do wonders for the State of Israel.

We have supported the right of Soviet Jews to leave Russia for decades and every President in living memory has fought to pry open the gates to freedom. But we can never know when they will slam shut again.

There is terrible economic suffering in the former Soviet Union. At similar times in the past, Jews have always paid the price for hard times, becoming the scapegoat. We cannot, must not, and will not, allow our Government to make the same mistake it made before World War II again.

Yet our President all of a sudden develops an institutional memory lapse. He forgets about all that. He forgets that just last year, we urged, we begged Israel to sit on her hands and absorb unprovoked Iraqi Scud missile attacks on civilian population centers.

The request was made with the knowledge that Israeli security policy has always depended on the doctrine of retaliation: "You hit me, and I'll hit you back." It is the core of Israel's security.

And yet, the Israelis acceded to our request. They sat on the sidelines, their cities were hit, and their people were killed. They did not retaliate because they are our ally, our friend. And they were ready to sacrifice for America's sake.

How can our President now, just 1 year later, willfully forget what happened and turn his back on our ally in her time of need, and in the process destroy a solid relationship of shared national interests and values?

It is a disgrace, Mr. Speaker, and I am disgusted with our administration's policy.

Mr. LEVINE of California. Mr. Speaker, I commend my colleague, Mr. OWENS from Utah, for holding this special order on the Bush administration's absurd policy of refusing to grant humanitarian loan guarantees to Israel for the absorption of Soviet immigrants. The administration's actions are an outrage and must be reversed. It is in America's interest to prevent any further deterioration in our special relationship with this strategic and only democratic ally in the Middle East.

While the volatile environment in the former Soviet Union and the growing anti-Semitic tide threatens the very lives of hundreds of thousands of innocent Jewish refugees, the Bush administration is playing politics with humanitarian aid to assist Israel in absorbing these newcomers. Free and unfettered immigration has been a cornerstone of American policy since the State of Israel was created. This policy has now been put into question by this administration's immoral policy.

After appearing to negotiate a compromise which would allow the loan guarantees to go forward, the administration rejected the very compromise it had previously suggested it would support.

The compromise attempted to address the administration's concerns over Israeli settlement activity while allowing the guarantees—which are not grants or loans and would have minimal impact on the budget—to go forward to help Israel absorb the immigration of up to 1 million Soviet and Ethiopian Jews by mid-decade.

The administration's actions make clear that it was never really interested in negotiating a compromise and was instead interested only in public posturing and playing politics with aid to Israel while carrying favor with the Arab nations of the Middle East.

The administration's actions threaten to prolong the suffering of 1 million refugees and erodes confidence in the United States-Israel relationship. It is shortsighted and counterproductive.

It is astounding that the Bush administration could approve millions in aid and loan guarantees to Saddam Hussein's Iraq before August 2, 1990, and even make $360.7 million in payments to private banks on the loans, while turning its back on Israel. By failing to distinguish friend and foe, the administration is walking a dangerous path.

Mrs. LOWEY of New York. Mr. Speaker, I rise to join my colleagues to reaffirm my strong commitment to loan guarantees to help Israel absorb hundreds of thousands of refugees fleeing fear and intimidation around the world.

President Bush has submitted to Congress a new request for a $12 billion increase in the United States quota to the International Monetary Fund, which in large part will be used to assist the former Soviet Republics. Because this quota backs up private loans, it functions just like a loan guarantee. The administration has taken the position that this quota increase to the IMF involves no budgetary exposure; however, although Israel has never defaulted on a loan, the administration has argued that loan guarantees for Israel do involve significant exposure to the Treasury.

How can we be sure that the former Soviet Republics, which have no past record of debt repayment to the IMF, will be able to repay? Economic instability is on the rise in the former Soviet Union, along with an increase in ethnic nationalism and racial intolerance. Given that, how can the administration claim that the former Soviet Republics are more creditworthy than Israel, a country with a long and flawless record of debt repayment?

Following along with this double standard, the administration has attached no political conditions to the package of aid to the former Soviet Republics. As the administration plan stands, the Soviet Republics will not be expected to take any specific political actions to benefit from this assistance. Some of the Republics have already displayed troubling behavior. Kazakhstan extended formal diplomatic relations to the Palestinian Liberation Organization [PLO]. Do we really want to bail out Republics whose first diplomatic decisions are to recognize terror groups like the PLO.

On the other hand, the administration has attached rigid conditions to Israel's request. The President will not sit down and compromise. He wants all construction in the disputed territories to cease immediately. And he is willing to use the lives of Soviet refugees to achieve that political objective.

I, for one, am going to have to think long and hard before approving an administration request for an increase in the IMF quota when that same administration blocks loan guarantees to a nation that has long been our most valuable ally in the Middle East.

The Israeli loan guarantees will actually provide jobs, housing, and safety to an estimated 1 million former Soviet citizens. If the administration really wants to help former citizens of the Soviet Union, they should add the Israeli request to the Soviet aid package.

Likewise, since most of Israel's aid from the United States is spent in our country, the loan guarantees would mean jobs and encouraging economic growth here in the United States.

Mr. Speaker, the lives of hundreds of thousands are hanging in the balance. Instability has long meant persecution for Jews in the Soviet Union and Eastern Europe. For years, we have been on their side, working to save as many as possible by arguing for full implementation of the Helsinki accords and open emigration policies. No one can say with any certainty what the former Soviet Union will look like in the near future. Who knows whether Jews will be able to emigrate a year from now? But we do know that we have an historic opportunity to ensure the safety of massive numbers of Jews in the Soviet Union and Eastern Europe by approving the loan guarantees. Now, more than ever, we must ensure that Israel is able to perform its vital mission of saving Jews fleeing oppression everywhere in the world.

I am not giving up on the loan guarantees because the stakes are too high. We have a moral imperative to continue to work for their approval. To minimize the importance of the guarantees at this crucial time would be to turn a blind eye to history and to encourage the unthinkable.

Mr. GREEN of New York. Mr. Speaker, I join my colleagues this evening in strong support of the loan guarantee request. I find it deeply regrettable that Congress has so far failed to act on the request by Israel to the United States for $10 billion in loan guarantees to assist that nation with the absorption of refugees from Eastern Europe, the former Soviet Union, and Ethiopia, and I am saddened and angered by the administration's posture on this matter.

The Israeli loan guarantee request was made on humanitarian grounds, and it should have been treated as such. Instead, last September, the President unwisely linked this humanitarian program with the issue of settlements and the Middle East peace talks. Those who subscribe to this view risk subjecting tens of thousands of Jewish refugees to further persecution and hardship. My question to the President and to my colleagues at this point in history is, have not the Soviet Jews suffered long enough?

The rescue of Soviet Jewry is a cause to which just about every Member of this House subscribed during the 1970's and 1980's. It is unfortunate, indeed tragic, that we are now turning away from the commitments that this Congress made when all of us passed the resolutions and signed the letters and did all the things that we did in order to bring to pass this happy day when Jews are able to emigrate more freely. For us to go back on that commitment, by failing to act as we are now doing, is a sorry day indeed for Congress and for the President.

Over the past 2 years, Israel has absorbed more than 400,000 immigrants. Clearly, that nation alone cannot shoulder the costs of such a massive population influx. Through the loan guarantee program, Israel is not seeking direct aid, but rather, a cost-effective way to meet the immense challenge of providing for the refugees.

My Appropriations Subcommittee on Foreign Operations recently held a hearing to assess what costs, if any, might face the U.S. taxpayer if the loan guarantees were approved. The economic witnesses at that hearing, while disagreeing on some aspects of the guarantee request, were unanimous in agreeing that Israel's ability to pay back the loans was not in question.

A recent GAO report concluded that "the U.S. Government should expect that the guaranteed loans will ultimately be repaid at no cost to it." The GAO also said, "We believe that if the Congress authorizes the $10 billion in loan guarantees, the Israeli Government will likely be able to fully service its external debt and to continue its past record of repayment."

So it is not an issue of costs.

As to the question of settlements that the President raises, history has proven that the presence or absence of settlements does not affect Israel's commitment to making peace with her Arab neighbors. Under the Camp David accords, Israel gave up not only settlements, but also vast oil reserves and strategic air bases. Conversely, the absence of Jewish settlements before 1967 did not bring Israel's Arab neighbors to end their state of war with Israel.

The collapse of the Soviet Empire has not meant an end to the threats that have historically faced the Jewish community there. Last December, in the closing days of the Soviet Union, I traveled to Moscow to attend a conference. Both in public meetings and in private conversations, again and again I was warned of the dire prospects for ethnic strife. I was also told by leaders of the Moscow Jewish community that while official anti-Semitism is decreasing, who can know what the future will bring for Soviet Jews?

It is feared that former Communist Party officials, in order to establish a new political base, are using their control of radio, TV, and the press to stir up ethnic strife. The analogy to Yugoslavia was frequently cited. The uprise in ethnic feelings occurring throughout the Republics, and Muslim fundamentalism in the Islamic areas, could turn against the Jewish community. There has already been some anti-Semitism unleashed, notably by the Pamyat Russian nationalist movement. Who amongst my colleagues can speak with assurance about the safety of the Jewish community throughout the Republics?

As a trusted friend and ally of the United States, Israel has gone the extra mile to help the United States achieve our objectives in the Middle East. When asked by the United States to assume a low profile after Saddam Hussein invaded Kuwait, Israel complied. When asked by the United States not to launch a preemptive strike against Iraq, Israel assented. And then, throughout the Persian Gulf war, when attacked night after night by Scud missiles, and asked by the United States not to retaliate or respond, Israel consented, despite the violation this meant to longstanding Israeli defense policy.

Then, last March, with the war over and refugees continuing to flow by the thousands to Israel, the United States requested that the Israelis delay their loan guarantee request until September. Israel complied. But when September came, they were told to wait still longer.

Today, fully a year after the war's end, the Soviet Jews are still waiting.

We in Congress and the administration must honor the promise of freedom we have long held out to Jews across the world. If they are free during this moment in history, it is in great part because we have championed their freedom.

The religious and cultural Iron Curtain that Jews have lived behind for decades has been lifted. Our hard work has at last borne fruit. I simply cannot understand why we are walking away now.

Our reliable and longstanding ally Israel has asked us for help. I hope one day soon we shall answer with something other than a rebuff and a cynical rejection of our own values.

In closing, I encourage all of my colleagues to rethink the Israeli proposal, and to assess the human risks involved if we continue to delay action on this humanitarian request.

Mr. DWYER of New Jersey. Mr. Speaker, I would like to thank my colleagues, Wayne Owens, Charles Schumer, and Jim Saxton, for reserving time today to address a major foreign policy issue.

Last fall, Israel requested $10 billion in loan guarantees so that they could continue to build housing to resettle the thousands of Soviet refugees seeking a new life in Israel.

Because of the impending peace talks, the President requested that Congress defer action on this request until after the first of the year. Congress complied, passing a short-term continuing resolution which would run until March 31, 1992. The administration pledged to seek no additional delays after the new year.

In January of this year, the President changed his mind. He refused to consider approval of the loan guarantees unless they were tied to a halt in construction in the disputed territories. With time running out on the funding bill and the administration's intractable position, the loan guarantees were sacrificed. There is little or no chance that the loan guarantees could be approved during the remainder of the current fiscal year.

Mr. Speaker, the administration's increasingly hard line against Israel is most disconcerting. Israel and the United States have shared a unique alliance for many years. We have worked for common goals and shared security interests. For years, many of us have participated in the Soviet Call to Conscience to press for open emigration policies on behalf of Soviet Jews. Now, the gates have been opened and Soviet Jews have been permitted to leave on request. Israel has been welcoming these people, as well as rescuing the Ethiopian Jews, and resettling tens of thousands of emigres. They have not sought assistance from the United States other than to cosign the loans which they would contract in order to build the facilities necessary to absorb the new citizens.

That the United States is now hindering these efforts, goes against our record of humanitarian assistance to other nations. The United States seems to be holding Israel to a different standard than we set for other United States aid recipients. I regret that the administration has taken this more strident position because I believe that Israel continues to be a secure ally in an unstable environment.

Mr. RINALDO. Mr. Speaker, as one who has worked for many years to free the Soviet Jews, I support the immediate consideration of loan guarantees to help Israel provide housing for Russian and Ethiopian Jews. These loan guarantees are badly needed so that these refugees can receive the housing that they need and deserve, and I will vote to approve them.

The aid would be structured as an American guarantee to Israeli bonds that would be issued over 5 years. This would allow Israel to pay a lower interest rate on the bonds. Since the guarantee would not be triggered unless Israel defaulted on the bonds, no actual expenditure of public funds would be required. In the 44 years of Israel's existence, that country has never had any problems repaying its debt.

Mr. WAXMAN. Mr. Speaker, after years of spearheading efforts to allow Soviet and Ethiopian Jews to immigrate to Israel, the United States must ensure that this process is completed and that Israel remains a safe-haven for persecuted Jews from around the world.

Accordingly, I strongly and unequivocally support granting Israel $10 billion in loan guarantees—without conditions—as a matter of humanitarian aid for a dependable democratic ally. Without the immediate granting of these guarantees, Israel will simply be unable to cope with a massive influx of immigrants. In fact, the delay over these guarantees has already caused harm. Jews in grave danger in the former Soviet Union are choosing to stay where they are for fear that Israel will not be able to meet their elementary needs. Forced to choose between unnerving developments throughout the various republics and certain hardship in Israel, Jews prefer the known, dangers and all, to the unknown.

Mr. Speaker, every member of this House is well aware of the manner in which the Bush administration has been treating Israel. Whether it be Secretary Baker labeling Israel as the main obstacle to peace in the Middle East, the President himself questioning the right of Jewish-Americans to petition their Government, or an unnamed leaker in the State Department or the Pentagon making blatantly false claims about Israel's handling of sensitive technology, this administration has been going after Israel with unprecedented ferocity.

In going after Israel, the Bush administration appears to have even outdone Israel's more traditional adversaries. Our new good friend, Hafez Assad of Syria, now thinks that he can count on George Bush to deliver the Israelis. King Hussein of Jordan now knows that his support for Iraq is forgiven and forgotten. Meanwhile, Israel, which absorbed 40 of Saddam's Scud missiles during the Persian Gulf war—and did not retaliate at our request—is being pressured by our Government to be reasonable.

Contrary to what President Bush and Secretary Baker claim, their actions are not helping the peace process. Their tactics merely embolden the Arabs and isolate the Israelis. If the Israelis feel isolated, how does the Bush administration imagine the peace process will go forward?

I wish this crisis in the United States-Israel relationship was only a matter of diplomacy. Instead, the tragic effect of the President's position is that the peace process is being confused with critical humanitarian assistance. Through its position, the administration is holding Soviet Jews hostage. President Bush is using endangered and frightened people to gain leverage over the Israeli Government. This is completely illegitimate and immoral. No Russian Jew should be put at risk because President Bush and Prime Minister Shamir differ on the issue of settlements.

The demand for freedom for Soviet Jews always implied a willingness by the citizens of the United States and our Government to facilitate such a massive exodus of people. The Israelis expect over 1 million new arrivals within the next few years. As the most highly taxed people in the world, it is ludicrous to expect the Israelis—as much as they may desire these new citizens—to be able to absorb an additional 25 percent of their population without our assistance. Despite our own economic problems in the United States, I believe that if this issue is properly explained to the American public, our citizens would overwhelmingly support this cost free humanitarian gesture. Indeed, this assistance is cost free. These guarantees are not grants or loans. We are only being asked to guarantee loans which we know full well will be repaid in a timely fashion. If Israel—which has never defaulted on any international obligation—does not meet the standard of good credit, what does?

Mr. Speaker, were it not for the desire of Bush and Baker to impose a settlement on Israel, there would not even be a loan guarantee issue. In fact, this measure would be passed by voice vote and routinely signed by the President. I urge the Bush administration to work with Congress and Israel to allow for the immediate approval of this critical humanitarian assistance.

Mr. KOSTMAYER. Mr. Speaker, I want to speak in favor of the proposed $10 billion in loan guarantees for Israel. And I stress that these are guarantees, not loans, which will allow Israel to borrow funds from private banks at reduced interest rates.

There has been much misinformation concerning these guarantees that needs to be cleared up. First, Israel has never defaulted on a loan; this makes it extremely unlikely that the United States would ever have to fund a single guarantee. Second, Israel has offered to pay the United States a fee for the availability of these loans, eliminating the $200 million to $300 million that the United States would otherwise have to set aside for these guarantees. Third, the allocation of these guarantees would occur at $2 billion a year over a period of 5 years, not all at once in a single $10 billion lump sum. Finally, while there has been concern expressed over the possible diversion of Soviet Jews to the territories, the evidence is to the contrary. Only about one percent of these immigrants choose to reside in these settlements.

During this time of delicate regional peace negotiations, it seems to me the height of folly to undercut the negotiating position of one party, Israel, by demanding that they halt the very activities which are a prime topic of discussion. While all settlement activities are certainly not conducive to a peaceful resolution of the tragic conflict in this region, we must remember that Israel is a beleaguered State and does possess legitimate security concerns. Indeed, some of the settlement construction, such as the building of roads or activity in the

Jordan valley, are very much in line with these genuine concerns. As such, it would be irresponsible to expect Israel to halt settlement activity without at least some sort of reciprocal action on the part of her Arab negotiating partners, such as a halt to the economic embargo or an end to violence in these territories.

In addition, these guarantees will benefit the American economy during this long and painful recession. Currently 85 percent of aid to Israel is spent here in the United States, creating jobs and boosting local economies. The influx of Soviet and Ethiopian immigrants has already provided a boost to the United States prefabricated housing industry. These guarantees will swell Israeli imports of United States goods to an estimated $30 billion over the next 5 years.

Foremost, I support the provision of these guarantees based on humanitarian considerations. Recently I chaired a hearing commemorating the 50th anniversary of the Wansee Conference, where the leaders of Hitler's Germany laid out the formal plans for the extermination of European Jewry. This experience reminded me again that we must never forget; the Israeli people are all refugees who have been cruelly persecuted for centuries. For many years, the United States pressed the Soviet Union to allow free Jewish immigration to Israel. Now, when hundreds of thousands of Jews have left these republics and are sleeping in tents, without heat or plumbing, we should not decline to follow through on our commitment to help—especially when that help could be offered at no cost to United States taxpayers.

Mr. LENT. Mr. Speaker, it is a pleasure for me to participate in this special order on the Israeli Government's request for absorption loan guarantees.

I am very proud to rise to voice my strong support for the loan guarantees to assist the State of Israel in the absorption of Soviet and Ethiopian Jews. While I have spoke out in favor of the loan guarantees on many occasions, I do so now with the knowledge that the need for them is greater than ever before.

Regrettably, consideration of this issue has stalled and, to some, it has ceased to be a humanitarian concern. Yet, Mr. Speaker, that is exactly what it is. Accordingly, the message I want to deliver today to the President, to the Members of the other body, and to my colleagues in this House is that the loan guarantee request should be approved without any further delay.

In recent weeks, many of my Long Island constituents have visited my office to express opposition to the policy adopted by the Bush administration in this matter. I have heard from many others who are alarmed by reports of outrageous comments by high ranking officials of this Government and by the dissemination of inaccurate allegations against a trusted ally. I understand and appreciate these concerns and believe we must work to get relations with Israel back on track.

As one who has worked very hard over the years to win the freedom of persecuted Jews from the Soviet Union, Ethiopia, and other countries, I very moved by the arrival of waves of immigrants in Israel. These people are refugees, possessing very little and having endured years of oppression, uncertainty, and the threat of violence. They are looking to the United States for the help they need to begin new lives in freedom.

Clearly, the massive influx of Soviet Jews presents great opportunities and challenges for the Israeli people. It is my sincere hope that, with America's help, Israel will enjoy great success in the absorption process and begin an era of accelerated economic growth and prosperity.

Mr. Speaker, Israel remains our steadfast ally and the bastion of democracy in the Middle East. With this in mind, I will continue to work in support of the loan guarantee request and to strengthen the special relationship between the United States and Israel. I urge the President and each of my colleagues to join this important effort.

Mr. MATSUI. Mr. Speaker, for over 40 years, the leaders of the United States have expressed their concern for the plight of millions of Jews around the world who have been subject to discrimination and unjust laws, and denied the freedom to emigrate to the country of their choice. Today, America should be proud that the thousands of letters written by its citizens, and the numerous speeches, meetings and fact finding missions of American leaders have played a significant role in bringing about the emigration of an anticipated 1 million Soviet and Ethiopian Jews over the next 5 years.

In an effort to help Israel finance the enormous task of absorbing these people, the United States should, without delay, extend Israel loan guarantees which would allow Israel to borrow $10 billion from commercial banks. The United States is not being asked to give or even to lend Israel anything, but, rather, would be assisting Israel in its herculean task by allowing it to obtain loans at more favorable rates of interest and with an extended repayment period.

Most of these immigrants will arrive in Israel poor, homeless, and without basic knowledge of Hebrew. Loan guarantees will allow Israel to improve its infrastructure, and provide education, training and housing for its new citizens. Israel urgently needs resources to supplement the extensive efforts they have already made and it behooves the United States to help its long time ally in this cause for which it has expressed such an interest.

This administration has expressed its concern with the plight of Soviet Jews on numerous occasion, but now, when the United States finally has the opportunity to take a concrete action to assist these refugees and future refugees, President Bush has refused the promised loan guarantees. In effect, he has reneged on his promise and is attempting to use the loan guarantees as leverage on Israel, specifically to link these guarantees to an ending of Israel's settlements in the West Bank.

By delaying the granting of these guarantees, President Bush shows a lack of appreciation for the historical circumstances which have brought us to this day. Largely at the request of the United States, Israel refrained from responding to Iraqi aggression and forced its citizens to live under the threat of Iraqi attack and chemical weapons. With the breakup of the former Soviet Union, the immediacy of Israel's need has never been greater. It is unclear if the new republics will continue the Gorbachev policy of free emigration for Jews wishing to move to Israel. Failure to follow through on our pledge of support seriously undermines the credibility of our Government in the eyes of our allies and blatantly illustrates the President's willingness to play destructive politics with the lives of those he professes to want to help.

The loan guarantees should be considered a humanitarian issue unrelated to outstanding political problems in the Middle East. Certainly, the issue of settlement in the West Bank, Gaza, and the Golan Heights is causing a great deal of concern, but it is just one of many issues that Israel and the countries of the Middle East need to discuss. Equally important are the refusal of Arab nations to recognize the right of Israel to exist, the economic boycott against Israel, government supported terrorism, human rights violations, and a dangerous military build-up. It would be hypocritical of the United States to go back on a standing pledge for assistance to our ally Israel while engaging in arms sales with destabilizing forces in the Middle East.

President Bush's opportunistic politicking at the expense of the same former Soviet Union refugees the United States fought to free shows not only a lack of leadership but a remarkably short-sighted vision of America's role in the world. The United States should show true leadership and extend to Israel without delay the promised loan guarantees.

Mr. SWETT. Mr. Speaker, I commend my colleagues, Mr. OWENS of Utah, Mr. SAXTON of New Jersey, and Mr. SCHUMER of New York for calling this special order to focus attention upon the issue of loan guarantees for refugees arriving in Israel. This is an issue that deserves the serious and favorable attention of the Congress, and I very much regret that the White House and the State Department have so vigorously opposed this worthy effort.

For well over a quarter century, United States policy has fought to assure Jews in the Soviet Union the right to emigrate from the Soviet Union and other countries where they have suffered persecution and discrimination. For decades, these individuals were denied the fundamental human right of free movement to leave countries which have oppressed them.

Now tens of thousands of Soviet Jews are arriving in Israel, and many thousands more have arrived from Ethiopia and other countries where they have been persecuted. Israel has extended a warm and sincere welcome to these refugees and has acted in our own proud tradition of accepting peoples from many regions as part of their own unique melting pot. We commend them for this hospitality to so many. With the alarming rise of anti-Semitism in the republics of the former Soviet Union and the countries of central and eastern Europe, it is more urgent than ever that we aid these Jews as they flee to the safe haven that Israel has provided for them.

Israel faces a massive task of resettling these refugees. In the past 2 years, it has seen an influx of 400,000 refugees. During this coming decade, that country will absorb a refugee population of as many as 1 million people. Considering the size of the population of Israel, this influx of refugees into Israel is the equivalent of an increase of 70 to 80 million people by the United States, the equivalent of the United States absorbing the entire population of France.

Mr. Speaker, the Government of Israel asked the United States to assist with this immense task of providing—no money—but guarantees for loans which Israel would use for the construction of needed new housing which will also provide employment for these new arrivals.

These loan guarantees do not represent a cost to the United States—they would simply permit the Government of Israel to borrow money at lower rates of interest in order to increase the amount that can be used to provide for the much needed housing. There is no risk that these loans will not be repaid. Israel has an outstanding record for repayment of its debts. Furthermore, these talented, educated refugees, who are seeking to find new lives in Israel, will significantly bolster the economy, and this will further substantially increase Israel's ability to repay the loans.

During the Persian Gulf war, just 1 year ago, President Bush and Secretary of State Baker asked Israel to absorb a series of Scud missile strikes against its civilian population without what would have been a thoroughly justified military response against Iraq for these outrageous and unprovoked attacks. The Israeli Government generously agreed to our request—at considerable domestic political cost.

Mr. Speaker, the White House and the State Department coldly turned their backs when Israel requested that our Government guarantee loans to assist it in building housing for hundreds of thousands of refugees. This administration has a short memory, Mr. Speaker, and one that only remembers selectively.

As you know, Mr. Speaker, Senator LEAHY attempted in all sincerity to work out a compromise with the administration that would have assured that none of the loan guarantee funds would go toward construction of potentially controversial new settlements in the occupied territories. But even these eminently reasonable efforts to meet the administration's concerns were summarily rebuffed by the White House and State Department.

The United States should agree to this reasonable request for loan guarantees for our only democratic ally in the Middle East. It is consistent with the human rights principles that underlie our democratic Government, it is consistent with the close relationship that we have maintained with the Government of Israel for nearly a half century, and it is consistent with our own long-term interests in the Middle East.

Mr. Speaker, it is my sincere hope that the administration will alter its unwise and unfounded opposition to these loan guarantees.

UNITED STATES POSITION ON ISRAELI LOAN GUARANTEES

The SPEAKER pro tempore (Mr. RAY). Under a previous order of the House the gentleman from New York [Mr. FISH] is recognized for 5 minutes.

Mr. FISH. Mr. Speaker, over the course of a generation, the American Jewish community worked together with many of us in the Congress to encourage the removal of Soviet impediments to Jewish emigration. During the last few years, I shared in the exhilaration that accompanied fulfillment of the dream of freedom for hundred of thousands of Soviet Jews. Our joy at witnessing the dismantling of exit barriers, however, always remained tempered by a recognition of the tremendous challenges the State of Israel faced.

As an advocate of a generous American response to refugee crises, I have found the impasse over loan guarantees particularly disheartening. The current position of the United States on loan guarantees is based on administration policy opposition to facilitating, directly or indirectly, settlements in the occupied territories. I recognize the argument that money is fungible and funds made available for one purpose free up funds for another purpose. The theory of fungibility led to a proposal for offsetting the amount of loan guarantees by the amount spent on settlements in the occupied territories. Unfortunately, administration policy has hardened into linking loan guarantees to a total prohibition on settlement activity.

Throughout the months that Congress has deferred to the administration, little or nothing has been said about the scope of Arab settlements or the West Bank or about loan guarantees to Arab States.

An uncompromising American policy attempts to precondition our cost-free involvement in Israel's resettlement efforts on Israel's willingness to make a major concession on an issue its Government views as essential to its security. The U.S. stand is inappropriate because, first, an offset formula whatever one thinks of it can ensure that U.S. loan guarantees provide no encouragement—even indirectly—to the building of settlements, and second, settlement activity is an issue to be addressed in the context of Middle East peace negotiations—with the appropriate United States role solely that of facilitating the process.

If we hope to encourage compromises in the negotiations between Israel, the Arab States, and the Palestinians, we need to foster confidence in Israel that we will never abandon her—that our moral commitment to the preservation of the homeland is unchanged and fundamental. I believe Israel's willingness to take risks for peace will be enhanced and the peace process will benefit by a steadfast American resolve to recognize Israel's vital interests.

CONSEQUENCES OF THE CLEAN AIR ACT ON MIDWEST REGION OF THE UNITED STATES

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Illinois [Mr. DURBIN] is recognized for 60 minutes.

Mr. DURBIN. I thank the Speaker.

Mr. Speaker, the topic that we are to discuss this evening is one of critical importance to this country, of special importance to the Midwest, and I think of major economic consequence to those who live in the Midwest who are now suffering from the aftereffects of this recession which we are experiencing.

Let me try to give some background, if I might: In 1990 this Congress of the United States enacted a new Clean Air Act in an effort to reduce air pollution in America. It may be one of the most technically complex and politically difficult pieces of legislation ever considered by this Congress. Great credit is owed to the Members of Congress as well as the administration for working diligently for over 1 year to come up with the Clean Air Act. The American people made it clear that they wanted air pollution standards in America to be as good as possible. In addition, many interest groups affected by this legislation came forward to make some input into the discussion. There was a genuine concern that we would solve the environmental problem at great economic expense. Many watched as this bill progressed, to make sure it contained provisions which were sensible, advanced the cause of environmental progress and environmental fairness, and also did not economically condemn the United States to further loss of jobs and any kind of downturn in the future.

One of the areas that was, I guess, the most controversial was the question of the type of fuel which would be used in automobiles and other vehicles in certain parts of the United States.

Almost everyone is aware of the fact that our air pollution problem in major cities has a great deal to do with the fact that we as Americans love to drive our automobiles and trucks and recreational vehicles. Each of those vehicles gives each of us a personal freedom, but at the same time it adds to our air pollution problems. What we attempted to do in the Clean Air Act is to move toward different sources of fuel for these vehicles which would not cause the air pollution problems which we are presently experiencing.

We came down to a debate as to how much oxygen content would be in these fuels and thereby diminish the air pollution caused by their consumption.

It was a hot topic because as you established certain oxygen levels you necessarily move from some fuels which have higher oxygenation to those which have lower. And in this particular debate, the two sides that were squaring off were the alcohol fuels industry, which was based in supporting ethanol, and those from other sources of oxygenated fuels, such as MTBE, an ether product derived from ethanol.

The debate went forward and backward and appeared at times to be intractable. But finally a compromise was reached, and one which both sides believed to be fair.

The object of that compromise was to set standards for air pollution in certain cities and standards for oxygenation of fuels which would share the market so that those who were producing MTBE, this additive for our gasoline, would have an opportunity to use their fuel in some areas while those who produced ethanol, alcohol fuel blended with gasoline across the United States, would also have their chance to be used in the process of cleaning up the air in America.

□ 1730

Mr. Speaker, there was a great deal of excitement which greeted the passage and signing of this Clean Air Act, particularly by those who lived in the Midwest. The feeling was that the continued use and the expanded use of ethanol meant a great deal to those of us from corn-producing States.

Ethanol is an alcohol fuel blended with gasoline, used in motor vehicles, which is derived primarily from grain, and primarily from corn. In fact, in the United States today we produce 900 million gallons of ethanol each year. It takes 360 million bushels of corn to produce it. As a result of this consumption of corn for ethanol, of course there is more demand for the product, and the price of corn has gone up, and it means for the average corn farmer in America 15 to 20 cents a bushel because the ethanol industry needs that corn to produce ethanol, this alcohol fuel additive.

Now we anticipated with the Clean Air Act there would be increased demand for ethanol, thereby bringing the price of corn up even further and helping corn farmers across this country who are having a difficult time to survive. Approximately 5 percent of the production of corn in the United States today is consumed by the ethanol producing industry, but in some States it is much more. In my State of Illinois 17 percent of the corn grown is converted into ethanol, so my colleagues can see that the ethanol industry has a very dramatic impact on the benefits derived by those who produce corn.

Ethanol production provides as many as 5,000 jobs for each 100 million gallons. Of course, what this means is that the raw corn is of little value. It cannot be used for fuel purposes until it is converted into this alcohol fuel.

So, Mr. Speaker, we have found across the United States plants being built, industrial complexes to convert corn into ethanol. There was an excitement among the people who lived in these areas that, as we started to clean up the air in America and reduce the air pollution problem, we would be using a product which would, not only help farmers, but also help a lot of workers who would be put to work to make this ethanol.

There is a third aspect that is equally important. We, as a nation, have become increasingly dependent on imported fuel and imported oil. We all can remember that just a few months ago our sons and daughters were being called to serve overseas in the Persian Gulf because of our fear that, if Saddam Hussein and his Iraqis expanded his political grasp into other areas, it could cut off a source of fuel for the United States. This source of energy was critically important, and so we literally risked the lives of our sons and daughters, our brothers and sisters, mothers and fathers. They went off to this war to preserve this source of energy. There is a feeling that the Clean Air Act, by expanding the use of ethanol, would reduce our dependence on foreign fuel.

Ethanol is, of course, an all-American product. It is made from American grain here in this Nation. So, we would have three real benefits coming out of this Clean Air Act.

Now a lot of us from States in the Midwest, particularly coal producing States, had mixed feelings about the Clean Air Act. We all believe in the concept of clean air. We all want to rid our Nation of pollution, but we realize a price has to be paid, and in a State like Illinois, which has a great deal of high sulfur content coal, we are paying that price today.

Our economy is suffering despite our best efforts to include provisions in the Clean Air Act for scrubbers and ways of using this high sulfur content coal. We did feel there was an economic fallback in Illinois that, even though our economy would be hurt by the loss of coal mining jobs, we would be benefited by the fact that we would now be using more ethanol.

There is a great deal of excitement and enthusiasm over this idea. In fact, we found across the United States that companies were jumping on the prospect that this Clean Air Act would create a higher demand for ethanol and real jobs.

Let me give my colleagues some examples of the anticipated increase in jobs that could have come as a result of the Clean Air Act's ethanol provisions. Archer Daniels Midland, the largest producer of ethanol in the United States, anticipated substantial expansion in both Illinois, my State, and the State of the gentleman from Iowa [Mr. LEACH]. Cargill was going to expand its ethanol facilities in Iowa and Nebraska. Pekin Energy anticipated building a plant in southern Illinois, Marion, IL, an area that is very depressed and has a high unemployment rate. North Carolina Ethanol was going to build an additional facility in Faison, NC. The Minnesota Corn Processors had plans for plants in Nebraska and Minnesota; Chief Ethanol in Nebraska; High Plains Ethanol in Kansas; New Energy in South Bend, IN; Nebraska Nutrients in Nebraska, and various others. They anticipated that this Clean Air Act would give them the opportunity to create jobs primarily in rural America.

My district is a district representing rural Americans, and we can certainly use this kind of an economic boost. Everything looked as if it was on schedule and moving along fine until we started to get wind of the fact that the Environmental Protection Agency, which was drawing up the regulations to implement the Clean Air Act, was interpreting them differently than the Congress intended, in particular their establishing volatility and oxygen levels for these fuels would ultimately preclude the use of ethanol and, in fact, make us reliant on MTBE, the methanol product which I mentioned earlier.

Now this was never the intent of Congress. In fact, if someone made it clear from the beginning that this was the intent and that the administration would interpret the bill accordingly, I am not sure the Clean Air Act would have passed. Many of us from farm States were persuaded to support the legislation because of these ethanol provisions, and yet now the EPA by regulation is changing the clear intent of Congress.

Mr. Speaker, this has met a firestorm of opposition, bipartisan opposition. My colleague, the gentleman from Iowa [Mr. LEACH] is a Republican; I am a Democrat. A Senator from Kansas, a Republican Senator, has written to the President opposing these EPA regulations, as well as the minority leader from the State of Illinois, a Republican Congressman. We have had 43 other Members join us in letters to the President, Democrats and Republicans, protesting this interpretation of regulations by EPA.

I just had meetings over the last several days back in Illinois with some of my farmers. They are very upset. They feel that they have been asked to sacrifice because of the budget deficit. They have had cutbacks in their programs, and they have accepted them willingly. But they feel that this interpretation of the Clean Air Act by the EPA is totally unfair.

During the last several weeks the price of corn on markets in the Midwest has declined. They feel, and I agree, that it is primarily because of this news coming out of the Environmental Protection Agency. They feel a sense of betrayal, and I share it with them, to believe that some officials in the Environmental Protection Agency are interpreting this law in a way that I do not think any Member of Congress would interpret it.

Now my colleagues must ask why would the EPA do this if Congress' intent was so clear. I am not sure we have a clear answer to that. In fact, I am not sure the President has made it clear what his position is on this issue today. We do know that the major oil companies in the United States have little interest in the promotion of ethanol, but in fact have a great interest in the promotion of MTBE as a fuel additive to reduce emissions from the tail pipe. We also know that, while 70 percent of the MTBE used in the United States today is domestically produced, the new MTBE facilities are primarily in the Persian Gulf.

Mr. Speaker, it does not take a great theoretician to understand what is happening here. Once again, if we rely on MTBE to reduce emissions and to bring down our air pollution problems, we will find ourselves dependent again on Persian Gulf sources of energy, and in this case not only oil, but also MTBE.

□ 1740

So we will not only penalize farmers who can see this real increase in income if ethanol is made part of the mix, but we will be penalizing as well American workers, American industrial jobs, particularly in the rural Midwest. So those are the two losers.

Finally, of course, if we were relying on MTBE imported from overseas, we have not come even close to solving this problem of moving us closer to energy independence.

Now, I think there is a great deal that can be said as to what we need to do to try to change the administration's position. But I hope that this special order which I am sharing with my colleague from Iowa, Mr. LEACH, will be the beginning of an opening dialog with the administration to have them sit down and reassess these Environmental Protection Agency regulations.

It is totally unfair to the farmers across America who have relied on the promise of greater ethanol demand for more income. It is totally unfair to the workers who will lose jobs because of these EPA regulations. In addition, it is unfair to American taxpayers. Let me explain why.

As the price of corn goes down because of the lack of demand for ethanol, there is more need for Federal programs to bring it up to target price levels. These Federal programs cost the taxpayers. If the price of corn would rise because of market demand created by the demand for ethanol, there would be less need for taxpayer dollars in the farm programs.

At a time when this Nation is suffering through record deficits, I think it is important that we focus on the fact that ethanol is a vehicle for us to create more farm income and less need for tax dollars to be spent on farm programs. So this issue goes far beyond the Midwest. It goes to virtually every American taxpayer.

Let me conclude this portion by saying that I believe that air pollution is a major problem, not only in the United States but around the world. I believe that ethanol is a real solution to that problem.

In its 1990 owners' manuals, General Motors went beyond acceptance of ethanol as a product and recommended the use of oxygenated fuels such as both MTBE and ethanol. There is no longer a concern that ethanol can be used in cars, although many of the oil companies would argue otherwise.

In my home State of Illinois about one-third of the fuel being sold is blended with ethanol. I use it in my own automobile. I think it is not only perfectly safe, but it is environmentally responsible for an owner of an automobile to use it.

We have, of course, another concern here, and that is the impact of this debate on the Highway Trust Fund. Although ethanol use has a $500 million annual impact on the highway trust fund, this is totally offset by the farm program savings which I described earlier. So in effect, if there is any loss to the highway trust fund, it is made up to our Treasury by the reduced costs of farm programs.

I would urge the Bush administration and particularly the Administrator of the Environmental Protection Agency, Mr. Reilly, to reconsider his regulatory scheme immediately. There are a great number of jobs at stake here, a great amount of farm income, and a great deal of our annual budget deficit at stake in this debate.

If we can urge this administration and successfully convince them to change these regulations to what Congress initially intended, I think it will have a positive impact across the board.

Mr. Speaker, at this point I yield to the gentleman from Iowa [Mr. LEACH].

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, as cochair, with the gentleman from Illinois [Mr. DURBIN], of the alcohol fuels caucus, I rise to underscore the depth of disappointment in rural America over the administration's decision to ease up on the environmental standards for automobile emissions, which has a devastating effect not only in the health of the average American but on the farm economy and the ethanol industry.

At issue are regulations drafted by the Environmental Protection Agency, which would—for all practical purposes—eliminate ethanol as an additive to reformulated fuels.

These EPA regulations would establish that fuels contain, as a maximum, not a minimum, 2.7 percent oxygen. This action would eliminate 10-percent ethanol blends, which contain 3.5 percent oxygen, from being sold in environmentally fragile markets.

The proposed rules governing reformulated gas are myopic and fail to recognize congressional intent of the Clean Air Act amendments which were passed in 1990. The proposed rules disregard ethanol's ability to reduce carbon monoxide emissions by up to 25 percent; they put a narrow regulatory emphasis on questionable research concerning ethanol and the evaporation of volatile organic compounds [VOC's] and their relationship to the creation of smog. Yet it is generally concluded by the scientific community that ethanol takes more carbon monoxide out of automotive emissions than methanol and that, when all environmental factors are reviewed, boosts air quality as well as any other fuel additive.

The practical effect of administration policy is to make methanol the additive of choice for reformulated fuels. This is irrational. Some 30 to 50 percent of MTBE used in this country is imported from the Middle East. Thus, rather than relying on the regenerative cornfields of the Midwest to provide environmentally sound fuel alternatives, it appears that Americans will be forced to continue to rely on fast depleting fuel imported from the minefields of the Middle East.

Current studies show that for each billion gallons of ethanol produced 4,400 farm jobs and 3,700 industrial jobs may be added to the U.S. economy. While some properly suggest that job growth data linked with industry expansion must be viewed with caution, I am obligated to report that the recent decision to roll back EPA standards has had the immediate tangible effect of causing investment retrenchment in grain processing companies. For instance, in Cedar Rapids, IA, alone, a $68 million, 700-job facility has been cancelled due to this EPA action.

Nothing is more important for rural America than new markets for its agricultural products, especially value-added commodities. Unless new markets are developed, the prospect of much of agricultural America remaining on Federal life support systems—subsidies and set-asides—is very high. With new markets, American agriculture could become more self-sufficient and America itself more energy self-reliant.

Mr. BEREUTER. Mr. Speaker, I am pleased to join my colleagues in this special order to bring attention to the Environmental Protection Agency's proposed clean air standards regarding ethanol.

The Clean Air Act, which requires tighter auto emissions controls beginning in 1995 in some cities, encouraged the use of ethanol. However, the EPA has not interpreted the act as Congress intended and has proposed restricting ethanol use. The EPA contends that ethanol gasoline emits harmful levels of nitrous oxide, and some proposed regulations would not allow a waiver for ethanol. Recently the EPA released a notice which permits comments for 30 days on a proposal which would permit the use of ethanol under the Clean Air Act.

Mr. Speaker, within the last month this Member has written letters to the President and written and made direct contacts with the EPA urging that ethanol be given its share of the reformulated gasoline industry under the Clean Air Act. I commend the effort here today by my colleagues to focus additional attention on this current situation.

I am hopeful that our actions will persuade EPA to consider the benefits of ethanol. We still have an opportunity to convince EPA that the use of ethanol is good for the environment and that it reduces our dependence on foreign oil.

Mr. DURBIN. Mr. Speaker, I yield to the gentleman from Indiana [Mr. JONTZ].

Mr. JONTZ. Mr. Speaker, I thank the gentleman for yielding, and also thank him for scheduling this special order this evening.

Mr. Speaker, the development of ethanol fuels provide our Nation with many important opportunities for the 1990's. I believe that a great deal of progress was made with the language of the Clean Air Act amendments of 1990 that was approved by this House and the other body and signed by the President from the standpoint first of all of reaching our environmental goals, but also from the perspective of the energy independence of our country and the standpoint of improving our rural economy.

Unfortunately, the progress which was made with the Clean Air Act amendments is threatened by the interpretation made through the Environmental Protection Agency. We come this evening to speak to the importance of the Environmental Protection Agency reconsidering their decision and getting us back on the right track.

In mid-February the Subcommittee on Forests, Family Farms, and Energy held a field hearing in northern Indiana in my district in the little town of Mentone to assess the status of the domestic ethanol industry since the enactment of the Clean Air Act amendments of 1990. I was very appreciative that the chairman of our subcommittee, the gentleman from Missouri [Mr. VOLKMER], and the gentlewoman from Indiana [Ms. LONG], came to join me at that hearing to listen to the testimony of representatives of the farm community and other interests concerned about ethanol as well as various citizens that have done research on the subject.

It is of great concern to me and to the others at that hearing that several witnesses expressed disappointment regarding the EPA's implementation of the oxygenated fuels and reformulated gasoline programs included in the Clean Air Act.

One industry witness testified that the potential ethanol production expansion which was anticipated when the Clean Air Act amendments were passed has not been realized because of delays in promulgating regulations and guidelines, and confusion regarding ethanol's role in reformulated gasoline created by certain decisions that the EPA has made.

□ 1750

I believe that there are essentially three items which need to be implemented if the promise of the Clean Air Act for rural America is to be realized in the marketplace.

First, beginning in November of this year, EPA must fulfill its obligation in the oxygenated fuels program and assure that this program is implemented in every carbon monoxide [CO] nonattainment area without unnecessary limits on oxygen content. Specifically, the program proposed by the California Air Resources Board, which reduces oxygen content by one-third and for all practical purposes eliminates ethanol from the marketplace, and the proposed program in New York, which caps oxygen content at 2.7 percent and therefore precludes the use of 10 percent ethanol blends, must both be amended to allow for the use of ethanol.

Second, EPA must clarify that the 1-pound volatility tolerance provided to ethanol blends in subsection 211(h) of the Clean Air Act applies to ethanol-blended reformulated gasolines sold under subsection 211(k) of the act, and resolve concerns that this will effect the VOC reduction levels which States need to achieve. The issue is really quite simple—Congress enacted the reformulated gasoline provisions, in part, to encourage the increased use of cleaner burning, domestically produced, octane and oxygenates such as ethanol—not to preclude their use. The regulations proposed by EPA must reflect this very clear objective of the Congress.

Third, EPA must develop a program to require the development and use of domestically produced nonpetroleum, nonhydrocarbon octane enhancers. We have the technology for using ethanol as an octane enhancer, and we should begin doing this.

Mr. Speaker, it is my hope that the Administrator of EPA will give prompt attention to these concerns that ethanol use be expanded in the manner which Congress intended.

Mr. Speaker, again, I appreciate the opportunity to join the gentleman from Illinois, the gentleman from Iowa and others from the heartland of our country to express our concern that the EPA now has the responsibility to implement the law as the Congress intended, and we urge them to undertake that responsibility for the well-being of all the people of our country.

Mr. DURBIN. Mr. Speaker, I thank my colleague from Indiana. I yield to the gentleman from Illinois [Mr. EWING].

Mr. EWING. Mr. Speaker, I would like to thank my colleague, the gentleman from Illinois [Mr. DURBIN], and the gentleman from Iowa [Mr. LEACH] for bringing this matter before this House today. I appreciate having the opportunity to join in this discussion of a very, very important matter for my district and I think for the Nation as a whole.

Mr. Speaker, When Congress passed the Clean Air Act Amendments of 1990, I had not yet been elected to this body. However, there was no mistaking the hope that passage of that act sparked in rural America. America's farmers, who have for so long prided themselves on feeding the world, now anticipated that they might also contribute to cleaning up our Nation's air. The 1990 Clean Air Act promised that ethanol, made from our Nation's plentiful grainstocks and other renewable sources, would compete on an equal footing with other alternative fuels.

Now, we worry that that might not be the case. Despite ethanol's enormous environmental promise, despite the proof of cleaner air in Boise, ID and other cities that have used ethanol, despite congressional intent, the Environmental Protection Agency appears ready to prevent its use in the cities where it is needed most: The nine cities in violation of ozone standards of the Clean Air Act. Those nine cities lie in all corners of the Nation, and exclusion of ethanol from those major markets could spell doom for the industry.

The side benefits of ethanol are almost too numerous to mention: Energy security for a nation too dependent on foreign sources of energy, income for our Nation's farmers, who have seen much hardship the last 10 years. But the fact is, even if none of these other benefits existed, ethanol would still be a good deal for America.

It seems like the farm community and the environmental community are too often at odds with each other. This is one issue on which we all should agree. Ethanol has proven that it can help solve our environmental problems, but we must give it the chance. I urge the EPA to remember why the Clean Air Act was passed—to clean up our Nation's air using the most effective means available.

In conclusion, Mr. Speaker, I would like to add a few comments to my prepared remarks, indicating that in central Illinois, where ADM, a major producer of ethanol has already decided, because of the inability of this Government to act, that they would cut back on their employment and other expansion. Making corn into ethanol is an excellent example of value added.

We take what we produce, we add labor to it, and we have a new product. Everyone gains in our economy, our farmers, our working men and women.

In addition, without the use of our corn for ethanol, estimates range from 15 to 30 cents a bushel is added to the price of our grain. Without this increment, the Federal Government could certainly incur additional deficiency payments, which are a drain on our Treasury.

Mr. Speaker, this is such an important issue. As I understand the EPA is possibly considering a regulation which would allow for a scientific study to determine if ethanol was damaging to the ozone.

Mr. Speaker, I suggest that the EPA should clear the use of ethanol pending such an investigation, if they feel it is necessary. I think those of us who think that ethanol is safe, it will prove to be so and that it would be most beneficial to our economy at a time when that is much needed.

That would be my recommendation in addition to the other comments made here today.

Mr. DURBIN. Mr. Speaker, I thank my colleague from Illinois for his contribution.

I yield to my other colleague, the gentleman from Illinois [Mr. HASTERT].

Mr. HASTERT. Mr. Speaker, I thank the gentleman from Illinois, my colleague from down in the mid-State where there is a lot of cornfields, and also my colleague from Iowa here—the tall corn State—although we sometimes argue about whose corn is taller or whose tales are taller.

Anyway, there are some real opportunities. I can remember, as I am sure my colleague from Illinois can remember, just a year ago we were embroiled in a war, a war in the Middle East, basically over energy issues.

I can remember the candid arguments and sometimes not-so-candid arguments about why we were there.

We also agreed that we had to come back here and be serious about putting together a national energy strategy, a national energy strategy that talks about renewable fuels, that talked about different ways of doing things. And yes, ethanol was on that docket. That was a thing to be considered.

I know in Illinois and Iowa, as a matter of fact in my district I have been told that between 15 and 20 percent of our corn yield every year goes into the production of ethanol. And here is something that American farmers, Midwest farmers, can increase markets. We can solve, begin to solve the energy problem here in the United States with a renewable energy resource, something that is produced in the heartland of America, something that creates jobs, American jobs where American workers can go to work and earn a good day's pay.

And we do not have to be dependent on oil or petrochemical products from overseas. But I am somewhat chagrined at what is going on now in the EPA and a study about the Reed volatile pressures in gas tanks what ethanol was supposed to do, when it is combined or mixed with gasoline and the combination, and almost a sham argument that all of a sudden this whole ethanol issue that we worked so hard on and tried to develop and bring forward here in this Congress and tried to make part of a national energy policy, all of a sudden is being pushed aside because of some spurious argument down in the EPA.

The fact is that in areas like Chicago, that I do not represent but I am right on the rim of the great metropolitan area in Illinois, ethanol is available. Ethanol is something that can reduce emission problems.

It is an oxygenate. It creates oxygen. It is something that is a plus. But all of a sudden—because maybe the great oil pressures in this country have reached their arm into the EPA and are twisting, or pushing, or shoving, or doing something down there to change the order of thinking around.

We need to have a study. We need to show that ethanol is positive for the environment of this country. It is something that is positive for the economy of this country. It is something that is positive for American jobs. Certainly it is something that is positive for American farmers.

For once in this country we can start to come to commonsense solutions in this body and point to something that we can begin to solve the problem with, solve the problems of farm subsidies. If we have markets for farm products, we do not have to worry about farm subsidies. If we create jobs, we do not have to worry about people on unemployment. If we create our own renewable energy, we do not have to worry about the foreign affairs in the Saudi deserts.

I commend my colleague, the gentleman from Illinois [Mr. DURBIN], and certainly my other colleague, the gentleman from Illinois [Mr. EWING], and my good friend and colleague, the gentleman from Iowa [Mr. LEACH], for bringing this special order forward.

Mr. DURBIN. Mr. Speaker, I thank the gentleman from Illinois, my colleague, for joining me on this special order.

Just a few months ago the President of the United States stood in this Chamber and delivered his annual State of the Union Address. We listened intently as the President described a nation caught up in a recession and suggested ways to bring us off that recession.

One of the things the President suggested that he would do within his own branch of government would be to turn to the Federal agencies under his control and ask them to review all of the applicable regulations coming out of the Federal Government to decide which regulations should be amended, changed, or abolished in an effort to create more jobs in America.

I would suggest to the President and to those supporting the administration, the first regulation they should look to is this regulation from the Environmental Protection Agency. What is at stake here with this interpretation by the Environmental Protection Agency is 30,000 jobs, 30,000 new jobs for American people.

Lest we believe for a moment that these are minimum wage jobs, let me give an idea of what they pay. In the home State of my colleague, the gentleman from Iowa, the corn wet-milling industry provides 2,550 people with an average wage of $37,000 a year. The dry-milling industry employs an additional 620 people at an average wage of $27,000. So the 30,000 jobs we are talking about in rural America, the places that I described earlier, are spectacularly good jobs in today's economy. The families that receive these incomes will be able to turn around and purchase the automobiles, the appliances, the things which our economy needs to get rolling again. But for this regulation by the EPA, we could be moving forward for the creation of these 30,000 new jobs.

Second, this decision by the EPA means a loss of farm income to the farmers across the United States of about $114 million, lost farm income. In other words, the price of corn will not go up 15 cents to 20 cents a bushel. In fact, it has gone down. Farmers across this Nation will suffer that loss individually and will then have to make their economic decisions accordingly.

Without these funds in their personal accounts, in their business accounts, they will be unable to buy the necessary equipment to replace old, obsolete, and wornout equipment. They will be unable to purchase the additional land, to make the additional developments in their own farm operations.

The losers, as my colleagues, the gentleman from Illinois and the gentleman from Iowa [Mr. LEACH], readily attest, will be the businesses across the Midwest which will not see this infusion of farm income being respent back into this economy.

If the President is looking for a regulation to change to fight the recession, to create jobs, to create economic opportunities, let him start with the EPA and this misinterpretation by them of the clear language of the Clean Air Act. That single regulation being changed will do more to help this economy than any other regulation that I have heard described on the floor of this House of Representatives in the last several months.

The administration has a clear choice. The choice is between 30,000 jobs and keeping the oil companies happy. The choice is between $140 million in new farm income and saying to the oil companies, "You are going to have your way."

We cannot let that happen. We have got to make the decision today that it is too important for America, too important for our economy, to turn our backs on it.

It is not a partisan decision. My colleagues on the other side of the aisle feel as strongly as I do that this administration has made a wrong turn. We want to set him back on that straight and narrow path headed towards the true goals of the Clean Air Act which we passed in this Chamber in 1990.

If my colleagues have nothing further to add, then I yield back the balance of my time.

NOTICE OF CONTINUATION OF NATIONAL EMERGENCY WITH RESPECT TO HAITI—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–287)

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, without objection, referred to the Committee on Foreign Affairs and ordered to be printed.

To the Congress of the United States:

1. On October 4, 1991, in Executive Order No. 12775, I declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States caused by events that had occurred in Haiti to disrupt the legitimate exercise of power by the democratically elected government of that country (56 FR 50641). In that order, I ordered the immediate blocking of all property and interests in property of the Government of Haiti (including the Banque de la Republique d'Haiti) then or thereafter located in the United States or within the possession or control of a U.S. person, including its overseas branches. I also prohibited any direct or indirect payments or transfers to the *de facto* regime in Haiti of funds or other financial or investment assets or credits by any U.S. person or any entity organized under the laws of Haiti and owned or controlled by a U.S. person.

Subsequently, on October 28, 1991, I issued Executive Order No. 12779 adding trade sanctions against Haiti to the sanctions imposed on October 4 (56 FR 55975). Under this order, I prohibited exportation from the United States of goods, technology, and services, and importation into the United States of Haiti-origin goods and services, after November 5, 1991, with certain limited exceptions. The order exempts trade in publications and other informational materials from the import, export, and payment prohibitions and permits the exportation to Haiti of donations to relieve human suffering as well as commercial sales of five food commodities: rice, beans, sugar, wheat flour, and cooking oil. In order to permit the return to the United States of goods being prepared for U.S. customers by Haiti's substantial "assembly sector," the order also permitted, through December 5, 1991, the importation into the United States of goods assembled or processed in Haiti that contained parts or materials previously exported to Haiti from the United States.

2. The declaration of the national emergency on October 4, 1991, was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.*), the National Emergencies Act (50 U.S.C. 1601 *et seq.*), and section 301 of title 3 of the United States Code. I reported the emergency declaration to the Congress on October 4, 1991, pursuant to section 204(b) of the International Emergency Powers Act (50 U.S.C. 1703(b)). The additional sanctions set forth in my order of October 28 were imposed pursuant to the authority vested in me by the Constitution and laws of the United States, including the statutes cited above, and implement in the United States Resolution MRE/RES. 2/91, adopted by the Ad Hoc Meeting of Ministers of Foreign Affairs of the Organization of American States ("OAS") on October 8, 1991, which called on Member States to impose a trade embargo on Haiti and to freeze Government of Haiti assets. The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c) and discusses Administration actions and expenses directly related to the national emergency with respect to Haiti declared in Executive Order No. 12775, as implemented pursuant to that order and Executive Order No. 12779.

3. On March 31, 1992, the Office of Foreign Assets Control of the Department of the Treasury ("FAC"), after consultation with other Federal agencies, issued the Haitian Transactions Regulations, 31 C.F.R. Part 580 (57 FR 10820, March 31, 1992), to implement the prohibitions set forth in Executive Orders Nos. 12775 and 12779.

Prior to the issuance of the final regulations, FAC issued a number of general licenses to address urgent situations requiring an interpretation of U.S. sanctions policy in advance of the final regulations. These general licenses provided agency policy regarding the articles (baggage, personal effects, etc.) that could be exported or imported by travelers to and from Haiti; the treatment of amounts owned to the *de facto* regime by U.S. persons for certain telecommunications services; the movement of diplomatic pouches; the obligation of banks and other financial institutions with respect to Government of Haiti funds in their possession or control; authorization of commercial shipments to Haiti of medicines and medical supplies; and the circumstances under which certain exportations to, or importations from, the "assembly sector" in Haiti would be permitted. These general licenses have been incorporated into the Haitian Transactions Regulations.

4. The ouster of Jean-Bertrand Aristide, the democratically elected President of Haiti, in an illegal coup by elements of the Haitian military on September 30, 1991, was immediately repudiated and vigorously condemned by the OAS. The convening on September 30 of an emergency meeting of the OAS Permanent Council to address this crisis reflected an important first use of a mechanism approved at the 1991 OAS General Assembly in Santiago, Chile, requiring the OAS to respond to a sudden or irregular interruption of the functioning of a democratic government anywhere in the Western Hemisphere. As an OAS Member State, the United States has participated actively in OAS diplomatic efforts to restore democracy in Haiti and has supported fully the OAS resolutions adopted in response to the crisis, including Resolution MRE/RES. 2/91.

5. In these initial months of the Haitian sanctions program, FAC has made extensive use of its authority to specifically license transactions with respect to Haiti in an effort to mitigate the effects of the sanctions on the legitimate Government of Haiti and on U.S. firms having established relationship with Haiti's "assembly sector," and to ensure the availability of necessary medicines and medical supplies and the undisrupted flow of humanitarian donations to Haiti's poor. For example, specific licenses have been issued (1) permitting expenditures from blocked assets for the operations of the legitimate Government of Haiti, (2) permitting U.S. firms wishing to terminate assembly operations in Haiti to return equipment, machinery, and parts and materials inventories to the United States and, beginning February 5, 1992, permitting firms wishing to resume assembly operations in Haiti to do so provided the prohibition on payments to the *de facto* regime is complied with, and (3) permitting the continued material support of U.S. and international religious, charitable, public health, and other humanitarian organizations and projects operating in Haiti.

6. Since the issuance of Executive Order No. 12779, FAC has worked closely with the U.S. Customs Service to ensure both that prohibited imports and exports (including those in which the Government of Haiti has an interest) are identified and interdicted and that permitted imports and exports move to their intended destination without undue delay. Violations and suspected violations of the embargo are being investigated, and appropriate enforcement actions will be taken.

7. The expenses incurred by the Federal Government in the 6-month period from October 4, 1991, through April 3, 1992, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to Haiti are estimated at

$323,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, and the Office of the General Counsel), the Department of State, the Department of Commerce, and the Federal Reserve Bank of New York.

8. The assault on Haiti's democracy represented by the military's forced exile of President Aristide continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the resolutions of the OAS with respect to Haiti. I shall continue to exercise the powers at my disposal to apply economic sanctions against Haiti as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

GEORGE BUSH.

THE WHITE HOUSE, *April 7, 1992*.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. COSTELLO (at the request of Mr. GEPHARDT) for today and the balance of the week on account of a death in the family.

Mr. BILIRAKIS (at the request of Mr. MICHEL) for today and April 8 on account of a death in the family.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. KYL) to revise and extend their remarks and include extraneous material:)

Mr. RHODES, for 60 minutes, on April 27 and 28.

Mr. LEACH, for 60 minutes, today.

Mr. BURTON of Indiana, for 60 minutes, on April 30 and May 1.

Mr. GALLEGLY, for 5 minutes, today.

Mr. DREIER of California, for 5 minutes, today.

Mr. CUNNINGHAM, for 60 minutes, on April 8.

Mr. RIGGS, for 5 minutes, today.

(The following Members (at the request of Mrs. KENNELLY) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. LIPINSKI, for 5 minutes, today.

Mr. OBERSTAR, for 5 minutes, today.

Mr. MONTGOMERY, for 5 minutes, today.

Mr. ANNUNZIO, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. DURBIN, for 60 minutes, today.

Mr. LEHMAN of California, for 60 minutes, on April 29.

Mr. MONTGOMERY, for 5 minutes, today.

Ms. HORN, for 5 minutes, on April 8.

Mr. HAYES of Illinois, for 5 minutes each day, on April 8 and 9.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. KYL) and to include extraneous matter:)

Mr. CAMPBELL of California.

Mr. GILMAN.

Mr. GREEN of New York.

Mr. GALLEGLY in two instances.

Mr. MICHEL.

Mr. BEREUTER.

(The following Members (at the request of Mrs. KENNELLY) and to include extraneous matter:)

Mr. ANDERSON in 10 instances.

Mr. GONZALEZ in 10 instances.

Mr. BROWN in 10 instances.

Mr. ANNUNZIO in six instances.

Mr. TRAFICANT.

Mr. HAYES of Illinois.

Mr. SWETT.

Mr. ASPIN.

Mr. MOAKLEY.

Mr. MAVROULES.

Mr. BLACKWELL in three instances.

Mr. MAZZOLI.

Mr. FROST.

Mr. KANJORSKI.

Mr. CLEMENT.

Mr. VENTO.

Mr. AUCOIN.

Mr. EDWARDS of California.

Mr. APPLEGATE.

Mrs. MINK.

Mr. STARK in three instances.

Mr. FALEOMAVAEGA in four instances.

Mr. MARKEY.

ADJOURNMENT

Mr. DURBIN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 7 minutes p.m.), under its previous order, the House adjourned until Wednesday, April 8, 1992, at 11 a.m.

CONTRACTUAL ACTIONS, CALENDAR YEAR 1991 TO FACILITATE NATIONAL DEFENSE

The Clerk of the House of Representatives submits the following report for printing in the CONGRESSIONAL RECORD pursuant to section 4(b) of Public Law 85-804:

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION,
Washington, DC, March 20, 1992.

Hon. THOMAS FOLEY,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: In accordance with section 4(a) of Public Law 85-804 (50 U.S.C. 1431-35), I am reporting to the Senate on all calendar year 1991 actions taken by the National Aeronautics and Space Administration (NASA) under authority of that Act which involve actual or potential cost to the United States in excess of $50,000.

During calendar year 1991, the NASA Contract Adjustment Board did not grant any request for extraordinary contractual relief under P.L. 85-804.

On January 19, 1983, the Administrator made a decision to provide indemnification to certain NASA Space Transportation System contractors for specified risks arising out of contract performance directly related to NASA space activities. The authority of that decision was extended from September 30, 1984, through September 30, 1989, and has been extended again through September 30, 1994. In addition, on July 11, 1990, the Administrator decided to provide indemnification to certain NASA contractors involved in providing commercial Expendable Launch Vehicle launch services for NASA spacecraft or for activities which are carried out by NASA on behalf of the United States. The authority of that decision extends through June 30, 1995. Copies of the Administrator's Memorandum Decisions Under Public Law 85-804 dated November 5, 1989, and July 11, 1990, are enclosed.

During calendar year 1991, two NASA prime contractors were indemnified under the Memorandum Decision dated November 5, 1989. No NASA prime contractors were indemnified in 1991 under the Memorandum Decision dated July 11, 1990. One other NASA prime contractor was indemnified under a separate Memorandum Decision for the risks set forth therein. A copy of this Decision is also enclosed. A summary description of each contract indemnified is also enclosed.

Sincerely,

RICHARD H. TRULY,
Administrator.

MEMORANDUM DECISION UNDER PUBLIC LAW 85-804

Authority for National Aeronautics and Space Administration Contracting Officers to indemnify certain NASA contractors and subcontractors involved in NASA space activities.

1. On July 4, 1982, the Space Transportation System (hereinafter STS) completed its design, development, test and evaluation phase and was declared an operational system of the United States for the transportation of payload into and out of outer space for governmental and commercial purposes. Except for suspension of STS launches as a result of the Challenger accident, the STS has conducted and will continue to conduct launch, in orbit and landing activities on a repetitive basis and at a prudent frequency.

2. Scheduled STS operations have dictated a continuing examination of the risks in repetitive space activities of the STS and of the present availability of adequate insurance at reasonable premiums to manufacturers and operators of the system. While NASA's STS space activities are designed to be safe, there exists the low statistical probability that a malfunction of either hardware, software or operator error could occur resulting in an accident. This low probability of occurrence cannot be totally removed. In the event that such malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain, considering the availability, cost and

potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Laws 85–804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA Contracting Officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims, or losses, as defined in paragraph 1A or E.O. 10789, as amended, arising out of contract performance directly related to NASA's space activities.

4. This authorization is limited to prime contracts which have an effective date before October 1, 1994, by or for NASA for:

a. provision of Space Transportation System and cargo flight elements or components thereof;

b. provision of Space Transportation System and cargo ground support equipment or components thereof;

c. provision of Space Transportation System and cargo ground control facilities and services for their operation; and

d. repair, modification, overhaul support and services and other support and services directly relating to the Space Transportation System, its cargo and other elements used in the NASA's space activities.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of the products or services described in paragraph 4 in NASA's space activities. For this purpose, the use or performance of such products or services in NASA's space activities begins solely when such products or services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more Space Transportation System launches and are actually used or performed in NASA's space activities.

6. The risks for which indemnification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 causing personal injury or death, or loss of or damage to property, or loss of use of property. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the Space Transportation System, its cargo or other elements or services used in the NASA's space activities malfunctioned causing an accident, the potential liability could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost, and terms and conditions of such insurance. In no other sense are the Space Transportation System, its cargo or other elements or services used in NASA's space activities unusually hazardous.

7. a. This authorization may be applied prospectively, without additional consideration, to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses and procedures shall comply with applicable provisions of Federal Acquisition Regulation (FAR) Subpart 50.4 as supplemented by NASA FAR Supplement (NFS) 18–50.4.

9. This authorization is given upon condition that each prime contractor is approved by me and that such contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant Contracting Officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workman's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant Contracting Officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the information required by NFS 81–50.403–70, Reporting and records requirements.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from certain space activities which malfunction. Such an event may never occur; however, should a major incident occur, millions of dollars of damage could result.

12. I find that this action will facilitate the national defense. In the remote event that the Space Transportation System, its cargo or other elements or services used in NASA's space activities malfunctioned causing damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors' and subcontractors' continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to support space activities and the Department of Defense. I note that for purposes of the Defense Production Act of 1950, the term "national defense" is defined as "programs for. . .space, and directly related activity." (50 U.S.C. App. 2152 (d))

November 5, 1989.

RICHARD H. TRULY,
Administrator.

MEMORANDUM DECISION UNDER PUBLIC LAW 85–804

Authority for National Aeronautics and Space Administration contracting officers to indemnify certain NASA contractors and subcontractors involved in providing commercial Expendable Launch Vehicle (ELV) launch services for NASA spacecraft or for activities which are carried out by NASA on behalf of the United States.

1. Prior to the Challenger accident and consistent with national policy, NASA's phase-out of our Expendable Launch Vehicle (ELV) program was near completion and most missions were transitioned to the Shuttle for launch. Up until this time, NASA had total responsibility for the design, development, fabrication, test, and launch of both Government and commercial payloads on the Scout, Delta, and Atlas-Centaur launch vehicles. The President's National Space Policy of November 2, 1989, which reaffirmed the key tenants of earlier national policy statements, directed Federal Agencies to establish a Mixed Fleet Launch Policy utilizing the unique capabilities of the Space Shuttle and ELVs to support Government launch requirements. The policy also precluded NASA from maintaining an ELV adjunct to the Space Shuttle and directed NASA to procure requisite ELV launch services directly from the private sector or through the Department of Defense. In accordance with the Deputy Administrator's Decision Memorandum #22, dated January 27, 1989, NASA will acquire launch services whenever possible directly from commercial operators.

2. Increasing need of launch services with a high degree of mission success has dictated a continuing examination of the risks in repetitive launch activities and the present availability of adequate insurance at reasonable premiums to providers of commercial expendable launch services. While commercial launch activities are designed to be safe, there exists the low statistical probability that a malfunction of either hardware, software, or operator error could occur resulting in an accident. This low probability of occurrence cannot be totally removed. In the event that such a malfunction or operator error led to an accident, the potential liability arising from such an accident could be substantially in excess of the insurance coverage NASA contractors could reasonably be expected to acquire and maintain, considering the availability, cost, and potential terms and conditions of such insurance at the present time.

3. Pursuant to the authority of Public Law 85–804 and Executive Order 10789, as amended, and notwithstanding any other provisions of the contracts to which this determination may apply, I therefore authorize that certain NASA contractors, as further defined in paragraphs 4 and 5 below, be held harmless and indemnified against certain risks as specifically set forth herein. Accordingly, and subject to the limitations hereinafter stated, cognizant NASA contracting officers are authorized to include in prime contracts, described in paragraphs 4 and 5 below, contract provisions for the indemnification of the contractors and their subcontractors at any tier, against claims or losses, as defined in paragraph 1A of Executive Order 10789, as amended, arising out of contract performance directly related to providing NASA commercial ELV launch services.

4. This authorization is limited to prime contracts which have an effective date before June 30, 1995, by or for NASA for provision of commercial ELV launch services.

5. This authorization is further limited solely to claims or losses resulting from or arising out of the use or performance of commercial launch services provided to NASA, where NASA, under its contract, maintains sufficient oversight and approval rights to assess and influence mission risk. For this purpose, the use or performance of such launch service activities begins only after such services are provided to the U.S. Government at a U.S. Government installation for or in connection with one or more ELV launches and are actually used to provide launch services for NASA or NASA-sponsored activities which are carried out by NASA on behalf of the United States. The use or performance referred to is limited to the explosion, detonation, combustion, or impact of a launch vehicle, its payloads, or a component thereof, whether or not the payload is separated from the launch vehicle.

6. The risks of which identification is authorized are the risks arising under the contracts described in paragraphs 4 and 5 which result in claims by third persons, including

employees of the contractor, for death, personal injury, or loss of, damage to, or loss of use of property; loss of, damage to, or loss of use of property of the Government. These risks are considered unusually hazardous risks solely in the sense that if, in the unlikely event, the ELV, its cargo or other elements or services used in providing NASA launch services malfunctioned causing an accident, the potential liability could be in excess of the insurance coverage that a NASA prime contractor would reasonably be expected to purchase and maintain, considering the availability, cost, and terms and conditions of such insurance. In no other sense is the provision of commercial ELV launch services for NASA spacecraft unusually hazardous.

7. a. This authorization may be applied prospectively, without additional consideration, to existing prime contracts and subcontracts and in new prime contracts and subcontracts which otherwise meet the conditions of this memorandum.

b. Indemnification of prime contractors and subcontractors may be provided under this authorization only when the Government will receive the benefit of all cost savings, if any, to the prime contractor and its subcontractors at every tier.

8. All contract indemnification clauses and procedures shall comply with applicable provisions of Federal Acquisition Regulation (FAR) Subpart 50.4 as supplemented by NASA FAR Supplement (NFS) 18-50.4

9. This authorization is given upon condition that each prime contractor maintains financial protection of such type and in such amounts as may be determined by me in writing to be appropriate under the circumstances. Each prime contractor shall provide a statement of applicable financial protection through the cognizant contracting officer for my review and determination. In making this determination, I shall take into account such factors as the availability, cost and terms of private insurance, self-insurance and other proof of financial responsibility and workmen's compensation insurance.

10. When indemnification provisions are included in a prime contract pursuant to the authority of this decision, the cognizant contracting officer shall immediately submit directly to the Contract Adjustment Board a report referencing this decision and containing the information required by NFS 18-50.403-70, Reporting and records requirements.

11. The actual or potential cost, if any, of the actions hereby authorized is impossible to estimate since it is contingent upon the remote possibility of an occurrence and extent of loss resulting from commercial launch activities which malfunction. Such an event may never occur; however, should a major incident occur, millions of dollars of damage could result.

12. I find that this action will facilitate the national defense. In the remote event that commercial ELV launch service activities provided for NASA spacecraft cause damage in excess of insurance maintained by contractors and subcontractors, the resulting excess liability could place the contractors' and subcontractors' continued existence in jeopardy, making those contractors and subcontractors unavailable to continue to provide commercial ELV launch services. I note that for purposes of the Defense Production Act of 1950, the term "national defense" is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d))

July 11, 1990.

RICHARD H. TRULY,
Administrator.

MEMORANDUM DECISION AND APPROVAL UNDER PUBLIC LAW 85-804

This is the authority and approval for a National Aeronautics and Space Administration (hereinafter referred to as NASA) contracting officer to indemnify Halliburton Environmental Technologies, Inc. (hereinafter referred to as HET), with respect to the Underground High Pressure Air Storage Facility Abandonment Project.

1. In 1973 NASA Ames Research Center (hereinafter referred to as ARC) constructed the Underground Air Storage Facility (UASF), consisting of steel oil well casings used as storage vessels for large quantities of high pressure air needed for wind tunnel testing. During operation of the UASF, two significant air leaks occurred, one in 1984, the other in 1985. The last leak, believed to be the result of corrosion in the casings, caused subsurface fracturing, commencement of an artesian flow from a deep aquifer to the surface, and expulsion to the surface of air, water, and mud nearby the site. The UASF was then decommissioned. Groundwater contamination exists in the vicinity of the UASF. Low levels of contamination exist in the shallow aquifers under ARC, characteristic of the local area. In addition, the Middlefield-Ellis-Whisman (hereinafter referred to as MEW) groundwater contaminant plume has been migrating onto ARC and threatens to reach the site of the UASF.

The UASF provides a conduit between deep and shallow aquifers, and as such, creates a possible pathway for contamination to enter the lower aquifer which is a source of drinking water for nearby communities. On April 27, 1989, the Environmental Protection Agency (EPA) notified ARC that ARC was a "Potential Responsible Party" for the MEW site contamination, pursuant to the Comprehensive Environmental Response, Compensation and Liability Act (hereinafter referred to as CERCLA). Subsequently, EPA issued a Record of Decision (hereinafter referred to as ROD) for the MEW site, which specified the remedial activities selected for the site cleanup. The ROD included the identification and sealing of any potential conduits that would allow contamination to migrate from the shallow aquifers to the deep aquifer. Allowing contaminants to pass between aquifers may constitute a violation of state and local environmental laws as well as CERCLA.

The services of HET will be employed to seal the UASF. The possibility exists that contamination may still migrate between the aquifers through the UASF even if HET seals the UASF in conformance with contract requirements. In the event that contamination of the deep aquifer does occur, the potential liability resulting from such an occurrence could be substantially in excess of the insurance coverage that HET, as a NASA prime contractor, could reasonably be expected to acquire and maintain, considering the presently available cost and terms and conditions of such insurance.

2. The result of not completely and permanently sealing the UASF is that the contaminant plume and other groundwater contaminants could migrate into the deep aquifer through the UASF site. The extent of actual or potential liability that could result from contamination of the deep aquifer is impossible to precisely estimate, since it is contingent upon the possibility of an occurrence, the extent and severity of the contamination, as well as the extent of environmental and health problems resulting from the contamination leaking through the UASF. Such an event may never occur; however, should contamination nonetheless reach the deep aquifer through the UASF, incalculable damage to public health and safety may occur while actual damage to persons, property, and the environment could total millions of dollars.

3. Based upon this assessment and pursuant to the authority of Public Law 85-804 and Executive Order 10789, as amended, and notwithstanding any other provision of Contract NAS2-13389 with HET, I hereby authorize that HET be held harmless and indemnified against hazardous risks as defined in paragraph four below. This authority permits the cognizant NASA contracting officer to include in Contract NAS2-13389 provisions for the indemnification of HET against claims or losses, as defined in Paragraph 1A of E.O. 10789, as amended, arising out of performance under Contract NAS2-13389. This authority to hold harmless and indemnify shall commence upon award of Contract NAS2-13389.

4. This authorization to indemnify is limited to claims or losses resulting from unusually hazardous risks. Unusually hazardous risks are risks of any injuries, costs, damages, expenses, or other risk resulting in liability (including claims for indemnification or contribution and claims by third parties for death, personal injury, illness, loss of or damage to property, economic loss, natural resource damages, and legal defense costs) that might arise under Federal, state, or local law, common law, or regulation, as a result of any pollutant, contaminant, or hazardous substance located on (or that may yet be placed on or migrate toward) the ARC UASF, including risk resulting in liability that may arise on account of any such pollutant, contaminant, or hazardous substance that may enter, or have already entered, any groundwater, aquifers, or underground sources of water. Except as provided below, the risk includes the risk of liability that might arise in the design, implementation, or conduct of the contractor in the performance of Contract NAS2-13389, including any modification thereto. The risk also includes claims resulting from forces beyond the control of HET and/or its subcontractors at any tier, including, but not limited to, (whether foreseeable or not) risks resulting from earthquakes, underground fractures, droughts, changes in the rate of drawdown of groundwater from the deep aquifer, failure of responsible parties to remove or remediate the sources of contamination, and the failure or refusal of the appropriate governmental agencies to issue any necessary approvals or permits. The risk includes the potential risk of claims by third parties and claims by the United States. The risk includes the risk of claims against HET, its affiliates, or against its subcontractors at any tier. The risk includes claims based on strict liability, negligence, or other sources of liability and may arise out of acts by HET or others. The risk includes claims based on design defects or manufacturing defects and claims based on defects in the design or development of the technical requirements as defined in the statement of work and other related provisions of HET's offer submitted in response to the request for proposal, amendments thereto, and any modifications to this contract.

5. The unusually hazardous risks for which indemnification is authorized are the risks arising under Contract NAS2-13389 which result in claims by third persons, including

employees of the contractor, for death, personal injury, or loss of, damage to, or loss of use of property; loss of, damage to, or loss of use of property of the contractor; loss of, damage to, or loss of use of property of the Government. The risks defined in paragraph four above are considered unusually hazardous because the potential liability resulting therefrom could be in excess of any insurance coverage that HET could be reasonably expected to purchase and maintain. In no other sense are the services provided under Contract NAS2-13389 unusually hazardous.

6. Notwithstanding any other provision in this Memorandum Decision and Approval, indemnification is not provided for any liability that is incurred by HET which is caused by the negligence, gross negligence, or intentional misconduct of HET or its subcontractors at any tier in the performance of the technical requirements of contract NAS2-13389, including any modifications thereto, with the further understanding that to the extent that HET's performance of the technical requirements is in compliance with Contract NAS2-13389, including modifications thereto, that the risk assumption for negligence, gross negligence, or willful misconduct of HET or its subcontractors at any tier shall not apply to HET or its subcontractors at any tier. This limitation on the scope of the indemnification is prescribed in terms of the technical requirements of the contract, since the unusually hazardous risks defined above related to the performance of the technical requirements.

7. The financial protection program to be maintained by HET has been reviewed. A current summary of insurance was submitted by W. Gary Goodson, General Counsel and Corporate Secretary, by letter dated March 13, 1991, and supplemented by letters dated April 5, 1991; April 9, 1991; and April 19, 1991. HET's financial protection program appears to be adequate. This decision and approval is granted on condition that HET maintains this financial protection program with one exception, environmental impairment liability insurance, to cover the Facility Abandonment activity. HET has stated that the premium for a $1 million environmental impairment liability insurance policy is $250,000 with a $100,000 deductible, with an option to purchase one additional year's coverage in the same amount and for the same premium. In my opinion, the amount of the quoted premium is excessive. Based upon the information provided by HET, I hereby authorize the indemnification of HET from the first dollar of liability that may incur arising out of HET's performance of Contract NAS2-13389.

8. Accordingly, the contracting officer is authorized to include in Contract NAS2-13389, and approve for inclusion in subcontracts thereunder, applicable provisions of the Federal Acquisition Regulation (FAR) Part 50.4, NASA FAR Supplement Part 18-50.4, and the definition of unusually hazardous risks from paragraph four above.

9. I find that this action will facilitate the national defense. HET has stated that it will not sign contract NAS2-13389 and seal the UASF unless indemnification under Public Law 85-804 is granted. If the UASF Abandonment Project is not completed expeditiously, the contaminant plume could reach the unsealed UASF and migrate to the deep aquifer. The State of California, in exercising its authority to enforce federal and state environmental laws, could revoke or refuse to renew ARC's operating permits covering, for example, hazardous material storage and hazardous waste generation if it is found that the migration of contaminants through ARC's UASF threatens the quality of the drinking water source. The suspension of operations at ARC would halt the wind tunnel experiments and other activities conducted at ARC in support of the national defense. I note that, for purposes of the Defense Production Act of 1950, the term national defense is defined as "programs for . . . space, and directly related activity." (50 U.S.C. App. 2152(d)).

June 11, 1991.

RICHARD H. TRULY,
Administrator, National Aeronautics and Space Administration.

CONTRACTORS INDEMNIFIED DURING CALENDAR YEAR 1991

Name of contractor: United Technologies Corporation, Pratt & Whitney Government Engine Business, March 29, 1991.

Affected NASA contract(s): NAS8-36801—Development of High Pressure Fuel and Oxygen Alternate Turbopump.

Name of contractor: Halliburton Environmental Technologies, Incorporated, June 11, 1991.

Affected NASA contract(s): NAS2-13389—Underground High Pressure Air Storage Facility Abandonment Project.

Name of contractor: Rockwell International Corporation, September 18, 1991.

Affected NASA contract(s): NAS8-38550—Space Shuttle Integration.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3249. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, for 2 years; to the Committee on Agriculture.

3250. A letter from the Acting Director, Federal Deposit Insurance Corporation, transmitting a list of property that is covered by the Corporation, pursuant to public Law 101-591, section 10(a)(1) (104 stat. 2939); to the Committee on Banking, Finance and Urban Affairs.

3251. A letter from the Director, Resolution Trust Corporation, transmitting a list of property that is covered by the Corporation, pursuant to Public Law 101-591, section 10(a)(1) (104 stat. 2939); to the Committee on Banking, Finance and Urban Affairs, April 7, 1992.

3252. A letter from the Secretary of Health and Human Services, transmitting a draft of proposed legislation to extend and amend the programs under the Runaway and Homeless Youth Act and the Program for Runaway and Homeless Youth under the Anti-Drug Abuse Act of 1988; to consolidate authorities for programs for runaway and homeless youth; and for other purposes; to the Committee on Education and Labor.

3253. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Toxic Substances Control Act, as amended, for 2 years; to the Committee on Energy and Commerce.

3254. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to extend the Solid Waste Disposal Act; to the Committee on Energy and Commerce.

3255. A letter from the Director, Defense Security Assistance Agency, transmitting notification of the Department of the Army's proposed Letter(s) of Offer and Acceptance [LOA] to Egypt for defense articles and services (Transmittal No. 92-19), pursuant to 22 U.S.C. 2776(b); to the Committee on Foreign Affairs.

3256. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting a copy of Presidential Determination No. 92-19, authorizing the furnishing of assistance from the Emergency Refugee and Migration Assistance Fund to meet the unexpected and urgent refugee needs of Cambodians and Burmese, pursuant to 22 U.S.C. 2601(c)(3); to the Committee on Foreign Affairs.

3257. A letter from the Assistant Secretary of State for Legislative Affairs, transmitting copies of the original report of political contributions of Lauralee M. Peters, of Virginia, to be Ambassador to the Republic of Sierra Leone, and members of her family, pursuant to 22 U.S.C. 3944(b)(2); to the Committee on Foreign Affairs.

3258. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting notification that a reward has been paid pursuant to 22 U.S.C. 2708, pursuant to 22 U.S.C. 2708; to the Committee on Foreign Affairs.

3259. A letter from the General Counsel, United States Arms Control and Disarmament Agency, transmitting copies of the English and Russian language texts of amendments III and IV to the Memorandum of Agreement Regarding the Implementation of the Verification Provisions of the Treaty between the United States of America and the Union of Soviet Socialist Republics on the Elimination of Their Intermediate-Range and Shorter-Range Missiles, also enclosed in an analysis of each amendment; to the Committee on Foreign Affairs.

3260. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report by the NASA Contract Adjustment Board on the indemnification of certain contractors and subcontractors during calendar year 1991, pursuant to 50 U.S.C. 1431-35; to the Committee on Government Operations.

3261. A letter from the Executive Vice-President, Commodity Credit Corporation, transmitting the annual report under the Federal Managers' Financial Integrity Act for fiscal year 1991, pursuant to 31 U.S.C. 3512(c)(3); to the Committee on Government Operations.

3262. A letter from the Employee Benefits Manager, Farm Credit Bank of Columbia, transmitting the Farm Credit Bank of Columbia financial statements as of August 31, 1991, pursuant to 31 U.S.C. 9503(a)(1)(B); to the Committee on Government Operations.

3263. A letter from the Secretary of the Interior, transmitting a report on proposals received under the Small Reclamation Projects Act, pursuant to 43 U.S.C. 422j; to the Committee on Interior and Insular Affairs.

3264. A letter from the Secretary of the Interior, transmitting a report on National Historic Landmarks that have been damaged or to which damage to their integrity is anticipated; to the Committee on Interior and Insular Affairs.

3265. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend title I of the Marine Protection, Research, and Sanctuaries Act, as amended, for 2 years; to the Committee on Merchant Marine and Fisheries.

3266. A letter from the Chairman, Federal Maritime Commission, transmitting the Commission's annual report for the fiscal year 1991, pursuant to 46 U.S.C. app. 1118; to the Committee on Merchant Marine and Fisheries.

3267. A letter from the Director, Office of Personnel Management, transmitting a draft of proposed legislation to delay 1993 pay increases for Federal executive branch civilian officers and employees; to the Committee on Post Office and Civil Service.

3268. A letter from the Administrator, General Services Administration, transmitting informational copies of various lease prospectuses, pursuant to 40 U.S.C. 606(a); to the Committee on Public Works and Transportation.

3269. A letter from the Assistant Secretary of the Army (Civil Works), transmitting a letter from the Chief of Engineers, Department of the Army dated March 17, 1992, submitting a report together with accompanying papers and illustrations, pursuant to section 116(h) of the Water Resources Development Act of 1990 (H. Doc. No. 102–286); to the Committee on Public Works and Transportation and ordered to be printed.

3270. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to authorize appropriations for environmental research, development, and demonstration for fiscal years 1993 and 1994; to the Committee on Science, Space, and Technology.

3271. A letter from the President and CEO, Resolution Trust Corporation, transmitting the status report for the month of February 1992 (the 1988–89 FSLIC Assistance Agreements), pursuant to 12 U.S.C. 1441a note; jointly, to the Committees on Banking, Finance and Urban Affairs and Appropriations.

3272. A letter from the Administrator, Environmental Protection Agency, transmitting a draft of proposed legislation to amend and extend the Federal Water Pollution Control Act, as amended, for 2 years; jointly, to the Committees on Public Works and Transportation and Merchant Marine and Fisheries.

3273. A letter from the Secretary of Energy, transmitting the second annual report on the programs, projects, and joint ventures supported under the act, pursuant to 42 U.S.C. 12006; jointly, to the Committees on Science, Space, and Technology and Energy and Commerce.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 4276. A bill to amend the Historic Sites, Buildings, and Antiquities Act to place certain limits on appropriations for projects not specifically authorized by law, and for other purposes. (Rept. 102–480). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 3457. A bill to amend the Wild and Scenic Rivers Act to designate certain segments of the Delaware River in Pennsylvania and New Jersey as components of the national wild and scenic rivers system; with amendments (Rept. 102–481). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. H.R. 3665. A bill to establish the Little River Canyon National Preserve in the State of Alabama; with an amendment (Rept. 102–482). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLER of California: Committee on Interior and Insular Affairs. S. 749. An act to rename and expand the boundaries of the Mound City Group National Monument in Ohio (Rept. 102–483). Referred to the Committee of the Whole House on the State of the Union.

Mr. FROST: Committee on Rules. House Resolution 420. Resolution providing for the recommittal to conference of S.3, a bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate elections, campaigns, and for other purposes (Rept. 102–484). Referred to the House Calendar.

Mr. TORRES: Committee of Conference. Conference report on H.R. 3337 (Rept. 102–485). Ordered to be printed.

Mr. ROSTENKOWSKI: Committee on Ways and Means. H.R. 3837. A bill to make certain changes to improve the administration of the Medicare Program, to reform customs overtime pay practices, to prevent the payment of Federal benefits to deceased individuals, and to require reports on employers with underfunded pension plans; with an amendment (Rept. 102–486, Pt. 1). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ROSE (for himself, Mr. Roberts, Mr. de la Garza, and Mr. Coleman of Missouri):

H.R. 4774. A bill to provide flexibility to the Secretary of Agriculture to carryout food assistance programs in certain countries; to the Committee on Agriculture.

By Mr. HAYES of Illinois (for himself, Mr. McCloskey, Mr. McNulty, Mr. Horton, Ms. Norton, Mr. Gilman, Mr. Ackerman, and Mr. Clay):

H.R. 4775. A bill to promote occupational safety and health with respect to employees of the U.S. Postal Service; to the Committee on Post Office and Civil Service.

By Mr. SCHUMER:

H.R. 4776. A bill to amend the Contract Services for Drug Dependent Federal Offenders Act of 1978 to provide additional authorizations of appropriations; to the Committee on the Judiciary.

By Mr. ANDREWS of Texas:

H.R. 4777. A bill to suspend until January 1, 1995, the duty on 3,5-Dichloro-N-(1,1-dimethyl-2-propynyl)benzamide and on mixtures of 3,5-Dichloro-N(1,1-dimethyl-2-propynyl)benzamide with application adjuvants; to the Committee on Ways and Means.

By Mr. ARMEY:

H.R. 4778. A bill to provide that rates of pay for Members of Congress may not be increased unless the Federal budget is in balance; to the Committee on House Administration.

By Mr. AuCOIN (for himself, Mr. Frank of Massachusetts, Mrs. Unsoeld, Mr. Coleman of Texas, Mr. Pickle, Mr. Rogers, Mr. Spence, Mr. Klug, Mr. Bonior, Mr. Peterson of Minnesota, Mr. de Lugo, Mr. Towns, Mr. Huckaby, Mr. McCandless, Mr. Atkins, Mr. Neal of Massachusetts, Mr. Kolter, Mr. Zeliff, Mr. Hochbrueckner, Mr. Levine of California, Mr. Mollohan, Mr. Hall of Ohio, Mrs. Lloyd, Mr. Cramer, Mr. Weldon, Mr. DeFazio, Mr. Espy, Mr. Lipinski, Mr. Gilman, Mr. Jefferson, Mr. Kennedy and Mr. Sarpalius):

H.R. 4779. A bill to amend title 38, United States Code, to allow the Department of Veterans Affairs to recover from another department or agency of the United States the cost of providing health-care to veterans for non-service-connected disabilities in the case of veterans who are also beneficiaries of that department or agency; to the Committee on Veterans' Affairs.

By Mr. DORGAN of North Dakota:

H.R. 4780. A bill to suspend until January 1, 1995, the duty on Malathion; to the Committee on Ways and Means.

By Mr. DWYER of New Jersey:

H.R. 4781. A bill to suspend until January 1, 1995, the duty on 4-Picolylchoride Hcl, 2H-indol-2-one, 1,3-dihydro-1-phenyl-3-(4-pyridinylmethylene), Linopirdine (active), 3,3-bis(4-pyridinylmethyl)-1,3-dihydro-1-phenyl-2H-indole-2-one, and AVIVA (tablet formulation); to the Committee on Ways and Means.

H.R. 4782. A bill to suspend until January 1, 1995, the duty on 4-Picolylchoride Hcl, 2H-indol-2-one, 1,3-dihydro-1-phenyl-3-(4-pyridinylmethylene), Linopirdine (active), 3,3-bis(4-pyridinylmethyl)-1,3-dihydro-1-phenyl-2H-indole-2-one, and AVIVA (tablet formulation); to the Committee on Ways and Means.

H.R. 4783. A bill to suspend until January 1, 1995, the duty on 4-Picolylchoride Hcl, 2H-indol-2-one, 1,3-dihydro-1-phenyl-3-(4-pyridinylmethylene), Linopirdine (active), 3,3-bis(4-pyridinylmethyl)-1,3-dihydro-1-phenyl-2H-indole-2-one, and AVIVA (tablet formulation); to the Committee on Ways and Means.

By Mr. GLICKMAN:

H.R. 4784. A bill entitled the "Department of Agriculture Reorganization Act of 1992"; to the Committee on Agriculture.

By Mr. GUNDERSON:

H.R. 4785. A bill to amend the Solid Waste Disposal Act to define the term "yard waste"; to the Committee on Energy and Commerce.

By Mr. HANSEN:

H.R. 4786. A bill to designate the facility of the U.S. Postal Service located at 20 South Main in Beaver City, UT, as the "Abe Murdock United States Post Office Building"; to the Committee on Post Office and Civil Service.

By Mr. HENRY:

H.R. 4787. A bill to amend the Internal Revenue Code of 1986 to permit penalty-free withdrawals from individual retirement accounts for purposes of starting a new business; to the Committee on Ways and Means.

By Mr. HOYER (for himself and Mr. McMillen of Maryland):

H.R. 4788. A bill to require the District of Columbia to close the Cedar Knoll Facility by January 1, 1993; to the Committee on the District of Columbia.

By Mr. MARKEY (for himself, Mr. Bryant, and Mr. Cooper):

H.R. 4789. A bill to amend the Communications Act of 1934 to require the Federal Communications Commission to establish and enforce telecommunications network reliability standards, and for other purposes; to the Committee on Energy and Commerce.

By Mr. McDERMOTT (for himself and Mrs. Unsoeld):

H.R. 4790. A bill to amend the Internal Revenue Code of 1986 to clarify the exemption from the unrelated business income tax of income from the use of the name or logo of sponsors of agricultural fairs, community celebrations, festivals, art events, and expositions and from the sale of the rights to broadcast events thereof; to the Committee on Ways and Means.

By Mr. MCGRATH:

H.R. 4791. A bill to provide for a temporary suspension of duty for certain glass articles; to the Committee on Ways and Means.

By Mrs. MINK (for herself and Mr. Abercrombie):

H.R. 4792. A bill to amend the Earthquake Hazards Reduction Act of 1977 to encourage implementation of research results, to protect life and property, and to facilitate the provision of insurance against the risk of catastrophic earthquakes and volcanic eruptions, and for other purposes; jointly, to the Committees on Science, Space, and Technology and Banking, Finance and Urban Affairs.

By Mr. PAXON:

H.R. 4793. A bill to amend part A of title IV of the Social Security Act and title XIX of such act to discourage persons from moving to a State to obtain greater amounts of aid to families with dependent children or additional medical assistance under State Medicaid plans; jointly, to the Committees on Ways and Means and Energy and Commerce.

By Mr. PORTER:

H.R. 4794. A bill to amend the Congressional Budget and Impoundment Control Act of 1974 to require each item of appropriation in an appropriation measure to be enrolled separately for presentment to the President; jointly, to the Committee on Rules and House Administrations.

By Mr. RAMSTAD:

H.R. 4795. A bill to suspend until January 1, 1995, the duty on certain internally lighted ceramic and porcelain miniatures of cottages, houses, churches, and other buildings, and associated accessories and figurines; to the Committee on Ways and Means.

By Mr. REED:

H.R. 4796. A bill to suspend until January 1, 1995, the duty on certain photo-active compounds used in the manufacture of photo-resistant chemicals; to the Committee on Ways and Means.

By Mr. SCHUMER:

H.R. 4797. A bill to direct the U.S. Sentencing Commission to make sentencing guidelines for Federal criminal cases that provide sentencing enhancements for hate crimes; to the Committee on the Judiciary.

By Ms. SLAUGHTER:

H.R. 4798. A bill relating to the tariff treatment of certain footwear; to the Committee on Ways and Means.

By Mr. SWIFT:

H.R. 4799. A bill relating to customs fees charged with respect to certain commercial truck arrivals in Whatcom County, WA; to the Committee on Ways and Means.

By Mr. THOMAS of California:

H.R. 4800. A bill to extend until January 1, 1995, the existing suspension of duty on certain yttrium bearing materials and compounds; to the Committee on Ways and Means.

By Mr. VENTO (by request):

H.R. 4801. A bill to amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund; to the Committee on Interior and Insular Affairs.

By Mr. ANDERSON (for himself, Mr. Dornan of California, Mr. Duncan, Mr. Espy, Mr. Ford of Tennessee, Mr. Frost, Mr. Gordon, Mr. Harris, Mr. Horton, Mr. McMillen of Maryland, Mr. Martinez, Mr., Montgomery, Mr. Quillen, Mr. Roybal, Mr. Sundquist, Mr. Whitten, and Mr. Bliley):

H.J. Res. 461. Joint resolution designating January 8, 1993, as "Elvis Presley Day"; to the Committee on Post Office and Civil Service.

By Mr. ARMEY:

H.J. Res. 462. Joint resolution proposing an amendment to the Constitution of the United States limiting the number of consecutive terms for Members of the House of Representatives and the Senate; to the Committee on the Judiciary.

By Mr. MOODY:

H.J. Res. 463. Joint resolution designating the week beginning March 21, 1993, as "National Endometriosis Awareness Week"; to the Committee on Post Office and Civil Service.

By Mr. WEISS:

H.J. Res. 464. Joint resolution supporting the restoration of democratic government in Peru; to the Committee on Foreign Affairs.

By Mrs. MEYERS of Kansas (for herself, Mr. Broomfield, and Mr. Gilman):

H. Con. Res. 305. Concurrent resolution commending the people of Albania for their successful democratic election, urging the acceleration of market reforms in Albania, urging the President to expedite the negotiation of a commercial agreement with Albania, and urging an increase of aid to Albania; to the Committee on Foreign Affairs.

By Mr. ARMEY:

H. Res. 421. Resolution amending the Rules of the House of Representatives to reform the legislative process; to the Committee on Rules.

By Mr. GILMAN (for himself, Mr. Hall of Ohio, Mr. Emerson, Mr. Burton of Indiana, Mr. Dorgan of North Dakota, Mr. Bereuter, Mr. Wheat, Mr. Weiss, Mr. Gilchrest, and Mr. Hastert):

H. Res. 422. Resolution concerning the crisis in Somalia; to the Committee on Foreign Affairs.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

360. By the Speaker: Memorial of the Senate of the Commonwealth of Virginia, relative to physical desecration of the American flag; to the Committee on the Judiciary.

361. Also, memorial of the Senate of the Commonwealth of Virginia, relative to combined sewer overflow control; to the Committee on Public Works and Transportation.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. JONES of North Carolina introduced a bill (H.R. 4802) to authorize issuance of a certificate of documentation for employment in the coastwise trade of the United States for the vessel *Mariposa*; to the Committee on Merchant Marine and Fisheries.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsores were added to public bills and resolutions as follows:

H.R. 25: Mr. Blackwell, Mr. Carr, Mr. Peterson of Florida, and Mr. Synar.

H.R. 74: Mr. Machtley.

H.R. 104: Mr. Ritter.

H.R. 187: Mr. Studds, Mr. Solarz, Ms. DeLauro, and Mr. Blackwell.

H.R. 261: Mr. Kennedy and Mr. Sanders.

H.R. 299: Mr. Johnson of Texas.

H.R. 323: Mr. Fascell, Mr. Bacchus, and Mr. Johnston of Florida.

H.R. 330: Mr. Conyers.

H.R. 501: Mr. Borski, Mr. Fazio Mr. Markey, Mr. Martinez, Mr. Stark, Mr. Waxman, Mr. Pastor, Mr. Jontz, and Mr. Colorado.

H.R. 544: Mr. Engel.

H.R. 682: Mr. Lipinski, Mr. McCandless, and Mr. Zeliff.

H.R. 722: Mr. Lewis of Georgia and Mr. Gejdenson.

H.R. 723: Mr. Lewis of Georgia, Mr. Gejdenson, and Mrs. Vucanovich.

H.R. 780: Mr. AuCoin and Mr. Machtley.

H.R. 827: Mr. Kolter.

H.R. 840: Mr. Ford of Tennessee, Mr. Anthony, Mr. Thomas of Georgia, Mr. Hochbrueckner, Mr. Matsui, Mr. Edwards of Oklahoma, Mr. Roybal, Mr. Stallings, Mr. McDermott, and Mr. Shays.

H.R. 911: Mr. Dorgan of North Dakota, Mr. Cox of Illinois, Mr. Stark, Mr. Geren of Texas, and Mr. Pursell.

H.R. 1156: Mr. Lowery of California, Mr. Gallegly, Mr. Kolbe, and Mr. Upton.

H.R. 1188: Mrs. Vucanovich, Mr. Huckaby, Mr. Sensenbrenner, and Mr. Williams.

H.R. 1251: Mr. Cardin and Mr. Engel.

H.R. 1252: Mr. Engel.

H.R. 1253: Mr. Engel.

H.R. 1389: Mr. Sikorski.

H.R. 1414: Mr. Edwards of Oklahoma.

H.R. 1472: Mr. Allen and Mr. Gilman.

H.R. 1479: Mr. Taylor of North Carolina and Mr. Spence.

H.R. 1497: Mr. Hutto, Mr. McGrath, Mr. Coleman of Texas, Mr. Laughlin, and Mr. Johnson of Texas.

H.R. 1516: Mr. Gekas, Mr. Baker, and Mr. Holloway.

H.R. 1522: Mr. Andrews of New Jersey.

H.R. 1703: Mr. Campbell of California.

H.R. 1771: Mr. Darden, Mr. DeFazio, Mr. Dymally, Mr. Flake, Mr. Gallegly, Mr. Wilson, and Mr. Young of Alaska.

H.R. 1774: Mr. Schiff.

H.R. 1790: Mr. Gaydos.

H.R. 1860: Mr. Barrett, Mr. Hoagland, and Mr. Ray.

H.R. 1969: Ms. Norton and Mrs. Lowey of New York.

H.R. 2063: Mrs. Schroeder, Mr. Grandy, and Mr. Hobson.

H.R. 2492: Mr. Hughes.

H.R. 2717: Mr. Engel.

H.R. 2880: Mr. Dicks.

H.R. 3082: Mr. Jefferson, Mr. Levine of California, Mr. Jones of North Carolina, Mr. Blaz, and Mr. Dixon.

H.R. 3258: Mr. Andrews of New Jersey, Mrs. Meyers of Kansas, Mr. Guarini, Mr. Sanders, Mr. Kopetski, Mr. Jefferson, and Mr. Kolter.

H.R. 3344: Mr. Swett.

H.R. 3438: Mr. Gordon.

H.R. 3439: Mr. Gordon.

H.R. 3440: Mr. Gordon.

H.R. 3441: Mr. Smith of Oregon and Mr. Gordon.

H.R. 3442: Mr. Gordon.

H.R. 3459: Mr. Sanders.

H.R. 3464: Mr. Holloway, Mr. Taylor of North Carolina, and Mr. Gunderson.

H.R. 3475: Mr. Berman.

H.R. 3476: Mr. Martinez, Mr. Berman, and Mr. Weiss.

H.R. 3517: Ms. PELOSI, Mr. SERRANO, Mr. MARKEY, Mr. KOPETSKI, Mr. FOGLIETTA, and Mr. LIPINSKI.

H.R. 3552: Mr. MATSUI.

H.R. 3599: Mr. FRANKS of Connecticut.

H.R. 3603: Mr. FEIGHAN, Mr. PETERSON of Minnesota, Mr. HOCHBRUECKNER, Mr. WILSON, Mr. BROWN, Mr. RAVENEL, Ms. NORTON, Mrs. BOXER, Mr. JONES of Georgia, Mr. MCCLOSKEY, Mr. ANDREWS of Maine, Mr. OBERSTAR, Mr. MARKEY, and Mr. ENGEL.

H.R. 3636: Ms. KAPTUR, Mr. KLUG, Mr. DONNELLY, Mr. COLEMAN of Texas, Mr. VISCLOSKY, Mr. PICKLE, Mr. ROSE, and Mr. FROST.

H.R. 3801: Mr. PERKINS.

H.R. 3812: Mr. WELDON.

H.R. 3841: Mr. HAMMERSCHMIDT, Mr. HAYES of Louisiana, Mr. SWETT, Mr. SOLOMON, Mr. LEWIS of Florida, and Mr. JEFFERSON.

H.R. 3918: Mr. ECKART, Mr. SIKORSKI, AND Mr. MORAN.

H.R. 3956: Mr. MACHTLEY, Ms. NORTON, Ms. KAPTUR, Mr. JONTZ, and Mr. DIXON.

H.R. 3986: Mr. TRAXLER.

H.R. 3989: Mr. BILIRAKIS and Mr. DIXON.

H.R. 3992: Mr. FRANK of Massachusetts, Mr. BILIRAKIS, and Mr. DIXON.

H.R. 4034: Mr. BACCHUS and Mr. JONTZ.

H.R. 4051: Mr. GEKAS.

H.R. 4076: Mr. RICHARDSON.

H.R. 4083: Mr. SCHEUER, Mr. LEWIS of Florida, Mr. ACKERMAN, Mr. HOAGLAND, Mr. CAMPBELL of Colorado and Mr. BARTON of Texas.

H.R. 4093: Mrs. VUCANOVICH.

H.R. 4100: Mr. HEFNER, Mr. MCNULTY, Mr. MFUME, and Mr. ZELIFF.

H.R. 4104: Mr. ATKINS, Mr. DREIER of California and Mr. SOLOMON.

H.R. 4178: Mr. STUDDS, Ms. KAPTUR, Mr. SANDERS, and Mr. WEISS.

H.R. 4206: Mr. RAHALL and Mr. DIXON.

H.R. 4207: Mr. BEREUTER and Mr. SARPALIUS.

H.R. 4227: Mr. BROWN, Mr. OLVER, Mr. ROYBAL, Mr. KOSTMAYER, Mr. FRANK of Massachusetts, Mr. SANDERS, Mr. OWENS of New York, Mr. DEFAZIO, and Mr. PENNY.

H.R. 4234: Mr. EMERSON.

H.R. 4243: Mr. MARTINEZ.

H.R. 4268: Mr. FRANKS of Connecticut and Mr. DREIER of California.

H.R. 4271: Mr. ABERCROMBIE, Mr. OWENS of New York, and Mr. KOSTMAYER.

H.R. 4276: Mr. HOAGLAND.

H.R. 4279: Mr. MCCLOSKEY, Mr. OLIN, Mr. POSHARD, Mr. GILLMOR, and Mr. ANTHONY.

H.R. 4312: Mr. NORTON, Mr. SCHUMER, Mr. OLIN, Mr. RANGEL, Mrs. COLLINS of Michigan, and Mr. FLAKE.

H.R. 4329: Mrs. LOWEY of New York, Mr. BEILENSON, and Mrs. MEYERS of Kansas.

H.R. 4341: Mr. FRANKS of Connecticut.

H.R. 4361: Mr. JEFFERSON.

H.R. 4414: Mr. MCDERMOTT, Mr. WISE, and Mr. JACOBS.

H.R. 4418: Mr. EMERSON, Mr. CRANE, Mr. TANNER, Mr. TOWNS, Mr. SANDERS, Mr. OWENS of New York, Mr. COX of California, Mr. COSTELLO, Mr. HUGHES, and Mr. ZELIFF.

H.R. 4427: Mr. ATKINS and Mr. TOWNS.

H.R. 4430: Mr. SAXTON and Mr. LIVINGSTON.

H.R. 4473: Mr. STARK, Mr. WISE, and Mr. PENNY.

H.R. 4490: Ms. NORTON.

H.R. 4504: Mr. ZIMMER and Mr. MANTON.

H.R. 4530: Mr. MORAN, Mr. PAXON, Mr. MCCLOSKEY, Mr. JONTZ, and Mr. TRAFICANT.

H.R. 4553: Mr. ABERCROMBIE.

H.R. 4572: Ms. KAPTUR.

H.R. 4599: Mr. STOKES, Mrs. LOWEY of New York, and Mr. STARK.

H.R. 4611: Mr. PACKARD, Mr. GOSS, Mr. ROHRABACHER, Mr. LEWIS of Florida, Mr. PAXON, Mr. ZELIFF, Mr. BOEHNER, Mr. ZIMMER, Mr. KOLBE, Mr. PETRI, and Mr. KLUG.

H.R. 4613: Mr. HYDE.

H.R. 4617: Mr. ROHRABACHER, Mr. GOSS, and Mr. CONDIT.

H.R. 4754: Mr. GEREN of Texas.

H.J. Res. 27: Mr. HEFNER.

H.J. Res. 107: Mr. SAXTON.

H.J. Res. 244: Mr. CAMP, Mr. MATSUI, Mr. NATCHER, Mr. ANDREWS of New Jersey, Mr. SOLARZ, Mrs. MEYERS of Kansas, Ms. MOLINARI, Mrs. MINK, Mr. WOLPE, and Mr. MCDADE.

H.J. Res. 271: Mr. SPRATT, Mr. HAYES of Illinois, Mr. TOWNS, Ms. HORN, and Mr. ACKERMAN.

H.J. Res. 351: Mr. KENNEDY and Mr. FOGLIETTA.

H.J. Res. 378: Mr. ANNUNZIO and Mr. FAZIO.

H.J. Res. 388: Mr. SERRANO, Mr. ANDREWS of Texas, Mr. RAMSTAD, Mr. BUSTAMANTE, Mr. POSHARD, Mr. NATCHER, Mr. DICKS, Ms. PELOSI, Mr. PETERSON of Minnesota, Mr. BILBRAY, Mr. SAXTON, Mr. WOLF, Mr. DUNCAN, Mr. MILLER of California, and Ms. HORN.

H.J. Res. 396: Mr. GEPHARDT and Mrs. KENNELLY.

H.J. Res. 399: Mr. QUILLEN, Mr. TRAXLER, and Mr. MATSUI.

H.J. Res. 411: Mr. BLILEY, Mr. BOUCHER, Mrs. BOXER, Mr. DIXON, and Mr. BLAZ.

H.J. Res. 425: Mr. SKELTON, Mr. FRANK of Massachusetts, Mr. CLEMENT, Mr. HUCKABY, Mr. SUNDQUIST, Mr. TANNER, Mr. MCCLOSKEY, Mr. HOLLOWAY, Mr. UPTON, Mr. STUDDS, Mr. MOORHEAD, Mr. RICHARDSON, Mr. FIELDS, Mr. OXLEY, Mr. WYDEN, Mr. LENT, Mr. STENHOLM, Mr. JONES of Georgia, Mr. TORRES, Mr. CAMPBELL of Colorado, and Mr. SARPALIUS.

H.J. Res. 433: Mrs. MEYERS of Kansas, Mr. BENNETT, Mr. FAZIO, Mr. GEKAS, Mr. QUILLEN, Mr. LAGOMARSINO, Mr. RAY, Mr. FOGLIETTA, Mr. EMERSON, Mr. FLAKE, Mrs. MORELLA, Mr. CRAMER, Mr. MANTON, Mr. DIXON, Mr. SERRANO, Mr. PAXON, and Mr. BLILEY.

H.J. Res. 440: Mrs. BOXER, Mr. DELLUMS, Mr. DIXON, Mr. ESPY, Mr. EVANS, Mr. FAZIO, Mr. FORD of Tennessee, Mr. FRANK of Massachusetts, Mr. GONZALEZ, Mr. HOCHBRUECKNER, Mr. KOSTMAYER, Mr. MACHTLEY, Mr. MOODY, Mr. NEAL of Massachusetts, Ms. NORTON, Mr. OBERSTAR, Mr. OWENS of New York, Mr. PAYNE of New Jersey, Mr. PETERSON of Florida, Mr. PICKLE, Mr. POSHARD, Mr. SANDERS, Mr. SIKORSKI, Mr. TORRES, Mr. TRAFICANT, Mr. TRAXLER, Mr. VENTO, and Mr. WEISS.

H.J. Res. 442: Mr. SHAW, Mr. EMERSON, Mrs. ROUKEMA, Mr. GUARINI, Mr. MATSUI, Mr. LEVIN of Michigan, Mr. RANGEL, Mr. ALEXANDER, Mr. ANDREWS of Maine, Mr. BLILEY, Mr. TRAXLER, and Mr. WEISS.

H.J. Res. 444: Mr. HUGHES, Mr. BEVILL, Mr. ABERCROMBIE, Mr. ESPY, Mr. INHOFE, Mr. WOLF, Mr. ERDREICH, Mr. LEHMAN of Florida, Mr. MCMILLAN of North Carolina, Mr. MATSUI, Ms. SLAUGHTER, Mr. MCNULTY, Mr. MCDERMOTT, Mrs. LLOYD, Mr. DEFAZIO, Mr. KOPETSKI, Mr. SOLARZ, Mr. WALSH, Mr. RINALDO, Mr. POSHARD, Mr. WEISS, Mr. FALEOMAVAEGA, Mr. LAGOMARSINO, Mr. LIPINSKI, Mr. LAFALCE, Mr. ROE, Mr. LEVIN of Michigan, Mr. RANGEL, Mr. TALLON, Mr. ALEXANDER, Mr. FAZIO, Ms. HORN, Mr. TRAXLER, and Mr. SMITH of New Jersey.

H.J. Res 459: Mr. LAFALCE, Mr. MACHTLEY, Mr. WALSH, Mr. BLILEY, Mr. DEFAZIO, Mr. RANGEL, Mr. SPRATT, Mr. MCNULTY, Mr. TRAXLER, Mr. DWYER of New Jersey, Mr. SHAYS, Mr. JEFFERSON, Mrs. JOHNSON of Connecticut, and Mrs. LOWEY of New York.

H. Con. Res. 89: Mr. ENGEL.

H. Con. Res. 180: Mr. MCMILLEN of Maryland, Mr. TORRES, and Mr. DIXON.

H. Con. Res. 224: Mr. MANTON and Mr. CARPER.

H. Con. Res. 246: Mr. STUDDS, Ms. SLAUGHTER, Mr. ATKINS, Mr. MILLER of California, Mr. SERRANO, Mr. DARDEN, Mr. BLACKWELL, Mr. MINETA, Mr. FAZIO, and Mr. FOGLIETTA.

H. Con. Res. 248: Mrs. MORELLA and Mr. STARK.

H. Con. Res. 282: Mr. ZELIFF, Mr. TRAFICANT, Mr. GEJDENSON, Mr. OLVER, Mr. BARNARD, Mr. MCCLOSKEY, Mr. LENT, Mr. WYDEN, Mr. KOSTMAYER, Mr. MCMILLEN of Maryland, Mr. ANDREWS of Maine, Mr. MCGRATH, Mr. HUGHES, Mr. BERMAN, Mr. MACHTLEY, Mr. STUDDS, Mr. KOPETSKI, Mr. SWETT, Mr. MARKEY, Mr. SCHEUER, Mr. YATRON, Mrs. JOHNSON of Connecticut, Mr. JONES of North Carolina, Mr. ACKERMAN, Mr. WALSH, Mr. DOWNEY, Mr. LIPINSKI, Mr. DEFAZIO, Mr. QUILLEN, Ms. KAPTUR, Mrs. MORELLA, Mrs. SCHROEDER, Mr. KILDEE, Mr. WELDON, Mr. POSHARD, Mr. VENTO, Ms. SLAUGHTER, Mr. FOGLIETTA, Mr. ROE, Mr. BROWN, Mrs. BYRON, Mr. MFUME, Mr. ECKART, Mrs. KENNELLY, Mr. GILCHREST, Mr. ATKINS, Ms. HORN, Mr. ROTH, Mr. CHANDLER, Mr. SAXTON, Mr. ESPY, Mr. CARDIN, Mrs. UNSOELD, Mr. SHAYS, Mr. LEVIN of Michigan, Mr. BORSKI, Mr. TRAXLER, Mr. MARTIN, Mr. BOEHLERT, Mr. MILLER of Washington, Mr. RINALDO, Mr. KANJORSKI, Mr. MANTON, Mr. SANDERS, Mr. CAMPBELL of Colorado, Mr. JOHNSON of South Dakota, Mr. ENGEL, Mr. SCHUMER; Mr. HOCHBRUECKNER, Mr. VANDER JAGT, Mr. EVANS, Mr. WOLPE, Mr. OWENS of New York, Mr. MCDERMOTT, Mr. SERRANO, and Mr. OXLEY.

H. Con. Res. 285: Mr. HANCOCK, Mr. HEFLEY, and Mrs. MEYERS of Kansas.

H. Res. 153: Mr. JONES of North Carolina.

H. Res. 234: Ms. OAKAR.

H. Res. 237: Mr. WILSON.

H. Res. 321: Mr. LIPINSKI and Mr. BEILENSON.

H. Res. 332: Mr. GILCHREST.

H. Res. 347: Mr. GILCHREST.

H. Res. 359: Mr. MARTINEZ, Mr. MATSUI, and Mr. DIXON.

H. Res. 372: Mr. JEFFERSON, Mr. GLICKMAN, Mr. CARDIN, and Mr. MARTINEZ.

H. Res. 384: Mr. RANGEL and Mr. PAXON.

H. Res. 385: Mr. LIVINGSTON, Mr. DORNAN of California, Mr. BATEMAN, and Mr. NICHOLS.

SENATE—*Tuesday, April 7, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 9 a.m., on the expiration of the recess, and was called to order by the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

Eternal God, Lord of Heaven and Earth, in these emotionally explosive days when there is so much anger, so much misunderstanding, so much frustration, we are grateful for the words of the psalmist:

*O Lord, thou hast searched me, and known me. Thou knowest my downsitting and mine uprising, thou understandest my thought afar off. Thou compassest my path and my lying down, and art acquainted with all my ways. For there is not a word in my tongue, but, lo, O Lord, thou knowest it altogether. * * * How precious also are thy thoughts unto me, O God! how great is the sum of them! If I should count them, they are more in number than the sand: when I awake, I am still with thee.*—Psalm 139:1–4, 17–18.

God of the macrocosm and the microcosm, help us understand that to be without a God reference, a transcendent reality in our lives, we are like a compass without a magnetic north—disoriented, undirected, frustrated.

In His name who is the Way, the Truth, and the Life. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 7, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable J. ROBERT KERREY, a Senator from the State of Nebraska, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. KERREY thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order the leadership time is reserved.

U.N. CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

The ACTING PRESIDENT pro tempore. Under the previous order the Senate will now proceed to the consideration of Senate Concurrent Resolution 89, which the clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 89) to express the sense of the Congress concerning the United Nations Conference on Environment and Development.

The Senate proceeded to consider the concurrent resolution, which had been reported from the Committee on Foreign Relations, with amendments, as follows:

S. CON. RES. 89

Whereas the health and stability of the environment of the Earth are threatened by global climatic change, depletion of the ozone layer, deforestation, the loss of biological diversity, increasing population, disposal of hazardous chemicals, marine pollution, the depletion and contamination of fresh water supplies, and other international environmental problems;

Whereas it is in the interest of the citizens of all nations to encourage environmentally sustainable development policies that allow for the preservation and renewal of natural resources;

Whereas the maintenance of global environmental health requires increased cooperation among nations, including new agreements and policies designed for the achievement of such maintenance;

Whereas the United Nations Conference on Environment and Development (hereinafter referred to as U.N.C.E.D.) will convene in June of 1992 in Rio de Janeiro, Brazil;

Whereas June 1992 is also the 20th anniversary of the United Nations Conference on the Human Environment, held in Stockholm, Sweden, in June 1972;

Whereas U.N.C.E.D. will provide a rare and important opportunity to make progress towards global environmental protection and sustainable development;

Whereas this Nation has sufficient power and influence to play a major role in determining the success or failure of U.N.C.E.D.;

Whereas the well-being of present and future generations of this Nation depends on the preservation of a healthy and stable world environment; and

Whereas World Environment Day will be observed during the United Nations Conference on Environment and Development: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(a) the President should:

(1) play a strong and active role in cooperating with other governments to prepare for a successful United Nations Conference on Environment and Development (hereinafter referred to as U.N.C.E.D.);

(2) seek to developing specific and effective international agreements to enhance global environmental protection and encourage the use of sustainable development practices for signature at U.N.C.E.D.;

(3) support an international convention to reduce the threat of global climatic change;

(4) support the development of a global strategy and action plan to conserve the biological diversity of plant and animal species;

(5) support principles of forestry that reduce the rate of global deforestation, increase worldwide forest cover, and provide for the international protection, growth, and sustainable use of mature forests;

(6) support policies and agreements aimed at encouraging the development of renewable sources energy and energy-efficient technology and give priority to developing more efficient transportation systems;

(7) support the implementation of the Montreal Guidelines for Protection of Marine Environment Against Pollution from Land-Based Sources;

(8) support national and international programs to ensure the efficient and equitable use of fresh water resources and give priority to the promotion of water conservation and demand management programs;

(9) support the acceleration of international efforts to reduce the emission of chemicals that deplete the ozone layer and ultimately phase out the use of such chemicals;

(10) support efforts to strengthen the Basel Convention on the Control of Transboundary Shipments of Hazardous Wastes and Their Disposal (as offered for signature on March 23, 1991);

(11) support measures for financing U.N.C.E.D. agenda initiatives that integrate environmental projects and considerations with comprehensive developmental goals and meet the concerns of developing countries;

(12) support new multilateral measures to provide assistance for global environmental protection activities (including appropriate grants, loans, technical assistance, training, and scientific research activities) in developing countries;

(13) support a process for consultation, on an international basis, that would bring together appropriate governmental officials and officials of multinational institutions for the purpose of identifying methods of conserving natural resources and reducing the debt burden of developing countries;

(14) support initiatives to strengthen the ability of the United Nations and agencies of such organization to assist the world community in developing and implementing agreements that serve the goals of U.N.C.E.D;

(15) support the development of a reform system of national accounting that reflects full environmental costs;

(16) support the international recognition of the right of the general public to be informed of, and participate in, decision making that affects the environment and the use of natural resources; and

(17) issue a proclamation recognizing June 5, 1992 as "World Environment Day" and calling on the people of the United States to observe the day with appropriate ceremonies and activities.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

(b) the President should not support any action or undertake any commitment pursuant to section (a) which he believes would have an adverse effect on the competitiveness of American industry or that would result in a net long-term loss of American jobs.

Mr. WALLOP. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WALLOP. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WALLOP. Mr. President, in June the U.N. Earth summit will convene in Brazil. So much has been said on the climate change negotiations that we have lost sight of the fact that the Earth summit is the principal conference.

UNCED is an international political conference aimed at formulating a set of principles on sustainable economic development. The concept of sustainable development is finding the means to raise the standard of living of rich and poor nations alike consistent with a set of principles on international environmental issues.

The UNCED negotiation was to be completed by now. However, last week in New York the approximately 150 member nations of the United Nations have been unable to reach agreement on just the nonbinding principles. So, the June conference which was to ratify all completed documents appears to be in a state of chaos at the moment.

In a separate track, Mr. President, I might note that the state of chaos is not, as some would have it, the fault of the United States. This is a chaos that has developed amongst the disagreements between the so-called Third World countries, the poverty nations, the emerging economic nations, and the economic nations. There is not a consensus on the economic principles, so that one might be cautious in saying that, one, the real summit is nothing but an environmental summit because it is principally an economic summit.

On a separate track the Intergovernmental Negotiating Committee established by the U.N. General Assembly is negotiating a climate convention. I emphasize again, on a separate track.

The INC negotiations on climate change is a legal process which is intended to produce a legally binding treaty. For some time the scientific community has warned of the potential for human induced global climate change. In the 1970's their concern was for global cooling, with the 1980's the scientific community expressed concern for man's potential to induce global warming. Through both Government and nongovernment activities, the United States has invested heavily in scientific research to understand the climate change phenomenon and its consequences.

Sound science, not science driven by a political agenda, must provide the cornerstone for a sound response to the potential for climate change. Through the IPCC process a consensus has been reached by a broad range of scientists on the state of current knowledge. However, precise evaluations of the impacts of climate change are not likely to be available until after the turn of the century.

Perhaps the most distressing aspect of the negotiations on global climate change is the assumption that the so-called greenhouse effect is a scientifically verified phenomenon which will devastate the Earth over the next 100 years. Many scientists have questioned the hysteria being generated by some organizations about global warming. Many may recall that alarms were sounded back in the late seventies about the new ice age which would result from carbon dioxide buildup in the atmosphere. That theory was quickly discredited, so now we have the global warming alarm which is also based on incomplete evidence.

The Chair may recall that in 1979, the winter was so cold, the Nation was running short of natural gas, and that the National Academy of Sciences issued a statement to say that it is far from premature to predict the coming of the new ice age.

While the best estimates by scientists is that increased concentrations of greenhouse gases are likely to cause changes in atmospheric and oceanic temperatures and circulation, the scientific community cannot yet establish that such changes have already occurred. Scientists also cannot provide with much certainty the rate and regional details of such changes. The potential impacts of such changes are likely to vary considerably, with particular risks for drought-prone areas, agriculture, coastal zones and natural ecosystems. But despite these uncertainties, other countries are asking us to commit to stabilization of carbon dioxide. Yet many of them consider it an intrusion on their sovereignty if we were to ask for similar commitments from their country.

When the INC process began it was envisioned that the treaty would be on climate change and would consider all greenhouse gases, such as carbon dioxide, methane, ozone, and CFC's. Yet now we are being informed that the proposal is to treat only CO_2. What started out as a treaty on an environmental issue is now an attempt by developing countries to dictate the energy policies of developed nations.

Even if the climate change treaty were to be limited to carbon dioxide, it would not apply—I will say again, it would not to the developing countries. By the year 2025, the contributions of different countries will shift from the developed, freemarket countries to those countries with economies in transition.

Over the longer term, countries other than the Western industrialized countries are projected to become the largest sources of greenhouse gases. If the community of nations is truly concerned for addressing global climate change, then we need an approach that provides a role for all nations in its solution. Global problems require global responses. However, neither current economics nor environmental analysis can accurately predict either the costs or the benefits of acting on the basis of current knowledge.

The United States is not the only country that is concerned about rigid, quantitative timetables to reduce or stabilize CO_2. At one extreme are those countries which favor a broad approach to climate change that addresses all sources, not just energy sources, and sinks of greenhouse gases, such as forests. On the other extreme are those countries which support explicit, binding targets and timetables for CO_2 alone.

If the phenomenon of climate change is real, the challenge will be to find an approach that addresses all sources and sinks of greenhouse gases. Under such an approach, all countries should share that burden. There needs to be a broader adoption of cost-effective measures to control greenhouse gases.

Mr. President, if one were to agree as I do not, that global warming is occurring, it makes no sense to restrict carbon dioxide emissions in the countries with a slow or even static rate of growth, but allow a massive increase elsewhere. This is illogical.

Unlike for CFC's which are totally man-made and are produced in a finite number of facilities, CO_2 has both natural and man-made sources and sinks across many economic sectors. Unlike CFC's, CO_2 and other greenhouse gases depend on factors beyond our control, such as economic growth and the relative prices of fuels.

Nevertheless, Mr. President, we are being pushed into confirming that which is in dispute through the Global Climate Change Convention. Both the Group of 77 and some OECD nations are pushing for mandatory caps on carbon dioxide emissions. Since carbon dioxide is part of the natural life cycle, there are a limited number of targets for restriction emissions. The negotiations have focused on industrial and transportation restrictions in the developed nations. This is not a very subtle attempt to allow an international body, controlled by the Group of 77, to dictate to the United States our future economic growth. If our economic growth is curtailed, where will we generate the revenues to fund the G–77 environmental fund?

While the United States would be subject to mandatory restrictions on our carbon dioxide emissions, the Group of 77 also insist that they be allowed to continue to expand their emissions.

The United States negotiators are under much pressure, not just from the Group of 77, not just for the European Community and the Japanese, but also from Members of Congress, to capitulate to these two demands for a mandatory fund and mandatory caps. Our negotiators have taken a much more sensible and workable position.

First, environmental development funds should be provided through existing multilateral financial organizations, such as the GEF, and be based on voluntary contributions. Second, to reduce carbon dioxide emissions, we need real measures that actually work, rather than artificial, mandated caps. For instance, the enactment of the National Energy Security Act, S. 2166, will reduce America's carbon dioxide emissions. We do not need a cap that will be selectively enforced by the Group of 77.

Developing countries are advocating that the industrialized nations give a political signal that they are prepared to take action with regard to their emissions of greenhouse gases, in particular CO_2. However, these same developing countries also need to provide a political signal that they intend to mitigate the environmental effects of their planned economic development. The real issue is how to achieve a global response to this global problem.

We need a process that encourages all countries to assess where they are and move forward together. One country alone, and I say that again, Mr. President, so the Senate can hear it, one country alone cannot change the upward trend of emissions. The United States already is taking actions to reduce or stabilize its greenhouse gas emissions.

For the last 50 years, the United States has served as the economic engine for the world's economy and global security. Many areas of the world have benefited from the United States' economic prosperity. For decades, the United States has led the world in developing ways to protect the environment while pursuing sound economic growth. Our efforts to internalize the costs of environmental degradation deserve praise, rather than condemnation.

The issue of climate change challenges developing countries as well as industrialized countries to rethink how to grow economically in an environmentally sound way. Industrialized and developing countries alike have a stake in sustainable economic development. Each nation must take action appropriate to their respective national capacities.

What the advocates of stabilization do not tell you is that neither we nor the Europeans can sustain stabilization if we must rely on current technologies.

Preventative actions can provide us with the necessary time to expand our knowledge of the causes and effects of climate change. Emissions from sources can be reduced, for example, through energy conservation and improvements in agricultural practices. Greenhouse gas sinks can be enhanced through changes in land use patterns, principally through new agricultural techniques and through afforestation and reforestation. In addition, there are global adaptive alternatives.

But, Mr. President, let me go back and say again what the summit is. The fact that the Earth summit is just one of the areas of attention, that it is an international political conference, primarily designed to affect the sustained development and to raise the standard of living in rich and poor nations alike, it is not and has not ever been just an environmental conference, Mr. President, and I think it is a mistake and a misstatement to make people believe that the only thing that will be going on in Rio is a conference on the environment.

Mr. President, I yield the floor.

UNANIMOUS-CONSENT AGREEMENT

Mr. KERRY. Mr. President, I ask unanimous consent, if it is all right with my colleague, that we change the time, since we will be accepting the amendments and we have worked out the process here, there will not be a need to have a specific time for debate on amendments. So I ask unanimous consent that we maintain the time as allotted but simply place all time for debate on the resolution itself with the vote to occur at the same time it was originally to occur.

Mr. WALLOP. Reserving the right to object and I shall not object, I just want to make certain that in there we save time to offer those three amendments and have them accepted.

Mr. KERRY. Mr. President, that is understood. We will make certain that happens.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KERRY. Mr. President, before I yield time to the Senator from Tennessee, I would like to say a few words about this resolution which I have sponsored, together with a number of colleagues.

This environmental conference, which is known as the Earth summit to be held in Rio this June, is an extraordinary opportunity. It is the most important opportunity for paving a new path with respect to international environmental cooperation that the United States has had since the Stockholm Conference of 1972, 20 years ago. In the course of that 20 years, we have learned a remarkable amount about all of the various environmental problems that we face on this planet, ranging from ocean pollution, desertification, deforestation, global climate change, ozone depletion, and population problems.

I think it is safe to say that those who have been watching the development of these environmental issues would feel that never in history have so many environmental issues begged for so much attention with such clarity as they do today.

A number of years ago, the President of the United States suggested that he wanted to be known as the environmental President, and here is an extraordinary opportunity to be exactly that, to define himself and to help define leadership for the world.

As I know my colleague from Tennessee will point out, 160 nations have been struggling for 5 weeks in preparatory meetings for the Rio Conference, struggling to overcome the many competing self-interests that always come into play during this kind of multilateral effort. Significantly, the one Nation that could provide the greatest amount of leadership, us, the United States of America, is the one Nation that has really been holding back this process.

Now, I know you can point easily to cosmetic motions that are made and to the efforts of Assistant Secretary Bohlen and others that I think are genuine to make things happen, but they are hampered by the lack of leadership, by a President who simply is not present on this issue and does not recognize the enormity of the choices we face with respect to environmental issues internationally.

This is an extraordinary moment. It is a chance to design a strategy, not necessarily a whole set of mandatory requirements, certainly not a challenge to our sovereignty, but a strategy, an international understanding about to begin to approach many of these issues. It is a way of defining a strategy that will encourage economic growth, using methods and means that will preserve and enhance the environment.

The concept of sustainable growth is the concept that has emerged prior to this conference but, I am glad, to say is the emerging standard from the preparatory meetings. It is one that we really ought to take seriously, and we need to question our own national standards of simply consuming natural resources and ultimately reducing our capacity for future growth.

The conference in Rio offers us an opportunity to choose between short-term greed and the long-term need of the planet, between thoughtlessness and discipline, between caring only about ourselves and our responsibility to the next generation.

Like many others, I am frankly, puzzled and disappointed by the administration's failure to exercise the kind of strong leadership for which this resolution calls. Instead of approaching the conference as an opportunity to make great progress, the administration has literally been treating it like an ordeal that has to be endured, and instead of taking the lead, we are, as I said, following, and I would say distantly following, the lead of others.

Dozens of world leaders are expected to gather in Rio, but the President of the United States has not yet committed to go. He said this past week that running for the Presidency may keep him home.

Mr. President, it is really hard to understand how the somewhat tattered campaign of Pat Buchanan could really take precedence over the concerns of the planet that I and others will define this morning and that have been so defined for us over the course of these last years. It seems to me that if you have a true commitment to the environment and you understand the enormity of the choices that we face right now, a week in Rio, a few days in Rio, would be worth months on the campaign trail. It would, in fact, be one of the first substantive things that we have seen in the context of an environmental Presidency and would do more to add substance to a Presidency lacking in substance, more to add an agenda to a Presidency lacking an agenda than anything else I could think of.

I believe the real reason the President is reluctant to go is that the administration really has not had anything seriously to say about the environment either domestically or internationally in 3½ years. The symbols have been there, some tree plantings, the Department of Environment proposals, and some photo opportunities at the Grand Canyon and elsewhere. But the reality is when we had to negotiate the details of the Clean Air Act, when we had to press for water treatment facilities and other things, the administration has been absent without leave.

Mr. President, I think it is important when contemplating the administration's policies to remember this is not a penny-ante political debate. It is a rare and real historic opportunity. We are talking about the long-term ability of the atmosphere of this planet to sustain human life. We are talking about stopping the destruction of habitat that is now causing species to become extinct faster than at any time since the Ice Age. We are talking about the preservation and sound management of forest resources that are today disappearing at the rate of 54 acres a minute around the world. We are talking about the need for a partnership, about a whole new definition of the relationship between ourselves and developing nations, between rich and poor, between industrialized and not yet industrialized, in order to provide a sustainable agriculture and sound water policy and energy conservation policy and for the development of renewable fuels.

I will have more to say on this as we proceed. There are few Senators who have added as much to this debate, or who have been as significant in their leadership as the Senator from Tennessee, whose book has recently added greatly to the quality of our understanding of this issue. He is going to be the leader of the delegation that will go to Rio on behalf of the Senate in order to try to both monitor and assist in the process, and I personally am grateful for his leadership and applaud the very significant contribution he has made to this debate.

I will yield 25 minutes at this time and more, if he needs it, to the Senator from Tennessee.

The ACTING PRESIDENT pro tempore. The Senator from Tennessee is recognized.

Mr. GORE. I thank the Chair.

May I begin by expressing my gratitude to my colleague, the Senator from Massachusetts, for his leadership on this issue and for bringing this resolution to the Senate. I have enjoyed working with my colleague from Massachusetts on this issue for a number of years now. Indeed, we worked together on the Interparliamentary Conference on the Global Environment which the Senate sponsored 2 years ago, on the issue of whether or not the world would adopt a treaty protecting Antarctica, and on a number of other issues. I applaud and appreciate his leadership.

May I also compliment the Foreign Relations Committee for bringing this forward, and also the Senator from Wyoming [Mr. WALLOP] whose amendments will be accepted and will, in the process, make it possible to secure an even larger majority in favor of this resolution, although I find myself, of course, in disagreement with some of the viewpoints expressed by the Senator from Wyoming.

I appreciate the fact that in his statement this morning he acknowledged a world scientific consensus has in fact emerged on the likely consequences of continued accumulation of greenhouse gases in the atmosphere. I believe that the international consensus extends much farther than that. But I recognize and appreciate the significance of what the Senator from Wyoming did say in that part of his statement.

I encourage my colleagues on both sides of the aisle to support this resolution.

May I say from the Democratic side of the aisle, Mr. President, that President Bush is not likely to be criticized for the fact of making a trip to Rio de Janeiro.

Why do I say that? Because he has been criticized for making foreign trips. And lest any political advisers in the White House worry that Democrats would seize the occasion of a trip by President Bush to the Earth summit as an opportunity to criticize him for leaving our shores to go to a meeting in a foreign country, I would see it as rank demagoguery to criticize the President for the fact of making that trip.

I hope that his political advisers understand that this is one trip he should make. A criticism of his positions on the issues at play in the debate is another matter. But President Bush should go to the Earth summit.

I have even privately told his political advisers, in numerous one-on-one meetings with every one of them I could seek out to tell, that the President faces political catastrophe if he is the only leader of a major nation in the entire world who refuses to go to the Earth summit.

I do not worry about the political damage to the President. I would like to see somebody else elected this fall. But if he is isolated and becomes the only world leader who refuses to go to the Earth summit, that hurts our country. That embarrasses not just him as President, not just him as an individual; it would embarrass our country, and it would hurt our national interest severely because a new political consensus in the world is emerging.

The effort to save the global environment must become the central organizing principle in the post-cold war world; and, yes, that must be focused on sustainable economic development and efforts to find ways to continue economic progress without the environmental destruction which has in the past accompanied much in economic development.

If that consensus emerges, as it will—and the meeting in Rio is a big part of that process—if it emerges with the United States isolated outside the circle of agreement, that hurts our national interest. We should be leading the world. Our ideas are ascendant in the world: Economic freedom, self-government.

Now, as the world turns to this new agenda, the United States should be at the forefront. It is very difficult for us to play that role if every leader in the entire world is meeting at the Earth summit, but the President of the United States is stonewalling the Earth summit.

So let me just say that a strong, bipartisan vote in favor of this resolution will, I hope, make it easier for President Bush and his advisers to understand why it is in his interest, and more importantly, in the interest of the United States of America, for him to attend the Earth summit.

Let me turn to some of the issues that are being discussed in conjunction with the Earth summit, and talk about why I believe the President must change our policies in order to make the Earth summit a success, and in that way as well make it possible for him to attend the Earth summit.

There really are three negotiations going on simultaneously. The first one and the main one is the negotiation on the U.N. Conference on Environment and Development. That negotiation is aimed at producing a statement of principles which has been called the Earth Charter, which may now be called by another name, the Rio Declaration. But it attempts to define this new commitment by all the nations of the world to protecting the Earth's environment and making a sustainable economic development possible.

Second, they are attempting to negotiate a document called Agenda No. 21, a nonbinding statement of all the measures which ought to be undertaken in order to achieve the goals outlined in this Earth Charter.

Then, as part of that same first negotiation, there has been an effort to get agreement on a statement of principles with respect to forests and a statement of principles with respect to the protection of the oceans, principally the coastal areas of the oceans. Those negotiations have been underway in a series of preparatory meetings, the last of which concluded in New York City at the United Nations.

The other two negotiations, as my colleague from Wyoming said earlier, are technically separate from the UNCED negotiations. They are aimed at two binding treaties that are scheduled to be signed at the Earth summit. The most important of these two treaties is on climate change; the other is on the protection of biodiversity.

Even though these treaties are separate, partly because they are scheduled to be signed at the Earth summit, they have been linked to the UNCED negotiations, and they have been explicitly linked to the UNCED negotiations by some of the developing countries who have said if the industrial nations, including the United States, refuse to accept binding commitments on limiting greenhouse gas emissions, then we, the developing nations, are not going to agree to a statement of principles on forests, or other language in the UNCED negotiations.

So the three discussions are proceeding in tandem.

That all makes this resolution today quite significant for the success of the historic undertaking in Brazil which has, after all, been years in the making. The opening ceremonies will coincide with the 20th anniversary of the 1972 U.N. Conference on Environmental Development, which was held in Stockholm.

The resolution itself that we are debating here speaks directly to our future, to our way of life, to the world we leave our children, and to our ability to continue a process of international negotiations and agreements to protect the global environment, and confront the global ecological crisis now before us.

This resolution is about more than simply having the President show up at Rio and shake hands. It talks in its language about the kinds of agreements we should be pursuing at the Earth summit, because the Earth summit is a rare opportunity for meaningful change.

This resolution is about reaping a rich harvest from years of scientific study, diplomatic talks, and careful negotiations, a harvest of international agreements to protect the global environment. And it is about a process that will allow progress to continue well beyond the Earth summit.

This is not a moment we can reschedule or postpone, nor is it an event we can simply drop by and pay our respects.

President Bush is the only major world leader who has as yet refused to agree to go to the Earth summit. I think that, in itself, is embarrassing, and I hope that when this resolution passes, the President will hear it as a message from the Senate that it is time he makes up his mind, makes his reservations, and makes a difference.

The President's coin is on the Earth summit. I think it is most unfortunate, and should enrage every American concerned about the future of the global environment, every person concerned about the world that we will leave to our children. His coin is not especially surprising, because on this urgent and important conference on negotiations for the historic ground-breaking agreements that should be signed there, President Bush has been about as helpful as a rock blocking the road, and as consistent. His stubborn, shortsighted, intransigent policy has threatened the success of the entire conference.

Another point on which I agreed with some statements by my friend, the Senator from Wyoming, this morning, is that the negotiations there are in an uproar now. I think the positions taken by our negotiators at the request, at the order, of the President, is the principal reason for that, although I agree that there are other nations which have also taken unhelpful positions that have led to a lack of progress in the negotiations.

But we ought to be leading that process, and President Bush ought to be leading that process. Every time the world has confronted a difficult global challenge, the world has turned to the United States of America for leadership; and they have turned to the United States of America for leadership on this question, but President Bush has, instead, stonewalled the process. He has ordered our negotiators to reject any mention of targets and timetables for controlling greenhouse gas emissions.

Every other country in the world, perhaps with the exception of Saudi Arabia—and there is some question about Turkey's position—every other major industrial country has supported targets and timetables. President Bush says, "No, why should we have targets and timetables?" Well, it is the only way to establish a standard that we can work toward. The targeted timetable under negotiation is to stabilize CO_2 levels at the 1990 level by the year 2000. Our target would be a level of emissions far, far larger than that of any other nation, because the 1990 levels referred to are the levels for each individual country. So there is a tremendous amount of variation and flexibility built into the language of that target and timetable.

I think that is unfortunate that the President is opposed to it. He is exhibiting no courage, no vision, no leadership. Instead, he has allowed lowered expectations and shrinking hopes. At this moment, at end of the final preparatory meeting before the Earth summit, we were supposed to have completed the Earth Charter, the Agenda 21 Action Plan Agreements on Climate Change, biodiversity, forests, and oceans.

The climate change agreement was to have been completed even before the final preparatory meeting began. It was not. U.S. negotiators ensured that. The biodiversity talks have broken down. The deforestation agreement has been so watered down that Canada and New Zealand, and others, have said it is not even worth submitting to their ministers for approval; it means too little now. But we cannot even get agreement on this watered down version. Agenda 21 remains unfinished, and the Rio Declaration—Sunday's newspapers heralded the last-minute agreement that saved this declaration. That was, unfortunately, a little unintentionally misleading, because, actually, the only agreement was to adopt it as a chairman's text, a working draft to save face.

I do not quarrel with the decision by the chairman of the plenary, Tommy Ko, of Singapore, to ask for agreement of the text as a chairman's text. It was the only thing that could be done at that point. But the negotiations, even on that statement of principles, must continue, because the United States was the first with its delegation's hand up to say: Stop, we do not even agree to this; until the compromise is arrived at, make it a chairman's text. You do not have to agree to it. We will continue the talks. So nothing has been agreed to.

Instead of the United States offering leadership to help the world arrive at a consensus on how to grapple with these questions, we have been blocking progress. The negotiations are in overtime. The opening days of the conference, instead of being the occasion to celebrate new meaningful agreements, will continue the negotiations on watered down versions of those potential agreements.

President Bush could have made a difference, and in this critical overtime period, he still can. But only if he gets off the bench, gets in the game, and learns to move the ball down the field, instead of just blocking any movement. Given the administration's performance at these negotiations, it is surprising perhaps that we have even gotten this far.

In the early morning hours on Saturday, the Rio declaration was only barely rescued from the brink of disaster. The survival of this document is testimony to the tenacity and resolve of the world community to see this process through, despite the enormous hurdles that have been put in place by the Bush administration. Throughout the preparatory process, the administration tried desperately to marginalize the document. Indeed our negotiators argued that it should be nothing more than a short lyrical statement, something suitable to write on a child's poster. And our heavy editing is still very evident in some of its passages.

We are fortunate that, in this instance, the conference as a whole was able to move beyond the President's intransigence. But we cannot rest easy. The truth is that the real success of the Earth summit is still very much in grave danger. To date, President Bush has refused to even put the conference on his calendar. As I mentioned earlier, he is the only leader in the industrialized world who has refused to do so.

In the process, he is jeopardizing the years of work that have been invested to build this international process of cooperation and negotiation. His refusal to recognize the importance of the Earth summit, and his evident willingness to try to undermine its significance has become an international embarrassment. The President also threatens to undermine the conference by instructing his representatives to the preparatory meetings to block meaningful agreement on nearly every issue under discussion in the talks.

As the rest of the world has struggled in earnest to grapple with the most serious environmental crisis the world has ever faced, the President is determined to weaken, marginalize, or completely block progress. Considering the key issues before the Earth summit and the groundbreaking agreements that have been under discussion for years, that is a great disservice to our people.

Let me go through them briefly. On climate change, we are again the sole hold out. Every industrialized country in the world, except the United States—and we are the largest contributor to the problem—has resolved to take forceful action to combat this problem. Japan, the entire European Community, Canada, Australia, and New Zealand, all have resolved to stabilize their emissions of carbon dioxide, and some, such as Germany, have gone even further and have pledged to substantially cut their emissions from 1990 levels. We have refused to consider any meaningful action, and that stubbornness threatens to bring the whole process down.

Japan, the United Kingdom, and the European Community as a whole, appreciating the gravity of the situation, have all made appeals to President Bush, and have taken great strides to address concerns raised by his representatives. Nothing has worked. It is clear now that nothing will work. The Bush administration refuses to take action, and it is this issue of climate change that is at the heart of the possibility of agreement at the Earth summit.

The other nations of the world who have tried and failed to remove the obstacles that President Bush put in the path of progress are now sharply criticizing the White House. These nations understand that if the climate change agreement crumbles, the Earth summit becomes hollow, and the hope for a lasting process of agreements and negotiations fails. They understand what the American people are beginning to understand: If there is no climate change agreement, if the Earth summit fails, it is President Bush who will have to explain why, because it is President Bush who will have been the principal reason for the failure. There is still time to avoid it, and I hope that he will take action to avoid it.

On the forest agreement, again, there is similarly empty news. Unfortunately, around the world we lose between 1 and 1½ acres of forest every second. With this loss, plant and animal species are disappearing from the face of the Earth at a rate that is 1,000 times faster than at any point in the previous 65 million years.

The Bush administration response—well, initially the response was, sure, forests should be protected, someone else's forest. They were willing to have language that was addressed to tropical forests, but not the kind of forests that are in the United States. Claiming to take the lead on the issue, the administration really attempted to place responsibility completely on the developing countries.

Our negotiators have since conceded that all forests should be included. However, we made this concession only after the terms of the agreement had been completely eviscerated. Indeed the so-called statement of principles is so weak that it means very little now, unless it can be strengthened.

The President's determination to undermine the Earth summit has been most evident in the recent move by our negotiators to delete from the documents any reference to the implementation of the Earth summit. After years of negotiations and intense deliberation to craft strategies to deal with the environmental problems we face, the administration would have them amount to just so much paper, nice words and nice declaration, never to be implemented by anyone.

What can account for the administration's determination to completely obstruct this process? I think the answer is apparent. The President simply has no vision beyond the immediate requirements to get through the next primary and the November election, no economic plan. Well, no problem. He thinks trashing the environment is the answer to surviving the recession. Worried about growing isolationism preached by Pat Buchanan. Well, no problem. Feed the fear with irresponsible opposition to international cooperation. Scared that friends and large corporations are losing interest. No problem, amplify the new skeptics who are still blind to the threat of climate change and ignore the issue.

At the Bush White House there is absolutely no recognition of a environmental crisis with severe implications beyond his term in office, beyond our lifetimes. There is no recognition of the responsibility of leadership to this generation and to everyone that will follow, to our children and grandchildren and their children and grandchildren.

This is about far more than winning friends and winning primaries, it is about far more than satisfying special-interest friends and big corporations. This is even about more than simply getting on Air Force One and heading south. This is not a drop by.

The President should go to Rio and make a real commitment to the Earth summit. The President should exert the leadership that only the United States can provide in order to jump start a process stalled by self interested bickering that to date the United States, by its actions, has encouraged. We are in overtime, the deadlines we could push back, we have pushed back, the deadlines we could ignore, we have ignored. But we are running out of time. The sense that there is no deadline that cannot be postponed or ignored must be replaced by a new sense of urgency and new dedication to action.

Mr. President, I urge my colleagues to support this resolution and in doing so to support the efforts of people all around the world who recognize what President Bush will not; the global ecological crisis we face demands specific and immediate action by the nations of the world working together to protect our common future.

Thank you, Mr. President.

The PRESIDING OFFICER (Mr. KERRY). The Senator from Wyoming.

Mr. WALLOP. Mr. President, before the Senator from Tennessee leaves, I want to correct something that he said. He perhaps misunderstood me, but I did not say that there was scientific consensus on the fact of increase in temperature, global warming. The sentence I read, the best estimate by scientists, the IPPC, is that increased concentration of gases are likely to cause changes in atmospheric and oceanic temperatures and circulation. There is not in that group any consensus that cannot, at least so far as they have been able to report, provide any established view that such changes have occurred and second, there is absolutely zero, consensus on the consequences of atmospheric change.

Mr. GORE. Mr. President, will the Senator yield? I do not want to use his time.

Mr. WALLOP. I am making a statement and would invite a question or response to that without losing my right to the floor.

Mr. GORE. I appreciate that. First of all on the narrow point, I believe that if the Senator will check the record I tried to be careful in quoting what the Senator said because I knew it would cause him some discomfort for me to be in agreement with his statement about the issue. And I did try to say that I believe the consensus in the scientific community worldwide goes significantly beyond what the Senator believes. But in his initial statement he did say that there is a worldwide consensus on the likely effect of increasing greenhouse gas emissions in the atmosphere causing warming.

I did not speak to the issue. The Senator agrees that warming has already occurred as a result of greenhouse gas emissions. Those are two separate issues. Nor did I speak to the question of consequences for societies and for civilization as a whole, as a result of the warming. But I was attempting to compliment my colleague for the narrow basis of agreement on that one principle.

Indeed, the IPCC, the international scientific community, has said that continued increases of greenhouse gases will lead to warming. They group their conclusion into three categories, the top category of which was, of this we are certain. And in that category they said if we continue accumulating greenhouse gases in the atmosphere, we are certain that it will lead to warming and climate change.

I have more to say about this, and would welcome the opportunity to do so. If now is the appropriate time, may I ask unanimous consent, since the manager of the bill now is obligated to be in the chair, that I may have an additional 56 minutes of our time to address this point?

Mr. WALLOP. Mr. President, if I may, I yielded for a response to that one thing. I will not be long in my response.

Mr. GORE. I am happy to do it later. Surely.

Mr. WALLOP. Mr. President, the Senator from Tennessee implies that the United States is a slugabed, a slaggard, environmentally insensitive, that the President in particular is that.

I have to disagree. The fact is that America, the United States is by far the world's leader in environmental protection. No other country has done as much as we have. I would point out that we have adopted the Montreal protocol, which calls for the elimination of CFC's, 10 percent of the greenhouse gases. We have passed the Clean Air Act. We have striven to pass, and still, I believe, will pass the Energy Security Act which reduces CO_2's substantially, accounting for about 50 percent of greenhouse gases.

When the Senator speaks that every other country has embraced targets and timetables, that is just not the case, Mr. President. They have all had some little qualification that they have added onto it. The Japanese have said that their commitment is based on population increases. Population increases, their commitment increases to a higher level. The European Community has committed, they say they can commit to the target, but no one country has to meet it. That is not a very solid commitment.

One of the problems that is necessary to understand is that when the United States affixes its signature to a treaty or to a document, it gets bound by that treaty. It does not hedge it or qualify it or put down some future thing. It says that we will reduce our standards of living; it says we will lose a half million jobs; it says all these other things, but we will do it if we sign onto it.

But the hedges that come from the industrial countries say they will, consistent with economic growth, consistent with affordability. The Japanese have said that they were going to do this by building 140 nuclear plants. You and I know that is not going to take place. We just know that it is not. And then they condition it still on an increase in population.

So these commitments are not quite as described by my friend from Tennessee.

The other thing is that when we embraced targets and timetables on CO_2, it is as though that is the only greenhouse gas. I would say to my friend that it is not the only greenhouse gas, and there are others that are involved in that. And it is, interestingly enough, that the Europeans are more inclined to give lip service to this thing for the simple reason that they have a very, very inefficient, heavy, subsidized, dirty coal as part of their energy mix.

And so any changes in them having subsidization do not in fact draw down from their economic competence but in fact probably enhance it.

But I would say again that it is very fine for other countries to blame the United States for reservations that they themselves hold. I would also say that there is no head of state in the industrialized world, to my knowledge, that has given the hard and fast commitment that he will attend. They have said it is on their agenda, they have said a lot of other things about it, but they have not said, "I am going to be there."

And then lastly, I would like to say that I take issue with the statement that President Bush has blocked commitment. In fact, what I would say is a more accurate statement is that he has blocked capitulation, particularly with India and Brazil, both of whom say they are not going to be bound by this thing. They are emerging economies. India has taken the hardest line of all, were the President of the United States to order his negotiators to capitulate to India, you would not have a change in the world's environment but you would very definitely have a change in the industrialized world's economy. He has striven to avoid having that happen. He has taken a little heat for it, mostly, I would say, from domestic politicians rather than from the world's politicians.

So, Mr. President, I would lastly point out again that the UNCED Rio Conference, the U.N. Conference on Environment and Development, is a different process from the climate change negotiations as well as the forestation negotiations. UNCED can proceed on with a declaration of principles which the United States has signed on to in principle as of yesterday.

Mr. GORE. Will the Senator yield on that point?

Mr. WALLOP. Without losing my right to the floor.

Mr. GORE. It is my understanding that the United States has not even signed on to that statement of principles but agreed only that it could be used as a chairman's text, like a committee print here in the Senate, as a working draft to allow the negotiations to continue. We have not even agreed to that yet.

Mr. WALLOP. Well, Mr. President, the Senator is, I would say, technically correct, because nobody has. In fact, it is a working draft, but we have accepted it as a working draft. UNCED can go on. And the Global Climate Change Convention is not part of UNCED, and it is a mistake to suggest that it is. It can be signed there, as could be the Reforestation Treaty, were they to have been negotiated and ready at that time, but it was not conceived as being part of the UNCED.

UNCED is a special international political conference aimed at furthering sustainable development. And I think it is important that the public understand that. It is very easy to make large claims about what is and could be going on there and who is and is not at fault there, but I think the charges of the President's negligence and our country's negligence are unfounded. There is yet, Mr. President, to have been a country in the world that has taken its environment so seriously as we have. We will have probably met the 1990 reductions if we get the energy bill passed. So for us to be accused of being uncaring about the environment is bit specious.

Mr. President, I yield the floor.

Mr. WIRTH addressed the Chair.

The PRESIDING OFFICER. The Senator from Colorado.

Mr. WIRTH. Mr. President, I ask unanimous consent to speak for 10 minutes and to have that time allocated to the distinguished occupant of the Chair who is also the manager of the concurrent resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Colorado is recognized for 10 minutes.

Mr. WIRTH. Thank you, Mr. President.

I too am dismayed by the administration's continued obstructionist behavior with respect to preparations for the upcoming U.N. Conference on Environment and Development, the most important environmental summit in our Nation's history, in the country's history, in the world history, and perhaps the most important political summit that has ever occurred in the history of mankind. Vital international agreements are under negotiation, but President Bush still refuses even to declare his intention to join the world's leaders in this historic discussion of our collective environmental future.

At a time when the people of this Nation cry out for leadership, the President has turned a deaf ear and blind eye to the challenge and opportunity presented by the Earth summit. The United States now stands almost alone, even among the industrialized nations, as a roadblock to comprehensive agreement to protect the Earth's fragile ecological balance.

We stand at a crossroads, and the world community stands with us, scratching their heads. Why, it is asked around the globe, has the United States—the one remaining and self-proclaimed superpower of the world—abdicated its traditional, historic, and vital leadership role in matters of global environmental protection?

I was surprised, Mr. President, that some of our conservative colleagues in the House of Representatives are circulating a letter to President Bush asking him not to join the more than 70 world leaders who are attending the Earth summit in Rio. They call it a regulatory summit. It sounds like that came out of Vice President QUAYLE's council. I want to talk about how terribly misguided this view is.

Just last week, the U.N. Environmental Program reported that since the end of World War II, 10 percent of the world's soil has been destroyed through deforestation and poor land management. During this same time period, the world's population has doubled. In the next 10 years, we will add a new China's worth of people to the planet. How can we destroy our land and hope to feed all these new people? And how can we ignore this situation?

To refuse to address this situation condemns not just nature, but humanity as well. Uncontrolled population growth will doom every hope of stable economic development in the Third World, and every initiative to combat poverty and hunger worldwide.

In short, pressures on the ecological systems on which we all depend are increasing from all quarters. The signs of global ecological decay are all around us. Each second, man destroys a patch of rainforest the size of a football field. Species extinction has increased to 1,000 times the normal rate.

We pour poison into our water and carbon into the atmosphere. Rapid climate change poses an especially pressing danger; global warming threatens future generations and the future of the world economy. Our agriculture has a limited ability to adapt to rapid changes in climate. Great numbers of the world's population live in low-lying areas that would face disaster if the sea level rose even a minor amount. In the face of these trends, we must take action. We have a moral obligation to do so.

The 1990's represent a defining moment in our battle to understand and react to what we are doing to the planet. Ecological self-interest demands that we address global environmental challenges. That is what the Earth summit is all about.

Beyond the ecological imperative, there lies a critical economic imperative for the United States in the UNCED process. This administration continues to claim that it might be too expensive to save the planet's environmental systems. For many years, a false conflict has been perceived between environmental protection and economic growth, jobs, and prosperity.

But it is becoming increasingly clear, Mr. President, that aggressive environmental protection can fuel economic growth. Protecting the global environment presents not only political challenge, but economic opportunity as well.

If the United States does not move quickly we will miss one of the biggest investment opportunities in history. We can and must use the Earth summit as a lever for opening up promising new markets for U.S. products and advanced technology designed for the approaching era of growing environmental awareness.

Other nations are already gearing up to take advantage of this potential. The Japanese are particularly cognizant of this link and are moving aggressively to take advantage of these new market opportunities.

While this administration is wary of proposals for international agreement, the Japanese have recognized the scientific and public consensus that has emerged rapidly around the world and are poised to take advantage of it. Last year, Japan established the Research Institute of Innovative Technology for the Earth to develop new, more environmentally sound technologies.

This is one small example of Japan consciously carving out the environment as a new area of international economic influence. Similarly, we in the United States should rise to the challenge, and apply our legacy of innovation and hard work to capitalize on the new realities of global environmental awareness.

The private sector in the United States understands this. On their own, well-managed American companies are adopting the new economics of ecological awareness. 3M, for example, has committed itself to a comprehensive energy management drive, Challenge 95, to cut the energy it uses by 20 percent between 1990 and 1995, making customers more competitive and spurring economic growth.

Why are they doing this? Because they recognize it will make them more competitive and give them an economic advantage in the marketplace.

In the utility field, Pacific Gas & Electric is committed to meeting three quarters of its projected load growth for the remainder of the decade with an ambitious program of more than $2 billion in financial incentives for its customers to become more energy efficient. Over 10 years, this program will save 18.3 million tons of CO_2 emissions, not to mention millions of consumer dollars.

Huge international markets for energy efficiency and other environmental products will continue to grow as economic and environmental concerns are linked around the world. This is clearly already happening. This is what the future holds.

American manufacturers can compete—indeed they can lead the effort—to market environmentally sensitive products successfully in a world awake to the threat of global warming and other environmental dangers and resolved to fight back. That is the opportunity presented by the UNCED meeting.

We in the Senate have an obligation to strengthen our resolve and capitalize on the profound economic opportunities of environmentally sound development.

And so, Mr. President, I am dismayed that the administration still approaches the Earth summit with alarm. Instead of welcoming both the political challenge and commercial opportunities that accompany an international agreement on carbon dioxide stabilization and other pressing world environmental issues, President Bush shrinks from the challenge and embarrasses the proud tradition of U.S. leadership in the community of nations.

President Bush's anxiety is misplaced, and in the long-term, self-defeating. Too much is to be gained by advancing environmental protection, ecologically and economically, and too much is to be lost by standing still.

I wanted to frame my comments on UNCED in terms that maybe the White House, OMB, and this administration will understand.

Why not use market incentives to help us solve environmental problems? That was the message of the late Senator John Heinz. That was the message of Project 88. That should be the message of enlightened thinking.

Let us not look at UNCED as a set of liabilities. Let us look at UNCED as a set of opportunities, and it can be by taking the ideological blinders off and understanding what our future is going to be, and what the future of our children and grandchildren and great grandchildren are going to be, and what our role is going to be in this new, post-cold war world.

We are looking for a new mission, and the mission should be clear to us. The world is begging for our leadership and yet, once again, this administration is ducking. There is no reason for it to do so. The opportunities are clear and the liabilities of not doing so, it seems to me, are equally clear.

I hope my colleagues agree to the resolution authored by the distinguished Senator from Massachusetts, which I wholeheartedly support. It is the least that we can do.

Would that we were in a situation where the Senate was in cooperation with the administration and we were going full ahead in a wonderfully cooperative American effort. But we are not. We are back in this confrontation situation all over again, once more because of the administration's inability and unwillingness to lead.

Mr. President, I yield the floor.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. KERRY. In a moment, I will yield time to the distinguished Senator from Montana.

I want to thank my colleague from Tennessee. I know he has more to say and, indeed, I want him to have more time available shortly.

I would also like to thank the Senator from Colorado. There is no Member of the Senate who has a better understanding of all of these issues, particularly in the area of deforestation.

When we held our international Conference on Global International Issues a few years ago, Senator WIRTH was one of the sponsors of that. If I recall it correctly, he led one of the panels. I believe it was on deforestation. His contributions have been very significant in that field.

I yield to the Senator from Montana, the chairman of the subcommittee in the area of environment and public works, for a period of 5 minutes.

The ACTING PRESIDENT pro tempore. The Senator from Montana is recognized.

BUSH ATTENDANCE AT EARTH SUMMIT

Mr. BAUCUS. Mr. President, the largest international meeting on the environment in 20 years will convene this June in Brazil. This Earth summit—the first since 1972—is a rare opportunity for leaders of the world to start solving the globe's pressing environmental problems. Many heads of state have committed to attend this important event.

But not our President. When asked if he would attend, he waffled. He said that he is in the middle of an election year and may need to stay home.

If he would stay here so he could implement the Clean Air Act he so proudly signed a year and a half ago, I would support him. But the reality is that the environment President has lost his credentials.

The White House has repeatedly blocked EPA from releasing regulations, despite the explicit deadlines in the law. This creates uncertainty and leaves States and industries potentially subject to sanctions for not meeting the requirements of the act. Meanwhile, Americans continue to breathe air so polluted it threatens their health.

The White House has pushed EPA to violate nearly three dozen statutory deadlines—35 to be exact—in the 16 months since the Clean Air Act was signed into law.

And to make matters worse, in one of the few actions the President did take, he explicitly violated the law. He decided to excuse car makers from installing canisters in cars that capture toxic and smog-forming vapors. This illegal decision was made only days before the Michigan primary.

The President used partisan politics as an excuse to pollute. The President has sacrificed the health of Americans in the search for more delegates at the convention. Perhaps we should not be surprised, since the President recently said we would do anything to be reelected.

It has become so outrageous that one of the House conferees is suing the Bush administration to get them to comply with the law.

We hear the President is backing away from his commitment to cleaner air for all Americans because he fears the economic impact.

Yet research conducted for EPA shows that the Clean Air Act creates jobs. If properly implemented, it will spur growth, particularly in the pollution control industry. And the technologies and jobs created by this demand will help improve our balance of trade—something we need to do.

So with his record, I can understand why the President would not go to Rio. If he goes, his inaction on clean air—and on global warming—would be all too clearly displayed.

But avoiding the Earth summit will not immunize him from criticisms at home on his environmental record.

In signing the Clean Air Act, he promised us cleaner air. Now he is breaking his promise and going back on his word. That is not something we do in Montana. Nor should we tolerate it in Washington.

COMMITTEE AMENDMENTS AGREED TO

The ACTING PRESIDENT pro tempore. Without objection, the question occurs on agreeing to the committee amendments.

The committee amendments were agreed to.

The ACTING PRESIDENT pro tempore. Who yields time?

The Senator from Wyoming is recognized.

AMENDMENT NO. 1758

Mr. WALLOP. Mr. President, I send an amendment to the desk for Mr. GORTON and Mr. HATFIELD and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Wyoming [Mr. WALLOP], for Mr. GORTON (for himself and Mr. HATFIELD), proposes an amendment numbered 1758.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

Insert the following new paragraph after paragraph (5) and renumber succeeding paragraphs accordingly:

"(6) support the creation of an International Northern Forests Organization whose principal purpose shall be to study the linkages among international trade in forest products, the management of northern forests and the regional and global environment in order to assist member countries in the development of sustainable forest management policies."

INTERNATIONAL NORTHERN FOREST ORGANIZATION

Mr. GORTON. Mr. President, for the past 10 to 15 years, tropical forests have remained at the focus of the international environmental community. This focus is certainly warranted. Developing countries must manage their tropical forests under unprecedented international pressure—economic, social, political, and resource pressure.

Temperate forests, like those in North America generally and the Pacific Northwest specifically, and boreal forests, such as those in the Soviet Union, are being increasingly burdened by international pressures—albeit very different pressures than those borne by tropical forests. It is now time for the international community to recognize these pressures and to address them through the creation of an International Northern Forests Organization, or INFO.

In June of this year, the world's attention will turn to Brazil and the U.N. Conference on the Environment and Development, or UNCED. World leaders are preparing the agenda for discussion at the UNCED Conference and are laying the foundation for an international agreement. It is my hope that the International Northern Forests Organization will be among the topics discussed and will be included in any agreement reached. To that end, I am introducing an amendment to Senate Concurrent Resolution 89 expressing the sense of Congress that the administration should support the creation of such an international organization.

As I see it, Mr. President, an International Northern Forests Organization should be created with five objectives in mind: First, INFO will study the linkages among international trade, the management of northern forests, and the global and regional environment; second, INFO will act as a clearinghouse, sharing research among member countries; third, INFO will monitor and collect scientific data from northern forests; fourth; INFO will serve as a mediator, enhancing communication among the forestry agencies of member countries; and fifth, INFO will assist member countries in the development of forest policy.

The World Wildlife Fund envisions the creation of a World Forest Council. The World Forest Council model suggests a temperate forest secretariat and INFO would satisfy the model, but go one step further to include boreal forests. Boreal forests grow in the far northern reaches of the Soviet Union, Canada, Alaska, and Asia. With an increase in trade between these regions and the United States, we cannot forget boreal forests. That is why I would combine them with temperate forests into a northern forests organization.

Nowhere in the United States is trade in wood products more important than in the Pacific Northwest. In Washington State, trade equals jobs. An International Northern Forests Organization, emphasizing linkages between trade, forest management, and the environment, makes sense for the world's economy, but makes the most sense for the Pacific Northwest. That is why I also propose that INFO be headquartered in the Pacific Northwest, in either Oregon or Washington. To that end, members of the Oregon and Washington delegation wrote to Curtis Bohlen, Assistant Secretary of State and U.S. delegate to UNCED, earlier this week. In our letter, we urge that the administration support the creation of INFO and headquarter the organization in the Pacific Northwest. I ask unanimous consent that the letter be printed in the RECORD following my remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. GORTON. The Northwest's forests are the most productive in the world and an organization like INFO will prove that to the world's markets. We must compete in a global economy while creating economic opportunity at home. An International Northern Forests Organization in the Pacific Northwest will help this country compete and grow.

Mr. President, this effort cannot succeed without cooperation at the highest levels. I commend my colleagues here in the Senate to acknowledge the importance of an International Northern Forests Organization. I ask for support from the administration. And I ask that the United Nations place the merits of an International Northern Forests Organization on its agenda for discussion at UNCED this June. This is an organization whose time has come. Please lend it your support.

EXHIBIT 1

CONGRESS OF THE UNITED STATES,
Washington, DC, March 31, 1992.

Hon. CURTIS BOHLEN,
Assistant Secretary for Oceans and International Environmental and Scientific Affairs, Department of State, Washington, DC.

DEAR MR. BOHLEN: We are writing to urge you to support the creation of an international organization in the Pacific Northwest focused on the world's temperate and boreal (northern) forests.

For years, the world has focused on the development of policies to manage tropical forests and it has overlooked the important linkages between tropical forest management and the management of temperate forests. Since temperate forests, and particularly those in the northern hemisphere, contribute a significant amount of the world's wood products, we believe the linkages between international trade in northern wood products and the environment should play a larger role in the international debate over the world's forests.

As preparations are made for the United Nations Conference on Environment and Development, we urge you to use this opportunity to promote the creation of an international organization focused on the world's temperate and boreal forests. This organization should be headquartered in the Pacific Northwest and referred to as the International Northern Forests Organization (INFO). We believe the Pacific Northwest is the most appropriate place to locate such an organization due to our wealth of expertise in the field of forest management and the tremendous productivity of our forests.

We envision that such an international organization would pursue the following purposes: studying the linkages between international trade in northern forest products, the management of northern forests, and the impacts on the regional and global environment; sharing such research among member countries; monitoring and collecting scientific data from northern forests; enhancing communication among forestry institutions of member countries; and developing sustainable forest policies for member countries.

We believe that INFO would be consistent with a model proposed by the World Wildlife Fund for the creation of a World Forest Council. Their model would establish three international entities, including an international temperate forest organization.

Both the U.S. House of Representatives and the Senate are preparing resolutions setting forth general principles for discussion at the UNCED Conference in Brazil this June. We support language that has been included in the Senate version of the resolution supporting the creation of INFO. That language is attached for your reference.

We urge you to support the creation of this important organization.

Sincerely,

Brock Adams, Thomas S. Foley, Mike Kopetski, Pete DeFazio, Jolene Unsoeld, Jim McDermott, Les AuCoin, Slade Gorton, Bob Packwood, John Miller, Bob Smith, Al Swift, Norm Dicks.

Mr. WALLOP. Mr. President, it is my understanding the Senator from Washington has worked this amendment out with the chairman of the committee.

Mr. KERRY. Mr. President, we do accept the amendment. During conversations with the junior Senator from Washington in whose name the amendment was offered, we came to an agreement to drop language that suggested that the new organization on forestry be modeled after the existing International Tropical Timber Organization.

It is my own hope, actually, that the new organization which this resolution calls for, for northern forests, would be far more vigorous and successful in conserving forestry resources than the ITTO, and it would include ample representation from respected scientific and environmental organizations.

Having said that, we have no problem at all with the amendment, and we are willing to accept it.

The ACTING PRESIDENT pro tempore. If there be no further debate, the question is on agreeing to the amendment.

The amendment (No. 1758) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1759

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 1759.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

To Senate Concurrent Resolution 89, to express the sense of the Congress concerning the United Nations Conference on Environmental and Development.

In the first "Whereas" clause, after "by" insert the following: "the potential for harmful", and after "change," insert the following: "and".

Mr. WALLOP. Mr. President, this amendment addresses the language in the preamble which could create the impression that the science is complete and that there is consensus that the Earth is currently threatened by global climate change. This is still an issue in dispute. The science community is engaged in the very active debate on the potential for global climate change and its effects.

Next month, the Senate Energy Committee will hold another hearing on global climate change, and this will be an appropriate opportunity to debate the science of it.

My amendment reflects my uncertainty, only adding the concept of potential to the threat of climate change.

Mr. KERRY. Mr. President, the point of the author of the amendment is that there is no scientific certainty about the precise extent and timing of the environmental threat that is posed by global climate change. That extent is clearly an uncertainty.

I would note, as we accept this amendment—I think both the Senator from Tennessee and I would have further comments to make regarding this—that uncertainty is absolutely no grounds for complacency or inaction given the other evidence that we have and the certainty of change itself.

However, I think the point being made in the amendment by the Senator from Wyoming is a fair one. So we have no quarrel with the proposed change.

The ACTING PRESIDENT pro tempore. Without objection, the amendment to the preamble will be in order.

The question is on agreeing to the amendment.

The amendment (No. 1759) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

AMENDMENT NO. 1760

Mr. WALLOP. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Wyoming [Mr. WALLOP] proposes an amendment numbered 1760.

Mr. WALLOP. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment is as follows:

To Senate Concurrent Resolution 89, to express the sense of the Congress concerning the United Nations Conference on Environment and Development.

On page 4, line 22, after "support" insert the following: "the voluntary", and on page 5, line 3, after "new" insert the following: "voluntary".

Mr. WALLOP. Mr. President, one of the more contentious issues at the Earth summit is the debate over a mandatory international development fund. This is the major goal of the Group of 77, and the United States cannot support a new international entitlement program, a program which would be funded by our taxpayers.

This amendment changes the language in the resolution to ensure that any international assistance would be voluntary. I believe it has the support of the committee.

Mr. KERRY. Mr. President, again, this does have the support of the committee. I guess these things fall into the realm of interpretation, as they always do here, when dealing with words and intentions. We do accept this amendment, but we recognize also that clearly there will be costs associated with the environmental planning and protection measures that are likely to be recommended at this conference, and many of us want those measures to be recommended and clearly we want us to be party to it.

But, obviously, if we are a party to it by virtue of signing it, we will have done so voluntarily. No other nation can mandate that we accept some specific plan or program. So, again, it comes down to the very essence of what we are debating, which is really what is going to come out of there, what are we going to require ourselves to do, and what kind of leadership will we present?

The resolution, as we submitted it, was not intended to recommend that the President commit us to financial support of a type that is inconsistent with our own constitutional processes and procedures.

So we find this amendment to be consistent with that understanding and, therefore, it poses no problem for us to accept.

The ACTING PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment (No. 1760) was agreed to.

Mr. WALLOP. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. KERRY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. WALLOP. Mr. President, the resolution under consideration involves a serious topic, that of the global environment, and contentious policies in particular, whether the economic progress of America will be subjected to the control of an international bureaucracy.

One objective of the Earth summit conference not only involves ratification of general principles regarding the state of the global environment, but the conference also intends to approve binding resolutions on several major environmental issues.

By agreeing to this resolution, the Senate is simply recognizing the need to act globally, to seek global cooperation on environmental problems. The Senate is not urging the administration to accept binding agreements which mandate the United States to take actions promoting political postures not in our national interest.

One of the objectives of the Group of 77, the negotiating organization for developing countries, is to enact two mandatory international agreements.

The first provision is the global environmental fund, which we have discussed earlier today. The second issue is a mandatory cap on carbon dioxide emissions. This last and very peculiar proposal is based on the interpretation of some—and I say some—scientific research on the possibility of global warming. The science is tailored to fit a political purpose. More accurately, science has been perverted by individuals and organizations who prefer global government to global cooperation.

The advocates have perverted the science in several ways. First, they have insisted that only carbon dioxide be considered. If you accept their theory on global warming, then all the greenhouse gases should be included in a plan to reduce their emissions. Carbon dioxide accounts for only half of all the greenhouse gas emissions. The negotiations on global climate change only focus on this one so-called culprit.

The second problem lies with the solution proposed by the Group of 77. They want to cap carbon dioxide emissions, but only for OECD countries; that is, the developed nations. Yet, the major growth in greenhouse gas emissions over the next 50 years will occur in the Group of 77 nations.

Mr. President, I ask unanimous consent that a table showing the growth in their portion of greenhouse gas emissions be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

CONTRIBUTION TO ANNUAL GLOBAL GREENHOUSE GAS EMISSIONS

Any unilateral action by the United States would have little, if any, impact on total greenhouse gas emissions over the next few decades.

Major increases in greenhouse gas emissions will come from the developing world and Eastern Europe over the next 50 years.

The U.S. percentage of greenhouse gas emissions has decreased dramatically over the past 40 years, when compared to other economics.

CONTRIBUTION TO GREENHOUSE GAS EMISSIONS

[In percent]

	1985	2000	2015	2050
United States	21	19	16	12
Western Europe	22	19	16	12
CIS	22	22	19	18
China	10	13	16	21
Developing world	25	28	32	37

Mr. WALLOP. Mr. President, if global warming is occurring, and if it is harmful, the UNCED solution will do nothing to solve this potential problem. This is a dispute that will continue up to the Rio Conference. In the resolution we are debating today, reference is made to the threat of global climate change and the necessity to "support an international convention to reduce the threat of global climate change."

I inquire of the sponsor what he would view as the components of such an international convention; in particular, does this resolution support a mandatory cap on carbon dioxide emissions for the United States?

Mr. KERRY. I will reply to the Senator from Wyoming simply referring him to the text of the resolution itself, it calls upon the President to "support an international convention to reduce the threat of global climate change." The resolution does not specify the precise means by which that reduction ought to be obtained.

Mr. WALLOP. I thank the Senator.

Mr. President, does the resolution support mandatory controls on the economic growth of the United States?

Mr. KERRY. The answer to that, Mr. President, is absolutely, clearly, no. There is no way it could, and I do not know of any serious proposal connected with UNCED that seeks to do that.

Mr. WALLOP. Mr. President, lastly, does the resolution support greenhouse gas emissions by all nations?

Mr. KERRY. The answer to that, Mr. President, is that the resolution does not refer specifically to greenhouse gas emissions other than to urge support for a reduction in the threat of global climate change. Obviously, appropriate controls on greenhouse gas emissions, taking into account the various stages of development in the various nations, is one way of achieving that goal. And there are many, obviously, who advocate that.

But I would add, moreover, that the United States can and should take environmental policies very much into account with respect to these other nations when considering requests from them with respect to bilateral and multilateral developmental aid.

I also add, if I may, that the Senator from Wyoming is correct in pointing out that there are caveats here and there, and there is language within some of the efforts of other nations to try to set different standards.

I do not disagree with that. The question here, really, that I think the Senator from Tennessee and I are proposing is why we are not taking a more forceful role to try to change that and to lead with respect to it. But the answer to his question is that it does not refer specifically to those greenhouse gas emissions.

Mr. WALLOP. Mr. President, I thank the Senator from Massachusetts. I yield back the floor.

Mr. KERRY. Mr. President, I ask what the status of the time allocation currently is.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Massachusetts has 48 minutes. The Senator from Wyoming has 56 minutes.

Mr. KERRY. Mr. President, I yield to the Senator from Tennessee 10 minutes.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for 10 minutes.

Mr. GORE. I thank the Chair.

I want to respond to some of the comments made by the Senator from Wyoming Earlier, and specifically I want to address this question of whether or not CO_2 emissions into the atmosphere cause climate change. Indeed, as we have all agreed here this morning, there is a consensus in the international scientific community that if the accumulation of greenhouse gases, principally CO_2, continues, then there will be warming and climate change. The question of whether or not the warming, which has already taken place since the industrial revolution, is in fact caused by the accumulation of greenhouse gases is a separate question. Although many scientists believe very strongly that indeed they are linked, that should be identified as a separate question.

But let me put this into perspective, Mr. President. I brought a graph, and it is not nearly as complicated as it looks. May I begin by explaining that there are really only two lines on this graph. The top one is carbon dioxide and the bottom one is temperature. Bear with me for a moment, Mr. President, as I explain from where this comes. In Antarctica, scientists have drilled cores down through more than 2 miles of ice, and they have found that it is possible to take the small bubbles or air trapped in the ice each year by the snow that falls and reconstruct a record of CO_2 in the atmosphere going back through the last two ice ages to 160,000 years ago. By comparing the ratio of oxygen 16 to oxygen 18 isotopes, they are able also to reconstruct a precise record of temperature year by year going back 160,000 years.

Now, the bottom line, the temperature line, reflects the last ice age here, and the next to last ice age 150,000 years ago here, and the period of great warming in between the ice ages there. For purposes of reference, in New York City—or in Wyoming, for that matter—the difference between a nice day like today is here. This is the difference between a nice day and having 1 mile of ice over your head. That is what the difference in temperature range of an ice age reflects.

On the CO_2 line, the concentration of CO_2 in the atmosphere have gone from roughly 200 parts per million during the ice ages up to 300 parts per million during the period of great warming in between the ice ages.

Now, there are two points that I would like to make with this graph. The first point is these two lines appear to move up and down together. There is continuing debate about the nature of the causality and the precise nature of the relationship between these two lines, but they are related. They go up and down together.

Now, the second point is that CO_2 concentrations in the atmosphere are being pushed up dramatically. All of the oil well fires in Kuwait put together represented on the worst day less than 1 percent of the pollution and greenhouse gases that we put into the atmosphere of the Earth worldwide every day. So when people say, "Isn't it great we put out those fires in Kuwait," yes, it is, but we put 100 times that quantity into the atmosphere today, and we will tomorrow and the next day. We have to do something about it because the net result is we are increasing carbon dioxide in the atmosphere at an absurd rate, and we now know from the scientific studies that we will likely see a doubling of CO_2 within about 40 years, give or take a few years. That is not controversial. There are many things about which there is an argument, but all sides of the debate agree that we will double CO_2 in the atmosphere in about 40 years.

Now, here is what that looks like on this graph, Mr. President, The CO_2 line will go up past—it is already past the 300 parts per million that occurred during the last great warming period between the two ice ages, and it is going up and it will go up further until it reaches 600 parts per million in about 40 years. That is at the top of that line.

Now, Mr. President, Is it OK to do this? The assumption is, by those who say we do not have a problem with global climate change, it is probably OK to push CO_2 concentrations up to this absurd level. My point is not that this will automatically increase temperatures up to that level. It will not. But who bears the burden of proof that temperatures will not be pushed up worldwide as scientists say they will? Who bears the burden of proof to say that this is all right or not all right? All over the world mountain glaciers are retreating right now because of the warming.

I am prepared to stipulate that this past winter was by far the warmest winter in recorded history was probably a coincidence, because the yearly fluctuation is so great you cannot reach any conclusion on the basis of 1 year. The fact that the last 2 years represented the hottest 24-month period in recorded history may also be a coincidence. The fact that 8 of the 10 hottest years in recorded history have been within the last 12 years, that begins to raise questions.

We had testimony in the Science Subcommittee of the Commerce Committee, where the world's leading expert on these mountain glaciers just completed a 20-year study showing that the last 50 years represents by far the hottest 50-year period in the last 12,000 years which is as far back as his study goes. Is that a coincidence? Do you remember that stone age hunter that was found in the Alps? He has been there for 5,500 years, laying there in the mountain pass. Why did we not notice that guy before? Because the ice there has not melted in 5,500 years.

Mr. President, we are already at this level. Are we prepared to look our children in the eye, and say we knew we were doing this; we knew that carbon dioxide and temperature have moved up and down in lockstep for as far back as we can measure; and, we just assumed that it would be perfectly all right to take this kind of risk with your future?

It is unethical, Mr. President. It is totally unethical. The real reason we are willing to allow this to occur is because we are unwilling to consider the steps that will be necessary to prevent it.

That is what the Earth summit is all about. Will the world confront reality? Dire Straits, the rock and roll group, has a line in one of their songs—my friend Carl Sagan quotes it often—"Denial ain't just a river in Egypt." It is a psychological strategy for sticking your head in the sand. That is what many in the world are doing on this question.

The Earth summit is the time and place to confront this crisis because, in truth, it is not all right to push CO_2 up to those levels. It is crazy, unethical, and wrong.

In my religious tradition, Mr. President, if you will allow me to make a personal reference to my faith, there is a Gospel, a parable in three of the four Gospels called the Parable of the Unfaithful Servant. A master leaves on a journey and tells his servant to take care of the house. "If while I am on the trip," he says, "vandals come and ransack this house, it will not be a sufficient excuse for you to say 'I was asleep.'"

If we fail to take action, if we allow President Bush to stonewall the entire world at the Earth summit, refuse to go, refuse to set targets, then we we will implicitly be saying we were asleep, and we did not know anything was wrong with this.

Something is wrong with that, Mr. President. We have a responsibility to stop it, and the Earth summit is the place where we can begin to take that action. U.S. leadership is absolutely essential.

Mr. President, I know that others are waiting to speak. I will yield the remainder of my time.

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. WALLOP. Mr. President, before the Senator takes down the big spike, I will just note that given the UNCED conference proposed solution that spike will occur whether or not the treaty that the Senator seeks is signed, because the increase will come from the Third World countries, and there is nothing to contain those and, in fact, if it all takes place that will not change whatsoever. That is one of the problems that some of us have with the proposals to deal only with greenhouse gases in the industrial world.

Mr. GORE. Will the Senator yield for a response?

Mr. WALLOP. A short response.

Mr. GORE. I appreciate that.

There has been a pretty strong agreement in the world that because of the enormous disparity between the north and the south, the fact is that industrial countries emit on average 15 times on a per capita basis the greenhouse gases than in the south. And because the ability to quickly adapt the new technologies in the south is so constrained by the enormous poverty there, the agreement contemplated would be rather like a Montreal Protocol to eliminate CFR's where the industrial countries capable of making the transition obligated themselves to move first and then to provide the assistance necessary for the developing countries to come along as they were able to do so.

The same basic approach is contemplated now with respect to carbon dioxide.

And when the measurement is accurate with respect to methane, the other principal greenhouse gas, the other negotiators have said we will agree to include methane, if we take that part that can be accurately measured. The United States has not been willing to do that either.

So the debate appropriately focuses on carbon dioxide in the industrial countries.

I thank my colleague for yielding.

Mr. WALLOP. Mr. President, I will show the Chair and the Senator from Tennessee, this chart which shows the greenhouse emissions, CO_2 emissions going out to the year 2050. The bottom line is the U.S. emissions, and all U.S. utilities. The next one is the OECD, and the top line rising is that of the Third World countries, the developing countries.

So my statement remains that the spike occurs with or without this treaty.

My guess is that one of the reasons why we do not wish to be bound to the Group of 77 requirements is simply that there is need for the United States and the industrial world to have an economic development possibility of their own throughout this period of time. We should not transfer from the poor of this rich country to the rich of those poor countries. My guess is that is precisely what will happen.

Mr. President, I yield the floor.

Mr. KERRY. Mr. President, I yield 5 minutes to the distinguished Senator from Rhode Island, the chairman of the Senate Foreign Relations Committee.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 5 minutes.

Mr. PELL. Thank you, Mr. President.

What is UNCED, and why is it important? The conference was called for by the U.N. General Assembly in December 1989 with the purpose of focusing world attention on the challenges of integrating environmental protection and economic development.

There is both a moral and a practical imperative to this challenge. If you accept, as I do, the proposition that each generation holds the Earth in trust for its successors, then we have an obligation to exercise wise stewardship over our planet. We should exercise, as Gorbachev puts it, "global practices". Now, however, for the first time in history, human beings can alter the ecology of the Earth on a global scale. For the first time in history, we stand to leave our children an Earth with an environment significantly worse than that we inherited, a planet on which we may wreaked permanent harm.

The litany of environmental destruction we are witnessing is depressingly long.

Much as the U.S. Government engages in deficit spending with its budget, we are engaged in deficit spending with the environment on a global scale. We are squandering our children's inheritance to feed our own insatiable appetites. While it may be possible for future generations to repay the Federal debt, it is by no means clear that they will be able to repair the environmental damage we have caused. In my view, this situation is unacceptable. We must take action now to ensure that our successors will benefit from—rather than pay for—our generation's time on Earth.

There is also a practical reason to respond to the challenges posed at UNCED. Frankly, it is in our own interest. Global environmental degradation poses direct threat to the health and well-being of each of us. In the northeastern United States, we are witnessing ozone thinning and possibly even the first ozone hole outside of the Antarctic. This places millions of Americans under increased risk of contracting skin cancer. At the same time, the loss of biological diversity may impede our ability to develop effective remedies for diseases that are presently striking our fellow citizens.

Environmental protection is not just an exercise in risk avoidance, however. It also provides opportunities for economic growth. The United States is a world leader in a variety of environmental technologies. The United States could market these products to the world to the benefit of U.S. workers and companies.

I had hoped that the President would embrace UNCED, exercising the same sort of international leadership that he did so skillfully in the gulf war. This has not been the case. The administration appears not to have a real compelling interest in UNCED, viewing the meeting more as an obstacle than an opportunity. This President, who announced that he would be the "environmental President," clearly does not consider protection of the global environment part of the new world order.

That is unfortunate and stands in marked contrast to U.S. participation in the predecessor to UNCED, the 1972 Stockholm Conference. I attended that conference as a U.S. delegate and can well remember the sense of excitement and purpose that accompanied our mission.

This time, 20 years later, as a follow up conference, we in the Senate are not appointed as delegates. We are, I believe, only observers. I think this shows the lessening of interest on the part of the administration in this regard.

In part because of U.S. efforts, the conference marked a turning point in international awareness and appreciation of environmental threats both on the national and international level. In one of its great successes, the conference led to the creation of the U.N. Environment Programme, in my view one of the most important of the U.N. agencies. For its work on protecting the ozone layer alone, the agency has more than justified U.S. financial support.

As the world struggles to deal with global environmental threats, it is my hope that we will be able to strengthen international structures for addressing these problems. It is really only through such multilateral measures that global environmental threats can be addressed effectively.

Mr. President, the agenda at UNCED is far more ambitious than that in Stockholm in 1972. I think it is important that the United States articulate a clear set of objectives for the conference, and I believe this resolution does that. The resolution was reported from the Committee on Foreign Relations without objection, and I urge my colleagues to support its adoption.

On a related note, I congratulate Senator GORE for his fine work to date as chairman of the Senate UNCED Observer Group. During debate this morning, the Senator has again ably demonstrated his grasp of the environmental challenges facing our world today. I look forward to continuing to work with him on the Observer Group.

As a final observation, I would say that we should view UNCED more as a starting point, rather than a finishing point for discussions on environmental protection and economic development. The issues on the agenda are extraordinarily complex. We cannot expect them to be addressed fully and effectively in one meeting. I hope what UNCED will bring about is an ongoing dialog between developed and developing nations that will promote environmental protection and economic development.

I hope, too, just as we have waited 20 years between the last conference and this conference, that it will not be another 20 years before we have the next conference on this subject.

I yield the floor.

Mr. KERRY. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator has 23 minutes.

Mr. KERRY. The Senator from Wyoming?

The PRESIDING OFFICER. The Senator from Wyoming has 52 minutes.

Mr. WALLOP. Mr. President, I yield 15 minutes to the Senator from Massachusetts off of the time of the Senator from Wyoming.

The PRESIDING OFFICER. The Senator has yielded 15 minutes to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank the Senator for the gracious gesture. I appreciate that very much.

I yield 5 minutes to the Senator from Connecticut.

The PRESIDING OFFICER. The Senator from Connecticut is recognized for 5 minutes.

Mr. LIEBERMAN. I thank my colleague from Massachusetts. I congratulate him on his leadership on this bill, and I am pleased to be an original cosponsor of it.

Mr. President, we are clearly in a time of transition in world events and, as such, we are feeling our way to what the order of the new world will truly be. In our own domestic political environment, we have heard echos of politics of an earlier time which calls for a policy of America first.

I have been thinking about another probably idealistic foreign policy call of another time for one world. There was a group of people in our country who advocated a one world foreign policy—a dream probably, an ideal which was out of our reach. Yet, as we come to appreciate the reality of the global environmental threat that we face, we realize in a way that I think we have not before over the history of the human species on this planet, with all of our preoccupation with nationalism and our inclination to division and conflict, that we are indeed inhabiting one world, one environment. What happens in the United States affects people in China. What happens in Africa affects people in Latin America, and so on and so forth.

Hopefully, this reality of global environmental pressures and threats will lead us not just idealistically, but practically, to work together against a common enemy, all of the nations throughout the world, and that common enemy is environmental degradation, which will lead to human sickness and a lack of safety for the human species. That is one reason why so many of us here in the Senate are so disappointed by the failure of this administration to take a leadership role, as we approach the international environmental conference in Rio.

As the world prepares for a global environmental conference, the Bush administration has made the United States the major obstacle to meaningful international action to forestall the potentially irreversible increases in the Earth's temperature. With the exception of Turkey, the United States remains alone among the developed nations opposing control of carbon dioxide emissions.

Unlike our administration, these other countries are heeding the words of our experts. The National Academy of Sciences has concluded: "Despite the great uncertainties, greenhouse warming is a potential threat sufficient to justify action now." An international panel of scientists convened by the United Nations predicts that if humans continue to pour heat trapping gases like carbon dioxide into the air at the present rate, they will cause the average surface temperature of the Earth to rise 3 to 8 degrees Fahrenheit by the end of the next century. This is a rate of change 10 times greater than the natural changes of the last 10,000 years, and it would push the global temperatures higher than they have been in 150,000 years. The panel concluded that they were certain that emissions resulting from human activities will result in an additional warming of the Earth.

Experts from around the world agree that climate changes might have devastating impacts on our ecosystems, our health, our plant and animal life and our supply of food and drinking water. The potential effects of climate change include increased frequency and severity of droughts and hurricanes, reduced agricultural productivity, flood of coastal areas and wetlands, elimination of many tree and animal species, inundation of drinking water aquifers with salt water and loss of important natural ecosystems. Thomas Lovejoy of the Smithsonian has stated:

> If the projected rates of climate change have any validity at all, then we have no historical evidence of species being able to disperse at that rate.

There are already a number of coastal communities and island nations that are threatened with being inundated from the rise in sea level. For example, four islands in the Maldives have been evacuated because they are being flooded by rising waters. These countries are coming to the international meetings and pleading for their continued ability to exist.

The Bush administration contends that controlling global warming would wreak economic havoc in this country. But the experts including the administration's own Environmental Protection Agency do not support this conclusion. Efforts to head off global warming could actually save money or turn a profit in the long run. Harvard economist Robert Stavins has stated:

> To ignore the economic opportunities is to fail to seize the moment, to become paralyzed by exclusive focus on one side of the economic ledge.

Leading studies by experts conclude that carbon dioxide emissions can be cut at little or no cost to our economy.

The National Academy of Sciences report, "Policy Implications of Global Warming," concludes that "the United States could reduce or offset its greenhouse gas emissions by between 10 and 40 percent of 1990 levels at low cost at some net savings." Many of the control measures set forth by the National Academy of Sciences are those this Senate already has adopted in the energy and surface transportation legislation: Improving the efficiency of buildings and appliances, reforming public utility regulation to encourage electrical utilities to promote efficiency and conservation, strengthening Federal and State support of mass transit, among other measures. The National Academy finds that "the efficiency of practically every end use of energy can be improved relatively inexpensively."

The Congressional Office of Technology in its report, "Changing by Degrees," examined 100 different technical options to reduce carbon dioxide emissions. In congressional testimony, OTA reported that even under its most conservative scenario, carbon dioxide emissions levels could be frozen at 1987 levels through 2005 at no cost to the economy.

The Environmental Protection Agency's Green Lights Program provided another example. The program's goal is to prevent pollution by encouraging major U.S. institutions—businesses, governments and other organizations—to use energy-efficient lighting. Because lighting is such a large consumer of electricity—about 25 percent of the national total—and so wasteful—more than half the electricity used for lighting is wasted by inefficient technology and design practices—the EPA tells us that the Green Lights Program offers a substantial opportunity to prevent pollution and to do so at a profit. Under the program, EPA asks major institutions to sign a memorandum of understanding with the Agency, in which the signatory commits to install energy efficient lighting in 90 percent of their space nationwide over a 5-year period, but only where it is profitable and where lighting quality is maintained. EPA, in turn, offers technical assistance. According to the EPA, if energy efficient lighting were used wherever profitable, the Nation's demand for electricity could be cut by more than 10 percent, leading to 4 to 7 percent reductions in the emissions of carbon dioxide.

Other individual companies have made firm commitments. Last spring, Mayor Bradley of Los Angeles announced that the department of water power and the Southern California Edison Co. had pledged to reduce carbon dioxide emissions by 20 percent by the year 2010 with at least half of those reductions to be achieved by the year 2000. That program would actually reduce carbon dioxide emissions by more than 40 percent when compared with projected levels.

The chairman of Southern California Edison stated in making this commitment:

> Taking prudent, reasonable economic steps to reduce CO_2 emissions are warranted by current scientific understanding of the potential for global warming. * * * We believe (our actions) make good environmental, scientific, and business sense.

Mr. President, these studies and commitments by industry show that this administration's refusal to negotiate any concrete target or timetable for control of carbon dioxide not only threatens the future of the entire planet but does not make sense from an economic standpoint as well.

Mr. KERRY. Mr. President, I yield 5 minutes to the senior Senator from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. President, I join in support of this resolution by Senator KERRY, and I urge President Bush to do the right thing on this important environmental conference in Rio.

It is time for the "Environmental President" to live up to his rhetoric. The United States should be the world leader in addressing environmental problems that cut across national boundaries, instead of being the major obstacle in these international negotiations.

The President prides himself on his ability to persuade foreign leaders to embrace a new world order. But the new world order also includes protection of the natural resources on which the future of the world depends.

It is a national embarrassment that President Bush does not think it is worthwhile to join virtually every other world leader in personally attending the upcoming U.N. Conference on Environment and Development in Rio.

And he has to do more than just show up. As leader of one of the world's primary polluting countries, the President should be helping at that conference to negotiate specific targets and timetables for reducing pollution, in order to achieve real international progress toward our environmental goals. Without the active participation of the United States, this effort involving more than 130 nations will be seriously set back.

The rest of the world is demonstrating a remarkable commitment to address the serious environmental problems we face. Global warming, ozone depletion, deforestation, overpopulation, extinction of animal and plant species, air and water pollution, disposal of hazardous waste—these are just some of the critical problems that demand an active U.S. role in developing adequate solutions in cooperation with other nations.

Recently, scientists reported significant ozone depletion above New England—the first evidence of this phenomenon in a populated area. Increases in the incidence of skin cancer and other serious health problems are likely to result. But the Bush administration maintains its intransigent position, opposing timetables for the reduction and elimination of all ozone-depleting chemicals.

Here at home, the administration has also adopted an extreme anti-environmental position, by imposing a moratorium on new regulations to carry out environmental laws and to protect the public health and safety. It is time for the administration to reject the pleas of polluting industries and their false pretense that America's environmental goals and America's economic goals are mutually exclusive. With every effort to clean up our air, land and water, and to develop new technologies to meet strong environmental standards, more jobs are created and we build a stronger economy for the future.

By adopting this resolution, we will send a strong message to the President, to the American people, and to the rest of the world that the United States is serious about doing its part to clean up the environment and protect it for future generations. It is preposterous for the administration to maintain that every other nation attending the Rio conference is out of step on the environment except Uncle Sam. The empty chair at Rio should not be President Bush's. I urge the Senate to pass this resolution.

I yield back the time that remains to the Senator from Massachusetts.

Mr. KERRY. Mr. President, I thank my distinguished colleague from Massachusetts.

I had understood that the Senate majority leader was about to come to the floor.

Does the Senator from Minnesota require time?

Mr. WELLSTONE. Yes, I would certainly be honored to speak for 5 or 10 minutes if the Senator from Massachusetts will yield.

Mr. KERRY. Because I think the time constraints are lining up, I can yield to the Senator about 4 minutes if that is all right.

Mr. WELLSTONE. Well, I want the Senator from Massachusetts to know that I was a teacher. It is hard to do this in 4 minutes. That is fine. I will do my very best.

Mr. President, I rise to express my support for this Senate Concurrent Resolution 89, and I thank Senator KERRY and I also thank Senator PELL for their work.

The question is, What is at stake? And I think sometimes when we give speeches on the floor it is not always clear as to what is at stake. But what is at stake when we talk about this U.N. Conference on the Environment and Development is our future and this Earth planet that our children are going to inherit.

Mr. President, I think people in the United States are in many ways way ahead of our Government and way ahead of the politics here in Washington. When I was in New York last month sitting in on some of the work that is being done at the United Nations, I met with representatives from other countries and they kept saying to me—and I think the Senator from Massachusetts would be interested in this—they kept saying, does your Government not care about the environment? Where is the commitment to doing something about global climate change? Where is the commitment of doing something about deforestation?

I said I really believe people in my country care fiercely about this.

I want to make it very clear that this resolution, this Earth summit is not about left or right or not about consumers versus business. The calamities that we face, if we take no action, know no borders, and they favor no ideology. Our future is our common ground.

Mr. President, this last decade was the decade of the denial, and this next decade has to be the decade of decision. Preparations for Brazil began 2 years ago and there were many people who said that if by the fall of 1991 we did not have some specific commitments, we would not get very far.

I rise on the floor today to make it very clear that I hope—and certainly as one Member of our delegation that will attend this conference that the conference in Rio—the Earth summit will not become just one gigantic press conference, I hope it will not become just a script for people that attend.

Two months ago, I spoke at a town forum in Minnesota. I was really proud of the fact that hundreds of people showed up and I spoke with Ambassador Ryan who was head of the U.S. negotiating team for UNCED, and I said to the Ambassador that if this Earth summit is not successful, if we do not take some international collective action that is real, that is concrete, to problems that people care fiercely about, then I do believe that the administration will come in for a tremendous amount of blame, and I do believe that blame will be deserved.

It makes no sense to me that even as I speak today there has been no commitment set to a target and a timetable to do something about global climate change that will have catastrophic consequences for all of our children and for all God's children on this planet Earth. It makes no sense to me that the administration is unwilling to entertain proposals that have the slightest discomfort for large corporations in our country.

So, Mr. President, let me conclude this way: People in our country want action. They want Presidential leadership, not Presidential rhetoric. They want to see specific and effective international agreements, not policy declarations. They want to see a convention to reduce the threat of global climate change, not footdragging and excuses. They want to see a global action plan to conserve biological diversity. They want to see progress toward worldwide reforestation, and they want to see the United States of America make a commitment. And they want commitment to renewable energy production and efficient energy use.

Mr. President, I think this resolution is very important. Normally, I am not a big fan of resolutions because it just seems like we talk and talk and talk. But I really think that in our country there is a real collective sense of urgency and foreboding and people know that if we do not take some action and some leadership as a country at this conference, that we will not be doing well for children and grandchildren and all that follow.

It is an important resolution.

Both my colleague from Massachusetts, Senator KERRY, and the esteemed chairman of the Committee on Foreign Relations, Senator PELL, deserve great credit for their work in crafting this resolution and steering it through the legislative process. I was honored to join them as an original cosponsor.

Mr. President, some may ask "What is at stake at the U.N. Conference on Environment and Development?" What is at stake is nothing more or less than our future—and the world our children will inherit. Anyone who reads a newspaper, or watches television, cannot escape realizing that something ominous is happening to the global environment.

Our atmosphere is changing: The 10 warmest years of the past 100 have all occurred since 1973. While scientists cannot say with certainty this is the beginning of global warming, they do warn us that global temperatures are likely to increase in the decades ahead with potentially catastrophic consequences.

The land is changing: According to new estimates, the land available to support growing human populations is in trouble—an area the size of India and China combined has already suffered serious soil degradation. To clear more land, forests are cut even faster, pushing tropical deforestation rates up 50 percent in the past decade.

Animal species are being lost: Today, in just the United States, over 125 species of birds and mammals are threatened with extinction. Worldwide, if current rates continue, approximately 1.5 million species of animals will be doomed to extinction over the next 25 years—100,000 more than have been named by scientists throughout all of history.

Signs of change are all around us, but not change for the better, ominous changes which threaten the health and stability of the environment, the environment which in turn supports all of us.

The health of the global environment is not a left-or-right wing issue, it is not a business versus consumers debate, it must not become a clash of ideologies. The Earth is home to all of us. The calamities we may face if we do not act know no borders, favor no ideology. Our future is our common ground.

The UNCED Conference comes at a critical time—for the past decade we have ignored these critical problems. As Lester Brown of the Worldwatch Institute observes, we have just passed through a decade of denial, a decade typified by the President of the United States saying that trees cause pollution.

Now, we need a decade of action, a decade of commitment to repairing our relationship with the Earth, a decade of commitment to work with the other peoples of our Earth.

A global diplomatic event of this scale takes time and preparation, issues must be discussed and agreements worked out well in advance of the meeting. The preparations for Brazil began more than 2 years ago.

Two years ago, people said that all of the details would have to be worked out by the fall of 1991, or there simply wouldn't be enough time to reach any agreements in Rio. Now, people around the world are hoping that something can be salvaged to make the June summit something more than an international press event, more than another scripted meeting of world dignitaries.

Despite all of the meetings and all of the work by governments and citizen groups, the action agenda for the Earth summit stands on the verge of collapse. The fourth Preparatory Committee meeting in New York has ended without significant agreements. Now, if the governments of the world care to be responsive to the strong public outcry for action, negotiations will have to be conducted at the conference itself, a difficult and unusual procedure for the United Nations.

Mr. President, 2 months ago at a town hall forum in Minneapolis, I spoke with Ambassador Ryan, head of the U.S. negotiating team for UNCED. I expressed much these same sentiments and several hundred Minnesotans drove home the message. The bottom line that I expressed to Ambassador Ryan then is even more poignant today given the failure of the negotiations in New York—if the Earth summit falls, the President will have to shoulder much of the responsibility. The White House has dragged its feet throughout the negotiating process: refusing to admit obvious problems exist, refusing to countenance proposals which might bring the slightest discomfort to American business interests, refusing to make a commitment to providing more than a token share of the resources which will be needed to make efforts toward a sustainable society possible.

The White House needs a wakeup call. By passing this resolution, the senate will send one, loud and clear.

People want action now to address global environmental problems.

People want Presidential leadership, not Presidential rhetoric.

People want to see specific and effective international agreements, not hollow policy declarations.

People want a convention to reduce the threat of climate change, not foot dragging and excuses.

People want a global plan to conserve biological diversity, not studies and delays.

People want to see progress toward worldwide reforestation, not the burning and clear cutting of vast expanses of virgin forests.

People want renewable energy sources and energy efficiency technologies to be given top priority, not scant lip service.

As a Member of the Senate who has followed the progress of the UNCED negotiations, I believe that the United States must not just call upon the developing nations to bear the burdens of protecting the global environment, we must also demonstrate our leadership by changing our own sustainable patterns of consumption. Similarly, the Senate should not just call upon the President to be responsive to the public's outcry for action, we should take action here in the Senate in the weeks and months ahead.

Toward these ends, I have introduced legislation which can move the United States toward real reductions in carbon dioxide emissions—S. 2020, the Sustainable Energy Transition Act. S. 2020 would maximize energy efficiency, triple renewable energy production, and decentralize energy decision making. Drafted with the help and inspiration of a large number of Minnesotans, it represents a 20/20 vision for our future.

Mr. President, I urge my colleagues to support this resolution before us today, and then to join with me in supporting action on S. 2020 and other legislation which will demonstrate our commitment to lead our Nation, and the world, toward a more sustainable future.

Today, in the Senate, we take a small step forward. We issue a call for leadership and action by the President of the United States. Let us all hope, for our sake and that of future generations, that it is not too late.

I thank the Senator from Massachusetts, and I thank Senator PELL for their leadership.

The PRESIDING OFFICER (Mr. ROBB). The Senator's time has expired.

Who yields time?

The Senator from Massachusetts [Mr. KERRY].

Mr. KERRY. Mr. President, I thank the Senator from Minnesota.

Mr. President, I was trying to see if the majority leader was coming.

I yield myself such time as I may use.

The PRESIDING OFFICER. The Senator is recognized accordingly.

Mr. KERRY. Mr. President, last week the President's Chief of Domestic Policy, Clayton Yeutter, said that the President would go to Rio if it were productive for him to do so.

I think that most of us are left wondering what that really means. It is almost a passive statement that if someone else does not make it productive, we will not fight to make it productive. If it is productive, only then will we go.

Given what we have seen of the negotiations to date, it seems we are not really working to make it productive. So there is a self-fulfilling prophecy here.

I want to pick up something the Senator from Tennessee said earlier about photo opportunities. I think I also mentioned I do not think any of us are asking the President of the United States to go to Rio just to be there and fill the chair. That is not what is at stake here. We do not need another photo opportunity.

We are asking the President to take a policy to Rio, to be the leader, and to encourage this conference to be productive. It is truly hard to imagine, given the nature of the issues that are on the table, ranging from fishing rights, ocean pollution, ozone depletion, which we know is happening, CFC's to biodiversity and global warming, how we could not deem such a conference to be at least potentially productive unless you are simply distant from the whole concept of an international environmental agenda and what that entails.

Global environmental protection is not going to happen by accident. It is not. It is not something that we can leave up to other people. It is obviously a responsibility that we all have to take ourselves. The United States of America, the leading greenhouse gas emitter, ought to be willing to be present and to be part of the process of leading people to discuss how we will develop into the future.

The time has really come for this generation of Americans to carve out a legacy of planning and cooperation that is going to pay dividends long after those of us here in the U.S. Congress have gone and certainly long after the Members of this administration have gone.

This resolution is intended as a wake-up call, Mr. President, beginning with the issue of global climate change. The resolution urges the President to support an agreement that actually reduces the threat posed to the environment by that phenomenon.

I believe there are a number of reasons why the United States should be leading on this issue. The first is obvious. It is compelling. Last year, the Union of Concerned Scientists, in a statement signed by 49 Nobel laureates and 700 other distinguished scientists, called climate change "the most serious environmental threat of the 21st century."

The National Academy of Sciences, testifying before Congress, admitted what the Senator from Wyoming keeps reminding us, which is that there is some scientific uncertainty about the subject, but they, even in the face of that uncertainty, recommended a series of actions that are aimed at providing what they called an insurance policy for the planet. The President's own science adviser, Allan Bromley, assured us that the administration's position was that action should be taken now.

The second reason for our need for U.S. leadership on this issue is that we are, as we have been for decades, the leading greenhouse gas emitter, including carbon dioxide, and there is absolutely no way that you can expect other countries to act without our leadership. And there is not only the benefit that you get with respect to global climate change, there is the very obvious benefits you get, literally billions of dollars worth, in terms of the health of our citizens from the cleaner air that they would breathe.

Third, we can afford to act, Mr. President. We can afford to act because our own inefficiency in the use of energy in this country makes it a lot easier for us to deal with the emission of CO_2. And the National Academy of Sciences has in fact estimated that we could reduce greenhouse emissions by 10 to 40 percent from the 1990 levels at little cost, or perhaps even at a net savings, through conservation and the expanded use of renewable fuels.

Finally, an international agreement to reduce the threat of global climate change is clearly in our interests because the continued lack of guidelines will give a green light to all of the developing nations that they can simply match our past patterns of pollution creation and waste. And make no mistake, if we enter the 21st century with the world population growing by 100 million people a year and no constraints on the release of CO_2, we may well be signing the death warrant for the livability of this planet.

This resolution does not seek to dictate the administration's precise negotiating position. It does call on the President to support a convention that will actually reduce the threat posed by global climate change, and we leave it up to his leadership to decide how you best do that. But that clearly requires more than a simple commitment to research. It requires more than a commitment to the status quo, and it requires more than vague and indefinite timetables. It requires—in plain English—action. It requires commitment to reduction and to progress.

Now I know we have heard here on the floor today in the debate that there are those in and outside the administration who say: Wait; we have to do more research. We cannot do it. There is no proof of the extent of damage or rapidity of the damage.

But, Mr. President, we have adopted a principle of environmental affairs that if the probability of damage is of enormous consequence, irreversible, and that probability is as great if you do not do something as if you do, then you ought to do something. You take precautions. And I must tell you the very kind of argument we hear, to say let us wait, is very familiar to all of us in the Senate. We ought to think about that. We heard it for more than 10 years with respect to acid rain, and throughout that time, this unproven potential threat poisoned lakes and polluted streams and injured our forests from the Canadian border to the Mason-Dixon Line. And it was not until last year, finally, that the clean air bill passed and we did something about it, and got the administration to say: Hey, maybe there is a problem.

But guess what, Mr. President? Those 10 years of delay probably drove the price tag for doing something up tenfold or fifteenfold. If we had acted earlier, we would not have faced it. There is a cost to putting off hard choices. I could bring up a dozen other examples. For instance, what if we took environmental considerations into account before we built the nuclear production facilities in Savannah River and Hanford and Rocky Flats? Maybe then, we would not be looking at a $100 billion price tag for cleanup today.

What if we had made a commitment and stuck to it two decades ago, after the first oil crisis, to really go to work and develop alternative fuels? What if we had moved to phase out CFC's as soon as we knew the risks, instead of waiting years and years until the hole in the ozone layer not only threatened penguins in the Antarctic, but summer residents in Kennebunkport?

It seems to me there is a simple fallacy at work here that is governing much of what we do in Washington, DC—I call it the Scarlett O'Hara syndrome: Put your head in the sand; avoid it; we will do it tomorrow; it does not matter.

This resolution tries to call on us to worry about this today, and exert the leadership that people expect of us. Between 1960 and 1987, the world's population doubled from 2.5 to 5 billion people. It is expected to double again by the year 2010, hopefully within the lifespans of most of the people here. Ninety-five percent of that growth will be in developing countries. Our planet is somehow going to have a find a way to support those people, and the UN Food and Agriculture Organization estimates that that will require at least a 40-percent increase in farm output by the end of this century just to keep pace. That simply cannot happen without increased risk to the environment through deforestation, soil degradation, desertification, and pollution all resulting from the use of pesticides and other chemicals.

These are facts. These are not subjects for conjecture or future research. These are facts. We know what is happening as a result of those floods that occur by virtue of the deforestation today. We know of the increase of carbon dioxide today by the ripping away of the forest, the burning of them in order to create agricultural land to meet these needs. We are simply not discussing our future, Mr. President, and that is what this resolution seeks to get us to do.

I believe there is much that could come out of Rio, but it depends on the leader of the free world, the President of the United States, who himself stood in the well of Congress recently and told the world that there is now one present, dominant power in the world, the United States of America. And we all clapped.

The question is whether we are going to do more than pat ourselves on the back and applaud? When we are going to fulfill the obligation of leadership and do those things that the people of the world are looking for us to do?

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. KERRY. Mr. President, I see the Senator from California would like to speak, and I yield to the Senator from California 5 minutes.

The PRESIDING OFFICER. The Senator from California [Mr. CRANSTON] is recognized for up to 5 minutes.

Mr. CRANSTON. Mr. President, I thank the Senator from Massachusetts.

Mr. President, I strongly support the pending resolution calling upon President Bush to play a more active role in the upcoming Earth summit. The Earth summit—formally known as the United Nations Conference on Environment and Development—will be the first global gathering of heads of state on two issues whose integration is critical to the future of our planet, economic development and environmental protection.

The Earth summit holds the promise of being a pivotal event in human history. Why? Because it is a worldwide recognition that humankind cannot continue on the dangerous course we have followed up to now, in which we gobble up the Earth's resources at an ever increasing rate. The patterns of production and consumption in industrialized countries simply cannot be sustained. Much of the deterioration we see in the environment worldwide is due to these patterns. In developing countries where 80 percent of the world's population lives, population growth and poverty are eating away not only at the resources that sustain life—air, water, food—but at human life itself.

So here we have, with the Earth summit, a splendid worldwide effort on the part of nations to put environment at the center of economic decisionmaking in government, industry, and the family. We have a global recognition that economic development and environmental protection must be integrated if the world is to survive. And we have a united—and, I think, thrilling—affirmation that the best way to save the planet is for all nations to start taking cooperative actions that will begin to resolve the most vexing global issues of our times: Biological diversity, global warming, the loss of tropical forests, poverty, population, agriculture, water, resource consumption rates, debt, and technology.

Maurice Strong, Secretary-General of the conference, put it succinctly, when he said:

> The Earth summit must establish a whole new basis for relations between rich and poor, North and South, including a concerted attack on poverty as a central priority for the 21st Century. This is now as imperative in terms of our environmental security as it is on moral and humanitarian grounds.

Here is a tailor-made role for U.S. leadership in the Earth summit. No other country in the world consumes natural resources, especially energy, as does the United States. We emit more greenhouse gases, including ozone-depleting chemicals. At the same time, we have capabilities in science and technology and an expertise in environmental management that is the envy of the world. And here are great opportunities for projects, for profits, for jobs for the American people. The American people are the most environmentally conscious citizens of any country. Because of all this, the world looks to the United States as a kind of environmental mentor. It expects us to lead.

But as we enter the last weeks of planning for the Rio conference, the United States is not leading. In fact, the biggest single obstacle to the success of the Earth summit may very well turn out to be the United States. With few exceptions, the United States has vetoed or otherwise blocked proposal after proposal for international cooperation toward sustainable development and for protection of the global environment. In the negotiating sessions prior to the Earth summit, the United States has said no to all proposals that would create new international institutions, require more or new money, call for sustainable management of natural resources in the United States, or to create new or tougher global agreements on a host of international goals. The goals to which the United States says no include limiting international trade in hazardous wastes, curbing the dumping of radioactive wastes at sea, the support of research and development in renewable energy resources and debt reduction strategies for developing countries that will help protect the global environment.

The United States has even blocked the creation of an Earth charter, a general, nonbinding set of principles to guide economic development and protect the environment.

Possibly the most serious case of U.S. stubbornness is our refusal to negotiate goals and strategies for controlling the emission of greenhouse gases. We are the only industrialized country to oppose carbon dioxide caps and new funding. Because of our intransigence, there may not be a climate change treaty signed in Rio. With an international agreement, global CO_2 emissions could be stabilized or actually decreased over the next 25 or 30 years. But if left unchecked global CO_2 emissions will nearly double in the same period. Bear in mind, Mr. President, that industrialized nations account for three quarters of global CO_2 emissions stemming from energy production and use. Yet industrialized nations have just a quarter of the world's population. For developing countries to follow the development patterns of the industrialized world in the emissions of CO_2 would be disastrous.

So far, President Bush has had little to say on the subject of the Earth summit. He has been stonewalling world leaders who are urging him to join them at the summit. More than 70 heads of state and other leaders will be at Rio, and they know that the absence of the President of the United States would severely harm conference chances for success. But President Bush has balked at attending the Earth summit, making him the only leader of a major nation not planning to be there.

Mr. President, in the last dozen years the rest of the world has passed us by on issues affecting the global environment. The United States once had leadership on the global environment. But under former President Reagan and now President Bush, we have not only lost ground, we have emerged as an outright foe of international environmental cooperation. To say that history will not look kindly on U.S. intransigence is a given. But the length and quality of human history may be diminished by the petty, narrow, and selfish posture of the United States in matters of the global environment.

The American people, and the world, deserve better. This is why I cosponsored the resolution introduced by Senator JOHN KERRY and cosponsored by Senators on both sides of the aisle. The resolution calls upon President Bush to play a strong and active role in the Earth summit. It asks the President to cooperate with foreign governments in preparing for the summit and to support international agreements on global warming, biological diversity, and world forests. This resolution deserves the vote of every Senator. President Bush needs to know that the citizens of the United States demand action on global environment issues, not parochial rhetoric that serves narrow political ends.

Mr. President, I yield the floor.

THE PRESIDING OFFICER. Who yields the time? The Chair recognizes the Senator from Wyoming.

Mr. WALLOP. I yield myself such time as I may use.

Mr. President, there is something unappealing about U.S. bashing. The United States remains a world leader in environmental technology and environmental controls. It is absolutely a wrong statement because it is misstated that the United States is the largest polluter in the world. Europe is a larger polluter, and if you are talking about comparable size—of course, Denmark does not pollute as much as America does.

But that is not the point. If people want to find fault continually and persistently with the United States, they can always do it. But I am here to say that I take pride in what America has done in the environmental front of the world. I happen to think that there is no other country that has done a Clean Air Act, that has done so much for cleaning up its water and its rivers, that has signed onto the Montreal Convention that seeks to pass, without the cooperation of some who claim to be in the environmental movement, an energy strategy that could reduce our CO^2 emission a great deal.

The CIS emits more than we do, and they are continuing to pollute. And, Mr. President, if the United States and these vaunted world leaders really wanted to do something that was useful for this environment, they would commit their resources and foreign aid to trying to help these countries reduce their emissions rather than binding and restricting our own economy, allowing India and the Third World to continue on with the release of what they plan. That is really what is at issue here.

Again, I say it is not a statement that is accurate to say that these industrial world leaders have committed to going to Rio.

Mr. President, some would find fault with this country under any set of circumstances. Others would find reason to say that this is a good and decent country that intends to and continually has abided by its commitment and is not willing to sign international conventions mandating the behavior of the United States when others to that party have conditioned their commitment to 1990 levels of CO^2 on economics, on population, and other fudge words. This country is more decent than that, and it has the courage to stand up and say that we believe that there are better, more effective, more appropriate ways of contributing to solving the problems that the world's environment is suffering.

Mr. President, I ask unanimous consent that a study from the Digest of News from MIT, called "The MIT Reporter," saying, "Has the Globe Really Warmed?" indicating very specifically that there is no evidence that it has, and a Wall Street Journal editorial entitled "Chill Out" be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Digest of News From MIT, November-December 1989]

HAS THE GLOBE REALLY WARMED?

Since the mid-nineteenth century, merchant-marine captains of all nations have been required to log air and water temperatures every six hours for weather services such as the British Meteorological Office. Crews on each watch have hauled water from the sea in standard buckets, dipped in standard thermometers, recorded the data, and, generally, radioed it back. The result is an incredible storehouse of information about global temperatures since the Industrial Revolution.

Reginald E. Newell, Jane Hsiung, and Wu Zhongxiang of MIT, along with colleagues from the "British Met," as they call it, have collected and analyzed these data. MIT Press intends to publish them in the Global Ocean Surface Temperature Atlas. One of the most striking results suggested by the data is that there appears to have been little or no global warming over the past century.

The advantage of ocean readings is that they are not contaminated by urbanization: the growth of structures and roads even in the small towns where many weather stations are located can raise temperatures, Newell explains. Unfortunately, ocean readings are not entirely reliable either. One of the chief problems is that prior to World War II, the buckets for collecting water were made of canvas. As it was hauled onto the deck, the water could be cooled by wind and heated by sun. Christopher Folland of the British Meteorological Office and Jane Hsiung attempted to correct for such problems, for example by measuring the cooling of the buckets at different wind speeds.

Gauging long-term temperature change required more analysis. First, Newell, Hsiung, and Wu needed to measure the cooling caused when volcanoes inject dust and gases into the atmosphere. They discovered an intriguing piece of work that measures the atmospheric "turbidity" from the dust over the past century. Beginning in the late 1800s, weather stations have used devices known as Campbell-Stokes sunshine recorders that burn a track in a paper card each day, indicating how long the sun was up. Researchers at the University of Mainz in West Germany collected and analyzed numerous such cards, noting particularly the beginning and end of the burn, which correspond to sunrise and sunset. Whenever atmospheric turbidity rose, the burn started later and ended earlier. The weather station in Sonnblick, Austria, almost unaffected by urban pollution at an elevation of 3 kilometers in the Alps, provides a record of turbidity back to 1887.

Newell, Hsiung, and Wu also assessed the periodic change in tropical temperatures caused by the El Niño-Southern Oscillation, a complex of ocean and air currents. Factoring out the effects of the El Niño-Southern Oscillation and the cooling caused by volcanos, they found that global temperatures have warmed by only 0.2°C over the past century, which is within the estimated margin of error. In other words, the results leave open the possibility that there has been no warming at all.

In a paper based on the same data in Geophysical Research Letters, Nicholas E. Newell (Reginald Newell's son) joins the other researchers to examine a third temperature variation: a roughly 22-year cycle of warming and cooling that has occurred since 1856, when the marine data began. This may be caused by the 22-year solar magnetic cycle, during which the sun's magnetic field changes polarity and then returns to its original state. The magnetic cycle is reflected in changing sunspot patterns. When the authors subtract from the basic temperature record all cycles of less than 26 years—the chief one being this 22-year warming-and-cooling pattern—they find "no appreciable difference" between temperatures in 1856 and 1986.

Both studies are at odds with some other research. For example, using land data that attempt to factor out effects of urbanization, James Hansen of NASA Goddard Space Flight Center and Sergej Lebedeff of Sigma Data Services Corp. conclude that the globe has warmed 0.5°C to 0.7°C over the past century.

The conflict is far from resolved. Unfortunately, despite all the models of how global climate may change, there is relatively little funding for research on the actual record. A case in point: though the Global Ocean Surface Temperature Atlas has passed peer review and been accepted by MIT Press, so far no sponsor has been willing to provide the modest subsidy that such a technical book often requires for publication—in this case $60,000.

[From the Wall Street Journal, Nov. 20, 1989]

CHILL OUT

We keep reading that the debate over the greenhouse effect is "settled" and that all "serious" scientists subscribe to it. Such a strong sense of consensus in science is a remarkable thing, no matter what the subject. We continue to wonder, though, if the greenhouse debate is really over.

In January, for instance, the New York Times publicized a study which reported that there has been no warming trend in the United States over the past century. Scientists at the National Oceanic and Atmospheric Administration reported that since 1895, the climate in the U.S. has grown neither warmer nor colder, wetter nor drier. The chorus quickly responded that the U.S. results are an anomaly, and that when a wider sample came in, its theory would be vindicated.

A wider sample has just arrived. Three MIT scientists—Reginald Newell, Jane Hsiung and Wu Zhongxiang—recently processed ocean-temperature data taken all over the world by merchant mariners since the mid-19th century. Their results were summarized in the current issue of Technology Review: "One of the most striking results suggested by the data is that there appears to have been little or no global warming over the past century." The computer models that foretell a greenhouse effect predict that there already should have been about a 1.8 degree rise in global temperature. But that hasn't happened. Also, the uncongenial MIT report has been virtually ignored. Science may still be about surveying all the available facts but, increasingly, public policy isn't.

Today, much public policy, especially as practiced by many environmental advocates, is mainly about making doubters or opponents reluctant to challenge the consensus. Strobe Talbott of Time magazine, for example, recently announced that "no respectable scientist denies" the greenhouse phenomenon.

No doubt, participants of all stripes in the policy game these days have become frustrated at their inability to enact their agendas. What seems to sometimes work, though, is whipping up a kind of mass-media fervor behind one's ideas. The danger in this is that it may cause the public to think that science is now primarily about politics, and in politics about half the people usually think that you're not telling the truth.

NASA scientist James Hansen is widely credited with launching the highly politicized crisis atmosphere around the greenhouse question. Mr. Hansen went before a congressional committee and said that he was 99% sure that the earth was getting warmer, and he had "a high degree of confidence" that warning was caused by the greenhouse effect. This of course got the desired effect—tremendous press play. But some of Mr. Hansen's scientific colleagues were dismayed.

In an article titled "Hansen vs. the World on the Greenhouse Threat," the journal Science reported that Mr. Hansen's colleagues found his greenhouse assertions "unforgivable," largely because of their absolutist certitude. But absolutism ("no respectable scientist denies") is a commandment of modern environmentalism.

Mr. Hansen is a highly respected modeler, but he resists acknowledging the possibility of shortcomings in his computer creation. However as models have begun to grow slightly more realistic recently, the greenhouse predictions have varied enormously. Researchers at the National Center for Atmospheric Research have cut their greenhouse prediction in half. Lacking empirical confirmation of their primitive models, scientists and environmentalists have adopted a fallback position. They say the greenhouse effect may or may not be serious but we should take insurance precautions anyway. But the cost over 20 years has been estimated to run between $1 trillion and nearly $4 trillion.

The final greenhouse argument is that it is far cheaper to address the problem now, than later, when information is more reliable. This recalls to mind the 19th-century scientists who worried that the world was running out of coal.

Maybe there's a way out of this:

Let's put all the relevant policy players in a room together—George Bush, John Sununu, Bill Reilly of EPA, Congress and governors. They'll listen while the top academic climate modelers discuss the available evidence around the greenhouse effect. The public will watch on C-SPAN. And when it's over, the politicians can go before the microphones and tell us what they think is "settled" about global warming and, most important, how much they want to spend on it. We agree with the absolutists. Time is money. Let's settle it.

Mr. WALLOP. I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KERRY. Mr. President, I will just comment that I have not heard one word for one Senator directed at the United States of America. I stand here with as much pride in the accomplishments of the United States of America as the Senator from Wyoming.

Mr. WALLOP. Mr. President, will the Senator yield for just an observation on that? I was speaking in response to the remarks of the Senator from California, which said that the United States was the largest polluting country in the world. I take exception to that, and I find it to be a criticism.

Mr. KERRY. The statement with respect to greenhouse gas emissions from the United States, carbon dioxide and CO_2, is correct country for country. If you want to play games and pick all of Europe and say, hey, Europe has more, that is a different matter. But those are sovereign nations over there still, notwithstanding the European Common Market.

But I want to make it very clear that there is not one bit of criticism here directed at the Nation. There is criticism directed at an administration. And every significant environmental policy that has passed in this institution that now has the name of U.S. policy in the last few years has passed over the objection of the current resident and past resident of the White House.

The Clean Air Act. I was part of those negotiations in the Senate majority leader's office and I remember how they were pulling back day after day after day from everything we put forward, and even they put forward in public, but to hold on to it in reality was tough. It is over objections that we finally passed much of it.

The Clean Water Act. Most of the significant environmental efforts of this Nation today have been put in place by the U.S. Congress, and the administration has been dragged along kicking and screaming in the process.

So understand, there is not a word of criticism about the Nation here. This is criticism directed at an administration that seems unwilling to lead the Nation and take it where we believe the Nation wants to go in fulfillment of the pride that we have about our policies and our goals and aspirations as a people. I just want to make that very clear at this point.

Now, I understand that majority leader wants to come out to make comments at this time. Rather than suggest the absence of a quorum and lose the time here, I thought I might yield to the Senator from Tennessee and when the majority leader arrives we can accommodate him.

Mr. GORE. I would be happy to do that.

Mr. President, I would just like to continue.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for up to 3 minutes, 27 seconds, total remaining under the control of the Senator from Massachusetts.

Mr. GORE. I thank the Chair.

Following on the remarks just made by the Senator from Massachusetts, even if you take the European Community as a whole and measure the greenhouse gas emissions, they are not close to the United States. The figure is 15 percent of the total for the entire European Community. For the United States, it is 23 percent. The CIS, the former Soviet Union, as a whole, which it is not a whole anymore, but if you take all the former Republics together, that is less than the European Community. So the statement that the United States is by far the largest contributor of greenhouse gases to the global atmosphere is simply a fact.

Again, any criticism implicit in noting that fact is the lack of leadership by President Bush to address that problem.

The Senator from Wyoming is also correct when you look at the subject of pollution. There are some categories of pollution where we have made more progress than anybody else in the world. The Ukraine, as one republic, used to emit eight times as many particulates at low levels than the entire United States of America. In fact, environmental problems can be categorized in three categories, much as military conflicts are. Military historians speak of local battles, regional theatres of action, and global or strategic conflicts like World War II or the cold war. Environmental problems are much the same. We spend a lot of time talking about local air pollution or water pollution problems and most of our laws have been addressed at those local environmental problems. We have recently begun to deal with regional environmental problems like acid rain.

But what is new and what the Earth summit is all about is this new category of global environmental problems, strategic in nature, which must be addressed. The relationship between human civilization and the Earth's ecological system has simply changed because of the population explosion, the scientific and technological revolution, and our assumption that we are somehow separate from the Earth.

I want to also comment on a statement made earlier by my friend and colleague from Wyoming that Japan has conditioned its commitment to stabilizing at 1990 levels by the year 2000 to a per capita requirement. That used to be their position. In fact, they had a two-headed position; one advocated by MITI, which was as the Senator described it; the other advocated by the environment ministry. Actually, there was a huge public controversy about this in Japan. The ruling party had a convention, they had hearings, and they publicly changed their position. And then the Japanese Government's position changed, and it is no longer conditioned on a per capita requirement because public opinion forced them to change.

Public opinion is having an effect here, too, and I would urge President Bush to interpret the results of this resolution carefully. You know the old Sherlock Holmes story where the mystery is solved by noting the dog that did not bark. Well, if the President is trying to understand whether or not he should go to Rio, he should not the fact that with the exception of——

The PRESIDING OFFICER. The time controlled by the Senator from Massachusetts has expired. The time allocated to the Senator from Tennessee has expired.

Mr. WALLOP. Mr. President, I yield 1 minute to the Senator from Tennessee.

Mr. GORE. I appreciate the generosity of my colleague, especially since I am making a point which has a partisan overtone. But it really has a stronger bipartisan overtone because I was just about to note, for the benefit of President Bush, that at least at this late stage in the debate, while there have been impassioned speeches here and able advocacy by the manager of the bill, with the exception of the advocacy of the able Republican manager of the bill, we have not heard from the other side. That is fine, but I think it reflects the opinion of the American people that they want to see this Nation provide leadership on these global environmental issues. They would like to see President Bush be at the Earth summit.

Mr. President, do not embarrass the United States by letting every other leader in the entire world go to this historic meeting and President Bush be the only leader not there. I compliment my colleagues on the other side of the aisle by sending, through their relative silence in this debate, what I think is a message just as powerful in its way as the statements by the able manager of the bill and by others who have come to the floor to speak.

Mr. President, I suppose I have used up the 1 minute yielded by my colleague and I appreciate that.

The PRESIDING OFFICER. The time allocated to the Senator from Tennessee has expired. Who yields time?

Mr. WALLOP addressed the Chair.

The PRESIDING OFFICER. The chair recognizes the Senator from Wyoming [Mr. WALLOP].

Mr. WALLOP. Mr. President, when the majority leader returns, I will be happy to yield some time to him.

Mr. President, this resolution does not call on the President of the United States to attend the Rio summit. So whatever message he may be taking from this, at best, nonbinding resolution is up for some interpretation. It does call on him to exercise leadership in the negotiations.

I think, Mr. President, that he has done exactly those two things and continues to do them. I would say again that the President of the United States has really prevented the industrial world from capitulating to the developing nations, a Group of 77. I do not know what American here wants to trust the fate of America to 77 countries' decisions on the development of their economies and the control over our environment when their commitment is not to control theirs. That just does not seem to be an unreasonable position on the part of the President of the United States, notwithstanding all the hyperbole that has continued to be raised about this issue.

Now, Mr. President, I would take issue with one other thing that was stated by the able advocates of this resolution, that the President resisted the Clean Air Act. I happened to have gone to Wyoming, with the Grand Teton Mountain in the background, and stood there while he announced it as the centerpiece of his first administration. It was a bill that was introduced with and by the administration's cooperation.

Now, yes, others wanted him to go further than he wanted to go, but it is not an accurate statement to say that he had this bill forced on him. He had provisions of the bill forced on him and some of us are learning to live with that right today because the science in the EPA is a bad group of science on the whole. They tend to launch off on conclusions which they then seek various means of justifying through really what I think can best be called manipulative science.

I just point out this Senator has been, and was from the very beginning, fighting the arguments with regards to asbestos. And now the EPA has changed on that, having cost a school district in my State 2 years with their students out of the classrooms, created more hazard for everybody that was around that school by tearing all the asbestos out. And now they come to the conclusion that in place it is safer than being removed. It cost that school district well over $1 million. Now, Mr. President, that is not much in the Senate. One million dollars is hardly a noticeable figure. We cannot get down to that few zeros and make sense of it. But in a school district in Wyoming it means real money, it is real education, and it was spent on real frivolity, on bad science and scare tactics.

Now the EPA seeks to do the same thing with radon. We have billboards in my State warning people of radon, but the statistical evidence on radon simply does not bear out the level of threat and expense that they seek to place on this economy. So these are the kinds of things that we can do to ourselves. They can be fought out, and ought to be within the democratic processes of the Senate, the House, and the election arena.

But, Mr. President, signing a binding convention that creates obligations that are real to the United States is a different story. And the President has been exactly right to say go slow, take care what it is that you are trying to get us to do.

If indeed CO_2 is the only greenhouse gas worthy of control, then it is worthy of control in the Third World and developing world as it is here. But to give India, China and others, free license to belch out as much CO_2 as they can while controlling our own economy is simply not a very sensible thing to do, whatever the ultimate goal of that treaty might be.

If the ultimate goal is worthwhile and to reduce CO_2 as one of the greenhouse gases, then by all means let us do it. And we have, Mr. President. We have. We are trying yet to do still more of it in the energy strategy. But it pays, Mr. President, to walk these lines slowly and prudently.

Nobody is saying by being prudent do we have to ignore the environment. Nobody is saying that by walking slowly and prudently are we not leading because, Mr. President, I say again, no other country has done so much to control the environmental hazards existent within their society as has the United States, and continues to lead in that world.

We do not have to have the President of the United States at the conference in Rio being shouted at by Third World countries, and used for propaganda purposes of an international environmental movement which seeks to control the democracies of the world. I happen to believe—and I have no idea what the President of the United States thinks on this—that he is right in exercising caution and making a judgment as to whether, I will not yield.

I have been very generous with the time from this side. I even allowed lots of time to be dealt out of our hand to heap abuse on our President. I am willing to allow the majority leader to heap his abuse, because I know that is what it will be. But I do not see why I should yield for others to do it any further.

Mr. GORE. The Senator has indeed been very generous, and I appreciate it.

Mr. WALLOP. Mr. President, does the Senator from Washington wish any time in particular on his amendment?

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SIMPSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. SIMPSON. I would request 3 minutes.

Mr. WALLOP. Mr. President, what is the time situation?

The PRESIDING OFFICER. The Senator from Wyoming controls 13 minutes 3 seconds.

Mr. WALLOP. Mr. President, I yield 3 minutes to the Senator from Wyoming, and then when the majority leader comes, I am willing to yield to him. But I would wish to reserve 3 minutes for the Republican leader as well for his planning information.

The PRESIDING OFFICER. The Senator from Wyoming [Mr. SIMPSON] is recognized for 3 minutes.

Mr. SIMPSON. Mr. President, I want to thank my colleague, my friend from Wyoming, my friend for many, many years. I thought his remarks were terribly important and very valid.

There is certainly a great deal of extraordinary exaggeration in my mind about global climate change. I am fully aware of issues like ozone depletion. We can all listen to that one, and we can hear that. But when you get into global climate change, it seems to me in my life here, in the 13 years, there are many, many self-proclaimed experts outside this body, prophets of doom, who describe our impending doom, declaring that President Bush does not care one whit about the environment. That is so tedious to listen to.

The fact is we still do not adequately understand how our global climatic system works. We are just beginning to understand the control and feedback mechanisms in the atmosphere and in the ocean. Climate models remain in a very primitive state. They continue to be refined. But they cannot give us the quality of information that we need to make wise policy choices.

I think what I find most troubling about some of the statements that we hear about the White House and the environmental policy is that memory seems to be so very short around here. It was the President who broke the legislative logjam that stalled the Clean Air act for 10 years.

I sat in the committee and watched us pass that kind of legislation every year, just to win brownie points with certain groups around America. They knew it would drop dead right here at the desk, and never get one bit further—and never did. What did they think would happen to it? It was an unrealistic piece of legislation that died right here at the desk until George Bush and this administration brought it to life.

What he does not want to do is proceed with some half-baked global climate change policy that would not work and would have a very deleterious effect on the economy of the United States while having a benefit to other countries that we compete with. That is the reality in the midst of these times, and jobs, and things we always hear from other side.

Yes, the Earth's climate is changing, and for heaven's sakes it has been changing since the beginning of time. There have been cycles of ice ages and warming long before industrial activity ever began. When are we going to recognize that nature plays the biggest role in climate changes?

We do know that CO_2 can trap heat. No one denies that. But that is one fact and one fact only, a little tiny part of the total climate equation.

I noticed that in the March 20 issue of Science magazine we have a story about the great salinity anomaly. I bet no one in this Chamber has ever heard of that phenomenon.

So, if someone will share with me their remarks about the great salinity phenomenon or anomaly, I will begin to compile some notes on that. It talks about a giant pool of unusually fresh seawater that has been circulating in the North Atlantic. That is a recently discovered factor affecting global climate. The modeling equipment we used did not even deal with atmospheric changes the last time.

I am just saying that in my time in this body and outside of this body, I heard from those who spoke a few years ago that we were headed for a new ice age. I remember that the ice floes would build up in New York and finally crush everything back into Central Park. That was only 20 years ago. So, Lord knows what we are going to get in the next 20 years. I certainly want to be around for it all.

Thanks so much.

Mr. WALLOP. Mr. President, I believe that the Senator from Tennessee wanted to make an observation about my view that the convention would cap the emissions of the industrial countries but not those of the developing countries.

I say, again, if the majority leader wishes to speak on the time of the Senator from Wyoming—and I know he has leader time—I do intend and I wish the Chair to say when 3 minutes remains, because I wish to reserve that if the Republican leader is here.

The PRESIDING OFFICER. The Chair reminds the Senator from Wyoming he controls 8 minutes and 1 second.

Mr. GORE. Mr. President, I really appreciate the generosity of my colleague from Wyoming.

I wanted to say that the part of the point he made earlier that I wish to identify with is this: If the United States not only stabilizes emissions but reduces greenhouse gas emissions by 50 percent, and if every other industrial country also reduces greenhouse emissions by 50 percent, and the developing countries continue on their current path, then worldwide greenhouse gas emissions will, by the year 2030, increase by 250 percent.

So I say that, in my opinion, part of the Senator's point is not only valid but a central fact in this entire debate.

Where I would urge the Senator to look a little bit differently at this issue has to do with this question: How do the industrial nations, with the leadership of the world, the technological capability that we have, provide the kind of leadership that increases the odds of the developing countries moving off that path on to a different one?

The Senator from Wyoming used China as an example. When we adopted the Montreal protocol and limited CFC's, China refused to have anything to do with it, saying that the industrial nations created that problem disproportionately.

Why do we not deal with it? We began to deal with it and applied a different standard to the nations of the industrial world and to the developing world.

Now, after we have begun to meet those commitments, China is prepared to sign the Montreal protocol. This same basic pattern is contemplated in the global climate change agreement.

I urge my colleague to consider how we, as a nation, best provide the kind of leadership that is necessary to deal with the developing world's contribution to that spike. I appreciate my colleagues' appreciation to this debate and, again, I appreciate his generosity.

Mr. WALLOP. Mr. President, I would observe that were the United States to be more articulate and more imaginative in the use of its foreign aid, we could do more for the global climate with existing U.S. technology that controls emissions—both sulfur dioxide and carbon dioxide—than we can by signing this treaty and binding ourselves to a circumstance that the other cosignators will not, I assure the Senator, abide by, notwithstanding that the factors in their announced positions are still too great. The fudge factor in Europe's position is still too great.

This is a Senator who has not been an admirer of the arms control process because it has bound our country in more changes than it has bound the signators with whom we entered into those agreements. I would prefer a country that lives up to and abides by its commitments. I do not want this country to change in that, which is why I, along with others, urge the President to be exceedingly cautious in what he binds us to when entering into agreements. Because the other new way of traveling through this veil that we have now designed is basically to say that the Senate does not have a role in the ratification of treaties anymore. We do that, and if we fail to do it, we are bound by it anyway.

I point to a specific instance, the SALT II Treaty. It was not a good treaty, not well drafted, but we became bound by it, and we also became bound by a majority vote over it. The House of Representatives entered into that process.

Mr. President, I am saying that it is, therefore, very, very wise of the President of the United States to be cautious about the change that he wishes to bind our economy and our population under. I think he is doing that. I believe that he has a commitment—and he has stated it on more than one occasion—a commitment to the climate change negotiations.

But that does not say that by having a commitment to it, that he must capitulate to it. What he is saying is that this is a negotiation, not an obligation, which is bestowed by the Group of 77. This is something that was supposed to be negotiated. It is again, I say, not part of the UNCED agreement.

The majority leader is not here, and neither is the minority leader.

The PRESIDING OFFICER. The Senator now has 3 minutes remaining in his time.

Mr. WALLOP. I appreciate that. In the process, I hope that the Republican leader will come down for a closing remark on this.

Continuing, Mr. President, the UNCED Conference can take place without either the reforestation agreement or without the environmental agreement. These are separate processes to UNCED.

The presence of the President of the United States or these mythical world leaders, whose commitment has not yet been laid on the line, but it has been suggested, is really a commitment that is about like the other ones that would be required under the treaty as it is currently drafted, binding us to the extent that it does, and freeing the Group of 77.

Mr. President, this is simply not wise. There are better ways of achieving the same goal. One of the ways is negotiating the treaty more appropriately, and another way is using the leadership of the United States with regard to our own emissions as an example for Europe to follow and as an example for other nations of the world to follow, and continuing to negotiate. But negotiating does not mean capitulating, and that is apparently what the advocates would seek to have happen.

Mr. President, I again support that the President of the United States is on a correct and responsible path, and that it has been difficult for him to maintain that path given the level of propaganda, innuendo, and misinformation that has surrounded that activity. But I hope when the Americans take a look at it, that they think it would be wise for their President not to be down in Rio being bashed by the Group of 77 for failing to commit this country and other countries like ourselves in the developed world to being bound by change which will not have any effect whatsoever on the economies or the emissions of the Group of 77.

Mr. President, I note that the hour of 12 has arrived, and my time has expired.

Mr. WOFFORD. Mr. President, I rise in support of Senate Concurrent Resolution 89, submitted by Senator KERRY, and join my colleagues in urging the President to play an active role in the upcoming U.N. Conference on Environment and Development to be held this June in Rio de Janeiro, Brazil. As a member of the Committee on Foreign Relations as well as the Committee on Environmental and Public Works, I believe that the United States must take a more active leadership role in protecting the global environment.

The Earth summit conference is an extraordinary event in the history of international relations. It comes at a pivotal moment in our efforts to protect the future of our planet. The participation in this conference by so many nations sends a very powerful message: that without unprecedented levels of international cooperation, we will be unable to reverse the alarming trends toward degradation of our environment and depletion of our natural resources.

The issues to be addressed at the U.N. Conference are global in scope. They require an international response. Whether we are talking about global climate change, deforestation, loss of biological diversity, or ozone depletion, the international community must work together to develop shared goals and new partnerships to achieve them.

A coordinated response is our only real hope to efficiently and effectively carry the burden that our existence has increasingly placed on our fragile planet. This U.N. Conference offers a great opportunity to engage both industrialized and developing countries in a dialog that's critical to our future.

Without question, the success or failure of the conference will in large measure be determined by the role that the United States chooses to play.

If we are truly the leader of a new world order, then we must act like it. Not just with military might, but with scientific might and social invention. If the cold war has been won for freedom and democracy, we must not lose the peace through the pollution of our air, land, and seas.

The health and wealth of our children depends on our ability to restore and preserve a stable global environment. as a cosponsor of this resolution, I strongly urge the President to place America at the forefront of those nations who are ready to make a commitment to the long-term survival of our species and our planet.

Mr. LEAHY. Mr. President, the U.N. Conference on Environment and Development, otherwise known as UNCED or the Earth summit, is rapidly approaching. It is set to open in Rio in June, and representatives and leaders from over 160 countries are expected to attend.

The UNCED offers the United States an unprecedented opportunity to show world leadership on the most pressing issues facing the planet. Senator GORE and other have spoken eloquently about the historic importance of this event. Never before in history have so many countries, both industrialized and developing, from south and north, come together to find solutions to problems that, left unsolved, will imperil the future of life on Earth. Never before has the need for such a meeting been so urgent.

I have many ideas of my own on the subjects that UNCED should address—exploding population growth in the developing countries that is putting unprecedented pressure on the environment, global warming, destruction of forests, ocean pollution, loss of biological diversity—the list is endless and growing. Many of these issues have been the subject of hearings and legislative action by the Foreign Operations Subcommittee. In the past 3 years we have significantly increased funding in these areas. But despite our best intentions these efforts have been like treating cancer with cough medicine. The only hope for solving these problems is a global effort on a scale far exceeding anything done before.

Mr. President, the two grayest threats to our security, and to the world's security, are the proliferation of weapons of mass destruction and the destruction of the Earth's environment that is proceeding today at a record pace. Could there be anything more tragic, more ironic, than for humanity to destroy, by our own thoughtlessness and greed, the possibility of life for all species?

That is what has been happening over the course of this century, and the process is accelerating as I speak. The same shortsightedness that virtually wiped out the millions of buffalo that used to roam the Western Plains, is destroying countless other species today. Millions of tons of raw sewage are emptied into the water of this planet every day. Millions of tons of poisonous chemicals are released into the air we breathe. Vast areas of precious agricultural land are lost to development, at the same time the number of mouths to feed is doubling in less than 40 years.

What will it take for us to act? A hole in the ozone so huge that rather than save the billions of dollars we would otherwise waste on star wars, we spend it on an equally pie in the sky contraption to shield us from the Sun? A nuclear accident that dwarfs Chernobyl, only this time in Maryland or Virginia? Air pollution in Washington like Mexico City today, where the smog is so thick you cannot see to the next block and just breathing the air is life-threatening?

I cannot accept that we are so blind, so incapable of reversing this slide toward catastrophe. Is it not painfully obvious what can happen, what is already happening, if we continue to avoid the hard choices?

The fact is that unless the United States puts its full weight behind the UNCED, it will fail. Oh, there will be interesting meetings and thoughtful ideas exchanged and plans for more meetings. I do not question the value of that. But time is running out. These are not problems that are going to simply go away. We already know a great deal about what we are doing that is destroying our environment—what is needed is a major commitment of resources to save this planet. We cannot afford anything less from such an historic meeting that has taken years to plan.

So far, that leadership has been wholly lacking from the administration. It has refused to pledge more aid to the developing countries that are already billions of dollars in debt and cannot afford the high costs of protecting the environment, or to set limits for emissions of gases that contribute to global warming—the only country that has opposed such limits. It continues to drag its feet on an agreement to stabilize the Earth's climate, yet the United States is by far the largest contributor to global warming.

Mr. President, this administration's record on the environment can be one of its greatest achievements or worst failure. So far, it has distinguished itself only for being long on rhetoric and short on results. UNCED is an opportunity to change that.

President Bush often refers to America's greatness. He reminds us that we are the leader of the free world, the only superpower. But leadership means more than having the strongest military or the biggest economy. We are also the largest consumer of the Earth's finite natural resources, and we have made many environmental mistakes ourselves which we are going to be paying for for years to come.

The President needs to choose. Does he continue to side with the big oil, coal, utility, and automobile lobbies, that oppose any targets or timetables on global warming? That support an agreement only if it is so watered down it does not require them to do anything? that want more studies, more reports, more analyses of what we already know, more of the same go-slow approach that simply postpones the inevitable and drives up the cost of switching to cleaner technologies?

Will the President continue to hide behind that worn out argument that is the mainstay of his Council on Competitiveness—that the only way to have a strong economy is to be antienvironment and antigovernment intervention? Has he learned nothing from the billions and billions of dollars we are spending to clean up polluted rivers and toxic waste dumps, thanks to industry negligence and greed? Are we going to saddle our children with huge environmental and medical bills, because the President cares more about politics than pollution.

Energy conservation investments have already proven profitable in their own right. If we do not aggressively develop these technologies today, our industries will fall farther behind tomorrow. The Japanese and the Germans and our other competitors are already investing heavily in energy efficiency and renewable energy technologies. They know that in the long run it makes good economic sense, as well as environmental sense, to cut carbon emissions. Our own energy use is so riddled with waste and inefficiency that we could realize huge savings today, as well as in the future.

Do we care more about the price of oil and the profits of the fossil fuel industry and utility companies, than our health and our children's health and the health of the planet? Are we willing to spend billions to restore the Emir of Kuwait to his throne, but not to stop the poisoning of the environment?

I appeal to the President to seize this opportunity. This is not a question of being able to shift responsibility to other countries. This is not a question of whether it is just in our interest, as opposed to some other countries' interests. The air and water we breath and drink do not respect national borders. The problem is global. The solution is global.

The American people want a clean environment and they are sick and tired of their own Government dragging its feet. This past weekend, there was agreement among the UNCED participants that no nation has the right to pollute areas beyond its borders. That is an important step. But, because of U.S. stonewalling, there was no progress on the central issue of who will pay to clean up the environment. President Bush should go to Rio himself and he should announce that sooner, not later. He should let the leaders of the other countries know that the United States is ready to join them in far-reaching steps, backed by our share of resources, to implement the UNCED agenda.

Mr. CHAFEE. Mr. President, whether you believe the greenhouse effect has already begun or has not yet begun is not the point. Recognizing that there will always be scientific uncertainties, our challenge is to develop an action plan that avoids making the problem any worse while we work to resolve the uncertainties.

At the very least, we will have to change the way we use fossil fuels and to stop the destruction of forests around the world.

A couple of years ago, I visited Brazil where my colleagues and I met with numerous government officials, scientists, and citizens concerned with the related problems of deforestation and the greenhouse effect.

One of the lessons I took away from those talks was that a crucial element of any international plan to solve these problems must be a recognition of, and respect for the sovereignty of each nation. We must also appreciate that the pressures on developing countries that are trying desperately to improve the standard of living for millions of impoverished and frequently homeless people, are much different than those facing the industrialized world.

The lesser developed countries have many problems that demand their immediate attention. To many of their government officials, environmental protection is a luxury only to be addressed in the long term after they have dealt with housing, health care, education, jobs, food. Sao Paolo is a sprawling urban center of 16 million people. The problems there overwhelm Brazilian officials and the preservation of the rain forest slides down their priority lists.

An additional problem is the fact that developing countries are suspicious of our motives. They see how the industrialized nations have expanded and developed at the expense of the environment. Now, suddenly after we have gotten ours they hear us telling them that the world's pollution quota has been used up and they cannot develop.

No one can deny that we in the United States of America need to do a better job in our share of protecting the global environment. We do not come to the table with clean hands. The threat of global climate change as a result of the greenhouse effect is a good example of this problem.

Yes, Brazilian deforestation contributes to the greenhouse effect in two ways. First, the burning of trees and other vegetation releases tremendous amounts of carbon dioxide. Second, deforestation eliminates trees which previously absorbed carbon dioxide produced elsewhere. As trees grow they absorb CO_2 and hold it until they decay or are burned. This absorption capacity is called a "sink". The oceans are the other major sink for CO_2.

But destruction of the Amazon only contributes an estimated 7 percent to the greenhouse effect. By comparison, the United States is responsible for more than 20 percent of the greenhouse effect through our automobiles and wasteful use of electricity which we demand. It is produced—usually by burning coal or oil.

We cannot sit here and point fingers or assign blame. If we expect to have any credibility with Brazil and other developing countries, we must:

First, reduce emissions of carbon dioxide and the other greenhouse gases, such as methane; and

Second, stop the destruction of our old growth forests.

At the same time, we need to make our best technologies available to developing countries so that they may develop without repeating the mistakes of our past.

Shortly after Jose Lutzenberger, a world famous environmentalist, was named Brazil's Secretary of Environment in 1990, I had the pleasure of hearing him speak.

Mr. Lutzenberger referred to the developed countries as the overdeveloped countries. He makes an excellent point when he notes that our planet cannot afford to have the entire world develop in the excessive manner that the industrialized nations have done to date.

For example, consider private automobiles. Today we have 350 million private cars in the world. If all of the developing countries were to duplicate the level of automobile ownership that we have in the United States, Europe, and Japan, that number would not be 350 million but nearly 3 billion private cars. When you extrapolate to the next 30 or 40 years, when the world population is projected to reach 10 billion people, the number of cars would increase from 3 to 7 billion private cars. It is unthinkable to have a planet with that many cars spewing carbon dioxide and other pollutants into the atmosphere.

I am confident that, just as we have managed to make tremendous progress on our domestic environmental agenda, we will succeed in meeting the new challenges that are presented by the global environmental agenda. Yes, we have our problems, but we can deal with them and turn them into opportunities. The Rio conference will start us on the road to solving these problems, to meeting these opportunities.

Mr. HOLLINGS. Mr. President, I rise in support of Senate Concurrent Resolution 89, which encourages the President to play a strong and active role in the U.N. Conference on Environment and Development scheduled to be held in Rio de Janeiro in early June. This is a critically important meeting being held at a critically important time. I am proud to be a cosponsor of this legislation expressing the Senate's support for the UNCED process.

The UNCED meeting in Rio—referred to as the Earth summit—represents a unique opportunity for the nations of the world to commit themselves to address a whole host of global environmental problems—global warming, ozone depletion, deforestation, acid rain, desertification, and sea level rise. It is a change to forge a global agreement on what needs to be done to protect our planet and assist developing nations as they struggle to provide for the needs of their people.

This will not be easy; over 100 nations will be represented at Rio, each with its own, often conflicting, needs and desires. Yet, there is agreement on some key points: First, the Antarctic ozone hole and the accelerating rise in atmospheric carbon dioxide levels show clearly that pollution is no longer just a local or regional problem, but is now a global one; second, global environmental problems will affect every nation—we are all in this together; and third, addressing problems like greenhouse warming and deforestation will require an unprecedented amount of international cooperation and coordination.

Although the United States is the world's largest producer of carbon dioxide, we cannot stop greenhouse warming all by ourselves. As this resolution and the UNCED process make clear, there must be coordinated, international action. That action is required on several fronts. We need to continue to reduce emissions of ozone-depleting chemicals like chlorofluorocarbons. We must improve energy efficiency. We must ensure safe and ample water supplies, particularly in the developing world. We must take steps to slow deforestation and the frightening loss of biodiversity around the world. We need to reduce indiscriminate dumping of toxic and nuclear wastes.

Fortunately, there are ways to meet these challenges, if we make the necessary long-term investments, and if we have a coordinated international effort. According to an article by William K. Stevens in the March 17, 1992, issue of the New York Times, new studies are showing that the nations of the world can actually save money by taking steps to reduce their emissions of carbon dioxide. These studies indicate that by improving their energy efficiency, and making more with less, companies can become more competitive in world markets. There may be short-term costs for new equipment, but in the long-term, the benefits outweigh the costs—even before counting the benefits of protecting the global environment.

The United States has an important role to play at UNCED. It can provide technological leadership—showing what state-of-the-art technology can do to reduce emissions of greenhouse gases. And even more importantly, it can provide political leadership, showing that this country recognizes the seriousness of greenhouse warming and is willing to take action to address it. I urge my colleagues to support this resolution.

Mr. DODD. Mr. President, I rise in strong support of this resolution, and I want to commend Senator KERRY for his hard work on it. This is an important issue that deserves our immediate attention.

Mr. President, the resolution before us is a simple one. It does not change U.S. law, nor is it binding on the President. It simply expresses the sense of the Senate that the President should play an active role in the upcoming U.N. Conference on the Environment and Development. Up to this point, unfortunately, the President has not shown much interest in doing so.

Mr. President, just over 1 year ago, the world watched in horror as a madman by the name of Saddam Hussein unleashed his violent brand of environmental terrorism upon the Persian Gulf region. Sadly, massive oilspills and burning oil well fires are not the only threats to our global environment. For years we have been facing the threat of global warming and a rapid deterioration of the ozone layer.

The evidence is clear and unmistakable, Mr. President. In testimony before the Senate Commerce Committee a few weeks ago, several well-known researchers offered compelling evidence that the mean global temperature has increased between 0.3 and 0.6 degrees Celsius since 1890. Indeed, the last 2 years have been the hottest 2 years on record.

By the year 2100, the predictions are that temperatures could increase another 5 degrees or more, reaching levels unmatched in more than 60 million years. That may not seem like much to the average person, Mr. President, but consider this: today the average mean temperature of the Earth is only 5 degrees warmer than during the last ice age. If temperatures continue to climb, many cities will be buried in floods as a result of the partial melting of the polar ice caps.

As for the evidence of the breakdown of the ozone layer, scientists have been tracking this phenomenon since the year 1973, when researchers first discovered the damaging impact of chlorofluorocarbons, or CFC's. Until recently, however, the debate has centered over the ozone layer above the North Pole, and parts of the Southern Hemisphere.

But 2 months ago, NASA scientists warned that a hole in the ozone layer could open up over New England as soon as this year. In fact, the scientists reported, during one period at the end of late January the ozone layer over the region was being eaten away at the rate of 1 to 2 percent per day. Suddenly, Mr. President, ozone is an issue all of us must confront.

The health effects of reduced ozone are already being felt in the Southern Hemisphere, where researchers are reporting a dramatic increase in the number of cases of skin cancer and other Sun-related disorders. In some regions of Argentina, families are urged to keep their children inside during the peak summer months. Scientists believe that by the year 2000, ozone depletion will have caused an additional 1.6 million cases of cataracts per year and 300,000 new cases of skin cancer.

In the face of this compelling evidence, what is the reaction of the President of the United States? It is almost to pretend the problem does not exist.

On global warming, the President announced 2 weeks ago that he would oppose an international agreement setting specific timetables and targets to reduce emissions of greenhouse gases such as carbon dioxide. On the ozone layer, the President announced 2 months ago a modest speedup in the timetable to eliminate CFC's—a day late and a dollar short, in the view of many.

Finally, Mr. President, we still have not heard confirmation from the President that he will be an active participant in the U.N. Conference on the Environment and Development in June of this year. This conference, to be held in Rio de Janeiro, will be the first of its kind. It represents a critical opportunity for the world to speak as one on these important problems.

Sadly, the President of the United States refuses to take the lead when his leadership is needed most. The leader of the new world order—the man who summoned 29 nations into battle against Iraq—is being dragged almost against his will into this all-important fight. It is a disheartening sight, Mr. President.

So Mr. President, it is regrettable that today we consider this important resolution. I say regrettable not because I disagree with its intent—to the contrary, I think it is a fine resolution. But I fail to see why it should take a congressional resolution to get the President to take the lead on this issue. And I don't understand why it should take the admonition of the entire world to shame the President into action.

Mr. BIDEN. Mr. President, 4 years ago, President Bush promised that he would do battle with global warming, using the White House effect to fight the greenhouse effect. Now we have before the Senate a resolution urging the President to support international efforts against the greenhouse effect and other global threats. The White House effect is nowhere to be found.

The opportunity that is slipping away is the international conference in early June in Rio de Janeiro in Brazil. The President's delay in commiting to this battle stands in sharp contrast to the actions of other world leaders. Dozens of countries have strived to make the conference a success. But they have watched as the United States has paused, sat silent or sought to weaken progressive proposals.

The White House effect has served to scuttle the talks, not to promote them. The administration's actions to date are minimalist in nature at a time when bold leadership is deperately needed. And they are self-fulfilling in their effect. I will not be surprised if the administration argues that the President will not attend the conference because it failed to reach a break-through agreement, completely ignoring its own role in all but making sure a meaningful agreement was not reached.

But I would also like to highlight other arguments that have been made against the entire process. The arguments need to be highlighted because, while they appear reasonable, they lay the groundwork for opposition any action on global warming in the future.

First, a dangerous distinction has been created, one that claims we should be concerned about harmful climate change. This distinction creates a theory of good climate change and bad climate change. Acceptance of this premise is a cover for no action of any kind on climate change.

If one accepts that some climate change will have beneficial effects, then we are left in the preposterous situation of believing we can pollute our way to a better future. The good climate change proponents would have us believe that with just the right mixture of sulfur dioxide, CFC's, carbon dioxide, and perhaps a healthy dash of deforestation, we can make our winters warmer, control droughts and extend growing seasons.

While these types of changes are expected under most global warming scenarios, the notion that we can somehow control climate changes so that they are all beneficial to mankind is absurd, as is the notion that with just the right amount of pollution, we can offset warming trends.

These are not the only fallacious arguments that arise. Several predict destruction of our domestic economy if we take action on global warming. One underlying belief for these arguments is that economic growth and energy consumption must move in lockstep. Therefore, any programs that call for reduced energy consumption is destined to lower our standard of living.

A decade of proof shows this argument is a false one. In the years from 1972 to 1988, our Nation's gross domestic product grew by more than 55 percent, but energy consumption rose by only 10 percent. We managed healthy economic growth with increased energy efficiency and conservation. But opponents of action on global warming would have the public believe that we must waste energy to be productive.

Beyond the deceptive arguments used by those who would do nothing on global warming, it is important to understand the science that is driving this issue.

No one asserts that scientists fully understand our world's ecosystem and how global warming could affect each region of the planet. But they do know that undeniable changes are underway in our atmosphere. Concentrations of carbon dioxide are rising inexorably. CFC's are found in the highest reaches of our atmosphere above the most remote regions of the globe. Methane levels are rising.

All of these will have an effect on nature's systems. Any doubts about that should have ended with the discovery of serious thinning of the ozone above Antarctica. The ozone hole shows that man can and does affect the atmosphere, that pollutants do not conveniently disappear as some would wish.

That is the basis for concern about global climate change—that the cumulative effect of each of our actions could have severe effects on our planet's and children's future. The Earth summit is a first step toward fending off catastrophe.

The conference in Rio in June represents an effort by 160 nations to develop a system to deal with this potentially devastating problem. But nothing will happen unless the United States decides it should move forward. That is the position we are in as a superpower and as the single largest source of greenhouse gases. And it is in this position that our representatives, under direction from the administration, have failed.

The contrast is stark between our role in the Uruguay round of trade talks, and the talks leading up to the Rio Conference. In the Uruguay round, the President and the administration have been very active, very assertive in pushing for an agreement. They have attempted to browbeat laggards in every forum possible to settle remaining issues. And they have refused to give up on the process. Without the administration's determination to reach an agreement, the talks would have collapsed long ago.

But with the Rio conference, it has been silence. Almost nothing productive has come forth from the administration. Reports from the talks constantly cite frustration on the part of not just developing nations, but also other industrialized nations that support action against global warming.

The contrast shows how much more the administration could have done in the months leading up to the talks. They could have and should have been much more progressive in fact, not just in their press releases. This criticism is not a new development. For months, concerned observers have tried to get the administration to move on this issue.

Last July, I authored language in the State Department reauthorization bill stating the sense of the Congress of points the United States should support in the talks. Those points included verifiable goals and plans by each country to reach those goals. That resolution was approved by Congress. The resolution says, in part, that "strong leadership by the United States is crucial to achieving an agreement on a framework global convention in time for the United Nations Conference on Environment and Development to be held in Brazil in June, 1992."

Unfortunately, the administration continued to stand alone on its position on global climate change, in opposition to anything but business as usual.

The resolution called for a balanced approach, one that recognized the need for further research, but opposed allowing a small degree of uncertainty to block needed actions. The resolution called for "adoption of national strategies to address climate change * * * and to make public the elements of such strategy."

We hear the administration claim that they support these goals, but when they are raised in the context of the Rio meeting, the administration shifts to opposition. At a time when the positions they claim to support can be given real meaning, the administration backs off.

I fear that barring a herculean effort, the lofty goals envisioned for the Rio Conference months ago have already been scuttled. Full realization of the administration's strategy will not begin to be known until June. In the years that follow, recognition can only grow that Rio was an opportunity that was wasted.

Mr. SANFORD. Mr. President, I rise to add my voice to the numbers who have expressed their embarrassment over this Nation's lack of global environmental leadership. The United States of America must stand and be counted as a people who care not only about the health and happiness of their own children, but also about the children of foreign lands who have yet to be born.

I am an original cosponsor of Senate Concurrent Resolution 89, and support its companion House Concurrent Resolution 292, which is before us today. The resolution calls upon the President of this Union to look beyond the rhetoric of narrow special interests. I sincerely hope that our President will wake up and take instruction from his own claim that America is now the world's only superpower. As the administration charts the course of the most powerful Nation on Earth, should not the very health and life of this planet be a priority?

I join my colleagues in requesting that President Bush immediately involve this Nation, with all of its scientific knowledge and world influence, in the task of planning meaningful discussions for the U.N. Conference on Environment and Development [UNCED]. Without the United States participation in preliminary talks and a guarantee of our presence at UNCED in June, the likelihood of a forceful international accord being reached will be dramatically reduced.

Mr. President, planet Earth is in peril, and Americans helped her reach this critical state. However, as the data rolls in, more and more Americans are realizing that the words "preservation," "conservation," and "sustainable development" are not radical leftwing terms, they are terms that we must all become familiar with. Environmental leadership should not be reduced to a game of petty politics, it should be characterized by common sense. Common sense tells us that we must act now.

Unfortunately, either our President does not believe the scientific evidence presented to him of global environmental degradation, or he just does not care to concern himself with the facts. Many of the world's most respected researchers are convinced that global warming is a real threat, meanwhile the United States continues to produce 20 percent of the world's carbon dioxide emissions. The recent space shuttle mission revealed areas of ozone depletion over the United States, in addition to those areas already documented. The tropical forests, which hold endangered species, lifesaving drugs, and the lungs of the world, are disappearing at a rate of more than an acre a second. As the world population skyrockets, industrial and Third World nations alike are polluting our land and our water; if this trend continues, it spells the end for thousands of species of plants and animals, and it ensures that the quality of life for future generations will certainly be compromised.

Mr. President, the administration prides itself on foreign policy successes and being the big kid on the global block. Is it not a proper placement of priorities to continue this leadership role to help bring nations together to preserve the world environment?

Many of my colleagues have expressed their pride in the progress that America has made in the area of environmental technology. I share this pride and am encouraged by the possibility of new global markets that might be established if the United States takes the lead in negotiating tough, effective agreements for environmental cleanups.

We stand to gain in so many ways by taking a visionary approach to solving the international threats to this Earth and its atmosphere. The President can prove America's global stature by playing an active role in the preparation of UNCED, by personally attending the conference, and by supporting responsible proposals at the convention.

I am pleased to join my colleagues in support of this resolution and I am hopeful that the President will note its broad support.

The PRESIDING OFFICER. All time under the previous order has expired.

The Chair recognizes the majority leader, Senator MITCHELL.

Mr. MITCHELL. Mr. President, I had understood that Senator DOLE wished to speak, and I inquire as to whether Senator DOLE does wish to speak on the resolution.

Mr. WALLOP. Mr. President, if the majority leader will yield, I am told the Senator would wish maybe 5 minutes or so.

Mr. MITCHELL. Then, Mr. President, this is to accommodate Senator DOLE, and I wish to speak, as well. We both can use part of our leader time.

Is Senator DOLE on the way now?

Mr. President, what I am going to do is momentarily suggest the absence of a quorum to permit Senator DOLE to come to the floor to make his remarks, and then I will make closing remarks of just a couple minutes.

Mr. SYMMS. Mr. President, will the majority leader yield for a question?

Mr. MITCHELL. I yield.

Mr. SYMMS. What is the schedule for the remaining part? I have about a 20-minute speech I want to give on this subject.

Mr. MITCHELL. Mr. President, I do not think there will be objection to that. The vote is scheduled at noon, and all time has expired.

Mr. SYMMS. During the remainder of the afternoon, will there be any other time for the Senator to make his presentation?

Mr. MITCHELL. We are going to be proceeding to the budget resolution this afternoon, I assume, at some point in time later today.

If the Senator would like, if the Senator wishes, when we conclude action on the budget this evening, before recessing for the evening, I will be pleased to provide a block of time for the Senator.

Mr. SYMMS. I thank the Senator. I my wait to see how late that is going to be. I thank the Senator.

I just would say at some point I would like to be heard on this subject, and I share the views of the Senator from Wyoming.

Mr. KERRY. Mr. President, will the majority leader withhold the quorum call for the purpose of two unanimous consent requests?

Mr. President, I ask unanimous consent that the distinguished Senator from Michigan [Mr. RIEGLE] and the distinguished Senator from Oklahoma [Mr. BOREN] be added as cosponsors of the resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. Mr. President, I ask unanimous consent that the order to vote on the Senate resolution, now the pending business, and its possible, be vitiated, and the Senate proceed to the House resolution under the previous order when the time for a vote occurs.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KERRY. I thank the Chair and I thank the majority leader.

Mr. MITCHELL. Mr. President, It is my understanding that there will now just be one vote on the resolution itself; and I correct?

Mr. WALLOP. Yes. If the majority leader will yield, the yeas and nays have not been ordered on that, and ought to be.

Mr. KERRY. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. MITCHELL. Then, Mr. President, for the information of Senators, the vote will occur, depending on the length of the statement. The Republican leader is here. We will proceed with his statement. I believe the vote will occur within the next 10 minutes. Senators should be aware of that.

Mr. President, I now yield the floor so the distinguished Republican leader can make his statement.

The PRESIDING OFFICER. The Chair recognizes the Republican leader, Senator DOLE.

Mr. DOLE. Mr. President, a few of my colleagues have spent this morning criticizing President Bush and the United States of America for singlehandedly destroying the global environment. Nothing is further from the truth.

I listened to a lot of this on my TV in the office. I do not believe some of the statements made by some of the critics of President Bush.

Environmental laws and regulations governing nearly every aspect of life in America are stronger in the United States than they are in any other country in the world. We have laws on air emissions, water discharges, filling and dredging wetlands and waterways, disposal of every type of waste from common household garbage to toxic chemicals to radioactive waste. We regulate almost to the absurd, demanding asbestos which has been safely sealed in place instead be disrupted and removed at enormous cost. We demand toxic waste be removed from leaking dump sites and transferred to exotic, space age dumps which also leak, a move that generates huge profits to lawyers and little, if any, benefit to the environment.

Unfortunately, those who have criticized the President of the United States this morning fail to tell us the basic position of the two sides in the UNCED negotiations. The United States wants to have a cooperative agreement whereby all nations of the world commit themselves to undertake the same type of aggressive environmental controls that the United States has taken. Conversely, the Third World has viewed these negotiations as a cash cow. For a price, they have said, we might be able to interest them in being concerned about the environment.

So, Mr. President, let us ask the American people. Let us ask the American taxpayer which we fail to do around here almost every day. Ask the American taxpayer the real question: Do you favor sending hundreds of millions, if not billions, of your tax dollars to foreign countries to try to interest them in the environment? Or, do you favor taking a tough stand, demand that all nations follow the lead of the United States in cleaning the air, the water, protecting forests and species, and eliminating chemicals which are destroying the stratospheric ozone layer?

I am quite certain when the American people understand the facts—not the speeches, not the rhetoric, not the criticism of President Bush—when they are told the truth, they will reject this sleight of hand to take money out of the hands of the needy in this country and use it as bribes to foreign governments.

I am also quite certain the American people would instead agree that President Bush, that all nations, should voluntarily protect the fragile environment of this globe which is, as best as I can determine, the only choice we have in choosing a place for mankind to live.

In closing, I would like to praise President Bush for his courage in taking the sensible position he has. He could have chosen the politically expedient route that many of my colleagues talked about this morning of hiding behind the skirt of environmental protection and allow this Nation to be blackmailed.

President Bush is standing tall for the environment and the American people, and as one American, let me congratulate the President on doing a superb job.

The PRESIDING OFFICER (Mr. WOFFORD). The majority leader.

Mr. MITCHELL. Mr. President, in June, leaders from all over the world will meet in Brazil for the Earth summit. This will be the largest international gathering on the environment since the Stockholm Conference in 1972.

It reflects the fact that environmental values are more deeply inbedded than ever before. Citizens in all countries, of all cultures and regions, realize that protecting the global environment is essential to human survival. More than ever, individuals and governments recognize that environmental protection is essential for economic health.

Yet, during the time of heightened global awareness of the environment, President Bush has not yet agreed to attend the Earth summit. Other Western leaders have made such a commitment; they will be there in June.

I urge the President to attend the Earth summit. He should show the world that the United States, which is admittedly part of the global environmental problem, is committed to being part of the solution as well.

The Bush administration is unfortunately preventing progress on a global climate change convention. Several areas of disagreement have arisen within the negotiations on a convention. These disagreements have been nurtured by the U.S. refusal to commit to meaningful limits on U.S. greenhouse gas emissions. Negotiations have progressed slowly, in part because the Bush administration refuses to commit to any controls on carbon dioxide, the dominant greenhouse gas.

The European Community has committed to a policy of stabilizing carbon dioxide emissions at 1990 levels by the year 2000. Other nations have committed to reductions in emissions. The Bush administration has isolated the United States by refusing to commit to any controls on greenhouse gas emissions.

The world cannot afford continued delay by the Bush administration. Even if we stop emitting all greenhouse gases today—an impossible prospect—but even if we did so, there will still be more warming of the Earth's atmosphere. Further delay means our children and their children will pay an even higher price.

The Bush administration wrings its hands, paralyzed by fear that action will cost too much. But its own studies show that there are cost-effective ways to reduce carbon dioxide emissions. And forgotten by the administration is the very high cost of inaction.

To avoid increasing carbon dioxide emissions, we need to use energy more efficiently. Energy efficiency creates jobs and saves money. Curbing emissions in concert with other nations will create global markets for American products and American services that improve efficiency and reduce emissions. Some other nations already recognize the chance to improve their balance of trade. We should act aggressively in this area. We forfeit both an environmental and a trade edge by hesitation.

By itself, the United States contributes 20 percent of the entire world's carbon dioxide emissions. Yet the administration isolates the United States as it shrinks from leading the world with aggressive environmental diplomacy.

The United States cannot afford any more environmental timidity on this critical issue.

I urge the President to attend the Earth summit and to reverse the position of his administration on global warming. It is time to act for ourselves and for generations to come.

Mr. KERRY. Mr. President, I ask unanimous consent that Senator BUMPERS of Arkansas be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Under the previous order, the clerk will report House Concurrent Resolution 292.

The assistant legislative clerk read as follows:

A concurrent resolution (H. Con. Res. 292) expressing the sense of the Congress with respect to United States participation in the United Nations Conference on Environment and Development (UNCED).

The PRESIDING OFFICER. Under the order, the text of Senate Concurrent Resolution 89, as amended, is substituted for the text of the pending House concurrent resolution.

The question is on agreeing to the concurrent resolution (H. Con. Res. 292), as amended. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS] and the Senator from Arkansas [Mr. PRYOR], are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 87, nays 11, as follows:

[Rollcall Vote No. 67 Leg.]

YEAS—87

Adams
Akaka
Baucus
Bentsen
Biden
Bingaman
Bond
Boren
Bradley
Breaux
Brown
Bryan
Burdick
Byrd
Chafee
Coats
Cochran
Cohen
Conrad
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Grassley
Harkin
Hatch
Hatfield
Heflin
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Specter
Thurmond
Warner
Wellstone
Wirth
Wofford

NAYS—11

Burns
Craig
Dole
Gramm
Helms
Lott
Simpson
Smith
Stevens
Symms
Wallop

NOT VOTING—2

Bumpers
Pryor

So the concurrent resolution (H. Con. Res. 292), as amended, was agreed to.

The preamble, as amended, was agreed to.

Mr. KERRY. I move to reconsider the vote.

Mr. ROTH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. KERRY. Mr. President, I ask unanimous consent that Senate Concurrent Resolution 89 be indefinitely postponed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The majority leader.

ORDER OF PROCEDURE

Mr. MITCHELL. Mr. President, under the previous order, the Senate was now to recess for the respective party conferences. I have been asked by the Senator from Delaware for the opportunity to address the Senate now as if in morning business.

Mr. President, I ask unanimous consent that the Senator from Delaware be recognized to address the Senate as if in morning business for 20 minutes, and that upon the completion of his remarks the Senate stand in recess as under the previous order.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Delaware.

Mr. ROTH. Mr. President, I want to express my appreciation both to the majority leader and the Chair for the courtesy extended to me to make my statement for the next 20 minutes.

(The remarks of Mr. ROTH pertaining to the introduction of S. 2531 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SIMON addressed the Chair.

The PRESIDING OFFICER (Mr. EXON). The chair recognizes the Senator from Illinois.

FISCAL IRRESPONSIBILITY

Mr. SIMON. Mr. President, I picked up a Washington Post Sunday morning, and I read the superb article by our colleague, Senator LLOYD BENTSEN, titled "A Straddle Into Irresponsibility."

In that article, he talks about how we are drifting into greater and greater fiscal irresponsibility with the growth of the Federal budget deficit. I know the Presiding Officer and I are both on the Budget Committee, and I do not think there is any question that the deficit this next fiscal year will exceed $400 billion. It is hardly conceivable that we are going to have that.

It was not too long ago when the total indebtedness of the Federal Government, from George Washington on, and I think up until just about the time Jimmy Carter took office, totaled $400 billion. Before he left office, the total debt was less than $1 trillion. It is now approaching $3.9 trillion. We cannot keep that up indefinitely.

This article calls on both parties to do something about it, and specifically calls on the President to face up to this. It urges that both candidates for President this time face up to this.

If I can just read the final few sentences here:

It is not my purpose to lay the blame for our deficits at the feet of the President or at the door of the Republican Party. There's enough blame to go around. We Democrats in Congress have added our fair share to the deficit, and there's no question that some of those among us would adamantly oppose the best efforts of any President to deal with the deficit.

The President didn't cause the deficit by himself and can't be expected to deal with it alone, either. But unless the President takes the lead, there'll be no dealing with it at all.

I believe that to be the case.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point this excellent op-ed article by our colleague, Senator LLOYD BENTSEN.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 5, 1992]

A STRADDLE INTO IRRESPONSIBILITY

(By Lloyd Bentsen)

If Bob Dole had been elected president in 1988, dealing with the federal deficit would have been his top priority, and there's little doubt in my mind it would be under control by now.

The deficit has not been a priority for President Bush, except for a brief period in 1990, and so it has ballooned from $154 billion to $400 billion a year. Given the course of his campaign so far, there's every reason to expect more of the same if he is reelected.

The Post rightly honors Dole as one of a small group of senators who have courageously fought to eliminate the deficit over the years. And he really paid a political price for his courage in the New Hampshire Republican primary of 1988.

Dole came into New Hampshire as the front-runner, leading in the polls and having beaten Vice President Bush in Iowa. The vice president actually ran third in Iowa, behind both Dole and the Rev. Pat Robertson.

Bush came out swinging in New Hampshire. He ran TV ads unfairly charging that Dole would increase taxes, simply because that was among the options Dole felt a president shouldn't categorically rule out. "Senator Straddle," the ads called him.

That wasn't the end of it. Dole had supported establishment of the bipartisan National Economic Commission to find ways to cut the huge federal budget deficits. Many believed the commission—headed by two savvy political insiders, Democrat Robert Strauss and Republican Drew Lewis—offered the last best hope of finally breaking the impasse that had nearly paralyzed the budget process for most of Ronald Reagan's tenure.

Vice President Bush didn't see it that way. In one of his New Hampshire TV ads, he said the commission "exists to provide political cover for a tax hike. If it doesn't recommend a tax increase, I'll not only eat my hat, I'll eat Bob Dole's hat."

After beating Dole in the primaries, the vice president went on to the Republican National Convention, where he was nominated. In his acceptance speech, to ensure that everyone knew of his adamant stand against tax increases, he uttered his famous "read my lips" pledge. The commission, which had become a political football in the New Hampshire primary, broke up in disarray a year later. Unable to reach agreement, it issued two separate reports in early 1989. Neither report recommended a tax increase, but there's no evidence Bush made good on his offer to eat both his and Dole's hats.

President Bush insisted his "flexible freeze" was the way to eliminate the deficit. That and some budget sleight of hand. During his first year in office, he proposed an S&L bailout that was not only financed with more government borrowing but, at the Bush administration's insistence, was exempted from the discipline of the Gramm-Rudman budget law. This drove up the cost of the bailout, which is adding more than $100 billion to the deficit this year.

In his 1990 State of the Union address, the president was still claiming he would bring federal spending under control. His new budget, he said, would balance the budget by 1993 and do it "with no new taxes."

But a few months later, facing the need for lower interest rates to soften a coming recession, the president admitted his flexible freeze and budget gimmicks weren't up to the job and entered budget negotiations with Congress. This ultimately led to agreement on a series of spending cuts and tax increases intended to reduce the deficit by some $500 billion over five years.

In New Hampshire this election year, the wheel came full circle. The issue again was taxes, only this time Bush wasn't attacking Dole for refusing to sign a "no taxes" pledge. He was under attack himself from Patrick Buchanan for breaking a pledge he should never have made in 1988.

It was the president's reaction to the Buchanan challenge, far more than the challenge itself, which convinced me his reelection would likely doom us to another four years of ballooning deficits. He reacted, first, by pulling away from the relatively modest tax increases in his own 1993 budget, adding $17 billion to the deficit over the next five years. Second, Bush reacted by disavowing the 1990 budget agreement as a "mistake."

I am encouraged by recent bipartisan signals that the Senate may be getting serious about deficit reduction. A Democratic amendment to the recent tax bill would have eliminated a middle-income tax cut and instead have used money from an upper-income tax increase to reduce the deficit and help replace our aging transportation infrastructure. On the Republican side of the aisle, there is growing discussion about the need to rein in entitlement programs, which account for the lion's share of the federal budget.

I have reservations about both approaches. The deficit is not our only legacy from the 1980s. Another is a tax system tilted in favor of the well-to-do. A tax reduction for middle-income families is needed if we are to restore a measure of fairness to that system. As to entitlement cuts, if by this my Republican colleagues refer to cuts in Medicare and Medicaid—the federal government's primary health care programs—they need to carefully consider cause and effect. The cause is the rising cost of health care, which not only threatens to push the cost of Medicare and Medicaid through the roof in coming years but has already pushed private health insurance beyond the reach of nearly 40 million Americans.

But disagreeing with these proposals does not mean I dismiss them. Both are worthy of consideration as good starting points for a vigorous debate on deficit reduction.

Without leadership from the White House, however, any effort to make a significant dent in the federal deficit is doomed at the outset, and we're not getting that kind of leadership.

Consider the president's tax plan. Republican and Democratic senators alike agree that he fails to pay for his proposed tax cuts, and the Joint Tax Committee estimates his cuts would add $32 billion to the deficit over the next six years.

His own administration maintains that adding to the deficit poses more economic risk than stimulus. The Office of Management and Budget warns that abandoning the discipline of the 1990 budget agreement "could trouble financial markets, cause interest rates to rise . . . slow recovery and threaten job creation." Many of the same Republican senators most concerned about the budget deficit—though not all of them—felt compelled to vote for the president's tax cut, budget buster or not. The political pressure to support an initiative by a president from one's own political party can be irresistible, especially in an election year.

I would like to see President Bush prove me wrong. I would urge him to campaign on a pledge to eliminate the budget deficit no matter what it takes, and I would urge his Democratic opponent to try to outdo him in this regard rather than seek to undercut him.

It is not my purpose to lay the blame for our deficits at the feet of the president or at the door of the Republican Party. There's enough blame to go around. We Democrats in Congress have added our fair share to the deficit, and there's no question that some of those among us would adamantly oppose the best efforts of any president to deal with the deficit.

The president didn't cause the deficit by himself and can't be expected to deal with it alone, either. But unless the president takes the lead, there'll be dealing with it at all.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Nebraska, asks unanimous consent that the previous order to recess at this time be momentarily delayed.

Without objection, it is so ordered.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER (Mr. SIMON). The Chair recognizes the Senator from Nebraska.

THE NATIONAL DEBT

Mr. EXON. Mr. President, I have just listened to, with great interest and admiration, the statement of my friend and colleague from the State of Illinois with regard to the excellent piece that was just not another op-ed piece, but an excellent statement of not only how we got ourselves into the mess with the deficit and the skyrocketing national debt, but more important, the ways to get out of it, authored by our great friend and colleague, Senator LLOYD BENTSEN, chairman of the Finance Committee.

I wish to associate myself with the remarks of the Senator from Illinois, who inserted that particular piece from the Washington Post on Sunday into the RECORD.

It is the best summary that I have ever seen. Many of us, including the present occupant of the chair, the Senator from Illinois, have been working diligently to do something about this for many years.

When the Senator from Illinois was mentioning how this thing has grown topsy-turvy, totally out of hand, it reminded me of a statement I made from this desk on this floor sometime within the last 2 weeks. I believe that it was within the last 2 years of the Jimmy Carter term of serving as President of the United States—I was a member of the Budget Committee at that time, and I think that was shortly before the Senator from Illinois was elected to the Senate by the great State of Illinois—there was a terrible furor that broke loose fairly late in the year in the activity of the Congress when a shocking revelation was made.

It was very likely that the United States, unless we took instantaneous action, was going to end up that particular fiscal year as much as $70 billion in debt. And, you know, it sent shock waves throughout the economy. We have been told now for lo these many years that unless we did something about it, the stock market would make us rue the day that we did not bring ourselves to fiscal discipline.

That was what—12 years ago, give or take a year or two. That was two or three Presidents ago, give or take one or two Presidents. And we keep going on to the matter. If anybody would have indicated back in that year of 1978 or 1979, whenever it was, when this event took place where members of the Budget Committee were suddenly called over in a desperation move by President Carter to address that matter at a time when the national debt was under $1 trillion. And now we all know within the next few months it is going to bust through the $4 trillion figure. If we had told the people that that was going to be the case in 1992, we either would have been laughed out of the meeting or the Government very likely would have collapsed at that point, recognizing that there is no way we could sustain a $4 trillion debt.

So, sometimes we wonder if figures do mean anything. I happen to agree with the Senator from Illinois. Indeed they do mean something. But we are just putting off that fateful day on and on and doing nothing about it.

ENTRAPMENT

Mr. EXON. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my very brief remarks a front page article from today's New York Times, April 7, 1992, by Linda Greenhouse, special to the New York Times. The article is headed: "Justices, in Entrapment Case, Cast a Rare Vote Against Prosecutors."

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. EXON. Mr. President, this is a story that has to do with a Nebraskan whom this Senator does not know or does not remember, but he is a constituent of mine. I do not recall that I have ever known him. But having served Nebraska for about 20 years in the capacities of Governor and now my 13th year in the Senate, the chances are somewhat great that I at least met this gentleman one time. I do not know him. I do not ever remember him even contacting me, but I have been following this particular case with some interest in the paper, primarily, I admit, because this man was from Nebraska.

This is a case—and from what I knew of it, not just because it was a Nebraskan, I was delighted at the 5-to-4 split decision in the Supreme Court yesterday that held in this case—and, again, I do not know all the details, but the basis of it is that in this particular case the Government officials went way beyond any due bounds with regard to entrapment.

I have been criticized a great deal as one of the people who voted for Judge Thomas, and I take note of that again today. I was one of those two or three votes that made the difference with regard to Judge Thomas' being shunted aside or confirmed. Rightly or wrongly, after studying the whole issue in great detail, rightly or wrongly, after looking back at the record, rightly or wrongly, whatever the merits of the case are, I suspect that there has never been a nomination for a Supreme Court Justice that has riled as many feathers and waters as did the matter of Judge Thomas.

At this time I can point to at least one article and say, well, at least in this case it is Judge Thomas, whom I supported and felt in the end might be not the rightwing idealist that some people have alleged that he was and pointed to him as an individual who should not have been nominated, maybe they will take a look at this article, and, whether they agree with the Senator from Nebraska or not, at least I want to point out that I think that the majority of the Supreme Court, with Judge Thomas being one of the key votes here, made the right decision, from my perspective on what is right and what is wrong with regard to proper activity by prosecutors in making the case.

In this case, the Supreme Court of the land held that the prosecutors went way beyond due bounds, and I think the decision was right.

Mr. President, I yield the floor.

EXHIBIT 1

JUSTICES, IN ENTRAPMENT CASE, CAST A RARE VOTE AGAINST PROSECUTORS

(By Linda Greenhouse)

WASHINGTON, April 6.—The Supreme Court overturned a Federal pornography conviction on the ground of entrapment today, ruling 5 to 4 that the Government had failed to prove that a Nebraska farmer would have violated the law in the absence of an elaborate sting operation that took more than two years to induce him to order child pornography through the mail.

The decision, written by Justice Byron R. White, was based on earlier Supreme Court rulings on entrapment, requiring the prosecution to show that a person induced by Government agents to commit a crime had been "independently predisposed" to the criminal conduct.

The ruling is unlikely to cramp the Government's routine use of undercover operations to investigate drug trafficking or the fencing of stolen property. The majority appeared to view this case almost as an anomaly, an extreme misuse of Government power in which an innocent person was led to commit a manufactured crime.

UNUSUAL VOTING PATTERN

Still, the decision was notable, both as a rare defeat for the Government in a criminal case before the current Supreme Court and for an unusual voting pattern that saw the two newest Justices, David H. Souter and Clarence Thomas, joining the majority.

Justice Sandra Day O'Connor wrote a dissenting opinion that was also signed by Justice Thomas's apparent mentor on the Court, Justice Antonin Scalia. [Excerpts, page A25.]

Justices Harry A. Blackmun and John Paul Stevens joined Justice White's majority opinion. The two other dissenters were Chief Justice William H. Rehnquist and Justice Anthony M. Kennedy.

With 52 decisions issued so far this term, this was the first case to be decided by a 5-to-4 vote. While such votes were once common, the conservative bloc has established such dominance that the current Court is no longer closely divided on many issues.

With only Justice White and Justice O'Connor writing opinions today, there was no way of knowing why the other Justices lined up as they did, or why Justice Thomas and Justice Scalia parted company for only the second time.

The case, Jacobson v. United States, No. 90-1124, was an appeal by a Nebraska man—a "veteran-turned-farmer," as Justice White described him—who at the age of 56 was convicted of violating the Child Protection Act, a Federal law that makes it a crime to receive sexually explicit photographs of children through the mail. The man, Keith Jacobson, initially won an appeal on the ground of entrapment before a panel of the United States Court of Appeals for the Eighth Circuit, in St. Louis. But the full Eighth Circuit upheld his conviction in October 1990.

DETAILS OF THE CASE

As Justice White's opinion today recounted in detail, Mr. Jacobson, who had no criminal record, first came to the Government's attention in 1984 after he ordered by mail from a California bookstore two magazines containing photographs of nude preteen and teen-aged boys. The photographs did not depict sexual activity and did not violate the law at that time.

Congress changed the law a few months later, broadening the definition of child pornography to include the type of material Mr. Jacobson had bought. Two agencies, the Postal Service and the Customs Service, began to enforce the new law. Over the next two and a half years these agencies set up five fictional organizations, with such names as the American Hedonist Society and the Heartland Institute for a New Tomorrow.

Postal inspectors found Mr. Jacobson's name on the California bookstore's mailing list and sent him numerous surveys and solicitations to fight restrictive pornography laws by ordering "items which we believe you will find to be both interesting and stimulating." One postal inspector, using a pseudonym, became Mr. Jacobson's "pen pal" for a time.

Finally, Mr. Jacobson ordered a magazine containing child pornography from the fictitious Far Eastern Trading Company Ltd. When the magazine was delivered, he was arrested by Federal agents; they found no other child pornography in his house.

A QUESTION OF PREDISPOSITION

Stressing the facts of the case, Justice White said the Government had failed to show beyond a reasonable doubt that Mr. Jacobson was predisposed to violate the law "prior to first being approached by Government agents."

"In their zeal to enforce the law," Justice White said, "Government agents may not originate a criminal design, implant in an innocent person's mind the disposition to commit a criminal act, and then induce commission of the crime so that the Government may prosecute."

In her dissenting opinion, Justice O'Connor said the Court had expanded the entrapment defense by making it harder for the Government to show the required "predisposition." In previous cases, she said, the Court had required proof of predisposition only at "the time the Government agent first suggested the crime, not when the Government agent first became involved."

The majority opinion vigorously disputed this assertion. Justice White said the Court had established 60 years ago that predisposition must be shown to have existed "prior to contact with law-enforcement officers."

The Court rejected a broader argument that Mr. Jacobson's lawyers had put forward, under which an entrapment defense would be established if the Government failed to show that it had a "reasonable suspicion" for singling out an individual for investigation in the first place.

Under the test the Court applied today, the Government need not show predisposition before starting an investigation. Rather, predisposition would be adequately established after the fact if a suspect, unlike Mr. Jacobson, "promptly availed himself" of an opportunity presented by Government agents to commit a crime.

RECESS UNTIL 2:30 P.M.

The PRESIDING OFFICER. Under the previous order, the Senate will now stand in recess until the hour of 2:30 p.m.

Thereupon, the Senate, at 1:05 p.m., recessed until 2:29:30 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

RECESS UNTIL 2:50 P.M.

The PRESIDING OFFICER. The Chair, in his capacity as a Senator from the State of Washington, asks unanimous consent that the Senate stand in recess until 2:50 p.m.

There being no objection, the Senate at 2:29:44 p.m., recessed until 2:52 p.m.; whereupon, the Senate reassembled when called to order by the Presiding Officer [Mr. ADAMS].

Mr. SASSER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BRYAN). Without objection, it is so ordered.

CONCURRENT RESOLUTION ON THE BUDGET

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Concurrent Resolution 106, Calendar No. 436.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 106) setting forth the congressional budget for the United States Government for fiscal years 1993, 1994, 1995, 1996, and 1997.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the concurrent resolution?

There being no objection, the Senate proceeded to consider the concurrent resolution.

PRIVILEGE OF THE FLOOR

Mr. SASSER. Mr. President, I ask unanimous consent that the staff of the Committee on the Budget and its members, including congressional fellow Jay Sutorius and Gemma Weiblinger, be allowed to remain on the floor during consideration of Senate Concurrent Resolution 106, and I send a list of this staff to the desk which I ask unanimous consent to have printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

STAFF OF THE COMMITTEE ON THE BUDGET—REGULAR FLOOR PRIVILEGES

Abraham, Amy, regular.
Abrams, Janet, regular.
Adcock, Sam, regular.
Banks, Kip, regular.
Bartko, Lisa, 15 minutes.
Bath, Diane, 15 minutes.
Bundy, Agnes, w/o pass.
Boyer, Vi, regular.
Callahan, John, w/o pass.
Capretta, Jim, regular.
Caruson, Kiki, regular.
Cestar, John, regular.
Clark, Beth, 15 minutes.
Daghlian, Lynn, regular.
Dammann, Julie, regular.
Dauster, Bill, w/o pass.
Del Balzo, Tony, regular.
Deignan, Kathy, w/o pass.
DeValk, Randy, regular.
Driscoll, Ann, 15 minutes.
Echols, Louise, 15 minutes.
Foster, J.D., regular.
Flickner, Charlie, regular.
Gatta, Andrea, 15 minutes.
Gandy, Nanette, regular.
Gilliam, Bert, 15 minutes.
Greenwald, Matt, regular.
Hannah, Paul, regular.
Hill, Anne Willis, regular.
Hines, Kelly, 15 minutes.
Hoagland, Bill, w/o pass.
Hudson, Laura, regular.
Huffer, Joan, regular.
Kearney, James, regular.
Keane, Sharon, regular.
Kestnbaum, Amy, regular.
King, Bruce, regular.
Larish, Ken, 15 minutes.
Longoria, Melissa, regular.
Love, Judy, regular.
MacGregor, Jennie, 15 minutes.
Marshall, Hazen, regular.
Marr, Chuck, regular.
McLean, Chris, regular.
McGuire, Carole, regular.
Mitchell, Kevin, 15 minutes.
Miller, Anne, regular.
Naylor, Mary, regular.
Nelson, Sue, regular.
Nicholas, Angela, 15 minutes.
Obermayer, Adele, regular.
Olin, Doug, regular.
Ondrick, Cris, regular.
Paul, Betsy, 15 minutes.
Phillips, Roy, regular.
Pratt, James, regular.
Ramonas, Denise G., regular.
Reidy, Cheri, regular.
Rel, Ricardo, regular.
Rose, Marc, regular.
Savary, Paul, regular.
Schrader, Mindy, 15 minutes.
Smythe, Austin, w/o pass.
Solon, Mike, regular.
Stein, Larry, w/o pass.
Stoddard, Gordon, regular.
Strumpf, Barry, regular.
Sutorius, Jay, regular.
Taylor, Peter, regular.
Weech, Paul, regular.
Wheeler, Brian, regular.
Williams, Dave, w/o pass.

Note.—Individuals designated "without pass" have privileges to be admitted under previous letter to the Sergeant at Arms.

Mr. SASSER. Mr. President, I ask unanimous consent that the presence and use of small electronic calculators be permitted on the floor of the Senate during the consideration of Senate Concurrent Resolution 106.

The PRESIDING OFFICER. Is there objection from the Senator from New Mexico [Mr. DOMENICI]?

Mr. DOMENICI. I do not think that will do any good. The deficit is so big we need big computers. But I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, the budget resolution that comes before the body for fiscal year 1993 is essentially the same budget as represented by the so-called chairman's mark that was presented to the Senate Budget Committee last week, with one significant amendment; that is, a change in the savings in defense.

As Members know, it is the will of the Senate that all budget savings go to deficit reduction this year. We determined on the Senate floor 2 weeks ago, after we heard speech after speech about the primary importance of deficit reduction, that savings in military spending should go to deficit reduction for fiscal year 1993.

Members feel very strongly on this issue, Mr. President. Some Members of the Senate have announced their retirement over the past few weeks on the subject of the deficit. One felt so strongly about the inability of this Government to control the deficit that he felt compelled to not seek reelection for the Senate, partially, I think, over that reason. Another announced he would not seek reelection indicating that one of the great frustrations of his time in this body was the inability to get a handle on the Federal deficit and to arrest its growth.

So I have listened very carefully to what my colleagues have had to say about reducing the deficit. The distinguished ranking member from New Mexico, Mr. DOMENICI, and I have been very concerned for a number of years about the growth of the deficit. And we have worked diligently to try to reduce it. In formulating the chairman's mark, I offered the Budget Committee a more ambitious proposal to reduce the deficit than what is supplied in the resolution that I am bringing to the floor today.

The original mark that I offered in committee would have provided $13.3 billion in deficit reduction. The original mark that I presented to the Senate Budget Committee would have reduced the deficit $10 billion more than the budget presented to the Congress by the President, and would have reduced the deficit $2 billion more than the budget that has been approved by our colleagues in the House of Representatives.

Achieving that level of savings meant that we had to double the President's very meager reduction in military spending. I think that is a very reasonable and achievable prospect for the world that we live in. By doubling the President's reduction in military spending, we would simply be reducing the military budget by slightly over 2 percent for fiscal year 1993. I thought surely—given the collapse of the old Soviet Union, the very changed circumstances that we find ourselves in these days, both internationally and also domestically, coming now in the longest recession that we have endured since the Second World War—we could find more savings in military spending.

But, alas, a slight majority of the Budget Committee voted otherwise. My proposal failed by three votes, as I recall, and a similar proposal offered by the distinguished Senator from Nebraska [Mr. EXON] failed by one vote. And I can only say that I am very disappointed that in the committee we were unable to make a more significant reduction in military spending, and apply that reduction to diminishing the size of the Federal budget deficit that we will be encountering for the year 1993.

As my colleagues know, ultimately, the job here on the floor of this Chamber is to measure any expenditure that we are called upon to make against the need for that expenditure, and what that expenditure contributes to the general well-being of our Nation. I, frankly, did not think that the people of this country would object, or even understand why, with a military budget approaching $300 billion, we could not cut an additional $5 billion from that budget after our cold war enemy had been vanquished and disappeared, after we won the cold war, and when we stood in the world as the only remaining superpower. I thought perhaps that we might draw some conclusions from the collapse of the old Soviet Union. They remained as one of the two great military superpowers until just a few months ago, and then economic collapse came upon them, and that was followed by political collapse, and now we see the collapse of their military establishment.

The lesson from that, it appears to me, should be that before a country can be a sustainable superpower, it has to be economically strong. It has to be politically strong, and then it can be militarily strong. But to be militarily strong, without being economically strong or politically strong, is like building a house on a foundation of sand. The military leg of that three-legged stool cannot stand on its own.

So I did not think the American people would object. In fact, I thought they would applaud a further reduction in military spending by only $5 billion, which, as I indicated, really represents, according to my quick arithmetic, less than 2 percent of the military outlays for fiscal year 1993.

But that was not to be, Mr. President. We were voted down in committee, by the thinnest of margins, in our effort to further reduce the military budget and apply those savings to reduction of the deficit. Having made that observation, Mr. President, perhaps the highest praise that I have for this resolution is that it clears the way for the Senate to do its work this year. We all know that this is an election year and of all of the attendant pressures and anxieties that come with that, and posturing, I might say to the distinguished occupant of the chair. But we all know that about election year problems, and they have a way of slowing down bold legislative initiatives.

This year is no exception. And what is most important now is that the budget process needs to move forward. The appropriations bills need to start coming to the floor. We need to start doing our business now in an orderly fashion, as expected by our constituents. We need to consider crucial legislation, dealing with a whole host of matters, including the health and education of our people.

The budget resolution enables all of these events to occur in a logical, orderly, predictable, and precise way.

I am not entirely satisfied with the final product, as I said, particularly with regard to the area of military spending. I know many of my colleagues frankly on both sides of the aisle join me in that call. But we need to swiftly pass a resolution and we need to get on with our work here in the Senate.

Perhaps one of the most salient features of this resolution is that it places Federal spending below a budget authority freeze at last year's level. Virtually every area of the budget, every function of this Government in the discretionary area is constrained.

For those who sit on the Appropriations Committee to meet these guidelines, we heard just this afternoon from the distinguished chairman of the Subcommittee on Health and Human Services, for the appropriators to meet those guidelines, the appropriations process will have to be extraordinarily austere.

The chairman of the Appropriations Subcommittee on Health and Human Services told some of us informally this afternoon that this is going to be a very lean year; that there were going to be cuts in initiatives that were very important to the American people; there would be a cut he thought in medical research, a cut in the National Institutes of Health appropriation for the vital cancer research, and a whole host of very important research at this time. He outlined cuts in a whole host of programs that fall under his area of responsibility in the Health and Human Services Appropriations Subcommittee.

So this is going to be an austere budget on the domestic side. And we made that point repeatedly during the debate on the so-called walls legislation. You will recall, Mr. President, that I led an effort on the floor of this body some 2 or 3 weeks ago to take down what I perceived to be an arbitrary wall between military spending and domestic discretionary spending saying that we ought to keep the overall deficit reduction targets. But as military spending came down we ought to have the option of using at least a portion of that military spending to invest in the long-neglected needs of the American people, to invest some of it in our infrastructure, in roads, bridges, and airports, waste water treatment plants, sewage plants so we could move forward with our clean water programs. We need to move forward in these areas so that transportation and commerce could move expeditiously.

I also suggested that some of these funds could be used in investing in our education. It is a well-known fact that we have a problem here in this country. The students of American parents, the generation to come to take their place in the work force in the not too distant future, are not comparing favorably in educational accomplishments with the students of other countries, our trading partners and our trading adversaries, Japan, Germany, et cetera. It was felt that if we could use some of these military savings, cuts in the military budget, to help in the area of education, this would have an uplifting effect for many decades to come.

But that was not to be, Mr. President. Our effort to do away with these walls fell victim to a filibuster. A majority of the Senators wished to do away with the walls and perhaps had in mind, as I did, allocating a portion of the military saving to deficit reduction and a portion to investment in our long-neglected domestic initiatives.

I felt, and I still feel today, very strongly that it is time we start investing once again in our own people. We have borne the long dreary struggle of the cold war and we have won it. The American people have paid a heavy price for that with trillions and trillions of dollars from our Treasury and the tens of thousands who perished. But in the final analysis we won that long, cold war.

I, along with many of my colleagues, felt it was time now to realize some modicum of a peace dividend and take that peace dividend and invest it in our own people who have made the sacrifices and borne the burden over the past 45 years; much more sacrifices than any other nation on the face of this globe. But that was not to be. So, we have a budget authority freeze on domestic discretionary appropriations at last year's level.

Now the committee reported mark has four primary components. First, there is the defense component and it is essentially the President's numbers with regard to military savings. When translated from OMB to CBO scoring, the reductions are actually a little deeper than the President's, but only very slightly.

The committee reported mark reduces military spending below the 1993 caps by $8 billion in budget authority and $5.3 billion in outlays. This means that we will be spending in come fiscal year 1993, almost $292 billion on maintaining the military.

Now, the fact is that we can make substantial reductions in the military budget along the lines that were suggested by the distinguished Senator from Nebraska, the ranking majority member on the Armed Services Committee, Mr. EXON, or reductions in the military budget as suggested by the distinguished Senator from Illinois [Mr. SIMON], or the reductions suggested by the very able chairman of the House Committee on Armed Services, Chairman LES ASPIN. We can make these cuts with policies that are rational and that are supportable, and we can make them without reducing military personnel below the levels contained in the President's budget.

The committee reported mark does not pursue such policies at this moment in history and, as I said earlier, from my standpoint I think that is a mistake.

We probably will have several attempts to rectify that situation during the course of this resolution. But we will wait and see what happens on amendments that might be offered to reduce military spending and allocate those savings to the deficit reduction problem.

Now, in the international portion of our budget, the committee adopted the mark that I suggested, the chairman's mark, which is below the caps in the budget summit agreement by $1.3 billion in budget authority and $800 million in outlays. As with defense, the savings will go directly to deficit reduction. I note that international spending at this level, while below the caps established by our budget agreement, is still $500 million above a freeze at 1992 levels. As a result the administration's previous request for $650 million in economic aid to the former Soviet Union can still be accommodated by the Congress if it chooses to do so under the budget figures that are put forth here this afternoon.

But other initiatives, new initiatives, rapid increases in existing programs in the international function simply cannot be accommodated, and in my view that is the way it ought to be. Every area of the budget is constrained and international spending should be no different.

If we are going to reduce domestic spending for our own people, then I think international spending ought to be reduced as well for people of other countries.

In the domestic discretionary portion of the budget, spending is contained within the budget caps for 1993—some $3.5 billion below the caps of budget authority.

The resolution essentially freezes domestic spending at 1992 enacted levels. And this of course is the final result of not removing the firewall between defense and nondefense savings in fiscal year 1993.

Initially, I had felt, along with the distinguished chairman of the Joint Economics Committee, that some of the military savings might be invested in domestic initiatives that would stimulate a recovery and propel us out of this recession into a very robust recovery.

The economists are almost uniform in predicting that the recovery, when it comes, will be an anemic recovery. Generally, economic rates of growth coming out of a recession, particularly a recession as long as this one—this one has endured now for almost 3 years, when you consider the year of flat growth before we fell off into a recession—we had very robust economic growth, in the range of 5 to even 6 percent real GNP. They are predicting this time about 2 percent.

Bear in mind the economy has to grow at about 1 or 1½ percent of GNP just to provide enough jobs for an expanding population. And we thought that some of the military savings could be reduced to stimulate the recovery, so we could propel ourselves out of this recession with some energy, have substantial economic growth and use that economic growth, and the revenues that would be produced to further reduce the deficit.

I think removing the firewall would have given this body more options than we have now to deal with the problem of recession. But that is in the past. The Senate has expressed its will by a majority vote and this resolution has been tailored accordingly.

Let me correct that. The Senate did not express its will by majority vote. By a majority vote, the Senate said that it wished to take down the firewalls and open up some options with regard to the use of some of the military cuts but we were unable to get the 60 votes to break a filibuster on that particular matter.

So this resolution has been tailored accordingly. It is austere in both the domestic discretionary area and relatively austere in the international area.

We should all recognize that a freeze at last year's level still exceeds the domestic discretionary outlay caps by $1.5 billion.

As a result, the committee-reported mark achieves the additional savings with an initiative aimed at decreasing efficiency of the Federal Government—an initiative that saves $2.1 billion in budget authority and $1.5 billion in outlays.

Let me offer some highlights as to how we make these savings. We reduce the budget of the legislative branch of Government; that is, the Congress, the Library of Congress, the Executive Office of the President, and all the Cabinet offices will have their spending cut by 5 percent in 1993, a total savings of $159 million.

Travel and communications services of all agencies will be cut by 2 percent. Total savings, just out of travel and communications cuts, nearly $1.5 billion.

Consulting services and agency aircraft spending will be cut by 10 percent; total savings, $152 million.

Federal agencies will be permitted to rehire only 8 out of every 10 employees that are lost through attrition in 1993. Total savings by this reduction in the Federal work force, $320 million.

In total, this prescription for downsizing the Federal Government will save some $2.1 billion in fiscal year 1993.

Finally, Mr. President, this resolution achieves another $2.1 billion in savings in entitlements and mandatory programs. Contrary to the expectations of some, these savings can be realized without placing caps on entitlement growth.

In the CONGRESSIONAL RECORD of March 31, the distinguished ranking member of the Budget Committee, Senator DOMENICI, describes a budget plan that prominently features such a cap. And I know he has been working on this for some time. He has great concern about the growth of entitlements, and I share his concern.

Senator DOMENICI did not bring his proposal to the Budget Committee, so the issue of capping entitlements continues to linger in the shadows of this particular debate.

Just let me say a word about that if I may, Mr. President. The explosion of entitlement growth is indeed a pressing issue for this body to confront. At $750 billion annually, the entitlement portion of our budget constitutes nearly 50 percent of total budget outlays and 12 percent of gross domestic product.

On the other side of the coin, I think we ought to also say that entitlements bring in a substantial amount of revenues to the Federal Government. In fact, a number of them at the present time are self-supporting and Social Security is producing surpluses in the range of about $70 billion a year.

But there is no gainsaying the fact that we have a serious problem with growth in the entitlement area, principally in the area of Medicare and Medicaid. Just as health costs and medical costs are exploding in the private area, they are also exploding in the public sector.

In my view, Mr. President, we have to begin to solve that problem. We have to deal with the problem of exploding health costs, to deal with causes and not effects to ultimately solve this problem.

I do not think slapping a cap on entitlements that is a quick fix that is going to last very long. We are not going to solve a problem in health care costs by putting a cap on entitlements and, as Medicare and Medicare burst through those caps—as they surely will—come back and sequester child nutrition programs, veterans' benefits, Civil Service retirement programs, a whole host of other entitlements.

We are not going to restrain the cost of health care by restraining Medicaid and Medicare so that the bills of the poor and the elderly just get passed over to the private health insurance system.

We are seeing that already. Physicians come to me on almost a weekly basis, hospital administrators on almost a daily basis, when I am back in my State, and they say to me, "Senator, what we are receiving for Medicare and Medicaid recipients simply does not pay our costs of treating them. And we are forced to pass off the deficit in what we are paid by the Government for these services onto private health insurance carriers."

So those who come to the hospital with Blue Cross and Blue Shield and other very excellent—and I might say expensive—health insurance programs in the private sector are also having to defray the cost in the deficits that are left by Medicare patients and Medicaid patients.

The whole health care issue is one that is going to have to be addressed at some point in the not-too-distant future by this administration or a succeeding administration, or this Congress or a succeeding Congress, because it is a problem that will not go away. The problem of delivering quality, affordable health care to the American people, I predict, Mr. President, will be the predominant issue of the decade of the 1990's. And trying to put a cap on Medicare and Medicaid simply is not going to solve that problem, in my judgment. Others may disagree.

The chairman's mark also includes language on reserve funds similar to that contained in last year's resolution. These reserves permit Congress to employ the pay-as-you-go mechanism for initiatives related to economic growth, to health care, to unemployment compensation, to education, to child nutrition; and these reserves guarantee that any initiative will be fashioned on a deficit-neutral basis.

For example, if someone wishes to deal with the problem of health care for disabled coal miners, this reserve language will allow them to be dealt with on a pay-as-you-go basis without increasing the deficit. We had a debate last year about the nature and purpose of reserves, and some Members tried to cast them as a license to tax. I think the experience we have had now for a year with reserves militates against that portrayal. By including reserve fund language in the budget resolution, we are merely preparing the way for committees and then the entire Senate to move on initiatives, if they choose to do so by a majority vote once the substance has been worked out.

I think the point here is worth emphasizing so everybody understands it. A reserve fund does not—I want to emphasize does not—force specific legislation. All initiatives would have to be agreed to under the normal process, including finding a way to pay for them.

Mr. President, at a time of continuing economic stagnation, at a time when our deficit problem is magnified by the consequences of that stagnation, at a time when mothers and fathers are looking at their children and saying, "My children will not have as good a standard of living as I have," at a time when the newest generation coming into the work force now for the first time thinks its quality of life is going to decline vis-a-vis that of their parents, we need to have some flexibility of action in the area of enacting legislation that might create economic growth. And these reserve provisions would do just that.

The resolution also represents an extension of the undramatic and unpraised but effective discipline that was adopted in 1990. I worked long and hard, along with the distinguished ranking member, Senator DOMENICI; Senator BENTSEN, the chairman of the Senate Finance Committee; and Senator BYRD, the chairman of the Senate Appropriations Committee; along with his ranking member, Senator HATFIELD of Oregon. We worked long and hard to produce a discipline in 1990 to try to control the growth of Federal spending.

In the areas of international, domestic discretionary and mandatory spending, this budget resolution upholds the letter of the discipline that we agreed to in the budget summit. It complies with the spending caps and, in some cases, actually exceeds the savings required by that budget summit agreement.

It is interesting to note, Mr. President, that when we talk about the explosion in the deficits in fiscal years 1992 and 1993—and indeed, there has been a significant rise in the deficits—when you look at the proximate cause of this increase in the deficit, you see that hardly any of it is ascribable to policy changes that this Congress has made or, for that matter, the administration present in the White House. The deficit has exploded because of economic conditions that were not anticipated. It is calculated that just the fall-off in Federal revenues alone as a result of the recession raised the deficit in fiscal year 1992 by as much as $60 billion.

In the area of defense, however, the savings proposed by the chairman's mark were amended in committee, as I said, and essentially cut in half. The numbers approaching the President's suggestion or budget were substituted, and I joined many Senators in finding this result unsatisfactory. But we must abide by a majority rule in this body.

For all of its shortcomings, however, the committee-passed resolution reduces the deficit by some $8.6 billion in outlays for fiscal year 1992, $6.1 billion more than in the President's plan. It could have done more; it could have done much more. But what is important now is that we move the process ahead. We have to bear in mind that coming out of this recession, all of the economic experts tell us we have to be very careful and we cannot reduce Federal spending overly dramatic or you run the risk of pushing off into a double-dip recession.

So I think, given the circumstances, we have done the best we could with this resolution, and I commend it to my colleagues this afternoon. I am hopeful and optimistic that after a suitable time for debate and for amendment that this body will adopt our budget resolution and move forward to other matters.

Mr. President, I ask unanimous consent that a description of the committee-reported budget resolution and accompanying explanation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

SENATE BUDGET COMMITTEE—COMMITTEE-REPORTED BUDGET RESOLUTION FOR FISCAL YEAR 1993

[Reductions from CBO capped baseline]

	Budget authority	Outlays
Defense discretionary	−8.0	−5.3
The Committee-reported mark cuts defense spending below the 1993 caps by $8 billion in budget authority and $5.3 billion in outlays.		
International discretionary	−1.3	−.8
International programs are held at CBO's baseline in 1993. This level is $1.3 billion below the caps in budget authority and $0.8 billion below in outlays. The Committee-reported mark will allow continuation of all ongoing programs and accommodate the President's proposed aid package for the Soviet Union.		
Domestic discretionary	−3.5	
Savings in domestic programs are achieved by freezing new spending authority at 1992 enacted levels with additional cuts from an initiative to increase government efficiency. This initiative incorporates cuts in Federal travel and communications, a 10 percent cut in consulting services and agency aircraft, across-the-board cuts in the Legislative and Executive branches, and a plan to limit agency rehires to 8 out of every 10 vacant positions.		
Mandatory savings	−2.1	−2.1
Savings in entitlement and mandatory programs include proposals aimed at reducing Medicare fraud, waste, and abuse, increased user fees, and other mandatory reductions. The Committee also adopted a amendment that repeals recreational boater fees. The loss in receipts is offset by a new user fee for public access to the Federal Maritime Commission's Automated Tariff Filing and Information System.		
Interest and other adjustments	−.3	−.4
Deficit savings in committee-reported mark		−8.6
Deficit savings in President's plan		−2.5

GOVERNMENT EFFICIENCY INITIATIVE, AN OVERVIEW

A freeze in budget authority at last year's level, still exceeds the domestic discretionary outlay caps by $1.5 billion. The Committee-reported mark achieves the additional savings required by the Budget Agreement with an initiative aimed at increasing efficiency in the Federal Government. This initiative saves $2.1 billion in budget authority and $1.5 billion in outlays. The six major components are described below.

(1) Federal workforce attrition: Better management, and restraint on the growth of government activities support measured reductions in the Federal workforce. Under this proposal, domestic agencies would be allowed to hire 8 employees for every 10 who leave the federal service. (Saves $320 million in budget authority and $280 million in outlays.)

(2) 10 percent cut in the cost of private consultants: GAO and the Governmental Affairs Committee have found numerous cases where consultants are used to perform services that should be done by Federal workers. (Saves $67 million in budget authority and $50 million in outlays.)

(3) 10 percent cut in the use of civilian agency aircraft: Civilian agencies own or lease more than 6,200 aircraft each year. The operating, maintenance, and lease costs for this fleet total $850 million per year. The Federal Government could save significant amounts by better managing this air force and by using commercial airlines whenever possible. (Saves $85 million in budget authority and outlays.)

(4) 5 percent cut in Government overhead: This cut would apply to the Legislative Branch, the Executive Office of the President, and Secretarial and Departmental Administration offices at each of the major domestic agencies. In a time of tight budgets, these cuts demonstrate that leaders are willing to tighten their belts too. (Saves $159 million in budget authority and $138 million in outlays.)

(5) 2 percent cut in non-personnel expenditures: This category of spending includes agency travel, supplies, printing and communications. Savings are possible from improved productivity and additional restraint on all Federal programs. (Saves $1,470 million in budget authority and $888 million in outlays.)

(6) Commissions, councils, panels, and small independent agencies: These groups have proliferated, each with its own administrative overhead, often duplicates missions carried out by larger agencies. No specific commissions are proposed for cuts. However, savings of $36 million are proposed from a base of $236 million. (Saves $36 million in budget authority and $30 million in outlays.)

GOVERNMENT EFFICIENCY INITIATIVE

[In millions of dollars]

	Budget authority	Outlays
Federal workforce attrition strategies: (80 percent replacement)	−320	−280
Legislative branch: (5 percent across-the-board cut)	−104	−94
Executive Office of the President: (5 percent across-the-board cut)	−11	−9
Office of the Secretary—all agencies: (5 percent across-the-board cut)	−44	−35
Object Classes:		
2 percent travel, communications, etc	−1,470	−888
10 percent consulting services	−67	−50
10 percent agency aircraft	−85	−85
Federal funding for Commissions	−36	−30
Total savings	−2,137	−1,471

1993 DISCRETIONARY BUDGET TOTALS

[In millions of dollars]

	Budget authority	Outlays
DEFENSE		
OMB defense caps	289,035	296,839
Committee-reported mark	281,000	291,500
Difference from caps	−8,035	−5,339
President's request (OMB)	281,574	291,969
Difference from caps	−7,461	−4,870
President's request (CBO)[1]	282,186	292,165
Difference from caps	−6,849	−4,674
House budget resolution-capped	275,035	287,839
Difference from caps	−14,000	−9,000
INTERNATIONAL		
OMB international caps	22,758	20,591
Committee-reported mark	21,440	19,833
Difference from caps	−1,318	−758
President's request (CBO)	22,161	20,591
Difference from caps	−597	0
House budget resolution-capped	22,161	20,591
Difference from caps	−597	0
DOMESTIC		
OMB domestic caps	206,129	225,268
Committee-reported mark	202,655	225,268
Difference from caps	−3,474	0
President's request (CBO)	204,178	225,971
Difference from caps	−1,951	703
House budget resolution-capped	206,129	225,268
Difference from caps	0	0

[1] Adjusted for comparability with OMB outlay rates.

COMPARISON OF DISCRETIONARY TOTALS 1993 BUDGET PLANS

[In billions of dollars]

	Committee mark	President's budget[1]	House capped
050 Defense:			
Budget authority	281.0	282.2	275.0
Outlays	291.5	292.2	287.8
150 International affairs:			
Budget authority	21.4	22.2	22.2
Outlays	19.8	20.6	20.6
DOMESTIC			
250 Space, Science, and Technology:			
Budget authority	17.3	18.4	17.3
Outlays	16.5	17.1	16.4
270 Energy:			
Budget authority	6.2	5.8	6.2
Outlays	5.7	5.6	5.7
300 Natural resources:			
Budget authority	21.2	21.2	20.8
Outlays	20.9	20.9	20.5
350 Agriculture:			
Budget authority	4.5	4.2	4.2
Outlays	4.4	4.3	4.3
370 Commerce, housing credit:			
Budget authority	3.5	3.1	3.5
Outlays	3.4	3.0	3.4
400 Transportation:			
Budget authority	14.9	13.6	14.9
Outlays	35.1	35.0	35.2
450 Community, Reg. Devlpt:			
Budget authority	6.5	5.5	6.0
Outlays	6.7	6.5	6.6
500 Education:			
Budget authority	35.5	36.6	36.4
Outlays	35.2	34.8	35.0
550 Health:			
Budget authority	19.6	19.9	20.5
Outlays	19.7	19.5	20.1
570 Medicare:			
Budget authority	2.7	2.8	2.8
Outlays	2.7	2.8	2.8
600 Incom security:			
Budget authority	31.8	30.1	32.7
Outlays	32.6	31.0	32.5
650 Social Security:			
Budget authority			
Outlays	2.5	2.6	2.7
700 Veterans:			
Budget authority	15.7	16.5	16.3
Outlays	15.7	16.1	16.0
750 Admin. of Justice:			
Budget authority	14.1	15.2	14.7
Outlays	14.3	15.4	14.8
800 General Government:			
Budget authority	11.3	12.0	11.0
Outlays	11.7	12.4	11.4
920 Allowances:			
Budget authority	−2.1	−.5	−.3
Outlays	−1.8	−.7	−1.5
950 Offsetting receipts:			
Budget authority		−.3	−.7
Outlays		−.3	−.7
Subtotal, domestic:			
Budget authority	202.7	204.2	206.1
Outlays	225.3	226.0	225.3
Total discretionary			
Budget authority	505.1	508.5	503.3
Outlays	536.6	538.7	533.7

[1] President's budget reestimated by CBO and adjusted for comparability with OMB outlay rates.

Deficits in 1993 budget plans

	1993 *1993 (billions)* *(billions)*
CBO total baseline deficits	[1]336.0
Committee-reported mark	327.4
Deficit reduction	−8.6
President's budget reestimated	331.8
Deficit reduction[2]	−2.3
Addendum: On-budget deficit (committee-reported mark)	394.2

[1] CBO's deficit total has been reduced by $0.2 billion to reflect the scoring of IRS compliance initiative funding required by the Budget Enforcement Act.

[2] The deficit reduction total has been adjusted to exclude savings from asset sales. CBO estimates.

LANGUAGE PROVISIONS IN THE RESOLUTION

The Committee-reported resolution includes the following language provisions:

Enhanced displays of the deficit, trust fund balances, and gross interest: To aid in the understanding of budgetary aggregates, the Committee-reported resolution also displays the increase in the debt as a measure of the deficit, the balances of Federal retirement trust funds, and gross interest on the debt.

Prohibition of counting asset sales: Consistent with the Budget Enforcement Agreement, and as in each budget resolution since fiscal year 1988, the Committee-reported resolution includes language prohibiting counting one-time asset sales as continuing deficit reduction.

Reserve funds for family and economic security initiatives: In language very similar to that included in the budget resolution for fiscal year 1992, the Committee-reported resolution includes procedural language—called "reserve funds"—that will allow deficit-neutral legislation to proceed on:

Initiatives to improve the health and nutrition of children and to provide for services to protect children and strengthen families;

Economic growth initiatives, including unemployment compensation or other, related programs;

Continuing improvements in ongoing health care programs and phasing-in of health insurance coverage for all Americans; and

Initiatives to improve educational opportunities for individuals at the early childhood, elementary, secondary, or higher education levels, or to invest in America's children.

60-Vote Waiver of Point of Order: The Committee-reported resolution includes a section sponsored by Senator Gramm that would increase the number of Senators necessary to waive section 605 of the Congressional Budget Act—which prohibits exceeding the maximum deficit amount—from a majority to 60 Senators.

Economic and Technical Assumptions: The Committee-reported resolution includes a section sponsored by Senator Brown that states the sense of the Congress that the Budget Committees should use the more pessimistic of either the Congressional Budget Office's or the Office of Management and Budget's economic assumptions.

FUNCTION TOTALS IN COMMITTEE-REPORTED RESOLUTION 1993–97

This outyear totals in the Committee—report budget resolution were derived by formula and are not based on any specific policy assumptions. Discretionary function totals are straightlined at 1993 levels with an adjustment in the allowances function to meet CBO discretionary baseline totals. Mandatory totals are at CBO baseline levels except for assumed mandatory savings of $2 billion in each year (contained in the allowances function) and user fee proposals included in the transportation function.

[In billions of dollars]

	1993	1994	1995	1996	1997
050 National Defense:					
Budget authority	280.4	280.4	280.4	280.4	280.4
Outlays	290.9	283.0	283.6	282.1	281.7
150 International Affairs:					
Budget authority	19.0	19.3	19.4	19.2	19.2
Outlays	16.6	17.5	17.8	17.9	18.1
250 Space, Science, and Technology:					
Budget authority	17.1	16.9	16.9	16.8	17.1
Outlays	16.3	16.7	16.9	16.8	17.1
270 Energy:					
Budget authority	6.0	6.0	5.8	5.4	5.4
Outlays	5.4	5.6	5.1	4.7	4.1
300 Natural Resources:					
Budget authority	21.3	21.7	21.7	21.4	21.4
Outlays	20.9	21.4	21.4	21.3	21.0
350 Agriculture:					
Budget authority	16.5	16.8	14.6	14.4	14.4
Outlays	16.1	14.7	12.5	12.6	12.7
370 Commerce, Housing Credit:					
Budget authority	82.4	43.7	22.1	8.9	10.6
Outlays	75.4	36.2	−14.2	−42.4	−26.0
On-budget:					
Budget authority	78.5	42.5	22.7	7.3	7.9
Outlays	74.1	36.7	−13.3	−42.0	−27.0
Off-budget:					
Budget authority	3.9	1.2	−0.6	1.6	2.7
Outlays	1.3	−0.5	−0.9	−0.4	1.0
400 Transportation:					
Budget authority	40.9	41.0	40.9	40.9	43.1
Outlays	35.2	36.6	37.1	37.1	37.3
450 Community, Regional Development:					
Budget authority	7.4	7.2	7.1	7.0	7.1
Outlays	7.2	7.0	6.7	6.5	6.6
500 Education:					
Budget authority	50.7	49.0	48.7	48.6	49.1
Outlays	49.8	48.9	48.3	43.8	48.2
550 Health:					
Budget authority	104.3	114.5	126.3	140.0	154.9
Outlays	104.0	114.4	125.6	139.1	153.7
570 Medicare:					
Budget authority	132.2	146.2	162.7	182.8	203.4
Outlays	130.4	144.4	160.6	179.9	200.9
600 Income Security:					
Budget authority	198.6	206.2	214.1	227.6	243.2
Outlays	196.8	205.8	215.9	225.1	236.7
650 Social Security:					
Budget authority	306.2	323.6	341.7	360.8	381.1
Outlays	303.1	320.2	338.0	356.9	376.8
On-budget:					
Budget authority	5.9	6.5	7.2	7.9	8.7
Outlays	8.4	9.0	9.7	10.4	11.2
Off-budget:					
Budget authority	300.3	317.1	334.5	352.9	372.4
Outlays	294.7	311.2	328.3	346.5	365.6
700 Veterans:					
Budget authority	34.7	35.2	35.7	36.1	36.5
Outlays	34.7	36.7	35.8	34.7	36.6
750 Administration of Justice:					
Budget authority	14.6	14.7	14.7	15.5	15.5
Outlays	14.8	14.9	14.8	15.6	15.5
800 General Government:					
Budget authority	12.6	12.1	12.0	11.9	11.9
Outlays	13.1	13.0	12.5	11.8	11.6
900 Net Interest:					
Budget authority	213.8	231.1	245.3	260.5	278.4
Outlays	213.8	231.1	245.3	260.5	278.4
On-budget:					
Budget authority	242.0	263.8	283.3	304.6	329.5
Outlays	242.0	263.8	283.3	304.6	329.5
Off-budget:					
Budget authority	−28.2	−32.7	−38.0	−44.1	−51.1
Outlays	−28.2	−32.7	−38.0	−44.1	−51.1
920 Allowances:					
Budget authority	−4.1	1.8	8.3	20.3	34.2
Outlays	−3.8	−2.6	−0.5	15.8	34.7
On-budget:					
Budget authority	−4.1	1.8	8.4	20.3	34.2
Outlays	−3.8	−2.6	−0.4	15.8	34.7
Off-budget:					
Budget authority	0.0	0.0	−0.1	0.0	0.0
Outlays	0.0	0.0	−0.1	0.0	0.0
950 Offsetting Receipts:					
Budget authority	−39.9	−39.5	−40.5	−41.3	−43.0
Outlays	−39.9	−39.5	−40.5	−41.3	−43.0
On-budget:					
Budget authority	−33.4	−32.6	−33.2	−33.4	−34.5
Outlays	−33.4	−32.6	−33.2	−33.4	−34.5
Off-budget:					
Budget authority	−6.5	−6.9	−7.3	−7.9	−8.5
Outlays	−6.5	−6.9	−7.3	−7.9	−8.5
Outlays:					
Budget authority	1,514.7	1,547.9	1,597.9	1.677.2	1,783.9
Outlays	1,500.8	1,526.0	1,539.7	1,598.5	1,722.7
On-budget:					
Budget authority	1,245	1,269.2	1,309.4	1,374.7	1,468.4
Outlays	1,239.5	1,254.9	1,257.7	1,304.4	1,415.7
Off-budget:					
Budget authority	269.5	278.7	288.5	302.5	315.5
Outlays	261.3	271.1	282.0	294.1	307.0
Revenues:	1,173.4	1,261.6	1,339.9	1,413.1	1,489.9
On-budget	845.3	911.3	968.1	1,017.8	1,070.4
Off-budget	328.1	350.3	371.8	395.3	419.5
Deficits:	−327.4	−264.4	−199.8	−185.4	−232.8
On-budget	−394.2	−343.6	−289.6	−286.6	−345.3
Off-budget	66.8	79.2	89.8	101.2	112.5

Note.—On-budget deficit excludes Social Security and the Postal Service.

FURTHER EXPLANATION OF CHAIRMAN'S MARK AS REPORTED BY THE SENATE BUDGET COMMITTEE

Mr. **SASSER**. The Senate Budget Committee, in considering the Chairman's mark, made one major and one minor functional modification. It reduced the defense savings by $8 billion in budget authority, and it assumed repeal of the recreational boat user fee contained in Function 400, the transportation function.

Otherwise, the committee did not make any further revisions to the chairman's mark which provides for spending below the budget caps in both defense and international funding and funding at the cap for domestic funding which is necessary since the Senate did not permit consideration of S. 2399, which would have consolidated the defense and domestic discretionary spending caps in 1992.

The chairman's mark does provide for an aggregate budget authority freeze at 1992 levels on domestic discretionary spending in all functions. Ultimately whether a budget authority freeze is followed will be determined in final action on the 1993 appropriations bills.

However, in considering the chairman's mark as reported by the committee, the Senate should note some of the following concerns which the chairman's mark addresses.

FUNCTION 050

The chairman's mark notes that the mission of the DOE nuclear weapons complax is shifting from weapons production to environmental restoration of many Department of Energy facilities. The mark supports efforts to retrain and retain numerous Department of Energy workers for the clean-up mission. After decades of relative neglect, Department of Energy workforce medical issues should also be addressed including monitoring and surveillance of "at risk" former and current Department of Energy workers and coverage for work-related illnesses. Up to $300 million may be required for job retraining, medical monitoring, and medical coverage for work related illnesses of Department of Energy employees.

FUNCTION 150

The chairman's mark will allow international affairs spending to grow substantially over 1992 levels and accommodate the administration's proposals to aid the former Soviet Union, including a $12.2 billion budget authority increase for the United States' quota subscription to the International Monetary Fund [IMF], since the international affairs discretionary caps can be adjusted to include the amount appropriated for an IMF quota increase. However, the chairman's mark supports the increased quota subscription only if these funds are used to support economic reforms in the former Soviet Union. The executive branch, which has only recently justified this quota increase in terms of aiding the former Soviet Union, may decide to support using these resources to aid more familiar recipients. To do so would be both short-sighted and misleading since Congress has been told that these resources will be used to aid the former Soviet Union in its economic, political, and social transformation.

The chairman's mark assumes that funding levels for the function will allow continuation of current levels of assistance for Israel and Egypt. The mark also supports increased funding for the Export-Import Bank, since U.S. Exporters forsee a need for substantial growth in Eximbank financing to assist them in new or expanding markets in Latin America, Eastern Europe, and the former Soviet Union. The United States should be prepared to assist U.S. Exporters in these important markets. The chairman's mark further supports continued funding of the "war chest" at a $200 million level in order to counter the predatory financing schemes of foreign governments.

FUNCTION 250

The mark supports the administration's increase in funding the National Science Foundation. The mark recognizes the increasingly important role that the National Science Foundation continues to play in expanding the Nation's scientific base.

FUNCTION 270

The chairman's mark can support increases for energy supply research and development programs. The multiple benefits of renewable energy warrant an enhanced and sustained commitment to renewable energy research and development over the next decade and can accommodate funding above the administration's request. The chairman's mark could also accommodate increases for the magnetic fusion program. Moreover, the marks assumes funding adequate to complete design work on the advanced neutron source [ANS] in order to move forward with construction of the reactor at Oak Ridge National Laboratory beginning in fiscal year 1994.

The mark also recognizes the growing opportunities resulting from the commercialization of technology developed in Government-operating laboratories such as the Oak Ridge National Laboratory. The Department of Energy has become an activate participant in various research and development agreements [CRADAS] established through the Federal Technology Transfer Act of 1986. The chairman's mark could accommodate an increase in funding for CRADAS and other technology transfer initiatives that are aimed at improving the Nation's technological and manufacturing base.

The mark recognizes the ongoing need for such successful programs as the Rural Electrification Administration [REA] and the Rural Telephone Bank [RTB] loan programs. The mark rejects administration proposals to change the way in which REA guaranteed borrowers receive loans through the Federal Financing Bank [FFB]. At the same time the mark could accommodate some of the administration's proposed increases for additional staff years as well as the administration's request for the Rural Development Loan Program.

If the Congress ultimately comes forward with an economic recovery program intended to create jobs and stimulate the domestic economy, the public/private partnership represented by the REA and RTB loan programs should be duly noted along with the essential health and educational services envisioned in the Rural Development Act of 1990.

FUNCTION 300

The mark recognizes that the Land and Water Conservation Fund is one of the most important natural resources program of the Federal Government. The mark can accommodate increases in funding for the Land and Water Conservation Fund, including the State Grant Program.

The chairman's mark can also accommodate an increase in funding for waste water treatment programs as well some additional funding for Department of Interior research and development of affordable water desalination technologies and projects.

FUNCTION 370

The chairman's mark rejects the administration's proposed reductions in appropriations for Postal Service revenue foregone.

The mark also allows for increases in the small business administration's Microloan Demonstration Program which is a highly valuable source of credit for very small businesses and home-based entrepreneurs.

FUNCTION 400

Increased investment in the Nation's transportation infrastructure is vital to enhancing short-term economic recovery and long-term economic growth. This goal is well reflected in the Intermodal Surface Transportation Efficiency Act of 1991 [ISTEA] which authorizes $154 billion over 6 years for the Nation's transportation infrastructure.

In light of this need, the chairman's mark rejects the administration proposed $2.2 billion reduction in transit funding authorized under this act as well as proposed elimination of the Northeast Corridor Improvement Program and deep reductions for Amtrak.

The mark as reported from committee also support proposed repeal of Coast Guard recreational boat user fees and establishment of a new user fee for access to the Federal Maritime Commission's automated tariff filing system.

FUNCTION 450

The chairman's mark recognizes the need for continued funding for essential economic development programs administered by the Economic Development Administration, the Appalachian Regional Commission, and the Tennessee Valley Authority. It also rejects the proposed reductions in the Community Development Block Grant Program.

The chairman's mark recognizes the urgent emergency management needs of local governments, particularly rural communities. The mark assumes that local and rural community emergency management funding needs will receive the highest consideration.

FUNCTION 500

The chairman's mark recognizes that there is a need for new Job Corps centers. It notes that there is strong community support to establish centers in many areas of the country including Nashville, Tennessee, Colorado and Illinois. There should be continued commitment to funding the Job Corps 50-50 plan which is intended to open up 50 new centers in the next several years and serve 50 percent more youth than are currently served.

The nearly $51 billion authorized for function 5000 rejects the administration's elimination of the community services block grant and the deep reductions called for in the library assistance and impact aid programs. It also does not include funding for the administration's "choice grants for American children", a Federal Education voucher program backed by the Administration.

The chairman's mark recognizes the continued importance of the Pell Grant and campus-based student aid programs as well as TRIO programs for low-income youth and young adults. The mark also can support funding at the full authorized level for the homeless Veterans Reintegration Program [HVRP] which is a highly effective Federal Employment and Training Program.

The mark can accommodate some increase in funding for the Older Americans Act which is essential for providing community based services as transportation, nutrition, and older worker programs which have not always kept pace with growing demand.

Finally, the mark supports continued expansion of the head start program.

FUNCTION 550

The chairman's mark can accommodate increased funding in a number of high priority health programs including childhood immunizations, community and migrant health centers, national health services corps, and other related programs to improve the health of children including infant mortality initiatives and the maternal and child health block grant to the States.

There is a pressing need to insure that children are fully immunized, particularly pre-school children whose current immunization rates are far too low. A comprehensive immunization strategy built upon existing public health and social services programs is needed.

Some increases for health programs for homeless veterans can also be accommodated in the mark, most especially for the Department of Veterans Affairs Homeless Chronically Mentally Ill [HCMI] and Domicilary Care Programs.

The chairman's mark also notes the urgency for more funding for public health services aids programs, especially title 1 of the Ryan White Health Care Act which provides emergency assistance to cities hardest hit by AIDS. It also recognizes the need for the National Institutes of Health to address high-priority health problems through high quality medical research which is one of the most cost-effective investments the country can make.

FUNCTION 570

The chairman's mark urges increased funding for Medicare payment safeguard and audit funding. Appropriate funding of this activity could result in savings of millions of dollars now lost to inadequate claims review and screening of inappropriately submitted claims for Medicare services.

It should be noted that a February, 1992 report by the General Accounting Office [GAO] concluded that an estimated $1 billion could be recovered by Medicare intermediaries if sufficient funding is provided for Medicare claims processing and payment safeguard operations. GAO found that unrecovered overpayments are increasing Medicare because the volume of Medicare claims has increased at a rate of approximately 11 percent per year while funding for claims review activities has declined since fiscal year 1989.

Timely and accurate payment of Medicare's 700 million claims is of the utmost importance. The mark supports adequate funding to insure that the Medicare Program is administered properly and efficiently. It would be prudent not to apply Government-wide reductions in certain activities to contracts entered into for the administration of the Medicare benefit program.

FUNCTION 600

The chairman's mark could accommodate a substantial increase in the Women's, Infant and Children Supplemental Feeding [WIC] Program, up to a level of more than $3 billion in 1993. Additional spending on this program can be justified since it has been estimated that each dollar spent on pregnant women in the WIC Program can save from $1.92 to $4.21 in Medicaid costs for both mother and infant.

The mark also rejects that administration's proposed $435 million reduction in the Low Income Home Energy Assistance Program [LIHEAP] which would work a severe hardship on many low income families throughout the country. Consideration should also be given to forward funding this program for more timely disbursement of funding in the winter months.

FUNCTION 700

The chairman's mark seeks to provide the maximum amount possible under the caps for veterans medical care, and notes that the administration's budget requested an increase of almost a billion dollars for this purpose.

FUNCTION 750

The chairman's mark recognizes the critical role of the judiciary in the Nation's war on drugs and other criminal activities. In 1992 drug cases may total 25 percent of all criminal cases filed in district courts and since 1980 drug related criminal cases have increased by over 300 percent. Legislative mandates such as sentencing guidelines have also markedly increased the workload of the judiciary system, hampering its ability to try criminal and civil cases in a timely fashion.

The mark also recognizes the need for more expeditious handling of bankruptcy cases which reached the 1,000,000 mark for the first time in 1991. This workload will not diminish in the near future.

While the chairman's mark can not accommodate all funding increases in this function, full funding for judiciary requests should be given the highest consideration.

FUNCTION 800

The 1990 budget summit agreement provided additional funds outside of the domestic discretionary caps for Internal Revenue Service tax enforcement initiatives. The chairman's mark urges the Appropriations Committee to provide the full $183 million in budget authority and $179 million in outlays to fund these initiatives.

FUNCTION 920

The chairman's mark in this function assumes substantial reductions in the use of service contracts by domestic Federal agencies. At a minimum, budget authority savings of $67 million and outlay savings of $50 million are possible. Several studies have put Federal consulting service contract spending at between $4 billion and $20 billion. Thus, significantly higher spending reductions may be possible through curtailment of these contracts, especially where past research reports by the GAO and various inspectors general have indicated that such costs may exceed in-house costs by 25 to 40 percent.

The Office of Management and Budget must do a better job identifying the costs of service contracts to the Federal Government, developing more specific object class designations for service contracts and reporting this sort of spending by category in its annual budget submission. Agency compliance with the prohibition on using service contracts to circumvent hiring ceilings should also be closely monitored.

I, along with Senator PRYOR who has been a leading advocate for better controls in this area, intend to request a full-scale report on ways of dealing with consultant service abuses from the Office of Management and Budget in the near future.

Mr. SASSER. Mr. President, I yield the floor.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico [Mr. DOMENICI].

Mr. DOMENICI. Mr. President, I wish that I were able to come before the Senate today and tell the Senate and those who are interested in our proceedings that we have the deficit of the United States under control, but regrettably that is not the case.

As a matter of fact, Mr. President, this budget is, I believe, everything the chairman said. I may have a little different version of some parts of it.

Indeed, one way of looking at it is that because of the defense cuts and the fact that we are not increasing the other two national accounts that are appropriated every year by a substantial amount, one might say it is a rather frugal budget and that, clearly, it would look like it begins to cut a swath in this deficit. But, truthfully, that is not the case. The best we can say is that the $400 billion deficit that we are probably going to hit this year will not be in excess of $300 billion, maybe as much as $330 billion, depending upon economics.

That is not much to vouch for this budget, and certainly there will be many who will say, "I will not vote for it."

But I choose to talk about the most important aspect of this budget as I see it, and then to spend a little time talking about the missing part of this budget.

First, Mr. President, I note that in the Presidential campaign, the contested one between those seeking the Democratic nomination, and looking at the two frontrunners, recently I saw in the newspaper a full page of questions of importance to our future answered by each of them. And I looked over it intently wondering—and I do not say this in any derogatory manner, but I anxiously looked to see if the major problem confronting the future of the United States was in that list of questions and answers. I am rather perplexed and somewhat embarrassed to say, no fault to the candidates, the most important issue confronting the United States of America was not even asked, thus not even addressed.

Frankly, Mr. President, I do not believe, at least this Senator—and everyone knows I am a staunch supporter of President Bush, but this Senator does not intend to leave the issue of the deficit of the United States out of the next Presidential campaign. I am going to do what I can by things I do here on the floor, things I do outside of this Senate in terms of my Senate office, to see to it that the two candidates for President of the United States answer the question: How are you going to get the deficit under control? What do you propose to get this almost diabolical aspect of our governance under control? And the answers cannot be vague. The answer cannot be eliminate waste, fraud, and abuse. We have abused waste, fraud, and abuse so much that essentially we ought to be talking about how we abused it rather than how much it will save. It cannot be, "Well, we are going to restrain the bureaucracy here and there, we are going to put a freeze on the Federal Government." All of those are perhaps, in these difficult times, things we ought to do.

But, essentially, Mr. President, the reason I believe the deficit is the real issue, how are we going to get it under control, is simply the following: If we do not get the deficit under control, it is this Senator's opinion that within 7 or 8 or 9 years the United States of America will be bankrupt. Now, that does not mean we are going to file a chapter 11, I say to the chairman, but what it means, Mr. President, is that our children and our grandchildren will have lower and lower standards of living rather than increasing standards of living, which has been the history and legacy of each generation to the one that followed. So when we ask where are the jobs going to come from, and when Americans say what is wrong with the economy and what are you going to do about it, either to the Senator from New Mexico or to the chairman or the Presidential nominees. The American people ought to understand that there is no fix for American prosperity in the future—growth and good jobs, productivity increases. There is no easy fix for that.

This huge debt, which cumulatively now is over $3 trillion, believe it or not, will be $6-plus trillion 9 years from now. If we continue with current policy, reduce defense as much as we can, spend very little on the domestic programs that we appropriate every year, no substantial big increase, we will increase the Federal debt over the next 9 years, according to CBO's calculations, by another $3.1 trillion. At that point in time we will be at 6.2 to 6.4 trillion dollars.

Now, what the American people have to understand is that this is a recipe for economic disaster, a recipe for an America that does not have jobs for her people, an America that does not have opportunity, an America that has said we do not care about saving our children from poverty. Without sustained economic growth and productivity increases, we are going to build a legacy for our children and grandchildren that, materially speaking, is the worst legacy any generation has ordained for the next and the next generation in American history. No doubt about it.

Sometimes it is difficult for our American people to understand that the Federal debt is related to jobs. Let me see if I can do it in as simple a way as I can so that I, too, will understand it. It, hopefully, is not an economist speaking. But essentially, Mr. President, a capitalist economy—and American is one of those—must have capital in the private sector on which to grow. There must be savings by the American people to feed that need for capital so business can grow, retool, and reeducate. The essence of capitalism is to have capital available for the business sector, large and small to start new corporations and sustain mature ones. If you want sustained economic growth with low inflation, you must have sufficient capital to do that. The way to get capital is to save. If you have already borrowed $6.2 trillion that you do not have and spent it, you are taking the savings and using it for debt instead of for growth, giving it to the bondholders to whom you owe money, instead of the corporations that need it to build their new equipment, retool, reeducate, and compete effectively.

I can stand here and say, if we do not fix this disincentive to save, Mr. President, we do not care about our children of grandchildren and we intend to ignore their future well-being.

Having said that, Mr. President, the truth of the matter is that we are not going to control that deficit unless and until we decide that the mandatory part of this budget—and I will explain that in a moment, although the chairman did a very good job explaining it—unless and until we decide that in some way we are going to control mandatory spending.

Now, Mr. President, if we were to ask the American people, who think we are doing a terrible job in Congress, how much of the Federal budget is on automatic pilot, where the money is just rolling out because we have passed laws that entitle people or institutions to Federal money, most Americans think that we control all of the budget every year, all the time.

Mr. President, half of the Federal budget is on automatic pilot. That means that when this budget resolution is passed, if it is passed, and if it becomes the resolution of the Congress, that for 1993 half of the budget will automatically be spent on something like 500 entitlement or mandatory programs. Exclusive of Social Security, those programs will be growing at about 9 percent a year, led by the health care programs, for they will increase far more.

So what this budget resolution does is control defense spending, control foreign assistance, control domestic spending like the National Institutes of Health, education—all those programs that we appropriate such as the Bureau of Indian Affairs, and the Interior Department. All of those will be barely growing. Yet, the deficit will be going up because 9 percent is being added regularly to a basket of mandatory expenditures on which we set no limits.

Having said that, Mr. President, I from this side of the aisle have been preaching this for a long time. I am beginning to believe truthfully that we must solve this problem or we will not have a legacy of prosperity, jobs, and growth. I do not think I am alone in suggesting that this part of our budget, exclusive of Social Security which pays for itself, including its annual increases—I do not think I am alone in suggesting we must get that under control.

I am reading from the report of LEON PANETTA, chairman of the House Budget Committee, with additional views from WILLIS GRADISON. Page 20 of the document dated December 1991.

> The committee recommends the design of a cap enforced through the budget process on the growth of entitlement programs in order to reduce their underlying growth rate to sustainable figures. If that growth rate can be restrained permanently, the deficit problem in the entitlement area can be controlled. If not, all alternative sources of deficit reduction, defense cuts, domestic discretionary, taxes or user fees, will sooner or later be exhausted and the deficit will resume its inexorable climb.

Mr. President, frankly I see more support for trying to do something about this deficit than I ever have in the past. In the past, it seemed that every now and then somebody got worked up and said let us do something about it. But I think we are beginning to understand that a bankrupt America is an America that is not growing, is not producing new jobs, whose businesses large and small are not increasing their productivity. Essentially, no economic future, no standard of living increases for the next generation is the equivalent of bankruptcy, and that is the legacy we leave them.

So the time is now to do something about it, not necessarily in this budget resolution, to join together from both sides of the aisle to find a way we can control these 500 or so entitlement and mandatory programs and see if there is some way to force change so that they will not grow as rapidly.

Mr. President, I will address the issue of growing medical costs in a moment. But let me praise the Budget Committee. Albeit it was a slim vote by the Budget Committee, by 11 to 10—all Republicans joined with me, as their ranking member, and two Democrats joined us, on the issue of what level of defense spending is right for America now, this year.

Frankly, the decision was made that we would continue on the downward trend that the President had given us, that we would accept his $50 billion in additional cuts on top of the $170 billion we already had in place. By doing that we would not take a chance at reducing our defenses before we understood what kind of new world order we live in; that we would take it slow so we would not add hundreds of thousands of people to the unemployment rolls by forcing them out of the military. They are not draftees. They have contracts with the Federal Government. They are all volunteers. It is the best military we have ever had.

The committee decided that the President and the Joint Chiefs have provided sufficient cuts under those circumstances, and this committee reported to the Senate a budget resolution in concurrence with that.

As the debate follows and flows with reference to others who want to cut defense more, either the Senator from New Mexico or others will supply the needed information to justify the excellent work that the committee did in deciding to cut defense as much as the President asked for and no more for the year 1993.

I will close these remarks by suggesting that the chairman spoke to the future and budget restraint as he said, if I read him right, that medical costs had to be constrained or we would never get the deficit under control. I think that is accepted by almost everyone as the true facts about America's future deficit and fiscal responsibility.

We cannot raise taxes high enough to pay the increasing costs built into these programs but the Senator from New Mexico believes that as part of the reform of our health care programs, we ought to set in advance the amount of money we can spend. That would be the cap level. Then the reformers will put together the new national package to fit within those caps. I submit if we do not do it that way we will never control health care costs within this budget because, as we produce new and expanded health care legislation, the sky is the limit as to what it will cost.

There has to be some reality check, reality test. I believe that we should fit the reforms to the amount we are allocating in an enforceable manner in advance.

Having said that, let me just recap for everyone the truth about what is happening in this budget that is before us.

I have indicated that I believe the real issue and the only remaining one for budget resolution this year is the level of defense spending. I am very hopeful that the Senate will sustain the recommendations of the Budget Committee and go to conference with the House with the President's defense numbers intact.

But make no bones about it, this budget resolution assumes that we can save $2.1 billion in entitlements and mandatory savings from reducing Medicare fraud, waste, and abuse. Frankly, I do not believe we can, but it says we are going to save that and maybe the committees will find the savings. But even with the mandatory spending, including an increase in interest expense of $13 billion in this budget, but excluding Social Security, will increase by $54 billion between 1992 and 1993. If $11 billion of that is interest, it seems to the Senator from New Mexico, if my arithmetic is right, we have $40 billion in non-Social Security, noninterest, automatic increase in mandatory programs growing, I say, to the chairman of the Finance Committee, at almost 9 percent a year.

There is no way we can keep pace with that, even though we are cutting defense by $20 billion in budget authority, those mandatory expenditures just continue to gobble up our resources at a never-ending pace. So let me suggest that if we really are serious about rebuilding an America that is prosperous and growing with good jobs and standard of living increases for our children and grandchildren, we cannot do that, unless and until we get this deficit under control; and that is going to take a goodly number of years under the most stringent of processes. But without it, all the dreams about our future, all the dreams about our competitiveness in the world, all the dreams we have about leaving our children a legacy of standard of living increases and opportunity, I believe go for naught.

We will not achieve them at Federal debt levels that, according to my calculations, will do the following in the next 9 years. Right now, the debt is $3.1 trillion, Mr. President, believe it or not. With all of the alleged ratcheting down that we claim we have done in budget expenditures, the next 9 years will see the debt double again. Another $3.1 trillion onto the $3.1 trillion that has accrued. I do not believe we can go much beyond that without seeing tremendous failures in the American economy, and people will ask Presidents to fix it, will ask Congress to do something about it. Essentially, we will dabble around the edges while the center, the real guts of America's future, prosperity, and growth in the private sector, in a changing world, will not grow and not compete.

So, from my standpoint, we ought to pass this budget quickly, but we ought to direct our attention to fixing the problems in our processes that do not permit us to control the mandatory expenditures as I have described them here today.

With that, Mr. President, I yield the floor.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER (Mr. LIEBERMAN). The Senator from Tennessee [Mr. SASSER].

Mr. SASSER. Mr. President, I thank the distinguished ranking member for his remarks, and I think the remarks of my friend from New Mexico are heartfelt. He, as am I, is extraordinarily concerned about the growth of the Federal deficit, the growth of the national debt. We now find that the national debt comprises what is the equivalent of over 50 percent of the gross national product of this country. Our friends, the Italians, have a national debt that now is in excess of 100 percent of their gross national product, and we certainly do not want to go down that particular path.

I think my friend from New Mexico is being very candid with our colleagues here today when he says he wants to ask each of these candidates running for President what their plans are for dealing with the deficit. He is going to try to hold them to giving us an honest statement about what is to be done. Well, I want to join with my friend from new Mexico on that, but I want to say to him, good luck on getting an honest retort.

I read in the Washington Post this weekend an op-ed piece written by the very able chairman of the Senate Finance Committee, Senator BENTSEN of Texas, and he reminded me of some things that I had forgotten, but I remember other Presidential campaigns. I remember the very able minority leader, a man that I respect enormously—I think the generation represented by the minority leader, Senator DOLE, the generation represented by the distinguished chairman of the Finance Committee, Mr. BENTSEN, may very well be the finest generation of Americans in the 20th century. They were the Americans who braved the Great Depression years of the 1930's, who marched off to fight the war against fascism and militarism and won it, and came home to build the most prosperous economy the world had ever seen, at least in modern history.

I remember in New Hampshire in 1988, when Senator DOLE tried to tell the people of that State and the people of this country the truth, and he was asked, "If you are elected President, will you raise taxes, will you raise additional revenues?" He did not say he would; he did not say he would not. He simply said, "I am not going to abandon any responsible way of dealing with the fiscal problems of this country."

So what happened? He was pilloried in the media of New Hampshire and all across the country as a tax raiser—raising taxes. He was confronted with the slogan "read my lips," which I thought at the time was not responsible, and it pained me greatly. He is a man that I admire, one of a different political party and one of a different political persuasion, but one that I thought could have discharged the obligations of Chief Executive of this country with distinction, and it pained me to see him pilloried, and his drive for the nomination cut short by what I felt was not a responsible course of action on the part of his opponent.

I well remember the campaign of 1984 when this country was reeling from the revenue hemorrhages that were occasioned by the ill-advised Kemp-Roth tax cuts of 1981, which produced a structural deficit of $200 billion as a result of the passage of those tax cuts. Even in a full employment economy, you are going to have a deficit of $200 billion. The books just could not balance. So in 1984, another candidate for President told the American people what he was going to do, and he lost, as I recall, 49 out of the 50 States. He said, "I am going to raise your taxes, and I will tell you. The other man is going to, but he will not tell you."

So I say to my friend from New Mexico, good luck; I join him in the effort, but I am not sure that men of good will, and responsible individuals who seek the highest office of this land, can afford to level and tell the American people the truth, because some will come after them and try to take advantage of them and be irresponsible, as they are trying to be responsible.

Let me just address one other thing, and then I want to yield the floor, and perhaps yield it to my distinguished friend from Texas after my friend from New Mexico, who may want to reply.

I am concerned about entitlements. Entitlements are a problem in this budget, there is no question about that. But let us have a balanced view here of what the problems really are. I was just looking down the list of so-called mandatories or entitlements. In fiscal year 1993, these entitlements, mandatories, will produce $448.5 billion in revenues. Social insurance revenues represent 40 percent of the total revenues that flow into the Federal Treasury.

The outlays from entitlement programs will be $751 billion during the same time. That is 50 percent of total Federal outlays in 1993.

So not all entitlements are self-supporting, not all have their own dedicated revenue source, and there is a problem, no question about it.

But that is only one of the problems in the Federal budget, one of the problems in the deficit, and you are not going to cure it, in my judgment, by simply saying we are going to put a cap on Medicare and Medicaid or on entitlements because when you look at entitlements you find that 85 percent of the growth in entitlements over a 5-year period is solely because of the growth in Medicare and Medicaid. When you put a cap on them, they are either to flip back over as they burst through those caps, as I said earlier, and then we'll sequester or cut—in layman's language, reduce—the other mandated programs such as child nutrition—a whole host of others. And I know my friend from New Mexico does not want to do that. I know him well enough to know that that is not his intention.

What are we going to say to those who are on Medicare and Medicaid? When they hit the cap, are we going to say: Well, now, look. We cannot afford to pay any more here for your Medicare, and if the doctors will not treat you at this price and the hospitals will not take you at this price, you are just out of luck.

And what are you going to say to the poor, many of them working poor, when they cannot get treatment under Meciare because we have hit the cap and you just reduce those Medicaid payments down to the point where nobody wants to care for them? What are you going to do with them?

We live in the latter part of the 20th century. Every other modern, industrialized country save the Union of South Africa has dealt with the problem of getting health care to their citizens in a way that they can afford it except one: The United States of America.

I frankly do not think that simply putting a lid on these public health programs and saying: We are going to pay this much and no more, and the rest of it is up to you, to the old folks and to the poor—that just will not work. The society will not stand for that. There will be political repercussions, and there ought to be in democratic government.

So, I know my friend from New Mexico is concerned about these matters. I am myself, but we have to, I think, take a balanced view of this and realize that you cannot come at it just from one angle.

Mr. President, it is always a matter of some consternation to me. I really cannot fully understand why there is so much concern in some areas about the deficit, there is so much concern about the entitlements, and I share both of those concerns, but somehow funds spent on the military, that just does not matter. In other words, those are just like funds like manna from heaven. You do not have to borrow that money; you do not have to pay interest on it. That is just there, and that does not raise the deficit. That is a given.

I never can quite comprehend that mindset, but it is prevalent, and it is out there.

So let me conclude by saying to my friend from New Mexico, I share his concern and I know that his concern is genuine. I know it is heart-felt, and he is speaking from his heart when he tells his colleagues that he wants to do something about entitlements and he is concerned about the deficit.

I want to join with him in seeing that we can get these Presidential candidates to tell us really what they are going to do about the deficit, because in the final analysis we in the Congress can help. And we in the Congress have a responsibility; no question about that.

But in the final analysis, if we are going to really deal with the tough fiscal problems of this country, we are going to have to deal with them behind the leadership of a Chief Executive Officer of the country, and that is the President of the United States.

Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I know Senator BENTSEN wants to offer an amendment. I just want to take no more than 5 minutes.

First of all, Mr. President, the Senator from New Mexico understands that dollars spent are dollars spent. Whether they are defense dollars or whether they are one of the mandatory entitlements, small little programs somewhere, that is automatically paying out to some group, or whether it is domestic spending, or whether it is foreign assistance, they are all contributing to the deficit at this point because we are borrowing all the time. We are not anywhere close to a balanced budget, so we are borrowing for any of this programs, no matter what their size.

We should not forget that defense is now being reduced under the current plan by $220 billion. The problem is it is being reduced, and we are spending so much that we do not see any results. Everybody is still running around waiting for the peace dividend. But we put $170 billion in savings in the 5-year agreement. If the President's $50 billion is following through, that is $220 billion, and the deficits do not come down.

As a matter of fact, I believe it is fair to say that if you want to get rid of all defense spending, you still will not get a balanced budget. As a matter of fact, at the turn of the century, without doing something else, the deficits will be rising again, so it is obvious that something is wrong with the process.

To conclude that we are undertaxed—which I understand the distinguished chairman really believes we should not have had the tax cuts in 1981. And I think he really believes because we did that, that is why we have the deficit and we would be in much better shape if we had not done that. But, Mr. President, while that was being done, the dramatic increases in the Social Security taxes on the American people were already in place. They had been put in place during the 1970's and became effective in the 1980's. The American people in working America are not under taxed.

In this year that we are planning for, starting in October of this coming year, Mr. President, the tax take of America—that is the revenue that will come in—with no change in law will increase by $86 billion. Social Security, the small Medicare payment, and income taxes are going to go up if the American economy is growing as predicated in the budget, producing $86 billion in increases. Part of it goes to Social Security, we understand. But the deficit does not come down by $86 billion because the entitlements and mandatory expenditures are going up, as I described them in my remarks about 10 or 15 minutes ago. So it seems to me that we all know the problem. No one is going to recommend significant new taxes under the processes that govern our budgets and our expenditures of money. No President is going to do that.

We are going to ask them how they are going to cut the budget, and it is not going to be taxes from either one because there is no assurance after the taxes are enacted that the deficit will not be just as bad as it is unless we decide to control the automatic expenditures of our Government.

So with that, I am hopeful that Senators who have amendments will let us know about them. On our side, I want to be cooperative with the majority and get this budget resolution to a final passage state as soon as possible.

I join with the distinguished chairman of the Finance Committee as a cosponsor of his procedural amendment, which I believe is greatly needed.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BENTSEN addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas [Mr. BENTSEN].

AMENDMENT NO. 1761

(Purpose: To limit the levels of Social Security outlays and revenues in the resolution to current services levels and to clarify the application of section 301(i) of the Congressional Budget Act of 1974 to a concurrent resolution (as reported and amended), amendments thereto, or any conference report thereon)

Mr. BENTSEN. Mr. President, I have an amendment that I send to the desk, and I ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Texas [Mr. BENTSEN] for himself, Mr. GRAMM, and Mr. DOMENICI, proposes an amendment numbered 1761.

Mr. BENTSEN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

The amendment is as follows:

At the end of the resolution, add the following:

SEC. . SOCIAL SECURITY OUTLAY AND REVENUE LEVELS.

(a) ACCOUNTING TREATMENT.—Notwithstanding any other provision of this resolution, for the purpose of allocations and points of order under sections 302 and 311 of the Congressional Budget Act of 1974, the levels of Social Security outlays and revenues for this resolution shall be the current services levels.

(b) APPLICATION OF SECTION 301(i).—Notwithstanding any other rule of the Senate, in the Senate, the point of order established under section 301(i) of the Congressional

Budget Act of 1974 shall apply to any concurrent resolution on the budget for any fiscal year (as reported and as amended), amendments thereto, or any conference report thereon.

Mr. BENTSEN. Mr. President, today I am offering a Social Security trust fund protection amendment to the budget resolution. This bipartisan amendment is cosponsored by my colleague, Senator GRAMM, of Texas, and Senator DOMENICI, of New Mexico. This amendment closes the loophole that now makes it possible, with a simple majority vote, to enact legislation that reduces the reserves of the Social Security trust funds and threatens their financial integrity.

If you are dealing with the unemployment compensation fund or you are talking about the railroad retirement fund or Medicare or the civil service retirement fund or the military retirement trust fund, in each of those instances, any attempt to reduce those reserves, to spend them without an offset, is subject to a 60-vote point of order. And I think the protection for the Social Security trust fund should be no less.

Mr. President, when we negotiated the budget agreement in 1990, we intended to erect a Social Security firewall that would protect the Social Security trust funds from any changes that might weaken their financial integrity. One extremely important element of this firewall was to prohibit the budget resolution from allowing any reduction in the balances of the Social Security trust funds below levels expected under present law. With this firewall in place, if a bill proposed to increase Social Security benefits without paying for the cost, without replenishing that money to the reserves, or to cut Social Security revenues without also reducing costs, it would violate the budget resolution and be subject to a 60-vote point of order.

Well, we succeeded in taking Social Security off budget and out of the deficit calculations. We also tried to make sure it was protected from unwise legislative changes. For the most part, we succeeded. We made sure that the budget resolution reported by the Budget Committee could not reduce the balances in the Social Security trust funds.

However, we failed to provide 60-vote protection against amendments to the budget resolution that would allow the Social Security trust funds to be harmed. This protection is afforded to all other trust fund entitlement programs—all of them.

Mr. President, it is time to plug this hole in the Social Security firewall. If we do not, there is no telling how many unfunded proposals will be offered, or how much damage could be done to the Social Security Program.

Senators will recall the crisis the Social Security Program went through in 1982 and 1983, when there was a very real risk that Social Security benefits would not be paid. At almost the last minute, the Congress passed bipartisan legislation to save the Social Security Program and put it on a path toward financial recovery. That experience taught us the importance of erring on the side of safety where Social Security is concerned.

I do not think anyone here wants a repeat of that experience, or anything close to it. But unless we act today in a bipartisan manner to strengthen the Social Security firewall, there is a real possibility that could happen.

We have had some experts that have testified before the Finance Committee on the issue of what constitutes a safe reserve fund, what kind of cushion you need to have, what kind of leeway you should have. And most of the experts that have testified before us believe that the combined Social Security trust funds should have a minimum level of no less than 100 percent—that is a 12-month level—and preferably 150 percent—that would be equivalent to 18 months of benefit payments—in order to be safe. This 150-percent level will protect them in the event of a prolonged economic downturn, or other adverse changes that could lower the reserves. At the beginning of 1992, however, the reserve level of the combined old-age and survivors insurance and disability insurance funds had only reached 96 percent of 1 year's outgo.

The 1992 report of the board of trustees of the Social Security trust funds was issued just last week. This is the annual report that measures the short- and long-term financial health of the funds. This year's report estimates that under the intermediate, or "most likely" set of economic and demographic assumptions, the combined trust funds will not attain 18 months of reserves until some time in 1996. That is if the economy improves and everything goes reasonably well for the next 4 to 5 years.

The new trustees report also tells us that the disability insurance trust fund is in very poor financial shape. Last year, the disability fund was projected to be solvent until the year 2015 under the intermediate, or most likely assumptions. Under the more conservative, or pessimistic, assumptions used last year, the fund was projected to run out of money in 1997.

Mr. President, let me tell those Senators who have not yet had an opportunity to review the 1992 Social Security Trustees Report that last year's "pessimistic" trustees report estimates of the financial status of the disability insurance fund have become this year's estimates of what is most likely to happen. The trustees now estimate that the disability insurance trust fund will be exhausted in only 5 years—in 1997—under this year's intermediate, most likely assumptions, and could be bankrupt as early as 1995 under this year's pessimistic assumptions.

Further, Mr. President, the trustees now tell us that the combined Social Security trust funds will never reach a safe, 18-month reserve level under the current pessimistic assumptions, and could be exhausted before 2020. No one expects this to happen, but the recent experience with the disability fund should be cautionary for Senators who may believe that the Social Security trust funds are a cornucopia full of money to fund new benefits.

Precisely because the Social Security trust funds are not a cornucopia, they need the protection against unfunded legislation that is afforded by my amendment to the budget resolution.

Virtually every American depends on Social Security for their present or future well-being. I have always believed that one of my most important duties as a Senator is to assure that the Social Security Program is financially sound and will be there for American workers and their dependents when they need its benefits. I believe that many of my colleagues on both sides of the aisle share this view. We need to act together to establish a 60-vote point of order against unfunded Social Security amendments to the budget resolution now, in order to protect the Social Security trust funds from any and all future legislation that would raid their reserves and threaten their solvency.

Mr. President, my amendment is designed to prevent passage of legislation that would reduce the Social Security trust fund reserves. I urge Senators cast their vote for this amendment. By doing so, Senators will be voting to protect the financial integrity of the Social Security Program.

I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Texas [Mr. GRAMM].

Mr. GRAMM. Mr. President, I am very happy to join my colleague from Texas as a cosponsor of this amendment. Under the current rules of the Senate, there is a 60-vote point of order against any budget that comes from the Budget Committee to the floor of the Senate that raids the Social Security trust fund and that lowers the level of solvency in the Social Security trust fund. After 3 long years of debate about how we could protect the solvency of Social Security, we put their firewall into place. But, because of a quirk in the language as adopted, we have the anomaly that the committee of jurisdiction, the Budget Committee, cannot report a budget which lowers the value of the trust fund unless a 60-vote point of order can be overcome. But at the same time, while the Budget Committee is prohibited from raiding the Social Security trust fund, any Member of the Senate can offer an amendment to reduce the Social Security trust fund, but, because of this quirk in the rules, can avoid the 60-vote point of order.

So, Mr. President, this is simply an effort to have a uniform rule that says, having adopted a provision by Senator Heinz that built this firewall, our objective is to protect the Social Security trust fund. If a Senator comes up with a new benefit to pay out of the trust fund, thereby lowering its solvency, or if a Senator proposes to reduce the flow of revenue into the trust fund, thereby reducing its expected solvency level, there would be a Social Security protection point of order requiring that Senator 60 votes in the Senate. We had a lengthy debate about this. Senator Heinz made it his major objective to protect the Social Security trust fund.

We have a quirk in the rules of the Senate that does not make any sense. I do not believe it was ever anybody's intention that this quirk exist. The distinguished senior Senator from Texas and I are seeking to close this loophole to assure that, as it becomes more and more attractive to raid the Social Security trust fund, we have a barrier erected to prevent that from happening.

So I hope my colleagues will vote for this amendment. I think this amendment gives us our strongest assurance that we can provide under the rules of the Senate that any action that would lower the value of the Social Security trust fund will be subjected to the highest standard to which we subject any action by the Senate; that is that 60 percent of those duly chosen and sworn would have to vote to override a point of order that is erected with the clear objective of protecting the Social Security trust fund.

There may be extraordinary circumstances where that decision might be made. But I think it is a mistake not to assure that this wall is erected on the floor of the Senate as we have erected it in the Budget Committee. I think this is a very important amendment and I think the objective of the amendment is very simple.

If you want to guarantee that we erect a protective barrier between the budget and the Social Security trust fund, then you want to vote for the amendment of the senior Senator from Texas to assure that if somebody tries to take action that lowers the trust fund there is a point of order against it.

I urge my colleagues to study this amendment. It is simple. It is straightforward. I think it is needed. I think the American public is for it and I urge my colleagues to vote for it.

Mr. BENTSEN. I thank my distinguished colleague from Texas for his very eloquent statement.

Mr. President, I ask unanimous consent that a letter from the American Association of Retired Persons, which supports this amendment, be printed in the RECORD at this time.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

AMERICAN ASSOCIATION OF RETIRED PERSONS,
Washington, DC, April 7, 1992.

Hon. LLOYD BENTSEN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR BENTSEN: The American Association of Retired Persons (AARP) supports efforts to strengthen procedural safeguards for the Social Security trust funds. When Social Security was taken out of the calculation of the federal deficit in 1990, a set of procedures was established to "fence-off" the trust funds. A 60-vote point of order lodges against most efforts in the Senate to increase spending or reduce trust fund revenues.

However there is a hole in the fence. When the Budget Resolution is on the Senate floor, Social Security trust fund income and outgo can be changed with a simple majority vote.

AARP understands that you will be offering an amendment to S. Con. Res. 106 to "fix the hole." AARP supports this amendment and urges its passage.

AARP has long maintained that the trust funds should be cordoned off. Without such protection, the trust funds would be vulnerable to efforts to unduly enhance benefits or reduce revenues. Such protection is especially necessary now, in light of the fact that the trust fund build-up has been slowed because of the recession.

The amendment you will offer completes the protection so necessary to maintaining public confidence in the stability of Social Security. Adoption of this amendment sends a strong message that adequate trust fund reserves should be maintained so current and future generations will receive the benefits they expect and deserve.

Sincerely,
JOHN ROTHER,
Division Director,
Legislation and Public Policy.

Mr. BENTSEN. Mr. President, I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I yield such time to the distinguished Senator from New York as he may consume.

The PRESIDING OFFICER. The Chair recognizes the Senator from New York [Mr. MOYNIHAN].

Mr. MOYNIHAN. Mr. President, I have listened with great respect to the remarks of the chairman of the Finance Committee and I want to join him in this exercise, for reasons that are somewhat different from his, perhaps, but which in the end will be, I hope, sufficient for the purpose of the Senate. I speak as chairman of the Subcommittee on Social Security of the Finance Committee.

And I speak with a measure of concern and regret, at the end of a long effort to discuss this matter which goes back, now, 15 years, and which obviously has failed. The subject under discussion is what to do with the surplus in the Social Security trust funds. There is an enormous surplus. It comes in, now, at the rate of $1.5 billion a week—$1.5 billion a week. By the end of the decade I think it will be about $3 billion a week.

The surplus contemplated until the year 2015, to give a sense of the order of magnitude, would buy the New York Stock Exchange, which is to say purchase a very large share of the equity capital of the United States. It is that large an amount.

It goes into a trust fund, every dollar connected by number and name to an individual account. It is meant to be a contributory pension system.

If you look at your payroll check you will see that Social Security deduction under the initials FICA, for Federal Insurance Contributions Act. These are not taxes. In the usage we have developed we refer to them as payroll taxes. They are not taxes. They are paid under the Federal Insurance Contributions Act. They go to a trust fund to be held, to be kept for the payment of benefits and nothing else.

In the past few years we have grown accustomed to using this surplus as if it were, in fact, tax revenue. And we obviously mean to continue to do so for the next quarter century, until the surplus disappears. And we will find a trust fund filled with debt instruments. If we go to pay benefits after that there will be no money there. We will have to raise taxes of some kind, or payroll contributions, at that point.

What is going on? My good friend, the junior Senator from Texas invoked the memory of our beloved former colleague, John Heinz. I know what John Heinz thought about this subject of the use of Social Security revenues for general Government expenses. So do those many millions of Americans who would have been listening to the "Today Show" in January 1990, if I recall.

He and I were together being interviewed on this subject, and I cited an editorial in a New York newspaper, the Rochester Democrat and Chronicle, which said that what is going on is thievery. The anchor person in New York said to Senator Heinz: "Senator Heinz, would you agree with the characterization that what is going on now is thievery?" And he said, "Certainly not. It's not thievery, it's embezzlement." Embezzlement is what is going on and what we evidently mean to continue with.

It is very convenient for the other side of the aisle. It means we can use trust funds as general revenues and keep all the fake promises that had been made in the 1980's as we quadrupled the national debt. I am sure that they will have their way. They have their way all the time in this body.

My distinguished chairman and friend, and the junior Senator from Texas, mentioned the budget agreement that was made at Andrews Air Force base as having this strange arrangement which makes a decision to raise or lower Social Security contribution rates subject to a normal majority vote and that this was somehow an oversight. It may well have been, but I have to say to my colleagues that the outcome of that budget agreement did not seem to be very promising for the party that gave this Nation Social Security.

I stood on this floor, Mr. President, and I said from my extensive knowledge of Roman history acquired through the novels of Robert Graves, I have come to the conclusion that it was a mistake for Senators to allow themselves to be taken to a military base and be put under armed guard to reach an agreement with Caesar.

I said then, Mr. President, and I say again, the Andrews Air Force Base agreement, and the legislation in return, I said on this floor that this is a proposal to reelect the President by statute. We on our side of the aisle gave up all flexibilities we might have wished to use in the event a long recession came, as one did, in the event that some new economics needed to be developed in the context of an enormous and continuing surplus, that the normal countercyclical measures did not seem probable. But we voted to reelect the President by statute and we shall have done, I do not doubt.

But why the party of Franklin Roosevelt should be party to this I do not understand. I think we are frittering away a great political legacy.

Around the country today there are primaries. One of the Democratic candidates has proposed a tax system, a flat tax which would abolish all levies, including the Federal Insurance Contributions Act, which would cease to make Social Security a contributory pension plan. Once you abolish that, whatever payments are made in the way of old age pensions are welfare, subject to whatever Congress decides, with the individuals having no claim on that money because they did not contribute it. And no one seems to mind that.

We have been frittering away our understanding of what Social Security is about. We have misread our own experience in our own time.

My friend from Texas said that in 1983 there was a real risk that benefits might not be paid. No, Mr. President. I was a member of the Commission that produced this agreement and we knew our situation and we knew that there might come a day if we did not act—and we did act frequently—when, in fact, checks could have gone out a day late, but the program was not insolvent. To the contrary, it was heading for the present surpluses, and we knew that. But it was in some ways too complicated a subject. You cannot explain it in 30 minutes. You just cannot.

I wonder what the Democratic Party thinks it is doing to itself. If we will not protect Social Security with the integrity that the system designed, put in place by Franklin Roosevelt, and Robert F. Wagner, and Frances Perkins, three New Yorkers, I do not know who needs the Democratic Party because from the outset, the opposition to this program has been persistent and the ability to play on fears continuous.

I believe, Mr. President, and I do not have it at hand, but there are from time to time public opinion polls on this. I believe a majority of nonretired adults in our country do not believe they will get their Social Security. And you ask what does that speak of public trust when a majority of the American people nonretired think they will not get their benefits which are contributed under their name, under obligation of trust to a trust fund. The Democratic Party has not done very well if 57 years into this system in which we have not been a day late or a dollar short we still have not received the confidence of our country.

Now we have the witness of such as John Heinz that we are embezzling the funds for other purposes, and do not think that word will not get around. Do not think there will not be people willing to describe what will be at some level of truth.

I said 57 years, Mr. President. I should make it further clear that the first old age pension was paid out in 1942. So, in fact, we are here just over one-half century into the program. Never a day late or a dollar short, but still not trusted, and now we commence to give reasons why.

I can understand that there are those who think that we have to protect ourselves against an effort to return to a pay-as-you-go system, but, Mr. President, do you know what is really on their minds? They think the surplus will some day be converted into greater benefits. I do not blame them. I sympathize with them, but it is not true. It is not true.

There is a hammerlock on this money. The money has been spent. The trust funds hold a part of our $4 trillion debt.

We had, in the Finance Committee, Mr. Darman testify before us awhile ago, and he was speaking about the ratio of debt to gross national product—gross domestic product, if you want. He made a point, which I think the very able and learned chairman of the Budget Committee might want to contemplate, and even get some econometric work done.

I was looking at a chart he had of debt as a percentage of GDP under three economic assumptions. At the lower economic assumption, which is a 2-percent growth rate, which we have not been reaching this last couple years, in about 4 to 5 years' time, the debt begins to compound as a percentage of GDP.

I said to Mr. Darman, "That means, sir, that the debt at that point is out of control." He said, "Yes, that is right; the debt is out of control."

And probably the only way you could deal with it at that point is to monetize it. That is a technical term, monetize. It means inflation. It means wipe out the value of the currency and become a Third World country, or developing nation—I think that is the euphemism—where people cannot pay their debts and whose bonds the Japanese do not want to buy. We are on the edge of that. It is a little complicated, but government is a little complicated.

The Director of the Office of Management and Budget said at a growth rate that is entirely conceivable, in about 4 years' time, our debt will go out of control, and then that will be a dandy legacy for all involved. But it is a pattern here, a pattern that has been in place since the deficit was put in place. Some may recall, but it has gone back so far I do not think many will, that in the early 1980's, I would stand on this floor and say the deficit is a deliberate construct. It is intended to immobilize the Government on the domestic front. The term used in the White House, the OMB, was "starve the beast." It was an idea. Young men have ideas like that.

Friedrich Von Hayek—and President Reagan was an admirer of Von Hayek, and why not had he have been—visited the White House in the mid 1980's, and he asked about this. It later came out in a magazine in Vienna titled "Profil." That is the name of the Journal. The wonderful title was "Maggie und Ronnie," referring to Margaret Thatcher, known as Maggie, and Ronald Reagan, known as Ronnie to his friends, or at least to that German editor. It was an interview with Von Hayek who, regrettably, no, not regrettably, full of age and honors, had just died. His book, "The Road to Serfdom," was, in 1944, one of the defining texts of our age. It took 40 years for many people to understand it, you might say.

He visited President Kennedy, and President Kennedy had said what a great book that was, how he read his books, and he, Von Hayek, probably accurately, said, "He had never read a word I had written." But he had visited the Reagan White House, and President Reagan was an admirer and advocate. So he said to him it was nice to have the two great English-speaking nations, Canada and the United States, under the——

Mr. SASSER. Will the distinguished Senator from New York yield for a question?

Mr. MOYNIHAN. I am happy to yield.

Mr. SASSER. Does my friend from New York believe that President Reagan had read Von Hayek's books?

Mr. MOYNIHAN. I am sure he had read of them, and as much as he gathered the message of "The Road to Serfdom," he agreed with it. To be of good cheer. But Von Hayek related how in the White House he said, "Why are you running these great deficits? That is not good economics at all."

And he said, "It was explained to me that if we didn't have these deficits, the Congress would spend the money on wasteful domestic programs." They were deliberate.

In his recent work, and a wonderful work, about that period, called "Sleepwalking Through History," Haines Johnson of the Washington Post has a footnote in which he says of the Senator from New York that I was the first to warn that the deficits were deliberate. I was denounced and then proved right. Mr. Stockman was paid a very large sum of money to write it all out in a book which, curiously, having explained how it all went wrong, still did not sink in. But here we are in the aftermath, uncomprehending, stumbling and embezzling Social Security as the best idea we can find around.

I want to go back, because this is so important, to talk a little bit about the history here. and in particular, what it meant that in 1977 we went to a partially funded system without really, without really getting it clear that that is what we had done, a system that would throw off great surpluses with no idea what we had to do with those surpluses, how, in fact, you could, indeed, save them.

I was in the Senate at that time. I was a member of the committee of conference that brought this legislation back to the Senate floor. And I assure you, I stand here and say I did not really understand what we had done. It was the work of the professionals, a very able, gifted generation of men out of the depression years who had managed Social Security so well and expanded it to disability insurance and then to Medicare. They had given their lives to it and handled it so well that no one needed to understand it in the Congress or the executive, principally for this reason, and this is the crux of what I am about to say. In the early years of Social Security, it became clear that the only feasible mode of financing was to pay as you go.

It became an intergenerational transfer, but an intergenerational transfer in which all those involved had claims. I mean, they had paid in, and what they paid in they would, depending on the various formulas, receive in return. But each generation would finance the benefits. The working generation would finance the benefits of the previous generation, of the retired generation.

It was pay as you go, but it was contributory. Individuals put money in a trust fund account.

I am sure the distinguished chairman of the Budget Committee will recognize at least the name of Prof. Luther H. Gulick. He taught at Columbia for many, many years and is generally regarded as the man who created the modern Executive Office of the President.

The Committee on Administrative Management, if I recall, met in 1935–37. Luther Gulick knew Franklin D. Roosevelt. In those days everybody knew everybody. At least New Yorkers did. In the summer of 1941 he called on the White House and talked to the President. He said, "You know, Mr. President, I do not think the payroll tax"—as he called them—"the payroll contributions are very efficient." He was public administrator. And all over the country, a mostly female work force, was entering their 15 cents per week on cardboard cards, precomputers. Now we can whip up and tell you every contribution you have made in the last 45 years, and what you are getting. The largest cost of sending out the statement out to you would be the stamp. Technology has changed.

So he said, "You might be better just to collect the money from general taxes and pay it out." That was the public administrator, the management type talking.

Roosevelt responded to him. And like any good person visiting a person, Luther Gulick wrote it down. This is what Roosevelt said—and you can just see F.D.R. doing it, putting his hand out and saying, "Luther, I am sure you are right on the economics, but those taxes were never a problem of economics. We put those payroll contributions there so as to give the contributors a legal, moral, and political right to collect their pension. With those taxes in there, no damned politician could ever scrap my Social Security program."

All over the county, one Democrat is proposing scrapping it right now, unintentionally, I am sure, and here we are debauching the trust fund.

I can attest to the authenticity of Luther Gulick's statement, sir, because it happens that at the age of 100 he is alive and well, and living at 15 Spring Street in Potsdam, NY. I spoke to him last week. With a mind clear as Easter bells, like anybody living up in Potsdam, the thing he was most interested in was the condition of the ice on the St. Lawrence River. He told me that the ice was breaking up but slowly. And he remembered very well this visit with President Roosevelt.

It is no accident that you have the Social Security number. Ask anybody what his or her Social Security number is.

Actually, we should do something about that. We are now giving out Social Security numbers in maternity hospitals. I would like us to have some sort of right of passage when you start paying into the system, get a plastic card that says you are a contributor. The administration does not want that. I can imagine they do not want it. Forget about your contributions; you will never get it. Bang bang, surprise, we are protecting it for you. Ha, ha, wait until you try to get it.

But I do think it would help if we gave people an annual statement of what their contributions have been and what their benefits would be; remind people that they have survivor's benefits; if a spouse dies, the living spouse and the children get benefits, and things like that. It is old age, survivors, and disability insurance.

I would love to see some creativity. You know, people ought to know that Social Security is there, it is theirs, and it belongs to them. Franklin Roosevelt, of the Democratic Party, saw to that. We put this right in place. That is their money, and not ours to embezzle as we please, as we are doing.

The first Social Security financing debate began within months of the program's enactment in August 1935.

Just a detail and an important one: At that time, the Supreme Court was being suspicious of and hostile to most of the New Deal legislation coming out of the White House via the Congress.

Francis Perkins was at a reception one afternoon and a member—and she recorded this in her book: "The Roosevelt I knew." She was worried about what to do with this program which American social scientists and socially concerned persons had been working on for 40 years to develop. A Supreme Court Justice came up to her and said, "How are things going with you, young lady?" And she said, "Oh," and Francis Perkins was a master of getting great men to do things for her. She was asked: What is going on? "Oh, sir," she said, "we have this wonderful program, but I know if we pass it, you will declare it unconstitutional." And the Justice said, "Tell me about your program, Madam Secretary." She explained it, and then he whispered to her, "The taxing power, my dear. All you need it the taxing power."

So the legislation introduced by the then gentleman from North Carolina, the chairman of the Committee on Ways and Means in the House, as a tax bill. As a matter of fact, about 2 years later the Court reviewed it. It was challenged as unconstitutional, and the Court said, "Well, it says here the powers of the Congress: the Congress has the power to levy and collect taxes. This is a tax. Therefore, it is constitutional."

In 1937 contributions began being collected, and the Republican Presidential candidate, the father of our able and respected junior Senator from Kansas, NANCY LANDON KASSEBAUM, Governor Landon charged that billions would be raised and wasted by Washington big spenders. Alf Landon foresaw in 1935 what his party would so enthusiastically join in doing in the 1990's, which is debauching the Social Security trust funds.

Well, of course, FDR said it will never happen. Those are trust funds.

Congress will never be able to get ahold of them. They belong to individuals. Ha, ha. A lot of people thought the same.

In January 1937, the payroll contributions went into effect and Arthur Vandenberg, who was a Republican from Michigan, questioned the fiscal prudence and political viability of building up a $47 billion trust fund by 1980. This was called for under the 1935 act, before the 1939 amendments went to pay-as-you-go. He said—in the usage of his time, I will reach far back—"With that much money, you can buy every farm in America."

I have said earlier—and you were not presiding, sir—that the surplus we now will develop by the year 2015 would buy the New York Stock Exchange, in order of magnitude. Vandenberg asked prophetically—Alf Landon was prophetic—"would such a fund remain intact and not suffer periodical depletions?" And Vandenberg went on, this is wonderful. He said, "It is more than human nature in a political democracy can rationally anticipate." Meaning that we would have a surplus and not deplete it is more than human nature in a political democracy can rationally anticipate. He recommended that the Social Security fund accumulate only a reasonable contingency reserve.

In 1938, a special study group proposed basically the same thing. And Congress followed these recommendations in the Social Security Amendments of 1939. And we have managed well on a pay-as-you-go basis for the past half century.

Now, in 1977, the system was in financial trouble. Inflation was high. Remember that postoil shock inflation? And benefits were imperfectly indexed to inflation according to a benefit formula enacted, I believe, in this Chamber in a hurry in 1972. It was just a mistake. And we could see ourselves looking out to where people would receive incomes in retirement that would be higher than in their working years, and their benefits would be far more than was anticipated. We had a general difficulty in thinking what to do.

But, on the other hand, we obviously had a crisis, because of that indexing deficiency. That is the origin of the notch. We had to correct the overindexing problem. By 1977, reserves had been permitted to drop to about 6 months' worth of benefits. Prior to 1971, the fund had never fallen below a year's worth of outlays.

But in 1977, we made the decision to go to a partially funded system. We moved up the schedule of payroll tax increases. That was a big decision.

(Mr. GRAHAM assumed the chair.)

I would say to you, Mr. President, I do not think anybody noticed it. I would invite interested parties to go back to the debate here on the Senate floor and see if anybody said: Now everybody get ready this is going to be throwing off at a $1 billion a week extra, $2 billion, $3 billion. Start thinking about that. What will you do?

And then immediately thereafter something else happened. This might have sunk in. You know you get used to the idea. But then in the late 1970's, wages fell behind prices for the first time since World War II. That is a situation guaranteed to deplete a fund like this because we had indexed benefits to prices while contributions were by definition connected to wages. And we started going back down into that crisis point we were at in 1977.

In 1983, the reserve fund was down, as the Senator from Texas has said, the 1 month's worth of benefits. I remember calling the actuary and saying, is this so? He said, yes, it is so.

I said, it cannot be so.

He said, that is what we thought but it is so.

So, the President and Congress worked together. Senator Howard Baker, a wonderful majority leader, helped put together an agreement for a National Commission on Social Security Reform, and I served on that body with our most distinguished Republican leader, Senator DOLE, who was the ranking minority member of the Subcommittee on Social Security, and with our beloved John Heinz.

And it took us a little while to put our legislation together, but then in a rush of activity about 10 days, 10 nights down at the building the President's guest house across from the White House there on Pennsylvania Avenue—and I might as well tell the story. We had elected a new Congress and the President, and one day Senator DOLE was on the floor and that morning he read an op-ed in the New York Times which said that Republicans in the Congress were not cooperating with the White House.

He said, we are continuing fine. He said, a lot of problems we can solve. Take that Social Security problem. When you first hear about it, it sounds impossible to deal with but, as a matter of fact, if you think about it, as you get to know it, and he has been listening we had a year of hearings. As you listened, you get to realize it is not that hard, we can solve this thing.

And it happened that was the day the new Congress came in, and I was sworn in for a second term, and BOB DOLE was standing right over there, and I went over to him and I said, and he repeated this in public or else I would not repeat it, myself, I said, "BOB, you mean what you said this morning about Social Security?

He said, "Yes."

I said, "Well, BOB you are right. It is doable, had we not better do it? In the end we have to govern."

He thought a moment, not a very long moment. He said, "Tell you what, you going to be around tomorrow?"

And I said, "Well, I sure can be. We were thinking about Florida, Key West, or something like that, but it is all right there are more important things."

The next day around 4:30 I met with him in his office and Bob Myers, Robert J. Myers, one of the people who devised the Social Security program in the thirties, a great actuary, a Republican, I guess an actuary should be Republican, actually, if I had to choose a party for actuary, Republican sounds right to me. He was there and we talked about this some more.

Then I said to him, "Why do we not ask Barber Conable to come over? And Barber Conable then was ranking Republican House Ways and Means and a member of our commission. The same day at 4:40 we met and Barber came, and Barber knew more about Social Security than anybody in the Congress, certainly than I, and he went on to be Chairman of the World Bank, and now I am happy to report is back to us as a citizen regent of the Smithsonian. We talked for another hour or so and then BOB DOLE, Senator BOB DOLE, left the room and I did not notice why he left the room but he did. He came back in about 10 minutes and he said, "Could you fellows be at Jim Baker's house at 7 o'clock tonight?" And we both said "Fine, sure. Where is Jim Baker's house?"

And Jim Baker was then James A. Baker III, who is now our distinguished Secretary of State. He said, "Do not worry, White House cars will pick you up." Those celebrated perks that can be of use from time to time. About 6:30 or so we were picked up and driven out to Mr. Baker's house. We met down in his den. He had down in his basement and we decided: What do you say we get this done?

I do not want to impute any political motives to Mr. Baker because he acted in the best possible manner but I think as a chief of staff he did not want a near bankrupt Social Security system on his hands when he ran his President for reelection in 1984. And nor should he.

And I think it then took us 10 days and the amendments were in place, we brought back the report of our commission, bang, bang they were passed, and the President signed them and we were in place and we were on a glide path to a huge surplus, that we never really saw, even then.

As early as 1986, 3 years later, the same Robert J. Myers recommended that we return to a pay-as-you-go system.

I wonder if I could get the attention of our able chairman of the Budget Committee who has been so supportive in these matters from the beginning and just to say something to him and there is no reason he should know this.

In 1988, Bob Myers came before the Finance Committee and said, "Senators, Senators, you aren't going to save this money. Go back to pay-as-you-go. Otherwise you will find yourself a morally compromising position.'' I do not say he used that term. I use it.

You will be using trust funds as general revenue. Bob Myers served on the staff of the committee that devised the Social Security Program, a committee appointed by Franklin Roosevelt. He was a staff member. He worked for Social Security all his life. He heard in the 1930's a great Republican Senator say, "Oh, golly. A Social Security surplus of $47 billion.'' Arthur Vandenberg said, "It is more than you believe. It is not in the nature of the Democratic political system not to misuse that money.'' Arthur Vandenberg, 1937.

Forty years go by and Robert Myers who helped us devise this—we could not have done it without him—said, "Senators, you will not save this money. Go back to pay as you go.''

Well, we did not. We tried to. The trust funds, the surplus grew and grew and grew, and under the system we put in place—now if I could be heard by any Senator on anything, I would like them to hear this—under the system rates we put in place 1977, the trust fund will reach $5.5 trillion by the end of the first quarter of the next century.

Mr. SASSER. Will the Senator from New York yield for a question?

Mr. MOYNIHAN. I am happy to yield.

Mr. SASSER. The Senator from New York knows there are a number of Senators who had expressed their anxiety about the growth of entitlements, and have indicated if we are ever going to get this deficit under control, that something must be done to curtail the growth of entitlements. Some are even contemplating putting a cap on certain entitlements and not letting them grow beyond a certain period.

Does the Senator from New York find it interesting that those same Senators that are proposing to limit the growth of entitlements, to put caps on, are also opposed to making the Social Security system a pay-as-you-go system? In other words, put a limit on the entitlements, but do not put a limit on the revenues that entitlements generate.

The Senator from New York is an expert on these matters. But as I understand it, Social Security is the largest of the entitlements. It is the one that produces a surplus of revenues. And it seems to me incongruent that those who want a limit entitlements and put a cap on growth of entitlements at the same time would resist using surpluses or resist returning surpluses in entitlements back to those who paid them into a trust fund.

Mr. MOYNIHAN. Well, these are the political heirs of people who did not want Social Security in the first place but do love regressive taxation. And they are going to end up getting their way, and we shall have facilitated it.

Mr. SASSER. So, if I understand my friend from New York correctly, what they are saying is they want to limit the benefits, they want to put a cap on benefits, but they do not want to limit on regressive taxation or on the revenues that these entitlements bring in the Treasury.

Mr. MOYNIHAN. Exactly.

Mr. SASSER. So limit benefits but do not limit the revenues that they raise.

Mr. MOYNIHAN. Limit benefits and embezzle the trust fund and get away with it under the name of fiscal prudence and the Fort-Andrews agreement. What do you need a Democratic Party for if that can be done for you by others?

And we made one effort, I say to the Senator, to call attention to what was going on. In 1989, in January, at my request as chairman of the Subcommittee on Social Security, the General Accounting Office gave us a wonderful report called "Social Security, The Trust Fund Reserve Accumulation, The Economy and the Federal Budget.''

The trust of their report was, hey, you have a wonderful opportunity here. If you will balance the budget in terms of current operating accounts, collect as much taxes as you spend, and then take that Social Security surplus and save it in the only way it can be saved, in economic terms, which is to buy down the privately held Treasury debt, you will double the savings rate of the United States—in one instant, double the savings rate.

But it then said—if you do not do that, then you should seriously consider going back to pay as you go.

Two months later—this is March 1989—the National Economic Commission made its report. And this was established by statute in the closing days of the administration of President Reagan. The cochairmen were Drew Lewis and Robert Strauss, now our Ambassador to Russia, I guess, onetime Ambassador to the U.S.S.R. President Reagan appointed Drew Lewis and Caspar Weinberger. ROBERT BYRD, then Senate majority leader, appointed Lee Iacocca; Lane Kirkland, president of the AFL-CIO; and this Senator. Jim Wright, then Speaker of the House, appointed William H. Gray, Bill Gray, our great friend, Felix Rohatyn and Robert Strauss. Senator DOLE, as minority leader, then appointed my good friend Senator DOMENICI and Dean Kleckner of the American Farm Bureau, if I recall. House minority leader ROBERT MICHEL appointed Representative Bill Frenzel, an irrepressible Midwesterner, and Donald Rumsfeld, a most able former Secretary of Defense and head of the OEO program, and President-elect George Bush appointed former Congressman Thomas Ludlow Ashley and our great friend, who used to sit right over here, Paul Laxalt, Senator Paul Laxalt, the President's great friend.

We could not agree on an united report, although there is much closer agreement than you might think because everyone heard Jim Tobin, Nobel laureate from Yale University, say, "Hey, save that trust fund. You have a national economic mission. Your problem is we are not saving. So save it.''

We made a pretty good report as we described the situations. Our report came out and it is a good document. Very little attention was paid to it. If only the President had paid attention, he might not have been down to a 38-percent approval rating, or whatever it is, 30 percent, and we might not be down to a 22-percent approval rating as an institution.

Senator Heinz, I am just told, was opposed to pay-as-you-go. But he also said embezzled, so there you are.

Here is what we said, and I think now I am reaching the time where I think the Senate has been patient enough with me.

But we said save that Social Security surplus by going back, by balancing the current operating budget, and using the surplus to buy down the privately-held Treasury debt.

Our concluding chapter was entitled "All Flags Flying!''

> To say again, we can slouch into the 21st Century, or we can march into the 21st Century. The outcome will turn on whether we get our political arithmetic in order in the next five years.

I just make a point: Political arithmetic is Hamilton's term.

> This may sound histrionic. We think for a number of reasons it is not. As for slouching, we think the possibility that we will misread the "twin deficits''—

The deficit in the Federal Government and the deficit in investment—

> * * * see them as signs of long term imminent decline.

That pessimism we now see around here. And, alternatively, if we did just do that, what an inspiration to the Nation.

So we said—and I know the budget chairman would want to hear this:

> After a decade of prolonged and stultifying debate the budget remains unbalanced. And it is likely to remain unbalanced unless and until there is seen to be something larger at stake than merely the performance of duty. Dull duty: virtue's residue, reason's remnant. We need something more; something to stir the blood. Something touched with civic courage and national achievement.
>
> A budget surplus.

If only we had been listened to.

Then, this is the last.

> Impossible, you say?
>
> Fair enough. In which case we have some reflections of a different order.

This is speaking for the Democratic Members.

> Let no one suppose that a Democratic Congress will much longer allow a payroll tax to be used to service a $2 to $3 trillion debt owned in vastly disproportionate amounts by wealthy individuals and institutions. It already requires nearly one-half the revenues of the income tax to pay the interest. This surely is the largest transfer of wealth from

> labor to capital in the history of our "political arithmetic." But at least this is a graduated tax. By 1992—

Here we are, this year, 1992—

> the trust fund reserves will have reached 100 percent of annual outlays—

That is what we said in 1989; 3 years ago, that they will have reached 100 percent by 1992.

Is there anyone on the Senate floor who would say other than that; that they have reached exactly what we said, 100 percent? This was not a clumsy piece of work. We put our hearts into this thing. And we were right on target.

> By 1992 the trust fund reserves will have reached 100 percent of annual outlays; a considerable reserve. By 1994 the proportion reached 150 percent.

That may be a little off because of this prolonged depression.

> If, in the next five years, no arrangements are made to save the future incomes to the funds, Congress—you may depend on it—will return to a "pay-as you-go" financing.

That is how wrong we were. We were right about the surplus. But how wrong we were about that. We went on to say:

> That is not a threat. It is a political reality and, indeed, an ethical imperative. The nation struggled for a generation to ratify the XVIth Amendment to the Constitution.

Providing for a graduated income tax, I say in parenthesis—

> The nation struggled for a generation to ratify the XVIth Amendment to the Constitution. We are not about to see it effectively repealed by a reform in the financing of Social Security.
>
> This revenue stream is now in place. If it is saved, it will stay in place. There would be no difficulty devising a budgetary arrangement that would demonstrate to the American public that indeed it was being saved. Otherwise, we will lose it. What then? For openers the $200 billion deficit instantly reappears. Debt service continues to mount, and soon the $200 billion benchmark is left behind. Then, as seems inevitable eventually, a recession of some magnitude occurs.

Listen to this sir; March 1989:

> Then, as seems inevitable eventually, a recession of some magnitude occurs. The deficit moves past the $300 billion mark. Our political arithmetic shifts over to algebra. The debt compounds in geometric proportions. No one any longer talks of budgetary balance.

And there you are. Did I not say to you, weeks ago the director of the Office of Management and Budget was before the Finance Committee saying yes, indeed, in a very few years there is a possibility that the debt will begin to compound in geometric proportions. He did it, just as we said he would.

The recession came, just as we said it would. The $200 billion deficit became a $300 billion deficit. It is now a $400 billion deficit. Everything Bob Myers said in 1988 came true. Gentlemen, he said: Go back to pay-as-you-go. You will not save the money.

That is the legacy. That is quite a legacy. Compared to the generation that gave us Social Security, the generation that gave up on it will not look very good in the history books.

Mr. President, I ask unanimous consent that the final chapter of this report, the minority report of the National Economic Commission, be printed in the RECORD at this point: "All Flags Flying!"

There being no objection, the material was ordered to be printed in the RECORD, as follows:

ALL FLAGS FLYING

To say again, we can slouch into the 21st Century, or we can march into the 21st Century. The outcome will turn on whether we get our political arithmetic in order in the next five years.

This may sound histrionic. We think for a number of reasons it is not. As for slouching, we think the possibility that we will misread the "twin deficits"—see them as signs of long-term, imminent decline—is very real indeed. Earlier we put it that the facts can be made to fit. Let us briefly expand on this point.

On July 15, 1979, Jimmy Carter delivered his celebrated "malaise" speech. Actually, his speech was entitled "Energy and National Goals," and his primary focus was on the need for energy independence. But days later—on the 31st—at a town meeting a Bardstown, Kentucky, President Carter referred to his address on the problems of energy and "malaise."

Before the address he had spent 10 days at Camp David speaking with a diverse group of Americans. In his statement he seemed to see the Nation's inability to move swiftly towards energy independence as characteristic of a more fundamental, deep-seated problem:

"It's clear that the true problems of our Nation are much deeper—deeper than gasoline lines or energy shortages, deeper even than inflation or recession * * *

"The threat is nearly invisible in ordinary ways. It is a crisis of confidence. It is a crisis that strikes at the very heart and soul and spirit of our national will. We can see this crisis in the growing doubt about the meaning of our lives and in the loss of unity of purpose for our Nation * * *

"We've always had a faith that the days of our children would be better than our own.

"Our people are losing that faith * * *

"The symptoms of this crisis of the American spirit are all around us. For the first time in the history of our country a majority of our people believe that the next 5 years will be worse than the past 5 years. Two-thirds of our people do not even vote. The productivity of American workers is actually dropping and the willingness of Americans to save for the future has fallen below that of all other people in the Western world."

The address was not well received. Leaders are supposed to buck up the nation, not to say they're worried about it. Bully pulpit. Nothing to fear but fear itself. New Frontier. Morning in America. Well, Abraham Lincoln didn't always talk that way, and it is no discredit to Jimmy Carter that he was concerned.

Looking back, even from a comparatively short distance, we can better see what Mr. Carter was getting at. Few realized it then, but by 1979 the United States was in the sixth year of what economists Frank Levy and Richard C. Michel have called "The Quiet Depression." Many quiet crises had begun to interact. We have touched on the long-term decline in productivity with its downward pressure on earnings. Simultaneously, the baby boomers began to enter the labor market and found that fun and games were sort of, well, over. There were an awful lot of "boomers". The unprecedented size of this age cohort had given the impression of unprecedented power and influence during its adolescence and early adulthood, when it stormed or frolicked through various institutions of the social order. Now it found itself in a notably unsentimental, much less indulgent institution, namely the labor market. In a word, they were a glut, clashing now with one another, albeit the quiet conflict of persons lowering the price of their services.

But this was only the half of it. The baby boomers, born to difficulty, now ran into bad luck. They did not move into a healthy economy but into one that was floundering. The OPEC oil price increases of 1973–74 and 1979–80 lowered real wages by 5 percent. In addition, for reasons that are not yet fully understood the growth in productivity slowed to a crawl after 1973—and so did increases in real wages. Attempts to raise wages led to inflation. Median family income stopped growing after 1973 and actually dropped below the record reached that year. As noted earlier, only in 1987 did median family income finally return to the 1973 level. We are aware of some of the internal difficulties of this particular measure, median family income, not least being that in response to the slowing of incomes families were slow to form and slow to grow. Even so, it is our best overall indicator.

Nothing like the 1973–87 experience had ever happened before in American history. Fourteen years in which family income remained below the previous record. In the aftermath of World War II the record would be surpassed routinely every two or three years. Clearly, this stagnation was a source of anxiety—malaise, if you like. Levy and Michel use a stronger term: Fear.

"It was this fear—baby boomers' perceptions that they would never live as well as their parents—that lay behind the sense of a 'vanishing middle class.'"

It may well be that the public tolerance of the borrowing and spending orgy of the 1980s was in some part due to the pent up fear among Americans then entering their middle years that things were never going to be as good for them as for their parents. Was it not just as well to "loosen up?"

Certainly, we see something of this in the writings, quite prominent of late, of the "deficits-don't-matter" school of some economists and assorted social activists. Theirs is a different order of fear, but not less evident. The fear of the latter group is that liberalism is a fading political force, and that the most it can hope for is that in years ahead conservative administrations will at least spend as liberals are said, by conservatives, to spend. Even if conservative priorities are different, this reasoning goes, something slops over into the social trough. If, on average, the federal government paid out $600,000 to every farm in the United States during the four year period of fiscal years 1986–89, well, some deserving farmers must have got something!

This reasoning does not impress us. American liberalism is not about spending, and never has been. It is about foresight, and it is about responsibility.

The plain fact is that America is showing much foresight these days, hardly one of which goes by without a new reminder of this fact. Thus in January 1989 the Educational Testing Service reported on "An International Assessment of Mathematics and Science." A huge random sample of 13 year-olds was taken in five countries and four Canadian provinces. The United States finished last. In the main, Koreans seem to be the top group, but our neighbors in British Columbia perform formidably.

Experts in the field of education tell us that the battle for competence in science is won or lost in grades Kindergarten-to-8, which is to say by age 14. As these things will do, decline comes creeping slow, showing up years after it would be too late to catch up. In 1985, more than 19 percent of first degrees awarded in Japanese universities were in engineering compared with less than 8 percent in American universities. The result is about equal numbers of graduates in nations of hugely disparate population size. Further, in 1985, a full 55 percent of U.S. doctoral degrees in engineering were awarded to foreign nationals, many or most of whom return home.

We make it up with lawyers, graduating some 35,000 a year. The best the Japanese seem able to manage is 500. Rather, all the Japanese will allow is 500, that being the fixed enrollment of the single, state-run law school.

But this is a familiar litany. It all comes down to one fact. The United States is not saving, not investing. It would be comforting to know what happened to savings, to productivity, to incomes, but we do not—any more than those living in the middle of the Great Depression understood the causes of the calamity.

On the other hand, there are some propositions in this area that may be stated with a high degree of confidence. The first is that the debate over deficit reduction has persisted past the point of any profitable insight or constructive consequence. Wildavsky and White have said all there is to say:

"Whatever one thinks of the Reagan era, one thing is clear: the debate and politics of the deficit have been among the most stultifying and frustrating experiences in our political history."

(We note in passing that the NEC, which was created first and foremost to address the issue of the budget deficit never once took up the matter in a formal discussion among the Commissioners.)

We do know one other thing; we are certain of one other thing. This is that there already exists an immense revenue stream that will flow into the federal fisc for the next thirty years, which if properly used, which is to say saved, would raise our savings rate significantly, and thereby, at least presumably, perk up all the indices that follow from savings. We refer of course to the accumulations of surpluses in the trust funds of the Social Security retirement and disability system.

The reserves of these funds are already rising at $1 billion per week. Over the next three decades these trust funds are expected to accumulate surpluses of something over $3 trillion, excluding interest. Will we save it so that it will be available for productive investment? That is the issue.

This translates directly into another question. Is the United States prepared to upend its political arithmetic and begin running a budget surplus, that surplus being equal to the surplus in the Social Security trust funds?

This may come as a surprise to some. A surplus? The United States government never runs surpluses. Not so. It is true enough that the most recent surplus was in fiscal year 1969, but the United States budget has in fact been in surplus most of the time during the nation's two centuries. That is to say, for 108 years out of 200. The pattern is quite clear. During wartime government borrowed more than it raised in taxes. The Revolutionary War set this more or less inevitable pattern. Thereafter we paid back what we had borrowed by raising more in taxes than we spent. On occasion recessions, depression, or as the 19th Century called them "panics," made deficits inevitable, and until most recently were followed by the same response. The debt was reduced.

This, then, is our proposal. We must act as if we have been through a particular kind of emergency that led to quite abnormal budgeting practices. It was not a war; it was not an economic downturn after 1982. But it was abnormal. The judgment that it was a deliberately created emergency may be accepted or rejected, but surely the political arithmetic is indisputable. The national debt tripled in eight years. That is not quite the rate of the Civil War; about the rate of World War I; less than the rate of World War II.

Many have labored to provide a graphic image of just how stupendous the borrowing of the 1980s has been. We offer the following, which should settle the matter. In the four years of World War II the national debt grew by $168 billion. In current dollars this would come to about $1.4 trillion. In the eight years of Reagan budgets we borrowed $1.2 trillion in current dollars. In the 1980s the federal government borrowed (in constant dollars) almost as much it did during World War II. In a time of peace.

In may be noted that the economic planners of World War II were much influenced by and in part made up of our old friends from the TNEC. They had firm ideas about economic self discipline. Keynesian economics had made its way to our shores. It was in World War II that our policies were first influenced by Keynesian thought; the Depression was already past. In circumstances of great demand for consumption by the federal government—the costs of world conflict and the price of liberty for most of the world—Keynesian analysis called for the reduction of consumption in the private sector. It may come as a surprise to some, but price indices actually increased less during the World II years than they did during the first four years of the Reagan administration. They also remained essentially stable after a brief initial run-up during the Korean War years, when the war was financed almost entirely by taxes.

Almost a century ago, speaking at the unveiling of a monument to a Civil War regiment, William James spoke of the need in time of peace of a moral equivalent of war: civic courage as he put it. That trumpet summons us today as never perhaps in our long and proud history.

The elemental fact is that the United States economy has reached nearly full utilization of its existing means of production, distribution, and exchange. We are near to full employment; plant capacity is equally fully engaged. We do not wish to denigrate either achievement, but we would emphasize that they are limited achievements. Near full employment is in part a consequence of high government spending. It is also in part a matter of demographics. The baby boom was followed by a baby bust. New entries into the labor force are declining. Thus in 1990 there will be 44 million Americans in the age group 25 to 34, which is to say persons already in the work force, or, if not, intentionally so. By contrast, there will be only 24 million persons age 18 to 24, the age of new entries. In some measure, the current high levels of employment reflect low levels of investment. It is not an exaggeration to state that Japanese robots have taken over tasks that are still assigned to American workers. This leads to the observation that while it is a good thing, no doubt, to have reached the point of full plant utilization, this is far too much the utilization of an aging and in some sectors shrunken industrial structure, held back by lack of investment.

What is more, U.S. consumption as a percentage of Gross Domestic Product (GDP) reached 83.8 percent in 1986, the highest level since 1950. It was also the highest level of any OECD nation, only Great Britain came close. For the period 1982 to 1986, U.S. consumption averaged 83% of GDP. The average for the previous 10 years was under 80%.

These elemental facts of economic life have led persons in positions of responsibility who testified before the Commission to state that the U.S. economy cannot grow at a rate of more than about 2.5 percent without an unacceptable risk of increased inflation. Note that in the years immediately ahead, inflation, or the threat of inflation, will take on a wholly different aspect than at any time in the past. Inflation in the United States would be a form of repudiation of foreign debt. In that the debt is denominated in dollars we have that power. By contrast, third world countries do not. Their debt is denominated in our currency. As the spending boom of the 1980s crested, David Calleo commented:

"To create today's fiscal climate of colossal, wanton and unproductive indebtedness is to endow the American political economy with an almost irresistible propensity for inflation."

It is an observation to be kept in mind.

Clearly, we need to induce a much higher rate of national savings to provide for greater investment in our plant and equipment and in our workforce. The time is at hand for the public sector to act in the interests of the private sector. That is to say, it is time for the public sector to support the long-term interests of the nation, not the orgiastic indulgence of what Jerry Goodman ("Adam Smith") has called The Roaring '80s.

The NEC heard repeated testimony to this effect:

"Mr. VOLCKER: The first point is that we have had a long and very gratifying economic expansion, but I think we have to recognize that's been driven primarily by private consumption and by public expenditure. Private consumption is up about three percent relative to GNP. It's at the highest level relative to GNP that I could find in the history books except in the immediate postwar period when we had all those pent-up demands.

"Government expenditures are relatively high compared to the GNP. They've been down a little bit in the last couple of years, but they're two to three percent higher than they were in the late '70s.

"Now, the other side of that coin is that despite the fact we've had a long period of expansion, net private investments is rather low; it is restrained. We are not building up what we need for the future.

"After six years of expansion, we have pretty much used up our excess capacity. That's true, I think, in terms of labor. There is some doubt as to where full employment is, but we're certainly pretty close to it, full employment in terms of how much you can expand without strong inflationary forces.

"Certainly, we do not have excess capacity anymore, by and large, in our most competitive international industries. And already, as you know, the inflation rate is rising to not very far below the five-percent level.

"We are clearly spending more than we produce. I think since we are near capacity, near full employment, we're spending more than we can produce. That is reflected in those big external deficits. We are supporting that consumption binge by importing a great deal from abroad. We have to borrow to cover that.

"We're absorbing a large part of the savings generated abroad, but we have to borrow abroad to maintain even a restricted level of investment so long as we are running a big internal budgetary deficit at the same time.

"The crucial issue that I think you face, the country faces, is how long can we or should we depend upon a big inflow of savings from abroad to maintain a very high level of consumption in the United States?

"And the point I would make to you is I don't know how long that can go on, but it can't go on forever, and the longer it goes on, the more debilitating it is and all the time there is a risk of a real financial disturbance that will bring to an end the period of economic expansion through a combination of depreciating currency, high interest rates, strains on the dollar both internally and externally.

"It would bring about the kind of recession that would be most difficult to handle because it would be easily propagated abroad when it is combined with a weak dollar and high interest rates.

You are facing a constraint that economic growth must slow. That is the implication of having used up excess capacity. Productivity has only been rising a little more than one percent a year on a trend basis. I see no reason why you can sit there or any of us can sit here and assume that is spontaneously going to increase.

"We know about what the labor force will increase. I think that gives us a potential, maybe a little on the generous side, or growing about two-and-a-half percent a year.

"Looked at in that light, what we have to do is increase our exports. We have to increase our investments to support the exports and to support growth, and to do that we're going to have to slow it to something like the growth in the rate of population. In effect, we've got to pay a little bit for that binge in consumption we've had for the last five or six years.

"The bottom line is I don't think you can do that in an orderly way without the risk of the kind of economic difficulties I described without changing budgetary policy. That is the way to attack directly the excess consumption * * *

"Ms. RIVLIN: A healthy rate of economic growth over the next several decades is essential not only to maintain a rising standard of living, but to make possible effective American leadership in the world. Our ability to grow, in turn, depends heavily on increasing national saving and channeling that saving into productivity-improving investment. The federal deficit diverts domestic saving from productive investment and into the financing of government services. With low private savings and negative public saving, the United States has become dependent on the inflow of capital from the rest of the world to finance our domestic * * *

"Mr. GREENSPAN: The United States deficits of recent years are threatening precisely because they have been occurring in the context of private saving that is low by both historical and international standards. Historically, net personal plus business saving in the United States in the 1980s is about three percentage points lower relative to GNP than its average in the preceding three decades. Internationally, government deficits have been quite common among the major industrial countries in the 1980s, but private saving rates in most of these countries have exceeded the deficits by very comfortable margins. In Japan, for example, less than 20 percent of its private savings has been absorbed by government deficits, even though the Japanese general government has been borrowing almost three percent of its gross domestic product in the 1980s. In contrast, over half of private U.S. savings in the 1980s has been absorbed by the combined deficits of the federal and state and local sectors.

"Under these circumstances, such large and persistent deficits are slowly but inexorably damaging the economy. The damage occurs because deficits tend to pull resources away from net private investment. And a reduction in net investment has reduced the rate of growth of the nation's capital stock. This in turn has meant less capital per worker than would otherwise have been the case, and this will surely engender a shortfall in growth of the standard of living.

"Mr. BERGSTEN: In the campaign and elsewhere, there's been a lot of talk about how real wages in this country have been flat for some time, annual earnings have not risen very rapidly * * * But what is also striking is that our private consumption rate, our per capita consumption rate has really been roaring ahead for the last five or six years, three to four percent a year, which is a historically very high rate. How did that happen? Well, entrants to the labor force, et cetera. But also a further sharp decline in the savings rate.

"So when the question comes up, * * * wouldn't tax increases hurt the economy, I would simply submit my reading of the early '80s is the opposite. We were told that the tax cuts would increase savings, increase investment, therefore improve the structure of the economy. They didn't. Savings have gone down sharply in the private sector. Private investment consumption has roared ahead and been the engine of growth, and we all know it's not sustainable.

"Mr. BROCK: This nation is living beyond its means, borrowing long-term in order to satisfy short-term demands for immediate consumption, and imposing as a consequence huge new obligations each week, each month, each year on our own children. Like some confused Robin Hood, we rob from those who have no voice or vote to satisfy our every whim."

From every point of the political spectrum what we heard was a call for a federal budget surplus. The case was made with great force in an article in the Winter 1988–89 issue of The Brookings Review entitled: "Getting Rid of the Budget Deficit: Why We Should and How We Can," by Thomas E. Mann and Charles L. Schultze.

"Ideally, by the mid-1990s the federal budget ought to produce not merely balance but an overall surplus in the neighborhood of $100 billion a year, or about 1½ percent of GNP. If that goal could be achieved, while the private saving rate remained at its level of early 1980 (6¾ percent), overall national saving and capital accumulation would be approximately restored to the healthier rates that prevailed in the three decades before 1980—eight percent of the net national product."

Dr. Mann is director of the Brookings' Governmental Studies program and former Executive Director of the American Political Science Association. Dr. Schultze is Director of the Brookings Economic Studies program and former Director of the Bureau of the Budget (now OMB) under President Johnson, and former Chairman, under President Carter of the Council of Economic Advisers. And how would they accomplish their goal of creating a surplus? By saving an amount equivalent to the surplus now being generated by the Social Security trust funds.

Alan Greenspan, Chairman of the Federal Reserve Board, testified before the Commission in almost identical terms:

"Mr. GREENSPAN: * * * [I]f one segregated the existing accounts between the Social Security trust funds on the one hand and all other, than obviously to the extent that the Social Security surplus emerged and we kept the remainder in balance, then obviously we generate a unified budget surplus which I have argued in other form is really a very important goal to achieve, if we can do so * * *"

Asked:

"Senator MOYNIHAN: If that were saved and translated into private investment, it would produce an economy that could throw off the revenues when the cash surplus ceased. It would bring down interest rates, would it not?"

He replied:

"Mr. GREENSPAN: It would."

To this end we can do no better than to cite the conclusions of the magisterial report of the General Accounting Office: Social Security, The Trust Fund Reserve Accumulation, the Economy, and the Federal Budget of January 1989:

"In the short run, we must bring down the total deficit. We cannot afford the depression of future economic growth that will result if we continue to channel scarce savings into the financing of large budget deficits. In the longer term, however, lowering the total deficit is not enough. In this context, the social security trust fund surpluses present a special opportunity to increase national saving. This should lead to higher productivity and more rapid economic growth. With faster growth, retirement benefits can be maintained for the baby-boom generation while also maintaining a higher standard of living for future workers.

"In principle, a higher rate of national saving could come in several forms. The only one that is directly subject to government control, however, is the budget. Just as budget deficits are a drain on saving, a budget surplus adds to national saving. As federal debt is repaid, these funds become available for private investment. In this way, the pattern of the 1980s (high interest rates, low investment, capital inflow, and the trade deficit) can be reversed.

"Coincidentally, we have an available source of such a budget surplus—the accumulating reserves in the social security surpluses to serve the purpose of adding to national saving, however, they must be accompanied by approximate balance in the rest of the budget, a far cry from the present situation. Without such a balance elsewhere in the budget, the trust fund surpluses will continue only to finance the other operations of government. This will reduce somewhat the current drain on national saving but not eliminate it, much less represent a net addition to saving.

"Of course, the economic effect of generating a total budget surplus does not depend on whether it comes from a surplus in social security or some other part of the budget. But, we believe the public will be more likely to understand and accept a long-term economic growth policy centered on overall budget surplus if it is tied to the accumulation of social security reserves. Furthermore, there is a logic in having the current working generations save more so that when it retires, the burden of its retirement benefits will weigh less heavily on the working generation of those future years. This would be particularly advantageous because, in the next century, the ratio of retirees to workers will rise to unprecedented levels.

"Depending on the behavior of the business cycle, the most desirable budget posture of the government from one year to the next may involve either greater of lesser surpluses than are produced by the currently scheduled trust fund accumulations. Over the longer term, other factors may warrant re-examining what level of budget surpluses would be appropriate. For example, shifts in the patterns of personal and business saving could imply the need for total budget surpluses that are either larger or smaller than those projected for the social security trust fund. *Nevertheless, we believe that budget surpluses similar in size of the trust fund surpluses now scheduled to accumulate constitute a reasonable and appropriate place to begin a new direction in fiscal policy.* (Our emphasis.)"

* * * * *

After a decade of prolonged and stultifying debate the budget remains unbalanced. And it is likely to remain unbalanced unless and until there is seen to be something larger at stake than merely the performance of duty. Dull duty: virtue's residue, reason's remnant. We need something more; something to stir the blood. Something touched with civic courage and national achievement.

A budget surplus.

* * * * *

Impossible, you say?

Fair enough. In which case we have some reflections of a different order.

Let no one suppose that a Democratic Congress will much longer allow a payroll tax to be used to service a $2 to $3 trillion debt owed in vastly disproportionate amounts by wealthy individuals and institutions. It already requires nearly one-half the revenues of the income tax to pay the interest. This surely is the largest transfer of wealth from labor to capital in the history of our "political arithmetic." But at least this is a graduated tax. By 1992 the trust fund reserves will have reached 100 percent of annual outlays; a considerable reserve. By 1994 the proportion reached 150 percent. If, in the next five years, no arrangements are made to save the future incomes to the funds, Congress—you may depend on it—will return to a "pay-as-you-go" financing.

That is not a threat. It is a political reality and, indeed, an ethical imperative. The nation struggled for a generation to ratify the XVIth Amendment to the Constitution. We are not about to see it effectively repealed by a reform in the financing of Social Security.

This revenue stream is now in place. If it is saved, it will stay in place. There would be no difficulty devising a budgetary arrangement that would demonstrate to the American public that indeed it was being saved. Otherwise, we will lose it. What then? For openers the $200 billion deficit instantly reappears. Debt service continues to mount, and soon the $200 billion benchmark is left behind. Then, as seems inevitable eventually, a recession of some magnitude occurs. The deficit moves past the $300 billion mark. Our political arithmetic shifts over to algebra. The debt compounds in geometric proportions. No one any longer talks of budgetary balance.

It need not happen, and should not happen.

In Part I of our report we expressed our concern in the strongest possible way that we will not grow our way out of our present deficit position. In Part II we argued with all the force at our command that the real challenge is not the self-evident need to balance the budget, but rather to make a fundamental transition from deficit to surplus.

Mr. MOYNIHAN. Mr. President, great thanks for the courtesy of the manager of the bill, the distinguished Senator from Tennessee, and my colleague and dear friend, the chairman of the Finance Committee. They have been patient with me.

I have spoken longer than my habit but I wanted to do this. Having said it, I thank all and yield the floor.

The PRESIDING OFFICER. The Senator from Texas.

Mr. BENTSEN. Mr. President, if the manager of the legislation, the Senator from Tennessee, will yield?

Mr. SASSER. I will yield the Senator from Texas time off the bill, although the Senator from Texas, I think, has ample time under his control.

Mr. BENTSEN. I thank my colleague.

Mr. BENTSEN. Mr. President, I do not think there is any better authority on Social Security than my distinguished friend from New York, who has lived with the concerns and the problems that have been attendant to it for a long time. He has brought about some innovative ideas to help Social Security. Due to his efforts, people who have been paying in for years better understand its benefits, understand what they have contributed.

We have a bit of a basic difference of opinion, however, on the one point about pay as you go.

We all deal from our own experiences. That helps form our judgments. In the private sector, I headed an insurance company, and I recall talking to the staff about a company out in California, how it was doing such an incredible job in selling annuities and how could it do that, how was its sales force beating ours, and in that regard, how could they sell annuities at such a cheap price and promise such benefits? Once we studied it, we found out why, and that was because they had some actuaries who made some highly optimistic estimates as to what they were going to be able to earn on the securities, extravagant estimates. This was why they did not keep near as much in the reserves as one would normally need. They went on building an enormous company, selling annuities at an incredible rate. But then those annuities began to come due, and then the insurance regulators went in and saw they were not earning what they had estimated on their securities. That started the demise of that company, and it went broke. The people who had brought those annuities found they were not properly funded, and they did not have the funds that they thought they were going to have in retirement.

That is what guides me in this. As my friend was invoking the name of our admired and esteemed friend John Heinz, he described exactly what John said about embezzlement in the funds, and that was his feeling. But, on the other hand, he argued to set aside the Social Security trust funds, and he also said that if people want to reduce those reserves, then let us make them climb a bit of a hill to do it, and let us fix that glitch in the firewall. Let us take care of this so that we put Social Security on the same basis as the rest of the trust funds, where it takes a 60-vote point of order. Fix the glitch, Senator Heinz, said, in response to our colleague, Senator DOMENICI, from New Mexico.

So I say to my friend, I listen to the $1.5 billion a week or $1 billion or $2 billion. They are incredible numbers. He is right. But you are talking about 41 million people now dependent on Social Security retirement and disability benefits, and you have to, in my opinion, build the kind of surplus that is going to be there and ready to fund benefits when these baby boomers reach retirement. We are in trouble if we cut back.

Now in this latest report of the Trustees on the disability fund, the actuaries tell us we are going to be in trouble and exhaust the fund's reserves—in 5 years is pessimistic, but some say in 3 years.

I think it would not be prudent, indeed, for us to start cutting back on the reserves, particularly at a time of economic hardship, a recession that has gone substantially longer than the administration thought it would or that many economists thought it would. It is difficult enough to predict the future and decide what the economy is going to do. If it further deteriorates, we may have a further problem insofar as assuring adequate reserves for the future.

So I hope my friends in the Senate today will vote for this amendment and say, like John Heinz: If you are going to take a chance and reduce those reserves, if you are going to increase benefits without paying for them, without putting an offset in, if you think you have a good enough case to sell that point, maybe you ought to climb a bit of a hill to do it and have to meet the discipline of 60 votes as other entitlement trust funds have to do. Put us on the same basis in that regard.

When we had AARP in testifying before the committee, they thought trust fund reserves ought to be 200 percent, that you ought to have 2 years built into the reserves. We had the AFL–CIO and NCSC saying 125 to 150 percent. We had the General Accounting Office saying that 100 to 150 percent would be adequate.

No, I do not know for a certainty what the exact amount should be. But if I was to err when I was talking about the retirement of people who have put their contributions into Social Security year after year through their productive lives, I would err on the side of prudence, on having a cushion to see that those savings do not turn to dust.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. KOHL). Who yields time?

Mr. SASSER. Mr. President, I am prepared to yield all time back if the distinguished Senator from Texas is prepared to move forward.

Mr. BENTSEN. I am prepared to yield all time back.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I do not intend to speak very long, but I yield myself whatever time I use off of my time on the resolution.

I might ask Senator BENTSEN, did he introduce in the RECORD the John Heinz letter?

Mr. BENTSEN. No; I did not.

Mr. DOMENICI. Mr. President, I am sorry that Senator MOYNIHAN, the distinguished Senator from New York, is not here. He alluded to John Heinz, deceased John Heinz, and how he wanted to protect the Social Security trust fund. I am not sure what the Senator from New York said about Senator Heinz's position with reference to this firewall that we are trying to reestablish in the Bentsen amendment. It was there sometime in the past. It was discarded in the meetings that we had for the economic summit. The chairman of the Finance Committee is trying to put it back for the period of time of this budget resolution and perhaps for the remainder of this year, as I read it.

Senator Heinz was in all of the meetings that I called. I think I had the first meetings to talk about a need for a firewall because it has always bothered the Senator from New Mexico that, on the one hand, rather than go to the pay as you go, we were all saying let us keep the surplus, and aside and apart from the fact that it is invested in Treasury bills, it is counted as a surplus for purposes of looking at the accounting system, and it could have been the subject matter of bills that would have spent it, perhaps, for related programs but not necessarily for Social Security. We started early meetings saying that should not be easy to do. So, hence, the word "firewall" and the 60 votes.

Senator Heinz, on March 19, 1991, wrote to the Senator from New Mexico and he said:

DEAR PETE: I'm ready. Let's fix the glitch in the budget process reform legislation and protect Social Security and get it done quick. Let me know how you want to proceed and/or have Bill Hoagland call Jeff Lewis of my staff.

Sincerely,

JOHN HEINZ.

So, obviously, on this issue Senator Heinz wanted to make it very difficult, once he and others had succeeded in taking it off budget, wanted to make sure as it grew in surplus a new program would not be introduced that would use it and spend it for an actual program as compared with buying Treasury bills, which is what we are doing now.

Mr. President, it seems to me that Senator BENTSEN and Senator GRAMM have hit the nail on the head. We never should have taken that 60-vote firewall out. It got out, as I understand it, in some ways that I did not understand. I was not sure that was supposed to happen as part of the agreement, but it did, and we cannot put it back permanently because we have to pass a law to do that. But clearly, as I understand it, we can reimpose the 60-vote firewall for the remainder of this year on the existing budget resolution and on next year's budget resolution, which is the subject matter of debate.

We will have to get the House to agree to it in conference, obviously, but if it passes I will do my best to see that it is adopted. How much time do I have on the amendment, Mr. President?

The PRESIDING OFFICER. There are 55½ minutes remaining on the amendment.

Mr. BRADLEY. Mr. President, I rise in strong support of the amendment offered by the Senator from Texas to close the loophole in the budget as it relates to Social Security.

Under current law, any amendment offered on any bill that reduces the solvency of the Social Security System is subject to a 60-vote point of order. The only exception is an amendment to the budget resolution. I believe that this loophole should be closed.

As budget pressures mount, there will be growing pressure to raid the reserves to pay for priority programs. Some of these efforts such as Senator MOYNIHAN's Social Security tax cut, may have some merit; some of these efforts, such as the notch, have little merit.

In any case, to ensure that Social Security is protected, in the long term, we should take steps to ensure that efforts to tamper with the reserves cannot be taken without the support of a sizable majority in the Senate.

Mr. DOMENICI. On my side there is 55? I am ready to yield it back.

Mr. BENTSEN. I know of no one else on my side ready to speak.

Mr. DOMENICI. I yield back my time.

Mr BENTSEN. I yield back my time. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Texas. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FORD. I announce that the Senator from Arkansas [Mr. BUMPERS], the Senator from Arkansas [Mr. PRYOR], and the Senator from Colorado [Mr. WIRTH] are necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 94, nays 3, as follows:

[Rollcall Vote No. 68 Leg.]

YEAS—94

Adams
Baucus
Bentsen
Biden
Bond
Boren
Bradley
Breaux
Brown
Bryan
Burdick
Burns
Byrd
Chafee
Coats
Cochran
Cohen
Craig
Cranston
D'Amato
Danforth
Daschle
DeConcini
Dixon
Dodd
Dole
Domenici
Durenberger
Exon
Ford
Fowler
Garn
Glenn
Gore
Gorton
Graham
Gramm
Grassley
Harkin
Hatch
Hatfield
Heflin
Helms
Hollings
Inouye
Jeffords
Johnston
Kassebaum
Kasten
Kennedy
Kerrey
Kerry
Kohl
Lautenberg
Leahy
Levin
Lieberman
Lott
Lugar
Mack
McCain
McConnell
Metzenbaum
Mikulski
Mitchell
Moynihan
Murkowski
Nickles
Nunn
Packwood
Pell
Pressler
Reid
Riegle
Robb
Rockefeller
Roth
Rudman
Sanford
Sarbanes
Sasser
Seymour
Shelby
Simon
Simpson
Smith
Specter
Stevens
Symms
Thurmond
Wallop
Warner
Wellstone
Wofford

NAYS—3

Akaka
Bingaman
Conrad

NOT VOTING—3

Bumpers
Pryor
Wirth

So the amendment (No. 1761) was agreed to.

Mr. SASSER. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

UNANIMOUS-CONSENT AGREEMENT

Mr. SASSER. Mr. President, I ask unanimous consent that all but 25 hours of debate on the resolution be yielded back, and that of the 25 hours remaining, they be equally divided between the majority and the minority leaders, or their designees.

I further ask unanimous consent that on returning to the resolution tomorrow morning, the Senator from Missouri [Mr. DANFORTH] be recognized to offer an amendment; that upon the disposition of the Danforth amendment, Senator EXON, the distinguished Senator from Nebraska, be recognized to offer an amendment; and following the disposition of the Exon amendment, that a Republican Senator be recognized to offer an amendment. I am advised that Senator BROWN, the distinguished Senator from Colorado, will be recognized following the disposition of the Exon amendment; and following the disposition of the Brown amendment, the distinguished Senator from New Jersey [Mr. BRADLEY] will be recognized to offer his amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Reserving the right to object, Mr. President, and I shall not object. I mention that we have not sought time agreements, because under the statute, there are 2 hours on an amendment, and an hour on an amendment to the amendment. But we are hopeful that that time will not be used, and that they will be taken in terms of their priorities tomorrow. I have no objection.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The text of the agreement is as follows:

Ordered, That when the Senate resumes consideration of S. Con. Res. 106, the concurrent resolution on the budget for fiscal year 1993, there be remaining 25 hours for debate and that the Senator from Missouri (Mr. Danforth) be recognized to offer an amendment.

Ordered further, That upon the disposition of the Danforth Amendment, the Senator from Nebraska (Mr. Exon) be recognized to offer an amendment.

Ordered further, That upon the disposition of the Exon amendment, a Republican Senator (most likely the Senator from Colorado (Mr. Brown) be recognized to offer an amendment.

Ordered further, That upon the disposition of the Brown amendment, the Senator from New Jersey (Mr. Bradley) be recognized to offer an amendment.

Mr. SASSER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SASSER. Mr. President, I suggest the absence of a quorum and ask that it be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. SASSER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

MORNING BUSINESS

Mr. SASSER. Mr. President, I ask unanimous consent that there now be a period for morning business with Senators be permitted to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNITED STATES FINALLY RECOGNIZES INDEPENDENT SLOVENIA, CROATIA, AND BOSNIA-HERCEGOVINA

Mr. PELL. Mr. President, I welcome the administration's decision, at long last, to recognize the independence of Slovenia, Croatia, and Bosnia-Hercegovina. In taking this action, the United States joins more than 50 other countries who, beginning in January, have recognized Slovenia and Croatia. The administration's announcement also brings the United States in line with the European Community, which yesterday recognized the independence of Bosnia-Hercegovina. As one who has called for the administration to retool its policy toward the Balkan region, I am pleased that the United States has finally acknowledged that Yugoslavia no longer exists and that it is time to move on. I am hopeful that the outstanding issues between Greece and Macedonia can be resolved soon so that the way to recognition will be opened.

I look forward to hearing further details about how the administration plans to proceed with the establishment of full diplomatic relations with the three countries, and I hope that this will be done swiftly. Moreover, as the administration formulates its plans for future United States relations with Serbia and Montenegro, I would hope that it will insist that these two Republics respect the independence and borders of the other newly independent countries as well as other CSCE principles, particularly those on minority rights. The administration must hold Serbia and Montenegro accountable to standards of international conduct that it applies to other countries.

I am also pleased to learn that the administration will restore the trade benefits to Croatia, Slovenia, Bosnia-Hercegovina, and Macedonia that were suspended for all of the former Yugoslavia on December 6, 1991. These countries will also be available for U.S. assistance programs which had also been suspended. The newly independent countries need humanitarian relief due to the war that has ravaged the region. They also need our support to make further progress in democratization, market reform, and human rights.

As we welcome this good news, however, tensions and indeed bloodshed continue in the former Yugoslav Republics. Of course, recognition of these countries' independence is not an immediate cure for all of the many outstanding problems in the former Yugoslavia. I am hopeful, however, that U.S. support for the independence and territorial integrity of these new countries will help ease the task of the U.N. peacekeepers who are currently being deployed to the region. I am also hopeful that these new developments may encourage progress at the EC-sponsored peace conference chaired by Lord Carrington. Now that the United States and the European community are on the same track, I believe that greater progress may be possible.

CONGRATULATIONS STEVE GACHUPIN

Mr. BINGAMAN. Mr. President, I rise today to recognize the accomplishments of an extraordinary man, Steve Gachupin. Mr. Gachupin, a native and resident of Jemez Pueblo, was recently awarded the Bob Rodale Golden Shoe Award for what Runner's World magazine praised as his "27 years of dedicated and inspiring coaching."

A legend in his own right, Mr. Gachupin first gained notoriety when he won the Pikes Peak marathon in 1966. He went on to set a new record—which remains unchallenged—for winning the same marathon an impressive 5 consecutive times. Rather than revel in his own success, Mr. Gachupin has used his talent to teach the young people of Jemez Pueblo. In his 27 years of coaching track and cross-country at Jemez Valley High School, Mr. Gachupin's team has earned 14 AA State cross-country championships and placed second four times.

As an avid runner, I admire Mr. Gachupin's discipline and victorious record. I also respect his commitment to his students and the people of Jemez Pueblo. When asked once what motivates him to succeed he replied, "To bring honor to my village."

Mr. President, I am sure all of my colleagues join me in congratulating Mr. Gachupin—a humble man of great achievement and integrity.

RECOGNITION OF BARRY L. HARRIS

Mr. FORD. Mr. President, I want to say a few words about an outstanding public servant who is currently serving as Administrator of the Federal Aviation Administration. Barry L. Harris came to Washington in 1989 to serve as the Deputy Administrator of the FAA. He brought with him considerable experience in general aviation, and a distinguished business background. I was a little concerned that Barry had not had extensive experience with Washington, or with the commercial aviation sector, but I supported his nomination and, of course, the Senate confirmed him.

He had not been on the job long when I had occasion to ask him to meet with me and another Senator about a difficult issue important to many people in the aviation community. It was at that meeting that I first saw the qualities that distinguished Barry: An open mind, independent judgment, candid expression of views, yet sensitivity to the concerns of others.

Last fall when Admiral Busey moved to the Department of Transportation to become Deputy Secretary, Barry assumed the role of Acting Administrator of the FAA. A nominee for Administrator had been submitted to the committee, but ultimately the Senate was unable to confirm him. Barry continued to serve as Administrator. The job allowed him to display the range and extent of his considerable abilities. Everywhere I heard comments about how well he was running the agency. I saw evidence of decisive management, of commitment to the mission of the FAA. I also saw that he was not afraid to try changes, and did not shrink from identifying weaknesses in the agency. He won the respect of the aviation community, as well as the loyalty and affection of the people at the FAA.

Many including this Senator hoped that Barry would be nominated to the job of Administrator. There is not a doubt in my mind that he would have been an outstanding choice.

It is not my job to select candidates for jobs in the executive branch. It is the job of the Senate to consider and, if appropriate, confirm those nominees. I intend to proceed with the nomination process, but I did not want to let the moment pass without recognizing a man whom I have come to respect and value, and without thanking him for his able stewardship of one of the most important agencies in the Government.

DEATH OF FATHER JAMES HARVEY

Mr. MOYNIHAN. Mr. President, I rise to mourn the passing on March 30, 1992, of the Reverend James R. Harvey, priest and social worker. I met Father Harvey in 1985 when I made a spur-of-the-moment visit to my old parish during a trip through Queens. I found that it now housed an ambitious and successful job training program for young ex-offenders, headed by Father Harvey.

As a chaplain at the Queens House of Detention and at Rikers Island, Father Harvey knew of the need for such training, and he had begun finding jobs for these young men and women in florist shops and other businesses. He called the program "Flowers With Care."

To meet the other needs of his young apprentices, Father Harvey began to offer such services as substance abuse counseling and remedial education. As these programs grew, other young people who needed help began coming to him, runaways and homeless youths mostly. He did what he could to help them, meaning he worked tirelessly. He opened a 20-bed shelter for them, and found ways to stretch his budget so he would not have to turn them away.

I expect Flowers With Care to continue without Father Harvey; it is needed too much to do otherwise. But it will not be the same without its founder and guiding light. Thousands of New York's young people should mourn his passing with us. For many he turned their lives around. For others he simply kept them alive.

Mr. President, I ask that the obituary from the New York Times be included in the RECORD.

THE REVEREND J.R. HARVEY DIES AT 47; HELPED FIND JOBS FOR EX-CONVICTS

(By Bruce Lambert)

The Reverend James R. Harvey, who founded a program that has given thousands of ex-convicts training and jobs in florist shops and other businesses, died on Monday at New York Hospital in Manhattan. He was 47 years old and lived in Queens.

He died of natural causes after a long illness, his family said.

Father Harvey was the president of Flowers With Care, which he founded 17 years ago to provide first-time offenders with work. The program started with florist shops, then included other businesses and longer-term training.

About 1,000 former inmates a year enroll in the program. Most become gainfully employed, and relatively few relapse into crime, officials of the program says. Depending on individual need, the assistance includes food, clothing, counseling, drug addiction therapy, on-the-job training, placement, remedial high school and even, college preparation.

PROGRAM IS BASED IN QUEENS

A favorite among Father Harvey's success stories involved a convicted bank embezzler who went on a florist-sales call, to a bank. Father Harvey got a bit edgy as the day wore on without any word from the apprentice salesman. But at the end of the afternoon, the bank president called in an order for 30,000 cactus plants to use as premiums.

The program, which includes more than 120 small businesses, is based in Astoria, Queens, and the program is affiliated with Catholic Charities of Brooklyn.

Father Harvey was born in Brooklyn. After graduating from St. Francis College and Immaculate Conception Seminary, he was ordained a Roman Catholic priest in 1971 and became a parish priest at St. Margaret's Church in Middle Village, Queens.

When he was assigned to be a chaplain at the city Corrections Department's Queens House of Detention in 1973 and later at Rikers Island, he saw the need for training and jobs to help turn unemployed young people away from crime. He started the program with a friend who was a florist.

For several years Father Harvey also taught criminal justice at St. John's University.

He is survived by his mother, Catherine Harvey of Brooklyn, and two sisters, Kathleen Scott of Brooklyn and Patricia Costello of Crofton, Md.

TRIBUTE TO JOSEPHINE TOMANCIK

Mr. LEVIN. Mr. President, very often we take time to recognize the big names of government service—the flashy politician, the statesman who served many years, the bureaucrat who has risen to the top—but seldom do we recognize the real people who keep the wheels of government turning. I wish to take a moment to recognize such an individual today, Josephine Tomancik.

Originally employed by the then Department of Vocational Education and Rehabilitation at the age of 18, Jo moved on to what would become the Michigan Department of Transportation in 1950. Never satisfied with a particular level of attainment, she continued taking classes to improve her skills. She will leave the department as the Roadside Development Division's secretarial administrative assistant.

Asked to describe Jo Tomancik, her supervisor said she is "dedicated to her work" and "loyal to her fellow employees." Her years of service have allowed her to serve as an unofficial historian. In addition, she is involved in her church and community. She is an officer in the First Catholic Slovak Ladies Association and an active member of St. Mary's Cathedral in Lansing.

When a friend asked why Ms. Tomancik continued so long she explained, "I really like the job, and I like the work. I am doing this for the women of transportation. When you set your goal, stick with it. And always remember the goal." Mr. President, more of us should set worthy goals and meet them.

Josephine, "Jo" Tomancik will retire at the end of this month after 50 years of consecutive service with the State of Michigan. Many of Jo's friends will gather this weekend to celebrate the work and life of this outstanding citizen. I am pleased to add this recollection to the remembrances.

TRIBUTE TO JOSEPH W. SOCHA

Mr. SPECTER. Mr. President, on Saturday, April 11, 1992, Joseph W. Socha will be honored by the American Legion at a testimonial dinner. At this time, I would like to recognize this proud American for his accomplishments, his loyalty to his fellow Legionnaires and his dedication to this country's principles of democracy, freedom, and dedication to duty.

Upon graduation from high school in 1951, Joe enlisted in the U.S. Marine Corps and served in Korea. Following his discharge, he joined the Boleslaw Grochowski Post No. 396 where he served as the post's director, delegate and its youngest elected adjutant. He was later elected as post commander.

Joe also served on numerous county committees such as the advisory committee and the Scouting committee and still serves as Philadelphia County adjutant. In addition, he has successfully fulfilled his responsibilities as Secretary of the Philadelphia Convention Corp.

Among his many other positions of responsibilities, Joe has served the fifth district of the American Legion with distinction as its sergeant-at-arms, parliamentarian, senior deputy commander, and commander.

His talents and professionalism have been recognized by the national organization of the American Legion with assignments on the committees for Americanism, national security, foreign relations, and distinguished guests.

Joe has served his own post with dedication and loyalty for 25 years. He is also a member of the Veterans of Foreign Wars and the Disabled American Veterans. Currently, he is serving as commander of the Eastern Judicial Section where his leadership skills and yeoman performance are widely recognized by the Department of Pennsylvania and the National Organization of the American Legion.

The American Legion and the State of Pennsylvania are proud of Joe Socha. Upon the occasion of the testimonial dinner in his honor, I take this opportunity to recognize him before the U.S. Senate.

IN RECOGNITION OF LOUISE ENDEL

Mr. DODD. Mr. President, I rise today to recognize Louise Endel for her lifetime commitment to the betterment of the New Haven community. For the past 40 years New Haven has had the opportunity to benefit from the achievements of a woman who has dedicated her life to community service.

Louise's extraordinary energy and versatility is a driving force behind a number of nonprofit organizations. She is an active participant in the St. Raphael's Foundation, the Urban League of Greater New Haven, and Dixwell Community House.

Her deep appreciation and love for the arts led her to spearhead a number of different projects designed to cultivate the talents of artists and actors. Her accomplishments include the Long Wharf Theater, the Creative Arts Workshop, the Nine Squares Neighborhood Youth Leagues, and the City Spirits Artists.

In the political arena, her vision and dynamic personality have deeply contributed to local, State, and national campaigns. She is well-known for her ability to utilize people's skills and maximize their potential.

Louise's hard work for the community has not gone unnoticed. She is the recipient of the New Haven Foundation Elm Award for outstanding citizenship and the Yale University City of New Haven Elm Ivy Award for improving town/gown relationships. She also received awards from the YWCA and the State assembly in Hartford for her services on behalf of women.

This year, the Connecticut chapter of the Habitat for Humanity International will recognize Louise for her outstanding work on behalf of their organization. She was one of the founding participants of this organization that helps renovate and build homes for families of marginal financial means. I commend their efforts and am proud to see such a prestigious organization award a person who has done so much for the New Haven community.

Louise's distinguished career represents a model of effective leadership and exemplary community service. We can all learn a lesson in giving from her. She is living proof that a little hard work and a lot of love can still make a difference in this world. There is no doubt in my mind that New Haven and the entire State of Connecticut, for that matter, is a better place to live today. Thank you, Louise.

ON THE RETIREMENT OF KENT CONRAD, SENATOR FROM NORTH DAKOTA

Mr. HATFIELD. Mr. President, I would like to take this opportunity to comment on the surprise retirement of a good friend and distinguished colleague, Senator KENT CONRAD.

Both North Dakota and my State, Oregon, share several similarities, and it is through common interests that I have come to know Senator CONRAD and admire his work. As a representative of the most rural State in our Nation, the Senator's efforts to preserve the family farm and advance our Nation's agricultural interests are unrivaled.

His strong support for our children's education is another interest we share. His concern, especially in the areas of mathematics and science achievement, stands as a testament to his commitment for the future of our Nation.

Senator CONRAD and I also share common ground through our work on the Senate Energy and Natural Resources Committee. His thoughtful approach on numerous issues, particularly toward the development of a balanced national energy strategy, has been both admirable and refreshing. Senator CONRAD's fiscal restraint and progressive ideas regarding energy conservation and renewable energy are trademarks which will live on in the committee for years to come. Most regrettably, the battle on these and other issues must now be fought without one of our strongest players.

For many years Senator CONRAD's retirement comes as a tremendous disappointment: North Dakota will lose an excellent representative while Congress will lose a fine leader. He is a public servant in the truest sense, his actions constantly dictated by the needs of, and his promises to, his constituency. At the same time, however, I empathize with Senator CONRAD's frustration over Congress' seeming inability to grapple with the pressing issues of our day. I sincerely hope, Mr. President, that we can take steps toward improving the environment which exists here, for we can ill afford to lose another colleague of Senator CONRAD's caliber.

MATINICUS RESCUE A MIX OF GRIT AND GOOD LUCK

Mr. COHEN. Mr. President, recently Ms. Elsbeth Russell, who lives on Matinicus Island in my home State of Maine, brought to my attention the harrowing tale of four island lobstermen, who became heroes one freezing, tempestuous night in January.

Ms. Russell's courageous neighbors, Vance Bunker, Rick Kohls, Paul Murray, and Clayton Philbrook, responded to the distress call of a tugboat sinking in the dark, choppy waters nearly 2 miles off Matinicus.

As the winds gusted to 40 miles per hour and the temperature dropped to 4 below zero, Bunker, Kohls and Murray set off into the foggy night on Bunker's boat to rescue the tugboat and its imperiled three-man crew. Philbrook stayed behind to man the VHF radio and stand by in case Bunker's boat ran into trouble.

The story that ensues rivals any found in fiction. Recognizing that the Coast Guard might not reach the tugboat in time, the men from Matinicus risked their lives to save three strangers, who surely would have perished in the icy Atlantic.

Mr. President, I wish to enter into the RECORD the full text of the Island News article describing the tugboat's rescue.

Vance Bunker, Rick Kohls, Paul Murray, and Clayton Philbrook represent true Maine grit and the courage of the American spirit in its finest hour. Mr. President, I hope that you and my colleagues will find this remarkable account of their daring rescue as fascinating and inspiring as I did and will join me in commending these four Mainers for their heroism.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MATINICUS SEA RESCUE A MIX OF GRIT AND GOOD LUCK

(By Margot Brown McWilliams)

On Matinicus, the first warning came at 6 p.m. on January 16. Clayton Philbrook heard on the VHF radio that the tugboat *Harkness* had taken on about a foot and a half of water over its stern.

Philbrook, one of the handful of lobstermen who lives year-round on the island of Matinicus, knew a rough night lay ahead.

"It was blowing 40 (mph), and I had three or four below (zero) at the house, so I knew it was thick with vapor out on the water," said Philbrook. "The Rockland Coast Guard station was reporting winds at 10 miles an hour, but out here it was screeching."

Three island lobstermen would venture into the cold, wind and sea smoke that night. Before it was over, they would help drag the crew of the *Harkness* out of the freezing ocean.

Matinicus is a tiny island—a mile long and half a mile wide—and at 20 miles out to sea, it's isolated. It's the outermost inhabited island on the eastern seaboard.

At the first signs of trouble, the three-man crew aboard the *Harkness* radioed Coast Guard authorities at Southwest Harbor that they would head for Frenchboro on Long Island.

At that point, a local skipper got on the radio and told the *Harkness* to turn and run for Matinicus instead. There would be a better chance of getting help there.

"The skipper of the *Harkness* didn't know anyone lived out here," Philbrook said, slightly surprised.

Vance Bunker had also picked up the communications between the *Harkness* and the mainland. He radioed the distressed boat to see what kind of trouble it was in.

By this time, Philbrook said, the *Harkness* reported that it had two feet of water over the stern. Vance Bunker radioed back that he was on his way in his boat, the *Janellen*.

Philbrook called Bunker on the phone and offered to go along. But Bunker had already rounded up Rick Kohls, another lobsterman, and Paul Murray, who tends to everything that runs on island—boat engines, furnaces, water systems, and the telephone lines.

Murray, he figured, would come in handy if anything went wrong with the *Janellen*.

Philbrook's task was to remain on land manning the radios and standing by in case Bunker got into trouble and someone with a boat was needed to come after him.

"There weren't very many of us left on the island," Philbrook said, "and it was quite a wild night, weather-wise." There had to be someone manning the home base.

When Bunker steered into the night, he didn't know exactly where the *Harkness* was.

"He started out thinking they were off Northeast Point, off the (north) of the island instead of where they actually were, which was off Zephyr Ledge, further to the northeast," Philbrook said.

"Vance had Paul and me watching the Loran and telling him which way to steer," Kohls said, "and Paul was writing down the numbers as the *Harkness* was giving them on the radio." Bunker had to be content with watching the compass and keeping on course.

The *Harkness* was fighting for its life.

The tugboat's captain, Rudi Musetti, had only suspicions about what made the *Harkness* start to take on water. Possibly it was the rudder ports, he thought, or maybe the stuffing box.

Since leaving Ogunquit for a 20-hour trip to Northeast Harbor, Musetti had routinely checked everything on the boat every two hours. "The water started coming aboard just half an hour after my last check," he recalled later. "Everything had been riding high, as it should be, Then I looked back, and we were submerged.

Musetti threw the switches from the pumps, but could only trust that they were working, as the decks were too icy to walk on. "But every time I looked back," he continued, "we were going down, not up."

As the *Harkness* sank, Bunker developed a new worry. Radio communications had revealed that the *Harkness* had two 500-foot tow ropes that had been coiled on the stern, but they had been washed overboard as the boat took on water.

If the ropes got tangled in Bunker's propeller and the *Harkness* was sinking, it would have pulled Bunker's boat down with it. "And of course," Philbrook said "nobody could see a thing."

"Things were getting tense," Philbrook said. "We'd finally figured out where they were, and were on the way to those coordinates, and the guy was on the radio saying that he knew he was going to lose the boat, and that he and his crew were going to have to go into the water . . . Then the skipper said that the water was up to his chest in the wheelhouse."

It was 7:02, just over an hour since the tubgoat's first distress call. It was the last signal that would come from the *Harkness*.

"When we heard that silence," said Kohls, "I knew I was going to puke. It was a terrible, terrible feeling. Of course the battery might have gone dead, but we knew they were in the water."

As Bunker's boat approached the *Harkness'* location, a mile and half to two miles off Matinicus, the Coast Guard arrived on the scene.

The *Janellen* backed off, and went back to the last set of numbers the *Harkness* had given. "By then," Kohls said, "we knew there wasn't much of a chance them boys would still be alive. It was jeezly cold, and that sea smoke lay right over the water like a . . . blanket."

Kohls and Murray kept at it, looking over the sides of the *Janellen* down into the water. But the sea smoke was impenetrable, and they could see nothing.

For some reason, Kohls looked up instead of down. "I couldn't believe my eyes." he said. "I saw a light shining straight up into the sky above the sea smoke."

It wasn't much of a light, but its effect was huge. "It was like Charlie Brown's Christmas." Kohls said. "We knew at least one of them was out there." Kohls guided Bunker to the light.

The unlikely, if not the impossible, had happened. A wooden ladder had floated free of the *Harkness* as it went down, and all three men had grabbed onto it.

One of the three, Arthur Stevens, happened to be carrying a little three-cell battery flashlight that his daughter had given him for Christmas.

I don't think Arthur was even aware that he still had the flashlight," Musetti said, "because his hands were too cold to hold onto anything. What had happened was that the flashlight had frozen to Arthur's glove."

Then the three men in the water saw the *Janellen's* searchlight coming through the sea smoke.

"We couldn't see the boat itself," Musetti said, "and it was blowing too hard for us to hear its engine."

Still, it was a struggle for the angels to save the men.

"We held the gaff out to one of them," Kohls said, "he kind of hooked onto it with his arms, because he had lost the use of his hands. He looked up at us and said, 'Boy, are we glad to see you.'

"It seemed like a lifetime getting the first two aboard," Kohls said. "Paul and I were pulling on one of them." Bunker got the other aboard himself. "Vance is a big boy," Kohls said. "He is stronger. Also, fear motivates everybody."

The Coast Guard boat rescued the third man.

When the *Harkness'* crew was pulled from the water, the combination of wind and temperature created a wind-chill factor of 55 below zero. Murray and Kohls stripped off their clothes and gave them to the two men they had pulled onto the *Janellen*.

"You have never seen such cold human beings," Kohls said. "They couldn't walk, they couldn't move, except to vibrate like they were coming apart at the seams. We took them down below and had to cut the clothes off them." Luckily, Bunker kept a stove going down below.

Musetti said that neither he nor his two crew members gave in to panic, though when they finally abandoned ship he was certain that rescuers would not be able to find them in time.

"You can't survive more than a few minutes in that water," he said, "and we were already right on the verge of hypothermia. We talked to each other as we went into the water.

"I didn't feel fear, particularly. Maybe because there was no point in it. I thought about my four daughters and my grandchildren. And my parents. All I could think about was that I wouldn't see them again. It made me sad."

All six men involved—the three in the water and the three aboard the *Janellen*—figures something beyond just themselves was involved.

Kohls calls it luck.

"Everything happened just right. One man's daughter just happened to give him a flashlight for Christmas instead of anything else you could think of.

". . . A wooden ladder just happened to float right up to those men.

"And that flashlight just happened to freeze itself to his glove when he couldn't hold on to anything anymore.

But what's most miraculous is the direction that little flashlight was pointing in. What are the chances that the beam of a flashlight that's frozen onto the glove of a drowning man would point straight up into sky? By all logic it should have been submerged."

But it wasn't. And the beam did point straight up. And Kohls did just happen to lift his head up from his sightless staring into the sea smoke in time to see it. And he just happened to be on the right side of the boat.

"I don't want to go out on any more rescue missions this year," Kohls said, "because whatever there was in the luck bank, we used it all up this time."

(Reprinted from the Maine Sunday Telegram, Sunday, January 26, 1992.)

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress stood at $3,889,166,997,037.83, as of the close of business on Friday, April 3, 1992.

As anybody familiar with the U.S. Constitution knows, no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States.

During the past fiscal year, it cost the American taxpayers $286,022,000,000 just to pay the interest on spending approved by Congress—over and above what the Federal Government collected in taxes and other income. Averaged out, this amounts to $5.5 billion every week, or $785 million every day.

What would America be like today if there had been a Congress that had the courage and the integrity to operate on a balanced budget?

THE RETIREMENT OF SENATOR CONRAD

Mr. BENTSEN. Mr. President, I had just finished speaking last Thursday when our distinguished colleague from North Dakota, Senator KENT CONRAD, took the floor to inform the Senate of his decision not to seek reelection.

I was surprised and disappointed that he would voluntarily cut short a promising career of public service. But I respect his decision, and appreciate the factors that contributed to it.

Senator CONRAD is one of the work horses of this body, willing to master the details of issues, and always prepared to defend the interests of the people of North Dakota.

In nearly two decades of public service, he has specialized on tax and budget matters. His experience in State government gave him the experience and the reputation of being a good manager of public funds. He ran for the Senate pledging not to run again if the budget deficit had not been significantly reduced. During his nearly 6 years in the Senate, his devotion to the cause of deficit reduction has been clear and unwavering.

Senator CONRAD did not create the huge deficits of the 1980's, and he certainly worked as hard as any of us to impose controls and cutbacks in recent years.

But we have not reached that goal of eliminating the deficit. Our progress has been fitful and limited. The President's own forecasts of huge deficits as far as the eye can see suggest that the problem is slipping away from our grasp.

The blame should not rest on KENT CONRAD'S shoulders. In fact, I think we have fallen short largely because of the absence of Presidential leadership.

But Senator CONRAD had made a special commitment regarding the deficit, and he felt honor bound not to seek reelection. I know that concept is somewhat old fashioned these days, but it's one that should be prized even if it were not so rare. My own father, who moved to Texas from the Dakotas, instilled in me a profound sense of honor and other values.

We don't have to live in the corridors of power, but we do have to live with ourselves. Senator CONRAD set an example of someone who put his conscience first.

For his integrity, for his fine record as a Senator, for the example he has set, he deserves our administration and respect.

RECOGNITION OF FORMER YUGOSLAVIA REPUBLICS MUST INCLUDE KOSOVA

Mr. PRESSLER. Like the dinosaur and the Soviet Union, Yugoslavia no longer exists. Today, President Bush adjusted U.S. policy to correspond to this reality. I commend the President for his decision to recognize Croatia, Slovenia, and Bosnia-Hercegovina. Recognition sends a signal to Belgrade that the United States will no longer allow that regime to strong arm its neighbors.

However, I also want to stress the urgency of the need to extend the recognition process to Albania populated Kosova. In addition, the Albanians of the former Yogoslavia must be given a seat at the peace table in Brussels.

Having lost control of Croatia and Slovenia, Belgrade may increase its already crushing pressures on Kosova. Like a number of others in Congress, I strongly support recognition of Kosova. For this reason, in February 1 introduced Senate Concurrent Resolution 96, expressing the sense of Congress that the United States should recognize the independence of the Republic of Kosova.

The Albanians represent the third largest ethnic group in the former Yugoslavia. Yet they have been excluded from the peace talks in Brussels. If a true and lasting peace is to be achieved in the countries emerging from the former Yugoslavia, several things must occur.

First, Yugoslavians of Albanian descent must be given a place at the peace talks. Second, martial law must be lifted in the Republic of Kosova. Third, Kosova must be recognized as an independent state. Finally, free elections, conducted under international supervision, must be allowed to occur in Kosova.

The United States should not tolerate further bloodshed in the former Yugoslavia. That is why I recently introduced the Former Yugoslavia Act of 1992, which, among other things, calls upon the President to tell Congress what he will do to recognize those regions and republics within what was Yugoslavia that desire independence. The legislation also requires the President to tell Congress what he will do to end Belgrade's military aggression of occupation in the former Yugoslavia and to bring violators to justice. I am delighted that, to date, Senators DOLE, D'AMATO, and HELMS have joined me in this effort.

Artificial countries like the former Yugoslavia should not be preserved against the will of the people. Standing for the principles of freedom and independence, the United States can assist the people of the former Yugoslavia to enjoy independence and peace.

I hope the President's announcement of recognition will begin that process. I commend him for his action. However, I believe he should continue the process. It is my hope that he will move rapidly to address the needs of the Albanians of Kosova in the manner I have outlined.

WAIVER OF CERTAIN SECTIONS OF THE TRADE ACT—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 193

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on April 3, 1992, during the recess of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Finance:

To the Congress of the United States:

Pursuant to subsection 402(c)(2)(A) of the Trade Act of 1974 (the "Act") (19 U.S.C. 2432(c)(2)(A)), I have determined that a waiver of the application of subsections (a) and (b) of section 402 with respect to Armenia, Belarus, Kyrgyzstan, and Russia will substantially promote the objectives of section 402. A copy of that determination is enclosed. I have also received assurances with respect to the emigration practices of Armenia, Belarus, Kyrgyzstan, and Russia required by subsection 402(c)(2)(B) of the Act. This letter constitutes the report to the Congress required by subsection 402(c)(2).

Pursuant to subsection 402(c)(2), I shall waive by Executive order the application of subsections (a) and (b) of section 402 of the Act with respect to Armenia, Belarus, Kyrgyzstan, and Russia.

GEORGE BUSH.

THE WHITE HOUSE, *April 3, 1992.*

FREEDOM FOR RUSSIA AND EMERGING EURASIAN DEMOCRACIES AND OPEN MARKETS SUPPORT ACT—MESSAGE FROM THE PRESIDENT RECEIVED DURING RECESS—PM 194

Under the authority of the order of the Senate of January 3, 1991, the Secretary of the Senate, on April 3, 1992, during the recess of the Senate, received the following message from the President of the United States, together with accompanying papers; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992" (the FREEDOM Support Act of 1992). Also transmitted is a section-by-section analysis of the proposed legislation.

I am sending this proposal to the Congress now for one urgent reason: With the collapse of the Soviet Union, we face an unprecedented historical opportunity to help freedom flourish in the new, independent states that have replaced the old Soviet Union. The success of democracy and open markets in these states is one of our highest foreign policy priorities. It can help ensure *our* security for years to come. And the growth of political and economic freedom in these states can also provide markets for our investors and businesses and great opportunities for friendship between our peoples.

While this is an election year, this is an issue that transcends any election. I have consulted with the congressional leadership and have heard the expressions of support from both sides of the aisle for active American leadership. I urge all Members of Congress to set aside partisan and parochial interests.

Just as Democrats and Republicans united together for over 40 years to advance the cause of freedom during the Cold War, now we need to unite together to win the peace, a democratic peace built on the solid foundations of political and economic freedom in Russia and the other independent states.

This proposal gives me the tools I need to work with the international community to help secure the post-Cold War peace. It provides a flexible framework to cope with the fast-changing and unpredictable events transforming Russia, Ukraine, Armenia, and the other states. This proposal will allow us to:

—Mobilize fully the executive branch, the Congress, and the private sector to support democracy and free markets in Russia and the other independent states of the former Soviet Union;

—Address comprehensively the military, political, and economic opportunities created by the collapse of the Soviet Union, targeting our efforts and sharing responsibilities with others in the international community; and

—Remove decisively the Cold War legislative restrictions that hamstring the Government in providing assistance and impede American companies and businesses from competing fairly in developing trade and investment with the new independent states.

Passage of this proposal will enable the United States to maintain its leadership role as we seek to integrate Russia and the other new independent states into the democratic family of nations. Without the tools this proposal provides, our policy of collective engagement will be constrained, our leadership jeopardized.

This proposal has 10 key elements:

First, this proposal provides the necessary flexibility for the United States to extend emergency humanitarian assistance to Russia and the other new independent states.

Emergency humanitarian assistance will help the peoples of the former Soviet Union to avoid disaster and to reduce the danger of a grave humanitarian emergency next winter. In this endeavor, the United States will not go it alone but will continue to work closely with the international community, a process we initiated at the Washington Coordinating Conference in January and will continue in the months ahead in regular conferences with our allies. By dividing our labors and sharing our responsibilities, we will maximize the effects of our efforts and minimize the costs.

Second, this proposal will make it easier for us to work with the Russians and others in dealing with issues of nuclear power safety and demilitarization. This proposal broadens the authority for Department of Defense moneys appropriated last fall for weapons destruction and humanitarian transportation to make these funds, as well as foreign military financing funds, available for nonproliferation efforts, nuclear power safety, and demilitarization and defense conversion.

Third, technical assistance can help the Russians and others to help themselves as they build free markets. Seventy years of totalitarianism and command economics prevented the knowledge of free markets from taking a firm hold in the lands of Russia and Eurasia. By providing know-how, we can help the peoples and governments of the new independent states to build their own free market systems open to our trade and investment. It will also allow agencies authorized to conduct activities in Eastern Europe under the "Support for East European Democracy (SEED) Act of 1989" to conduct comparable but separate activities in the independent states of the former Soviet Union. Through organizations such as a Eurasia Foundation, we will be able to support a wide range of technical assistance efforts.

Fourth, this proposal will allow us to significantly expand our technical assistance programs that facilitate democratization in the new states, including our expanding rule of law program. It will authorize support for programs such as "American Houses." It also provides support for expanded military-to-military programs with Russia and the other new independent states to cultivate a proper role for the military in a democratic society.

Fifth, this proposal provides a clear expression of bipartisan support to continue to extend Commodity Credit Corporation credit guarantees to Russia and the other new independent states in light of the progress they are making toward free markets. As they overcome their financial difficulties, we should take into account their commitment to economic freedom in providing credit guarantees that will help feed their people while helping American farmers.

Sixth, for American business, this proposal expands authority for credit and investment guarantee programs such as those conducted by the Overseas Private Investment Corporation (OPIC) and the Export-Import Bank. It will allow us to waive statutory ceilings on credit guarantee programs of the Export-Import Bank Act and other agencies that applied to the Soviet Union and the restrictions of the Johnson Debt Default Act on private lending. In this way, it will expand U.S. exports to and investment in Russia and the other new independent states.

Seventh, this bill will facilitate the development of the private sector in the former Soviet Union. This bill removes Cold War impediments while promoting outside investment and enhanced trade. It will also allow waiver of restrictions on imports from the independent states of the former Soviet Union beyond those applied to other friendly countries. It will support efforts to further ease Coordinating Committee (COCOM) restrictions on high technology. The bill will also allow the establishment of Enterprise Funds and a capital increase for the International Financial Corporation.

Eighth, this proposal will allow the United States to work multilaterally with other nations and the international financial institutions toward macroeconomic stabilization. At the end of World War II, the United States stood alone in helping the nations of Western Europe recover from the devastation of the war. Now, after the Cold War, we have the institutions in place—the International Monetary Fund (IMF) and the World Bank—that can play a leading role in supporting economic reform in Russia and Eurasia.

Therefore, this proposal endorses an increase in the IMF quota for the United States. This will help position the IMF to support fully a program of macroeconomic stabilization. I request the Congress to pass both the authorization and appropriations necessary for this purpose.

Ninth, this proposal endorses a significant U.S. contribution to a multilateral currency stabilization fund. Working with the international financial institutions and the other members of the G–7, we are putting together a stabilization fund that will support economic reform in Russia and the other independent states.

Tenth, this proposal provides for an expanded American presence in Russia and the other new independent states, facilitating both government-to-government relations and opportunities for American business. Through organizations such as the Peace Corps and the Citizens Democracy Corps, we will be able to put a large number of American advisors on the ground in the former Soviet Union.

In sending this authorization legislation to the Congress, I also request concurrent action to provide the appropriations necessary to make these authorizations a reality. In order to support fully multilateral efforts at macroeconomic stabilization, I urge the Congress to move quickly to fulfill the commitment of the United States to the IMF quota increase. And I urge prompt enactment of the appropriations requests for the former Soviet Union contained in the Fiscal Years 1992 and 1993 Budget requests presently before the Congress.

I call upon the Congress to show the American people that in our democratic system, both parties can set aside their political differences to meet this historic challenge and to join together to do what is right.

On this occasion, there should be only one interest that drives us forward: America's national interest.

GEORGE BUSH.

THE WHITE HOUSE, *April 3, 1992.*

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

NOTIFICATION OF CEASE FIRE BETWEEN THE GOVERNMENT OF EL SALVADOR AND THE FARABUNDO MARTI LIBERATION FRONT—PM 195

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was referred to the Committee on Appropriations:

To the Congress of the United States:

Section 531 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1991 (Public Law 101–513), provides that amounts in the Demobilization and Transition Fund established for peacekeeping purposes by that Act shall be made available for obligation and expenditure only upon notification by the President to the Congress that the Government of El Salvador and representatives of the Farabundo Marti Liberation Front (FMLN) have reached a permanent settlement of the conflict, including a final agreement on a ceasefire. On January 16, 1992, the Government of El Salvador and the FMLN signed such an agreement, bringing an end to the civil conflict.

Consistent with section 531, I hereby provide notification that the Government of El Salvador and representatives of the FMLN have reached a permanent settlement of the conflict, including a final agreement on a ceasefire.

This notification allows the amounts in the Demobilization and Transition Fund (Fund) to be made available for obligation and expenditure. The Secretary of State will have responsibility for administering the Fund.

It is extremely important for the United States to support the implementation of this historic peace agreement, and I look forward to your continued cooperation toward achieving our mutual objectives in this endeavor.

GEORGE BUSH.

THE WHITE HOUSE, *April 7, 1992.*

RELEASE OF PANAMANIAN ASSETS—MESSAGE FROM THE PRESIDENT—PM 196

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

1. I hereby report to the Congress on developments since the last Presidential report on October 3, 1991, concerning the continued blocking of Panamanian government assets. This report is submitted pursuant to section 207(d) of the International Emergency Economic Powers Act, 50 U.S.C. 1706(d).

2. On April 5, 1990, I issued Executive Order No. 12710, terminating the national emergency declared on April 8, 1988, with respect to Panama. While this order terminated the sanctions imposed pursuant to that declaration, the blocking of Panamanian government assets in the United States was continued in order to permit completion of the orderly unblocking and transfer of funds that I directed on December 20, 1989, and to foster the resolution of claims of U.S. creditors involving Panama, pursuant to 50 U.S.C. 1706(a). The termination of the national emergency did not affect the continuation of compliance audits and enforcement actions with respect to activities taking place during the sanctions period, pursuant to 50 U.S.C. 1622(a).

3. The Office of Foreign Assets Control of the Department of the Treasury ("FAC") has released to the control of the Government of Panama approximately $134 million of the approximately $137.3 million that remained blocked at the time of my last report. The amount released represents blocked financial accounts that the Government of Panama requested be unblocked.

Of the approximately $6.1 million remaining blocked at this time (which includes approximately $2.8 million in interest credited to the accounts since my last report), some $5.5 million is held in escrow by the Federal Reserve Bank of New York at the request of the Government of Panama. Additionally, approximately $600,000 is held in commercial bank accounts for which the Government of Panama has not requested unblocking. A small residual in blocked reserve accounts established under section 565.509 of the Panamanian Transactions Regulations, 31 CFR 565.509, remains on the books of U.S. firms pending the final reconciliation of accounting records involving claims and counterclaims between the firms and the Government of Panama.

4. I will continue to report periodically to the Congress on the exercise of authorities to prohibit transactions involving property in which the Government of Panama has an interest, pursuant to 50 U.S.C. 1706(d).

GEORGE BUSH.

THE WHITE HOUSE, *April 7, 1992.*

REPORT ON SANCTIONS AGAINST HAITI—MESSAGE FROM THE PRESIDENT—PM 197

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

1. On October 4, 1991, in Executive Order No. 12775, I declared a national emergency to deal with the threat to the national security, foreign policy, and economy of the United States caused by events that had occurred in Haiti to disrupt the legitimate exercise of power by the democratically elected government of that country (56 FR 50641). In that order, I ordered the immediate blocking of all property and interests in property of the Government of Haiti (including the Banque de la Republique d'Haiti) then or thereafter located in the United States or within the possession or control of a U.S. person, including its overseas branches. I also prohibited any direct or indirect payments or transfers to the *de facto* regime in Haiti of funds or other financial or investment assets or credits by any U.S. person or any entity organized under the laws of Haiti and owned or controlled by a U.S. person.

Subsequently, on October 28, 1991, I issued Executive Order No. 12779 adding trade sanctions against Haiti to the sanctions imposed on October 4 (56 FR 55975). Under this order, I prohibited exportation from the United States of goods, technology, and services, and importation into the United States of Haitian-origin goods and services, after November 5, 1991, with certain limited exceptions. The order exempts trade in publications and other informational materials from the import, export, and payment prohibitions and permits the exportation to Haiti of donations to relieve human suffering as well as commercial sales of five food commodities: rice, beans, sugar, wheat flour, and cooking oil. In order to permit the return to the United States of goods being prepared for U.S. customers by Haiti's substantial "assembly sector," the order also permitted, through December 5, 1991, the importation into the United States of goods assembled or processed in Haiti that contained parts or materials previously exported to Haiti from the United States.

2. The declaration of the national emergency on October 4, 1991, was made pursuant to the authority vested in me as President by the Constitution and laws of the United States, including the International Emergency Economic Powers Act (50 U.S.C. 1701, *et seq.*), the National Emergencies Act (50 U.S.C. 1601, *et seq.*), and section 301 of title 3 of the United States Code. I reported the emergency declaration to the Congress on October 4, 1991, pursuant to section 204(b) of the International Emergency Economic Powers Act (50 U.S.C. 1703(b)). The additional sanctions set forth in my order of October 28 were imposed pursuant to the authority vested in me by the Constitution and laws of the United States, including the statutes cited above, and implement in the United States Resolution MRE/RES. 2/91, adopted by the Ad Hoc Meeting of Ministers of Foreign Affairs of the Organization of American States ("OAS") on October 8, 1991, which called on Member States to impose a trade embargo on Haiti and to freeze Government of Haiti assets. The present report is submitted pursuant to 50 U.S.C. 1641(c) and 1703(c) and discusses Administration actions and expenses directly related to the national emergency with respect to Haiti declared in Executive Order No. 12775, as implemented pursuant to that order and Executive Order No. 12779.

3. On March 31, 1992, the Office of Foreign Assets Control of the Department of the Treasury ("FAC"), after consultation with other Federal agencies, issued the Haitian Transactions Regulations, 31 C.F.R. Part 580 (57 FR 10820, March 31, 1992), to implement the prohibitions set forth in Executive Orders Nos. 12775 and 12779.

Prior to the issuance of the final regulations, FAC issued a number of general licenses to address urgent situations requiring an interpretation of U.S. sanctions policy in advance of the final regulations. These general licenses provided agency policy regarding the articles (baggage, personal effects, etc.) that could be exported or imported by travellers to and from Haiti; the treatment of amounts owed to the *de facto* regime by U.S. persons for certain telecommunications services; the movement of diplomatic pouches; the obligation of banks and other financial institutions with respect to Government of Haiti funds in their possession or control; authorization of commercial shipments to Haiti of medicines and medical supplies; and the circumstances under which certain exportations to, or importations from, the "assembly sector" in Haiti would be permitted. These general licenses have been incorporated into the Haitian Transactions Regulations.

4. The ouster of Jean-Bertrand Aristide, the democratically elected President of Haiti, in an illegal coup by elements of the Haitian military on September 30, 1991, was immediately repudiated and vigorously condemned by the OAS. The convening on September 30 of an emergency meeting of the OAS Permanent Council to address this crisis reflected an important first use of a mechanism approved at the 1991 OAS General Assembly in Santiago, Chile, requiring the OAS to respond to a sudden or irregular interruption of the functioning of a democratic government anywhere in the Western Hemisphere. As an OAS Member State, the United States has participated actively in OAS diplomatic efforts to restore democracy in Haiti and has supported fully the OAS resolutions adopted in response to the crisis, including Resolution MRE/RES. 2/91.

5. In these initial months of the Haitian sanctions program, FAC has made extensive use of its authority to specifically license transactions with respect to Haiti in an effort to mitigate the effects of the sanctions on the legitimate Government of Haiti and on U.S. firms having established relationships with Haiti's "assembly sector," and to ensure the availability of necessary medicines and medical supplies and the undisrupted flow of humanitarian donations to Haiti's poor. For example, specific licenses have been issued (1) permitting expenditures from blocked assets for the operations of the legitimate Government of Haiti, (2) permitting U.S. firms wishing to terminate assembly operations in Haiti to return equipment, machinery, and parts and materials inventories to the United States and, beginning February 5, 1992, permitting firms wishing to resume assembly operations in Haiti to do so provided the prohibition on payments to the *de facto* regime is complied with, and (3) permitting the continued material support of U.S. and international religious, charitable, public health, and other humanitarian organizations and projects operating in Haiti.

6. Since the issuance of Executive Order No. 12779, FAC has worked closely with the U.S. Customs Service to ensure both that prohibited imports and exports (including those in which the Government of Haiti has an interest) are identified and interdicted and that permitted imports and exports move to their intended destination without undue delay. Violations and suspected violations of the embargo are being investigated, and appropriate enforcement actions will be taken.

7. The expenses incurred by the Federal Government in the 6-month period from October 4, 1991, through April 3, 1992, that are directly attributable to the authorities conferred by the declaration of a national emergency with respect to Haiti are estimated at $323,000, most of which represent wage and salary costs for Federal personnel. Personnel costs were largely centered in the Department of the Treasury (particularly in FAC, the U.S. Customs Service, and the Office of the General Counsel), the Department of State, the Department of Commerce, and the Federal Reserve Bank of New York.

8. The assault on Haiti's democracy represented by the military's forced exile of President Aristide continues to pose an unusual and extraordinary threat to the national security, foreign policy, and economy of the United States. The United States remains committed to a multilateral resolution of this crisis through its actions implementing the resolutions of the OAS with respect to Haiti. I shall continue to exercise the powers at my disposal to apply economic sanctions against Haiti as long as these measures are appropriate, and will continue to report periodically to the Congress on significant developments pursuant to 50 U.S.C. 1703(c).

GEORGE BUSH.

THE WHITE HOUSE, *April 7, 1992.*

MESSAGES FROM THE HOUSE

At 3:10 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the joint resolution (S.J. Res. 271) expressing the sense of the Congress regarding the peace process in Liberia and authorizing limited assistance to support the process; without amendment.

The message also announced that the House has passed the bill (S. 838) to amend the Child Abuse Prevention and Treatment Act to revise and extend programs under such Act, and for other purposes; with an amendment, in which it requests the concurrence of the Senate.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2912. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the National School Lunch Act and the Child Nutrition Act of 1966; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2913. A communication from the Secretary of Agriculture, transmitting a draft of proposed legislation to authorize appropriations for the planning, construction, acquisition, alteration, repair of facilities, and other public improvements of Agricultural Research Service facilities at Beltsville, Maryland; Peoria, Illinois; Albany, California; and Greenport, New York; to the Committee on Agriculture, Nutrition, and Forestry.

EC-2914. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, certifications relative to the Board for International Broadcasting; to the Committee on Appropriations.

EC-2915. A communication from the Director of the Office of Procurement, Assistance, and Program Management, Department of Energy, transmitting, pursuant to law, a report on an acquisition action at the Rocky Flats Nuclear Plant; to the Committee on Armed Services.

EC-2916. A communication from the Deputy Assistant Secretary of the Interior, transmitting a draft of proposed legislation to withdraw and reserve certain public lands and minerals within the State of Colorado for military uses, and for other purposes; to the Committee on Armed Services.

EC-2917. A communication from the Secretary of the Navy, transmitting, pursuant to law, a report stating that the program acquisition unit cost of a major defense acquisition has increased by more than 15 percent; to the Committee on Armed Services.

EC-2918. A communication from the Assistant Secretary of the Army (Financial Management), transmitting, pursuant to law, a report on the value of property, supplies, and commodities provided by the Berlin Magistrate for the quarter October 1 through December 31, 1991; to the Committee on Armed Services.

EC-2919. A communication from the Under Secretary of Defense (Acquisition), transmitting, pursuant to law, selected acquisition reports for the quarter ended December 31, 1991; to the Committee on Armed Services.

EC-2920. A communication from the Chairman of the Federal Financial Institutions Examination Council, transmitting, pursuant to law, the annual report of the Council for calendar year 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC-2921. A communication from the Secretary of Housing and Urban Development, transmitting, pursuant to law, the 1992 annual reports on the community development programs administered by the Department; to the Committee on Banking, Housing, and Urban Affairs.

EC-2922. A communication from the Chairman of the National Credit Union Administration, transmitting, pursuant to law, the annual report of the Administration for calendar year 1991; to the Committee on Banking, Housing, and Urban Affairs.

EC-2923. A communication from the President and Chairman of the Export-Import Bank of the United States, transmitting a draft of proposed legislation to amend the Export-Import Bank Act of 1945; to the Committee on Banking, Housing, and Urban Affairs.

EC-2924. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report on direct spending or receipts legislation; to the Committee on the Budget.

EC-2925. A communication from the Secretary of the Interstate Commerce Commission, transmitting, pursuant to law, notice of an extension of time for a decision in Docket No. 40365, National Starch and Chemical Corporation v. The Atchison, Topeka, and Santa Fe Railway Company, et al.; to the Committee on Commerce, Science, and Transportation.

EC-2926. A communication from the Secretary of Commerce, transmitting, pursuant to law, the report regarding the Saltonstall-Kennedy Grant program for fiscal years 1987-90; to the Committee on Commerce, Science, and Transportation.

EC-2927. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report on the Electric and Hybrid Vehicle Program for fiscal year 1991; to the Committee on Commerce, Science, and Transportation.

EC-2928. A communication from the Acting Administrator of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, a report on progress on developing and certifying the traffic alert and collision avoidance system; to the Committee on Commerce, Science, and Transportation.

EC-2929. A communication from the Secretary of Transportation, transmitting, pursuant to law, the annual report on railroad financial assistance for fiscal year 1991; to the Committee on Commerce, Science, and Transportation.

EC-2930. A communication from the Acting Administrator of the Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the updated Aviation System Capital Investment Plan; to the Committee on Commerce, Science, and Transportation.

EC-2931. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, pursuant to law, a report on certain contractual actions involving actual or potential cost in excess of $50,000; to the Committee on Commerce, Science, and Transportation.

EC-2932. A communication from the Secretary of Energy, transmitting, pursuant to law, the annual report of the Bonneville Power Administration for fiscal year 1991; to the Committee on Energy and Natural Resources.

EC-2933. A communication from the Acting Assistant Secretary of the Interior, transmitting a draft of proposed legislation to provide for increases in authorization ceilings for land acquisition and development in certain units of the National Park System, for operation of the Volunteers in the Parks Program, and for other purposes; to the Committee on Energy and Natural Resources.

EC-2934. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2935. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2936. A communication from the Deputy Associate Director for Collection and Disbursement, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, a report on the refund of certain offshore lease revenues; to the Committee on Energy and Natural Resources.

EC-2937. A communication from the Secretary of the Interior, transmitting, pursuant to law, the annual report on the Youth Conservation Corps Program for fiscal year 1991; to the Committee on Energy and Natural Resources.

EC-2938. A communication from the Assistant Administrator of the Environmental Protection Agency (Enforcement), transmitting, pursuant to law, a report on Clean Water Act Enforcement Mechanisms; to the Committee on Environment and Public Works.

EC-2939. A communication from the Deputy Assistant Administrator of the Environmental Protection Agency (Enforcement), transmitting, pursuant to law, a discussion paper entitled "Analysis of Possible Revisions to the Clean Water Act"; to the Committee on Environment and Public Works.

EC-2940. A communication from the Administrator of General Services, transmitting, pursuant to law, informational copies of certain proposed prospectuses; to the Committee on Environment and Public Works.

EC-2941. A communication from the Chairman of the Board of Directors of the Tennessee Valley Authority, transmitting, pursuant to law, a report on actions being taken to improve labor-management relations at the Tennessee Valley Authority; to the Committee on Environment and Public Works.

EC-2942. A communication from the Assistant Secretary of the Army (Civil Works), transmitting a draft of proposed legislation to provide for the appropriation of funds from the Harbor Maintenance Trust Fund to the Department of the Army for payment of administrative expenses incurred in administering the port use fee and to clarify funding from the Inland Waterways Trust Fund for rehabilitation costs of existing and future projects for navigation on the inland and coastal waterways of the United States, and for other purposes; to the Committee on Finance.

EC-2943. A communication from the Deputy Director of the United States Information Agency, transmitting, pursuant to law, a report on action under the Convention on Cultural Property Implementation Act concerning an extension of an emergency United States import ban on pre-Hispanic archaeological material originating in the Cara Sucia Archaeological Region of El Salvador; to the Committee on Finance.

EC-2944. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, a recommendation for a national per resident amount for Medicare direct graduate medical education payments; to the Committee on Finance.

EC-2945. A communication from the Assistant Legal Advisor for Treaty Affairs, Department of State, transmitting, pursuant to law, a report on international agreements, other than treaties, entered into by the United States in the sixty day period prior to March 26, 1992; to the Committee on Foreign Relations.

EC-2946. A communication from the Chairman of the Farm Credit Administration, transmitting, pursuant to law, the annual report of the Farm Credit Administration under the Government in the Sunshine Act for calendar year 1991; to the Committee on Governmental Affairs.

EC-2947. A communication from the Director of the Office of Government Ethics, transmitting, pursuant to law, the biennial report of the Office for the period January 1990 through December 1991; to the Committee on Governmental Affairs.

EC-2948. A communication from the Director of the Information Security Oversight

Office, transmitting, pursuant to law, the annual report of the Office for fiscal year 1991; to the Committee on Governmental Affairs.

EC-2949. A communication from the Secretary of the Postal Rate Commission, transmitting, pursuant to law, the opinion and recommended decision relative to the establishment of rate categories and discounts for pre-barcoded flat-shaped mail; to the Committee on Governmental Affairs.

EC-2950. A communication from the Director of Central Intelligence, transmitting a draft of proposed legislation to authorize appropriations for fiscal year 1993 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Staff, and the Central Intelligence Agency Retirement and Disability System, and for other purposes; to the Select Committee on Intelligence.

EC-2951. A communication from the Attorney General of the United States, transmitting, pursuant to law, the annual report of the Attorney General for fiscal year 1991; to the Committee on the Judiciary.

EC-2952. A communication from the Administrator of General Services, transmitting, pursuant to law, the annual report of the General Services Administration under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2953. A communication from the Chairman of the Federal Communications Commission, transmitting, pursuant to law, the annual report of the Commission under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2954. A communication from the Director of Administration and Human Resource Management, Department of Energy, transmitting, pursuant to law, the annual report of the Department of Energy under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2955. A communication from the Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, transmitting, for the information of the Senate, comments on a proposed amendment to the National Institutes of Health Reauthorization Act; to the Committee on Labor and Human Resources.

EC-2956. A communication from the Secretary of Education, transmitting, pursuant to law, notice of final procedures for the Robert C. Byrd Honors Scholarship Program; to the Committee on Labor and Human Resources.

EC-2957. A communication from the Secretary of Veterans Affairs, transmitting, pursuant to law, the annual report of the Department of Veterans Affairs under the Freedom of Information Act for calendar year 1991; to the Committee on the Judiciary.

EC-2958. A communication from the President of the United States Institute of Peace, transmitting, pursuant to law, the audit report of the Institute for fiscal year 1991; to the Committee on Labor and Human Resources.

EC-2959. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the 1992 Report of the Surgeon General on the health consequences of smoking; to the Committee on Labor and Human Resources.

EC-2960. A communication from the Secretary of Education, transmitting, pursuant to law, a report on the recommendations of the Intergovernmental Advisory Council on Education; to the Committee on Labor and Human Resources.

EC-2961. A communication from the Secretary of Health and Human Services, transmitting, pursuant to law, the annual report on the activities and accomplishments of the State programs operated under the authority of the Developmental Disabilities Assistance and Bill of Rights Act for fiscal year 1990; to the Committee on Labor and Human Resources.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-321. A joint resolution adopted by the Legislature of the State of Washington to the Committee on Energy and Natural Resources.

"SUBSTITUTES HOUSE JOINT MEMORIAL 4033

"Whereas, for fifty years, labor unions have advocated forestry methods that incorporate environmental values in the form of sustained-use and multiple-use forestry and setting aside timber land in wilderness areas and parks, so that forests can be vital elements in the everyday lives of communities; and

"Whereas, in the Pacific Northwest, timber is a primary industry, and hundreds of communities are timber-dependent; and

"Whereas, in the Pacific Northwest, workers directly employed by timber companies are woodworkers and truckers, workers in sawmills and plywood mills, and workers in pulp and paper mills; and

"Whereas, in the Pacific Northwest, the timber industry supports secondary employment in the service and public sectors, employees whose jobs depend on timber sales; and

"Whereas, workers in other parts of the country depend on the raw materials from the Pacific Northwest; workers in furniture, paper, and building materials manufacturing, as well as the building trades; and

"Whereas, Pacific Northwest timber makes up more than thirty percent of all the timber used in the United States; and

"Whereas, job losses would erode the tax bases of hundreds of Pacific Northwest communities, jeopardizing public and service sector employment and the delivery of vital social services; and

"Whereas, the issue of timber harvesting and protection of species habitat is much broader than the spotted owl and the Pacific Northwest; and

"Whereas, the timber industry is a fifty-seven billion dollar industry, employing six hundred twenty-seven thousand workers in every region of the United States and providing seventy percent of the United States' building construction materials; and

"Whereas, a failure to find a solution to the issues of the spotted owl and old growth forests of the Pacific Northwest leaves larger issues unaddressed and the door open for continued controversy and economic disruption in nearly every part of the country; and

"Whereas, halting timber harvest in order to protect the owl, the federal government may lose two hundred twenty-nine million dollars a year in timber sales receipts; and

"Whereas, the issue is not whether species like the spotted owl deserve protection but rather to find solutions that protect species and protect jobs and communities; and

"Whereas, a long-term solution requires a balance between environmental needs and the economic well-being of working families and communities across the country; and

"Whereas, labor unions representing Northwest timber workers have joined with the timber industry to offer a balanced, comprehensive, and fair approach to the forest management crisis in the Northwest, under the title Forests and Families Protection Act, H.R. 2463; and

"Whereas, the Forest and Families Protection Act is the only proposal that deals with all of the components of the present problem: (1) Old-growth reserves; (2) spotted owl protection; (3) timber program stability; and (4) worker assistance and economic adjustment measures;

"Now, therefore, your Memorialists respectfully pray that Congress and the President of the United States enact the Forests and Families Protection Act, H.R. 2463:

Be it

"*Resolved*, That copies of this Memorial be immediately transmitted to the Honorable George Bush, President of the United States, the President of the United States Senate, the Speaker of the House of Representatives, and each member of Congress from the State of Washington."

POM-322. A resolution adopted by the Senate of the State of Michigan to the Select Committee on Indian Affairs.

"SENATE RESOLUTION NO. 383

"Whereas, The Odawa Indians have played an important role in the heritage and the history of our present state of Michigan. Long before the arrival of European explorers, the formation of the Northwest Territories, and the creation of Michigan as a state, the Odawa Indians made the northern Great Lakes region their home; and

"Whereas, Today, seven major groups of Native Americans in Michigan are federally recognized tribes. Federal recognition gives tribes access to critical funding for programs leading to self-sufficiency through economic development and growth; and

"Whereas, The Little Traverse Bay Bands of Odawa Indians is one of our state's six non-federally recognized state historic tribes. The tribe, however, is directly descended from those who lived here at the time of the signing of the 1836 Treaty of Washington and the 1855 Treaty of Detroit, which deeded large amounts of land to the federal government. These treaties established a government-to-government relationship that the tribe, justly, feels still continue today; and

"Whereas, It is most fitting and appropriate that the Little Traverse Bay Bands of Odawa Indians receives federal recognition. The tribe's proud heritage and long documented history clearly call for federal recognition: Now, therefore, be it

Resolved by the Senate, That the members of this legislative body hereby recognize the Little Traverse Bay Bands of Odawa Indians as a Michigan historic Indian tribe, and strongly support its efforts to obtain federal reaffirmation; and be it further

"*Resolved*, That copies of this document be transmitted to the Little Traverse Bay Bands of Odawa Indians, representatives of the Bureau of Indian Affairs, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation."

POM-323. A petition of a citizen of Claremont, California praying for a redress of grievances; to the Committee on the Judiciary.

REPORTS OF COMMITTEES RECEIVED DURING RECESS

Under the authority of the order of the Senate of April 2, 1992, the following reports of committees were submitted on April 3, 1992:

By Mr. SASSER, from the Committee on the Budget, without amendment:

S. Con. Res. 107. An original concurrent resolution setting forth the congressional budget for the U.S. Government for fiscal years 1993, 1994, 1995, 1996, and 1997.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

software copyright (Rept. No. 102–268).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. NUNN, from the Committee on Armed Services:

Vice Adm. William O. Studeman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of admiral while so serving (Exec. Rept. No. 102–24).

John E. Connolly, of California, to be a member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1997; and

William D. Skelton, of Georgia, to be a member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1997.

The following-named officer for appointment to the grade of vice admiral while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) William J Flanagan, Jr., [redacted], U.S. Navy.

The following-named officer for reappointment to the grade of general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be general

Gen. John M. Loh, [redacted], U.S. Air Force.

The following-named officer for appointment in the U.S. Army, without specification of branch component, and in the Regular Army of the United States to the grade indicated in accordance with article II, section 2, clause 2 of the Constitution of the United States. This appointment is vice existing appointment as a brigadier general of the Army Nurse Corps.

To be permanent brigadier general

Brig. Gen. Clara L. Adams-Ender, [redacted], U.S. Army.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. NUNN. Mr. President, from the Committee on Armed Services, I report favorably the attached listing of nominations.

Those identified with a single asterisk (*) are to be placed on the Executive Calendar. Those identified with a double asterisk (**) are to lie on the Secretary's desk for the information of any Senator since these names have already appeared in the CONGRESSIONAL RECORD and to save the expense of printing again.

The PRESIDING OFFICER. Without objection, it is so ordered.

*In the Air Force there is 1 appointment to the grade of brigadier general (Thomas L. Hemingway). (Reference No. 457–5.)

*In the Air Force Reserve there are 18 appointments to the grade of major general and below (list begins with Michael Adams). (Reference No. 589–1.)

*In the Navy there are 30 promotions to the grade of rear admiral (lower half) (list begins with Charles Stevenson Abbot). (Reference No. 827.)

*In the Air Force there are 23 appointments to the grade of major general (list begins with Jay D. Blume, Jr.). (Reference No. 889–1.)

**In the Air Force Reserve there is 1 appointment to the grade of lieutenant colonel (Susann J. Steinberg). (Reference No. 896.)

**In the Air Force there are 20 promotions to the grade of lieutenant colonel (list begins with James D. Barker). (Reference No. 897.)

**In the Army there are 23 promotions to the grade of lieutenant colonel (list begins with James A. Buckner). (Reference No. 898.)

**In the Air Force there are 1,558 promotions to the grade of lieutenant colonel (list begins with James A. Abbott). (Reference No. 899.)

**In the Air Force Reserve there are 11 appointments to the grade of colonel and below (list begins with Steven A. Task). (Reference No. 907.)

*Brig. Gen. William E. Jones, USAF to be major general. (Reference No. 919.)

**In the Air Force there are 6 promotions to the grade of colonel and below (list begins with Phyllis J. Hansen). (Reference No. 922.)

**In the Air Force there are 13 promotions to the grade of lieutenant colonel and below (list begins with Robert K. Butler, Jr.). (Reference No. 923.)

**In the Air Force there are 8 promotions to the grade of major (list begins with Stephen C. Carey). (Reference No. 924.)

**In the Army there are 4 promotions to the grade of lieutenant colonel and below (list begins with Robert G. Albrecht, Jr.). (Reference No. 925.)

**In the Army there are 5 promotions to the grade of lieutenant colonel and below (list begins with Ina J. Clawson). (Reference No. 926.)

**In the Army Reserve there are 23 promotions to the grade of colonel and below (list begins with Johnny D. Brown). (Reference No. 927.)

**In the Army there are 966 appointments to the grade of second lieutenant (list begins with David A. Abke). (Reference No. 928.)

*Lt. Gen. Leo W. Smith II, USAF to be placed on the retired list in the grade of lieutenant general. (Reference No. 936.)

*Lt. Gen. Jack D. Woodall, USA to be placed on the retired list in the grade of lieutenant general. (Reference No. 939.)

*Maj. Gen. Jerome H. Granrud, USA to be lieutenant general. (Reference No. 940.)

**In the Air Force there are 727 promotions to the grade of colonel and below (list begins with Gary A. Anderson). (Reference No. 943.)

*In the Army Reserve there are 23 appointments to the grade of major general and below (list begins with William C. Cockerham). (Reference No. 952.)

**In the Air Force there are 49 appointments to the grade of captain (list begins with Timothy D. Ballard). (Reference No. 965.)

**In the Marine Corps there is one appointment to the grade of major (Bruce K. Bancroft). (Reference No. 966.)

Total: 3,514.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. ROTH:

S. 2531. A bill to establish a Commission on project Government Reform; to the Committee on Governmental Affairs.

By Mr. PELL (for himself and Mr. HELMS) (by request):

S. 2532. A bill entitled "Freedom For Russia and Emerging Eurasian Democracies and Open Markets Support Act"; to the Committee on Foreign Relations.

By Mr. INOUYE (for himself, Mr. AKAKA, Mr. ADAMS, Mr. DIXON, Mr. DODD, Mr. MURKOWSKI, Mr. STEVENS, and Mr. SEYMOUR):

S. 2533. A bill to amend the Earthquake Hazards Reduction Act of 1977 to encourage implementation of research results, to protect life and property, and to facilitate the provision of insurance against the risk of catastrophic earthquakes and volcanic eruptions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 2534. A bill to amend the Energy Policy and Conservation Act to require certain importers and refiners who are required by the Secretary of Energy to store and maintain petroleum products in the Industrial Petroleum Reserve to store and maintain petroleum products within an insular area at the request of the Governor of an insular area, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 2535. A bill to amend the National School Lunch Act to modify the minimum nutritional requirements for school lunches, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SEYMOUR:

S. 2536. A bill to amend the Public Health Service Act to establish a program of formula grants for compensating certain trauma care centers for reimbursed costs incurred with respect to undocumented aliens, and for other purposes; to the Committee on Labor and Human Resources.

By Mr. KENNEDY (for himself, Mr. CRANSTON, Mr. WOFFORD, Mr. KERRY, Mr. ADAMS, Mr. GRAHAM, and Mr. MOYNIHAN):

S. 2537. A bill to support efforts to promote democracy in Peru; to the Committee on Foreign Relations.

By Mr. HOLLINGS (for himself, Mr. STEVENS, Mr. LEAHY, Mr. KENNEDY, Mr. MITCHELL, Mr. COHEN, and Mr. KERRY):

S. 2538. A bill to establish a comprehensive program to ensure the safety of fish products intended for human consumption and sold in interstate commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. MOYNIHAN:

S. 2539. A bill to authorize the construction of the William B. Hoyt II Visitor Center at Mount Morris Dam in Mount Morris, New York; to the Committee on Environment and Public Works.

By Mr. COATS (for himself, Mr. COCHRAN, Mr. GORTON, Mr. LUGAR, and Mr. SMITH):

S. 2540. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of individual medical savings accounts to assist in the payment of medical and long-term care expenses and other qualified expenses, to provide that the earnings on such accounts will not be taxable, and for other purposes; to the Committee on Finance.

By Mr. BOREN:

S. 2541. A bill to provide for improvements in the delivery of and access to health care in rural areas; to the Committee on Finance.

By Mr. DURENBERGER:

S. 2542. A bill to suspend until January 1, 1995, the duty on certain internally lighted ceramic and porcelain miniatures of cottages, houses, churches, and other buildings and associated accessories and figurines; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. SASSER (for Mr. MITCHELL (for himself and Mr. DOLE)):

United States v. Slawomir Borowy; considered and agreed to.

By Mr. HELMS (for himself, Mr. MOYNIHAN, Mr. SIMON, and Mr. WOFFORD):

, also known as the Union of Myanmar, in the ongoing, horrifying abuses of human rights, the trafficking of illicit drugs, and the mass buildup of military arms for domestic; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ROTH:

S. 2531. A bill to establish a Commission on Project Government Reform; to the Committee on Governmental Affairs.

PROJECT GOVERNMENT REFORM: THE NEW AMERICAN REVOLUTION ACT

Mr. ROTH. Mr. President, quite often Senators come to this floor to emphasize the political and philosophical differences that exist between the Republicans and Democrats—the differences between the right and the left. But today I come to address a topic about which I believe we can find universal agreement—a topic about which we find consensus not only here on the floor of the Senate, but throughout America.

That topic concerns the effectiveness of our current Government—both the executive and legislative branches—in meeting the needs of Americans today and the needs of America tomorrow. Today, I intend to propose legislation that will allow us to break the political gridlock that has stifled any real government reform—legislation that will enable both sides of the aisle to work together to reenvision and then reinvent not only the Federal Government, but Congress as well.

Can anyone among us say today that the Federal Government is operating as effectively, as efficiently, as productively, and responsibly as possible in meeting the complex needs of modern America? Can anyone among us say that our Government is adequately preparing our Nation—the men, women, families; the manufacturers, farmers, and businesses of America—for a bright and prosperous future?

A future in which we, as a nation, will continue to be first among equals? A nation marked by freedom and opportunity? Can anyone say even that our taxpayers—the hard-working men and women who support the Government—are getting their money's worth?

If we cannot answer each of these questions in the affirmative—and I believe that we cannot—we have to ask: 'Why not?' Our Congress has access to the some of the best and the brightest minds in America. Across the street, we have the greatest library in the world. We have researchers, academics, lawyers, and political philosophers—access to information unlike the world has ever known. And thanks to a willing—and I might say a long-suffering—taxpayer, Congress has enough money to work fulltime at answering this question: "Why not?" Why can't the Federal Government be made to do what it should—to meet present needs and to lead America into a promising future—in an efficient, productive, and responsible way?

I believe that working together, the White House and Congress could revolutionize government in a way that it has not been done since the hot day in Philadelphia a little over two centuries ago. Working together, efficiency could be made the hallmark for American Government. Working together, costs could be reduced, taxes used responsibly, and Federal institutions could be made more responsive to the needs of Americans and to the future of America.

And this, Mr. President, is what we should be about. This is what our constituents sent us here to do, and the fact that it's not being done has led to the crisis of confidence we now face. An April 1 New York Times/CBS News poll suggested that an all-time low of 17 percent of the public approves of Congress right now; another poll shows that 78 percent of Americans are dissatisfied or angry about the Federal Government. On top of this, polls show that the average American believes 48 cents out of every dollar of Federal taxes is wasted. Almost half of their tax money, they believe, is being burned by an unaccountable and inefficient Government. I do not know that I can disagree with them; but I will also say that this is not the way it should be—not for the amount of money Americans are paying in taxes. No private corporation in the world could have survived treating its customers the way Congress and the Federal Government have treated the taxpayer.

Make no mistake, Mr. President, I am not singling out Federal employees for criticism. In truth, the Federal Government has many talented and hard-working employees, but their effectiveness is seriously handicapped by existing organizational structures and operations. The real problem is with the bureaucracy—not the bureaucrats. Too many Federal institutions have become bloated and inefficient, with structures and missions not reflecting current domestic and international priorities. They are slow and unresponsive. And they cost far too much for what they accomplish.

It is no wonder the people are angry. They see government as part of the problem, not the solution. This is especially true of Congress. Congressional procedures permit the avoidance of difficult problems and hard choices. Our committee structures are a reflection of old priorities from bygone eras. Responsibilities are fractured and scattered, so that nothing gets done. Accountability is diffused, so that we can all point fingers at each other.

The irony is that it does not have to be this way. We can change the system. We can change it without raising taxes and without increasing the deficit. It's not a question of being conservative or liberal; it is not a question of politics at all. It is a question of responsible management—a question about changing the way Government does business to reflect the needs of today and the opportunities of tomorrow. We would never believe that a private company like Xerox could survive the 1990's with the same management plan it had in the 1970's; likewise we would never expect any other major corporation to plan for the 21st century with the same business plan it used in the 20th. Yet we appear willing to keep government moving with the top-heavy, wasteful, and frustrating bureaucratic structure that it has accumulated over the past five decades.

Today our country is dramatically different. The pace of change is much more rapid, the problems far more complex. We are an information society, with the technology to provide wide access to important, decision-making data. We no longer need massive administrative bureaucracies, with top-down command and control through many multiple layers of hierarchy. It is within our ability to make the Federal Government more efficient, more effective, and more responsive—by slimming it down, by eliminating duplication and overlap, by focusing its programs on a coherent set of specific missions, by giving managers greater discretion to respond quickly, and by holding agencies and programs accountable for results.

Clearly, Mr. President, it is time for a change. And there's no better moment than now, when the American people are demanding it. Just as it was our citizens' discontent that led to the Revolution of 1776 against a fat, overbearing, tax-levying king, we must now began to orchestrate a new American Revolution against a fat, overbearing, tax-levying Government bureaucracy. And the legislation I offer today is the first important step in this process. I call it Project Government Reform: The New American Revolution. Its objective is simple: To create a national commission with the authority to reinvent Government. And let me be clear about this commission: It will be a commission with teeth. One that can meet the requirements of restructing and reforming Government to make it more efficient, more effective, and more responsive to the challenges facing America today and to the needs of America tomorrow.

I believe my colleagues will agree with me that an overabundance of commissions in Government is part of the problem and not part of the solution. However, I am certain that they will also agree with me that the issue of closing costly and obsolete military bases—which Congress revisited unsuccessfully for more than 15 years—would still be unresolved had we not elevated the issue beyond politics. The Base Closure Commission empowered to make the recommendations—recommendations that Congress then had to vote on or have the recommendations automatically go into effect—was what allowed us to finally do what had to be done with those wasteful political pets. Likewise, a well-empowered commission to make similar recommendations on a Governmentwide basis is the one sure way we can reorganize Government, making it more efficient, more effective, and more responsive to Americans without getting tangled in politics.

This may seem like a tall order, Mr. President. To be honest, it is a tall order. But it must be done. At the moment, there are four conditions that make this proposal ripe: Federal Government institutions are failing to meet basic service needs; there are new sets of management principles and modern technologies that can be employed; and at the moment our Nation literally cannot afford to service the deficit, let alone continue to spend money it doesn't have on programs that aren't working. Finally, the Federal Government must be prepared to meet the challenges of global competition in this decade and the 21st century.

What we need is to right-size and restructure the executive branch. We need a serious look at consolidating departments and programs, privatizing certain responsibilities, eliminating unnecessary agencies and commissions. And in so doing, we would also be making major strides toward breaking the lock that so many Washington special interests have on public policy.

We should also look at the possibility of decentralizing Government services and agency decisionmaking—perhaps by moving more functions out of Washington and closer to the people where they can do the most good. Think about the potential of a Federal Government—like so many State and local governments—that makes a serious commitment to one-stop shopping. Think about the potential of a Federal Government that reaches out and simplified the redtape for citizens and businesses rather than forcing them to fight their way through a thick bureaucracy—rather than forcing them do deal with several different agencies, offices, and programs, in order to solve a single problem or get a necessary response. This new version of Government is what I am talking about, and establishing a commission that can work above the gridlock of politics is the first step in moving us in that direction.

How this bipartisan commission goes about revising the Federal Government will be—just as it was with the base-closing commission—driven by criteria that are concrete and objective. Much of the substance behind this legislative proposal comes from the work being done by entrepreneurial theorists across America—men like David Osborne and Ted Gaebler, who, advocate getting Government back to the spirit of service. In their book, "Reinventing Government: How the Entrepreneurial Spirit is Transforming the Public Sector," Osborne and Gaebler outline some heartening success stories from State and local governments across America. Unfortunately, however, they describe how the Federal Government is woefully behind in rethinking Government efficiency. In Washington, the old beliefs still prevail: Better service requires a larger work force spending more money.

Well, Mr. President, we cannot ignore the revolution any longer. I am confident that ways can be found to make our Federal Government more effective, more efficient, and more responsive—all while cutting costs by 25 percent. Toward this end, we need a commission that puts performance above politics—a commission to examine both the executive and legislative branches of Government. The commission would then make its recommendations to the President, who, would submit the recommendations he endorses to the Congress for a vote. Both Houses would have to reject the commission's proposed executive branch reforms for them not to go into effect.

Each House would vote individually on the reforms pertaining exclusively to that body. In other words, this would not end up being just an academic exercise, with a package of interesting ideas sitting on a shelf somewhere. It would force Congress to act on a series of fundamental reforms, all designed to reinvent and reinvigorate the way we do business in both branches.

Even Congress would be reevaluated, including those agencies that report directly to Congress, such as the General Accounting Office and the Congressional Budget Office. In my opinion, the days are over when Congress can set rules for everyone else but itself. With respect to Congress, as well as the executive branch, some of the commission recommendations, would include ways to define program missions in terms of measurable outcomes, emphasizing quality of service, customer satisfaction, and results-oriented accountability; consolidate and streamline departments, agencies, and programs, so as to reduce costs, minimize hierarchy, and focus responsibility; reduce the size of the Federal work force through attrition and redirect funding toward improved training and rewarding excellence; and develop mechanisms to promote greater attention to the long-term impacts of budgetary and policy decisions.

The public's confidence will return only when we are successful in getting governmental institutions to respond quickly and effectively, with high-quality services delivered at the minimum necessary cost. In other words, it will be when the people are satisfied that the Federal Government is squeezing maximum value out of each tax dollar. Clearly, we have a long way to go to achieve that. But this commission is a resolute first step.

Mr. President, I welcome the support and cosponsorship of my colleagues on this proposal. I believe it is one that we can join together on. It is nonpartisan and it is necessary. More importantly, it allows us to get proactive with Government, rather than reactive. It demonstrates that fundamental reform of ineffective and costly bureaucracy is possible, and that Congress can work together to make Government work.

We should promise the American people that we will consider a package of major reforms of the Federal Government before the next election, 2 years from now. That is what this legislation does, and I urge that we can enact it soon.

We can turn this crisis in confidence into an opportunity for significant improvement of Government services and efficiency. We owe Americans and the future of America nothing less.

Mr. President, I ask unanimous consent to have printed two attachments.

There being no objection, the attachments were ordered to be printed in the RECORD, as follows:

PROJECT GOVERNMENT REFORM: THE NEW AMERICAN REVOLUTION—SECTION-BY-SECTION ANALYSIS

SEC. 1. SHORT TITLE AND FINDINGS

This Act may be cited as the "Project Government Reform: The New American Revolution."

The Congress finds that—

The American people face a crisis of confidence in the Federal Government, which cannot be remedied without dramatic and fundamental reform. Recent polls indicate that an all time low of only 17 percent of the public approves of Congress, that 78 percent are dissatisfied or angry about the Federal Government, and that American think an average of 48 cents out of every dollar in federal taxes is wasted. While the American people are demanding more performance from their government for less money, Congress and the Executive branch still debate the same old options of fewer services or higher taxes. The public wants governmental institutions that respond quickly to citizens needs, with high-quality services delivered at the minimum necessary cost, and with ever more value squeezed out of each tax dollar.

The Federal Government has many talented and hardworking employees whose effectivenes is hindered by existing organizational structures and operations. Such organizations have too often become inefficient and have structures and missions not reflecting current domestic and international priorities. These organizations were developed during the industrial era, and have large, centralized bureaucracies, a preoccupation with rules and regulations, and a hierarchical chain of command. Such governmental organizations are so obsessed with regulating processes and procedures, that they have ignored the outcomes of their programs.

Unlike the Federal Government, American corporations have spent the last decade making revolutionary changes by streamlining their organizations, decentralizing authority, flattening hierarchies, focusing on quality, and emphasizing responsiveness to the customer. State and local governments have also begun to apply those same principles of post-industrial organization and uses of technology in successful efforts aimed at reinventing government. There is now a crucial need for a serious examination of how the Federal Government might apply such organizational and operational reforms to its own institutions.

SEC. 2. DEFINITIONS

Defines the term "commission" as the "Project Government Reform: The New American Revolution".

Defines the term "congressional instrumentalities" as all congressional agencies, including GAO, CBO, OTA, Library of Congress, the Government Printing Office, and the Architect of the Capitol.

Defines the term "governmental entities" as all Federal departments, independent agencies, Government-sponsored enterprises, and Government corporations.

Defines the term "joint committee" as the Joint Committee on the Organization of the Congress established in section 4.

SEC. 3. THE COMMISSION

The Commission shall be composed of nine members appointed by the President, by and with the advice and consent of the Senate. The President shall transmit to the Senate the nominations for appointment by February 1, 1993. In selecting individuals, the President should consult with—

the Speaker of the House concerning the appointment of two members;

the majority leader of the Senate concerning the appointment of two members;

the minority leader of the House concerning the appointment of one member; and

the minority leader of the Senate concerning the appointment of one member.

The remaining three members of the commission are appointed by the President with no requirement of consultation.

The Speaker and minority leader of the House and the majority leader and minority leader of the Senate will be non-voting ex officio members of the Commission.

Each meeting of the Commission, other than meetings in which classified information is to be discussed, shall be open to the public.

SEC. 4. JOINT COMMITTEE OF THE ORGANIZATION OF THE CONGRESS

The Joint Committee shall be composed of 12 members, including:

four members of the House, two appointed by the Speaker of the House and two appointed by the minority leader;

four members of the Senate, two appointed by the majority leader and two appointed by the minority leader;

four members of the public, of whom one appointed by each of the Speaker and minority leader of the House and majority and minority leader of the Senate.

The Joint Committee shall—

make a full and complete study of the organization and operation of the Congress and its instrumentalities;

recommend improvements in organization and operation with a view toward strengthening the effectiveness of the Congress and its instrumentalities, simplifying its operations, improving its relations with other branches of the Federal government, and improving orderly consideration of legislation.

The Joint Committee shall report to the national Commission not later than January 1, 1994. These recommendations will be considered by the national commission in its formulation of recommendations to be sent to the President under section 5.

SEC. 5. PROCEDURES FOR MAKING RECOMMENDATIONS

The national commission shall transmit to the President findings and statutory recommendations regarding reforms to the organization and operations of the Congress and executive branch which would improve governmental performance while minimizing costs. Such recommendations shall promote economy, efficiency, and improved service in the transaction of the public business, and include ways to—

(1) define program missions in terms of measurable outcomes, emphasizing quality of service, customer satisfaction, and results-oriented accountability;

(2) reform personnel systems so as to improve morale, inspire initiative, maximize productivity and effectiveness, and reward excellence;

(3) increase program responsiveness, by reducing paperwork and procedural requirements and increasing managerial discretion, in return for greater accountability for achieving results;

(4) consolidate and streamline departments, agencies, and programs, so as to reduce costs, minimize hierarchy, and focus responsibility;

(5) reduce the size of the federal workforce through attrition and redirect funding toward improved training and rewarding excellence in the workforce;

(6) promote the application of new information technologies, to improve management and reduce administrative costs; and

(7) develop mechanisms to promote greater cooperation and coordination between the legislative and executive branches, and greater attention to the long-term impacts of budgetary and policy decisions.

The Commission shall conduct public hearings on the recommendations. The Commission shall, by no later than June 1, 1994, transmit to the President a series of reports containing the Commission's findings and statutory recommendations. The Commission has the authority to divide its recommendations into a series of up to 12 reports to the President. No more than one report each shall pertain exclusively to the Senate, the House of Representatives, and the instrumentalities of Congress.

The President shall, by no later than July 1, 1994, transmit to the Commission and to the Congress the President's approval or disapproval of the Commission's recommendations. The President shall treat each report of the Commission as a separate report. If the President approves the recommendations of the Commission, the President shall transmit a copy of such recommendations to the Congress, together with a certification of the approval.

If the President disapproves the recommendations in any of the reports of the Commission, the President shall transmit to the Commission and to the Congress the reasons for that disapproval. The Commission shall then transmit to the President, by no later than July 15, 1994, a revised list of recommendations with regard to that report. If the President approves the revised report, the President shall transmit a copy of the revised report to the Congress, together with a certification of such approval.

If the President does not transmit to the Congress an approval and certification by August 1, 1994, of a particular report, the process by which the recommendations under this Act are to be implemented shall be terminated.

SEC. 6. IMPLEMENTATION OF EXECUTIVE BRANCH RECOMMENDATIONS

Subject to Congressional disapproval of a particular report, the President shall initiate all the recommendations within two years and complete all action no later than the end of six years.

The President may not carry out any of the recommendations if a joint resolution is enacted disapproving such recommendations of a particular report of the Commission before the earlier of the end of the 30-day period beginning on the date on which the President transmits the report or the adjournment of Congress sine die for the session.

A joint resolution is required to be introduced within the 5-day period beginning on the date on which the President transmits a report to the Congress. The resolution shall be referred to the Committee on Government Operations in the House and the Committee on Governmental Affairs in the Senate.

If the committee has not reported a resolution by the end of the 20-day period beginning the date the President transmits the report, the committee will be discharged from further consideration, and the resolution placed on the calendar of the House involved.

On or after the third day after the date on which the committee reported or been discharged of the resolution, it is in order for any Member to move to proceed to the consideration of the resolution. Debate on the resolution shall be limited to not more than five hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order.

SEC. 7. IMPLEMENTATION OF LEGISLATIVE BRANCH RECOMMENDATIONS

Subject to Congressional disapproval by resolution, the leadership and officers of the House and Senate shall initiate and complete all the legislative branch recommendations within two years. Each body will only vote on the resolution pertaining to the recommendations relevant to that chamber's responsibilities.

The leadership and officers of the House and Senate may not carry out any of the recommendations in the relevant report if the resolution is enacted disapproving such recommendations of the Commission before the earlier of the end of the 30-day period beginning on the date on which the President transmits the report or the adjournment of Congress sine die for the session.

A resolution is required to be introduced within the 5-day period beginning on the date on which the President transmits a report under this act to the Congress. The resolution shall be referred to the Committee on House Administration in the House and the Committee on Rules in the Senate.

If the committee has not reported a resolution by the end of the 20-day period beginning the date the President transmits the report, the committee will be discharged from further consideration, and the resolution placed on the calendar of the House involved.

On or after the third day after the date on which the committee reported or been discharged of the resolution, it is in order for any Member of the respective House to move to proceed to the consideration of the resolution. Debate on the resolution shall be limited to not more than five hours, which shall be divided equally between those favoring and those opposing the resolution. An amendment to the resolution is not in order.

TIMETABLE

Beginning of 103rd Congress: Joint Committee on the Organization of the Congress formed.

February 1, 1993: President submits names of the national Commission members to Senate for confirmation.

January 1, 1994: Joint Committee on the Organization of the Congress files report and recommendations to the national commission.

January 1, 1994: GAO and OMB provide recommendations to the Commission.

June 1, 1994: Commission reports recommendations in a maximum of 12 separate reports, with no more than three pertaining exclusively to the legislative branch.

July 1, 1994: President accepts recommendations and sends them to Congress or returns recommendations to the Commission for further review.

July 15, 1994: If President returned recommendations, Commission can issue revised recommendations.

August 1, 1994: President either sends recommendations to the Congress or rejects them.

30-Days: If accepted by the President, the Congress then has 30 days to vote on resolution of disapproval for both executive and legislative branch findings and statutory recommendations.

By Mr. PELL (for himself and Mr. HELMS) (by request):

S. 2532. A bill entitled the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act"; to the Committee on Foreign Relations.

FREEDOM FOR RUSSIA AND EMERGING EURASIAN DEMOCRACIES AND OPEN MARKETS SUPPORT ACT OF 1992

Mr. PELL. Mr. President, by request, I introduce for appropriate reference a bill entitled the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992."

This proposed legislation has been requested by the President, and I am introducing it in order that there may be a specific bill to which Members of the Senate and the public may direct their attention and comments.

I reserve my right to support or oppose this bill, as well as any suggested amendments to it, when the matter is considered by the Committee on Foreign Relations.

I ask unanimous consent that the bill be printed in the RECORD, together with the sectional analysis and the letter from the President to the Congress of the United States, which was received on April 3, 1992.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2532

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TITLE.

This Act may be cited as the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992".

SEC. 2. FINDINGS.

The Congress finds that—

(1) recent developments in Russia and the other independent states of the former Soviet Union present an historic opportunity for a transition to a peaceful and stable international order and the integration of the independent states of the former Soviet Union into the community of democratic nations;

(2) the entire international community has a vital interest in the success of this transition, and the dimension of the problems now faced in the independent states of the former Soviet Union makes it imperative for donor countries and institutions to provide the expertise and support necessary to ensure continued progress on economic and political reforms;

(3) the United States is especially well-positioned because of its heritage and traditions to make a substantial contribution to this transition by building on current technical cooperation, medical and food assistance programs, and by fostering conditions that will encourage the United States business community to engage in trade and investment; and

(4) failure to meet the opportunities presented by these developments could threaten United States national security interests and jeopardize substantial savings in United States defense that these developments have made possible.

SEC. 3. DEFINITION.

As used in this Act, except where the context indicates otherwise, the term "independent states of the former Soviet Union" shall include the independent states that formerly were part of the Soviet Union. It includes Armenia, Azerbaijan, Byelarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan; it does not include Estonia, Latvia, or Lithuania.

SEC. 4. POLICY.

(a) IN GENERAL.—It should be the policy of the United States to facilitate the integration of the independent states of the former Soviet Union into the community of democratic nations, and to make a substantial contribution to the purposes described in section 5 by building on earlier initiatives, including ongoing technical coorperation, medical and food assistance programs. In furtherance of these purposes, the United States should support economic and political reform through the provision of assistance, as well as the promotion of United States trade and investment in those states and other efforts to normalize economic relations.

(b) PROVISION OF ASSISTANCE.—In providing assistance for the independent states of the former Soviet Union, the President should take into account the extent to which such states are taking appropriate steps toward—

(1) establishment of democratic systems based on principles of the rule of law and individual freedoms;

(2) respect for internationally recognized human rights, based on full respect for the individual and including equal treatment for persons belonging to minority groups;

(3) economic reform based on market principles, the development of a substantial private sector and integration into the world economy;

(4) respect for international law and obligations, and adherence to the principles of the Helsinki Final Act and the Charter of Paris; and

(5) adherence to responsible security policies, including non-proliferation of weapons of mass destruction and non-proliferation of destabilizing conventional weapons.

SEC. 5. PURPOSES OF ASSISTANCE.

In furtherance of the policies described in section 4, funds authorized to be appropriated by this Act may be made available for the independent states of the former Soviet Union for the purposes of promoting democracy, encouraging free market systems, meeting urgent and other humanitarian needs, fostering demilitarization of the economy and society, defense conversion and related purposes, promoting development in such sectors as agriculture and energy, promoting bilateral trade and investment, and for such other purposes as the President deems appropriate.

SEC. 6. EXTRAORDINARY NATURE OF ASSISTANCE.

The Congress recognizes that—

(1) change throughout the independent states of the former Soviet Union is occurring rapidly but unevenly, and it will remain impossible to anticipate with certainty how United States assistance would best serve to facilitate the processes of political and economic reform in each of these independent states;

(2) the varying pace of reform and change from region to region will affect in ways that cannot now be anticipated how and where United States assistance can be provided most effectively;

(3) the effectiveness of United States assistance depends on efficient coordination of United States efforts with the similar activities of friendly and allied donor countries, and of international financial institutions;

(4) the development and implementation of United States assistance and related programs should be carried out in a manner to promote the strengthening of United States bilateral relations with the independent states of the former Soviet Union;

(5) expanded trade and investment is the best method of promoting market reforms in the independent states of the former Soviet Union while at the same time promoting the involvement of United States businesses in the emerging private sector in those states;

(6) such trade and investment will generate strong employment and other economic benefits for the United States as the economies of the independent states of the former Soviet Union begin in future years to realize their enormous potential as both customers and suppliers; and

(7) the pace and unprecedented nature of events requires that the President be provided with the authority to furnish United States assistance and resources expeditiously if the United States is to be able to influence events as they occur and effectively promote the purposes of this Act.

SECTION 7. ASSISTANCE AND RELATED ACTIVITIES.

(a) AUTHORITY.—The President is authorized to furnish assistance in order to promote the purposes described in section 5, including assistance for—

(1) support for the creation and development of democratic political systems;

(2) support for the creation and development of private enterprise and free market systems, including technical assistance and training for individuals and appropriate institutions in the basics of business (such as the Special American Business Internship Training Program), public administration, commercial law, and improving understanding of how market economies function, and including support for multilateral efforts to promote macroeconomics stabilization through activities such as support for a stabilization fund or funds;

(3) creation of the conditions for expanded trade and investment, which will be crucial to the development of market economies and genuine private sectors;

(4) support for demilitarization of the society and economy of the independent states of the former Soviet Union and the conversion of defense-related industry and equipment for civilian purposes and uses, and for public and private efforts to absorb effectively defense-related industry personnel into the civilian sector;

(5) improvements in the agricultural sector, including in food distribution and transportation systems to enhance the ability of the independent states of the former Soviet Union to use their own resources to meet basic needs;

(6) promotion of investment in and increased efficiency of the energy sector, which would help the independent states of the former Soviet Union increase hard currency earnings in the medium term, as well as conservation of natural resources and other environment and ecology activities, and support for nuclear reactor safety;

(7) support in addressing emergency and other humanitarian needs of the people of the independent states of the former Soviet Union during the period of transition to a free market economy, particularly by providing technical assistance to enhance the ability of those states to meet future needs in this area;

(8) support for activities that will facilitate efforts connected with the withdrawal and relocation of military forces of the former Soviet Union; preventing the diversion of scientific expertise of the former Soviet Union to terrorist groups or third countries; storing, transporting, safeguarding, disabling and taking other measures to prevent the proliferation of nuclear, chemical and other weapons, including in appropriate circumstances having the United States purchase or otherwise receive such weapons or related material; establishing verifiable safeguards against the proliferation of such weapons; and other efforts designed to reduce the nuclear threat from the former Soviet Union; and

(9) support for educational and cultural exchange programs between the United States and the independent states of the former Soviet Union, including support for programs of the United States Information Agency, and support for " America Houses" in key locations in such states designed as focal points for exchanges of people and information to and from the United States.

(b) PROMOTING INVOLVEMENT OF U.S. PRIVATE SECTOR.—It is the sense of the Congress that the private sector in the United States needs to become increasingly involved in the process of transition taking place in the independent states of the former Soviet Union if reform efforts are to succeed. Accordingly, the President should and is authorized to undertake activities designed to promote the active involvement of the United States private sector, including as appropriate through—

(1) initiatives designed to encourage small- and medium-sized businesses to become involved in the markets of those states, including as appropriate the use of trade missions and other trade promotion techniques, establishment of small- and medium-sized business consortia, the establishment of a central information clearinghouse similar in function to the Eastern Europe Business Information Center, the establishment of information networks and assistance centers including one or more American Business and Management Centers, and the activities of the Department of Commerce and the Trade and Development Program;

(2) support, which may include contributions to an endowment, for one or more Enterprise Funds that help promote United States investment in the private sector of those states, for a "Eurasia Foundation" or similar organizations to provide funds for management and economics training, democratic institution building and other technical assistance including assistance for demonstration projects by American businesses, and for mechanisms designed to enhance the ability of the independent states of the former Soviet Union to acquire the services of private United States citizens needed to help meet technical assistance needs, as well as support through programs of the Overseas Private Investment Corporation and the Department of Commerce;

(3) support, which may include contributions to an endowment, for the "Citizens Democracy Corps" or other appropriate organizations, the purposes of which include utilizing United States citizens having appropriate experience to provide assistance at all levels within the independent states of the former Soviet Union to build democratic institutions, free market economies, and the basic infrastructure of a civil society; to mobilize private United States citizens to participate in such activities; and to establish local centers or work with the "America Houses" described in subsection (a)(9) in such countries in making available logistical and information resources;

(4) technical assistance designed to help normalize economic relations and increase trade between the independent states of the former Soviet Union and the United States, including through seminars on most-favored-nation treatment of goods and services and, when appropriate, the Generalized System of Preferences; and

(5) support for efforts by those states to join or participate in international economic and financial organizations such as the General Agreement on Tariffs and Trade, the Organization for Economic Cooperation and Development, the International Monetary Fund, the International Bank for Reconstruction and Development, and the European Bank for Reconstruction and Development.

(c) PROVISION OF ASSISTANCE.—

(1) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the President for fiscal years 1992 and 1993 such sums as may be necessary to carry out this Act, in addition to amounts otherwise available for such purposes. Funds authorized to be appropriated by this Act are authorized to remain available until expended.

(2) ASSISTANCE UNDER THE FOREIGN ASSISTANCE ACT.—The President should and is authorized to utilize funds made available to carry out the Foreign Assistance Act of 1961, as amended, for programs or the independent states of the former Soviet Union, including utilization of funds under chapter 1 of part I of the Act for development activities in those states consistent with the purposes of that chapter, and of funds under chapter 4 of part II of that Act. Any funds made available under chapter 4 of part II of that Act may be utilized on the same basis as funds authorized to be appropriated by paragraph (1).

(3) APPLICATION OF AUTHORITIES UNDER THE SEED ACT.—In furtherance of the purposes of this Act, and consistent with the provisions of section 8 of this Act, the President may authorize any United States Government agency that has authority under the Support for East European Democracy (SEED) Act of 1989 to take SEED Actions for any eligible East European country under that Act to utilize such authority, and to make available any funds available to it for activities related to international affairs outside Eastern Europe, to take comparable actions with respect to any of the independent states of the former Soviet Union. For purposes of this Act, the term "United States Government agency" shall include any agency as defined in section 644(a) of the Foreign Assistance Act of 1961.

(4) DIRECT LOAN AND LOAN GUARANTEE AUTHORITIES.—Funds authorized to be appropriated by this Act may be utilized to cover the costs, including the cost of modifying such loans, as defined in section 502 of the Congressional Budget Act of 1974, of direct loans and loan guarantees with respect to the independent states of the former Soviet Union, including loan guarantees provided consistent with the provisions of section 108 of the Foreign Assistance Act of 1961, as amended, title IV of chapter 2 of part I of that Act, and the Export-Import Bank Act of 1945, as amended, and to cover the administrative expenses for such direct loans and loan guarantees.

(5) DEPARTMENT OF DEFENSE ACTIVITIES.—In recognition of the direct contributions that such activities can make to the national defense interests of the United States, the President is authorized to make available such sums as may be necessary of funds made available under sections 108 and 109 of Public Law 102-229, and of funds made avail-

able to carry out the provisions of section 23 of the Arms Export Control Act, to carry out the provisions of subsections (a)(4) and (a)(8).

(6) AUTHORITIES.—In order to assist in meeting the administrative costs incurred in connection with carrying out functions under this Act, of the funds authorized to be appropriated by this Act, such sums as may be necessary may be used for administrative expenses of United States Government agencies in connection with administering programs in furtherance of the purposes of this Act. Assistance may be provided and authorities may be exercised for the purposes of this Act notwithstanding any other provision of law, including any program ceilings on loan, guarantee or insurance programs contained in the Foreign Assistance Act of 1961, as amended, or in annual foreign operations, export financing, and related programs appropriations acts. In making available funds authorized to be appropriated under this Act the President may utilize any of the authorities applicable to the provision of assistance under the Foreign Assistance Act of 1961, as amended, and to programs for which appropriations are made in annual foreign operations, export financing, and related programs appropriations acts.

(d) In recognition of the importance of establishing an effective official United States Government presence in the independent states of the former Soviet Union, of the funds authorized to be appropriated by this Act, such sums as may be necessary may be used by the Department of State for costs of personnel and other expenses for new posts in such states.

SEC. 8. COORDINATION OF ACTIVITIES.

The effectiveness of United States efforts to promote a successful transition to democracy and market-oriented economies in the independent states of the former Soviet Union requires that assistance and related programs of all United States Government agencies affecting those states be carefully coordinated. At the same time, it is critical that all assistance and related efforts of United States Government agencies be coordinated with other aspects of our bilateral relations, with the assistance and related programs of other countries and institutions, and with United States foreign policy in general. Accordingly, the Congress commends the steps taken by the President to ensure effective coordination of all activities that the United States Government conducts in furtherance of the purposes of this Act.

SEC. 9. QUOTA INCREASE FOR INTERNATIONAL MONETARY FUND.

In recognition of the critical contribution that the activities of the International Monetary Fund can make to the purposes of this Act, the Bretton Woods Agreements Act is amended by adding at the end thereof the following new sections:

"SEC. 56. QUOTA INCREASE.

"The Congress endorses consent by the United States Governor of the Fund to an increase in the quota of the United States in the Fund equivalent to 8,608,500,000 Special Drawing Rights, limited to such amounts as are appropriated in advance in appropriation Acts.

"SEC. 57. ACCEPTANCE OF AMENDMENTS TO THE ARTICLES OF AGREEMENT OF THE FUND.

"The Congress endorses consent by the United States Governor of the Fund to the amendments to the Articles of Agreement of the Fund approved in resolution numbered 45-3 of the Board of Governors of the Fund."

"SEC. 58. APPROVAL OF FUND PLEDGE TO SELL GOLD TO PROVIDE RESOURCES FOR THE RESERVE ACCOUNT OF THE ENHANCED STRUCTURAL ADJUSTMENT FACILITY TRUST.

"The Congress endorses instruction by the Secretary of the Treasury of the United States Executive Director of the Fund to vote to approve the Fund's pledge to sell, if needed, up to 3,000,000 ounces of the Fund's gold, to restore the resources of the Reserve Account of the Enhanced Structural Adjustment Facility Trust to a level that would be sufficient to meet obligations of the Trust payable to lenders which have made loans to the Loan Account of the Trust that have been used for the purpose of financing programs to Fund members previously in arrears to the Fund.".

SEC. 10. SUPPORT FOR MACROECONOMIC STABILIZATION.

(a) IN GENERAL.—In order to promote macroeconomic stabilization and the integration of the independent states of the former Soviet Union into the international financial system, the United States should in appropriate circumstances take a leading role in organizing and supporting multilateral efforts at macroeconomic stabilization and debt rescheduling, conditioned on the appropriate development and implementation of comprehensive economic reform programs.

(b) CURRENCY STABILIZATION.—In furtherance of the purposes and consistent with the conditions described in subsection (a), the Congress expresses its support for United States participation, in sums of up to $3,000,000,000, in a currency stabilization fund or funds for the independent states of the former Soviet Union.

SEC. 11. ROLE OF INTERNATIONAL FINANCE CORPORATION.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that the International Finance Corporation can play an important role in supporting the economic restructuring in the independent states of the former Soviet Union necessary to move toward market economies. The United States could play a critical role in enabling the International Finance Corporation to leverage the contributions of donors and increase its access to international capital markets, thereby promoting the purposes of this Act. Accordingly, it is the sense of Congress that the President should seek to ensure that the International Finance Corporation provides an ambitious lending program for the independent states of the former Soviet Union.

(b) AUTHORIZATION.—The Congress endorses voting by the United States Governor of the International Finance Corporation for any increase of capital stock of the Corporation that may be needed to accommodate the requirements of the independent states of the former Soviet Union.

SEC. 12. COCOM RESTRICTIONS.

The Congress commends recent efforts that have resulted in a substantial reduction of the number of items the export of which is restricted under COCOM procedures. It is the sense of the Congress that efforts to reduce the number of items the export of which is restricted under COCOM procedures should be continued as an important step in further facilitating expanded trade and investment between the United States and the independent states of the former Soviet Union.

SEC. 13. ESTABLISHMENT OF SCIENCE AND TECHNOLOGY CENTERS.

It is the sense of the Congress that the President should initiate negotiations for the establishment in Ukraine of a center, similar to the center presently contemplated for Russia, for the purpose of promoting science and technology projects for nonmilitary purposes. Such a center would minimize incentives for weapons scientists and engineers of the former Soviet Union, and particularly scientists and engineers previously involved in the design and production of nuclear, biological, and chemical weapons, and other weapons of mass destruction, to engage in activities that could contribute to proliferation of such weapons by supporting the activities for peaceful purposes of such scientists and engineers. It is the further sense of the Congress that the President should utilize the authorities described in sections 7(a)(4) and 7(a)(8) of this Act to make available appropriate support for such a center.

SEC. 14. STATUTORY LISTS OF COMMUNIST COUNTRIES AND SOVIET-SPECIFIC RESTRICTIONS.

(a) FOREIGN ASSISTANCE ACT OF 1961.—Section 620(f)(1) of the Foreign Assistance of 1961 is amended by striking from the list at the end thereof "Czechoslovak Socialist Republic.", "Estonia.", "German Democratic Republic.", "Hungarian People's Republic.", "Latvia.", "Lithuania.", "People's Republic of Albania.", "People's Republic of Bulgaria.", "Polish Peoples Republic.", "Socialist Federal Republic of Yugoslavia.", "Socialist Republic of Romania,", and "Union of Soviet Socialist Republics (including its captive constituent republics).".

(b) EXPORT-IMPORT BANK ACT OF 1945.—The Export-Import Bank Act of 1945 is amended in section 2(b)(2)(B)(ii), by striking from the list at the end thereof "Czechoslovak Socialist Republic.", "Estonia.", "German Democratic Republic.", "Hungarian People's Republic.", "Latvia.", "Lithuania.", "People's Republic of Albania.", "People's Republic of Bulgaria.", "Polish Peoples Republic.", "Socialist Federal Republic of Yugoslavia.", "Socialist Republic of Romania,", and "Union of Soviet Socialist Republics (including its captive constituent republics).".

(c) SPECIAL RESTRICTIONS ON PERSONS INVOLVED IN LEGAL COMMERCIAL TRANSACTIONS.—Section 951(e)(2) of Title 18, United States Code, is amended by striking out "the Soviet Union, the German Democratic Republic, Hungary, Czechoslovakia, Poland, Bulgaria, Romania, or".

(d) OTHER OBSOLETE PROVISIONS.—Upon concluding that doing so is in the national interest of the United States, the President may waive the application with respect to any of the independent states of the former Soviet Union of any provision of law that would have restricted the eligibility of the Soviet Union, by name, or by virtue of actions or obligations of the Soviet Union as it existed prior to December 25 1991, and that might otherwise be construed, to apply to such republic or republics, with respect to any program, benefit or other treatment. This subsection shall not be construed as authorizing waivers of the provisions of Title IV of the Trade Act of 1974, as amended.

SEC. 15. ADDITIONAL STATUTORY PROVISIONS.

(a) OVERSEAS PRIVATE INVESTMENT CORPORATION.—Section 234(g)(2) of the Foreign Assistance Act of 1961 is amended—

(1) by striking out "or" and inserting a comma in lieu thereof"; and

(2) inserting ", and the independent states of the former Soviet Union" after the word "Act".

(b) AMENDMENT TO FOOD SECURITY ACT OF 1985.—Section 1110(b) of the Food Security Act of 1985 is amended by—

(1) striking out "or cooperatives" and inserting in lieu thereof "cooperatives, or other private entities"; and

(2) inserting after "such countries" the phrase ", including the independent states of the former Soviet Union.".

(c) FOOD, AGRICULTURE, CONSERVATION, AND TRADE ACT OF 1990.—Section 1542 of the Food, Agriculture, Conservation, and Trade Act of 1990 is amended—

(1) in subsection (b), by inserting ", services, and agricultural goods and materials" after the word "facilities";

(2) in subsection (d)(1)(B)(i), by inserting ", farmers, other persons from the private sector," after "agricultural consultants"; and

(3) by amending subsection (d)(1)(D) to read as follows:

"(4) TECHNICAL ASSISTANCE.—The President is authorized to provide, or pay the necessary costs for, technical assistance to enable individuals or other entities to implement the recommendations, or to carry out the opportunities and projects identified under, paragraph (1)(A).".

(d) OTHER PROVISIONS APPLICABLE TO AGRICULTURE PROGRAMS.—

(1) FOOD SECURITY ACT OF 1985.—The ceiling limitation contained in section 1110(g) of the Food Security Act of 1985 shall not apply with respect to commodities furnished from stocks of the Commodity Credit Corporation during fiscal years 1992 and 1993 to the independent states of the former Soviet Union.

(2) AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.—For fiscal years 1992 and 1993, the ceiling limitation contained in section 202(e)(1) of the Agricultural Trade Development and Assistance Act of 1954, as amended, shall not apply with respect to programs for the independent states of the former Soviet Union. Any funds made available under that Act may be made available under section 202(e)(1) to assist private voluntary organizations and cooperatives in establishing new food assistance programs for those states under provisions of law other than title II of that Act, as well as for the purposes described in paragraphs (A) and (B) of that section.

(3) AGRICULTURAL TRADE ACT OF 1978.—The Secretary of Agriculture, in carrying out his responsibilities under section 202(f) of the Agriculture Trade Act of 1978, shall take into account the major economic reforms that have been and are occurring in the independent states of the former Soviet Union and the substantial enhancement in the international financial standing of those states to which such reforms can be expected to lead, as well as the contribution that guarantee programs of the Commodity Credit Corporation for these states can be expected to make in these circumstances to the purposes described in sections 202(c) and 202(d) of that Act, with a view toward maintaining a substantial guarantee program to promote the export of United States agricultural commodities in those states.

(e) RESTRICTIONS ON IMPORTS FROM THE SOVIET UNION.—To the extent consistent with Title IV of the Trade Act of 1974, as amended, the President is authorized and encouraged to exempt any of the independent states of the former Soviet Union from any statutory or regulatory restrictions on the importation of goods and services into the United States, to the extent that such restrictions are more stringent with respect to goods and services of such states than restrictions applicable to like goods and services of other friendly countries in similar circumstances.

(f) IMET PROGRAMS.—It is the sense of the Congress that the President should utilize funds made available for chapter 5 of part II of the Foreign Assistance Act of 1961 to provide education and training that is designed to foster greater respect for and understanding of the principle of civilian control of the military in the independent states of the former Soviet Union.

(g) PERSONNEL AUTHORITIES.—In addition to any other authorities available to them, United States Government agencies carrying out programs in furtherance of the purposes of this Act may employ United States citizens or organizations by contract for services abroad, and individuals so employed shall not, by virtue of such employment, be considered to be employees of the United States Government for the purposes of any law administered by the Office of Personnel Management, except that the President may determine the applicability to such individuals of any law concerning the employment of individuals abroad, including the Federal Torts Claim Act.

SECTIONAL ANALYSIS OF THE FREEDOM FOR RUSSIA AND EMERGING EURASIAN DEMOCRACIES AND OPEN MARKETS SUPPORT ACT

The Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992 would authorize the President to provide critical support for the economic and political transformation taking place in the independent states of the former Soviet Union.

Section 1—Title.

This section entitles the bill the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992".

Section 2—Findings.

This section sets forth a series of findings that emphasize the opportunities created by recent events in the independent states of the former Soviet Union for a transition to a peaceful and stable international order and the integration of those states into the community's interest in a successful transition, and the special role that the United States can play because of its heritage and traditions in contributing to this transition. The section also sets forth that failure to meet these opportunities could threaten United States national security interests and jeopardize substantial savings in United States defense that these developments have made possible.

Section 3—Definition.

This section defines the phrase "independent states of the former Soviet Union" as used in this Act. It includes any state established on the territory of the former Soviet Union, but does not include Estonia, Latvia, or Lithuania.

Section 4—Policy.

Subsection (a) sets forth that United States policy should, among other things, facilitate integration of the independent states of the former Soviet Union into the community of democratic nations and support economic and political reform through the provision of assistance, as well as the promotion of United States trade and investment in these states and other efforts to normalize economic relations.

Subsection (b) sets forth several considerations that the President should take into account in providing assistance, including establishment of democratic systems; respect for internationally recognized human rights; economic reform; respect for international law and obligations, and adherence to the principles of the Helsinki Final Act and the Charter of Paris; and adherence to responsible security policies.

Section 5—Purposes of Assistance.

This section states that funds authorized to be appropriated by this Act may be made available for the independent states of the former Soviet Union in furtherance of the policies described in section 4 for the purposes of promoting democracy, encouraging free market systems, meeting urgent and other humanitarian needs, fostering demilitarization of the society and economy, defense conversion and related purposes, promoting development in such sectors as agriculture and energy, promoting bilateral trade and investment, and for such other purposes as the President deems appropriate.

Section 6—Extraordinary Nature of Assistance.

This section highlights the extraordinary circumstances surrounding the need for assistance under this Act, and the need in light of these circumstances to ensure that the United States is in a position to furnish United States assistance and resources expeditiously if it is to be able to influence events as they occur and effectively promote the purposes of this Act.

Section 7—Assistance and Related Activities.

Subsection (a) authorizes the President to furnish assistance in order to promote the objectives described in section 5, including assistance for support for the creation and development of democratic political systems, and of private enterprise and free market systems (including support for multilateral efforts to promote macroeconomic stabilization through activities such as support for a stabilization fund or funds), creation of the conditions for expanded trade and investment, demilitarization of the society and economy, conversion of defense-related industry and equipment for civilian purposes and uses, and public and private efforts to absorb effectively defense-related industry personnel into the civilian sector, improvements in the agriculture sector, including in food distribution and transportation systems, promotion of investment in and increased efficiency of the energy sector as well as conservation of natural resources and other environment and ecology activities and support for nuclear reactor safety, addressing emergency and other humanitarian needs, activities that will facilitate efforts connected with the withdrawal and relocation of military forces of the former Soviet Union as well as nonproliferation and related efforts (including in appropriate circumstances having the United States purchase, or receive without cost, such weapons or related material), and educational and cultural exchange programs.

Subsection (b) sets forth the sense of the Congress concerning promoting involvement of the United States private sector in the process of transition taking place in the independent states of the former Soviet Union and authorizes the President to undertake activities designed to promote the active involvement of the private sector. These activities include:

Initiatives designed to encourage involvement of small- and medium-sized businesses in the markets of those states;

Support (including in the form of contributions to an endowment, in which circumstances the organization would—as under section 201(h) of the Support for East European Democracy (SEED) Act of 1989 with respect to Enterprise Funds for Poland and Hungary—be able to retain and use for program purposes interest earned on funds received as grants) for one or more Enterprise Funds that help promote United States investment in the private sector, for a Eurasia Foundation or similar organizations to provide funds for management and economics training, democratic institution building, and other technical assistance, and for mechanisms designed to enhance the ability of the independent states of the former Soviet Union to acquire the services of private United States citizens needed to help meet technical assistance needs;

Activities and programs of the Department of Commerce, the Overseas Private Investment Corporation and the Trade and Development Program;

Support for the "Citizens Democracy Corps" or other appropriate organizations as described in the provision;

Technical assistance designed to help normalize economic relations and increase trade between the independent states of the former Soviet Union and the United States; and

Support for efforts by those states to participate in certain international economic and financial organizations.

Subsection (c)(1) authorizes to be appropriated to the President such sums as may be necessary to carry out this Act, in addition to amounts otherwise available for such purposes.

Subsection (c)(2) authorizes the President to utilize funds made available to carry out the Foreign Assistance Act of 1961, as amended, for programs for the independent states of the former Soviet Union, and specifies that any such funds that are made available under chapter 4 of part II of that Act may be utilized on the same basis as funds authorized to be appropriated under paragraph (1).

Subsection (c)(3) authorizes any United States Government agency that has authority under the Support for East European Democracy (SEED) Act of 1989 to take SEED Actions for any eligible East European country under that Act to utilize such authority to take comparable actions with respect to any of the independent states of the former Soviet Union. A definition of the phrase "SEED Actions" is set forth in section 2(c) of the Support for East European Democracy (SEED) Act of 1989, and the subsection specifies that the phrase "United States Government agency" is intended to have the same meaning as the phrase "Agency of the United States Government" in section 644(a) of the Foreign Assistance Act of 1961. Under this subsection, agencies may utilize funds available to them for activities related to international affairs outside Eastern Europe in order to fund activities under this section. This exception for Eastern Europe is intended to help ensure that funding for programs for the independent states of the former Soviet Union not come at the expense of programs for the countries of Eastern Europe (including the Baltic countries of Estonia, Latvia and Lithuania).

Subsection (c)(4) authorizes utilization of funds authorized to be appropriated by this Act to cover the subsidy cost and administrative expenses for any direct loans or loan guarantees. Loans or guarantees could be provided in connection with this authority in a variety of ways. For instance, they could be provided directly under the authority of this paragraph; in connection with the general authority under the Foreign Assistance Act to provide assistance on such terms as may be best suited to the achievement of the purposes of that Act; or in connection with the authority to furnish assistance under chapter 4 of part II of that Act "on such terms and conditions as [the President] may determine, in order to promote economic stability." Alternatively, funds could be utilized in the same manner as under ongoing loan, guarantee and insurance programs such as those conducted by the Overseas Private Investment Corporation and the Export-Import Bank.

Subsection (c)(5) supplements the authority of the President to utilize funds made available under section 108 and 109 of Public Law 102–229 by making them available to carry out the provisions of section 7(a)(4) and section 7(a)(8), relating to efforts described above in such areas as nonproliferation, withdrawal and relocation of military forces of the former Soviet Union, demilitarization and defense conversion. This subsection also authorizes the use of foreign military financing (FMF) funds appropriated to carry out the provisions of section 23 of the Arms Export Control Act for these same types of activities. In combination with the authority contained in the following subsection, described below, FMF funds could be utilized for providing such activities notwithstanding any other provision of law, and thus the purpose for which such activities might be undertaken would not need to fall within the categories described in section 4 of that Act, nor would there be a requirement to find the independent states of the former Soviet Union eligible for arms sales before proceeding.

Subsection (c)(6) contains a series of general authorities. First, it authorizes use of funds authorized to be appropriated by this Act for administrative expenses of United States Government agencies in connection with administering programs in furtherance of the purposes of this Act. Second, it provides that assistance may be provided and authorities may be exercised for the purposes of this Act notwithstanding any other provision of law. It thus for instance would permit the use of funds appropriated under subsection (c)(1) or economic support funds made available under subsection (c)(2) notwithstanding any other provision of law; would permit the use of funds for Overseas Private Investment Corporation (OPIC) and Export-Import Bank loan, guarantee and insurance programs under subsection (c)(4) notwithstanding otherwise applicable program ceilings on their activities (including for example limitations on maximum contingent liability contained in sections 235(a) (1) and (2) of the Foreign Assistance Act of 1961 and limitations on commitments to guarantee loans contained in section 235(a)(2) of that Act); would as already indicated permit under subsection (c)(5) the use of funds made available to carry out the foreign military financing program for assistance described under subsections (a)(4) and (a)(8) without regard to the restrictions otherwise applicable to such funds; and would permit the taking of actions authorized under this or other sections of the Act notwithstanding such provisions. Finally, this subsection provides that in making available funds appropriated under this Act, the President may utilize any of the authorities applicable to the provision of assistance under the Foreign Assistance Act of 1961, as well as any of the authorities applicable to programs for which appropriations are made in annual foreign operations, export financing, and related programs appropriations acts (including as an example Peace Corps programs).

Subsection (d) contains a statement regarding the importance of establishing an effective official United States Government presence in the independent states of the former Soviet Union. It provides that of the funds authorized to be appropriated by this Act, such sums as may be necessary may be used by the Department of State for costs of personnel and other expenses for new posts in such states.

Section 8—Coordination of Activities.

This section stresses the need for careful coordination of all United States assistance and related programs for the independent states of the former Soviet Union among United States Government agencies and with the efforts of other countries and institutions. In this connection, the President issued a comprehensive statement regarding coordination within the Executive branch on December 12, 1991. The subsection commends the steps taken by the President to ensure effective coordination of all activities that the United States Government conducts in furtherance of the purposes of this Act.

Section 9—Quota Increase for International Monetary Fund.

This section amends the Bretton Woods Agreements Act in recognition of the critical contribution that the activities of the International Monetary Fund can make to the purposes of this Act. The section provides for an increase in the quota of the United States in the International Monetary Fund, subject to appropriations, as previously requested by the Administration. At the same time, it provides for acceptance of certain amendments to the Fund's Articles of Agreement that would allow the Fund to suspend a member's voting rights if that member, having been declared ineligible to use the Fund's general resources because it failed to fulfill obligations under the Articles, persists in its failure to fulfill its obligations; and contains a related provision regarding the sale of certain of the Fund's gold. The amendment and the gold pledge are integral parts of the strengthened arrears strategy, which was in turn adopted as an integral part of the arrangements concerning the quota increase to ensure that the Fund's monies are utilized wisely. The quota increase resolution that was approved by the Fund's Board of Governors provides that the quota increase cannot become effective without approval of the amendments described above to the Articles of Agreement.

Section 10—Support for Macroeconomic Stabilization.

Subsection (a) states that, in order to promote macroeconomic stabilization and the integration of the independent states of the former Soviet Union into the international financial system, the United States should in appropriate circumstances take a leading role in organizing and supporting multilateral efforts at macroeconomic stabilization and debt rescheduling, conditioned on the appropriate development and implementation of comprehensive economic reform programs.

In furtherance of the purposes and consistent with the conditions described in subsection (a), subsection (b) expresses congressional support for United States participation, in sums of up to $3,000,000,000, in a currency stabilization fund or funds for the independent states of the former Soviet Union.

Section 11—Role of International Finance Corporation.

Subsection (a) expresses the sense of the Congress with regard to the role of the International Finance Corporation (IFC), and expresses the sense of the Congress that the President should seek to ensure that the IFC provides an ambitious lending program for the independent states of the former Soviet Union.

Subsection (b) constitutes the authorization contemplated under section 5 of the International Finance Corporation Act for the United States to vote for any increase in the capital stock of the International Finance Corporation needed to accommodate the requirements of the independent states of the former Soviet Union.

Section 12—COCOM Restrictions.

This section commends recent efforts that have resulted in a substantial reduction of the number of items the export of which is restricted under COCOM procedures, and states the sense of the Congress that efforts to reduce the number of items the export of which is restricted under COCOM procedures should be continued as an important step in further facilitating expanded trade and investment between the United States and the independent states of the former Soviet Union.

Section 13—Establishment of Science and Technology Centers.

This section states the sense of the Congress that the President should initiate negotiations for the establishment of a Science and Technology Center in Ukraine, similar to the center presently contemplated for Russia.

Section 14—Statutory lists of communist countries and Soviet-specific restrictions.

Subsections (a), (b) and (c) delete the Soviet Union and Eastern European countries from the statutory communist country lists contained in the Foreign Assistance Act of 1961 and the Export-Import Bank Act of 1945, as well as the provisions governing registration of foreign agents representing these countries in certain legal commercial matters.

Subsection (d) authorizes the President, upon concluding that doing so is in the national interest, to waive the application with respect to any of the independent states of the former Soviet Union of provisions of law that would have restricted the eligibility of the Soviet Union, by name, or by virtue of actions or obligations of the Soviet Union as it existed prior to December 25, 1991, and that might otherwise be construed to apply to such republic or republics, with respect to any program, benefit or other treatment. The provision thus recognizes that statutory provisions enacted in an earlier era to prohibit certain activities with respect to the Soviet Union should no longer necessarily apply with respect to the independent states of the former Soviet Union, and that in many cases it will not make sense to apply restrictions to the independent states that arise because of actions or obligations for which the Soviet Union was responsible. In some cases such statutory provisions might be deemed inapplicable to the independent states as a matter of statutory interpretation of the particular provision involved, but even in such cases a mechanism that allows for a specific waiver will be useful in clarifying situations about which there might otherwise be doubt. Among the statutory provisions to which this authority would apply are the Byrd and Stevenson Amendments, each of which specifically names the Soviet Union, and the Johnson Debt Default Act, which applied by virtue of actions or obligations in connection with the renunciation of debt by the former Soviet Union. A specific exception provides that the authority of this provision cannot be used to waive the provisions of Title IV of the Trade Act of 1974, which includes the Jackson-Vanik Amendment.

Section 15—Additional statutory provisions.

Subsection (a) amends section 234 of the Foreign Assistance Act to make the independent states of the former Soviet Union eligible for the OPIC pilot equity program. Subsections (b), (c), and (d) contain a series of provisions allowing greater flexibility in Department of Agriculture programs for the independent states of the former Soviet Union. Subsection (d)(3) states that the Secretary of Agriculture, in carrying out his responsibilities under section 202(f) of the Agricultural Trade Act of 1978, shall take into account the major economic reforms that have been and are occurring in the independent states of the former Soviet Union and the substantial enhancement in the international financial standing of those states to which such reforms can be expected to lead, as well as the contribution that guarantee programs of the Commodity Credit Corporation for these states can be expected to make in these circumstances to the purposes described in sections 202(c) and 202(d) of that Act, with a view toward maintaining a substantial guarantee program to promote the export of United States agricultural commodities in those states.

Subsection (e) provides authority for the President to exempt where appropriate the independent states of the former Soviet Union from certain statutory or regulatory restrictions on the importation of goods and services into the United States, though not from the provisions of Title IV of the Trade Act of 1974.

Subsection (f) expresses the sense of the Congress that the President should utilize funds made available for the International Military Education and Training (IMET) program to provide education and training that is designed to foster greater respect for and understanding of the principle of civilian control of the military in the independent states of the former Soviet Union.

Subsection (g) relates to personnel services contracting authority. Several United States Government agencies have the authority to enter into personal services contracts (PSCs) with United States citizens abroad. The extension of the authority to hire United States citizens under PSCs to all agencies when carrying out programs in furtherance of the purposes of this Act would have at least three beneficial effects: (1) it would enable them to hire from the pool of talent among Mission dependent spouses, who often have advanced university degrees and practical skills of great value, and other qualified in-country United States citizens; (2) it would enable them to cover unexpected staff vacancies immediately by taking advantage of spouse security clearances; and (3) by cutting back on part-time intermittent appointments, it would avoid the need to draw against the agencies' employment ceilings to handle new responsibilities. This section would permit the United States Information Agency, for example, to hire spouses or United States students in country to participate in the wide-ranging activities of America Houses in the independent states of the former Soviet Union.

To the Congress of the United States:

I am pleased to transmit a legislative proposal entitled the "Freedom for Russia and Emerging Eurasian Democracies and Open Markets Support Act of 1992" (the FREEDOM Support Act of 1992). Also transmitted is a section-by-section analysis of the proposed legislation.

I am sending this proposal to the Congress now for one urgent reason: With the collapse of the Soviet Union, we face an unprecedented historical opportunity to help freedom flourish in the new, independent states that have replaced the old Soviet Union. The success of democracy and open markets in these states is one of our highest foreign policy priorities. It can help ensure *our* security for years to come. And the growth of political and economic freedom in these states can also provide markets for our investors and businesses and great opportunities for friendship between our peoples.

While this is an election year, this is an issue that transcends any election. I have consulted with the congressional leadership and have heard the expressions of support from both sides of the aisle for active American leadership. I urge all Members of Congress to set aside partisan and parochial interests.

Just as Democrats and Republicans united together over 40 years to advance the cause of freedom during the Cold War, now we need to unite together to win the peace, a democratic peace built on the solid foundations of political and economic freedom in Russia and the other independent states.

This proposal gives me the tools I need to work with the international community to help secure the post-Cold War peace. It provides a flexible framework to cope with the fast-changing and unpredictable events transforming Russia, Ukraine, Armenia, and the other states. This proposal will allow us to:

—Mobilize fully the executive branch, the Congress, and the private sector to support democracy and free markets in Russia and the other independent states of the former Soviet Union;

—Address comprehensively the military, political, and economic opportunities created by the collapse of the Soviet Union, targeting our efforts and sharing responsibilities with others in the international community; and

—Remove decisively the Cold War legislative restrictions that hamstring the Government in providing assistance and impede American companies and businesses from competing fairly in developing trade and investment with the new independent states.

Passage of this proposal will enable the United States to maintain its leadership role as we seek to integrate Russia and the other new independent states into the democratic family of nations. Without the tools this proposal provides, our policy of collective engagement will be constrained, our leadership jeopardized.

This proposal has 10 key elements:

First, this proposal provides the necessary flexibility for the United States to extend emergency humanitarian assistance to Russia and the other new independent states.

Emergency humanitarian assistance will help the peoples of the former Soviet Union to avoid disaster and to reduce the danger of a grave humanitarian emergency next winter. In this endeavor, the United States will not go it alone but will continue to work closely with the international community, a process we initiated at the Washington Coordinating Conference in January and will continue in the months ahead in regular conferences with our allies. By dividing our labors and sharing our responsibilities, we will maximize the effects of our efforts and minimize the costs.

Second, this proposal will make it easier for us to work with the Russians and others in dealing with issues of nuclear power safety and demilitarization. This proposal broadens the authority for Department of Defense monies appropriated last fall for weapons destruction and humanitarian transportation to make these funds, as well as foreign military financing funds, available for nonproliferation efforts, nuclear power safety, and demilitarization and defense conversion.

Third, technical assistance can help the Russians and others to help themselves as they build free markets. Seventy years of totalitarianism and command economics prevented the knowledge of free markets from taking a firm hold in the lands of Russia and Eurasia. By providing know-how, we can help the peoples and governments of the new independent states to build their own free market systems open to our trade and investment. It will also allow agencies authorized to conduct activities in Eastern Europe under the "Support for East European Democracy (SEED) Act of 1989" to conduct comparable but separate activities in the independent states of the former Soviet Union. Through organizations such as a Eurasia Foundation, we will be able to support a wide range of technical assistance efforts.

Fourth, this proposal will allow us to significantly expand our technical assistance programs that facilitate democratization in the new states, including our expanding rule of law program. It will authorize support for programs such as "America Houses." It also provides support for expanded military-to-military programs with Russia and the other new independent states to cultivate a proper role for the military in a democratic society.

Fifth, this proposal provides a clear expression of bipartisan support to continue to extend Commodity Credit Corporation Credit guarantees to Russia and the other new independent states in light of the progress they are making toward free markets. As they overcome their financial difficulties, we should take into account their commitment to economic freedom in providing credit guarantees that will help feed their peoples while helping American farmers.

Sixth, for American business, this proposal expands authority for credit and investment guarantee programs such as those conducted by the Overseas Private Investment Corporation (OPIC) and the Export-Import Bank. It will allow us to waive statutory ceilings on credit guarantee programs of the Export-Import Bank Act and other agencies that applied to the Soviet Union and the restrictions of the Johnson Debt Default Act on private lending. In this way, it will expand U.S. exports to and investment in Russia and the other new independent states.

Seventh, this bill will facilitate the development of the private sector in the former Soviet Union. This bill removes Cold War impediments while promoting outside investment and enhanced trade. It will also allow waiver of restrictions on imports from the independent states of the former Soviet Union beyond those applied to other friendly countries. It will support efforts to further ease Coordinating Committee (COCOM) restrictions on high technology. The bill will also allow the establishment of Enterprise Funds and a capital increase for the International Financial Corporation.

Eighth, this proposal will allow the United States to work multilaterally with other nations and the international financial institutions toward macroeconomic stabilization. At the end of World War II, the United States stood alone in helping the nations of Western Europe recover from the devastation of the war. Now, after the Cold War, we have the institutions in place—the International Monetary Fund (IMF) and the World Bank—that can play a leading role in supporting economic reform in Russia and Eurasia.

Therefore, this proposal endorses an increase in the IMF quota for the United States. This will help position the IMF to support fully a program of macroeconomic stabilization. I request the Congress to pass both the authorization and appropriations necessary for this purpose.

Ninth, this proposal endorses a significant U.S. contribution to a multilateral currency stabilization fund. Working with the international financial institutions and the other members of the G–7, we are putting together a stabilization fund that will support economic reform in Russia and the other independent states.

Tenth, this proposal provides for an expanded American presence in Russia and the other new independent states, facilitating both government-to-government relations and opportunities for American business. Through organizations such as the Peace Corps and the Citizens Democracy Corps, we will be able to put a large number of American advisors on the ground in the former Soviet Union.

In sending this authorization legislation to the Congress, I also request concurrent action to provide the appropriations necessary to make these authorizations a reality. In order to support fully multilateral efforts at macroeconomic stabilization, I urge the Congress to move quickly to fulfill the commitment of the United States to the IMF quota increase. And I urge prompt enactment of the appropriations requests for the former Soviet Union contained in the Fiscal Years 1992 and 1993 Budget requests presently before the Congress.

I call upon the Congress to show the American people that in our democratic system, both parties can set aside their political differences to meet this historic challenge and to join together to do what is right.

On this occasion, there should be only one interest that drives us forward: American's national interest.

GEORGE BUSH.

THE WHITE HOUSE, *April 3, 1992.*

By Mr. INOUYE (for himself, Mr. AKAKA, Mr. ADAMS, Mr. DIXON, Mr. DODD, Mr. MURKOWSKI, Mr. STEVENS, and Mr. SEYMOUR):

S. 2533. A bill to amend the Earthquake Hazards Reduction Act of 1977 to encourage implementation of research results, to protect life and property, and to facilitate the provision of insurance against the risk of catastrophic earthquakes and volcanic eruptions, and for other purposes; to the Committee on Commerce, Science, and Transportation.

EARTHQUAKE AND VOLCANIC ERUPTION HAZARD REDUCTION ACT

• Mr. INOUYE. Mr. President, today, I rise to introduce the Earthquake and Volcanic Eruption Hazard Reduction Act. I am joined by Senators AKAKA, ADAMS, DIXON, DODD, MURKOWSKI, STEVENS, and SEYMOUR as original cosponsors of my bill.

The purpose of this legislation is to reduce losses arising from future earthquakes and volcanic eruptions, and to make insurance against such disasters widely available and affordable to the general public. This legislation is based upon H.R. 2806, introduced last year by Representative SWIFT. However, my measure expands insurance coverage to include fires associated with volcanic eruptions. Some insurance companies on the Island of Hawaii refuse to provide coverage for damage resulting from fires caused by volcanic lava flows. Consequently, many homeowners on the Island of Hawaii are unable to obtain insurance to protect themselves from possible losses.

In the absence of an adequate system for insuring against such losses, victims of earthquake and volcanic eruption must rely upon various forms of disaster assistance. Unfortunately, there are several widely recognized problems plaguing disaster assistance programs. According to a Senate Commerce Committee report entitled "Earthquake Insurance: Problems and Options" (Senate Report 99–220) disaster assistance programs: First, are costly to the Federal Government and taxpayers; second, in effect subsidize disaster losses, and thus creates problems in seeking disaster assistance relief; third, do not provide adequate assistance to all victims; fourth, are inequitable; and fifth, do not allow people to choose the amount of protection they desire.

There are two insurance programs established under this legislation. First, the bill creates a State-oriented earthquake and volcanic eruption hazard reduction program of incentives and phased-in requirements.

Second, the bill creates two separate but similar insurance programs which, in conjunction with the private sector, prefunds natural disaster assistance. Both insurance programs will be managed by the Federal Emergency Management Agency and include: First, a primary insurance program supported by homeowner-paid premiums to cover residential losses resulting from earthquake, or volcanic eruption, including fire associated with a volcanic eruption; and second, an excess reinsurance program supported by industry-paid premiums to cover most insured damages resulting from a catastrophic earthquake or volcanic eruption.

Under the Hazard Reduction Program, the Federal Emergency Management Agency [FEMA], in consultation with existing hazard reduction programs and an advisory committee, is required to develop Federal hazard reduction criteria standards. Such criteria will include building codes, land-use planning, and seismic strengthening of existing structures. Upon approval and implementation of the reduction criteria, earthquake-prone and volcanic-prone States have 2 years to minimally comply with the relevant mitigation measures of the Federal standards.

Further, a self-sustaining mitigation fund, which consists of insurance premiums, would be established to assist states with its compliance efforts. Additional education and technical support efforts are also authorized under this bill, to be paid from the fund.

In addition, an earthquake-prone State or volcanic eruption-prone State will be penalized if it fails to certify compliance of the Federal hazard reduction criteria. States could not qualify for federally backed mortgages, unless the homeowner voluntarily takes steps to mitigate damages from future earthquakes or volcanic eruptions.

The bill also provides insurance incentives such as lower deductibles and premiums for homes that meet the seismic standards in earthquake-prone States, as well as lower premiums for new residential property not constructed in volcanic zones for volcanic eruption-prone States.

The other components of this measure are the insurance programs. The primary insurance program extends coverage to residential property which includes one to four family residential dwellings, and the contents of condominiums, cooperatives, and apartment structures. FEMA would set the coverage limits, variable deductibles, and the insurance rates. Premiums would be actuarial to cover the frequency and severity of the earthquake risk over an extended period, and the rates would vary by geographic zones to minimize cross-subsidization. Premiums would be collected by private insurers and remitted to a Federal trust fund, which would be off-budget and tax-exempt. Insurers would process the claims and pay for the losses arising from earthquake and volcanic eruption disasters. The Federal trust fund would reimburse the insurers from the moneys in the tax-exempt fund. In the event the fund is insufficient to pay all losses, the shortfall would be made up by borrowing from the U.S. Treasury. Insurers would also contribute 10 percent to make up any shortfall. This Government borrowing and industry cost-sharing would be repaid with interest from future premiums.

The excess reinsurance program requires insurers participating in the primary insurance program to purchase the reinsurance coverage offered under the excess reinsurance program. The reinsurance program would be available for many lines of coverage, including fire, workers compensation, business interruption, burglary and theft, homeowners, multiple peril, and other liabilities resulting from earthquakes and volcanic eruptions. FEMA would set the reinsurance premiums which are based upon actuarial principles. The premiums collected by the Federal Government would be maintained in a tax-exempt fund—separate from that of the primary insurance program—and would be used to pay losses should the excess reinsurance program become activated. The Federal borrowing authority is authorized to cover deficits in the excess reinsurance program with provisions for repayment from future reinsurance premiums. For the insurance industry to qualify for reinsurance payments, a catastrophic earthquake or volcanic eruption must result in at least $10 billion worth of insured losses. The Federal Government is liable to an individual insurer or reinsurer for 95 percent of the qualifying losses once the reinsurance coverage is activated.

Mr. President, this legislation is a reasonable means of providing affordable insurance against earthquake and volcanic eruption losses. I urge my colleagues to support this measure.•

• Mr. SEYMOUR. Mr. President, I am pleased to join today with the distinguished senior Senator from Hawaii, [Mr. INOUYE] and a number of my colleagues in introducing the Earthquake and Volcanic Eruption Hazard Reduction Act.

Few residents of California's bay area will ever forget where they were or what they were doing on the evening of October 17, 1989. Baseball fans everywhere were tuning their televisions set to game 3 of the World Series when, at 5:04 p.m. a major earthquake struck. The Loma Prieta earthquake was the largest to hit a major population center in the United States in decades. It opened America's eyes to the very real and destructive forces of earthquakes.

To put the Loma Prieta earthquake in perspective, it was about the same magnitude as the December 1988 Armenian earthquake that killed over 25,000. The California toll was much lower thankfully due to better building construction and earthquake resistant provisions in the building code. I raise this issue to point out that much of the damage and loss of life in the Loma Prieta earthquake was a result of structural damage.

Few people realize that the Loma Prieta earthquake was only rated moderate to large by the U.S. Geological Survey. In other words, Mr. President, the big one is still out there; experts predict it will occur within the next 30 to 40 years and be as much as 30 times more powerful than Loma Prieta. It is estimated that a very large earthquake near an urban area could cause as much as $50 billion in insured losses, leading to failure in the marketplace.

Let me point out as well, that the likelihood of such an earthquake occurring east of the Mississippi is quite high. This is not an issue for California alone, but one for States along the New Madrid Fault like Missouri and Illinois and other States along the east coast from South Carolina to New York to name but a few.

The legislation we are introducing is not a cure-all to the myraid of problems and the pain and suffering that inevitably result from earthquakes of such a magnitude. This bill, however, will begin a long-overdue dialogue toward the development of workable and cost-effective loss mitigation programs. Moreover, it is the starting point to the establishment of a broad-based nationwide earthquake insurance program. It is important to recognize that the earthquake insurance program created through this bill will be self-supporting with no financial liability to the Federal Government.

Mr. President, as a Californian, I have witnessed firsthand the tremendous destructive forces of earthquakes. We must do all that we can to be prepared before the next one strikes. This legislation can help us to accomplish this goal.•

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 2535. A bill to amend the National School Lunch Act to modify the minimum nutritional requirements for school lunches, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

NATIONAL SCHOOL LUNCH ACT AMENDMENTS

• Mr. INOUYE. Mr. President, I rise to amend the National School Lunch Act to improve upon the nutritional requirements for school lunches. My bill requires the Secretary of Agriculture to provide lunches under the School Lunch Program that meet the current dietary guidelines for Americans, utilize nutritive values of foods in defining school lunch patterns, and encourage the use of locally produced foods.

While our current laws may imply that the National School Lunch Program is consistent with the dietary guidelines for Americans, my measure makes compliance explicit. Further, compliance may or may not be the case if school lunch patterns are derived through the use of food components. This latter concept served its purpose when the National School Lunch Program was initiated. However, the concept is today outdated, in light of the tremendous strides made in the nutritional sciences since the inception of the School Lunch Program. Specifically, I refer to the nutritive value information contained in the current edition of the United States Department of Agriculture's Agriculture Handbook No. 8. This data reflects the increasing information available on nutrients and food products, and serves as a more appropriate and up-to-date basis for defining school lunch patterns.

In all candor, I was shocked to learn that there is more accuracy and precision in the formulation of rations for livestock using the advances in nutritional sciences than there is in formulating our children's school lunch patterns derived from the use of food components. Additionally, the present use of food components can and does preclude the use of lesser known foods, even though the latter may surpass the nutritional content of some of the more standard foods. These less commonly used foods are often those produced locally and are not in the mainstream of the American diet.

In Hawaii, there are numerous instances where locally grown foods are high in nutritive content, and are preferred to the more standard foods. For example, some of the tropical fruit juices fall in this category. Guava juice is highly nutritious and compares favorably with juices commonly used in the School Lunch Program. Guava juice, and Guava-blend juice, are also well known by Hawaii's children and often the juice of preference. Unfortunately, the food component approach precludes the use of guava juice to partially meet the fruit requirement because guava juice is never used at full or even half strength. It is always served in a diluted form. Even in this form, the nutritional content is on a par with more commonly used juices. Yet, given the imprecise nature of food components, guava juice in its preferred serving form is not allowed.

Precluding the use of these locally produced foods denies flexibility to School Lunch Program managers and also denies our children of foods that are nutritious, familiar, and in some cases, cultural. This illogical circumstance stems from the rigidities of using food components, rather than nutritive values in defining school lunch patterns. I was proud to have assisted in securing the necessary approvals to allow taro, a member of the potato family, to be served in limited situations. I believe the serving of taro should be made a full option for Hawaii's School Lunch Program managers because it is nutritious, familiar, and was a mainstay of the native Hawaiian diet.

Of course, simply allowing for the inclusion of locally produced foods does not preclude School Lunch Program managers from using the more usual foods that are available on a national basis. However, I strongly believe that local food producers should be given an opportunity to compete to have their products served through the School Lunch Program.

Through my bill, we would provide our children who participate in the School Lunch Program with meals that more closely comply with current and established dietary guidelines. The use of nutritive values, rather than food groups, allows considerably more precision in lunch pattern preparation. Further, by encouraging the use of locally produced foods, children participating in the program are offered foods with which they have familiarity. There are also added benefits of increased nutritive values associated with freshness.

I urge my colleagues to support this bill.

Mr. President, I ask that the full text of my bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2535

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MINIMUM NUTRITIONAL REQUIREMENTS FOR SCHOOL LUNCHES.

Section 9(a) of the National School Lunch Act (42 U.S.C. 1758(a)) is amended—

(1) in paragraph (1), by striking "Lunches" and inserting "Subject to the other provisions of this subsection, lunches"; and

(2) by adding at the end the following new paragraph:

"(5) In prescribing minimum nutritional requirements for lunches under paragraph (1), the Secretary shall—

"(A) consider lunches that are consistent with current Dietary Guidelines for Americans published by the Secretary and the Secretary of Health and Human Services to have met the requirements;

"(B) utilize the nutritive value of foods, rather than food components, in defining school lunch patterns; and

"(C) encourage the use of locally produced foods.".•

By Mr. SEYMOUR:

S. 2536. A bill to amend the Public Health Service Act to establish a program of formula grants for compensating certain trauma care centers for unreimbursed costs incurred with respect to undocumented aliens, and for other purposes; to the Committee on Labor and Human Resources.

TRAUMA CARE CENTER ALIEN COMPENSATION ACT

• Mr. SEYMOUR. Mr. President, I rise today to introduce a bill which will assist our Nation's trauma care system with unreimbursed costs incurred by serving undocumented aliens. Trauma centers find themselves in a precarious situation. These centers are being forced to shut down due to uncompensated care. While undocumented aliens are not the sole reason for these closings, this segment of our population receives approximately 18 percent of our Nation's uncompensated emergency care.

The United States represents a haven for those that seek entrance at our borders. However, undocumented aliens that enter the United States present a new challenge to our Nation's ability to provide trauma care to all it's citizens. The Federal Government has the responsibility for monitoring our Nation's borders. In addition, Federal agencies have mandated that trauma centers and other health care facilities provide emergency trauma care to everyone, regardless of their financial capabilities, or ability to pay. These trauma centers have lived up to the obligations the Federal Government has placed upon them. Since the Federal Government has created the financial dilemma forcing many trauma centers to close their doors or down grade their services, it should be the responsibility of the Federal Government to assist trauma centers in receiving the necessary funding to continue serving all patients.

Currently it is estimated that 1 to 2 million undocumented aliens enter the United States annually. The Congressional Budget Office estimates 30 percent of these will require health care, and 40 percent of the costs will be for emergency care. While this problem has impacted health care reimbursement in California, it is not a problem unique to California. Problems with undocumented aliens exist across the Nation with undocumented aliens compounding already compromised trauma care in the midwestern and Northeastern States. The magnitude of this problem cannot be legitimately examined because most undocumented aliens will not or are afraid to admit they are in the country illegally.

As I stated, when undocumented aliens present themselves to our Nation's trauma centers, the trauma center rarely receives payment for care provided thereby writing off the bill. In San Diego, one facility has 11–18 percent undocumented alien trauma cases, with an estimated unreimbursed cost of $2.7 million. To further illustrate this point, a young male recently sneaked across the border into Arizona, was shot, evaluated at a local emergency department and eventually airlifted to a regional trauma center. He will now receive trauma care, at the average cost of $3,000 per day with no hope of reimbursing the facility for its services. At a time when trauma centers already provide uncompensated care to uninsured or indigent U.S. citizens, continued costs related to trauma care of undocumented aliens places trauma centers in jeopardy of closing or down-grading their trauma services due to financial constraints.

Trauma care represents 12 percent of all unsponsored acute hospital care. In 1988 it was estimated that an average trauma victim incurred a bill of $12,000. Uncompensated care or indigent care in 1983 accounted for $2.3 billion of our health dollars. Yet, even with reimbursement, each trauma case can result in a loss of $3,500 to $4,000 to the trauma center. Overall, the GAO reported in 1989 that 28 of trauma centers responding reported a cumulative loss of $65.5 million. Nationwide, 309 trauma centers have closed since 1984, 74 since 1988. Actual statistics are hard to obtain on the actual trauma care losses due to undocumented trauma care, but I can report that in Arizona during the months of January and February of 1992, one facility has incurred a loss of over $500,000 as a result of care for foreign nationals.

This bill will reimburse trauma centers that carry a higher percentage of uncompensated care for undocumented aliens. It is intended not to discriminately disperse money to trauma centers, but to provide a discretionary reimbursement to trauma centers which incur the extra burden of providing this type of care. The citizens of this Nation need to be assured that they will be quickly cared for in the event of a traumatic injury. I urge my colleagues to join me in sponsoring this legislation.•

By Mr. KENNEDY:

S. 2537. A bill to support efforts to promote democracy in Peru; to the Committee on Foreign Relations.

DEMOCRACY IN PERU ACT OF 1992

Mr. KENNEDY. Mr. President, today, on behalf of Senators CRANSTON, WOFFORD, KERRY, ADAMS, GRAHAM, GORE, MOYNIHAN, and myself, I am introducing the Democracy in Peru Act of 1992. The purpose of this measure is to support efforts to ensure that democracy and constitutional order are restored in Peru.

During the course of the past decade, nearly all the nations in this hemisphere have embraced democracy and a democratic form of government.

Tragically, within the past 6 months, the democratic governments of three of these nations—Haiti, Venezuela, and now Peru—have been threatened by military coups. The United States must do all it can to support civilian governments in Latin America and make clear that military might will not be permitted to subvert the democracies in this hemisphere.

Two days ago, Peruvian President Alberto Fujimori and the Peruvian Armed Forces launched an unconstitutional assault on Peruvian democracy by suspending the Peruvian Constitution, dissolving the Peruvian Congress and judiciary, arresting opposition leaders, and placing the media under Government control.

President Fujimori's cabinet immediately resigned in protest, and members of the Peruvian Congress have condemned the President's actions as amounting to a coup.

At this important time in Peruvian history, the United States and other nations in this hemisphere must take a strong stand with the Peruvian people in their struggle to preserve democracy. If the Peruvian people's dream of freedom and democracy is to become a reality, we must adopt strong measures to encourage restoration of the rule of law in Peru. Peru's Armed Forces must learn that rule by the power of the gun will not prevail, and that a penalty will be paid for attempts to undermine democracy.

The Bush administration deserves credit for the steps it has already taken to suspend nonhumanitarian aid to the Government of Peru. This legislation supports that important step and outlines the measures which President Fujimori and the Peruvian Armed Forces should take to restore constitutional order before United States aid to Peru is resumed.

The bill suspends all nonhumanitarian aid to the Government of Peru until President Bush certifies to the Congress that:

First, President Fujimori and the Peruvian Armed Forces have restored the Peruvian Congress and the judiciary to power; are respecting the full force and effect of the Peruvian Constitution; have restored individual rights in Peru, including freedoms of speech, assembly, and the press; and are respecting the human rights of all Peruvians;

Second, the Peruvian Armed Forces have submitted to civilian control; and

Third, President Fujimori and the armed forces have renounced violence as a means of achieving political goals.

In addition, the measure calls upon the Organization of American States and the international community to take appropriate steps to ensure that constitutional order is restored in Peru.

If the United States Congress intends to keep faith with the Peruvian people, we must take these steps to encourage the restoration of a democratic government that guarantees freedom and human rights, and show by our leadership that we will not stand by while a repressive military regime destroys this fragile democracy.

The continuing assaults on Latin American democracies are an affront not only to the people of Haiti, Venezuela, and Peru, but to all friends of freedom around the world.

It is more important than ever that the United States, the Organization of American States, and the international community take a strong stand in supporting the Peruvian people in their struggle for a peaceful, democratic government. In the absence of unified, international condemnation of unlawful attempts to subvert democracy, the recent threats to democracy will only proliferate in the years ahead.

I urge my colleagues to join us in supporting this measure on behalf of the Peruvian people.

By Mr. HOLLINGS (for himself, Mr. STEVENS, Mr. LEAHY, Mr. KENNEDY, Mr. MITCHELL, Mr. COHEN, and Mr. KERRY):

S. 2538. A bill to establish a comprehensive program to ensure the safety of fish products intended for human consumption and sold in interstate commerce, and for other purposes; to the Committee on Commerce, Science, and Transportation.

CONSUMER SEAFOOD SAFETY ACT

Mr. HOLLINGS. Mr. President, I am pleased today to join with several of my colleagues in introducing the Consumer Seafood Safety Act. As many will recall, the topic of seafood safety was the focus of considerable discussion and debate in the last Congress. Late in the last Congress, two very different bills were passed by the Senate and the House of Representatives. The differences could not be reconciled before the end of the session, and no legislation was completed. The bill I am introducing today incorporates provisions from both the Senate and House bills and is an important milestone toward final enactment of seafood safety legislation.

The Consumer Seafood Safety Act deals with an important concern of both the American consumer and the U.S. seafood industry—ensuring the safety of the seafood we eat. Seafood is a nutritious part of the American diet, and has well-documented health benefits as well. The latest statistics on seafood consumption reflect public recognition of its health importance. In 1990, Americans bought and ate about $26.7 billion of fish products, an estimated 15.5 pounds per person. In addition, figures show that the average person eats about 4 pounds of recreationally caught fish each year. Americans are now consuming about 60 percent more seafood than they did 10 years ago. The increased popularity of seafood is reflected in record 1990 U.S. fishery harvests of 9.7 billion pounds, valued at $3.6 billion, and in 1990 seafood imports that totaled 2.9 billion pounds and were valued at $5.2 billion.

However, at the same time that we are told that eating fish is healthy, reports have raised consumer concerns about the hazards of consuming spoiled or contaminated seafood. This past February, Consumers Union reported that its 6-month investigation of fresh fish and shellfish raised serious questions about quality. In 1990, the National Academy of Sciences concluded that while most available seafood is wholesome and unlikely to cause illness, there are areas of risk that should be addressed.

The current U.S. system to ensure seafood safety is a patchwork of State and Federal agency efforts. While the States and the Federal Government has established programs to deal with seafood problems, the current legal and enforcement tools at their disposal clearly are not adequate to guarantee public safety. The time has come to pull all the existing efforts together into a comprehensive program to ensure seafood safety.

Over the past year, I have worked with a number of our colleagues, the administration, and interested consumer and industry groups to define the essential elements of a national seafood safety program. This effort has taken three factors into consideration: First, the unique characteristics of the fishing industry; second, the specialized public health problems that can occur with seafood; and third, existing Federal agency expertise.

Looking first at the unique and complex nature of the Nation's fisheries, we must recognize that traditional agricultural inspection systems will not work for seafood. Unlike meat and poultry, over 200 species of fish are harvested in the wild and sold commercially. Billions of pounds of fish are processed annually in remote locations and onboard fish processing vessels at sea. Further, many fish never go to a plant at all. Inspectors cannot rely on plant inspections; they will have to inspect fish on the docks, at fish markets, and at sea as well.

In addition, the commercial seafood industry is diverse and seasonal, with over 100,000 fishing vessels, and any seafood safety program must account for such diversity. The processing sector is also varied, and includes many small operations whose equipment and awareness of proper storage and processing techniques vary from rudimentary to sophisticated. Further complicating the situation is the fact that roughly two-thirds of the seafood consumed in the United States is imported from over 120 countries with varying degrees of seafood inspection expertise. Finally, a significant amount of fresh seafood is consumed locally and does not move in interstate commerce, necessitating a strong and continuing involvement at the State level.

The second consideration in developing a national seafood safety program is the public health and consumer problems associated with eating seafood. While the U.S. seafood consumer is not facing a national public health crisis, there are seafood-associated health risks that are not addressed effectively at present. The Centers for Disease Control estimate that three problems account for over 90 percent of all illnesses caused by seafood: First, illnesses from eating raw molluscan shellfish—oysters, clams, and mussels—particularly those harvested commercially and recreationally from polluted waters; second, scombrotoxic poisoning due to toxins formed in species like tuna, mackerel, bonito, and mahi-mahi if they are not handled properly; and third, ciguatoxic illness associated with eating tropical reef fish like barracuda. In addition, the 1990 report by the National Academy of Sciences emphasized that more attention must be paid to determining whether some seafood contains unacceptable levels of contaminants, such as mercury, that could cause long term, chronic health problems.

Seafood-related health risks can be minimized in a variety of ways. Both shellfish contamination and ciguatera problems are best addressed through monitoring the growing areas and preventing harvests from polluted or contaminated waters. Increased sampling and surveillance may be necessary to minimize the possibility of chronic health problems. To prevent scombrotoxic poisoning, proper cooling equipment onboard harvesting vessels is essential. In addition, many problems of seafood deterioration occur as a result of inadequate refrigeration during commercial transport after harvest. Clearly, a seafood safety program will be effective only if it takes into consideration all factors affecting product safety, from coastal water quality to interstate transportation.

The last consideration is the issue of Federal agency qualifications for running a national seafood safety program. One commonly held misconception is that there is no Federal system now in place to assure consumers that the fish which they buy and eat is safe, wholesome and properly labeled. People are surprised to learn that two Federal agencies in particular, the Food and Drug Administration [FDA] and the National Oceanic and Atmospheric Administration [NOAA], have developed substantial seafood safety expertise over the years. In 1992, FDA and NOAA will spend over $65 million to ensure the safety and quality of the seafood we eat. This collective effort employs about 850 personnel in inspections, analyses, and research at over two dozen sites around the Nation. In addition, the Food Safety and Inspection Service [FSIS] of the Department of Agriculture has an inspection infrastructure which could be focused on improving the safety of imported seafood. A comprehensive program should be based upon the current responsibilities and capabilities of these Federal agencies.

How does the Consumer Seafood Safety Act respond to these considerations? Building on existing food safety programs and statutes, it addresses the unique health issues associated with seafood in order to create a comprehensive national program. The bill recognizes that traditional meat and poultry inspection programs are not appropriate for addressing seafood problems, and proposes a widely supported, nontraditional approach, the hazard analysis critical control point [HACCP] method. The HACCP method consists of three clearly defined steps. First, hazards associated with harvesting, processing, and using a food product must be identified and assessed. Second, critical control points must be determined to control any identifiable hazard. Third, procedures must be established to monitor the critical control points. The HACCP method provides a rational, commonsense basis for an effective, less than continuous inspection system. Because this method requires employees to become an integral part of efforts to monitor the safety of the seafood they process, protection for whistleblowers is essential.

The bill also calls for a complementary system of tolerance setting, regulatory guidance and standards, sampling, and enforcement activities at the Federal and State levels of government. Clear emphasis is placed in addressing shellfish problems and on monitoring and regulating growing areas and fishing grounds. In addition, the legislation calls for evaluation and certification of foreign seafood safety programs and would require imports to meet the same standards as domestically produced seafood. Finally, the bill would improve our national surveillance, public education and advisory systems. In short, the Consumer Seafood Safety Act provides for an effective and efficient program that should ensure the quality of our seafood products. The legislative focuses on addressing seafood-specific issues, and should not be seen as a precedent for other food safety programs.

This bill represents a compromise among many interests. Each of us has given ground on issues like agency responsibility. While the Consumer Seafood Safety Act differs from the legislation I supported in the last Congress, it is a reasonable compromise that gives us a sound basis for Senate consideration of this issue. I am pleased that several of my colleagues have shared my commitment to its completion, including the senior Senator from Alaska, the majority leader and the chairman of the Labor and Agriculture Committees. I also thank Under Secretary of Commerce, John Knauss, and Food and Drug Administration head, David Kessler, for their technical support and assistance.

I ask unanimous consent that the bill I am introducing today and a more detailed summary of the legislation be printed in the RECORD following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2538

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Consumer Seafood Safety Act of 1992".

(b) TABLE OF CONTENTS.—The table of contents is as follows:

Sec. 1. Short title; table of contents.
Sec. 2. Findings.
Sec. 3. Definitions.
Sec. 4. Unsafe seafood.
Sec. 5. Effect on other laws.

Title I—National Seafood Safety Program

Sec. 101. Administration of national program.
Sec. 102. Shellfish safety.
Sec. 103. Tolerances for contaminants in seafood.
Sec. 104. Monitoring of growing areas and fishing grounds.
Sec. 105. Processing and handling.
Sec. 106. Seafood inspection system.
Sec. 107. Sampling of fish products.
Sec. 108. Registration of processors and importers.
Sec. 109. State and Federal cooperation.
Sec. 110. Imports.
Sec. 111. Authorization of appropriations.

Title II—Research and Education

Sec. 201. Public health assessment system.
Sec. 202. Public education and advisory system.
Sec. 203. Research.

Title III—Seafood Safety Enforcement

Sec. 301. Whistleblower protection.
Sec. 302. Recall.
Sec. 303. Prohibited acts and penalties.
Sec. 304. Subpoenas.

SEC. 2. FINDINGS.

The Congress finds and declares the following:

(1) Seafood constitutes an important component of the Nation's food supply. A wide

variety of domestic and imported fish products are consumed throughout the Nation. Seafood is not only harvested and marketed by a large and diverse commercial fishing industry, but also is caught and consumed by noncommercial users.

(2) Heightened awareness of the health benefits associated with seafood has raised consumption rates and increased the demand for wholesome seafood.

(3) The consumption of seafood harvested from polluted waters and the sale of unsafe of misbranded fish products are injurious to the public welfare, destroy markets for wholesome and properly labeled and packaged seafood, and result in injury to consumers and losses to the United States seafood industry.

(4) The National Academy of Sciences, in its 1991 study entitled "Seafood Safety", reports that while most seafood available to the United States public is wholesome and unlikely to cause illness, there should be a comprehensive approach to known seafood safety problems.

(5) To address such problems and to ensure consumer confidence in the wholesomeness of fish products, existing Federal standards and systems of inspection and monitoring must be strengthened.

(6) A national seafood safety program should be built upon the existing responsibilities and capabilities of the Food and Drug Administration, the National Oceanic and Atmospheric Administration, and the Food Safety and Inspection Service, which have extensive experience with regulatory, research, monitoring, enforcement, and education issues related to human health, fisheries, and the inspection of food.

(7) The Federal Government should foster and support mandatory and effective State programs to ensure a comprehensive national seafood safety program.

SEC. 3. DEFINITIONS.

As used in this Act, the term—

(1) "Conference" means the Interstate Shellfish Sanitation Conference or any successor organization.

(2) "contaminant" means a chemical or microbiological contaminant, parasite, or toxin.

(3) "facility" includes any factory, warehouse, establishment, or vessel.

(4) "fish" means finfish, shellfish and other mollusks, crustaceans, amphibians, and all other forms of aquatic life, whether from wild or cultured sources, except birds and mammals.

(5) "fish product" means—

(A) any product intended for human consumption and derived in whole or in part from fish; or

(B) any fish intended for human consumption that is in the possession or control of any person.

(6) "fish tender vessel" has the meaning given that term in section 2101(11c) of title 46, United States Code.

(7) "fishing vessel" has the meaning given that term in section 2101(11a) of title 46, United States Code.

(8) "interstate commerce" means commerce—

(A) between a place in a State and a place outside such State (including a place outside the United States); or

(B) within the District of Columbia or any territory or possession of the United States.

(9) "person" means any individual (whether or not a citizen of the United States), any corporation, partnership, association, cooperative, or other entity (whether or not organized under the laws of any State), and any State, local, or foreign government, or any entity of such government or the Federal Government.

(10) "processing" means, with respect to fish products, the commercial preparation, manufacture, or transportation of such fish products, including heading and gutting, canning, cooking, smoking, filleting, fermenting, freezing, dehydrating, mincing, drying, consumer packaging, and warehousing, except such practices as heading, gutting, or freezing intended solely to prepare fish products for holding on board a vessel for delivery to a person engaged in such commercial preparation, manufacture, or transportation.

(11) "seafood" means fish products in general.

(12) "Secretary" means the Secretary of Health and Human Services.

(13) "shellfish" means any species of oyster, clam, or mussel, either shucked or in the shell, and either processed or unprocessed, or any edible part thereof.

(14) "shellfish shipper" means a person who transports shellfish in interstate commerce, or holds shellfish for such transport.

(15) "State" means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, or any territory or possession of the United States.

SEC. 4. UNSAFE FISH.

(a) FISH AND FISH PRODUCTS DEEMED UNSAFE FOR HUMAN CONSUMPTION.—For purposes of this Act, fish products shall be deemed to be unsafe for human consumption if the fish products—

(1) contain a contaminant for which a tolerance has been established under section 103 and the contaminant is not within the limits of such tolerance;

(2) are derived in whole or in part from fish that have been harvested from a fish growing area or fishing ground that, for the protection of public health, has been closed to such harvesting, under State law or regulations or under section 104;

(3) have been processed, handled, stored, or transported in violation of standards established under section 102 or 105; or

(4) are shellfish and are—

(A) grown or harvested in (i) a State that does not have a program approved under section 102(b) or (ii) a foreign nation that is not certified for shellfish under section 110(f)(3);

(B) harvested from a shellfish growing area that has not been classified and monitored in accordance with standards and procedures established under section 102(a); or

(C) transported in interstate commerce, or held for such transport, by a person who is not included in the list maintained by the Secretary under section 102(c).

(b) EFFECTIVE DATES.—The provisions of paragraphs (1), (2), and (3) of subsection (a) shall take effect on the date of enactment of this Act. Each provision of paragraph (4) of subsection (a) shall take effect upon a date specified by the Secretary and published in the Federal Register, or on the date that is 30 months after the date of enactment of this Act, whichever is sooner.

SEC. 5. EFFECT ON OTHER LAWS.

(a) FEDERAL FOOD, DRUG, AND COSMETIC ACT.—Nothing in this Act, except as expressly provided, shall alter the authority of the Secretary under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), as amended by this Act.

(b) QUALITY ASSURANCE PROGRAMS.—Nothing in this Act shall be construed to preclude a Federal seafood quality assurance program established under other law or a State seafood quality assurance program for fish products produced under the jurisdiction of such State.

TITLE I—NATIONAL SEAFOOD SAFETY PROGRAM

SEC. 101. ADMINISTRATION OF NATIONAL PROGRAM.

(a) IN GENERAL.—The Secretary, in cooperation with the Secretary of Commerce, the Secretary of Agriculture, and other appropriate entities, shall administer a national program for the purpose of protecting human health by ensuring the safety of seafood consumed in the United States.

(2) The program shall—

(A) take into consideration the distinctive characteristics, fishing methods, and processing practices related to different fish species;

(B) be based on a comprehensive analysis of the hazards associated with different fish and fish products and with the harvesting, processing, and handling of different fish and fish products, including the identification and evaluation of—

(i) the severity of the potential health risks;

(ii) the sources and specific points of potential contamination that may render fish products unsafe for human consumption; and

(iii) the potential for persistence, multiplication, or concentration of contaminants in fish or fish products;

(C) determine critical control points for addressing identifiable hazards; and

(D) establish procedures to monitor critical control points and prevent identifiable hazards.

(b) PROGRAM ELEMENTS.—The program shall provide for—

(1) administration of a comprehensive shellfish safety program;

(2) establishment and enforcement of health-based standards for (A) substances which may contaminate seafood and (B) safety and sanitation in the processing and handling of fish products;

(3) development of a system to identify and monitor fish growing areas and fishing grounds;

(4) implementation of procedures and requirements to ensure the safety of imported fish products;

(5) implementation of a national system for the inspection of fish products (including a sampling and testing program for contaminants in fish products) and for registration of processors and importers;

(6) support for and coordination with State governments in carrying out inspection, enforcement, and monitoring, including compensation to the States for carrying out such functions;

(7) inclusion of seafood in a national surveillance system to assess the health risks associated with the human consumption of food products;

(8) development of public education and advisory programs; and

(9) design and implementation of a research program in furtherance of the purposes of this Act.

(c) FEDERAL SEAFOOD SAFETY HANDBOOK.—The Secretary, in cooperation with the Secretary of Commerce, the Secretary of Agriculture, and other appropriate entities, shall develop and update on a regular basis a concise and comprehensive handbook containing Federal regulations and guidelines relating to seafood safety. The Secretary shall ensure that the handbook is generally available for the purpose of disseminating information to the industry and encouraging integrating of such Federal regulations and guidelines into State regulatory processes.

SEC. 102. SHELLFISH SAFETY.

(a) Standards, Procedures, and Requirements.—(1) The Secretary, in consultation with the Secretary of Commerce, the Conference, and other appropriate entities, shall administer a national shellfish safety program designed to protect against hazards to human health associated with the consumption of shellfish. Not later than 12 months after the date of the enactment of this Act, the Secretary shall issue regulations or guidelines establishing standards, procedures, and requirements for the effective implementation of such a program, including—

(A) standards for the growing, harvesting, handling, processing, and shipment of shellfish;

(B) standards for the water quality of shellfish growing and harvesting areas;

(C) procedures for classifying and monitoring all actual and potential shellfish growing areas to determine their suitability for shellfish harvesting, based on standards established under this subsection;

(D) procedures for requesting that shellfish growing areas which are unsuitable for harvesting be closed by—

(i) the Secretary of Commerce in accordance with section 104(b);

(ii) the Governor of any affected State; or

(iii) the Secretary of Commerce in accordance with section 104(c), whenever a significant risk of adverse health consequences exists;

(E) procedures and requirements to facilitate tracing shellfish in interstate commerce, including a system for maintaining a list of certified shellfish shippers in accordance with subsection (c); and

(F) such other standards, procedures, and requirements as are necessary to carry out the provisions of this section.

(2) Regulations or guidelines issued under this section shall incorporate, to the extent practicable, guidelines issued in accordance with the memorandum of understanding between the Conference and the Food and Drug Administration, dated March 14, 1983, and any amendments or addendums thereto.

(3) The Secretary shall, on a regular basis, review and revise the standards, procedures, and requirements established under this section, incorporating where practicable and appropriate any recommendations of the Conference.

(b) State Programs.—(1) Upon issuance of regulations or guidelines under subsection (a), the Secretary shall request each shellfish-producing State to submit a proposed State shellfish safety program. The Secretary in cooperation with the Secretary of Commerce shall review each proposed State program submitted, and not later than 120 days after each submission, the Secretary shall—

(A) approve the program if it meets the requirements described under paragraph (2); or

(B) disapprove the program if it does not meet such requirements, notify the Governor of the State identifying the reasons for the disapproval, and provide an opportunity for the State to correct and resubmit the program for approval.

(2) The Secretary shall approve a proposed State shellfish safety program submitted under this subsection if the Secretary determines that the program—

(A) achieves the purpose of the national program as stated in subsection (a);

(B) ensures that standards established under subsection (a) are met through a comprehensive State monitoring system;

(C) provides adequate enforcement to ensure that harvesting of shellfish occurs only in waters that (i) meet applicable standards established under subsection (a) and (ii) are appropriately classified as being suitable for harvest of shellfish in accordance with procedures established under subsection (a);

(D) provides for certification of shellfish shippers that are in compliance with the program; and

(E) ensures compliance with tolerances established under section 103 of this Act and ensures that shellfish are not deemed to be adulterated under section 402(a) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342(a)).

(3) The Secretary shall review at least annually each State program approved under this subsection to determine whether the program and the State's implementation of the program continue to meet the requirements of paragraph (2).

(4) The Secretary shall withdraw approval of a State program or any portion thereof that the Secretary, in consultation with the Secretary of Commerce and the Conference, determines no longer meets the requirements of paragraph (2) after providing notice to the State and providing an opportunity for corrective action. The Secretary shall promptly publish notice in the Federal Register regarding such determination.

(5) The Secretary may annually grant to each State with a program approved under this subsection an amount not to exceed 60 percent of the cost of operating the program. Amounts granted under this paragraph shall be distributed among the States in a fair and equitable manner, in accordance with criteria established by the Secretary by regulation, and taking into account the proportion, volume, and value of—

(A) shellfish harvesting and processing in each State during the 5 calendar years immediately preceding the calendar year in which the amounts are granted; and

(B) classified shellfish growing areas in each State.

(c) Listing Shellfish Shippers.—(1) The Secretary shall publish and maintain a list of shellfish shippers that are certified—

(A) by a State under a program approved pursuant to subsection (b); or

(B) pursuant to section 110(f)(2)(D) by a foreign national with which there is in effect an agreement under section 110.

(2) The Secretary may exclude from a list under this subsection a shellfish shipper that is certified by a State or a foreign nation, if the Secretary determines that—

(A) in accordance with subsection (b)(4), the applicable portion of such State's shellfish safety program no longer meets the requirements of subsection (b)(2);

(B) such foreign nation no longer meets the requirements of section 110(f)(2)(D); or

(C) the shellfish shipper is not in compliance with—

(i) an applicable approved State program under this section after notice to the State and opportunity for action;

(ii) the applicable shellfish shipper certification system of a foreign nation under an agreement pursuant to section 110; or

(iii) requirements under any Federal law relating to the safety of shellfish for human consumption.

SEC. 103. TOLERANCES FOR CONTAMINANTS IN SEAFOOD.

(a) Tolerances.—The Secretary shall establish tolerances limiting the quantity of contaminants that, when found in fish products, may render such fish products injurious to health. Such tolerances may include indicators (including indicator organisms) from which it may reasonably be inferred that a contaminant is present in fish or fish products. In developing a tolerance, the Secretary shall take into account the extent to which consumers may be exposed to such contaminant from sources other than fish products, and the extent to which such contaminant can be avoided or minimized in the harvesting of fish or the handling or processing of fish products. While a tolerance under this section is in effect, no fish product shall, by reason of bearing or containing a contaminant that complies with such tolerance, be deemed to be adulterated under section 402(a)(1) or (2)(A) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342(a)(1) or (2)(A)).

(b) Regulations.—(1) The Secretary, after notice and opportunity for comment, shall issue regulations to implement subsection (a) within 18 months after the date of enactment of this Act. In issuing such regulations, the Secretary shall establish tolerances for the contaminants that the Secretary determines are most likely to be found in fish or fish products and which are most likely to cause fish products to be unsafe for human consumption. Regulations for other contaminants shall be issued by the Secretary on a timely basis.

(2) A tolerance established under this section shall be based on—

(A) A scientific analysis of the health risks attributable to the contaminant for which the tolerance is established; and

(B) the recommendations of the National Academy of Sciences, to the extent practicable.

(3) The Secretary shall, in a timely manner, issue revisions ot the regulations under paragraph (1) which take into account new information. The Secretary may contract with the National Academy of Sciences to provide such other data or assistance as the Secretary determines necessary.

(c) Report.—The Secretary shall report to the Congress on the progress of the Secretary in establishing tolerances under this section. The report shall include a description of the research that has been conducted with respect to such tolerances and the research which must be conducted before additional tolerances may be established, the health significance of the lack of such additional tolerances, a timetable for the establishment of such tolerances, and the estimated costs, including costs of research, associated with the establishment of such tolerances. The report shall be transmitted on or about the end of the 18th month after the date of enactment of this Act, and biennially thereafter during the 6-year period that begins on such date of enactment.

(d) Added Substance Defined.—Section 201 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 321) is amended by adding at the end the following new subsection:

"(bb) The term 'added substance' means a substance that is not an inherent constituent of a food and whose intended use results, or may reasonably be expected to result, directly or indirectly, in its becoming a component of, or otherwise affecting the characteristics of, any food. Such term includes (1) a substance that is intentionally added to any food and (2) a substance that is the result of environmental, agricultural, industrial, or other contamination.".

SEC. 104. MONITORING OF GROWING AREAS AND FISHING GROUNDS.

(a) Monitoring System.—Within 24 months after the date of enactment of this Act, the Secretary of Commerce shall, for waters under Federal jurisdiction seaward of the inner boundary of the exclusive economic zone, classify and monitor shellfish growing areas under section 102(a) and identify and monitor fish growing areas and fishing grounds from which significant quantities of fish (other than shellfish) are harvested. The purpose of such system shall be to monitor (through the collection of samples and other scientific information) potential hazards that are likely to render fish products from such areas and grounds unsafe for human consumption.

(b) FEDERAL CLOSURE AND RESTRICTION.—(1) For the purpose of protecting human health, the Secretary of Commerce shall prohibit or otherwise impose conditions on the harvesting of species of fish in a specific area of waters under Federal jurisdiction seaward of the inner boundary of the exclusive economic zone, if the Secretary determines, based on sampling or other scientific information, that—

(A) fish of that species harvested from such specific area are likely to be in violation of tolerances established under section 103; or

(B) fish products, derived in whole or in part from fish of that species harvested from such specific area, are likely to be deemed to be adulterated under section 402(a) (1) or (2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342(a) (1) or (2)).

(2) Any action taken under this subsection—

(A) shall be promulgated in the Federal Register with immediate effect, together with the reasons therefor and a request for public comments; and

(B) shall remain in effect only as long as the Secretary determines that the circumstances that led to the action still exist.

(c) CLOSING OF STATE WATERS TO HARVESTING OF FISH.—(1) The Secretary and the Secretary of Commerce shall develop guidelines to assist States in establishing procedures for closing waters under State jurisdiction.

(2) If the Secretary determines that a species of fish harvested in an area of State waters is likely to be unsafe for human consumption, the Secretary shall, expeditiously and in writing, request the Governor of such State to close or otherwise restrict such area with respect to the harvesting of that species of fish until the circumstances which led to the request no longer exist. At the time such a request is made, the Secretary shall notify the Secretary of Commerce and, if the species is a species of shellfish or other bivalve mollusk, the Chairman of the Conference.

(3)(A) Subject to subparagraph (B), if a reasonable time, not to exceed 10 days, has passed after a request is made under paragraph (2) and the State has not taken the requested action within that time, and if the Secretary finds that a significant risk of adverse health consequences exists—

(i) the Secretary shall request the Secretary of Commerce to close the affected area of State waters to the harvesting of the species involved; and

(ii) the Secretary of Commerce shall immediately implement such closure, which shall remain in effect until the Secretary finds that such risk no longer exists.

(B) A finding under subparagraph (A) that a significant risk of adverse health consequences exists with respect to a species of shellfish or other bivalve mollusk may be made only after the Secretary has consulted with the Chairman of the Conference.

(d) DEFINITION.—As used in this section, the term "exclusive economic zone" has the meaning given that term in section 3(6) of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801(6)).

SEC. 105. PROCESSING AND HANDLING.

(a) PROCESSING STANDARDS.—The Secretary in cooperation with the Secretary of Commerce shall, within 24 months after the date of enactment of this Act, prescribe by regulation such health-based and other appropriate standards, for facilities engaged in the processing of fish products other than shellfish, that the Secretary determines are necessary in accordance with section 101(a)(2). The standards shall—

(1) contain requirements for the operation and maintenance of such facilities, including all applicable sanitation and good manufacturing practices;

(2) establish procedures for the handling, storage, and transportation of fish products, including all applicable standards established by the Secretary of Commerce for vessels;

(3) require training in fish product sanitation and quality control as appropriate for employees of such facilities;

(4) not require the freezing or cooking of fish products that are intended for raw consumption unless the Secretary determines that such freezing or cooking is the only practical procedure available that will adequately prevent such fish products from being deemed unsafe for human consumption under section 4 of this Act, or adulterated under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); and

(5) consider the specialized operating requirements of vessels used to process fish products at sea.

(b) SEAFOOD SAFETY ON FISHING AND FISH TENDER VESSELS.—(1) If after completion of the comprehensive analysis under section 101(a)(2) and after notice and opportunity for comment the Secretary of Commerce determines that particular seafood safety standards for vessels are needed to ensure that specific fish products meet the requirements of this Act, the Secretary of Commerce in consultation with the Secretary shall issue regulations or guidelines establishing necessary standards for the handling, storage, or transportation of such specific fish products on fishing vessels or fish tender vessels.

(2) Standards may be prescribed under this subsection only to the extent necessary, and only if no practicable alternative exists, to prevent specific fish products from being deemed unsafe for human consumption under section 4.

(3) In developing the standards described under paragraph (1), the Secretary of Commerce shall—

(A) consider what measures are necessary to ensure that such fish products are safe for human consumption;

(B) consider the geographic location where affected vessels will operate, the history of health safety problems associated with fish and fish products in those geographic locations, and the degree to which such standards will improve the safety of such fish products;

(C) consult with the Commercial Fishing Industry Vessel Advisory Committee established under section 4508 of title 46, United States Code, or any successor committee, as well as individuals in the affected fisheries, to ensure that such standards do not adversely affect the safe operation of affected fishing vessels or fish tender vessels;

(D) consider the specialized nature and economics of fishing and fish tender operations and the character, design, and construction of fishing vessels and fish tender vessels in affected fisheries;

(E) ensure that any standards prescribed under this subsection cause the least disruption to the normal operation of fishing vessels and fish tender vessels affected by such standards; and

(F) whenever possible, avoid requiring modification, replacement, or addition of equipment on such vessels.

(4) With respect to regulations issued under this subsection, the Secretary of Commerce shall allow a reasonable amount of time for fishing and fish tender vessel owners affected by such regulations to complete any necessary modifications to their vessels before such regulations take effect.

(5) Enforcement of regulations issued under this subsection shall be carried out by officers and employees duly designated by the Secretary of Commerce, who shall have the same powers in carrying out such enforcement as are provided to officers authorized to enforce the provisions of the Magnuson Fishery Conservation and Management Act (16 U.S.C. 1801 et seq.).

SEC. 106. SEAFOOD INSPECTION SYSTEM.

(a) ROLES OF SECRETARY AND SECRETARY OF COMMERCE.—Within 30 months after the date of enactment of this Act, the Secretary shall in cooperation with the Secretary of Commerce establish and administer a comprehensive and efficient inspection system for fish products sold in interstate commerce. The Secretary shall provide general oversight under which the Secretary of Commerce shall routinely inspect processing facilities. The Secretary shall assure the effective operation of this inspection system through verification and other activities as the Secretary considers necessary.

(b) NATURE OF INSPECTIONS.—(1) The inspection system shall provide for unannounced inspections of facilities in which fish products are processed to determine if fish products are unsafe for human consumption under section 4 of this Act or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq). Inspections shall include sampling of fish products.

(2) Inspections shall be conducted with such frequency and in such manner as the Secretary in consultation with the Secretary of Commerce may provide by regulation, taking into account such factors as the Secretary considers appropriate, including—

(A) the potential of the operations to affect human health, based on the probability that fish products are susceptible to becoming unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.);

(B) the history of compliance with this Act and other health and safety laws; and

(C) such other factors as the Secretary may determine appropriate.

(3) Domestic facilities in which imported fish products are processed shall be inspected at least at the same rate as other domestic facilities in which fish products are processed.

(c) CONDUCT OF INSPECTIONS.—(1) An inspection under subsection (a) of any facility engaged in the processing of fish products shall extend to all things therein (including records required to be maintained under section 108(e), processes, controls, and the premises) that bear on whether fish products are in compliance with this Act or the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.). Access to records may include the copying of such records.

(2) In conducting inspections under subsection (a), officers or employees duly designated by the Secretary of Commerce, upon presenting appropriate credentials and a

written notice to the owner, operator, or agent in charge, are authorized—

(A) to enter at reasonable times any facility in which persons are engaged in the processing of fish products, or to enter any vehicle being used to transport or hold such fish products; and

(B) to inspect in a reasonable manner such facility or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein.

(3) Upon completion of inspection and prior to leaving the premises, the officer or employee making the inspection shall give to the owner, operator, or agent in charge a report in writing setting forth any conditions or practices observed which indicate that any fish product in such facility is unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

(d) PRODUCT DETENTION AND CONDEMNATION.—(1) If during an inspection conducted under this section an officer or employee making the inspection has reason to believe that a fish product is unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), such officer or employee may order the fish product segregated, impounded, and if objection is not made within 48 hours, condemned. If objection is made, such fish products that are in perishable form may be processed to the extent necessary to prevent spoilage, and a hearing shall be commenced expeditiously.

(2) If the Secretary determines that such fish product can, by relabeling or other action, be brought into compliance with this Act and the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), and regulations issued thereunder, final determination by the Secretary as to the condemnation of such fish product may be deferred pending the performance by the owner of such fish product, within a time specified by the Secretary, of such relabeling or other action as the Secretary may authorize. Entry of the fish products into interstate commerce shall be permitted if, after such action is performed, the Secretary determines that the fish product has been brought into compliance with this Act and the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), and regulations issued thereunder.

(3)(A) Except as provided in subparagraph (B), no fresh fish product may be segregated and impounded for more than 48 hours and no other fish product may be segregated and impounded for more than 10 days.

(B) While a hearing under paragraph (1) or judicial review is pending with respect to fish products segregated and impounded under this subsection, the presiding officer of the hearing or an appropriate court may authorize segregation and impoundment to continue beyond the time limitations specified in subparagraph (A).

(4) Any fish product condemned without objection, or after hearing and judicial review, shall be destroyed.

(e) OFFICIAL MARK.—The Secretary, in consultation with the Secretary of Commerce, shall prescribe by regulation the conditions under which any fish product shall display an official mark that signifies that the fish product has been processed in accordance with standards and procedures established under this Act.

(f) OTHER INSPECTION RIGHTS AND DUTIES.—Section 704 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 374) is amended by adding at the end the following new subsection:

"(f) The rights and duties under this section of duly designated officers and employees and of other persons shall apply to enforcement of the Consumer Seafood Safety Act of 1992 to the same extent and in the same manner as they apply to the enforcement of this Act.".

SEC. 107. SAMPLING OF FISH PRODUCTS.

(a) SAMPLING.—(1) The Secretary, in cooperation with the Secretary of Commerce and the Secretary of Agriculture, shall provide for the collection of samples of fish products under the inspection systems established under sections 106 and 110. Such sampling shall be conducted in a reasonable manner in order to determine if fish products are unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

(b) CONTAMINANT TESTING PROCEDURES.—In developing procedures to test samples of fish products for contaminants and poisonous or deleterious substances, the Secretary shall, to the extent practicable, make full use of the existing Federal analytical capability with respect to such tests, including that of the Department of Agriculture.

(c) DETERMINATION OF VIOLATIVE HARVESTING AREAS.—If as a result of sampling conducted under this section the Secretary determines that fish of a particular species harvested from a specific area are likely to be in violation of tolerances established under section 103 of this Act, or adulterated under section 402(a) (1) or (2) of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 342(a) (1) or (2)), the Secretary shall communicate that determination to the Secretary of Commerce and, in accordance with section 104, to any State with jurisdiction over such areas.

SEC. 108. REGISTRATION OF PROCESSORS AND IMPORTERS.

(a) IN GENERAL.—Any person who owns or operates a facility engaged in processing of fish products and any person who imports fish products shall register with the Secretary. Application for registration shall be made to the Secretary using such forms and containing such information as the Secretary, in consultation with the Secretary of Commerce and the Secretary of Agriculture, shall prescribe by regulation within 24 months after the date of enactment of this Act. Upon receipt and review of a completed application, the Secretary shall issue to the applicant a certificate of registration unless good cause is shown why such application should be denied. The Secretary shall promptly notify any applicant of such denial, include a written explanation of the reasons for such denial, and provide an opportunity for a hearing upon request.

(b) SUSPENSION OF REGISTRATION.—(1) The registration of a person may be suspended immediately by the Secretary for—

(A) failure to permit access for inspection under this Act; or

(B) violation of this Act or regulations issued under this Act, if the Secretary determines that such suspension is necessary to prevent a significant risk of adverse health consequences.

(2) Any registration suspended under paragraph (1) may be reinstated whenever the Secretary determines that suspension is no longer necessary.

(c) ASSIGNMENT OF REGISTRATION NUMBERS.—The Secretary may assign a registration number (or numbers) to any person registered in accordance with this section.

(d) EXEMPTION AUTHORITY.—The Secretary may by regulation exempt classes of facilities from the requirements of subsection (a) if the Secretary determines that registration of persons owning or operating such facilities is not needed for the effective enforcement of this Act.

(e) MAINTENANCE OF RECORDS.—Each person registered under this section shall maintain (for a reasonable period of time as prescribed by the Secretary, but not to exceed 2 years unless otherwise directed by the Secretary for good cause) such records as the Secretary in consultation with the Secretary of Commerce and the Secretary of Agriculture may prescribe by regulation. The records may include information concerning—

(1) the origin, receipt, delivery, sale, movement, and disposition of fish products; and

(2) matters reasonably related to whether fish products may be unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

SEC. 109. STATE AND FEDERAL CORPORATION.

(a) IN GENERAL.—The Secretary and the Secretary of Commerce shall work with the States in undertaking activities and programs that contribute to the national seafood safety program so that State and Federal programs function in a coordinated and cost effective manner. With the assistance provided in subsection (b), the Secretary and the Secretary of Commerce shall encourage States to—

(1) continue, strengthen, or establish State seafood safety programs;

(2) establish compatible procedures and requirements for ensuring that fish products are not unsafe for human consumption;

(3) implement uniform seafood safety-related systems for classifying, monitoring, and regulating fish growing areas and fishing grounds under State jurisdiction;

(4) advise consumers and noncommercial users regarding recommended levels of consumption of fish products (including game fish) from lakes, rivers, and coastal areas throughout each State; and

(5) incorporate seafood safety considerations into decisions involving conservation and management of fish and living marine resources, including planning for the siting of pollution control and aquaculture facilities and the regulation of fishing activities.

(b) ASSISTANCE.—(1) The Secretary in consultation with the Secretary of Commerce may provide to a State, for planning, developing, and implementing a seafood safety program—

(A) advisory assistance;

(B) technical and laboratory assistance and training (including necessary materials and equipment); and

(C) financial and other aid.

(2) The Secretary or the Secretary of Commerce may provide financial and personnel assistance to support the conference.

(c) SERVICE AGREEMENTS.—The Secretary or the Secretary of Commerce, as appropriate, may, under agreements entered into with Federal, State, or local agencies, use on a reimbursable basis or otherwise the personnel, services, and facilities of such agencies in carrying out their responsibilities under this Act. Such an agreement shall provide that any compliance records, notices, or reports issued in connection with activities under the agreement and in the possession of the agency or government which entered into the agreement shall be made available in accordance with section 552 of title 5, United States Code. Agreements with a State under this subsection may provide for training of State employees. The Secretary shall pay for or reimburse the State for the expenses of such training and for the actual cost of activities performed by a State employee at the request of the Secretary.

(d) STATE INSPECTION AND REGISTRATION SYSTEMS.—(1) At any time after establishment of the Federal seafood inspection system under section 106, the Governor of any State may submit to the Secretary a full and complete plan of operation for the seafood inspection program the State administers or proposes to establish and administer under State law. In addition, such State shall submit a statement from the attorney general (or appropriate legal officer) that the laws of such State provide authority and capacity to carry out a program which is at least equal in effectiveness to the program established under this Act.

(2) A State plan of operation submitted under paragraph (1) shall—

(A) provide an overview of State activities related to the safety of seafood, including shellfish;

(B) describe the manner in which the State administers or proposes to administer inspection, sampling, and registration systems consistent with this Act;

(C) evaluate staffing, equipment, and other requirements for implementation of the State program;

(D) estimate projected costs to the State of administering the program; and

(E) provide for regular reports to the Secretary regarding State activities under the program.

(3) Not later than 120 days after the submission of a plan of operation, the Secretary shall approve such plan for a period of no more than 3 years unless the Secretary in consultation with the Secretary of Commerce determines that the State submitting the plan does not have at least equal authority or capacity to—

(A) ensure that fish products under the jurisdiction of such State are not unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); or

(B) abate violations of the State program, including civil and criminal penalties and other ways and means of enforcement.

(4) If the Secretary in consultation with the Secretary of Commerce approves a State program under paragraph (3), the Secretary shall designate those portions of the State program which shall be implemented and enforced under such approved State program in lieu of portions of the Federal program.

(5) The Secretary in cooperation with the Secretary of Commerce shall monitor the effectiveness of each approved State program to ensure that the program is at least equal in effectiveness to the program established under this Act. If the Secretary determines that a State with an approved program has failed to maintain or is not operating a program that is at least equal in effectiveness to the program established under this Act, the Secretary shall promptly notify the Governor of the State of such determination and provide an opportunity for the State to correct any deficiencies identified in such notification. If after notice and opportunity for appropriate corrective action the State program does not meet the requirements of this section, the Secretary shall withdraw approval of the State program.

(6) Notwithstanding paragraph (4), the Secretary may enforce the Federal program in a State having a program approved under paragraph (3) if—

(A) the State requests enforcement assistance; or

(B) the Secretary finds that a significant risk of adverse health consequences exists and that such enforcement is necessary to address such risk.

Enforcement by the Secretary under this paragraph shall be discontinued no later than 6 months after its commencement. If after 6 months the Secretary determines that the significant risk of adverse health consequences still exists, the Secretary shall implement procedures to withdraw approval for such State program or portions thereof under paragraph (5).

(7) The Secretary may annually grant to each State with a program approved under paragraph (3) an amount not to exceed 60 percent of the cost of operating the program. Amounts granted under this paragraph shall be distributed among the States in a fair and equitable manner, in accordance with criteria established by the Secretary by regulation. The Secretary may withhold Federal assistance under this paragraph if the Secretary determines that the State program has failed to meet the requirements of this section. Such withheld assistance shall be paid subsequently upon a determination that any deficiencies have been corrected.

SEC. 110. IMPORTS.

(a) ROLES OF SECRETARY AND SECRETARY OF AGRICULTURE.—Within 30 months after the date of enactment of this Act, the Secretary shall in cooperation with the Secretary of Agriculture and the Secretary of the Treasury establish and administer a comprehensive and efficient system to ensure the safety of seafood imported into the United States. The Secretary shall provide general oversight under which the Secretary of Agriculture shall routinely inspect processing facilities in exporting nations and imports at ports of entry into the United States. The Secretary shall assure the effective operation through verification and other activities as the Secretary considers necessary.

(b) IMPORT REQUIREMENTS.—(1) No fish product may be entered, or withdrawn from warehouse, for consumption in the United States if such fish product—

(A) is unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food Drug and Cosmetic Act (21 U.S.C. 301 et seq.);

(B) is not marked or labelled as required by regulations for imported articles; or

(C) does not comply with the requirements of this section.

(2) Upon entry for consumption in the United States, fish products that are not prohibited from entry or withdrawal from warehouse under paragraph (1) shall be deemed to be and treated as domestic fish products, except that all labeling of such fish products shall identify country of origin.

(c) INSPECTION OF IMPORTS.—(1) fish products that are offered for importation or entered, or withdrawn from warehouse, for consumption in the United States, shall be subject to examinations, inspections, sampling, and such other procedures at the port of entry or in the exporting nation by officers or employees duly designated by the Secretary of Agriculture. Such procedures shall be conducted with such frequency and in such manner as the Secretary in consultation with the Secretary of Agriculture may prescribe by regulation.

(2) Fish products from a nation that is certified for such fish products under subsection (f)(3) shall be subject to random examinations, inspections, sampling, and other procedures. Fish products from a nation that is not certified for such fish products under subsection (f)(3) shall be subject to such intensified examinations, inspections, sampling, and other verification procedures as the Secretary in consultation with the Secretary of Agriculture determines are necessary to ensure compliance with this Act; except that no shellfish may be entered, or withdrawn from warehouse, for consumption in the United States from a nation not certified for shellfish under subsection (f)(3).

(d) CONDUCT OF INSPECTIONS.—(1) An inspection under this section of any importing facility at a port of entry into the United States shall extend to all things therein (including records required to be maintained under section 108(e), processes, controls, and the premises) that bear on whether fish products are in compliance with this Act or the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.). Access to records may include the copying of such records.

(2) In conducting such inspections, officers or employees duly designated by the Secretary of Agriculture, upon presenting appropriate credentials and a written notice to the owner, operator, or agent in charge, are authorized—

(A) to enter at reasonable times any facility in which persons are engaged in the importing of fish products, or to enter any vehicle being used to transport or hold such fish products; and

(B) to inspect in a reasonable manner such importing facility or vehicle and all pertinent equipment, finished and unfinished materials, containers, and labeling therein.

(3) Upon completion of inspection and prior to leaving the premises, the officer or employee making the inspection shall give to the owner, operator, or agent in charge a report in writing setting forth any conditions or practices observed which indicate that any fish product in such facility is unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

(e) DETENTION OF IMPORTED FISH PRODUCT.—If during an inspection or other verification procedure carried out under this section an officer or employee conducting the procedure has reason to believe that a fish product is unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), such officer or employee may order the fish product segregated, impounded, and if objection is not made within 48 hours, condemned. If objection is made, such fish products that are in perishable form may be processed to the extent necessary to prevent spoilage, and a hearing shall be commenced expeditiously. The final condemnation or other disposition of such fish product shall be subject to the provisions of section 106(d) (2), (3), and (4).

(f) AGREEMENTS WITH FOREIGN NATIONS.—(1) The Secretary in consultation with the Secretary of Agriculture may enter into an agreement with any nation desiring to export fish products to the United States. Prior to concluding such an agreement, the Secretary in cooperation with the Secretary of Agriculture shall evaluate the seafood safety program of the foreign nation to determine if such program is at least equal in effectiveness, with respect to fish products intended for export to the United States, to the seafood safety program established under this Act. In such evaluation, the Secretary shall consider—

(A) the potential for health, sanitary, and environmental conditions within the foreign nation to adversely affect the safety of fish products exported from such nation; and

(B) how well the seafood safety program of the foreign nation functions to minimize any adverse effects on such safety.

(2) Any agreement under this subsection with a nation desiring to export fish products to the United States shall—

(A) require that the exporting nation shall—

(i) establish and maintain a seafood safety system that is adequate to ensure that the fish products intended for export to the United States are not unsafe for human consumption under section 4 of this Act, and not adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.); and

(ii) promptly notify the Secretary of any violations of harvest restrictions or growing area closures affecting the safety of fish products exported or intended for export to the United States; and

(B) provide for such activities (whether in the exporting nation or at the port of entry during importation) by the Secretary of Agriculture, including examinations, inspections, sampling, and testing, at such stages in the growth or harvest of fish, or in the processing or handling of fish products, as the Secretary considers appropriate to ensure that the seafood safety program of the exporting nation with respect to fish products intended for export to the United States continues to be at least equal in effectiveness to the program established under this Act;

(C) provide for reciprocity with respect to the treatment of seafood imports and exports between the United States and the exporting nation; and

(D) in the case of a nation desiring to export shellfish, require such nation to establish and maintain a system for classifying, monitoring, and closing shellfish growing areas and for certifying shellfish shippers as being in compliance with the exporting nations shellfish safety program, and promptly to notify the Secretary of any shellfish shipper whose certification is revoked by the exporting nation.

(3) If the Secretary determines that a nation desiring to export fish products to the United States has a program that is at least equal in effectiveness (with respect to fish products intended for export to the United States) to the program established by this Act, the Secretary shall, upon entry into force of an agreement under subsection (a), certify the types of fish products for which the nation maintains such a program.

(4)(A) The Secretary shall periodically or for good cause, and not less than once every 3 years, review certifications made under paragraph (3), and shall revoke the certification of any nation that the Secretary determines is not maintaining a seafood safety program that is at least equal in effectiveness to the program established under this Act.

(B) The Secretary in cooperation with the Secretary of Agriculture shall review and modify, as needed, an agreement made under paragraph (1) with any nation whose certification has been revoked under subparagraph (A) of this paragraph.

SEC. 111. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated, to carry out this Act, not to exceed $60,000,000 for fiscal year 1993 and $70,000,000 for fiscal year 1994.

(b) ASSISTANCE TO STATES.—Of the funds authorized to be appropriated under subsection (a), there are authorized to be appropriated not to exceed $12,000,000 for fiscal year 1993 and $15,000,000 for fiscal year 1994, for carrying out State program assistance activities under section 109.

(c) RESEARCH PROGRAM AUTHORIZATION.—Of the funds authorized to be appropriated under subsection (a), there are authorized to be appropriated not to exceed $14,000,000 for each of fiscal years 1993 and 1994, for carrying out the research program authorized by section 203.

TITLE II—RESEARCH AND EDUCATION

SEC. 201. PUBLIC HEALTH ASSESSMENT SYSTEM.

(a) COOPERATION WITH CENTERS FOR DISEASE CONTROL.—The Secretary shall work, through the Centers for Disease Control, to include seafood in an active surveillance system, based on a representative proportion of the population of the United States, and to assess more accurately the frequency and sources of human disease in the United States associated with the consumption of seafood.

(b) PUBLIC HEALTH SAMPLING.—(1) Within 12 months after the date of enactment of this Act, the Secretary in cooperation with the Secretary of Agriculture shall establish guidelines for a sampling system under which the Secretary of Agriculture shall take and analyze samples of fish products (except that samples shall not be taken by the Secretary of Agriculture at facilities subject to inspection under sections 106 or 109 of this Act) to assist the Secretary in carrying out this Act and the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), and to more accurately assess the nature, frequency of occurrence, and amounts of contaminants in fish products.

(2) Such sampling system shall provide—

(A) for the use of the Secretary and the Secretary of Commerce, statistical monitoring, including market basket studies, on the nature, frequency of occurrence, and amounts of contaminants in fish products available to consumers; and

(B) at the request of the Secretary, such other information, including analysis of samples taken by the Secretary, the Secretary of Commerce, or State programs approved under section 109, as the Secretary determines may be useful in assessing the occurrence of contaminants in fish products.

(3) The Secretary of Agriculture shall promptly notify the Secretary whenever samples of fish products analyzed under this subsection contain contaminants that exceed tolerances, standards, or action levels established under this Act or other applicable law.

(c) ASSESSMENT OF HEALTH HAZARDS.—Through the surveillance system referred to in subsection (a) and the sampling system described in subsection (b), the Secretary shall, among other things, assess health hazards associated with—

(1) fish products that are commercially harvested and processed, as compared with the health hazards associated with fish products which are harvested for recreational or subsistence purposes and prepared noncommercially;

(2) fish products that are domestically harvested and processed, as compared with the health hazards associated with fish products that are harvested or processed outside the United States; and

(3) contamination originating from certain practices that occur both prior to and after sale of fish products to consumers, including contamination resulting from the manner in which consumers handle and prepare the fish products they purchase.

SEC. 202. PUBLIC EDUCATION AND ADVISORY SYSTEM.

(a) PUBLIC EDUCATION.—The Secretary, in cooperation with the National Sea Grant College Program, cooperative extension services, and appropriate State entities, shall design and implement a national public education program on seafood. The program shall provide—

(1) information to the public regarding Federal standards and good practice requirements and promotion of public awareness, understanding, and acceptance of such standards and requirements;

(2) advice to individuals involved in recreational and subsistence fisheries concerning the health hazards associated with the fish they may harvest and the precautions they should take to safeguard themselves and others from those hazards;

(3) information to health professionals so that they may improve diagnosis and treatment of seafood-related illness and advise individuals whose health conditions place them in particular risk; and

(4) such other information or advice to consumers and other persons as the two Secretaries determine will promote the purposes of this Act.

(b) HEALTH ADVISORIES.—The Secretary, in consultation with the Secretary of Commerce and the Administrator of the Environmental Protection Agency, shall work with the States and other appropriate entities to—

(1) develop and distribute regional and national advisories concerning seafood safety;

(2) develop standardized formats for written and broadcast advisories; and

(3) incorporate State and local advisories into the national public education program required under subsection (a).

SEC. 203. RESEARCH.

(a) IN GENERAL.—The Secretary and the Secretary of Commerce may conduct research to assist the implementation of this Act, including studies to—

(1) improve sanitation and seafood safety practices in the processing of fish products;

(2) develop improved techniques for the monitoring of fish and inspection of fish products;

(3) develop efficient, rapid, and sensitive methods for determining and detecting the presence of contaminants in fish and fish products;

(4) determine the sources of contamination of fish and fish products with contaminants; and

(5) develop consumption data with respect to fish products.

(b) RESEARCH ON GROWING AND HARVESTING AREAS.—The Secretary of Commerce, in cooperation with the Secretary and the Administrator of the Environmental Protection Agency, shall establish and administer a 5-year research program to improve existing systems for monitoring and classifying fish growing areas and fishing grounds. Such program shall at a minimum provide for—

(1) development of analytical techniques to detect and characterize biotoxins and other contaminants that occur in fish growing areas and fishing grounds;

(2) an evaluation of the relationship between such biotoxins and contaminants and potential health hazards associated with human consumption of fish products from such fish growing areas and fishing grounds;

(3) an environmental assessment of the occurrence of such biotoxins and other contaminants, including the relationship between such occurrence and the presence of marine phenomena such as algal blooms;

(4) development of the ability to understand, monitor, and track the temporal and spatial distribution of such phenomena and to predict their onset and duration; and

(5) recommendations for improving the capabilities of Federal and State agencies to effectively monitor and classify shellfish growing areas, and identify and monitor fish growing areas and fishing grounds, to ensure the safety of seafood intended for human consumption.

(c) CONTRACT AUTHORITY.—The Secretary and Secretary of Commerce are authorized to enter into contracts and agreements with any State, university, or other person to carry out their respective activities under this section.

TITLE III—SEAFOOD SAFETY ENFORCEMENT

SEC. 301. WHISTLEBLOWER PROTECTION.

(a) PROHIBITION OF DISCHARGE FOR COMPLAINTS.—No person shall discharge, discipline, or in any manner discriminate against any employee with respect to the employee's compensation, terms, conditions, or privileges of employment because such employee (or any person acting pursuant to a request of the employee) has filed any complaint or caused to be instituted any proceeding relating to a violation of this Act or of any regulation issued under this Act, or has testified or is about to testify in any such proceeding.

(b) WORK REFUSAL.—(1) No person shall discharge, discipline, or in any manner discriminate against an employee with respect to the employee's compensation, terms, conditions, or privileges of employment for refusing to perform the employee's duties when performing such duties would result in a substantial and specific violation of this Act or any regulation issued under this Act, or a substantial and specific danger to the public from fish products which are unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.). In order to qualify for protection under this subsection, the employee must have sought from his or her employer, and have been unable to obtain, correction of the circumstances causing such refusal.

(2) An employee is not protected under this subsection if an inspector is present in the establishment. In those instances, the employee is protected for immediate notification to the inspector of the alleged illegal or dangerous activity.

(3) This subsection shall not create any right of refusal to work. An employee is only protected for refusing to obey an order whose implementation would constitute a violation of law or a substantial and specific danger to the public, the employee, or other workers.

(c) EMPLOYEE RIGHTS.—(1) Any employee who believes he or she has been discharged, disciplined, or otherwise discriminated against by any person in violation of subsection (a) or (b) may, within 180 days after such alleged violation occurs, file (or cause to be filed by any person on the employee's behalf) a complaint with the Secretary of Labor alleging such discharge, discipline, or discrimination. Upon receipt of such a complaint, the Secretary of Labor shall notify the person named in the complaint of the filing of the complaint.

(2) The legal burdens of proof that prevail under section 1221(e) of title 5, United States Code, shall govern adjudication of protected disclosures under this Act.

(3)(A) Within 60 days of receipt of a complaint filed under paragraph (1), the Secretary of labor shall conduct an investigation and determine whether there is reasonable cause to believe that the complaint has merit and shall notify the complainant and the person alleged to have committed a violation of this section of the findings resulting from the investigation. Where the Secretary of Labor concludes that there is reasonable cause to believe that a violation has occurred, the Secretary of Labor shall accompany the findings with a preliminary order providing the relief prescribed by subparagraph (B). Thereafter, the person alleged to have committed the violation and the complainant may each, within 30 days after notification, file objections to the findings or preliminary order, or both, and request a hearing on the record, except that the filing of such objections shall not operate to stay any reinstatement remedy contained in the preliminary order. Such hearings shall be expeditiously conducted. Where a hearing is not timely requested, the preliminary order shall be deemed a final order which is not subject to judicial review. The Secretary of Labor shall issue a final order within 120 days after the conclusion of such hearing. In the interim, such proceedings may be terminated at any time on the basis of a settlement agreement entered into by the Secretary of Labor, the complainant, and the person alleged to have committed the violation.

(B) If in response to a complaint filed under paragraph (1) the Secretary of Labor determines that violation of subsection (a) or (b) has occurred, the Secretary of Labor shall order (i) the person who committed such violation to take affirmative action to abate the violation, (ii) such person to reinstate the complainant to the complainant's former position (taking into account any seasonal nature of such position) together with the compensation (including back pay), terms, conditions, and privileges of the complainant's employment, and (iii) compensatory damages. If such an order is issued, the Secretary of Labor, at the request of the complainant may assess against the person against whom the order is issued a sum equal to the aggregate amount of all costs and expenses (including attorney's fees) reasonably incurred, as determined by the Secretary of Labor, by the complainant for, or in connection with, the bringing of the complaint upon which the order was issued.

(d) JUDICIAL REVIEW.—(1) Any person adversely affected or aggrieved by an order issued after a hearing under subsection (c) may obtain review of the order in the United States Court of Appeals for the circuit in which the violation with respect to which the order was issued allegedly occurred, or the circuit in which such person resided on the date of such violation. The petition for review must be filed within 60 days after the issuance of the order of the Secretary of Labor. Such review shall be in accordance with the provisions of chapter 7 of title 5, United States Code, and shall be heard and decided expeditiously.

(2) An order of the Secretary of Labor, with respect to which review could have been obtained under this section, shall not be subject to judicial review in any criminal or other civil proceedings.

(e) CIVIL ACTION.—Whenever a person has failed to comply with a final order issued under subsection (c)(3), the Secretary of Labor shall file a civil action in the United States district court for the district in which the violation was found to occur in order to enforce such order. In actions brought under this subsection, the district courts shall have jurisdiction to grant all appropriate relief, reinstatement, and compensatory damages.

SEC. 302. RECALL.

(a) RECALL REQUIREMENT.—The Secretary may require any person who owns or operates a facility engaged in the processing of fish products or in the importing of fish products to recall any fish product if the Secretary finds that there is a reasonable probability that such fish product is unsafe for human consumption under section 4 of this Act, or adulterated or misbranded under the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.).

(b) VOLUNTARY RECALL.—The Secretary, in consultation with the Secretary of Commerce and the Secretary of Agriculture, shall prescribe by regulation the circumstances and manner under which a voluntarily initiated recall of fish products by a person who owns or operates a facility engaged in the processing of fish products or in the importing of fish products shall be promptly reported to the Secretary.

SEC. 303. PROHIBITED ACTS AND PENALTIES.

(a) PROHIBITED ACTS.—No person shall—

(1) sell, transport, offer for sale or transportation, receive for transportation, or otherwise dispose of, in interstate commerce any fish product that is unsafe for human consumption at the time of such sale, transport, offer, receipt, or other disposition;

(2) commit, with respect to any fish or fish product and while such fish product is being transported in interstate commerce or held for sale after such transportation, any act that is intended to cause or has the effect of causing such fish products to be unsafe for human consumption;

(3) engage in the processing or importing of fish products without being registered as required under section 108;

(4) refuse to permit entry to or inspection of any facility by any person carrying out inspection activities under this Act, or otherwise interfere with any such inspection or person;

(5) create or maintain records that are false either by content or omission, or destroy records containing information required under this Act or any regulations issued under this Act, or refuse access by a duly designated Federal officer or employee to records required under this Act or any regulations issued under this Act;

(6) engage in the handling, processing, or importing of fish products in violations of this Act or any regulations issued thereunder;

(7) label any fish product with a mark that is not authorized under this Act and that indicates compliance with any Federal safety standard applicable to fish or fish products;

(8) sell, transport, offer for sale or transportation, receive for transportation, or otherwise dispose of, in interstate commerce any fish product that is not handled, processed, labeled, or imported in accordance with the requirements of this Act or any regulations issued thereunder;

(9) fail to comply with any recall under section 302(a) or to report a voluntary recall under section 302(b); or

(10) use to such person's advantage or reveal, other than to a duly designated Federal officer or employee, or to a court when relevant in a judicial proceeding under this Act or the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 301 et seq.), any information acquired under this Act concerning any method or process which as a trade secret is entitled to protection.

(b) PENALTIES.—(1) Any person who violates this Act or any regulations issued thereunder shall be liable to the United States for a civil penalty in an amount not to exceed $10,000. Each day of a continuing violation shall constitute a separate offense. A civil penalty under this paragraph shall be assessed by the Secretary of Commerce in the case of violations arising under section 105(b), and by the Secretary in the case of violations arising under other provisions of this Act, by an order made on the record after opportunity for a hearing provided in accordance with this paragraph and section 554 of title 5, United States Code. Before issuing such an order, such Secretary shall give written notice to the person to be assessed a civil penalty under such order of such Secretary's proposal to issue such order and provide such person an opportunity for a hearing on the order. In determining the amount of a civil penalty, such Secretary shall take into account the nature, circumstances, extent, and gravity of the violation of violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require. Such Secretary may compromise, modify, or remit, with or without conditions, any civil penalty which may be assessed under this paragraph. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged.

(2) If a person commits a violation described in paragraph (1) with the intent to defraud or mislead, such person shall be imprisoned for not more than 2 years or fined in accordance with title, United States Code, or both.

(3) If a person is convicted under paragraph (2) of a violation, and is subject to a civil penalty for such violation or is subject to a related condemnation action under section 106 or 110, the identity of such person involved in the violation and the aggregate of any penalty imposed shall be published in accordance with section 705 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 375) on the last business day of the quarter in which the violation was committed.

SEC. 304. SUBPOENAS.

For the purposes of any investigation conducted pursuant to this Act, the Secretary, the Secretary of Commerce, or the Secretary of Agriculture, as appropriate, may issue subpoenas requiring the attendance and testimony of witnesses and the production of any documentation or other evidence that relates to any matter under investigation or in dispute before such Secretary and to administer oaths of affirmations.

SUMMARY OF THE CONSUMER SEAFOOD SAFETY ACT

The bill calls for a comprehensive national seafood safety program under the direction of the Secretary of Health and Human Services and in cooperation with the Secretary of Commerce, the Secretary of Agriculture and the states. As under current law, the Secretary of Health and Human Services, through the Food and Drug Administration (FDA), would be in charge of the program, maintaining the FDA's existing public health authority over the safety of both domestic and imported seafood. The Secretary of Commerce, through the National Oceanic and Atmospheric Administration (NOAA), would regulate harvesting areas and conduct routine inspections of domestic processors. The Secretary of Agriculture, through the Food Safety and Inspection Service (FSIS), would inspect processors overseas, as well as imports at the port of entry. State governments would continue to have primary responsibility for shellfish programs and regulating state waters.

Elements of the programs would include:

1. Shellfish safety. FDA would administer a comprehensive federal-state shellfish safety program based on the existing National Shellfish Sanitation Program. Each shellfish-producing state would be expected to develop and implement a Federally approved program for classifying and monitoring shellfish growing waters, testing shellfish, and certifying shellfish shippers. Shellfish imports would be permitted only from nations with FDA-certified programs.

2. Federal tolerance and standards. FDA would be required to establish and implement tolerance for maximum allowable levels of chemical and biological contaminants in seafood. In addition, the bill would authorize standards for processing and handling seafood based on the Hazard Analysis Critical Control Point (HACCP) approach.

3. National inspection system. FDA and NOAA jointly would develop a domestic seafood inspection system to minimize public health hazards and enforce Federal seafood standards. NOAA would conduct inspections at a frequency required by the gravity of potential problems associated with each seafood commodity and the processor's history of compliance. The bill would require all processing facilities to participate and register with FDA. "Whistleblower" protection would be provided for employees who identify potential seafood safety problems.

4. Imported fish products. FDA and FSIS jointly would develop a program to ensure the safety of imported seafood. Seafood importers would be required to register and would be held to the same requirements as domestic producers. FDA would be responsible for evaluating foreign programs and developing inspection agreements with other nations. FSIS would conduct inspections overseas and at the port of entry.

5. Monitoring of growing and harvesting areas. NOAA would establish a monitoring program to identify the growing and harvesting locations in which contaminated fish are likely to be caught. In addition, NOAA would have authority to close federal waters, while states would close their harvesting waters pursuant to Federal guidelines.

6. State inspection and monitoring programs. The bill recognizes that federal-state cooperation is necessary to implement an effective national program and provides for technical and financial assistance to states to strengthen their programs. Inspection authority would be delegated to states that meet national requirements, and grants of up to 60 percent of the cost of operating the program would be provided by the federal government. Similar grants would be available to states with approved shellfish programs.

7. Public information and consumer education systems. The bill would set up: (a) a system to assess seafood safety problems through surveillance by the Centers for Disease Control and sampling by FSIS; (b) a national education program under FDA, Sea Grant, cooperative extension services and the states; and (c) a seafood advisory system for consumers and fishermen under FDA, NOAA, the states and the Environmental Protection Agency.

8. Research. The bill requires FDA and NOAA to develop a comprehensive research plan to address seafood safety questions. In addition, it calls for an intensive research effort to improve monitoring programs for seafood contamination caused by biotoxins and algal blooms.

9. Authorization of appropriations. The bill provides for an initial appropriation of $60 million in FY 1993, and an increase to $70 million in FY 1994. Current appropriation levels for seafood safety are about $45 million. The funding authorized in the bill would cover the expected cost of the shellfish program, standard setting, monitoring of harvesting and growing areas, the Federal share of approved state programs, and research and education costs.

Mr. STEVENS. Mr. President, I am pleased to join Senators HOLLINGS, KENNEDY, LEAHY, and MITCHELL in introducing legislation to establish a National Seafood Safety Inspection Program. This bill represents a good compromise between the competing viewpoints that were debated extensively when the Senate considered seafood inspection legislation 2 years ago.

The Federal Food and Drug Administration [FDA] would be the lead agency responsible for implementing the National Seafood Safety Program established by this bill. FDA would establish the tolerances limiting the quantity of contaminants in seafood to levels that are not injurious to human health.

Working jointly with the National Marine Fisheries Service in the Department of Commerce, the FDA would also establish regulations for the processing and handling of seafood products based on the hazard analysis critical control point system. This system, commonly called HASCIP, is very similar to the system currently used in my State to ensure that seafood from Alaska is consistently safe and of the highest quality.

The National Marine Fisheries Service would be responsible for conducting routine inspections of domestic facilities that handle seafood and for monitoring the safety of fish growing and harvesting areas. If fish from a particular area are found to be contaminated, then the Secretary of Commerce is responsible for closing those areas to fishing if they are under Federal jurisdiction, and working with a State to close the area if the problem area is within State waters.

The Department of Agriculture, working under FDA's guidance, would be responsible for the inspection of all seafood imports. In addition, the Department of Agriculture would also be responsible for inspecting overseas processing plants under this legislation.

I am pleased with this compromise, Mr. President, because it recognizes the existing seafood inspection efforts of the FDA and the National Marine Fisheries Service, and also makes use of the Department of Agriculture's extensive personnel resources and overseas presence. By building upon the existing expertise and resources of each of these agencies, this bill will help to address consumer concerns about the safety of seafood in the United States without reinventing the wheel.

And let me just say for the record, Mr. President, that many of the recent press stories which imply that American seafood is unsafe are inaccurate and misleading. The State of Alaska, which accounts for over half the fish caught in the United States, currently works closely with the FDA to implement a highly successful seafood inspection program. Last year the State of Alaska issued seafood processing permits to 711 facilities and conducted over 1,600 plant inspections. Some facilities are inspected monthly, while others are inspected quarterly.

Since 1982 there have been no cases reported to the Alaska Department of Environmental Conservation where contaminated seafood has reached the market. In fact, the program is so rigorous that a zero tolerance program was put in place in the aftermath of the *Exxon Valdez* spill to ensure that oil tainted fish did not reach consumers. If even one fish in a lot was bad, the whole lot was destroyed.

In a just-completed joint inspection of seafood plants in Alaska, the FDA and the State inspected 343 plants. Of those, none had violations requiring further regulatory action, and less than 1 percent had violations that were even considered objectionable by the FDA. Nationwide, the picture is similar. Of 3,481 seafood plants recently inspected by FDA, less than 3 percent had violations requiring further action by the Government.

More recently, the Alaska Seafood Inspection Program conducted an extensive investigation into the risk of PCB contamination in Alaskan fish. This was done in response to the recent inaccurate article in Consumer Reports. While the final data are not yet available, the preliminary results show that there is no risk from PCB contamination in Alaska's wild fish.

A good friend of mine, Dr. William Castelli of Massachusetts, who incidentally is the director of the ongoing Framingham heart study, was just here at the Senate yesterday speaking about the health benefits of seafood. Dr. Castelli related an interesting point that I would urge all of you to consider—a medical study of Japanese fishermen, who eat at least a pound of fish a day, showed that they live an average of 5 to 7 years longer than we do. If eating fish were bad for you because of the risk of contaminants, then why are these risks not showing up in a population that eats far more fish than we do? The answer is that the risk is minimal. The benefits of eating fish on a daily basis far outweigh the risks.

I would also point out, Mr. President, that a significant percentage of the fish consumed in Japan comes from the waters off my State. Over 90 percent of the surimi imported into Japan comes from Alaska, as does over two-thirds of Japan's salmon imports.

To my knowledge there are no contamination risks in Alaska's wild fish. To the extent that there is a serious contamination risk, it comes from areas that do not have the kind of pristine water that we have off Alaska—areas threatened by agricultural runoff or by lack of water flow, like the restricted growing area used for farm-raised fish. Or it comes from imports, where sanitation practices are not of the same caliber that they are here in the United States.

In short, Mr. President, the risk to the public from contaminated seafood is low. Certainly it is lower than for beef and poultry. Data from the Centers for Disease Control show chicken to have a risk of salmonella which is 8 times greater than for fish, while beef and other meats have a risk of salmonella which is 15 times greater than fish. This bill is a measured response to that risk. Once implemented, it will guarantee that Americans can continue to increase their consumption of fish with confidence that their health is protected.

This bill is a good start. It is my understanding that the Commerce Committee will soon hold a hearing on this legislation, and I look forward to working with my colleagues to enact this seafood inspection legislation this year.

Mr. LEAHY. Mr. President, I want to thank four of my distinguished colleagues regarding the Consumer Seafood Safety Act. It is a privilege to join with Senators HOLLINGS, STEVENS, KENNEDY, and MITCHELL in this effort. I want to recognize the honorable majority leader, Senator MICTHELL, for bringing all parties involved in the introduction of this landmark fish safety bill together. Indeed this was no small task accomplished.

Senators HOLLINGS, KENNEDY, and STEVENS also deserve a great deal of credit. I look forward to working with them, and other Members, on this important consumer issue. The bill unites the chairmen of three key committees of the Senate, and the majority leader, on this critical issue. Senator STEVENS, who stands with us, has long been a leader in this area and I appreciate this assistance and the assistance of his staff.

These four Senators and their staffs spend endless hours on this bill and their work has indeed made the introduction of the Consumer Seafood Safety Act a reality.

In recent months, the evening news has been filled with stories raising questions about the safety of our food. The recent national Academy of Science report on seafood safety devoted over 150 pages to chemical contaminants in fish, such as mercury, lead, cadmium, PCB's, dioxin, and pesticides. Consumers are scared.

Currently, less than 20 percent of American seafood is examined. Only a small percent of the almost 4,000 seafood processors, including wholesale plants, participate in these voluntary inspection programs.

Food safety is not just a media issue. American consumers are concerned and worried. We have one of the safest food supplies in the world but we can make the best better.

This is particularly important now that more and more health-conscious Americans are choosing fish. This is why fish consumption was at an all time high in 1987. And it's fallen since 1988, in part due to consumer concerns.

While mandatory Federal inspection cannot completely eliminate all contaminants from the marketplace, it will make our seafood safer and reduce the risk of illness to consumers.

No longer will consumers have to guess whether or not the fish they eat is safe. For the first time, they will be able to buy seafood that passes the safety test.

The Consumer Seafood Safety Act relies on the expertise of three Federal agencies: Food and Drug Administration [FDA]; U.S. Department of Agriculture [USDA]; and the National Oceanic and Atmospheric Administration [NOAA] of the Commerce Department. By building on the strength of each agency, the act directs each agency to do what it does best. The Federal Government, in partnership with States, should work together to assure the safety of seafood.

The Consumer Seafood Safety Act also provides a key role for the States by permitting them to establish their own inspection programs. To ensure consumer confidence nationwide, State programs must meet the minimum national standards established in the act.

This legislation has strong consumer and industry support because it combines protecting consumers and safeguarding our domestic fish industry.

Mr. KENNEDY. Mr. President, it is a privilege to join Senators HOLLINGS, STEVENS, LEAHY, and MITCHELL in sponsoring the Consumer Seafood Safety Act. This legislation proposes a mandatory, federally funded fish inspection program that will safeguard the interests of fishermen, processors, retailers, and consumers.

In recent years, Americans have been steadily increasing their consumption of fish, which is one of the healthiest sources of low-fat protein. Over the last decade, consumption of fish products has increased almost 25 percent. However, potential health hazards caused by chemical and microbiological contamination have heightened concerns about the safety of seafood products.

While the overall quality of these products remains high, it is vital that we provide the public with a clear guarantee of the safety of those products. An inspection program will also help fishermen and processors by resolving continuing concerns about seafood safety that threaten to undercut the industry.

Currently, a patchwork of State and Federal programs now attempts to monitor the safety of fish, and this patchwork is clearly not the best way to protect the public health. The inspection program in this legislation acknowledges the unique public health issues associated with fish products and ensures food safety while establishing equitable standards for the fishing industry.

To the maximum extent possible, this bill will build on existing capabilities in the Food and Drug Administration, the Department of Commerce, and the Department of Agriculture. The legislation instructs the Secretary of Health and Human Services, through the FDA, to establish and implement tolerances for maximum allowable levels of chemical and biological contaminants in fish products. The legislation also instructs the Secretary of Health and Human Services, in cooperation with the Secretaries of Commerce and Agriculture, to develop inspection systems for both domestic and imported fish and seafood products.

The FDA will have oversight and enforcement responsibilities for the inspection systems for both domestic and imported fish products. This oversight is critical if the FDA is to maintain its current public health responsibilities.

The legislation also recognizes the vital role played by the States in assuring the safety of fish products, by providing technical and financial assistance to States to strengthen their inspection and monitoring programs. Inspection authority could be delegated to States that meet Federal standards and requirements. Grants to the States could cover up to 60 percent of the cost of operating the programs. In addition, each shellfish-producing State would be expected to develop a federally approved program for monitoring shellfish waters, certifying shellfish shippers, and testing shellfish.

The legislation also includes an important innovation in assessing food safety—the hazard analysis critical control point method. This scientifically based approach recognizes the unique nature of the fishing industry, and the diversity of fish processing facilities, by identifying those points during processing which are most critical to maintaining safe fish products.

Unlike traditional inspection procedures, this inspection method does not rely on the continuous presence of Federal inspectors to assure that adulterated or contaminated products are kept off the market. Therefore, it is essential that employees involved in processing operations be free to report violations of law, without fear of losing their jobs or being disciplined unfairly. It is equally important that no employee be required, under the threat of discipline or discharge, to participate in activities that would create a threat to the public health.

The inspection method required by the bill means that private employees, in effect, are deputized to act as Federal inspectors during those periods when no inspector is actually present in a facility. For this reason, it is essential that these employees receive the full protections extended to Federal inspectors under the Federal Employee Whistleblower Protection Act of 1989. Our proposed legislation guarantees those protections for employees who blow the whistle on health or safety violations.

The legislation proposed today by Senator HOLLINGS represents an extraordinary bipartisan effort by the majority leader and members of the Commerce, Labor, and Agriculture Committees. This legislation will fill a serious loophole in our food safety laws. Consumers deserve to have the highest confidence in fish products from U.S. waters. This important legislation is needed to assure that confidence, and I look forward to its passage by the Senate.

Mr. COHEN. Mr. President, I strongly support the Consumer Seafood Safety Act of 1992. I believe it represents a balanced approach to establishing a mandatory seafood inspection program.

The need for a mandatory seafood inspection program is clear. Seafood consumption is no longer limited to coastal and shoreside communities. It has become a main plate item, like beef, pork, and poultry, with more and more Americans enjoying seafood each year. Unlike meat and poultry, however, seafood is not required to be inspected under Federal law. The result of this anomaly has been a growing consumer apprehension regarding the safety of seafood products.

When American consumers see hospital waste washing up on beaches or oil spills blanketing stretches of shoreline, they understandably start to wonder whether food from the sea is safe to eat. Recent articles in several newspapers and magazines as well as televised news accounts have highlighted some of these problems.

Consumers become more apprehensive about seafood when they learn that, unlike meat and poultry products, seafood is not subject to mandatory Federal inspection.

While careful studies by the Center for Disease Control in Atlanta and by the National Academy of Sciences show that the problems associated with seafoods are primarily limited to a few types of products, a comprehensive inspection program would assure all consumers that whatever seafood product they purchase is wholesome.

The legislation we are introducing today is the result of several years of intense study and negotiations between the fishing industry, consumer groups, other food industry groups, and State and Federal Government agencies. Every participant is this process has added constructively to produce a bill that enjoys broad support and offers the best hope ever for establishing an inspection program.

There have been many attempts in Congress over the past two decades to establish a mandatory seafood inspection program. In fact, in the 101st Congress the Senate and the House each passed a mandatory program. Unfortunately, these bills were incompatible and a compromise was not possible at that time. I am very pleased that the bill we are introducing today enjoys wide support in the Senate. This offers great promise that a Federal mandatory inspection program will finally become a reality.

The inspection program provided for in this bill would draw upon the expertise of three Federal agencies. The Department of Health and Human Services [HHS] would take the lead in establishing the program, in cooperation with the Secretary of Commerce, the Secretary of Agriculture, and the States. HHS, through the Food and Drug Administration [FDA], would oversee the program. The Commerce Department, through the National Oceanic and Atmospheric Administration [NOAA] would monitor harvesting areas and conduct routine inspections of domestic processors. The Department of Agriculture would inspect processors overseas, as well as imports at the point of entry.

The program will employ an inspection methodology, known as hazard analysis critical control points [HACCP]. This means that, unlike meat and poultry inspection programs which are continuous, seafood inspection will focus only on those points where the greatest threats to food safety exist. To continuously inspect seafood would simply be too costly and too cumbersome because, while meat and poultry are processed at centralized locations, seafood is processed at thousands of different locations throughout the country. HACCP principles were developed by the National Academy of Science and will ensure a safe and wholesome supply of seafood.

The inspection program will be Government-supported. Seafood inspection, like meat and poultry inspection, is a public health issue. The Government currently supports meat and poultry inspection programs. It would simply be intolerable to require the seafood industry to pay for seafood inspection while other programs are Government-supported.

Finally, imported seafood will be held to the same inspection standards as domestically harvested products. It is critical that domestic and imported seafood be treated the same in order to insure the safety of seafood products.

The time for a mandatory seafood inspection program is now. There is unprecedented support for this bill. The benefits of this legislation will reach far beyond the fishing community. It will serve every American consumer by assuring a safe and wholesome supply of seafood. The proposed inspection program will restore consumer confidence without subjecting the fishing industry to unworkable and unreasonable regulations.

Finally, I want to commend my friend and colleague from Maine, Senator MITCHELL, as well as Senator STEVENS, Senator HOLLINGS, Senator LEAHY, Senator KENNEDY, and Senator KERRY for their commitment to this issue. This legislation represents several years of hard work which I am confident will prove worthwhile through its passage.

Mr. MITCHELL. Mr. President, I am today pleased to join in introducing legislation to establish a comprehensive and mandatory Federal fish inspection program.

This bill is an important step forward for American consumers and American commercial fishermen. It represents a compromise and a coming together within the Senate. It also is a clear signal to both the administration and the House of Representatives of our intention and desire to work together on a bipartisan basis to enact into law a program that for too long has been "the fish that got away."

I greatly appreciate the leadership and cooperation of Senator HOLLINGS, chairman of the Commerce Committee; Senator LEAHY, chairman of the Agriculture Committee; and Senator KENNEDY, chairman of the Labor Committee, who have worked with me in seeking this bill.

I also acknowledge the important leadership of Senator STEVENS and Senator COHEN, who traditionally have shared my concern for the commercial fishing industry. In 1989, Senator STEVENS worked especially closely with Senator COHEN and myself in formulating a legislative strategy that led to the enactment of legislation that was important to New England lobstermen, the so-called Mitchell bill. Senator STEVENS support was instrumental in securing the President's signature for enactment of that bill. It is my sincere hope that his powers of persuasion will be equally effective in this current effort.

In working together in 1989 on the lobster provisions of a broader fisheries bill, Senator STEVENS and I recognized that the east and west coast fishing industries must often "stand or fall together." That principle is equally applicable to the fish-inspection issue.

Whether it is in the Gulf of Maine or the Gulf of Alaska, American fishermen face common challenges. The waters of both regions are relatively very clean. We are confident of the wholesomeness of Maine and Alaska seafood. However, an oil spill in Prince William Sound can send tremors that register in Casco Bay—and throughout our seafood industries.

For too long, there has been a credibility gap in the Federal Government's food safety net. Fish are the only major food entree that are not subject to a comprehensive, mandatory inspection program. At the same time, fish's competitors, meat and poultry, are subject to such a program, operated and paid for by the Federal Government.

That is not fair to American fishermen. And it is not fair to American consumers.

Whatever affects the quality of seafood, and whatever affects the confidence of American consumers in the marketplace, ultimately affects the livelihoods of all American fishermen.

Maine seafood especially has a reputation for freshness, quality, and wholesomeness. But the livelihoods of Maine fishermen often are affected by concerns over which they have no control.

In 1970, the Senate first passed a fish inspection bill, of which Senator KENNEDY was a principal author. That bill died in the House of Representatives. In 1990, during the 101st Congress, the Senate passed a second bill authored by Senator LEAHY and myself. Just before the 101st Congress adjourned, the House of Representatives passed a substitute bill that included some features of a bill offered by Senators HOLLINGS and STEVENS, which the Senate had considered but rejected. Time ran out before the provisions of the Senate and House bills could be reconciled.

The 1990 debate was made more difficult by the opposition of the administration—and by conflicts similar to those which killed the 1970 legislation, which have less to do with the circumstances of the seafood industry than with other policy agendas. Those conflicts have resulted in over a 20-year gap in the Federal Government's consumer protection programs. The only result has been unfairness to American consumers and American fishermen.

The legislation which we are introducing today incorporates approaches offered in both Senate bills from the 1990 debate—and moves significantly toward the positions of both the House of Representatives and the administration. It represents a spirit of compromise that I hope will be reciprocated so that we can proceed to enact into law a program that is long overdue.

The bill includes several key features:

It establishes the Food and Drug Administration [FDA] as the lead agency for the Federal program, while relying also on the Department of Agriculture and the Department of Commerce in the conduct of inspections.

It establishes a division of labor that can rely on the strengths of each agency—and will ensure equal coverage of both domestic and imported products. FDA will set standards. The Department of Commerce's National Marine Fisheries Service will conduct domestic inspection. And the Department of Agriculture will inspect imports and under agreements with foreign nations inspect foreign processing facilities.

It reflects the principle of hazardous analysis critical control point [HACCP] methodology, recommended by the National Academy of Sciences and pioneered under NMFS's model seafood surveillance project [MSSP]. Inspections will be based on reasonable risk assessments.

It recognizes the necessity of Federal-State cooperation. Federal authority will be delegated to State programs meeting national requirements, with up to 60 percent of operating costs to be provided by the Federal Government. It also will build on the interstate shellfish sanitation conference [ISSC], and address concerns for shellfish as a priority.

The Department of Commerce will have the authority to establish standards for fishing vessels either as regulations or voluntary guidelines—but only to the extent that they are necessary, represent the only practicable alternative, and cause the least disruption to fishing operations.

The bill similarly recognizes the unique characteristics of the fishing industry and provides for less than continuous inspection. At the same time, public health concerns will be safeguarded by whistleblower protections.

Fish inspection is a complex issue. It will require close consideration of many technical issues as the legislative process unfolds.

The bill we are introducing is comprehensive and detailed. Its essential compromise on agency jurisdictions represents a basic structural foundation. But it is only a starting point.

We invite the comments and cooperation of all interested parties as work on the bill continues. There are many difficult issues which still will need to be addressed. Our hope is to achieve reasonable, balanced, and fair legislation. That may require additional, difficult compromises. I welcome the participation of all parties and ask for the same open-minded flexibility that the sponsors of this legislation have demonstrated. After 20 years, the time for such legislation is overdue.

I am grateful for the encouragement of the National Fisheries Institute and Public Voice for Food and Health Policy, and the leaders of Maine's fishing industry: including the Maine Sardine Council, the Maine Fishermen's Cooperative Association, the Maine Lobstermen's Association, and the Maine Aquaculture Association. Their cooperation and patience has been important in allowing us the opportunity to achieve a basic compromise. It is an important first step. There are many additional steps to be taken before this legislation can be enacted into law. I welcome their participation as the process continues.

By Mr. MOYNIHAN:

S. 2539. A bill to authorize the construction of the William B. Hoyt II Visitor Center at Mount Morris Dam in Mount Morris, NY; to the Committee on Environment and Public Works.

WILLIAM B. HOYT II VISITOR CENTER

• Mr. MOYNIHAN. Mr. President, last week I rose to mourn the passing of Assemblyman William B. Hoyt II of Buffalo, NY, an extraordinary man of extraordinary political abilities. I spoke then of a project we worked closely on together to protect a section of the Genesee River Gorge in Letchworth State Park.

The U.S. Army Corps of Engineers' Buffalo District owns and operates the Mount Morris Dam in the Letchworth Gorge. For several years the corps has planned to develop a visitors reception center at the dam. There will be wildlife exhibits, self-guided nature trails, scenic overlooks of the gorge and dam, interpretive panels explaining the geology of the area, and tours of the dam.

With this in mind I rise to offer a bill which will designate this structure as the "William B. Hoyt Visitors Center" and provide sufficient sums to see that the project is completed. There are presently no corps visitor centers in the Buffalo district. The Hoyt family believes this will be a fitting memorial to Bill. My good friend and colleague in the House of Representatives, HENRY NOWAK, will introduce companion legislation.

Congressman NOWAK and I know that the good people of Buffalo are also developing plans to honor Bill Hoyt's memory. We do not want to distract them in their efforts. Assemblyman Hoyt's contributions to the people of the State of New York and to local government were many, and this is but the Congress' way of showing its appreciation. The visitors center will provide a place to learn about and enjoy the magnificent surroundings to which Bill Hoyt dedicated such a good part of his life to preserving.

Mr. President, I ask unanimous consent that the bill be printed in the RECORD at this point and that it be appropriately referred.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2539

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. MOUNT MORRIS VISITOR CENTER.

(a) IN GENERAL.—

(1) CONSTRUCTION OF VISITOR CENTER.—The Secretary of the Army is authorized and directed to construct a visitor center at Mount Morris Dam in Mount Morris, New York. Such visitor center shall be known as the "William B. Hoyt Visitor Center".

(2) CONDITIONS OF CONSTRUCTION.—The William B. Hoyt Visitor Center shall be constructed—

(A) at full Federal expense; and

(B) in accordance with the alternative designated as "Alternative 2" in the interpretive development prospectus for the visitor reception area prepared by the Buffalo district of the Army Corps of Engineers and dated February 22, 1991.

(3) REFERENCES IN OTHER LAW.—Any law, regulation, document, or record of the United States in which such visitor center is referenced shall refer to the visitor center as the "William B. Hoyt Visitor Center".

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Army, to remain available until expended such sums as may be necessary to carry out this section.•

By Mr. COATS (for himself, Mr. COCHRAN, Mr. GORTON, Mr. LUGAR, and Mr. SMITH):

S. 2540. A bill to amend the Internal Revenue Code of 1986 to provide for the establishment of individual medical savings accounts to assist in the payment of medical and long-term care expenses and other qualified expenses, to provide that the earnings on such accounts will not be taxable, and for other purposes; to the Committee on Finance.

INDIVIDUAL MEDICAL SAVINGS ACCOUNTS

• Mr. COATS. Mr. President, I rise today with the support of Senators COCHRAN, GORTON, LUGAR, and SMITH to introduce S. 2540, a simple and fresh approach that offers a new way to deliver health care in the United States of America. Through the use of individual health savings accounts, S. 2540 offers a way to contain health care costs and widen access through individual responsibility.

Mr. President, today it is becoming strikingly clear that the delivery of health care in the United States of America needs to be reformed. The status quo is unacceptable. I am convinced the real dividing line in this debate is whether Government control of health care is the answer or whether solutions are to be found in the choices of the private sector. One road to reform offers less regulation and more competition. Unfortunately, many of the other choices before us offer the road of increased regulation and more competition. Unfortunately, many of the other choices before us offer the road of increased regulation and government involvement—a direction we should not travel.

Healthsave would function similar to an individual retirement account by allowing individuals to save tax free for incidental medical expenses. Health care insurance would be used for its fundamental purpose—large medical expenses. Under Healthsave, the employer would be encouraged—not mandated—to purchase an umbrella policy for large medical bills to cover the costs of catastrophic events. Healthsave would then allow an employer to provide each worker an allowance for medical care—up to $3,000 which would be adjusted to inflation. With the $3,000, an employee could purchase additional coverage and have resources to cover deductibles.

Any money left unspent would belong to the employee. Unlike section 125 of the Internal Revenue Code, the employee would not be forced to use it or lose it. Instead, money not used for health care could accrue tax free in the health savings account, similar to an IRA, and be used for future medical expenses, long term care, or retirement.

Let me put this in human terms. Recently, a Indiana resident explained she had $1,200 deducted from her salary and transferred to her flexible spending account [FSA] for both her and her family's medical expenses.

When her husband needed additional medical treatment, the cost was $3,000. Thus, within the first 3 months of 1992, all the money in her flexible spending account is gone, her $600 deductible has been met, and health coverage for the rest of the year will come out of her pocket or another insurance policy.

This Hoosier resident also mentioned that 1 year ago, she could have left several hundred dollars in her FSA. However, instead of being able to apply it to this year's expenses, the current IRS Code forced her to spend all this money by the end of the year—or see it revert back to the employer.

Clearly a change is needed. Healthsave allows money unused over the course of a 1 year to remain in an IRA for use in meeting future medical needs. For people like this Hoosier constituent, this means keeping money left over at the end of the year for future medical needs.

Another example is a woman from Indianapolis who called a local hospital to find out the cost of a mammogram. When told the cost would be $250, she asked if the hospital ever offered specials—and was told that during Mother's Day week, the price dropped to $50. If Healthsave were in effect, this kind of competitiveness would increase—and the quality and cost savings available to health care consumers would increase accordingly. Healthsave would enable this constituent to choose her own doctor, make her own health decision, and would provide financial incentives for a healthier lifestyle.

Mr. President, as I close I would be remiss if I do not mention a core element behind our health care problems today. We are paying a high price for our social and behavioral attitudes, our personal lifestyle decisions. These must be changed if we are to truly contain and reduce our Nation's health care costs.

First, at 13.8 per 100,000, the male homicide rate in the United States is more than 12 times that of Germany and 5 times that of Canada. In America, we pay over $4 billion in health care costs for gunshot wounds.

Second, more than 25 percent of our Nation's 10,000 to 15,000 spinal cord injuries each year are a result of violent assaults. The lifetime cost of quadriplegia treatment and rehabilitation for these patients is estimated at $600,000 per patient.

Third, two out of three deaths in the United States can be linked to tobacco use, alcohol use and abuse, high blood pressure, overeating, accidental injury, and lack of preventive care.

Fourth, over 100,000 AIDS cases and 200,000 reported cases of the HIV infection have taken place in our country. The cause of most of these cases have been traced to drug abuse and unsafe sex. In 1989, the United States incidence of AIDS was more than three times that of Canada and six times that of West Germany. The estimated lifetime costs of treatment for these patients in the United States is nearly $85,000 per patient.

Last, our Nation is paying a high price for the birth of babies born addicted to drugs—crack babies. There are currently close to 375,000 drug exposed babies in the United States. The treatment for each child is $63,000 for just the first 5 years. This is a negligible problem for our neighbor to the north—Canada.

These statistics show us, Mr. President, that some of the reasons for the exceedingly high rise in health care costs are rooted in social problems—problems of character. While Healthsave offers a way to strengthen individual responsibility, I am convinced no legislative solution provides a silver bullet. When these deeper social problems are addressed—if they are addressed—only then will true health care costs decline. This will take place in families that transmit values, churches that raise a moral standard, and changes in the hearts and minds of the American people. The answer to our current dilemma will be found more in our hearts, values, and priorities, rather than our heads. As Daniel Callahan, the director of the Hastings Center stated so eloquently:

> This Nation's health care problems won't be solved by efficiency, HMO's, technology, cost controls, laws, competition, or national health insurance. We must change our values, habits and desires since these are the real forces driving our Nation's increasing health care bill.

Mr. President, we must become wiser in the way we live and the way we purchase health care. We must begin to be more honest, begin to be more realistic, and begin to have the courage to face the real causes of the health care cost dilemma. To accomplish this goal, we need to accept personal responsibility for choices that determine our health and realize that health services do not naturally ensure good health.

Healthsave is tailored to provide the incentives to make health care more affordable and accessible, without heavyhanded Government controls. Healthsave offers a chance to prevent intrusive, inefficient Government regulation that tries to micromanage the delivery of medicine.

The economics are quite simple, as University of Delaware professor, Laurence S. Seidman notes:

> No sector can remain free of Government microregulation if its product is free to most consumers. When a product is free—when there is no consumer cost sharing—demand escalates, cost escalates, and Government must come in to try to get the sector under control. Such micromanagement has already begun for Medicare patients. Like a disease, it will gradually spread to all patients.

In sum, Mr. President, I encourage health care reform that would enable people to choose their own doctors, make their own health care decisions, and give them financial incentives for a healthier lifestyle. I advocate a road to reform that leads to less regulation and less Government involvement, health care reform that leads away from the red tape jungle of Washington, DC. As we renew our efforts to form a national health care strategy, I ask each member of this body to give S. 2540, Healthsave, their strong consideration.•

• Mr. LUGAR. Mr. President, I rise today to speak in support of a bill being offered by my junior colleague from Indiana, Senator COATS. Senator COATS' proposal provides for the establishment of tax free individual medical savings accounts for employees. This measure offers employees incentives to engage in a healthier lifestyle, to refrain from unnecessary medical treatment, and to shop for medical care based on quality and cost.

We are fortunate in the United States to have the best medical care in the world. Our physicians, our hospitals, our medical technology, and our pharmaceutical drugs are second to none. However, while 85 percent of Americans have health coverage of some type, there are still those who lack adequate access to our health care system. This issue must be addressed in any reform effort we undertake.

We are also paying for the best medical care in the world. Part of the reason for the rise in medical care spending is that there is little incentive for individual policyholders to keep costs down. By making employees financially responsible for their health care decisions, the Coats proposal encourages employees to treat their medical spending the same way they treat spending for any other consumer good, such as the purchase of groceries, a car, or a home.

Currently, employers pay an average of $4,500 in insurance premiums to cover an employee and his or her family. Under this proposal an employer would be allowed to give each employee an annual allowance of $3,000. This $3,000 would be used by the employee and family for routine health care, such as checkups, flu shots, and so forth. This allowance would go into an employee account—a sort of medical IRA. Any funds unexpended by year's end would roll over into the account for the next year, and could be withdrawn by the employee for nonmedical purposes with a tax penalty assessed. The employer would also provide an umbrella group plan for catastrophic coverage.

Current law does not allow employers to offer such a program. Now, health care costs are only tax deductible if the money is spent by the employer. Mr. President, I support the medical IRA approach because it puts the responsibility for routine health care where it belongs, with the individual. I think we will reap enormous benefits from such a shift in thinking, both in a greater emphasis on prevention and in lowered costs and enhanced access and quality within the system.

I commend my colleague from Indiana for the foresight he has shown in endorsing such an approach, and I will work with him to see that this proposal gets a fair hearing as the health care debate continues.•

• Mr. SMITH. Mr. President, I rise today to express my support for the Healthsave plan introduced by my good friend from Indiana, Senator COATS. I have signed on as an original cosponsor to this legislation because I believe that it is a responsible and well thought out response to the skyrocketing health care costs our Nation is currently facing.

In 1980, the United States spent about $250 billion, or 9 percent of the gross national product, on health care. In 1990, we spent over $660 billion, almost 12 percent of our gross national product, on health care. These costs continue to rise at an alarming rate.

Several of my colleagues have suggested that the time has come to institute a single-payer system such as the one employed by the Canadians. Such a nationalized plan, they say, would allow the Federal Government to set expenditure targets and eliminate overhead costs in order to hold costs down. I disagree with this notion. Aside from the attendant drawbacks of nationalized care, such as long waiting lists for routine surgery, unfilled beds, rationed care, and strangling red tape, Canada's health care delivery system suffers from a rate of inflation that exceeds our own. If Canada, with a population a tenth of our own, cannot hold down costs after over 20 years of experience with a nationalized system, we certainly cannot.

I believe that the main reason why our current system and the Canadian system fails to rein in runaway health spending is that both remove the consumer from the decisionmaking process. When the tab for health care is picked up by a third party, the Government in Canada, and employers or Medicare and Medicaid for the great majority of Americans, the consumer has no incentive to keep his or her own health costs in check. For most Americans, there is no financial reward for staying healthy, seeking preventative care, and shopping around for the best care available at the lowest prices.

To put this in perspective, compare health insurance with automobile insurance. If I drive recklessly, get several speeding tickets, and cause an accident or two, my irresponsible behavior will be greeted by a higher car insurance premium. It is to my financial advantage to drive carefully, avoid speeding, and wear my seatbelt. If someone else were paying for my insurance, however, I might not have the same incentive. The same is true of health insurance; with another party bearing the responsibility for any costs, individuals have no incentive to keep themselves from incurring expensive health care bills.

That is what Healthsave is all about: Responsibility. It places the responsibility of health care costs where it should be: On the consumer. With a medical IRA, the consumer, not a third party, will have to make decisions that will have a direct financial impact on themselves. Individuals who lead healthy lifestyles and seek routine preventative care will be rewarded with accruing balances in their IRA, which can be used to defray future medical costs or long-term care expenses. By working to hold down their personal health costs, individuals will help our country hold down our overall health costs.

In addition, Healthsave will also unleash market forces onto the health care delivery system. Today's system encourages providers to bill for as many services as possible. With millions of individual consumers shopping around for quality care at low prices, providers will have to find ways to cut overhead costs and provide care in an efficient manner.

Our Nation's health care system is ill, Mr. President, not dead as some of my colleagues maintain. The answer is not to ship it off to the morgue and replace it with a whole new plan, but to give it a dose of good old-fashioned competition and individual responsibility. The result will be a system that maintains the strengths currently enjoyed by Americans, such as quality and choice, while providing the access and the lower costs that Americans demand. I urge all my colleagues to lend their support to this innovative Healthsave plan.●

By Mr. DURENBERGER:

S. 2542. A bill to suspend until January 1, 1995, the duty on certain internally lighted ceramic and porcelain miniatures of cottages, houses, churches, and other buildings and associated accessories and figures; to the Committee on Finance.

DUTY ON CERTAIN ACCESSORIES AND FIGURINES

Mr. DURENBERGER. Mr. President, today I am introducing legislation to suspend until January 1, 1995, the duty imposed on internally lighted porcelain or ceramic miniature buildings and structures which are designed and sold primarily for display during the Christmas holiday season. This duty suspension would be applicable, but not limited to, cottages, houses, and churches and associated porcelain or ceramic miniature figures depicting people, animals or other objects.

There is no American producer of Christmas houses comparable to these articles; no American will lose his or her job or be otherwise adversely affected by this legislation. Yet, those that will benefit will be the many American consumers who buy the porcelain or ceramic Christmas pieces each year. Plus, more than 100 employees of the company that designs and imports the Christmas house will benefit from steady growth through expanded sales.

Mr. President, this legislation is very specific. It will not let into the United States every ceramic or porcelain product made abroad; it will not create a huge hole in our tariff system. Only those articles that are miniatures of buildings, lighted, and intended for display during the Christmas holiday season will be eligible for duty-free treatment under this bill.

The primary designer and distributor of these products is a constituent of mine, Department 56, located in Eden Prairie, MN. This small, but growing company pays a significant duty on the porcelain and ceramic Christmas houses it brings into the United States. Because of an arbitrary Customs Service decision, however, the amount of duty the company must pay, for a product which is only commercially produced outside the United States—will go up.

Let me make one thing very clear, Mr. President, the Christmas houses imported by Department 56 are festive and seasonal in nature. The Department 56 Christmas houses are primarily designed for and advertised as products to be displayed during the Christmas holiday season. The collections which Department 56 sells have Christmastime themes, such as the North Pole collection and Alpine Village. The Christmas houses are seldom, if ever, used year-round by the consumer. Instead, they are like Christmas ornaments or nativity scenes; they are taken out each Christmas, set on a table or mantle and admired. Then, once the season is over, the houses are packed away, not to be seen, until the next Christmas. In a very real sense, Department 56's Christmas houses can be considered secular nativity scenes.

Thus, Mr. President, believing that the consumer and the American designer and importer will be benefited and no American job adversely affected, I introduce this legislation and urge its favorable consideration by my colleagues.

ADDITIONAL COSPONSORS

S. 21

At the request of Mr. CRANSTON, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 21, a bill to provide for the protection of the public lands in the California desert.

S. 25

At the request of Mr. CRANSTON, the name of the Senator from Pennsylvania [Mr. SPECTER] was added as a cosponsor of S. 25, a bill to protect the reproductive rights of women, and for other purposes.

S. 447

At the request of Mr. THURMOND, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 447, a bill to recognize the organization known as The Retired Enlisted Association, Incorporated.

S. 567

At the request of Mr. SANFORD, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 567, a bill to amend title II of the Social Security Act to provide for a gradual period of transition (under a new alternative formula with respect to such transition) to the changes in benefit computation rules enacted in the Social Security Amendments of 1977 as such changes apply to workers born in years after 1916 and before 1927 (and related beneficiaries) and to provide for increases in such workers' benefits accordingly, and for other purposes.

S. 761

At the request of Mr. LIEBERMAN, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of S. 761, a bill to reduce hazardous pollution.

S. 810

At the request of Mr. HARKIN, the names of the Senator from Minnesota [Mr. WELLSTONE] and the Senator from Michigan [Mr. RIEGLE] were added as cosponsors of S. 810, a bill to improve counseling services for elementary school children.

S. 879

At the request of Mr. DASCHLE, the name of the Senator from Utah [Mr. HATCH] was added as a cosponsor of S. 879, a bill to amend the Internal Revenue Code of 1986 to clarify the treatment of certain amounts received by a cooperative telephone company indirectly from its members.

S. 1100

At the request of Mr. KERRY, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 1100, a bill to authorize the Secretary of Housing and Urban Development to provide grants to urban and rural communities for training economically disadvantaged youth in education and employment skills and to expand the supply of housing for homeless and economically disadvantaged individuals and families.

S. 1372

At the request of Mr. GORE, the names of the Senator from Arkansas [Mr. PRYOR], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of S. 1372, a bill to amend the Federal Communications Act of 1934 to prevent the loss of existing spectrum to Amateur Radio Service.

S. 1423

At the request of Mr. DODD, the name of the Senator from Montana [Mr. BAUCUS] was added as a cosponsor of S. 1423, a bill to amend the Securities Exchange Act of 1934 with respect to limited partnership rollups.

S. 1451

At the request of Mr. SPECTER, his name was added as a cosponsor of S. 1451, a bill to provide for the minting of coins in commemoration of Benjamin Franklin and to enact a fire service bill of rights.

S. 1557

At the request of Mr. LAUTENBERG, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1557, a bill to improve the implementation and enforcement of the Federal cleanup program.

S. 1578

At the request of Mr. THURMOND, the names of the Senator from Louisiana [Mr. BREAUX], and the Senator from Texas [Mr. GRAMM] were added as cosponsors of S. 1578, a bill to recognize and grant a Federal charter to the Military Order of World Wars.

S. 1627

At the request of Mr. FORD, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 1627, a bill to amend section 615 of title 38, United States Code, to require the Secretary of Veterans Affairs to permit persons who receive care at medical facilities of the Department of Veterans Affairs to have access to and to consume tobacco products.

S. 1650

At the request of Mr. KERRY, the name of the Senator from Ohio [Mr. GLENN] was added as a cosponsor of S. 1650, a bill to revise the national flood insurance program to provide for mitigation of potential flood damages and management of coastal erosion, ensure the financial soundness of the program, and increase compliance with the mandatory purchase requirement, and for other purposes.

S. 1830

At the request of Mr. WOFFORD, the name of the Senator from Massachusetts [Mr. KERRY] was added as a cosponsor of S. 1830, a bill to require Senators and Members of the House of Representatives to pay for medical services provided by the Office of the Attending Physician, and for other purposes.

S. 1862

At the request of Mr. GRAHAM, the name of the Senator from Connecticut [Mr. DODD] was added as a cosponsor of S. 1862, a bill to amend the National Wildlife Refuge System Administration Act of 1966 to improve the management of the National Wildlife Refuge System, and for other purposes.

S. 1866

At the request of Mr. KENNEDY, the name of the Senator from Maryland [Ms. MIKULSKI] was added as a cosponsor of S. 1866, a bill to promote community based economic development and to provide assistance for community development corporations, and for other purposes.

S. 2085

At the request of Mr. PRYOR, the name of the Senator from Indiana [Mr. COATS] was added as a cosponsor of S. 2085, a bill entitled the Federal-State Pesticide Regulation Partnership.

S. 2100

At the request of Mr. DASCHLE, the name of the Senator from North Dakota [Mr. BURDICK] was added as a cosponsor of S. 2100, a bill to amend the Internal Revenue Code of 1986 to encourage the development of renewable energy and the conservation of energy, and for other purposes.

S. 2202

At the request of Mrs. KASSEBAUM, the name of the Senator from South Dakota [Mr. DASCHLE] was added as a cosponsor of S. 2202, a bill to amend the Internal Revenue Code of 1986 to provide that farm land adjoining a principal residence qualifies for the one-time exclusion of gain from sale of such residence.

S. 2205

At the request of Mr. LEAHY, the name of the Senator from New Jersey [Mr. LAUTENBERG] was added as a cosponsor of S. 2205, a bill to amend the Public Health Service Act to provide for the establishment or support by States of registeries regarding cancer, to provide for a study regarding the elevated rate of mortality for breast cancer in certain States, and for other purposes.

S. 2206

At the request of Mr. KASTEN, the name of the Senator from Mississippi [Mr. LOTT] was added as a cosponsor of S. 2206, a bill to amend the Internal Revenue Code of 1986 and title II of the Social Security Act to expand the social security exemption for election officials and election workers employed by State and local governments.

S. 2211

At the request of Mr. NICKLES, the name of the Senator from Florida [Mr. GRAHAM] was added as a cosponsor of S. 2211, a bill to amend the Internal Revenue Code of 1986 to eliminate tax penalties that apply to oil and gas investments, and for other purposes.

S. 2247

At the request of Mr. D'AMATO, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of S. 2247, a bill to amend the Department of Housing and Urban Development Act to prohibit the Secretary of Housing and Urban Development from making lump sum relocation assistance payments, except under certain circumstances.

S. 2322

At the request of Mr. CRANSTON, the name of the Senator from Florida [Mr. MACK] was added as a cosponsor of S. 2322, a bill to increase the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans.

S. 2327

At the request of Mr. HATFIELD, the names of the Senator from South Dakota [Mr. DASCHLE], the Senator from South Dakota [Mr. PRESSLER], the Senator from Michigan [Mr. LEVIN], the Senator from Maine [Mr. COHEN], and the Senator from Montana [Mr. BURNS] were added as cosponsors of S. 2327, a bill to suspend certain compliance and accountability measures under the National School Lunch Act.

S. 2328

At the request of Mr. BROWN, the name of the Senator from Tennessee [Mr. GORE] was added as a cosponsor of S. 2328, a bill to provide that for taxable years beginning before 1980 the Federal income tax deductibility of flight training expenses shall be determined without regard to whether such expenses were reimbursed through certain veterans educational assistance allowances.

S. 2362

At the request of Mr. MCCAIN, the names of the Senator from South Dakota [Mr. PRESSLER], the Senator from New Hampshire [Mr. SMITH], and the Senator from Wisconsin [Mr. KASTEN] were added as cosponsors of S. 2362, a bill to amend title XVIII of the Social Security Act to repeal the reduced Medicare payment provision for new physicians.

S. 2384

At the request of Mr. COATS, the name of the Senator from South Carolina [Mr. THURMOND] was added as a cosponsor of S. 2384, a bill to amend the Solid Waste Disposal Act to require the owner or operator of a solid waste disposal facility to obtain authorization from the affected local government before accepting waste generated outside of the State, and for other purposes.

S. 2487

At the request of Mr. INOUYE, the name of the Senator from Hawaii [Mr.

AKAKA] was added as a cosponsor of S. 2487, a bill to provide for the regulation of imports of fresh cut flowers by measures in addition to existing duties.

S. 2511

At the request of Mrs. KASSEBAUM, the name of the Senator from Kansas [Mr. DOLE] was added as a cosponsor of S. 2511, a bill to exempt certain financial institutions from the examination requirements of the Community Reinvestment Act of 1977.

S. 2514

At the request of Mr. BUMPERS, the name of the Senator from Virginia [Mr. ROBB] was added as a cosponsor of S. 2514, a bill to amend the Internal Revenue Code of 1986 to allow taxpayers a bad debt deduction for certain partially unpaid child support payments and to require the inclusion in income of child support payments which a taxpayer does not pay, and for other purposes.

S. 2518

At the request of Mr. DODD, the name of the Senator from Missouri [Mr. BOND] was added as a cosponsor of S. 2518, a bill to amend the Securities Act of 1933 and the Investment Company Act of 1940 to promote capital formation for small businesses and others through exempted offerings under the Securities Act and through investment pools that are excepted or exempted from regulation under the Investment Company Act of 1940 and through business development companies.

S. 2520

At the request of Mr. KENNEDY, the names of the Senator from Illinois [Mr. SIMON], the Senator from Kansas [Mrs. KASSEBAUM], and the Senator from Arizona [Mr. DECONCINI] were added as cosponsors of S. 2520, a bill to support efforts to promote democracy in Haiti.

SENATE JOINT RESOLUTION 166

At the request of Mr. DOLE, the name of the Senator from Pennsylvania [Mr. WOFFORD] was added as a cosponsor of Senate Joint Resolution 166, a joint resolution designating the week of October 6 through 12, 1991, as "National Customer Service Week."

SENATE JOINT RESOLUTION 231

At the request of Mr. THURMOND, the names of the Senator from Utah [Mr. HATCH] and the Senator from Massachusetts [Mr. KERRY] were added as cosponsors of Senate Joint Resolution 231, a joint resolution to designate the month of May 1992, as "National Foster Care Month."

SENATE JOINT RESOLUTION 241

At the request of Mr. SPECTER, the names of the Senator from California [Mr. SEYMOUR] and the Senator from Montana [Mr. BURNS] were added as cosponsors of Senate Joint Resolution 241, designating October 1992 as "National Domestic Violence Awareness Month."

SENATE JOINT RESOLUTION 242

At the request of Mr. SPECTER, the name of the Senator from Montana [Mr. BURNS] was added as a cosponsor of Senate Joint Resolution 242, a joint resolution to designate the week of September 13, 1992, through September 19, 1992, as "National Rehabilitation Week."

SENATE JOINT RESOLUTION 247

At the request of Mr. DOLE, the name of the Senator from Vermont [Mr. LEAHY] was added as a cosponsor of Senate Joint Resolution 247, a joint resolution designating June 11, 1992, as "National Alcoholism and Drug Abuse Counselors Day."

SENATE JOINT RESOLUTION 248

At the request of Mr. CONRAD, the names of the Senator from Montana [Mr. BAUCUS] and the Senator from Washington [Mr. ADAMS] were added as cosponsors of Senate Joint Resolution 248, a joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day."

SENATE JOINT RESOLUTION 252

At the request of Mr. DIXON, the names of the Senator from Alaska [Mr. STEVENS], the Senator from Rhode Island [Mr. PELL], the Senator from Texas [Mr. BENTSEN], and the Senator from Indiana [Mr. LUGAR] were added as cosponsors of Senate Joint Resolution 252, a joint resolution designating the week of April 19–25, 1992, as "National Credit Education Week."

SENATE JOINT RESOLUTION 257

At the request of Mr. LAUTENBERG, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 257, a joint resolution to designate the month of June 1992, as "National Scleroderma Awareness."

SENATE JOINT RESOLUTION 266

At the request of Mr. THURMOND, the names of the Senator from Montana [Mr. BURNS], the Senator from Alabama [Mr. HEFLIN], and the Senator from North Dakota [Mr. BURDICK] were added as cosponsors of Senate Joint Resolution 266, a joint resolution designating the week of April 26–May 2, 1992, as "National Crime Victims' Rights Week."

SENATE JOINT RESOLUTION 270

At the request of Mr. THURMOND, the names of the Senator from Mississippi [Mr. COCHRAN] and the Senator from Alaska [Mr. MURKOWSKI] were added as cosponsors of Senate Joint Resolution 270, a joint resolution to designate August 15, 1992, as "82d Airborne Division 50th Anniversary Recognition Day."

SENATE JOINT RESOLUTION 273

At the request of Mr. SEYMOUR, the names of the Senator from Iowa [Mr. GRASSLEY], the Senator from Virginia [Mr. WARNER], and the Senator from Hawaii [Mr. AKAKA] were added as cosponsors of Senate Joint Resolution 273, a joint resolution to designate the week commencing June 21, 1992, as "National Sheriffs' Week."

SENATE JOINT RESOLUTION 274

At the request of Mr. DODD, the names of the Senator from Rhode Island [Mr. PELL], the Senator from Illinois [Mr. DIXON], the Senator from Kansas [Mrs. KASSEBAUM], the Senator from North Carolina [Mr. SANFORD], the Senator from Michigan [Mr. RIEGLE], and the Senator from Utah [Mr. GARN] were added as cosponsors of Senate Joint Resolution 274, a joint resolution to designate April 9, 1992, as "Child Care Worthy Wage Day."

SENATE JOINT RESOLUTION 277

At the request of Mr. D'AMATO, the names of the Senator from South Carolina [Mr. THURMOND], and the Senator from Alabama [Mr. HEFLIN] were added as cosponsors of Senate Joint Resolution 277, a joint resolution to designate May 13, 1992, as "Irish Brigade Day."

SENATE JOINT RESOLUTION 279

At the request of Mr. BIDEN, the name of the Senator from Alabama [Mr. HEFLIN] was added as a cosponsor of Senate Joint Resolution 279, a joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A."

SENATE CONCURRENT RESOLUTION 57

At the request of Mr. BOREN, the name of the Senator from Maine [Mr. COHEN] was added as a cosponsor of Senate Concurrent Resolution 57, a concurrent resolution to establish a Joint Committee on the Organization of Congress.

SENATE CONCURRENT RESOLUTION 62

At the request of Mr. SEYMOUR, the name of the Senator from Vermont [Mr. JEFFORDS] was added as a cosponsor of Senate Concurrent Resolution 62, a concurrent resolution expressing the sense of the Congress that the President should award the Presidential Medal of Freedom to Martha Raye.

SENATE CONCURRENT RESOLUTION 89

At the request of Mr. KERRY, the names of the Senator from Michigan [Mr. RIEGLE], the Senator from Oklahoma [Mr. BOREN], and the Senator from Arkansas [Mr. BUMPERS] were added as cosponsors of Senate Concurrent Resolution 89, a concurrent resolution to express the sense of the Congress concerning the United Nations Conference on Environment and Development.

SENATE RESOLUTION 236

At the request of Mr. ADAMS, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of Senate Resolution 236, a resolution expressing the sense of the Senate that the President rescind Department of Defense Directive 1332.14, section H.1, which bans gay, lesbian, and bisexual Americans from serving in the Armed Forces of the United States.

SENATE RESOLUTION 246

At the request of Mr. DOLE, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of Senate Resolution 246, a resolution on the recognition of Croatia and Solvenia.

SENATE CONCURRENT RESOLUTION 107—RELATIVE TO AN ARMS EMBARGO AGAINST BURMA

Mr. HELMS (for himself, Mr. MOYNIHAN, Mr. SIMON, and Mr. WOFFORD) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. CON. RES. 107

Whereas, since 1962, Burma, known as the Union of Myanmar, has been ruled by a military dictatorship;

Whereas the founding of the State Law and Order Restoration Council (SLORC) in 1988 signalled a crackdown against pro-democracy demonstrators and anti-government insurgents;

Whereas independent human rights organizations, the United Nations Human Rights Commission, the United States Department of State, and other groups document widespread and continuing human rights violations against students and others exercising their basic rights to freedom of expression, association, and assembly;

Whereas those organizations agree that SLORC abuses against the people include egregious actions such as arbitrary arrests, torture sometimes leading to the death of those in custody, compulsory labor such as forced portering for the military, and unfair trials before military tribunals;

Whereas the United Nations Human Rights Commission on March 3, 1992 voted a unanimous resolution condemning Burma for human rights violations and appointing a special rapporteur to give a public report to the next meeting of the United Nations General Assembly and Human Rights Commission;

Whereas the United States Department of State classifies Burma as having one of the worst human rights records in the world;

Whereas in democratic elections held on May 27, 1990 the Burmese people voted by an overwhelming majority for the representatives of the National League for Democracy;

Whereas the National League for Democracy is led by the 1991 Nobel Peace Prize winner Daw Aung San Suu Kyi who has been under house arrest since July 1989;

Whereas the United States recognizes the individuals who won the 1990 elections as the legitimate representatives of the Burmese people;

Whereas despite the clearly expressed will of the people of Burma, the military regime headed by generals Saw Maung and Ne Win has refused to transfer power to the people's elected representatives;

Whereas according to the 1992 International Narcotics Control Strategy Report published by the Department of State, the production of illicit drugs in Burma has doubled since the formation of the SLORC in 1988;

Whereas, according to the same Department of State report, Burma is the world's largest source of illicit opium and heroin, producing 60 percent of the world's supply;

Whereas, Since 1989, the SLORC has provided both military and economic support to drug trafficking groups and allows them to produce and trade illicit drugs at their will;

Whereas the majority of all opium and heroin produced in Burma is exported to the United States;

Whereas drug use in the United States has contributed to or directly caused the death of thousands of Americans, especially young people and the urban poor;

Whereas the SLORC military regime used proceeds from the sale of illegal narcotics to purchase $1,200,000,000 of arms in 1991 from the People's Republic of China;

Whereas it has been reported that the SLORC purchased these arms through the Chinese Polytechnologies Corporation which is managed by Deng Xiaoping's son-in-law;

Whereas the Chinese arms purchased by the Burmese military regime include tanks, jet fighters, rocket launchers, assault rifles, armored personnel carriers, patrol boats, anti-aircraft guns, and other assorted arms;

Whereas the SLORC uses Chinese arms to wage war against the pro-democracy forces, including groups such as the Democratic Alliance of Burma and the All Burma Student Democratic Front;

Whereas SLORC armed suppression includes the murder of thousands, the rape of women and young girls, and the enslavement of men, women, and children as porters in Burma army campaigns against minorities and pro-democracy forces;

Whereas the SLORC uses Chinese arms to wage war against ethnic minorities and religious groups, including the Karen, Kachin, and Rohingya;

Whereas, in July 1991, the European Community announced a total arms embargo against Burma;

Whereas, in December 1991, the European Community announced withdrawal of military attaches from Burma;

Whereas SLORC suppression of human rights is forcing tens of thousands of Burmese people to flee to Bangladesh and Thailand;

Whereas, in March 1992, United Nations Secretary General Boutros-Ghali declared the mass exodus of tens of thousands of Burmese people to Bangladesh as threatening to regional stability and called upon the Burmese military regime to rectify the causes of the tragic situation there; and

Whereas the cycle of narcotics sales and arms purchases must be broken: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress that—

(1) the President should seek an international arms embargo against the Burmese military regime until power has been transferred to a legitimate, democratically elected government; and

(2) the President should instruct the Secretary of State to call privately and publicly for an end to China's military sales and economic support to the Government of Burma until such time as all political prisoners are unconditionally released (including Daw Aung San Suu Kyi), martial law is lifted, and the results of the May 1990 elections are fully implemented.

SEC. 2. The Secretary of the Senate shall transmit a copy of this concurrent resolution to the President.

Mr. HELMS. Mr. President, this last September, in the Communist Chinese town of Wanting, on the border of Burma, a series of events occurred that had serious consequences for the United States. Both Communist Chinese and Burmese military officers descended upon that small village and ordered that all villagers be confined in their homes.

Shortly thereafter, two lines of military trucks rumbled into town from opposite directions—one from Burma, the other from Communist China. Surrounded by armed guards and militiamen, the two lines of trucks maneuvered in the middle of the town square until each one was backed up to another, end-to-end. During the next few minutes, under the cover of the trucks' mudflaps, the soldiers exchanged truckloads of Communist Chinese arms for truckloads of Burmese heroin. When the exchange was completed, the trucks rumbled away to their respective destinations.

The drugs came to the United States eventually—the arms went south to Burma.

According to reports in the Far Eastern Economic Review, the Burmese military regime has purchased more than 1 billion dollars' worth of military arms from the Communist Chinese. Where in the world could this military regime, which has impoverished the nation through the Burmese Way to Socialism campaign and already stripped the country of many of its natural resources, have come up with foreign currency totaling over $1 billion?

The answer lies in the cycle of transactions depicted on this chart. The Burmese use proceeds from the sale of the illicit drugs to the United States to purchase arms from the Communist Chinese. This deadly cycle continues as the Burmese produce more drugs and the Chinese sell the Burmese more military arms. Drug production in Burma is at an all time high. The State Department has just issued a report disclosing that Burma now produces over 60 percent of the world's supply of opium and heroin. What is even more distressing is that the majority of these drugs is smuggled into the United States and other Western countries.

Thousands of innocent people are being swept up in the deadly wake of this trade, Mr. President. Burmese heroin on the streets of America brings with it the catastrophes plaguing modern day America—drug addiction, violence, poverty, and AIDS. American young people, in particular, are impacted by this evil trade.

The New York Times reported last year that the Burmese military regime buys arms from Deng Xiaoping's son-in-law's arms corporation called Polytechnologies. The regime uses these arms to kill, rape, and torture the Burmese people, especially those who advocate democracy. The Burmese regime has the 1991 Nobel Peace Prize recipient, Daw Aung San Suu Kyi, under house arrest and refuses to acknowledge the representatives elected by the Burmese people in the democratic elections of May 1990.

The only way this regime can hold on to its power and fend off the swelling forces of democracy is through the brutal suppression of the Burmese people. The severity of this suppression is multiplied thousands of times by the presence and use of Chinese arms.

Senators MOYNIHAN, SIMON, WOFFORD, and I want to put an end to this travesty. Our concurrent resolution calls for an international arms embargo against the brutally oppressive Burmese military regime. In addition, Mr. President, the concurrent resolution urges the Secretary of State to call for an end to China's military sales to, and economic support of, Burma.

This will be the most effective means by which we can stop this trading of military arms and illicit drugs. I ask unanimous consent that the article from the February 6, 1992, issue of the Far Eastern Economic Review and another article from the August 21, 1991 New York Times be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Far Eastern Economic Review, Feb. 6, 1992]

UNGUIDED MISSILE

(By Tai Ming Cheung)

China's defense industry has carved a lucrative niche in the international arms bazaar since the early 1980s, selling military wares to the Third World.

Peking recently confirmed the transfer of M11 tactical-range missiles to Pakistan. Foreign intelligence agencies also believe China is supplying M9 tactical missiles to Syria that could be worth hundreds of millions of US dollars. China's nuclear exports include a small research reactor to Algeria, nuclear technology to Iran and an agreement to build a full-sized 300-MW nuclear power plant in Pakistan valued at more than US$500 million.

The defense industry has nonetheless suffered from a sharp drop in demand for conventional weaponry. The end of the Iran-Iraq War led to a two-thirds cut in arms earnings, according to some analysts. Other major clients were Saudi Arabia, which purchased US$2 billion of Chinese CSS2 intermediate-range ballistic missiles in 1985, and Thailand, which bought more than US$400 million of tanks, artillery and frigates from 1980–88. But the lack of sophistication of Chinese arms have seen these countries look to other suppliers in the past few years.

Chna's total arms income during the 1980s was more than US$10 billion, according to the Stockholm International Peace Research Institute. The actual total is probably much higher as many arms sales are made in secret.

China set up two arms-trading companies in the early 1980s. The more powerful is Poly Technologies, the export arm of the PLA's General Staff Department. But to give it a civilian facade, the company ostensibly belongs to China International Trust & Investment Co., the nation's primary overseas investment company.

Established in 1983, Poly Technologies has been involved in many arms transactions, including the Saudi missile deal. Many of the company's executives are the offspring of senior communist leaders. Its president is He Ping, son-in-law of paramount leader Deng Xiaoping; a vice-president is Yang Li, daughter of President Yang Shangkun. The director of the PLA General Staff Department's equipment sub-department, which directly coordinates Poly Technologies' activities, is He Pengfi, son of the late marshal He Long.

Another arms exporter is China New Era Corp., founded in 1980 and under the primary control of the Commission of Science, Technology and Industry for National Defense. New Era represents ministries with extensive defense output, such as China Precision Machinery Import & Export Corp., China Nuclear Energy Industry Corp. and National Aero-Technology Import & Export Corp.

The creation of these high-powered arms-export firms led to a dramatic growth in income from foreign arms deals. From less than US$400 million in 1979, sales peaked at almost US$2 billion in 1986, according to foreign estimates. By 1990, however, they are estimated to have dropped to nearer US$1 billion. In comparison, China's non-military exports in 1990 amounted to US$60 billion, according to Chinese figures.

But earnings from arms sales could fall in the coming decade. The end of the Iraq-Iran War in 1989 left Iraq owing hundreds of millions of US dollars to Chinese arms firms. Iran has continued to acquire a steady supply of Chinese arms, but it has requested Peking's assistance in the construction of a local defense industry.

China has managed to find some new clients to compensate for lost trade, including Burma and Sri Lanka. Burma is buying as much as US$1 billion of Chinese arms, with the purchases reportedly being financed by income from drugs earnings.

Pakistan and China, meanwhile, have stepped up their arms cooperation, developing and producing the new Type 2000 main battle tank for the Pakistani army and the K7 jet trainer. The Chinese research and develop the weapons, while Pakistan provides financial assistance and, sometimes, Western technology to incorporate into the equipment.

These new business relationships, however, are insufficient to fill the vacuum left by smaller sales to the Middle East. Because of this, the Chinese defense industry is looking to other hi-tech areas for income. The space industry has been eagerly promoting its satellite-delivery services, offering 25% discounts compared to European and US competitors. But only one foreign commercial satellite, Asiasat 1, has been launched (in April 1990). Two Australian satellites are to be launched this year.

China's nuclear exports have more potential—and are clearly more controversial. Peking insists that all its transfer of nuclear technology and materials, such as experimental nuclear reactors and low-grade enriched uranium, have been exclusively for civilian application. But there is widespread suspicion that China has provided equipment to some developing states that could have military uses.

Indeed, the close personal relationships between the heads of the arms-export firms and top government officials have seriously hampered efforts to regulate the flow of arms sales.

But international pressure on China to rein in arms sales, especially from the US, appears to have had an impact. Peking agreed in November to observe the Missile Technology Control Regime, a non-binding agreement among arms exporters and industrial countries not to sell missiles with ranges of more than 300 km in the Middle East.

Analysts are skeptical whether this will see the end of the missile sales, as Chinese officials have given similar promises in the past that they have reneged on.

In 1991, too, a department was set up in the powerful Central Military Commission to monitor and vet the activities and exports of the arms-trading companies. But with a staff of only 30 officers, the department lacks the resources to carry out its duties, analysts say.

HEART OF DARKNESS

(By Tai Ming Cheung)

The tens of thousands of "third-line" defense-related plants built in China's deep interior in the 1960s and early 1970s represent a triumph of Maoist folly over economic rationality. Now they are serious liabilities in the defense industry's switch to civilian production.

To limit damage in case of war, the plants were spread over a huge area of western China that includes some of the nation's poorest and most backward provinces. Many factories are in isolated and inhospitable locations, from remote mountain valleys to caves and deserts. Often, they are served only by single-track railways or dilapidated roads.

These sites were strategically ideal during the Cold War, but now they are virtually useless. Analysts say more than 45% of third-line factories have serious problems with transport, energy supplies and management. Utilization rates at most plants are less than 10%.

Around 29,000 factories were built or moved from coastal areas into the third-line region at a cost of more than Rmb 200 billion (US$107 billion at 1974 exchange rates). Around 2,000 are large or medium-sized enterprises, or plants that have fixed assets of more than Rmb 20 million. These constitute almost a quarter of all Chinese enterprises of this size.

Third-line factories account for almost 75% of production in the nuclear industry, 60% in electronics and 50% in the armaments and space industries. All told, they represent more than 50% of the defense industry's production capacity. (The rest is in the first- and second-line plants in the industrial cities of the northeast and in coastal provinces.)

Many third-line plants have little access to up-to-date economic information, which is a major handicap in their efforts to make marketable civilian products. "Some enterprises are so isolated they have only a vague understanding of the reforms taking place in the rest of the economy. They still think they are in the 1970's," says one defense-industry analyst.

To overcome this obstacle, the authorities are trying to improve commercial ties between inland and coastal enterprises. With 60% of the aerospace industry's output coming from inland factories, the Aeronautics and Astronautics Ministry set up Yonglin Technological & Economic Development Corp. last year to provide economic information specifically for these firms.

In addition, several joint-venture groups have been set up. Zhongshan Defense Equipment Group, for example, was formed in 1989 with 19 defense enterprises scattered around the country. The group cooperates on the development, production and marketing of defense electronic and engineering systems, such as navigation and communications equipment.

The government is also trying to move some of the plants closer to transport links and markets. So far, around 121 problem-ridden plants have been moved, merged or closed down, at a cost of more than Rmb 3 billion. The Finance Ministry and local governments plan to spend a further Rmb 3 billion by 1996 to overhaul another 115 defense enterprises.

One of the largest removal projects involves the relocation of Base No. 67, a huge facility for rocket research and development, from the Qinling Mountains in Shaanxi province to more accessible areas several hundred kilometers away. The relocation was to be completed by the end of 1990, but severe floods pushed the project well behind schedule and heavily over-budget. The government has had to provide an additional Rmb 160 million to complete the move by 1993.

Some factories are impossible to move. Among the largest third-line enterprises is the Panzhihua iron and steel complex in Sichuan province. The first phase of Panzhihua was completed in late 1978 at a cost of almost Rmb 4 billion. It was to be the main steel supplier to hundreds of defense factories located around Chengdu. But in 1979, China's economic development priorities abruptly shifted to coastal provinces.

The interior provinces view factories such as these as one of their few avenues towards economic development. Third-line plants make up a sizable proportion of the industrial production capacity of China's western region, and are one of the main sources of taxes and foreign-currency earnings. Annual civilian output of the third-line industry in 1989 was estimated at Rmb 10 billion.

[From the New York Times, Aug. 21, 1991]

POTENT OFFICE WEAVES WEB IN CHINA ARMS

(By Nicholas D. Kristof)

BEIJING, AUGUST 20.—If Western leaders want to know what they face in trying to get China to restrain its weapons sales, they might drop by the secretive office of Poly Technologies on the 17th floor of the Citic Building in downtown Beijing.

The efficient, well-equipped office is at the core of a remarkable Chinese military-industrial complex. Western complaints to China's Foreign Ministry about arms deals are unlikely to impress this company, which in some respects is more powerful than the Foreign Ministry itself.

Among those who have been active in Poly Technologies in recent years are relatives of President Yang Shangkun, Vice President Wang Zhen and Deng Xiaoping, the nation's senior leader.

The family links between Beijing's arms dealers and its top rulers appear to be one reason why China's weapons industry has rapidly become a major exporter in recent years, and why it will be difficult to curb. The West's arms control debate with China, far more than with other countries, involves links of family and friendship that are the veins of power in China.

A HOLDOUT ON PACTS

While most major military powers seem to be moving toward agreement on curbs on the proliferation of arms, China stands out for its refusal so far to join the Missile Technology Control Regime, an agreement to curb the spread of missiles, although it says it is considering joining. China also has not joined the Nuclear Non-Proliferation Treaty, but said this month that it would do so.

In recent months, China is believed to have sent Pakistan M–11 missiles, which can carry nuclear warheads and could be used against India. Beijing may also be sending Syria its new M–9 missiles, which would be able to strike targets throughout Israel. The Far Eastern Economic Review of Hong Kong reports in its current issue that up to 24 of the M–9 launchers already have been spotted in Syria.

Such sales may have been arranged through companies other than Poly Technologies. The common denominator is that the aim of such deals is not to cultivate friends or spread Communism, but a more capitalist motive.

"In the United States, arms sales are an expression of your foreign policy," a Chinese official said. "But in China, the reason for arms sales is to earn money."

Xie Datong, the president of Poly Technologies, did not respond to requests for an interview. Citic, the Chinese investment company that on paper is the parent of Poly Technologies, also declined interviews.

LIKE A MILITARY OUTFIT

Other Chinese with knowledge of Poly Technologies' operations were more forthcoming. In interviews recently, they portrayed a sophisticated company run like the military organization it is, where employees address one another by army rank and where Hong Kong chefs provide catered lunches.

"It stated because the army general staff department wanted to have its own arms trading company, but it thought that it wouldn't be appropriate to do this openly," said a Chinese familiar with the company. "So it approached Citic, and Poly Technologies was set up on paper as a subsidiary of Citic."

Poly Technologies was formally founded in January 1984 with the approval of the State Council, China's Cabinet. It is registered as a subsidiary of Citic. In fact, Chinese say, it reports to the armament department of the general staff of the army.

Poly Technologies seems to be authorized to sell virtually everything in the Chinese arsenal, although the Central Military Commission must approve politically sensitive deals.

The most important deal arranged through Poly Technologies was the sale to Saudi Arabia of about $2 billion worth of Chinese ballistic missiles with a range of about 1,600 miles. That transaction, arranged in 1985, came to light in 1988 and caused a wave of indignation in the United States.

CAR STONED IN MYANMAR

Among recent deals arranged by Poly Technologies was the sale of guns and ammunition to Myanmar, formerly Burma.

"Poly Technologies has an office in Myanmar, and when its car goes out on the street, it's sometimes stoned by the Burmese," said a Chinese who has worked for the company. "They think we're helping the Burmese Government suppress the people."

The first head of Poly Technologies was He Pengfei, son of a famous Chinese marshal. The son also rose in the army, and after heading Poly Technologies, he returned there, attaining the rank of major general and becoming director of the armament department, a vantage point from which he continued to oversee the company.

The next president of Poly Technologies was He Ping, who is married to Deng Rong, a daughter of Mr. Deng and now his personal assistant.

An article this spring in International Security, a scholarly journal, asserted that the Foreign Ministry had tried to restrain Poly Technologies but had had little success.

In one indication of where business is headed, Poly Technologies has recently expanded, taking up an entire floor in the Citic Building. Most of the employees are on loan from the army.

Morale is said to be high and job benefits substantial. The staff need not lunch in the regular Citic cafeteria, because the chefs of the Hong Kong-managed Windows on the World restaurant on the top of the Citic building send them lunches every noon. The price charged each employee is just nine cents a meal.

Mr. MOYNIHAN. Mr. President, I am most encouraged to be joining today with the distinguished ranking members of the Foreign Relations Committee, Senator HELMS, and Senator SIMON, and others in introducing a resolution on the urgent need for an international arms embargo on Burma.

Passage of this resolution by the Senate would make ever more clear that the administration must move deliberately and with greater urgency to support a complete and effective international arms embargo against the regime in Burma. This must be a matter for the Security Council of the United Nations, and it must be brought before the Council with the strongest possible U.S. support.

The resolution we introduce today would put the entire Senate on record in support of an international arms embargo against Burma, a position already unanimously agreed to by the Senate Foreign Relations Committee. Further, the Congress has already authorized the President to take economic sanctions against Burma in the Customs and Trade Act of 1990. Why hasn't he done so?

Certainly, we are aware of the steps taken by the administration to embargo U.S. arms sales and to encourage others to do so. But a great deal more can and must be done. Ever greater quantities of weapons are reaching the regime in Burma from China, Singapore, Serbia, and elsewhere. More, no steps have been taken to prevent dual-use items from being sold to Burma. Not by the United States or by any other suppliers. Indeed, the State Department just recently admitted that it is easier to send dual-use items to Burma than it is to Russia. This is wrong.

The Fritz Werner Co. of Germany has developed an indigenous arms capability in Burma. It is also reported that Burma has poison gas capability, again provided by Fritz Werner. And we cannot dismiss the willingness of the military junta in Rangoon to use it. A regime that uses women and children as military porters and human minesweepers in its campaigns against opposition forces is capable of any atrocity.

Indeed, a regime that has kept the world's most recent Nobel Peace Prize winner, Aung San Suu Kyi, under house arrest for nearly 3 years now, is capable of anything. A regime that traffics in heroin to pay for its weapons purchases from China is capable of anything. Some $1.4 billion in weapons, paid for by heroin. Heroin that ends up mostly in the United States. Senator HELMS has most forcefully pointed out this circle of death. And we are doing far too little about it.

It is long since time for the Security Council to take action against Burma. If it can act on Somalia, Yugoslavia, Iraq, Libya, it can and must act against the thugs in Rangoon. An arms embargo is needed. Burma is a threat to international peace and security. It produces and exports most of the world's heroin—with full Government complicity. It wages war against its own people on the border with Thailand and on the border with Bangladesh. It commits the grossest forms of human rights violations. It imprisons the world's Nobel Peace Prize winner. The United Nations ought not continue to compromise its position on Burma with misguided and, indeed, self-deluded efforts by the U.N. Development Program. Any money to the regime and any international support of it, can only prolong the agony of Burma's people.

I know the Senate will want to quickly consider this resolution and pass it. We can only hope that the administration will take this matter with the same urgency that the Senate does.

Mr. SIMON. Mr. President, I am pleased to introduced this concurrent resolution along with my distinguished colleagues Senator HELMS and Senator MOYNIHAN. There is a nasty war going on in Burma, a war the military junta there is waging against the duly elected government and the innocent people of Burma. It is a war financed in part by the Chinese, in part by the illegal sale of heroin and opium and in part by the wholesale destruction of the Burmese teak forests.

Our resolution condemns the military regime in Burma—known as the State Law and Order Restoration Council, or SLORC. And we call on President Bush to seek an international arms embargo against SLORC, and for Secretary of State Baker to call on the Chinese to end their support of this repressive military regime, a regime that lost the 1990 elections and refuses to let the rightful winners take their seat in Parliament.

We point out in our resolution that the 1991 Nobel Peace Prize winner, Daw Aung San Suu Kyi, has been under house arrest since July 1989. We point out that the production of illicit drugs has more than doubled since the SLORC was formed in 1988. We point out that Burma is the world's largest source of illicit opium and heroin. We point out that the Chinese-Burmese connection, how SLORC bought more than $1.2 billion in arms last year from Beijing.

Mr. President, I'd like to be able to stand here on the Senate floor and say that the U.S. Government was in the forefront of those speaking out against the SLORC. I'd like to be able to say that we have ended all trade with Burma, and imposed comprehensive sanctions against this hated regime. But neither of these statements would be accurate. Just last week, I questioned Assistant Secretary of State for East Asian and Pacific Affairs, Richard Solomon, about our trade with Burma, and he replied that it was virtually all cut off.

But it is not all cut off. Our trade with Burma has more than doubled since 1988, and almost half our imports are Burmese textiles. For a regime that is for all intents and purposes expelling a large part of its Muslim population to Bangladesh, violating basic human rights and routinely engaging in torture, trading in the worst kind of narcotics deals, pillaging its environment, and becoming more of a threat with every passing day to regional stability, surely our response can be tougher than allowing our trade relations to flourish. Surely we can impose trade and other sanctions against the SLORC. Surely we can do better. Surely we can stand up for human rights in Burma.

SENATE RESOLUTION 282—AUTHORIZING REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. SASSER (for Mr. MITCHELL, for himself and Mr. DOLE) submitted the following resolution; which was considered and agreed to:

S. RES. 282

Whereas, in the case of United States v. Slawomir Borowy, CR. No. M14939-91, pending in the Superior Court of the District of Columbia, the United States has caused to be issued a subpoena for the testimony of William Fowble, an employee in the Senate Service Department;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That William Fowble and any other employee of the Senate from whom testimony may be necessary are authorized to testify and to produce documents in United States v. Slawomir Borowy, except concerning matters for which a privilege should be asserted.

SEC. 2. That the Senate Legal Counsel is authorized to represent William Fowble, and any other employee, officer, or Member of the Senate in connection with United States v. Slawomir Borowy.

AMENDMENTS SUBMITTED

SENSE OF THE CONGRESS CONCERNING THE U.N. CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

GORTON (AND HATFIELD) AMENDMENT NO. 1758

Mr. WALLOP (for Mr. GORTON, for himself and Mr. HATFIELD) proposed an amendment to the concurrent resolution (S. Con. Res. 89) expressing the sense of the Congress concerning the U.N. Conference on Environment and Development, as follows:

Insert the following new paragraph after paragraph (5) and renumber succeeding paragraphs accordingly:

"(6) support the creation of an International Northern Forests Organization whose principal purpose shall be to study the linkages among international trade in forest products, the management of northern forests and the regional and global environment in order to assist member countries in the development of sustainable forest management policies."

WALLOP AMENDMENT NOS. 1759 AND 1760

Mr. WALLOP proposed two amendments to the concurrent resolution (S. Con. Res. 89), supra, as follows:

AMENDMENT NO. 1759

In the first "Whereas" clause, after "by" insert the following: "the potential for harmful", and after "change," insert the following: "and".

AMENDMENT NO. 1760

On page 4, line 22, after "support" insert the following: "the voluntary", and on page 5, line 3, after "new" insert the following: "voluntary".

CONCURRENT RESOLUTION ON THE BUDGET

BENTSEN (AND OTHERS) AMENDMENT NO. 1761

Mr. BENTSEN (for himself, Mr. GRAMM, Mr. DOMENICI, and Mr. McCAIN) proposed an amendment to the concurrent resolution (S. Con. Res. 106) setting forth the congressional budget for the U.S. Government for fiscal years 1993, 1994, 1995, 1996, and 1997, as follows:

At the end of the resolution, add the following:

SEC. . SOCIAL SECURITY OUTLAY AND REVENUE LEVELS.

(a) ACCOUNTING TREATMENT.—Notwithstanding any other provision of this resolution, for the purpose of allocations and points of order under sections 302 and 311 of the Congressional Budget Act of 1974, the levels of Social Security outlays and revenues for this resolution shall be the current services levels.

(b) APPLICATION OF SECTION 301(i).—Notwithstanding any other rule of the Senate, in the Senate, the point of order established under section 301(i) of the Congressional Budget Act of 1974 shall apply to any concurrent resolution on the budget for any fiscal year (as reported and as amended), amendments thereto, or any conference report thereon.

NOTICE OF HEARINGS

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. INOUYE. Mr. President, I would like to announce that the Select Committee on Indian Affairs will be holding a business meeting on Tuesday, April 7, 1992, beginning at 2:30 p.m., in 485 Russell Senate Office Building on recommendations to the Appropriations Committee on the funding of Indian programs for fiscal year 1993, and for other purposes; to be followed immediately by a hearing on a substitute bill to S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.

Those wishing additional information should contact the Select Committee on Indian Affairs at 224-2251.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING AND URBAN AFFAIRS

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Tuesday, April 7, 1992, at 10 a.m. to conduct a hearing on whether the United States must develop a national competitiveness strategy to maintain its industrial leadership in the 21st century.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. SASSER. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be authorized to meet on Tuesday, April 7, at 9 a.m., for a hearing on the subject: "Tainted Water, Tainted Fish?: Stewardship of the Great Lakes."

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INDIAN AFFAIRS

Mr. SASSER. Mr. President, I ask unanimous consent that the Select Committee on Indian Affairs be authorized to meet on April 7, 1992, beginning at 2:30 p.m., in 485 Russell Senate Office Building, on recommendations to the Appropriations Committee on the funding of Indian programs for fiscal year 1993, and for other purposes; and to meet on a substitute bill to S. 1752, to provide for the development, enhancement, and recognition of Indian tribal courts.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON LABOR

Mr. SASSER. Mr. President, I ask unanimous consent that the Subcommittee on Labor of the Committee on Labor and Human Resources be authorized to meet during the session of the Senate on Tuesday, April 7, 1992, at 9:30 a.m., for a hearing on S. 2311, the Save American Jobs Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. SASSER. Mr. President, I ask unanimous consent that the Special Committee on Aging, be authorized to meet during the session of the Senate on Tuesday, April 7, 1992, at 9:30 a.m. to hold a hearing entitled "Medicare Balance Billing Limits: Has the Promise Been Fulfilled?"

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ARMED SERVICES

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet on Tuesday, April 7, 1992, at 3 p.m., in executive session, to mark up legislation to make the Vice Chairman a member of the Joint Chiefs of Staff, to provide joint duty credit for certain duty in Operations Desert Shield and Desert Storm, and to provide for the temporary continuation in grade of the Deputy National Security Advisor; to vote on the nomination of Vice Admiral William O. Studeman, USN, to be Deputy Director of Central Intelligence; and to vote on certain pending military nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

TRIBUTE TO THE NEBRASKA ASSOCIATION OF STUDENT FINANCIAL AID ADMINISTRATORS

• Mr. EXON. Mr. President, I would like to take just a few minutes to pay tribute to the Nebraska Association of Student Financial Aid Administrators.

The Nebraska Association of Student Financial Aid Administrators is celebrating 25 years of service to Nebraska. The membership of this association, through dedicated efforts, has enabled countless Nebraskans to further their education with the assistance of financial aid.

One of the programs which the young people of Nebraska will be benefiting from during the next 25 years is the early awareness program. I am very excited about this program to reach fourth graders and have them start setting their sights on the future by providing mentors and opportunities to explore various careers and help them work toward the future they want.

The Nebraska Association of Student Financial Aid Administrators encourages the Senate to make a commitment to encourage higher education and support financial aid programs. In the recently passed reauthorization of the Higher Education Act, I believe the Senate has shown its support for educating our young people and providing the financial incentives to make higher education possible.

The association's 25 years is a milestone in making dreams a reality for the citizens of Nebraska.

I want to extend my heartiest congratulations on their achievements and goals for the future.•

THE ACCESS TO JUSTICE ACT OF 1992

• Mr. SMITH. Mr. President, I rise to express my support for S. 2180, Senator GRASSLEY's bill to impose modest, but much needed reforms on the Nation's civil justice system.

The United States is the most litigious society in the history of the world. Our 800,000 lawyers—over 70 percent of the world's total—give America 1 attorney for every 310 regular people. While much of what they do is beneficial, much is frivolous and destructive to our competitive position in the world.

As an example, in at least one case, a transvestite has successfully sued for job discrimination under the recently passed Americans With Disabilities Act. In another, a drug addict successfully sued for employment discrimination under the 1973 Rehabilitation Act. In still another case, a threat to bring sexual harassment charges against Pennsylvania State University persuaded the university to remove Goya's classic, "The Naked Maja" from its classroom walls.

Peter Carlson, writing in the Washington Post magazine, describes one lawsuit:

> It began in December of 1988, when Joe and Carolyn Denson filed complaints against their landlord, Garfinkel, with various Montgomery County agencies. Irate, Garfinkel responded by slapping the Densons with a lawsuit alleging "malicious defamation," asserting that their frivolous complaints had caused him to suffer "great emotional trauma and other damages," for which he demanded the salve of $95,000, plus lawyer's fees. Equally irate, the Densons counterattacked with an "abuse of process" lawsuit charging that Garfinkel's frivolous suit was filed just to intimidate them from raising legitimate complaints against him. For this—the infliction of "substantial emotional distress and anxiety"—they demanded the balm of $250,000 in compensatory damages, plus $250,000 in punitive damages.
>
> Plus lawyer's fees, of course.
>
> Now, nearly 3 years later—after the filing of a complaint and a counterclaim and an answer to the amended complaint and an amended answer to the counterclaim, and after the plaintiff's interrogatories and the defendant's interrogatories and the plaintiff's objection to the interrogatory; and after the 97-page deposition of the plaintiff and the 84- and 90-page depositions of the defendants; and after the withdrawal of the plaintiff's first attorney and the appearance of the plaintiff's second attorney; and after the withdrawal of the defendants' first attor-

ney and the appearance of the defendants' second attorney; and after two settlement conferences that failed to settle the case—after all that * * * the Densons' lawyer, came to court * * * ready to cut a deal.

Mr. President, this almost-comical case highlights an important reality underlying much litigation: The costs of the lawsuits considerably exceed the amount at stake. In fact, in many cases, these suits are settled, not because the suits are meritorious, but because of the prohibitive costs in litigating the issue.

This litigation explosion has collectively added as much as $80 billion in direct costs and perhaps $300 billion in indirect costs each year, according to Carlson. As a result, there are some areas in the United States where you cannot find a physician who will deliver a baby or to remove breast implants, for fear of stifling litigation.

While recourse to the courts is sometimes necessary and desirable, I cannot believe that the 18 million lawsuits a year—nearly one lawsuit for every adult American—does not represent an exercise in wretched excess. In the Federal system alone, lawsuits have nearly tripled from 90,000 in 1960 to more than 250,000 in 1990.

The access to Justice Act of 1992 would represent a major step in controlling the litigation explosion which is playing a major role in costing American jobs and making our products uncompetitive abroad.

The Grassley bill would:

First, curtail frivolous litigation by requiring the loser to pay a reasonable portion of the winner's legal fees;

Second, create a pilot program to resolve civil suits out of court;

Third, severely limit the number of suits which are in Federal court solely because of the diverse citizenship of the litigants;

Fourth, require that a potential litigant give notice of his intent to sue;

Fifth, restore judicial immunity from suit for State judges; and

Sixth, require prisoners to exhaust administrative remedies before suing in Federal court.

These are modest steps which would curtail frivolous suits without interfering with suits by litigants with legitimate grievances.

I will support these modest steps when the issue comes before the Senate, and I would urge my colleagues to do likewise.●

MARYLAND STATE PLANNING COUNCIL ON DEVELOPMENTAL DISABILITIES—20TH ANNIVERSARY

● Mr. SARBANES. Mr. President, I rise to recognize and congratulate the Maryland State Planning Council on Developmental Disabilities as it celebrates its 20th anniversary. An organization composed of people with disabilities and their families, public officials, higher education representatives, and community organization leaders, the Maryland State Planning Council on Developmental Disabilities has been at the cutting edge of national disability policy.

The council's many achievements include the establishment of statewide family support services, supported employment initiatives, quality integrated community living arrangements and parent training organizations. During 1991, the council worked hard along with other Maryland organizations and State government to put forward a successful application for the new Medicaid community supported living arrangements program. As a cosponsor and strong supporter of the Medicaid Home and Community Quality Services Act, which established the community supported living arrangements [CSLA] program for developmentally disabled citizens, I am pleased and proud that Maryland was one of only eight States in the Nation to receive the first CSLA awards. The Maryland Developmental Disabilities Council is playing a central role in this critical initiative and will be at the forefront of efforts to show our country a new and better way of supporting its citizens with developmental disabilities.

As the council celebrates its 20th anniversary, I want to again congratulate its members for the critical work they do, work which is essential if families and persons with developmental disabilities are to participate more fully in community life.●

A DISCUSSION WITH DR. VARTAN GREGORIAN

● Mr. SIMON. Mr. President, I have for some time taken an interest in the plight of the Armenian people because of the constant persecution they have had to undergo.

Next to the Jewish population, they have suffered more persecution over the centuries and over recent decades than any other people. Some might argue that the Cambodians should be included because of what they had to undergo under the Khmer Rouge, but that has been a one-time tragic occurrence and not a century-long problem.

In any event, a recent publication by the Armenian General Benevolent Union [AGBU] had an interview with Dr. Vertan Gregorian, president of Brown University and a friend of mine for some years. The interview was done by Louise Manoogian Simone.

It is of interest not simply because of the significant contributions of Dr. Gregorian at Brown University and his comments on the problems faced by the Armenian people, it is also significant because of what he has to say about education.

For example, he says: "Our secondary schools should be providing the general education, as is the case in Europe, not universities. Higher education is too expensive to be remedial which is what the first 2 years of college are becoming." He also calls for having a national agenda and a national plan to meet our domestic needs, now that the international threat has diminished.

He notes: "At Brown our students give 100,000 hours of public service at various institutions each year. I hope one day there will be some kind of national public service instead of military service, students giving 1 or 2 years of their time to national projects."

I favor that, and our colleagues, Senators NUNN and MIKULSKI, have offered specific suggestions along that line.

I ask to insert Dr. Gregorian's comments at the end of my remarks, and I urge my colleagues and their staffs to take a look at his observations.

The remarks follow:

FACING THE FUTURE—A DISCUSSION WITH DR. VARTAN GREGORIAN, PRESIDENT, BROWN UNIVERSITY

(By Louise Manoogian Simone)

LMS. It's always a pleasure to talk with you. You lead such a dynamic life in so many different circles. I must take this opportunity to say how proud we are of you. As an American and as an Armenian you have achieved an outstanding position in our country. If there is one field that the United States leads the world in it's education. As President of Brown University you will influence the very future of our society. What are the challenges before you?

VG. There are many challenges. First, a global civilization is emerging. How to retain particular national cultures within that global civilization is something America is facing once again and Europe will soon face as a result of the common market. In the United States, today, many ethnic groups are trying to demonstrate that they did not come here without a culture or knowledge; that they have a rich heritage to contribute to America. So the challenge is how not to allow these particular cultures to become ghettoized or ossified but rather to be a complementary component of the American society. This is the number one challenge we face both in curriculum and the educational process.

The second is fragmentation of knowledge. We are becoming more and more specialists. We don't teach our PhD's how to synthesize. We see today the collapse of ideologies, whether it's communism or something else. The Catholic church is facing its many sectarian movements. Protestants, not to mention Armenians, have all been fractionalized. We don't teach "what's the common ground or common knowledge," in other words, how to synthesize knowledge. As a result we have hundreds of specialists and you have to bring in many to answer any one common problem. It is a problem in our universities because all available information doubles every five years. The main thing is how do we transform that information to structured knowledge so that we will not be manipulated by trivia. Information is not knowledge necessarily. We know more and more about everything yet less and less about the depth of many subject matters.

The third challenge is individualism. We think we are individualists but we are conformists, more and more becoming homogenized. That's one place where some of the ethnic cultures can provide a perspective for America. In some groups individualism is considered a luxury because as long as the group is not completely emancipated it is thought to be an act of luxury to drop out, as in the case of African Americans. In other instances, if an ethnic group has already been absorbed, such as Anglo-Saxons, individualism is considered not a luxury but a necessity.

Fourth, we teach in America how to cope with success but we never teach in our schools how to cope with failure and adversity as part of the cycle of life. Coming in second is considered unAmerican. That creates false kinds of conclusions about life in general.

The fifth challenge I see is the issue of general education. Our secondary schools should be providing the general education, as is the case in Europe, not universities. Higher education is too expensive to be remedial which is what the first two years of college are becoming.

Last but not least is the problem of a domestic agenda for America because now the external enemies are gone. Before we could rationalize that the reason we didn't have one was because we were fighting against world communism and its "conspiracy." Now there is a greater mandate to spend more on our country and our economy. You'd be surprised how few people think in terms of the economic interests of the United States. They think politically and ideologically but they don't have any place for economics and environment. Our infrastructure is decaying. Take New York, for example. The whole city's infrastructure has to be fixed within the next 20-25 years. America has to come home without being isolationist or retreating into its cocoon. We have a 50% dropout rate in our high schools. We have the homeless. We can no longer afford to live under the shadow of our former greatness.

LMS. As an academician you have been surrounded by young adults all your life. What's the difference between this generation and let's say 10 or 20 years ago? How should we prepare for them? What can we expect?

VG. Ten years ago, actually after Vietnam I should say, there was a great deal of inward turning in America. The thinking was that since one could not solve the world's problems they might as well solve their own problems. "Do your own thing." There was more preoccupation with self interest and career, especially during the last decade. Now, I detect a certain new phase. If the generation of the 50's was considered a complacent generation, the 60's revolutionary, the 70's and 80's the yuppie generation, I think this new one is emerging as a compassionate generation. I see good signs about this—materialism is important but they are thinking about the quality of life. I think the current recession has also forced people to look for true values. With some of the universal ideologies collapsing there is a greater burden on individuals to judge for themselves rather than follow a catechism. There is also more worry about America's future instead of just thinking we are the greatest nation on earth and therefore it doesn't matter what happens elsewhere.

By the year 2000 we will need a skilled labor force of 25 million, 1.1 million school teachers and 500,000 professors just to replace retirees. We must have a unity regarding the country and its interests. Without an organized effort, involvement, we will not succeed. There has been a great deal of erosion in America about the value of public service. The public sector and excellence are not mutually exclusive. There is an attitude that excellence belongs to the private domain and that people who go into public service to become teachers or officials do not have that "fire in the belly" or entrepreneurial talent so therefore they accept less paying jobs. What may characterize the 1990's, and I hope it's not just wishful thinking, is that people have to be appreciated for who they are rather than what they have.

At Brown our students give 100,000 hours of public service at various institutions each year. I hope one day there will be some kind of national public service instead of military service, students giving one or two years of their time to national projects. America is not the kind of country where you can take as much as possible and give as little as possible because we're all in the same boat. If the ship sinks there's no solace in who was riding first, second or third class.

LMS. It often seems we are not advancing fast enough in our Armenian organizations. Armenians are so tradition bound—any divergence from the past seems to be threatening. I used to think these traditions were a great asset, the reason our cultural identity held strong through all the years of dispersion. Now, however, I question whether it is the reason so many have fled. Do you think this attrition rate is normal in any ethnic group or is a change in order on our parts?

VG. Tradition is a source of strength. It is not frozen, it's always evolving. As long as tradition does not become a moat but rather a bridge—that's fine. One of the greatest cliches in historical literature is "continuity and change" but change without continuity is silly. It has no context. On the other hand continuity without change is unreal. So the basic thing is how not to lower your aspirations and standards and yet be faithful to your traditions. People confuse means and ends. Means always have to change. Unfortunately, we Armenians, instead of dispassionate analysis, always tend to personalize things.

The Armenian community in America, as a community, is almost 125 years old. The community has always faced artificial divisions between those who came late to America and those who arrived earlier. It is remarkable that after a century Armenians have kept a viable community without succumbing altogether to assimilation.

One must pay tribute to the first wave of Armenian immigrants to America for they fought to survive, to retain their faith, to keep their links to their motherland and prepare a better future for their sons and daughters. They kept the Armenian organizations going. All generations of Armenians were caught in a dilemma. They were in America to be free, to be secure, to earn a living or to build fortunes, receive an education, to keep the ethnic organizations functioning and thriving, while hoping that one day when Armenia was free and secure they could return to their motherland.

Thus the Armenians wanted to survive in their adopted land without creating a permanent structure for their community in America. Therefore we should pay tribute to them. We should not look down on them because their organizations lacked "professionalism."

Emigre organizations in the early years always had to depend on what they had and what they had became the standard. Many never had the background or training for what they were doing. Dedicated, underpaid, overworked, one could not criticize their "professionalism" without questioning their loyalty. And, however frustrating, this is normal by the way. So, what happened? When they came, they did not have the expertise but they were the people who kept the flame burning. Unfortunately, however, they did not prepare a second generation of professionals to assume their responsibilities.

There are several reasons for this. Another generation did not consider serving Armenian organizations as a source of career advancement. The available positions were multi-purpose jobs. You had to be a field worker, organizer, propagandist, editor, etc. And, of course, it was also a way for organizations and political parties to keep their loyal workers employed. There was nothing wrong with that at the time. They all thought, consciously or unconsciously, that one day they might return to Armenia so they did not organize a structure to succeed them. Now, since we are here to stay, it is different.

Let me clarify one point, that there is confusion between professionalism and language. It is "who delivers that counts." Now we have a bilingual and educated generation of Armenians. We Armenians often care who does it more than what has to be done and that has been a tragedy all our lives . . . We are less tolerant of each other. We get along well with "foreigners" because if we lack "professionalism" vis-a-vis them we worry about what would "they" think of us. But when it comes to "us" we don't care because we already know one another.

We cannot capture our university-educated youth through exhortation or propaganda. You have to instruct them in such a way that it satisfies the intellectual, professional and personal needs. In the end it strengthens them because they will know who they are as Armenians. Simon Vratzian, my teacher and mentor, used to say we kept Armenians Armenian through dance and food but that's not enough now. For this generation to work in Armenian organizations, it cannot be solely an act of Christian charity on the part of the individuals. They must be convinced that serving Armenian organizations is a professional rather than a dead end job.

And then, of course, there is the question of style. I have taken my children and friends to Armenian events. I have to tell you, any event that lasts 6 hours turns them off. Strangely enough, we cannot take criticism. If you criticize any Armenian event for its style or its length or lack of intellectual depth, one feels guilty for it may be construed to be an attack against the Armenian identity or Armenian ways of doing things. If, on the other hand, you criticize a non-Armenian event then it is just a matter of taste * * *.

I vividly remember two events where I was the keynote speaker. One of them began at 6PM, but I didn't give my speech until 11PM. There was another event and again it was 11:30PM by the time I was invited to the podium. Half the audience was asleep, the other half was walking out. I got up to say, "There is no time. Everything that could be said has been said. Thank you." I got a rousing ovation but then somebody admonished me with "Well, you should have seen when the President of Harvard was here. It was later than tonight." "Did he ever come back again?" I asked. "No," was the reply.

LMS. Talking about children, I have 3 who are in varying degrees "Armenian". Two of them are willing to participate when asked and the third is fairly active. Armenia is about the only thing that generates any real interest. You have 3 sons. Have you been able to instill any enthusiasm or commitment?

VG. My children were brought up as Armenians by my wife which comes as a great surprise to everyone because she's not Armenian. She learned how to read, speak and write Armenian. She took them to Tabriz (Iran) and had them baptized by the same priest that had married my parents and had baptized me. Two of my sons spoke Armenian until they were 8 years old. Then we moved to Austin, Texas. I discovered that unless you have full-time community or organizational support or you can create time by putting in a couple of hours a day you cannot succeed in preserving the language. All my children are proud to be Armenian. All 3 of them had great problems with their first names in Texas (Vahé, Raffi and Dareh-Ardashes) because nobody could pronounce them correctly. They were always listed under the girls' categories in school. Somebody once told Raffi that his was a Jewish name meaning serendipity.

My oldest son, Vahé, is a journalist for the St. Louis Post Dispatch. My second son, Raffi, is a military historian in Washington, DC and a PhD. candidate at Johns Hopkins, and my third son, Dareh, who attended the Armenian Sisters Academy in Pennsylvania for eight years, is a senior at Boston University. All three of them have rediscovered, in their own way, their Armenian heritage: Raffi, by going to Soviet Armenia and reading among others Franz Werfel's "Forty Days off Musa Dagh"; Dareh, by being interested in how various administrations have dealt with the Armenian Genocide; and Vahé, as a journalist.

I have not imposed upon them Armenianism for I believe you are not born an Armenian, you become an Armenian. Consciousness leads to knowledge, knowledge leads to language, and both of them lead to solid identity. Language without culture, culture without history and history without consciousness is not sufficient to guarantee one's identity.

LMS. How do you see the next five years for the Soviet Union in general and Armenia in particular? (Editor's note: A reminder to our readers that this discussion was held before the dramatic August 19 events in the Soviet Union.)

VG. I think the Soviet Union in its current form is not going to exist. Definitely the Baltic Republics will be out. Some face saving device will be found like the Soviet Union authorizing them to be part of the common market first as a "Zone Franche" (Free Zone).

Second, the Soviet Union is going to be very much preoccupied by Ozal's (President of Turkey) strategy. He wants to be a Mediterranean power in order to fill the vacuum. There's no leadership in the Balkans. Yugoslavia might have provided it but not now. Bulgaria is very poor. Greece is the only one that could compete but they don't have an international strategy other than commerce. They don't think geo-politically. My guess is that Turkey will leave Cyprus with some kind of arrangement—the price being Greece will not veto their entry into the Common Market.

Turkey wants to have a major role in the Caucasus as well, in a way to pick up where they left off in 1918; it wants a major role with the Ukraine and the Balkans as trade partners. Turkey wants to take this opportunity to industrialize the eastern region of the country, in order to stop the possibility of a future Kurdistan. The Soviet Union or Soviet Russia is not going to allow this. At best they will allow the Caucasus to remain neutral, like Finland. Soviet Russia needs oil. It needs the Caucasus as a bridge to the Middle East.

Now I personally believe that Armenians should have been last in showing their trump card in the Soviet Union, not first. One of the most brilliant Armenian political thinkers in the 19th century was Krikor Arzruni. He said to the effect that the Armenian bourgeoisie has money, a national resource, and they are scattered throughout Czarist Russia, they should build commerce in the Ottoman Empire and invest in historical Armenia. If and when a major global upheaval occurs, Armenians should pick up the pieces. Armenians should be observers, not instigators or pawns. I only mention this because we hear "We are the ones who started the protest in the Soviet Union. We were number one." Well, that's no consolation.

We don't have a quiet, articulate, long-term strategy of nation building. As a result our situation is very untenable. We're cut off from oil, from the Black Sea and we have a very minor border with Iran and there are attempts to even cut that. But, we do have human resources. Then the issue is how to build a national economy. Armenia has to become a Taiwan, a kind of electronic capital, a computer center or the Mayo Clinic of the Soviet Union so others will build roads to get to us. How we transform that manpower into skilled labor is the challenge because political independence without economic independence is not going to be viable.

Having said this we should marvel at the fact that since Armenians have suffered for 70 years, it is a miracle that there is even this much left.

LMS. This issue of the AGBU Quarterly is highlighting the Middle East. We have a substantial Armenian community there of several hundred thousand. How do you see the future?

VG. With the end of the cold war I'm very optimistic about the Middle East now. If the Palestinian issue is settled there will be greater pressure for each of the countries in the Middle East, including Israel, not to postpone social and economic justice. It may sound outlandish but I think, if peace or some acceptable solution comes, you will see the Middle East emerging as a major region, financially more powerful than Europe. There's no excess capital in Europe or even the U.S., only in Japan and the Pacific Basin. If the Middle East is not investing in arms but in business it will usher a great era of development. There is a population explosion. Sheer demography is going to demand economic justice.

Now, the Armenian communities, thank God, have never been part of the Middle East establishment because we have been excluded from the political process. Second, we have never been considered outsiders, fifth columnists, etc. Maybe with rare instances but no one has used that argument against us. We know the culture, the language and the region. We've been there for thousands of years and once again we're going to be an essential force, an entrepreneurial force. As a matter of fact, I believe you will see some Armenians returning to Iran, to Lebanon and to Iraq when Saddam's regime is over.

LMS. This is a very, very interesting historic period in our lives as democracy, or the ideal of democracy, takes over throughout the world. That's what we are seeing as dictatorships, and feudal systems keep collapsing. -It could change the world in 25 to 50 years.

VG. The main problem is the growing pains that come with democracy. At first they will interpret democracy as anarchy but then, gradually, a new reality will emerge. My worry about the Soviet Union is that glasnost and perestroika without economic success will feed right into the hands of the old guard. They will say you might not have had freedom but you had bread. Once again they will force people to choose security over liberty.●

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

● Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received a request for a determination under rule 35 for Senator NUNN and Senator WARNER and employees of the Senate Armed Services Committee, Arnold Punaro and Patrick Tucker, to participate in a program in the Persian Gulf, sponsored by the United States Government and the governments of Saudi Arabia and Bahrain from February 16–20, 1991.

The committee determined that participation by Senator NUNN and Senator WARNER and Messrs. Punaro and Tucker in this program, at the expense of the United States Government and the governments of Saudi Arabia and Bahrain, was in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Tom Fulton, a member of the staff of Senator BURNS, to participate in a program in China, sponsored by the Chinese People's Institute of Foreign Relations, from April 13–24, 1992.

The committee has determined that participation by Mr. Fulton in this program, at the expense of the Chinese People's Institute of Foreign Affairs, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Peter Galbraith, a member of the Staff of Senator PELL, to participate in a program in London, sponsored by the Humanitas, from February 21–23, 1992.

The committee has determined that participation by Mr. Galbraith in this program, at the expense of the Humanitas, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Vicki J. Hicks, a member of the staff of Senator BURDICK, to participate in a program in Hong Kong, sponsored by the Hong Kong General Chamber of Commerce, from April 12–18, 1992.

The committee has determined that participation by Ms. Hicks in this program, at the expense of the Hong Kong General Chamber of Commerce, is in the interest of the Senate and the United States.•

BUDGET SCOREKEEPING REPORT

• Mr. SASSER. Mr. President, I hereby submit to the Senate the budget scorekeeping report prepared by the Congressional Budget Office under section 308(b) of the Congressional Budget Act of 1974, as amended. This report serves as the scorekeeping report for the purposes of section 605(b) and section 311 of the Budget Act.

This report shows that current level spending exceeds the budget resolution by $6.3 billion in budget authority and by $5.8 billion in outlays. Current level is $2.9 billion above the revenue floor in 1992 and $0.7 billion below the revenue floor over the 5 years, 1992–96. Since my last report the Congress has sustained the President's veto of H.R. 4210, the Tax Fairness and Economic Growth Act, therefore, the budgetary effects are no longer included in current level. In addition, the President has signed the technical correction to the Food Stamp Act (Public Law 102–265).

The current estimate of the deficit for purposes of calculating the maximum deficit amount is $354.2 billion, $3 billion above the maximum deficit amount for 1992 of $351.2 billion.

The report follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, March 31, 1992.

Hon. JIM SASSER,
Chairman, Committee on the Budget, U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN: The attached report shows the effects of Congressional action on the budget for fiscal year 1992 and is current through March 27, 1992. The estimates of budget authority, outlays, and revenues are consistent with the technical and economic assumptions of the Concurrent Resolution on the Budget (H. Con. Res. 121). This report is submitted under Section 308(b) and in aid of Section 311 of the Congressional Budget Act, as amended, and meets the requirements for Senate scorekeeping of Section 5 of S. Con. Res. 32, the 1986 First Concurrent Resolution on the Budget.

Since my last report, dated March 24, 1992, the Congress has sustained the President's veto of H.R. 4210, the Tax Fairness and Economic Growth Act, changing the current level for budget authority, outlays and revenues, and the President has signed the Technical Correction to the Food Stamp Act (Public Law 102-265).

Sincerely,
ROBERT D. REISCHAUER,
Director.

THE CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG. 2D SESS., AS OF MAR. 27, 1992

[In billions of dollars]

	Budget resolution (H. Con. Res. 121)	Current level[1]	Current level +/− resolution
On-budget:			
Budget authority	1,270.7	1,277.0	+6.3
Outlays	1,201.7	1,206.6	+5.8
Revenues:			
1992	850.5	853.4	+2.9
1992–96	4,836.2	4,835.5	−.7
Maximum deficit amount	351.2	354.2	+3.0
Debt subject to limit	3,982.2	3,773.4	−208.8
Off-budget:			
Social Security outlays:			
1992	246.8	246.8	
1992–96	1,331.5	1,331.5	
Social Security revenues:			
1992	318.8	318.8	
1992–96	1,830.3	1,830.3	

[1] Current level represents the estimated revenue and direct spending effects of all legislation that Congress has enacted or sent to the President for his approval. In addition, full-year funding estimates under current law are included for entitlement and mandatory programs requiring annual appropriations even if the appropriations have not been made. The current level of debt subject to limit reflects the latest U.S. Treasury information on public debt transactions.

Note.—Detail may not add due to rounding.

THE ON-BUDGET CURRENT LEVEL REPORT FOR THE U.S. SENATE, 102D CONG., 2D SESS., SENATE SUPPORTING DETAIL FOR FISCAL YEAR 1992 AS OF CLOSE OF BUSINESS MAR. 20, 1992

[In millions of dollars]

	Budget authority	Outlays	Revenues
ENACTED IN PREVIOUS SESSIONS			
Revenues			853,364
Permanents and other spending legislation	807,567	727,184	
Appropriation legislation	686,331	703,643	
Continuing resolution authority	13,992	5,454	
Mandatory adjustments[1]	(1,041)	1,105	
Offsetting receipts	(232,542)	(232,542)	
Total previously enacted	1,274,306	1,204,844	853,364
ENACTED THIS SESSION			
Emergency unemployment compensation extension (Public Law 102–244)	2,706	2,706	
American Technology Preeminence Act (Public Law 102–245)			[2]
Technical Correction to the Food Stamp Act (Public Law 102–265)	[2]	[2]	
Total current level	1,277,012	1,207,550	853,364
Total budget resolution[3]	1,270,713	1,201,701	850,501
Amount remaining:			
Over budget resolution	6,299	5,849	2,863
Under budget resolution			

[1] Adjustments required to conform with current law estimates for entitlements and other mandatory programs in the concurrent resolution on the budget (H. Con. Res. 121).

[2] Less than $500,000.

[3] Includes revision under section 9 of the concurrent resolution on the budget (see p. S4055 of "Congressional Record" dated Mar. 20, 1992).

Note.—Detail may not add due to rounding.•

WOMEN'S HISTORY MONTH

• Mr. SIMON. Mr. President, this past month was designated Women's History Month in order to honor the contributions of women throughout history. Just as important, though, the month has provided a forum for addressing many of the critical issues facing women, and men, in our society today. It is for that reason that I speak before you today.

Certainly we have made progress in addressing some of the more extreme inequities women have faced in this country. Congress has passed legislation to help eliminate discrimination in employment, education, credit and housing. But these laws are inconsistently enforced and the obstacles confronting women continue to mount.

This past summer, the Subcommittee on Employment and Productivity, which I chair, conducted a hearing to examine the role of women in the workplace. I would like to take this opportunity to highlight two of the more salient points that investigation brought forth.

First, there is preliminary evidence that indicates we are creating a type of Third World labor economy by underutilizing our work force and increasingly hiring only temporary, part-time and seasonal workers. The majority of those temporary workers are women, forced to string together several such part-time jobs to feed, clothe, and shelter their families. It is obvious that such a work force does not offer much in the way of stability, benefits, or promotions.

Second, the hearing highlighted one of the most glaring problems facing women in our society today, the feminization of poverty. Today we are experiencing an ever-growing disparity between the classes in our country, with the numbers of those impoverished continuing to increase. Already 65 percent of those in poverty are women and children. We must do something to reverse this trend.

In a similar hearing before that same subcommittee in October of last year, I spoke on the topic of "Women and the Workplace: The Glass Ceiling." Glass ceilings refer not to barriers to entry into the job market, but rather to the artificial barriers that impede advancement opportunities in the workplace. Those barriers for women include discrimination based on ignorance, gender stereotyping, and sexual harassment.

These glass ceilings have segregated women into constrained segments of the work force, otherwise known as pink ghettos, where low wages, low benefits, and limited advancement are the norm. A study conducted just 3 years ago indicated that 60 percent of professional women worked in the traditionally female occupations of teacher and nurse, while only 9 percent of working women served in nontraditional jobs. Furthermore, of the Fortune Services 500 industries, women comprise 61 percent of all employees, but only slightly more than 4 percent are corporate officers. Surely we can do better than that. It is our responsibility to open these doors that have been long closed to women capable of performing at these top levels; we must shatter those glass ceilings.

In addition to limitations on the level to which they can rise in the work force, there is strong evidence for a pay gap dividing employees along gender lines. Indeed, even today, women still earn significantly less than their male counterparts. On the whole, women earn only 72 cents for every dollar a man earns. And, even more disturbing, is the fact that the differential between those countries who have closed the pay gap, such as Sweden and Norway—where women earn 85-90 percent as much as their male counterparts—and those who have not, such as the United States and Switzerland—where women continue to earn only 68-72 percent as much as men—is continuing to widen. We cannot have true equality in the workforce until we account for that gap and make a concerted effort to bridge it.

Another issue vital to women in the workforce is the question of family medical leave. The dynamic evolution of our work force over the course of the past several decades requires that we address this situation if we are truly desirous of equality in the workplace. While there are examples of some businesses acting voluntarily to assist working parents in this area, most have not. In 1989, some 15.2 million women in the United States had no health insurance from any source, with women in the traditionally female occupations uninsured at rates of 6-30 percent. We must do what we can to assist those struggling to balance the responsibilities of work and family. The Senate's passage of the Family and Medical Leave Act is a good start, but our efforts must not stop there. It is not right that many hard-working Americans risk losing their jobs if they take leave to care for a new baby, a sick child, or an aging parent.

In order to do justice to those women honored during Women's History Month, those who blazed new trails and played vital roles in the development of our society, we too must blaze new trails and reform the inequities in our labor system. While the achievements of those women in the past are made even more remarkable by the recognition that they came as part of a struggle against the tide of discrimination, it is our responsibility today to insure that an equitable labor system is our legacy. Glass ceilings, pay gaps, and feminization of poverty are not the marks of a free and democratic society and for that reason have no place in the United States in the 1990's. Women represent a tremendous potential strength in the work force, yet, for the most part, we have not yet begun to fully cultivate their capabilities. In short, we must give women the opportunity to contribute without placing limitations on those opportunities. Rather, we must provide a system worthy of the democratic and egalitarian ideas upon which America was founded. Such as honor as Women's History Month must not be merely a symbolic reference to contributions of women in the past, but also a reminder of the changes our present system begs for. The time has come when we must truly heed the call of our Nation's Founders when they demanded liberty and justice for all.•

ATTACK SUBMARINES

• Mr. D'AMATO. Mr. President, for the foreseeable future, attack submarines will continue to play a crucial role in maintaining freedom of the seas. In earlier remarks, I suggested that Congress would have to artfully fund spares, repairs, modifications, backfits, and stockpiles, in order to generate enough work to preserve the core technologies, facilities, and talent required to design and build the Centurion, the next-generation attack submarine.

One retrofit we should consider this year is replacing the steel sonar bow dome of older *Los Angeles*-class submarines with a composite, so-called glass-reinforced plastic [GRP], sonar bow dome. GRP sonar bow domes, currently installed on some *Los Angeles*-class submarines, and destined for both the *Seawolf* and *Centurion*-classes, are 10 tons lighter, and have better acoustic properties, than comparable steel sonar bow domes.

Were Congress to institute such a backfit program, it would: First, sustain the sole manufacturer of GRP sonar domes, a contractor 100 percent dependent on submarine work, second, afford a modest amount of additional shipyard work, and third, recapture lost weight, which, when combined with the remaining design weight margin of early 688-class subs, provides an opportunity for retrofitting improvements, such as the wide aperture array or the intelligence collection package unique to retiring *Sturgeon*-class subs.

Pearl Harbor, Mare Island, Portsmouth, Norfolk, Charleston, and, potentially, Electric Boat, Newport News, and Puget Sound could all handle a GRP retrofit program during regular shipyard availabilities. In fact, the backfit could probably be accomplished during selected restricted availabilities by shipyard tiger teams in 688-class sub homeports.

The upgrade program I have just outlined is one of many that we could undertake to maintain the submarine vendor base. I am heartened by the fact that the Navy is reportedly considering just such a backfit in its POM94 process, and I look forward to its appearance in the fiscal year 1994 Defense Department request. In the meantime, Congress should seriously consider undertaking the GRP sonar dome retrofit program this year.•

TURKEY'S POLICIES REGARDING ITS KURDISH CITIZENS

• Mr. DECONCINI. Mr. President, I rise today to voice concern over the situation in southeast Turkey which has seemingly degenerated in recent weeks to a state of civil war. The recently elected Prime Minister of Turkey, Suleyman Demirel stated that a resolution of the Kurdish situation would be a top priority of his government. During a much publicized trip to the Kurdish area of Turkey last year he reached out to Turkey's Kurdish citizens, offering them greater cultural autonomy and promising increased economic development. Mr. Demirel's government has removed obstacles to printing Kurdish publications and has lifted other restrictions on the use of the Kurdish language hoping that increased cultural autonomy would diminish support for Kurdish PKK terrorists attempting to form their own state.

Unfortunately, Mr. Demirel's efforts to address the Kurdish situation have not resulted in a reduction of tensions. Instead, massive discontent has erupted in southeast Turkey, and the level of violence between security forces and terrorists has taken an increasing and unacceptable toll of innocent lives. While the tactics of the PKK terrorists are abhorrent, the group appears to be gaining support among a population weary of constant harassment by security forces. Recently, 14 Kurdish deputies withdrew from the ruling coalition in the Turkish Parliament to protect the Government's policy toward Kurdish citizens. The new Government of Turkey and its program of wide ranging democratic reforms now appear jeopardized by the chaos and destruction in the southeast.

Turkish military incursions into northern Iraq, ostensibly to attack PKK bases, have, in fact, also killed civilians who do not support the PKK. Actions taken by security forces against terrorists have been heavy-handed and have served to further incite the Kurdish population and destabilize the entire region. Turkey's NATO ally, Germany, has recently halted shipments of arms to Turkey because of Turkey's use of German equipment for offensive purposes against the Kurds. Germany has announced its intentions of raising the Kurdish issue during the Conference on Security and Cooperation meeting taking place in Helsinki.

Mr. President, it is in the best interests of all parties that extreme caution be exercised by the Turkish Government as it continues to counter the efforts of the PKK. While Turkey, and indeed, all nations have a right to protect the security of their citizens and the sovereignty of their borders, Turkey is also obligated to protect the human rights of its citizens. Unfortunately, as the PKK has stepped up its violent attacks, the human rights of civilians in the southeast are becoming increasingly threatened by the increasingly violent actions of security forces.

This is particularly regrettable because, under President Demirel's leadership, the Government of Turkey has taken several important steps toward improving the civil and human rights of its citizens. This process must continue and the implementation of reform measures should be vigorously enforced at all levels of Government. The actions of the PKK terrorists are deplorable, yet the Turkish Government should move even more swiftly and earnestly to protect the legitimate human and civil rights of its citizens and ensure that its security forces act according to international and democratically established procedures. Violence only begets violence and support for the PKK may grow unless President Demirel takes decisive action to protect the rights of all of Turkey's citizens.•

ANTI-SEMITISM IN MOLDOVA

• Mr. SIMON. Mr. President, as you well know, even as the peoples of the former Soviet Union take their first breaths of free air, minorities throughout the newly created Republics live in constant fear of oppressive majority elements. For the past several weeks, I have highlighted the reemergence of anti-Semitism in Russia and Ukraine, and today I turn to the situation confronting Jewish citizens in the Republic of Moldova.

The ethnic and political scenario for Jews in Moldova is much more complex than in many of the other nations of the Commonwealth of Independent States. Moldova, considered in conjunction with neighboring Romania with whom ties were extremely strong prior to the 1940's, has a historically significant level of anti-Semitism. Also, the economic situation in Moldova is by far one of the worst in the states of the former Soviet Union, and the chaos of recent economic events have renewed fears of violence against minority groups, who are scapegoated for the financial problems.

What is more, Moldova has been at the forefront of the nationalistic movements among the newly independent states, and their nationalism has increasingly become a movement of exclusion, rather than inclusion, for many minority groups, among them Russians, Gagauzis, and Jews. Finally, there appears to be evidence of governmental anti-Jewish sentiment confronting Jews attempting to emigrate to both Israel and the United States. There are numerous cases exemplifying the Government's refusal to permit emigration on the basis of arbitrary reasons that can only be understood as anti-Jewish policy.

However, anti-Semitism in Moldova over the past few years has not been as evident as the outbreaks of violence, graffiti, and desecration so readily apparent in other regions. Rather, in this region, anti-Semitism is akin to a slumbering giant; it casts a lingering shadow over the hopes and aspirations of the remaining Jews, yet it does not appear as an immediate problem.

A brief overview of the history of Jews in Moldova will paint an interesting picture. By the close of the 19th century, the number of Jews in Kishinev, the capital of Moldova, numbered 50,237, 46 percent of the city's entire population. Two large pogroms in the first 5 years of the 20th century, however, drastically affected the Jewish population both in Kishinev and in Moldova at large. During Easter of 1903, agents of the Ministry of the Interior and the Bessarabian administration in charge of the region initiated a riot and 49 Jews were killed and 500 others were injured. Just 2 years later, mob action against Jewish citizens broke out once again. On October 19–20, 1905, patriots attacked the Jewish quarter of Kishinev, killing 19, injuring 56, and looting large numbers of Jewish shops and homes. In 1941, Kishinev was occupied by German and Romanian forces, who immediately initiated the massacre of the city's Jews, taking the lives of more than 10,000 Jewish citizens. These atrocities are well recorded in the history books.

Just as important though are recent events in Moldova, as they will inevitably affect that country's Jews. Moldova's declaration of independence of August 27, 1991, was immediately followed by secession proclamations by Moldova's Gagauz and Dnestr Valley Russian minorities. The relevance of these movements to the Jewish population is that they highlight a fear among many minorities of the possible reunification of Moldova and Romania, which have been linked as a region known as Bessarabia in the past.

Jews, through their experience of the heinous acts that Romanians have perpetrated against them in the past, give rise to fears of this reunification, which Romanian President Ion Iliescu has stated is inevitable. And though the Moldovan Government's official stance has backed away from its highly emotional sympathy for reunification, there are strong elements urging the reunion. What all of this means for minorities at present is not certain, but this tenuous situation has given rise to fears among minorities that have carried the country to the brink of war, threatening to divide Moldova along ethnic lines. If that is the case, Jews, who comprise only about 1 to 2 percent of the Moldovan population could be caught in the middle.

Aside from these fears of the possible reunification of Moldova and Romania and the anti-Semitic violence that may be born from it, there are very real instances of anti-Jewish sentiment at present. I have received letters from Moldovan Jews pleading to be saved from the anti-Semitic violence that threatens their very lives. Perhaps most poignant is a letter from Torbina Michaylovna, whose family is the last remaining Jewish family in their village. She wrote:

> On the evening of October 7, 1989, (at) about 11:30 p.m. two (people) in black masks rushed into our house * * *. It is difficult for me to write, the tears fill my eyes. They killed my mother, but she saved all of us. They tried to kill my (one-year old) baby, but I covered him with my body and they hit me on the head believing that they had killed me * * *. We continue to live in constant fear for our lives and those close to us * * * nobody cares about us * * *.

And this is not an isolated incident. In a poll of 500 Jewish leaders in December 1989, 93 percent of those who responded had personally experienced some manifestations/displays of anti-Semitism in the past 6 months in Moldova. In addition, over half of those polled expressed their feeling that there is a possibility in the near future of a flare of anti-Semitism with accompanying acts of brutality. As one Soviet Jew wrote in his letter to a staff member at the Center for Human Rights Advocacy, "And now we feel as if we lived on a volcano expecting a new break of violence any moment. And Jews, as you know, are to blame for everything."

Most important, though, there are a number of Moldovan Jews who have been experiencing great difficulties in their attempts to emigrate. Several of these Jewish citizens, such as Gagarina Bystrik, Karmanova Finkel, and Sovetskoy Gospas have been trying to secure permission to emigrate for over 10 years, but have been refused on completely arbitrary grounds. In other cases, such as that of Gennady Blumin, Jewish citizens, have been subject to extralegal prosecution, merely for their desire to emigrate. Mr. Blumin, who has been held in jail for over a decade for the offense of using Government supplies to make beach bags for private sale, was never questioned during the investigation, was denied the right to be present at his trial and was given a 12-year sentence for what is normally a 4 to 5 year crime. All of this has led many to the conclusion that Mr. Blumin's expressed interest to emigrate has brought the wrath of anti-Jewish sentiment to bear down upon him.

There are growing accounts of the Moldovan Government's willingness to support the remaining Jewish population. According to Aleksandr Brodsky, the editor of the newspaper Nash Golos, a home for elderly Jews will be founded, there will be a department of Judaica at the university, former prisoners of ghettos and concentration camps will be given the status of disabled veterans and food aid for poor Jews will be given during the winters. And, recently, Moldovan President Mircha Snegar issued a statement pledging his support for these and other Jewish cultural projects.

Nevertheless, as Moldova stands on the brink of civil war between several ethnic interests, many view President

Snegar's declaration as a symbolic political move indicative not of Moldova's concern for the Jews, but rather for international opinion about the treatment of minorities.

So, despite these latest attempts by the Moldovan Government, the specter of anti-Semitism stands as clearly today as ever. We cannot stand idly by; now is the time for action to help not only the Moldovan Jews, but also Jews throughout the former Soviet Union as they struggle to escape the grasp of anti-Semitism that has so long held them in its grip.●

INDIVIDUAL RETIREMENT ACCOUNTS

● Mr. D'AMATO. Mr. President, in recent weeks, with the Presidential campaign heating up, the American people have made it clear that things are not rosy outside the beltway. One way we inside the beltway can help those outside is to allow the use of IRA funds for homeownership and higher education investments. In addition to allowing the use of IRA funds for homeownership and higher education investments, I believe we must also permit parents and grandparents to invest their IRA funds in homes and education for their children and grandchildren. By doing so, we will not only provide relief to the hard-working middle class, we will help to stimulate the national savings and investment rate and give our sluggish economy the shot in the arm it needs.

On August 2, 1991, I introduced S. 1680, the Family Home Investment and Education Plan Act, cosponsored by my colleagues, Senators DODD, GARN, SEYMOUR, STEVENS, COCHRAN, and BROWN.

I come before you today because I truly believe that our bill will return a much needed and wanted savings tool to the American people, in addition to providing a unique approach to increasing the flexibility of individual retirement accounts [IRA's].

In the past few months, we have witnessed a number of legislative proposals designed to increase the flexibility of IRA's; some of which I have cosponsored. However, none of these proposals is as unique as the Family Home Investment and Education Plan Act because it provides a dynamic way of using IRA's to make housing and college education more affordable. Quite simply, this bill would allow individuals and family members to use funds within their IRA accounts to make a first-time home purchase or to fund tuition and other higher education expenses. Moreover, what makes this bill so unique is that it will give parents and grandparents an alternative method of providing financial assistance to their children and grandchildren. Most importantly, it will be accomplished at no cost to the Treasury.

Affordability of housing and a college education is a serious problem today for middle-class Americans. Data released from the 1990 census showed a drop in the rate of national homeownership in the last decade. This was the first decade since the Great Depression that homeownership declined. This problem is particularly acute in my home State of New York. According to the census data, New York ranked last among all 50 States in the level of homeownership, with just 52.2 percent of New York residents owning homes. Similarly, as college tuition costs continue to outpace inflation, the goal of obtaining a college degree becomes an increasingly elusive target.

We in Congress need to take decisive action to deal with these issues. At a time when the price of a single family house and the cost of a college education are racing beyond the means of many lower and middle-class families, our legislative proposal would free up the use of a major source of savings that is currently inaccessible. Opening up this source of funds is a critical step in addressing this affordability crisis.

To see why our bill is so dynamic, consider other legislative proposals in Congress dealing with this subject. A number of bills have been introduced which waive the 10-percent penalty for premature withdrawal for first time home purchase, higher education expenses, and devastating medical expenses. I am a cosponsor on three such proposals, S. 612 (BENTSEN), S. 1920 (KASTEN), and S. 1984 (SPECTER/DOMENICI).

While waiver of the penalty is helpful, early withdrawal would still be very expensive since individuals who withdraw their IRA funds must still pay income taxes on the amount withdrawn. For taxpayers in the highest Federal tax bracket, early withdrawal could result in income taxes of as much as $3,100 on a withdrawal of $10,000. Consequently, the funds available for use would be significantly reduced for the intended purpose. As a result, penalty waivers are limited in their effect in easing the burden of housing or higher education costs.

The Family Home Investment and Education Plan Act is an effective alternative. Under this bill, individuals can make investments for first time home purchases or higher education expenses within an IRA. The owner of an IRA account directs the IRA custodian to use funds for either of two narrowly prescribed activities by such owner or family member. There is no early withdrawal penalty and most importantly, there is no income tax levied. When the investment or loan is repaid, the funds remain within the IRA for reinvestment.

Here is how our bill works. The owner of an IRA account directs the IRA custodian to use funds for either of two narrowly prescribed activities by such owner or family member. The first is the purchase or construction of a primary residence for use for a first time home buyer. The second is for paying higher education expenses.

The funds can be used either as an equity investment or as a loan. Under the equity investment approach, an individual could use funds within an IRA to make a downpayment on the purchase of a first home. Alternatively, a parent or grandparent could assist a child or grandchild in making such a downpayment. Under the loan approach, IRA funds could be used as a loan to a child or grandchild, either in assisting with a first time home purchase or for higher education purposes.

In all cases, the funds would simply be another form of investment, similar to stock mutual funds or certificates of deposit. The investments or loans would be structured as an arm's length business transaction. When the loan or equity investment is repaid, the funds remain—still tax deferred—within the IRA account of the investor.

Why is this legislation necessary? Under the existing Tax Code, there are a number of prohibited transactions within an IRA account. These include investing in one's own home or making a loan or investment on behalf of a child or grandchild. Our bill would provide a narrow exemption to the list of prohibited transactions.

And for good reason. Consider the following: Any American today can invest IRA funds in a mutual fund consisting of GNMA securities. In effect, this is an investment in a pool of mortgages of single family homes. Thus, under current law, an American can invest in a loan for anyone else's home, but not his own, or that of his parent's or child's. This is arbitrary and unfair. After all, the IRA Program was established to promote long-term savings to ease the financial condition of retirement. Historically, investment in one's own house has proven to be the single most effective source of retirement wealth for middle Americans. Thus, preventing Americans from investing in their own home is contrary to the very purpose of IRA legislation.

Finally, I would like to emphasize that this legislation would not increase the budget deficit. Under our bill, there is no forgiveness of the taxes otherwise deferred through an IRA account, nor is there a loosening of eligibility standard for investing in an IRA. What this bill does is to free up the use of a large pool of funds for important activities which promote financial security and occupational mobility.

Therefore, I again urge my colleagues to join me in this effort to increase home ownership and the attainment of higher education by cosponsoring S. 1680.●

CORO FOUNDATION 50TH ANNIVERSARY

• Mr. CRANSTON. Mr. President, I rise today to recognize the Coro Foundation on its 50th year anniversary. The Coro Foundation, a nonpartisan public affairs development institution, was founded in 1942 with the goal of strengthening the quality of decision-making by preparing individuals for effective, ethical participation in the public affairs arena.

The Coro Foundation Fellowship Program is a full-time, graduate level program. Every year 12 men and women are named fellows at each of the four Coro Centers in San Francisco, Los Angeles, St. Louis, and New York. They complete at least five working field assignments, including a Government agency, political campaign, community-based organization, labor union, and corporation. In addition, fellows have special study weeks that include media, communications, State governments, and group and individual public service projects that encompass such public concerns as housing, economic development, health care, education, and corporate social responsibility. Coro also has other programs which develop responsible leadership among high schools students, midcareer executives, and senior citizens.

Today over 3,500 Coro graduates are in leadership positions in virtually every area of Government, business, and community service. Among others, they include the former mayor of San Francisco, two Members of Congress and numerous Federal officials, local, State, and national elected officials. In addition, Coro graduates have served in every Presidential administration since 1960. Two current members of my own staff, Alan Thomas and Irene Bueno, are Coro graduates. They both demonstrate the very fine qualities which the Coro Foundation is dedicated toward promoting. I am also proud that a third member of my staff, Julie Martinez, has just been accepted into the Coro Program.

Mr. President, on the occasion of its 50th anniversary, I would like to commend the Coro Foundation's unique efforts in developing future leaders and strengthening our communities.•

LIBRARY LEGISLATIVE DAY

• Mr. SIMON. Mr. President, today is Library Legislative Day on Capitol Hill. Librarians, scholars, and educators from across the country will be doing all they can to ensure that we continue to support our Nation's libraries. It is my hope that the White House—and all of us here in Congress—will listen closely to what they have to say.

Many may not realize the vital role our libraries can play in helping to get us out of our current economic difficulties. During these days of layoffs, trade imbalances, and generally troubled economic times, we in Government need to refocus our attention toward educating America and making us competitive in the global marketplace. The key to getting out of the economic mess is to convert to a high-wage, sustained growth economy in which education and job training are the cornerstones.

Unfortunately, the White House has not gotten the message, and the President's rhetoric has not matched reality. Four years ago, President Bush said he wanted to be the education President. Seven months ago, in an address to the White House Conference on Libraries and Information Services, the President said that libraries stand at the center of efforts to strengthen education. President Bush called Federal support for libraries a bargain, and said that "our libraries serve as the schoolrooms for lifetime learning and the launch pads for our future." Yet despite these strong expressions of support, the President's recent budget proposal seeks to gut nearly all Federal support for libraries.

The President was right then, his budget is wrong now, and the cuts he has proposed would scrub the library mission on the launching pad.

In his fiscal year 1993 budget, President Bush proposes a 76-percent funding cut from last year's $147.75 million appropriation. I am pleased that the budget does include $35 million for library-related adult literacy efforts; I am troubled, however, by the President's failure to fund any of the other programs authorized under the Library Services and Construction Act [LSCA], the Federal Government's basic library support program. The White House proposal would eliminate funds for public library services, library construction aid, foreign language materials, college library technologies, and library research.

Last December, the administration indicated to me that the President would follow through on his expressions of support for our libraries. Responding to a letter I sent to the Secretary of Education in July, Acting Assistant Secretary of Education William D. Hansen reasserted the administration's support for libraries, and said that libraries must be included among the resources needed "to help us achieve the National Education goals related to school readiness, literacy, and lifetime learning." Maybe they are getting their signals crossed at 1600 Pennsylvania Avenue, but a 76-percent cut in library funding does not sound like much of a commitment to an America already struggling to educate and ready itself for the jobs of tomorrow.

Mr. President, according to a January 31, article in the Washington Post ("The Fiscal '93 Budget, Imitating Life, Has Winners and Losers," p. A–17), the Education Department believes that public library funding is no longer needed. The Education Department asserts that now that citizens across the country have access to library services, the need for continued Federal support is exhausted. All this despite grave concerns cited in the Post article, and echoed by librarians everywhere, that budget problems are keeping libraries from updating their collections and modernizing their operations. Chances are the librarians you meet with today will confirm this, and will tell you that the President's proposed budget would force many libraries to close their doors, or at least further reduce staff sizes and hours open to the public.

I recognize that Federal library funding has always been a relatively small budget item, but it is enough to make a real difference in quality. The White House may think that library funding is such a small part of a $1.52 trillion budget request that nobody will every notice. But if Congress does not remedy the problem in the appropriations process, communities across the country will surely notice.•

REPRESENTATION BY SENATE LEGAL COUNSEL AND TESTIMONY AND DOCUMENT PRODUCTION BY SENATE EMPLOYEES IN PENDING CASE

Mr. SASSER. Mr. President, on behalf of the majority leader and the distinguished Republican leader, I send to the desk a resolution on representation by the Senate legal counsel and authorization of testimony by Senate employees and ask for its immediate consideration.

The PRESIDING OFFICER. The resolution will be stated by title.

The assistant legislative clerk read as follows:

A resolution (S. Res. 282) to authorize testimony, the production of documents, and representation in United States v. Slawomir Borowy.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. MITCHELL. Mr. President, in *United States* v. *Slawomir Borowy*, Cr. No. M14939-91, a criminal case pending in the Superior Court for the District of Columbia, the United States has charged the defendant, who is not a Senate employee, with unlawful entry, arising out of his refusal to leave the Senate copy center in the Hart Building.

William Fowble, a Senate employee who works in the copy center, has been subpoenaed to testify as a witness in the trial of this case. The following resolution would authorize the testimony of Mr. Fowble, and any other Senate employees whose testimony is required in connection with this proceeding. It would also authorize representation by the Senate legal counsel should the need arise with respect to subpoenas for testimony or for the production of documents.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 282) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 282

Whereas, in the case of United States v. Slawomir Borowy, CR. No. M14939-91, pending in the Superior Court of the District of Columbia, the United States has caused to be issued a subpoena for the testimony of William Fowble, an employee in the Senate Service Department;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate can, by administrative or judicial process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate is needed for the promotion of justice, the Senate will take such action as will promote the ends of justice consistent with the privileges of the Senate: Now, therefore, be it

Resolved, That William Fowble and any other employee of the Senate from whom testimony may be necessary are authorized to testify and to produce documents in United States v. Slawomir Borowy, except concerning matters for which a privilege should be asserted.

SEC. 2. That the Senate Legal Counsel is authorized to represent William Fowble, and any other employee, officer, or Member of the Senate in connection with United States v. Slawomir Borowy.

Mr. SASSER. Mr. President, I move to reconsider the vote.

Mr. DOMENICI. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENT BY THE VICE PRESIDENT

The PRESIDING OFFICER. The Chair, on behalf of the Vice President, pursuant to 22 U.S.C. 276d–276g, as amended, appoints the following Senators as members of the Senate delegation to the Canada-United States Interparliamentary Group during the second session of the 102d Congress, to be held in Boca Raton, FL, April 9–13, 1992: the Senator from Idaho [Mr. SYMMS], the Senator from Alaska [Mr. MURKOWSKI], and the Senator from Montana [Mr. BURNS].

ORDERS FOR TOMORROW

Mr. SASSER. Mr. President, on behalf of the majority leader, I ask unanimous consent that when the Senate completes its business today it stand in recess until 8:30 a.m., Wednesday, April 8, and that following the prayer, the Journal of the proceedings be deemed approved to date and the time for the two leaders be reserved for their use later in the day; that there be a period for morning business not to extend beyond 11:05 a.m., with Senators permitted to speak therein for up to 5 minutes; that Senator GORE be recognized for up to 1 hour, with the time from 9:30 to 10:30 a.m. under the control of the majority leader or his designee; that Senator MCCAIN be recognized for up to 20 minutes, that Senator GORTON be recognized for up to 10 minutes, and Senator KASSEBAUM be recognized for up to 5 minutes; that at 11:05 a.m. the Senate resume consideration of Senate Concurrent Resolution 106.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL TOMORROW AT 8:30 A.M.

Mr. SASSER. Mr. President, if there is no further business to come before the Senate today, I now ask unanimous consent that the Senate stand in recess, as previously ordered.

There being no objection, the Senate, at 6:50 p.m., recessed until Wednesday, April 8, 1992, at 8:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 7, 1992:

THE JUDICIARY

RICHARD G. KOPF, OF NEBRASKA, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEBRASKA VICE WARREN K. URBOM, RETIRED.

JAMES S. MITCHELL, OF NEBRASKA, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEBRASKA VICE A NEW POSITION CREATED BY PUBLIC LAW 101–650, APPROVED DECEMBER 1, 1990.

DEPARTMENT OF LABOR

MARVIN H. KOSTERS, OF VIRGINIA, TO BE COMMISSIONER OF LABOR STATISTICS, UNITED STATES DEPARTMENT OF LABOR, FOR A TERM OF 4 YEARS, VICE JANET L. NORWOOD, TERM EXPIRED.

NATIONAL TRANSPORTATION SAFETY BOARD

CARL W. VOGT, OF MARYLAND, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR THE TERM EXPIRING DECEMBER 31, 1996, VICE JAMES L. KOLSTAD, TERM EXPIRED.

CARL W. VOGT, OF MARYLAND, TO BE CHAIRMAN OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM OF 2 YEARS, VICE JAMES L. KOLSTAD, TERM EXPIRED.

MISSISSIPPI RIVER COMMISSION

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE POSITIONS INDICATED, UNDER THE PROVISIONS OF SECTION 2 OF AN ACT OF CONGRESS, APPROVED 28 JUNE 1879 (21 STAT. 37) (33 USC 642):

To be a member and president of the Mississippi River Commission

BRIG. GEN. PAT M. STEVENS, IV, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE A MEMBER OF THE MISSISSIPPI RIVER COMMISSION, UNDER THE PROVISIONS OF SECTION 2 OF AN ACT OF CONGRESS, APPROVED 28 JUNE 1879 (21 STAT. 37) (33 USC 642):

To be a member of the Mississippi River Commission

BRIG. GEN. ALBERT J. GENETTI, JR., [redacted] U.S. ARMY.

IN THE ARMY

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. AUGUST M. CIANCIOLO, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. CHARLES P. OTSTOTT, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. BILLY M. THOMAS, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. WILLIAM W. CROUCH, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. JERRY R. RUTHERFORD, [redacted] U.S. ARMY.

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR PERMANENT PROMOTION IN THE U.S. AIR FORCE, UNDER THE PROVISIONS OF SECTION 628, TITLE 10, UNITED STATES CODE, AS AMENDED, WITH DATE OF RANK TO BE DETERMINED BY THE SECRETARY OF THE AIR FORCE. THIS OFFICER IS ALSO BEING RECOMMENDED FOR APPOINTMENT IN THE REGULAR AIR FORCE UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 531, WITH A VIEW TO DESIGNATION UNDER THE PROVISION OF SECTION 8067, TITLE 10, UNITED STATES CODE, TO PERFORM THE DUTIES INDICATED, PROVIDED THAT IN NO CASE SHALL THE OFFICER BE APPOINTED IN A GRADE HIGHER THAN LIEUTENANT COLONEL.

JUDGE ADVOCATE

To be lieutenant colonel

WILLIAM B. BEAZLEY, [redacted]

IN THE ARMY

THE FOLLOWING NAMED ARMY NATIONAL GUARD OF THE U.S. OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C. SECTIONS 593(A); AND 3385.

ARMY PROMOTION LIST

To be colonel

SIDNEY C. FRANCISCO, [redacted]
GILBERT A. GALLEGO, [redacted]
WALTER R. GAY, JR., [redacted]
DONALD L. LAFLIN, [redacted]
BENNET C. LANDRENEAU, [redacted]
ROBERT L. MCGUIRE, [redacted]
THOMAS P. THOMAS, JR., [redacted]
HAROLD E. WINGARD, [redacted]

MEDICAL CORPS

To be colonel

JOSEPH A. SIEGEL, [redacted]

MEDICAL SERVICE CORPS

To be colonel

WILLIAM MCCORMICK, [redacted]

ARMY PROMOTION LIST

To be lieutenant Colonel

STANLEY R. BEITER, [redacted]
ORLAN K. BOYD, JR., [redacted]
DON E. COWART, [redacted]
DAVID N. DUNAGAN, [redacted]
CHARLES T. GRANADE, [redacted]
HARRISON U. JACK, [redacted]
IVAN M. JONES, JR., [redacted]
JOE D. MCDOWELL, [redacted]
NORBET L. MOHNEN, [redacted]
JAMES A. MOYE, [redacted]
RICHARD C. NASH, [redacted]
BARRY D. PARSONS, [redacted]
NAPOLEON O. PISANO, [redacted]
MICHAEL R. PUCA, JR., [redacted]
TONEY L. ROMANS, [redacted]
DONALD D. SCHUSTER, [redacted]

MARVIN R. SCHUTZ, [redacted]
LILBURN G. SMITH, [redacted]
ARTHUR J. SOSA, [redacted]
THOMAS D. THURY, [redacted]
ROBIN C. TIMMONS, [redacted]

MEDICAL CORPS

To be lieutenant colonel

ROBERT T. GARBACZ, [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

FRANCIS E. TRAXLER, [redacted]

PN9095 IN THE ARMY (75)

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3383:

ARMY PROMOTION LIST

To be colonel

ERNEST F. BIVONA, [redacted]
CLAUD A. BROWN, SR., [redacted]
LARRY J. BROWN, [redacted]
MURDOCK CULLINANE, [redacted]
JOSEPH H. EDIN, JR., [redacted]
RANDAL A. ERWIN, [redacted]
ALLAN R. GINSBERG, [redacted]
JOHN E. MCKEMIE, [redacted]
GEORGE W. PETTY, [redacted]

CHAPLAIN

To be colonel

RONALD J. CARR, [redacted]
THOMAS W. ELSEY, [redacted]
DAVID M. NOLTE, [redacted]

MEDICAL SERVICE CORPS

To be colonel

ELWIN H. LANGE, [redacted]

ARMY PROMOTION LIST

To be lieutenant colonel

STEVEN P. BEST, [redacted]
CHARLES BLOODWORTH, [redacted]
EARL A. COOPER, III, [redacted]
HOWARD B. DODSON, [redacted]
JAMES R. DUNLAP, [redacted]
CHARLES K. EBNER, [redacted]
ALAN A. ECKE, [redacted]
STEVEN R. HEALD, [redacted]
ROBERT W. HEBBS, [redacted]
LATHAM C. HORN, [redacted]
MICHAEL K. JELINSKY, [redacted]
CLINTON D. KIRK, [redacted]
LARRY L. LANGHAM, [redacted]
DELBERT M. LARSON, [redacted]
JOHN C. LEVASSEUR, [redacted]
KENNETH E. MADDEN, [redacted]
DONALD G. MATTINGLY, [redacted]
WILLIAM N. MCGILL, [redacted]
PAUL W. MEYER, [redacted]
BRUCE D. MOORE, [redacted]
RONALD A. MORRELL, [redacted]
DAVID J. MUMMA, [redacted]
LARRY R. MYERS, [redacted]
WILLIAM R. PIPER, [redacted]
ORVIN S. ROBERSON, [redacted]
JOHN R. SANDEFER, [redacted]
GLORIA J. SOLIS, [redacted]
TERRANCE STEFANSKI, [redacted]
ANDREW C. TIMMERMAN, [redacted]
CAROL S. ULINE, [redacted]
THOMAS J. WEISS, [redacted]
HAROLD D. WILLIAMS, [redacted]
MICHAEL D. WILLIAMS, [redacted]
KEVIN G. WILSON, [redacted]
HENRY WYSOCKI, [redacted]
KERRY K. YEN, [redacted]
NATHAN M. YOSHIZAKI, [redacted]
ROBERT E. YOUNG, [redacted]

MEDICAL CORPS

To be lieutenant colonel

STANLEY FLEMMING, [redacted]
ROBERT F. HAMBAUGH, [redacted]
TONY L. WALDEN, [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

WILLIAM S. BERNFELD, [redacted]
WILLIAM F. GREGOR, [redacted]
WILLIAM D. HEGMANN, [redacted]
THOMAS S. WILSON, [redacted]

VETERINARY CORPS

To be lieutenant colonel

ELRY E. PHILIPS, [redacted]

THE FOLLOWING-NAMED OFFICERS FOR PROMOTION IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A) AND 3366:

ARMY PROMOTION LIST

To be lieutenant colonel

CLAYTON D. FLOYD, [redacted]
JOHN J. FULLER, [redacted]
WILLIAM H. GILL, [redacted]
GENE A. KAPLAN, [redacted]
JOE W. KNICKMEYER, [redacted]
VANCE L. MARSH, [redacted]
RICHARD J. MCGURK, [redacted]
GILBERT G. SPENCER, [redacted]
SPENCER A. STAMY, [redacted]
THEODORE THOMPSON, [redacted]
WILLIAM W. TREMPER, [redacted]
EDDIE B. WALDRIP, [redacted]
MICHAEL J. WILTON, [redacted]

MEDICAL CORPS

To be lieutenant colonel

PABLO I. ALMODOVAR, [redacted]

MEDICAL SERVICE CORPS

To be lieutenant colonel

STEPHEN R. NORTON, [redacted]

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY OF THE UNITED STATES, UNDER THE PROVISIONS OF TITLE 10, U.S.C., SECTIONS 593(A), 594(A), AND 3359:

ARMY PROMOTION LIST

To be lieutenant colonel

DALE A. DOUGLASS, [redacted]

EXTENSIONS OF REMARKS

INSURANCE FIRMS ARE DUMPING SICK PEOPLE

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. STARK. Mr. Speaker, we need national health care insurance reform. Anyone who questions that statement should read the following excellent article by Jayne Garrison in the Sunday, April 5, 1992 San Francisco Examiner and Chronicle:

HEALTH CARE CRISIS: FIRMS ARE DUMPING SICK PEOPLE

(By Jayne Garrison)

Helen Konowitz was newly married and contemplating children when she first wondered whether her Kaiser health plan would satisfy a growing family.

A friend told her about a terrific insurance policy offered through the UC-Berkeley alumni association: reasonably priced, a safe group policy, offering a wide choice of doctors. Helen and Gary Konowitz bought.

Several years later, their baby son, Michael, had a stroke—and their reasonably priced policy became one of their most costly investments ever.

Today their health insurance costs $13,020 a year.

"If we want any insurance of Michael, we're stuck," she said, watching her boy play with toys on the floor of their Marin County home. "But at some point we're going to throw up our hands and say, how much longer can we pay this type of money?"

The Konowitzes are caught in a practice that is stripping health insurance from families across America. Some insurers are separating the sick from the healthy, then raising rates until the sick can no longer afford their coverage.

The practice is expanding to people on larger policies, once thought to be more secure than individual insurance. And it is being applied to people with less serious, though chronic, illnesses.

Critics dub this trend "divide and dump."

"Insurers are trying to segment everyone who needs insurance the most and get them off the policies," said Dr. Philip Lee, director of the Institute of Health Policy Studies at UC-San Francisco.

"It's widespread. It's getting worse. And it's undermining the whole health insurance system."

No one knows exactly how many Americans risk being dumped off their health insurance policies. The Health Insurance Association of America says such creaming of the healthy from the sick is "atypical."

But university researchers believe the number is rising dramatically. Economists say 34 million to 37 million Americans have no health insurance.

Now, a new national survey by the Kaiser Family Foundation found that 5 percent of working adults—6.8 million people—say they have been denied health coverage because of a medical condition in the last two years. And 6 percent—8.2 million people—said at least one member of their family has been dropped by their insurer in that period.

Even for those who can pay the spiraling premiums, health insurance is becoming "no more than a credit card," warns Alan Katz, head of the California Association of Health Underwriters, which advocates legal reform.

In essence, he said, some insurances are saying, "'You go into the hospital, we'll pay your bills. But come renewal time, we'll raise your premiums to cover that bill. You'll pay us back in installments.' It's no longer insurance."

Health economists say the practice of weeding the sick from the well began, on a tiny scale, back in the 1950s when some commercial insurances started rejecting less-healthy people from individual policies.

It spread to larger group policies offered by associations in the late 1980s, when rising medical costs led many major corporations to self-insure their own workers, and caused others to switch in droves to cheaper health maintenance organizations such as Kaiser or Bay Pacific.

Those who remained behind on traditional commercial insurance plans were, often, less healthy, with a history of medical problems. No other insurer would take them. For families such as the Konowitzes, the choice is simple and grim: Pay high premiums or risk going without health insurance altogether.

AN AMERICAN TALE

The Konowitzes are being slowly squeezed off their policy because Michael, now 5, had two strokes as a toddler: one when he was 18 months old and one when he was 3.

His therapy bills topped $80,000, treatment that could have bankrupted the family. His neurologists cannot explain why he had the strokes. Nor can they guarantee he will never have another stroke. But they do say the odds are even that he will not suffer a repeat.

He enters kindergarten this fall as a bright boy who has had only the normal tumbles and colds for the past two years. He has just started ski lessons. But his medical history renders him uninsurable in today's market.

The policy the Konowitzes bought in 1983 was advertised as a group plan available to UC alumni who weren't getting insurance through their jobs. The price: about $700 a year.

Gary Konowitz was just beginning his own business as an accountant. Helen Konowitz, who worked as an accountant, wanted to stay home after she had children. The policy seemed designed for families like theirs, she recalls.

In 1988, the premium escalated about 40 percent. The administrators of the plan, Association Consultants Inc. of Chicago, told members it was having trouble finding an insurance company that would take the group. ACI invited members to reapply for a new, cheaper policy.

"MEDICALLY UNDERWRITING"

But when Helen Konowitz phoned to inquire, she was told the insurer of the cheaper plan was "medically underwriting," a term that means people with medical problems are excluded.

"Without ever directly saying, 'No, we won't accept you,' they made it very clear there was no hope of our ever being put in that group," she said.

She called other insurers and brokers. One told her they might insure Michael as a teenager if he had no medical bills for 10 years. Gary Konowitz considered abandoning his own business and going to work for a corporate client—until he learned that they, too, required medical underwriting before accepting employees on their policy.

In 1990, the Konowitzes received notice that their premiums were rising to $14,000 a year. Gary Konowitz dropped off the policy, bringing the premium down to $9,068—but only temporarily.

Today the Konowitzes pay $11,400 a year just to insure Helen and Michael. Gary Konowitz has a separate policy through a different company for $1,620 a year, bringing their total annual health insurance expenses to $13,000.

Helen Konowitz said she doesn't know how long they can afford the policy, particularly if rates keep rising. In search of some safety, she said her husband may find a job with a large corporation, if he can find one that will take Michael on their insurance plan.

IN THE END, LESS DESIRABLE

Herbert Barker, director of the California Alumni Association at UC-Berkeley, said the Konowitzes' plan changed insurers several times, yet kept getting hit with increases because members of the group were getting older. Most members, thousands of graduates from throughout the UC system, had joined in the 1970s.

In a desperate attempt to help some alumni, he said, the associations allowed ACI to offer a new cheaper group plan to those who could qualify. But in the end, that tactic simply made the original group even less desirable to insurers and far more costly to this diminishing membership.

"We felt the insurer was in fact, doing a detriment to our group," Barker said. "But some of our members can't go anywhere else. We can't drop the policy and risk cutting them off."

NO LEGAL PROTECTION

The practice of creaming the healthy from the sick on group plans "is not ethical, not acceptable, but perfectly legal and done all the time," said Walter Zelman, health adviser to California Insurance Commissioner John Garamendi.

Zelman explained that state law forbids insurers from setting different rates for people on the same group plan. But insurers can easily circumvent the law by offering a new policy to group members. Only the healthy are accepted. Soon the original group has been divided into two, three or four groups.

"When only the sick or bad risks are left on the original policy, the price goes through the roof," he said

This has happened with so many policies offered by associations that brokers no longer call insurance sponsored by anyone other than a big employer group plan. Today those policies are called "association insurance" or "franchise insurance" and they are among the riskiest of policies.

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.
Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

"It's a way to get around the protection of state law for individual insurance policies," said Brent Barnhart, lobbyist for Blue Cross of California. "They're sold as large, safe policies, but there's really no one behind them except the insurer. Those who are healthy get a nice plan. Those who aren't end up with nothing."

Some in the insurance industry, such as Barnhart and Alan Katz, are pushing reform of insurance laws to guarantee affordable policies for small businesses and small groups of people.

The bills, now in a conference committee in Sacramento, would not stop insurers from dividing and dumping people on large group policies, Barnhart said. They might, however, take away the market for such predatory practices by making it easier for self-employed people to buy small group policies.

A "FOOLPROOF REFORM"

Other experts, such as state Insurance Commissioner Garamendi and Princeton economist Uwe Reinhardt, say the only foolproof reform is some law that guarantees health insurance for every citizen—funded either by taxes or privately—and regulates the price.

"We have erected everywhere in America the sign: Payment is due at time of treatment," said Reinhardt. "We have allowed the insurance industry to impose an ethic on us that I don't believe we support. It's an ethic that says the patient is a consumer who is opting for treatment, and thus should pay what they use—as if a woman with cancer opts for her condition."

It is a dilemma Helen Konowitz understands, even as it frustrates her. "I know that people who are healthy don't want to pay any more than they have to. I know they don't want to be in groups with sick kids," she said. "But they should know: There, but for the grace of God, go I."

PREMIUMS AFTER HEART SURGERY BREAKING PINOLE MAN'S BUDGET

(By Jayne Garrison)

Health economists warn that insurance is becoming no more than a credit card for medical bills. Patients who were sick pay back the costs, often at what would amount to a staggering interest rate, when their premiums are raised.

No one understands that process more clearly than Allen Sanborn, who owns Chase's Carpet Cleaning in Pinole.

Sanborn, 54, bought a group policy for himself, his wife and two children through the Carpet Cleaners Institute in 1976. The price was right: $852 a year. He figured the policy was more secure than any he could buy as an individual. It covered thousands of small-business owners across California.

For years the premiums rose gradually, within the limits he expected. He paid without complaint.

Then in 1983, Sanborn had bypass surgery to repair arteries to his heart, clogged by cholesterol.

Today, Sanborn has paid about $53,000 in premiums—more than the $35,000 cost of his surgery and his other medical bills combined. He faces annual premiums of about $10,000 just to insure himself. His wife and children dropped off the costly policy four years ago.

By the time he reaches 65 and is eligible for Medicare, he will have paid at least $160,000 to insure his health. That stunning sum is based on the unlikely premise that his rates remain unchanged in the future.

"There seems to be no restriction to what insurers can do," said Sanborn. "They can't cancel me legally, I guess, so they just keep raising the rates until I'm forced to eliminate myself."

A TROUBLED HISTORY

The administrator of Sanborn's policy, Jordan Jones Administrators in Sacramento, didn't return several phone calls from The Examiner. But Sanborn's records reflect a troubled history: Jordan Jones has switched insurance carriers at least five times. Starting around 1988, the insurers began conducting semiannual reviews of medical claims, and raising rates twice a year.

At least twice, the administrator invited people to apply for a new, cheaper group policy. Only the healthy were accepted, leaving people with medical conditions like Sanborn's on the smaller and costlier group policy.

By July 1988, Sanborn's family insurance cost $8,040 a year. He tried to get different insurance. Brokers told him not even to bother applying.

He called United Way, which runs a hot line for small businesses in need of health insurance. They couldn't help him. No one was going to insure a man with a history of heart disease.

So Sanborn dropped his wife, Bess Sanborn, and two children, Shelley and Spencer, off his insurance. The children today are in college and insured by student policies.

His policy, alone, now costs $9,729 a year. Add his children's polices to that, and he is paying $11,109, nearly as much as the mortgage on his home.

"THEY WERE RIDICULOUS"

Bess Sanborn is uninsured and can't find a policy. She has mild hypertension, controlled by medicine. The only insurer even willing to take an application combed her medical records.

"They were ridiculous. She'd once had a yeast infection, and the insurer wanted to exclude coverage for all feminine complaints," Sanborn said. "That's not insurance. That's just a way to rake in money."

The irony of it all, he said, is that his health has been terrific, and his medical bills relatively low, ever since the bypass surgery.

Over the past three years, he has paid about $22,000 in premiums. His insurer has paid $8,532 in medical bills, mostly for minor sinus surgery.

Sanborn figures he could put a down payment on a second house, or make a tidy retirement investment, with the difference between his medical bills and his insurance premiums.

The gamble is tempting, but "very unsettling" for a man with a business, a home, a family—a man with a lot to lose, he said. "What if something big did happen? It's something to keep you awake at night."

So Allen Sanborn will continue to scrape to pay his insurance premiums—until the day they are raised so high he is forced to cancel himself.

"I suppose, if you talk to insurers, they can justify this whole thing under some formula," he said "My group is getting older, or sicker, or smaller. But there ought to be some sort of fair play here. I don't see any fair play."

A TRIBUTE TO J.G.R. & ASSOCIATES ON THE EIGHTH ANNIVERSARY OF FOUNDING

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 1, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, it gives me great pleasure to offer my genuine sentiments of congratulations to one of our community's most thriving and prosperous private firms, J.G.R. & Associates, on the occasion of the eighth anniversary of its founding.

Under the careful direction and diligent leadership of founder, Julio Gonzalez-Rebull, J.G.R. & Associates has catapulted itself into one of south Florida's most highly regarded and respected marketing and public relations organizations.

Since its founding in 1984, J.G.R. & Associates has acquired the patronage of some of the most prestigious national and international private institutions known today, including: CAC-Ramsay, American Express, Anheuser-Busch, Inc., Bayside Marketplace, WTVJ Channel 4, and Shaw-Ross International Importers, Inc., earning this young establishment the respect and admiration of our area's business community.

Mr. Speaker, it gives me great pleasure to extend to Mr. Julio Gonzalez-Rebull, as well as all the dedicated members of J.G.R. & Associates may vest best and warmest wishes for success in every future undertaking.

SALUTE TO SGT. MIKE KORNUTH

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. GALLEGLY. Mr. Speaker, I rise today to honor a veteran Simi Valley, CA, law enforcement officer as he retires from duty.

Reserve Sgt. Mike Kornuth has served with the Simi Valley Police Department since July 11, 1975. With 16 years and 8 months service, he is the longest term reserve officer in the history of the department.

During his tenure, he volunteered 6,641 hours to his community, primarily operating a patrol unit. He also served as a partner for regular police officers and worked many special details, including crowd control and traffic control for community events.

Mr. Speaker, we all know that law enforcement is inherently dangerous, and we rightly honor the thousands of men and women who choose to make police work their career. I believe, however, that special recognition is due men and women like Mike who serve their communities as volunteers. On April 18, the city of Simi Valley will honor Sgt. Mike Kornuth for his years of service to his community, and I ask my colleagues to join me in saluting him as well.

A TRIBUTE TO LAURA C. SINGLETARY

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to congratulate one of the most dedicated individuals in the Commonwealth of Pennsylvania on the occasion of her retirement. After serving the people of this State without fail for more than three decades, Mrs. Singletary decided to step down on December 27, 1991. Her commitment to her community over the years should serve as an example to us all.

As a member of the First Baptist Church of Paschall in Philadelphia, Mrs. Singletary devoted her time and energy to the people of her community, and strove to bring the spirituality and humanity to all her work. In addition, she has been a loving wife to Bernard Treherne and a caring mother to their one child. In her retirement, she plans to continue to spread that love as she travels, fulfilling a lifelong desire to see novel sights and meet a variety of people. I am certain that her new friends will be inspired by her outgoing personality, her compassion and her warmth—a privilege her family and coworkers have enjoyed for many years.

I am pleased to express my respect and admiration for Laura A. Singletary, and to congratulate her on her richly earned retirement. All of us citizens of Pennsylvania owe her a debt of thanks for her years of kind service, and she will be sorely missed by all who worked with her. I wish her much joy in her future travels and endeavors, and all the happiness she deserves. Mr. Speaker, I ask my colleagues to join me in celebrating this tireless individual, a paragon of virtue and commitment to her fellow men and women, Laura C. Singletary.

THE INNOCENT WILL BE SENTENCED TO DEATH

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. EDWARDS of California. Mr. Speaker, Congress has been actively considering the issue of Habeas Corpus for several years. In November 1991, this body passed H.R. 3371, the Omnibus Crime bill, which contained a habeas corpus provision that would reform and restrict, but not eliminate, the Great Writ. However, this constitutional right is being threatened by both the administration and the Supreme Court. This article in the legal times describes death penalty cases where the prosecution unlawfully suppressed evidence and encouraged perjured testimony. If the right of habeas corpus is destroyed, offenses like these may never be discovered, constitutional rights will be ignored, and the innocent will be executed. We must continue to protect habeas corpus.

[From the Legal Times, Mar. 23, 1992]

PALE HORSE, PALE JUSTICE

(By Monroe Freedman)

Today I shook hands with a dead man. His name is Gary Nelson.

For 11 years, Nelson sat on Georgia's death row, condemned to die. During that time, 15 people were taken from cells near Nelson's and killed in the electric chair.

"The burnt flesh is something I will never forget," Nelson said recently. "It was horrible the way they let us smell them cooking."

Admittedly, the crime for which Gary Nelson was found guilty, beyond a reasonable doubt, was a horrible one. Six-year-old Valerie Armstrong was sodomized, raped, and knifed to death. And the evidence against Nelson was damning, enough so that even effective assistance of counsel could not—and should not—have saved him.

First, Detective D.L. Burkhalter testified that Valerie Armstrong's companion, Sabrina Williams, had readily identified Nelson as the man who was last seen with Valerie. Nelson, therefore, was not across town as he had claimed, but was at the scene of the crime.

Second, Detective Robert Wedlock testified that the owner of the knife used in the killing had identified it as the one that had been left in Nelson's house.

Third, as District Attorney Andrew Ryan III told the jury, a hair found on Valerie's body had been scientifically examined by Roger Parian of the Georgia Bureau of Investigation's crime laboratory, and Parian had concluded that "the hair that was found on the body and the known hair from the arm of Gary Nelson have . . . the same origin."

Nevertheless, Nelson had been denied due process. His trial began on a Wednesday, and by Friday, just two days later, he had been tried, found guilty, and sentenced to die. In those two days, Nelson's trial counsel had committed repeated acts of ineffective assistance of counsel. For example, Nelson said that when the crime was being committed, he had been across town, where he had gone to visit a friend. The friend had not been at home, but other people had been there, Nelson claimed, and he had spoken with them. At trial, however, Nelson's lawyer mistakenly subpoenaed the friend—who had not seen Nelson—rather than the other people, who might have corroborated Nelson's alibi.

DECADE OF DILIGENCE

But even people guilty of heinous crimes are entitled to constitutional rights. Having read the trial transcript, Emmet Bondurant and the Atlanta law firm of Bondurant, Mixson & Elmore, undertook to handle Nelson's appeal as one of their *pro bono* projects.

One thing that trial counsel had done right was to demand, pursuant to *Brady v. Maryland*, 373 U.S. 83 (1963), evidence in the hands of the prosecution that might have exculpated Nelson, and the trial judge had ordered compliance. Post-trial efforts to discover evidence in the government's files was therefore a futile, not to say frivolous, gesture. But the Bondurant firm, with the help of the Georgia Resource Center, managed to tie up the case with discovery demands for 10 years, thereby delaying Nelsons execution.

Nelson's case, therefore, was precisely what Chief Justice Warren Burger was complaining about in a concurring opinion in 1983. There the chief justice pointed out that the argument that the death penalty is cruel and unusual is "dwarfed" by the cruelty of 10 years on death row, which is "inflicted" upon defendants by "lawyers seeking to turn the administration of justice into [a] sporting contest." That is, the humane and professional thing for Nelson's lawyers to have done was to have allowed his electrocution to go forward in 1980.

But 10 years and a quarter of a million dollars in billable hours later—with the state's lawyers resisting discovery all the way—Nelson's lawyers were belatedly given access to the *Brady* material that Nelson should have had at his trial. As finally acknowledged by Chatham County District Attorney Spencer Lawton (who had not prosecuted the original case), "There is no material element of the state's case in the original trial which has not subsequently been determined to be impeached or contradicted." Indeed, Gary Nelson's conviction and death sentence were shown to have been fabricated by the prosecution's unlawful suppression of evidence and by government perjury.

FABRIC OF LIES

First, Detective Burkhalter had lied when he swore that Sabrina Williams had "readily identified" Nelson in a lineup. In fact, a taped police interview with Williams showed that she had said, "I don't know how he looked." When the eight-year-old was then pressed by Burkhalter to disregard her doubts, Williams had said, "I saw a man something like [Nelson's picture], but I don't know if he is. . . . He looked something like the man." Moreover, Williams had described the man she had seen as bald and thin, neither of which fits Nelson.

Second, Detective Wedlock also committed perjury to convict an innocent man. A tape recording of his interview with the man whom Wedlock claimed to have been the owner of the murder weapon showed that the man had not in fact connected the knife to Nelson.

Third, Rogert Parian of the Georgia Bureau of Investigation also perjured himself. He had not examined the hair himself, but had sent it to the Federal Bureau of Investigation crime lab in Washington. More important, the FBI report to Parian stated, "The hair is not suitable for significant comparison purposes." Also, the former unit chief of the Microscopic Analysis Unit of the FBI provided an affidavit saying that the hair in question "could have come from any black person, including, but not limited to, other suspects in this case or the victim."

The reference to "other suspects" related to substantial evidence in the prosecution's files, including a confession—all suppressed by the prosecutors for a decade—that pointed to another man as the perpetrator of the crime.

The Georgia Supreme Court recently freed Gary Nelson. But, shamefully, Nelson's case is not unique. Michael Kroll, of Washington, D.C.'s Death Penalty Information Center, has recently published a report cataloging two dozen cases, from all parts of the country, involving unethical conduct by prosecutors in death cases. In several of those cases, the accused is still awaiting execution. In others, the death penalty has already been carried out.

THE "PRETTY GOOD WRIT"

Meanwhile, the Supreme Court has been diligently clocking the pale horse of Death and speeding it on its way. While paying lip service to the writ of habeas corpus as "a bulwark against convictions that violate fundamental fairness," the Court last year expressed its overriding concern that "the Great Writ entails significant costs," the "most significant" of which is "the cost to finality." Coleman v. Thompson, 111 S. Ct.

2546. Obviously, death offsets that cost by mooting all appeals and clearing all dockets, as Gary Nelson came perilously close to learning.

One of Garrison Keillor's commercials is for Ralph's Pretty Good Hardware Store: "If Ralph doesn't have it, you probably don't really need it." In the hands of the current Supreme Court, the Great Writ: "If it doesn't protect your constitutional rights, you probably didn't deserve them in the first place." One is reminded of Justice Antonin Scalia's comment on a Public Broadcasting System panel, discussing the plight of an innocent man wrongfully executed. "Oh, well," quipped the justice, "he was probably guilty of something else anyway."

Illustrative of how the Court is using the most trivial of technicalities to override essential justice is the Texas case of Leonel Herrera, who is awaiting execution for the killing of two police officers. Since Herrera's conviction, his brother Raul has confessed to the killings, and Raul's son has sworn that he saw his father commit them. As a result, a federal district judge stayed Herrera's execution one day before he was to have been put to death. The stay was then vacated in the appeals court, however, on the appalling reasoning that a claim of innocence-in-fact is constitutionally irrelevant.

The Supreme Court has granted certiorari in Herrera's case to consider the relevance of innocence in habeas corpus cases. But in an incredible use of a technical rule in the face of the very real threat that an innocent man would die as scheduled, the Court refused to stay Herrera's execution pending appeal. Playing a heartless game of chicken—with Herrera's life at forfeit—the Court in effect dared the Texas courts to allow the execution to take place. Fortunately, the Texas Court of Criminal Appeals swerved just in time, granting a stay only minutes before Herrera's scheduled execution.

PETTY TECHNICALITIES

Yet another recent case in which the Supreme Court valued petty technicalities over human life is *Coleman v. Thompson* (1991). Roger Coleman faces death in Virginia's electric chair despite the fact that his 11 federal constitutional claims have never been finally adjudicated in the federal courts. The reason is that Coleman's lawyer filed a notice of appeal in the Virginia trial court 72 hours late. Accordingly, Virginia refused to hear his appeal.

This three-day delay, in turn, was held to preclude the federal courts from hearing these issues—despite the fact that the notice of appeal is, in the words of the Supreme Court in this very case, "a purely ministerial document," and despite the fact that the late filing was "no doubt an inadvertent error." Indeed, the state acknowledged that in no sense had Coleman "understandably and knowingly" given up his appeal.

What weighty principle of law or policy, then, could have overcome the Constitution and the Great Writ and mandated death? The reasoning is simple. Because Coleman's lawyer inadvertently failed to file the notice of appeal on time, the Supreme Court held, it would be "contrary to well-settled principles of agency law" to allow Coleman to live. The Court's citation for this life-and-death conclusion is: "Restatement (Second) of Agency sec. 242 (1958) (master is subject to liability for harm caused by negligent conduct of servant within the scope of employment)." (This is not a parody: You can look it up, at 111 S. Ct. 2567.)

MINDLESS LEGAL MINDS

The constitutional scholar Thomas Reed Powell once observed sardonically that if you can think of one thing without thinking of something else that is inextricably related to it, you have what is called a legal mind. Justice Sandar Day O'Connor has a legal mind, and then some. Her opinion in the *Coleman* case—in which a man's life hangs in the balance—begins with the words: "This is a case about federalism."

In the same mindless, heartless compartmentalized way, Justice O'Connor was able to say, "We discern no inequity in requiring [Coleman] to bear the risk of attorney error." This is in a case, mind you, where "bear[ing] the risk of attorney error" means being put to death without adjudication of his 11 federal constitutional claims because his lawyer inadvertently missed a filing deadline by 72 hours on a purely ministerial document.

Fortunately for Roger Coleman, his lawyers have managed to do what Chief Justice Burger considers to be even more cruel that the death penalty itself—they have kept him alive on death row for 10 years. The good news for Coleman is that there is now overwhelming evidence—all of it suppressed by the prosecution at trial—that he is in fact innocent of the rape-murder for which he was convicted.

The bad news, however, is that Roger Coleman is still scheduled to electrocuted on May 20, 1992, at 11 p.m. He will just have to understand that what is really at issue is not whether he lives or dies, but "federalism" and, of course, Section 242 of the Restatement (Second) of Agency.

Adding to the tragedy of wrongful executions and to the outrage of technical barriers to the Great Writ and to due process of law, is the treatment of lawyers who have sacrificed thousands of hours and thousand of dollars to represent citizens unfairly condemned to death. Lawyers are regularly implored by the American Bar Association and by judges to volunteer for these gut-wrenching, heart-breaking cases. But lawyers who take their professional responsibilities seriously in litigating them, risk the ire of judges who prize efficiency over due process.

For example, in a concurring opinion in a death case in 1987, Chief Judge Charles Clark of the 5th Circuit wrote that "[m]ore counsel must be found who will shoulder the increased caseload." *Brogdon v. Butler*, 824 F.2d 334, 338 (5th Cir. 1987). But in the same opinion, Judge Clark attacked the lawyers in that case, accusing them of "deliberately" delaying the case and charging that they were "bent on opposing [the appellant's] execution by confusion in addition to the points of law they raised." This harsh judgment was supported by no evidence, but was based upon Judge Clark's "perception."

Nor did the lawyers, thus publicly castigated in a published opinion, have any effective way to respond to the judge. Moreover, Judge Clark's opinion has since been cited in support of the unfounded criticism of another *pro bono* lawyer in a 1988 5th Circuit case. There, New York attorney Edward Chikofsky, who had contributed thousands of hours and nearly $10,000 of his own money in litigating the case, was similarly attacked in a concurring opinion, this time by Judge Edith Jones.

Judge Jones said that Chikofsky's conduct "tore . . . the veil of civility" and compared it to his client's alleged crimes of robbery, rape, and murder. Accusing the lawyer of deliberately filing late, the judge advocated sanctions including, "at a minimum," suspension from practice before the 5th Circuit "for a period of years." *Bell v. Lynaugh*, 858 F.2d 978 (5th Cir. 1988).

In the face of that harsh criticism, it is all the more to Chikofsky's credit that after five years, four state writs, two federal writs, three cert petitions,and the denial of a stay of execution by an equally divided Supreme Court, Chikofsky ultimately succeeded in vacating his client's death sentence.

Texas Law School Professor Michael Tigar, then chairman of the ABA Litigation Section, investigated the case and found Judge Jones' attack on Chikofsky to have been unjustified. "How can we expect [lawyers] to spend uncompensated thousands of hours and thousands of dollars in expenses," Tigar asked, "when their vigorous efforts to spare their client's lives will be met with hyperbolic condemnation in the Federal Reporter and threats to undermine their livelihoods by barring them from paying practice in the Court of Appeals?"

And so it goes. Prosecutors in death cases knowingly presenting false evidence and suppressing the truth, federal judges unfairly castigating lawyers who take death cases *pro bono*, and justices of the Supreme Court whipping on the pale horse of death with irrelevant reasoning and trivial technicalities.

Gary Nelson will never forget the horrible odor of burning human flesh. All of us, too, should "smell them cooking."

CARMEN DELGADO VOTAW NOMINATED TO MARYLAND WOMEN'S HALL OF FAME

HON. JOSÉ E. SERRANO

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. SERRANO. Mr. Speaker, I am pleased to recognize Ms. Carmen Delgado Votaw on the occasion of her recent induction into the Maryland Women's Hall of Fame. This honor is bestowed upon her as a result of her commitment to civil rights, particularly equal opportunities for Hispanic-Americans and for women. As the first Hispanic woman to receive this honor, Ms. Votaw is a source of inspiration, as well as role model, to Hispanics and to women everywhere.

Ms. Votaw began her career of dedication to civil rights in the mid-1960's working with the Overseas Education Fund of the League of Women Voters. In 1975, she participated in the world conference held in Mexico City, serving on the Committee on International Interdependence of the U.S. Commission on the Observance of International Women's Year preparatory for that conference. That same year, Ms. Votaw was elected president of the D.C. Chapter of the National Conference of Puerto Rican Women. From 1976 to 1978, she served as national president of the conference and she has been a member of the national board for many years.

Ms. Votaw was a member of the Maryland activities which culminated in the congressionally mandated State conferences held prior to the 1977 National Conference for Women in the United States. In 1977, Ms. Votaw was designated as U.S. Delegate to the Inter-American Commission of Women and served as a member of the U.S. delegation at the First Economic Commission for Latin America meeting on the Integration of Women in Development held in Havana, Cuba. The following year, she was elevated to the presidency of the Commission until 1980. Ms. Votaw has received two Presidential appointments: The first as Commissioner in the IWY Commission where she served on the executive committee and the second as cochair of the National Advisory Committee for Women.

Throughout her almost three decades of dedication to civil rights, Ms. Votaw has made numerous speeches at, and participated in, a great variety of international activities including the United Nation's Development Program Symposium on Rural Women in the Philippines, the seminar on the International Year of the Child in Israel and the Inter-American Labor Ministers Conference among many others. Ms. Votaw has also advised the Inter-American Agricultural Sciences Institute in framing their program for rural women in the hemisphere; collaborated with the United Nations Latin American Institute on Prevention of Crime and Rehabilitation of Delinquents in studying the treatment of women in the prison systems of Latin America; and was a planner and founding member of the outstanding Inter-American Institute of Human Rights operating in Costa Rica in conjunction with the Inter-American Court of Human Rights.

Other organizations of which Ms. Votaw has been a member or officer include the Girl Scouts USA; the Pan American Development Foundation; Partners of the Americas; the National Women's Political Caucus; the Urban Coalition; and ASPIRA. Ms. Votaw is the author of numerous articles on women in development, as well as other subjects, in publications such as "Americas, Horizontes," and the Miami Herald, among others. She contributed two biographies to the book "Notable American Women: The Modern Period," and played an instrumental role in the publication of "Libro de Oro," the Inter-American Commission of Women's book celebrating the contributions of five women from each of the countries of the Western Hemisphere. Ms. Votaw is also the author of the book "Puerto Rican Women: Some Biographical Profiles" (1978).

In the past, Ms. Votaw has served as the director of the congressional office of the Resident Commissioner from Puerto Rico, Mr. Jaime B. Fuster, and a Federal affairs specialist in the Office of the Commonwealth of Puerto Rico. Today, Ms. Votaw is the Washington representative for Girl Scouts of the United States of America and a member of Gov. Donald Schaffer's Trial Court Judicial Nominating Commission. Mr. Speaker, please join me today in recognizing Ms. Votaw for her commitment to Hispanics and women, and in congratulating her on her induction to the Maryland Women's Hall of Fame.

A TRIBUTE TO RYAN LEE ASHLOCK

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mrs. MINK. Mr. Speaker, I rise today to recognize Ryan Lee Ashlock, a gifted young writer who placed fourth in the "Voice of Democracy" national broadcast script writing competition. The contest was conducted by the Veteran of Foreign Wars [VFW] and its Ladies Auxiliary and involved more than 147,000 secondary school students who competed for 22 national scholarships totaling $76,500.

Ryan, who is a junior at the Hawaii Mission Academy in Honolulu, HI, was 1 of the top 22 winners. He received a $5,500 Scholarship Award provided by the VFW Post 1540 and its Ladies Auxiliary in Honolulu, HI.

The "Voice of Democracy" contest encourages students to write and develop within them a higher standard of excellence for academic achievement. I believe the Congress should recognize and commend the Veteran of Foreign Wars and its Ladies Auxiliary, and offer to Mr. Ashlock our congratulations for his talent and achievement.

Thus, it is with great pride that I submit for the RECORD Ryan Lee Ashlock's fourth place essay in the VFW "Voice of Democracy" broadcast script writing contest.

MEETING AMERICA'S CHALLENGE

(By Ryan L. Ashlock, Hawaii winner, 1991-92 VFW Voice of Democracy Scholarship Program)

The fateful words of the General reverberated through the young man's thoughts, "I sentence you to be hanged."

Just the day before, Nathan Hale had been nearing the end of a successful mission to spy out the British position. Now he was captured by the enemy, but the 21-year-old patriot did not falter in his desire for freedom. As he stood calmly awaiting the moment of his hanging, he declared, "I only regret that I have but one life to lose for my country."

Today as the United States looks ahead to the twenty-first century, there are many opportunities for Americans to serve their country. There are many challenges waiting to be faced. They will require energy, but they are attainable. That same assuredness of belief possessed by Nathan Hale is for all Americans today. Yes, it may require even the lives of some to preserve what our nation stands for, but life to Nathan Hale was the freedom his country owned.

Wrote Thomas Jefferson in 1820, "I know no safe depository of the ultimate powers of the society but the people themselves; and if we think them not enlightened enough to exercise their control with a wholesome discretion, the remedy is not to take it from them, but to inform their discretion by education."

Is this actually the essence of America's highest challenge? In my mind, this says it all. Education is the key that will open the doors of achievement, leadership, and honor for our country. With an educated public, the United States can stand firm as a world leader.

Complaints are often made about the apathy shown by some Americans toward their country. It is true that some today are oblivious to the liberties and freedoms that have been fought for throughout our nation's history. Imagine the concept of what it means to stare through a keyhole in a locked door and only wish for the freedoms that lie beyond the threshold.

But just one short year ago, I saw the patriotic spirit so long lost in the glorious days of our nation's past, revived. Our nation united under a common goal during Desert Storm. Awareness of what it actually means to be an American grew while the whole world watched in suspense as America and its allies fought to preserve what they lived for. Can we soon forget what soldiers died for on the battlefield? No, we must keep that awareness growing. To do so, we must educate. And not merely in literature, science, or arithmetic, but in what it means to stand upon the earth a free individual—what it actually means to be an American.

US History class in school is viewed by some students as simply one more requirement to graduate, out of the school system, and stop learning. I believe there is something wrong with that view. The history of our country and what we stand for need to be made living in the minds of our citizens and should be something we spend our whole lives exploring. After all, we are our leaders. We have no other and none better. Our nation can rise to the top with what we have. It is each citizen's responsibility to make that happen.

America owes it to other nations to set a standard by its example. America's responsibility to make brilliant what a free society can do. Other countries look up to the power of the United States as a guide—a firm, unfaltering arrow pointing to world freedom and peace. Democracy has triumphed where communism has failed. Can we continue to shine the light of freedom ahead on the path to world peace? The answer lies within the people themselves. They have the power.

Said the mathematician and philosopher, Betrand Russell, "If one man offers you democracy and another offers you a bag of grain, at what stage of starvation will you prefer the grain to the vote?" The challenge of America today is for all its people to be able to say with conviction just as Nathan Hale did, that they would rather die than give up their freedom. What a wonderful meaning that one word can have—freedom.

A TRIBUTE TO YOUNG ARTIST DAYAMI ALVAREZ

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am pleased to acknowledge the artistic work of Ms. Dayami Alvarez of Our Lady of Lourdes High School in Miami. Ms. Alvarez joined other young artists in a contest hosted by the Caring Institute in Washington, and she received first prize. Sharony Andrews of the Miami Herald reports:

Dayami Alvarez, 17, believes children on this planet are tripping on a lot of heavy stuff. "AIDS, condoms * * * it seems everything is thrown on them. They don't have time to be kids," she says.

Her concern is the kind the nonprofit Caring Institute in Washington, DC, wants to encourage. The group recently got 60,000 children across the country to draw, paint and sketch their vision of caring for a national poster contest. A team of artists led by political cartoonist Pat Oliphant judged.

Dayami, an 11th-grader at Our Lady of Lourdes Academy in South Miami, was one of 12 top national winners.

"I freaked when I heard," Dayami says. Her watercolor painting shows an angelic, nurturing woman with her arms spread over smiling children.

"She's, like, protecting them," says Dayami.

The drawing evokes an image that kids need more nurturing, and the different ethnicities of the kids in her picture reflect that it is a worldwide problem that transcends race, she says.

Oliphant said Dayami's picture, and the other winning entries, showed originality.

"After all that's been said about kids today, it's nice seeing so many respond to the contest," he said. "It shows they are caring about something."

Dayami has been drawing since she was 5, with private lessons since 11. She wants to be a commercial artist. When she graduates next year, she'll go to International Fine Arts College in downtown Miami.

The winning posters will go on a 12-city tour this year. The Caring Institute, founded in 1985, also sponsors an essay and photography contest. The contests are geared to encouraging selflessness, says program director Colleen Noland. "If we can get these kids to think about caring, it may become a way of life for them."

The institute puts out a brochure to teach kids how to set up their own Caring volunteer clubs. To get details or become a member of the institute, write The Caring Institute, 519 C St. NE, Washington, DC 20002 or call 202-547-4273 between 8:30 a.m. and 5 p.m. weekdays.

Mr. Speaker, I am proud to honor Ms. Alvarez for her terrific art work as well as her conscientiousness. Through her art, she has helped other young people of our community to understand the complex issues that concern them. I commend this young woman for her commitment and dedication to our community.

MADE IN THE U.S.A. BY AMERICANS

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. STARK. Mr. Speaker, one of the best letters to the editor I've read in a long time came from Mr. Patrick Caufield of Newark, CA concerning his job at the joint Toyota-GM NUMMI plant in Fremont.

I hope other Members will read it:

MADE IN THE UNITED STATES OF AMERICA BY AMERICANS

(By Patrick L. Caufield)

I am a team leader at the New United Motors (NUMMI) plant in Fremont. I have been working there for two years. I was born in Castro Valley and grew up in Fremont. I currently live in Newark with my wife and two children. My team has four members, in a group of 11 people. All of these people live in this country.

It is true that some of the parts we use to build our cars with are Japanese parts or are from Japanese companies. It was determined that 75 percent of our materials are American parts.

In my view, the make of the car we produce shouldn't be the issue. The issue should be whether the cars are American-made. I go to work five days a week from 4:30 p.m. to 1 a.m. We have exactly 60 seconds to complete up to five different procedures on one vehicle, then move immediately to the next. We do this for eight hours a day, every workday. We sweat, bleed, break bones, have sore muscles—all this in order to produce the best quality car every time we do our job. Sometimes we produce as many as 480 cars that I would considered made in America because the plant is in America, the workers live in America and we build cars with American parts.

Some people will say "not enough." Well, if they want to get technical, have them look on the bottom of their toasters or TVs or telephones or their baby toys or even their clothes and see if the tag "made in Korea" sounds familiar. If people want to complain, let them complain about wearing Italian suits and driving BMWs.

Executives in a recent article who were criticizing NUMMI said they were worried were the money is going, I will tell you, and them. Yes, 25 percent is going to Japanese companies. Some is going to American companies. And the rest is going into paying the 3,500 America men and women working.

These people then take their American dollars home to their families so they can eat, have clothes, have a home, go to schools and someday grow up to be productive American citizens.

If anything were to happen to the plant causing it to indefinitely shut down or close permanently, who would suffer? Let's think back to when another company owned the same building—General Motors. What happens when they shut that plant down? People who don't live around here have no idea.

My father worked in that plant. I was a teen-ager when it shut down. Who suffered? Not the company—the families, the children. Families split up, people died by their own hands, children starved and Fremont almost died. The joint venture saved this town, its people and our children.

Most of the employers at NUMMI once worked at that old GM plant. Now their families do, too. The same families that suffered are now benefitting.

If this plant and the people in it aren't American enough for some people and we get shut down because of it, the Japanese can go back to Japan and be just as successful as they are. We as Americans and our American families will suffer, just as we once did.

We are Americans, working in America making American dollars and spending them in America. That's enough for me.

SUSPENDING DAVIS-BACON SAVES MONEY

HON. CASS BALLENGER

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. BALLENGER. Mr. Speaker, it is time we save tax dollars and signal our commitment for economic recovery by suspending the Davis-Bacon Act for 1 year.

Suspension of the act achieve approximately $1.3 billion in annual savings for American taxpayers and create over 31,000 new job opportunities in the construction industry. Several organizations also support suspending the Davis-Bacon Act including the American Road & Transportation Builders Association, the American Legislative Exchange Council, the Business Industrial Council, and the National Stone Association. Their letters are listed below:

AMERICAN ROAD & TRANSPORTATION
BUILDERS ASSOCIATION,
March 23, 1992.

Hon. SAMUEL K. SKINNER,
Chief of Staff, The White House,
Pennsylvania Avenue, NW, Washington, DC.

DEAR MR. SKINNER: On February 7, the American Road and Transportation Builders Association (ARTBA) wrote President Bush urging him to suspend the Davis-Bacon Act. Suspending the Act would create nearly 41,000 jobs per year by providing additional funding for transportation construction projects.

The Davis-Bacon Act needlessly costs the federal government approximately $1.3 billion per year. The Congressional Budget Office estimates that repeal of the Davis-Bacon Act would provide $7.3 billion in additional spending authority and $4.7 billion in outlays over five years.

It has come to our attention that the President is seriously considering suspending the Davis-Bacon Act as part of his economic recovery package. ARTBA would fully support the President's efforts to suspend the Act.

The transportation construction industry is currently experiencing one of its deepest recessions ever. The passage of the Intermodal Surface Transportation Efficiency Act of 1991 (ISTEA) is certainly helping to bring the industry out of the recession and producing jobs for many unemployed American workers. Suspension of the Davis-Bacon Act will only help to increase the positive effect that the ISTEA will have on the economy.

Sincerely,

T. PETER RUANE,
President & CEO.

AMERICAN LEGISLATIVE
EXCHANGE COUNCIL,
Washington, DC, March 19, 1992.

Hon. GEORGE H. BUSH,
President of the United States,
The White House, Washington, DC.

DEAR PRESIDENT BUSH: The American Legislative Exchange Council (ALEC) applauds the Administration's proposal to suspend the Davis-Bacon Act of 1931. Suspending the Act will help reduce the tax burden and create jobs.

Under Davis-Bacon, hard working Americans have seen their taxes inefficiently spent supporting artificially inflated wages on government funded construction projects. According to the Congressional Budget Office, suspending the Davis-Bacon provision would save the American taxpayers $1.3 billion dollars annually, and create over 31,000 jobs. These savings would help reduce the Federal debt, stimulate the construction industry, and provide jobs.

Mr. President, under Section 6 of Public Law 74-403, you have the statutory authority to perform a greatly needed public service. During the Great Depression in 1934 President Roosevelt recognized the necessity for suspending the Act and again in 1971 President Nixon acted in a similar fashion.

Immediate action will signal your commitment to stimulate the economy by relieving the excessive tax burden thus creating new opportunities for unemployed Americans.

Thank you, Mr. President, for seriously considering this proposal.

Very respectfully,

SAMUEL A. BRUNELLI,
Executive Director.

BUSINESS AND INDUSTRIAL COUNCIL,
March 19, 1992.

Mr. FRED MALEK,
Bush—Quayle 1992 Campaign,
Washington, DC.

DEAR MR. MALEK: It is our understanding that the Administration is considering making a proposal of real reform of the Davis-Bacon Act. We enthusiastically support that idea.

Our 1500 member CEOs have long supported reform of the wasteful, antiquated Davis-

Bacon Act. It has been estimated that a temporary suspension of the Davis-Bacon Act could save $4.7 billion and create more than 30,000 jobs.

Decisive action on the Davis-Bacon Act could demonstrate leadership which is sorely lacking on the other end of Pennsylvania Avenue.

Sincerely yours,

JOHN P. CREGAN,
President.

NATIONAL STONE ASSOCIATION,
March 16, 1992.

Hon. GEORGE BUSH,
President of the United States,
The White House, Washington, DC.

DEAR MR. PRESIDENT: On behalf of the National Stone Association's nearly 500 member companies and the 64,000 working men and women of America's crushed stone industry, I respectfully urge you to support suspension of the Davis-Bacon Act. By suspending this outdated prevailing wage law, more than 31,000 new jobs can be created in the construction industry while saving American taxpayers approximately $1.3 billion annually.

As noted in a 1979 report by the U.S. General Accounting Office, the Davis-Bacon Act results in unnecessary construction and administrative costs and has an inflationary effect on areas covered by inaccurate wage rates and the economy as a whole. The GAO found that over half of area/project determinations are not based on a survey of wages paid to local workers, but are rather based on union-negotiated rates.

Because of the Davis-Bacon Act, which requires that prevailing wages be paid on all federal construction projects in excess of $2,000, small companies and disadvantaged business enterprises are often precluded from bidding on these jobs. Suspension of the Act would help in opening the process to such businesses and providing job opportunities to many low income workers.

NSA urges you to exercise your statutory authority under Section 6 of Public Law 74-403 and suspend the Davis-Bacon Act. We greatly appreciate your efforts to create jobs and advance economic recovery in the construction industry,

Sincerely,

WILLIAM D. KELLEHER,
Vice President, Government Affairs.

A TRIBUTE TO POLICE COMMISSIONER WILLIE L. WILLIAMS

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to pay tribute to one of the finest public servants in the history of the great city of Philadelphia. Since 1988, Willie L. Williams has served as police commissioner for city of Philadelphia. As Commissioner Williams is honored by the Greater Philadelphia Chapter of the National Forum for Black Public Administrators this month, I would like to take this opportunity to reflect on the expansive career of this truly remarkable man.

From his initial appointment as an officer in the Fairmount Park Guards nearly 30 years ago, Willie L. Williams has dedicated his professional life to the betterment of the Philadelphia Police Department. Commissioner Williams rapidly ascended through the various ranks of the police department, from detective, to sergeant, to lieutenant, to captain, to inspector, to deputy commissioner, and finally, commissioner. As the police commissioner, Willie Williams oversees the operations of the largest, most visible arm of Philadelphia's municipal government. With nearly 8,500 police officers and civilian personnel under his jurisdiction, Commissioner Williams is responsible for insuring the efficient protection of Philadelphia's 1.6 million citizens. In addition Mr. Speaker, Commissioner Williams is charged with the tremendous task of overseeing the police department's $315 million budget.

Mr. Speaker, one need look no further than Commissioner Williams' educational history to witness his deep roots in the city of Philadelphia. He has obtained degrees at Overbrook High School and the Philadelphia College of Textiles, and is currently pursuing a master's degree at St. Joseph's University. Commissioner Williams has also shared his expertise with students at Temple University, University of Pennsylvania, and University of Delaware.

Willie Williams is also a strong presence in nearly every facet of community life. As a former scout master, a member of the West Oak Lane Youth Association, and a member of the Pennsylvania Juvenile Officer's Association, Commissioner Williams has worked countless hours with young people across the city of Philadelphia, attempting to help these kids make the most of their formative years. In addition, Commissioner Williams has received numerous awards from the police department and the city of Philadelphia for his exceptional work as both an officer and an administrator.

Mr. Speaker, it with great pleasure that I present the credentials of my good friend Willie Williams before this body today. I cannot truly express all that this great man has done for the city of Philadelphia. It can simply be said however, that through Commissioner Williams' dedicated efforts, he has truly enriched the lives of all Philadelphians. I ask my colleagues to rise and join me in paying our greatest tributes to Commissioner Willie L. Williams. I would also like to extend our best wishes to the commissioner's wife Evelina, and their children Lisa, Willie Jr., and Eric. Congratulations and thank you, Willie on your wonderful contributions to the city of Philadelphia.

STATEMENT BY MR. McGRATH IN SUPPORT OF A DUTY SUSPENSION FOR CERTAIN GLASS ENVELOPES AND FUNNELS

HON. RAYMOND J. McGRATH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. McGRATH. Mr. Speaker, I rise to introduce H.R. 4791, a bill to extend and slightly modify a present duty suspension for glass envelopes used to manufacture cathode ray tubes for computer displays. The present authority for this duty suspension expires on December 31, 1992.

A duty suspension for certain monochrome glass envelopes was originally approved by Congress and enacted into law in 1988. At that time, no opposition was expressed by the domestic television glass industry. The suspension was extended in 1990, again with no opposition.

H.R. 4791 extends the current authority until December 31, 1994, and expands its coverage in two ways. First, unlike the previous suspension, it includes all tinted monochrome glass envelopes regardless of size and transmission limits. The size and transmission limitations currently included in the duty suspension are no longer necessary because no monochrome glass envelopes whatsoever can be sourced from U.S. companies.

Second, H.R. 4791 suspends the duty on a part of a glass envelope called a funnel not currently produced in the United States. This particular funnel is specifically designed for use in a proprietary, limited line of cathode ray tubes with a flat faceplate.

No opposition from the domestic television glass industry is anticipated in regard to any aspect of H.R. 4791 because these products are not manufactured in the United States. Moreover, no U.S. television glass manufacturer intends to make these products in the United States because the volume requirements are so insignificant.

Based on 1991 import data, the revenue loss associated with H.R. 4791 is approximately $425,000.

EARTHQUAKE AND VOLCANIC ERUPTION HAZARD REDUCTION ACT

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mrs. MINK. Mr. Speaker, today Congressman NEIL ABERCROMBIE and I are introducing legislation which will provide our Nation better protection from the financial catastrophe caused by earthquakes, volcanic eruptions, and tsunamis.

A companion to this bill is also being introduced today in the Senate by Hawaii's distinguished senior Senator, DANIEL K. INOUYE, together with Senator DANIEL AKAKA and several other Senate cosponsors.

Our bill modifies H.R. 2806 introduced last year by my distinguished colleague from Washington State, AL SWIFT and which is cosponsored by GEORGE BROWN, DAVID DREIER, SHERRY BOEHLERT, myself and over 50 other Members representing 22 States. H.R. 2806, the Earthquake Hazard Reduction Amendments Act, is an excellent bill, but I believe it needed to be modified to fit our circumstances.

H.R. 2806 reduces losses from future earthquakes and volcanic eruptions by establishing two programs: First, a State-oriented hazard reduction program of seismic building codes and possible land-use planning to save lives and property; and second, an insurance program—much like the Federal Flood Insurance Program—which makes earthquake and volcanic eruption insurance more available and affordable to the Nation's homeowners. This legislation should lessen the damaging effects of future seismic and volcanic activity and reduce the need for Congress to appropriate vast sums for Federal disaster assistance. By forging a partnership with the private sector to create a universal insurance program, premiums for earthquake and volcanic insurance coverage should drop dramatically.

This bill, however, does not cover a peril which is becoming increasingly important to my constituents in Hawaii: Fire following volcanic eruption. On the big island of Hawaii, lava flows venting from the sides of volcanos are triggering fires which have already destroyed scores of homes. I am advised that some insurance companies are refusing to cover fire caused by volcanic lava flows, and this is causing a great deal of apprehension for homeowners on the big island. Yet despite the lack of private insurance coverage for this hazard, H.R. 2806 excludes fire following volcanic activity from the Federal insurance program.

The bill I am introducing today corrects this oversight. My bill recites most of the provisions contained in H.R. 2806, except that it would expressly include fire following volcanic eruption as a covered peril in the Federal insurance program. My bill also includes several other references to volcanic eruption to ensure that the Federal insurance covers all damage which results from volcanic activity, including land and mud slides as well as falling ash.

Federal insurance program. My bill also includes several other references to volcanic eruption to ensure that the Federal insurance covers all damage which results from volcanic activity, including land and mud slides as well as failing ash.

The perfecting amendments made by my bill ensure that homeowners in Hawaii and other volcanic eruption-prone States received insurance coverage at reasonable rates.

I hope that my amended legislation will be favorably considered as Congress reviews earthquake, volcanic eruption, and tsunami insurance legislation.

MEETING AMERICA'S CHALLENGE

HON. AL SWIFT

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. SWIFT. Mr. Speaker, each year the Veterans of Foreign Wars sponsors the Voice of Democracy broadcast scriptwriting contest, which involves more than 147,000 high school students across this Nation. This year students submitted scripts on the theme of "Meeting America's Challenge" to compete for 22 national scholarships and share their unique points of view regarding the future of their Nation.

As a former radio broadcaster, I am proud today to share with the rest of my colleagues in Congress a broadcast script written by a constituent of mine, Deron John Sedy of Stanwood, WA. Deron's script was chosen as Washington State's entree at the national finals, where the judges picked it as 1 of the 22 best in the Nation. For Deron's 19th place finish at the national finals, he was awarded the $1,000 Jesse A. Lewis Memorial Scholarship.

I would like to offer my sincere congratulations to all those who participated in this contest, especially Deron John Sedy, and hope that my colleagues enjoy the work of this talented young student as much as I have.

MEETING AMERICA'S CHALLENGE

(By Deron J. Sedy, Washington winner, 1991/92 VFW Voice of Democracy Scholarship Program)

In 1901, Ernest Rutherford showed that energy released in a nuclear reaction is roughly one million times as great as that released in a chemical reaction. In 1939, German physicists Otto Hahn and Fritz Strassman produced the first proof of nuclear fission in uranium. On December 7th, 1941, the Japanese attacked Pearl Harbor. The next day, the United States declared war on Japan. Then, on December 11th, 1941, the U.S. entered World War II.

June 18th, 1942, President Franklin Delano Roosevelt gave authorization for the United States Army to enter a race with Germany to develop fissionable materials—a plan later to be dubbed the Manhattan Project. On August 6th, 1945, in an attempt to bring a swift and uncostly end to the war, President Harry S. Truman gave the order to drop an atomic bomb on Hiroshima. When Japanese leaders failed to respond, the United States dropped an even larger bomb on Nagasaki. Within the week, Japan agreed to surrender.

Shortly after the end of World War II, the United States offered to share its nuclear technology with the world, providing that an adequate system of policing were established. The U.S.S.R. flatly refused. Then, on September 23rd, 1949, President Truman announced that the Soviet Union had set off its first atomic explosion in the recent weeks.

Thus began the cold war, an ongoing struggle between two super-powers to gain supremacy in world affairs. When America looked to her horizon for a challenge, there was one bright and brilliant star dominating the night sky, overshadowing our other concerns: the need to ensure peace by being ever-prepared to fight. Development of bigger and more powerful bombs as well as intercontinental missiles soon made the threat of total annihilation only minutes away.

Yet today, if we look to that horizon of America's challenges, we see the fall of communism and our recent victory in Desert Storm opening tremendous opportunities for the future. The once-dominating star is now not so prevalent, and other stars can be seen. Now, with the fading of the cold war and the proof of U.S. military superiority, the other challenges to America present themselves boldly. Certainly we must remain ready to defend democracy if called upon to do so, but thank God that we can now feel safe from the immediate threat of war and are now free to concentrate our efforts on those other stars which have been in the sky all along, yet not getting the attention they deserve. Once hidden behind the light of the blazing star of military expenses, the stars of new American challenges are shining through—stars like the environment, education, like medical and scientific research, space exploration, care for the elderly. It's a wonder that these other stars received so little attention before.

But now there are no more excuses. Our nation has been freed to face these challenges, thanks to those who have defended her to concentrate her efforts on troubles facing her people. Now is the time to dedicate our attention to developing solutions for domestic problems. This is the challenge to America: to see that our education system competes with other nations as well as our military capability, to aid our senior citizens, to clean up the environment, to ensure that no child goes unfed—that is the challenge to America. Let us solve our problems and serve as an example to other nations in the world who now have a fresh chance to form democracies.

How can this challenge to America be met? There is only one way. All of her people must demand that it be met. Every American must exercise his right to vote, and be educated about the choices. Each citizen must write his representative and express his views, for that's what makes the United States republic great: representation of the people. If the people choose to focus on domestic issues, it will be done. We need to meet and accomplish the challenge to America, for when it comes time for us to pass the torch to a future generation, let us not hand down old problems; let us hand down solutions * * * and new challenges.

BUSINESSMAN JOE QUEIPO HONORED FOR HIS SUCCESS

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to acknowledge Miami real estate broker Joe Queipo for being honored by Century 21 for his outstanding performance and terrific success in his field. Mr. Queipo is a dedicated member of our community and I commend him for his commitment to his work and to others. Marti Ostrander of the Miami Herald reports:

Real estate broker Joe Queipo, whose business increased 251 percent from 1990 to 1991, has been honored by Century 21 for remarkable success in less than two years with the company.

Queipo and his business partner-wife, Ydania, operate an office at 2320 SW 57th Ave., serving Coral Gables and West Miami. They attribute their success to 14- to 16-hour days five day a week—yet both still find time to practice karate together with their three children.

Two weeks ago, Queipo received the Top of the Century award, an honor bestowed on the leading 21 brokers in South Florida.

Bill Scott, executive director of the South Florida region of Century 21, said Queipo is "one of the top brokers in the region after being with us for only a year and a half."

Queipo, 31, a South Miami resident who come to Miami from Havana at age 7, is a Miami High School graduate with an associate's degree in psychology from Miami-Dade Community College.

He went into real estate in 1982 and opened his own company in 1988. Two years later, he joined Century 21.

Queipo also is president of the Century 21 Brokers Council, an advisory group of 50 Century 21 brokers from across Dade County.

According to sales increases, Queipo ranked 20th among Century 21's 230 offices in the region for the 1991 year. "He was also ranked number four in Dade County in terms of total sales volume," Scott said.

Queipo credits his wife with much of the business' success.

The couple has three children: Marta, 10, Cristina, 8, and Joey, 4.

Mom, Dad, Marta and Christina are all working for their black belts in karate this year. "We all practice together; I find time to keep the family together so we all practice martial arts," Queipo said.

Mr. Speaker, I am proud to honor both Joe and Ydania Queipo for their role as business partners in our community. They have worked hard to accomplish their goals and through their seemingly endless hours of operation they have met success. I hope that other business men and women follow in the Queipo's wonderful example of success.

WHY DO U.S. CONSUMERS PAY MORE FOR THE SAME U.S.-MADE PHARMACEUTICAL DRUG?

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. STARK. Mr. Speaker, I again have the dubious honor of recounting the woeful tale of price gouging by a pharmaceutical company. For several weeks, I have been sharing with my colleagues stories relayed to me by my constituents about the pricing policies of the pharmaceutical companies. Hardly a day goes by when I don't receive notice of a case I can add to this ever-growing portfolio.

The enormous discrepancy between U.S. prices for pharmaceutical drugs and prices for these same drugs throughout the world begins this particular chapter. According to a study by the Health and Human Services Inspector General, United States drug prices are, on the whole, 62 percent higher than the same products in Canada. This same study concludes that U.S. drug prices are 54 percent higher than the same products in Europe. The collective question from my constituents is why?

A Fremont, CA constituent recently sent me a letter from the magazine "Nurseweek" detailing the specific differences between U.S. drug prices and other countries drug prices. The enclosed letter asks two telling questions.

"The politics of distributing Norplant notwithstanding, of whom can we inquire as to why it costs patients $350 in this country, and $23 in other countries [to receive Norplant]? Shouldn't Wyeth-Ayerst Laboratories be made to answer for this discrepancy?"

I agree with the point raised by my constituent. Our health care system desperately needs reform. Outrageous price increases in pharmaceuticals stand as an enormous hurdle to any progress toward reform. The Congress and the administration must take the appropriate measures when this industry lags behind.

THE SUPREME COURT HAS HAD ITS FILL OF SCHOOL DESEGREGATION CASES

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. EDWARDS of California. Mr. Speaker, history will show that the nine Justices who spoke unanimously in striking down racially segregated public schools in the 1954 Supreme Court decision, Brown versus Board of Education did the right thing.

Unquestionably, that decision was a defining moment in our Nation's history.

But the fact is, having declared racially separate schools unconstitutional, the Supreme Court in recent years has been somewhat timid and less than clear in providing guidance to the Federal district courts charged with fashioning desegregation orders.

Now, in its most recent school case, Freeman versus Pitts, the Supreme Court has rendered a decision which will make it much easier for school districts to be released from Federal court supervision without ever achieving meaningful school desegregation.

Mr. Speaker, I ask that the following editorial, entitled, "Loss of Zeal for School Desegregation," which appeared in the New York Times on April 3, 1992, be included in the RECORD at this point.

LOSS OF ZEAL FOR SCHOOL DESEGREGATION

For those seeking guidelines for winding down school desegregation litigation, the case from DeKalb County, Georgia, was potentially the most significant the Supreme Court has handled since Brown v. Board of Education. Unfortunately, the Court has delivered an unworthy decision that threatens to undermine that 1954 landmark. To say that the result could have been even more disheartening is not very consoling.

Brown's promise of equality would have been honored best if the high court had sought not merely to free school districts from judicial control but to make sure the districts had earned their freedom by completing the job of desegregation. Instead this Court offers its brightest hope not to children trapped in segregated schools but to officials seeking relief from the Court's demand in 1968 that they get busy and establish "not white schools, not black schools, just schools."

The Court has now made it easier for schools to escape oversight of their desegregation efforts. Five Justices, in an opinion by Justice Anthony Kennedy, say it's all right for the Federal court in Atlanta to release its power over some aspects of a system's operation once officials have made "good-faith" efforts to achieve equality, even though other features like faculty and resource allocation remain unequal. That approach invites judges to view school systems piecemeal and deprive themselves of useful flexibility.

The Court also seemed too credulous in its readiness to excuse segregation as caused by demographic factors beyond school control. At some point, all agree, even school districts like DeKalb's that were segregated by law long after 1954 may work their way out of court-supervised desegregation. To accomplish that, they need to create systems free of the effects of segregative state policies. DeKalb County, an Atlanta suburb, contended that whatever racial identification remained in its schools was the result of private housing choices—widespread black migration across the city line and white flight still farther out.

Sweeping demographic change undoubtedly complicates desegregation efforts but may not legitimately excuse failures attributable to government. Three dissenting Justices wisely called for more careful consideration of how much of the persistent segregation was due to official rather than private action.

Refreshinghly, even Justice David Souter, who voted with the majority, showed appreciation that school systems must be viewed as a whole until they have earned total relief from court supervision. Justice Souter recognized that partial termination of court supervision might "act as an incubator for resegregation."

For example, even if a school's student body has been integrated, if teacher assignments are still being made on a racial basis, a "white" faculty will draw more white students and a "black" faculty more black students, increasing racial imbalance. Justice Souter said judges may need to reassert jurisdiction over previously exonerated features of an incompletely desegregated system.

It is disquieting to watch the Court inch closer to excusing school districts that haven't finished their job. The DeKalb decision might have been even weaker in tolerating segregation had Justice Clarence Thomas participated; he was still fighting for confirmation when the DeKalb case was argued last October.

Justice Antonin Scalia, sometimes a model for the newest justice, argued that the passage of time along presumptively excuses a school system's past faults. If Justice Thomas had joined Justice Scalia, the Court's ruling might have been even harsher against judicial supervision. The high court's commitment to finish the work of Brown v. Board of Education hangs by a thread.

GALLEGLY HAILS INDEPENDENCE OF CROATIA, SLOVENIA, AND BOSNIA-HERCEGOVINA

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. GALLEGLY. Mr. Speaker, I am extremely pleased that today the United States has finally recognized the independence of three former Yugoslav republics—a move I have been working for since last October.

I am also gratified that the Europe and Middle East Subcommittee this morning approved my substitute resolution calling for recognition of Croatia, Slovenia, and Bosnia-Hercegovina. Within minutes of that vote, the President announced that the United States was recognizing the independence of these three republics.

My only regret is that we waited so long to take this action. When I first introduced House Concurrent Resolution 224 calling on the President to recognize the independence of the Republics of Croatia and Slovenia, the United States could have assumed its historic position as a staunch supporter of freedom, democracy, and self-determination. Instead, due to foot-dragging on the part of the State Department, which listened to bad advice, and unfortunate delays in the House, we find ourselves among the last major nations of the West and the world to recognize these republics.

I am, however, pleased that my resolution, which has 123 cosponsors, including all but one member of the Europe and Middle East Subcommittee and over three-fourths of the membership of the full Foreign Affairs Committee, has served as the impetus to persuade the State Department to do the right thing finally. Without the strong bipartisan support my bill has received, I suspect that today's recognition might not have occurred at all.

As a member of the House Foreign Affairs Committee, I am pleased by the cooperation I have received from my colleagues in this endeavor. For many months, the brave peoples of Croatia, Slovenia, and Bosnia-Hercegovina have been fighting to end cruel Serbian domination and to end the fiction of a united Yugoslavia. I hope that today's action will convince the Servians that the world is now united behind the three new independent republics, and that it is in their best interest to sit down finally and negotiate a fair and lasting peace with their neighbors. In this regard, I also salute the European community for its efforts to find a permanent peaceful settlement of the Yugoslav crisis.

Mr. Speaker, I request that the full text of the amended resolution which I offered and was approved in the nature of a substitute to House Concurrent Resolution 224 be printed in the RECORD at this point.

H. CON. RES. 224

Whereas during 1991 the peoples of the Republic of Slovenia and the Republic of Croatia expressed their clear preference for independence;

Whereas it has been the policy of the United States to support the equal rights and the right of self-determination of peoples as enshrined in the Charter of the United Nations and the Helsinki Final Act of the Conference on Security and Cooperation in Europe;

Whereas the movement toward independence by the freely-elected Government of Croatia in 1991 was violently opposed by the Yugoslav Federal Army and elements of the Serbian minority living in the Republic of Croatia;

Whereas this opposition led to open warfare in Croatia which resulted in much human misery, including thousands of deaths, hundreds of thousands of refugees, and massive physical destruction in several cities, including destruction of hospitals, schools, and historical and religious monuments;

Whereas the United States continues strongly to support a comprehensive, negotiated peace plan for the region as embodied in the European Community-sponsored peace conference, and strongly supports the United Nations plan to send substantial numbers of peacekeeping forces to 3 designated United Nations-protected areas in Croatia and along borders with neighboring republics;

Whereas the United States, together with the European Community and other nations, has emphasized that it will not accept or recognize any resolution of the Yugoslav crisis based on the use of force and intimidation to change unilaterally the borders of any Yugoslav republic;

Whereas the United States supports the territorial integrity of those republics which have declared their independence as well as those which have chosen to remain in a common Yugoslav state;

Whereas security in the Balkan region requires all states, both established and newly independent, to respect the territorial integrity of all neighboring states;

Whereas the European Community-sponsored peace conference on Yugoslavia envisages that areas in which persons belonging to a particular national or ethnic group form a majority, including Kosovo, must enjoy a special status of autonomy, including all appropriate legislative, administrative, and judicial institutions as well as full educational, cultural, and religious freedom;

Whereas resolution of the issue of Kosovo and the repressive human rights situation there must be a central aspect of any comprehensive peace plan for the region; and

Wheras resolution of the Yugoslav crisis, to be enduring, must be based on firm obligations by all republics involved to guarantee and foster the full range of internationally recognized human rights and fundamental freedoms for their constituent peoples and ethnic minorities, including (among others) Serbs in the Republic of Croatia, Hungarians and Croatians in the autonomous province of Vojvodina, and Albanians in several republics: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Congress—

(1) strongly supports the peacekeeping efforts of the European Community and the United Nations as part of a comprehensive, negotiated settlement of the Yugoslav crisis;

(2) welcomes and supports the freely expressed desire of the peoples of those republics which have voted for independence and the desire of the peoples of those republics which wish to remain in a common Yugoslav state;

(3) condemns the use of all violence and believes that differences can only be resolved through dialogue and negotiation;

(4) calls upon all states in the Balkan region, both established and newly independent, to respect the territorial integrity of all neighboring states;

(5) urges full respect for, and guarantees of, the internationally recognized human rights and fundamental freedoms of all citizens, including ethnic minorities living in the region;

(6) urges that areas in which national or ethnic groups form a majority, including Kosovo, must be afforded a special status of autonomy;

(7) urges that the issue of Kosovo be a central aspect of the European Community-sponsored peace conference on Yugoslavia;

(8) urges the President expeditiously to extend diplomatic recognition to the Republic of Slovenia and the Republic of Croatia;

(9) urges that the United States and the European Community coordinate their approach to the Republic of Servia and the Republic of Montenegro, which have expressed the wish to remain in a common Yugoslav state; and

(10) urges the President, in consultation with all members of the European Community, to consider positively the request for recognition of the Republic of Bosnia-Hercegovina.

INTRODUCTION OF THE TELEPHONE NETWORK RELIABILITY IMPROVEMENT ACT OF 1992

HON. EDWARD J. MARKEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. MARKEY. Mr. Speaker, I rise today to introduce the Telephone Network Reliability Improvement Act of 1992, a bill to guarantee that the mission of the Federal Communications Commission [FCC] includes a commitment to making telephone service reliable and of high quality. The bill also establishes a system of compensation to consumers for disruptions of telephone service.

I introduce this legislation at this time because of increasing concern that the reliability of our telephone network is being taken for granted. Certainly it is true that Americans enjoy one of the best telephone networks in the world. The deployment of advanced signalling, switching, transmission, and software control technologies enables telephone companies to offer a new array of services to business and residential customers. And this is just the beginning of what is to come. But with these advances in technology and the emergence of intelligent networks comes a concomitant risk that our ever more complex technology will fail and lead to ever more complex problems.

For this reason, I think it is wise to focus our attention on preventing and mitigating failures. There is too much at stake—including human life, public safety, public services, and the productivity of American business—for it to be taken for granted either by the regulators or the companies. For evidence that the regulators and companies do not devote sufficient and consistent attention to the problem of network reliability and service quality, consider a report done by subcommittee staff on the basis of data provided by the largest local exchange carriers. That report showed a wide variation by these companies on their internal measurement of what is acceptable performance in a number of reliability and quality areas. The staff found that, absent Federal standards or benchmarking, service quality was not going to be consistent across carriers and jurisdictions and was not going to be what it could be.

We need not look just to the theoretical as a basis for concern, however. In fact, network failures occurred so frequently over the past 2 years that they are no longer a rare event. And when the telephone networks fail, consumers are hurt and businesses suffer unprecedented productivity losses which directly affect their ability to compete in domestic and world markets.

For American business, a telephone network failure is like a computer virus attack. Everything that otherwise would be done is put on hold, sometimes for days, as the business evaluates the effect on its network-dependent operations, reconstructs affected business transactions, ensures its prior communications capability has been fully restored, and analyzes ways to mitigate the affects of the next failure. For a large business, thousands of hours are routinely lost just trying to make sure everything is back to normal.

For consumers and small businesses, who do not have the communications option available to large businesses, loss of one's telephone is to lose one's voice. We all know that today's phone services make possible entirely new ways for Americans to learn, work, conduct business, govern, provide and obtain services, and entertain themselves. Every year, Americans become more dependent on our telephone networks. As this dependency increases, the consequences of a network failure become more severe as well.

The FCC should have seen this problem looming on the horizon. Less than 3 years ago the National Research Council of the National Academy of Sciences issued a warning in its preliminary report on the growing vulnerability of the public switched networks. Though the Council was concerned with the implications for national security emergency preparedness, its findings have direct application to virtually every residential and business use of today's networks. Unfortunately, the FCC was blinded by the telephone industries' substantial investments in advanced technology.

The Council's study, which also looked at the implications of the new technology deployed in the telephone network, leaves little doubt that investment in advanced technologies is not the panacea some would have us believe. The Council found that these technologies—notably fiber optics, digital switching, and software control—were driving network assets into fewer, but more critical, network nodes. As a result, these new technologies were among the factors making tomorrow's networks at greater risks than today's.

Consequently, today's telephone technology is very much a double-edged sword. The cutting edge promises dramatic increases in network capacity, capability, and survivability. But the trailing edge introduces greater vulnerability to consequences of massive proportion and severity. Ironically, both the benefits and the risks of advanced technology stem from the concentration of ever-increasing volumes of voice and data communications through a decreasing number of communications nodes and pathways.

The task of policy makers and regulators is to define a better way to cope with this reality.

The bill I introduce today is an initial step. It proposes to clarify and amplify the role of the FCC by making clear the centrality of network reliability to the mission of the FCC. Building on a recommendation from the President's advisor on telecommunications, the National Telecommunications and Information Administration, the bill also provides modest compensation to consumers when a telephone network failure results in the loss of telephone service.

Following the lead of actions begun by the FCC, this legislation is anchored in partnership and networking concepts. It is proactive and not limited to failure incident investigations. Instead, it proposes establishing a program to review and evaluate telephone reliability and quality issues on a continuous basis, in a collaborative manner. It builds a foundation upon which the FCC can become a truly expert partner and facilitator to the industry, but when appropriate, a more informed and more effective regulator.

Although the bill includes regulatory provisions, they differ from the classic regulatory structure often criticized for burdening the regulated with extensive reporting requirements. This bill would not lead to receipt of additional marginally useful reports that do little more than take up space on someone's shelf. To the contrary, instead of receiving reports, FCC would be preparing and actually using them to guide the Commission's work.

Briefly, the proposed reports would be management oriented tools. They would document the industry's approach to designing, operating and maintaining critical network systems; identify concerns affecting reliability; and define a plan of action for addressing them through studies and evaluations conducted either by the Commission, or by the industry with FCC monitoring.

Under the proposal, the FCC would have to publish new regulations. The substance of the regulations will help the telephone industry and extend certain protections to it. The help will come from the development of standard interpretations of reliability and service quality that otherwise might be difficult to achieve without the appearance of collusion, anitcompetitive behavior, or other possible antitrust law violations. In fact, some of the recent talk from the FCC about "benchmarking," by which the Commission looks to the industry for a standard and adopts one from a company performing well and imposes it on all the industry, in concept would be consistent with this approach.

The bill also sets up protections in the form of specific escalating and mitigating factors that are designed to ensure telephone companies are treated fairly in regulatory decisions involving the assessment of penalties for network failures. These failures would enable the FCC to show lenience to companies that make a concerted effort to improve the reliability and quality of their networks, and penalize complacent companies whose efforts are more lip service than substance.

In summary, this bill clarifies the job of the FCC by rededicating it to network reliability, compensates consumers for loss of service, and encourages telephone companies to increase their commitment to network reliability and service quality.

I urge my colleagues to examine and support this legislation.

THE OAKLAND JEWISH CENTER

HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. SCHEUER. Mr. Speaker, it is with great pleasure that I rise today to recognize a milestone in the history of a synagogue in my district. Next month, the Oakland Jewish Center will celebrate the happy event of completing the repayment of a mortgage entered into 20 years ago in order to renovate and expand its services.

Founded in 1949, the Oakland Jewish Center in Bayside, Queens, provides the surrounding community not only with religious services, but with Hebrew education for all children, adult education programs, and other community services as well.

Mr. Speaker, in 1971 the concerned and dedicated members of the Oakland Jewish Center realized that they could not meet their community's needs and their own objectives without expanding and renovating their existing facilities.

They knew they needed a bigger library, more meeting rooms, facilities for social functions, and administrative offices to conduct the center's business. So they planned a major renovation and entered into a substantial mortgage that would take years to repay.

Well, it's taken 20 years, but they have succeeded in clearing their debts and they have expanded their center and their activities. They have extended their educational programs to all members of the community who are in need; they have renovated their building, installing the facilities necessary to serve their community most effectively; and they have attracted distinguished guests and visitors, hosting innovative programs for Soviet boys and girls.

Mr. Speaker, I am proud to join the numerous groups and individuals who have recognized the Oakland Jewish Center and its member organizations over the years with awards and citations for their important contributions to the Jewish community. It is a time for joy, for celebration, and for thanksgiving, most especially to those in the community who have worked so hard to bring the Oakland Jewish Center of Bayside to this happy juncture.

A SPECIAL RECOGNITION TO THE ADULT EDUCATION CENTER AT HIALEAH-MIAMI LAKES SENIOR HIGH SCHOOL MOCK TRAIL TEAM

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to extend my warmest congratulations to the principal, Robert P. Villano, and assistant principal, Martin D. Simonoff, of the Adult Education Center at Hialeah-Miami Lakes Senior High School, and to the teachers, and students of the legal studies course who participated in and won a State mock-trial contest.

On March 30, 1992 the members of the class won the competition which was conducted in Tallahassee and included competing with over four preliminary teams and one final team.

The student team placed fifth in the Nation in 1991 and is now preparing for the national competition taking place from May 7 through 10 in Madison, WI. Tony De Fillippo and Walter Gishler are the teachers who will be preparing the students for this competition.

The Office of Vocational Adult, Career, and Community Education along with the country commission will recognize May 1, as Law Day and will be declared throughout Dade County as Hialeah-Miami Lakes Mock Trial Day.

The mock trial team members are: Ray Araujo, Veronica Sanchez, Rick Gonzalez, Dorys Andani, Gladys Mesa, Pam Martin, Fred Hernandez, and Sam Maldonado.

TRIBUTE TO WILLIAM G. ORINSKI: 1992 ARIZONA SMALL BUSINESS PERSON OF THE YEAR AWARD

HON. JIM KOLBE

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. KOLBE. Mr. Speaker, I'd like to take a moment to recognize Mr. William G. Orinski, an outstanding citizen from Oro Valley, AZ who will be recognized as the 1992 Arizona Small Business Person of the Year. The United States Small Business Administration could not have chosen a better recipient than Mr. Orinski, and I would like to extend my congratulations to him on having received this award.

Bill is the founder and president of Vanguard Automation, Incorporated, which has been designing and manufacturing custom robotics and automated assembly systems since 1984. Through his vision and determination, Bill has turned a 1 man consulting effort into a multi-million dollar enterprise with 70 employees. As recently as 1989, there were only 15 employees and $1.5 million in sales at Vanguard Automation. This year, Vanguard automation projects it will reach over $10 million in sales, and the company continues to expand and diversify. In addition, through Bill's direction and leadership, his company designed and currently manufactures the only automated machine capable of fabricating computer head suspension assemblies for ultra-high density drives.

Bill's success as a businessman is only excelled by his ability to treat his employees with appreciation and respect. Vanguard promotes from within, strives to develop the capabilities of all its employees and encourages additional education by providing a tuition assistance program. This quality has earned Bill the loyalty and admiration of all who know him. In fact, Bill's tireless efforts have been recognized by the mayor of Oro Valley, Cathy Hufault, who nominated him for this award.

I would like to recognize Bill Orinski on receiving this honor and for his exceptional achievements in the business community. The town of Oro Valley and the State of Arizona have benefitted tremendously from Bill's efforts and we should be proud that he is getting the recognition he deserves.

REAUTHORIZATION OF HISTORIC PRESERVATION FUND

HON. BRUCE F. VENTO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. VENTO. Mr. Speaker, at the request of the adminisration, I am introducing legislation to extend the authorization for the Historic Preservation Fund for another 5 years. The Historic Preservation Fund is crucial to the proper functioning of the preservation partnership in this country. This fund, which is annually credited with $150 million derived from offshore oil and gas receipts, provides Federal funding for the National Trust for Historic Preservation, chartered in 1949, and the State historic preservation offices. The National Trust for Historic Preservation has long been recognized for its leadership in this field and for its unstinting efforts to protect our past. The State historic presevation offices are equally well known for their diligence, expertise, and even fervor in ensuring that we consciously guard our national inheritance.

Twenty-five years ago landmark legislation, the National Historic Preservation Act, established the Nation's historic preservation program. As part of that landmark legislation, the National Register of Historic Places was established, a register now listing 58,400 places significant to our history on it. The National Register complements the National historic landmarks and the units of the National Park System as a key building block of our heritage.

The National Historic Preservation Act of 1966 also created the State historic preservation offices which have worked as the Federal Government's partners in preservation. The funding mechanism for the State offices, as well as the National Trust for Historic Preservation comes through the Historic Preservation Fund. The noncontroversial legislation, which I am introducing today, will allow this partnership so key to protecting our heritage to continue.

At this point, Mr. Speaker, I would include a copy of the legislation and the letter of transmittal from the Department of the Interior.

H.R. 4801

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 108 of the National Historic Preservation Act, as amended (16 U.S.C. 470f), is further amended by striking "1992" and inserting in lieu thereof "1997".

U.S. DEPARTMENT OF THE INTERIOR,
Washington, DC, March 18, 1992.

Hon. THOMAS S. FOLEY,
Speaker of the House of Representatives, Washington, DC.

DEAR MR. SPEAKER: Enclosed is a draft bill, "To amend the National Historic Preservation Act to extend the authorization for the Historic Preservation Fund."

We recommend that the bill be introduced, referred to the appropriate committee for consideration, and enacted.

The enclosed draft bill would extend through fiscal 1997 the period in which $150,000,000 per year is authorized to be included in the Historic Preservation Fund from Outer Continental Shelf Lands Act revenues. Under the National Historic Preservation Act, such revenues are included in the Fund through fiscal 1992. Monies in the Fund are available for appropriation for matching grants to the National Trust for Historic Preservation, the States, and Indian Tribes.

The Fund was last extended by the Act of October 9, 1987 (101 Stat. 800), to authorize revenues to be included in the Fund from fiscal years 1987 through 1992. In fiscal years 1987 through 1991, a total of $126,121,504 was appropriated from the Fund, and for fiscal year 1992, the President's budget requested, and the Congress appropriated, an additional $35,931,000.

Although the enclosed legislation would authorize $150 million in appropriations annually for five fiscal years, the actual amounts recommended will be set forth in annual Administration budget requests. Our recommendation that the Fund be reauthorized is not a commitment, in advance, to future budget requests in specific amounts.

Enactment of this legislation would have no "Pay-as-you-go" implications under the Budget Enforcement Act, since it would provide for neither direct spending nor increased revenues.

The Office of Management and Budget has advised that this legislative proposal is in accord with the program of the President.

Sincerely,

JENNIFER A. SALISBURY,
Deputy Assistant Secretary.

STOP THE SLAUGHTER IN SOMALIA

HON. BENJAMIN A. GILMAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. GILMAN. Mr. Speaker, I rise to introduce House Resolution 422, a resolution that brings attention to the devastating crisis in Somalia.

Somalia is a nation in the throes of self-destruction. Following the fall of dictator Siad Barre in January 1991, the people of Somalia have been gripped by a humanitarian emergency among the worst the world has ever seen. The battle in the capital city of Mogadishu between Gen. Mohamed Farah Aideed and interim President Ali Mahdi Mohamed has left over 10,000 civilians dead and almost 30,000 wounded in 4 months of vicious fighting. Millions more face starvation, and there have been reports that 80 percent of the children in some areas of the country are critically malnourished.

Over the past decade, we have all been witness to the tragic cycle of drought, famine, and civil war that has touched the lives of millions of people throughout the Horn of Africa. But Somalia over the last 4 months deserves a special page in the history of human misery.

Food supplies around the country are dangerously low, and the violent breakdown of civil order has made delivery of significant food shipments all but impossible. Hospitals in the capital city are overflowing and stocks of the most basic medicines are dwindling. Somalia doctors and nurses, working without pay to salvage the lives of thousands from the wreckage, are themselves living hand to mouth. To escape the terror, thousands have fled Mogadishu without food, water, or shelter and are living on barren patches of land surrounding the city.

House Resolution 422, Mr. Speaker, seeks to add the voice of this House to the chorus calling for peace in Somalia. It urges General Aideed and interim President Ali Mahdi, indeed all the warring parties in Somalia, to guarantee the safety of emergency aid and relief personnel and to commit to an immediate suspension of the artillery fire that has claimed the lives of so many innocent Somalias. I look with great hope upon the recent actions of the United Nations to broker a peace settlement among the opposing sides and to forge an agreement among clan chieftains to monitor the U.N.-sponsored truce signed on March 3.

While initiatives on the political side proceed, efforts to step up emergency relief activities must not delay. The international community owes a great debt of gratitude to the handful of relief workers and private organizations still operating in Somalia, upon whose shoulders has rested truly the weight of the world. One can hardly imagine circumstances more difficult or more dangerous than those in Mogadishu through recent months. And I would also draw attention to the excellent work of our own office of foreign disaster assistance for their continuing efforts to get food and medicine to those in need.

The U.N. response to the humanitarian crisis in Somalia, however, has not been adequate. To that end, this resolution also calls upon our representative to the United Nations to urge that the United Nations immediately begin an emergency relief program in Somalia, even in the absence of a permanent cease fire. Innocent Somalis cannot be allowed to suffer for the moral myopia of their leaders blinded by the desire for power.

While peace in Somalia may be elusive,this must not deter our efforts to secure it. Accordingly, I ask my colleagues to support House Resolution 422, so that we may begin to forge some order from the chaos in the streets of Mogadishu and bring an end to the months of senseless destruction.

Mr. Speaker, I insert House Resolution 422 in full at this point in the RECORD:

H. RES. 422

Whereas the civil war in Somalia and the ensuing chaos has led to extraordinary abuses of human rights by the warring factions and a dire humanitarian crisis;

Whereas relief groups estimate that as many as 30,000 Somali civilians have been killed or wounded since fighting escalated in mid-November;

Whereas an estimated 1,500,000 Somali civilians living in and around the capital city of Mogadishu are at immediate risk of starvation and epidemic disease and an additional 4,500,000 civilians throughout southern Somalia are also facing hunger and disease;

Whereas both major armed factions, headed by General Mohamed Farah Aideed and Interim President Ali Mahdi Mohamed are using artillery indiscriminately in the city of Mogadishu;

Whereas according to international humanitarian organizations, approximately 75 percent of all casualties are a result of indiscriminate artillery fire by both sides;

Whereas the targeting of civilians is prohibited by Common Article 3 of the Geneva Conventions which is binding upon all parties to the conflict in Somalia;

Whereas most artillery pieces are under the central command of the two principal warring factions and their use could be suspended and monitored immediately, resulting in an immediate cease-fire;

Whereas the shelling has been so intense that most humanitarian organizations have had to suspend their operations;

Whereas international relief workers with the International Committee of the Red Cross, Save the Children/UK, International Medical Corps, Medecins Sans Frontieres, and volunteer Somali doctors and health professionals have, at great personal risk, attempted to meet the need for food and medical care; and

Whereas the United Nations humanitarian organizations have not had a presence in Somalia for over a year and have yet to reestablish a presence in the country: Now, therefore, be it *Resolved*, That the House of Representatives—

(1) condemns unequivocally the conduct since November 1991 of General Mohamed Farah Aideed, Interim President Ali Mahdi Mohamed, and other warring parties which has resulted in the destruction of Mogadishu and has placed at grave risk the entire civilian population of the city;

(2) calls upon General Mohamed Farah Aideed, Interim President Ali Mahdi Mohamed, and all warring parties to—

(A) curb the wanton violence and destruction that they have visited upon the civilian population of Somalia by immediately suspending artillery shelling;

(B) guarantee protection of relief commodities from port or airport;

(C) participate in good faith in United Nations sponsored efforts to achieve a complete cease-fire and eventual political reconciliation in Somalia;

(3) commends the United States Office of Foreign Disaster Assistance for its significant efforts to provide food and humanitarian relief to Somalia;

(4) commends United Nations Secretary General Boutros Boutros Ghali for his attention to Somalia and for promoting the adoption on January 23 and on March 17, 1992, of resolutions on Somalia in the Security Council of the United Nations;

(5) calls upon the United States Representative to the United Nations to urge the United Nations to—

(A) appoint a special United Nations envoy to Somalia to engage in sustained efforts to facilitate relief for Somalia as well as to further negotiations to end the conflict and achieve political reconciliation;

(B) take such steps as may be necessary, including the establishment of a United Nations presence in Mogadishu, to assure the safety of United Nations and other relief personnel and to coordinate relief efforts and facilitate negotiations; and

(C) Allow the provision of extensive food and humanitarian relief even in the absence of a cease-fire; and

(6) requests that the Secretary of State convey to General Mohamed Farah Aided, Interim President Ali Mohamed, and all warring parties the United States' condemnation of the practices employed by all parties which have contributed so greatly to the tragedy in Somalia.

RECOGNITION OF SHIRLEY CAMPBELL

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. STARK. Mr. Speaker, I would like to take a moment to recognize Shirley Campbell of Hayward, CA. Ms. Campbell has, throughout the years, dedicated much of her time to the community and, by doing so, has become a pillar of the city in which she lives. In 1953 Ms. Campbell graduated with a B.A. from the University of California and, 1 year later, completed graduate work for a secondary teaching credential. She is married and has three children.

Ms. Campbell's involvement in the community began in 1960 when she served as the president of the San Lorenzo Parent Nursery School. She served until 1961, and, in 1964 became the president of the California Council of Parent Participation Nursery Schools where she served until 1966. From there she became the president of the Winton Junior High School Parent Teacher Association [PTA] and served as president of the Hayward Council PTA from 1968–70.

Throughout the late sixties and the seventies Ms. Campbell took on various projects throughout her community. In 1969 she began to fight against drug use and abuse and became the co-organizer of Project Eden's Parents' March Without Drugs. In that same year she joined the board of directors for the Project Eden Community Drug Abuse Program where she served until 1980. In the early seventies Ms. Campbell chaired the Sunset Area Pool Committee and in 1971 served for a year on the Citizens' Advisory Committee of the Hayward Area Recreation and Park District. In 1974 Ms. Campbell joined the Coordinating Committee for the Hayward Community Cleanup. During this time she served on the board of directors for the California Association of Recreation and Parks Districts, of which she became president in 1978 and served a 2-year term.

During this time, Ms. Campbell dedicated much effort to the preservation of the environment and in 1976 became a member of the Advisory Council of the Bay Area Air Quality Management District. She served as the chairperson of this council from 1983 to 1984. She joined the board of directors of this committee in 1984 and served as chairperson in 1989–90. During this time she worked on the professionals' committee for the Moreau High School Presidents' Council and was on the Bay Vision 2020 Steering Committee.

Currently, Ms. Campbell is the cochairperson of the Council for the Prevention of Drinking and Driving and serves on the board of directors for the Greater Hayward Area Recreation and Park Foundation, of which she is the vice president. She is also a member of the League of Women Voters, the National Women's Political Caucus, and works with the National Association for the Advancement of Colored People [NAACP]. Among other groups she is also a member of the South Hayward Democratic Club and the University of California Alumni Association. She has further involved herself in the Alameda County Mental Health Association and the Hayward Area Forum of the Arts.

Ms. Campbell has received many awards throughout her terms on the various boards and councils mentioned above. In 1968 she received a California PTA Honorary Life Membership and in 1972 was given the Outstanding Citizen Award from the Hayward Area Recreation and Park District. Most recently, in 1987, she was granted the Robert W. Wetzel Award for Outstanding Contributions from the California State Advisory Board on Alcohol Related Problems.

Ms. Campbell was elected to the Hayward City Council in 1980 and served as mayor protem in 1981, 1985, and 1990. She will be retiring from the council, after 12 years of service, upon completion of her term. As a council member, Ms. Campbell chaired various committees such as the Shopping Center Committee, 1982–84 and the Airport Operation and Development Committee, 1988–92. She has also been actively involved with both the Environment and the Growth Management Committees.

As you can tell, Mr. Speaker, throughout the years Ms. Campbell has been extraordinarily active in various committees and organizations around her community. She has dedicated her time to the welfare of the area in which she lives and she has, over the years, set a new level of excellence in citizenship and public service. I would like to urge members of her community, and communities everywhere, to use Ms. Campbell as an example and take a step toward involvement in their communities so that, together, we can build a strong future for all.

HEINIG TRIBUTE

HON. HOWARD WOLPE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. WOLPE. Mr. Speaker, I rise to pay tribute to two constituents and very special friends of mine, Drs. Edward and Ruth Heinig, both distinguished faculty members at Western Michigan University. On April 11, Ed and Ruth will be honored by their friends and colleagues on their retirement from almost three decades of teaching, scholarship, and public service.

Both Ed and Ruth arrived at Western Michigan University in the early sixties, only a few years before I joined Western's political science faculty. Ed became a member of the department of education and professional development, where he quickly established himself as an outstanding teacher and scholar. He made particularly significant contributions in the areas of multicultural education and health education, and was repeatedly recognized for his impact in the classroom. In 1972, he received the WMU Alumni Award for Teaching Excellence; in 1973 he was listed in "Outstanding Educators of America"; and in 1979 he was named the outstanding professor in graduate education by Western's Graduate Student Association.

Ruth Heinig's tenure at Western has been no less distinguished than that of her husband's. A member of the university's communications department, Ruth has published widely and taught courses in the areas of creative drama, communications, and speech. She has centered much of her work on creative drama for children, and the wide variety of her contributions led to Ruth's listing in Theatre News as one of the American Theatre Association's 110 most distinguished women. Ruth has also been repeatedly listed in "Who's Who in the Midwest," "World Who's Who in Women," "Who's Who in Entertainment," and "Who's Who in Education." In 1985, Indiana University presented Ruth with the key to the city of Indianapolis in recognition of her outstanding work in creative drama.

The contributions of the Heinigs over the past three decades have extended far beyond the classroom. They have both been deeply involved in all facets of the university community and have also given generously of their time and energies to a wide variety of off-campus volunteer enterprises. How they have found time to do it all is rather a mystery, but countless numbers of people have been touched by their service.

I feel privileged to have known Ed and Ruth Heinig. They are two remarkable people, and the dinner that is being organized in their honor is eloquent testimony to the love and respect their friends and colleagues hold for them.

Mr. Speaker, I am certain that my colleagues will want to join me in paying tribute to Ed and Ruth for their multiple contributions to public education and to their community. We congratulate them on their well-deserved retirement, and wish them both all possible happiness in the years ahead.

A TRIBUTE TO THE CUBAN RAFTERS EXHIBIT

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Ms. ROS-LEHTINEN. Mr. Speaker, I am proud to pay tribute to the exhibit at the Hacienda Mardenpaz by the Cuban American National Foundation. Mr. Ruben Abella has led in the organization of the exhibition, which honors the freedom-seeking lancheros who left Cuba on homemade rafts, hoping to realize their dreams in a free land. Manny Garcia of the Miami Herald reports:

> Oneida Delgado fought back tears Tuesday morning as she toured several rafts used by refugees to flee Cuba, and models of the island's most notorious prisons.
>
> Although it has been 32 years since she fled Cuba, Delgado said the replicas of seven prisons and the sun-dried purse she found in one innertube were too much.
>
> "This is so emotional," Delgado said, "My children need to see this—the world needs to see this."
>
> That's the message of the Cuban American National Foundation's exhibition that opened last weekend and closes Sunday at Hacienda Mardenpaz, a 20-acre ranch at 12240 SW 72nd St. in West Kendall.
>
> Foundation member Ruben Abella said the jails were designed, painted and built by former political prisoners, many of whom spent years crammed into child-sized cells. Abella said the exhibit was planned to coincide with the United Nations meeting in Geneva on human rights violations in Cuba.
>
> "We have to honor political prisoners, and the best way is to build this tribute," Abella said. "Cuba today is one big prison."
>
> Abella said organizers came up with the idea last year when they heard former political prisoners speak about their experiences in jail.
>
> Visitors agreed the most dramatic sights were the rafts, some made from Styrofoam, wood or innertubes, and a cell called the "drawer." The drawer, located in Tres Macio prison in Oriente province, is an eight-foot high, 20-inch wide cubicle lined with glass shards on two walls.
>
> Five prisoners were usually crammed into the cell.
>
> Kendall resident Bill Paschal called the exhibit a gut-wrenching experience.
>
> "I think every American should see it," Paschal said. "It opens your eyes to what the Cuban people have suffered through. We are born with freedom here, but the average person has no idea what living under communism is like."

Mr. Speaker, I am pleased to acknowledge the work of the foundation in constructing this exhibit. This display of rafts and innertubes has given the people of our community an idea of what these people have gone through. It is a tribute to the men and women who have given their lives for the sake of freedom. Theirs is a desperate journey.

But Castro's communism will not last, and men and women will no longer have to leave their families behind in search of the liberties they are denied.

This exhibit stands in order that we understand and that we never forget what Cuba's people have suffered.

NEW MEXICO MAGAZINE

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. RICHARDSON. Mr. Speaker, this year marks the 70th anniversary of New Mexico magazine, an outstanding publication dedicated to the spirit and beauty of the land of enchantment and her people.

Published by the State of New Mexico, this monthly information source has grown considerably since its first printing in July 1923. It was back in the administration of James F. Hinkle, New Mexico's sixth Governor, that the State highway department began publishing the New Mexico Highway Journal. The first issue—some 300 copies were printed—was filled with personnel and road building items from the New Mexico Highway Department.

The journal soon became a monthly, supported by advertising and running about 40 pages. There was no charge for copies. By the early 1930's the magazine got a new name, the Sunshine State's Recreational and Highway magazine, and a price, 15 cents a copy or $1 a year. By the mid 1950's the popular publication's names was changed to New Mexico magazine and came under the New Mexico Department of Development.

As the magazine enters its 70th year, it is its own division within the New Mexico Department of Tourism. It receives no State funding. Each issue averages about 100 pages. Circulation has grown to 125,000 with a yearly subscription rate of $19.95. It is read in every State of the Union and has a healthy distribution overseas. It routinely wins awards for editorial writing, photography, and design. In fact, just this past week, the magazine won a Maggie Award—a coveted industry citation—for best black and white article in a competition among all western magazines in the country. In short, the magazine is well known in publishing circles and is considered one of the premier State publications.

I urge my colleagues to join me in wishing New Mexico magazine a most well-deserved 70th birthday.

SALUTE TO CHIEF JAMES McMULLEN

HON. ELTON GALLEGLY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. GALLEGLY. Mr. Speaker, I rise today to honor a leader in the campaign for fire safety as he retires as California's fire marshal.

James F. McMullen served the residents of the Golden State as fire marshal since 1985, capping a 30-year career in a variety of firefighting positions. As fire marshal, Jim was responsible for enforcing fire-related laws, investigating arson fires, providing training and education for firefighters, approving fire alarm systems and gathering data on fires and burns that occur throughout the State.

In addition, Jim has taught extensively in the community college and State training systems and holds a lifetime teaching credential, as well as a master's degree in public administration.

Jim also has served as chairman of the Governor's Special Arson Task Force and the State Board of Fire Services, and president of the National Association of State Fire Marshals. He is a member of numerous organizations, including the California Fire Chiefs' Association, the State Firefighters Association and the Lions Eye Foundation.

This year, the California Association of Homes for the Aging honored Jim as its public official of the year for his work on behalf of older Californians.

Mr. Speaker, Jim's many friends will be honoring him on April 11 for his work on behalf of fire safety. I urge my colleagues to join me in saluting him for his many accomplishments, and in wishing him well.

STANFORD'S WOMEN BASKETBALL TEAM WINS NCAA TOURNAMENT

HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. EDWARDS of California. Mr. Speaker, it is my distinct pleasure to join in commending the Stanford University's women basketball team for winning the NCAA Tournament.

In an era of highly competitive collegiate athletics, Stanford has performed the impressive feat of its second national championship in 3 years. Playing their second game in as many days, the Cardinal proved their stamina and determination in battling a very good western Kentucky team in a hard-fought game. For those of my colleagues who did not have the pleasure of watching the NCAA women's final on television on Sunday, both teams demonstrated the high quality of women's basketball in the NCAA today that merits continued national network coverage. I look forward to more of the same excitement and action in next year's tournament—with the same results.

Mr. Speaker, I commend to my colleagues an article highlighting Stanford's exceptional achievement printed in the New York Times on April 6, 1992.

PEPPIER STANFORD WINS WOMEN'S TITLE

(By Michael Martinez)

LOS ANGELES, April 5.—They hugged and shouted and cried when the game was over, and then they cut down the nets to remember the moment. What won that moment—and the national championship—for the Stanford women's team today was stamina.

The Cardinal had it. Western Kentucky did not.

Stanford pressed, raced, rebounded and never seemed to stop its frenetic pace, beating Western Kentucky, 78-62, to win the women's National Collegiate Athletic Association title in front of 12,072 at the Los Angeles Sports Arena.

Both teams had to turn around quickly after semifinal victories on Saturday, but Western Kentucky was less able to shake off its weariness. As a result, the Lady Toppers didn't press when they could have and didn't shoot well when they should have.

WE JUST DIDN'T SHOOT WELL

"In the first half, we got great shots," Coach Paul Sanderford said, "but we just didn't shoot well. Fatigue was part of the problem, Stanford's defense was part of the problem. But they gave us some good shots."

Western Kentucky's 29.6 shooting percentage was the lowest ever in a title game. Stanford shot just 40 percent but made 31 of 37 free throws and 10 of its last 12 after the Lady Toppers had narrowed a 24-point deficit to 9, 68-59, with three minutes left.

Stanford (30-3), which won its second national championship in three years under Coach Tara VanDerveer, has met its primary goals this season, except one.

PRESSURE COMES TOO LATE

"Our captains set some high goals, but there's still one left," VanDerveer said. "Getting on the 'Arsenio Hall Show' was last on the list. Maybe we'll get that one now."

Maybe. The Cardinal played as if it were Showtime today.

It led by 10 points in the first half, then made five of its first six shots to open the second half and extended the lead to 59-35 with 13 minutes 20 seconds remaining. But after Western Kentucky (27-8) outscored Stanford by 25-9 over the next 12 minutes, Sanderford wondered why he hadn't used a pressure defense earlier.

"I kick myself now for not pressing them earlier," he said. "I don't want to say we were passive, but I guess that's the word. It cost us. I was scared about our legs at the end of the game."

Sanderford said he was worried that his players might not be capable of keeping up a hectic defensive pace for 40 minutes. But Stanford, which pressed successfully, didn't seem bothered.

"Conditioning is a big factor," Cardinal center Val Whiting said. "We do a lot of sprinting before the season, and it seems kind of stupid, but it pays off. I don't know what other teams do, but I sometime feel like we're in better shape than they are."

They were today. Molly Goodenbour, who was named the tournament's most outstanding player despite going 3 for 10 from the field, did well protecting the ball after the Lady Toppers got close.

"I don't think there's anyone in the country who can run with Molly," VanDerveer said, "She's got legs."

A FRESHMAN RE-EMERGES

So did others. The front line of Whiting, Rachel Hemmer and Chris MacMurdo finished with 39 of their team's 51 rebounds, and four players scored in double figures, led by Hemmer's 18.

Stanford built a 10-point lead in the first half, 37-27, with help from freshman Rachel Hemmer, whose play in Saturday's semifinal victory over Virginia had been almost nonexistent.

Hemmer fouled out in 19 minutes and scored just 5 points against the Cavaliers, but she emerged as an inside force today. Despite two turnovers at the start, the 6-foot-3-inch forward made six straight free throws and later began a 10-0 Cardinal run with a layup. She also scored at the end of the burst, following her own miss with another layup.

By the break, Hemmer had 12 points, 8 rebounds and 1 steal. She and Chris MacMurdo, Stanford's other forward, totaled 17 rebounds, just 2 fewer than Western Kentucky's entire lineup.

The Lady Toppers remained relatively close only because of guard Kim Pehlke, who scored 11 in the opening half—she had 16 for the game, including 4 of 8 3-pointers—and made a brilliant spin move to the basket in the last few minutes of the half that cut Western Kentucky's deficit to 6 points, 31-25. But Stanford scored 6 of the last 8 points before the buzzer to lead, 37-27.

INTRODUCTION OF THE HATE CRIMES SENTENCING ENHANCEMENT ACT OF 1992

HON. CHARLES E. SCHUMER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. SCHUMER. Mr. Speaker, today I introduce the Hate Crimes Sentencing Act of 1992. This legislation would direct the U.S. Sentencing Commission to establish guidelines to increase the sentence for the commission of any Federal crime where the perpetrator was motivated by hatred, bias, or prejudice based on his victim's race, color, religion, national origin, ethnicity, gender, or sexual orientation. This act would result in an average increase of one-third real time served.

I only wish that such legislation was not necessary. But it is. The evidence is all around us.

A veritable epidemic of hate crime is sweeping through this Nation at an alarming rate.

In Raleigh, NC, a 24-year-old Chinese-American man is savagely beaten to death with the butt of a gun and a broken bottle by two white men who claimed they didn't like orientals.

The Yeshiva Kerem Schlomo in the Bath Beach section of Brooklyn is viciously desecrated when four fires are set, and three pentagrams and offensive slurs, such as Hail Satan, are scrawled throughout the building.

In Laguna Beach, CA, pipe-wielding skinheads, yelling "kill the faggot," beat a gay man unconscious and leave him for dead.

In Portland, OR, an Ethiopian man is clubbed to death by white supremacists.

These chilling examples illustrate the cancer of hate crime that is growing with each passing year. The sad statistics bear this out.

According to the Anti-Defamation League of B'nai B'rith, the number of anti-Semitic acts committed in this Nation in 1990—1,685 reported from 40 States and the District of Columbia—was the highest total ever reported since such records have been kept. The National Gay and Lesbian Task Force Policy Institute reported that anti-gay assaults in our major cities increased by 42 percent in 1990. Asian-Americans have noted a dramatic increase in anti-Asian violence as Japan-bashing has become fashionable.

We cannot rationalize these incidents as aberrations. Not when Presidential candidate Patrick J. Buchanan recently captured nearly 37 percent of the votes in a recent primary with a campaign centered around a homophobic TV ad. Not when David Duke's campaigns, laden with racist and anti-Semitic slurs, grabbed national headlines and nearly propelled him into office.

This is not the dream Revered King envisioned for America. Nor is it mine. It is time for Congress to fill the vacuum of national leadership on this issue and send a clear signal that hate crime is not the American way.

The States are already way out in front of the Federal Government on this issue. Currently, almost every State in the Union has some form of hate crimes statute. These crimes should not go unpunished under Federal law because of an omission in the sentencing laws. My bill would correct this defect. If a Federal crime, whether it be kidnaping, homicide, illegal possession of firearms or explosives, destruction of Government property, or any other Federal crime is motivated by hate, then under the bill, the court would be empowered to impose a stiffer sentence.

In 1990, the congress took a step in the right direction when it enacted the Hate Crimes Statistics Act. But simply knowing the depth of our problem is no longer enough. We must now act to catch up with the States and punish those who commit hate crime. I urge my colleagues to support this bill.

DECLARATION OF THE CROATIAN COMMITTEE FOR THE DEFENSE OF HUMAN RIGHTS

HON. JAMES A. TRAFICANT, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. TRAFICANT. Mr. Speaker, I submit the following declaration by the newly formed Croatian Committee for the Defense of Human Rights to the CONGRESSIONAL RECORD for the consideration of the Congress:

ZAGREB, FEBRUARY 24, 1992.

Setting forth the fact that the history of mankind is in fact an incessant struggle for the realization of elementary rights and freedoms and continuing the struggle for the affirmation of civil, political, economic, social, cultural, religious and other personal rights, the parliamentary parties represented in the Parliament of the Republic of Croatia declare that on February 24, 1992 they have formally inaugurated the Croatian Committee for the Defense of Human Rights with its headquarters in Zegreb, Trg Hrvatskih velikana 2/I.

This Committee's purpose is to promote, further and protect fundamental human rights proclaimed in Article 3 of the Constitution of the Republic of Croatia, i.e. freedom, equality, equality between national groups, social justice, respect of human rights, inviolability of ownership, preservation of nature and the environment, and the reign of justice and a multi-party democratic system.

It is natural for a responsible person to fight for his natural rights and to broaden the area of articulation of his rights. As far back as 1679, in the Habeas Corpus Amendment Act do we find the first legal rulings concerning the protection of the citizens of England from arbitrary arrest and prison detention, such that the Bill of Rights in 1689 would extend that protection to also include other rights of ordinary citizens. The American Declaration of Independence proclaims that all are created equal and that life, liberty and the pursuit of happiness are inalienable rights, and after the French Revolution, the Constitutional Congress of 1789 brings about the first European Declaration of the Rights of Man and of the Citizen which begins with the famous Article 1: "Men are created and remain free and equal in rights" and wherein Article 2 the four fundamental rights are enumerated, "freedom, ownership, security, and resistance to tyranny".

The General Assembly of the United Nations, at its meeting in Paris on December 10, 1948, accepted the Universal Declaration of Human Rights to which were carried over from the French Declaration of the Rights of Man elementary rights, though broadened to include protection of new human rights which, with the passing of time, have been affirmed. The United Nations' Declaration prohibits every racial, sexual, religious, social, political and property discrimination.

All human rights' principles from the UN Declaration were carried over into the Constitutions of democratic states and into the Constitution of the Republic of Croatia. This, however, at the same time does not mean that human rights are always being universally respected. To the contrary! We are witnesses to repeated violations of human rights on the territory of Croatia, due to the insufficient and ineffective functioning of a lawful state. War is not and cannot be an excuse for illegal arrests, unacceptable maltreatment of prisoners, breaking into people's apartments, the suspension of parts of the criminal-judicial process which determine the fundamental protection of man as an individual, for bringing about authoritarian statutes which imperil elementary human rights and which bring into question the protection of citizens from the arbitrariness of state organs and opens the door to a dictatorship and police state.

Protecting human rights should be stopping the executive branch from meddling with the judiciary, stopping citizens from being subjected to verbal lynchings and public threats by those responsible in public life and similarly. Everything must be done to free this land from unprofessional and incompetent people who have taken up the biggest offices and from there, because of their own hypocrisy, unscrupulously violate fundamental human rights. Their rise is the fall of our soul. To not do anything against that is destruction and defeat in an of itself.

Due to this, the opposition's recently founded Croatian Committee for the Defense of Human Rights has assigned itself the following priority duties for which to fight:

For holding free elections without the imposition of election laws;

For insuring the continuity of rights and of a lawful state;

For confirming an independent judiciary as the sole institution which makes determination about people's freedom;

For ending censorship of printed material and statutes on censorship empowered by law;

For cancelling military courts;

For changing citizenship laws;

For protecting victims;

For protecting new rights—ecological, health and others;

For independent television and radio.

The Croatian Committee for the Defense of Human Rights is the association of representatives in parity (2 each) of distinguished representatives of parliamentary parties. The Committee may have honorary members as well from the ranks of those so deserving for their defense of human rights in or outside of Croatia. By way of this declaration, those persons are invited to join the work of the Committee thereby contributing to the success of this Committee with their knowledge and moral support. The Committee is independent in its work but is authorized to cooperate with all such or similar committees in the world—Amnesty International, Human Rights Watch, Helsinki Watch and many others.

The opposition's Committee for the Defense of Human Rights is a completely different association from the Parliament's Committee for Human Rights which, unfortunately, has remained in a capacity of protecting the existing government and not the citizen.

That is why all citizens of Croatia are called upon to inform the Committee about observed violations of human rights at the following address: Croatian Committee for the Defense of Human Rights, Zagreb, Trg Hrvatskih velikana 2/I, either in writing or directly through a Committee representative.

The Croatian Committee for the Defense of Human Rights: Ljubomir Antic, Slobodan Budak, Dr. Filip Culo, Silvije Degen, Ante Djapic, Gordana Grbic, Dr. Jure Juras, Ivan Juricic, Drago Kastratovic, Dr. Asim Kurjak, Dr. Slobodan Lang, Mladen Mesic, Zvonimir Nikolic, Dobroslav Paraga, Zeljko Perokovic, Zlatko Seselj, Dafinka Vecerina and Gordan Nidovic.

A TRIBUTE TO REV. DEREK J. LAWRENCE

HON. LUCIEN E. BLACKWELL

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. BLACKWELL. Mr. Speaker, I rise today to celebrate a milestone in the Second Congressional District of Pennsylvania. On April 10, Rev. Derek J. Lawrence will celebrate his fifth pastoral anniversary at the New Psalmist Baptist Church in Philadelphia. His time at New Psalmist Church has been marked by his unselfishness and humanitarianism in his service to his community. It is indeed my pleasure to address my esteemed colleagues on the distinguished career of Reverend Lawrence.

Mr. Speaker, Rev. Derek Jay Lawrence was born on September 17, 1957, in Jersey City, NJ. As a dedicated Sunday school member, he demonstrated devotion to Christ and his teachings from a young age. In the early 1970's, Reverend Lawrence moved to Los Angeles, CA, where he joined the Christ is the Answer Church. At the age of 17 he answered the call of gospel ministry, and attended the Life Bible College of Southern California, where he received a bachelor of theology degree.

Mr. Speaker, Reverend Lawrence has given his life to spreading the word of God around the United States, conducting as many as 35 revivals a year throughout the country and leading local spiritual communities. In 1984, he was called to be pastor of the Second Nazareth Baptist Church in Philadelphia. During his tenure there, he oversaw major renovations, and phenomenal growth in membership, stewardship, and spirituality. His congregation drew inspiration from his strength and compassion, and, in 1986, the Philadelphia Evangelistic Bible School recognized his work with an honorary doctorate in theology.

Mr. Speaker, since 1987, Reverend Lawrence has served as pastor of the New Psalmist Baptist Church. In his first 5 years, the church's membership has swelled by over one thousand, and new ministries, such as a new drug counseling ministry, a food bank, and an outreach program have greatly enhanced the church's service to the community.

Reverend Lawrence is indeed a man who deserves our praise and respect. His exceptional career is marked by the enrichment of communities and the inspiration of his people through his tireless effort to spread God's message. It is once again my privilege to celebrate the fifth anniversary of his pastorage at the New Psalmist Baptist Church. It is my deep desire that with God's blessing the good works of Reverend Lawrence continue for decades to come. Mr. Speaker, I ask my colleagues to join me today in honoring Rev. Derek J. Lawrence.

ASSISTANT SECRETARY'S PERSPECTIVE ON YEAR OF THE AMERICAN INDIAN

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102–188 (S.J. Res 217, H.J. Res 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing for the consideration of my colleagues an essay written by Eddie F. Brown, Assistant Secretary Indian Affairs, U.S. Department of the Interior, and published in the winter 1992 edition of the magazine "Native Peoples."

GUEST ESSAY

(By Eddie F. Brown)

Nineteen ninety-two, the Year of the American Indian, is a celebration of and for our people. Nineteen ninety-two also marks the 500th anniversary of the single most profound event ever to occur in the long history of the original inhabitants of the Americas. It has been 500 years—half a millennium—since the world as our forbearers knew it was forever altered by the arrival of three small ships from Spain.

The fact we have emerged from that long ordeal as intact tribal societies gives evidence of our resolve as a people, and is a testament to the spirit—and the spirituality—which we have inherited from our ancestors.

Although we have persevered for this half millennium, Indian people in 1992 face new challenges and demands for change that threaten our unity and our existence as tribes. If we as tribal societies are to move culturally intact into and through the next half millennium, I am convinced that we must renew our spirit and fully reclaim our rich spiritual inheritance. Our forbearers respected visionaries, and their reality incorporated the vision as readily as we accommodate the tangible of the present.

When I speak of vision for tribal communities, I am not merely talking about better planning for the future, although that is a part of it. The vision I am talking about is a reaching, a passion, something that arises from the tribal instinct within all of us to accomplish a destiny that grows from a single-minded determination to make both dreams and desires happen.

The futurist Joel Barker has said, "Nations with visions are powerfully enabled; nations without visions are at risk." For Indian people, those words are not a new message, but ancient wisdom. It is a wisdom we carry in our souls, but a wisdom that we infrequently put into action.

History is replete with greatness that was built on dreams and desires, the handmaidens to inspiration. They are fuel to our minds, the fire of our souls, the first glimmer of the future.

During the Bicentennial observance in Washington in 1976, a friend drove into the city on the night of the Fourth of July to watch that historic celebration. Along the George Washington Parkway, he passed a family with a large, hand-painted sign. "We're not perfect," it read, "but we're not finished yet." I think of that sign often. It is a summary that guides our stewardship—it acknowledges at once both the past and the future, and reminds us that in a democracy, good work is never finished.

If there is a key to all of this, it is the education of Indian young people. Indian education now has a commitment not only from the Bush administration, but from the tribes as well.

For the first time in more than seven years, our Office of Indian Education Programs has a permanent director, and a set of specific goals and objectives designed to move Indian students up to or above the national average in achievement test scores by the year 2000. Already we have seen a rise in test scores. Nearly half of our schools are included in the new Bureau Effective Schools Program, building close involvement of parents and local communities; ten schools participated in a pilot Exemplary/Recognition Program in 1988–89 which will provide direction for other Indian schools. A new Early Childhood Program, designed to ensure every three to five year old child enters school ready to learn, is being implemented at the tribal level. BIA schools have funding for a Gifted and Talented Program. The list goes on.

We have the dreams, the desires, the vision, the greatness and the inspiration—an unbeatable combination.

Along with President Bush, I want to see tribal governments take their rightful place as nations that sit in positions of dependent sovereignty with all the other governments that compose the family that is America. All of us must co-exist on an equal level.

I harbor no illusions about the nature of the work that lies ahead. I do know that for every complicated issue, there is a solution that is neat, simple—and probably wrong. There will be no rush to judgement.

We have begun to fashion the answers. Real reforms have been put in place and we must give them time to work. I'm confident they will.

There is a final component to all of this—a thing called hope. Indian people abound in it. That hope can be a vision that will bring us to our rightful seat among governmental entities, united with all the others as part of the union that is America.

We are honored that the nation has designated 1992 as the Year of the American Indian. May we, as Indians, honor ourselves by expanding on that to make 1992 the Year of the American Indian Vision.

RICHARD SCHIFTER LEAVES AN HONORABLE LEGACY IN THE FIELD OF HUMAN RIGHTS

HON. DOUG BEREUTER

OF NEBRASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. BEREUTER. Mr. Speaker, after 6 years of distinguished service, Ambassador Richard Schifter is retiring from his position as Assistant Secretary of State for Human Rights and Humanitarian Affairs. For the last 3 of those years, this Member worked closely with Ambassador Schifter in my capacity as ranking member of the Human Rights and International Organizations Subcommittee. Having worked so closely with Ambassador Schifter, this Member can testify to his positive impact on U.S. human rights policy.

During his tenure as the point man for human rights, Ambassador Schifter has been in the center of one of history's greatest shifts in democratic values. When he assumed your position as Assistant Secretary, there were dictatorships throughout South America, civil war in Central America, communist repression in Central and Eastern Europe, and a near-absence of democracy on the African continent. Now, 6 years later, many totalitarian regimes have been toppled, and the few remaining dictatorships are under siege.

Ambassador Schifter's efforts have borne remarkable results. This body can only hope his successor meets with similar success.

And yet, Mr. Speaker, the world faces real problems, and this body must think about how best to respond to these challenges. If we are unable to come up with effective responses to these challenges, the successes of recent years will surely be short lived.

In a recent speech before the U.N. Human Rights Commission, Ambassador Schifter discussed the successes of the past, and the challenges of the future. I insert this important message into the CONGRESSIONAL RECORD, and commend it to his colleagues:

STATEMENT BY RICHARD SCHIFTER, ASSISTANT SECRETARY OF STATE FOR HUMAN RIGHTS AND HUMANITARIAN AFFAIRS

When the General Assembly voted on the Universal Declaration of Human Rights on December 10, 1948, six of the abstentions came from countries espousing Marxism-Leninism as their official ideology. In the decades that followed, these countries opposed many efforts by the international community to translate the principles of the Declaration into a consistent program of meaningful activity in support of the cause of human rights.

This was still the case six years ago, when I last addressed this Commission. None of us then anticipated the radical changes that would come about in the period immediately ahead, directly affect the essence of the work of this Commission. We most assuredly live in a different world today, a world in which the standards set by the Declaration are more highly respected around the globe than they have been at any time in the forty-three years since its approval by the United Nations General Assembly.

As we all know, the progress which we have witnessed in recent years in the field of human rights does not mean that this Commission should consider its task concluded.

There are a great many problems which continue to face the world stemming from the abuse of human rights. These include problems posed by countries which imported Marxist-Leninist philosophy from abroad and which seek to preserve this import in spite of the fact that it has been totally abandoned in the place of its origin.

But even in those countries, the rhetoric has changed from what it used to be. They see the need to justify their actions in terms of the basic ground rules of human rights. Last November one of the countries which still espouses Marxism-Leninism issued a comprehensive document, a White Paper, on the subject of human rights. That document spoke affirmatively of the Universal Declaration. But it set forth a number of propositions and made certain allegations, which we need to discuss and in some instances seriously challenge. By submitting these propositions and allegations to thoughtful analysis, we can indeed make a useful contribution to the cause of human rights.

Let us begin by focusing on the argument that the right to subsistence is the foremost human rights. It is an argument which has often been advanced in this Commission. No one can quarrel with the proposition that a person who has starved to death will not be able to make use of the right to freedom of expression. But where does this proposition and similar contentions concerning economic and social issues lead us in the context of a human rights debate?

We all, I am sure, agree that one of the major responsibilities of a government is to help provide a sound foundation for a prospering economy and social progress. In the democratic world many contests for public office turn on the economic and social programs offered by competing candidates. They are the very essence of the political debate, leading to the election of those candidates viewed best able to effect economic improvement. By contrast, where a government and a political party maintain a monopoly, where alternative approaches to economic and social policy may not be debated, the political competition that assures progress is suppressed. What recent history has so clearly demonstrated is that open, rather than close, societies have proved consistently best able to raise standards of living.

We are, therefore, ready to subscribe enthusiastically to the proposition that respect for civil and political rights, for free speech and free elections, goes hand in hand with economic progress. We would not shy away from going further in this discussion, but ask whether that should be doing under the rubric of human rights. Some years ago, on the floor of this Commission, I pointed out that Stalinist agricultural practices of collective farming retard food production and thus endanger subsistence. The command economy and its inefficient industrial complexes, which produce shoddy goods, have held back economic development in many parts of the world. By contrast, where a government discards command economic practices, we have seen that a people's natural entrepreneurial spirit blooms and everyone benefits. But is the Commission the place in which these questions can be constructively debated? Should the issues of economic management not be referred to appropriate expert bodies, while we discuss the way of laying a foundation for economic development, namely, the creation of a free society?

Let me now turn to another contention in the White Paper, that a country's human rights situation should not be judged in total disregard of its history and national conditions and that it cannot be evaluated according to a preconceived model or the conditions of another country. We agree. A good many of you may be familiar with the United States Supreme Court's Miranda decision, which requires policemen, when they arrest a person, to inform him of his right to remain silent. We do not believe that the Miranda rule must be observed universally. It does not reflect an international standard. Other countries, too, have special rules protecting human rights, which similarly do not reflect international standards.

But Article 5 of the Universal Declaration, for example, says that "no one shall be subject to torture or to cruel, degrading or inhuman treatment or punishment." Compliance with this highly important article should surely not depend on a country's history and national conditions. Every country has a moral tradition which echoes this commitment and every government has a duty to stamp out such treatment. A mere declaration that torture is not official policy does not constitute compliance if a blind eye is turned toward officials engaged in that egregious practice.

Article 20 of the Declaration provides for freedom of peaceful assembly. It does not condition that freedom to assemble on the uttering of politically correct thought or cheering the current ideological line. The use of violent force to disperse a peaceful assembly cannot be justified on the basis of history and national conditions.

Article 19 assures everyone of the right to freedom of opinion and expression and to seek, receive and impart information. That Article is not complied with by contending that in a given country "ideas alone do not constitute a crime." Article 19 does not protect only the right to hold opinions. It protects the right to express them, to impart information. Article 19 is violated if one can receive long prison terms for putting up a poster on democracy or sharing one's ideas about freedom. History and national conditions should not prevent a person from giving full peaceful expression to his or her beliefs.

There are real dangers when freedom of expression can be restricted by law. These restrictions are brought into play by making it a crime to express so-called counter-revolutionary ideas, thus allowing a government to label a political dissident a criminal. What makes an idea counter-revolutionary? Is it telling truths about what some people may view as a government's findings? Should people be jailed who ask the government to change its policies, to end corruption, for example? Why should criticism of governmental wrongdoing be seen as counter-revolutionary activity, leading to long prison terms? Isn't that approach precisely what leads to stagnation, as the experience of many countries has vividly demonstrated?

I have dwelled a great deal on the right to freedom of expression because of the fact that many other rights flow from it. Let me deal briefly with a few other issues raised by the Leninist approach to human rights. We are told that human rights are being respected when a country prohibits taking people into custody illegally or searching a person's body or house illegally. That sounds fine until we ask what the law allows in that regard. We discover that the public security organs have unbridled discretion to detain and to search. And they can hold a person in detention for many months before taking the next step of issuing a formal arrest order. Do these practices meet the standards of Articles 9, 11, and 12 of the Universal Declaration. We do not believe they do.

As to freedom of conscience and religion, assured by Article 18 of the Universal Declaration, we are told in the White Paper that domestic religious believers oppose any outside control or interference in their internal affairs. But freedom of conscience means the government does not legislate on behalf of the religious believers or make decisions on their behalf. If members of the Catholic faith, for instance, which to retain spiritual ties to a religious leader in Rome, the government has no right to deny it. No government has the right to imprison members of the clergy who refuse to abide by laws restricting their freedom of worship or their freedom of conscience by restricting contacts which transcend geographic boundaries. Such interference contravenes not only the Universal Declaration but also the Declaration against Religious Intolerance adopted by the United Nations General Assembly in 1981 after many years of preparatory work by this Commission.

Thus, when we deal with countries which at this late date still adhere to Leninist doctrine, we are dealing with a broad pattern of contravention of internationally recognized human rights, rights clearly spelled out in the Universal Declaration of Human Rights. The need to subsist and to develop economically reinforces the importance of respect for fundamental freedoms. It most certainly does not offer an excuse for their violation.

Let me now deal with a final point, the contention that discussion of a country's failure to abide by international human rights standards constitutes improper interference in the internal affairs of a member of the United Nations, in contravention of Article II, Section 7, of the United States Charter.

The argument is one which we have heard frequently in this Commission. But it comes forty years too late. The argument was initially advanced by South Africa when the United Nations system began to concern itself with the issue of apartheid. But as long ago as 1952 the United Nations decided, nevertheless, to focus attention on apartheid, maintaining such attention across the decades and with the support of the Leninist countries which were quick to criticize others' interest in their own approach to human rights.

Article II, Section 7, provides for non-interference only in matters which are "essentially within the domestic jurisdiction" of member nations. The United Nations Charter, whose authors were highly aware of the tragic human rights violations perpetrated during World War II, pledged the organization in Article I to the promotion and encouragement of respect for human rights and fundamental freedoms. The text made it clear that human rights problems would no longer be considered as essentially within domestic jurisdiction. Human rights violations are of concern to the international community whether they cause a person to be barred from a public accommodation because of the color of his skin or whether they cause a person to be incarcerated for organizing religious observance or for putting up a big character poster extolling democracy.

PENNSYLVANIA NATIVE NAMED TO COLLEGE FOOTBALL HALL OF FAME

HON. PAUL E. KANJORSKI

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. KANJORSKI. Mr. Speaker, I rise today to pay tribute to a sports legend from my district. This year, Lou Michaels will be inducted into the College Football Hall of Fame at a ceremony on April 29 in New York City.

Lou distinguished himself early at Swoyersville High School where he played football in his freshman and sophomore years. He then attended Staunton Academy in Virginia where he played varsity football for the remainder of his high school career.

He enrolled in the University of Kentucky and impatiently waited out his freshman year ineligibility and then started as an offensive tackle, defensive tackle, linebacker, punter, and kickoff man for 3 years. Lou still remembers fondly the Kentucky-Tennessee game in his senior year, when he was credited with single-handedly winning the game with 95 percent of the tackles. He earned All-America recognition for all 3 years. Although, Lou made the Seven-Up All-America First Team in his sophomore year and was a consensus All-American as a junior; he feels his greatest collegiate honor was being named Southeastern Conference Player of the Year in 1957 when he beat out LSU's Jimmy Taylor for the top honor.

Michaels was the Los Angeles Rams' No. 1 draft choice in 1958 and played defensive end for three seasons. In 1961, he was traded to the Pittsburgh Steelers and the next season, he broke Lou Groza's field goal record by kicking 26 field goals in one season. Among the many honors bestowed upon Lou during this period was the prestigious Dapper Dan Award, which is awarded to the outstanding athlete of the year.

In 1964, Lou went to play for the championship team of the Baltimore Colts until 1970. He played for a season with the Green Bay Packers until his retirement in 1972. Besides having his number 79 retired by the University of Kentucky coach Blanton Collier, Lou was honored by the Baltimore Colts by being named to the 25th anniversary team in 1977, the Pennsylvania Sports Hall of Fame in 1989, and most recently to the College Football Hall of Fame who will formally induct him this coming December.

Mr. Speaker, on April 29, Lou Michael will be honored by his friends, family, and colleagues for his outstanding athletic career. I am pleased to have this opportunity to join them in recognizing his accomplishments.

THE RHODE ISLAND STATE SENATE SALUTES THE MILKEN FAMILY FOUNDATION FOR ITS SUPPORT OF EDUCATION IN RHODE ISLAND

HON. JACK REED

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. REED. Mr. Speaker, I rise to join the members of the Rhode Island State Senate in recognizing the Milken Family Foundation's support of innovative Rhode Island educators.

The Milken Family Foundation is dedicated to seeking out, supporting, funding, and recognizing educational professionals and programs. It also works to increase interest in careers in education and assist those who want to become educators.

In 1987, the foundation instituted an award program for California educators. Today, this program now recognizes teachers, principals, and administrators who represent the best and brightest in 12 States, including Rhode Island.

The foundation has also assisted the Todd Morsilli Fund of Warwick, RI. This fund was created after young Todd Morsilli was killed by a drunk driver. The foundation's support allows Todd's parents to visit area schools to discuss the tragic consequences of drinking and driving.

I urge my colleagues to join me in saluting the Milken Family Foundation and its unflagging support of educational excellence in America.

SALUTING THE TRIO PROGRAM IN INDIANA

HON. TIMOTHY J. ROEMER

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. ROEMER. Mr. Speaker, I rise today to recognize the success of the TRIO programs in Indiana colleges and universities. I am a strong supporter of the TRIO programs and their early intervention efforts designed to help more young people from disadvantaged backgrounds, or first-generation college students, pursue postsecondary education opportunities.

Last year, the Subcommittee on Postsecondary Education, of which I am a member, conducted 45 days of hearings on the reauthorization of the Higher Education Act of 1965, which includes the TRIO programs. I was pleased that representatives from the University of Notre Dame and others were able to participate in several of the hearings which focused on the effectiveness of the TRIO programs. Without exception, all of the witnesses testified in support of the TRIO programs, and the importance of informing students and their families about the availability of financial assistance for postsecondary education early in their school years.

In July 1990, the General Accounting Office issued a report entitled, "Gaps in Parents' and Students' Knowledge of School Costs and Federal Aid" which pointed out that only 12 percent of all high school sophomores knew about the existence of Pell grants, and only 8 percent were aware of Stafford loans. I believe that this report points out the critical need for information, counseling, and early outreach activities to ensure equal educational opportunities for all students. Since the early days of the program, TRIO has been effective in identifying eligible students and providing the necessary support services which promote access to college.

The success of the TRIO programs, which include talent search, upward bound, special services for disadvantaged students, educational opportunity centers, the Ronald E. McNair Post-Baccalaureate Achievement Program, and staff training and program evaluation, is attested to by the broad bipartisan support the programs receive in Congress. In fact, the 1992 higher education amendments, which recently passed the House of Representatives, significantly strengthen the TRIO programs. These programs are viewed as integrally related to financial aid programs, and have enabled students throughout the Nation to achieve their goal of equal access to higher education.

There are currently 26 TRIO programs in Indiana, consisting of 11 student supportive services programs, 7 talent search programs, 6 upward bound programs, 1 educational opportunity program, and 1 Ronald E. McNair achievement program. These programs have been proven time and again to assist economically disadvantaged students attain their goal of attending and graduating from an Indiana college or university.

Mr. Speaker, in closing I would like to commend the University of Notre Dame for hosting the fifth annual National TRIO day recognition program on February 29 of this year. I appreciate the opportunity to recognize and support the TRIO programs, which assist young people in Indiana and all across the country in pursuing academic goals that lead to successful postsecondary education opportunities.

UNITED STATES' ENTRY INTO WORLD WAR I

HON. NICHOLAS MAVROULES

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. MAVROULES. Mr. Speaker, 75 years ago the United States was plunged into one of the bloodiest wars in modern history. On April 6, 1917, following months of unrestricted submarine attacks on neutral shipping, Congress voted to enter World War I on the side of Britain, France, and other allies. With a 3 a.m. vote to support President Woodrow Wilson's request, America was thrust into the war to end all wars.

To the tune of "Over There," millions of Americans marched to battle, endeavoring to protect American lives and pursuing a rapid end to the devastating carnage that afflicted the globe. America's Armed Forces totaled 4,800,000 men, and over 2 million served as members of the American Expeditionary Force under Gen. John J. "Blackjack" Pershing.

Additionally, more than 116,500 American soldiers were killed, and more than 200,000 suffered injuries. Thousands more were never found. Casualties resulted from bombardments, minefields, sunk shipping, and the agony of gas attacks. Today, we pause to commemorate those who fought and died upon the seas and on the fields of Argonne, St. Mihiel, Belleau Woods, and other battlefields across Europe. We must never forget the ultimate sacrifice that these Americans paid for their nation. We also honor those who survived the ordeal of battle, from the early aircraft pilots to the men who suffered the burden of trench warfare. Even today these veterans stand as proud reminders of the bravery exhibited by our Armed Forces during this difficult time. We pray fervently that the world learn the lessons of this and every war, and act to prevent such devastating bloodshed from further tormenting mankind.

THE OCCASION OF JOE SESTO'S 80TH BIRTHDAY

HON. ROBERT J. LAGOMARSINO

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. LAGOMARSINO. Mr. Speaker, I rise today to pay tribute to Mr. Joe Sesto, who turns 80 years old today. Joe was born Easter morn in Omaha, NE on Apr. 7, 1912. He graduated from Creighton University Preparatory School and attended Iowa State University at Ames, IA, majoring in general engineering. He later attended Purdue University to study industrial psychology, and subsequently qualified as a psychological employment placement counselor.

After several years as an active community member in Omaha and Chicago where he worked in the insurance industry, Joe packed up his family and moved to Santa Maria in my congressional district in 1950. Since that time, Joe Sesto's footprints have been all over the area. His honors and accomplishments have been manyfold, from serving the Mission Boy Scouts Council to being the chairman of the local American Heart Association, for which he received the Gold Medallion Award. In 1954, Joe was president of the Santa Maria Valley Chamber of Commerce. He was the founding president of the economic development association in 1960. He was chairman of the Ways and Means Committee for the construction of the Marian Medical Center. As chairman, Mr. Sesto has been acknowledged as the prime mover in the designing, financing, and construction of the center. Joe has served on the county grand jury, the county arts commission, the county health commission, the city of Santa Maria Planning Commission, as chairman for the development of the cultural facilities, chairman for the bond drive to build Hancock College Performing Arts Theatre, and past president of the Robert Goddard chapter of the Air Force Association. Joe at the ripe young age of 80 continues to serve on nine community boards.

In 1957, he met Gen. Bernard Schriever at Camp Cooke, who announced the base was to be taken over by the Air Force and named Vandenberg Air Force Base. Since then, Joe, as chairman of the military affairs committee, has been liaison to the base. His Air Force commitments have brought him commendations and recognition; he has received national, State, and local awards for his Air Force Association activities. Vandenberg's legendary friend has received the Exceptional Service Award, the highest civilian award given by the Air Force. Lt. Gen. Donald Aldridge named Joe honorary missileer at the 1990 Missile Competition. Joe's greatest honor occurred on April 25, 1986, at a quarterly awards function held in the base auditorium when Gen. Jack L. Watkins rededicated the building as "Sesto Auditorium."

Mr. Speaker, I urge my colleagues to join with me today in wishing my long-time constituent, and very good friend, Joe Sesto, a very happy 80th birthday, with many more to come. I wish him and his wife, Philomene, all the best.

A CONGRESSIONAL SALUTE TO WAYNE BETTIS

HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. ANDERSON. Mr. Speaker, I rise today to pay tribute to a remarkable man, Mr. Wayne Bettis, a long-time friend to the greater Los Angeles area. In recognition of his enormous contributions to our community, Mr. Bettis will be honored by the Boy Scouts of America as the 1992 recipient of the Harbor Distinguished Citizen Award. This occasion affords me the opportunity to express my sincere gratitude for the work and services he has so graciously provided.

Born in Santa Ana, CA, Wayne and his family moved to San Pedro in 1942. He attended the Seventh Street School, Dana Junior High School, and San Pedro High School where he displayed his athletic prowess as a member of the swimming, tennis, and football teams. Upon graduation, Wayne entered Harbor College, where he served as a member of the student council, president of his fraternity, and chairman of the interfraternity council. Upon receiving his AA degree, Wayne attended Long Beach State College until he was drafted into the U.S. Army in 1956. Stationed in Fort Carson, CO, Wayne was the NCO in charge of officers records for the 9th Infantry Division. It was while serving his country, that Wayne married, in August 1957, the light of his life, Barbara Hall.

Following his service experience, Wayne joined his father and brother, Jim, in the auto repair business, "101 Bear Service". He remained with the auto repair business until 1967 when he left to become an insurance agent with State Farm Insurance Cos. After taking over as agency manager in Culver City, Wayne moved this agency to his home in San Pedro.

In addition to his commitment and service to State Farm, Wayne has been active in community service as well. He joined the 20–30 Club in San Pedro in 1959 serving as president, district lieutenant governor, and district governor. He joined the San Pedro Optimist Club in 1971 and was its president from 1973 to 1974. Wayne also became a member of the San Pedro Lions Club in 1979, where he has chaired many committees and served as president from 1986 to 1987. He has been a member of the board of directors and chairman of booth operations for the Fisherman's Fiesta. Currently, Mr. Bettis is vice president of the board of directors for the Salvation Army.

My wife, Lee, joins me in extending our thanks to Mr. Wayne Bettis for his many contributions to our community. We wish Wayne, his wife, Barbara, their three children, Gary, Kristy, and John, and their respective spouses Lori, Dan, and Dianne, and his grandchildren, Melissa, Jacob, Erik, and Jeffrey all the best in the years to come.

IMPORTANT REFORMS NEEDED IN HOUSE

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. CAMPBELL of California. Mr. Speaker, we all acknowledge that the House of Representatives faces a major crisis. At this time, I believe that we should restore the fundamental purpose of this body. The name itself, "House of Representatives," indicates that this body was meant to represent the people. The Founders did not envision a detached institution. We must ask, I believe, the following question: How can we make this House a truly representative body once again? I believe that we can do so by enacting important reforms, especially term limitations.

Mr. Speaker, the House leadership has paid significant attention to the resignations of certain House employees. However, it has not yet recognized that other employees—the Members themselves—should have finite terms of employment. As I have already noted, the Congress needs to eliminate its institutional isolation. Is this possible if Members can spend decade after decade within the confines of the beltway? I certainly do not think so.

We can solve the inherent problems of an entrenched elected bureaucracy by eliminating the entrenchment. The term limit would emphasize that we are here for one purpose—to represent our constituents—and that we should make the most of the time we have because it will not last forever. This is not a radical theory, just simple common sense. I propose 4-year terms for Representatives, with a maximum of three terms. That will also have the benefit of cutting the cost of campaigns in half—they will come less frequently by half.

Of course, there are other necessary reforms. And we should not ignore past progress. When Congress eliminated honoraria, we took an important step to curb abuses of power. We should proceed from here to eliminate other special privileges held by House Members. If Members of Congress continue to have privileges that our constituents do not, it will be impossible to restore the people's confidence in the people's House. We need to pass legislation like H.R. 3555, which presently has over 40 cosponsors and which I was proud to cosponsor last November. By eliminating special privileges, the House can enact a key part of comprehensive congressional reform.

Mr. Speaker, let's move ahead. Let's enact term limitations and recognize that we need to restore the faith in this institution. Let us, above all else, recognize that the only worthwhile privilege we have is the privilege to represent our constituents.

TRIBUTE TO DR. ISAAC ASIMOV

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. GREEN. Mr. Speaker, I rise today to pay tribute to the memory of my constituent, Dr. Isaac Asimov, whose career as an author and biochemist has distinguished him as one of the great intellects of our age. Dr. Asimov passed away in New York City yesterday.

In 1938, when Dr. Asimov wrote his first story, he began a career which has since produced almost 500 books and many times more short essays and articles. His books have dabbled in subjects of the most astonishing diversity, ranging from science fiction to Biblical interpretation to historical documentary.

As an author of science fact, Dr. Asimov could explain the most abstruse of scientific mysteries even to the neophyte. His role as the plain clothes professor introduced to many the complexities of mathematics and the wonder of the genetic code.

Dr. Asimov was conscious of technology's effect on mankind. The science of robotics, a term which he coined, was deeply intertwined with many of his writings.

I should like to offer my respect and admiration to Dr. Asimov and encourage all my colleagues to recognize him for enlightening the minds of so many readers with his wisdom. My condolences to the Asimov family.

TRIBUTE TO THE BLOOMINGTON HIGH SCHOOL MARCHING RAIDERS

HON. THOMAS W. EWING

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. EWING. Mr. Speaker, I wish to congratulate the Bloomington High School Marching Raiders from Bloomongton, IL. They have traveled to Washington, DC, to participate in the 1992 National Cherry Blossom Festival Parade on April 11, 1992. They will be representing our great State of Illinois, and those of us from central Illinois and throughout the State are very proud of their accomplishments.

Under the leadership of Ms. Ann Gore, the Marching Raiders have worked long and hard to be selected to represent Illinois in the annual Cherry Blossom Parade. Their determination and dedication to excellence have paid off. As they march through our Nation's Capital this weekend I know that all the long hours of practice and rehearsal will have been worth it to the Marching Raiders. Their friends and families back home will surely be proud of them.

I am honored to recognize the members of the BHS Marching Raiders and commend them for their talent and determination.

IN RECOGNITION OF CROATIAN, SLOVENIAN, AND BOSNIAN INDEPENDENCE

HON. WILLIAM O. LIPINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. LIPINSKI. Mr. Speaker, I was pleased to hear this morning that the administration has recognized the independence of Croatia, Slovenia, and Bosnia. I had been waiting almost a year for this to happen. Considering the death and destruction of the Yugoslavian civil war, I'm sure the wait seemed even longer for the citizens of these young states. I congratulate President Bush and Secretary Baker for finally taking this important step.

The United States was the last of the major Western powers to recognize these nations. The European Community recognized Croatia and Slovenia in January, and Bosnia just yesterday. The long wait for American recognition was frustrating, but I am gratified the administration now understands that freedom for these states is inevitable. American recognition will have a major impact in the effort to gain a lasting peace in the region.

The good news of United States recognition was, however, tempered by the latest actions of Serbian forces. Serbs in northwestern Bosnia have declared their independence from Bosnia and have vowed to join Serbia in a new Yugoslavian state. This tiny nation is divided equally by Muslims, Serbs, and Croatians, and a Bosnian civil war would be devastating. This uprising closely mirrors the Serb uprising in Croatia, which has left more than 10,000 dead and hundreds of thousands homeless. I am afraid the devastation will spread to Bosnia if the Serbs are not stopped.

Despite the continuing conflict in Bosnia and Croatia, there is reason for optimism because we have seen real progress in the peace process. The United Nations has begun to deploy 14,000 peacekeeping troops into Croatia. The cease-fire of January 3 has stopped much of the bloodshed. And the size and scope of the fighting has decreased. What we have now are small skirmishes instead of full-scale war.

So, Mr. Speaker, there is a lot of work to be done in the former Yugoslavia. American recognition of Croatia, Slovenia, and Bosnia is an important step, but only the beginning of a long process. I call on the administration to more forcefully join with the European Community in negotiating a permanent peace treaty and again offer my congratulations for this morning's announcement.

RICHWOODS KNIGHTS: AN IMPRESSIVE TEAM

HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. MICHEL. Mr. Speaker, I would like to bring to the attention of our colleagues the outstanding basketball playing of the Richwoods Knights from Peoria, IL, in the AA boys State championship and during their entire season.

Although some thought they would not make it to the State championship level, the Knights made it to the championship game. They showed a high level of energy, enthusiasm, and good sportsmanship. This is a team all of Peoria can be very proud of.

At this point I would like to insert into the RECORD an article by Bob Leavitt of the Peoria Journal Star, "Knights Stall Out in Final," and congratulate the Knights and coach Hammerton for a job well done.

[From the Peoria Journal Star]

KNIGHTS STALL OUT IN FINAL

(By Bob Leavitt)

CHAMPAIGN.—The colors of the Peoria team in the Class AA boys state basketball championship game may change like the seasons.

But Saturday night in Assembly Hall, for the fourth time in the last decade, the color of Peoria's trophy remained the same—second-place silver.

That's because the other school in the 21st large-school title game remained the same.

Maywood Proviso East (33–0) made Richwoods (30–3) its 57th consecutive victim, 42–31.

Added to last year's title win over Manual, this one made Proviso East only the second back-to-back title winner in AA history.

East St. Louis Lincoln owns the state-record run with a threepeat, going triple-overtime for the third title in 1989 against yet another Peoria team, Central.

"Just like last year, the longer Proviso played down here the better they got," Richwoods coach Wayne Hammerton said.

Richwoods tried to shorten the title game, especially after Knights all-stater Troy Taylor picked up three fouls the first 5:16.

"The spread has been our best offense all year," Hammerton said of a 30–3 season. "But Proviso is just so strong inside, even after you get it there."

Proviso took away Richwoods three-point threat Frank MacIntosh after he made his second trey for a 9–6 lead.

Fouls took away Taylor. And Pirates all-state center Jamal Robinson took away Richwoods forward Sean Kimble (11 points on 5-for-15 shooting).

"I feel like I could go out and play another game right now," said Robinson, who blocked three of Kimble's layups and terminally terrified five others.

"If it's possible for an undefeated team to be underrated," Hammerton said, "I think it's them."

Richwoods started in a four-corner offense, which turned into a flat-out stall with Taylor's early exit.

But patient Proviso scored 17 of the next 22 points to lead 29–18 after three quarters.

"They're so good in their spread I didn't want to risk going out after them," said Proviso coach Bill Hitt.

"As long as we were ahead, we were going to stay back. As long as they could stay close with Taylor on the bench, they had to hold it. Those early fouls really hurt them."

MacIntosh took game scoring honors with 15 points, 11 by the time the score was tied at 16.

Robinson topped the Pirates with 12. With Taylor in foul trouble, only the stall could guard him. And nothing could keep the 6-4½ jumping jack from 12 rebounds.

Hammerton had picked up his 500th coaching victory in the semifinals Saturday afternoon, but he hardly had time to savor it.

He viewed the milestone merely as a stepping stone. Hammerton had already tried the third-place game and found it lacking.

"I remember finishing fourth in 1975," Hammerton said of the Knights' only other final-four trophy.

"In almost four months, we'd lost only one game. Then we lost two of them in about six hours."

There were no double knockouts Saturday.

A moment or two after the final buzzer, Richwoods center Greg Clore told the story of the title game.

He picked up the ball and flipped it at the basket. Like the seven shots the classic overachiever took in the game, this one also refused to cooperate.

"After a couple games this season, I thought we could get this far," Clore said.

MacIntosh wound up with the new IHSA award for individual sportsmanship, if only for shaking hands with every player who knocked him down this weekend.

"Not too bad for a team some people didn't think should be down here," MacIntosh said of a squad not picked to win its own conference.

INSIGHT INTO NATION'S HEALTH CARE PROBLEMS

HON. ROBERT E. ANDREWS

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. ANDREWS of New Jersey. Mr. Speaker, recently I had the good fortune of meeting with Mr. Jeffrey Moll, the president of Beth Israel Hospital in Passaic, NJ. Mr. Moll has great insight into our Nation's health care problems, and the role of hospitals in an efficient health care system. For the RECORD, I would like to submit an editorial by Mr. Moll which recently appeared in the Bergen County Record.

(By Jeffrey Moll)

Traditionally, the strength of New Jersey hospitals has been measured in terms of the number of inpatients compared with the number of beds.

This view has been a standard for many hospital administrators, managers, and board members, as well as market analysts. It is on this perception that the usual course of market growth has been based—typically, the expansion of the hospital campus itself.

Interestingly enough, many analysts and state officials continue to define a hospital's primary assets in terms of its physical plant and bed capacity. However, most managers have begun to realize that this standard no longer applies—that "the bed is dead" within the health-care market.

Lately, the primary growth in hospital activity nationwide has been in outpatient services.

Although 90 percent of a hospital's business may have been inpatients 15 years ago, that figure is declining. According to statistics released by the New Jersey Hospital Association, the length of inpatient stays has decreased 16.5 percent since 1980, while outpatient visits have increased 63 percent.

In fact, gross outpatient revenue at New Jersey hospitals has increased approximately 232 percent in 10 years, compared with a 99 percent increase in inpatient revenues.

This change within the market has forced administrators to revise their health-care concepts and explore the potential for expanding beyond their traditional four walls.

Although health care is a necessary community service, it is also a business, and basic business practice dictates that services be tailored to meet market demand.

The market is now requiring medical facilities to reach out to the community. No longer does strategic planning simply translate into physical expansion, with the intent of accommodating larger inpatient populations. Those who wish to survive in the struggling New Jersey economy must reevaluate their strategies and adopt new policies that meet the growing realities of the health-care market.

Many hospitals have already begun to respond to these demands. In fact, the surge in programs conducted off hospital grounds illustrates industry efforts to adjust to the market. For instance, although house calls are a thing of the past for lots of doctors, many New Jersey hospitals have resuscitated similar services to accommodate changing needs.

Home health care in this state has undergone overwhelming growth, with nurses, dietitians, and other practitioners visiting patients.

Beth Israel alone had a 30 percent increase in such visits in 1990 compared with 1989, which was already up 20 percent from the year before. In the first eight months of this year, the hospital has been responsible for 80,000 visits to patients' homes—a 35 percent increase over last year.

Many hospitals are also starting to develop other forms of community programs. For example, some send medical vans directly to high-density neighborhoods that are often low-income as well. Immunization, screenings, physical exams, and health education will soon be conducted on location, often at a work site.

In addition to conducting extensive education programs at the workplace, many hospitals conduct screenings for cancer, substance abuse, high cholesterol, and other disorders.

Many hospitals have begun to establish satellite offices. Off-site medical centers are becoming the norm rather than the exception, gaining significant popularity and credibility with patients.

The rise in "urgent care" facilities showed the industry that such programs were not only possible but necessary. Convenience is an important priority in today's society so alternative medical care is welcome.

The perception of quality care no longer centers on a hospital bed. Patients who once used emergency rooms (sometimes inappropriately) are now using off-site facilities. People have even grown accustomed to seeking treatment at facilities within shopping centers.

Experiences within our own cancer unit are an example of the trend for off-site care.

Although cancer treatment may have once been considered an inpatient procedure, Beth Israel has witnessed a major move to outpatient services. Outpatient chemotherapy has skyrocketed about 300 percent over the last decade, and about 90 percent of radiation therapy is done on an outpatient basis.

Indeed, Beth Israel's recent plans for physical expansion have emphasized outpatient cancer treatment and same-day surgery.

To remain competitive, administrators must reconfigure their four walls to allow for new technology; they must redesign them to accommodate growing outpatient services.

In the future, patients may not even realize they are going to the hospital.

THE CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992

HON. MARTIN FROST

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. FROST. Mr. Speaker, I rise in opposition to the conference report on campaign finance reform because of the destructive effect the conference report will have on State political parties. Under the terms of this agreement, it will be extremely difficult for State parties to conduct any of the activities they normally carry out on a combined basis on behalf of candidates for State and Federal office, thus further debilitating an already weak system of State political parties in this country.

These activities include efforts to register voters, efforts to identify supporters and to turn them out for the candidates of a particular party, and joint advertising for candidates such as slate cards, newspaper ads and other printed materials. Curtailing these activities will make it easier for wealthy individuals to attempt to buy an election for statewide office by financing their campaigns largely from their own pockets as Clayton Williams attempted to do in the 1990 Texas Governor's race.

Under current law, State parties maintain two political accounts—a Federal account (hard money) and a non-Federal account (soft money). There are strict limits on the amount individuals and PACs can contribute to a State party's hard money Federal account and more liberal limitations—if any—on what individuals and PAC's can contribute to a State party's soft money account.

When a State party wants to conduct party-building activities such as voter registration drives and telephone bank turn-out efforts on behalf of all its candidates (both State and Federal), the State party is free to fund these efforts partially from its hard money (Federal) account and partially from its soft money (non-Federal) account. The same is true for candidate specific joint activities such as the printing of slate cards and mailings featuring both State and Federal candidates. There are specific State-Federal dollar allocations required for some of these joint activities under current law, and the Federal Election Commission [FEC] by regulation has been requiring specific percentage allocations for other activities in recent years.

The bill, as passed by the House, would reform the current system by requiring a specific percentage allocation between State party Federal and non-Federal accounts for all such combined activities, with the amount depending upon whether or not the expenditures were made in a Presidential year such as 1988 or 1992 or in a non-Presidential year such as 1990. The Federal share of the allocation would be greater in Presidential years than in non-Presidential years. This is a reasonable compromise to the current statutory system that doesn't require specific percentage allocations between Federal and non-Federal dollars for many joint activities. The bill also would place a dollar ceiling on how much State parties could spend on these combined activities—varying from State-to-State, depending on the voting age population.

The conference version of the bill adopts the Senate passed provisions which virtually eliminate all combined campaign activity by State parties by requiring that anything a State party does which could in any way affect a Federal election must be financed soley with Federal account dollars. The reasoning behind this provision is that, even in non-Presidential years, candidates for the U.S. House and the U.S. Senate will benefit from State party generic efforts like voter registration and turn-out campaigns and thus a State party cannot conduct these, or any other activities, using any non-Federal (soft) dollars. This virtually puts State parties out of business.

If this conference report had been law in 1990, Clayton Williams, the Republican nominee, probably would be Governor of Texas today rather than Ann Richards, the Democratic nominee. Mr. Williams spent $20 million in his campaign, much from his own pocket. Governor Richards was able to offset this big personal money advantage by working with the State Democratic Party to conduct a combined registration and turn-out campaign even though she spent only about half what Mr. Williams did. Very little of this would have been possible under the conference version of this bill.

If this conference report had been law, the Texas Democratic Party could have conducted statewide voter registration and turnout efforts only to the extent that it could have raised hard-to-come-by federally qualifying funds, even though there was no Presidential race in 1990.

I cite the example of the Richards-Williams race because it is one I am personally familiar with. The inequity contained in this conference report, however, could apply with equal force to a State party, Democratic or Republican anywhere in this country.

Common Cause and other reformers are seeking to correct inequities in Presidential campaigns. Their approach is so sweeping that it reaches far beyond the Presidential level and threatens to destroy what remains of the American political party system on the State and local level.

The original House-passed provisions make good sense. The approach by the conferees makes no sense at all.

ECONOMIC CONVERSION IS IMPORTANT ISSUE

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. ASPIN. Mr. Speaker, one of the most important issues to face us in this time of great change is that of economic conversion or reinvestment. This entails taking resources that are no longer needed in defense and reinvesting them in useful economic endeavors.

Economic conversion is not a new concept. Following World War II, economic conversion was a fact of life. A product of a depression and pent-up demand, economic conversion just happened. Soldiers came home and the economy converted.

More recently, we talked about reinvestment of a peace dividend was during the war in Vietnam. Then, economic conversion was a by-product of the end of the war. Defense spending would come down after the war and conversion or reinvestment would take place. There were an awful lot of programs available to absorb that money because the Great Society was starting up and the bill for that was getting bigger and bigger.

We next heard about economic conversion in the 1980's when it had a little different twist to it. By the 1980's it was evident that one of the reasons it was so difficult to cut defense was that it would cause people to be thrown out of work. People who were interested in reducing defense expenditures thought they needed an economic conversion plan in order to find something else for people to do, a precondition to lessen the resistance to defense cuts.

This 1980's version of the conversion debate was really promoted from the more liberal end of the political spectrum. They reasoned that conversion or reinvestment has got to be part of the package or we would never, never cut defense spending.

Here we are in 1990 and economic reinvestment is back up on the screen again but the focus is different. Now reinvestment is an absolute necessity. Defense spending is coming down and it is coming down for a very fundamental reason—a large defense budget is no longer needed. And it is going to come down in spite of the fact that the economy is weakening and therefore not able to take up the slack. These stark facts drive the need for economic conversion.

Let me give you some idea of the magnitude of the problems. The Congressional Budget Office has estimated that the President's defense proposal, that is the 25 percent draw down over 5 years, would cost 800,000 jobs. That's 330,000 out of the private sector, 350,000 military personnel lost and 130,000 Pentagon civilian employees. This is a conservative estimate. Congress is likely to cut more from the defense budget over the same period. You can be sure that we are looking at a million jobs over the next 5 years. That drives home the point about economic conversion being an absolute necessity.

The money likely to be available in fiscal year 1993 to start this process of reinvestment is uncertain. The House Budget Committee set aside $1 billion from the defense budget. In any event, we're talking about major problems but not major money.

Now, Mr. Speaker, let us be frank. Some of our colleagues are disadvantaged when it comes to dealing with these major problems. Those of us on this side of the aisle are willing to provide assistance for displaced workers, but our colleagues on the other side have an administration that favors no such relief. The administration is wrapped around the axle on theological arguments. Anything other than the market is anathema to the administration and so they're stuck without any kind of conversion policy for theological reasons.

This is not to say our task is easy. Let me also be frank about something else. In this area of economic conversion it is possible to waste money, a great deal of money. We must develop a program that works and, unfortunately, past experience has not been very good in this business.

Past attempts at conversion were, at best, marginally successful. Conversion didn't work well in the past because we weren't clear about what we wanted. There was no consensus about what groups were supposed to be assisted and about what programs would work. But now, we have an opportunity to put together a program that is focused and that works.

We're basically at a crossroads. We can sign up to a bunch of feel-good conversion programs or we can be careful. We can analyze the proposals with specific objectives in mind and have some assurance that the reinvestment will help this country next year and do something in the long run.

The first thing we have to be clear about is what we are targeting. Do you look at the problem either from the standpoint of the people losing their jobs, the companies that are losing their business, or the communities impacted by the cuts? We can have a program that either goes after the problem by helping the people, or have a program helping the companies, or have a program that helps the communities to diversify. It's very important to think through all the proposals and decide just who is it that we're trying to help.

History shows that of the three, the hardest to help are the companies. I have been a student of the defense business for some time, and it has been my experience that there is a profound difference between companies that do defense work and companies that do commercial work. It is a cultural difference. People who do defense work are used to reams of paperwork and extraordinarily centralized command systems. They are used to giving performance, as much, if not more, emphasis than cost.

It is a certain culture, and those of you who have had companies in your district attempt to get into the defense business, you know how shocked they are to find how regulation- and redtape-intensive a process it is. And let me tell you, going the other way, they don't know how to do it either. The people that are in defense who want to shift to the commercial world also find that it is a different world all together. History is filled with a lot of little disasters—where Grumman tried to make buses, where Boeing tried to make mono-rails.

The second thing we have to be clear about is the underlying philosophy that animates our efforts. Why are we acting in the area of reinvestment? Are we trying to offset a Government action? In other words, Government used to provide good jobs to these people or this company and now it's not. Are we trying to stimulate economic growth? Are we trying to offset some unfairness associated with the change in spending priorities? We should have some idea of the philosophy that provides the foundation for our actions.

So, how do we answer these questions? We have been working on a set of criteria with which to assess proposals for economic reinvestment. It is still tentative. If we come up with a set of criteria that makes sense, that gives us the right answers about reinvestment, then we can do some good.

We will be able to answer those who say we shouldn't be in the reinvestment business and we will be able to answer those who are reluctant to fund the effort for fear that its prescriptions will not help.

We now have five working criteria. I personally believe that our most pressing need is for economic growth. From growth will come the jobs we need for those no longer employed one way or another in defending our Nation. So, the first criterion is that anything we do should be likely to promote economic growth.

The second criterion is that the proposal should have as its immediate goal real, concrete results. Mr. Speaker, we have a tendency to make proposals to set up committees, to get people to meetings. We need results, not meetings. We don't want to fund meetings, we want to finance results. So any program should be result-oriented, that's number two.

The third criterion is a seemingly obvious one, but it apparently hasn't been obvious in practice. It is simply that we consider demand when we attempt to re-shape supply through reinvestment. In other words, if we promote a program to retrain workers, we'd better be sure that there's a demand for the kind of work they're being trained for. Not much point to retraining defense workers if their new skills aren't any more marketable than their old ones.

The fourth criterion is that the program should, to the maximum extent possible, take advantage of existing, successful programs. This will help us guard against waste and futility. If it's working, if it's producing real results, we don't have to re-invent it under reinvestment.

As we see things now, the final criterion is that any program should be highly leveraged. That's a fancy way of saying we should make the dollars go as far as they can. In the military, it's called a force multiplier effect. In other words, does the expenditure of this money draw out other funds, bring other efforts to bear on the problem? If it does, that's a big plus.

To recap, then, we will have about a billion from the defense budget to reinvest in our economic future. I think of it as seed money for new economic growth. Let me have your ideas for programs to promote that growth and any ideas you have on how we ought to judge which programs have the most merit.

Mr. Speaker, the two chief national security problems we face today are first, the proliferation of nuclear weapons and second, the recapturing of our international economic competitiveness. Today, I am asking the help of my colleagues on the second. We've won the cold war. Now let's turn sufficient attention and resources to the race for a better economic future.

THE UNITED STATES RECOGNIZES CROATIA—AT LAST

HON. TOM LANTOS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. LANTOS. Mr. Speaker, am delighted that at long last the President has agreed to recognize the independence of the Republic of Croatia, as well as the independence of the Republics of Slovenia and Bosnia-Hercegovina.

My only regret and disappointment, Mr. Speaker, is that this did not happen considerably earlier. Our bold foreign policy lagged substantially behind the action of our allies in the European Community. Unfortunately, we were the 53d country to recognize the Republic of Croatia. In this case, greater leadership and initiative was shown by Liechtenstein and San Marino, which recognized Croatia before our President did. I am pleased, nevertheless, that U.S. recognition has finally come.

I extend my congratulations and best wishes to the people of Croatia and to the Croatian Government. The road away from the repressive Communist government of Yugoslavia has been a long and tragic road for the Croatian people. Despite the violent and forceful opposition of the Communist government of what is left of Yugoslavia and the devastating loss of life, the Croatian people have shown their commitment to freedom and democracy, to social reform and the establishment of a market-oriented economy.

Mr. Speaker, I wish the people of Croatia success and happiness as they become a full-fledged member of the international community.

NEW HAMPSHIRE PAYS TRIBUTE TO LEONARD C. WOOD FOR HIS RECEIPT OF THE PRISONER OF WAR MEDAL

HON. DICK SWETT

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. SWETT. Mr. Speaker, I rise today to pay tribute to Bow, NH, resident Leonard C. Wood for his receipt of the Prisoner of War Medal.

Leonard Wood served his country proudly as a member of the U.S. Army in World War II, fighting bravely to protect Europe from the scourge of Adolf Hitler and the Nazi party.

Mr. Speaker, Leonard Wood served in the infantry for over 2 years, and spent 6 months in a German prisoner of war camp.

I am proud to be able present Leonard Wood with the Prisoner of War Medal in tribute to his courage, dedication to country, and willingness to put his life on the line for the cause of democracy.

Mr. Speaker, after returning from Germany, Leonard Wood attended the University of New Hampshire, where he graduated in 1948 with a bachelor of science degree in hotel administration.

He then went on to faithfully serve the people of New Hampshire by working in State government for 32 years.

Leonard Wood finally retired from State government on June 30, 1988, where he had been serving as the assistant commissioner of the department of health and human services.

Mr. Speaker, Leonard Wood is also a devoted family man. He and his wife Nancy are the proud parents of a son, Martin, and a daughter, Joyce.

Mr. Speaker, I ask my colleagues to join me in paying tribute to Leonard Wood for his receipt of the Prisoner of War Medal and a lifetime of public service.

THE POSTAL EMPLOYEES SAFETY AND HEALTH ACT

HON. CHARLES A. HAYES

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. HAYES of Illinois. Mr. Speaker, today I am introducing legislation which will protect the 740,000 U.S. Postal Service employees from workplace hazards.

The Postal Employees Safety and Health Act is the first major overhaul of Postal Service safety and health programs since the Postal Reorganization Act of 1970.

It is estimated that as many as 90 percent of postal employees who operate letter sorting and flat sorting machines suffer from cumulative trauma disorders. Yet, it has taken the U.S. Postal Service more than 6 years and several citations from OSHA to reach an agreement on work-station improvements. Just a few months ago, OSHA cited postal facilities in Peoria, IL and Columbus, OH for ergonomic problems.

My legislation would require the Postal Service to abide by the determinations of the Occupational Safety and Health Administration or face civil and/or criminal penalties.

It is a crime to allow this situation to fester. If, as some speculate, the Postal Service has made a business decision to pay workers compensation claims rather than redesign the work station, that is cruel to employees. it is also a shortsighted, costly decision for rate payers. My bill will give employees and OSHA the teeth needed to avoid more pain and suffering.

Other aspects of the bill include: A sense of Congress that all employees are entitled to a safe and healthy work place with protection for whistle blowing; A process for the Postmaster General to establish ergonomic standards in conjunction with the Secretary of Labor within 1 year of enactment of this bill.

I hope this legislation will greatly improve the working conditions of postal employees in every postal facility in this country and I urge my colleagues to cosponsor it.

CONGRATULATIONS MERCY ACADEMY: KENTUCKY STATE BASKETBALL CHAMPIONS

HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. MAZZOLI. Mr. Speaker, on March 21, 1992, the Jaguars of Mercy Academy in Louisville, KY won their first ever girls State basketball championship, beating Clay County 44–38.

Led by coach Leslie Scully, and assistant coach Mark Evans, Mercy steamrolled to the championship game, defeating their first three opponents by an average of 25 points. And, in the championship game, the Jaguars used their speed and quickness to overcome a taller squad from Clay County. The Jaguars were led by point guard Christina Jansen who was named most valuable player for the tournament. Joining Jansen on the all-tournament team were teammates Kristie Stuckenberg and Katie Roalofs.

Jansen also won the J.B. Mansfield Award as the tournament's outstanding student-athlete. She is not, however, the only outstanding student-athlete at Mercy, as most of the squad, including all the seniors, are honor students.

Mercy's achievement is even more remarkable since it is a small girls school with only 300 students. By the team's own admission, they couldn't have done it without the support of parents, faculty and fellow students. The foundations of their victory rest upon the unity of the entire Mercy community, not to mention the talent and the sacrifice that the team made in practice each day. Mercy's victory results from a dedication to hard work, and the devotion of the members of the Mercy community to each other.

Mr. Speaker the team members of the Girls Kentucky State Basketball Champions are: head coach; Leslie Scully, assistant coach; Mark Evans, managers; Suzy Grenough, Katie Wintergerst, Audrey Atkins, players; Michelle Amshoff, Amy Blanton, Sharon Hagan, Christina Jansen, Karmin Kupper, Polly Berth Larimore, Angie Parker, Katie Roalofs, Kristie Schuetter, Brandy Speis, Carrie Smith, Angie Strothman, and Kristie Stuckenberg.

Mr. Speaker, I am proud to be able to represent the fine young women on the team, their families, and all the faculty and students of Mercy Academy. Congratulations to Mercy on a super victory!

THE OLDER VETERANS EQUITY ACT

HON. LES AuCOIN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. AUCOIN. Mr. Speaker, today many of our older veterans are victims of a cruel bureaucratic injustice. Over the past several months, I've heard from literally dozens of veterans who are being turned away from the VA medical system. The VA has for years treated these vets for chronic illnesses, but now they're being told abruptly that, due to budget cuts, they have to get care somewhere else. And, oh yes, they have to pay for it out of their own pockets.

The VA medical system is faced with shrinking budgets and an aging vets population. As a cost-saving measure, the VA recently stopped treating non-service-connected chronic conditions. These are often serious ailments, the treatment for which can be a matter of life and death.

The Reagan and Bush administrations' budgets have continually fallen short of the VA's health care needs. In Oregon, the result is shocking. Since May last year, more than 4,000 veterans—most of them elderly—have been told the VA can no longer treat them.

Veterans like Ken Taylor and Chuck Maddox in my district generally don't have Medicare part B coverage because they thought they didn't need it, that the VA medical system could meet all their needs. They aren't poor enough to be eligible for Medicaid, yet can't afford private insurance. In addition, they've come to depend on the VA medical staff with whom they've built relationships.

As one vet's neighbor put it, with little overstatement, "This policy amounts to a death sentence for my friend." The VA's budget crunch is indeed real, but denying continued care to these older veterans is just plain wrong.

It is also unnecessary. Congress can help these veterans with existing resources. I'm introducing the Older Veterans Equity Act, which would get these veterans the care they need at the VA, reimbursed by other Federal programs such as Medicare.

My bill would permit elderly vets like Mr. Taylor to enroll in Medicare part B immediately—instead of waiting the several months required by current law—and continued treatment at the VA, instead of going elsewhere as the law now requires. This important change would allow VA medical facilities to recover the costs of non-service-connected care from Medicare, Medicaid, and CHAMPUS, similar to current collections from private insurance. And those monies collected will be paid to the VA facility which provided the care.

Most importantly, the Older Veterans Equity Act would right a serious wrong now being perpetrated on veterans, like Ken Taylor and Chuck Maddox, people who've made sacrifices for this country. Thirty-one of my congressional colleagues have joined me in sponsoring this legislation, which we will press to get enacted this year.

TUFTS PRESIDENT HELPS HIS UNIVERSITY STAND TALL AMID GIANTS OF ACADEME

HON. JOHN JOSEPH MOAKLEY

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. MOAKLEY. Mr. Speaker, I rise today to bring to the attention of my colleagues the article from the New York Times of April 1, 1992, highlighting the efforts of Dr. Jean Mayer, the president of Tufts University, on behalf of not only Tufts University, but our entire country. Jean Mayer's leadership and service have been well documented from his early years as a French prisoner of war during World War II to his tireless efforts to improve nutrition for all Americans, as a member of the White House Commission on Hunger in the United States. These efforts and his leadership of one of America's truly outstanding academic institutions deserve our recognition.

TUFTS PRESIDENT HELPS HIS UNIVERSITY STAND TALL AMID GIANTS OF ACADEME

(By Fox Butterfield)

MEDFORD, MASS.—When Jean Mayer became president of Tufts University in 1976 it had never had a capital fund-raising campaign, and university administrators counseled him to limit a drive he was planning to $14 million. "Nonsense." Dr. Mayer said. "Let's make it $140 million."

In the end Dr. Mayer, a French-born scientist and expert on nutrition, raised $145 million. The drive was only one of several important steps Dr. Mayer has taken to help transform Tufts from a small, once-overlooked liberal arts college into a research university with a growing international reputation and a much-improved faculty and student body.

Dr. Mayer, who is 72 years old, has announced that he will resign at the end of the 1993 academic year and be elevated to the new post of chancellor. And there is widespread agreement here that the charming, talkative and often-stubborn Dr. Mayer has helped give Tufts a new sense of identity, bringing it out from under the shadow of neighboring universities like Harvard and the Massachusetts Institute of Technology.

A HIGHER PUBLIC PROFILE

"Jean has made some substantial achievements," said James O. Freedman, the president of Dartmouth College. In addition to helping Tufts raise the academic quality of its incoming freshmen, Mr. Freedman said, Dr. Mayer has used his own "well-established reputation to give Tufts a higher public profile."

Last Friday, for example, Mr. Freedman and Dr. Mayer announced an agreement to establish an innovative program under which students at Tufts' Fletcher School of Law and Diplomacy and Dartmouth's Amos Tuck School of Business Administration can earn a joint degree in international business.

Dr. Allan Callow, a professor of surgery at Washington University in St. Louis who is chairman of the Council of the Boards of Overseers of Tufts, said that one of Dr. Mayer's most important contributions was that he had "convinced the faculty and the administrators that they had the potential for being a world-class university."

"There is a bit of the evangelist about him," Dr. Callow said of Dr. Mayer (pronounced my-YAIR).

LIST OF ACCOMPLISHMENTS

Among Dr. Mayer's most important accomplishments have been the creation of a graduate school of nutrition, the building of New England's only school of veterinary medicine and the establishment of a center for environmental management. Tufts has also become less of a parochial New England institution; the number of foreign students has doubled since 1986 and the university now runs a popular European center in a converted 11th-century monastery at Talloires, France.

The university's financial condition has greatly improved. Dr. Mayer has seen the endowment increase to $200 million from $30 million when he arrived. This year Tufts, which has 4,300 undergraduates and 2,200 graduate students, is scheduled to complete a second capital campaign with a goal of $250 million.

In addition, Tufts has become much more selective in its admissions policy. University officials said that the percentage of incoming freshmen who ranked in the top 10 percent of their high school graduating class rose to 74 percent last year from 38 percent in 1978, and that the Scholastic Aptitude Test scores of students admitted to Tufts had increased, too.

Luck has played a role, too. Medford, where Tufts is situated, is only five miles northwest of Boston, which has become an increasingly popular mecca for college students in recent years and has helped make the university more attractive than other colleges and universities in rural parts of the country.

ON PAR WITH NORTHWESTERN

Tufts may not yet have the prestige of the top Ivy League schools. Its yield—the percentage of applicants it admits who actually accept—was 35 percent last year. At Brown and Dartmouth, by comparison, the yield was 52 percent, officials there said.

But that yield puts Tufts on a par with such highly regarded schools as Carleton College in Minnesota or Northwestern University in Illinois, according to several admissions officials at other universities.

Despite his achievements, Dr. Mayer has not escaped criticism. The most persistent complaint is that to attract more money and raise the university's reputation he has favored its graduate schools, slighting the original liberal arts college.

In particular, there is broad resentment among many faculty members over the veterinary school, which is in Grafton, 40 miles west of Medford. Although it is partly financed by the state, the school has run deficits of as much as $3 million a year, university officials say, and many professors believe the arts and sciences college has had to make up the debt.

COVERING THE DEFICIT

In a recent interview Dr. Mayer acknowledged that about half of Tufts' current budget is devoted to the university's health schools, including an expanded medical school in downtown Boston. But he insisted "We have never taken money from another school and put it in the veterinary school."

Instead, said Steve Manos, the executive vice president of Tufts, the deficit has been covered by money from the university's reserves or annual earnings.

Dr. Mayer sees the veterinary school as a major investment that will eventually pay big dividends. When he retires next year and becomes chancellor, he said, he plans to oversee the development of a large industrial park next to the veterinary school for biotechnology companies, a rapidly growing industry in Massachusetts.

Dr. Mayer has also begun work on a $1 billion project near the railroad yards behind Boston's South Station adjacent to Tufts' medical school, for pharmaceutical research and manufacturing. "This will bring in a replacement industry for defense electronics for Massachusetts," he predicted.

In an effort to redress the balance between the graduate schools and the college. Dr. Mayer has built a series of new facilities for undergraduates in the last few years, including an arts center, a language center, a science center and a dormitory.

But many undergraduates still feel that Dr. Mayer's emphasis on the graduate schools has taken a toll on their education. In a speech last week to the trustees, Alexa Leon-Prado, the president of the student government said students "are made aware of this each time they call a friend at Harvard to borrow a book," because of the lack of an adequate library.

Nevertheless. Ms. Leon-Prado, a senior from Irvine, Calif., credited Dr. Mayer with having done "an amazing job" in building up the university's reputation. "I don't think I would have come to Tufts if he hadn't made it what it is," she said.

LYME DISEASE IS A GROWING EPIDEMIC

HON. DOUGLAS APPLEGATE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. APPLEGATE. Mr. Speaker, I rise today to bring attention to the growing number of men, women, and children within our country suffering from the devastating effects of Lyme disease. An increased public awareness and understanding of the disease is essential to help curb the growing number of cases which are reported each year.

Lyme disease is a complex, multisystem illness caused by a tick-transmitted spirochete. The early stages are marked by skin lesions often accompanied by fever and muscle pain. In its more severe stages Lyme disease leaves its victims with chronic or intermittent arthritis and neurologic or heart abnormalities.

More and more cases of Lyme disease are being identified each year. In 1979, the disease had been reported in only 10 States; it has now been reported in 49 States. Because diagnosis of the disease is difficult and public awareness is limited, it is estimated that thousands of cases have gone unreported and untreated. The ticks that spread the disease live in grassy wooded areas and feed mostly on deer and other forest animals; therefore people who frequent the woods and forest edges such as campers, hikers, and outdoor workers are most likely to come into contact with the tick. However, because new home development has encroached on the woodland, Lyme disease also has become a suburban illness. As there is no vaccine and no proven method of controlling the tick population, it is expected that the number of cases of Lyme disease will continue to rise. If detected early, it may be curable. When the disease progresses to later stages treatment becomes more difficult and less reliable.

Mr. Speaker, the need for increased public awareness cannot be overstated. We must educate the general public, as well as health care professionals, on the means of prevention in order to curtail this growing epidemic.

BRONX BOARD OF REALTORS 68TH ANNUAL BANQUET

HON. ELIOT L. ENGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. ENGEL. Mr. Speaker, on April 9, 1992, the Bronx Board of Realtors will be holding its 68th annual banquet.

The Bronx Board of Realtors is the professional trade association and official representative of the real estate industry in my county. With some 700 members, the Bronx board is deeply involved with the economic growth and development of the county. It provides leadership and guidance to the general business community.

But, the Bronx Board of Realtors does not limit its activities just to the advancement of its own profession. It is an organization that is committed to the people of the Bronx and to its neighborhoods. The Bronx Board of Realtors provides help to the poor and disabled through its holiday drives. It sponsors much needed educational programs for the young with its essay contest and scholarship award.

I join the people of the Bronx in congratulating the Bronx Board of Realtors for caring about our county.

AMERICAN AIRLINES DECLARED TOP DOMESTIC AIRLINE

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. GLICKMAN. Mr. Speaker, 55 years ago, Amelia Earhart set off on a legendary, around-the-world flight. Her en route disappearance sparked one of the greatest mysteries in aviation history, a mystery whose possible resolution received front page coverage in newspapers across the country.

Certainly, Ms. Earhart's spirit and determination earned her a prominent position in the annals of aviation history. Through her efforts, and those of her colleagues, the United States has unquestionably become the world leader in the field of aviation.

The industry, however, is not content to rest on its laurels. Instead, it continues to strive for excellence.

I am extremely proud to say that the National Institute for Aviation Research is integrally involved in this pursuit of excellence. Located in my congressional district at Wichita State University, the Institute's capabilities and state-of-the-art facilities are earning it its own place in aviation history.

One of the Institute's more recent accomplishments is its development of an airline quality rating [AQR], which evaluates the comparative quality of those nine U.S. airlines with annual revenues of $1 billion or more. Developed by Dr. Brent Bowen and Dr. Dean Headly, the AQR incorporates 19 different weighted measures of airline service, including timeliness, safety, aircraft age, baggage handling, overbooks, and customer complaints. The nine different airlines are then ranked in accordance with their capabilities in these different areas.

Earlier this month, the Institute released an annual report card of the aviation industry. The Institute gave top honors to American Airlines, dubbing it the industry's No. 1 carrier. Moreover, the Institute applauded American's consistently superior performance, noting that the company achieved the No. 1 ranking in each of the months under consideration.

This is not the first time the Institute has acknowledge American's prominent position in the industry. In a report issued last April, the Institute declared American the top domestic airline as of January 1991.

I would like to commend American Airlines for its extremely admirable performance. I urge them to keep up their tradition of excellence.

H.R. 4722 THE MARINE AND COASTAL ENVIRONMENT AND GLOBAL CLIMATE PROTECTION ACT OF 1992

HON. WALTER B. JONES

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, April 7, 1992

Mr. JONES of North Carolina. Mr. Speaker, on April 1, I introduced H.R. 4722, a bill that I hope will become part of the Merchant Marine and Fisheries Committee's contribution to the House national energy bill. It addresses a broad range of issues associated with the development of offshore oil and gas, other coastal-related energy activity, the protection of our coastal environmental, and funding efforts to address the problems related to global climate change.

The legislation reported by the Committee on Energy and Commerce focuses our attention on a comprehensive national energy strategy. It is clear that this strategy can no longer simply call for more oil production as a cure-all for our Nation's energy ills. Its components must balance our need for secure and adequate energy resources to fuel our homes, our cars, and our industries, with our desire to protect and heal our global environment.

The bill reported from the Energy and Commerce Committee, H.R. 776, deals with many of these issues; it restructures the electricity industry, requires greater energy efficiency and the use of alternative fuels, and seeks to lessen U.S. dependence on imported oil. But, because the Energy and Commerce Committee does not have jurisdiction over offshore oil and gas development on our outer Continental Shelf [OCS], the bill is silent on this major component of our energy mix. To fill this void and to provide a House counterpart to the OCS provision in the Senate energy bill, I have introduced the Marine and Coastal Environment and Global Climate Protection Act of 1992.

This bill has five titles, the first of which incorporates a concept that I have introduced on three prior occasions—OCS impact assistance/coastal protection block grants. Each of my three prior bills, introduced in the early years of the Reagan administration, enjoyed great success here in the House. By increasing margins, we passed OCS impact assistance/block grant bills in the House in 1982, 1983, and in 1984 we approved a conference report that has been negotiated with the Senate—S. 2463—by a vote of 312–94 with a majority of Democrats, 230–23, and a majority of Republicans, 82–71, voting to support. Unfortunately, the conference report came up in the Senate just before adjournment, and it was blocked.

Those bills had been carefully balanced between providing money to States for ameliorating the impacts from offshore oil development and other coastal-related energy activity and protecting the marine environment. So, too, is the bill that I just introduced.

It is based on a sound and proven concept of public policy: Specifically, that it is in the long-term interest of the Nation to take a modest portion of the revenues received by the Federal Government from the development of nonrenewable energy resources and invest it in the States for conservation and management of renewal resources; that is, the ocean and coastal environments. H.R. 4722, therefore, rests on a strong and reasonable conceptual foundation which incorporates the ideas of cooperation, mutual benefit, and long-term investment and management.

H.R. 4722 evolved from twin truths. First, the oil and gas resources of the Outer Continental Shelf have been, and continue to be, productive and important sources of domestic energy. Second, offshore drilling has, in many States, become a lightning rod for serious environmental concerns and strong community-based opposition.

With this in mind, my bill has several goals:

To recognize that Federal energy leasing and development decisions have socioeconomic and environmental impacts on those States and communities in which production operations occur or which are adjacent to such operations;

To give States the resources necessary to ameliorate negative impacts by providing a proper share of the revenues the Federal Government realizes from offshore development;

To protect the rights of States which do not want oil and gas drilling along their coastlines;

To require a complete understanding of any environmental problems that may be attached to offshore development before leasing occurs;

To devote a portion of the Federal revenues from offshore development to an international effort to cool down global warming.

My bill recognizes that States with oil and gas production off their shores bear much of the onshore burden of this industry and that they have done so for years with only a very recent and a very modest share in the profits. It also acknowledges that other ocean and Great Lakes States also experience adverse impacts from the siting and operation of coastal-related energy facilities. My bill directs the Federal Government to share a small portion—no more than 4 percent of the $2.5 to $3 billion it receives annually from OCS revenues—with Coastal States.

The legislation I just introduced recognizes that many States, especially those like my own home of North Carolina that has never had any energy development offshore, are wary of, if not outright hostile to, this industry. It also recognizes that all States have legitimate concerns about the potential for environmental damage from coastal-related energy activity and off-shore oil and gas drilling.

Over 2 years ago, the National Research Council [NRC] issued a report noting that there was insufficient information about the environmental and socioeconomic effects of energy development off the coasts of Florida and California. This finding was somewhat surprising since the coasts of both States had received an enormous amount of attention and environmental study. If this was inadequate, certainly the information about other areas which had undergone significantly less study, must be highly deficient.

On the heels of the NRC report, President Bush, on one of his few environmental President days, announced a 10-year moratorium in the OCS Program off Florida and California as well as New England and the Pacific Northwest. Left in the lurch by the Bush announcement were those States, like North Carolina, that were not included in the moratorium but which had exactly the same concerns as those put off limits. My bill fixes this.

My bill establishes a moratorium that embraces every State that wants one. The North Atlantic planning area. The Mid-Atlantic planning area. The South Atlantic planning area. The Straits of Florida planning area. Most of the eastern Gulf of Mexico planning area. The southern California, central California, and northern California planning areas. The Washington and Oregon planning area. And the North Aleutian planning area in Alaska.

Under the provisions of H.R. 4722, no preleasing or leasing activities can take place in these planning areas before January 1, 2000. However, should a State's Governor wish that State to participate in the OCS Program, my bill includes an "opt-in" provision. A Governor can request a lease sale and set the terms and conditions under which it will be carried out.

In addition to the moratoria, my bill requires that the deficiencies found by the NRC report and similar studies be corrected before any leasing takes place after the year 2000 and further requires a showing that the potential resources warrant the activity and that it can be done in an environmentally safe manner.

This means that no lease sale may take place unless adequate scientific and technical information regarding mineral and biological resource potential is available, the Secretary of the Interior determines that development is needed to meet the energy needs of the Nation, and adequate physical oceanographic, ecological, and socioeconomic information is available.

Importantly for those on all sides—the industry, the Federal Government, the States, and the environmental community—my bill streamlines the lease buyback provisions of the Outer Continental Shelf Lands Act. It expands the allowable compensation for a Federal buyback of a lease to include a credit against rents or royalties owed the Federal Government under the OCSLA or the Mineral Leasing Act. And it sets in motion an expedited process for buying back leases in the ecologically sensitive areas off North Carolina and south Florida and in Bristol Bay, AK.

Finally, but I think significantly, H.R. 4722 also establishes a linkage between the wealth possible from OCS production and the environmental costs our country and all others now face as a result of our fossil fuel usage. My bill directs that 10 percent of the Federal royalties from the OCS Program be deposited in a fund in the Treasury as the U.S. share of global efforts to address climate change.

The establishment of this fund will demonstrate that the United States is taking concrete steps to address the issue of climate change in spite of the scientific uncertainties and political complexities that stand in the way of collective action. While the press reports on the deliberations of the Intergovernmental Negotiating Committee [INC] on Climate Change have focused on the unwillingness of the Bush administration to agree to specific carbon dioxide targets, I submit that equally important is the more far-reaching question of how to reach agreement with developing countries on curbing the future growth of greenhouse gases.

We all now realize that oil pumped from the ocean floor into our cars and our factories will eventually end up poking a hole in the Earth's atmosphere. Doesn't it make good sense to shear off a tiny bit of the upfront profits from fossil fuel extraction to pay not only for the end result damages but possibly even prevent them?

This is a first, but critically important, step that Congress can take as simple insurance against the prospect of significant change to our planet and way of life. It is appropriate that we look at this issue in the context of our deliberations on a national energy strategy.

Efforts to move toward increased energy efficiency, greater use of alternative fuels, and additional research on renewable sources of energy provides a foundation on the domestic side which makes it easier to promote change in the international arena. The establishment of this fund will help promote such a change.

Mr. Speaker, I urge all Members to support my committee in our efforts to make our OCS Program as productive and responsible as it must be as well prepare for the next century and begin the long process of addressing the financial requirements associated with global climate change issues. I applaud the Committee on Energy and Commerce for its noble work on H.R. 776, and I look forward to strengthening it even further by the addition of the provisions contained in H.R. 4722.

I have attached to this statement a summary of H.R. 4722. Any Member who may want to cosponsor the bill may do so by calling the Committee on Merchant Marine and Fisheries.

SUMMARY OF H.R. 4722, THE MARINE AND COASTAL ENVIRONMENT AND GLOBAL CLIMATE PROTECTION ACT OF 1992

TITLE I—OCEAN AND COASTAL RESOURCES MANAGEMENT AND DEVELOPMENT BLOCK GRANTS

Except for a few technical and other modest changes, title I of the bill is almost identical to the Outer Continental Shelf (OCS) block grant legislation that was reported by the Committee (H.R. 5) and passed by the House on four separate occasions in the 1980's. Specifically, the key provisions are essentially those contained in a 1984 House-passed conference report (S. 2463) and include:

Establishment of a Treasury Department fund for the purpose of depositing an annual amount equal to 4 percent of the average of all OCS revenues from the three previous fiscal years. Based on present projections, the fund should receive approximately $100-120 million per year.

Disbursements from the Fund are subject to appropriations and annual increases are limited to 5%.

Each state's annual share of the Fund is determined by a formula which takes into consideration the level of actual OCS leasing activity, offshore oil and gas first landed, proposed lease sales, the presence of energy facilities in the coastal zone, shoreline mileage and coastal population.

No state can receive more than 15% of the total available to the Fund in any given year and no state with an approved coastal zone management program shall receive less than 1.62%.

Block grants from the Fund shall be used by coastal states for the enhancement and management of ocean and coastal resources, and for the amelioration of any adverse impacts that result from the siting, construction, expansion, or operation of coastal-related energy facilities.

Local coastal governments shall receive at least one-third of the total block grant for each state.

TITLE II—GLOBAL CLIMATE CHANGE RESPONSE FUND

Title II establishes a "Global Climate Change Response Fund" in the U.S. Treasury for the purpose of making money available to the President for making contributions to an agreed-upon financial mechanism which may be set up under the United Nations to help countries respond to global climate change. Key features of this title include:

10% of all royalties received from the OCS after enactment of the bill will be deposited into the newly created fund.

Monies from the fund are subject to appropriations and can be used by the President only to make annual contributions to any agreed-upon financial mechanism that results from the current negotiations on a global climate change treaty that are taking place under the auspices of the United Nations.

Nothing in this title will reduce any amounts required to be credited to the Land and Water Conservation Fund or the Historic Preservation Fund.

TITLE III—REVISIONS TO THE OUTER CONTINENTAL SHELF PROGRAM

Title III places many OCS planning areas off-limits to oil and gas preleasing and leasing activities until the year 2000 and makes leasing after that dependent on the Secretary of Interior making certain findings and conducting specified studies. It also authorizes the "buyback" of certain active leases off North Carolina and South Florida and calls for a plan to cancel and buyback leases in Bristol Bay, Alaska. Key provisions of this title include:

No lease sale may be held beyond the year 2000 for those areas placed under moratoria in the bill unless the Secretary of Interior finds that adequate scientific, technical, and environmental information is available and that development of such areas is necessary to meet the energy needs of the Nation taking into account alternative energy sources, including foreign sources.

North Atlantic Planning Area—No prelease activity or lease sale before the year 2000, and thereafter, only if geological studies demonstrate that development is warranted because of resource potential and environmental assessments provide substantial evidence that development can be carried out in an environmentally sound manner.

Mid-Atlantic Planning Area—Some assessment requirement and preleasing and leasing prohibitions before the year 2000 as in the North Atlantic.

Straits of Florida Planning Area—Same assessments requirements and preleasing and leasing prohibitions before the year 2000 as in the North Atlantic.

Eastern Gulf of Mexico Planning Area—For the area south of 26 degrees North Latitude, no prelease activity or lease sale before the year 2000 and thereafter only if the studies mandated by a National Research Council report are completed. The Secretary is authorized and encouraged to buyback active leases in this area on or after October 1, 1992. In the area north of 26 degrees North Latitude and east of the lateral seaward boundary between Alabama and Florida, no prelease activity or lease sale may take place, before the year 2000, within 30 nautical miles of the coast of Florida.

Southern, Central, and Northern California Planning Areas—No prelease activity or lease sale before the year 2000 and no activity beyond that date unless the studies mandated by the National Research Council's report and additional research on oil spills have been completed.

Washington-Oregon Planning Area—No prelease activity or lease sale before the year 2000, and no activity beyond that date unless the studies recommended by the Pacific Northwest OCS Task Force have been completed.

North Aleutian Basin Planning Area—No prelease activity or lease sales shall be conducted and no permits or exploration or development plans shall be approved before October 1, 1995; the Secretary of Interior shall negotiate with the State of Alaska and other appropriate parties to prepare a plan for the cancellation of existing leases in the planning areas.

Notwithstanding the moratoria listed in Title III, the governor of an affected state may request that a lease sale be held off his or her state before 2000 if the governor of any other affected state does not object and the Secretary of Interior agrees to the terms, conditions, and restrictions planed on the sale by the requesting governor.

TITLE IV—ENVIRONMENTAL STUDIES PROGRAM

The environmental studies program established under section 20 of the Outer Continental Shelf Lands Act (OCSLA) is amended to include:

A requirement that studies conducted under section 20 shall include an assessment of the adequacy of the available environmental and socioeconomic information.

A requirement that all studies under this section be subject to peer review and published six months prior to the holding of a lease sale for all planning areas except Alaska and the Central and Western Gulf of Mexico.

TITLE V—MISCELLANEOUS

Title V makes the following amendments to section 5 of the OCSLA:

Authorizes Congress, as well as the Secretary of Interior to suspend leases.

Reduces the mandatory suspension waiting period prior to cancelling a lease from five to two years.

Provides that compensation for a lease cancellation may take the form of cash, credits against OCS royalty or rental obligations, or both.

HOUSE OF REPRESENTATIVES—*Wednesday, April 8, 1992*

The House met at 11 a.m.

The Reverend Dr. Robert B. Howerton, Jr., senior vice president, health and welfare ministries, Methodist Health Systems, Memphis, TN, offered the following prayer:

Dear God, whose breath is like the dawn of a new day and whose arms are like the great rocks that support the land and the sea, we bow our heads to thank You for Your grace which is like a canopy of love spread over our lives.

May our land be a place of justice; a land of plenty, where poverty shall cease to fester; a land where people have rewarding work and time for play; a land of brotherhood, sisterhood and peace, where order need not rest on force. Let love for our country be paramount.

Guide by Your higher wisdom the President and Members of Congress. Give us grace and wisdom to complete our task. Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Pursuant to clause 1, rule I, the Journal stands approved.

Mr. NAGLE. Mr. Speaker, pursuant to clause 1, rule I, I demand a vote on agreeing to the Speaker's approval of the Journal.

The SPEAKER. The question is on the Chair's approval of the Journal.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. NAGLE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 282, nays 120, answered "present" 1, not voting 31, as follows:

[Roll No. 73]

YEAS—282

Abercrombie
Ackerman
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Applegate
Archer
Aspin
Atkins
AuCoin
Bacchus
Barnard
Bateman
Beilenson
Bennett
Berman
Bevill
Bilbray
Bonior
Borski
Boucher
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bustamante
Byron
Campbell (CO)
Cardin
Carper
Carr
Chapman
Clement
Clinger
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Cox (IL)
Coyne
Cramer
Darden
de la Garza
DeFazio
DeLauro
Dellums
Derrick
Dicks
Dingell
Donnelly
Dooley
Dorgan (ND)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (TX)
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fazio
Fish
Flake
Foglietta
Ford (TN)
Frank (MA)
Frost
Gaydos
Gejdenson
Gephardt
Geren
Gibbons
Gilchrest
Gillmor
Gilman
Glickman
Gonzalez
Gordon
Gradison
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Harris
Hatcher
Hayes (LA)
Hefner
Hertel
Hoagland
Hochbrueckner
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hutto
Hyde
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolter
Kopetski
Kostmayer
LaFalce
Lancaster
Lantos
LaRocco
Laughlin
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (GA)
Lipinski
Livingston
Lloyd
Long
Luken
Manton
Markey
Martinez
Matsui
Mavroules
Mazzoli
McCloskey
McCrery
McCurdy
McDermott
McGrath
McHugh
McMillen (MD)
McNulty
Miller (CA)
Mineta
Mink
Moakley
Mollohan
Montgomery
Moody
Moran
Morella
Morrison
Murtha
Myers
Nagle
Natcher
Neal (NC)
Nichols
Nowak
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Pallone
Panetta
Parker
Pastor
Patterson
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Poshard
Price
Pursell
Quillen
Rahall
Ravenel
Ray
Reed
Richardson
Rinaldo
Ritter
Roe
Roemer
Rose
Rostenkowski
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Sawyer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sharp
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Snowe
Spratt
Staggers
Stallings
Stark
Stenholm
Stokes
Studds
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Thomas (GA)
Thomas (WY)
Torricelli
Towns
Traficant
Traxler
Unsoeld
Valentine
Vento
Visclosky
Volkmer
Washington
Waxman
Weiss
Wheat
Williams
Wise
Wolpe
Wyden
Wylie
Yates
Yatron

NAYS—120

Allard
Allen
Armey
Baker
Ballenger
Barrett
Barton
Bentley
Bereuter
Bliley
Boehlert
Boehner
Bunning
Burton
Callahan
Camp
Campbell (CA)
Chandler
Clay
Coble
Coleman (MO)
Coughlin
Cox (CA)
Crane
Cunningham
Dannemeyer
Davis
DeLay
Doolittle
Duncan
Edwards (OK)
Emerson
Fawell
Fields
Franks (CT)
Gallegly
Gallo
Gekas
Gingrich
Goodling
Goss
Grandy
Hancock
Hansen
Hastert
Hefley
Henry
Herger
Hobson
Holloway
Hopkins
Hunter
Inhofe
Jacobs
James
Jones (GA)
Kolbe
Lagomarsino
Leach
Lewis (CA)
Lewis (FL)
Lightfoot
Lowery (CA)
Machtley
Marlenee
Martin
McCandless
McCollum
McDade
McEwen
McMillan (NC)
Meyers
Michel
Miller (OH)
Miller (WA)
Molinari
Moorhead
Murphy
Nussle
Packard
Paxon
Porter
Ramstad
Regula
Rhodes
Ridge
Roberts
Rogers
Rohrabacher
Ros-Lehtinen
Roth
Roukema
Saxton
Schaefer
Sensenbrenner
Shaw
Shays
Shuster
Sikorski
Smith (OR)
Smith (TX)
Solomon
Spence
Stearns
Stump
Sundquist
Taylor (NC)
Thomas (CA)
Upton
Vander Jagt
Vucanovich
Walker
Walsh
Weber
Weldon
Wolf
Young (AK)
Young (FL)
Zeliff
Zimmer

ANSWERED "PRESENT"—1

Pickle

NOT VOTING—31

Alexander
Anthony
Bilirakis
Blackwell
Boxer
Costello
Dickinson
Dixon
Dornan (CA)
Feighan
Ford (MI)
Hayes (IL)
Ireland
Jefferson
Kyl
Levine (CA)
Lowey (NY)
Mfume
Mrazek
Neal (MA)
Pickett
Rangel
Riggs
Savage
Serrano
Solarz
Thornton
Torres
Waters
Whitten
Wilson

☐ 1126

Mr. DERRICK changed his vote from "nay" to "yea."

Mr. TRAFICANT changed his vote from "present" to "yea."

So the Journal was approved.

The result of the vote was announced as above recorded.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore (Mr. McNULTY). The Chair will recognize the gentleman from Tennessee [Mr. FORD] to lead us in the Pledge of Allegiance.

Mr. FORD of Tennessee led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for

---

☐ This symbol represents the time of day during the House proceedings, e.g., ☐ 1407 is 2:07 p.m.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

which it stands, one nation under God, indivisible, with liberty and justice for all.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. Hallen, one of its clerks, announced that the Senate had passed with amendments in which the concurrence of the House is requested, a concurrent resolution of the House of the following title:

States participation in the United Nations Conference on Environment and Development [UNCED].

The message also announced that pursuant to sections 276d–276g, of title 22, United States Code, as amended, the Chair, on behalf of the Vice President, appoints Mr. SYMMS, Mr. MURKOWSKI, and Mr. BURNS, as members of the Senate delegation to the Canada-United States Interparliamentary Group during the second session of the 102d Congress, to be held in Boca Raton, FL, April 9–13, 1992.

WELCOME OF REV. DR. ROBERT B. HOWERTON, JR.

(Mr. FORD of Tennessee asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FORD of Tennessee. Mr. Speaker, I am pleased to welcome Rev. Robert B. Howerton. Reverend Howerton had distinguished himself throughout his career by excelling in health-care ministries. He serves as the senior vice president of the health systems and Methodist Hospitals of Memphis and is responsible for mental health, alcohol, substance abuse, and geriatrics programs. His untiring dedication in this field has led to many commendations and honors. Reverend Howerton was appointed to the Governor's task force on Alzheimer's disease by Tennessee Gov. Ned McWherter; he is president of Methodist Outreach, Inc., an alcohol and drug residential treatment facility; and was selected as Chaplain of the Year in 1984 by the United Methodist Association of Health and Welfare Ministries.

Reverend Howerton's illustrious career is highlighted by unfailing leadership in the health-care field. He has brought his message of hope to thousands of persons. He has spread the message of goodwill and faith throughout the city of Memphis. His leadership and ministry in the health-care field are shining examples of how community-based organizations can and do make a difference. I salute Reverend Howerton and am pleased to represent a congressional district that includes a spiritual leader of Dr. Howerton's dedication and standing. We have all been inspired by his words today and I want to thank him for coming to Washington today to spread his message of hope.

PRESIDENTIAL RESCISSION BILLS

(Mr. FAWELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. FAWELL. Mr. Speaker, there is a new and unique battle brewing between the Congress and the President. But it is one we should all welcome. It is one that taxpayers should welcome, too.

The President has sent 68 Presidential rescission messages to Congress calling for the rescission of 98 fiscal year 1992 appropriation projects. These rescissions total $5.7 billion.

In a bipartisan spirit, the gentleman from Minnesota [Mr. PENNY] and I, joined by 26 cosponsors, have introduced bills which simply ask for a vote on these rescissions, project by project.

Seventy-three of these ninety-eight special projects circumvented most of Congress' established rules for passing appropriation projects.

□ 1130

The remaining 25 projects are deemed by the President to be low priority spending. I understand the Committee on Appropriations will respond with a rescission bill of its own, roughly an equivalent cut of fiscal year 1992 spending.

Think of it. That is big news. The administration and Congress are fighting over how many fiscal year 1992 appropriations projects should be rescinded. That is unique and novel, and I urge my colleagues to join as cosponsors of these bills.

UNEMPLOYMENT STATISTICS

(Ms. DELAURO asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. DELAURO. Mr. Speaker, our country needs an economic recovery package. We need jobs to put people back to work. And we need the President to start working with Congress to get our economy moving.

These points are underscored by the unemployment figures for March. More than 9 million Americans are now out of work, and the unemployment rate is 7.3 percent.

But the administration continues to turn its back on the unemployed. Between March 1990 and March 1991, the Department of Labor undercounted the number of unemployed workers by 650,000—more than half of the people reported to be unemployed for that period.

I have met with families facing unemployment after a lifetime of work. I have met with business leaders and their employees in Connecticut who depend on defense spending and now face an uncertain future.

I challenge anyone to listen to Connecticut workers without sharing their fear. I cannot imagine how a Government agency charged with looking after them could ignore so many.

The President must join with Congress and help us pass an economic recovery package that will provide hope and jobs. He cannot continue to turn his back on our Nation's unemployed workers and families and millions more who fear unemployment.

TWO THINGS AMERICA CAN DO FOR BOSNIA, CROATIA, AND SLOVENIA

(Mr. BROOMFIELD asked and was given permission to address the House for 1 minute.)

Mr. BROOMFIELD. Mr. Speaker, America finally has recognized Bosnia, Croatia, and Slovenia. That's a start. A good start. It brings our foreign policy in line with the European Communities.

But it's not enough. America needs to follow up with two important steps.

One, we need to inform Serbia in no uncertain terms that the world will not tolerate another Croatia. That small nation has suffered 10,000 deaths in its war with Serbia and the displacement of 700,000 people.

If the new world order has a meaningful future, this would be a good place to demonstrate it.

Two, now that the administration has lifted sanctions against these three new republics, we need to support close economic ties with them, particularly Croatia. The Croatian economy has endured a loss of as much as $30 billion from its war with Serbia.

The best thing America can offer these new nations is its economic know-how and its huge market. Let us get on with it.

CAMPAIGN FINANCE REFORM

(Mr. MAZZOLI asked permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MAZZOLI. Mr. Speaker, later today or this week the House will take up the campaign finance reform conference report. I intend to support the conference report. It is a step in the direction that we should go to squeeze out big money and big special interests from the political process and put people back at the heart of the process where they should have been all these years.

However, the bill does not really go nearly far enough. Anyone who watched the PBS special last night about Congress and about money and politics had to be very, very concerned. At one point this Congress was called a kept Congress, a kept Congress. How demoralizing. How demeaning. How inglorious it is to be called a kept Congress.

But until we get rid of political action funds, until we get rid of any kind of big money, it seems to me we will always have this opprobrium heaped upon us, very unfairly but heaped on us nonetheless.

I intend to drop a bill in which will eliminate political action funds entirely from our political process. I hope to offer that to my colleagues here in the House.

I would be happy to talk to Members about it. Let us get rid of big money and put people back in the heart of the political process.

LET US DO AWAY WITH PROXIES

(Mr. ARMEY asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ARMEY. Mr. Speaker, we are about to enter into another era of intrigue in the House. Now that there are so many cats out of the bag revealing the incredibly inept and corrupt management of the House by the Democrat majority, they have sequestered themselves into working groups for reform.

Now they are going to begin to come crawling out of their backrooms with their reform packages, and as we begin to look at them we can see exactly what their strategy is: Pork the perks but preserve the power.

One of the particular things that they are holding on to is their right in committees and subcommittees to vote with proxies, irrespective of their attendance. They want to guarantee their chairman his right to own enough votes to always have his way in the committee, as they have done in the past.

My recommendation for those of us in the minority is, do not participate in any committee or subcommittee markup unless the Democrats have been in attendance to make the quorum.

CONGRATULATIONS TO SECRETARY DERWINSKI

(Mr. FRANK of Massachusetts asked and was given permission to address the House for 1 minute.)

Mr. FRANK of Massachusetts. Mr. Speaker, I want to congratulate the Secretary of Veterans Affairs Derwinski. I do so on behalf of myself, the gentleman from Pennsylvania, who is the ranking minority member of the Subcommittee on Administrative Law, which I chair, and also the gentleman from Mississippi who chairs the Committee on Veterans' Affairs.

We had a glitch. We had an archaic procedure in the House known as chartering Federal organizations.

It took time. It involved some money. It involved some effort. And it was largely unnecessary because these charters had no real meaning.

Except we found that with regard to the Department of Veterans Affairs, to be a veteran service organization of that Department you had to have a Federal charter. We thought that was an unnecessary requirement.

The gentleman from Mississippi and I wrote to Secretary Derwinski and asked him to look at that regulation, which he had inherited, and think whether it was not better for the Department to make its own individual decisions on who should be a veterans service organization, which allows us to get the Congress out of the business which ties up time and energy of issuing these purely honorary and unnecessary charters.

Recently, Secretary Derwinski did exactly that. We congratulate him for being unbureaucratic, for cutting redtape and for enabling this Congress to do away with something that was an unnecessary use of our resources.

THE NEGATIVE EFFECTS OF FEDERAL REGULATION

(Mr. BURTON of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BURTON of Indiana. Mr. Speaker, Federal regulations and mandates are strangling the small business person in this country. Because of that, President Bush has issued a 90-day moratorium on these regulations.

Unfortunately, there are a lot of them in place or coming on line which are continuing to hurt the private sector. Because of that, it is costing Americans jobs.

For instance, OSHA has recently issued a regulation called the occupant protection in motor vehicles regulation. What it says in essence is that every employer who has somebody on the road has to give them a driver training program. That sounds good on the surface, except that it costs money. Every time we charge a small businessman more money, he has to pay out more money for some Government regulations. That is money that has to come out of his pocket or out of his business' pocket.

When it comes out of their pocket, that means there is less money to go around, and, hence, he has to start economizing. And it leads to job loss.

So I would just like to say to OSHA and to everybody, we have got to cut these Government regulations that are strangling the private sector. We cannot go on indefinitely like this or we are going to kill the free enterprise system.

GI BILL PAYING FOR ITSELF

(Mrs. PATTERSON asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Mrs. PATTERSON. Mr. Speaker, on July 1, the Montgomery GI bill will celebrate its seventh birthday. Thanks in large part to the incentives offered by this education program, we now have the finest quality personnel we've ever had in our Armed Forces. It's also helping hundreds of thousands of our young men and women get a college education when they otherwise might not be able to afford it.

The Montgomery GI bill has 1.2 million participants so far, and the taxpayer is not yet having to foot the bill.

The Department of Veterans Affairs and the Department of Defense have paid out a total of just over $1 billion for the basic entitlement for active duty and reserve participants. But, as a result of $1,200 in pay reductions each active duty enrollee agrees to, we've put $1.3 billion back into the Treasury and the Government has saved millions more by not having to borrow the money to pay these benefits.

Mr. Speaker, with the current GI bill, we did a good day's work. Not only did we design a program which is having a tremendous impact on military and economic strength, we made it cost effective. The GI bill is still paying for itself.

□ 1140

OSHA AND EXCESSIVE REGULATIONS

(Mr. STEARNS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. STEARNS. Mr. Speaker, as you know, burdensome Government regulation isn't just an annoyance—it can mean the elimination of jobs and livelihoods for Americans.

It's been my experience that the Washington bureaucracy has lost touch with the people. One of the reasons I decided to run for Congress was to bring the needs of the people to the Government and make Government listen and respond.

Workers in my district are preparing to lose their jobs because OSHA is preparing to hand down a new standard on cadmium levels in the workplace—a standard which far exceeds that of our foreign competitors and one which we don't even have the technology to comply with.

This regulation violates the basic tenant that Government should be for the people.

I do want to thank Congressman DELAY for putting together a task force that will focus on some of these ridiculous regulations. I hope we can, through this effort, bring some backhome common sense to this bureaucracy and remind them that the people are watching.

PERFORMANCE OF THE PATRIOT MISSILE IN OPERATION DESERT STORM

(Mr. ZELIFF asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. ZELIFF. Mr. Speaker, I would like to submit for the RECORD a statement concerning Patriot's performance in Desert Storm.

After listening to testimony before the Legislation and National Security Subcommittee of the House Government Operations Committee, there is conclusive evidence that the Patriot air defense system not only worked in Desert Storm but performed its mission exceptionally well. The men and women of the U.S. Army air defense forces have every reason to be proud of their performance which saved countless lives and rendered Saddam Hussein's terrorist Scud weapon essentially useless. The use of Patriot in Desert Storm was an essential element of maintaining the political will of the coalition forces and winning the war.

Most importantly, the American people now know that there is indeed an effective and much needed counter to a tactical ballistic missile attack. Unfortunately, other terrorist-leaning countries have Scuds or Scud-like weapons in their military inventories. They can be used again. A robust defense which incorporates lessons learned from Desert Storm is necessary in our military posture.

I support the U.S. Army Patriot air defense system. I support the Army's enhancement program for Patriot and recommend that the House appropriate sufficient funds to carry out the Army's plan to make Patriot even better for potential future conflicts.

CONFERENCE REPORT ON H.R. 3337, WHITE HOUSE COMMEMORATIVE COINS

Mr. TORRES. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H.R. 3337) to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes, and that the conference report be considered as read when called up.

The Clerk read the title of the bill.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from California?

There was no objection.

(For conference report and statement, see proceedings of the House of Tuesday, April 7, 1992, at page 8263.)

The SPEAKER pro tempore. The gentleman from California [Mr. TORRES] will be recognized for 30 minutes, and the gentleman from California [Mr. MCCANDLESS] will be recognized for 30 minutes.

The Chair recognizes the gentleman from California [Mr. TORRES].

Mr. TORRES. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of the conference report to H.R. 3337. The bill was recommitted to conference with instructions from the House.

The conference committee met the following day and agreed to a conference report which conformed to the House instructions that title V be stricken from the report.

I would like to thank all of my colleagues who have helped to move this legislation through the House.

I am pleased that we may soon enact legislation to commemorate the 1994 World Cup soccer games, James Madison and 200th anniversary of the Bill of Rights, the 200th anniversary of the laying of the cornerstone of the White House, the quincentenary of the discovery of the Americas, and the service of our Nation's Armed Forces in the Persian Gulf.

We have been working since last June to move this coin package.

WORLD CUP U.S.A. 1994 COMMEMORATIVE COIN BILL DESCRIPTION OF PROVISIONS

SECTION 2

This section sets forth the specifications of the gold, silver and clad coins. The specifications are identical to previous programs which will allow the Mint a smooth transition into this program.

The mintage levels established in the bill have been questioned by some claiming the level is too low while others argue it is too high. It is impossible to predict with effective accuracy exactly what the level of sales may be. The mintage level set in the bill is designed to strike a balance.

Since the World Cup is the largest single-sport spectacle in the world, the Committee believes the potential markets are much larger which will present the Mint with a unique opportunity for international sales. The Committee expects the Mint to work closely with the World Cup Organizing Committee in marketing the coins. The Mint's experience combined with the World Cup's international sports and marketing skills will provide an opportunity to reach the sales levels specified.

SECTION 4

This section requires the Mint to sponsor a nationwide open competition for the design of each coin. This section was added to comply with the Mint's view that the American public should be allowed to participate in the design of these coins.

SECTION 5

Subsection (b): The Mint has been criticized for not issuing bulk sale information to dealers until after the programs have begun. In the case of the Korean Coin Program, the bulk purchase conditions were not released until the final quarter of the program. This does not provide adequate time for bulk dealers to plan marketing programs.

The Committee expects the Mint to consult with leading coin dealers and the respective trade associations in 1993 and to prepare suitable bulk sales terms and conditions. These terms and conditions should be released as soon as possible in 1993.

Subsection (c): The Committee expects the Mint to be very aggressive in marketing the coins. Since the World Cup tournament will not be held until 1994, it is very important that the Mint work closely with the World Cup to secure a substantial number of prepaid orders. The Committee directs the Mint to work closely with the World Cup Organizing Committee to take advantage of every opportunity for early sales.

The Committee expects the Mint to pay the surcharges from prepaid orders to the World Cup Organizing Committee within a reasonable time after they are received.

Subsection (e): The World Cup will be held in several cities across the nation. This affords excellent marketing opportunities for the Mint. The Committee expects the Mint to work with banks and retailers in those venue cities to establish distribution outlets. The Mint may designate these distributors as "Official U.S. Mint World Cup Coin Distributors." The Mint should include in their reports to Congress a report detailing their efforts to develop this distribution system.

Subsection (f): The World Cup is an international sporting event. The Committee believes there is an excellent opportunity for international marketing. The Committee expects the Mint to work with the World Cup Organizing Committee to establish international marketing and distribution systems. The Mint may designate international distributors as "Official U.S. Mint World Cup Coin Distributors" with concurrence of World Cup 1994.

Subsection (g): The Committee intends for the Mint to work in a cooperative fashion with the Congress and World Cup to provide timely information on the performance of the coin program.

The Committee would like to see a very successful program and believes that cooperative reporting will provide the information necessary to help the Mint and World Cup maximize the potential of this program.

Since coin programs are short-term (i.e. one year in duration), it is difficult to react quickly to any potential marketing opportunities unless there is an ongoing update of what is actually occurring with the program.

The Committee anticipates the format of the reports will follow the example provided by the Mint in the Mint Budget Authorization Report—H.R. 2631; July 15, 1987; Page 77. Furthermore, we acknowledge that the Mint was required to provide similar reports by the 1984 Olympic Coin Program (P.L. 97-220). This reporting amendment attempts to follow the earlier reporting requirements so as not to be unnecessarily disruptive to the Mint operations.

The Committee understands that it will be difficult for the Mint to provide actual numbers in the early days of the program. Therefore, we recognize that the Mint will have to estimate many of the early costs. However, the Committee expects the Mint to update their estimates with the actual costs when they become available. Even the estimates will be helpful to show early trends in the programs performance.

SECTION 6

The Committee's intent is to have coins available for sale January 3, 1994. The terms "issued" and "issuance" are to be interpreted broadly, not restrictively. The Committee understands that coins sold on December 31, 1994 cannot practically be delivered to customers until 1995. The Committee expects the Mint to push coin sales through the end of the calendar year even if some deliveries have to be made in 1995.

SECTION 8

Subsection (a): The Committee intends that the purpose of the World Cup 1994 Commemorative Coin Program is to raise surcharges for the World Cup USA 1994 Organizing Committee. However, it is also our intent that the program shall not result in any net cost to the Federal Government.

In prior coin programs, there has often been a residual operating profit at the conclusion of a program. This residual operating profit is the balance remaining from a specific program after the Federal Government has recovered all its costs to operate a program. The profit accrues because in order to comply with Section 11(a), the Mint must make sure it has raised sufficient funds from the sale of each coin to cover the costs associated with producing and marketing the coin. Since it is extremely difficult to predict exactly what those costs may be, the Mint must make sure their estimates are conservative so there is not a shortfall. In other words, this residual operating profit is the difference between the Mints estimated costs and their actual costs.

While the Committee accepts this practice as a means to insure that a coin program results in no net cost to the Federal Government, the Committee feels strongly that the Mint is subject to unfair criticism if the leftover funds are not spent on activities directly related to the particular program.

The Committee is concerned that the Mint is placed in a position of conflict and forced to choose between the legislative intent of a coin program (e.g. to raise surcharges for a specific cause) and its professional judgment on how to manage a coin program. For example, in prior programs, the Mint has been asked to expend these residual profit monies on marketing initiatives to sell more coins. However, in their professional judgment, the Mint has responded that the amount of money spent on marketing may actually exceed the surcharges generated as a result of the marketing. Therefore, the Mint concluded it was unsound to expend say $100,000 on a marketing ad which may only produce $25,000 in surcharges. We respect the Mint's professional judgment and recognize we must rely on their coinage expertise. We believe the language in Section 8(a) will remove the Mint from future criticism.

The surcharge language in Section 8(a) is designed to insure that decisions effecting a coin program are made in the best interests of the program. Furthermore, it eliminates the Mint's dilemma of having to make sound business decisions in which they are left open to unfair criticism because they are perceived to be promoting their own interests at the expense of the benefitting organization. Under this language, the remaining funds (e.g. the residual operating profits) will be deemed surcharges and distributed to the Secretary of the Organizing Committee.

Under our earlier hypothetical, if the Mint decided it was not in the best interest of the program to expend the $100,000 on a marketing ad, at the end of the program that $100,000 would be deemed a surcharge and transferred to the benefiting organization. This way the Mint could comply with the legislative intent of the program without being criticized that its decision not to expend the money was influenced by what the Mint stood to gain. At the conclusion of the program, the Committee directs the Mint to pay to the World Cup Organizing Committee all remaining funds from the sale of the coins.

The Committee intends that ten percent of the funds made available by subsection 8(a) will be available to the United States Soccer Federation Foundation, Inc. for distribution to institutions for scholastic scholarships to qualified students. The scholastic scholarships shall go to three institutions that meet the previously published criteria: the National Council of La Raza; the National Hispanic Scholarship Fund; and the Hispanic Business National Scholarship Fund.

Definition of "qualified student"—The Committee intends that the term "qualified students" be interpreted narrowly by institutions providing scholastic scholarships. The Committee intends to limit scholarships under this section to the most undereducated persons and groups in American society. The Committee expects that "qualified students" shall be identified based on the following criteria:

Individuals who are "first-generation" college students, i.e., whose parents did not complete a course of study at an accredited institution of higher learning; and

Individuals who are "economically disadvantaged", i.e., who come from families with incomes at or below the median family income of the U.S. population, or who are members of communities with median incomes at or below 70% of the median family income of the U.S. population; and

Individuals who are "educationally disadvantaged," because of developmental disability, national origin, nativity or limited-English proficiency, or attended school districts with dropout rates at least twice as high as the national average; and

The scholastic scholarship fund will be targeted to minority student groups that have a high school completion rate of less than 60 percent.

Provided further, that at least one such institution serves as an umbrella organization for at least 125 affiliated local community-based organizations. Such institution provides capacity-building assistance, public policy analysis and advocacy, public information efforts, and special catalytic efforts on behalf of economically and educationally disadvantaged persons. Such institution is governed by organizational by-laws that require a Board of Directors reflective of the geographic, gender and ethnic composition of a target population consisting principally of qualified students and their families as defined in this section. Such institution includes a corporate board of advisors composed of at least twenty senior executives of major corporations.

That at least one such institution is a 501(c)(3) nonprofit organization whose sole mission is to provide scholarship assistance to qualified students in all fifty states and Puerto Rico. Scholarship recipients are selected on the basis of academic achievement and personal strengths, and represent hundreds of both public and private colleges and universities across the nation. Recipients are also reflective of the composition of five national regions. Such institution annually selects scholarship recipients using a process of regional review committees. In addition, such institution is government by organizational bylaws which require a board of directors comprised of corporate and educational leaders.

That at least one such institution is a 501(c)(3) nonprofit organization with a national scope and a primary goal to provide post high school scholarship assistance to qualified students in all fifty states and the territories of the United States of America. Scholarship recipients are selected on the basis of academic achievement, community leadership and financial need. Such institution is governed by organizational by-laws that require officers, board of directors, and trustees who are business and community leaders throughout the nation and are dedicated to the educational advancement of a target population of qualified students as defined in this section.

Student eligibility: A qualified student who is in attendance or who has been accepted for admission, as a full-time undergraduate or graduate student at an accredited institution of higher education may apply.

The Committee recognizes that institutions must have some flexibility in the selection of scholarship recipients; however, we expect that, except in unusual or exceptional circumstances, each scholarship recipient shall meet the three of the four broad criteria in addition to other criteria set forth by the institution.

SECTION 11

As mentioned earlier, the Committee expects the Mint to use best efforts to insure this program results in no net cost to the Federal Government.

Mr. Speaker, I reserve the balance of my time.

Mr. McCANDLESS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in strong support of the conference report on H.R. 3337.

The bill has been before the House twice. In both instances, it contained provisions that mandated the redesign of our circulating coins.

In both instances, the House voted to reject coin redesign.

The conference report before us now reflects the House's position,

All provisions and references to coin redesign have been eliminated from the bill.

Let me repeat that. All provisions and references to coin redesign have been eliminated from the bill.

H.R. 3337 is now a package of four commemorative coins and a commemorative medal, all of which have very strong bipartisan support.

The proceeds from the sale of the coins will be used to fund significant programs.

Proceeds from the White House commemorative coin will be used for furnishings and maintenance of the public rooms of the White House.

Proceeds from the World Cup commemorative coin will be used to promote and stage the 1994 World Cup soccer games in the United States.

Proceeds from the Christopher Columbus commemorative coin will be used to provide scholarships for research and exploration.

Proceeds from the James Madison/Bill of Rights commemorative coin will be used to provide scholarships for teachers for advanced studies in U.S. history and the Constitution.

The bill also provides for a silver medal to be awarded to veterans of the Persian Gulf war. The medal is to be funded by the sale of duplicates and private donations.

The passage of this conference report will not result in any net cost to the Federal Government.

Now that coin redesign has been eliminated, H.R. 3337 has my strong support.

I urge my colleagues to support the conference report.

Mr. Speaker, I reserve the balance of my time.

Mr. TORRES. Mr. Speaker, I yield 2 minutes to the gentleman from Illinois [Mr. ANNUNZIO], a former chairman of the Subcommittee on Consumer Affairs and Coinage of the Committee on Banking, Finance and Urban Affairs, and a sponsor of the prime quincentenary coin.

Mr. ANNUNZIO. Mr. Speaker, I want to commend the distinguished chairman of the Consumer Affairs and Coinage Subcommittee, the gentleman from California [Mr. TORRES] for his work in bringing this legislation to the floor today. He is to be commended for his leadership in the coinage field.

Mr. TORRES has succeeded in bringing to the House a coin bill that should enjoy unanimous support, and I rise in strong and enthusiastic support for the bill.

Title IV of this legislation contains the Christopher Columbus Coin and Fellowship Act. This legislation, which I introduced last year as H.R. 500, would authorize the minting of coins in commemoration of the quincentenary of the discovery of the New World by Christopher Columbus. H.R. 500 passed the House last July by a vote of 408-2.

The most important aspect of this program is not the commemorative coins, but the establishment of the Columbus Fellowship Foundation. The Foundation will award fellowships to assist modern day explorers in their search for discoveries that can benefit mankind. Through the coin program, the scholarships will be awarded at no cost to the Nation's taxpayers.

This legislation also contains provisions for a World Cup soccer commemorative coin. The World Cup is the most significant event in the world for soccer, and I am pleased that my home of Chicago has been chosen as a site for the World Cup games. The coin program will help ensure a successful World Cup event.

Mr. Speaker, this coin bill is now completely noncontroversial. I hope that it will be come law quickly, so that the Mint can begin designing and minting the Columbus coins in time for the celebration this fall. Then mankind can begin benefiting from the new discoveries of Columbus scholars.

I urge adoption of the conference report.

Mr. WYLIE. Mr. Speaker, I rise today in strong support of the conference report for H.R. 3337, an omnibus coin bill. At the outset, I want to commend Subcommittee Chairman TORRES and the subcommittee's ranking Republican member AL McCANDLESS for their perseverance in getting this bill to the floor. I also want to commend my colleagues who voted on April 2, 1992, to recommit the conference report with instructions to disagree to the Senate amendments relating to coin redesign. Let me assure my colleagues that the Senate did recede to the House position with regard to coin redesign—the conference report for H.R. 3337 contains only noncontroversial coin bills—it does not provide for coin redesign. I know that many Members find coin redesign as objectionable as I do and I want to be perfectly clear—coin redesign is no longer in the bill.

As I mentioned, the conference report contains five noncontroversial coin bills: The White House coin bill, the Christopher Columbus coin bill, the World Cup coin bill, the James Madison coin bill and the Desert Storm Medal. I would like to briefly discuss two of those bills with which I am most familiar.

First, I want to indicate my strong support for the White House coin bill. The White House coin bill will commemorate the 200th anniversary this year of the laying of the White House cornerstone. The cornerstone ceremony took place on October 13, 1792, and celebrated the completion of the first Federal building to be constructed in the Nation's Capitol. H.R. 3337 authorizes the Secretary of the Treasury to mint and issue $1 silver coins to commemorate this historical event and to providing funding for the preservation and refurbishing of the White House. The legislation requires that the sales price of the coin cover all costs to the Government and includes a surcharge of $10 per coin.

Proceeds from the surcharge are to be paid to the White House Endowment Fund to help meet its goal of establishing a $25 million source of permanent funding for the White House. Such funding will be used to support the White House collection of fine art and antique furnishings and to preserve the public rooms of the White House which are visited by over 1.5 million people annually.

Second, I want to indicate my support for the Christopher Columbus Coin and Fellowship Act included in the conference report. I would like to praise Congressman ANNUNZIO for the splendid work he has done on this bill over the last several years.

Christopher Columbus represents a special figure in America's history to me and one I believe is truly worth commemorating. I represent and live in Columbus, OH, which was named after the great explorer. Indeed, Columbus, OH, is the largest city in the world named for the explorer. Our town with its great university, Ohio State, and its other educational institutions is a place that I feel has captured the spirit of Christopher Columbus.

It seems highly appropriate to me that not only does this bill commemorate the 500th anniversary of the discovery of America, but it also establishes an educational foundation to promote research designed to produce new discoveries in all fields of endeavor for the benefit of mankind. I am hopeful that our university, Ohio State, will, in the near future, have several Columbus scholars that will be able to identify both with the explorer and our city.

Again, I want to commend Subcommittee Chairman TORRES, Congressman McCANDLESS, and all my colleagues for their part in bringing the conference report for H.R. 3337 to the floor today. I urge my colleagues to pass the conference report and send it on to the President for his signature.

□ 1150

Mr. McCANDLESS. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. TORRES. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore (Mr. McNULTY). The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. McCANDLESS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 414, nays 0, not voting 20, as follows:

[Roll No. 74]

YEAS—414

Abercrombie
Ackerman
Alexander
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Bevill
Bilbray
Blackwell
Bliley
Boehlert
Bonior
Borski
Boucher
Boxer
Brewster
Brooks
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Chapman
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Frost
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hayes (LA)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
Jacobs
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston

Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (CA)
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Michel
Miller (CA)
Miller (OH)
Miller (WA)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moorhead
Moran
Morella
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Poshard
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Rinaldo
Ritter
Roberts
Roe
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sabo
Sanders
Sangmeister
Santorum
Sarpalius
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)
Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Washington
Waters
Waxman
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—0

NOT VOTING—20

Berman
Bilirakis
Boehner
Costello
Darden
Dixon
Duncan
Gillmor
Jefferson
Levine (CA)
Mfume
Morrison
Mrazek
Parker
Rangel
Riggs
Serrano
Thornton
Weber
Whitten

□ 1234

Mr. ORTON changed his vote from "nay" to "yea."

So the conference report was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. TORRES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the conference report just agreed to.

The SPEAKER pro tempore (Mr. MCNULTY). Is there objection to the request of the gentleman from California?

There was no objection.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. McCathran, one of his secretaries.

RECOMMITTAL OF CONFERENCE REPORT ON S. 3, SENATE ELECTION ETHICS ACT OF 1991, TO COMMITTEE ON CONFERENCE WITH INSTRUCTIONS

Mr. FROST. Mr. Speaker, I ask unanimous consent that it be in order to consider a motion, to be offered by the gentleman from California [Mr. THOMAS], to recommit the conference report on the Senate bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, with instructions to the managers on the part of the House on the further conference on S. 3 to insist on the inclusion in the conference report of the provisions of the bill (H.R. 4101) to prohibit Members of the House of Representatives from making franked mass mailings outside their congressional districts and to prohibit payment from official allowances for mass mailings by Members of the House of Representatives outside their congressional districts; said motion to be debatable for not to exceed 60 minutes; and that the previous question shall be considered as ordered on the motion to final adoption without intervening motion.

Further, upon adoption of the motion, I ask unanimous consent that House Resolution 420 be laid on the table.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California [Mr. THOMAS].

MOTION TO RECOMMIT OFFERED BY MR. THOMAS OF CALIFORNIA

Mr. THOMAS of California. Mr. Speaker, I offer a motion to recommit.

The Clerk read as follows:

Mr. THOMAS of California moves to recommit the conference report on the bill S. 3 to conference with instructions that the Managers on the part of the House insist on the inclusion in the conference report of the provisions of the bill H.R. 4101, as introduced by Representative Thomas of California, a bill "to prohibit Members of the House of Representatives from making franked mass mailings outside their congressional districts and to prohibit payment from official allowances for mass mailings by Members of the House of Representatives outside their congressional districts."

The SPEAKER pro tempore. The gentleman from California [Mr. THOMAS] is recognized for 1 hour.

Mr. THOMAS of California. Mr. Speaker, I yield half of my time, 30 minutes, to the gentleman from Texas [Mr. FROST], pending which I yield myself such time as I may consume.

Mr. Speaker, I am pleased to see a motion in front of the House of Representatives which has not been able to be scheduled in either of the two committees of jurisdiction, to change the current law having to do with Members' ability to send franked mail, not just to their constituents but to people who are not now their constituents nor will they ever be their constituents.

I believe there was a fundamental mistake made last year when this was expanded beyond the historical scope to use it only during periods of redistricting. I am pleased that the majority has been willing to allow the historical and traditional practice of members of the Minority to offer the motion to recommit. So I am pleased with this motion, both in terms of substance and in terms of procedure.

Mr. Speaker, I reserve the balance of my time.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas [Mr. FROST].

Mr. FROST. Mr. Speaker, we do not have any speakers at this time, and I would defer to the gentleman from California [Mr. THOMAS].

Mr. THOMAS of California. Mr. Speaker, I yield such time as he may consume to the gentleman from New York [Mr. WALSH].

Mr. WALSH. Mr. Speaker, I thank the gentleman from California for yielding time to me, and I thank the Chair for recognizing me to speak on this important issue.

I will not go into length about the substance of the conference report, but I would state that there are a number of issues in it that I strongly disagree with. But I do believe that every Member should support this motion to recommit.

The inclusion of the prohibition on franking outside of a congressional district is a very positive addition to this report. There is no need for us to be mailing to individuals who are not our constituents outside of our congressional districts. It is an expensive process. Franking costs the American taxpayer millions and millions of dollars, and we should at least resolve ourselves not to be mailing outside our districts, the districts we are responsible for.

So, Mr. Speaker, I rise in support of the motion offered by the gentleman from California [Mr. THOMAS], and I urge unanimous support for this motion to recommit.

☐ 1240

Mr. THOMAS of California. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. LEACH], who has long been involved with campaign finance reform.

Mr. LEACH. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I just had a query for the distinguished chairman on the Democratic side.

As I understand it, this is a clerical error we are dealing with. But was it a clerical error that the House gets a $5,000 cap on PAC money, and the Senate $2,500, or is it the decision of the committee that the House is not going to take as principled a position as the Senate, or is it a clerical error?

Mr. FROST. Mr. Speaker, will the gentleman yield?

Mr. LEACH. I yield to the gentleman from Texas.

Mr. FROST. Mr. Speaker, I was not a member of the conference committee. I can only tell the gentleman what I know having read the conference committee documents. But I was not a conferee.

It is my understanding from having read the documents that there is a separate limit on PAC contributions for the U.S. Senate and a separate limit on PAC contributions for Members of the House of Representatives. It is not a typographical error, or it is not a clerical error.

Mr. GEJDENSON. Mr. Speaker, will the gentleman yield?

Mr. LEACH. I yield to the gentleman from Connecticut.

Mr. GEJDENSON. Mr. Speaker, I would explain to the gentleman that the House limit is actually more comprehensive than the Senate limit, because the House limit not only limits PAC contributions in total amounts to campaigns, but the House also limits contributions from large donors. So anything over $200 is also limited in the House bill as well.

Mr. LEACH. Mr. Speaker, reclaiming my time, one can still receive $5,000 from a PAC, instead of $2,500?

Mr. GEJDENSON. Mr. Speaker, if the gentleman will yield further, one can receive $1,000 from individuals up to one-third. So while we have kept the limits the same, we have limited not just political action committees, the Sierra Club and others, but also limited the chairman of the board of Exxon and his colleagues. So I think that will make the playing field far more level.

Mr. LEACH. Mr. Speaker, I certainly appreciate the clarification of the gentleman from Connecticut [Mr. GEJDENSON].

Mr. THOMAS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this motion to recommit is in the area of franking. As most Members now know, there was a technical drafting error in the conference report in which the Senate provision that was passed by the Senate in their campaign finance bill not allowing any franked mail being sent in an election year was apparently inadvertently applied to the House. So the subject matter before us now is I believe properly not the entire campaign finance reform bill, which will be before us if in fact this motion to recommit goes to conference and the franking provisions are adjusted.

Mr. Speaker, I fervently hope that the franking provisions are adjusted, not just by removing the technical glitch, but taking the language contained in 4104 and including it in that conference report.

When that comes back there will be ample time to debate the entire structure of campaign finance reform as proposed by the Democrats in their conference report and as offered by Republicans in both bodies.

Mr. Speaker, I yield 2 minutes to the gentleman from Ohio [Mr. MILLER].

Mr. MILLER of Ohio. Mr. Speaker, I rise in support of this procedural motion to include the provisions of H.R. 4104, a bill to prohibit franked mass mailing outside a Member's district, in H.R. 3750. I congratulate my friend and colleague, the gentleman from California [Mr. THOMAS] for bringing this to the floor and agree with him that this may be the only opportunity to ban this wasteful practice.

As one who has been a longstanding opponent of the frivolous and abusive use of the congressional franking privilege, I think we have an opportunity today, to make it clear to the American people that we are sincere in our efforts to change some of the practices that have served to sully the name of this institution.

As many of you may recall, over the years I have made repeated efforts to rein in the costs of congressional mailing, by limiting the number of postal patron mailings Members could send to their respective constituencies.

In my judgment the most frivolous and self-serving use of this franking privilege is that aspect addressed by H.R. 4104. By permitting Members of Congress to make these mailings into areas that they presently do not represent, as we do now, serves nobody's interests, but the Member in question. It costs the American taxpayer both in terms of production costs and mailing costs, millions of dollars each year. Lets face it, such mailings outside one's district serve as little more than campaign tools. This is particularly apparent in a year such as this where redictricting has changed previously established congresssional lines. I think it is fair to say, that a Member would not be so eager to mail into these new areas being added to their current districts, if it wasn't for the fact that they would be standing for election before these very constituents this fall.

It is time to put our money where our mouth is so to speak; it is time to put a stop to this unnecessary waste of taxpayers dollars by prohibiting the sending of such franked postal patron mail outside one's current district.

Mr. FROST. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, I would like for a point of clarification to ask the gentleman from California [Mr. THOMAS], is it the intent of the gentleman's motion to instruct that the conferees correct the mistake, the original mistake made in the conference report, whereby the documents did not reflect the true agreement of the conferees?

Mr. THOMAS of California. Mr. Speaker, will the gentleman yield?

Mr. FROST. I yield to the gentleman from California.

Mr. THOMAS of California. Mr. Speaker, the motion to recommit, the subject matter is in fact franking, which is within the scope and context of H.R. 4104. Once that bill is recommitted to conference, it is my understanding that any subject matter can be reexamined, and if there was in fact a technical error, which I understand there was, that technical error certainly can be corrected.

So although there is no specific language in the motion to recommit, the substance moves it back to the full conference for the conference to work its will.

Mr. FROST. Mr. Speaker, I thank the gentleman for that clarification.

Mr. THOMAS of California. Mr. Speaker, I yield 1 minute to the gentleman from California [Mr. LAGOMARSINO].

Mr. LAGOMARSINO. Mr. Speaker, I wish to commend the gentleman from California [Mr. THOMAS] for offering this motion. I think it is eminently fair and just and something the American people strongly support. I would hope that the vote on this would be unanimous.

It certainly does not make sense for us to be mailing into areas that we do not represent. I think this motion will reflect that. I hope the conferees not only will hear what we say today, but will follow what we say here today.

Mr. THOMAS of California. Mr. Speaker, I yield 2 minutes to the gentleman from Louisiana [Mr. LIVINGSTON].

Mr. LIVINGSTON. Mr. Speaker, I rise in support of the motion which will recommit H.R. 3750 to the conference committee.

Originally, this rule would have instructed the conference to correct a technical error. However, the Democrats have allowed Mr. THOMAS to offer his motion which instructs the conferees to prevent franked mass mailings outside the Member's district.

As a member of the conference committee, I guess I should feel embarrassed that we made an error and need to go back to the conference to fix the problem. But, I can't personally feel embarrassed because I was out of the loop on the development of this bill.

I would willingly have participated in negotiations with the majority party during the conference. Unfortunately, the tradition of compromise and give and take was available only to the Democrat members and the Democrat staff. At the first meeting of the conference committee we heard eloquent opening statements from members of the conference on the need for reform, and then the staff was directed to meet to work out the differences between the House and Senate bills. At the staff meeting, the Republican staff was handed a thick package of conference staff recommendations. The Republican staff was then briefed on what compromises had been made by the Democrat staffers in the House and Senate. Our staff had no real input.

Apparently, the Democrats made an error in their intrafamily negotiations. They forgot to delete a provision of the Senate bill which prevented Senators from sending out franked mass mailings during an election year. By including this provision, the Senate admitted that taxpayer-funded mass mailings in an election year are an unacceptable incumbent perk. Unfortunately for the Democrat managers of the bill, this provision was unintentionally applied to the House. Apparently, franked mass mailings during an election year are an abuse on the other side of the Capitol, but they are a necessity on the House side. This is curious reform.

Republicans are in the minority in the House and the Senate and are eager to reduce the considerable advantages enjoyed by incumbents in political campaigning. Franked mass mailings are a blatant example of incumbent privilege. So, it is surprising that the House Democrats want to recommit the campaign spending limit and election reform conference report in order to reinstate franked mass mailings during an election year. This motion seems inconsistent with the goal of reforming political campaigns. No wonder the American people want to throw the rascals out.

I support the efforts of Mr. THOMAS to instruct the conferees to include in the conference report the provisions of H.R. 4104 introduced by Representative THOMAS of California—a bill to prohibit franked mass mailing outside a Member's district. This measure represents true reform to prevent the gross abuse of the frank for strictly political purposes. Defenders of the frank maintain that Members must be allowed to communicate with their constituents. Sending franked mass mailings to nonconstituents is a blatant violation of the franking privilege.

Therefore, I urge my colleagues to support the motion to recommit the conference report with instructions.

Mr. THOMAS of California. Mr. Speaker, I yield 1 minute to the gentleman from Iowa [Mr. NUSSLE].

Mr. NUSSLE. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I would rise in strong support as a cosponsor of this piece of legislation. I will just point out to Members that while this is a good first step, I think many more steps need to be taken with regard to our franking privilege.

It is one thing to talk about campaigning outside of the district that we are elected to represent. It is another thing to address the issue of campaigning inside the district we were elected to represent by using the frank inside the district for campaign and political purposes.

□ 1250

While we have rolled back and started to reform the process back to a period of time when we were allowed to use this frank outside the district, we also have to talk about real reform of the frank.

I have a bill that would eliminate the frank, that would talk about using stamp or metered mail as our constituents have to. I go to town meetings and they cannot understand how we are able to send out junk mail, and much of it is junk mail, and my colleagues all know that, for political purposes even within our district.

So I rise in support of this particular measure as a good first step, but many more steps need to be taken in the future.

Mr. THOMAS of California. Mr. Speaker, I yield 3 minutes to the gentleman from Texas [Mr. BARTON].

Mr. BARTON of Texas. Mr. Speaker, I rise in support of the Thomas effort to overturn this rule and recommit it to the Committee on Rules. The frank was put into the U.S. Constitution as a communication tool by which Members could communicate with their existing constituents.

We have through the rules of the House of Representatives changed that very straightforward and worthwhile obligation to a system where now Members can communicate not only with their existing constituents, they may communicate by use of the frank with constituents in counties adjacent to their existing districts and to areas that might be included in new districts under redistricting.

I think that is an abuse of the franking privilege. I think it is using taxpayer money to finance a surrogate campaign for reelection. I think it should be ended. I think we should commend the gentleman from California [Mr. THOMAS] for offering his fat-free franking bill. I want to give a specific example of what I am talking about.

Right here is a letter addressed to the Barton Family, 701 Williamsburg, Ennis, TX 75119. That is my home address.

This letter was not sent to me by myself, the gentleman from Texas [Mr. BARTON]. It was sent to me by the gentleman from Texas [Mr. FROST] of the 24th District.

This is a good piece of franked material. He is asking about a health care reform package. He sends a very worthwhile questionnaire which is well done.

The problem is that I am not in his existing congressional district. I am not going to be in his new congressional district. But I do happen to be in a county that is adjacent to his existing congressional district.

This should be prevented. This should be stopped. This is only one example.

I have received five other pieces of material from the gentleman from Texas [Mr. FROST] in the last 3 months. It is legal. It is not illegal, but it is unethical.

We should stop it. We should support the gentleman from California [Mr. THOMAS]. We should bring his bill up for the vote and we should pass it.

The ability to eliminate fat franking, the Thomas bill, has been supported by the Washington Times, the New York Times, every major newspaper in the State of Texas, including the Fort Worth Star-Telegram, as recently as this week. So I would hope that we support the gentleman from California [Mr. THOMAS]. Let us put an end to this kind of unnecessary and taxpayer-financed surrogate campaigning. Let us pass the Thomas fat-free frank.

The way to do that is defeat this motion, go back to the Committee on Rules, make the Thomas amendment in order on the bill before us.

Mr. Speaker, I include for the RECORD the letter to which I referred.

HOUSE OF REPRESENTATIVES
Washington, DC, March 12, 1992.

The BARTON FAMILY,
701 Williamsburg,
Ennis, TX.

DEAR FRIENDS: The availability of quality health care for all Americans is clearly one of the most important issues Congress must face in the coming months. I recently conducted a series of town hall meetings on health care and Congress is now considering a series of proposals from President Bush and others on this question.

One proposal under consideration would provide Medicare-like benefits for everyone, with a single deductible and limits on out-of-pocket expenses. The program would be administered like Medicare by private insurers. Another proposal would provide health benefits through a public/private system. All employers would be required to either provide coverage for their employees and their dependents, or contribute to the public program which would provide the coverage.

A third proposal would establish a universal coverage system, eliminating all out-of-pocket costs to individuals. the benefits would include prescription drugs and long-term care without deductibles for co-insurance. Finally, the Bush Administration's plan would use vouchers and tax credits to reduce out-of-pocket costs, but would leave the present health care system largely unchanged.

I have included an insert which provides more details and compares the proposals mentioned above. I would appreciate it if you could take a minute to study these various approaches and then let me know which one makes the most sense to you. Simply fill out the form at the bottom of the insert indicating your preference and return it to me in Washington.

I look forward to hearing from you soon.

Sincerely,
MARTIN FROST,
Member of Congress.

Mr. THOMAS of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. LEWIS of California. Mr. Speaker, will the gentleman yield?

Mr. THOMAS of California. I yield to the gentleman from California.

Mr. LEWIS of California. Mr. Speaker, I would ask the gentleman from California [Mr. THOMAS], I believe I understand that which he is attempting to accomplish here by way of his suggested amendment which is to eliminate the mailing, the use of the frank outside of an individual Member's existing district.

Could the gentleman explain for me, so I have a better understanding of the procedure here, exactly why the Democrats feel they need to go back and undo this rule in the first place? What is wrong with the bill as they brought it out of conference?

Mr. THOMAS of California. Mr. Speaker, I would tell the gentleman that I have had some concern about the unwillingness of the committees of jurisdiction; namely, the Committee on Post Office and Civil Service and the Committee on House Administration, of not scheduling a hearing for this bill on H.R. 4104 on franking that we have introduced in the House.

As the gentleman from Texas just mentioned, more than a dozen major newspapers have editorialized in favor of it yet we are not able to get even a hearing in committee.

What we have in front of us is a motion to recommit the campaign finance bill and the subject matter of franking is being used, frankly, as a vehicle, if Members will allow me that, as a vehicle to go back to conference.

I do not believe, and I may be mistaken, but I do not believe the majority's intent is to fully appreciate the fundamental change as contained in H.R. 4104 and move that forward in a bill that most assuredly will probably get the President's veto.

I hope it is a signal that we can move forward in committee so that the substance of H.R. 4104 can become law.

But the immediate problem is the fact that the staff, in drafting the conference report, in attempting to meld the provisions that the conferees agreed upon between the Senate and the House does, in fact, contain a mistake. It contains an error.

A provision which was contained in the Senate bill banning the use of the frank during an election year, which the Senate has chosen to self-impose in its legislation that it passes, was inadvertently applied to the House. So that the conference report included the House and the Senate. There never was a provision banning franking in the House bill, and it is a technical drafting error. It needs to be corrected by going back to the conference.

I am pleased that the Democrats allowed the Republicans to offer the motion to recommit, and that it is the substance of H.R. 4104 which is the motion to recommit.

I do hope that it includes an acceptance of the content of H.R. 4104. I hope it is included in the conference report that is reported back to us. But more importantly, since I fervently believe that that report, if passed to the President, will be vetoed, I hope it signals a willingness on the part of the Democrats to schedule timely hearings on this bill in the committees of jurisdiction and move it forward.

The short answer, it was a mistake by some staffer and we are attempting to correct it.

Mr. LEWIS of California. Mr. Speaker, if the gentleman will continue to yield, to clarify one more time, what the gentleman is suggesting to me is that by way of an error, this bill would cause the House of Representatives not to be able to use franked mail during the 12-month period preceding election similar to the limitation that the Senate has placed upon itself, and they would want to undo that so they could make sure that they could mail in any quantity or volume regardless of the quality of mail that they wished during that 12-month period preceding election; is that right?

Mr. THOMAS of California. Mr. Speaker, I would tell the gentleman, neither the Senate provision, which bans mail during election years, or any House contemplation would deny the ability of a Member to communicate with a constituents. The banned provisions pertain to mass mailings. Mass mailings which are, I believe, the area that has predominantly been the abused area and not the ordinary single letter communications with constituents either initiated by the Member or in response to a letter sent by a constituent.

So the Senate decided that in 1 out of every 6 years they would ban all mass mail. The House did not have that provision.

It was included inadvertently, and there is going to be an attempt to correct it.

Mr. LEWIS of California. Mr. Speaker, if the gentleman will continue to yield, I believe the gentleman knows very well the effort that I have been involved in, along with the gentleman, to put significant limitations upon mass mailing over the years. That kind of use of the frank has been a part of the effort around here to build a base in-house to assure the reelection of incumbents.

Indeed, if I understand correctly, this recommittal motion, it is essentially designed to undo a mistake that would tend to undermine some of the continuing availability of mass mail, which I consider, as the gentleman does, to be largely mail that is for reelection purposes.

It is ironic to me that they would have such a problem in a campaign reform bill, the very bill that lays the foundation for authorizing taxpayer-financed campaigning.

Indeed, when we combine the fact that we have got all these services around here and all this mail, especially mass mail, that assures incumbency reelection, now on top of that they want to move a bill eventually back to the floor that will indeed get taxpayers in the business of paying for their very campaigns or a significant part of those campaigns. How much do the Democrat incumbents want around here in terms of assuring their continued control of the House?

Mr. THOMAS of California. Mr. Speaker, I would conclude by indicating that clearly based on the colloquy between the gentleman from Texas and myself that this does not specifically refer to any technical corrections but that it is a vehicle to go back to conference so that any changes that the conference may make can in fact be affected.

I am pleased that the subject matter of mass mail franking out of district has been able to come to the floor.

□ 1300

I would wish that it was in an examination of the bill itself, having been heard in committee and moved forward to the floor. I am pleased, nevertheless, that it is being done in a motion to recommit. I urge my Democrat colleagues to reexamine their unwillingness to schedule the substance in a hearing in the committees of jurisdiction so that we might actually move forward and provide the American people with the relief that they seek in terms of the misuse of, in my opinion, not illegally but morally, clearly, and I believe ethically, the misuse of the frank.

It is a pleasure to be able to have the issue aired on the floor. I can assure the Members it would be much more pleasurable to change the law and have H.R. 4104 become law.

Mr. RHODES. Mr. Speaker, I rise today in support of the motion by the gentleman from California, [Mr. THOMAS] to recommit to the committee on conference, the conference report on H.R. 3750/S. 3, the congressional campaign finance reform bill.

This motion will allow the conferees to full consider the contents of Mr. THOMAS' bill (H.R. 4104) of which I am a cosponsor, to prohibit free mass mailings by Members of Congress outside their congressional districts. This language is an essential part of any meaningful campaign reform legislation. As flawed as the basic bill before us is regarding public financing of congressional and senatorial campaigns, including the language of H.R. 4104 in the bill will be a positive action. This language will help equalize the present imbalance between incumbents and challengers in congressional elections, and end a powerful, taxpayer-financed re-election tool for incumbents.

The American public wants meaningful campaign reform. Part of that reform has to be restoring fairness to the electoral process. Banning franked, mass mailings outside of a Member's district will help restore fairness to elections.

On June 5, 1991, the House considered the legislative branch appropriations bill for fiscal 1992, I voted against final passage of the excessive $1.8 billion bill. During the amendment process on the bill, I supported a reduction of districtwide newsletter from six to three allowed for each Member. I also supported an amendment which would have reduced House Members' official mail costs by $21 million. I will continue to support legislation to limit abuses of the frank to ensure fairness in elections.

We need to make the election process more competitive, not less. We need to make incumbents more vulnerable to an effective challenger, not less. And, we need to make incumbents more responsive to their constituents, not less. Nothing would make an incumbent more efficient and effective than the likelihood of a competitive challenge each election cycle.

The frank was instituted to help inform voters and respond to constituent contacts in our districts. We must use the frank responsibly. Each one of us receives calls and letters from constituents in our districts. We respond to their questions and concerns. The frank was never intended to be used as a campaign reelection tool.

I urge my fellow members to support the motion to recommit the campaign reform bill back to conference and to require the conferees to include the language of H.R. 4104 to ban franked, mass mailings outside a Member's district.

Mr. POSHARD. Mr. Speaker, I rise in support of campaign finance reform and to support efforts to curtail or eliminate the privilege of congressional newsletters.

The conference report on S. 3 includes a ban against Members of the House sending franked mass mail during election years. The inclusion of that provision has been described as a mistake, and was intended to apply only to the Senate, but I would disagree.

I have introduced legislation, H.R. 4174, which would simply ban newsletters altogether.

There is legislation offered by Mr. THOMAS of California, which would prevent franked mass mailings outside our congressional districts. I support that effort, but I think that is a problem we see primarily during redistricting years.

This discussion is focused on mass mailings during election years, which in my view only confirms the borderline political nature of these mailings in the first place. I would suggest we take the next step and ban these mailings altogether.

In 1989 we voted to cut out newsletters completely, but the conferees ignored our instructions. Now, through this so-called mistake, we have the opportunity to correct a previous mistake.

Giving up this most glaring example of incumbent protection and congressional perks will do more to restore the public confidence than many of the other initiatives under consideration. As a Member who has never sent a newsletter, I would say to my colleagues that this is a worthy reform which we should move speedily to adopt.

Mr. THOMAS of California. Mr. Speaker, I yield back the balance of my time.

Mr. FROST. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. McNULTY). Pursuant to the order of the House, the previous question is ordered.

The question is on the motion to recommit offered by the gentleman from California [Mr. THOMAS].

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. THOMAS of California. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 408, nays 8, not voting 18, as follows:

[Roll No. 75]

YEAS—408

Abercrombie
Ackerman
Allard
Allen
Anderson
Andrews (ME)
Andrews (NJ)
Andrews (TX)
Annunzio
Anthony
Applegate
Archer
Armey
Aspin
Atkins
AuCoin
Bacchus
Baker
Ballenger
Barnard
Barrett
Barton
Bateman
Beilenson
Bennett
Bentley
Bereuter
Berman
Bevill
Bilbray
Blackwell
Bliley
Boehlert
Boehner
Bonior
Borski
Boucher
Boxer
Brewster
Broomfield
Browder
Brown
Bruce
Bryant
Bunning
Burton
Bustamante
Byron
Callahan
Camp
Campbell (CA)
Campbell (CO)
Cardin
Carper
Carr
Chandler
Clay
Clement
Clinger
Coble
Coleman (MO)
Coleman (TX)
Collins (IL)
Collins (MI)
Combest
Condit
Conyers
Cooper
Coughlin
Cox (CA)
Cox (IL)
Coyne
Cramer
Crane
Cunningham
Dannemeyer
Darden
Davis
de la Garza
DeFazio
DeLauro
DeLay
Dellums
Derrick
Dickinson
Dicks
Dingell
Donnelly
Dooley
Doolittle
Dorgan (ND)
Dornan (CA)
Downey
Dreier
Duncan
Durbin
Dwyer
Dymally
Early
Eckart
Edwards (CA)
Edwards (OK)
Edwards (TX)
Emerson
Engel
English
Erdreich
Espy
Evans
Ewing
Fascell
Fawell
Fazio
Feighan
Fields
Fish
Flake
Foglietta
Ford (MI)
Ford (TN)
Frank (MA)
Franks (CT)
Gallegly
Gallo
Gaydos
Gejdenson
Gekas
Gephardt
Geren
Gibbons
Gilchrest
Gilman
Gingrich
Glickman
Gonzalez
Goodling
Gordon
Goss
Gradison
Grandy
Green
Guarini
Gunderson
Hall (OH)
Hall (TX)
Hamilton
Hammerschmidt
Hancock
Hansen
Harris
Hastert
Hatcher
Hayes (IL)
Hefley
Hefner
Henry
Herger
Hertel
Hoagland
Hobson
Hochbrueckner
Holloway
Hopkins
Horn
Horton
Houghton
Hoyer
Hubbard
Huckaby
Hughes
Hunter
Hutto
Hyde
Inhofe
Ireland
James
Jenkins
Johnson (CT)
Johnson (SD)
Johnson (TX)
Johnston
Jones (GA)
Jones (NC)
Jontz
Kanjorski
Kaptur
Kasich
Kennedy
Kennelly
Kildee
Kleczka
Klug
Kolbe
Kolter
Kopetski
Kostmayer
Kyl
LaFalce
Lagomarsino
Lancaster
Lantos
LaRocco
Laughlin
Leach
Lehman (FL)
Lent
Levin (MI)
Lewis (CA)
Lewis (FL)
Lewis (GA)
Lightfoot
Lipinski
Livingston
Lloyd
Long
Lowery (CA)
Lowey (NY)
Luken
Machtley
Manton
Markey
Marlenee
Martin
Martinez
Matsui
Mavroules
Mazzoli
McCandless
McCloskey
McCollum
McCrery
McCurdy
McDade
McDermott
McEwen
McGrath
McHugh
McMillan (NC)
McMillen (MD)
McNulty
Meyers
Mfume
Michel
Miller (CA)
Miller (OH)
Mineta
Mink
Moakley
Molinari
Mollohan
Montgomery
Moody
Moran
Morella
Murphy
Murtha
Myers
Nagle
Natcher
Neal (MA)
Neal (NC)
Nichols
Nowak
Nussle
Oakar
Oberstar
Obey
Olin
Olver
Ortiz
Orton
Owens (NY)
Owens (UT)
Oxley
Packard
Pallone
Panetta
Parker
Pastor
Patterson
Paxon
Payne (NJ)
Payne (VA)
Pease
Pelosi
Penny
Perkins
Peterson (FL)
Peterson (MN)
Petri
Pickett
Pickle
Porter
Price
Pursell
Quillen
Rahall
Ramstad
Ravenel
Ray
Reed
Regula
Rhodes
Richardson
Ridge
Riggs
Rinaldo
Ritter
Roberts
Roemer
Rogers
Rohrabacher
Ros-Lehtinen
Rose
Rostenkowski
Roth
Roukema
Rowland
Roybal
Russo
Sanders
Sangmeister
Santorum
Savage
Sawyer
Saxton
Schaefer
Scheuer
Schiff
Schroeder
Schulze
Schumer
Sensenbrenner
Sharp
Shaw
Shays
Shuster
Sikorski
Sisisky
Skaggs
Skeen
Skelton
Slattery
Slaughter
Smith (FL)

Smith (IA)
Smith (NJ)
Smith (OR)
Smith (TX)
Snowe
Solarz
Solomon
Spence
Spratt
Staggers
Stallings
Stark
Stearns
Stenholm
Stokes
Studds
Stump
Sundquist
Swett
Swift
Synar
Tallon
Tanner
Tauzin
Taylor (MS)
Taylor (NC)
Thomas (CA)
Thomas (GA)
Thomas (WY)
Torres
Torricelli
Towns
Traficant
Traxler
Unsoeld
Upton
Valentine
Vander Jagt
Vento
Visclosky
Volkmer
Vucanovich
Walker
Walsh
Waters
Waxman
Weber
Weiss
Weldon
Wheat
Williams
Wilson
Wise
Wolf
Wolpe
Wyden
Wylie
Yates
Yatron
Young (AK)
Young (FL)
Zeliff
Zimmer

NAYS—8

Alexander
Brooks
Chapman
Frost
Jacobs
Poshard
Sarpalius
Washington

NOT VOTING—18

Bilirakis
Costello
Dixon
Gillmor
Hayes (LA)
Jefferson
Lehman (CA)
Levine (CA)
Miller (WA)
Moorhead
Morrison
Mrazek
Rangel
Roe
Sabo
Serrano
Thornton
Whitten

☐ 1322

Mr. SARPALIUS changed his vote from "yea" to "nay."

So the motion to recommit was agreed to.

The result of the vote was announced as above recorded.

A motion to recommit was laid on the table.

Pursuant to the order of the House, House Resolution 420 was laid on the table.

PERSONAL EXPLANATION

Mr. MORRISON. Mr. Speaker, I was unavoidably detained during two recorded votes. Had I been present, I would have voted "aye" on rollcall No. 74 and "aye" on rollcall No. 75.

RESCISSION RELATING TO DEPARTMENT OF ENERGY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 102–188)

The SPEAKER pro tempore (Mr. McNULTY) laid before the House the following message from the President of the United States, which was read and together with the accompanying papers, without objection, referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one rescission proposal, totaling $145 thousand in budgetary resources.

The proposed rescission affects the Department of Energy. The details of this rescission proposal are contained in the attached report.

GEORGE BUSH.

THE WHITE HOUSE, *April 8, 1992.*

ANNUAL REPORT OF NATIONAL ENDOWMENT FOR DEMOCRACY—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States; which was read and, together with the accompanying papers, without objection, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

Pursuant to the provisions of section 504(h) of Public Law 98–164, as amended (22 U.S.C. 4413(i)), I transmit herewith the Eighth Annual Report of the National Endowment for Democracy, which covers fiscal year 1991.

GEORGE BUSH.

THE WHITE HOUSE, *April 8, 1992.*

NATIONAL RECYCLING DAY

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that the Committee on Post Office and Civil Service be discharged from further consideration of the Senate joint resolution (S.J. Res. 246) to designate April 15, 1992, as "National Recycling Day," and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

S.J. RES. 246

Whereas the United States generates over 180 million tons of municipal solid waste each year—almost double the amount produced in 1965, and amounting to about 4 pounds per person per day—and the amount is expected to increase to 216 million tons of garbage annually by the year 2000;

Whereas the continued generation of enormous volumes of solid waste each year presents unacceptable threats to human health and the environment;

Whereas the Environmental Protection Agency expects that 27 States will run out of landfill capacity for municipal solid waste within 5 years and that a large percentage of currently operating landfills will close by the year 2000 either because they are filled or because their design and operation do not meet Federal or State standards for protection of human health and the environment, requiring that waste now disposed of in these facilities will have to be disposed through other means;

Whereas a significant amount of waste can be diverted from disposal by the utilization of source separation, mechanical separation and community-based recycling programs;

Whereas recycling can save energy, reduce our dependence on foreign oil, has substantial materials conservation benefits and can prevent the pollution created from extracting resources from their natural environment;

Whereas the revenues recovered by recycling programs offset the costs of solid waste management and some communities have established recycling programs which provide significant economic benefits to members of the community;

Whereas the current level of municipal solid waste recycling in the United States is low, although some communities have set a much higher rate;

Whereas to reach a goal of increased recycling, more materials need to be separated, collected, processed, marketed and manufactured into new products;

Whereas a well-developed system exists for recycling scrap metals, aluminum cans, glass and metal containers, paper and paperboard, and is reducing the quantity of waste entering landfills or incinerators and saving manufacturers energy costs;

Whereas recycling of plastics is in the early stages of development and considerable market potential exists to increase the recycling;

Whereas yard and food waste is an important part of municipal solid waste and a large potential exists for mulching and composting the waste which save both landfill space and nourish soil, but only small amounts of this material is currently being recycled;

Whereas Federal, State and local governments should enact legislative measures that will increase the amount of solid waste that is recycled;

Whereas Federal, State and local governments should encourage the development of markets for recyclable goods;

Whereas Federal, State and local governments should promote the design of products that can be recycled safely and efficiently;

Whereas the success of recycling programs depends on the ability of informed consumers and businesses to make decisions regarding recycling and recycled products and to participate in recycling programs; and

Whereas the people of the United States should be encouraged to participate in educational, organizational and legislative endeavors that promote waste separation methods, community-based recycling programs and expanded utilization of recovered materials: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That April 15, 1992, is designated as "National Recycling Day". The President of the United States is authorized and requested to issue a proclamation calling on the people of the United States to observe the day with appropriate ceremonies and activities.

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. SAWYER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on Senate Joint Resolution 246, the Senate joint resolution just considered and passed.

AIR FORCE SECRETARY VISITS COLUMBUS AIR FORCE BASE AND 186TH AIR REFUELING GROUP IN MERIDIAN

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Mississippi [Mr. MONTGOMERY] is recognized for 5 minutes.

Mr. MONTGOMERY. Mr. Speaker, at my invitation, Air Force Secretary Donald Rice accompanied me to Mississippi on April 3 to visit Columbus Air Force Base and the Air National Guard unit in my hometown of Meridian, MS. He addressed a graduating class of pilots in Columbus and took part in the conversion ceremony in Meridian, where the 186th Tactical Reconnaissance Group became the 186th Air Refueling Group.

I want to share with my colleagues the Secretary's fine remarks at both of those ceremonies.

THE HONORABLE DONALD B. RICE, SECRETARY OF THE AIR FORCE, REDESIGNATION CEREMONY, FROM 186TH AIR TACTICAL RECONNAISSANCE GROUP [TAC] TO 186TH AIR REFUELING GROUP [SAC], KEY FIELD, MS

Let me tell you what people in Washington say about the rededication of the 186th. They say Congressman Montgomery and the Meridian military/community team must have had a crystal ball; that you predicted 3 years ago how the world would change; that you sought out a mission right for the times, then took it as your own.

Actually, the 186th Air Refueling Group has become more than a unit with a new mission. It's also teaming up with the legendary Strategic Air Command until June. And on June 1st it joins the new Air Mobility Command, becoming part of the largest restructure of the Air Force since our beginnings. Air Mobility Command will be our front line for global reach, providing rapid deployment and global mobility for all of our joint forces and some of our coalition partners. So the 186th is riding the crest of late-breaking changes in the Air Force and the world.

The move from tactical reconnaissance to tanker aircraft crystallizes General Montgomery's vision of national security in a fragmenting world. The nation needs highly mobile forces to deploy anywhere quickly, especially as we cut back on overseas bases. And tankers are the lifeline of mobility. The KC–135Rs of the 186th Air Refueling Group confirm America's ability to respond to crisis—whether that response is a clenched fist or a helping hand.

In war, refuelers let our forces outrange the enemy's, important when you consider distances like those in the Gulf: over 1000 miles from Southern Saudi to Baghdad. Some tankers flew with specific strike formations; some did their job over enemy territory. During Desert Shield and Storm Air Force tankers flew over 34,000 sorties, performed 85,000 refuelings and offloaded 1.2 billion pounds of fuel. 262 KC–135s supported 6 countries and our joint forces. They also flew 913 airlift sorties.

The Guard and Reserves comprised 37% of the entire tanker fleet in the Gulf. 12 of 13 Air National Guard refueling units were activated. No air refueling were missed for reasons other than the weather. Mission capable rates exceeded 90%—better than the peacetime rate. You might be interested in Strategic Air Command's report on tanker ops in the Gulf war. It concluded with these words about your new aircraft: "The increased capability of the KC–135R provided the backbone of tanker support."

Though the Desert Storm has abated, the need to reach hot spots, humanitarian relief destinations, or disasters could be tested anytime. And if the war was an indicator, the hands of Mississippi's finest will shoot up when the nation calls. Ask those who deployed—like the security police and intel experts from Key Field. You'll see the Mississippi tradition of voluntarism shine through.

So in this fast-changing world some things have not changed: like the can-do spirit of air crews and the support teams; like airpower's contributions to the nation . . . global reach and global power; and the relevance and vitality of the Magnolia Militia. The 186th is one of the oldest air guard units in the country, yet part of the youngest service. It's keeping the best of its roots while revitalizing its wings. It captures the spirit of the Air Force.

THE HONORABLE DONALD B. RICE, SECRETARY OF THE AIR FORCE, UNDERGRADUATE PILOT TRAINING GRADUATION, COLUMBUS AFB, MS

Mr. Chairman, General Killey, Colonel Ardillo, ladies and gentlemen: thanks very much. I don't know who's more fired up—the beaming graduates or their proud families. This is an emotional occasion for me too, since I'm painfully aware that this speech is a 15 minute interruption for 200 people on their way to a party!

The unsung heroes of this celebration, of course, are the families. They bolstered these hard-charging pilots through the first T–37 solo, the dunk tank, the first checkride, 4-ship rejoins, and a firehose of academics. In pilot training you cram 30 hours into 24 each day, making for hectic nights and weekends. The spouses deserve extra credit for their support. They may deserve wings for being able to recite the Boldface Procedures in their sleep!

This ceremony kicks off a new chapter in the graduates' lives. The future, according to Yogi Berra, "ain't what it used to be"—which is my topic today.

How the global picture has changed struck home last week in a Pentagon briefing. Our briefers were in flight suits—Lieutenant Colonel Mike Chase and Captain Diane Byrne. Mike's a B–52 pilot and Diane's a KC–10 pilot, both stationed at Barksdale Air Force Base.

They just returned, with 58 other crew members, from a Russian air force base 90 miles southeast of Moscow. The event: an aircraft exchange visit to commemorate 50 years of Russian long-range aviation.

Picture the welcoming ceremony: chocked on the flightline, side by side, are two B–52s, a KC–10, a Russian Bear Bomber, and Russian Backfires and Blinders. Standing in front of this historic parking lot are Americans and Russians saluting. They're facing a Russian flag and a U.S. flag. The band strikes up the music. It's the Star Spangled Banner. Afterwards, the old Russian anthem.

Barksdale Ops Group Commander Colonel Jim Phillips, a former cold warrior, takes the podium. He says, "I'd been planning to come to your country for 20 years—but never expected a friendly crowd or the Star Spangled Banner to greet me!" By nightfall both groups of aviators concluded they have far more in common than they ever had in differences.

One of our most impressive airman-ambassadors was KC–10 pilot and aircraft commander, Captain Diane Byrne. The Russians have no women pilots, and Diane found herself in headlines and on TV. One Russian colonel told her, "You seem already to be changing society. My two daughters now want to become pilots."

Everyone wanted pictures with her. One photo from an air show at Kubinka shows the Chief of Staff of the Air Forces of the Commonwealth of Independent States; the Commander-in-Chief of Long-Range Aviation; a retired Marshall of the Soviet Union, who is a 5 star equivalent; 20 one, two, and three star Russian generals * * * and Diane. Her comment was, "What's wrong with this picture?"

Diane and Lt. Col Mike Chase returned to their Barksdale squadrons with pictures of Russian aircraft. Mike said the squadron Day Room walls always had pictures of Soviet aircraft—but none the Soviets gave up voluntarily.

Barksdale will host two TU–95 Bears and an IL–76 transport in May. Langley Air Force Base plans to host top of the line Russian fighters. A few years ago such visits were unthinkable. Now, pictures of a B–52 and a Bear wing to wing on a Russian ramp show how far the world's evolved—even since you entered pilot training.

Yours is the first generation to emerge from the shadow of the cold war. As President Bush said recently, "Imperial communism didn't just fall; it was pushed." Some of these IPs and senior leaders were on the front lines pushing it. Today, to their credit, fledgling democracies have replaced totalitarianism. In our new strategy the focus has shifted from global war to regional crises. New world, new opportunities.

One of the challenges for the military now, of course, is to scale back defense spending. Across the Defense Department we're reducing by half a million people in the active force. The number of Americans in uniform now is at the lowest level since the beginning of the Korean War. This means times of transition for a spectrum of society, including communities whose bases are closing and businesses specializing in defense. It means readjustments for people leaving the service and those who stay.

All the Air Force's UPT classes are affected by the defense drawdown too. Losing force structure means we lose cockpit jobs. Until the mid–90s we'll face a shortage of cockpits, yet have to accommodate those who need to fly to meet their gates and those just starting out.

In a perfect world, we'd send everyone VFR-direct from UPT to major weapon system training and then to an active cockpit. But the fact is some will enter a holding pattern until planes become available. Their advantage will be a chance to learn the Air Force outside the cockpit. Once they start flying, they won't get that big picture look again for a long time.

All of you, of course, are part of an elite few who made it into UPT. To graduate puts you in an even more select group. This year we've trained the fewest candidates since Korea. In FY93 we'll take in 625. Assuming a 20% attrition rate, we should produce 500 in FY94. We're taking in fewer from all sources—OTS, the active duty selection board, ROTC, and the Academy.

On the bright side, some tremendous command and flying assignments are out there. And they belong to every mission area. We don't go in for the "tactical" and "strategic" distinctions in aircraft or separate pockets of airmen anymore. in fact, Tactical Air Command, Strategic Air Command, and Military Airlift Command will be replaced this June by Air Combat Command and Air Mobility Command.

You'll see a new type of wing at many bases—the composite wing. It will consist of diverse aircraft and crews that train, deploy and fight as a team. The composite wing at Seymour Johnson has a fighter pilot as its wing commander, a bomber guy as the vice commander, and an operations group commander who flies tankers. At Pope Air Force

Base, the composite wing commander is a C-130 pilot. The wing commander at Kadena flies fighters, the vice is a tanker pilot, and the ops group commander is a fighter pilot. We want everyone to have a chance at good jobs in the restructured, leaner, meaner Air Force. And you'll have more opportunities to make your mark on the active Air Force, Guard, or Reserve.

I can't get off the stage without a couple pieces of advice. First, learn and teach others what the Air Force is about. Our contributions to the national security can be summed up in four words: Global Reach-Global Power. As the Gulf War demonstrated, airpower offers the range and speed to reach any hot spot in hours, the lethality to drive a lesson home quickly, the precision to limit the lesson for minimum loss of life, and the flexibility to adapt to any security environment.

Our contributions after the War, in Operation Provide Comfort for the Kurds, then Provide Hope for the Russians, proved airpower can mean more than a clenched fist; it can also mean a helping hand. As our newest pilots, make yourselves experts on airpower and what we contribute to joint operations.

A second piece of advice: keep in mind you are first and foremost Air Force officers. You're trained as leaders, as what Walter Lippman called "the custodians of a nation's ideals, of the beliefs its cherishes, of its permanent hopes."

The American people know and appreciate the risks you take in their behalf. Their wish is always

"Lord guard and guide the men who fly
Through lonely spaces in the sky * * *"

They deserve your leadership and integrity in public service. What you get back is a singular honor: to serve beneath the Air Force Seal and the American flag.

Oh, and yes * * * you get the electrifying thrill of flying. You get your pilot proficiency rating. And you've won your wings. Now is that why you pilots are all fired up, or is it because you love graduation speeches?

I'll close with the image of an Air Force pilot on CNN the first day of Desert Storm. He was headed for his aircraft, about to fly into the war zone. A reporter shouted, "How do you feel?" Thumbs up, with a big grin, the guy yelled, "God gave me a good woman and made me an American Air Force pilot. It doesn't get any better than that!"

Congratulations.

LEGISLATION TO DESIGNATE NATIONAL RED RIBBON WEEK FOR A DRUG-FREE AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Missouri [Ms. HORN] is recognized for 5 minutes.

Ms. HORN. Mr. Speaker, I rise today to introduce a bill that designates the week of October 24, 1992, as "National Red Ribbon Week for a Drug-Free America." I introduced this bill last year and was joined by over 250 of my colleagues in cosponsoring this legislation. The bill was signed by President Bush, who, along with Barbara Bush, is the national honorary chairman of the national red ribbon campaign.

If the reality of the world we live in were different, I would not be here today introducing legislation to combat drug abuse. But a simple fact remains—our Nation still faces a serious drug problem. However, I am hopeful that through education and prevention efforts we can continue to lessen the demand for drugs, especially among our young people.

That is why I am proud to be introducing legislation that will help the national red ribbon campaign combat drug abuse. Located in Missouri's Second Congressional District, this grassroots organization has worked tirelessly toward the goal of a drug-free America. During this October week, the campaign will help communities and local governments mobilize and hold rallies and events in local schools. They will also encourage people to wear red ribbons to show their support for a drug-free America.

Senator MURKOWSKI introduced this bill last year in the Senate and plans to reintroduce this measure this year. Mrs. Nancy Murkowski, chair of the Congressional Families for a Drug-Free Youth, also deserves recognition for her outstanding work in this area. With the efforts of the red ribbon campaign and other organizations devoted to combating our Nation's drug problems, we can win the fight against drug abuse. I encourage my colleagues to join me in supporting this legislation.

INTRODUCTION OF THE MEDICARE PROGRAM PROTECTION ACT OF 1992

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois [Mr. ROSTENKOWSKI] is recognized for 5 minutes.

Mr. ROSTENKOWSKI. Mr. Speaker, today I am introducing H.R. 4805, the Medicare Program Protection Act of 1992, a bill to amend the Budget Enforcement Act [BEA] to allow for the proper funding of administrative expenses of the Medicare Program. This important bill will assure that the funds entrusted to the Medicare Program by millions of working Americans are properly administered, and that spending for Medicare benefits is protected from waste, fraud, and abuse. This bill parallels similar provisions adopted in the BEA regarding funding for enforcement activities of the Internal Revenue Service.

I am introducing this legislation due to my increasing concern about the level of funding appropriated for the costs of administering Medicare. In recent years, the level provided has not kept pace with increases in the number of beneficiaries or in the overall growth in claims submitted to Medicare by providers for payment each year.

My bill promotes fiscal responsibility by assuring that Medicare's fiscal intermediaries and carriers will have the funds they need to assure that Medicare's limited funds are not lost to improper payments. Based on estimates by both the General Accounting Office [GAO] and the inspector general of the Department of Health and Human Services, my bill saves more money than it spends.

Since the Medicare legislation was enacted in 1965, the program has been administered through contracts with a network of private insurance companies known as fiscal intermediaries and carriers. There are currently 84 insurers with contracts with Medicare.

The services performed under the contracts include: processing payment for more than 700 million claims each year; conducting medical reviews to determine whether services are necessary and appropriate; auditing the costs reported by hospitals and other facilities; assuring that Medicare is the proper payer; and, assisting beneficiaries, as well as doctors, hospitals, and other providers, in understanding the program. The total budget for these critical services is below 2 percent of total program expenditures which is estimated to be $145 billion in fiscal year 1993.

The problem in Medicare funding for the fiscal intermediary and carrier contracts is illustrated by the impact of a $1.47 billion appropriation, the level requested by the President and the level provided in both House and Senate appropriations bills for this fiscal year. This is 2.5 percent below the fiscal year 1991 appropriation.

Claims volume will grow an estimated 11.5 percent between fiscal year 1991 and fiscal year 1992. If the budget for claims processing does not increase, the Federal Government will incur interest costs due to late payments to providers of health services. For this reason, other administrative functions must bear the entire burden of the failure of the budget to keep pace with increases in workload.

Medicare claims volume has grown at double-digit rates, and overall benefit payments have increased by 13 percent. Funding for activities which protect Medicare from fraud and abuse have not kept pace. For example, the fiscal year 1992 level has required a 6-percent reduction in funding for audits and a 16-percent reduction in medical reviews. The fiscal intermediaries and carriers have had to reduce staffing by approximately 1,000 people, of which nearly 20 percent were auditors, as a result of these cuts. The reduction in these activities is particularly ill-advised given that they save far more money than they cost.

In implementing the fiscal year 1992 budget, HCFA instructed the fiscal intermediaries to reduce the number of audits performed on hospitals, skilled nursing facilities, and home health agencies, even though significant amounts of payment received by these facilities are based upon cost reimbursement. It is anticipated that there will be at least 75 percent fewer hospitals audited in fiscal year 1992 than in fiscal year 1991, and even deeper reductions in the number of other facilities audited.

The low fiscal year 1992 funding level for appeals by hospitals and doctors of audit findings will mean that unresolved appeals will double during the year, leaving over 10,000 unresolved appeals at the end of the year. This is more than a 2-year backlog. This will undoubtedly lead to increased provider complaints about the hassle and lack of responsiveness of the program.

The President had proposed to cut funding for beneficiary communications by 57 percent.

This cut meant that virtually no telephone inquiries from senior citizens would be answered in a timely fashion. In addition, toll-free 800 lines were targeted for elimination. The $22 million necessary to fund the 800 lines was not included in the budget. I am sure we can all imagine the response of Medicare's beneficiaries if these toll-free lines were eliminated. Due to intense pressure from Members and from the public, OMB released funds from a contingency fund to keep the toll-free lines open. Even with this release, funding for this critical service is below the fiscal year 1991 level, even though demand for the service is increasing.

The President's fiscal year 1993 budget request increases funding for fiscal intermediaries and carriers by 7.7 percent, but achievement of this amount requires enactment of program changes which have been rejected repeatedly by the Congress. If these legislative changes are not enacted, the Health Care Financing Administration has testified that payment safeguard activities will be cut.

I am deeply concerned that Medicare funds be spent prudently and properly. It is particularly important in view of budget constraints facing Medicare that every dollar spent by the program be carefully scrutinized. Given the reductions in funding for audits and other payment safeguards, it is clear that goal will not be met.

Underfunding Medicare's administrative budget is a classic penny-wise and pound-foolish approach to governing. As the Comptroller General has stated in testimony before the Committee on Ways and Means:

> Spending too little on administration translates into spending too much on [the Medicare] program. The effect is to forego hundreds of millions of dollars in savings that could otherwise be attained.

Both the GAO and the HHS inspector general have urged higher spending for Medicare administration, with the GAO noting that spending for Medicare's payment-safeguard activities save Medicare $14 for every dollar spent. Of course, the problem is that under the BEA, the savings affect the entitlement portion of the budget, while the spending is under the discretionary spending limits. Savings from one are not able to offset spending on the other.

Medicare's administrative costs have been under growing budgetary constraint primarily because they are funded out of the domestic discretionary spending category of the BEA, despite the fact that Medicare's administrative needs are driven by the mandatory, entitlement nature of the program.

The growth in the number of beneficiaries, the growth in the volume of claims to be processed, and changes in the delivery of health care all drive Medicare's administrative costs upward. These factors cannot be artificially controlled by imposing arbitrary spending caps on administrative costs. It makes even less sense when short-sighted reductions in administrative spending cause higher spending on the benefits side.

My bill corrects this anomaly by providing additional funding for the administrative costs of Medicare up to a specified level. The bill implements the recommendations of the GAO and the HHS inspector general in this area. The approach is similar to that taken with regard to additional funding for the Internal Revenue Service, an approach the GAO specifically recommended in its report.

Specifically, my bill assures that we can meet the administrative needs of Medicare by amending the Budget Enforcement Act to provide that if a specified level of funding is appropriated, and such funding is scored against the discretionary spending caps, then the Congress would have the option of providing additional funding up to a ceiling specified in the bill, and the caps would be adjusted to accommodate the higher amount. Of course, these additional amounts could only be used for Medicare administration.

Mr. Speaker, H.R. 4805 will insure that Medicare's administrative funding will keep pace with the growth in beneficiaries and in the volume of claims submitted for payment. It will assure that payments by fiscal intermediaries and carriers are safeguarded against fraudulent and wrongful spending which increases overall spending by the Medicare Program.

I believe that this bill is a prudent response to the need to maintain the integrity of the Medicare Program. It will promote confidence in Medicare by millions of senior citizens and disabled beneficiaries, as well as by the millions of working Americans who faithfully finance the program. The higher spending on Medicare administration provided by the bill will be more than offset by reductions in wrongful benefit expenditures. I urge my colleagues to join me in supporting this important legislation.

A summary of H.R. 4805 follows:

SUMMARY OF THE MEDICARE PROGRAM PROTECTION ACT OF 1992

1. Short Title: A. Medicare Program Protection Act of 1991.

2. Adjustments to Budget Enforcement Act Discretionary Spending Limits: A. The Budget Enforcement Act would be amended to authorize additional spending for Medicare's fiscal intermediaries and carriers in each of the next three fiscal years. The additional amount would be based on the expected growth in claims volume under the program.

Fiscal intermediaries and carriers, on behalf of Part A and Part B of Medicare respectively, pay claims, audit providers, hold hearings on disputed claims, and provide information to beneficiaries and providers on specific claims and on Medicare payment policies.

B. To the extent that appropriations are enacted that provide budget authority above the level of spending in FY 1992 of $1.526 billion, the appropriate discretionary spending limits would be adjusted to accommodate the additional amount. The adjustments would be cumulative.

3. Amount of Adjustments: FY 1993: $177 million; FY 1994: $198 million; FY 1995: $220 million;

ELECTORAL COLLEGE REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas [Mr. GLICKMAN] is recognized for 5 minutes.

Mr. GLICKMAN. Mr. Speaker, this is not really to kill time. It is to talk about an issue that is very important, and that is the issue of electoral college reform.

It is no secret that we are in the midst of a very contested Presidential election process, and it is no secret that we might find ourselves this year with not only a hotly contested Democrat and Republican but a third party or independent candidate by the name of H. Ross Perot, who may be a very effective candidate for President.

I have always worried that one of these days we are going to find a situation where nobody wins a majority of electoral college delegates or that you may end with a three-way race where that fact occurs, or the popular vote goes one way, and the electoral college vote goes another way, and, of course, we have under our Constitution, if nobody wins a majority of electors, that issue is thrown into the U.S. House of Representatives, and under laws and customs, it is very interesting. There is a lot of unclarity with respect to how the House of Representatives deals with the issue.

For example, it is not totally clear whether the House that deals with it is the current Congress or the new Congress.

□ 1330

The issue has only happened once before in our history and that is, of course, the election of Rutherford B. Hayes when he and Mr. Tilden's race was thrown into the electoral college and the House of Representatives determined the issue; but it is quite interesting, because under the customs and traditions and under the Constitution the way the issue would be dealt with is each State would get one vote, so the State of California with several dozen Members of Congress would get one vote. The State of Missouri with nine Members of Congress would get one vote. The State of Kansas with five Members would get one vote, and it is unclear what procedures would be used. Would we have a majority vote within our delegation or would there be some other methodology that the House would have to then take up?

All I say is this is an important issue that one of these days will have to be dealt with because there will be a constitutional crisis, and it could happen in 1992 if in fact there is a legitimate hard-fought three-way race for President and it could even happen if there is a two-way race for President.

Mr. SKELTON. Mr. Speaker, will the gentleman yield?

Mr. GLICKMAN. I am glad to yield to the gentleman from Missouri.

Mr. SKELTON. Mr. Speaker, my question of the gentleman is this, and I know there is very little historical precedent and probably very little written about it; but theoretically, could someone not be chosen by this body under the Constitution that was not a candidate in the earlier elections throughout the country?

Mr. GLICKMAN. I think that is indeed the possibility, that this body could choose somebody who was not even an active candidate for President, and as we know in most cases the electors are probably not legally bound absolutely in their own States.

We in the House, and scholars in this country need to focus on the issue during the next few months, so that we are ready in the event that a constitutional catastrophe happens.

Now, I happen to believe that the electoral college should be abolished, and have introduced a constitutional amendment to do that.

Mr. SKELTON. Mr. Speaker, will the gentleman yield at that point?

Mr. GLICKMAN. I am glad to yield to my colleague, the gentleman from Missouri.

Mr. SKELTON. Of course, we are facing history and we are also facing the comments of the late Harry Truman, who very much favored the electoral college, and as he so pointed out immediately before being sworn in on January 20, 1949, because of the crisis that he went through, he very much favored the retention of the electoral college.

Mr. GLICKMAN. I know the gentleman was very close to the Truman family and Mr. Truman's words may be wiser than mine.

We are not going to get the abolition of the electoral college through this Congress and through the country by the time this election takes place. What we have to prepare ourselves for is the possibility that this election could be thrown into the electoral college and could be thrown into the House of Representatives thereafter. If so, we ought to have procedures in place to deal with it.

EPA MUST CHANGE ITS COURSE ON ETHANOL

The SPEAKER pro tempore (Mr. McNULTY). Under a previous order of the House, the gentleman from Illinois [Mr. POSHARD] is recognized for 60 minutes.

Mr. POSHARD. Mr. Speaker, I want to follow up on the comments of my colleagues from Illinois and other farm States who participated in a special order yesterday concerning ethanol.

I was detained in committee and with appointments in my office, but I have reviewed their statements in the CONGRESSIONAL RECORD and applaud them for their efforts.

I come to the well today being one of the very few Members of this House who voted against the 1990 Clean Air Act. I did so because of the unfair way it treated the high-sulfur coal mines in my area and the utilities burning their coal.

Southern Illinois is suffering under the weight of new emission requirements that were imposed without a national cost-sharing program.

Many of my colleagues who might have joined me in voting against the bill decided that, on balance, the promise for new markets for ethanol could perhaps offset the impact on coal, and therefore offered their support.

But the Environmental Protection Agency, in my judgment, is misinterpreting what Congress intended to provide for ethanol in the Clean Air Act. That threatens the future of farming States such as Illinois, and it also threatens the economy, energy, and environmental future of this country.

Congress intended to provide a level playing field for ethanol, and alcohol fuel derived from corn which is blended with ordinary gasoline.

Ethanol is an exciting product for Illinois and the thousands of corn farmers who supply the raw materials, and for companies such as Archer-Daniels-Midland and others who produce the finished product.

In my district there is an energy park under development in Franklin County which is counting on expanded markets for ethanol. Now, as we heard from my colleagues yesterday, many ethanol-related projects around the country are on hold because of uncertainty over what the EPA might do.

Essentially, the situation boils down to the fact that Congress intended to give ethanol fuels the chance to be used in high pollution areas. Now the EPA is proposing rules to implement the Clean Air Act which runs contrary to that intent.

There are several troubling aspects of this situation.

Here we have a domestically produced energy source, which supports the heartland of America, providing thousands of jobs and the potential for thousands more. And the administration balks at using it as Congress intended.

We have a farming economy that is only now recovering from the near-depression State of 1980's, a bill which gave farming new hope and opportunity, and now that is threatened by a complex web of rulemaking and legislative interpretation.

We appear to have a Federal agency promulgating rules which run contrary to congressional intent achieved through long and arduous negotiations.

And we appear to have a conflict between agricultural interests, who support ethanol, and the oil industry, which along with its methane-based product, would appear to be the winner in this high stakes game of rulemaking if the EPA proceeds with its present course.

But there are some encouraging aspects as well.

We have a strong, bipartisan coalition of members from Illinois, Iowa, Nebraska, and other farming States willing to take up the fight for ethanol and the American people who depend upon it for their paychecks.

And there are efforts underway to provide the scientific detail to exhibit to the EPA that ethanol deserves the chance to fight the high levels of air pollution found in cities across the country.

There is no doubt that Congress meant for ethanol to be a key player in the fight against air pollution.

I want to encourage all of us to take a second look at what's happening. We have a tremendous opportunity to attack the air pollution problem, provide new jobs in the Midwest, and stabilize the farming industry which feeds this Nation and the world. We must not let that slip away.

Mr. BEREUTER. Mr. Speaker, will the gentleman yield?

Mr. POSHARD. Yes; I yield to the gentleman from Nebraska.

Mr. BEREUTER. Mr. Speaker, I thank the gentleman for yielding to me and I want to commend him on his outstanding statement on this important subject. The gentleman is quite right in emphasizing that this is a bipartisan concern and we are simply not going to take the wrong answer from the EPA on this issue. We are not going to let them thwart the intent of Congress on this issue.

There may be a volatility problem in some parts of this country. If we are not careful, that volatility problem in limited areas in going to be used as an excuse for sabatoging the grain ethanol industry in its proper role in implementing the Clean Air Act.

I want to commend the gentleman and say to our colleagues here in the House, this is a strong bipartisan concern. One way or another, we are going to win this and assure that the intent of Congress is implemented.

Mr. POSHARD. Mr. Speaker, I thank the gentleman for his comments and for participating in this special order.

The gentleman is quite right. It is a bipartisan effort. This is a clear case where the Agency has misinterpreted the intent of the legislation which the Congress passed. We are very hopeful that all of us will join together in bringing the Agency around to see it as we saw it when the legislation passed, so I thank the gentleman very much.

□ 1340

REPORT OF CHAIRMAN OF COMMITTEE ON BANKING, FINANCE AND URBAN AFFAIRS

The SPEAKER pro tempore (Mr. McNULTY). Under a previous order of the House the gentleman from Texas [Mr. GONZALEZ] is recognized for 60 minutes.

Mr. GONZALEZ. Mr. Speaker, today's purpose in addressing my colleagues—and I would like to remind those who view the Hall of the House, which is a description of this Chamber that the Constitution describes it with, the Hall of the House of Representatives, Mr. Speaker, it is the largest one of its kind of any legislative hall in the world, even our mother parliament, the House of Commons, which consists of about 630 members as compared to our 435.

But as I have said before, when I assumed the great responsibility and honor of chairing the Committee on Banking, Finance and Urban Affairs of the U.S. House of Representatives, I promised to give reports. These reports I started the very first day that I was elected chairman at the beginning of the last Congress. So that I am trying to discharge that responsibility because I feel that some of the basic purposes here of communication are to render an accounting first to our own Members who may not belong to the Committee on Banking, Finance and Urban Affairs, and probably do not, even though by way of parenthesis this committee actually consists of 10 percent of the total membership of the full Congress—that is, the Senate and the House—of 52 Members.

I think we will have to look at it from that perspective. And from another angle, also parenthetically speaking, it is one-half of the U.S. Senate plus two.

So, this is a big committee. It was not that way when I first came, but it is now. Therefore, I feel that my colleagues should be informed, if they are interested, and I find that most are. They may not be here physically, but we live in a day and time in which we have interoffice and television communications.

A study revealed to us that over 85 percent of the Members have their television on during these special orders. And after all, that is whom I am addressing, as I did the very first year I was sworn in, the first month I was sworn in and made use of this privilege known as special orders.

Actually, they are just the recognition that began some years ago of the need for members of a multiple body such as this that operates under severe restrictions of time during debate, to have an opportunity to enlarge on some particular subject matter or on some occasions that used to be based on an irregular and unpredictable basis under the rules of personal privilege or in the unanimous consent requests to have leave to address the House.

This is the way it has been done all the way along. So, finally, it was recognized that there should be an orderly system which, incidentally, with great sadness I noticed one of our colleagues on the majority side, a gentleman from California, circulating a letter seeking support to abolish this practice. I am sure that it is born out of ignorance of the history and reasons for this.

The reason is very basic, that this gives a chance in an orderly and predictable way for a Member or Members through unanimous consent—and after all legislative business has been completed as of the day—to address the House for an amount of time ranging from 1 minute to 1 hour.

I think that is a great, great tradition, and I have respected it, and I have never used this privilege or this forum as a political stump to inject anything other than issues that are involving us as legislators.

Now, before we had television coverage of the proceedings—and I think it is great to have them and all of that—I think it brings in the American people who really are much more interested than they have been given credit for. I have known that all along. But it used to be most of the 30 years I have been here that all we had to do was submit the speech in writing.

The first 20 years, that particular written speech would be printed in the RECORD as if it had been delivered on the House floor. Then you had abuses.

So, then there was a requirement that, if you submitted it that way, that the Member sign his name. Then after that there were still some complaints and abuses. So it was then changed that if that in fact was done, then in the RECORD there shall be a different and smaller print in which the unaddressed address was made. In other words, the smaller print indicates that the Member did not actually deliver it.

Well, I never had to have those rules; I did it from the beginning when nobody was taking the House floor after hours to make a special order, 30 years ago, 25 years ago, 22 years ago, and ever since when I take the floor.

I felt that that was the intent as I read the history of the precedents of this custom.

So, anyway, to make a long story short, today I want to report generally at first on some of the things that I have been specific about for the last few months. And that is the threat and the detrimental impact to the national interest with respect to the unrestrained and unregulated activities of huge amounts of money, so-called international money, that is in this country. A very conservation estimate as of last year was $800 billion. I would say conservatively it is at least a trillion dollars.

None of our regulatory agencies are adequately monitoring or supervising or regulating or overseeing these activities. It does not take but a small tranche of that huge amount to have tremendous multiplier effect and leverage where you can have activities from the illicit and illegal drug money laundering to everything else, including procurement of sophisticated technology and weaponry, such as I have brought out in the case of Iraq between 1983, when President Reagan removed Iraq from the list of terrorist nations, until, actually, right before the invasion of Kuwait by Iraq.

We brought that out. We brought out the disarray on another level, and that is the executive-branch level, the lack of coordination among the various departments. After all, the reason we developed, or the President has developed, what we call the Cabinet system was in order to overcome that lack of coordination and communication.

But, apparently, we have had a breakdown in the past few decades which has had a detrimental impact on our Nation's interests and destiny.

On another level, this one I have referred to before, but just like the first one there is no perception and we cannot arouse interest—and maybe it is because it is in an area in which we in the Congress can do very little—that is in the area of monetary international policy which the executive branch once again, and through the treaty-making power, which again has been very much eroded through the executive agreement process. One hundred years ago it would have been unthinkable to have what they call 90 percent of the executive agreements today.

□ 1350

They would have demanded that they be considered under the advise and consent by the Senate of the treaty clause of our Constitution, but those are the facts today, and the facts are that we had many, many years in which we have strayed, almost imperceptibly, from our constitutional basic framework, and I have seen at no time, either in recent history or past history, where we have not suffered in direct degree and proportion to our removal from these moorings of constitutional basics.

It is in two parts. One, it is a fact that we have, and one is connected to the other, and that is the danger that we face in the debauching of the value of our currency. Some past quotations attributed to people that were not considered friends of our country, but also in past history attributed to some leaders that had enemies, would say that, "If you first want to undermine and eventually destroy a country or its government, you seek debauching its currency."

The value of the dollar since 1985, the middle of the Reagan administration, has lost 60 percent of its value plus. Now in the meanwhile, and also beginning with the Reagan administration's midpoint, we became a debtor nation for the first time since 1914. And then on top of that we also piled a monstrous debt on all levels, not only governmental, but corporate and us, just the American public, as the largest debt structure of any known nation or combination of nations. On the governmental level we have $6 trillion, but on the side there, not counted, is another $6 trillion of so-called off-budget or, as the British call it, contingency debt. But so does a private banking system.

Again, I have had several releases. I have reported it to this body, but so far I have seen no reporting of that. I am considerably worried. When the 20 largest banks of our country have anywhere from 750 percent to 1,750 percent times their off-balance sheet contingency, contingency, involvements, then they have a net total worth of assets. That is incredible, but yet it seems like everybody wants to whistle by that graveyard, and maybe if we do not look at it, or if we just wish it away, it is going to go away.

Well, Mr. Speaker, let me tell my colleagues that it is not going to go away, and there is only one consequence ultimately, or sooner or later, and that is all debts must be paid one way or the other. And how that is going to be done with a devalued and equivalent of a debauched currency is the gravest threat to the well-being of this Nation since its founding. I throw in even the Civil War.

Why? Because we have piled this monstrous debt because we have been the only Nation that has had the great privilege of paying its debts in its own currency. But today, I say to my colleagues, the danger is more imminent than is perceived or is wanted to be admitted, that the dollar can be substituted as the international reserve currency unit, and, if that happens, then it means that all this debt is going to have to be paid back in somebody else's currency.

And when that happens, then the old golden rule of finance. What is that rule? That rule says that he who has the gold makes the rule. The lender always sets the rules, not the borrower. And there will go our independence as far as financing and fiscal well-being is concerned and our vaunted standard of living, which has already been eroded. It has been eroded, and it was obvious since the decade of the 1960s.

Mr. Speaker, that is when I came to the Congress, and I began speaking on that subject matter since then, and I spoke for the record, so it is not something I am saying now in hindsight, and I was the one that raised my voice about what they first called multinationals. Well, with multinational corporations, at the bottom of all their activities and behind them is banking, finance. At the bottom of everything is banking, and money and finance. I brought that out ad infinitum as I have spoken here. I even used a Latin phrase when I was informed that what was wrong with multinationals, what was wrong with these huge American corporations going to Europe and elsewhere, Korea, Taiwan, and in Japan, financing in such a way that there was an inexorable link to the United States and its economy, and I was saying that the sacrificial victim in all of this was American labor, that American labor was being sold down the river.

Who cared?

I said in a Latin phrase: "Non redolent pecunia." That is money has no nationality. Well, we have the consequences now. We are now an importing nation net. We are not a producing nation. We have lost little under 5 million jobs permanently in manufacturing, in producing. Those jobs are gone. And even now, just 2 weeks ago, I brought out how not even waiting for the so-called free trade, and let me tell my colleagues everybody forgets the other word that is used. It is not just a free trade, United States, Mexico, Canada free trade agreement. It is free trade and finance.

So, much money is going now, for instance, into the newly born, so-called Mexican stock market, all of it a bubble from America, and I have been saying it is going to end the same way that our S&L, and now our banking, crisis has ended. Why? Because it is all based on speculative, risky gambling. It is one more throw of the dice.

Is that the way we should handle our fundamental business?

Now the other part, which is again very little referred to, but is intertwined, is this fact that every day, even now as I speak, we have another trillion dollars worth of money changing instantaneously, as fast as an electronic message or signal can be given from London, Germany, Paris, Tokyo, New York.

□ 1400

And what is that money? It is not money. It is not money transactions following commercial intercourse or transactions. It is paper chasing money. It is highly speculative, like our Wall Street stock market where we now have a book by a young lady called "The Paper Money." She is relating how she as a 19-year-old went to work at Wall Street and, within 3 months, had made over $1 million.

How did Boesky and Milken milk that process? All through debased tax laws and evasion of those protective margin requirements that were set up in 1932. They in turn are based on what? Bank credit.

So we have gone back. We have learned nothing from history. We have almost identically followed the scenario after World War I. The big difference, of course, is that the world has contracted. Today you have somebody making a bet on the future worth of a dollar, a yen, a franc, a deutsche mark, which, incidentally, right now is the strongest financial entity in Europe or any place, in billions of dollars. Just like that, in not even a fraction of a second.

What is the consequence of all of this? What are the risks? Tremendous.

The bubbles always burst. No bubble endures eternally. They all burst.

I do not know what we can do. I asked the new chairman of the Federal Reserve Board when he made his first appearance before the committee in September 1987 what he would do about that and what he would do about 23 percent of the deposit money being uninsured known as money markets, mutual money markets.

He just looked at me and said "Nothing."

His predecessor chairman, the famous Paul Volcker, I asked the question about this now $1 trillion a day. At that time I estimated it was about $400 billion to $500 billion. He said, "No, I think it is more than that."

I said, "Well, what are you doing about it? What is this country doing in leadership to get some kind of international control of this highly speculative activity?"

He said, "Nothing." Just like that. It is in the record. These are printed hearings. It is not what I am saying now in retrospect.

I could not have been more concerned all along. But nevertheless I have tried to point it out. I have tried to report it. And it is in the record if any Member wants to look it up. I have always had recommendations.

Now, there is not much we can do on this international thing. The Federal Reserve Board is supposed to be the equivalent of a central bank in other countries, but it is not really. We have an entirely different system.

What we are confronting at this most complicated time is the need to try to figure out what kind of a banking system do the American people want or need? Do they want to go to the highly concentrated, in which you have a few big banks, megabanks, like in Germany and France in Europe and other countries? That would be going against 200 years of our history and precedents and culture. Yet that is where we are.

What about our dual banking system, where we have 50 States with 50 different banking regulatory systems?

I think we have to start one thing at a time, as if we had the foresight to have started 35 years ago and did not. There is not much else we can do but take one thing at a time. And this is what I have done.

In the case of concentrations, we have had hearings on mergers. This last week I was the only one that ended up two-thirds of the time at that hearing. There was no press coverage whatsoever of that merger.

I have a staff under the great direction of the staff director, Mr. Kelsay Meek. We have a limited staff. For instance, the budget for my committee is about one-half the budget for, say, the Committee on Energy and Commerce. But I am not asking for more, no more than a modicum of what we need to have, an addition here and there, such as somebody that has expertise in some economic area of activity. We still lack that.

But other than that, it has always been my practice to have a dedicated, very concentrated, honest beyond any question, hard hitting, efficient, but small staff. That is what we have had. And these staffs have done wonders.

In the case of mergers, for instance, we pointed out in the study that we issued as a Banking Committee staff report under my direction that the mergers, megamergers so far, and it seems like this year our country has gone into the banking mergers with a mania like we had before at the corporate level.

We pointed out and I have statistics showing that in every one of these cases the local communities or regions are having their resources sucked out. Their money is going out.

In Texas I have been pointing out for the last 2½ years that over 50 percent of its access to bank or financial credit allocation is controlled by outside of Texas ownership.

What can we do about it? Unless we go to an authoritarian country, the only thing we can do in the legislative branch as those of us who belong to these committees of responsibility is bring out the facts, act to the extent we have constitutional authority to do so legislatively, and then, after that, attempt to convince on the basis of evidentiary documentation the administrators from Treasury to the President and the Federal Reserve Board that what we feel is the need for them to fill in where we cannot legislate constitutionally.

So we have these tremendous forces at this time over which we have no control any longer. And no matter what we do domestically, it is very possible it can be overdone immediately by some forces external to our shores over which we have no control, but could have had, had we had vision and could we have sustained some kind of long-range policy, which apparently democracies find it hard to do, beginning several years ago.

On the other level, where I reported the activities of some of these international institutions, under our laws they set up in various States what they call agencies. Not out and out branches, but agencies. Those are chartered by the various States, which adds to the problem, because those States are not able to know what the Federal Reserve Board would be able to find out at the main branch of that international bank, what its thrust of operations is, and has no control over that State regulator or banking commission.

They have seen the sorry consequences in the case of BNL in Atlanta. But we must not forget that BNL also has some branches in Florida, Illinois, and did have two at least in California. One since has been closed because it was done by the State authorities, who have been more responsible in many ways.

□ 1410

On the other, where we pointed out that we had financed the weaponry ranging from conventional military armament to sophisticated chemical and nuclear components for Iraq and which, astoundingly, in August, we decided we would go in and eventually on January 16, 1991, engaged in war. And then I believe committed atrocities that we, as a Nation, would have to answer eventually, as we would as an individual.

We still have the Commandments, and one of the most important is thou shalt not kill. But thou shalt not kill in such a genicidal way as we did through carpet bombing in which we killed many thousands of innocent children, women, men, old, young. And then we literally slaughtered 100,000 plus so-called soldiers, most of which were conscripts running away, had their back turned to our soldiers.

We have buried others en masse. Those are things that I do not think our country stands for. We have never, through our history, identified with the tactics of a Hitler. And even Hitler, even his generals in middle Europe were able to save from extinction or slavery what Hitler had mandated should be the case for the so-called Slavs. And his orders to his field generals were, either eliminate them or those that can work, enslave them. And they had generals that defied that, German generals that had more humanity than ours have shown in some cases.

What we have done in Panama. Certainly we ought to know, and the American people ought to know it is done in their name. We incinerated several thousand, 100 percent blacks, living in these highly incendiary shacks that we had built for the workers on the Panama Canal after 1908. And with a Stealth bomber, and then we imposed the regime that is supposed to be governing now.

We imprisoned the head of state, brought him into the United States. We have him under trial. That is unprecedented. Even Hitler did not do that.

And what are the consequences? I think the American people ought to know that we still have two-thirds of the troops in Panama that we had at the height of the invasion and that we are the ones that are governing Panama. We are occupying Panama and that the people we put in place, if we remove our troops, will not be there 3 hours, nor will any American lives be safe.

Is that something that the American people are not aware of and should be aware of? Of course.

What I am saying is that at the bottom of it also is finances. The people we have put in power in Panama are all bankers, but they were bankers that were deeply enmeshed in the illicit drug trade coming out of the cartel of Columbia. And so should we be surprised if since we imprisoned Noriega under charges of what, drug peddling, that the alleged drug trade has increased 100 percent in and around Panama and the Medellin cartel?

I think these are things that we have to answer for collectively. They are done in our name. This is the reason I have raised my voice. I was one of those, only three in the Congress, who protested the so-called invasion of Panama at that time.

So anyway, what are we doing about this other, though? The BNL, this foreign entity, these, I say, trillion dollars that are still manipulable, that are still not accounted for, that no regulator in America has the slightest notion where that money is going or how it is being used or how it is being leveraged.

Well, we have offered some modicum of amendments to the International Banking Act of 1978 last year. Up to then, and had it not been for the explosion of the BCCI scandal, we would have had this stout resistance on the part of the Federal Reserve Board. But with that they realized that they better do something. So they accepted the more modest and what I would say ridiculous part of the amendments to that act.

Now, the history of the 1978 International Banking Act is that it was the result of the hearings that I brought about when I was not chairman or anything in my home city of San Antonio in 1975, in which we had the first clear cases of what later became the S&L scandals, the interflow and back flow of these huge amounts of money that nobody knew about.

At that time they would load a Cessna and just fly it over the border and nobody knew or followed it or tracked it, and pretty soon we had some of our institutions like the S&L south of my city in hock. And in fact, those hearings led to an indictment or two.

But more importantly, I wanted legislation. There was no law in our books governing international banking or financing or money transactions. So we ended up with two laws.

One was the so-called cash reporting transaction, cash transactions. But then the one called the International Banking Act was not adopted until 3 years later in 1978, and then it was watered-down, lobbied-down version of what I had said was minimally needed by our country for the protection of its international interests.

Now, we are the only other country even in another sector that does not have a screening board on all of those seeking to own direct investment, asset ownership of banks, land, corporations. Some of them, I think, inextricably are linked with our national defense.

But anyway, I have prepared a bill in order that through the international financial institutions, which in most cases we, the United States, initiated back in the 1970's and to which we still contribute very substantially, would restrict access to the benefits of these international institutions to those countries that are not signing up in the nonproliferation of weapons of mass destruction apparatus.

So I have introduced it. I call it the Nonproliferation of Weapons of Mass Destruction and Regulatory Improvement Act of 1992, and I would like to just take a little time to outline the basis of this act.

This act consists of actually two main titles. The first title promotes a nonproliferation of weapons of mass destruction by denying funding to the international development institutions until such institutions revoke the membership of countries not adhering to appropriate nonproliferation regimes and prohibits the Export-Import Bank from providing any financial assistance to countries that are not adhering to regimes for controlling weapons of mass destruction.

□ 1420

The second title of that involves foreign banks that are controlled by foreign governments. That is another aspect. Almost all of these banks are government owned by these foreign governments.

The BNL, for instance, with its agency in Atlanta, the Italian Government really owns that. Let me say, the record ought to reveal that where our own institutions like the Federal Reserve Bank, the Treasury Department, the Department of State, the Department of Agriculture, where I convinced the committee to issue over 100 subpoenas for documents, and some of these have been denied to us, I was able to get the very distinguished and able chairman of the Italian Senate Investigating Committee, because they are looking into it from their standpoint, to provide those documents for me. I could not get them. Our committee was denied by our own executive branch, but we got them from a country because the Government owns that bank. This is the case of most.

This second title addresses that. The appropriate Federal regulator, in this case it would be mostly the Federal Reserve, would have this subject to a hearing to revoke the charter of Federal depository institutions, terminate the insured status of State depository institutions, or impose restrictions on State branches and agencies of foreign banks, if an institution and two or more officers or directors are convicted of export control offenses.

It is amazing we do not have any such laws. These would be such things as the International Monetary Fund [IMF], the World Bank and its affiliates, and the multilateral development institutions. All of these are under the jurisdiction of the Committee on Banking, Finance and Urban Affairs, incidentally. For 10 years, between 1970 and 1981, I served as chairman of the Subcommittee on International Finance. At that time there was not much attention paid to that activity. It also deals with the Export-Import Bank, as I said a while ago.

This bill implements the regulatory reforms involving banks that are controlled by foreign governments. It also authorizes the appropriate Federal regulator, subject to a hearing and our time-honored processes, to revoke the charter of federally insured depository institutions if an institution and two or more of its officers or directors are convicted of arms and export control offenses.

There is no question that the spread of weapons of mass destruction are spreading at an increasing and alarming rate. We know that Iraq was able to build a war machine that included chemical, biological, and nuclear weapons and the missiles to deliver them. But that was Iraq. They did it through not only American but other countries' banks, but a lot of those banks were triggered off by, as corresponding banks, the American entities.

Sure, in the case of Iraq, as it turned out, it became an enemy country, but since 1983 to 1990, in the summer, it was considered a friend or an ally. We were going to support it as against Iran.

The thing gets complicated because, gosh, once we went into the Middle East imbroglio, I do not think our average citizens or my colleagues really realize the full extent of that.

For instance, because the only Arabic nation to side with Iran against Iraq was Syria, it suddenly became a friend of ours. So President Bush met with President Assad of Syria in Switzerland in 1990 while they were building up what was going to be our war in the Persian Gulf. But in the meanwhile, right after the so-called termination of that Persian Gulf war, Syria, from North Korea, procured 300 improved Scuds or missiles.

In the meanwhile, Iran is a non-Arabic nation, so just this week we had these announcements, and incidentally, Iran has built up its war machine and there is evidence indicating that once again, indirectly, we enabled Iran to build up.

How much stupidity can exist in the minds of our leaders, particularly when we say, "We are going to aid Iraq, but at the same time we are also doing business, as the sorry transaction known as the Iran-Contra mess indicated, with Iran?" Are we so naive as to think that these countries and their leaders are so dumb that they would not know that we were doing business with both belligerents? I cannot conceive of it.

I have more respect for the ability of these so-called foreign entities and their leaders. I have the respect that is born out of realizing the full extent and capability of people in countries as recorded by other external observers in other countries, from Switzerland to France, Germany, Spain, and England.

The collapse, the so-called collapse of the Soviet Union, which I think in many ways has been misinterpreted and misreported, has done one thing, though. It has unleashed a flood of nuclear materials and technical expertise.

I will say this, with sorrow in my heart, that all of those that were absolutely ideologically and fanatically indulging in that cold war culture of anticommunism, who were and have been, with great glee and joy, seeing what they called the breakup of Soviet Russia, are going to wish, I fear, in the not-too-distant future, that they had that old communism to work against, because of what we are going to be facing here in a disaggregated, disparate, and uncontrolled fashion.

With this unleashing and flood of nuclear materials, warheads, technical expertise into the world markets, the former Soviet Republics, with battlefield nuclear weapons, have threatened already to suspend the transfer of their nuclear weapons to the Republic of Russia. In fact, today's newspaper article reveals a great cleavage here between Russia and its leader, that we consider, of the so-called aggregation, Yeltsin, and one of the more substantial Republics, as to who controls the navy or the Baltic Sea navy.

These are all incidents that can build up to a most threatening situation as far as terrorism is concerned to our country. It is a formidable array and combination of events that we can foresee. As far as we can, on our level, we are offering this legislation.

To compound it, we have learned nothing and our leaders have learned nothing, because now, not only with Iran and building up Iran to a tremendous potential, Iran has its interest in those 3 to 3½ million Moslem populations right on their border with Iraq. Iraq, its border is just 90 miles away from the Russian border, but on that other side you have Moslem Republics.

What we did do in the Persian Gulf encounter was to solidify the Moslem world, for we destroyed over 200,000 Moslem lives, and the Moslem and the fundamental movement is not just isolated to the Middle East. It is worldwide, clear over to Pakistan and other countries. Pakistan has developed great capacity.

Now we have China, and we have our leaders having given over the course of the last few years such things as licenses to produce the Silkworm missile, which incidentally was the one that struck our ship in the Persian Gulf when we were patrolling, killing those 37 sailors.

□ 1430

That was a missile from an Iraq source. But it was a Silkworm, and it was one that we licensed China to produce. Do not forget that North Korea in the meanwhile has gone into the business in great fashion. Despite what the Chinese leaders pledged as long ago as two Presidents, they have never kept their pledges, and that is a source of concern.

But just a few weeks ago the President vetoed legislation to impose tough conditions on renewing the trade privileges with China. While the United States has traditionally taken a tough stance against the proliferation of weapons of mass destruction, this administration did nothing to stop Saddam Hussein from building a massive war machine, and in fact actually complied with helping him build up that machine.

More recently, the press reported that despite a ban on military sales to Pakistan by the United States Government, this administration has widely permitted the Pakistani Armed Forces to buy spare parts for American-made F-16 fighter planes from commercial firms for the last year and a half. Intelligence reports have indicated that Pakistan is trying to equip these F-16 fighters to deliver nuclear weapons. CIA Director Robert Gates testified at a recent House Armed Services Committee hearing that the Iranian Government is buying $2 million worth of weapons from foreign suppliers each year in a drive to again become the preeminent power in the Persian Gulf region. Russia, China, North Korea have been principal sellers of armaments to Iran. Also, Iran is now attempting to purchase hundreds of tanks from Eastern European countries.

Gates also expressed concern about Iran's efforts to develop poison gas warheads to place atop Scud missiles. He believes that Iran's relatively crude chemical weapons program is expected to produce such warheads within a few years.

Gates has also testified at the same hearing that Iraq retains some mobile Scud missile launchers, and as many as several hundred missiles that he and the CIA suspect that despite the continued efforts of the United Nations inspection teams, some of Iraq's nuclear weapons related equipment remains hidden. This may also be true of some chemical and biological weapons and the means to make more. Gates warned that if United Nations sanctions are removed, Iraq could restore its conventional military arsenals to their pre-Persian Gulf war levels in 3 to 5 years.

Clearly there is an urgent need for action. The aftermath of the Persian Gulf war demonstrates the pressing need to set tougher standards to prevent proliferation of this weaponry. It is obviously reaching a crisis point and standing at a critical crossroads in the history of mankind. It is time for the United States to take a new look at the world community and take this opportunity to incorporate much needed reforms.

Russia and the various Republics that are now forming as a result of the disintegration of the Soviet Union are applying for IMF and World Bank status. It is imperative that the United States take a tough stand with Russia and the other emerging Republics who insist on becoming a member of the international community and reaping the benefits of these programs but it also includes a simultaneous requirement to be a responsible world citizen. This should also apply to the numerous other countries that have or are developing weapons.

Last week the IMF endorsed Russia's economic reform plan, paving the way for Moscow to receive up to $4 billion in IMF aid over the next year. IMF officials have said that they expect Russia and most of the 14 former Soviet Republics to join the Fund in late April, with IMF aid to the new members beginning soon afterward. Altogether, Russia and the former Republics could qualify for as much as $18 billion in IMF aid over the next 3 years.

President Bush has submitted to the Congress a large-scale aid package to help Russia and the other Republics, and as a matter of fact we suspended the markup of our international bill in the committee 2 weeks ago because the President had not announced his package of so-called aid to Russia which would be part and parcel of what we would have to consider in the fresh installment that the country is committed to doing for the IMF and the World Bank. While I do not deny the great need that currently exists for this country to exert some kind of leadership, which it has not, with respect to Russia and the countries that comprise the former Soviet Republics, I am concerned about the lack of a substantive United States and international policy aimed at coordinating and balancing their economic needs and concerns with the need for some kind of moratorium on the arming of these and Third World nations with weapons of mass destruction, and the technology needed to build such weapons.

One way to accomplish this goal is to insist that countries that benefit from these multilateral development banks, most of which we initiated, comply with all nonproliferation regimes. These regimes in turn should be tighter, tougher, and better enforced. But there must also be incentives for compliance.

Surely President Bush's inconsistent and oftentimes ill-fated foreign policy objectives demonstrate that the United States is not sending a clear and a consistent message to the rest of the world. If the United States continues to pursue strategic and/or commercial interests, despite the negative consequences that such actions may have for proliferation, other countries are likely to do the same.

Let me say in all fairness with respect to these regimes for nonproliferation, some very important countries, some of them we consider our allies are not members. France, Israel, they are not members of that nonproliferation regime. So there is also this that we must confront if we are going to be exerting leadership in this very grave respect.

We are vulnerable. Our country is vulnerable. It is not as invulnerable as we would picture it. The great mass of military buildup which peaked and showed itself well during the so-called Persian war will be of little use in the economic and money battles that we now are engaged in. But more substantially, what have we got to defend if in the meanwhile our central cities are crumbling around our heads, if the infrastructure of our country is also collapsing? What is it we have to defend?

But we are also vulnerable to some of the most sophisticated types of terrorism, that God forbid should occur. We live in dense areas in which, for instance, the water supply, food supply are vulnerable. I remember, I was here when we had the curfews and the military during the rioting. It was awesome for me to walk the street from my office to my apartment at midnight, right here on Capitol Hill, and have a jeep come over and challenge and say, "What are you doing at this hour," to see the service stations close down at noon, grocery stores close down. What happens if the water supply is shut off or poisoned? These are things we had better start thinking about.

I am also chairman of the Subcommittee on Housing and Community Development. In the name of the subcommittee and the full committee, as of January, though actually I had started long before with the subcommittee, we have been going around the country. We started out on January 7 in Connecticut, Bridgeport. We went down to South Carolina. Then we went to Maryland, Ohio, Cleveland, where Cleveland in a decade has lost one-third of its industrial production capacity, much of it going across the border to Mexico and the so-called mequilladores, where that story has yet to be fully reported.

□ 1440

But why? Because the most vulnerable of our segment of society, the laboring class, is the one that has been sold down the river with very little or no viable protest.

The day of reckoning has to come. I say: Why wait? Why not anticipate? Why not prepare? Why wait until we are in the midst of a seemingly uncontrollable crisis? I say this: I am not a prophet, and I am not an expert, but I know facts, and I have visited these States, also to California and Wisconsin, and we are going to continue the rest of this year in that our country is in distress, that our societies are actually, over 65 percent of them, in acute financial distress.

So what are we defending? What are we fighting in the way of defense? And how vulnerable in another way are we, a few samples of which I have just mentioned?

Well, it would be my desire that at a minimum an international moratorium on the proliferation of weapons of mass destruction would result. My bill, I am sure, and I feel in my heart, is a necessary unavoidable beginning. It is a reasonable starting point, late, but nevertheless we have to start at some point.

As I pointed out earlier, this bill also requires that Export-Import Bank be prohibited from providing financial assistance to countries that are not adhering to regimes for controlling weapons of mass destruction.

There is some legislation currently pending that would remove barriers that have prohibited the Eximbank from financing the sale of exports to the Soviet Union and other Communist-bloc countries.

I applaud these efforts of these countries to radically alter their economies to more capitalist and market-driven economies.

H.R. 4803

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Non-Proliferation of Weapons of Mass Destruction and Regulatory Improvement Act of 1992".

TITLE I—INTERNATIONAL DEVELOPMENT INSTITUTIONS AND EXPORT-IMPORT BANK

SEC. 101. FUNDING OF INTERNATIONAL DEVELOPMENT INSTITUTIONS DENIED.

(a) FUNDING PROHIBITION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, beginning 1 year after the date of the enactment of this Act, no department, agency, or officer of the United States Government may, on behalf of the United States, provide funds to any international development institution, or enter into any agreement to do so, if the most recent determination of the Secretary of the Treasury pursuant to paragraph (2) is that a member country of the institution—

(A) is capable of producing, or is seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction; and

(B) is not adhering to the regime.

(2) ROLE OF THE SECRETARY OF THE TREASURY.—Within 6 months after the date of the enactment of this Act, and annually thereafter, the Secretary of the Treasury, in consultation with the Secretary of State, the Secretary of Defense, and the Director of the Central Intelligence Agency, shall—

(A) determine which member countries referred to in paragraph (1) are capable of producing, or are seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction;

(B) with respect to each country described in subparagraph (A)—

(i) identify the international development institutions of which the country is a member; and

(ii) determine whether or not the country is adhering to the regime; and

(C) report such information to the Committee on Banking, Finance and Urban Affairs of the House of Representatives.

(b) UNITED STATES TO URGE ADOPTION OF REQUIREMENT.—The Secretary of the Treasury shall instruct the United States Executive Director of each international development institution to use the voice and vote of the United States to urge the respective institution to amend the charter of the institution to require that, not later than 1 year after the date of the enactment of this Act, each member country of the institution which is capable of producing, or is seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction adhere to the regime.

(c) DEFINITIONS.—as used in this section:

(1) ADHERE.—The terms "adhere" and "adhering" mean, with respect to a country and a regime, that the country is honoring a formal commitment to participate in the regime that was made by the country to the other participants in the regime.

(2) INTERNATIONAL DEVELOPMENT INSTITUTION.—The term "international development institution" means the International Monetary Fund, the International Bank for Reconstruction and Development, the European Bank for Reconstruction and Development, the International Development Association, the International Finance Corporation, the Multilateral Investment Guarantee Agency, the African Development Bank, the African Development Fund, the Asian Development Bank, the Inter-American Development Bank, and the Inter-American Investment Corporation.

(3) REGIME FOR CONTROLLING WEAPONS OF MASS DESTRUCTION.—The term "regime for controlling weapons of mass destruction" means—

(A) the nuclear weapons non-proliferation regime;

(B) the chemical weapons non-proliferation regime;

(C) the biological weapons non-proliferation regime; and

(D) the Missile Technology Control Regime (as defined in section 11B(c) of the Export Administration Act of 1979).

(4) NUCLEAR WEAPONS NON-PROLIFERATION REGIME.—The term "nuclear weapons non-proliferation regime" means—

(A) the Treaty on the Non-Proliferation of Nuclear Weapons, signed at Washington, D.C., London, and Moscow on July 1, 1968, (TIAS 6839), and any amendments thereto;

(B) Additional Protocols I and II to the Treaty for the Prohibition of Nuclear Weapons' in Latin America (also known as the "Treaty of Tlatelolco"), signed at Mexico on February 14, 1967, (TIAS 7137), and any amendments thereto;

(C) the guidelines adopted by the Nuclear Suppliers Group, also known as the "London Club"; and

(D) the Convention on the Physical Protection of Nuclear Material, and any amendments thereto.

(5) CHEMICAL WEAPONS NON-PROLIFERATION REGIME.—The term "chemical weapons non-proliferation regime" means—

(A) the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare (also known as the "Geneva Protocol of 1925"), and any amendments thereto; and

(B) the chemicals export controls adopted by the group known as the "Australia Group".

(6) BIOLOGICAL WEAPONS NON-PROLIFERATION REGIME.—The term "biological weapons non-proliferation regime" means—

(A) the Protocol for the Prohibition of the Use in War of Asphyxiating, Poisonous or Other Gases, and of Bacteriological Methods of Warfare (also known as the "Geneva Protocol of 1925"), and any amendments thereto; and

(B) the Convention on the Prohibition of the Development, Production and Stockpiling of Bacteriological (Biological) and Toxin Weapons and on Their Destruction (also known as the "Biological Weapons Convention"), and any amendments thereto.

SEC. 102. PROHIBITION AGAINST EXPORT-IMPORT BANK ASSISTANCE FOR EXPORTS TO CERTAIN COUNTRIES NOT ADHERING TO REGIMES FOR CONTROLLING WEAPONS OF MASS DESTRUCTION.

Section 2(b) of the Export-Import Bank Act of 1945 (12 U.S.C. 635i(b)) is amended by adding at the end the following:

"(13) The Bank may not guarantee, insure, extend credit, or participate in the extension of credit in connection with any export of goods or services to any country which—

"(A) is capable of producing, or is seeking to produce, a type of weapon that is a subject of a regime for controlling weapons of mass destruction (as defined in section 101(c) of the Non-Proliferation of Weapons of Mass Destruction and Regulatory Improvement Act of 1992); and

"(B) is not adhering to the regime (as determined in accordance with subsection (a) of such section).".

TITLE II—BANKING LAW ENFORCEMENT PROVISIONS

SEC. 201. REPORTING REQUIREMENT FOR FOREIGN BANKS.

The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by adding at the end the following new section:

"SEC. 18. REPORTS ON DEPOSITS HELD BY OR ON BEHALF OF ANY FOREIGN BANK OR FOREIGN BANK AFFILIATE.

"Each branch, agency, or representative office of a foreign bank and each affiliate of a foreign bank which is organized under the laws of any State or maintains an office in any State shall submit an annual report to the Board listing the name of each depository institution (as defined in section 3(c) of the Federal Deposit Insurance Act) at which deposits of such branch, agency, office, or affiliate are held".

SEC. 202. LIMITATIONS ON FOREIGN BANKS CONTROLLED BY FOREIGN GOVERNMENTS.

(a) IN GENERAL.—The International Banking Act of 1978 (12 U.S.C. 3101 et seq.) is amended by inserting after section 18 (as added by section 201) the following new section:

"SEC. 19. FOREIGN BANKS CONTROLLED BY FOREIGN GOVERNMENTS.

"(a) IN GENERAL.—Except as provided in subsection (b), a foreign bank which is controlled by the government of a foreign country may not, directly or through any branch or agency of the bank or any company controlled by the bank—

"(1) accept deposits in the United States;

"(2) make loans or other extensions of credit in the United States or to any United States person; or

"(3) engage in any other financial transactions in the United States or with any United States person.

"(b) Exception for Trade-Related Finance.—The prohibition contained in subsection (a) shall not apply with respect to any loan or other extension of credit which qualifies, under regulations prescribed by the Board, as trade-related financing.

"(c) Determination of Control.—

"(1) In general.—Any foreign government which, under section 2 of the Bank Holding Company Act of 1956, would be a bank holding company with respect to a foreign bank if—

"(A) such government were a company (as defined in such Act) which is subject to the Act; and

"(B) the foreign bank were a bank within the meaning of the Act,

shall be deemed to control the foreign bank for purposes of this section.

"(2) Applicability of section 2 of the Bank Holding Company Act.—Section 2 of the Bank Holding Company Act of 1956 shall apply to—

"(A) any determination by the Board, pursuant to paragraph (1), of the applicability of this section to any foreign bank; and

"(B) the procedures for making and reviewing any such determination.

"(d) Regulations.—The Board shall prescribe regulations—

"(1) establishing the criteria to be used in determining whether a loan or other extension of credit qualifies as trade-related financing and the procedures for making such determination; and

"(2) determining whether a foreign bank is controlled by the government of a foreign country.

"(e) Definitions.—For purposes of this section—

"(1) Trade-related financing.—The term 'trade-related financing' means any loan or other extension of credit the proceeds of which are used to facilitate the export from the United States, or the import into the United States, of any goods or services.

"(2) United States person.—The term 'United States person' has the meaning given to such term in section 7(f)(2)(A) of the Securities Exchange Act of 1934.".

SEC. 203. REVOCATION OF CHARTER OF FEDERAL DEPOSITORY INSTITUTIONS AUTHORIZED FOR EXPORT CONTROL OFFENSES.

(a) National Banks.—Section 5239 of the Revised Statutes (12 U.S.C. 93) is amended by adding at the end the following new subsection:

"(d) Forfeiture of Franchise for Export Control Offenses.—

"(1) Notice of intention to declare charter forfeited.—If the Comptroller of the Currency receives written notice from the Attorney General that any national bank and directors or senior executive officers of the bank have been found guilty of any export control offense, the Comptroller may issue a notice to the national bank of the Comptroller's intention to declare all rights, privileges, and franchises of such bank to be forfeited.

"(2) Contents of notice.—Any notice issued by the Comptroller pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(3) Hearing, forfeiture of charter.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Comptroller of the Currency (or any person designated by the Comptroller for such purpose), the Comptroller finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the national bank was found guilty outweighs the benefits which the continued operation of the bank may provide (taking into account whether there will be significant losses to the Bank Insurance Fund), the Comptroller may issue an order declaring all rights, privileges, and franchises of such bank to be forfeited.6

"(4) Factors for consideration in charter revocation proceeding.—In making any determination under paragraph (3) to declare the forfeiture of all rights, privileges, and franchises of any national bank, the Comptroller of the Currency shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the national bank knew of, or were involved in, the commission of the export control offense of which the bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the national bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the national bank has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the bank was found guilty.

"(D) The extent to which the national bank has implemented additional internal controls (since the commission of the offense of which the bank was found guilty) to prevent the occurrence of any other export control offense.

"(5) Appearance consent to forfeiture.—Unless the national bank shall appear at the hearing by a duly authorized representative, the bank shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the bank and the order referred to in paragraph (3) may be issued.

"(6) Judicial review.—Any order issued by the Comptroller of the Currency under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) Change in control exception.—If the ownership or control of any national bank referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the bank, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Comptroller) which was entered into in good faith by such person.

this subsection shall not apply to such national bank with respect to such offense.

"(8) Definitions.—For purposes of this subsection—

"(A) Export control offense defined.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(B) National bank.—The term 'national bank' includes any Federal branch or agency operating in accordance with section 4 of the International Banking Act of 1978.

"(C) Senior executive officers.—The term 'senior executive officers' has the meaning given to such term by the Comptroller of the Currency pursuant to section 32(f) of the Federal Deposit Insurance Act.".

(b) Federal Savings Associations.—Section 5 of the Home Owners' Loan Act (12 U.S.C. 1464) is amended by adding at the end the following new subsection:

"(w) Forfeiture of Charter for Export Control Offenses.—

"(1) Notice of intention to declare charter forfeited.—If the Director receives written notice from the Attorney General that any Federal savings association and directors or senior executive officers of the association have been found guilty of any export control offense, the Director may issue a notice to the Federal savings association of the Director's intention to declare the charter of the association to be forfeited.

"(2) Contents of notice.—Any notice issued by the Director pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(3) Hearing, forefeiture of charter.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Director (or any person designated by the Director for such purpose), the Director finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the Federal savings association was found guilty outweighs the benefits which the continued operation of the association may provide (taking into account whether there will be significant losses to the Savings Association Insurance Fund or the Resolution Trust Corporation), the Director may issue an order declaring the charter of the association to be forfeited.

"(4) Factors for consideration in charter revocation proceeding.—In making any determination under paragraph (3) to declare the forfeiture of the charter of any Federal savings association, the Director shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the savings association knew of, or were involved in, the commission of the export control offense of which the association was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the savings association which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the savings association has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the association was found guilty.

"(D) The extent to which the savings association has implemented additional internal controls (since the commission of the offense of which the savings association was found guilty) to prevent the occurrence of any other export control offense.

"(5) Appearance, consent to forfeiture.—Unless the Federal savings association shall appear at the hearing by a duly authorized representative, the association shall be deemed to have consented to the forfeiture of the charter of the association and the order referred to in paragraph (30 may be issued.

"(6) Judicial review.—Any order issued by the Director under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) Change in control exception.—If the ownership or control of any Federal savings association referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the association, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Director) which was entered into in good faith by such person,

this subsection shall not apply with respect to such association.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) EXPORT CONTROL OFFENSE.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(B) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Director pursuant to section 32(f) of the Federal Deposit Insurance Act.".

"(c) FEDERAL CREDIT UNIONS.—Title I of the Federal Credit Union Act (12 U.S.C. 1752 et seq.) is amended by adding at the end the following new section:

"SEC. 130. FORFEITURE OF ORGANIZATION CERTIFICATE FOR EXPORT CONTROL OFFENSES.

"(a) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—If the Board receives written notice from the Attorney General that any Federal credit union and directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union have been found guilty of any export control offense, the Board may issue a notice to the Federal credit union of the Board's intention to declare the charter of the credit union to be forfeited.

"(b) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to subsection (a) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

"(c) HEARINGS, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board find that, taking into account the factors required to be considered under subsection (d), the gravity of the offense of which the Federal credit union was found guilty outweighs the benefits which the continued operation of the credit union may provide (taking into account whether there will be significant losses to the national Credit Union Share Insurance Fund), the Board may issue an order declaring the charter of the credit union to be forfeited.

"(d) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDINGS.—In making any determination under subsection (c) to declare the forfeiture of the charter of any Federal credit union, the Board shall take into account the following factors:

"(1) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the export control offense of which the credit union was found guilty.

"(2) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

"(3) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the credit union was found guilty.

"(4) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other export control offense.

"(e) APPEARANCE, CONSENT TO FORFEITURE.—Unless the Federal credit union shall appear at the hearing by a duly authorized representative, the credit union shall be deemed to have consented to the forfeiture of the charter of the credit union and the order referred to in subsection (c) may be issued.

"(f) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(g) EXPORT CONTROL OFFENSE DEFINED.—For purposes of this section, the term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.".

"(d) ACTIONS AUTHORIZED WITH RESPECT TO EDGE ACT CORPORATIONS AND AGREEMENT CORPORATIONS.—The Federal Reserve Act is amended by redesignating section 25B (12 U.S.C. 632) as section 25C and by inserting after section 25A (12 U.S.C. 615 et seq.) the following section:

"SEC. 25B. FORFEITURE OF FRANCHISES AND TERMINATION OF APPROVALS UNDER SECTIONS 25 AND 25A AUTHORIZED FOR EXPORT CONTROL OFFENSES.

"(a) EDGE ACT CORPORATIONS.—

"(1) NOTICE OF INTENTION TO DECLARE CHARTER FORFEITED.—If the Board receives written notice from the Attorney General that any organization organized and operating under section 25A and directors or senior executive officers of the organization have been found guilty of any export control offense, the Board may issue a notice to the organization of the Board's intention to declare all rights, privileges, and franchises of such organization to be forfeited.

(2) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed forfeiture.

(3) HEARING, FORFEITURE OF CHARTER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the organization was found guilty outweighs the benefits which the continued operation of the organization may provide, the Board may issue an order declaring all rights, privileges, and franchises of such organization to be forfeited.

(4) FACTORS FOR CONSIDERATION IN CHARTER REVOCATION PROCEEDING.—In making any determination under paragraph (3) to declare the forfeiture of all rights, privileges, and franchises of any organization organized under section 25A, the Board shall take into account the following factors:

(A) The extent to which directors or senior executive officers of the organization knew of, or were involved in, the commission of the export control offense of which the organization was found guilty.

(B) The extent to which the offense occurred despite the existence of policies and procedures within the organization which were designed to prevent the occurrence of any such offense.

(C) The extent to which the organization has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the organization was found guilty.

(D) The extent to which the organization has implemented additional internal controls (since the commission of the offense of which the organization was found guilty) to prevent the occurrence of any other export control offense.

(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the organization shall appear at the hearing by a duly authorized representative, the organization shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the organization and the order referred to in paragraph (3) may be issued.

(6) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any organization referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act)—

(A) after the commission of any export control offense;

(B) by any person who was not an institution-affiliated party of the organization, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

(C) in an arms-length transaction (as determined by the Board) which was entered into in good faith by such person,

this subsection shall not apply to such organization with respect to such offense.

"(b) TERMINATION OF APPROVAL FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO TERMINATE APPROVAL.—If the Board receives written notice from the Attorney General that—

"(A) any—

"(i) national bank referred to in section 25;

"(ii) foreign branch of a national bank established pursuant to Board approval under section 25; or

"(iii) corporation or foreign bank in which a national bank has acquired an ownership interest pursuant to approval under such section; and

"(B) directors or senior executive officers of such national bank, branch, foreign bank, or corporation have been found guilty of any export control offense,

the Board may issue a notice to the national bank of the Board's intention to terminate approval of the operation of the foreign branch or the investment in the corporation or foreign bank.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

"(3) HEARING, TERMINATION OF APPROVAL.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the national bank, foreign branch, corporation, or foreign bank was found guilty outweighs the benefits which the continuation of the operation of the foreign branch or the investment in the corporation or foreign bank may provide, the Board may issue an order terminating the approval for the continued operation of the foreign branch or the continued investment in the corporation or foreign bank.

"(4) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (3) to terminate the approval under section 25 for a national bank to operate a foreign branch or to invest in a corporation or foreign bank described in such section, the Board shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of such national bank, foreign branch, corporation, or foreign bank knew of, or were involved in, the commission of the export control offense of which the bank, branch, corporation, or foreign bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the bank, branch, corporation, or foreign bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the bank, branch, corporation, or foreign bank has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the bank, branch, corporation, or foreign bank was found guilty.

"(D) The extent to which the bank, branch, corporation, or foreign bank had implemented additional internal controls (since the commission of the offense of which the bank, branch, corporation, or foreign bank was found guilty) to prevent the occurrence of any other export control offense.

"(5) APPEARANCE, CONSENT TO TERMINATION OF APPROVAL.—Unless the national bank shall appear at the hearing by a duly authorized representative, the national bank shall be deemed to have consented to the termination of the approval under section 25 for a national bank to operate a foreign branch or to invest in a corporation or foreign bank described in such section.

"(6) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any national bank referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board which was entered into in good faith by such person,

this subsection shall not apply to such national bank with respect to such offense.

"(c) DEFINITIONS.—For purposes of this section—

"(1) EXPORT CONTROL OFFENSE.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(2) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board pursuant to section 32(f) of the Federal Deposit Insurance Act."

SEC. 204. AUTHORITY TO TERMINATE THE INSURED STATUS OF STATE DEPOSITORY INSTITUTIONS CONVICTED OF EXPORT CONTROL OFFENSES.

(A) STATE DEPOSITORY INSTITUTIONS OTHER THAN STATE CHARTERED CREDIT UNIONS.—

(1) TERMINATION AUTHORIZED UPON CONVICTION OF DEPOSITORY INSTITUTION.—Section 8(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(2)(A)) is amended—

(A) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(B) by inserting after clause (i) the following new clause:

"(ii) the Attorney General has provided written notice that an insured State depository institution has been found guilty of any export control offense;"

(2) EXCEPTION IN CASE OF CHANGE IN CONTROL.—Section 8(a) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)) is amended by adding at the end of the following new paragraph:

"(11) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any State depository institution referred to in paragraph (2)(A)(ii) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board of Directors) which was entered into in good faith by such person,

paragraph (2)(A)(ii) shall not apply to such depository institution with respect to such offense.".

(3) HEARING ON TERMINATION REQUIRED UPON CONVICTION OF INSTITUTION AND DIRECTORS AND OFFICERS.—Section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818) is amended by adding at the end the following new subsection:

"(w) TERMINATION OF INSURANCE FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO TERMINATE INSURANCE.—If the Board of Directors receives written notice from the Attorney General that any insured State depository institution and directors or senior executive officers of the depository institution have been found guilty of any export control offense, the Board of Directors may issue a notice to the depository institution of the Board of Directors' intention to terminate the insured status of such depository institution.

"(2) NOTICE TO STATE BANKING SUPERVISOR.—A copy of any notice issued by the Board of Directors under paragraph (1) to any insured State depository institution shall promptly be transmitted by the Board of Directors to the appropriate State banking supervisor of such depository institution.

"(3) CONTENTS OF NOTICE.—Any notice issued by the Board of Directors pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

"(4) HEARING, TERMINATION OF INSURED STATUS.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board of Directors (or any person designated by the Board of Directors for such purpose), the Board of Directors finds that, taking into account the factors required to be considered under paragraph (5), the gravity of the offense of which the depository institution was found guilty outweighs the benefits which the continuation of the insured status of the depository institution may provide (taking into account whether there will be significant losses to the Bank Insurance Fund, the Savings Association Insurance Fund, or the Resolution Trust Corporation), the Board of Directors may issue an order terminating the insured status of such State depository institution effective not earlier than the end of the 10-day period beginning on the date the State banking supervisor (of such depository institution) receives notice of the issuance of such order from the Board of Directors.

"(5) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (4) to terminate the insured status of any State depository institution, the Board of Directors shall take into account the following factors:

"(A) The extent to which directors of senior executive officers of the depository institution knew of, or were involved in, the commission of the export control offense of which the institution was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the depository institution which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the depository institution has folly cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the institution was found guilty.

"(D) The extent to which the depository institution has implemented additional internal controls (since the commission of the offense of which the depository institution was found guilty) to prevent the occurrence of any other export control offense.

"(6) APPEARANCE, CONSENT TO TERMINATION OF INSURED STATUS.—Unless the State depository institution shall appear at the hearing by a duly authorized representative, the depository institution shall be deemed to have consented to the termination of the insured status of the depository institution and the order referred to in paragraph (4) may be issued.

"(7) JUDICIAL REVIEW.—Any order issued by the Board of Directors under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(8) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any depository institution referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B))—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the institution, or any affiliate of any such party, at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board of Directors) which was entered into in good faith by such person,

this subsection shall not apply to such depository institution with respect to such offense.

"(9) DEFINITIONS.—For purposes of this subsection and paragraphs (2)(A)(ii) and (11) of subsection (a)—

"(A) EXPORT CONTROL OFFENSE.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(B) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board of Directors pursuant to section 32(f) of the Federal Deposit Insurance Act.".

(b) STATE CHARTERED CREDIT UNIONS.—

(1) TERMINATION AUTHORIZED UPON CONVICTION OF DEPOSITORY INSTITUTION.—The first sentence of section 206(b)(1) of the Federal Credit Union Act (12 U.S.C. 1786(b)(1)) is amended by inserting "or the Board is notified in writing by the Attorney General that an insured credit union has been found guilty of any export control offense," after "entered into with the Board,".

(2) HEARING ON TERMINATION REQUIRED UPON CONVICTION OF INSTITUTION AND DIRECTORS AND OFFICERS.—SECTION 206 OF THE FEDERAL CREDIT UNION ACT (12 U.S.C. 1786) IS AMENDED BY ADDING AT THE END OF THE FOLLOWING NEW SUBSECTION:

"(v) TERMINATION OF INSURANCE FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO TERMINATE INSURANCE.—If the Board receives written notice from the Attorney General that any insured State chartered credit union and directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit unions have been found guilty of any export control offense, the Board may issue a notice to the credit union of the Board's intention to terminate the insured status of such credit union.

"(2) NOTICE TO STATE CREDIT UNION SUPERVISOR.—A copy of any notice issued by the Board under paragraph (1) to any insured State chartered credit union shall promptly be transmitted by the Board to the appropriate State credit union supervisor of such credit union.

"(3) CONTENTS OF NOTICE.—Any notice issued pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed termination of insured status.

"(4) HEARING, TERMINATION OF INSURED STATUS.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Code, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (5), the gravity of the offense of which the credit union was found guilty outweighs the benefits which the continuation of the insured status of the credit union may provide (taking into account whether there will be significant losses to the National Credit Union Share Insurance Fund), the Board may issue an order terminating the insured status of such State chartered credit union effective not earlier than the end of the 10-day period beginning on the date the State credit union supervisor (of such credit union) receives notice of the issuance of such order from the Board.

"(5) FACTORS FOR CONSIDERATION IN PROCEEDING TO TERMINATE INSURED STATUS.—In making any determination under paragraph (4) to terminate the insured status of any State chartered credit union, the Board shall take into account the following factors:

"(A) The extent to which directors, committee members, or senior executive officers (as defined by the Board in regulations which the Board shall prescribe) of the credit union knew of, or were involved in, the commission of the export control offense of which the credit union was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the credit union which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the credit union has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the credit union was found guilty.

"(D) The extent to which the credit union has implemented additional internal controls (since the commission of the offense of which the credit union was found guilty) to prevent the occurrence of any other export control offense.

"(6) APPEARANCE, CONSENT TO TERMINATION OF INSURED STATUS.—Unless the State chartered credit union shall appear at the hearing by a duly authorized representative, the credit union shall be deemed to have consented to the termination of insured status of the credit union and the order referred to in paragraph (4) may be issued.

"(7) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(8) EXPORT CONTROL OFFENSE DEFINED.—For purposes of this subsection and subsection (b)(1), the term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.".

(c) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The last sentence of section 8(a)(2)(A) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(2)(A) is amended by inserting "and shall not apply with respect to any notice under clause (ii)" before the period.

(2) Section 8(a)(6) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(6)) is amended by striking "such termination" the 1st place such term appears and inserting "any termination of the insured status of any depository institution under this subsection or subsection (w)".

(3) The 1st sentence of section 8(a)(7) of the Federal Deposit Insurance Act (12 U.S.C. 1818(a)(7)) is amended by striking "this subsection," and inserting "this subsection or subsection (w),".

(4) The 1st sentence of section 206(c) of the Federal Credit Union Act (12 U.S.C. 1786(c)) is amended by striking "(a)(2) or (b)" and inserting "(a)(2), (b), or (v)".

(5) The 1st sentence of section 206(d)(1) of the Federal Credit Union Act (12 U.S.C. 1786(d)(1)) is amended by striking "(a)(1) or (b)" and inserting "(a)(1), (b), or (v)".

SEC. 205. RESTRICTIONS ON STATE BRANCHES AND AGENCIES OF FOREIGN BANKS CONVICTED OF EXPORT CONTROL OFFENSES.

(a) Section 7 of the International Banking Act of 1978 (12 U.S.C. 3105) is amended by adding at the end the following new subsection:

"(e) LIMITATION ON ACTIVITIES AFTER CONVICTION FOR EXPORT CONTROL OFFENSES.—

"(1) NOTICE OF INTENTION TO ISSUE ORDER.—If the Board finds or receives written notice from the Attorney General that any State agency, any State branch which is not an insured branch, or any foreign bank which operates a State agency or a State branch which is not an insured branch and directors or senior executive officers of any such agency, branch, or foreign bank have been found guilty of any export control offense, the Board may issue a notice to the agency or branch of the Board's intention to issue an order which prohibits the agency or branch from—

"(A) participating directly or indirectly in any aspect of the payment system, including any clearing or electronic fund transfer system;

"(B) accepting deposits, offering or providing payment services, holding credit balances, and making loans; and

"(C) engaging in any other activity which is similar to any activity described in this subparagraph.

"(2) CONTENTS OF NOTICE.—Any notice issued by the Board pursuant to paragraph (1) shall contain the date (not to exceed 90 days after the date such notice is issued) and the place of a hearing on the proposed order.

"(3) HEARING, ISSUANCE OF ORDER.—If, on the basis of the evidence presented at a hearing conducted in accordance with section 554 of title 5, United States Codes, before the Board (or any person designated by the Board for such purpose), the Board finds that, taking into account the factors required to be considered under paragraph (4), the gravity of the offense of which the State agency or branch was found guilty outweighs the benefits which the continued operation of the agency or branch may provide, the Board may issue the order described in paragraph (1)(A).

"(4) FACTORS FOR CONSIDERATION IN PROCEEDING.—In making any determination under paragraph (3) to issue an order described in paragraph (1)(A) to any State agency or branch, the Board shall take into account the following factors:

"(A) The extent to which directors or senior executive officers of the agency or branch, or the foreign bank which operates the agency or branch, knew of, or were involved in, the commission of the export control offense of which the bank was found guilty.

"(B) The extent to which the offense occurred despite the existence of policies and procedures within the agency, branch or foreign bank which were designed to prevent the occurrence of any such offense.

"(C) The extent to which the agency, branch, or foreign bank has fully cooperated with law enforcement authorities with respect to the investigation of the export control offense of which the agency, branch, or foreign bank was found guilty.

"(D) The extent to which the agency, branch, or foreign bank has implemented additional internal controls (since the commission of the offense of which the agency, branch, or foreign bank was found guilty) to prevent the occurrence of any other export control offense.

"(5) APPEARANCE, CONSENT TO FORFEITURE.—Unless the State agency or branch to which a notice was issued under paragraph (1)(A) shall appear at the hearing by a duly authorized representative, the agency or branch shall be deemed to have consented to the forfeiture of all rights, privileges, and franchises of the agency or branch and the order referred to in paragraph (3) may be issued.

"(6) JUDICIAL REVIEW.—Any order issued by the Board under this subsection may be reviewed in the manner provided in chapter 7 of title 5, United States Code.

"(7) CHANGE IN CONTROL EXCEPTION.—If the ownership or control of any State agency or branch referred to in paragraph (1) is acquired (as defined in section 13(f)(8)(B) of the Federal Deposit Insurance Act—

"(A) after the commission of any export control offense;

"(B) by any person who was not an institution-affiliated party of the agency or branch, or any affiliate of any such party (as such terms are defined in section 3 of the Federal Deposit Insurance Act), at the time of the offense; and

"(C) in an arms-length transaction (as determined by the Board) which was entered into in good faith by such person,

this subsection shall not apply to such agency or branch with respect to such offense.

"(8) DEFINITIONS.—For purposes of this subsection—

"(A) INSURED BRANCH.—The term 'insured branch' has the meaning given such term in section 3(s) of the Federal Deposit Insurance Act.

"(B) EXPORT CONTROL OFFENSE DEFINED.—The term 'export control offense' means any violation under the International Economic Emergency Powers Act, the Trading With the Enemy Act, the Export Administration Act of 1979, or the Arms Export Control Act, or any regulation, license, or order under any such Act, which is a felony offense.

"(C) SENIOR EXECUTIVE OFFICERS.—The term 'senior executive officers' has the meaning given to such term by the Board pursuant to section 32(f) of the Federal Deposit Insurance Act.".

SEC. 206. INFORMATION ON VIOLATIONS OF LAW INVOLVING INTERNATIONAL TRANSACTIONS REQUIRED TO BE INCLUDED IN ANNUAL REPORT.

Section 918(a) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 is amended by adding at the end the following new paragraph:

"(7) The names of institutions against which the agency initiated any formal or informal supervisory, administrative, or civil enforcement action with respect to an alleged violation by the institution of any law or regulation in connection with any international transaction or any deposits of any foreign person or government at the institution.".

CONFERENCE REPORT ON S. 3, CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992

Mr. GEJDENSON submitted the following conference report and statement on the Senate bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election Campaigns, and for other purposes.

CONFERENCE REPORT (REPT. 102-487)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3), to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate Election Campaigns, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the text of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

SECTION 1. SHORT TITLE; AMENDMENT OF CAMPAIGN ACT; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1992".

(b) AMENDMENT OF FECA.—When used in this Act, the term "FECA" means the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.).

(c) TABLE OF CONTENTS.—

Sec. 1. Short title; amendment of Campaign Act; table of contents.
TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING
Subtitle A—Senate Election Campaign Spending Limits and Benefits
Sec. 101. Senate spending limits and benefits.
Sec. 102. Restrictions on activities of political action and candidate committees in Federal elections.
Sec. 103. Reporting requirements.
Sec. 104. Disclosure by noneligible candidates.
Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates
Sec. 121. Provisions applicable to eligible House of Representatives candidates.
Sec. 122. Limitations on political committee and large donor contributions that may be accepted by House of Representatives candidates.
Sec. 123. Excess funds of incumbents who are candidates for the House of Representatives.
Subtitle C—General Provisions
Sec. 131. Broadcast rates and preemption.
Sec. 132. Extension of reduced third-class mailing rates to eligible House of Representatives and Senate candidates.
Sec. 133. Reporting requirements for certain independent expenditures.
Sec. 134. Campaign advertising amendments.
Sec. 135. Definitions.
Sec. 136. Provisions relating to franked mass mailings.
TITLE II—INDEPENDENT EXPENDITURES
Sec. 201. Clarification of definitions relating to independent expenditures.
TITLE III—EXPENDITURES
Subtitle A—Personal Loans; Credit
Sec. 301. Personal contributions and loans.
Sec. 302. Extensions of credit.
Subtitle B—Provisions Relating to Soft Money of Political Parties
Sec. 311. Contributions to political party committees.
Sec. 312. Provisions relating to national, State, and local party committees.
Sec. 313. Restrictions on fundraising by candidates and officeholders.
Sec. 314. Reporting requirements.
TITLE IV—CONTRIBUTIONS
Sec. 401. Contributions through intermediaries and conduits.
Sec. 402. Contributions by dependents not of voting age.
Sec. 403. Contributions to candidates from State and local committees of political parties to be aggregated.
Sec. 404. Limited exclusion of advances by campaign workers from the definition of the term "contribution".
TITLE V—REPORTING REQUIREMENTS
Sec. 501. Change in certain reporting from a calendar year basis to an election cycle basis.
Sec. 502. Personal and consulting services.
Sec. 503. Reduction in threshold for reporting of certain information by persons other than political committees.
Sec. 504. Computerized indices of contributions.
TITLE VI—FEDERAL ELECTION COMMISSION
Sec. 601. Use of candidates' names.
Sec. 602. Reporting requirements.
Sec. 603. Provisions relating to the general counsel of the Commission.
Sec. 604. Enforcement.
Sec. 605. Penalties.
Sec. 606. Random audits.
Sec. 607. Prohibition of false representation to solicit contributions.
Sec. 608. Regulations relating to use of non-Federal money.
TITLE VII—BALLOT INITIATIVE COMMITTEES
Sec. 701. Definitions relating to ballot initiatives.
Sec. 702. Amendment to definition of contribution.
Sec. 703. Amendment to definition of expenditure.
Sec. 704. Organization of ballot initiative committees.
Sec. 705. Ballot initiative committee reporting requirements.
Sec. 706. Enforcement amendment.
Sec. 707. Prohibition of contributions in the name of another.
Sec. 708. Limitation on contribution of currency.
TITLE VIII—MISCELLANEOUS
Sec. 801. Prohibition of leadership committees.
Sec. 802. Polling data contributed to candidates.
Sec. 803. Debates by general election candidates who receive amounts from the Presidential Election Campaign Fund.
Sec. 804. Prohibition of certain election-related activities of foreign nationals.
Sec. 805. Amendment to FECA section 316.
Sec. 806. Telephone voting by persons with disabilities.
Sec. 807. Prohibition of use of Government aircraft in connection with elections for Federal office.
Sec. 808. Sense of the Congress.
TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS
Sec. 901. Effective date.
Sec. 902. Delay of effective dates until funding legislation enacted.
Sec. 902. Budget neutrality.
Sec. 903. Severability.
Sec. 904. Expedited review of constitutional issues.

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SEC. 101. SENATE SPENDING LIMITS AND BENEFITS.

(a) IN GENERAL.—FECA is amended by adding at the end thereof the following new title:

"TITLE V—SPENDING LIMITS AND BENEFITS FOR SENATE ELECTION CAMPAIGNS

"SEC. 501. CANDIDATES ELIGIBLE TO RECEIVE BENEFITS.

"(a) IN GENERAL.—For purposes of this title, a candidate is an eligible Senate candidate if the candidate—

"(1) meets the primary and general election filing requirements of subsections (b) and (c);

"(2) meets the primary and runoff election expenditure limits of subsection (d); and

"(3) meets the threshold contribution requirements of subsection (e).

"(b) Primary Filing Requirements.—(1) The requirements of this subsection are met if the candidate files with the Secretary of the Senate a declaration that—

"(A) the candidate and the candidate's authorized committees—

"(i) will meet the primary and runoff election expenditure limits of subsection (d); and

"(ii) will only accept contributions for the primary and runoff elections which do not exceed such limits;

"(B) the candidate and the candidate's authorized committees will meet the general election expenditure limit under section 502(b); and

"(C) the candidate and the candidate's authorized committees will meet the limitation on expenditures from personal funds under section 502(a).

"(2) The declaration under paragraph (1) shall be filed not later than the date the candidate files as a candidate for the primary election.

"(c) General Election Filing Requirements.—(1) The requirements of this subsection are met if the candidate files a certification with the Secretary of the Senate under penalty of perjury that—

"(A) the candidate and the candidate's authorized committees—

"(i) met the primary and runoff election expenditure limits under subsection (d); and

"(ii) did not accept contributions for the primary or runoff election in excess of the primary or runoff expenditure limit under subsection (d), whichever is applicable, reduced by any amounts transferred to this election cycle from a preceding election cycle;

"(B) the candidate met the threshold contribution requirement under subsection (e), and that only allowable contributions were taken into account in meeting such requirement;

"(C) at least one other candidate has qualified for the same general election ballot under the law of the State involved;

"(D) such candidate and the authorized committees of such candidate—

"(i) except as otherwise provided by this title, will not make expenditures which exceed the general election expenditure limit under section 502(b);

"(ii) will not accept any contributions in violation of section 315;

"(iii) except as otherwise provided by this title, will not accept any contribution for the general election involved to the extent that such contribution would cause the aggregate amount of such contributions to exceed the sum of the amount of the general election expenditure limit under section 502(b) and the amounts described in subsections (c) and (d) of section 502, reduced by—

"(I) the amount of voter communication vouchers issued to the candidate; and

"(II) any amounts transferred to this election cycle from a previous election cycle and not taken into account under subparagraph (A)(ii);

"(iv) will deposit all payments received under this title in an account insured by the Federal Deposit Insurance Corporation from which funds may be withdrawn by check or similar means of payment to third parties;

"(v) will furnish campaign records, evidence of contributions, and other appropriate information to the Commission; and

"(vi) will cooperate in the case of any audit and examination by the Commission under section 506; and

"(E) the candidate intends to make use of the benefits provided under section 503.

"(2) The declaration under paragraph (1) shall be filed not later than 7 days after the earlier of—

"(A) the date the candidate qualifies for the general election ballot under State law; or

"(B) if, under State law, a primary or runoff election to qualify for the general election ballot occurs after September 1, the date the candidate wins the primary or runoff election.

"(d) Primary and Runoff Expenditure Limits.—(1) The requirements of this subsection are met if:

"(A) The candidate or the candidate's authorized committees did not make expenditures for the primary election in excess of the lesser of—

"(i) 67 percent of the general election expenditure limit under section 502(b); or

"(ii) $2,750,000.

"(B) The candidate and the candidate's authorized committees did not make expenditures for any runoff election in excess of 20 percent of the general election expenditure limit under section 502(b).

"(2) The limitations under subparagraphs (A) and (B) of paragraph (1) with respect to any candidate shall be increased by the aggregate amount of independent expenditures in opposition to, or on behalf of any opponent of, such candidate during the primary or runoff election period, whichever is applicable, which are required to be reported to the Secretary of the Senate with respect to such period under section 304(c).

"(3)(A) If the contributions received by the candidate or the candidate's authorized committees for the primary election or runoff election exceed the expenditures for either such election, such excess contributions shall be treated as contributions for the general election and expenditures for the general election may be made from such excess contributions.

"(B) Subparagraph (A) shall not apply to the extent that such treatment of excess contributions—

"(i) would result in the violation of any limitation under section 315; or

"(ii) would cause the aggregate contributions received for the general election to exceed the limits under subsection (c)(1)(D)(iii).

"(e) Threshold Contribution Requirements.—(1) The requirements of this subsection are met if the candidate and the candidate's authorized committees have received allowable contributions during the applicable period in an amount at least equal to the lesser of—

"(A) 10 percent of the general election expenditure limit under section 502(b); or

"(B) $250,000.

"(2) For purposes of this section and section 503(b)—

"(A) The term 'allowable contributions' means contributions which are made as gifts of money by an individual pursuant to a written instrument identifying such individual as the contributor.

"(B) The term 'allowable contributions' shall not include—

"(i) contributions made directly or indirectly through an intermediary or conduit which are treated as made by such intermediary or conduit under section 315(a)(8)(B);

"(ii) contributions from any individual during the applicable period to the extent such contributions exceed $250; or

"(iii) contributions from individuals residing outside the candidate's State to the extent such contributions exceed 50 percent of the aggregate allowable contributions (without regard to this clause) received by the candidate during the applicable period.

Clauses (ii) and (iii) shall not apply for purposes of section 503(b).

"(3) For purposes of this subsection and section 503(b), the term 'applicable period' means—

"(A) the period beginning on January 1 of the calendar year preceding the calendar year of the general election involved and ending on—

"(i) the date on which the certification under subsection (c) is filed by the candidate; or

"(ii) for purposes of section 503(b), the date of such general election; or

"(B) in the case of a special election for the office of United States Senator, the period beginning on the date the vacancy in such office occurs and ending on the date of the general election involved.

"(f) Indexing.—The $2,750,000 amount under subsection (d)(1) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for purposes of subsection (d)(1), the base period shall be calendar year 1992.

"SEC. 502. LIMITATIONS ON EXPENDITURES.

"(a) Limitation on Use of Personal Funds.—(1) The aggregate amount of expenditures which may be made during an election cycle by an eligible Senate candidate or such candidate's authorized committees from the sources described in paragraph (2) shall not exceed the lesser of—

"(A) 10 percent of the general election expenditure limit under subsection (b); or

"(B) $250,000.

"(2) A source is described in this paragraph if it is—

"(A) personal funds of the candidate and members of the candidate's immediate family; or

"(B) personal debt incurred by the candidate and members of the candidate's immediate family.

"(b) General Election Expenditure Limit.—(1) Except as otherwise provided in this title, the aggregate amount of expenditures for a general election by an eligible Senate candidate and the candidate's authorized committees shall not exceed the lesser of—

"(A) $5,500,000; or

"(B) the greater of—

"(i) $950,000; or

"(ii) $400,000; plus

"(I) 30 cents multiplied by the voting age population not in excess of 4,000,000; and

"(II) 25 cents multiplied by the voting age population in excess of 4,000,000.

"(2) In the case of an eligible Senate candidate in a State which has no more than 1 transmitter for a commercial Very High Frequency (VHF) television station licensed to operate in that State, paragraph (1)(B)(ii) shall be applied by substituting—

"(A) '80 cents' for '30 cents' in subclause (I); and

"(B) '70 cents' for '25 cents' in subclause (II).

"(3) The amount otherwise determined under paragraph (1) for any calendar year shall be increased by the same percentage as the percentage increase for such calendar year under section 501(f) (relating to indexing).

"(c) Legal and Accounting Compliance Fund.—(1) The limitation under subsection (b) shall not apply to qualified legal and accounting expenditures made by a candidate or the candidate's authorized committees or a Federal officeholder from a legal and accounting compliance fund meeting the requirements of paragraph (2).

"(2) A legal and accounting compliance fund meets the requirements of this paragraph if—

"(A) the only amounts transferred to the fund are amounts received in accordance with the limitations, prohibitions, and reporting requirements of this Act;

"(B) the aggregate amounts transferred to, and expenditures made from, the fund do not exceed the sum of—

"(i) the lesser of—

"(I) 15 percent of the general election expenditure limit under subsection (b) for the general election for which the fund was established; or

"(II) $300,000; plus

"(ii) the amount determined under paragraph (4); and

"(C) no funds received by the candidate pursuant to section 503(a)(3) may be transferred to the fund.

"(3) For purposes of this subsection, the term 'qualified legal and accounting expenditures' means the following:

"(A) Any expenditures for costs of legal and accounting services provided in connection with—

"(i) any administrative or court proceeding initiated pursuant to this Act during the election cycle for such general election; or

"(ii) the preparation of any documents or reports required by this Act or the Commission.

"(B) Any expenditures for legal and accounting services provided in connection with the general election for which the legal and accounting compliance fund was established to ensure compliance with this Act with respect to the election cycle for such general election.

"(4)(A) If, after a general election, a candidate determines that the qualified legal and accounting expenditures will exceed the limitation under paragraph (2)(B)(i), the candidate may petition the Commission by filing with the Secretary of the Senate a request for an increase in such limitation. The Commission shall authorize an increase in such limitation in the amount (if any) by which the Commission determines the qualified legal and accounting expenditures exceed such limitation. Such determination shall be subject to judicial review under section 506.

"(B) Except as provided in section 315, any contribution received or expenditure made pursuant to this paragraph shall not be taken into account for any contribution or expenditure limit applicable to the candidate under this title.

"(5) Any funds in a legal and accounting compliance fund shall be treated for purposes of this Act as a separate segregated fund, except that any portion of the fund not used to pay qualified legal and accounting expenditures, and not transferred to a legal and accounting compliance fund for the election cycle for the next general election, shall be treated in the same manner as other campaign funds.

"(d) PAYMENT OF TAXES.—The limitation under subsection (b) shall not apply to any expenditure for Federal, State, or local taxes with respect to a candidate's authorized committees.

"(e) EXPENDITURES.—For purposes of this title, the term 'expenditure' has the meaning given such term by section 301(9), except that in determining any expenditures made by, or on behalf of, a candidate or a candidate's authorized committees, section 301(9)(B) shall be applied without regard to clause (ii) or (vi) thereof.

"SEC. 503. BENEFITS ELIGIBLE CANDIDATE ENTITLED TO RECEIVE.

"(a) IN GENERAL.—An eligible Senate candidate shall be entitled to—

"(1) the broadcast media rates provided under section 315(b) of the Communications Act of 1934;

"(2) the mailing rates provided in section 3626(e) of title 39, United States Code;

"(3) payments in the amounts determined under subsection (b); and

"(4) voter communication vouchers in the amount determined under subsection (c).

"(b) AMOUNT OF PAYMENTS.—(1) For purposes of subsection (a)(3), the amounts determined under this subsection are—

"(A) the independent expenditure amount; and

"(B) in the case of an eligible Senate candidate who has an opponent in the general election who receives contributions, or makes (or obligates to make) expenditures, for such election in excess of the general election expenditure limit under section 502(b), the excess expenditure amount.

"(2) For purposes of paragraph (1), the independent expenditure amount is the total amount of independent expenditures made, or obligated to be made, during the general election period by 1 or more persons in opposition to, or on behalf of an opponent of, an eligible Senate candidate which are required to be reported by such persons under section 304(c) with respect to the general election period and are certified by the Commission under section 304(c).

"(3) For purposes of paragraph (1), the excess expenditure amount is the amount determined as follows:

"(A) In the case of a major party candidate, an amount equal to the sum of—

"(i) if the excess described in paragraph (1)(B) is not greater than 133⅓ percent of the general election expenditure limit under section 502(b), an amount equal to one-third of such limit applicable to the eligible Senate candidate for the election; plus

"(ii) if such excess equals or exceeds 133⅓ percent but is less than 166⅔ percent of such limit, an amount equal to one-third of such limit; plus

"(iii) if such excess equals or exceeds 166⅔ percent of such limit, an amount equal to one-third of such limit.

"(B) In the case of an eligible Senate candidate who is not a major party candidate, an amount equal to the lesser of—

"(i) the allowable contributions of the eligible Senate candidate during the applicable period in excess of the threshold contribution requirement under section 501(e); or

"(ii) 50 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(c) VOTER COMMUNICATION VOUCHERS.—(1) The aggregate amount of voter communication vouchers issued to an eligible Senate candidate shall be equal to 20 percent of the general election expenditure limit under section 502(b) (10 percent of such limit if such candidate is not a major party candidate).

"(2) Voter communication vouchers shall be used by an eligible Senate candidate to purchase broadcast time during the general election period in the same manner as other broadcast time may be purchased by the candidate.

"(d) WAIVER OF EXPENDITURE AND CONTRIBUTION LIMITS.—(1) An eligible Senate candidate who receives payments under subsection (a)(3) which are allocable to the independent expenditure or excess expenditure amounts described in paragraphs (2) and (3) of subsection (b) may make expenditures from such payments to defray expenditures for the general election without regard to the general election expenditure limit under section 502(b).

"(2)(A) An eligible Senate candidate who receives benefits under this section may make expenditures for the general election without regard to clause (i) of section 501(c)(1)(D) or subsection (a) or (b) of section 502 if any one of the eligible Senate candidate's opponents who is not an eligible Senate candidate either raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 200 percent of the general election expenditure limit applicable to the eligible Senate candidate under section 502(b).

"(B) The amount of the expenditures which may be made by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(3)(A) A candidate who receives benefits under this section may receive contributions for the general election without regard to clause (iii) of section 501(c)(1)(D) if—

"(i) a major party candidate in the same general election is not an eligible Senate candidate; or

"(ii) any other candidate in the same general election who is not an eligible Senate candidate raises aggregate contributions, or makes or becomes obligated to make aggregate expenditures, for the general election that exceed 75 percent of the general election expenditure limit applicable to such other candidate under section 502(b).

"(B) The amount of contributions which may be received by reason of subparagraph (A) shall not exceed 100 percent of the general election expenditure limit under section 502(b).

"(e) USE OF PAYMENTS.—Payments received by a candidate under subsection (a)(3) shall be used to defray expenditures incurred with respect to the general election period for the candidate. Such payments shall not be used—

"(1) except as provided in paragraph (4), to make any payments, directly or indirectly, to such candidate or to any member of the immediate family of such candidate;

"(2) to make any expenditure other than expenditures to further the general election of such candidate;

"(3) to make any expenditures which constitute a violation of any law of the United States or of the State in which the expenditure is made; or

"(4) subject to the provisions of section 315(k), to repay any loan to any person except to the extent the proceeds of such loan were used to further the general election of such candidate.

"SEC. 504. CERTIFICATION BY COMMISSION.

"(a) IN GENERAL.—(1) The Commission shall certify to any candidate meeting the requirements of section 502 that such candidate is an eligible Senate candidate entitled to benefits under this title. The Commission shall revoke such certification if it determines a candidate fails to continue to meet such requirements.

"(2) No later than 48 hours after an eligible Senate candidate files a request with the Secretary of the Senate to receive benefits under section 505, the Commission shall issue a certification stating whether such candidate is eligible for payments under this title or to receive voter communication vouchers and the amount of such payments or vouchers to which such candidate is entitled. The request referred to in the preceding sentence shall contain—

"(A) such information and be made in accordance with such procedures as the Commission may provide by regulation; and

"(B) a verification signed by the candidate and the treasurer of the principal campaign committee of such candidate stating that the information furnished in support of the request, to the best of their knowledge, is correct and fully satisfies the requirements of this title.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under subsection (a)) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 505 and judicial review under section 506.

"SEC. 505. EXAMINATION AND AUDITS; REPAYMENTS; CIVIL PENALTIES.

"(a) EXAMINATION AND AUDITS.—(1) After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of all candidates for the office of United States Senator to determine, among other things, whether such candidates have complied with the expenditure limits and conditions of eligibility of this title, and other requirements of this Act. Such candidates shall be designated by the Commission through the use of an appropriate statistical method of random selection. If the Commission selects a candidate, the Commission shall examine and audit the campaign accounts of all other candidates in the general election for the office the selected candidate is seeking.

"(2) The Commission may conduct an examination and audit of the campaign accounts of

any candidate in a general election for the office of United States Senator if the Commission determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(b) Excess Payments; Revocation of Status.—(1) If the Commission determines that payments or vouchers were made to an eligible Senate candidate under this title in excess of the aggregate amounts to which such candidate was entitled, the Commission shall so notify such candidate, and such candidate shall pay an amount equal to the excess.

"(2) If the Commission revokes the certification of a candidate as an eligible Senate candidate under section 504(a)(1), the Commission shall notify the candidate, and the candidate shall pay an amount equal to the payments and vouchers received under this title.

"(c) Misuse of Benefits.—If the Commission determines that any amount of any benefit made available to an eligible Senate candidate under this title was not used as provided for in this title, the Commission shall so notify such candidate and such candidate shall pay the amount of such benefit.

"(d) Excess Expenditures.—If the Commission determines that any eligible Senate candidate who has received benefits under this title has made expenditures which in the aggregate exceed—

"(1) the primary or runoff expenditure limit under section 501(d); or

"(2) the general election expenditure limit under section 502(b),

the Commission shall so notify such candidate and such candidate shall pay an amount equal to the amount of the excess expenditures.

"(e) Civil Penalties for Excess Expenditures and Contributions.—(1) If the Commission determines that a candidate has committed a violation described in subsection (c), the Commission may assess a civil penalty against such candidate in an amount not greater than 200 percent of the amount involved.

"(2)(A) Low amount of excess expenditures.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 2.5 percent or less shall pay an amount equal to the amount of the excess expenditures.

"(B) Medium amount of excess expenditures.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by more than 2.5 percent and less than 5 percent shall pay an amount equal to three times the amount of the excess expenditures.

"(C) Large amount of excess expenditures.—Any eligible Senate candidate who makes expenditures that exceed any limitation described in paragraph (1) or (2) of subsection (d) by 5 percent or more shall pay an amount equal to three times the amount of the excess expenditures plus a civil penalty in an amount determined by the Commission.

"(f) Unexpended Funds.—Any amount received by an eligible Senate candidate under this title may be retained for a period not exceeding 120 days after the date of the general election for the liquidation of all obligations to pay expenditures for the general election incurred during the general election period. At the end of such 120-day period, any unexpended funds received under this title shall be promptly repaid.

"(g) Limit on Period for Notification.—No notification shall be made by the Commission under this section with respect to an election more than three years after the date of such election.

"SEC. 506. JUDICIAL REVIEW.

"(a) Judicial Review.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within thirty days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) Application of Title 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) Agency Action.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 507. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) Appearances.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 506 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) Institution of Actions.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) Injunctive Relief.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) Appeals.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 508. REPORTS TO CONGRESS; REGULATIONS.

"(a) Reports.—The Commission shall, as soon as practicable after each election, submit a full report to the Senate setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible Senate candidate and the authorized committees of such candidate;

"(2) the amounts certified by the Commission under section 504 as benefits available to each eligible Senate candidate; and

"(3) the amount of repayments, if any, required under section 505 and the reasons for each repayment required.

Each report submitted pursuant to this section shall be printed as a Senate document.

"(b) Rules and Regulations.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (c), to conduct such examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(c) Statement to Senate.—Thirty days before prescribing any rules or regulation under subsection (b), the Commission shall transmit to the Senate a statement setting forth the proposed rule or regulation and containing a detailed explanation and justification of such rule or regulation.

"SEC. 509. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE SENATE CANDIDATES.

"No eligible Senate candidate may receive amounts under section 503(a)(3) unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.".

(b) Effective Dates.—(1) Except as provided in this subsection, the amendment made by subsection (a) shall apply to elections occurring after December 31, 1993.

(2) For purposes of any expenditure or contribution limit imposed by the amendment made by subsection (a)—

(A) no expenditure made before January 1, 1993, shall be taken into account, except that there shall be taken into account any such expenditure for goods or services to be provided after such date; and

(B) all cash, cash items, and Government securities on hand as of January 1, 1993, shall be taken into account in determining whether the contribution limit is met, except that there shall not be taken into account amounts used during the 60-day period beginning on January 1, 1993, to pay for expenditures which were incurred (but unpaid) before such date.

(c) Effect of Invalidity on Other Provisions of Act.—If section 501, 502, or 503 of title V of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act shall be treated as invalid.

SEC. 102. RESTRICTIONS ON ACTIVITIES OF POLITICAL ACTION AND CANDIDATE COMMITTEES IN FEDERAL ELECTIONS.

(a) Contributions.—Section 315 of FECA (2 U.S.C. 441a) is amended by adding at the end the following new subsection:

"(i) Contributions by Political Action Committees to Senate Candidates.—(1) In the case of a candidate for election, or nomination for election, to the United States Senate (and such candidate's authorized committees), subsection (a)(2)(A) shall be applied by substituting "$2,500" for "$5,000".

"(2) It shall be unlawful for a multicandidate political committee to make a contribution to a candidate for election, or nomination for election, to the United States Senate (or an authorized committee) to the extent that the making of the contribution will cause the amount of contributions received by the candidate and the candidate's authorized committees from multicandidate political committees to exceed the lesser of—

"(A) $825,000; or

"(B) the greater of—

"(i) $375,000; or

"(ii) 20 percent of the sum of the general election spending limit under section 502(b) plus the primary election spending limit under section 501(d)(1)(A) (without regard to whether the candidate is an eligible Senate candidate).

"(3) In the case of an election cycle in which there is a runoff election, the limit determined under paragraph (2) shall be increased by an amount equal to 20 percent of the runoff election expenditure limit under section 501(d)(1)(B) (without regard to whether the candidate is such an eligible Senate candidate).

"(4) The $825,000 and $375,000 amounts in paragraph (2) shall be increased as of the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that for purposes of paragraph (2), the base period shall be calendar year 1992.

"(5) A candidate or authorized committee that receives a contribution from a multicandidate political committee in excess of the amount allowed under paragraph (2) shall return the amount of such excess contribution to the contributor.".

SEC. 103. REPORTING REQUIREMENTS.

Title III of FECA is amended by adding after section 304 the following new section:

"REPORTING REQUIREMENTS FOR SENATE CANDIDATES

"SEC. 304A. (a) CANDIDATE OTHER THAN ELIGIBLE SENATE CANDIDATE.—(1) Each candidate for the office of United States Senator who does not file a certification with the Secretary of the Senate under section 501(c) shall file with the Secretary of the Senate a declaration as to whether such candidate intends to make expenditures for the general election in excess of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b). Such declaration shall be filed at the time provided in section 501(c)(2).

"(2) Any candidate for the United States Senate who qualifies for the ballot for a general election—

"(A) who is not an eligible Senate candidate under section 501; and

"(B) who either raises aggregate contributions, or makes or obligates to make aggregate expenditures, for the general election which exceed 75 percent of the general election expenditure limit applicable to an eligible Senate candidate under section 502(b),

shall file a report with the Secretary of the Senate within 24 hours after such contributions have been raised or such expenditures have been made or obligated to be made (or, if later, within 24 hours after the date of qualification for the general election ballot), setting forth the candidate's total contributions and total expenditures for such election as of such date. Thereafter, such candidate shall file additional reports (until such contributions or expenditures exceed 200 percent of such limit) with the Secretary of the Senate within 24 hours after each time additional contributions are raised, or expenditures are made or are obligated to be made, which in the aggregate exceed an amount equal to 10 percent of such limit and after the total contributions or expenditures exceed 133⅓, 166⅔, and 200 percent of such limit.

"(3) The Commission—

"(A) shall, within 24 hours of receipt of a declaration or report under paragraph (1) or (2), notify each eligible Senate candidate in the election involved about such declaration or report; and

"(B) if an opposing candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in excess of the applicable general election expenditure limit under section 502(b), shall certify, pursuant to the provisions of subsection (d), such eligibility for payment of any amount to which such eligible Senate candidate is entitled under section 503(a).

"(4) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate in a general election who is not an eligible Senate candidate has raised aggregate contributions, or made or has obligated to make aggregate expenditures, in the amounts which would require a report under paragraph (2). The Commission shall, within 24 hours after making each such determination, notify each eligible Senate candidate in the general election involved about such determination, and shall, when such contributions or expenditures exceed the general election expenditure limit under section 502(b), certify (pursuant to the provisions of subsection (d)) such candidate's eligibility for payment of any amount under section 503(a).

"(b) REPORTS ON PERSONAL FUNDS.—(1) Any candidate for the United States Senate who during the election cycle expends more than the limitation under section 502(a) during the election cycle from his personal funds, the funds of his immediate family, and personal loans incurred by the candidate and the candidate's immediate family shall file a report with the Secretary of the Senate within 24 hours after such expenditures have been made or loans incurred.

"(2) The Commission within 24 hours after a report has been filed under paragraph (1) shall notify each eligible Senate candidate in the election involved about each such report.

"(3) Notwithstanding the reporting requirements under this subsection, the Commission may make its own determination that a candidate for the United States Senate has made expenditures in excess of the amount under paragraph (1). The Commission within 24 hours after making such determination shall notify each eligible Senate candidate in the general election involved about each such determination.

"(c) CANDIDATES FOR OTHER OFFICES.—(1) Each individual—

"(A) who becomes a candidate for the office of United States Senator;

"(B) who, during the election cycle for such office, held any other Federal, State, or local office or was a candidate for such other office; and

"(C) who expended any amount during such election cycle before becoming a candidate for the office of United States Senator which would have been treated as an expenditure if such individual had been such a candidate, including amounts for activities to promote the image or name recognition of such individual,

shall, within 7 days of becoming a candidate for the office of United States Senator, report to the Secretary of the Senate the amount and nature of such expenditures.

"(2) Paragraph (1) shall not apply to any expenditures in connection with a Federal, State, or local election which has been held before the individual becomes a candidate for the office of United States Senator.

"(3) The Commission shall, as soon as practicable, make a determination as to whether the amounts included in the report under paragraph (1) were made for purposes of influencing the election of the individual to the office of United States Senator.

"(d) CERTIFICATIONS.—Notwithstanding section 505(a), the certification required by this section shall be made by the Commission on the basis of reports filed in accordance with the provisions of this Act, or on the basis of such Commission's own investigation or determination.

"(e) COPIES OF REPORTS AND PUBLIC INSPECTION.—The Secretary of the Senate shall transmit a copy of any report or filing received under this section or of title V (whenever a 24-hour response is required of the Commission) as soon as possible (but no later than 4 working hours of the Commission) after receipt of such report or filing, and shall make such report or filing available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such reports and filings in the same manner as the Commission under section 311(a)(5).

"(f) DEFINITIONS.—For purposes of this section, any term used in this section which is used in title V shall have the same meaning as when used in title V.".

SEC. 104. DISCLOSURE BY NONELIGIBLE CANDIDATES.

Section 318 of FECA (2 U.S.C. 441d), as amended by section 133, is amended by adding at the end thereof the following:

"(e) If a broadcast, cablecast, or other communication is paid for or authorized by a candidate in the general election for the office of United States Senator who is not an eligible Senate candidate, or the authorized committee of such candidate, such communication shall contain the following sentence: 'This candidate has not agreed to voluntary campaign spending limits.'.".

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

SEC. 121. PROVISIONS APPLICABLE TO ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES.

(a) IN GENERAL.—FECA, as amended by section 101(a), is amended by adding at the end the following new title:

"TITLE VI—EXPENDITURE LIMITATIONS, CONTRIBUTION LIMITATIONS, AND MATCHING FUNDS FOR ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES

"SEC. 601. EXPENDITURE LIMITATIONS.

"(a) IN GENERAL.—An eligible House of Representatives candidate may not, in an election cycle, make expenditures aggregating more than $600,000, of which not more than $500,000 may be expended in the general election period.

"(b) RUNOFF ELECTION AND SPECIAL ELECTION AMOUNTS.—

"(1) RUNOFF ELECTION AMOUNT.—In addition to the expenditures under subsection (a), an eligible House of Representatives candidate who is a candidate in a runoff election may make expenditures aggregating not more than 20 percent of the general election period limit under subsection (a).

"(2) SPECIAL ELECTION AMOUNT.—An eligible House of Representatives candidate who is a candidate in a special election may make expenditures aggregating not more than $500,000 with respect to the special election.

"(c) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, subject to the general election period limitation in subsection (a), the candidate may make additional expenditures of not more than $150,000 in the general election period. The additional expenditures shall be from contributions described in section 603(h) and payments described in section 604(f).

"(d) NONPARTICIPATING OPPONENT PROVISIONS.—

"(1) LIMITATION EXCEPTION.—The limitations imposed by subsections (a) and (b) do not apply in the case of an eligible House of Representatives candidate if any other candidate seeking nomination or election to that office—

"(A) is not an eligible House of Representatives candidate; and

"(B) makes expenditures in excess of 80 percent of the general election period limitation specified in subsection (a).

"(2) CONTINUED ELIGIBILITY AND ADDITIONAL MATCHING FUNDS.—An eligible House of Representatives candidate referred to in paragraph (1)—

"(A) shall continue to be eligible for all benefits under this title; and

"(B) shall receive matching funds without regard to the ceiling under section 604(a).

"(3) REPORTING REQUIREMENT.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress—

"(A) who is not an eligible House of Representatives candidate; and

"(B) who—

"(i) receives contributions in excess of 50 percent of the general election period limitation specified in subsection (a)(1); or

"(ii) makes expenditures in excess of 80 percent of such limit;

shall report that the threshold has been reached to the Clerk of the House of Representatives not later than 48 hours after reaching the threshold. The Clerk shall transmit a report received under this paragraph to the Commission as soon as *possible (but no later than 4 working hours of the Commission) after such receipt, and the Commission shall transmit a copy to each other candidate in the election within 48 hours of receipt.*

"(e) Exemption for Certain Costs and Taxes.—Payments for legal and accounting compliance costs, and Federal, State, or local taxes with respect to a candidate's authorized committees, shall not be considered in the computation of amounts subject to limitation under this section.

"(f) Exemption for Fundraising Costs.—

"(1) Any costs incurred by an eligible House of Representatives candidate or his or her authorized committee in connection with the solicitation of contributions on behalf of such candidate shall not be considered in the computation of amounts subject to limitation under this section to the extent that the aggregate of such costs does not exceed 5 percent of the limitation under subsection (a) or subsection (b).

"(2) An amount equal to 5 percent of salaries and overhead expenditures of an eligible House of Representatives candidate's campaign headquarters and offices shall not be considered in the computation of amounts subject to limitation under this section. Any amount excluded under this paragraph shall be applied against the fundraising expenditure exemption under paragraph (1).

"(g) Civil Penalties.—

"(1) Low amount of excess expenditures.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by 2.5 percent or less shall pay to the Commission an amount equal to the amount of the excess expenditures.

"(2) Medium amount of excess expenditures.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess expenditures.

"(3) Large amount of excess expenditures.—Any eligible House of Representatives candidate who makes expenditures that exceed a limitation under subsection (a) or subsection (b) by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess expenditures plus a civil penalty in an amount determined by the Commission.

"(h) Indexing.—The dollar amounts specified in subsections (a), (b), (c), and (e) shall be adjusted at the beginning of each calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"SEC. 602. STATEMENT OF PARTICIPATION; CONTINUING ELIGIBILITY.

"(a) In General.—The Commission shall determine whether a candidate is in compliance with this title and, by reason of such compliance, is eligible to receive benefits under this title. Such determination shall—

"(1) in the case of an initial determination, be based on a statement of participation submitted by the candidate; and

"(2) in the case of a determination of continuing eligibility, be based on relevant additional information submitted in such form and manner as the Commission may require.

"(b) Filing.—The statement of participation referred to in subsection (a) shall be filed with the Clerk of the House of Representatives not later than January 31 of the election year or on the date on which the candidate files a statement of candidacy, whichever is later. The Clerk of the House of Representatives shall transmit a statement received under this section to the Commission as soon as possible.

"SEC. 603. CONTRIBUTION LIMITATIONS.

"(a) Eligible House of Representatives Candidate Limitation.—An eligible House of Representatives candidate may not, with respect to an election cycle, accept contributions aggregating in excess of $600,000.

"(b) Nonparticipating Opponent Provisions.—The limitations imposed by subsection (a) do not apply in the case of an eligible House of Representatives candidate if any other candidate seeking nomination or election to that office—

"(1) is not an eligible House of Representatives candidate; and

"(2) receives contributions in excess of 50 percent of the general election period limitation specified in section 601(a).

"(c) Transfer Provisions.—

"(1) If an eligible House of Representatives candidate transfers any amount from an election cycle to a later election cycle, the limitation with respect to the candidate under subsection (a) for the later cycle shall be an amount equal to the difference between the amount specified in that subsection and the amount transferred.

"(2) If an eligible House of Representatives candidate transfers any amount from an election cycle to a later election cycle, each limitation with respect to the candidate under section 315(j) for the later cycle shall be one-third of the difference between the applicable amount specified in subsection (a) and the amount transferred.

"(d) Runoff Amount.—In addition to the contributions under subsection (a), an eligible House of Representatives candidate who is a candidate in a runoff election may accept contributions aggregating not more than 20 percent of the general election expenditure limit under section 601(a) in the general election period. Of such contributions, one-half may be from political committees and one-half may be from persons referred to in section 315(j)(2).

"(e) Personal Contributions.—

"(1) In general.—An eligible House of Representatives candidate may not, with respect to an election cycle, make contributions to his or her own campaign totaling more than $50,000 from the personal funds of the candidate. The amount that the candidate may accept from persons referred to in section 315(j)(2) shall be reduced by the amount of contributions made under the preceding sentence. Contributions from the personal funds of a candidate may not be matched under section 604.

"(2) Limitation exception.—The limitation imposed by paragraph (1) does not apply in the case of an eligible House of Representatives candidate if any other candidate—

"(A) is not an eligible House of Representatives candidate; and

"(B) receives contributions in excess of 50 percent of the general election period limitation specified in section 601(a).

"(3) Triple match.—An eligible House of Representatives candidate, whose opponent makes contributions to his or her own campaign in excess of 50 percent of the general election period limitation specified in section 601(a), shall receive $3 in matching funds for each $1 certified by the Commission as matchable for the eligible candidate.

"(f) Civil Penalties.—

"(1) Low amount of excess contributions.—Any eligible House of Representatives candidate who accepts contributions that exceed the limitation under subsection (a) by 2.5 percent or less shall refund the excess contributions to the persons who made the contributions.

"(2) Medium amount of excess contributions.—Any eligible House of Representatives candidate who accepts contributions that exceed a limitation under subsection (a) by more than 2.5 percent and less than 5 percent shall pay to the Commission an amount equal to three times the amount of the excess contributions.

"(3) Large amount of excess contributions.—Any eligible House of Representatives candidate who accepts contributions that exceed a limitation under subsection (a) by 5 percent or more shall pay to the Commission an amount equal to three times the amount of the excess contributions plus a civil penalty in an amount determined by the Commission.

"(g) Exemption for Certain Costs.—(1) Any amount—

"(A) accepted by a candidate for the office of Representative in, or Delegate or Resident Commissioner to the Congress; and

"(B) used for legal and accounting compliance costs, or used to pay Federal, State, or local taxes with respect to a candidate's authorized committees shall not be considered in the computation of amounts subject to limitation under subsection (a).

"(2) The balance of funds maintained for legal and accounting compliance costs by the authorized committees of an eligible House of Representatives candidate shall not exceed 20 percent of the limit under subsection (a) at any time.

"(3) No funds received by a candidate under section 604 may be transferred to a separate legal and accounting compliance fund.

"(h) Closely Contested Primary.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, notwithstanding the limitation in subsection (a), the candidate may, in the general election period, accept additional contributions of not more than $150,000, consisting of—

"(1) not more than $50,000 from political committees; and

"(2) not more than $50,000 from individuals referred to in section 315(j)(2).

"(i) Indexing.—The dollar amounts specified in subsections (a), (d), (e), and (h) shall be adjusted at the beginning of the calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"SEC. 604. MATCHING FUNDS.

"(a) In General.—An eligible House of Representatives candidate shall be entitled to receive, with respect to the general election, an amount equal to the amount of contributions from individuals received by the candidate, but not more than $200,000, and not to the extent that contributions from any individual during the election cycle exceed $250 in the aggregate.

"(b) Independent Expenditure Provision.—If, with respect to a general election involving an eligible House of Representatives candidate, independent expenditures totaling $10,000 are made against the eligible House of Representatives candidate or in favor of another candidate, the eligible House of Representatives candidate shall be entitled, in addition to any amount received under subsection (a), to a matching payment of $10,000 and additional matching payments equal to the amount of such independent expenditures above $10,000, and expenditures may be made from such payments without regard to the limitations in section 601.

"(c) Specific Requirements.—A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may receive matching funds under subsection (a) only if the candidate—

"(1) in an election cycle, has received $60,000 in contributions from individuals, with not more than $250 to be taken into account per individual;

"(2) qualifies for the general election ballot;

"(3) has an opponent on the general election ballot; and

"(4) files a statement of participation in which the candidate agrees to—

"(A) comply with the limitations under sections 601 and 603;

"(B) cooperate in the case of any audit by the Commission by furnishing such campaign records and other information as the Commission may require; and

"(C) comply with any repayment requirement under section 605.

"(d) WRITTEN INSTRUMENT REQUIREMENT.—No contribution in any form other than a gift of money made by a written instrument that identifies the individual making the contribution may be used as a basis for any matching payment under this section.

"(e) CERTIFICATION AND PAYMENT.—

"(1) CERTIFICATION.—Except as provided in paragraphs (2) and (3), not later than 5 days after receiving a request for payment, the Commission shall certify for payment the amount requested under subsection (a) or (b).

"(2) PAYMENTS.—The initial payment under subsection (a) to an eligible candidate shall be $60,000. All payments shall be—

"(A) made not later than 48 hours after certification under paragraph (1); and

"(B) subject to proportional reduction in the case of insufficient funds.

"(3) INCORRECT REQUEST.—If the Commission determines that any portion of a request is incorrect, the Commission shall withhold the certification for that portion only and inform the candidate as to how the candidate may correct the request.

"(f) CLOSELY CONTESTED PRIMARY.—If, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, the candidate shall be entitled to matching funds totaling not more than $50,000, in addition to any other amount received under this section.

"(g) CONVERSIONS TO PERSONAL USE.—A candidate may not convert any amount received under this section to personal use other than for reimbursement of verifiable prior campaign expenditures.

"(h) INDEXING.—The dollar amounts specified in subsections (a), (b), (c) (other than the amount in subsection (c) to be taken into account per individual), and (f) shall be adjusted at the beginning of the calendar year based on the increase in the price index determined under section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.

"SEC. 605. EXAMINATION AND AUDITS; REPAYMENTS.

"(a) GENERAL ELECTION.—After each general election, the Commission shall conduct an examination and audit of the campaign accounts of 10 percent of the eligible House of Representatives candidates, as designated by the Commission through the use of an appropriate statistical method of random selection, to determine whether such candidates have complied with the conditions of eligibility and other requirements of this title. No other factors shall be considered in carrying out such an examination and audit. In selecting the accounts to be examined and audited, the Commission shall select all eligible candidates from a congressional district where any eligible candidate is selected for examination and audit.

"(b) SPECIAL ELECTION.—After each special election, the Commission shall conduct an examination and audit of the campaign accounts of all eligible candidates in the election to determine whether the candidates have complied with the conditions of eligibility and other requirements of this title.

"(c) AFFIRMATIVE VOTE.—The Commission may conduct an examination and audit of the campaign accounts of any eligible House of Representatives candidate in a general election if the Commission, by an affirmative vote of 4 members, determines that there exists reason to believe that such candidate may have violated any provision of this title.

"(d) PAYMENTS.—If the Commission determines that any amount of a payment to a candidate under this title was in excess of the aggregate payments to which such candidate was entitled, the Commission shall so notify the candidate, and the candidate shall pay an amount equal to the excess.

"SEC. 606. JUDICIAL REVIEW.

"(a) JUDICIAL REVIEW.—Any agency action by the Commission made under the provisions of this title shall be subject to review by the United States Court of Appeals for the District of Columbia Circuit upon petition filed in such court within 30 days after the agency action by the Commission for which review is sought. It shall be the duty of the Court of Appeals, ahead of all matters not filed under this title, to advance on the docket and expeditiously take action on all petitions filed pursuant to this title.

"(b) APPLICATION OF TITLE 5.—The provisions of chapter 7 of title 5, United States Code, shall apply to judicial review of any agency action by the Commission.

"(c) AGENCY ACTION.—For purposes of this section, the term 'agency action' has the meaning given such term by section 551(13) of title 5, United States Code.

"SEC. 607. PARTICIPATION BY COMMISSION IN JUDICIAL PROCEEDINGS.

"(a) APPEARANCES.—The Commission is authorized to appear in and defend against any action instituted under this section and under section 606 either by attorneys employed in its office or by counsel whom it may appoint without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and whose compensation it may fix without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title.

"(b) INSTITUTION OF ACTIONS.—The Commission is authorized, through attorneys and counsel described in subsection (a), to institute actions in the district courts of the United States to seek recovery of any amounts determined under this title to be payable to the Secretary.

"(c) INJUNCTIVE RELIEF.—The Commission is authorized, through attorneys and counsel described in subsection (a), to petition the courts of the United States for such injunctive relief as is appropriate in order to implement any provision of this title.

"(d) APPEALS.—The Commission is authorized on behalf of the United States to appeal from, and to petition the Supreme Court for certiorari to review, judgments or decrees entered with respect to actions in which it appears pursuant to the authority provided in this section.

"SEC. 608. REPORTS TO CONGRESS; CERTIFICATIONS; REGULATIONS.

"(a) REPORTS.—The Commission shall, as soon as practicable after each election, submit a full report to the House of Representatives setting forth—

"(1) the expenditures (shown in such detail as the Commission determines appropriate) made by each eligible candidate and the authorized committees of such candidate;

"(2) the aggregate amount of matching fund payments certified by the Commission under section 604 for each eligible candidate; and

"(3) the amount of repayments, if any, required under section 605, and the reasons for each repayment required.

Each report submitted pursuant to this section shall be printed as a House document.

"(b) DETERMINATIONS BY COMMISSION.—All determinations (including certifications under section 604) made by the Commission under this title shall be final and conclusive, except to the extent that they are subject to examination and audit by the Commission under section 605 or judicial review under section 606.

"(c) RULES AND REGULATIONS.—The Commission is authorized to prescribe such rules and regulations, in accordance with the provisions of subsection (d), to conduct such audits, examinations and investigations, and to require the keeping and submission of such books, records, and information, as it deems necessary to carry out the functions and duties imposed on it by this title.

"(d) REPORT OF PROPOSED REGULATIONS.—The Commission shall submit to the House of Representatives a report containing a detailed explanation and justification of each rule, regulation, and form of the Commission under this title. No such rule, regulation, or form may take effect until a period of 30 legislative days has elapsed after the report is received. As used in this subsection—

"(1) the term 'legislative day' means any calendar day on which the House of Representatives is in session; and

"(2) the terms 'rule' and 'regulation' mean a provision or series of interrelated provisions stating a single, separable rule of law.

"SEC. 609. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF ELIGIBLE HOUSE OF REPRESENTATIVES CANDIDATES.

"No eligible House of Representatives candidate may receive amounts under section 604 unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner that contains, is accompanied by, or otherwise readily permits closed captioning of the oral content of the commercial to be broadcast by way of line 21 of the vertical blanking interval, or by way of comparable successor technologies.".

(b) EFFECT OF INVALIDITY ON OTHER PROVISIONS OF ACT.—If title VI of FECA (as added by this section), or any part thereof, is held to be invalid, all provisions of, and amendments made by, this Act, shall be treated as invalid.

SEC. 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES.

Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a), as amended by section 102, is amended by adding at the end the following new subsection:

"(j)(1) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions from political committees aggregating in excess of $200,000.

"(2) A candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress may not, with respect to an election cycle, accept contributions aggregating in excess of $200,000 from persons other than political committees whose contributions total more than $250.

"(3) In addition to the contributions under paragraphs (1) and (2), a House of Representatives candidate who is a candidate in a runoff election may accept contributions aggregating not more than $100,000 with respect to the runoff election. Of such contributions, one-half may be from political committees and one-half may be from persons referred to in paragraph (2).

"(4) Any amount—

"(A) accepted by a candidate for the office of Representative in, or Delegate or Resident Commissioner to the Congress; and

"(B) used for legal and accounting compliance costs, Federal, State, and local taxes, shall not be considered in the computation of amounts subject to limitation under paragraphs (1), (2), and (3), but shall be subject to the other limitations of this Act.

"(5) In addition to any other contributions under this subsection, if, as determined by the Commission, an eligible House of Representatives candidate in a contested primary election wins that primary election by a margin of 10 percentage points or less, the candidate may, in the general election period, accept contributions of not more than $150,000, consisting of—

"(A) not more than $50,000 from political committees; and

"(B) not more than $50,000 from persons referred to in paragraph (2).

"(6) The dollar amounts specified in paragraphs (1), (2), (3), and (5) (other than the amounts in paragraphs (2) and (5) relating to contribution totals) shall be adjusted in the manner provided in section 315(c), except that, for the purposes of such adjustment, the base period shall be calendar year 1992.".

SEC. 123. EXCESS FUNDS OF INCUMBENTS WHO ARE CANDIDATES FOR THE HOUSE OF REPRESENTATIVES.

An individual who—

(1) is a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in an election cycle to which title VI of FECA (as enacted by section 121 of this Act) applies;

(2) is an incumbent of that office; and

(3) as of the date of the first statement of participation submitted by the individual under section 502 of FECA, has campaign accounts containing in excess of $600,000;

shall deposit such excess in a separate account subject to the provision of section 304 of FECA. The amount so deposited shall be available for any lawful purpose other than use, with respect to the individual, for an election for the office of Representative in, or Delegate or Resident Commissioner to, the Congress.

Subtitle C—General Provisions

SEC. 131. BROADCAST RATES AND PREEMPTION.

(a) BROADCAST RATES.—Section 315(b) of the Communications Act of 1934 (47 U.S.C. 315(b)) is amended—

(1) in paragraph (1)—

(A) by striking out "forty-five" and inserting in lieu thereof "30";

(B) by striking out "sixty" and inserting in lieu thereof "45"; and

(C) by striking out "lowest unit charge of the station for the same class and amount of time for the same period" and insert "lowest charge of the station for the same amount of time for the same period on the same date"; and

(2) by adding at the end the following new sentence:

"In the case of an eligible Senate candidate (as defined in section 301(19) of the Federal Election Campaign Act of 1971), the charges during the general election period (as defined in section 301(21) of such Act) shall not exceed 50 percent of the lowest charge described in paragraph (1).".

(b) PREEMPTION; ACCESS.—Section 315 of such Act (47 U.S.C. 315) is amended by redesignating subsections (c) and (d) as subsections (e) and (f), respectively, and by inserting immediately after subsection (b) the following new subsection:

"(c)(1) Except as provided in paragraph (2), a licensee shall not preempt the use, during any period specified in subsection (b)(1), of a broadcasting station by a legally qualified candidate for public office who has purchased and paid for such use pursuant to the provisions of subsection (b)(1).

"(2) If a program to be broadcast by a broadcasting station is preempted because of circumstances beyond the control of the broadcasting station, any candidate advertising spot scheduled to be broadcast during that program may also be preempted.

"(d) In the case of a legally qualified candidate for the United States Senate, a licensee shall provide broadcast time without regard to the rates charged for the time.".

SEC. 132. EXTENSION OF REDUCED THIRD-CLASS MAILING RATES TO ELIGIBLE HOUSE OF REPRESENTATIVES AND SENATE CANDIDATES.

Section 3626(e) of title 39, United States Code, is amended—

(1) in paragraph (2)(A)—

(A) by striking out "and the National" and inserting in lieu thereof "the National"; and

(B) by striking out "Committee;" and inserting in lieu thereof "Committee, and, subject to paragraph (3), the principal campaign committee of an eligible House of Representatives or Senate candidate;";

(2) in paragraph (2)(B), by striking out "and" after the semicolon;

(3) in paragraph (2)(C), by striking out the period and inserting in lieu thereof "; and";

(4) by adding after paragraph (2)(C) the following new subparagraph:

"(D) the terms 'eligible House of Representatives candidate', 'eligible Senate candidate', and 'principal campaign committee' have the meanings given those terms in section 301 of the Federal Election Campaign Act of 1971."; and

(5) by adding after paragraph (2) the following new paragraph:

"(3) The rate made available under this subsection with respect to an eligible House of Representatives or Senate candidate shall apply only to—

"(A) the general election period (as defined in section 301 of the Federal Election Campaign Act of 1971); and

"(B) that number of pieces of mail equal to the number of individuals in the voting age population (as certified under section 315(e) of such Act) of the congressional district or State, whichever is applicable.".

SEC. 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES.

Section 304(c) of FECA (2 U.S.C. 434(c)) is amended—

(1) in paragraph (2), by striking out the undesignated matter after subparagraph (C);

(2) by redesignating paragraph (3) as paragraph (5); and

(3) by inserting after paragraph (2), as amended by paragraph (1), the following new paragraphs:

"(3)(A) Any independent expenditure (including those described in subsection (b)(6)(B)(iii) of this section) aggregating $1,000 or more made after the 20th day, but more than 24 hours, before any election shall be reported within 24 hours after such independent expenditure is made.

"(B) Any independent expenditure aggregating $10,000 or more made at any time up to and including the 20th day before any election shall be reported within 48 hours after such independent expenditure is made. An additional statement shall be filed each time independent expenditures aggregating $10,000 are made with respect to the same election as the initial statement filed under this section.

"(C) Such statement shall be filed with the Clerk of the House of Representatives or the Secretary of the Senate, whichever is applicable, and the Secretary of State of the State involved and shall contain the information required by subsection (b)(6)(B)(iii) of this section, including whether the independent expenditure is in support of, or in opposition to, the candidate involved. The Clerk of the House of Representatives and the Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a report, the Commission shall transmit a copy of the report to each candidate seeking nomination or election to that office.

"(D) For purposes of this section, the term 'made' includes any action taken to incur an obligation for payment.

"(4)(A) If any person intends to make independent expenditures totaling $5,000 during the 20 days before an election, such person shall file a statement no later than the 20th day before the election.

"(B) Such statement shall be filed with the Clerk of the House of Representatives or the Secretary of the Senate, whichever is applicable, and the Secretary of State of the State involved, and shall identify each candidate whom the expenditure will support or oppose. The Clerk of the House of Representatives and the Secretary of the Senate shall as soon as possible (but not later than 4 working hours of the Commission) after receipt of a statement transmit it to the Commission. Not later than 48 hours after the Commission receives a statement under this paragraph, the Commission shall transmit a copy of the statement to each candidate identified.

"(5) The Commission may make its own determination that a person has made, or has incurred obligations to make, independent expenditures with respect to any Federal election which in the aggregate exceed the applicable amounts under paragraph (3) or (4). The Commission shall notify each candidate in such election of such determination within 24 hours of making it.

"(6) At the same time as a candidate is notified under paragraph (3), (4), or (5) with respect to expenditures during a general election period, the Commission shall certify eligibility to receive benefits under section 504(a) or section 604(b).

"(7) The Clerk of the House of Representatives and the Secretary of the Senate shall make any statement received under this subsection available for public inspection and copying in the same manner as the Commission under section 311(a)(4), and shall preserve such statements in the same manner as the Commission under section 311(a)(5).".

SEC. 134. CAMPAIGN ADVERTISING AMENDMENTS.

Section 318 of FECA (2 U.S.C. 441d) is amended—

(1) in the matter before paragraph (1) of subsection (a), by striking "an expenditure" and inserting "a disbursement";

(2) in the matter before paragraph (1) of subsection (a), by striking "direct";

(3) in paragraph (3) of subsection (a), by inserting after "name" the following "and permanent street address"; and

(4) by adding at the end the following new subsections:

"(c) Any printed communication described in subsection (a) shall be—

"(1) of sufficient type size to be clearly readable by the recipient of the communication;

"(2) contained in a printed box set apart from the other contents of the communication; and

"(3) consist of a reasonable degree of color contrast between the background and the printed statement.

"(d)(1) Any broadcast or cablecast communication described in subsection (a)(1) or subsection (a)(2) shall include, in addition to the requirements of those subsections an audio statement by the candidate that identifies the candidate and states that the candidate has approved the communication.

"(2) If a broadcast or cablecast communication described in paragraph (1) is broadcast or cablecast by means of television, the statement required by paragraph (1) shall—

"(A) appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds; and

"(B) be accompanied by a clearly identifiable photographic or similar image of the candidate.

"(e) Any broadcast or cablecast communication described in subsection (a)(3) shall include, in addition to the requirements of those subsections, in a clearly spoken manner, the following statement—

' is responsible for the content of this advertisement.'

with the blank to be filled in with the name of the political committee or other person paying for the communication and the name of any connected organization of the payor; and, if broadcast or cablecast by means of television, shall also appear in a clearly readable manner with a reasonable degree of color contrast between the background and the printed statement, for a period of at least 4 seconds.".

SEC. 135. DEFINITIONS.

(a) In General.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraph (19) and inserting the following new paragraphs:

"(19) The term 'eligible Senate candidate' means a candidate who is eligible under section 502 to receive benefits under title V.

"(20) The term 'general election' means any election which will directly result in the election of a person to a Federal office, but does not include an open primary election.

"(21) The term 'general election period' means, with respect to any candidate, the period beginning on the day after the date of the primary or runoff election for the specific office the candidate is seeking, whichever is later, and ending on the earlier of—

"(A) the date of such general election; or

"(B) the date on which the candidate withdraws from the campaign or otherwise ceases actively to seek election.

"(22) The term 'immediate family' means—

"(A) a candidate's spouse;

"(B) a child, stepchild, parent, grandparent, brother, half-brother, sister or half-sister of the candidate or the candidate's spouse; and

"(C) the spouse of any person described in subparagraph (B).

"(23) The term 'major party' has the meaning given such term in section 9002(6) of the Internal Revenue Code of 1986, except that if a candidate qualified under State law for the ballot in a general election in an open primary in which all the candidates for the office participated and which resulted in the candidate and at least one other candidate qualifying for the ballot in the general election, such candidate shall be treated as a candidate of a major party for purposes of title V.

"(24) The term 'primary election' means an election which may result in the selection of a candidate for the ballot in a general election for a Federal office.

"(25) The term 'primary election period' means, with respect to any candidate, the period beginning on the day following the date of the last election for the specific office the candidate is seeking and ending on the earlier of—

"(A) the date of the first primary election for that office following the last general election for that office; or

"(B) the date on which the candidate withdraws from the election or otherwise ceases actively to seek election.

"(26) The term 'runoff election' means an election held after a primary election which is prescribed by applicable State law as the means for deciding which candidate will be on the ballot in the general election for a Federal office.

"(27) The term 'runoff election period' means, with respect to any candidate, the period beginning on the day following the date of the last primary election for the specific office such candidate is seeking and ending on the date of the runoff election for such office.

"(28) The term 'voting age population' means the resident population, 18 years of age or older, as certified pursuant to section 315(e).

"(29) The term 'eligible House of Representatives candidate' means a candidate for election to the office of Representative in, or Delegate or Resident Commissioner to, the Congress, who, as determined by the Commission under section 602, is eligible to receive matching payments and other benefits under title VI by reason of filing a statement of participation and complying with the continuing eligibility requirements under section 602.

"(30) The term 'election cycle' means—

"(A) in the case of a candidate or the authorized committees of a candidate, the term beginning on the day after the date of the most recent general election for the specific office or seat which such candidate seeks and ending on the date of the next general election for such office or seat; or

"(B) for all other persons, the term beginning on the first day following the date of the last general election and ending on the date of the next general election.".

(b) Identification.—Section 301(13) of FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent residence address".

SEC. 136. PROVISIONS RELATING TO FRANKED MASS MAILINGS.

(a) Mass Mailings of Senators.—Section 3210(a)(6) of title 39, United States Code, is amended—

(1) in subparagraph (A), by striking "It is the intent of Congress that a Member of, or a Member-elect to, Congress" and inserting "A Member of, or Member-elect to, the House"; and

(2) in subparagraph (C)—

(A) by striking "if such mass mailing is postmarked fewer than 60 days immediately before the date" and inserting "if such mass mailing is postmarked during the calendar year"; and

(B) by inserting "or reelection" immediately before the period.

(b) Mass Mailings of House Members.—Section 3210 of title 39, United States Code, is amended—

(1) in subsection (a)(7), by striking ", except that—" and all that follows through the end of subparagraph (B) and inserting a period; and

(2) in subsection (d)(1), by striking "delivery—" and all that follows through the end of subparagraph (B) and inserting "delivery within that area constituting the congressional district or State from which the Member was elected.".

(c) Prohibition on Use of Official Funds.—The Committee on House Administration of the House of Representatives may not approve any payment, nor may a Member of the House of Representatives make any expenditure from, any allowance of the House of Representatives or any other official funds if any portion of the payment or expenditure is for any cost related to a mass mailing by a Member of the House of Representatives outside the congressional district of the Member.

TITLE II—INDEPENDENT EXPENDITURES

SEC. 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES.

(a) Independent Expenditure Definition Amendment.—Section 301 of FECA (2 U.S.C. 431) is amended by striking paragraphs (17) and (18) and inserting the following:

"(17)(A) The term 'independent expenditure' means an expenditure for an advertisement or other communication that—

"(i) contains express advocacy; and

"(ii) is made without the participation or cooperation of a candidate or a candidate's representative.

"(B) The following shall not be considered an independent expenditure:

"(i) An expenditure made by a political committee of a political party.

"(ii) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is in support of that candidate or in opposition to another candidate for that office.

"(iii) An expenditure if there is any arrangement, coordination, or direction with respect to the expenditure between the candidate or the candidate's agent and the person making the expenditure.

"(iv) An expenditure if, in the same election cycle, the person making the expenditure is or has been—

"(I) authorized to raise or expend funds on behalf of the candidate or the candidate's authorized committees; or

"(II) serving as a member, employee, or agent of the candidate's authorized committees in an executive or policymaking position.

"(v) An expenditure if the person making the expenditure has advised or counseled the candidate or the candidate's agents at any time on the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, in the same election cycle, including any advice relating to the candidate's decision to seek Federal office.

"(vi) An expenditure if the person making the expenditure retains the professional services of any individual or other person also providing those services in the same election cycle to the candidate in connection with the candidate's pursuit of nomination for election, or election, to Federal office, including any services relating to the candidate's decision to seek Federal office.

"(vii) An expenditure if the person making the expenditure has consulted at any time during the same election cycle about the candidate's plans, projects, or needs relating to the candidate's pursuit of nomination for election, or election, to Federal office, with—

"(I) any officer, director, employee or agent of a party committee that has made or intends to make expenditures or contributions, pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign; or

"(II) any person whose professional services have been retained by a political party committee that has made or intends to make expenditures or contributions pursuant to subsections (a), (d), or (h) of section 315 in connection with the candidate's campaign.

For purposes of this subparagraph, the person making the expenditure shall include any officer, director, employee, or agent of such person.

"(18) The term 'express advocacy' means, when a communication is taken as a whole, an expression of support for or opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity.".

(b) Contribution Definition Amendment.—Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)) is amended—

(1) in clause (i), by striking "or" after the semicolon at the end;

(2) in clause (ii), by striking the period at the end and inserting "; or"; and

(3) by adding at the end the following new clause:

"(iii) any payment or other transaction referred to in paragraph (17)(A)(i) that does not qualify as an independent expenditure under paragraph (17)(A)(ii).".

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SEC. 301. PERSONAL CONTRIBUTIONS AND LOANS.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 122, is amended by adding at the end the following new subsection:

"(k) LIMITATIONS ON PAYMENTS TO CANDIDATES.—(1) If a candidate or a member of the candidate's immediate family made any loans to the candidate or to the candidate's authorized committees during any election cycle, no contributions after the date of the general election for such election cycle may be used to repay such loans.

"(2) No contribution by a candidate or member of the candidate's immediate family may be returned to the candidate or member other than as part of a pro rata distribution of excess contributions to all contributors.".

SEC. 302. EXTENSIONS OF CREDIT.

Section 301(8)(A) of FECA (2 U.S.C. 431(8)(A)), as amended by section 201(b), is amended—

(1) by striking "or" at the end of clause (ii);

(2) by striking the period at the end of clause (iii) and inserting "; or"; and

(3) by inserting at the end the following new clause:

"(iv) with respect to a candidate and the candidate's authorized committees, any extension of credit for goods or services relating to advertising on broadcasting stations, in newspapers or magazines, or by mailings, or relating to other similar types of general public political advertising, if such extension of credit is—

"(I) in an amount of more than $1,000; and

"(II) for a period greater than the period, not in excess of 60 days, for which credit is generally extended in the normal course of business after the date on which such goods or services are furnished or the date of the mailing in the case of advertising by a mailing.".

Subtitle B—Provisions Relating to Soft Money of Political Parties

SEC. 311. CONTRIBUTIONS TO POLITICAL PARTY COMMITTEES.

(a) INDIVIDUAL CONTRIBUTIONS TO STATE PARTY.—Paragraph (1) of section 315(a) of FECA (2 U.S.C. 441a(a)(1)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000; or".

(b) MULTICANDIDATE COMMITTEE CONTRIBUTIONS TO STATE PARTY.—Paragraph (2) of section 315(a) of FECA (2 U.S.C. 441a(a)(2)) is amended by striking "or" at the end of subparagraph (B), by redesignating subparagraph (C) as subparagraph (D), and by inserting after subparagraph (B) the following new subparagraph:

"(C) to political committees established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000; or".

(c) INCREASE IN OVERALL LIMIT.—Paragraph (3) of section 315(a) of FECA (2 U.S.C. 441a(a)(3)) is amended by adding at the end thereof the following new sentence: "The limitation under this paragraph shall be increased (but not by more than $5,000) by the amount of contributions made by an individual during a calendar year to political committees which are taken into account for purposes of paragraph (1)(C).".

SEC. 312. PROVISIONS RELATING TO NATIONAL, STATE, AND LOCAL PARTY COMMITTEES.

(a) EXPENDITURES BY STATE COMMITTEES IN CONNECTION WITH PRESIDENTIAL CAMPAIGNS.—Section 315(d) of FECA (2 U.S.C. 441a(d)) is amended by inserting at the end thereof the following new paragraph:

"(4) A State committee of a political party, including subordinate committees of that State committee, shall not make expenditures in connection with the general election campaign of a candidate for President of the United States who is affiliated with such party which, in the aggregate, exceed an amount equal to 4 cents multiplied by the voting age population of the State, as certified under subsection (e). This paragraph shall not authorize a committee to make expenditures for audio broadcasts (including television broadcasts) in excess of the amount which could have been made without regard to this paragraph.".

(b) CONTRIBUTION AND EXPENDITURE EXCEPTIONS.—(1) Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(A) in clause (xi), by striking "direct mail" and inserting "mail"; and

(B) by repealing clauses (x) and (xii).

(2) Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended by repealing clauses (viii) and (ix).

(c) SOFT MONEY OF COMMITTEES OF POLITICAL PARTIES.—(1) Title III of FECA is amended by inserting after section 323 the following new section:

"POLITICAL PARTY COMMITTEES

"SEC. 324. (a) Any amount solicited, received, or expended directly or indirectly by a national, State, district, or local committee of a political party (including any subordinate committee) with respect to an activity which, in whole or in part, is in connection with an election to Federal office shall be subject in its entirety to the limitations, prohibitions, and reporting requirements of this Act.

"(b) For purposes of subsection (a)—

"(1) Any activity which is solely for the purpose of influencing an election for Federal office is in connection with an election for Federal office.

"(2) Except as provided in paragraph (3), any of the following activities during a Federal election period shall be treated as in connection with an election for Federal office:

"(A) Voter registration and get-out-the-vote activities.

"(B) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that—

"(i) are generic campaign activities; or

"(ii) identify a Federal candidate regardless of whether a State or local candidate is also identified.

"(C) The preparation and dissemination of campaign materials that are part of a generic campaign activity or that identify a Federal candidate, regardless of whether a State or local candidate is also identified.

"(D) Development and maintenance of voter files.

"(E) Any other activity affecting (in whole or in part) an election for Federal office.

"(3) The following shall not be treated as in connection with a Federal election:

"(A) Any amount described in section 301(8)(B)(viii).

"(B) Any amount contributed to a candidate for other than Federal office.

"(C) Any amount received or expended in connection with a State or local political convention.

"(D) Campaign activities, including broadcasting, newspaper, magazine, billboard, mass mail, and newsletter communications, and similar kinds of communications or public advertising that are exclusively on behalf of State or local candidates and are not activities described in paragraph (2)(A).

"(E) Administrative expenses of a State or local committee of a political party, including expenses for—

"(i) overhead;

"(ii) staff (other than individuals devoting a substantial portion of their activities to elections for Federal office);

"(iii) meetings; and

"(iv) conducting party elections or caucuses.

"(F) Research pertaining solely to State and local candidates and issues.

"(G) Development and maintenance of voter files other than during a Federal election period.

"(H) Activities described in paragraph (2)(A) which are conducted other than during a Federal election period.

"(I) Any other activity which is solely for the purpose of influencing, and which solely affects, an election for non-Federal office.

"(4) For purposes of this subsection, the term 'Federal election period' means the period—

"(A) beginning on June 1, of any even-numbered calendar year (April 1 if an election to the office of President occurs in such year), and

"(B) ending on the date during such year on which regularly scheduled general elections for Federal office occur.

In the case of a special election, the Federal election period shall include at least the 60-day period ending on the date of the election.

"(c) SOLICITATION OF COMMITTEES.—(1) A national committee of a political party may not solicit or accept contributions not subject to the limitations, prohibitions, and reporting requirements of this Act.

"(2) Paragraph (1) shall not apply to contributions that—

"(A) are to be transferred to a State committee of a political party for use directly for activities described in subsection (b)(3); or

"(B) are to be used by the committee primarily to support such activities.

"(d) AMOUNTS RECEIVED FROM STATE AND LOCAL CANDIDATE COMMITTEES.—(1) For purposes of subsection (a), any amount received by a national, State, district, or local committee of a political party (including any subordinate committee) from a State or local candidate committee shall be treated as meeting the requirements of subsection (a) and section 304(d) if—

"(A) such amount is derived from funds which meet the requirements of this Act with respect to any limitation or prohibition as to source or dollar amount, and

"(B) the State or local candidate committee—

"(i) maintains, in the account from which payment is made, records of the sources and amounts of funds for purposes of determining whether such requirements are met, and

"(ii) certifies to the other committee that such requirements were met.

"(2) Notwithstanding paragraph (1), any committee receiving any contribution described in paragraph (1) from a State or local candidate committee shall be required to meet the reporting requirements of this Act with respect to receipt of the contribution from such candidate committee.

"(3) For purposes of this subsection, a State or local candidate committee is a committee established, financed, maintained, or controlled by a candidate for other than Federal office.".

(2) Section 315(d) of FECA (2 U.S.C. 441a(d)), as amended by subsection (a), is amended by adding at the end thereof the following new paragraph:

"(5)(A) The national committee of a political party, the congressional campaign committees of a political party, and a State or local committee of a political party, including a subordinate committee of any of the preceding committees, shall not make expenditures during any calendar year for activities described in section 324(b)(2) with respect to such State which, in the aggregate, exceed an amount equal to 30 cents multiplied by the voting age population of the State (as certified under subsection (e)).

"(B) Expenditures authorized under this paragraph shall be in addition to other expenditures allowed under this subsection, except that this paragraph shall not authorize a committee to make expenditures to which paragraph (3) or (4) applies in excess of the limit applicable to such expenditures under paragraph (3) or (4).

"(C) No adjustment to the limitation under this paragraph shall be made under subsection (c) before 1992 and the base period for purposes of any such adjustment shall be 1990.

"(D) For purposes of this paragraph—

"(i) a local committee of a political party shall only include a committee that is a political committee (as defined in section 301(4)); and

"(ii) a State committee shall not be required to record or report under this Act the expenditures of any other committee which are made independently from the State committee.".

(3) Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end the following new sentence:

"For purposes of subparagraph (C), any payments for get-out-the-vote activities on behalf of candidates for office other than Federal office shall be treated as payments exempted from the definition of expenditure under paragraph (9) of this section.".

(d) Generic Activities.—Section 301 of FECA (2 U.S.C. 431), as amended by section 135, is amended by adding at the end thereof the following new paragraph:

"(31) The term 'generic campaign activity' means a campaign activity the preponderant purpose or effect of which is to promote a political party rather than any particular Federal or non-Federal candidate.".

SEC. 313. RESTRICTIONS ON FUNDRAISING BY CANDIDATES AND OFFICEHOLDERS.

(a) State Fundraising Activities.—Section 315 of FECA (2 U.S.C. 441a), as amended by section 301, is amended by adding at the end thereof the following new subsection:

"(l) Limitations on Fundraising Activities of Federal Candidates and Officeholders and Certain Political Committees.—(1) For purposes of this Act, a candidate for Federal office (or an individual holding Federal office) may not solicit funds to, or receive funds on behalf of, any Federal or non-Federal candidate or political committee—

"(A) which are to be expended in connection with any election for Federal office unless such funds are subject to the limitations, prohibitions, and requirements of this Act; or

"(B) which are to be expended in connection with any election for other than Federal office unless such funds are not in excess of amounts permitted with respect to Federal candidates and political committees under this Act, and are not from sources prohibited by this Act with respect to elections to Federal office.

"(2)(A) The aggregate amount which a person described in subparagraph (B) may solicit from a multicandidate political committee for State committees described in subsection (a)(1)(C) (including subordinate committees) for any calendar year shall not exceed the dollar amount in effect under subsection (a)(2)(B) for the calendar year.

"(B) A person is described in this subparagraph if such person is a candidate for Federal office, an individual holding Federal office, or any national, State, district, or local committee of a political party (including subordinate committees).

"(3) The appearance or participation by a candidate or individual in any activity (including fundraising) conducted by a committee of a political party or a candidate for other than Federal office shall not be treated as a solicitation for purposes of paragraph (1) if—

"(A) such appearance or participation is otherwise permitted by law; and

"(B) such candidate or individual does not solicit or receive, or make expenditures from, any funds resulting from such activity.

"(4) Paragraph (1) shall not apply to the solicitation or receipt of funds, or disbursements, by an individual who is a candidate for other than Federal office if such activity is permitted under State law.

"(5) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978.".

(b) Tax-Exempt Organizations.—Section 315 of FECA (2 U.S.C. 441a), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(m) Tax-Exempt Organizations.—(1) If during any period an individual is a candidate for, or holds, Federal office, such individual may not during such period solicit contributions to, or on behalf of, any organization which is described in section 501(c) of the Internal Revenue Code of 1986 if a significant portion of the activities of such organization include voter registration or get-out-the-vote campaigns.

"(2) For purposes of this subsection, an individual shall be treated as holding Federal office if such individual is described in section 101(f) of the Ethics in Government Act of 1978.".

SEC. 314. REPORTING REQUIREMENTS.

(a) Reporting Requirements.—Section 304 of FECA (2 U.S.C. 434) is amended by adding at the end thereof the following new subsection:

"(d) Political Committees.—(1) The national committee of a political party and any congressional campaign committee, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period, whether or not in connection with an election for Federal office.

"(2) A political committee (not described in paragraph (1)) to which section 324 applies shall report all receipts and disbursements in connection with a Federal election (as determined under section 324).

"(3) Any political committee to which section 324 applies shall include in its report under paragraph (1) or (2) the amount of any transfer described in section 324(c) and the reason for the transfer.

"(4) Any political committee to which paragraph (1) or (2) does not apply shall report any receipts or disbursements which are used in connection with a Federal election.

"(5) If any receipt or disbursement to which this subsection applies exceeds $200, the political committee shall include identification of the person from whom, or to whom, such receipt or disbursement was made.

"(6) Reports required to be filed by this subsection shall be filed for the same time periods required for political committees under subsection (a).".

(b) Report of Exempt Contributions.—Section 301(8) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)) is amended by inserting at the end thereof the following:

"(C) The exclusions provided in clauses (v) and (viii) of subparagraph (B) shall not apply for purposes of any requirement to report contributions under this Act, and all such contributions in excess of $200 shall be reported.".

(c) Reporting of Exempt Expenditures.—Section 301(9) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(9)) is amended by inserting at the end thereof the following:

"(C) The exclusions provided in clause (iv) of subparagraph (B) shall not apply for purposes of any requirement to report expenditures under this Act, and all such expenditures in excess of $200 shall be reported.".

(d) Contributions and Expenditures of Political Committees.—Section 301(4) of FECA (2 U.S.C. 431(4)) is amended by adding at the end the following: "For purposes of this paragraph, the receipt of contributions or the making of, or obligating to make, expenditures shall be determined by the Commission on the basis of facts and circumstances, in whatever combination, demonstrating a purpose of influencing any election for Federal office, including, but not limited to, the representations made by any person soliciting funds about their intended uses; the identification by name of individuals who are candidates for Federal office or of any political party, in general public political advertising; and the proximity to any primary, runoff, or general election of general public political advertising designed or reasonably calculated to influence voter choice in that election.".

(e) Reports by State Committees.—Section 304 of FECA (2 U.S.C. 434), as amended by subsection (a), is amended by adding at the end thereof the following new subsection:

"(e) Filing of State Reports.—In lieu of any report required to be filed by this Act, the Commission may allow a State committee of a political party to file with the Commission a report required to be filed under State law if the Commission determines such reports contain substantially the same information.".

TITLE IV—CONTRIBUTIONS

SEC. 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS.

Section 315(a)(8) of FECA (2 U.S.C. 441a(a)(8)) is amended to read as follows:

"(8) For the purposes of this subsection:

"(A) Contributions made by a person, either directly or indirectly, to or on behalf of a particular candidate, including contributions that are in any way earmarked or otherwise directed through an intermediary or conduit to a candidate, shall be treated as contributions from the person to the candidate.

"(B) Contributions made directly or indirectly by a person to or on behalf of a particular candidate through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, shall be treated as contributions from the intermediary or conduit to the candidate if—

"(i) the contributions made through the intermediary or conduit are in the form of a check or other negotiable instrument made payable to the intermediary or conduit rather than the intended recipient; or

"(ii) the intermediary or conduit is—

"(I) a political committee with a connected organization;

"(II) an officer, employee, or agent of such a political committee;

"(III) a political party;

"(IV) a partnership or sole proprietorship;

"(V) a person required to register under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act of 1938 (22 U.S.C. 611 et seq.); or

"(VI) an organization prohibited from making contributions under section 316, or an officer, employee, or agent of such an organization acting on the organization's behalf.

"(C)(i) The term 'intermediary or conduit' does not include—

"(I) a candidate or representative of a candidate receiving contributions to the candidate's principal campaign committee or authorized committee;

"(II) a professional fundraiser compensated for fundraising services at the usual and customary rate;

"(III) a volunteer hosting a fundraising event at the volunteer's home, in accordance with section 301(8)(B); or

"(IV) an individual who transmits a contribution from the individual's spouse.

"(ii) The term 'representative' means an individual who is expressly authorized by the candidate to engage in fundraising, and who occupies a significant position within the candidate's campaign organization, provided that the individual is not described in subparagraph (B)(ii).

"(iii) The term 'contributions made or arranged to be made' includes—

"(I) contributions delivered to a particular candidate or the candidate's authorized committee or agent; and

"(II) contributions directly or indirectly arranged to be made to a particular candidate or the candidate's authorized committee or agent, in a manner that identifies directly or indirectly to the candidate or authorized committee or agent the person who arranged the making of the contributions or the person on whose behalf such person was acting.

"(iv) The term 'acting on the organization's behalf' includes the following activities by an officer, employee or agent of a person described in subparagraph (B)(ii)(IV):

"(I) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate in the name of, or by using the name of, such a person.

"(II) Soliciting or directly or indirectly arranging the making of a contribution to a particular candidate using other than incidental resources of such a person.

"(III) Soliciting contributions for a particular candidate by substantially directing the solicitations to other officers, employees, or agents of such a person.

"(D) Nothing in this paragraph shall prohibit—

"(i) bona fide joint fundraising efforts conducted solely for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, in accordance with rules prescribed by the Commission, by—

"(I) 2 or more candidates;

"(II) 2 or more national, State, or local committees of a political party within the meaning of section 301(4) acting on their own behalf; or

"(III) a special committee formed by 2 or more candidates, or a candidate and a national, State, or local committee of a political party acting on their own behalf; or

"(ii) fundraising efforts for the benefit of a candidate that are conducted by another candidate.

"(iii) bona fide fundraising efforts conducted by and solely on behalf of an individual for the purpose of sponsorship of a fundraising reception, dinner, or other similar event, but only if all contributions are made directly to a candidate or a representative of a candidate.

When a contribution is made to a candidate through an intermediary or conduit, the intermediary or conduit shall report the original source and the intended recipient of the contribution to the Commission and to the intended recipient.".

SEC. 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE.

Section 315 of FECA (2 U.S.C. 441a), as amended by section 313(b), is amended by adding at the end the following new subsection:

"(n) For purposes of this section, any contribution by an individual who—

"(1) is a dependent of another individual; and

"(2) has not, as of the time of such contribution, attained the legal age for voting for elections to Federal office in the State in which such individual resides,

shall be treated as having been made by such other individual. If such individual is the dependent of another individual and such other individual's spouse, the contribution shall be allocated among such individuals in the manner determined by them.".

SEC. 403. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED.

Section 315(a) of FECA (2 U.S.C. 441a(a)) is amended by adding at the end the following new paragraph:

"(9) A candidate for Federal office may not accept, with respect to an election, any contribution from a State or local committee of a political party (including any subordinate committee of such committee), if such contribution, when added to the total of contributions previously accepted from all such committees of that political party, exceeds a limitation on contributions to a candidate under this section.".

SEC. 404. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM "CONTRIBUTION".

Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)) is amended—

(1) in clause (xiii), by striking "and" after the semicolon at the end;

(2) in clause (xiv), by striking the period at the end and inserting: "; and"; and

(3) by adding at the end the following new clause:

"(xv) any advance voluntarily made on behalf of an authorized committee of a candidate by an individual in the normal course of such individual's responsibilities as a volunteer for, or employee of, the committee, if the advance is reimbursed by the committee within 10 days after the date on which the advance is made, and the value of advances on behalf of a committee does not exceed $500 with respect to an election.".

TITLE V—REPORTING REQUIREMENTS

SEC. 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS.

Paragraphs (2) through (7) of section 304(b) of FECA (2 U.S.C. 434(b)(2)-(7)) are amended by inserting after "calendar year" each place it appears the following: "(election cycle, in the case of an authorized committee of a candidate for Federal office)".

SEC. 502. PERSONAL AND CONSULTING SERVICES.

Section 304(b)(5)(A) of FECA (2 U.S.C. 434(b)(5)(A)) is amended by adding before the semicolon at the end the following: ", except that if a person to whom an expenditure is made is merely providing personal or consulting services and is in turn making expenditures to other persons (not including employees) who provide goods or services to the candidate or his or her authorized committees, the name and address of such other person, together with the date, amount and purpose of such expenditure shall also be disclosed".

SEC. 503. REDUCTION IN THRESHOLD FOR REPORTING OF CERTAIN INFORMATION BY PERSONS OTHER THAN POLITICAL COMMITTEES.

Section 304(b)(3)(A) of FECA (2 U.S.C. 434(b)(3)(A)) is amended by striking "$200" and inserting "$50".

SEC. 504. COMPUTERIZED INDICES OF CONTRIBUTIONS.

Section 311(a) of FECA (2 U.S.C. 438(a)) is amended—

(1) by striking "and" at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting "; and"; and

(3) by adding at the end the following new paragraph:

"(11) maintain computerized indices of contributions of $50 or more.".

TITLE VI—FEDERAL ELECTION COMMISSION

SEC. 601. USE OF CANDIDATES' NAMES.

Section 302(e)(4) of FECA (2 U.S.C. 432(e)(4)) is amended to read as follows:

"(4)(A) The name of each authorized committee shall include the name of the candidate who authorized the committee under paragraph (1).

"(B) A political committee that is not an authorized committee shall not include the name of any candidate in its name or use the name of any candidate in any activity on behalf of such committee in such a context as to suggest that the committee is an authorized committee of the candidate or that the use of the candidate's name has been authorized by the candidate.".

SEC. 602. REPORTING REQUIREMENTS.

(a) OPTION TO FILE MONTHLY REPORTS—Section 304(a)(2) of FECA (2 U.S.C. 434(a)(2)) is amended—

(1) in subparagraph (A) by striking "and" at the end;

(2) in subparagraph (B) by striking the period at the end and inserting "; and"; and

(3) by inserting the following new subparagraph at the end:

"(C) in lieu of the reports required by subparagraphs (A) and (B), the treasurer may file monthly reports in all calendar years, which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month, except that, in lieu of filing the reports otherwise due in November and December of any year in which a regularly scheduled general election is held, a pre-primary election report and a pre-general election report shall be filed in accordance with subparagraph (A)(i), a post-general election report shall be filed in accordance with subparagraph (A)(ii), and a year end report shall be filed no later than January 31 of the following calendar year.".

(b) FILING DATE.—Section 304(a)(4)(B) of FECA (2 U.S.C. 434(a)(4)(B)) is amended by striking "20th" and inserting "15th".

SEC. 603. PROVISIONS RELATING TO THE GENERAL COUNSEL OF THE COMMISSION.

(a) VACANCY IN THE OFFICE OF GENERAL COUNSEL.—Section 306(f) of FECA (2 U.S.C. 437c(f)) is amended by adding at the end the following new paragraph:

"(5) In the event of a vacancy in the office of general counsel, the next highest ranking enforcement official in the general counsel's office shall serve as acting general counsel with full powers of the general counsel until a successor is appointed.".

(b) PAY OF THE GENERAL COUNSEL.—Section 306(f)(1) of FECA (2 U.S.C. 437c(f)(1)) is amended—

(1) by inserting "and the general counsel" after "staff director" in the second sentence; and

(2) by striking the third sentence.

SEC. 604. ENFORCEMENT.

(a) BASIS FOR ENFORCEMENT PROCEEDING.—Section 309(a)(2) of FECA (2 U.S.C. 437g(a)(2)) is amended by striking "it has reason to believe that a person has committed, or is about to commit" and inserting "facts have been alleged or ascertained that, if true, give reason to believe that a person may have committed, or may be about to commit".

(b) AUTHORITY TO SEEK INJUNCTION.—(1) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended by adding at the end the following new paragraph:

"(13)(A) If, at any time in a proceeding described in paragraph (1), (2), (3), or (4), the Commission believes that—

"(i) there is a substantial likelihood that a violation of this Act or of chapter 95 or chapter 96 of the Internal Revenue Code of 1986 is occurring or is about to occur;

"(ii) the failure to act expeditiously will result in irreparable harm to a party affected by the potential violation;

"(iii) expeditious action will not cause undue harm or prejudice to the interests of others; and

"(iv) the public interest would be best served by the issuance of an injunction,

the Commission may initiate a civil action for a temporary restraining order or a temporary injunction pending the outcome of the proceedings described in paragraphs (1), (2), (3), and (4).

"(B) An action under subparagraph (A) shall be brought in the United States district court for the district in which the defendant resides, transacts business, or may be found.".

(2) Section 309(a) of FECA (2 U.S.C. 437g(a)) is amended—

(A) in paragraph (7) by striking "(5) or (6)" and inserting "(5), (6), or (13)"; and

(B) in paragraph (11) by striking "(6)" and inserting "(6) or (13)".

SEC. 605. PENALTIES.

(a) Penalties Prescribed in Conciliation Agreements.—(1) Section 309(a)(5)(A) of FECA (2 U.S.C. 437g(a)(5)(A)) is amended by striking "which does not exceed the greater of $5,000 or an amount equal to any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than 50 percent of all contributions and expenditures involved in the violation (or such lesser amount as the Commission provides if necessary to ensure that the penalty is not unjustly disproportionate to the violation); and

"(ii) not greater than all contributions and expenditures involved in the violation".

(2) Section 309(a)(5)(B) of FECA (2 U.S.C. 437g(a)(5)(B)) is amended by striking "which does not exceed the greater of $10,000 or an amount equal to 200 percent of any contribution or expenditure involved in such violation" and inserting "which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 150 percent of all contributions and expenditures involved in the violation".

(b) Penalties When Violations Are Adjudicated in Court.—(1) Section 309(a)(6)(A) of FECA (2 U.S.C. 437g(a)(6)(A)) is amended by striking all that follows "appropriate order" and inserting ", including an order for a civil penalty in the amount determined under subparagraph (A) or (B) in the district court of the United States for the district in which the defendant resides, transacts business, or may be found.".

(2) Section 309(a)(6)(B) of FECA (2 U.S.C. 437g(a)(6)(B)) is amended by striking all that follows "other order" and inserting ", including an order for a civil penalty which is—

"(i) not less than all contributions and expenditures involved in the violation; and

"(ii) not greater than 200 percent of all contributions and expenditures involved in the violation,

upon a proper showing that the person involved has committed, or is about to commit (if the relief sought is a permanent or temporary injunction or a restraining order), a violation of this Act or chapter 95 of chapter 96 of the Internal Revenue Code of 1986.".

(3) Section 309(a)(6)(C) of FECA (29 U.S.C. 437g(6)(C)) is amended by striking "a civil penalty" and all that follows and inserting "a civil penalty which is—

"(i) not less than 200 percent of all contributions and expenditures involved in the violation; and

"(ii) not greater than 250 percent of all contributions and expenditures involved in the violation.".

SEC. 606. RANDOM AUDITS.

Section 311(b) of FECA (2 U.S.C. 438(b)) is amended—

(1) by inserting "(1)" before "The Commission"; and

(2) by adding at the end the following new paragraph:

"(2) Notwithstanding paragraph (1), the Commission may from time to time conduct random audits and investigations to ensure voluntary compliance with this Act. The subjects of such audits and investigations shall be selected on the basis of criteria established by vote of at least 4 members of the Commission to ensure impartiality in the selection process. This paragraph does not apply to an authorized committee of an eligible Senate candidate subject to audit under section 505(a) or an authorized committee of an eligible House of Representatives candidate subject to audit under section 605(a).".

SEC. 607. PROHIBITION OF FALSE REPRESENTATION TO SOLICIT CONTRIBUTIONS.

Section 322 of FECA (2 U.S.C. 441h) is amended—

(1) by inserting after "Sec. 322." the following: "(a)"; and

(2) by adding at the end the following:

"(b) No person shall solicit contributions by falsely representing himself as a candidate or as a representative of a candidate, a political committee, or a political party.".

SEC. 608. REGULATIONS RELATING TO USE OF NON-FEDERAL MONEY.

Section 306 of FECA (2 U.S.C. 437c) is amended by adding at the end the following new subsection:

"(g) The Commission shall promulgate rules to prohibit devices or arrangements which have the purpose or effect of undermining or evading the provisions of this Act restricting the use of non-Federal money to affect Federal elections.".

TITLE VII—BALLOT INITIATIVE COMMITTEES

SEC. 701. DEFINITIONS RELATING TO BALLOT INITIATIVES.

Section 301 of FECA (2 U.S.C. 431), as amended by section 312(d), is amended by adding at the end the following new paragraphs:

"(32) The term 'ballot initiative political committee' means any committee, club, association, or other group of persons which makes ballot initiative expenditures or receives ballot initiative contributions in excess of $1,000 during a calendar year.

"(33) The term 'ballot initiative contribution' means any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the State, commonwealth, territory, or District of Columbia level which involves—

"(A) interstate commerce;

"(B) the election of candidates for Federal office and the permissible terms of those so elected;

"(C) Federal taxation of individuals, corporations, or other entities; or

"(D) the regulation of speech or press, or any other right guaranteed under the United States Constitution.

"(34) The term 'ballot initiative expenditure' means any purchase, payment, distribution, loan, advance, deposit or gift of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the state, commonwealth, territory, or District of Columbia level which involves—

"(A) interstate commerce;

"(B) the election of candidates for Federal office and the permissible terms of those so elected;

"(C) Federal taxation of individuals, corporations, or other entities; or

"(D) the regulation of speech or press, or any other right guaranteed under the United States Constitution.".

SEC. 702. AMENDMENT TO DEFINITION OF CONTRIBUTION.

Section 301(8)(B) of FECA (2 U.S.C. 431(8)(B)), as amended by section 404, is amended—

(1) in clause (xiv), by striking "and" after the semicolon;

(2) in clause (xv), by striking the period and inserting "; and"; and

(3) by adding at the end the following new clause:

"(xvi) a ballot initiative contribution.".

SEC. 703. AMENDMENT TO DEFINITION OF EXPENDITURE.

Section 301(9)(B) of FECA (2 U.S.C. 431(9)(B)) is amended—

(1) in clause (ix)(3), by striking "and" after the semicolon;

(2) in clause (x), by striking the period and inserting "; and"; and

(3) by adding at the end the following new clause:

"(xi) a ballot initiative expenditure.".

SEC. 704. ORGANIZATION OF BALLOT INITIATIVE COMMITTEES.

Title III of FECA (2 U.S.C. 431 et seq.) is amended by inserting after section 302 (2 U.S.C. 432) the following new section:

"ORGANIZATION OF BALLOT INITIATIVE COMMITTEES

"Sec. 302A. (a) Every ballot initiative political committee shall have a treasurer. No ballot initiative contribution shall be accepted or ballot initiative expenditure shall be made by or on behalf of a ballot initiative political committee during any period in which the office of treasurer is vacant.

"(b)(1) Every person who receives a ballot initiative contribution for a ballot initiative political committee shall—

"(A) if the amount is $50 or less, forward to the treasurer such contribution no later than 30 days after receiving the contribution; and

"(B) if the amount of the ballot initiative contribution is in excess of $50, forward to the treasurer such contribution, the name, address, and occupation of the person making such contribution, and the date of receiving such contribution, no later than 10 days after receiving such contribution.

"(2) All funds of a ballot initiative political committee shall be segregated from, and may not be commingled with, the personal funds of any individual.

"(3) The treasurer of a ballot initiative political committee shall keep an account for—

"(A) all ballot initiative contributions received by or on behalf of such ballot initiative political committee;

"(B) the name and address of any person who makes a ballot initiative contribution in excess of $50, together with the date and amount of such ballot initiative contribution by any person;

"(C) the identification of any person who makes a ballot initiative contribution or ballot initiative contributions aggregating more than $200 during a calendar year, together with the date and amount of any such contribution;

"(D) the identification of any political committee or ballot initiative political committee which makes a ballot initiative contribution, together with the date and amount of any such contribution; and

"(E) the name and address of every person to whom any ballot initiative expenditure is made, the date, amount and purpose of such ballot initiative expenditure, and the name of the ballot

initiative(s) to which the ballot initiative expenditure pertained.

"(c) The treasurer shall preserve all records required to be kept by this section 3 years after the report is filed.".

SEC. 705. BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS.

Title III of FECA (2 U.S.C. 431 et seq.), as amended by section 103, is amended by inserting after section 30A (2 U.S.C. 434) the following new section:

"BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS

"SEC. 304B. (a)(1) Each treasurer of a ballot initiative political committee shall file reports of receipts and disbursements in accordance with the provisions of this subsection. The treasurer shall sign each such report.

"(2) All ballot initiative political committees shall file either—

"(A)(i) quarterly reports in each calendar year when a ballot initiative is slated regarding which the ballot initiative committee plans to make or makes a ballot initiative expenditure or plans to receive or receives a ballot initiative contribution, which shall be filed no later than the 15th day after the last day of each calendar quarter: except that the report for the quarter ending on December 31 of such calendar year shall be filed no later than January 31 of the following calendar year; and

"(ii) preballot initiative reports, which shall be filed 5 days before the occurrence of each ballot initiative in which the ballot initiative committee plans to make or has made a ballot initiative expenditure or plans to receive or has received a ballot initiative contribution; or

"(B) monthly reports in all calendar years which shall be filed no later than the 15th day after the last day of the month and shall be complete as of the last day of the month.

"(3) If a designation, report, or statement filed pursuant to this section (other than under paragraph (2)(A)(ii)) is sent by registered or certified mail, the United States postmark shall be considered the date of filing of the designation, report, or statement.

"(4) The reports required to be filed by this section shall be cumulative during the calendar year to which they relate, but where there has been no change in an item reported in a previous report during each year, only the amount need be carried forward.

"(b) Each report under this section shall disclose—

"(1) the amount of cash on hand at the beginning of the reporting period;

"(2) for the reporting period and the calendar year, the total amount of all receipts, and the total amount of all receipts in the following categories:

"(A) ballot initiative contributions from persons other than political committees;

"(B) ballot initiative contributions from political party committees;

"(C) ballot initiative contributions from other political committees and ballot initiative political committees;

"(D) transfers from affiliated political committees;

"(E) loans;

"(F) rebates, refunds, and other offsets to operating expenditures; and

"(G) dividends, interest, and other forms of receipts;

"(3) the identification of each—

"(A) person (other than a political committee or ballot initiative political committee) who makes a ballot initiative contribution to the reporting committee during the reporting period, whose ballot initiative contribution or ballot initiative contributions have an aggregate amount or value in excess of $50 within the calendar year, or in any lesser amount if the reporting committee should so elect, together with the date and amount of any such contribution and the address and occupation (if an individual) of the person;

"(B) political committee or ballot initiative political committee which makes a ballot initiative contribution to the reporting committee during the reporting period, together with the date and amount of any such contribution;

"(C) affiliated political committee or affiliated ballot initiative political committee which makes a transfer to the reporting committee during the reporting period;

"(D) person who makes a loan to the reporting committee during the reporting period, together with the identification of any endorser or guarantor of such loan, and the date and amount or value of such loan and the address and occupation (if an individual) of the person;

"(E) person who provides a rebate, refund, or other offset to operating expenditures to the reporting committee in an aggregate amount or value in excess of $200 within the calendar year, together with the date and amount of such receipt and the address and occupation (if an individual) of the person; and

"(F) person who provides any dividend, interest, or other receipt to the reporting committee in an aggregate value or amount in excess of $200 within the calendar year, together with the date and amount of any such receipt and the address and occupation (if an individual) of the person;

"(4) for the reporting period and the calendar year, the total amount of disbursements, and all disbursements in the following categories:

"(A) ballot initiative expenditures;

"(B) transfers to affiliated political committees or ballot initiative political committees;

"(C) ballot initiative contribution refunds and other offsets to ballot initiative contributions;

"(D) loans made by the reporting committee and the name of the person receiving the loan together with the date of the loan and the address and occupation (if an individual) of the person; and

"(E) independent expenditures; and

"(5) the total sum of all ballot initiative contributions to such ballot initiative political committee.".

SEC. 706. ENFORCEMENT AMENDMENT.

Section 309 of FECA (2 U.S.C. 437g) is amended by adding at the end the following new subsection:

"(e) The civil penalties of this Act shall apply to the organization, recordkeeping, and reporting requirements of a ballot initiative political committee under section 302A or 304B, insofar as such committee conducts activities solely for the purpose of influencing a ballot initiative and not for the purpose of influencing any election for Federal office.".

SEC. 707. PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER.

Section 320 of FECA (2 U.S.C. 441f) is amended to read as follows:

"PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER

"SEC. 320. No person shall make a contribution or ballot initiative contribution in the name of another person or knowingly permit his name to be used to effect such a contribution or ballot initiative contribution, and no person shall knowingly accept a contribution or ballot initiative contribution made by one person in the name of another person.".

SEC. 708. LIMITATION ON CONTRIBUTION OF CURRENCY.

Section 321 of FECA (2 U.S.C. 441g) is amended to read as follows:

"LIMITATION ON CONTRIBUTION OF CURRENCY

"SEC. 321. No person shall make contributions or ballot initiative contributions of currency of the United States or currency of any foreign country which in the aggregate, exceed $100, to or for the benefit of—

"(1) any candidate for nomination for election, or for election, to Federal office;

"(2) any political committee (other than a ballot initiative political committee) for the purpose of influencing an election for Federal office; or

"(3) any ballot initiative political committee for the purpose of influencing a ballot initiative.".

TITLE VIII—MISCELLANEOUS

SEC. 801. PROHIBITION OF LEADERSHIP COMMITTEES.

Section 302(e) of FECA (2 U.S.C. 432(e)) is amended—

(1) by amending paragraph (3) to read as follows:

"(3) No political committee that supports or has supported more than one candidate may be designated as an authorized committee, except that—

"(A) a candidate for the office of President nominated by a political party may designate the national committee of such political party as the candidate's principal campaign committee, but only if that national committee maintains separate books of account with respect to its functions as a principal campaign committee; and

"(B) a candidate may designate a political committee established solely for the purpose of joint fundraising by such candidates as an authorized committee."; and

(2) by adding at the end the following new paragraph:

"(6)(A) A candidate for Federal office or any individual holding Federal office may not establish, maintain, or control any political committee other than a principal campaign committee of the candidate, authorized committee, party committee, or other political committee designated in accordance with paragraph (3). A candidate for more than one Federal office may designate a separate principal campaign committee for each Federal office.

"(B) For one year after the effective date of this paragraph, any such political committee may continue to make contributions. At the end of that period such political committee shall disburse all funds by one or more of the following means: making contributions to an entity qualified under section 501(c)(3) of the Internal Revenue Code of 1986; making a contribution to the treasury of the United States; contributing to the national, State or local committees of a political party; or making contributions not to exceed $1,000 to candidates for elective office.".

SEC. 802. POLLING DATA CONTRIBUTED TO CANDIDATES.

Section 301(8) of FECA (2 U.S.C. 431(8)), as amended by section 314(b), is amended by inserting at the end the following new subparagraph:

"(D) A contribution of polling data to a candidate shall be valued at the fair market value of the data on the date the poll was completed, depreciated at a rate not more than 1 percent per day from such date to the date on which the contribution was made.".

SEC. 803. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 315(b) of FECA (2 U.S.C. 441a(b)) is amended by adding at the end the following new paragraph:

"(3)(A) The candidates of a political party for the offices of President and Vice President who are eligible under section 9003 of the Internal Revenue Code of 1986 to receive payments from the Secretary of the Treasury shall not receive such payments unless both of such candidates agree in writing—

"(i) that the candidate for the office of President will participate in at least 4 debates, spon-

sored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section; and

"(ii) that the candidate of the party for the office of Vice President will participate in at least 1 debate, sponsored by a nonpartisan or bipartisan organization, with all other candidates for that office who are eligible under that section.

"(B) If the Commission determines that either of the candidates of a political party failed to participate in a debate under subparagraph (A) and was responsible at least in part for such failure, the candidate of the party involved shall—

"(i) be ineligible to receive payments under section 9006 of the Internal Revenue Code of 1986; and

"(ii) pay to the Secretary of the Treasury an amount equal to the amount of the payments made to the candidate under that section.".

SEC. 804. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS.

Section 319 of FECA (2 U.S.C. 441e) is amended by adding at the end the following new subsections:

"(c) A foreign national shall not directly or indirectly direct, control, influence or participate in any person's election-related activities, such as the making of contributions or expenditures in connection with elections for any local, State, or Federal office or the administration of a political committee.

"(d) A nonconnected political committee or the separate segregated fund established in accordance with section 316(b)(2)(C) or any other organization or committee involved in the making of contributions or expenditures in connection with elections for any Federal, State, or local office shall include the following statement on all printed materials produced for the purpose of soliciting contributions:

"'It is unlawful for a foreign national to make any contribution of money or other thing of value to a political committee.'.".

SEC. 805. AMENDMENT TO FECA SECTION 316.

Section 316(b) of FECA (2 U.S.C. 441b(b)) is amended—

(1) by inserting "(A)" at the beginning of paragraph (2) and redesignating subparagraphs (A), (B), and (C) as clauses (i), (ii), and (iii), respectively;

(2) at the beginning of the first sentence in subparagraph (A), by inserting the following: "Except as provided in subparagraph (B),"; and

(3) by adding at the end of paragraph (2) the following:

"(B) Expenditures by a corporation or labor organization for candidate appearances, candidate debates and voter guides directed to the general public shall be considered contributions unless—

"(i) in the case of a candidate appearance, the appearance takes place on corporate or labor organization premises or at a meeting or convention of the corporation or labor organization, and all candidates for election to that office are notified that they may make an appearance under the same or similar conditions;

"(ii) in the case of a candidate debate, the organization staging the debate is either an organization described in section 301 whose broadcasts or publications are supported by commercial advertising, subscriptions or sales to the public, including a noncommercial educational broadcaster, or a nonprofit organization exempt from Federal taxation under section 501(c)(3) or 501(c)(4) of the Internal Revenue Code of 1986 that does not endorse, support, or oppose candidates or political parties; and

"(iii) in the case of a voter guide, the guide is prepared and distributed by a corporation or labor organization and consists of questions posed to at least two candidates for election to that office,

except that no communication made by a corporation or labor organization in connection with the candidate appearance, candidate debate or voter guide contains express advocacy, or that no candidate is favored through the structure or format of the candidate appearance, candidate debate or voter guide.".

SEC. 806. TELEPHONE VOTING BY PERSONS WITH DISABILITIES.

(a) Study of Systems To Permit Persons With Disabilities To Vote by Telephone.—

(1) In general.—The Federal Election Commission shall conduct a study to determine the feasibility of developing a system or systems by which persons with disabilities may be permitted to vote by telephone.

(2) Consultation.—The Federal Election Commission shall conduct the study described in paragraph (1) in consultation with State and local election officials, representatives of the telecommunications industry, representatives of persons with disabilities, and other concerned members of the public.

(3) Criteria.—The system or systems developed pursuant to paragraph (1) shall—

(A) propose a description of the kinds of disabilities that impose such difficulty in travel to polling places that a person with a disability who may desire to vote is discouraged from undertaking such travel;

(B) propose procedures to identify persons who are so disabled; and

(C) describe procedures and equipment that may be used to ensure that—

(i) only those persons who are entitled to use the system are permitted to use it;

(ii) the votes of persons who use the system are recorded accurately and remain secret;

(iii) the system minimizes the possibility of vote fraud; and

(iv) the system minimizes the financial costs that State and local governments would incur in establishing and operating the system.

(4) Requests for proposals.—In developing a system described in paragraph (1), the Federal Election Commission may request proposals from private contractors for the design of procedures and equipment to be used in the system.

(5) Physical access.—Nothing in this section is intended to supersede or supplant efforts by State and local governments to make polling places physically accessible to persons with disabilities.

(6) Deadline.—The Federal Election Commission shall submit to Congress the study required by this section not later than 1 year after the date of enactment of this Act.

SEC. 807. PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE.

Title III of FECA (2 U.S.C. 431 et seq.), as amended by section 312(c) is amended by adding at the end the following new section:0

"PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE

"Sec. 325. (a) No aircraft that is owned or operated by the Government (including any aircraft that is owned or operated by the Department of Defense) may be used in connection with an election for Federal office.

"(b)(1) Subsection (a) shall not apply to travel provided to the President or Vice President.

"(2) The portion of the cost of any travel provided to the President or Vice President that is allocable to activities in connection with an election for Federal office shall be paid by the authorized committee of the President. Such portion shall be paid within 10 days of the travel. For purposes of this section, travel which is in any part related to campaign activity, shall be treated as in connection with an election for Federal office, and the payment for such travel shall be sufficient to reflect that portion which is campaign-related.

"(3) The actual costs and payment for costs of any travel provided to the President and Vice President shall be disclosed in accordance with section 304.".

SEC. 808. SENSE OF THE CONGRESS.

The Congress should consider legislation that would provide for an amendment to the Constitution to set reasonable limits on campaign expenditures in Federal elections.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

SEC. 901. EFFECTIVE DATE.

Except as otherwise provided in this Act, the amendments made by, and the provisions of, this Act shall take effect on the date of the enactment of this Act but shall not apply with respect to activities in connection with any election occurring before January 1, 1993.

SEC. 902. BUDGET NEUTRALITY.

(a) Delayed Effectiveness.—The provisions of this Act (other than this section) shall not be effective until the estimated costs under section 252 of the Balanced Budget and Emergency Deficit Control Act of 1985 have been offset by the enactment of subsequent legislation effectuating this Act.

(b) Sense of Congress.—It is the sense of the Congress that subsequent legislation effectuating this Act shall not provide for general revenue increases, reduce expenditures for any existing Federal program, or increase the Federal budget deficit.

SEC. 903. SEVERABILITY.

Except as provided in sections 101(c) and 121(b), if any provision of this Act (including any amendment made by this Act), or the application of any such provision to any person or circumstance, is held invalid, the validity of any other provision of this Act, or the application of such provision to other persons and circumstances, shall not be affected thereby.

SEC. 904. EXPEDITED REVIEW OF CONSTITUTIONAL ISSUES.

(a) Direct Appeal to Supreme Court.—An appeal may be taken directly to the Supreme Court of the United States from any interlocutory order or final judgment, decree, or order issued by any court ruling on the constitutionality of any provision of this Act or amendment made by this Act.

(b) Acceptance and Expedition.—The Supreme Court shall, if it has not previously ruled on the question addressed in the ruling below, accept jurisdiction over, advance on the docket, and expedite the appeal to the greatest extent possible.

And the House agree to the same.

That the Senate recede from its disagreement to the amendment of the House to the title of the bill and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the amendment of the House to the title of the bill, insert the following: "An Act to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits and benefits for congressional election campaigns, and for other purposes.".

And the House agree to the same.

Charlie Rose,
Sam Gejdenson,
Richard Gephardt,
Al Swift,
Leon E. Panetta,
Mike Synar,
Gerald D. Kleczka,

For consideration of sections 103 and 202 of the Senate bill, section 802 of the House amendment, and modifications committed to conference:

EDWARD J. MARKEY,

For consideration of sections 104, 404, 409, and 411 of the Senate bill, section 103 of the House amendment, and modifications committed to conference:

W.L. CLAY,
FRANK MCCLOSKEY,
Managers on the Part of the House.

WENDELL H. FORD,
DAVID L. BOREN,
GEORGE MITCHELL,
Managers on the Part of the Senate.

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S.3, the "Senate Election Ethics Act of 1991") to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, submit the following joint statement to the House and to the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

The House amendments (H.R. 3750, the "U.S. House of Representatives Campaign Spending Limit and Election Reform Act of 1991") struck out all of the Senate bill after the enacting clause and inserted a substitute text, and the Senate disagreed to the House amendments.

The Committee of Conference recommends that the Senate recede from its disagreement to the amendment of the House to the text of the bill, with an amendment which is a substitute for both the text of the Senate bill and the House amendment to the text of the Senate bill.

The differences between the text of the Senate bill, the House amendment thereto, and the substitute agreed to in conference are noted below, except for clerical corrections, conforming changes made necessary by reason of agreements reached by the conferees, and minor drafting and clarifying changes.

SHORT TITLE

The Senate bill (S.3), the House Amendment (H.R. 3750), and the conference agreement provide that this legislation may be cited as the "Congressional Campaign Spending Limit and Election Reform Act of 1992".

TITLE I—CONTROL OF CONGRESSIONAL CAMPAIGN SPENDING

Subtitle A—Senate Election Campaign Spending Limits and Benefits

SECTION 101. SENATE SPENDING LIMITS AND PUBLIC BENEFITS

Senate bill

The Senate bill amended the Federal Election Campaign Act of 1971 (hereinafter in this statement referred to as the "Act") to provide for a voluntary system of spending limits and benefits. The formula adopted is a base amount of $400,000: plus 30 cents times the voting age population of the State up to a voting age population of 4 million, plus 25 cents times the voting age population in excess of 4 million, but not less than $950,000, or more than $5.5 million. Higher spending limits are permitted in a State with no more than one VHF television station licensed to operate in that State. The formula for the spending limit in such a State is set at $400,000: plus 80 cents times the voting age population up to 4 million, and 70 cents times the voting age population over that figure, but not less than $950,000 or more than $5.5 million.

As a condition to participate in the system, Senate candidates must agree to abide by the expenditure limits in primary and runoff elections.

Because the activities previously associated with Senate campaigns would probably not be curtailed, but merely shifted to the primary election period, it is necessary to extend spending limits to the primary period. Thus, the Senate bill provides for a primary election limit of 67 percent of the general election spending limit (up to a maximum of $2.75 million) and a runoff limit of 20 percent of the general election spending limit. By defining the primary election period to begin the day after the last general election for the seat in question, the bill effectively limits Senate campaign spending throughout a six year Senate election cycle.

The Senate bill provides for a compliance fund equal to the lesser of 15 percent or $300,000 of the candidate's general election limit in order to deal with the likelihood of additional legal and accounting services under this system. All funds which are deposited into this account are subject to the limitations and prohibitions of the FECA. This provision permits expenditures for such purpose both during and after a general election without such expenditures counting against either such general election spending limit or the next primary election spending limit. The use of the fund is solely for the purpose of paying for legal and accounting services incurred in relation to compliance with the Act and the preparation of compliance documents, or expenditures for the extraordinary costs of legal and accounting services incurred in connection with the candidate's activities as a federal office-holder.

The compliance fund is not intended as a reserve or revolving fund; therefore, once funds have been transferred into the account, they may not be transferred back to the campaign fund or used for any purpose other than compliance. A candidate will be permitted to petition the Commission for permission to raise and spend an amount in excess of that fund. Before authorizing any additional funds for compliance, the Commission should first be satisfied that the candidate did not use any portion of the compliance fund for any purpose other than compliance.

The Senate bill limits a participating candidate's personal spending to $25,000. Members of a candidate's immediate family would be subject to existing contribution limitations, as this provision would not impose any additional or new limits on such family members. This limit would apply to what a candidate may spend or loan to the campaign from personal funds, including funds of the candidate's immediate family, in the election cycle.

Eligibility for all candidates, whether a major party nominee, a minor party nominee, or an independent candidate, is based on the candidate raising a qualifying threshold of private contributions equal to 10 percent of the general election spending limit for the State. All of such funds must be contributed directly to the candidate by individuals (not through any intermediary) in amounts aggregating up to $250 and must be received after January 1 of the year preceding the election. To further assure that such candidates have a base of support from within their State, at least 50 percent of the threshold amount must be raised from contributors from within the candidate's State.

To be eligible to receive benefits, a candidate must be opposed in the general election and must certify that he or she has raised the qualifying threshold, and has not exceeded the primary and, where applicable, the runoff spending limits. Also, the candidate must agree to certain administrative requirements, not to exceed the general election spending limits, and not to accept contributions in violation of the Act.

Like the Presidential financing system, the Federal Election Commission would certify the eligibility of a candidate based on the candidate's submissions to that agency and would be charged with the general administration of the system. Unlike the Presidential system that requires that all candidates be audited, the Commission would be required to audit only 10 percent of the eligible Senate candidates on a random basis and, in addition, any other candidate for cause.

Eligible candidates are entitled to five benefits: communication vouchers, lower broadcast media rates, reduced postal rates; independent expenditure payments; and contingent financing. These are intended to serve both as incentives to participation by candidates and as cost reduction devices for ever more expensive campaigns.

House amendment

No similar provision.

Conference substitute

The conference agreement adopts the Senate bill with respect to the Senate, with the following modifications:

1. The conference agreement limits the provision of the Senate bill which permitted the compliance fund to make expenditures for the extraordinary costs of legal or accounting services incurred in connection with the candidate's activities as a Federal officeholder.

2. The conference agreement deletes the provision of the Senate bill which would have permitted an increase of 25 percent of the spending limits for candidates based on small contributions of up to $100 received from individuals who reside within the State of a Senate candidate. In an effort to establish some uniform rules with the House bill (which had no similar provision), the conferees agreed to eliminate this provision.

3. The conference agreement modifies the use of personal funds to an amount equal to the lesser of ten percent of the expenditure limit, or $250,000. This conforms to the House provision which limits the use of personal funds of an eligible House candidate to ten percent of the expenditure limit.

4. The conference agreement clarifies the audit authority of the Commission to provide that when an eligible candidate is selected for an audit, his or her opponent in the same election shall also be audited.

5. The conference agreement deletes the provision which would require that broadcast time purchased with vouchers must be for broadcasts of one to five minutes in length.

6. The conference agreement revises the reduced postage rates section of both the House and Senate bills to provide one standard for all eligible candidates. The Senate bill permitted eligible candidates to make first-class mailings at one-fourth the rate in effect and third-class mailings at two cents less than the reduced rate for first class mail. The total spending on postage at these reduced rates could not exceed five percent of the general election expenditure limit. The conference agreement now provides that eligible candidates can mail up to one piece of mail per voting age population of the State (in the case of an eligible Senate candidate) or congressional district (in the case

of an eligible House candidate) at the lowest third-class non-profit rate.

7. The conference agreement modifies the Senate's contingent benefits to provide that an eligible Senate candidate would receive a grant equal to one-third the expenditure limit once a non-complying opponent exceeds the limit. When a non-complying opponent exceeds the limit by one-third, an eligible candidate would be entitled to another grant equal to one-third of the expenditure limit. Once a non-complying candidate exceeds the limit by two-thirds, an eligible candidate would receive a third and final grant equal to one-third the expenditure limit. In addition, an eligible candidate whose opponent did not participate could raise contributions equal to twice the expenditure limit, but such funds could not be spent until the opponent exceeds the limits by 100 percent. Thus, the conference agreement would cap all spending at 300 percent of the general election limit; where the Senate bill had removed all limits.

These changes were made to conform the Senate bill with the intent of the conferees to provide an alternative election finance system for candidates who choose to run for Senate election without spending limits. Contingent benefits are provided to eligible Senate candidates to reduce the rigors of fundraising, and not to create an advantage over opposing candidates choosing to stay outside the system. Because campaign funds can be spent quite rapidly, it is necessary to make resources quickly available to an eligible candidate. Otherwise, prudent candidates would be reluctant to voluntarily participate in the alternative spending limit system.

The conference agreement reduces the amount of the initial grant in half to more closely conform the size of the grant to the amount by which the spending limit is exceeded. While the grants are still provided in one-third increments, the conferees believe this is a proper balance between the objective of maintaining a competitive election and the desire to avoid the administrative burdens attendant to smaller, more frequent grants.

The conference agreement provides grants up to 100 percent of the general election limit at which point the eligible candidate may spend campaign contributions up to 100 percent of the general election limit. The conference agreement imposes a limit on total contributions and expenditures by the eligible candidate in order to preserve the overall objective to establish an alternative campaign finance system in order to reduce the deleterious influence of large contributions on the election process and the rigors of fundraising for eligible Senate candidates.

8. The conference agreement requires the closed captioning of television and cablecasts of eligible Senate candidate campaign advertisements. This adopts a similar provision contained in the House amendment. With this modification to the Senate bill, a uniform standard is adopted for both chambers.

9. The conference agreement eliminates all provisions referring to the Secretary of the Treasury and the Senate Election Campaign Fund. The conferees recognize that as a Senate bill, any bill relating to the public financing of congressional campaigns must originate in the House. Thus, the conference agreement provides that no section of the bill will be effective until a subsequent legislative vehicle provides for a funding mechanism for the benefits of the bill.

10. The conference agreement modifies the civil penalties provisions of the bill with regard to expenditures in excess of the limitations. The revised civil penalties are based on a low, medium and high scale of up to 2.5 percent, 2.5 percent but less than 5 percent, and 5 percent or greater, respectively. Civil penalty amounts are likewise based on this scale. This provision will apply in like manner to the House.

11. The conference agreement eliminates the criminal penalties provisions, at the request of the House, which had no similar provision. In its place, the agreement establishes joint and several civil liability for the candidate and the candidate's authorized committees. This liability provision applies to both participating Senate and House candidates.

SECTION 102. RESTRICTIONS ON ACTIVITIES OF POLITICAL ACTION AND CANDIDATE COMMITTEES IN FEDERAL ELECTIONS

Senate bill

The Senate bill bans activities of political action committees by prohibiting such committees from making contributions or expenditures to influence a federal election. In the event this ban on PAC activities is ruled unconstitutional, the Senate bill includes a fall-back provision reducing PAC contribution limits from $5,000 to $1,000 and imposing an aggregate limit on the amount of the total amount of PAC contributions a Senate candidate may receive. The limit would be 20 percent of the election cycle limit, but not less than $375,000 in the smallest states, nor more than $825,000 in the largest states.

House amendment

The House bill limits political action committee contributions that may be received by House campaigns to $200,000 per election. For those who agree to voluntarily agree to spending limits, this amount is equal to one-third of the overall spending limit.

Conference substitute

The conference agreement follows the House and Senate bills. The House provisions limiting political action committee contributions to one-third of the election spending limit are preserved unchanged. The provisions of the Senate bill establishing rules for political action committee in the event a PAC ban is found unconstitutional are adopted except that the per election limit on PAC contributions to Senate candidates is established at $2,500.

The conferees recognize the role of political action committees as a legitimate exercise of collective participation of individuals of like minds in the electoral process. The conferees recognize that citizens may pool their resources to participate in the electoral process. To the extent this participation is balanced with disinterested sources of campaign funds, the conferees support the role of political action committees in the electoral process.

Nevertheless, the conferees agree that Congress must confront the legitimate public concern that political action committees can have a negative, even corrupting, impact on the election campaign process when they become too large a source of any candidate's campaign funds. Moreover, when these sources of campaign funds flow overwhelmingly to incumbents, the public perception is that Congress is too beholden to special interests.

The conferees recognize that simply having limits on the amount of money that individual PACs can give to a candidate does not of itself control the flow of special interest funds to campaigns. Individuals PAC contribution limits alone result in a number of PACs with the same interest playing too large a role in funding a congressional campaign. Therefore, the conferees believe that in addition to individual PAC contribution limits there should be aggregate limits on PAC receipts by a candidate's campaign committee. These aggregate limits will have the effect of minimizing the candidate's reliance on special interest funds and reducing the potential for undue influence and corruption. The conferees believe that figures chosen for aggregate PAC limits in the House and Senate represent a reasonable effort to curtail aggregate influence of PAC contributions.

The conferees seek to strike a balance to reduce the influence of special interests in the election process while maintaining the legitimate exercise of collective action through political action committees. The conferees believe this goal is met by imposing aggregate limits on PAC receipts as well as ceilings on individual PAC contributions.

SECTION 103. REPORTING REQUIREMENTS

Senate bill

Candidates who agree to abide by the spending limits and become eligible to receive benefits must file a certification with the Federal Election Commission. First, the candidate must file a declaration with the FEC on the date of filing for the primary election that the candidate and the candidate's authorized committees will meet the limitations on spending in the primary, runoff, and general elections; will meet the limitation on expenditures from personal funds, and will not accept contributions for the primary and runoff elections that exceed the limits. Within 7 days of qualifying for the general election ballot or winning a primary or runoff election held after September 1 (whichever is earlier), the candidate must file a certification, under penalty of perjury, which states that the candidate has not exceeded the primary expenditure and contribution limits, the contribution threshold has been met, at least one other candidate has qualified for the general election, the candidate and the authorized committee will not exceed the contribution and expenditure limits for the general election.

A general election candidate who does not intend to become eligible for public benefits must file a declaration with the Commission stating whether the candidate intends to make expenditures which will exceed the general election spending limit. Additional reports are required of such a candidate after he or she raises or spends more than 75 percent of the spending limit. An additional report is required each time a non-participating candidate spends an additional 10 percent of the limit until 133⅓ percent of the limit is reached.

The system of public benefits provides a compensating payment to eligible candidates for independent expenditures when such expenditures exceed an aggregate of $10,000. So that eligible candidates would receive such funding in an efficient manner, the bill requires that when an individual or group makes or obligates to make an independent expenditure for a Senate election in excess of $10,000, they are required to file a report with the Commission within 24 hours and to file additional reports within 24 hours each time an additional expenditure exceeds an aggregate of $10,000. These reports must be filed under penalty of perjury with the Commission and the appropriate Secretary of State and identify the affected candidate.

Because the bill restricts the spending by a candidate of personal funds, the Senate bill requires that any candidate who expends more than $25,000 from personal or immediate family funds or by personal loan incurred by the candidate or the candidate's immediate family, must file a report with the Commission within 24 hours.

The bill requires that within seven days of becoming a Senate candidate, such candidate must file a statement with the Commission setting forth the amount and nature of any expenditures made before becoming a candidate which could be treated as a Senate campaign expenditure. The Commission is charged to review such a statement and determine whether such expenditures were made in connection with the Senatorial campaign and are thus subject to the applicable spending limit.

House amendment

No similar provision.

Conference substitute

The conference substitute follows the Senate bill with the modification for the filing of reports by non-participating candidates. The modified scheme of contingent benefits for a non-participating candidate requires a subsequent change in the reporting requirements. Non-participating candidates are required to file a report when they exceed the spending limits, and for each time that such a non-participating candidate exceeds the limits by 133⅓ and 166⅔ up to 200 percent of the limit.

SECTION 104. DISCLOSURE BY NONELIGIBLE CANDIDATES

Senate bill

Requires that any broadcast or other communication paid for or authorized by a non-eligible Senate candidate contain a disclaimer that such candidate has not agreed to abide by the spending limits.

House amendment

No similar provision.

Conference substitute

Adopts the Senate provision.

Subtitle B—Expenditure Limitations, Contribution Limitations, and Matching Funds for Eligible House of Representatives Candidates

SECTION 121. NEW TITLE OF THE FEDERAL ELECTION CAMPAIGN ACT OF 1971

Senate bill

No similar provision.

House amendment

The House amendment provides a voluntary spending limit for House candidates at $600,000 for the election cycle, no more than $500,000 of which can be spent during the general election period. The "general election period" is defined in the bill to begin the day after the primary and end the last day of the election year. Overall election cycle expenditures are subject to the $600,000 limit. A limit of $500,000 is also established for special elections.

Two specific increases are allowed to be made in the spending limit: (1) an additional $100,000 may be spent in the general election period in the event of a runoff election; and (2) an extra $150,000 may be spent in the general election period, if the candidate wins a contested primary with a margin of 10 percentage points or less.

In return for committing to abide by the applicable spending limits, certain benefits are made available to candidates. Enrollment is officially made in a "Statement of Participation" filed by the candidate with the Federal Election Commission and the Secretary of State in which state the candidate resides. This statement, in which the candidate irrevocably pledges to abide by the specified limits on spending and contributions (along with various compliance requirements) as a condition for receiving benefits, must be filed by January 31 of the federal election year or along with the official FEC statement of candidacy, whichever occurs later.

The House bill establishes a system of limits on the sources of contributions an eligible candidate may accept. The bill establishes limits of no more than ⅓ of receipts comes from PACs, and no more than ⅓ comes from large individual donations (defined as contributions from $200 to $1,000 per election). The remaining ⅓ may come from matching funds or small individual donations. Some of these targets are mandatory, whereas others are contingent upon a candidate's participation in the spending limit system. As with the expenditure limit, money raised for legal and accounting compliance costs and for paying federal and state taxes are exempt from the receipts limit (as well as from the PAC and large donor receipts limits discussed below). And just as the expenditure limit may be exceeded under specified circumstances, so too may the limit on contributions received, in parallel fashion. Candidates with runoff elections may raise an additional $100,000, with no more than half coming from PACs and no more than half from large donors.

Candidates who win closely contested primaries may raise an extra $150,000, with up to ⅓ from PACs, ⅓ from large donors, and ⅓ in additional matching funds.

Provision is also made for eligible candidates who transfer surpluses from one election cycle to the next. Up to $600,000 or the maximum cycle amount may be transferred, but that money is deducted from the $600,000 fundraising limit in the next cycle for purposes of determining the proportionate amounts which may then be raised from various sources. Once the transferred amount is subtracted, no more than ⅓ of the remaining figure may come from PACs, no more than ⅓ may come from large donors, and no more than ⅓ may come from matching funds.

Also, the penalties for raising money in excess of the contribution limits follow the same pattern as those for exceeding the expenditure limits, except that any amount raised that is less than 5% over the limit shall simply be refunded to contributors. This is to account for contributions which may be received in the closing weeks of a campaign, when the candidate is close to the permissible levels, but has not yet reached them. Because fundraising is an on-going process, and because contributions may be received unsolicited, the campaign is permitted a small excess to refund, rather than be subject to a civil penalty.

Matching funds will be available on a voluntary basis, to participating candidates, up to $200,000, or ⅓ of the overall campaign spending limit. The first payment would match the $60,000 eligibility threshold; thereafter, the first $200 of contributions from individuals will be matched, as applied for by candidates along with copies of checks or other negotiable instruments (which identify the contributor).

The $200,000 cap on matching funds received by a candidate (also indexed for inflation) may be increased under three circumstances: (1) by up to $50,000, if the general election spending limit was raised to offset a closely contested primary; (2) by an unspecified amount, if a candidate's non-participating opponent raises or spends more than $250,000 in the election cycle; and (3) by an unspecified amount, to offset at least $10,000 in independent expenditures made against the candidate or for his or her opponent.

Another benefit available to eligible candidates takes the form of reduced postal rates. Participating candidates in the general election will be eligible for the same third-class mailing rate that national political parties now receive. The number of pieces of mail will be limited to three times the voting age population (VAP) of that congressional district, presumably translating to three mailings to every voter.

The House bill provides that no eligible House candidate may receive amounts from the Make Democracy Work Fund unless such candidate certifies that any television commercial prepared or distributed by the candidate will be prepared in a manner containing or permitting close captioning.

Conference substitute

The conference agreement adopts the provisions of the House amendment to apply to the House, with the following changes:

1. In the Conference agreement, the House recedes to the Senate provision whereby eligible candidates with a runoff election may spend an additional 20% of the general election limit.

2. The Conference agreement omits the provision which would remove the spending limit for eligible House candidates if independent expenditures aggregating more than $60,000 are made in favor of another candidate, or against the eligible candidate.

3. Requires a non-participating candidate who makes expenditures in excess of 80 percent of the general election limit to report to the Federal Election Commission within 48 hours when such a threshold has been met. Moreover, a participating candidate may only make expenditures in excess of the $200,000 matching fund limit once the non-participating opponent has made expenditures in excess of 80% general election limit.

4. The Conference agreement changes the definition of low, medium, and large amounts of excess expenditures and contributions to be: less than 2.5%, between 2.5% and 5%, and over 5% respectively, and requires that such penalties shall be paid to the Commission. In addition, a corresponding modification is made with respect to the civil penalties section. This modification provides for a uniform schedule of civil penalties for both the Senate and House candidates who exceed the specified limits.

5. The House recedes to the Senate approach whereby indexing of expenditure and contribution limits would occur annually.

6. The Conference agreement provides that an eligible candidate may accept contributions for runoff elections equal to 20% of the general election limit, subject to further limitations of the House provision.

7. The Conference agreement limits the personal spending of participating House candidates to ten percent of the general election limit. This establishes a similar provision in the conference agreement as it relates to the Senate participating candidates.

8. The Conference agreement establishes a ceiling of 20% of the election cycle limit on the balance of the legal and accounting compliance account and further specifies that no benefits may be transferred to a separate legal and accounting fund. This account is permanently segregated and may not be transferred into the candidate's campaign account.

9. The Conference agreement omits the provision of the House bill which removes the aggregate contribution limits for eligible candidates if independent expenditures aggregating more than $60,000 are made in

favor of another candidate or against the eligible candidate.

10. The Conference agreement increases the small individual contribution amount to $250 or less.

11. The Conference agreement omits the provision establishing the Make Democracy Work Fund. This modification is consistent with the intent of the conferees to eliminate all provisions relating to the funding mechanism of the bill.

SECTION 122. LIMITATIONS ON POLITICAL COMMITTEE AND LARGE DONOR CONTRIBUTIONS THAT MAY BE ACCEPTED BY HOUSE OF REPRESENTATIVES CANDIDATES

Senate bill

No similar provision.

House amendment

The House amendment limits eligible candidates for the House of Representatives from receiving contributions from political action committees to $200,000. Moreover, this section limits the total contributions such a candidate may receive in individual contributions in excess of $200 to $200,000. In the case of an eligible candidate for the House who wins the primary by 10 percentage points or less, that candidate may, in the general election, accept contributions of no more than $150,000 (with $50,000 PAC limit and $50,000 large donor contributions).

Conference substitute

Adopts the House provision, with modification that the large donor threshold is $250.

SECTION 123. EXCESS FUNDS OF INCUMBENTS WHO ARE CANDIDATES FOR THE HOUSE OF REPRESENTATIVES

Senate bill

No similar provision.

House amendment

Provides that, for the initial election cycle for which the new limitations will apply, any incumbent of the House of Representatives who is a candidate for reelection, must deposit any campaign funds in excess of $600,000 into a separate account by the date he or she files a statement of participation under new section 502. This separate account must comply with the reporting requirements of the Federal Election Campaign Act of 1971. The amounts so deposited are available for any lawful use, other than for a campaign for the office of Representative.

Conference substitute

Adopts the House provision.

Subtitle C—General Provisions

SECTION 131. BROADCAST RATES AND PREEMPTION

Senate bill

Requires lowest unit rate to be available to all candidates in last 30 days before the primary and the last 45 days before the general election. This section also prohibits broadcasters from preempting advertisements sold to political candidates at lowest unit rate, unless beyond the broadcasters control.

House amendment

Identical provision.

Conference substitute

The Conference Agreement adopts the House provision as modified to provide that participating Senate candidates are permitted to purchase time at 50 percent of the lowest unit rate for the 45 days before the general election.

SECTION 132. EXTENSION OF REDUCED THIRD-CLASS MAILING RATES TO ELIGIBLE HOUSE OF REPRESENTATIVES AND SENATE CANDIDATES

Senate bill

Provides that eligible Senate candidates can mail first class mail at one-fourth the normal rate, and third-class mail at 2 cents less than the reduced first-class rate, with the candidate's share up to 5 percent of the general election limit.

House amendment

Provides that eligible House candidates can mail up to 3 pieces per eligible voter in district at same reduced third-class rate as national party committees.

Conference substitute

Eligible Senate and House candidates will be permitted to mail up to one piece per eligible voter (voting age population) at lowest third-class non-profit rate. This rate is available to eligible candidates during the general election period only.

SECTION 133. REPORTING REQUIREMENTS FOR CERTAIN INDEPENDENT EXPENDITURES

Senate bill

Section 304A(b) of the Senate bill requires persons, whether alone or in cooperation with others, who make or obligate to make independent expenditures for Senate elections in excess of $10,000, to report to the Secretary of Senate within 24 hours, and to file additional reports within 24 hours of each time the additional aggregate in such expenditures exceeds $10,000. Each report must identify the affected candidate. Within 24 hours of receiving a report of such independent expenditures, the Commission is required to notify each eligible candidate of independent expenditures in excess of $10,000 made against them of in favor of their opponent. The Commission is authorized to make its own findings regarding independent expenditures and is required to give the affected candidates notice of its findings.

House amendment

Section 402 of the House amendment requires any person who makes independent expenditures aggregating $5,000 to report to the Commission such independent expenditure within 48 hours after it is made and to file additional reports within 48 hours of each time an additional $5,000 in independent expenditures are made with respect to the same election. The term "made" means any action taken to incur an obligation for payment. Each report must indicate whether the expenditure is in support of or opposition to the candidate involved. Within 48 hours of receiving a report of such independent expenditures, the Commission is required to transmit a copy of such report to the candidate involved.

The House amendment also requires any person intending to make independent expenditures in the 20 days before an election to file a statement on the 20th day before the election. The statement must identify the candidate involved. Within 48 hours after receipt, the Commission must transmit a copy of the report to the candidate involved.

Conference substitute

The Conference agreement is the same as the House amendment, with the following modifications:

1. The threshold for filing the aggregate independent expenditure reports during the election cycle up to 20 days before an election is $10,000, as contained in the Senate bill. The pre-election report of independent expenditures filed on the 20th day before an election is still triggered at a $5,000 threshold.

2. The reports required by these sections shall be filed with the Secretary of Senate, Clerk of the House and the appropriate Secretary of State, depending upon the candidate involved. It is the conferees understanding that the Secretary of State and the Clerk of the House, operating under current resource levels, are sufficiently able to transmit copies of all reports to the Commission in a period of two to four hours. This will enable the Commission to meet its transmission requirements.

3. As contained in the Senate bill, the Commission is authorized to make its own findings regarding independent expenditures and is required to give the affected candidate notice of its findings.

SECTION 134. CAMPAIGN ADVERTISING

Senate bill

Requires candidates to clearly state that he or she approved any message, through a personal appearance for television advertisements, an audio statement for radio advertising, or a written statement for print advertisements. This disclaimer must also state that the advertisement was paid for and authorized by the candidate.

House amendment

Requires a clear statement of responsibility in advertisements with: a clearly readable type and color contrasts for print advertisements; clearly readable type, color contrasts, the candidate's image, and for a duration of at least 4 seconds, for television advertisements; and a clearly spoken message by the candidate for both television and radio advertisements.

Conference substitute

Adopts the House amendment.

SECTION 135. DEFINITIONS

Senate bill

The Senate bill defines the terms "eligible candidate," "Senate Election Campaign Fund," "Fund," "general election," "general election period," "immediate family," "major party," "primary election," "primary election period," "runoff election," "runoff election period," "voting age population," and "expenditure" and incorporates by reference all other definitions in Section 301 of the Act.

House amendment

The House bill defines the terms "eligible House of Representatives candidate," "general election period," and "election cycle."

Conference substitute

The conference agreement adopts the Senate bill with the following modifications:

1. The provisions of the Senate bill defining the Senate Election Campaign Fund are deleted, consistent with the conferees intent to eliminate all provisions relating to the funding mechanism of the bill.

2. Adopts appropriate definitions as they relate to the House system.

3. Section 301(13) of the FECA (2 U.S.C. 431(13)) is amended by striking "mailing address" and inserting "permanent mailing address." The conferees believe that the reporting requirement of a contributor's address should be revised in the interest of better disclosure of relevant information on reports. Experience since the 1980 amendments that permitted the reporting of a contributor's mailing address has shown that the use of permanent mailing address more accurately identifies an individual. It is the intent of the conferees that the "permanent mailing address" is the permanent residence of the individual.

SECTION 136. PROVISIONS RELATING TO FRANKED MASS MAILINGS

Senate bill

Prohibits a Member of the Senate who is a candidate for election to any public office from making a mass mailing under the frank during the calendar year of any primary or general election for such office.

House amendment

No similar provision.

Conference substitute

The conference agreement adopts the Senate provision as it applies to the Senate. This section is modified to include a provision restricting mass mailings of Members of the House of Representatives to their district.

TITLE II—INDEPENDENT EXPENDITURES

SECTION 201. CLARIFICATION OF DEFINITIONS RELATING TO INDEPENDENT EXPENDITURES

Senate bill

Section 201(a) of the Senate bill adds the term "cooperative expenditure" to 2 U.S.C. 431(8) and states that an independent expenditure cannot include a cooperative expenditure, the latter being treated as a contribution from the person making the expenditure to the candidate on whose behalf it was made and as an expenditure by the candidate for whose benefit it was made.

Section 201(b) defines "cooperative expenditure" to specify certain relationships and activities between candidates and committees or other persons that constitute coordination, consultation or concerted activity between the parties and which do not constitute a relationship of sufficient independence to permit unlimited spending for or against a candidate.

House amendment

Section 401(a) of the House amendment amends the definition of "independent expenditure" contained at 2 U.S.C. 431(17) to include communications which contain express advocacy and are made without the participation or cooperation of a candidate. The definition excludes expenditures by political parties, political committees established, maintained or controlled by persons or organizations required to register as lobbyists or foreign agents, or persons who communicate or receive information regarding activities that have a purpose of influencing the candidate's election, from being considered independent expenditures.

Section 401(a) of the House amendment also adds the definition of "express advocacy" to 2 U.S.C. 431 to mean a communication that, when taken as a whole, is an expression of support for or opposition to a specific candidate, a specific group of candidates, or candidates of a particular political party, or a suggestion to take action with respect to an election, such as to vote for or against, make contributions to, or participate in campaign activity.

Conference substitute

The Conference agreement is the same as the House amendment, with the addition of the provisions of the Senate bill that set forth certain relationships and activities that result in expenditures which may not be considered independent. Consequently, the Conference agreement does not create a new class of expenditures, i.e., cooperative expenditures, but, rather, includes among the prohibitions contained in the House amendment, a number of specific types of relationships and activities which would abrogate the independence of an individual or organization.

The Conferees also agreed as to the importance of clarifying what is an independent expenditure by defining express advocacy. Among the problems recognized by the Conferees are communications which are candidate specific, but which lack specific words of exhortation, such as "vote for" or "vote against". The definition contained in the Conference agreement is intended to adopt the standard set forth in *FEC* v. *Furgatch*, 807 F.2d 857 (9th Cir., 1987) that no specific word is required for express advocacy, but, rather, a clear and unambiguous suggestion to take action is sufficient. In addition, the communication should be "taken as a whole," that is, reference, though limited, may be given to external events, such as the timing and context of the communication, as well as its content, in determining whether it contains express advocacy.0

TITLE III—EXPENDITURES

Subtitle A—Personal Loans; Credit

SECTION 301. PERSONAL CONTRIBUTIONS AND LOANS

Senate bill

Section 211 amends 2 U.S.C. 441a to prohibit contributions received after the general election from being used to repay loans from a candidate or immediate family member. No contribution may be returned to a candidate or immediate family member except as part of a pro rata distribution of excess funds to all contributors.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision.

SECTION 302. EXTENSIONS OF CREDIT

Senate bill

The Senate bill amended the Act to count as a contribution any extension of credit of more than $1,000 for more than 60 days to Senate candidates by vendors of advertising and mass mailing services. This was intended to put an end to the practice of large vendor debts which remain unpaid for long periods of time and which are thus construed to have been contributions (in amounts which exceed the Act's limits).

House amendment

No similar provision.

Adopts the Senate provision modified to apply to both House and Senate candidates.

Subtitle B—Provisions Relating to Soft Money of Political Parties

Senate bill

The Senate bill includes several provisions to limit the use of nonfederal funds that affect federal elections. Political party committees would be prohibited from using soft money for any activities that affect a federal election, including get-out-the-vote activities, voter registration, and generic and mixed election activities that are during a federal election period. In addition, state and local party committee spending on mixed Federal-State activities would be subject to overall limits of 30 cents per voter.

State party contribution limits would be increased to the amount permitted to national parties. Federal office holders and candidates would be prohibited from soliciting contributions in excess of the federal limits and from sources not permitted under federal law. The exemptions for contributions and expenditures in current law that permit unlimited State party spending for "volunteer activities" that affect a federal election and for get-out-the-vote and voter registration for Presidential elections would be repealed. These exemptions would be replaced by a general four cents per voter coordinated expenditure allowance for Presidential elections. (This is indexed for inflation back to 1974 and is approximately 10 cents per voter in 1992 dollars.) Slate cards and sample ballots would continue to be treated as exempt activities except to the extent of the cost of mass mailing such listings.

House amendment

The House bill codifies existing rules established by the Federal Election Commission that require an allocation between federal and nonfederal accounts for spending that affects both federal and nonfederal elections. This includes spending on slate cards, sample ballots, voter registration, get-out-the-vote, fundraising and other generic and mixed activities which affect both federal and nonfederal elections. The bill establishes methods for allocating such costs depending on whether the national or state and local committees makes the expenditure and depending on what type of expenditure is made.

Conference substitute

The conference agreement adopts the Senate bill with certain modifications and clarifications regarding the responsibility and the role of state party committees and nonfederal candidates.

The conference agreement fully reflects the Senate intention to deal with what is perhaps the most serious abuse of the present system—the process of raising large sums of money not regulated under federal law to affect federal elections. This use of so-called "soft money" has seriously undermined existing anti-corruption laws and strained public confidence in the fairness of the electoral process and the integrity of government.

The soft money provisions of the conference agreement are intended to end the current practice of using large sums of nonfederal money to evade the federal contribution limits and prohibitions in order to affect federal elections. These provisions are designed to prohibit the use of soft money for activities which may, in whole or in part, affect a federal election. Moreover, the conference agreement requires that expenditures on these activities derive solely from sources that are permitted under federal law. This is the only way to ensure that the integrity of federal contribution limits and prohibitions is protected.

To this end, the conference report requires that all money solicited, contributed or spent with respect to an activity which in whole or in part is in connection with a federal election meets the limitations, prohibitions, and reporting requirements of the Act.

In adopting final conference language, it is the intention of the conferees to ensure that only contributions subject to the limitations and prohibitions of the Act may be used by state parties to conduct activities that affect federal elections—such as any get-out-the-vote drive during a federal election period, or generic or mixed activities which affect federal elections. All such activities must be, and have been, included in order to ensure that the soft money ban is effective. If, for example, a get-out-the-vote drive by a state party committees were conducted in the name of a gubernatorial candidate at a time when other, federal candidates were also on the ballot and this was not covered, the entire system of soft money in support of federal candidates would simply flow through this channel.

The state party activities which are exempt from the Act, as amended by the conference agreement, may not be used to evade federal contribution limits and prohibitions. The exemptions provided are only available for any activity which affects a nonfederal election.

For example, the exemption for "amounts contributed [by a state party] to a candidate for other than federal office" only applies to contributions to a non-federal candidate which are used on activities that affect non-federal candidates. The exemption does not permit a non-federal candidate to serve as a conduit for receiving contributions which are then used for activities to benefit a federal candidate, such as a get-out-the-vote drive or generic advertising.

Similarly, the exemption that allows state parties to make expenditures for "campaign activities . . . that are exclusively on behalf of State or local candidates" cannot be used as a vehicle for expenditures by a state party which are used for *any kind* of get-out-the-vote activities (or any other activity) which affects a federal election, in whole or in part. The conference report specifically requires that if these activities, including get-out-the-vote activity of any kind, affects a federal election, the exemption would not apply and the activity would have to be financed with contributions which fully meet the limitations and prohibitions of the federal law.

The conference agreement prohibits state party committees from evading the contribution limits of federal law by using nonfederal money for get-out-the-vote activities for nonfederal candidates, recognizing that such activities may be undertaken with the real intention of aiding federal candidates. However, this would not prohibit the use of nonfederal money for written campaign materials, such as slate cards or brochures that support only specifically named nonfederal candidates, that have only an incidental effect on voting for the entire ticket, and that are not devices to use nonfederal money to assist federal candidates.

The exemption for state party administrative costs is meant to include those staff, overhead and related costs which are directly related to the support of state candidates or conventions. Staff who devote substantial portions of their activities to elections for federal office must be financed solely with funds which meet the contribution limits and prohibitions of the Act. State party administrative expenses may not be used to finance federally-related activities.

Under the conference agreement, national party committees may spend nonfederal money to support activities which are defined as not in connection with a federal election. National party committees are prohibited from raising or spending nonfederal money for any activity which in whole or in part affects a federal election.

While the conferees intend to put an end to the practice of using soft money to affect federal elections, they do not wish to interfere with the legitimate responsibilities of state party committees to help organize and coordinate election efforts for both federal and nonfederal candidates. Therefore, the conference report includes modifications to the Senate provisions to clarify the means by which state parties may operate coordinated campaigns between federal and nonfederal candidates.

These provisions permit state and local candidate committees to participate in coordinated campaign efforts sponsored by state party committees so long as the amounts received from the state and local candidate committees are derived from funds which are legal under federal law; that is, they are from sources and in amounts permitted under the Act. This is determined by examining the account balance of the state or local candidate committee at the time the payment or transfer is made. The balance shall be considered to consist of the funds most recently received by the committee for purposes of determining that the source and amount restrictions of federal law are met.

The state and local candidate committee must certify that such funds meet those requirements. However, the certification does not create a presumption that such funds meet the source and amount restrictions of federal law. State and local candidate committees, which make payments to state party committees for activities which in whole or in part affect federal elections, must keep records of the sources of the funds in their accounts from which the payments are made and be prepared to make such records available for examination to the Federal Election Commission.

The conferees are aware that coordinated campaign efforts between federal and nonfederal candidates can be organized and funded in many different ways. In some cases, coordinated campaigns may be informal arrangements where federal and nonfederal candidates appear together on campaign materials. In other cases, formal arrangements are made for the pooling of funds to be spent on a variety of activities to promote the election of federal and nonfederal candidates.

In some cases, candidates may wish to raise funds directly for the political party to fund a coordinated campaign. In other cases, candidates may make contributions to the party or may make payments to the party committee or to a vendor for the services provided to the campaign. In none of these cases are soft money funds allowed to be used for expenditures that may affect a federal election.

The conference agreement does not provide a detailed statutory framework to cover every conceivable arrangement of coordinated campaigns. Rather, the conference agreement is drafted in sufficiently broad language to cover varying arrangements for state party activities that affect federal elections. It is the intent of the conferees, as expressly stated in the conference agreement, that the Federal Election Commission promulgate regulations to ensure that the provisions of this section are not undermined or evaded through devises or arrangements which have the purpose or effect of avoiding the soft money restrictions.

In the past, campaign finance laws has been undermined by schemes that have been developed to avoid the limitations and prohibitions of the Act. The FEC should develop more elaborate accounting or reporting requirements to ensure the law is not evaded by candidates with more substantial financial resources such as state wide candidates or those with larger campaign operations.

The conferees are advised that some state and local candidate committees will make payments unrelated to any coordinated campaign for services such as voting lists which in part affect federal elections. The conferees do not require that such payments must meet the source and amount restrictions of the Act as long as such funds are in payment for services unrelated to a coordinated campaign with federal candidates or for activities that affect a federal election. Such funds will retain their character as nonfederal money in the accounts of the state party committee.

The conference agreement repeals provisions in current law which exempt certain campaign materials and presidential get-out-the-vote activities by state and local party committees from the definition of expenditure. These so-called "exempt activities" provisions have proven to be vehicles for the evasion of the contribution and coordinated expenditure limits of the law. Because of the varied fact patterns that can apply to such activities, this has been a difficult area of the law for the FEC to enforce. Party committees have claimed to have satisfied the "volunteer" aspect of these provisions simply by having a few volunteers stamp preprinted, pre-sorted mass mailings. Extremely complex accounting has been required to ascertain if national party funds are being used in part or in whole.

In place of these exempt activities provisions, the conference agreement gives state party committees their own coordinated expenditure allowance of four cents per voting age population (actually approximately ten cents per voter because this is indexed for inflation back to 1974) to correspond to other coordinated expenditure allowances in Act. The Senate bill is modified to limit this new coordinated expenditure allowance to expenditures other than television broadcasts.

The conference agreement deletes the Senate provision limiting the ability of political party committees to transfer federally permissible funds. The definition of "federal election period" for purposes of determining whether certain expenditures affect a federal election is modified to provide a uniform rule among states regardless of when their primary begins. Under the conference agreement, the "federal election period" will begin on April 1 in years when there is a presidential election, and on June 1 in nonpresidential election years.

TITLE IV—CONTRIBUTIONS

SECTION 401. CONTRIBUTIONS THROUGH INTERMEDIARIES AND CONDUITS

Senate bill

Contributions made through an intermediary or conduit, including contributions made or arranged to be made by an intermediary or conduit, would be limited to the contribution limit of the intermediary or conduit. In general, political committees; connected organizations; and their officers, employees and agents; as well as lobbyists, would be prohibited from acting as conduits or intermediaries of contributions to candidates except to the extent such contributions do not exceed the contribution limit of the conduit or intermediary. An officer, employee, or agent of an organization prohibited from making contributions under federal law (corporation, labor organization, or national bank) would be prohibited from serving as a conduit on behalf of the organization in excess of the contribution limit of the officer, employee, or agent. These rules would not prohibit bona fide joint fundraising efforts undertaken by candidates and party committees.

House amendment

Contributions through a conduit or intermediary would be prohibited, however, certain persons would not be considered to be a conduit or intermediary, including: a candidate or representative of a candidate; a professional fundraiser providing paid services to the candidate; a volunteer hosting a fundraising event at the volunteer's home; an individual transmitting contributions from the individual's spouse. For these purposes, the following cannot be a representative of a candidate: a political committee with a connected organization; a political party; a partnership or sole proprietorship, or an organization prohibited from making contributions under federal law, i.e. a corporation, labor organization, or national bank.

Conference substitute

The conference agreement follows the Senate bill with certain modifications taken from the House bill to clarify the reach of the provisions.

The intent of these provisions is to stop evasion of the contribution limits and prohibitions of current law whereby political committees, individuals, and others solicit individual campaign contributions and then bundle the contributions together or otherwise arrange for the candidate to receive the contributions in a way which allows them to be recognized as providing the contributions. In the case of a PAC, for example, this means that contributions are organized and provided by the PAC in excess of its contribution limits in a way that makes clear that the PAC is responsible for the contributions being made.

The purpose of the contribution limits and prohibitions of current law is to prevent corruption and the appearance of corruption. The bundling provisions in the conference report are designed to prevent the existing contribution limits and prohibitions from being evaded and undermined.

The conference agreement limits bundling by lobbyists; partnerships and sole proprietorships; organization prohibited from making contributions under federal law and their officers, employees or agents acting on the organization's behalf; and individuals who are agents, employees, or officers of a political party or connected political committee.

In general, the bundling provisions are not intended to interfere with the ability of federal candidates to raise campaign funds from persons who do not present problems of corruption or the appearance of corruption. Therefore, the conference agreement does not cover individuals acting in their own capacity (other than registered lobbyists to whom special provisions apply) unless they are engaging in such efforts on behalf of another entity covered by federal contribution limits and prohibitions.

For example, the bundling provisions do not apply to individuals serving as volunteers helping raise campaign funds for candidates through fundraising receptions or by other methods. So that there is no confusion about the reach of these provisions, the conferees have adopted specific clarifications from the House bill providing that the bundling restrictions do not apply to the following: a volunteer hosting a fundraising even at the volunteer's home; representatives of the candidate occupying a significant position in the campaign, professional fundraisers working for the candidate, and individuals transmitting a contribution from the individual's spouse.

If an individual in raising contributions for a candidate for federal office is acting in behalf of another entity covered by federal campaign limits and prohibitions, such as assisting a PAC or political party in making contributions in excess of its limit, then the contributions would be treated as coming from the PAC or political party as well as the original donor, in order to prevent evasion of the law.

Persons required to register as lobbyists or foreign agents would also be required to treat contributions they bundled for a federal candidate against their own contribution limit. The purpose of this provision is to ensure that lobbyists are not able to evade their contribution limits and use large sums of money beyond that which they are otherwise permitted to contribute to obtain influence with government officials.

SECTION 402. CONTRIBUTIONS BY DEPENDENTS NOT OF VOTING AGE

Senate bill

Section 223 of the Senate bill amends section 315 of the Act of count contributions of non-voting age dependents of another individual as contributions of that individual, and allocated between that individual and his or her spouse, if applicable. This was intended to prevent wealthy individuals from circumventing the Act's contribution limits by channeling donations through their children.

House amendment

Section 202 of the House bill contains the identical provision.

Conference substitute

The conference substitute is the same as the Senate and the House provisions.

SECTION 403. CONTRIBUTIONS TO CANDIDATES FROM STATE AND LOCAL COMMITTEES OF POLITICAL PARTIES TO BE AGGREGATED

Senate bill

No provision.

House amendment

The House amendment includes a provision to assure that candidates do not receive contributions from state and local party committees in excess of the limit. Since the amount a candidate can receive from all such committees is subject to a single limit, aggregation by all such committees is required and the candidate may not accept any contribution from any such party committee if that contribution when aggregated with all other contributions will exceed the overall limit.

Conference substitute

Adopts the House provision.

SECTION 404. LIMITED EXCLUSION OF ADVANCES BY CAMPAIGN WORKERS FROM THE DEFINITION OF THE TERM "CONTRIBUTION"

Senate bill

No provision.

House amendment

Provides for an exemption from the definition of the term "contribution" for any campaign expense voluntarily paid for by a campaign worker as an advance to the campaign provided the amount did not exceed $1,000 and that repayment was made by the campaign to the worker within 60 days of the date of the advance.

Conference substitute

Adopts the House provision with a modification of the amount to $500 and the period of the advance reduced to 10 days.

TITLE V—REPORTING REQUIREMENTS

SECTION 501. CHANGE IN CERTAIN REPORTING FROM A CALENDAR YEAR BASIS TO AN ELECTION CYCLE BASIS

Senate bill

Section 231(a) of the Senate bill amended section 304(b) of the Act to require candidates and authorized committees to aggregate information on their financial activity reports on an election cycle, rather than a calendar year, basis. This was intended to make reports conform to the way we actually conduct and think of elections today, rather than attempt to fit them into the artificial boundaries of the calendar.

House amendment

Similar provision.

Conference substitute

Adopts the House provision, applied to all Federal candidates.

SECTION 502. PERSONAL AND CONSULTING SERVICES

Senate bill

Section 231(b) of the Senate bill requires candidates to report any expenditure in excess of the reporting threshold made to a person who provides services or materials for the candidate, whether the payment was made directly or indirectly. This provision was intended to provide for the identification of subcontractors, or secondary payees, who are hired by campaign consultants to perform specific services for campaigns and thus to achieve fuller disclosure under the Act.

House amendment

No provision.

Conference substitute

The conference substitute is the same as the Senate bill.

SECTION 503. REDUCTION IN THRESHOLD FOR REPORTING OF CERTAIN INFORMATION BY PERSONS OTHER THAN POLITICAL COMMITTEES

Senate bill

No provision.

House amendment

Section 1001 of the House bill amended section 304(b)(3)(A) of the Act to require candidates to itemize contributions of over $50, rather than the current threshold of $200. This was intended to increase the amount of information which may be publicly available.

Conference substitute

Adopts the House provision.

SECTION 504. COMPUTERIZED INDICES OF CONTRIBUTIONS

Senate bill

No provision.

House amendment

Section 1004 of the House bill amended section 311(a) of the Act to require the FEC to maintain computerized indices of all contributions of at least $50, reduced from the current threshold of $200. This was intended to facilitate public access to the greater amount of information required to be disclosed under this legislation.

Conference substitute

Adopts the House provision.

TITLE VI—FEDERAL ELECTION COMMISSION

SECTION 601. USE OF CANDIDATES' NAMES

Senate bill

Section 301 of the Senate bill amended section 302(e)(4) of the Act to prohibit a political committee that is not an authorized committee from using a candidate's name in a way to suggest that the committee has been authorized by that candidate.

House amendment

Section 602 of the House bill contains a virtually identical provision.

Conference substitute

Adopts the House amendment.

SECTION 602. REPORTING REQUIREMENTS

Senate bill

Section 302(a) of the Senate bill allows candidate committees to file disclosure reports on a monthly basis in all years.

House amendment

No provision.

Conference substitute

Adopts the Senate provision.

SECTIONS 603–8. OTHER PROVISIONS RELATING TO THE COMMISSION

Senate bill

Several provisions would effect several substantive and procedural changes in the activity of the Commission.

The Senate was concerned with perceived inefficiency in the ability of the Federal Election Commission, as currently constituted, to enforce the law in an efficient and effective manner. The problem stems partly from partisan deadlock on a Commission which is made up of an equal number of individuals from each of the major parties. The bill would change the current requirement that the Commission have four affirmative votes to proceed on a recommendation of the general counsel to an affirmative vote of three members of the Commission. Under the provisions of the bill, the Commission could proceed to a finding of "reason to believe," to initiate or proceed with an investigation, the requirement for the production of documentary evidence, or to order and conduct testimony by three affirmative votes on a recommendation of the General Counsel.

S. 3 also took steps to remedy the unnecessarily lengthy amount of time in which it takes the Commission to resolve enforcement matters. Under the provision of the Act, the Commission is required to make a finding of "reason to believe" that a violation has occurred. This standard produces dual inefficiencies: (1) it requires extensive staff time of the Commission's general counsel to process the complaint, and (2) candidates, against whom a complaint is filled, are unwilling to proceed to conciliation of a complaint because the Commission's finding of reason to believe that a violation has occurred creates the impression that the candidates has in fact violated the laws. To remedy these problems, the bill makes the reason to believe finding one in which there is reason to believe that a violation *may have* occurred. The rationale being that this lesser standard creates a less stigmatizing allegation of wrongdoing, and therefore will make candidates accused of wrongdoing more likely to conciliate a complaint and resolve the matter in a more efficient manner.

In an effort to further expedite the process, S.3 reduces the time period for the Commission to correct apparent violations through conciliation.

The bill also restores authority to the Commission to conduct random audits random audits of political committees.

The bill would also establish the rate of pay for the general counsel to be the same as the staff director and further provides, that in the event of a vacancy in the position of the general counsel, the next highest ranking enforcement official shall serve as acting general counsel, pending the appointment of a successor.

House amendment

No similar provisions.

Conference substitute

Adopts the Senate bill with the following modifications:

1. The conference agreement eliminates the provision which would have permitted the Commission to proceed on certain prescribed recommendations of the general counsel by 3 affirmative votes. The conferees expressed concern that such a policy on an evenly divided politically oriented Commission might create an unreasonable number of inquiries. Further, such a policy may not adequately protect the rights of one being subjected to the process.

2. The conference agreement eliminates the provisions of the Senate bill which would have reduced the conciliation periods for enforcement matters. The conferees believe that the periods for conciliation in S.3 would not produce an adequate amount of time for the full benefits of conciliation to be realized.

TITLE VII—BALLOT INITIATIVE COMMITTEES

SECTION 701. DEFINITIONS RELATING TO BALLOT INITIATIVES

Senate bill

No similar provision.

House amendment

Defines the terms "ballot initiative political committee," "ballot initiative contribution" and "ballot initiative expenditure." A ballot initiative political committee is any committee, club, association, or other group of persons which makes ballot initiative expenditures or receives ballot initiative contributions in excess of $1,000 during a calendar year. A ballot initiative contribution is any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing the outcome of any referendum or other ballot initiative voted on at the State, commonwealth, territory, or District of Columbia level which involves (A) interstate commerce; (B) the election of candidates for Federal office and the permissible terms of those so elected; (C) Federal taxation of individuals, corporations or other entities; or (D) the regulation of speech or press, or any other right guaranteed under the U.S. Constitution. The definition of ballot initiative expenditure parallels the definition of ballot initiative contribution.

Conference substitute

Adopt the House provision.

SECTION 702. AMENDMENT TO DEFINITION OF CONTRIBUTION

Senate bill

No similar provision.

House amendment

Amends the definition of "contribution" under the Act to exclude ballot initiative contributions.

Conference substitute

Adopts the House amendment.

SECTION 703. AMENDMENT TO DEFINITION OF EXPENDITURE

Senate bill

No similar provision.

House amendment

Amends the definition of "expenditure" under the Act to exclude ballot initiative expenditures.

Conference substitute

Adopts the House provision.

SECTION 704. ORGANIZATION OF BALLOT INITIATIVE COMMITTEES

Senate bill

No similar provision.

House amendment

Amends provisions of the Act pertaining to the organization of political committees to make them applicable to ballot initiative political committees.

Conference substitute

Adopts the House amendment.

SECTION 705. BALLOT INITIATIVE COMMITTEE REPORTING REQUIREMENTS

Senate bill

No similar provision.

House amendment

Amends provisions of the Act pertaining to political committee reporting requirements to make them applicable to ballot initiative political committees.

Conference substitute

Adopts the House amendment.

SECTION 706. ENFORCEMENT AMENDMENT.

Senate bill

No similar provision.

House amendment

Provides that the civil penalties of the Act shall apply to the organizational, recordkeeping and reporting requirements of a ballot initiative political committee.

Conference substitute

Adopts the House provision.

SECTION 707. PROHIBITION OF CONTRIBUTIONS IN THE NAME OF ANOTHER.

Senate bill

No similar provision.

House amendment

Provides that no person shall make a ballot initiative political contribution in the name of another person, and that no person shall knowingly accept a ballot initiative political committee contribution made by one person in the name of another.

Conference substitute

Adopts the House amendment.

SECTION 708. LIMITATION ON CONTRIBUTION OF CURRENCY

Senate bill

No similar provision.

House amendment

Provides that no person shall make a ballot initiative contributions of currency which, in the aggregate, exceed $100.

Conference substitute

Adopts the House amendment.

TITLE VIII—MISCELLANEOUS

SECTION 801. PROHIBITION OF LEADERSHIP COMMITTEES

Senate bill

Section 401 prohibits Federal candidates or officeholders from establishing, maintaining, or controlling a political committee, other than an authorized candidate committee or party committee.

House amendment

Section 601 prohibits a candidate for Federal office from establishing, maintaining or controlling any political committee other than a principal campaign committee, authorized committee, party committee, or joint fundraising committee. One year after the effective date of this Act, leadership committees must have disposed of their funds by giving them to charity, to the Treasury, to political parties, or to candidates subject to a $1,000 limitation per candidate.

Conference substitute

Adopts House amendment with modification to apply prohibition to a Federal officeholder as in Senate bill.

SECTION 802. POLLING DATA CONTRIBUTED TO CANDIDATES

Senate bill

Section 402 provides that contributions of polling data to Senate candidates be valued at fair market value on the date of the poll's completion, and depreciated at a rate of no more than 1% a day from the completion to the transmittal of the data.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision applicable to all Federal candidates.

SECTION 803. DEBATES BY GENERAL ELECTION CANDIDATES WHO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND

Senate bill

Section 406 establishes that in order for general election candidates for President to be eligible to receive public financing they must agree in writing to participate in at least 4 debates; candidates for Vice President must participate in at least 1 debate. If the Commission determines that such candidates have failed to participate in a debate, the candidate shall be ineligible to receive payments from the Presidential Election Campaign Fund and pay to the Treasury an amount equal to the amount of payments made.

House amendment

No similar provision.

Conference substitute

Adopts Senate provision.

SECTION 804. PROHIBITION OF CERTAIN ELECTION-RELATED ACTIVITIES OF FOREIGN NATIONALS

Senate bill

Section 410 of the Senate bill sought to curb the influence of foreign nationals in the U.S. electoral process, beginning with a statement of Congress' intent that such participation is to be prohibited. It amended section 319 of the Act, extending the prohibition on contributions by foreign nationals to cover any influence in directing, dictating, controlling, or participating in (even indirectly) any persons' or committee's decision making concerning contributions or expenditures in any election. It further required political action committees to state in solicitations that foreign nationals may not contribute and to certify to the FEC that foreign nationals did not participate in any decision making.

House amendment

Section 603 of the House bill amended section 319 of the Act to extend the prohibition on contributions by foreign nationals to cover any influence in directing, dictating, controlling, or participating in any person's election-related activities, such as making contributions or administering a political action committee.

Conference substitute

The conference substitute includes the House provision prohibiting influence by foreign nationals in any person's or committee's decisions regarding contributions and expenditures. It also includes the Senate solicitation requirement for PACs, but it deletes the Senate bill's FEC certification requirement and its statement of findings. It was felt that the conference substitute will adequately protect the political process from undue foreign influence, such as that perceived by some in a time of foreign ownership of many American corporations, while still safeguarding the political rights of employees of such businesses.

SECTION 805. AMENDMENT TO FECA SECTION 316

Senate bill

No provision.

House amendment

Permits union and corporate expenditures for candidate appearances, debates and voter guides as exempt from prohibition on corporate and union contributions and expenditures in Federal elections if certain conditions are met that are intended to assure that there is no express advocacy or favoritism through the structure or format of the activity.

Conference substitute

Adopts House amendment.

SECTION 806. TELEPHONE VOTING BY PERSONS WITH DISABILITIES

Senate bill

Section 501 requires the Commission to conduct a feasibility study on the development of telephonic voting for persons with disabilities. This would not supersede or supplant efforts by State or local officials from making polling places physically accessible to persons with disabilities. The Commission is required to file a report to the Congress within one year following the enactment of this Act.

House amendment

No similar provision.

Conference substitute

Adopts Senate bill provision.

SECTION 807. PROHIBITION OF USE OF GOVERNMENT AIRCRAFT IN CONNECTION WITH ELECTIONS FOR FEDERAL OFFICE

Senate bill

No provision.

House amendment

Provision would limit use of government aircraft in connection with a Federal election to the President and Vice President, and require that the government be reimbursed for actual cost of that portion of the use allocable to political activities and require full disclosure of the costs and the amount paid.

Conference substitute

Adopts the House provision.

SECTION 808. SENSE OF THE CONGRESS

Senate bill

No provision.

House amendment

Section 1301 of the House bill stated the sense of the Congress that it should consider legislation to provide for a constitutional amendment providing for limitations on Federal election expenditures. This was intended to allow Congress greater latitude in this area, in view of the restrictions imposed by the Supreme Court's 1976 ruling in *Buckley* v. *Valeo*.

Conference substitute

Adopts the House provision.

TITLE IX—EFFECTIVE DATES; AUTHORIZATIONS

SECTION 901. EFFECTIVE DATE

Senate bill

Provides that the Act, except as specifically provided elsewhere, should take effect on the date of enactment of the Act, but should not apply to any activities in connection with any election occurring before January 1, 1993.

House amendment

Similar provision.

Conference substitute

Conference agreement provides the Act, except as specifically provided elsewhere, should take effect on the date of enactment of the Act, but should not apply to any activities in connection with any election occurring before January 1, 1993. Moreover, the conferees have adopted section 902 which supersedes language in S. 3 and the House amendment that enacted various effective dates that were contingent upon different funding mechanisms. The approach of the Conference agreement establishes that the effective date of the provisions of the Act is the latter of Section 901 or the date of enactment of subsequent legislation as specified in Section 902.

SECTION 902. BUDGET NEUTRALITY

Senate bill

The Senate bill included Senate Amendment 244 which expressed the "Sense of the Senate" that funding for any benefits to candidates provided under the legislation is to be derived from removing the subsidy for political action committees with regard to their contributions and for other organizations with regard to their lobbying activities. The latter envisioned curtailing section 162(e) of the Internal Revenue Code, allowing for a deduction against federal income tax liability of certain expenses to lobby the federal government for changes in federal laws and regulations. Under the Senate's construction, deductions would be denied to businesses for amounts incurred directly or paid to lobbying firms for a purpose other than that which would have direct impact on the business of that person. Lobbying firms could continue to deduct expenses incurred in representing clients before the Congress and Federal agencies. The Joint Committee on Taxation provided an estimate that enactment of this provision would raise federal budget receipts by $500 million over the Fiscal Year 1992 to 1996 period.

It was also the Sense of the Senate that benefits would not be paid for by increasing revenues, reducing federal programs, or in any way increasing the federal budget deficit.

Moreover, section 101 of the Senate bill stated that, with regard to the broadcast vouchers provided to participating Senate candidates, funding was to be derived from voluntary contributions by citizens and groups, tax checkoff donations which do not stem from any tax liability (such as under the Presidential Election Campaign Fund's checkoff), or from persons and organizations made in connection with election activities.

House amendment

Title III of the House bill provides that estimates of the costs under Section 252 of the Balanced Budget and Emergency Deficit Control Act ("Deficit Control Act") will not immediately be counted towards the pay-as-you-go scorecard for sequestration purposes for Fiscal Year 1992. Instead, by January 1, 1993, all net costs of the bill must be fully offset by provisions to either raise revenues or reduce spending. Because the bill does not obligate expenditures, in terms of providing benefits to eligible candidates, until the second quarter of Fiscal Year 1994 at the earliest, the cost estimates required under Section 252 of the Deficit Control Act must be offset by savings that accrue from provisions to raise revenues or reduce spending for both Fiscal Years 1994 and 1995.

Moreover, the House amendment specified that if the following conditions have not been met by January 1, 1993, then the provisions of the Title VII relating to excess funds of incumbents, section 201 relating to the limitations on political committee and large donor contributions, and sections 504 through 509 relating to provision of matching payments and establishment of a Make Democracy Work Fund do not become effective: provisions creating incentives for individuals to make voluntary contributions to the candidate of their choice and for individuals or organizations to make voluntary contributions to the Make Democracy Work Fund.

Under the parameters of Title III of the House amendment, no revenue measure is implemented. The amendment establishes a Make Democracy Work Fund as the account to provide funds for matching payments pursuant to section 504 and to offset initial costs assumed by the Commission in the increased computerization of reporting requirements. The Make Democracy Work Fund is a Treasury account as specified under section 504(e), but the Committee on House Administration recommended that this account could be administered by a nongovernmental organization similar in structure to the "Points of Light Foundation Act" or the National Endowment for Democracy. The Committee further believes that the Make Democracy Work Fund could be entirely funded by voluntary private contributions by individuals or organizations subject to the long-standing principles underlying contributions to federal elections. Moreover, other avenues of investigation should include the addition of provisions for federal income tax purposes whereby taxpayers could voluntarily increase their tax liability and direct such sums to the Make Democracy Work Fund.

Conference substitute

The Conference agreement does not provide for any source of funds to pay for the benefits contemplated under Title I. Since the conference vehicle is a Senate bill, it would violate Article 1, Section 7 of the United States Constitution which requires that all bills which affect revenues must originate in the U.S. House of Representatives. Consequently, the Conferees have omitted any statutory language linking the established or administration of any account to the United States Government.

The Conferees have adopted the authorization approach of title III of the House amendment. Section 902 of the Agreement specifies that none of the provisions of the conference agreement shall be effective until the Congress enacts subsequent legislation effectuating this Act. This provision prohibits any estimated costs of the bill from being counted towards the pay-as-go scorecard for sequestration purposes. Furthermore, the conferees intend that this provision creates an open-ended authorization framework for campaign finance reform. And that designating the source of financing is an issue to be decided in subsequent legislation.

The Conference agreement also provides for a Sense of the Congress resolution that subsequent legislation effectuating this act shall not provide for any general revenue increase, reduce expenditures for an existing federal program, or increase the federal budget deficit. The Conferees believe that this Sense of the Congress approach best reflects the desire of both Houses to avoid the commitment of public resources to financing any part of Congressional campaigns.

SECTION 903. SEVERABILITY

Senate bill

The Senate bill provides that if any parts of S. 3, other than the spending limits and public benefits section, are held invalid, other parts of the Act are unaffected. However, if the spending limits and public benefits section was held invalid, the rest of the bill would also be invalid.

House amendment

The House amendment provides that if any part of the spending and contribution limits, matching funds, and reduced mail rates are held invalid, all of the political action committee and large donor limits are also held invalid.

Conference substitute

In an effort of avoid enacting piecemeal legislation, the Conference agreement provides that if key sections of in the Spending Limits and Benefits section (section 101) are held invalid, or any section of the House amendment aggregate limit on political action committee and large donor contributions (section 122) are held invalid, the entire bill is invalid. However, if any other parts of the bill are held invalid other provisions remain intact.

CHARLIE ROSE,
SAM GEJDENSON,
RICHARD GEPHARDT,
AL SWIFT,
LEON E. PANETTA,
MIKE SYNAR,
GERALD D. KLECZKA.

For consideration of sections 103 and 202 of the Senate bill, section 802 of the House amendment, and modifications committed to conference:

EDWARD J. MARKEY.

For consideration of sections 104, 404, 409, and 411 of the Senate bill, section 103 of the House amendment, and modifications committed to conference:

W.L. CLAY, FRANK
McCLOSKEY,
Managers on the Part of the House.

WENDELL H. FORD,
DAVID L. BOREN,
GEORGE MITCHELL.
Managers on the Part of the Senate.

GENERAL LEAVE

Mr. OWENS of New York. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order on today.

The SPEAKER pro tempore. (Mr. HAYES of Illinois.) Is there objection to the request of the gentleman from New York?

There was no objection.

A REVIEW OF THE STATE OF LIBRARIES IN THE NATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. OWENS] is recognized for 60 minutes.

Mr. OWENS of New York. Mr. Speaker, my special order today relates to libraries of the Nation. As is the custom each year, I take time to review and summarize the state of libraries in the Nation during National Library Week.

It has been my custom in the past that I also begin the discussion by reading a letter from the President with respect to the declaration of National Library Week, and I will do that again this year, from the President, the White House:

> Henry David Thoreau rightly observed that books are the treasured wealth of the world and the fit inheritance of generations and nations. Indeed, when we unlock these wonderful stories of knowledge, creativity and wisdom, we enrich our minds and often our hearts as well. For example, reading enables us to transcend time and space, giving us means to explore the past or the vast frontiers of science. Reading can also broaden our sympathy by helping us to understand the experiences of persons from different backgrounds.

And I continue to quote the President:

> In addition to providing us with access to books, our Nation's libraries also offer access to information and ideas through a wide range of periodicals, audio and videotapes, electronic data bases and educational and research services. Whether helping children to learn how to read or supporting adult literacy programs, librarians play a great role in making America a nation of students which is one of our national education goals. Because an educated and informed public is the lifeblood of democracy, librarians also help to preserve our Nation's great experiment in liberty and self-government.

And I continue to quote the President:

> For all of these reasons, I am pleased to join with the American Library Association in celebrating National Library Week. Barbara and I encourage all Americans to visit their local library and to exercise their right to know.

The letter is signed by George Bush.

Mr. Speaker, I am including the letter in its entirety in the RECORD.

Mr. Speaker, I always begin by reading the President's statement on National Library Week, because I would like for all of the librarians in the Nation to know, and I would like for all of the people who use libraries, whether they use school libraries, public libraries, special libraries, college libraries, I would like for them all to know that this administration understands the value of libraries. They understand that libraries are at the heart of the education process. They understand that.

I want everybody to know that they understand it, because the contrast between their understanding and what the President says in his letters and the actions that are taken by this administration are, indeed, appalling. There is a great gap between words and actions when it comes to libraries.

Indeed, this President, this administration, is not as bad as the last administration. For 8 years, the previous administration placed zero in the budget, zero dollars in the budget for aid to libraries from the Federal Government. This administration has not been quite as bad. But it is almost as bad.

This administration, despite its flowery words about libraries, placed $35 million in the budget for aid to libraries under the Library Services and Construction Act. The Library Services and Construction Act is the primary vehicle for providing aid to public libraries and various other projects related to public library service. $35 million, that is down from what the present appropriation is. The present appropriation for the Library Services and Construction Act is $132 million. $132 million is the present appropriation, and that is totally inadequate. That is the only Federal aid directly to public libraries.

The American Library Association is asking for $207 million. Contrast what the President put in the budget, $35 million, with the request of the American Library Association for $207 million.

Even the $207 million is a very moderate request. Consider for a moment the fact that $207 million to aid all of the libraries throughout the entire 50 States, the entire Nation, $207 million, consider what that means in terms of modern costs. Just compare for a moment the fact that $207 million, if that were granted, would not even be one-third of the cost of a B–1 bomber. A B–1 bomber is estimated to cost now about $700 million. So $207 million would not even be one-third the cost of one B–1 bomber.

When you consider the fact that the cold war is over, the evil empire of the Soviet Union has been defeated, you might ask yourself the question: Why are we continuing to build Seawolf submarines? Seawolf submarines cost $2 billion, $2 billion, and we are continuing to build weapons that could fund the Library Services and Construction Act for 10 years.

Consider how paltry the sum of money is that is being proposed by the administration or how small the sum of money we are requesting is a moderate request for the needs of libraries.

I would like to continue by beginning to show again that the administration has a great gap between its words and its deeds. As we all know, the administration is proposing a set of programs for rescissions. A rescission means that they will take back money that has already been put in the budget. The administration has the right to come to the Congress and recommend rescissions, that we not spend the money for programs that have already been appropriated.

□ 1450

I was shocked to find that under consideration at present, they have not offered the list yet, but the second list is on its way, I understand, and under consideration are several programs relating to libraries. Library programs of tiny amounts of money are being called pork barrel projects, pork barrel.

Mr. Speaker, I think that the very fact that the term pork barrel could be applied to tiny, very sparsely funded library programs, is an indication of the depth to which common sense has fallen in this city. There obviously is no common sense, no decency anymore in terms of terminology when you call public library programs and other programs funded for libraries programs that are pork barrel programs; but there is a rescission list which includes library programs. The administration has begun proposing certain fiscal year 1992 program projects for rescission, and 68 rescission requests have already been sent to Congress, and no library education projects are included in the first 68, but the library programs are on the second list.

Mr. Speaker, to continue with my special order on libraries, I was noting the fact that the administration, which by its letter shows that it recognizes the importance of libraries, nevertheless by its actions on the budget is demonstrating a lack of concern, a lack of really understanding the role that libraries play in the educational process. We are at an hour now where education is on the list of everybody in Washington. We have heard of America 2000 and the President's strategy for improving education and numerous proposals for improving education.

We have six goals that we are trying to meet. All those goals require that libraries be involved; nevertheless, the same administration that proposes the six goals and so many other forward movements on education, is recommending to cut libraries.

On the hit list for libraries is the LSCA–5 program. This is the Library Services and Construction Act Title 5 Program, which provides direct competitive discretionary grants to State and public libraries for the acquisition of foreign language materials. Foreign language materials become very important as we move into a new world order where the obvious global coming together will take place at a faster rate. Without the evil empire, without the competition between communism and capitalism, it is likely that we are going to have a speedier rate of interaction between cultures and nations. Foreign languages have become far more important than they have in the past, not just to people in universities and colleges, but there should be a lot of distribution of foreign language books in general.

Only a small amount of money is involved. We are talking about 32 States requesting a total of about $4 billion. That is on the hit list as a pork barrel project.

The Higher Education Act, title 6, section 607, which also deals with international and foreign language studies, that is on the proposed hit list of pork barrel projects.

It is unfortunate that at a time when the term "new world order" has been coined by the President and by this administration, we are taking steps backward from our preparation for the new world order merely by understanding languages and cultures of various nations throughout the globe.

Mr. Speaker, I ask unanimous consent to enter the entire text of this piece entitled "Library Programs May Be Proposed For Rescission" into the RECORD.

The SPEAKER pro tempore. (Mr. HAYES of Illinois). Is there objection to the request of the gentleman from New York?

There was no objection.

The article above referred to is as follows:

[ALA Washington Office Fact Sheet]

LIBRARY PROGRAMS MAY BE PROPOSED FOR RESCISSION

BACKGROUND

The Administration has begun proposing certain FY 1992 "pork barrel" projects for rescission. Some 68 rescission requests have already been sent to Congress with a recommendation to defund a variety of already funded projects which had no peer review. No library or education projects are included in the rescission requests pending as of April 2.

LIBRARIES ON HIT LIST?

Indications are that the Administration's broader "universal list" of possible future rescission requests includes two small library grant programs—the Library Services and Construction Act title V for the acquisition by state and local public libraries of foreign language materials; and the Higher Education Act title VI section 607 program for the acquisition and sharing by research libraries of periodicals published outside the United States. Other funded library programs which have been proposed for elimination in Administration budgets may also be included on the "universal list."

LSCA V

The LSCA V program provides direct competitive discretionary grants to state and public libraries for the acquisition of foreign language materials. Such materials require special effort and extra cost to identify, purchase, process, and service, but libraries need them to serve our increasingly diverse population. Large numbers of recent immigrants speaking dozens of foreign languages require native language materials geared to both children and adults for recreation, education, and life-coping skills.

Through initial FY91 funding of $976,000, LSCA V grants went to 31 libraries in 13 states from Alabama to Alaska. Under the FY92 appropriation of $976,000, 131 applications from libraries in 32 states are pending, requesting a total of more than $4 million. Are these libraries to be told they have invested precious time and scarce resources in vain because of a possible rescission?

HEA VI SEC. 607

The HEA VI international and foreign language studies program includes in part A, sec. 607, a program of direct competitive discretionary grants to research libraries for the acquisition of periodicals published outside the United States. Recipients are institutions of higher education or libraries or consortia which have appropriate collection strengths and a commitment to share their resources.

Funded for the first time in FY92 at $500,000, sec. 607 responds to a double crisis. First, a dramatically changing political, social, and economic international landscape has generated renewed demands for emphasis on international research and education in order to regain a competitive edge for this country. U.S. researchers must have access through their libraries to the latest research findings from around the globe.

Second, foreign periodicals are among the most expensive materials for libraries to acquire, a condition magnified by the decline of the dollar on international currency markets. The average periodical price is now close to $150 per title; costs have risen 72 percent in only five years. The number of periodical titles purchased by major research libraries has declined by one percent per year despite the fact that periodicals now account for more than three of every five dollars spent for on-campus materials in the average research library.

CONCLUSION

All LSCA and HEA library programs administered by the Department of Education are effective, stimulative, and competitive. Library programs are not "pork," and would be highly inappropriate candidates for rescission.

Mr. Speaker, I have a special sympathy and understanding of libraries because I happen to be a librarian by profession, the only librarian in the Congress. I welcome my colleagues today who have submitted various items for this special order. Each year we have a number of Congressmen, my colleagues, who do join me in taking note of the fact that libraries make a great contribution to our society and our Nation at a very low cost. Libraries are probably the best bargain we have on the educational shelf. For the small amount of money we spend on libraries, we get a tremendous return.

Public libraries throughout the United States are now facing the worst financial crisis since the Great Depression. Public library systems around the Nation are reeling from extensive budget cuts, forcing branch closing, layoffs, reductions in hours, and a dramatic curtailing of new books in serial acquisition. This crisis is in some respects even worse than that of the Depression, because during the Depression not one public library was forced to close its doors, but today libraries are closing their doors all over the Nation.

In north New Jersey, for example, a $1.2 million budget cut has forced the Newark Public Library to shut down three branches, to eliminate all Sunday hours, and to close the entire library system on the first Monday of every month.

In my home borough of Brooklyn in New York City—Brooklyn has one of the finest public libraries in the Nation, probably in the world—but 46 of the Brooklyn Public Library's 58 branches are now only open 2 to 3 days a week. The remaining 12 branches are open only 5 days a week and the central library, which used to be open all 7 days a week, is now open only 6 days.

In Brooklyn, 120 librarians and support personnel have been laid off. This is at a time when we are talking about the need for the improvement of education in America. We have six goals. We are looking forward to the year 2000 when America will be first in education, when our students will be world class students, our schools will be world class schools. We cannot accomplish this if we are so callously treating our libraries.

The case in Chicago, just as it was at the opening of the largest public library in the world in Chicago, budget cuts forced the Chicago Public Library to reduce hours for 80 of its branches and lay off 100 personnel.

As you know, Mr. Speaker, Chicago recently opened its new main branch of the central library, which is the largest public library in the world, and at the same time they were opening that magnificent facility, they were forced to reduce hours at 80 of the branches and lay off 100 of their personnel.

Public library funding is really the smallest part of our national education budget. On the one hand, it is the smallest part of our national education budget; on the other hand, it serves more people than any other educational institution we have.

Think of the fact that every American has access to public libraries from school, or the cradle, all the way to the grave. Preschool children, kindergarten children, elementary and secondary students, high school students, college students, senior citizens, people who are studying to continue their education, everybody has access to libraries. For the small amounts of money we put in, we could provide an educational opportunity to learn for the greatest number of people.

We spend $213 billion on our elementary and secondary education system, and we educate about 40 million young people nationwide.

We spend $140 billion on our system of higher education and we educate about 13 million students, but we spend only—and when I say spend, I mean the total of all governments combined, the local government, the State government and the Federal Government, the Federal Government spends very little of the proportion—but the total expenditures for libraries from all three branches of government is only about $4 billion to support public library services nationwide.

The current estimates are that 120 million adult Americans regularly use the library services. There are 120 million who regularly use the services that are available to every American who wants to use them.

The $4 billion we spend every year on public libraries is about the same that we spend as a Nation to go to the movies every year or to purchase sneakers and athletic shoes. It is just 10 percent of the amount we spend on tobacco products. That $4 billion spent for libraries is just 10 percent of the amount we spend for cigarettes, cigars, and other tobacco products every year.

The $4 billion that is spent—again I am talking about all three branches of government, spent by the local government as well as the State and the Federal Government—that $4 billion if added up would be the equivalent of only 10 Army Apache helicopters.

□ 1500

The Army has more than 500 Apache helicopters. What we spend on libraries would be about 10 Apache helicopters.

Looked at another way, according to the General Accounting Office, the Department of Defense now has about $28 billion in excess aircraft spare parts, aircraft spare parts that the Department of Defense cannot use any time in the foreseeable future. We could have run our public library system for 7 years with the amount of money that the Department of Defense spent on aircraft parts that it cannot use.

You want to understand where waste is in Government? You want to understand where the real scandal in Washington is, how ridiculous it is when we begin to appropriate money for education for social programs, how ridiculous our discussions are? Then look at the fact that we are spending $28 billion from the Department of Defense to take care of excess aircraft spare parts, spare parts that we will never be able to use.

The Federal Government contributes, of this $1 billion that I talked about, the Federal Government contributes about 1 percent of the total of public library funds. The Federal Government contributes only about 1 percent of library funding.

It does not do much better in the area of elementary and secondary education. In the area of elementary and secondary education, we contribute, from the Federal Government, only about 6 percent of elementary and secondary education funding. Local school districts and States fund most of the budget of our schools.

In the area of higher education, colleges and universities, the Federal Government traditionally has been more active there and had a history of support for higher education. The Federal Government spends about 15 percent of the costs for higher education.

Still, most of the costs for higher education come from States and local governments and, of course, from the private sector since we have the finest private universities and colleges in the world.

But even this small amount that the Federal Government is spending for education, including the 1 percent for libraries, is critical; it is critical that the Federal Government continues to spend this amount and do more because it has been directed to making the critical improvements in library services which would not otherwise be possible.

Federal funding over the last 20 years has helped public libraries to initiate special programming for children, for senior citizens, for immigrants, for people with disabilities, and for other innovative services.

Federal funding of public libraries has helped to expand public access to library services through bookmobile services, interlibrary loans, electronic networking, and the renovation and construction of new library facilities.

Unfortunately, the Bush administration is determined to wipe out even this small amount of Federal funding. I have already indicated how they are proposing to cut the present funding that comes from the Federal Government, from the paltry sum of $132 million down to $35 million.

Mr. Speaker, I would like to just sum up again that this administration has all the right words. I would like to state again that they have the right words. They understand how important libraries are.

Let me quote from President Bush:

> America 2000 calls for a revolution in American education. Libraries and information services stand at the center of this revolution. And today our more than 15,000 public libraries serve nearly 70 percent of our population. They loan 1.3 billion items each year, and they use less than 1 percent of our tax dollars. I think you will agree that is quite a bargain. Our libraries serve as school rooms for lifetime learning and the launching pads for our future.

That was the President.

Now, the Secretary of Education, Lamar Alexander, also knows the right words, on the other hand offers very little support.

I quote the Secretary of Education:

> There is no part of American education that is more central to a community's moving toward the national education goals. We need the people's universities, our libraries at the center of that revolution, helping America community by community to reach its potential.

Mr. Speaker, both of these last two quotes, one from the President and one from the Secretary of Education, were quotes taken from the White House Conference on Libraries, which was held last July, 1991.

Mr. Speaker, I would like to enter into the RECORD a number of important facts summarizing the state of libraries in our Nation today.

There is a document entitled "The Status of Major Library-Related Legislation Active This Month," which gives us a rundown as of April 3, 1992, the items that were in process either in committees, in the House of Representatives or in the Senate. Each item related to libraries in some way.

Mr. Speaker, I enter that in its entirety, "The Status of Major Library-Related Legislation Active This Month."

STATUS OF MAJOR LIBRARY-RELATED LEGISLATION ACTIVE THIS MONTH

As of April 3, 1992	House	Senate
Library Program Appropriations: Despite a speech to the White House Conference calling libraries central to his educational reform initiatives, President Bush proposes to reduce LSCA and HEA library program funding by 76%, from $147.7m in FY92 to $35m in FY93; to fund only one program, LSCA 1; and to fund only one LSCA I purpose, adult literacy activities.	L–HHS–ED Appropriations Subcommittee hearings underway.	L–HHS–ED Appropriations Subcommittee hearings underway.
Possible Rescissions? The Administration has begun proposing certain FY92 "pork barrel" projects for rescission or defunding. The Administration's "universal list" of possible future rescission requests includes two small library grant programs—LSCA V for public library acquisition of foreign language materials, and HEA VI sec. 607 research library acquisition and sharing of foreign periodicals. The "universal list" may also include other funded library programs the Administration has tried to eliminate. Library programs are effective and competitive; they are not "pork;" and would be highly inappropriate on such a rescission list.	Early warning only—Not currently pending but may be (inappropriately) proposed.	Early warning only—Not currently pending but may be (inappropriately) proposed.
LSCA II Funds in Emergency Funding Bills: Three economic stimulus bills include new funding for LSCA II public library construction and renovation projects. H.R. 4416, introduced in March by Appropriations Committee Chairman Whitten and 29 Democratic cosponsors, includes $50m for LSCA II. S. 2137 (Sens. Kennedy and Wellstone) and S. 2293 (Sen. Riegle) each include $60m for LSCA II.	H.R. 4416 Pending in Appropriations Committee.	S. 2137, S. 2293 No action to date.
Congressional Budget Activity: The House-passed congressional budget plan assumes a freeze level for the education and training wedge of the budget pie. A more favorable House option would have over $4b for education and Head Start, but was predicated on removal of the budget "walls" separating defense, domestic, and international spending. However, both House and Senate failed to approve measures allowing defense spending cuts to be used for domestic programs.	H. Con. Res. 287 passed; H.R. 3732 defeated.	Budget Committee markup began April 2; S. 2399 postponed after move to close debate failed.
ESEA Chapter 2 School Block Grant: School block grant includes school library resources and librarian training among 7 targeted purposes. Administration requests $465.2m, a 2% cut, and proposes that 50% of funds be used to promote educational choice programs.	L–HHS–ED Appropriations Subcommittee hearings underway.	L–HHS–ED Appropriations Subcommittee hearings underway.
Postal Revenue Forgone: Administration request of $121.9m is $360m short of amount USPS estimates is needed to keep preferred rates for schools, libraries, etc. at current levels. Admin. proposals to narrow eligibility would, for instance, preclude most public library use of 3rd-class nonprofit mail as a non-school use.	Treasury, Postal Service Appropriations Subcommittee hearings underway.	Treasury, Postal Service Appropriations Subcommittee hearings underway.
Government Printing Office: GPO SuDocs needs full budget request of $30.9m to support distribution to depository libraries in every congressional district, especially 1990 census materials and electronic government information.	Legislative Appropriations Subcommittee hearings completed.	Legislative Branch Appropriations Subcommittee hearings completed.
Library of Congress: LC needs full budget request of $357.5m. Of the 9% increase, ⅔ is for maintaining current services to Congress, the nation's libraries, and scholars. Other needs are for increased space to maintain and preserve the growing collections, provide ergonomically correct work stations, and improve sci/tech information services.	Legislative Appropriations Subcommittee hearings completed.	Legislative Branch Appropriations Subcommittee hearings completed.
National Agricultural Library: Administration requests $1.8m, a 1.7% increase. Elaine Albright, University of Maine, representing the U.S. Agricultural Information Network, is scheduled to testify in support of the NAL budget on April 7 before the House Appropriations Subcommittee on Rural Development, Agriculture, and Related Agencies.	Elaine Albright testifies April 7 at 2:30 pm, Rayburn House Office Building Rm. 2362.	Agriculture Appropriations Subcommittee hearings underway.
National Library of Medicine, Medical Library Assistance Act: Administration requests $108.7m, of which $15.2m is for MLAA	L–HHS–Ed Appropriations Subcommittee hearings underway..	L–HHS–ED Appropriations Subcommittee hearings underway.
National Archives, National Historical Publications and Records Commission: Administration requests $165m, including $4m for NHPRC, $1.4M below current level. $10m is needed for NHPRC grants, which should be added to the National Archives total.	Treasury, Postal, General Government Appropriations Subcommittee hearings underway.	Treasury, Postal, General Government Appropriations Subcommittee hearings underway.
National Endowment for the Humanities: Administration requests $187m, a 6.3% increase. The $18m included for the brittle books initiative is short of NEH's own 5-yr. plan which calls for $20.3m in FY93. Humanities Projects in Libraries would be level-funded at $2,750,000; at least $3m is needed.	Interior Appropriations Subcommittee hearings underway.	Interior Appropriations Subcommittee hearings underway.
Higher Education Act Reauthorization: Both House and Senate HEA bills include library groups and higher education associations. Education Subcommittee conferees on these bills are urged to support: (1) the House bill's more adequate authorization levels for existing HEA II programs ($75m compared with $32.5m); (2) the House authorization of $25m for a new HEA II program to strengthen libraries and library education programs at historically black colleges and universities (as recommended by White House Conference delegates); (3) the House authorization of $8.5m for HEA VI sec. 607, acquisition and sharing of foreign research materials (compared with the Senate level of $1m), but without the House limitation of only 8 grants per year; and (4) the Senate authorization of $400m for improvement of academic and library facilities under HEA VII–A.	H.R. 3553 Passed 365–3 on March 26; Crane (IL), Doolittle (CA), Stump (AZ) voted no.	S. 1150 Passed 93–1 on February 21; Helms (NC) voted no.
GPO WINDO: Government Printing Office Wide Information Network Data Online Act would establish online access to public government information through GPO. The GPO WINDO would be a single account, one-stop-shopping way to access and query federal databases, complementing other agency dissemination efforts. Information would be priced for most subscribers at approximately the incremental cost of dissemination, and provided without charge through the depository library program. Introduced by Rep. Charlie Rose (NC) with cosponsors Owens (NY), Rahall, Ritter, Matsui, Penny, Kopetski, Evans, Bacchus, Vucanovich, Sanders, and Fazio.	H.R. 2772 Hearings planned this session by House Administration Committee.	No comparable bill as yet.

Mr. OWENS of New York. Mr. Speaker, I enter into the RECORD at this time an item entitled "Summary of American Library Association Appropriations Recommendations for Fiscal Year 1993, Labor-Health and Human Services-Education Appropriations."

SUMMARY OF AMERICAN LIBRARY ASSOCIATION APPROPRIATIONS RECOMMENDATIONS FOR FISCAL YEAR 1993 LABOR-HEALTH AND HUMAN SERVICES-EDUCATION APPROPRIATIONS

Library programs	Fiscal year—				
	1991 Appropriation	1992 Appropriation	1993 Authorization	1993 administration request	1993 ALA recommendation
Library Services and Construction Act	$132,163,000	$129,663,000	Such sums	$35,000,000	[1]$207,500,000
Title 1, Public Library Services	83,898,000	83,898,000	do	[2]35,000,000	100,000,000
Title II, Public Library Construction	19,218,000	16,718,000	do	0	55,000,000
Title III, Interlibrary Cooperation	19,908,000	19,908,000	do	0	35,000,000
Title IV, Indian Libraries[3]					
Title V, Foreign Language Materials	976,000	976,000	Such sums	0	1,000,000
Title VI, Library Literacy	8,163,000	8,163,000	do	0	10,000,000
Title VII, Evaluation and Assessment	0	0	do	0	500,000
Title VIII, Library Learning Center Programs[4]	0	0	do	0	6,000,000
Higher Education Act Library Programs	10,735,000	18,084,000	Needs new authority	0	[5]24,000,000
Title II–B, Training and Research	976,000	5,325,000	do	[6]0	6,000,000
Title II–C, Research Libraries	5,855,000	5,855,000	do	0	10,000,000
Title II–D, Technology	3,904,000	6,404,000	do	0	7,000,000
Title VI, section 607 Foreign Periodicals	0	500,000	do	0	1,000,000
Hawkins/Stafford Elementary/Secondary School Improvement Act, ESEA Chapter 2[7]	469,408,000	474,600,000	$706,000,000	465,220,000	500,000,000

SUMMARY OF AMERICAN LIBRARY ASSOCIATION APPROPRIATIONS RECOMMENDATIONS FOR FISCAL YEAR 1993 LABOR-HEALTH AND HUMAN SERVICES-EDUCATION APPROPRIATIONS—Continued

Library programs	Fiscal year—				
	1991 Appropriation	1992 Appropriation	1993 Authorization	1993 administration request	1993 ALA recommendation
National Commission on Libraries and Info. Science	732,000	831,000	Such sums	1,000,000	1,000,000
National Center for Education Statistics (including library surveys)	63,524,000	77,213,000	......do	128,400,000	128,400,000
National Library of Medicine (including Medical Library Assistance Act)	91,408,000	100,303,000	42 U.S.C. 275	108,662,000	108.662,000

[1] For LSCA, ALA recommends amounts authorized for fiscal year 1990 in Public Law 101–254, signed March 15, 1990.

[2] Proposed to be used only for adult literacy activities.

[3] Funded at 2% of appropriations for LSCA I, II, and III.

[4] Under Public Law 101–254, no appropriation may be made for LSCA VIII unless the total for LSCA I, II, and III is at least equal to the previous year's total plus 4 percent. (ALA's first priority for LSCA funding is restoration of LSCA programs currently funded.)

[5] ALA recommends amounts authorized for fiscal year 1987 for HEA II–C and HEA VI, section 607; and modest increases for HEA II–B and II–D.

[6] Part of a proposed consolidation of several graduate fellowship programs with Secretary setting priorities for each year.

[7] The targeted uses of Chapter 2 funds include school library resources and training of librarians.

Mr. Speaker, in this summary there is a recommendation for $207,500,000 for library services and construction, along with other recommendations that are very important.

Mr. Speaker, I have another document entitled "What the States Would Lose," in terms of public library services, "What the States Would Lose," in terms of public library construction and technology enhancement, and "What the States Would Lose" in interlibrary cooperation and resource sharing. I enter those three documents into the RECORD.

[ALA Washington Office Fact Sheet—Library Services and Construction Act Title I]

WHAT THE STATES WOULD LOSE

PUBLIC LIBRARY SERVICES

Purpose: Grants to the states to extend and improve public library services to geographic areas or groups of persons for whom current service is inadequate, and to assist libraries "in making effective use of technology to improve library and information services." When appropriations exceed $60 million, a portion of the additional funds is earmarked for urban libraries.

Appropriation fiscal year 1992	$83,898,000
Admin. Budget Request fiscal year 1993	35,000,000
ALA Recommendation fiscal year 1993	100,000,000

Impact of the Administration's Budget: The wide array of library activities supported through title I priorities would be narrowed into one use—adult literacy. The budget would eliminate any flexibility in program activities (e.g., literacy programs for parenting teens and their babies, or daycare outreach programs would not be possible). If LSCA I funding is lost, the states would lose the following sums based on the FY 1992 appropriation.

What State would lose based on $82,220,040[1]

Alabama	$1,346,333
Alaska	356,050
Arizona	1,239,842
Arkansas	866,912
California	8,643,055
Colorado	1,134,635
Connecticut	1,132,570
Delaware	388,995
District of Columbia	372,180
Florida	3,870,549
Georgia	2,037,900
Hawaii	514,410
Idaho	485,519
Illinois	3,442,914
Indiana	1,772,903
Iowa	987,778
Kansas	902,899
Kentucky	1,245,535
Louisiana	1,397,226
Maine	548,369
Maryland	1,556,524
Massachusetts	1,906,887
Michigan	2,837,119
Minnesota	1,441,236
Mississippi	930,033
Missouri	1,651,737
Montana	426,698
Nebraska	647,795
Nevada	530,966
New Hampshire	514,700
New Jersey	2,393,090
New Mexico	629,832
New York	5,303,975
North Carolina	2,080,575
North Dakota	381,231
Ohio	3,277,376
Oklahoma	1,092,417
Oregon	1,006,380
Pennsylvania	3,570,877
Puerto Rico	1,199,218
Rhode Island	484,687
South Carolina	1,189,194
South Dakota	397,460
Tennessee	1,583,680
Texas	5,019,151
Utah	688,780
Vermont	359,657
Virginia	1,955,382
Washington	1,580,703
West Virginia	708,818
Wisconsin	1,587,817
Wyoming	328,685

[1] This figure does not include the 2 percent required to be set aside for LSCA IV, Library Services for Indian Tribes and Hawaiian Natives.

[ALA Washington Office Fact Sheet—Library Services and Construction Act Title II]

WHAT THE STATES WOULD LOSE

PUBLIC LIBRARY CONSTRUCTION AND TECHNOLOGY ENHANCEMENT

Purpose: Assists in building, purchasing, and improving library buildings, not only to provide needed repairs, but also to take advantage of technological enhancement, provide handicapped access and ensure safe working environments. Federal share of each project may not exceed one-half.

Appropriation fiscal year 1992	$16,718,000
Admin. Budget Request fiscal year 1993	0
ALA Recommendation fiscal year 1993	55,000,000

Impact of Proposed Program Elimination: Demand for federal library construction funds exceeds availability by several magnitudes. LSCA II is particularly valuable because it stimulates twice the amount of nonfederal matching money. According to a 1983 study conducted by the Bureau of Labor Statistics, one billion dollars in construction funds provides 24,000 full-time jobs for one year. If LSCA II is zero-funded, the states would lose the following federal funding amounts based on the FY 1992 appropriation.

What States would lose based on $16,383,640[1]

Alabama	$277,599
Alaska	124,176
Arizona	261,100
Arkansas	203,323
California	1,408,072
Colorado	244,802
Connecticut	244,482
Delaware	129,281
District of Columbia	126,676
Florida	668,674
Georgia	384,744
Hawaii	148,711
Idaho	144,251
Illinois	602,421
Indiana	343,688
Iowa	222,050
Kansas	208,899
Kentucky	261,984
Louisiana	285,485
Maine	153,972
Maryland	310,165
Massachusetts	364,446
Michigan	508,566
Minnesota	292,303
Mississippi	213,103
Missouri	324,916
Montana	135,122
Nebraska	169,376
Nevada	152,825
New Hampshire	148,756
New Jersey	439,773
New Mexico	166,593
New York	890,753
North Carolina	391,355
North Dakota	128,078
Ohio	576,774
Oklahoma	238,261
Oregon	224,931
Pennsylvania	622,246
Puerto Rico	254,808
Rhode Island	144,106
South Carolina	253,255
South Dakota	130,592
Tennessee	314,372
Texas	846,625
Utah	175,726
Vermont	124,735
Virginia	371,959
Washington	313,911
West Virginia	178,831
Wisconsin	315,013
Wyoming	119,937

[1] This figure does not include the 2 percent required to be set aside for LSCA IV, Library Services for Indian Tribes and Hawaiian Natives.

[ALA Washington Office Fact Sheet—Library Services and Construction Act Title III]

WHAT THE STATES WOULD LOSE

INTERLIBRARY COOPERATION AND RESOURCE SHARING

Purpose: Grants to states for planning, establishing, and operating cooperative networks of libraries at local, regional, or interstate levels. Title III also provides for developing the technological capacity of libraries for interlibrary cooperation and resource sharing, and an optional statewide preservation plan.

Appropriation fiscal year 1992	$19,908,000
Admin. Budget Request fiscal year 1993	0
ALA Recommendation fiscal year 1993	35,000,000

Impact of the Administration's Budget: Interlibrary cooperation of all kinds has been stimulated by LSCA III. In the 26 years since the addition of this title to LSCA, tremendous planning and implementation efforts have taken place among the different types of libraries. Eliminating funds for this title would halt the continuation or expansion of existing regional network systems and the initiation of any new systems. If LSCA III funding is lost, the states would lose the following amounts, based on FY 1992 appropriations.

What States would lose based on $19,509,840[1]

Alabama	$318,182
Alaska	77,869
Arizona	292,339
Arkansas	201,840
California	2,088,884
Colorado	266,809
Connecticut	266,308
Delaware	85,864
District of Columbia	81,783
Florida	930,736
Georgia	486,005
Hawaii	116,298
Idaho	109,312
Illinois	826,961
Indiana	421,698
Iowa	231,171
Kansas	210,573
Kentucky	293,721
Louisiana	330,532
Maine	124,539
Maryland	369,189
Massachusetts	454,212
Michigan	679,952
Minnesota	341,212
Mississippi	217,158
Missouri	392,294
Montana	95,013
Nebraska	148,667
Nevada	122,742
New Hampshire	116,369
New Jersey	572,199
New Mexico	144,308
New York	1,278,586
North Carolina	496,361
North Dakota	83,979
Ohio	786,790
Oklahoma	256,564
Oregon	235,685
Pennsylvania	858,014
Puerto Rico	282,481
Rhode Island	109,085
South Carolina	280,049
South Dakota	87,918
Tennessee	375,779
Texas	1,209,468
Utah	158,613
Vermont	78,744
Virginia	465,980
Washington	375,056
West Virginia	163,475
Wisconsin	376,783
Wyoming	71,228

[1] This figure does not include the 2 percent required to be set aside for LSCA IV, Library Services for Indian Tribes and Hawaiian Natives.

For example, my State of New York would lose $5 million if the President's budget recommendation goes through and not the recommendation of the Congress. If we reduce the amount of money available in LSCA from $132 to $35 million, New York State would lose $5 million. The State of Missouri would lose $1,651,000. The State of Illinois would lose $3,452,914. It goes on and on, with the smallest loss being $356,000 lost by the State of Alaska. That is in public library services.

In library construction, in many States the only construction money they have is from the Federal Government. They would lose all of that. The same is true of interlibrary cooperation and resource sharing.

Mr. Speaker, I would like to take just a moment to remind all Americans that the Library of Congress is a part of the legislative branch of Government, part of the congressional budget. The Library of Congress does much better generally when it is up before the Congress for consideration. However, this year they face a problem of budget cuts or a refusal of even the slightest increases which are necessary to keep abreast of inflation.

I would like to remind all of the people of the Nation that, in addition, the Library of Congress, being the library which services the Congress and provides the best reference service in the world to the Congress, it also services many other people throughout this Nation. It has many services provided for States, local governments, and also has direct service to the blind and physically handicapped. They are asking for an increase of $3.8 million to improve that service. It has numerous services to the Nation that ordinarily most people do not know and do not understand.

The Library of Congress provides cataloguing records to libraries in all 50 States. The Library services over 900,000 readers. It responds to over 1.5 million information requests each year. It also answers more than 35,000 requests a year from every State for free interlibrary loan. The Library of Congress provides online access to information files containing more than 25 million records for congressional offices, State libraries and libraries who are cooperating catalogue partners throughout the Nation. On and on it goes.

The primary function of the Library of Congress is to serve as a reference and research support for Congress, but its national library services have a direct impact on library users all over the Nation in every congressional district.

Mr. Speaker, at this time I will enter the document entitled "Library of Congress Services and Budget" into the RECORD.

[ALA Washington Office Fact Sheet—
Library of Congress]

LIBRARY OF CONGRESS SERVICES AND BUDGET

The Library of Congress is requesting $357,528,000 for FY93, including the authority to obligate $24.9 million in receipts, for a net increase of $27.7 million, or nine percent, over FY92. In his budget testimony, Librarian of Congress James Billington said that the library was "requesting only those funds necessary to provide the best possible research and reference services to the Congress, to continue aggressively the reduction of our backlog of unprocessed materials, to maintain our traditional core services to the nation, and to begin to modernize our capability to deliver scientific and technological information to the Congress and to the country."

Nearly two thirds of the requested increase is to keep pace with inflationary costs and mandatory pay costs. The remaining $10.7 million is intended for enhanced services.

In FY 1992, the Library of Congress made major progress in reducing its arrearages, cutting unprocessed items by 4.2 million to a new low of 36.4 million items.

The Library of Congress intends to use $800,000 to establish a National Center for Science and Technology Information Services to provide Congress, the private sector, and the research community with scientific and business information. This Center would complement the work being done by the National Library of Medicine and the National Agricultural Library. These funds would also begin to modernize the Geography and Map Division though the installation of an automated Geographic Information System, which would improve access to the Library's map collections.

The Library is requesting $3.8 million to rent new storage space and to convert the Landover, Maryland, warehouse space to collections storage. The book stacks in the Jefferson and Adams buildings are reaching capacity, and the Library must now spend ever increasing amounts of time and money shifting books around to gain ever smaller amounts of shelf space. The Library anticipates adding one million books, requiring over eighteen miles of shelf space, to the general collections through FY 1994. Storage space for some special collections, such as motion pictures and sound recordings, has nearly reached capacity. Converting the Landover building to collections storage will accommodate collections growth for the next five to seven years, which meet the Library's needs until other long-range plans can be developed.

A request of $400,000 will strengthen Constituent Services automation capabilities in the general reading rooms, and $200,000 will allow the Law Library to provide greater access to foreign legal databases and make effective use of computer equipment.

An increase of $3.5 million is requested to upgrade workstations to ergonomic standards and to install metal detectors at building entrances. Presently, Library buildings are the only buildings on Capitol Hill which do not have these security measures.

The Library is asking for $550,000 to bring telecommunications cabling in the Madison Building up to the same standard available in the Jefferson and Adams buildings. This will enable the Library to handle more requests for more information more efficiently at less cost.

An increase of $3.8 million for the National Library Service for the Blind and Physically Handicapped will maintain the reading program at a constant level of service.

Katherine F. Mawdsley, Associate University Librarian for Public Services, University of California at Davis, representing the American Library Association and the Association of Research Libraries at hearings on the LC budget on January 29, urged the Subcommittee to meet the Library's funding request. Full funding, she said, "will provide the needed momentum to continue with several key initiatives such as tackling the arrearages while addressing critical internal needs such as collection storage and automation support."

Services to the Nation. The Library of Congress maintains a collection of almost 100 million items in over 450 languages. Its national library services include the following:

The Library provides cataloging records to libraries in all 50 states. LC estimates that this service saves America's libraries over $370 million annually.

The Library serves over 900,000 readers and responds to over 1.5 million information requests a year. It also answers more than 35,000 requests a year from every state for free interlibrary loan.

The Library provides online access to information files containing more than 25 million records for Congressional offices, state libraries, and libraries who are cooperative cataloging partners throughout the nation.

The Library's Center for the Book promotes reading and literacy through its 25 state affiliates.

The Copyright Office processes over 650,000 claims for copyright registration and answers almost 400,000 requests for copyright information annually. The Office administers U.S. copyright laws and promotes international protection of intellectual property created by American citizens.

The National Library Service for the Blind and Physically Handicapped circulates over 20 million discs, cassette, and braille items annually for 700,000 blind and physically handicapped readers through 147 regional and subregional libraries and multistate centers.

Since 1976, the American Folklife Center has preserved and presented American folklife through its programs of research, documentation, archival preservation and services, live performance, exhibition, publication, and training. The American Folklife Center's archive of over one million items is America's national repository for ethnographic documentation of folk music, folklore, and folklife. Without the archive, countless vibrant traditions of American culture might have been lost. Many projects of the Center both provide assistance to state and regional cultural efforts and add to the collections of the archive.

Services to the World. In addition to providing services to the Congress and to the nation, the Library also provides services to other nations:

The Library sells cataloging data to more than 100 countries.

The Library trains officials from Third World countries in international copyright law and the protection of intellectual property as a basis for free markets.

During the past year, the Library, through the Congressional Research Service, has provided practical assistance to Poland, Hungary, Bulgaria, and the Czech and Slovak Federal Republic. This assistance has included books for parliamentary libraries, help in creating a research and analysis capability, and training of staff and members of the fledgling parliaments.

Congressional Action Needed. (1) The primary function of the Library of Congress is to serve as reference and research support to Congress, but its national library services have a direct impact on library users in every congressional district. LC is part of the Legislative Branch of the U.S. government, and its budget is under the jurisdiction of the House and Senate Legislative Branch Appropriations Subcommittees. For the most effective service to Congress, for its keystone role in the nationwide system of interconnected libraries, and for its essential role in undergirding the nation's libraries, the Library of Congress budget request of $357,528,000 should be approved. (2) LC's American Folklife Center requires reauthorization this year. Reauthorization will allow the Center to continue to carry out its mission to make all Americans more aware of their diverse cultural heritage and to make its archives more accessible to the American people.

Mr. Speaker, Government Printing is a major source of information. I would like to take a moment to highlight during this National Library Week the fact that that, too, needs the support of all the Members of Congress.

The Federal Government currently produces thousands of databases and documents that are stored electronically. Unfortunately, for most Americans it is a daunting task to locate this information and to establish accounts with different agencies to purchase information and to process information into a readily usable form.

Many agencies only sell electronic information on magnetic tape, which is difficult or impossible for most citizens to use.

☐ 1510

The Government Printing Office wide information network data online is a new proposal, a bill introduced by the gentleman from North Carolina [Mr. ROSE] on June 26 of 1991, and this act would establish online access to public government information through the Government Printing Office. The databases and documents offered through this GPO what we call Windo, GPO Windo, would initially consist of a group of core databases which will be extended as the system matures. It will be expanded to include more databases. This is a very important project. It is legislation that should be supported by all Members of Congress.

I enter into the RECORD the document entitled "Government Printing Office Wide Information Network Data Online Act."

[ALA Washington Office Fact Sheet—GPO Windo Act]

GOVERNMENT PRINTING OFFICE WIDE INFORMATION NETWORK DATA ONLINE ACT

The federal government currently produces thousands of databases and documents that are stored electronically. Unfortunately, for most Americans, it is a daunting task to locate this information, establish accounts with different agencies to purchase the information and process the information into a readily usable form. Many agencies only sell electronic information on magnetic tape, which is difficult or impossible for most citizens to use.

The GPO Wide Information Network Data Online (GPO WINDO) Act (HR 2772), introduced by Rep. Charlie Rose (D-NC) on June 26, 1991, would establish online access to public government information through the Government Printing Office (GPO). This GPO Windo would be a single account, one-stop-shopping way to access and query federal databases, complementing rather than supplanting other agency efforts to disseminate information. It would not be an exclusive method of dissemination. Its purpose is to make it more convenient for the public to obtain low-cost access to government information.

The databases and documents offered through the GPO WINDO would initially consist of a group of core databases, which will be expanded as the system matures. While the initial offering would be determined after a period of planning and public comment, core data would likely include such high-interest services as the *Federal Register*, *Congressional Record*, Economic Bulletin Board, National Trade Data Bank, the Department of State *Dispatch*, agency and White House press releases, CENDATA, DOE *Energy*, AGRICOLA, FEC Campaign Contributions, NTIS Research Abstracts, U.S. Supreme Court opinions, and many others.

These choices would be based on a combination of technical feasibility, costs, and user interest. They would include online services already offered by GPO to selected depository libraries and those that are currently available through commercial vendors only. The GPO would start with the least costly and the technologically simplest services, making incremental expansions as the program matures. The long-term goal is to provide online access to as many federal databases as possible, limited only by technological and costs constraints.

The information available through the GPO WINDO would be priced for most subscribers at approximately the incremental cost of dissemination, and provided without charge through the depository library program.

GPO would work with agencies to determine the best means to disseminate information online through a gateway service, connecting callers to agency online services with GPO handling the billing to the caller through the single account; and online access to federal databases directly through GPO.

GPO would rely upon an agency's data storage and retrieval software unless agencies cannot do so or if GPO can provide better service or lower prices. Access to the information will be provided through all available telecommunications modes, including dial-in telephone modem access and computer networks.

GPO would have the authority to develop a friendly user interface, with menus, indexes, online help, and other aids to make it easier for users to locate databases of interest. GPO would also work with other agencies toward the development of standards that will make it easier to use different databases. It is contemplated that GPO will regularly solicit comments on the service from users and the public in an annual report detailing the steps it has taken to implement the congressional objectives and to address user concerns.

The following organizations are supporting the concept of the GPO WINDO:

American Association of Law Libraries.

American Association of University Professors.

American Council on Education.

American Historical Association.

American Library Association.

Association of Research Libraries.

Association of Library and Information Science Education.

American Society of Journalists and Authors.

CAUSE, The Association for the Management of Information Technology in Higher Education.

Chief Officers of State Library Agencies.

Coalition for Networked Information.

EDUCOM.

National Association of Housing and Redevelopment Officials.

National Coordinating Committee for the Promotion of History.

National Security Archive.

Organization of American Historians.

Project Censored.

Public Citizen.

Special Libraries Association.

Taxpayer Assets Project.

For more information on the GPO WINDO, contact:

American Library Association, 202-547-4440.

Taxpayer Assets Project, 609-683-0534.

Mr. Speaker, another very important item vital to all libraries is the postal revenue forgone appropriation, postal subsidies in short. Our postal subsidies date back to the earliest days of the Republic. The purpose then, as now, was to promote the dissemination of information through the Nation through free and reduced rate postage for certain preferred classes of mail. This is very important to libraries. Free mailing to or from blind or visually disabled persons of braille, and recorded books and other eligible materials and equipment is very important. Mailing at reduced rates of small circulation or in-county publications, such as local and rural newspapers, the publications that are used in school classrooms, or religious instruction classes, publications of religious, educational, charitable and other nonprofit organizations and numerous other items are part of this postal forgone rate. It provides a great service to libraries. If it was cut, it would mean that many of the libraries would have to make up for that expenditure by continuing to cut services and personnel.

A congressionally mandated study report entitled "Report to the Congress, Preferred Rate Study" conducted by the Postal Rate Commission in 1986 documented the dependence of our schools, our colleges and libraries on these postal rates. Educational organizations account for 32.6 percent of third class nonprofit mail volume. Educational publications with 22.4 percent of the subsidy for the fourth class library rate for both books and audiovisual materials, excluding colleges, accounted for 54 percent. These are very vital rates which bring down the cost of educational materials, and it is very important.

I introduce for the RECORD the postal revenue forgone appropriation in its entirety.

[ALA Washington Office Fact Sheet—Postal Revenue Forgone]

POSTAL REVENUE FORGONE APPROPRIATION

PROGRAM TITLE

Postal Revenue Forgone Appropriation, as authorized by the Postal Reorganization Act of 1970, Public Law 91-375, as amended.

PURPOSE

Some postal subsidies date back to the earliest days of the Republic. The purpose then, as now, was to promote the dissemination of information throughout the nation through free and reduced-rate postage for certain preferred classes of mail. The Act says the statutory criteria for setting postal rates and fees shall include special recognition of the "educational, cultural, scientific, and informational value to the recipient of mail matter" [39 USC 3622(b)(80)].

WHO RECEIVES FUNDING

Those who benefit from free and reduced-rate postage include the blind and visually disabled; local newspapers, libraries, schools, and colleges; and religious, charitable, and other nonprofit organizations who qualify for free matter for the blind, or 2nd-, 3rd-, and 4th-class preferred rates. In many cases, those who mail items to such entities are also able to use preferred rates, thus reducing the postal costs passed through to eligible institutions.

FUNDING HISTORY

Fiscal year	Administration budget	Postal service estimate [1]	Congressional appropriation
1990	[2]$23,696,000	$459,755,000	$435,425,000
1991	372,592,000	484,592,000	472,592,000
1992	182,778,000	[3]649,301,000	470,000,000
1993	121,912,000	481,912,000	Pending.

[1] By law, the U.S. Postal Service must estimate the amount needed to set preferred rates at full attributable costs.

[2] Free mail for the blind and overseas voters only.

[3] Estimate revised after general postal rate increase took effect February 3, 1991.

KINDS OF ACTIVITIES SUPPORTED

Free mailing to or from blind or visually disabled persons of braille or recorded books and other eligible materials and equipment.

Mailing at reduced rates of small circulation or in-country publications such as local and rural newspapers; publications for use in school classrooms or in religious instruction classes; publications of religious, educational, charitable, and other nonprofit organizations; bulk-rate mailings of similar nonprofit organizations for purposes such as fund-raising letters; books, periodicals, and audiovisual materials loaned or exchanged between schools, colleges, or libraries (such as film-sharing circuits, interlibrary loan, books-by-mail programs), and shipments of such items to eligible entities by publishers or distributors.

IMPACT OF THE ADMINISTRATION'S BUDGET

The Bush Administration's request falls $360 million short of the amount needed for FY93. Of this, $95 million would come from restricting or eliminating eligibility for certain preferred rates. The proposals, none of which are new, include: (1) full regular rates for nonprofit 2nd-class publications whose content includes more than ten percent advertising; (2) denial of nonprofit 3rd-class rates to mail that includes advertising or political advocacy material, as well as educational material for organizations that are not schools; and (3) denial of 4th-class library rates for commercial publishers.

All of these proposals would require USPS to make inappropriate judgment calls. Last year, the Postmaster General cited the difficulty of defining "political advocacy." Excluding educational materials from non-school organizations would preclude most public library use of 3rd-class nonprofit mail, yet libraries clearly serve educational purposes. The 4th-class library rate is intended to assist schools and libraries in receiving and exchanging books and other materials. If publishers must mail textbooks, library books, films, etc., at full commercial rates, the school and library recipients will incur higher postal costs and have less purchasing power for materials. The Administration's budget would also require schools, libraries, and charitable organizations to pay about 68 percent of the overhead costs for their mail. Preferred-rate mailers have been paying their full direct mailing costs since 1986, but the law calls for a permanent subsidy of preferred rates' shares of indirect or USPS overhead costs.

If the revenue USPS forgoes, because some rates are set at lower or preferred rates, is not provided by congressional appropriations, or is provided at less than the full $481,912,000 needed, rates can be raised immediately to make up the difference. The effect of eliminating all postal revenue forgone funding is illustrated by the examples below.

A congressionally mandated study, "Report to the Congress: Preferred Rate Study," conducted by the Postal Rate Commission in 1986 documented the dependence of schools, colleges, and libraries on these rates. Educational organizations accounted for 32.6 percent of 3rd-class nonprofit mail volume. Educational publications were 22.4 percent of the volume of preferred 2nd-class mail. Of the subsidy for the 4th-class library rate for books and audiovisual materials, schools and colleges accounted for 54 percent (23 percent as senders and 26 percent as recipients of packages from publishers and distributors where the postal cost is paid by the recipient as part of a purchase). Libraries represented 22 percent of the library rate subsidy (including 4 percent of publisher/distributor mailings).

PREFERRED POSTAL RATES

Typical examples	Current rate (cents)	Unsubsidized rate	
		Amount (cents)	Percent increase
2d-class classroom publication weekly, 12 oz., 15 percent advertising, 32 copies per piece, NYC-Chicago	17.3	21.5	24.3
3d-class nonprofit fund-raising letter, ¾ oz., nationwide distribution, required presort	11.1	15.4	38.7
4th-class library rate, 3½ lb. book package, between libraries	137.0	143.0	4.4

Mr. Speaker, the White House Conference on Library and Information Services summarizes many of the same recommendations that I am making today. That conference was held last year with the goal of using the recommendations from that conference as a basis for the preparation of new legislation.

I enter into the RECORD in its entirety the White House Conference on Library and Information Services and a second document called Priority Recommendations from the same source.

[ALA Washington Office Fact Sheet—WHCLIS]

WHITE HOUSE CONFERENCE ON LIBRARY AND INFORMATION SERVICES

The 984 delegates to the second White House Conference on Library and Information Services held on July 9-13, 1991 identified 95 recommendations for the improvement of library and information services to foster literacy, productivity, and democracy. President Bush transmitted these recommendations to Congress on March 6, 1992 in the Summary Report of the 1991 White House Conference on Library and Information Services. His accompanying message concluded:

"As we strive for a more literate citizenry, increased productivity, and stronger democracy, we must make certain that our libraries and information services will be there to assist us as we lead the revolution for education reform. As I stated in my speech at the White House Conference, 'Libraries and information services stand at the center of this revolution.'"

The American Library Association, in January 1992, adopted as its top legislative priority issues the first three of the recommendations earmarked by WHCIS delegates for priority action:

Adopt the Omnibus Children and Youth Literacy Initiative. This recommendation, designed to invigorate library and information services for student learning and literacy, is a multipart initiative based on recommendations prepared by an interdivisional task force of the three youth divisions of ALA—the American Association of School Librarians, the Association for Library Service to Children, and the Young Adult Library Services Association. A plan for implementation of this WHC recommendation is being developed by the ALA Youth Divisions Task Force in cooperation with other children and youth advocate organizations.

Congressional Action Needed: Although not yet in draft bill form, congressional attention is drawn to this very strong recommendation of WHC delegates from every state, district and territory in the United States. This proposal would enlist libraries as partners in meeting the national education goals.

Share Information Via Network "Superhighway." This recommendation calls for enactment, funding and implementation of legislation to enact the National Research and Education Network (NREN). The High-Performance Computing Act of 1991 (PL 102-194) was signed into law on December 9, 1991, the first action implementing a 1991 WHCLIS recommendation. The Act includes establishment of the NREN, a high-capacity computer network designed to link research institutions, educational institutions, libraries, government and industry in every state. The HPCA requires the involvement and coordination of activities by a number of federal agencies, including the Department of Education.

Through the efforts of the library community, the legislation includes libraries as NREN access points and information providers. However, ensuring broad participation by libraries in the development and evolution of the NREN will require a continued effort and is a high priority for the library community.

Congressional Action Needed: The NREN is a complex multiagency undertaking, and represents a partnership between the federal government, the research, education, and library communities, other levels of government, and industry. As such, it will require sufficient federal appropriations and active congressional oversight to ensure full implementation, involvement by all NREN user constituencies, and responsiveness to the research, education, and library communities.

Fund Libraries Sufficiently to Aid U.S. Productivity. This recommendation calls for sufficient funds from all sources for library services as an "indispensable investment in the Nation's future," and includes a comprehensive statement of the need for adequate funding for existing federal library and related programs, including the NREN.

Congressional Action Needed: In the FY93 appropriations process, provide adequate funding for federal library and related programs, despite the Administration's budget request to cut by 76% the LSCA and HEA library programs administered by the Department of Education. This is especially important at a time of recession-driven cuts in local and state budgets for libraries.

RESOLUTION ON WHCLIS II RECOMMENDATIONS IMPLEMENTATION

Whereas, Delegates to the White House Conference on Library and Information Services voted these recommendations as top priority action items:

(1) adopt the Omnibus Children & Youth Literacy Initiative

(2) support NREN implementation and access for all libraries

(3) encourage sufficient funding for libraries to aid U.S. productivity; and

Whereas, The ALA is on record with policies that support these initiatives; and

Whereas, All units and their constituencies of the ALA will benefit from association-wide unified action on these top initiatives that were supported by the majority of WHCLIS delegates; now, therefore, be it

Resolved, That the American Library Association adopt as its top legislative priority issues the following recommendations from the White House Conference on Library and Information Services:

(1) adopt the Omnibus Children & Youth Literacy Initiative

(2) support NREN implementation and access for all libraries

(3) encourage sufficient funding for libraries to aid U.S. productivity; and, be it further

Resolved, That the American Library Association will actively seek opportunities for implementation of other WHCLIS recommendations.

[Excerpt from Summary Report of the 1991 White House Conference on Library and Information Services]

PRIORITY RECOMMENDATIONS

ADOPT OMNIBUS CHILDREN AND YOUTH LITERACY INITIATIVE

That the President and the Congress adopt a four-pronged initiative to invigorate library and information services for student learning and literacy through legislation which would consist of:

School Library Services Title which would:

Establish within the U.S. Department of Education an office responsible for providing leadership to school library media programs across the Nation.

Create federal legislation to provide demonstration grants to schools for teachers and library media specialists to design resource-based instructional activities that provide opportunities for students to explore diverse ideas and multiple sources of information.

Establish grants to provide information technology to school media centers, requiring categorical aid for school library media services and resources in any federal legislation which provides funds for educational purposes.

Establish a federal incentive program for states to ensure adequate professional staffing in school library media centers. This would serve as a first step toward the goal for all schools to be fully staffed by professional school library media specialists and support personnel to provide, facilitate, and integrate instructional programs which impact student learning.

Public Library Children's Services Title, which would provide funding support for:

Demonstration grants for services to children.

Parent/family education projects for early childhood services involving early childhood support agencies.

Working in partnership with day care centers and other early childhood providers to offer deposit collections and training in the use of library resources.

(Concurrently, funding for programs such as Head Start should be increased for early childhood education.)

Public Library Young Adult Services Title, which would provide funding support for:

Demonstration grants for services to young adults.

Youth-at-risk demonstration grants to provide outreach services, through partnership with community youth-serving agencies, for young adults on the verge of risk behavior, as well as those already in crisis.

A national library-based "Kids Corps" program for young adults to offer significant salaried youth participation projects to build self-esteem, develop skills, and expand the responsiveness and level of library and information services to teenagers.

Partnership with Libraries for Youth Title, which would provide funding support to:

Develop partnership programs between school and public libraries to provide comprehensive library services to children and young adults.

Establish and fund agenda for research to document and evaluate how children and young adults develop abilities that make them information literate.

Establish a nationwide resource-sharing network that includes school library media programs as equal partners with libraries and ensures that all youth have access to the Nation's library resources equal to that of other users.

Encourage school and public library intergenerational demonstration programs which provide meaningful services (e.g., tutoring, leisure activities, and sharing of books, ideas, hobbies) for latchkey children and young adolescents in collaboration with networks and private organizations, such as conducted by the American Association of Retired Persons (AARP).

Create family literacy demonstration programs that involve school and public libraries and other family-serving agencies.

Provide discretionary grants to library schools and schools of education for the collaborative development of graduate programs to educate librarians to serve children and young adults.

Provide opportunities for potential authors who reflect our cultural diversity to develop abilities to write stories and create other communciations media about diverse cultures for youth.

Further, all legislation authorizing child care programs, drug prevention programs, and other youth-at-risk programs should include funds for appropriate books and library materials, to be selected in consultation with professional librarians.

SHARE INFORMATION VIA NETWORK 'SUPERHIGHWAY'

That the Congress enact legislation creating and funding the National Research and Education Network (NREN) to serve as an information "superhighway," allowing educational institutions, including libraries, to capitalize on the advantages of technology for resource sharing and the creation and exchange of information. The network should be available in all libraries and other information repositories at every level. The governance structure for NREN should include representation from all interested constituencies, including technical, user, and information provider components, as well as government, education at all levels, and libraries.

FUND LIBRARIES SUFFICIENTLY TO AID U.S. PRODUCTIVITY

That sufficient funds be provided to assure that libraries continue to acquire, preserve, and disseminate those information resources needed for education and research in order for the United States to increase its productivity and stay competitive in the world marketplace. Thus, a local, state, regional, tribal, and national commitment of financial resources for library services is an indispensable investment in the Nation's future. Government and library officials and representatives of the private sector must work together to raise sufficient funds to provide the necessary resources for the crucial contribution information services make to the national interest. The President and the Congress should fully support education and research by expanding and fully funding statutes related to information services, such as the Higher Education Act, Medical Library Assistance Act, Library Service and Construction Act (LSCA), College Library Technology Demonstration Grants, the National Research and Education Network (NREN), and other related statutes. Further, recommended amending Chapter II of the Education Consolidation and Improvement Act to allocate funds for networking school libraries.

Mr. Speaker, chapter 2 block grants for schools is very important. Chapter 2 block grants do provide educational materials to be included in that process, a program of block grants to States to provide initial funding to enable State educational agencies and local educational agencies to implement promising educational programs that can be supported by State and local sources of funding after the progams are demonstrated to be effective. This is one of many purposes for chapter 2 which is very important to libraries.

I would like to enter the document entitled "Chapter 2 School Block Grants" in its entirety in the RECORD.

[ALA Washington Office Fact Sheet—Elementary and Secondary Education Act, Title I]

CHAPTER 2 SCHOOL BLOCK GRANTS

PURPOSE

A program of block grants to states to (1) provide initial funding to enable state educational agencies (SEAs) and local educational agencies (LEAs) to implement promising educational programs that can be supported by state and local sources of funding after the programs are demonstrated to be effective; (2) provide a continuing source of innovation, educational improvement, and support for library and instructional materials; (3) meet the special educational needs of at risk and high-cost students; (4) enhance the quality of teaching and learning through initiating and expanding effective schools programs; and (5) allow SEAs and LEAs to meet their educational needs and priorities for targeted eligible uses.

WHO RECEIVES FUNDING

Up to one percent of the funding is reserved for the insular territories, up to six percent is reserved for the Secretary's discretionary fund, and the remainder is divided among the states on the basis of their school-age populations. Each SEA must distribute 80 percent of its funding to LEAs on an enrollment basis with higher allocations to LEAs with the greatest numbers of high-cost children, such as those from low-income families and sparsely populated areas. Of the 20 percent which may be retained by the SEAs, up to one quarter may be used for administration, and generally at least one fifth is used for effective schools programs. The Chapter 2 block grant, like the antecedent programs, is advance funded to allow for long-range planning.

KINDS OF ACTIVITIES SUPPORTED

Reauthorization of Chapter 2 by the Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988 (PL 100–297) substitutes six targeted uses for the 32 eligible uses under Chapter 2 of the former Education Consolidation and Improvement Act of 1981. Another eligible use was added through the National Literacy Act of 1991 (PL 102–93).

1. Programs to meet the educational needs of students at risk of failure in school and of dropping out, and students for whom providing an education entails higher then average costs.
2. Programs for the acquisition and use of instructional and educational materials, including library books, reference materials, computer software and hardware for instructional use, and other curricular materials that would be used to improve the quality of instruction.
3. Innovative programs designed to carry out schoolwide improvements, including the effective schools program.
4. Programs of training and professional development to enhance the knowledge and skills of educational personnel, including teachers, librarians, and others.
5. Programs of training to enhance the ability of teachers and school counselors to identify, particularly in the early grades, students with reading and reading-related problems that place such students at risk for illiteracy in their adult years.
6. Programs designed to enhance personal excellence of students and student achievement, including instruction in ethics, performing and creative arts, and participation in community service projects.
7. Other innovative projects which would enhance the educational program and climate of the school, including programs for gifted and talented students, technology education programs, early childhood education programs, community education, and programs for youth suicide prevention.

Authorized activities include planning, development, or operation and expansion of programs designed to carry out the targeted assistance described above. Activities may include training educational personnel in any of the targeted assistance programs. The allocations of funds under Chapter 2 and the design, planning, and implementation of programs must include consultation with parents, teachers, and other groups involved in implementation as considered by the LEA. School librarians must be represented on the state Chapter 2 advisory committee.

FUNDING HISTORY

Chapter 2 authorization is $706,000,000 for FY 1993.

Fiscal year:

1990 appropriation	$487,894,000
1991 appropriation	469,408,000
1992 appropriation	474,600,000
1993 budget request	465,220,000

IMPACT OF THE ADMINISTRATION'S BUDGET

For FY 1993, the Administration has requested $465,220,000, but as in FY92 proposes a legislative change to a state level set-aside of 50 percent of the block grant which would be used to support local adoptions of educational choice programs. This major change of the direction of the block grant would have a serious impact on school libraries.

The daily newspapers are full of articles about states and localities across the country suffering dire fiscal problems. Coupled with that, the cost of books, periodicals and other materials like computer software and audio visual materials has risen drastically. Many children's picture books now cost $18–$20, and the average subscription price for a children's periodical as of 1991, according to Library Journal, was $18.38. Prices of hardcover children's books averaged $13.07 in 1990, according to Publishers Weekly.

A study of Expenditures for Resources in School Library Media Centers FY 1989–1990, by Marilyn L. Miller and Marilyn Shontz, cites the median per pupil expenditure for books in 89–90 as $5.48. Considering the inflation rate for 1990 at 6 percent and the average price of books, the authors say "the average elementary library media specialist could purchase a little over one-half of a book per child; the average secondary library media specialist could purchase one novel for every four students." These statistics mean that library collections have to be deteriorating because of the inability of library media specialists to purchase one book per child per year." Library media specialists find it difficult to provide accurate, up to date information to children at a time when world events like the demise of the Soviet Union cause all atlases, history and geography books, encyclopedias, maps and globes to become obsolete. When the median library materials budget only allows $5.48 per child per year, it would take a child's entire school career to replace just two of those volumes.

In the reauthorization of Chapter 2, a set-aside provision for funds for library materials would ensure a fair and equitable distribution of support for all school systems. Reading and literacy efforts, as well as student achievements, are significantly improved and supported by a good school library. Expenditures for school library media services are the most important variable related to school achievement, according to a School Match analysis of data on all U.S. public school districts and 14,850 private schools. Parents and teachers alike are also aided in their efforts by a good school library. In a search for ways to improve overall learning and achievement, the school library, a crucial component in the learning process, should be encouraged and enhanced, not overlooked or neglected. No one doubts that the National Goals for Education (see attached) can be reached. School libraries and library media specialists should be first on the list of strategies to reach those goals.

AUTHORIZATION

PL 100–297, the Hawkins-Stafford Elementary and Secondary School Improvement Amendments of 1988, authorized Chapter 2 through FY 1993, with authorization levels of $640 million in FY 1991, $672 million in FY 1992, and $706 millions in FY 1993, Chapter 2 reauthorization is scheduled for 1993.

Finally, Mr. Speaker, I would like to enter as part of that chapter 2 presentation a restatement of national education goals and libraries, a statement on national education goals and libraries. Each one of the national education goals, goal 1 to goal 6, involves libraries of some kind, either libraries in public sector or libraries in our schools and our colleges.

I enter into the RECORD in its entirety "National Education Goals and Libraries."

NATIONAL EDUCATION GOALS AND LIBRARIES

Goal No. 1: By the year 2000, all children in America will start school ready to learn.

Libraries are essential to the achievement of this goal. Education research indicates that the single most important activity in preparing pre-school children to read is reading aloud to them. Studies by Durkin (1966), Chomsky (1982), Goldfield and Snow (1984) and others have found that both the sheer quantity of the material read to a young child and the continued use of progressively more advanced reading material are directly related to the extent of that child's "reading readiness" skills when he or she enters school.

A study by William Teale, however, found that too many young children are missing out on this essential element of literacy preparation. While some of the children in the homes he studied were read to often by their parents and caregivers, most were not. In most homes, storybook reading averaged less than twenty minutes per month—less than four hours per year. Not all of these children come from poor or uneducated families; Teale's study and a similar one by Shirley Brice Heath both found that income, race, and parents' educational status are all unreliable predictors of the extent to which children are read to at home. Poor and rich, African-American and white, working-class and professionals—this is a deficit affecting all of America's children.

Libraries work to fill this gap by exposing young children and their parents and other caregivers to the wide variety of children's literature they need to develop their "reading readiness" skills. Many also provide training to parents and caregivers on how to select appropriate reading materials and how best to use them with children. They are shown not just how to read to their children, but how to read with them.

The Howard County (MD) Public Library's BABYWISE program, for example, has developed a series of teaching kits which they regularly deliver along with books, toys, and educational games to family day care providers in the community.

The Hennepin County (MN) Public Library conducts workshops for family day care providers on the selection and use of children's literature which the county social services agency has made a part of its in-service training requirement for providers. A special "preschool" bookmobile makes scheduled stops at family day care homes and child care centers throughout the area.

The Brooklyn Public Library's Child Place program serves 45,000 preschool children and their caregivers every year. The staff teaches parents, day care providers and others how to prepare their children to read and learn.

The New York Public Library maintains deposit collections of books and materials on the premises of many Head Start and child care facilities and conducts regular workshops for child care providers on the selection of materials for use with preschool children.

The Jacksonville (FL) Public Library conducts regular reading workshops for functionally illiterate parents and their children. While their children attend a story hour program, their parents are taught how to read, using the same books their children are listening to. Later, the parents then read the story to their children.

The Rogue River (OR) Public Library has an outreach program in which volunteers visit the families of newborns to give them a library card, deliver a presentation on the services of the library for parents of young children, and instruct them on how to read to children.

Goal No. 2: By the year 2000, the high school graduation rate will increase to at least 90 percent.

An estimated 14 to 25 percent of students entering high school nationwide will drop out before they finish. Research indicates that youth who are the most likely to drop out are those who are the least prepared academically and the least involved in school activities. Libraries have been playing an active role in targeting special services to these students to help improve their academic performance and prevent them from dropping out of school.

SUMMER READING PROGRAMS

Reading skills decline during the summer vacation if children do not read independently.

In Shawnee Mission, Kansas, the public and school district libraries have joined forces to sponsor an 8-week summer reading program for elementary and middle-school students. Every year about 2,500 students participate in the program, each averaging five visits to the library during the summer.

In South Carolina, public libraries sponsor 2,007 summer reading programs for low-income children attending summer food program sites. Over 46,000 children participated last summer.

In Illinois, public libraries sponsor summer literacy programs for 1st through 5th graders who have met minimum requirements and promotion but are behind in their reading skills.

AFTER-SCHOOL PROGRAMS

Libraries also sponsor after-school programs which supplement and support learning in the classroom.

In Baltimore, the Enoch Pratt Public Library operates three homework centers in which volunteers provide assistance to students in completing their assignments and offer a wide selection of books and materials which supplement the regular curriculum.

In Decatur, Georgia, the DeKalb Public Library operates a Homework and Study Center for students during after-school hours and on weekends. Library staff, which includes experienced teachers, provide homework help to students. Typewriters, computers, calculators and other equipment is available for students to do their work with. Books and other materials, including educational software and videos, are provided which are designed to complement the instruction students receive in the classroom.

The Cambridge (MA) Public Library operates a Books for Homeless Children program which provides books, cassette tapes, and story hours in Boston homeless shelters.

Goal No. 3: By the year 2000, American students will leave grades 4, 8, and 12 having demonstrated competency over challenging subject matter, including English, mathematics, science, history, and geography . . ."

Report after report on educational reform in recent years has proclaimed the importance of reorienting our current curricula and methods of instruction to better develop "information literacy", the new set of skills which are required in a knowledge-based economy.

For example, in its 1986 report "A Nation Prepared," the Carnegie Forum on Education and the Economy declared that:

The skills needed now are not routine. Our economy will be increasingly dependent on people who have a good intuitive grasp of the ways in which all kinds of physical and social systems work. . . . Such people will have the need and the ability to learn all the time, as the knowledge required to do their work twists and turns with new challenges and the progress of science and technology. They will not come to the workplace knowing all they have to know, but knowing how to figure out what they need to know, where to get it, and how to make meaning out of it . . . We are describing people who have the tools they need to think for themselves, people who can act independently and with others, who can render critical judgment and contribute constructively to many enterprises, whose knowledge is wide-ranging and whose understanding runs deep.

Information literacy is the foundation for all other skills in a knowledge-based economy—the one skill through which all other skills and competencies can be acquired and maintained. It is, in short, knowing how to learn.

Inevitably, libraries must be central to developing these new information access skills and facilitating the lifelong learning that has become an economic imperative. As one library educator put it: "If the challenge is to learn how to learn and how to place one's learning within a broader societal and information environment, then libraries and their resources become the logical center for such learning."

Libraries are at the heart of the revolution in classroom instructional strategies that many educators and researchers are now advocating. For years, elementary and secondary education has been dominated by a deadening, repetitive "drill and kill" approach. This moribund "factory-model" approach to teaching children includes the use of curricula driven by a rigid sequencing which requires the attainment of basic skills prior to the development of higher-order skills, the use of teacher-controlled instruction almost exclusively, and an emphasis on rote memorization and drill and practice exercises. There is a new consensus among educators that this approach is ineffective and fails to develop adequately the higher-order skills of reasoning, comprehension and problem-solving that our students must have. They advocate the adoption of new and more effective approaches in which the instruction is more interactive and the curriculum integrates the attainment of basic and higher-order skills and provides a clear, real-world context for the development and use of these skills. This new wave of instructional reform goes by many different names—"cognitive apprenticeships", "situated learning", "cognitively-guided instruction", "meta-learning"—and there are important differences in the various new instructional models that are being implemented with such success around the country. But they all have at least one thing in common. All of them, from Robert Calfee's "Inquiring School" to Howard Gardner's "Project Zero" at Harvard University to the celebrated interdisciplinary curriculum at Central Park East Secondary School in East Harlem, include the regular use of library resources and library skills as a central component.

Mainstream educators are, to some extent, only just now discovering what library professionals have known all along. Over the last thirty years, the library science community have produced a solid body of research which has established the link between access to and regular use of a library with academic achievement at the elementary, secondary, and postsecondary level. These studies have established that students who have access to a library staffed by a full-time professional and who are given instruction in its use read more books more often, score better on standardized tests, and have superior reading, spelling, vocabulary, comprehension skills to those of other students.

Goal No. 4: By the year 2000, U.S. students will be first in the world in mathematics and science achievement.

All of the recent reports concerning the crisis in math and science education have focused on the need to reconfigure our current authoritarian instructional approach in which "teachers prescribe and students transcribe"—to one in which there is greater participation and hands-on learning by students. The National Research Council, the National Science Board of the National Science Foundation, the National Council of Teachers of Mathematics, and the National Science Teachers Association have all called for an end to "mindless mimicry" in the classroom in favor of new curricula which integrate science, math, and other disciplines, and emphasize active-problem solving using real-life situations. Libraries and their resources are essential partners in this new, more interactive method of instruction. They provide multimedia materials to supplement classroom instruction and offer a noncompetitive environment in which independent, self-directed learning is facilitated. The Whitehall (MT) High School library worked with the school's science department to develop a Videotaping through Microscopes program to enhance student participation in difficult microbiology experiments and in learning how to use the microscope. The exemplary Discover Rochester program effectively teaches math, science and other concepts to at-risk 8th graders by exploring various facets of the Rochester environment through group and individual research projects that rely heavily on the resources of local libraries and archives. Libraries contribute to math and science instruction in other, more unexpected ways as well by introducing math and science teachers to literature outside their disciplines which may be useful in the classroom. Some of the most promising new curricula in elementary math instruction, for example, draws on such disparate sources as Gulliver's Travels and Haitian and African folk tales for math problems.

Public and school libraries also promote math and science education by using new technologies to give teachers, students, and parents greater access to science and math information and resources. The Radnor High School library in Pennsylvania, for example, instructs science students in the use of electronic databases like DIALOG for performing science research. Automated bibliographic networks allow users to identify, locate, and obtain highly specialized information from libraries throughout the nation.

A number of libraries also sponsor instructional television networks which provide instructional programming to the classroom and to the community at large. In Leon County, Florida, for example, the library-sponsored instructional television network offered a series of after-school programs designed to help students with their homework and to familiarize and involve parents with what their children are learning in the classroom.

Libraries also provide students and their families with free access to microcomputers and other expensive information technologies which they may not be able to purchase on their own. Last year 44,000 people used the free Apple microcomputers offered by the New York Public Library at 54 locations, many of them students working on classroom assignments. The library is the only place in all of New York City where microcomputers can be used for free.

Goal No. 5: By the year 2000, every adult American will be literate and will possess the knowledge and skills necessary to compete in a global economy and exercise the rights and responsibilities of citizenship.

Libraries continue to play an instrumental role in battle against illiteracy. They have proven to be particularly effective in reaching and educating adults with the lowest literacy levels. Frequently, adults with low literacy skills have had humiliating experiences in school classrooms and are more comfortable with literacy programs provided at their neighborhood library.

Because they do not have the same stigma as schools and other public institutions, libraries are an important way to reach people who are functionally illiterate. The Onondaga County (NY) Public Library conducts outreach for its literacy program at the waiting rooms of social service agencies; libraries in South Carolina target outreach to persons at substance abuse treatment centers; the Missoula Public Library in Montana offers a literacy program at a local mall; and the Lane County Library in Oregon uses a bookmobile to deliver literacy materials and instruction to rural residents.

Libraries have also been effective in delivering literacy instruction to members of special population who are often overlooked by other providers. In Colorado, a library-sponsored bookmobile provides low-literacy reading materials and literacy and English-As-A-Second-Language instruction to migrant farmworkers throughout the state. The Chicago Public Library offers library services and peer tutoring to inmates at the Cook County Jail. The New York Public Library has provided English as a Second Language instruction to 11,000 adults and literacy instruction to another 3,500 since 1984

In addition to attacking illiteracy, libraries also provide critical resources to respond to growing basic skills deficit in the American work force. There are few jobs that do not require sound basic skills. One study of a broad cross-section of occupations from professional to low- and non-skilled found that fully 98% of them required reading and writing skills on the job. Yet an estimated 20% of the work force today have deficient basic skills, reading at or below the 8th grade level. Most job-related reading materials, however, require at least a 10th to 12th grade reading ability.

As the "peoples' university", the public library is also an essential resource for the pursuit of lifelong learning by adults. Lifelong learning has now become an economic imperative as skill levels rise and the economy changes. As it is, Americans change employers and occupations more frequently than workers in all other advanced industrial economies. Every year 20 million Americans take new jobs. Only 25% have previous experience in the same occupation—the rest need additional training.

Libraries are working to fill the gap. Last year in New York State alone, over 428,000 people obtained job, career, and education information and counseling services through their local library. These users received career counseling and advice on developing a resume, information on job and educational opportunities, and participated in programs on how to start small- and home-based businesses.

Mr. Speaker, I would like to conclude by stating that libraries, books, and information were never more important to the American democratic process. We need information. We need information in our libraries that tells us what the real scandals in our Nation are. We need information that tells us what it means to have a savings and loan bailout, what it means to have banks going broke and the Federal Government using the taxpayers' money, having to bail them out. We need information about that. We need information about the expenditure of $28 to $30 billion on intelligence gathering, CIA and other intelligence operations. We need information to find out more about why they continue to spend that kind of money, $28 to $30 billion to gather information to spy when the cold war is over. We need information to tell us that welfare and welfare recipients is not the problem in this country. If we cut out all the welfare programs, left the widows to die, left the dependent children to die, left the homeless, if we cut out all the welfare programs in the country, we only reduce the budget by 1 percent, 1 percent. On the other hand, we continue to spend an enormous amount of money for weapons systems. We continue to spend $150 billion for overseas bases. We need information about how our Government is operating, how our Government has failed with people.

Mr. Speaker, the people of America are angry. They need information from libraries to tell them what to be angry about. The need information so they will not trivialize the Congress, trivialize the government process, and focus on items that have no consequences, diversionary kinds of information. They need to know what the real bank scandal is in America at this point. They need to know $155 billion has been expended to bail out the savings and loan associations and coming back for another $25 billion. They need to know that $25 billion has been appropriated for commercial banks, and they will be coming back soon.

American people need information more than ever before. It is a very complex society. We need as much education as we can get. We need as much information as possible. The people perish for lack of information. Our democracy will cease to work unless we have more information. Libraries are major vehicles for providing that information, and this National Library Week I hope that all Americans will understand that their Congressman, the legislators and decisionmakers in Washington need to be educated about just how important libraries are and the kind of bargain we get when we spend a dollar for our library services.

Mr. SPRATT. Mr. Speaker, America's libraries are at the forefront of the movement toward meeting the national education goals. The contribution which public libraries make to the education of American children is far reaching. Yet if all children are to start school ready to learn by the year 2000, our public libraries must be strengthened.

In South Carolina, public libraries have traditionally provided materials and programs that enable parents to become their child's first teacher. the many parents who take advantage of these resources provide their children with a lifelong gift by introducing them to the public library.

I am especially proud of a project at the library in my home county of York, SC. This new project, funded by the Library Services and Construction Act, is called New Beginnings—Books and Your Baby. Parents of each newborn baby in the county receive a packet that includes a first picture book to be read to the child, an attractive brochure which focuses on the books, and videos and programs available at the library and in bookstores. The packet also gives tips for sharing books and stories with young children, and lists books and videos on parenting that the adult may borrow from the library. A list of public libraries in the country and an application for a library card complete the packet, which is distributed by the hospitals in York and mailed to families of babies born outside the county.

Statistics show that in South Carolina, more than half of mothers with children under 6 work outside the home. As a result, thousands of children spend most of their day in day care, child care centers, or group homes. Public libraries are directly concerned with this situation, and have an institutional mandate to provide books for all preschool children and to encourage their use by parents and adult caregivers. This function is an important early educational step, because reading aloud to children and demonstrating that reading is exciting are the most influential factors in raising readers.

Mr. Speaker, if our children are to start school ready to learn, programs such as New Beginnings need to be encouraged. These sorts of preschool activities at public libraries contribute to the overall readiness of our children as they prepare to enter school, and thus serve the public interest in a dynamic and vital way.

Mr. COSTELLO. Mr. Speaker, I rise today to speak about the importance of libraries to our Nation. The role played by libraries across our country is both necessary and critical to the education of our children and communities. Because it is currently National Library Week, it is fitting to recognize the significant function of libraries in society to provide information and to encourage reading and learning.

While the Federal Government does not have primary responsibility for the funding of public library services because of State and local obligations, it is evident that the Federal funds allocated to library systems through the Library Services and Construction Act do make a difference. LSCA dollars are generally used to improve service to underserved communities and residents who need extra efforts or special equipment. Funds are also used to help link libraries across State, county, and city lines to expand the information services available to our Nation's citizens.

The investment of Federal dollars in Illinois has directly improved and expanded library service to Illinois residents. Over 90 percent of the Federal funds allocated to the State have been used for actual programs rather than for administrative costs. Because more of Illinois is unserved than served by public libraries, it is critical for the Congress to continue its strong commitment to funding library systems.

As many of my colleagues are aware, Illinois is a State with significant historical interest. The contribution of libraries to the culture and continuing learning in southwestern Illinois is one that cannot be overlooked. Therefore, I believe it is important to reaffirm the need for a strong and vibrant library system. I stand ready to work with my colleagues to strengthen libraries through legislative action on literacy programs, the Library Services and Construction Act, and Higher Education Act title II grant programs.

Mr. DERRICK. Mr. Speaker, a library is often evaluated on the size of its collections or the size and condition of its buildings. Library collections, that is books, tapes, disks, magazines, newspapers, are the sources of information provided by our libraries.

Bricks and mortar are important elements in the provision of library services. The Congress has provided Library Services and Construction Act, title II to meet public library space needs.

But, perhaps the most important element in providing library services is not the size of the collection or the buildings, but the dedicated staff working in our libraries.

This week is National Library Week. This year's theme is "Your right to know: Librarians make it happen."

Librarians often introduce children to the wonders of language through story hours and other programs. Librarians help students locate information for school assignments, and more importantly, teach them how to use the library. They help the business community find the right piece of information to make informed business decisions. They provide a wide range of services for senior citizens. Librarians touch the lives of all our citizens.

The recent Second White House Conference on Library and Information Services passed four resolutions proposing programs to expand professional education and staff development in libraries. These programs are essential if libraries are to have the necessary staff required to meet the challenging informational needs of the 21st century.

Mr. Speaker, I am pleased to recognize all those who work in libraries as we celebrate National Library Week.

LIBRARY SERVICES AND CONSTRUCTION ACT

SPEECH OF

HON. FLOYD SPENCE

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. SPENCE. Mr. Speaker, the Library Services and Construction Act has targeted the elderly, the fastest growing segment of our Nation's population, as a priority. While most senior citizens enjoy good health and are able to visit their public libraries, many are unable to do so. Our public libraries have developed extensive outreach programs to bring library services to these people.

Public libraries have designed programs for nursing homes and senior citizen centers. A highly successful project is conducted in my home county of Lexington, SC. This project has a staff member who develops programs and presents them throughout the county. The programs are designed to inform and stimulate those attending. Originally funded by a Library Services and Construction Act grant, it is now entirely funded by local appropriations. This is a perfect example of using Federal funds to demonstrate a service which can be picked up with local funding, if successful.

Another project in my district in Richland County provides salary assistance for a staff member who provides personalized service to homebound patrons.

As people age, their eyesight often deteriorates. For those who need it, audio books are available from the South Carolina State Library in cooperation with the Library of Congress. These talking books continue to provide countless hours of reading enjoyment to senior citizens who are eligible for the service.

The role of public libraries is changing as our society changes. It is important that the Library Services and Construction Act provide funds at the State level as a catalyst for developing new and innovative programs in our communities.

THE REAL NEEDS OF THIS GREAT NATION

The SPEAKER pro tempore (Mr. GEJDENSON). Under a previous order of the House, the gentleman from Illinois [Mr. HAYES] is recognized for 60 minutes.

Mr. HAYES of Illinois. Mr. Speaker, it is now time for us to focus on what many of our citizens feel are the real needs of this great Nation. I, as a Member of this Congress for 9 years now, and will be bowing out at the end of this term this year, have, since 1984, raised what I consider to be an issue that has to be dealt with and can no longer be circumvented, and that is, of course, the question of jobs.

□ 1520

In 1984 I presented a bill called the Jobs and Income Act, which died without any real movement. A year or so later I raised the issue in a quality-of-life act in the form of legislation which was not acted upon.

So for the last decade, this country has been slowly falling into an economic catastrophe. Nearly 9 million Americans are unemployed and 1.6 million have exhausted their unemployment compensation. The current recession has showered our Nation with families that are struggling to put food on the table and pay the rent. To them it is no longer a recession, it is a depression.

Imagine the frustration and despair that the working fathers and mothers endure when they cannot provide food or shelter for their children, or must choose between medicine and other bare necessities.

At times it seems as if this administration believes that human suffering cannot exist on American soil. People are homeless and hungry, and this administration's response until a few weeks ago was that the recession would be over soon. It seems that they are finally waking up to what is an economic crisis, but they are not prepared yet to really do anything about it.

Ask in any city or town in this country and they will freely tell you what the state of the Union really is. They will tell you that we are in need of rebuilding this Nation, the economy, the infrastructure, and how great the need is for housing.

I am certain the public will be quick to tell our President that the need for refurbishing, rehabiting, rebuilding, is right here on U.S. soil, as we continue to engage in debate as to how we are going to help other nations and their sick economies, such as the Soviet Union.

Our cities are suffering and States are suffering. We must ask why the leadership of this country, including the leaders here in this Congress, are so quick to support phenomenal levels of spending to help new and emerging democracies abroad when democracy is not even guaranteed here in America.

In order to be a part of the democratic process, it is important for a person to have a decent place to live and be able to have some food and get quality education. My priorities simply never change. We need to preserve our democracy right here at home. We need to provide jobs for American workers.

This is one of the best ways to reduce our deficit. Anyone knows that the best way to get out of debt is to increase your income. If we can take some of the people off of some of the public assistance programs, not in the manner in which they are doing it in my State of Illinois, where they are cutting people off of public assistance in order to so-call balance the State budget, who have no other means of subsistence, but if they had a job which they could go to and pay taxes, this would help the revenue side of our State's income. The same is true for the Federal Government.

There is a nationwide jobs emergency and this Government must immediately respond to that need. That is why I have introduced H.R. 4122, the Infrastructure Improvement and Jobs Opportunities Act of 1992. This legislation will help create jobs to build the infrastructure of this country, improve the quality of life, and return dignity to American workers.

Common sense should tell us that the best and most long lasting way to decrease the deficit is to put people back to work, and not view those who happen to be on some kind of public assistance programs as outcasts in our society. Many would prefer to have a job where they could earn their own income and not have to depend on these subsistence programs.

Yes, and I repeat this, this would, in fact, increase our revenue by increasing the pool of taxpayers.

The Infrastructure Improvement and Jobs Opportunity Act of 1992 will create job opportunities at the community-based job projects that renovate and rehabilitate the public infrastructure, including our Nation's roads and highways and bridges, and, yes, our antiquated sewage systems in many cities.

Public schools are closing in Illinois and in the city of Chicago, or being proposed to be closed, because we do not have funds to keep them open. There are historical sites that should be retained, but we do not have the funds to do it. But this could be jobs.

You are looking at a person now who during the early days of the Depression in the thirties upon finishing high school set out trees as part of a public works program. They called it the Civilian Conservation Corps. We set out trees on the banks of the Mississippi River in the State of Illinois in order to halt the erosion of soil into that river.

We need to have programs that are going to provide for the protection of our environment. Maybe not that same program, but something similar to that. Certainly it seems to be the direction we should go if we have some kind of public works program.

Each job project under the proposed bill that I mentioned will be selected by a local district executive council. The projects will provide employment and training, which is needed, and provide services for the American workers.

Over 2 million people are currently eligible to participate. The Bush administration's economic policies are clearly creating persistently high poverty and increasing the gap between the haves and the have nots. Not only have the rich gotten richer, but the poor have slipped so far behind that any real recovery at times seems uncertain. It looks like some of them will be slotted into the ranks of the permanently unemployed.

With shortfalls in the minimum wage, the spiraling cost of health care, and the diminishing coverage of unemployment insurance, those living in poverty continue to lose out under the current economic system. This is the state of the Union, and it must be addressed.

Those that are suffering because of the economy and this country's lack of direction must be recognized as part of the 1992 forecast. The quality of life is deteriorating as drugs, homelessness, and crime are on the rampage. Anyone that tells you that there is not a relationship between unemployment and some of the crimes which pervade our neighborhoods today does not know the facts of life.

□ 1530

The leaders of this country must remember that rhetoric is fine, but it does nothing to assure that Americans have a decent house, adequate health care, quality education. Without it, the likelihood of getting a job in the future is almost virtually nil. And jobs must be provided at a decent wage.

Some people who now may have jobs who used to a few years ago, before the plant moved or closed down where they used to work, if they are lucky enough to find a job, it is at a wage that keeps them at the poverty level, which is what the minimum wage does, if one has a family.

Investment in the citizens of this country is my primary concern, and a critical starting point is a decent paying job. As the first international union leader ever to be elected to this Congress, I have spent a lifetime working for ordinary people. I have heralded the cause for full employment for over 50 years. Jobs are certain to be one of the major issues addressed by this Congress in part because many of us in the Congress have maintained a vigil for a jobs bill over the years.

The President and others have just miraculously have happened upon this issue.

Mr. Speaker, the conditions of joblessness are apparent on every street corner in every city and town, and even some of our poor farmers are being forced to lose their farms.

I do not think they can any longer be ignored.

Mr. Speaker, I urge my colleagues to support the Infrastructure Improvement and Job Opportunities Act. And I look forward to assisting in the battle to create a comprehensive jobs bill before the end of this session. It is something that is really needed.

As we talk about the right to life of the unborn, we should consider those who are already here and not be hypocritical, do something about providing a way of life for themselves, for their parents and, yes, let us stop talking about what we are going to do or we cannot afford it.

Do we know how many houses that we could build in Chicago where people are sleeping in vacant buildings now, waiting for it to get a little warmer so they can go to the parks and sleep? Just at the price of one Stealth bomber or one B-2 bomber.

We have got to get our priorities straight. We should not have people going to bed hungry in a country, this great Nation of ours, which prides itself, some call us the superpower of the world. How can we be a superpower and forget so many of our people and citizens who are in need?

WHAT IS THE PRESIDENT'S PLAN?

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentleman from Michigan [Mr. BONIOR] is recognized for 60 minutes.

Mr. BONIOR. Mr. Speaker, I thank my dear friend from Chicago, the gentleman from Illinois [Mr. HAYES], for his views with respect to employment or the lack of it in America today. That is the issue I wish to address this afternoon.

Mr. Speaker, last week the President announced his plan to provide billions, billions with a "b," billions of dollars in aid to the former Soviet Republics. He said in a grand speech that he wanted to provide a comprehensive plan, comprehensive plan, and one might expect us to be excited. But it was not geared toward dealing with the employment problems we have here at home and the structural job and unemployment problems in America.

It was geared toward the former Soviet Republics.

Today I want to send the President a very simple message. Jobs here, Mr. President, right here at home must come first.

Mr. Speaker, President Bush's proposal is full of contradictions. The questions begin with the plan itself. Nobody seems to know for certain what it is. We do not know what the plan is.

One week after it was unveiled, journalists are still scratching their heads trying to figure out exactly what the President wants to do. Out of one side of this mouth he talks about a massive $24 billion multilateral effort with the United States' share of about $5 billion. Then out of the other side of his mouth he says the plan will not cost that much at all, that it will not require any new money, that somehow this is all sort of going to materialize. And it has been in the works, and it is there and not to worry about our budget, not to worry about our priorities, that, in fact, this is not going to take any strain. We can do this without any new money.

What is he talking about? What is the President talking about when he talks about this grand scheme to help the former Soviet Republics? He talks to the Kissingers and all these think-tank people downtown who make their living dreaming up these schemes ahead of the U.S. worker and taxpayer and all these editorial writers who put other countries ahead of our work people here working in America?

There is a whole clique of these folks out there, and they sit around and they worry about the world. And they do good things sometimes, but sometimes they get off track. And they fail to understand that we have limited resources and that our priorities should start at home, that we ought to take care of our own first.

I could make a good argument that we have not been taking care of our own here in America for about 25 years.

□ 1540

All one has to do is look at the various sectors of our economy and plot on a graph the curve which our major manufacturing sector has taken: steel, automobiles, semiconductors, and where we are going or not going in the future in biotechnology, telecommunications.

We have not, in education or in health care, been taking care of our own. So what is the President talking about? The truth is very simple. President Bush is trying to blur the issue of how much his plan will cost the American taxpayers. He wants to say it is a big plan so he can satisfy the Richard Nixons and the Henry Kissingers and the editorial writers downtown here who did this incredible spread in the newspaper for about the last 6 months, telling everyone in the country and in this town that there would be massive starvation in the former Soviet republics; that the winter was crucial, foisting upon us this concept, the need of taking care of them and not our own, the internationalist idea of they are first and we are second.

Then he wants to say: "It is a small plan," the President, to assuage the American people who are still wracked by this Republican recession right here at home.

The President cannot have it both ways. Any way you look at it, the President's proposal will cost the American taxpayers billions of dollars. No matter how you disguise it, it is real money. It has not been spent yet.

That brings me to the real contradiction in the President's approach. It is not the details of the plan, and I would argue that clearly there is a need for stability within the former Soviet Republics and we ought to be as helpful as we can where we can. It is not the vagueness of the funding or the confusion about the substance.

The real problem has to do with the President's own priorities or the lack of priorities of this administration. While our own economy reels from 12 years of Republican mismanagement, and while our middle-class and middle-income families are squeezed at almost every angle, squeezed to pay their mortgage, squeezed to provide tuition for their child's education, squeezed to pay for health care benefits that are rising three and four times the rate of inflation, while our families are struggling, how can the President even consider a massive foreign aid plan for the former Soviet republics?

The Republican recession continues to grind away at American families. Unemployment. You would think we were in this boom period in America, if you listen to my colleagues on this side of the aisle, if you read the editorial writers, if you read the business page and the economists who say we are coming out of this recession.

We have been coming out of this recession for 2 years and unemployment is at its highest level now, 7.3 percent, officially. That is officially. I should tell you about "officially," because a year ago when the recession began the Bureau of Labor Statistics could not find 650,000 people who were out of work. They recently admitted to that. How can you lose over a half a million people?

So the official rate today, from those same people, is 7.3 percent. But if you include discouraged workers and people who are working part time and cannot find full-time employment, the percentage is closer to 14 percent of Americans today who cannot find full-time employment, 14 percent.

Of course, it is even higher in Michigan, where the official rate rose to 9.3 percent in March. Mr. Speaker, that is a half a million people out of work, people who have to go home, or are home, people who are mentally discouraged, who have to face their families and deal with all the rising expectations that this society lays upon them hour after hour through this telecommunication age that we live in.

If any of you know of people who are out of work or if you have been out of work yourselves or if you have had a parent or a family member, you know how mentally anguishing that is, let alone the deprivation of being able to provide for your family, how mentally anguishing it can be. Rising health care costs, rising education costs, and the Republican recession continues in this country.

How has the President responded? First he denied there was even a recession. We all remember the wonderful afterglow of the President relaxing, and he deserves a vacation, I don't fault him for that, he does work hard, but I will never forget those pictures on national television the summer before last, a summer ago, when the President, after the gulf war, was in Kennebunkport fishing, playing golf, and had before him a bill that we had passed in this body, over the Republican objections, for unemployment compensation for people who had been thrown out of work.

The President said: "We don't need it. It is not an emergency. We are not in a recession. Things are moving fine." In fact, the Secretary of the Treasury said at that time the recession was no big deal, slapping every working man and woman in this country in the face.

The other guru of economics downtown, Mr. Darman, said: "Unemployment compensation, you know, that is something that will just perpetuate people to not look for work." It is kind of interesting that the three folks down there that make economic policy, Mr. Darman, Mr. Brady, and former Secretary of Commerce, Mr. Mosbacher, and people who live off their own trust funds. These are wealthy people. I don't begrudge them their wealth, but they have no sense of the pain that is going on out there to make statements like, "The recession is no big deal," "Unemployment compensation perpetuates people not working." What kind of nonsense is this?

We sent the President the unemployment compensation bill and he vetoed it because he said the recovery was right around the corner. Then he vetoed our tax cut that we provided for middle-income people who are squeezed on all these fronts, on health care and education, who have difficulty finding work. We were going to put $600 to $800 back into their pockets, paid for by the wealthiest Americans, the top 1 percent, about 2.5 million Americans who make between $315,000 to multimillion dollars a year, the wealthiest who made the best deals for themselves in the 1980's. We asked them to share in the sacrifice to get the economy moving again and to help those who are not so fortunate. The President vetoed that.

Now he wants to send billions of dollars to the former Soviet Republics. They still don't understand. They don't get it. Last week he gave a news conference where he pledged to mount a massive lobbying campaign on behalf of his Soviet aid plan. He said he would mobilize the executive branch, the Congress, and even the private sector to support his plan. It was almost like a mission coming out of his soul and his heart. It is as if he is stuck with international serum in his veins.

Secretary Baker said there was no higher priority than this aid plan, no higher priority.

Mr. Speaker, the President has got his priorities all wrong. He ought to be mobilizing a massive lobbying effort to support a plan to revitalize this American economy.

☐ 1550

We hear nothing about how we are going to regroup and adopt an industrial policy in this country that will be competitive with the Germans, the French, the Japanese, most Western developed societies. They know where they want to go in engineering, they know what they need to protect in automobiles, they know where they want to go in biotechnology, they know where they want to be in computers, telecommunication, and they have a plan to get there. They have a plan to train their people so they are educated to meet the goals.

We do not even have a national health care plan in this country. All of these other places dealt with that issue generations ago. And we sit here with a health care system that is a disaster. It is out of control, and costs are rising three and four times the rate of inflation. People at the bargaining table are negotiating whether or not and how much of their health care system they can keep. Wages are not even on the table anymore. And at any one point in this year we will have 60 million Americans without health insurance. It is a disgrace. It is an utter disgrace.

We have no plans on how to get the economy moving, no plans to deal with the unemployed, no plans to know where we ought to go with an industrial policy, no plans for an educational system that will provide excellence.

Mr. Speaker, the President has got his priorities all wrong. His highest priorities ought to be our own economic recovery here at home, and even more important than that, where he wants to lead this country in the areas I have just dwelled on. What is he thinking about?

Mr. Speaker, I intend to do everything I can, I pledge to do everything I can to defeat the President's Soviet aid plan until he gets his priorities straight. Jobs for Americans must come first. An auto worker in Michigan is as important if not more so than an unemployed worker in Moscow. And until the President agrees to support two pieces of legislation to put our economy back on the road to recovery, I will actively oppose the Soviet aid proposal.

Our first domestic need is a bill to make permanent reform in the unemployment benefits program. We cannot have 14 percent of our work force, most of whom are not working, not receive benefits. Since the recession began in July 1990, Congress has passed four bills to provide emergency benefits to the victims of this Republican recession, and although President Bush killed two of them, he allowed two to become law, embarrassed into the third and acquiesced on the fourth. But these emergency bills will expire on July 4, even though the unemployment rate, as I said, is higher today than at any point since the recession began. We need legislation to provide an extension of the emergency benefits, and we need to make permanent, so that we do not have to go through this charade month after month after month while people worry where their next check is coming from. Every decent industrialized nation on the face of the Earth has an unemployment compensation policy that is in place and that is triggered, and that workers and their employers have invested in, and there is certainty of a payback when the economy moves downward, except us. Like everything else this administration stands for, there is no sense of where they want to be. We need to make permanent reforms so that we do not have to pass an emergency bill every 4 months when the American workers are hurting.

The second thing I am going to insist on is we need an accelerated jobs bill to put our own people back to work. My God, you walk, you ride, you fly across this country and you see America in many respects, despite its beauty, and its grandeur and its magnificence, in decay. Our parks, our schools, our highways, 61 percent of which need repair, our bridges, two of which fall apart every day. There is much work to be done in this country, and every community that we represent has a list sitting in city hall or the township hall of things they want to get done for their citizens, whether it is a water treatment facility or a boardwalk, a library or a school renovation, or bridges or roads that could put literally millions of people back to work. The building and construction trade industry in this country is suffering from unprecedented high unemployment, plumbers, carpenters. All these people could get put to work in a constructive way to make this a richer and a better country for our people to live in.

So I am advocating and will insist on an accelerated jobs bill to put our people back to work. And the gentleman in the respective committees who have advocated this, the gentleman from New Jersey [Mr. ROE], the gentleman from Michigan [Mr. CONYERS], and the gentleman from Mississippi [Mr. WHITTEN], all have proposals to do that.

We have to pay for it. I have an idea how to pay for it. I am not wedded to it. I will accept other ideas. But it seems to me we ought to be able to raise a surtax on millionaires like we did to pay for the middle-income tax cut bill, and raise millions of dollars over a period of time. We ought to cut deductions for the CEO's who make over $1 million a year, as bloated and as preposterous as that sounds and seems, and it is, and it happens on a daily basis in America, on a yearly basis, and they deduct that stuff from their taxes so that the rest of us have to pick it up. No more. We could save literally billions of dollars there to put our people back to work.

An unemployment compensation bill, permanent and accelerated public works jobs bill, these two pieces of domestic legislation can easily become law if the President will join us in taking care of our own here at home. If he showed the same determination to get these bills passed as he has toward the Soviet aid plan, his love for Red China, we could turn our economy around, and that is where we need to start. And once we have accomplished these goals that could be done in a matter of weeks, then and only then, can we move on to the President's plan for the rest of the world, which in some areas, and to some degree, has merit, and at some point which I will be willing to come forward and acknowledge. But not until we take care of our own here at home.

It is easy to get mesmerized around here by the charm and the elegance and the excitement of international relations. Most of us studied it in school who serve in this body. But the tough work is making sure things work here at home. That is where the responsibility is foremost, and that is where our attention ought to be focused.

So Mr. Speaker, I thank my colleagues for allowing me the time to express myself on these issues, and I yield back the balance of my time.

□ 1600

AID TO THE COMMONWEALTH OF INDEPENDENT STATES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Iowa [Mr. NAGLE] is recognized for 60 minutes.

Mr. NAGLE. Mr. Speaker, I would not profess to have the eloquence of the gentleman from Michigan. I cannot speak with such force as he just did.

But I would say at the outset that while he is my good friend and a colleague of my party, I disagree with him, and I disagree with him most forcefully.

I think it would be a tragedy if this Congress and this House stood in history's light as having lost the peace. I note that we spend in this country $290 billion a year annually on defense, $290 billion of which, and this may shock those who read these words, $150 billion is spent defending Europe and Japan. Against what?

For the most part we have appropriated that money annually, and sadly in ever-increasing amounts, to defend against the threat of a world dominated by communism. We have gone to great lengths and great sacrifices since 1948 to defend Europe to ensure its freedom, to see that we had allies, and in the process ensure that we here at home were also secure.

Unfortunately I think that we are spending more than we need to spend.

I think our nuclear force is redundant. I think we have bought every program without necessarily the care that we should, and I think it is now time, if not time before, to say to our European allies and to the Japanese that while we do not expect them to rearm, we do expect them to pick up a portion of the cost of maintaining freedom and democracy and the security of their borders. Clearly their economies can afford more than what ours have. But would it not be wonderful, would it not be grand if this Congress, singularly despised by the public that we are, left behind a gift for future generations that no nation had to spend that kind of money defending against a threat because that threat no longer exists? And that really, in a nutshell, is what is at stake when we undertake the debate and the discussion of whether or not we should go to the aid of the Commonwealth of Independent States, the former Soviet Union, or not. I think that is at the heart of it.

I share the frustration of my colleague, the gentleman from Michigan, and his anger at the recalcitrance of this administration to recognize that the economy is down and needs fixing, that fails to be willing to stand back and repudiate 12 years of policies that have led us to this decline, and that is unwilling even in a moment of trial for many Americans to step forward with a bold new program that helps those who have lost their jobs, for those families that have seen their real net worth decline, and says to us again, as President Reagan said to us in 1980, that the way out of this morass is simply to give the rich people more money and hope that they share it with us.

I endorse his proposals for public works. I endorse his proposals for unemployment compensation. But I stand back from him, and I stand back probably from what is going to be the coming storm in debate within this Chamber that there should be linkage between the situation in the Commonwealth of Independent States and the situation in domestic America. I say do both. And I say do not link one to the other. Pass those bills.

Put the responsibility on the administration for acting or not acting or reacting.

You see, one does not preclude the other, and, indeed, if we are going to rebuild this country, then it is absolutely essential that we bring down the amount we are spending on defense, and no reasonable person could argue that the surest and the safest way to do that would not be to simply reduce the amount that we are spending on defense, because it is not needed.

Because the Commonwealth of Independent States, Russia, Ukraine, Belorussia, Kazakhstan, all 14 Republics can step into the community and the family of nations, not now as adversaries but as friends and trading partners, and the isolation that has blocked us from the advantages of their rich culture and their rich history can be removed, and the synergistic effect of the emergence of new ideas with the old can truly lead to world peace behind us.

But we have to act, and we have to act quickly. If I have a criticism of the administration it is that they have not acted quickly enough, and if I have a second criticism of the administration, it is that their proposal does not go far enough. It does not do enough.

I suspect it was made in response to criticisms voiced by myself and President Nixon and Governor Clinton that they decided that they had to put this package out, and I said at the time will they come down here and fight for it; will they make the case, or is it simply a political step back from the criticisms that they have been receiving for their timidness and their meekness in the face of challenge? To me it is puzzling, utterly and unalterably puzzling, that an administration that can organize the whole world to go to war is taking such a slow and recalcitrant step to go to peace. Be that as it may, that is what they have chosen to do.

I would like to think that I have developed some expertise in this area. I always face the burden when I speak to the floor that because I am from Iowa people assume I can only talk about farm issues, and I can talk at length about those, and I can talk at length about what the administration has done to American agriculture. But I have also taken the time over the last 3 years to study the relationship with the Commonwealth of Independent States, to familiarize myself with it, and I confess there is an Iowa root to that connection.

Because my great State has managed throughout the entire cold war, through periods of detente and periods of thaw to maintain a relationship with the then Soviet Union, but now the Commonwealth of Independent States. It actually started in 1958, when Nikita Khrushchev chose to come to this country and chose wisely, I think, in the course of coming to visit Iowa, and hook on with a man by the name of Roswell Garst and the Garst family, and their successor in interest, a young man at that time, now a man of moderate age, John Crystal, who has maintained and our State maintains, ties with them. Our Iowans went there, and Russians came to our country, and while the President and the Soviet Premier would be throwing barbs at each other and nuclear threats, Iowans would continue to talk back and forth to them.

We have come to appreciate their talents and their capabilities, and we do not appreciate and never did their system of government or their lack of democracy.

I went to Moscow in December. It was my second trip to the Soviet Union. I was there 2 years ago. I say quite categorically and on the record in public that I personally do not think that the odds of them being able to make a successful transformation economically on one side and politically on the other side is by any means preordained to succeed, and, indeed, I would argue that the odds are at best 50–50 that a Yeltsin type of government with a Russian Parliament can succeed, that we will be able to avoid ethnic strifes, that we will face the danger as we do to this day of civil strife in a country withnuclear capability or between two countries formerly united with nuclear capability.

I can tell you quite simply and quite sincerely that the situation on the streets of Moscow is desperate, desperate in some ways that even defy our imagination.

Before I went, I went to a hospital in Waterloo, IA, and I asked them to give me a list of everything that you would need if you were just basically going to run a hospital, things like syringes, insulin, aspirin, bandages, crutches, anesthetics, antiseptics, anesthesia. I went there and presented that list to the head of the equivalent of the oblast, region, of our medical association took him a handwritten list, and did not change it from what they had prepared. It was three pages long. He asked for a day for him to study it and for me to come back, and I did. We met at the White House, their White House.

□ 1610

He handed the list back in front of a group of other physicians the next day, and he said, "Congressman, we need everything on that list," and they do.

They said, "We need your medical equipment, but we do not need medical equipment made probably after 1980, because we do not have the expertise to use it, and if it breaks down, we wouldn't know how to repair it; but your antiquated medical equipment is something we need."

We talked about how Russian citizens today are treated, and it is very simple. If you are old and ill, you simply lay in your home. If you are young, they are particularly short of medicine for children.

They need everything that a hospital has, and they need it desperately and they need it quickly.

That is not their only problem. When I was there in June 1990, the ratio of a ruble to a dollar was 3-to-1, three Russian rubles to one American dollar was the official exchange rate. Whan I arrived back there in December 1991, the ratio was 90 rubles to 1 American dollar. When I left there a week later, the ratio was 100 rubles to $1.

The price of a chicken when I was there at the government store was 1 week's wages. You would work a week to earn enough to buy one chicken for your family. A slab of baloney, and anyone from Iowa has some expertise on that, I like to think anyway, a slab of baloney was 10 days' worth of work.

People were standing on the street corners, near the empty department stores, selling personal items, their ties, bras, pins, handkerchiefs, coats and clothes, to try to get enough to buy food to keep up with inflation.

Now, you take a country that has no history whatsoever of democracy from the time of the Czars and you take a history in which there is not adequate medical supplies, and there are not, and you take a country which has no history of free economic systems, and you tell them to make those transformations overlaid on social unrest and hardship, you put an enormous burden on them. It is in our interest that we make sure that they make that transformation, because everything that the gentleman from Michigan cares about and that I care about can be done so much easier if we are in accord with them, as opposed to being in opposition to them.

So I disagree with linkage and the concept of linkage.

When I came back, I did something that received some note. I called every major Democratic Presidential candidate, got them on the phone, they were kind enough to take my call, and I said to them, "You know, we have got to give the President a political license to act if he chooses to do so."

Paul Tsongas from Massachusetts, the first one I talked to, fortunately, on a Saturday afternoon said, "You know, we ought to send a letter and we ought to tell the President that assisting Russia and the Commonwealth of Independent States to make the transformation is beyond politics. It is a matter of statesmanship and it is a matter of policy."

I said to him, "Senator, that is an excellent idea. I will undertake to draft a letter and circulate it among the six candidates and ask them to sign it and present that to the President so that he will know from our side he is free to act boldly and he is free to act vigorously."

It took a week, not an uncommon length of time when you are dealing with six different Presidential campaigns and three different time zones, with Presidential candidates scattered all over the country at that time in December, but by the end of 10 days we had an agreement and we had a letter signed by Governor Wilder, who was then in the race, by my own Senator HARKIN, by Governor Clinton, by Senator Tsongas, but Senator KERREY chose to issue his own letter, but the text was almost identical to ours.

What we said to the President was, "Mr. President, you may act. We will not criticize you."

It was an extraordinary act by those candidates, each vying with the other to receive political advantage, to be willing to step back from that combat and those contests and say to the President of the United States, "We will act as statesmen. Here is our check,"—a poor term today—"here is our endorsement for you to go ahead and act and aid them."

The President was on his way back from Japan when we called the White House and informed him of it, fortuitous timing because the President was in the process of coming back from Japan and criticizing Democrats for not supporting his initiative, but we did.

Thereafter, we have waited and we have waited and we have waited for the administration to boldly step forward and offer a plan to preserve the peace that we could support, and by their tardiness I fear now that plan is jeopardized in what can best be regarded as partisan wrangling, held hostage to other bills and its fate uncertain.

What frustrates me, when I introduced this legislation in 1990 everyone said, "You're crazy."

When I went to the Soviet Union in 1990, I met with the Pravda editorial board and I met with a remarkable Russian that I have really come to like, Mr. Shachnazarov, a close advisor to then-President Gorbachev. He said to me, "You know, you are the first Congressman that has ever come to Moscow and accused an American administration of being too hard on communism."

I said then and I have pushed that ever since because I am convinced that cultural exchanges and the free flow of information are more important, particularly when times are difficult between enemies and adversaries, but on November 20 under the leadership of Senator NUNN, he of the other body, and Mr. ASPIN, the chairman, of course, as we know of the House Armed Services Committee, allocated the administration $165 million in humanitarian assistance. It was distressing to me to learn 2 weeks ago that most of that money has not been spent and that those goods are still tied up in American ports, languishing there while we wait for the administration to free them and spring them. It was distressing to me, did not bother others, but it bothered me to the devil, the fact that a lot of the money is being used by the State Department to give to the Department of Defense to pay for the transportation costs. It seems to me that we meant that money to be used for them, not for one branch of the executive wing to reimburse another division of the same executive wing, set that aside.

On November 23, an organization called Prodintorg came to me and said they wanted to buy 30,000 metric tons of the best of American pork, and they wanted a GSM, that is a guaranteed sale, at a world price, which would require an EEP, that is an export enhancement—you do not have to know about that—but what they wanted to do was they wanted that sale and they wanted to buy it from us. That was November 23.

The USDA finally got around to approving it sometime in January and sent it to what is called the IGA, the Interagency Group, the Trade Policy Council, where the administration proceeded to review it, review it and review it.

Now, while that review was going on, the St. Petersburg oblast, which is a region of St. Petersburg, came in and they wanted to buy 21,000 more metric tons.

I want to tell you something, that is a lot of pork. Sure, the hogs would prefer it to be beef, but they wanted pork.

Now, 50,000 metric tons of pork represents 50,000 days of labor in the meat packing industry. Fifty-thousand metric tons of pork represents an increase of one-half, by 50 percent, of our worldwide exports for all of last year. It uses up 5 million bushels of corn and a million bushels of soybeans.

This was not a giveaway. For those of my colleagues who may not know, it is 12 to 15 cents a pound on a live hog. It is a lot of money.

□ 1620

It would go to American farmers. And it was exactly what the Russians needed.

On March 25—you heard me correctly—March 25, that is 5 months and 2 days later, the administration said, "No." And the sale was lost. And I met last week with the Pusdontorg as they left town, discouraged, not really believing the administration really was committed to help. The $165 million in humanitarian aid was still sitting on the docks waiting to be shipped.

Now the administration comes forward with its proposal, proposes to stabilize the ruble, which is good; it proposes finally to allow them to join the International Monetary Fund, which is good, but continues to exclude them from the OECD, the Organization for Economic Cooperation and Development. It continues to exclude them from what is called the Mitterrand bank. It continues to oppose their inclusion into the GATT negotiations other than as observers. Once we get them into this marvelous accomplishment, we are going to have to go back and negotiate trade agreements with them and we are not going to start the integration that they need to have into the world economy.

They want to buy our finished products, our farm products. I can tell you that their processing system, the time it takes to get a hog from slaughter to pork that you could put on a supermarket shelf, their processing system is just as messed up as their distribution system.

The mayor of one small Russian village south of Moscow about 75 miles told me his village sent 324,000 chickens to Moscow to be processed, never got one of them back. Another individual told me, he from the outer regions, a member of Parliament, that in his region—and we were talking to two of them together sitting right across from me—he said in his region they do not have any livestock. The fellow next to him said, "In my region we have livestock but it is starving to death and we cannot process the food." You cannot believe until you have seen it how fouled up, how messed up, how distorted the Communist market economy system is or the Communist system is. It just does not work.

Before I went there in 1990, I asked Dr. Brezinski what is the fundamental problem with the Soviet Union? He told me, he said, "Congressman, the fundamental problem is nothing works." I said, "Oh, you are a hardliner." I said that out of respect. I said, "You are a hardliner, you don't like Communists, you don't believe in them, and I don't accept that." Well, I went there and I saw that he was too modest in his assessment. Nothing works and nothing changes.

But they have a chance to make that transformation if they have the involvement of the international community and if we can recognize what is at stake.

Part of the administration's theory of assistance that I agree with, with some reservation, part of the administration's agreement in theory at least is the fact that they want to allow on the free market system the free enterprise system to go in there and rebuild the country. I do not think that that is necessarily a bad idea if it is done with some restraint.

I worry that some of the people being sent over there are true ideologues who believe that Adam Smith went too far, will not tell them about the SEC's and FDA's, will not tell them about the need to regulate the products as they come on the market and the need to regulate the environment as they come out, but nonetheless I think it is a good theory. I think it will help.

I think there are two prongs to our attack. One has to be to give them and see that they have access to enough food and medicine in the short run, to maintain the standard of living that will allow them to retain social stability. That means the finished products we talked about.

The second is I think their markets have to be open to ours and we have to have access to them.

Unfortunately for American businessmen who just want to try to take this opportunity, there are a series of legal legislative barriers that we have erected through the years that prohibit American business from interacting with them in the same way you would with anybody else in any other country.

I approached them with some trepidation, but 2 years ago I went to the groups that are most vitally affected by this policy and asked them if it was not time to step back from that. And I think I got a consensus, not from everyone, but, "Yes, it was time to step back and reexamine it and see if it is still appropriate."

I am talking about a law on our statutes known affectionately as Jackson-Vanik. What Jackson-Vanik does is it prohibits trading with any country whose stands on human rights and emigration or migration do not meet acceptable standards. It was imposed on the Soviet Union because of their absolutely deplorable record on emigration of Soviet Jewry and suppression of Soviet Jewry and the denials of Soviet Jewry. And we insisted that they pass an open emigration law, which their parliament did. Yet I noticed when the President's proposal came down here today, he proposes to perpetuate the system we now have which allows them to waive for 1 year the applicability of Jackson-Vanik. And he has done that, to be applauded, but if you are a business person in the United States and you are looking at an opportunity for an investment and you need to go there, you need to know that you are going to be able to go there on favorable term for more than a year at a time.

So, I have suggested, and I will introduce next week, legislation which would set it aside initially for 3 years and then for a 5-year period after that so that you are assured you have access there.

Now, if things turn bad, and they may, then in that case there will be a trigger mechanism to allow reimposition. But things being normal, we will not have to worry about this administration or the next administration having to go in there and waive it again and waive it again and waive it again. If you are an American business person, you can go in there and you can trade, knowing with some degree of security that you are going to be able to be there. And it does, I might add, take time to negotiate with that system that they have.

Second, behind those are four amendments called Johnson/Byrd/Stevenson/Church, and they basically say that even if you waive Jackson/Vanik, there are still restrictions on the involvement that you can have with Russia, the Soviet Union.

The President proposes to lift those for now, but again on a temporary basis. One of them, particularly the Church amendment, I believe, prohibits Soviet investment in securities and exchanges of over $40 million. One of the things they would like to do, I think, from my conversations out at the Embassy, one of the things they would like to do is to use their oil and gas reserves as security to get an infusion of hard cash.

I think the Church amendment, if I am not mistaken, prohibits that. Our businesses can go there, but there are restrictions on what is called OPIC's, that is Overseas Private Investment Corporation. In some countries we will, because we want that country to succeed, we will guarantee the business against a portion of their loss, to encourage investment abroad by our companies, joint ventures, and that sort of thing for the benefit of both the American worker and the recipient country's workers, and to see that they in fact buy our products if they are made here.

We have got to lift the cap on that. We also have to free any credit restrictions on what is called Eximbank's credit and trade. I would set those aside also for much longer than what the administration has proposed.

Last, well, maybe not last, but I think the administration has to recognize that we need to take a long look at the barriers of technology.

They finally, 2 weeks ago I think, or 3, lifted some of the restrictions on technology. During the war we had a system where we put up a barrier, what you could trade and what you could not trade, with Communist countries.

It worked. Believe me, it worked very, very well because we will not send them technology that would be used to convert it into weapons. It is called dual-use. We would not restrict the level of technology through an organization called COCA. But now that our business is going there, we cannot go there and take our best products because of the technology restrictions.

Just this week, last week we agreed to buy some of their technology. At one point earlier this year, the Russians brought some of their most advanced technology over here and wanted to show it to us, and their technology transfer barriers prohibited them from even showing us what they had.

Well, our businesses cannot compete if we cannot take our best technology over there. I am not talking about militarily sensitive technology, but I am talking about phone and communications, those types of things.

Anyone who has ever been in Moscow and tried to call back here knows the problems with the Russian phone system.

□ 1630

It is almost impossible to get a phone call out of there given the difficulties that their phone system has. Their computers are, at best, antiquated. What they have, their Xerox machines, are almost nonexistent, and, if our business is going to go in there, we need to have access to that technology, to take it with us.

Mr. Speaker, I wondered about those things, and I put them in anyway. I thought in 1990 that the more they learned about us, the more they would want to be like us.

Now to the pessimist, they say, "They'll never make it. You're wasting your time. Keep the restrictions up because there will be another revolution, and they're going to fail." I do not want that to happen. And then the pessimist will also say, "They'll never make it. They're not smart enough. They're so ingrained with their system that, even if you take a modern system, they won't be able to handle it."

Mr. Speaker, I think back, about two examples to kind of show my colleagues the historical magnitude of where we are at as a Congress, and as a Government and as an administration. If that philosophy held true, the English, and the French, and the Dutch and the Spaniards, to name a few, would never, following 1492, have invested in this country. It was too far away. One could not communicate with it. It took 3 months to get there. The indigent population was hostile to us or, at best, unreceptive to our continuing presence and buildup. But French, and Dutch, and British, and Spanish investors said, "We'll take a chance. We'll invest."

And they did, and they made profit. And the profit is there for us. If they could to it, then we surely can do it now. We surely can capture that market. We surely can be part of their economic regeneration.

And the second thing they said was, "Yeah, they'll never make it because they have no experience with democracy"; I will grant that.

In 1945, we walked into Japan as conquerors. It is almost not too little to say there was not a stone left in that country. We had destroyed their infrastructure. We had destroyed their capacity. We had destroyed their machinery and their warmaking capabilities. All as we should have. And we stepped into a society that had been feudal, with an emperor, and we said. "We're going to give you democracy."

Within 5 years Japan was a functioning democratic nation. Within 10 years, modestly speaking, their economy had started to rebound, and within 20 years they are a world economic power, and I do not need to tell my colleagues about their strength today.

Mr. Speaker, to say that Russia cannot make it because they do not have a history of it is almost expressing a cultural bias or a cultural superiority that we do not deserve. If we do this right, they will make it. They will be great traders. They will be great friends. They will be great allies.

But we have to see that they make it, just as the Japanese did, just as our ancestors saw the opportunity here. Open up trade with them, and I must say to my colleagues that in the process of visiting there I went to stores, and restaurants, and hotels that were owned by foreign entities in partnership, in partnership with them, and they work. As a matter of fact, there is one in Moscow. I think it is called the Pateeya, and I say to my colleagues, "You couldn't tell you weren't in New York City in that hotel. They spoke excellent English. They extended courtesies. It was expensive, but it was good. It was a fine hotel, and generally you'll find, when given the opportunity to utilize the free-enterprise system, they are capable of utilizing it and utilizing it quite successfully."

But we literally stand today at a brink of either opportunity or of denial. I do not know what history is going to write. I would like to speak on the floor. I think of the people who have stood on this floor before me, Americans far greater than myself. From the podium behind me have stood Presidents, and heads of state and national heroes, and they have struggled with this Nation's policies since this House was opened for business in the mid-1860's, right after the Civil War. I think of how they have plodded, and fallen, and stumbled and made mistakes, but I would also like to believe that, when one comes to this room, this House, that somehow, some way, not by oneself, but through the collective arguments of our colleagues, and their persuasion, and their perception and their capacity to share that with us, in the better days this House has had than this week or this year, that collectively somehow we manage to figure it out and we manage to do it right. It is almost as if, by putting everybody together, somehow we find it. I have no question that at that podium, on the day of December 8, 1941, every American knew clearly what was at stake, knew clearly what was required of us, knew clearly what needed to be done and did it, as they have on other occasions, as they responded to Roosevelt at the height of the Depression, as they listened to Wilson, as they listened to others and as they listened to each other.

But this crisis is more subtle. It is not right on our doorstep. It does not dominate our news. The choice facing the American public has not been adequately put forth. People are afraid to do, I think, what I have done today, to stand on the floor for my colleagues to read, or if they watch in their office, to hear, someone defend a Republican President's initiative and say, "It's not enough," and take the case to the American people.

But I think when that debate takes place here, if we realize the magnitude of the opportunity before us, and the dangers if we fail, reason will prevail. My colleagues on the Republican side and my colleagues on the Democrat side will hear me and hear those of us that stand forward, and we will pass through this portal of moment into history, having done, as this House has done so often before after such great struggle, the right thing and taken the right steps. Because ultimately what we have to do is my colleagues and I have to trust the American public, which I firmly believe, if given all of the facts, and given all of the reasons and all of the arguments for and against, they will trust us, they will make the right decision.

I should give attribution almost because that was the thoughts of Ambassador Strauss when he testified before the House Committee on Armed Services about the need for this package, about the need for the administration to act quickly and boldly. You take the case to the American people and make it, and I will not step back from that responsibility. I know people are going to say we need it here at home. I know people are going to say they are Communists still; why should we help them? I know people in my own party are going to say, Why are you helping a Republican President?

Partially he needs all the help he can get, but, aside from that, partially because this time I think he is right. We should step forward and we should help, and I hope we will.

□ 1640

Finally, in closing, I would like to reflect just for a minute on a thought I started to share with you about this House and about how if fits into this crisis and the other crises that this country faces.

This is an absolutely remarkable institution. It pains my soul literally to hear Members of this body, distinguished Members, come to the floor and rail against Members of Congress, as if somehow they are not here, not drinking the water and eating the food, but they just blew into town new, and they and they alone have the infinite wisdom to know what the rest of us should do, and we are all knaves and fools, unintelligent and ineffectual.

This is a marvelous place. There are 435 individuals here. They come from every region of the country that has roughly 500,000 people. They come from Hispanic districts, they come from farm districts, they come from deep within Harlem. They come from the conservative hills of Mississippi, they come from the flat plains of Iowa and Nebraska, they come from skyscrapers in Boston and New York, and they come from Florida in the sun. They are men and they are women, and they are freely chosen to be here and to come here and exchange their ideas with 434 other Members, none of whom are alike, none of whom have exactly the same perception or the same problem, and fight it out and try to determine as well.

I would like to say in the House it is an ordinary street fight every day. It is a spontaneous body in which people can come forward and can argue and debate, and they can listen and they can agree. And this place is capable of being magnificent and generous at one moment, and bitter and vindictive the next.

It is a lot like the country. It is a lot like a country that frankly does not always agree, rarely does, divides itself on everything, sees competition as part of its culture almost, and does the right thing, does the wrong thing, elects the right people, and elects the wrong people.

But democracy is not a guarantee that you are always going to get it right. Democracy simply guarantees that you get to try again if you got it wrong the first time. And that is what this House reflects.

We will this week take on the difficult task of the reformation of the House, the privileges and perks that this institution has had for too long, that just kind of got here.

A lot of people do not know the House bank was opened in 1837. If you read the history of the Ethics Committee report, the Committee on Standards, you will see that about every 10 years there was trouble.

When the Republicans ran the House it was in trouble. When the Democrats ran the House, it was in trouble. But it is ancient and it is archaic, and we have been slow to change it.

We have had other privileges of office that in modern times do not seem to fit the decorum of what a Member should be. Not only above impropriety, but above the appearance of impropriety. Not privileged class, but privileged to serve.

What prides me about the House, despite this difficult hour, despite the weighty decision we are going to have to make, is it was this House, freely chosen and freely elected, that responded. We may never get credit for that, but we should. We did not shun public outrage. We did not shun public concern. We moved aggressively to correct it, to take the steps we need to bring ourselves to modern times.

I daresay that this will not be the last time the House has to look closely at itself. But as long as it retains the ability to look at itself, as long as it is willing to bear the criticism, as long as it is willing to stand in public light, with open doors, it remains a unique body of value to the Nation, of strength for ourselves and weakness to our foes.

We have to have the capacity to have faith in this institution and reflect on it and its role and its purpose. So we will close this week I believe with reform. Then I hope next week, and the week after that, and the week after that, that this House will turn to function, to debate the magnitude of problems that face us, and to address them, hopefully with a cooperative administration, but even without, and decide the fate of this country.

I hope in the course of that debate to bring this full circle, that we make the right decision, that this House be the House that won the peace with our vanquished adversary. I hope that future generations will debate not how much to spend on defense, but how much to spend on peace. That is what I hope, and I have the confidence that this House has that capacity and that ability. Magnificent and generous one moment, insightful the next, and forgetful the third, but always functioning, an institution I do not apologize for serving in, and, frankly, an institution that I love.

REPORT BY CHAIRMAN OF SUBCOMMITTEE ON HUMAN RESOURCES OF COMMITTEE ON POST OFFICE AND CIVIL SERVICE

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentleman from Pennsylvania [Mr. KANJORSKI] is recognized for 30 minutes.

Mr. KANJORSKI. Mr. Speaker, on a Wednesday afternoon such as this it is a pleasure to take the floor of the House, because I have an opportunity to address some issues that my subcommittee has been undertaking for the last several weeks in open hearings, but also has been addressing in a study position for more than a year. I am pleased to be chairman of the Subcommittee on Human Resources of the Committee on Post Office and Civil Service.

Mr. Speaker, as lost as that name sounds, we actually have jurisdiction over the expenditures of the Office of the President and the White House and the Office of Administration and other divisions of the Executive Offices of the Presidency and the White House.

In that regard, most recently we have started hearings, a week ago, at which time the White House did not attend those hearings. Lo and behold, even though we had been planning to establish this set of hearings for more than a year and had done the research in support of these hearings over the course of last year, by time, happenstance, and the fact that the occurrences here with the House bank and House post office and the confrontation with the White House occurred some 2 weeks ago, we found ourselves in what appeared to be an attempt to fashion light on a subject to discourage the attention of the people from this House.

Nothing could actually be further from the truth. As a matter of fact, perhaps the attention that was drawn to the management problems here in the House are actually going to be most helpful as we examine the other branches of Government.

What I wanted to do today was have the opportunity to alert my colleagues as to what we intend to do, what we are doing, and what the end result of what we want to accomplish as a result of these hearings is.

I think those people that are watching on C-SPAN or on television will appreciate what we want to do, too, because I think it is the conclusion of something I have had as a dream coming to this House, that in fact some of the back bench Members such as I can eventually have an effect on not only how this House operates, but in how the entire Federal Government operates.

With the jurisdiction of my subcommittee over the White House, what I tried to analyze is when we reauthorize the expenditures for personnel, travel, entertainment, and all other expenses in the White House, what do we actually end up doing?

Much to my chagrin, I discovered that one of the items in the White House budget, that comes to the Congress every year and gets routinely approved and then ends up going to the appropriations committees and getting approved and appropriated, is travel.

We found that the line item for the Presidential travel in the United States is $100,000 a year. That item in itself is probably ludicrous on its face since we know the cost of traveling.

But worse than that, we find out that only $29,000 of that money is actually expended, so that a naive eye would tend to think that that is the total cost item involved in that particular appropriation and reauthorization item in the White House budget.

□ 1650

We all know in fact, however, from the study that we have made from other sections of the budget as to what amounts go for travel of the President and the staff and personnel of the White House that this item actually will go somewhere between a minimum of $74 million to possibly $130 million.

I am not shocked by these figures because since I have come to Washington, I have learned that a million here or a million there tends to be change in most people's eyes inside the Beltway, rather shocking to people outside the Beltway. So in two instances, it causes a problem.

Very often those of us who are in charge of Government do not pay an awful lot of attention to it, as we should, in oversight. And it is offensive, annoying, and causes great belligerence when read about in the newspapers or seen on television by the average American people, all to the gross dismay of the respect for government generally, specifically for this House and its failure to oversight areas of Government and perhaps some embarrassment for the executive branch, too, since whenever true numbers come out like that and they are not explained and they come out in a raw form, they tend to be embarrassing.

It has not been the intention of my committee or myself to in any way embarrass this House, the Government and, most particularly, the President. What we are really attempting to do is start with a process that if we do follow it through to conclusion, affords us the opportunity for the first time in 50 years to start analyzing the real cost of Government, where savings can be made, how accounting should be made, and then how we can have full disclosure, which I happen to believe is ultimately the way the Government's money should best be spent.

When we hold it up to the sunlight of public scrutiny, we can bet our lives on the fact that we would not spend that dollar if we knew full well our constituents would know about it, unless we could stand and justify the expenditure of that money and give the logical reason for why it is spent.

I think if we apply that principle of honest, adequate, complete and full accounting, not only to the White House but to the Congress of the United States, to the judicial branch of the United States, it is at the time when we satisfy the American people that we honestly tell them what these three branches of Government spend that we can attack the deficit problem, which is the most disturbing problem for the American people.

But as long as we allow either by reality or by appearance an idea that Government deals with smoke and mirrors and does not respond with telling the truth about expenditures, we will not only not have the respect of the American people and the support of the American people but, in fact, we will have their disdain.

It is an attempt to have adequate, complete, correct, real disclosure, real accountability that the investigation that I am undertaking in the furtherance of passing the White House Authorization Act of 1992.

What we are basically starting out is saying to the White House, we care about what is spent, but we really do not care about knowing particular numbers or particular individuals. What we want to end up with at the conclusion of these hearings is that anyone next year that receives the audit of the White House can truly say, "This is what it costs to operate the Office of the President and the White House."

And if we can end up with that figure in the White House, we should be able to do the same for the Congress. At the end of the year, we should be able to stand up and say, this is what was budgeted. This is what was expended, and this had the capacity of having real auditing; that is, an auditor could come in like they do in private business, examine the accounts, prove the accounts either by random sample or by total sample, to say that in reality this is the entire amount it costs to handle the congressional branch of Government. And we should be able to do the same for the judiciary branch of Government.

One of the reasons this caught my attention is that ever since I have been in Congress 7 years, periodically every 6 months we get these stories of travel expenses. We get these stories of unusual expenditures that are embarrassing to each and every one of us, and we tend to say, "That is not our function as an individual Representative. Why do we have to meet the wrath of our constituents at home or the disrespect from the constituency of the entire United States toward Government when, if they only knew that we didn't know or that we weren't responsible for this, they wouldn't hold us responsible?"

Well, I think they have made it clear to me these last several weeks that I do not think we can give an argument like that. A lot of American people do not understand the existing Government process, and I have to confess, I am not so totally acceptable of the fact that the process we use today is the process that should be used. I am not at all sure that we are not driving around in automobiles and still using the horse and buggy directions and control signals on the highway of Government.

I think what we have to do is honestly, objectively stand back, look at our own Congress, look at the judiciary branch, and look at the White House, and look at the executive branch with a detached effort to say, is this understandable to people? Do they believe it? Should they believe it? Can we prove it and are we telling the truth, the absolute truth to them?

It is only when we can come to that standard that I think we can turn the lack of respect for Government generally, whether it is in our frugality, effectiveness, or efficiency or whether it is just in the fact that the figures we disclose are in fact correct figures.

When I looked at the Office of the President, clearly I realized that we potentially spend somewhere between $75 and $130 million for travel. We should not have an account that says we spend $100,000 for travel and we only spend 29 percent of that. That is a gross, misleading situation that we have allowed to occur here by legislation that we pass here in the Congress.

This is not what the White House asked for. This is not what the President asked for. This is the result of the Reauthorization Act of 1978, when we authorized the White House.

We allowed an account to be put in there that obviously was not correct. I do not think it was correct at that time, but I know it is not correct at this time because it is something like $129 million, 900,000 more than is reflected in the budget. So we set about saying this: That if we can collect within the Office of the White House, the Executive Office of the President, all the costs of personnel, of entertainment, of travel, have them truly reflected out of the accounts of the White House, it is at that point that we will honestly be able to say to the American people what the Office of the President, the maintenance of the White House costs the American taxpayers.

To this day, I am embarrassed to say, I could not give my colleagues a figure within $100 or $200 million because it is not reflected anywhere in a consolidated statement of the budget or the audits of the United States that are performed.

What we find in fact is in travel there are at least 4 or 5 agencies of the Federal Government that actually pay for the cost of travel. It is the Air Force Wing 89 and at the Defense Department that is, the finance is something like $120 million, a portion of which is spent for White House travel. And I believe that portion is about 50 percent. I believe 10 percent of that portion is spent on travel of the Congress, and I believe that another 40 percent is for other Federal agencies.

I think we should clearly allow the Air Force to operate Wing 89. We should not be involved with the efficiency that the Defense Department can handle that wing with, but there is not any reason that whether it is the President of the United States, whether it is his chief of staff, whether it is a lonely staff person that is required to take one of those 24 aircraft and fly somewhere, that the actual cost of that is not related to the White House so that they have to keep it on their account that that is what the expense of that flight was.

The truth should be the same thing when the Congress uses that plane. The cost of that element should be apportioned to the Congress. It should be in an open account that, in fact, that portion of expenditures was made for congressional travel. And if it is used by the judiciary branch, it should be allocated there, or for any of the other executive departments of the Federal Government.

Then we are going to have that account handled by the Defense Department, the wing handled by the Defense Department, but the actual accounting process will be in the individual areas of Government, individual branches of Government, individual departments or agencies of Government, because of where those expenditures are made.

I came from private life. I do not really refer to myself as a professional politician, but I guess I would have to admit, after 7 years in Congress, one would have to say one is probably a professional politician.

I came from a legal background. I did not proceed into office through the legislature, through a town council, through the State Senate or other process. I came immediately out of private practice of the law to the Congress of the United States.

☐ 1700

In my 20 years of practice of law I represented a lot of corporations that do exactly what I am recommending that we do. They have what we call cost accounting. They actually take the dollars spent and attribute them to the individual areas where they are expended, so that at the end of the year the managers, the executives of the corporation, have the opportunity to review the expenditure, allocate it to what was accomplished or what was the objective, and test whether the expenditure was reasonable in light of what the objective or the goal was; in other words, the simple question: Was this trip necessary; was the method of the trip necessary; did it accomplish its end; and does it have a sufficient priority in expenditure that we are going to reserve and appropriate that kind of money for that kind of travel, if we have to cut something else.

Ultimately if we are going to get the deficit under control in the United States, I sometimes find myself faced with terrible dilemmas. We have Members of Congress that will introduce resolutions to cut a particular appropriation 10 percent, 5 percent, 2 percent across the board. Many of us who feel we want to be fiscally responsible find it abhorrent that we would be called upon to vote on a blanket cut. People out there may say, "Why?" They do not understand the appropriation process in Government.

When you appropriate, for instance, for HHS, you may be appropriating for everything from the study of cherries or the packaging of cherries to cancer research. When you make a 10-percent across-the-board cut, you may be cutting out the $5,000 study of how to package cherries, and that is a savings of $500, but you are also going to be cutting out the 10 percent of the $300 or $400 or $500 million for cancer research, which is $50 million, and the equations of value and priority there are not having anything to do with reality, with real priorities.

So that our present process does not afford us the opportunity here in the Congress when we vote to appropriate money to do that in a rational, reasonable, prioritized way. It ends up that either we cut 10 percent out of everything, the good, the bad, the wasteful, the absolutely necessary, or we end up not cutting anything at all because we don't want to injure cancer research or some important element that we all feel very strongly about.

The only way we are going to force ourselves into a disciplined method of setting priorities, I think, is to establish a responsible system in Government, something analogous to what we have been using in American industry for 100 years, and that is cost accounting, the ability to consolidate costs on balance sheets and profit and loss statements, to know whether or not the expenditure, the goal of the expenditure, is attained, whether it was reasonable or rational.

Let me give you another example. Just recently, this afternoon, I spent time with the General Accounting Office going over travel expenditures. I imagined and suggested to them, "What would you do as a manager if you were asked to determine what allocations of expenditures your staff and personnel should make if you don't have an actual breakdown of that cost?"

At last week's hearings one of the Members brought to the attention of the committee an example. The example was that a person who was personnel in a medium position in the White House had a luncheon engagement across the street from the White House, and they commissioned the White House limousine and driver to take them to the luncheon and to wait for them to be transported a block away, back to the White House.

I don't know what the cost of the limousine is because the White House doesn't have any limousines it pays for. That comes out of the General Services Administration. You would have to spend probably a month to find out where in that budget that is allocated. We don't know what the cost of the chauffeur is because the chauffeur probably comes from either Transportation or the Treasury budget, not from the White House budget.

So there is absolutely no way to relate the actual, real costs of that driver and limousine, and the gasoline, God only knows where that comes from. So we have no way to know what that actual cost is. So that person uses that vehicle for 3 hours.

Now, we can go to commercial rates. We know in Washington, DC, that a limousine and driver is a minimum of $75 an hour, and you are required to take it at least a half a day, four hours, so we are talking that if you wanted to have a limousine and driver in Washington as a private individual citizen, you are talking about a minimum of a $300 expenditure.

If we applied the actual cost of the limousine, the chauffeur, the cost of his benefits and salary and the costs of gasoline and all of the attendant responsibilities of that limousine, it may end up costing the Federal Government more than $300 or less than $300. We don't really know. But nowhere on an accounting item as it is presented now would that item show up for the manager of the White House who is responsible for administration, so that they would have no way of saying to Mary X or Joe X, "Did you know you spent $300 to go one block for lunch, and that is not a reasonable expenditure?"

They are not aware of that fact, so there is no reason for them to lay down a rule or a policy that can't be permitted.

Second, by not having that knowledge they don't know what they would cut off as a matter of policy if they wanted to save money, because they are not even aware of the expenditure. So what we are trying to do in a very simplistic way is to just take the White House, because that happens to be the jurisdiction of my subcommittee, and say to them that, "At the end of these hearings what we really would like to have is the capacity to pass an authorization bill providing to the President and his staff all the money necessary to perform the functions of the Presidency and the White House, with all the security and all the protections necessary, but to know what that real cost item is."

Then we know that cost item in the future, if there is a determination that those of us in Government have to cut back, and I truly believe we do, rather than cutting the physician away from the White House or rather than inhibiting the activities of the President that are necessary, we could ask Mary X or John X to take a cab for three blocks, not $300 in the cost of the limousine.

I think that is effective cost accounting. That is what my clients, when I was in private practice, did every day of their lives. Any business that gets in trouble and starts running behind in revenue as compared to expenditure, they basically sit down and say, "Where is the fat? What can we cut?"

You can't cut the fat if you don't know where the fat is, because you don't have the picture of all your expenditures. So all we are attempting to do is ask the cooperation of the White House to provide us with that accounting system and the internal control system that will give us that display.

The second thing we are doing is, because there is not a manager in Government, those of us who are elected for terms of office, in the House of Representatives 2 years, in the U.S. Senate 6 years, and the Presidency 4 years, we only have one boss. The boss is the people that vote for us to put us here. Who else should have the benefit of this information but the people that employ us?

We need in all the other branches of Government, and that we do have here in the House of Representatives, the capacity for total disclosure. If a member of my district wanted to know what the expenditure of any Member in the Congress of the United States was in the last 3 months or at any time prior to that, they could ask me and I could go to the Clerk's office and get a detailed volume that lists every item of expenditures that is charged against a Member's office.

I can tell you this from my personal experience, that that has a great management tool capacity to it, because when I first took office I had a member of my staff who inadvertently, inadvertently, who is paid a per diem when they are in my district to perform functions if they live in Washington, DC, they happened to charge breakfast one morning. It amounted to coffee and a donut. It was 80 cents. It showed up on that chart. It also showed up in the local newspaper, I must say. And you can bet your life no member of my staff ever went out and had a coffee and donut for breakfast in the morning and charged it to the U.S. Government. I said, "That is just not acceptable. I am not going to have it."

I think the President and I think the managers of the White House and a lot of the managers of the Federal Government are very professional people. If they are elected they are still professional because they come from that element of our society. They do not purposely waste taxpayers' money, but they do participate in a system that allows taxpayers' money to be wasted.

However, if we can find an accounting system that will truly, at the end of the year or 2-year cycle, however we change our systems of appropriation and accounting, truly reflect in the accounts what is actually expended, then we can have auditing processes by the General Accounting Office or a chief financial officer of the Government, whatever we put in place to increase the management capacity of this Government, come by and make an honest audit and then, at the time of the close of that audit, we can have a mechanism for total, complete, accurate, real disclosure.

I think if we take that principle and implement it in the White House as early as possible, and we can do that through the Reauthorization Act my committee is working on, we hope to be able to have that for the Congress' action and for the House's action sometime in June or July, and if we can ask the committees that have jurisdiction over the Congress to do the same accounting and the same ability to set up a cost accounting system so that we can have auditing and then full, accurate, and complete disclosure, which we now have, but even make it simpler for people to know what those costs are, and if we can move to the judiciary, I think we can accomplish several things.

□ 1710

First, we can develop micromanagement tools for at least the three heads of the three branches of Government, here in the Congress, the judiciary and the White House, and we can set an example governmentwide to say we are going to provide this type of open accounting, we are going to provide this type of disclosure, and we are going to put the test of decision making of how money is spent as what would you like to see in your local newspaper or in the national headlines as the actual expenditures.

Over this weekend, as a result of perhaps our hearings last week, and some of the General Accounting Office disclosures, and I think the Office of Government Ethics recently did a disclosure on travel, the statement was made by the Secretary of State that he was astounded that he had actually spent $388,000 of taxpayers' money on private transportation for 11 vacation trips or private trips. Many people will say, "That's impossible. How could he be astounded?" I can understand how he could be astounded. I can understand that the Secretary of State has never been provided with that figure, and the fact of the matter is if he were to ask for that figure it would literally take maybe a year or 18 months to have the General Accounting Office go down and dig it out, and probably it took that time to get this figure. And above that, the Secretary of State is not keeping an account record on a regular basis of what he spends. I think he is carrying out the foreign policy of the United States, the thing he is appointed to do, and he has been doing it pretty well. It is unfortunate that we caused him embarrassment. We did not intend to do that, and I do not think he should be embarrassed. Who should be embarrassed are those of us who are in the Congress, those of us in elected office, such as the President and Vice President, that we have not seen fit to set up an accounting system, an auditing system and a disclosure system so that this would be made available. And I would go one step further. I think every high official of this Government at the end of the year should get a tab of what it cost you to perform your functions.

We get that in the House of Representatives. We get a budget. The budget is broken down into everything from travel to stamps and to office furnishings, telephones and all of the items at the end of every year. Every one of us knows at the end of the year and we sit down with our administrative staffs and go through those items. And why do we go through those items? One, we know they have been disclosed, and if somebody is taking an abuse, we are going to stop it in the bud. Second, we know we have a limited budget, and if we go over that budget it has to be paid personally by the Member. It is not something that can be taken out of an appropriated account. And three, if you cannot control the expenditures in your office that way, then you are going to have a tough time getting the job done that we have to do as representatives. It takes time, but it is a every responsible thing, and every one of us at the end of the year knows full well that we can sit down and identify everything we have spent for travel in that year.

I think that is a good system. I think we should make that system available to the rest of the Government. I think we should be able to say to all of the secretaries and to all of the departments of the executive branch, to the under secretaries, to the assistant secretaries, to the deputy secretaries, here is your cost item on travel.

Why was the Secretary of State shocked? I can tell you why. You can travel from here to California on a first class ticket for $2,200. You can travel on a tourist ticket for about $500 round trip. But if you take the Presidential plane to California, back and forth, you are talking about an expenditure of around $600,000. Now, if you knew that difference, that by driving to the airport and getting on a commercial airline you could save the U.S. Government $498,000, I think there would be a great incentive for one, you to do it as a responsible person, but two, you would sure do it if you knew the press and the American people were going to know about it if you did not do it.

So I think that disclosure here is the only behavior pattern that I can see, the only incentive that clearly can draw public elected officials and appointed officials to use good, commonsense judgment in the expenditure of public funds. I think if we can do that in the White House, I think if we can do that in the Congress, and I think if we can do that in the judicial branch of Government we will have established a mechanism here where when we finally have to go and attack the deficit of the United States we will have a benchmark of cost accounting that we want to be and to have applied across Government. And when we accomplish that, we can finally get to the $400 billion deficit that we are all facing.

If I had to say what the hue and cry of the American people is, it is not really the actual House bank problem. It is the fact that that could happen, and why was the management so poor, and why was that allowed to happen, and they demanded a disclosure and they now have disclosure. But if we just end it because we disclosed it, and we move not on from that position and start saying let us get our house in order here in the Congress, in the White House, in the full executive branch of the Government, in the Supreme Court and in the judicial branch, then we will have missed really the lesson of these last several weeks that the American people are putting upon us.

Mr. Speaker, I just ask my colleagues on both sides of the aisle, neither my Democrats should cheer by what my committee is doing because it is not intended, nor will it cause anyone embarrassment, political or otherwise in the White House, and I am not going to allow it to happen. And I want to say to my colleagues on the Republican side of the aisle that this is not something that happened overnight because I saw a negative reaction to the House bank and the post office. This is something I have been doing for a year. It is something I fundamentally believe in, and quite frankly I can tell my colleagues from the minority members on my committee that they have the same feelings of responsibility toward Government as I have. They want to find a system whereby we can effectively control the costs, not curtail activities, official activities of the President, but control costs, have them adequately really accounted for, and then provide for an honest, complete and adequate disclosure. If we can accomplish that, we can move this government on a whole new track, in a whole new direction. And as a backbencher from Pennsylvania who does not like to consider himself a professional politician, but I guess I have to concede I am now after 7 years, if I could only accomplish the start of that I will have thought my congressional career more than successful.

GENERAL LEAVE

Mr. JONTZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the subject of my special order today.

The SPEAKER pro tempore (Mr. JONES of Georgia). Is there objection to the request of the gentleman from Indiana?

There was no objection.

OUR NATION'S FORESTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Indiana [Mr. JONTZ] is recognized for 60 minutes.

Mr. JONTZ. Mr. Speaker, I rise this evening to address a subject which has received a great deal of attention by the people of this country recently, and is also the subject of attention by several of the committees of this House, and that is the issue of our Nation's forests, and what we are doing to see that they are preserved and protected for the benefit of future generations.

I think one of the most important responsibilities that we have as Members of Congress is to be good stewards of our Nation's resources. I believe that when we are judged, one of the questions that should be asked, and will be asked, is what have we done to see the natural resources of this country are passed on to the next generation in as good a shape as we found them. And as we look at some of the resources of our country, we have reason to question how good we have been as stewards. And in particular this evening, I would like to look at the status of the forests of our Nation and what needs to be done by those of us in Congress, what needs to be done across our country to see that these magnificent forests are passed on to our children, and to their children, and to all future generations for their enjoyment and the benefit of all of the people of this country for all time.

I think that the great forests of our country are our national treasures. They are just as much a part of our Nation's heritage as is the Grand Canyon, or Yosemite, or Independence Hall. They are something which we can be proud of as Americans.

Yet, we see these forests diminished in some ways. We have but 2 percent left of the original native forests which were at one time covering vast expanses of our Nation. Almost all of the entire Eastern part of our United States and many parts of the West were covered by these great forests, but as changes occurred in our Nation many of those forests have disappeared, and now we have just 2 percent left.

I think a critical question that has to be addressed is what is the proper balance.

□ 1720

We are going to continue to have a wood products industry in this country. We are going to continue to produce commodities from our forests. But I think when we have come to the place where only the last 2 percent of our native forests remain, we have to ask the question: Have things gotten out of balance?

That is, indeed, the question that is being asked by many in the Congress today.

I am pleased to be joined this evening in this special order by a distinguished colleague, the gentleman from New York [Mr. SCHEUER] and the gentleman from New York has concerns about our environment that are truly global. He has been a tireless advocate for our forests, and I appreciate him joining me this evening in this special order.

I yield to the gentleman from New York [Mr. SCHEUER] for his contribution to our special order this evening.

Mr. SCHEUER. It is a great pleasure to appear with the gentleman from Indiana [Mr. JONTZ] and I wish to congratulate him on the extraordinary leadership he has shown over the years, not only in terms of preserving America's glorious forest resources, but also his concern that we engage in a meaningful global reforestation program to replace the trees and the savannas and the shrubs and the grasses that were typical, for example, of the entire Middle Eastern region as much as 2,000 years ago, instead of the utterly parched desert that we see there now created through misuse, created through galloping population explosion, too many people and too many animals trying to live on too fragile an infrastructure with the result that the land in effect collapses. It just collapses, and a good, solid agricultural land where there was grazing, where there was growth of all kinds of food products, reverts then to desert, the process that we call desertification, surely one of the saddest and most heartbreaking examples of human misuse of our resources and human misuse of this fragile planet Earth.

Mr. Speaker, this legislative body must very soon begin to address the problems that surround the long-term stability of our Nation's forests, or we will face the most awesome consequences.

I plan to be a participant in the congressional group that is going down to Rio in the middle of June to work with other parliamentarians from other nations to see if we cannot create some kind of global sense, some global rationale, some global wisdom to replace our depleted and, in some sad cases, vanished forests all over the world, not just in our own country.

Mr. Speaker, of course, as you know, the United States was once covered by many kinds of natural forests. Little now remains of these great forests outside of the Pacific Northwest region.

It is estimated that these forests once covered 15 million to 20 million acres in the Northwest alone. Only about 2 to 2½ million acres now remain, and virtually all of these acres lie within the national forests and the Bureau of Land Management lands in the State of Washington, the State of Oregon, and northern California. These ancient forests, also known as old-growth forests, contain the largest coniferous trees in the world, a part of America's most noble natural resources that the gentleman from Indiana [Mr. JONTZ] and I look forward with pleasure and pride to handing down to our children and our grandchildren if there are any left.

These largest old-growth forests contain the largest coniferous trees in the world, and they are part of America's last remaining temperate rain forests. Ancient forests contain a vast diversity of plant and animal life.

This lush ecosystem, Mr. Speaker, is home to more than 200 species of animals including the threatened spotted owl, and more than 1,000 different types of plants. Most of its Douglas fir, cedar, hemlock trees range in age from 250 to 1,000 years old. Imagine, long before, 400, 500 years before Columbus and his men ever set foot, ever set foot on the Americas, when they sailed in on the *Nina*, *Pinta*, and the *Santa Maria*, 500 years before that, these old-growth trees were saplings, and they still grace us today.

It is home to the Pacific yew, this Northwest region, a shrub whose bark contains the chemical compound taxol, which has shown such great promise in treating various kinds of cancer. We have all seen the stories on today's television on the use of taxol to treat breast cancer and ovarian cancer.

Our ancient forests now are threatened by our unsustainable logging practices. That means, in very simple terms, that we are taking out more than we are putting in, and any sustainable use of resources must mean achieving an equilibrium between what we put in, what we invest in, and what we take out every year. That is called sustainable development, and it is sadly lacking in so many areas of our national life.

The U.S. Forest Service clearcuts, and that means absolutely wipes out every vestige of a tree or a shrub, clearcuts about 60,000 acres of old-growth forest annually in the Pacific Northwest. The size, quality, and value of ancient-forest timber has made it the mainstay of the Pacific Northwest's timber industry.

Now at issue in this debate is not merely the continued existence of the spotted owl but that of the entire forest ecosystem. The owl versus the logging, this dichotomy is too simplistic to convey the reality of the problem. The spotted owl is just an indicator, just a signal, just a token, just a warning amber light as to the failing health and threatened stability of the ancient forest ecosystem.

Today's spotted owl controversy will evolve into controversy involving another bird next year, the marbled murrelet, which some scientists say makes the spotted owl look prolific in its population numbers.

We must move our environment policy away from Band-Aid species by species approach to environment problems. This has failed. We must become proactive and holistic in our policies and move toward adopting an integrated-ecosystem approach to land use and conservation. In other words, we cannot rely any further on the endangered-species approach, because by the time we detect a bird or an animal that is endangered and we go through a 3- or 4- or 5-year process of establishing that, boom, it is gone; it is history. We have lost the chance to protect it.

I would like to express my support for H.R. 842, the Ancient Forest Protection Act, introduced by my colleague, the gentleman from Indiana [Mr. JONTZ], which eschews the endangered-species approach which has failed us so badly, and it embraces an endangered-ecosystem approach. In other words, if we forget about saving the spotted owl, which becomes very difficult with a 3- 4- 5-year bureaucratic time frame before it is actually declared endangered, if we eschew that in favor of preserving an endangered ecosystem, a larger piece of land with hundreds and hundreds of varieties of flora and fauna, then we have got something, because then we have enough of an area where we can preserve intact very large numbers of animals. We can preserve intact the trees, the flora, the fauna on a sound, sustainable basis.

This bill that has been introduced by the gentleman from Indiana [Mr. JONTZ], my honored friend who has played such an enormously important leadership role in the whole question of natural resources and conservation, addresses the sustainability of our ancient-forest ecosystem and moves environmental policy forward.

Mr. Speaker, the Government should be managing our forests for many purposes, including the preservation of biological diversity. Indeed, the fact is that the long-term sustainability of our biological resources is critical to our survival.

□ 1730

There simply is not enough ancient forest acreage left to sustain the timber industry at current cutting levels. At current cutting rates, the ancient forest ecosystem will be destroyed almost by the time we hit the third millennium. Is that not an irony? By the time we hit the year 2000 and are into our third century, we will be within 5, 6 or 7 years of destroying these glorious ancient forests and the ecosystem in which they are found.

Further, in as little as 4 years, key national forests will be devoid of their old growth. The rapid pace and extent of the destruction of these forests will cause untold ecological damage in the long run.

Eliminating one part of the ancient forest ecosystem will have adverse affects on the whole system—for the whole is indeed greater than the sum of its parts. The stability and resilience of our ecosystems are dependent upon the species connections contained within them.

How many undiscovered taxols remain in our ancient forests? The yew had long been regarded as inconsequential, so that little was known about how many even existed in the forests. It was burned as a weed after logging an area. Yet, to the 10,000 women who die annually from ovarian cancer, the yew is a highly significant species, a life saving species, in our ancient forests.

To me, it is ironic that at the same time the United States is working internationally to negotiate a set of forestry principles for the world's nations to adopt this June at the U.N. Conference in Brazil on Environment and Development [UNCED], our own country fails to adopt these same principles in its domestic forestry policies. The tenet of these principles is what we have discussed before, the sustainable management of the world's forests.

It is ridiculous and pious and utterly disingenuous of our country to ask Brazil to manage its tropical rain forests for sustainable development when we do not ask the same of ourselves in managing our temperate rain forests.

Now, we do the same thing ourselves in managing our tropical forests which can be found in the State of Hawaii. Hawaii is a fraction of 1 percent of the land area of the United States, yet between two-thirds and three-quarters of all our threatened species, including tropical rain forests, reside within the State of Hawaii. We ought to give that beleaguered State far more resources and far more scientific backup and a far greater opportunity than we give the State of Hawaii now to save her previous natural resources.

Mr. Speaker, I would like to close this brief comment by quoting the 13 U.S. Forest Service supervisors from Forest Service region 1 in a letter they wrote to Forest Service Chief F. Dale Robertson:

> We are seeing a drastic increase in the number of challenges to our land and re-

> source management activities, challenges which are not easily overcome by throwing more money at them or working harder to educate our public or increasing the amount of documentation.

Many people believe in this country, as around the world, that the current emphasis on National Forest Service programs does not reflect the land stewardship values which are embodied in our forest plans.

> Congressional emphasis and our traditional methods and practices continue to focus on commodity resources. We are not meeting the quality land management expectations of our public and our employees. We are not being viewed as the conservation leaders Gifford Pinchot (father of forestry in the U.S.) would have us become, despite strong support of the rhetoric in our mission statement. We are worried that if we do not make some major changes as an agency, our mission statement will never move from rhetoric of reality.

Mr. Speaker, if I am able to acquire some time later, I would like to talk about some forest rehabilitation and renovation plans that are ready to go in the Middle East, plans that I have helped develop. I have talked to the Japanese lending agencies about financing them. I have talked to Egypt about being the first country that would cite half a dozen different reforestation areas in Egypt as role models for the entire Middle East, and when I have some time I will get into that.

Mr. JONTZ. Mr. Speaker, I want to thank the gentleman from New York for participating in our special order. I think that the Congress is very fortunate that the gentleman from New York [Mr. SCHEUER] will be representing us in Brazil at this international conference. I hope that when he travels to Brazil he will be able to tell the parliamentarians around the world that we are taking action in our own Congress to protect our resources, and only when we recognize and we take appropriate action to protect our forests can we really ask other countries, which are much less prepared from a standpoint of their understanding perhaps of the science of forestry, and also from the standpoint of the resources they have available to them, and it is very awkward for us to be asking other countries to do what we are not willing to do ourselves, so I appreciate the comments of the gentleman from New York.

Mr. Speaker, I am pleased also to be joined this evening in this special order by a colleague, the gentleman from South Carolina [Mr. RAVENEL]. The gentleman from South Carolina [Mr. RAVENEL] is a member of the Committee on Merchant Marine and Fisheries, which has important jurisdiction over many issues relating to our natural resources, such as the Endangered Species Act.

The gentleman from South Carolina [Mr. RAVENEL] is a cosponsor of H.R. 842, the Ancient Forest Protection Act, as are 137 other Members of our House. I would like to thank the gentleman from South Carolina for his steadfast support for our legislation and for his articulate voice on behalf of protecting our forests.

Mr. Speaker, I yield to the gentleman from South Carolina to add his contribution to our special order this evening on the subject of our Nation's forests.

Mr. RAVENEL. Mr. Speaker, I thank the gentleman from Indiana [Mr. JONTZ] and my good neighbor, the gentleman from Georgia.

I stand here today as an original cosponsor of Congressman JONTZ's Ancient Forest Protection Act. This bill offers us a chance to preserve one of the last remnants of our magnificent natural heritage, our precious ancient forests in the Pacific Northwest.

As the gentleman from Indiana [Mr. JONTZ] knows, I went out there about a year ago and toured the Olympic Peninsula. Of course, we flew around the Olympic National Park, which of course is protected. We looked at some State forests and then we saw the devastation that is going on out there in the national forests adjacent to the park. It really just tore me up to see what was going on out there.

As the gentleman knows, because I know he has been out there, there is timber in those slopes, very severe slopes. They go in there and they cut all those magnificent trees down and then whatever is left they just burn and the rains come, the heavy rains and the red clay and the dirt is washed down into the little streams and just chokes them up. It looks like the area around Mount Helen's actually right after the devastation there of that eruption of the volcano.

In Charleston the other night, there was a group there and there were some people representing the timber industry. We were discussing the situation, and I remarked that I had been out there and seen the devastation going on in the Olympic National Forest and how upset I was about it.

You know, that many told me that what I saw with my own eyes, I had not seen. He said, "That situation does not exist, does not exist.'"

So I said, "Well, I know the Sun is going to reverse itself in its orbit now and water is going to start to run uphill."

Some of these ancient forests have trees that were full grown when Columbus first set his foot on American soil. Of course, the anniversary of that is right this year.

These forest ecosystems remind me of natural cathedrals. We have a few of them there in South Carolina. We do not have a great many, but we probably have 25,000 or 30,000 acres.

There is one tract there that was preserved by a Chicago industrialist by the name of Beidler. The Audubon Society was able to buy it from his family.

□ 1740

It is the Beidler Forest not far from Charleston, SC. They have bald cypress trees there. They have trees in there nothing of the height of the Pacific Northwest but these magnificent bald cypress trees, some of them reputed to be as old as 2,000 years old, if you can imagine that; Audubon has built a boardwalk out into this swamp. It is the Four Hole Swamp in the Beidler Forest.

Mr. Speaker, I have a Down's syndrome son who is pretty severely retarded. He is educable, with an IQ of only 17. Of course, his social IQ is about 140.

Well, Mr. Speaker, I took him down into that swamp one day on the boardwalk, real cold New Year's Day, probably about 35 degrees, not a breath of air moving, bright sunshine. We got down to the end of that boardwalk and we looked around, and there we were in this magnificent ancient forest of bald cypress trees.

I said, "William, where are you?" And he says, "Church." Man, that just had a telling effect on me.

When I was out in the Olympic Peninsula, I thought of that day that William and I had down there in our own little piece of the ancient forest that we have not far from Charleston.

As I said, these forest ecosystems remind me of natural cathedrals. Now, when I wrote that, I thought of the day that we spent down there with these trees that tower hundreds of feet over your head while sunlight peeks through the canopy and a quiet serenity envelops all who enter.

For those of you who have not been, you need to go to our Northwest ancient forests and see for yourself. Unlike any other experience you will ever have.

This is exactly how I felt when I first saw these magnificent forests. The trees we have in the South are very young trees by comparison with those in the Pacific Northwest. How someone could even think or imagine going in there with a chainsaw and cutting down a tree that is almost a thousand years old, 300 feet tall, and one that we measured, 42 feet in circumference, is just beyond my comprehension. They are almost 4½ times older than our country. Mr. Speaker, the Jontz bill recognizes that you cannot protect only a part of these ecosystems, you have to protect them in their entireties, trees, plants, streams, animals, all of which contribute to the ecosystem as a whole.

What we have are other interests who are seeking only to look at individual parts of this ancient forest ecosystem. The timber industry and many of the Federal agencies, and I hate to say it but it is true, many of the Federal agencies involved have tried to characterize this issue in just that light. In their view, protecting the northern spotted owl which inhabits some of these ancient forests deprives them of timber. It is an industry with them, it is just business. I would remind those concerned that the Forest Service itself, the Forest Service itself, chose the northern spotted owl as a indicator species for the ancient forest ecosystem. Years ago, as you know, miners would take canaries into the mines with them when they went down, to protect themselves from poisonous gas. When the canary died, this was an indication of danger, and the miners would scramble to get out as fast as they could.

Now the spotted owl has become the canary for ancient forests and is listed as a threatened species. Therefore, that indicates that the ancient forest ecosystem, itself, is in trouble.

As a low-country South Carolinian and a member of the subcommittee with jurisdiction over the Endangered Species Act, we have been down that road before with threatened and endangered sea turtles.

You all have heard me on this floor in this particular area before with threatened and endangered sea turtles and turtle-excluder device regulations. After legal action by the environmental community, which was totally unnecessary—the administration just would not, would not comply with the law until they were threatened with court orders—then the Commerce Department and the Coast Guard got serious about enforcing TED regulations in 1990. And what happened? Well, shrimpers began to comply by pulling the TED's. I can tell you with a great deal of pride that last year on our beaches in South Carolina and, Mr. Speaker, your beaches down in Georgia, with virtual compliance by the shrimping community, the number of turtle strandings were at a record low.

Detractors of the Endangered Species Act often accuse it of being inflexible, yet the experience with TED regulations in South Carolina demonstrates the act's flexibility.

Back on September 26, 1988, I stood in this Chamber and spoke for the act's reauthorization. There is one statement I made that I find of particular relevance today:

> Aldo Leopold, the father of modern conservation, observed that the first rule of intelligent tinkering is to save all the parts. Even when you don't understand what a particular part does, you throw it away at your peril. The Endangered Species Act commits us to saving all the parts and, by doing so, saves us from the foolish mistake of casually eliminating a species because we don't yet know how it works or what good it does.

Mr. Speaker, and I say to the gentleman from Indiana [Mr. JONTZ] it seems to me we are engaged in some unintelligent tinkering in the Northwest today and that our actions will have far-reaching consequences if we do not do something about it, consequences that we do not even begin to see yet. If we begin to throw away parts of our ancient forest ecosystem, we do so at our peril.

Mr. Speaker, as a member of the party of Roosevelt, Teddy Roosevelt, I urge my colleagues on both sides of the aisle to support the gentleman from Indiana, Mr. JONTZ's, Ancient Forest Protection Act and become a cosponsor today.

Mr. Speaker, I thank the gentleman from Indiana [Mr. JONTZ].

Mr. JONTZ. Mr. Speaker, I want to thank the gentleman from South Carolina for his powerful statement this evening, and his contribution to our special order. The gentleman has pointed out that the issue of the forests of our country and how they are managed is not a partisan issue.

Americans of all different political philosophies agree that we need to be concerned about what is happening with our forests, and I thank the gentleman especially for telling the story about William, because many of us who have been in the forests know the spiritual experience of being able to see these great creatures, these giant trees, so much bigger than we are and so much older than we are, and it gives us a sense of perspective, I think, about our lives. And we want our children and their children to be able to have this experience as well.

I thank the gentleman from South Carolina [Mr. RAVENEL], and the gentleman from New York [Mr. SCHEUER], both for speaking to the importance of the endangered species and also speaking to the shortcomings of addressing these issues one species at a time.

I do not think the question is: "Is the Endangered Species Act a bad law?" It is a very important law. We should not reach the conclusion that the Endangered Species Act should be weakened or repealed in any way. I think the conclusion one must reach is that we are asking the act to do too much. We cannot wait until the habitat of a species is so decimated that they become endangered.

We should have learned that from the experience with the spotted owl. It is not just the spotted owl, however, which is at risk in the Pacific Northwest. More and more we are realizing that there are many, many species that are affected.

One area where increasing attention has been given is the fisheries of the Northwest and how they are threatened. Just a few days ago, several commercial fishing and sport fishing groups joined environmentalists asking the U.S. Forest Service to immediately halt logging in the Pacific Northwest which is damaging the fishery resources.

□ 1750

A letter was signed by groups, including the Oregon Rivers Council, United Anglers of California, the Independent Troll Fishermen of Oregon and addressed to the regional foresters in the Pacific Northwest making the point that the threat to the fishery resources is very immediate. To quote Jim Johnson, who is the president of the Troll Fishermen, the commercial fishermen, "Our jobs are on the line. Once the fish are lost, so is our way of life." The American Fisheries Society, which is a professional organization of scientists who are experts on the fisheries, have identified 214 depleted stocks of anadromous fish in Washington, Oregon, and California.

Now sometimes when the issue of fisheries is discussed, the blame for the problems is laid at the foot of the dams on the Columbia River, and that is a factor, but two-thirds of the fish that are cited by the American Fisheries Society, two-thirds of those 214 depleted fish, are fish that are outside of the Columbia River basin. The decline in many of these stocks is in almost all of them to some extent attributed to the logging activities. There is no question that the fishery resources of the Northwest are in decline, and I believe that scientists today are in virtually unanimous agreement that the major cause of that decline is the degradation of habitat for these species, and we are virtually going to see an endangered species of the month parade of, not just fish, but other species if something is not done to protect the forests. This Friday the Pacific Fishery Management Council will meet in San Francisco to decide whether to ban ocean salmon fishing for this coming year because some runs are falling short of the numbers believed needed to spawn a new generation.

Does commercial fishing pressure have something to do with the problem? Yes. Do the dams on the Columbia River have something to do with the problem? Yes. But I believe most of all the degradation of habitat that has resulted from the overcutting of the forest in the Pacific Northwest is the cause of the problem.

So, I would argue that we cannot wait for the Endangered Species Act to take effect if we are to be wise stewards of the resources, and I would argue that we need an endangered ecosystems act that looks, not only at forests, but at the other ecosystems in our country, the prairies, and the deserts and the ocean ecosystems, and view these natural systems from the perspective of how they function and put into law the requirement that we manage these systems for their sustenance.

Our land management laws in the past have been based on the idea that we should balance different uses, and there still is a place for a variety of uses for our public lands. There are many places where we can cut timber and where we can have other commodity uses. But I believe that the laws of this country should be changed so that the first objective of our land management agencies, whether it is the Forest Service, or the Bureau of Land Management, or the Fish and Wildlife Service, or the National Park Service, or any of the other of our Federal agencies that own and manage our Nation's lands, the first objective should be to sustain the natural systems that these resources depend on because, if we cannot sustain these ecological systems, we are diminishing the productivity of these resources, and we are passing them on to the next generation diminished.

Our understanding of how to sustain these resources and how to know if their productivity is being adversely affected is far advanced over what it used to be. Our scientific understanding of how these systems function is much advanced. In the old days we did not realize the importance of biological diversity. We would view perhaps different plants or different animals as being interesting, but not really very important from the standpoint of the productivity of the resource. We used to view forests just in terms of how many boardfeet of timber could be produced and are we sustaining the number of boardfeet of timber that can be produced over time.

Well, today we realize that biological diversity, the breadth of specie, the number of specie and the genetic diversity within the specie, is a very important measure of the productivity of those systems, and, when biological diversity is threatened, then the systems themselves are threatened, and we need provisions in the law for the Forest Service, and for the Bureau of Land Management, and for all these agencies that requires them to sustain biological diversity.

It just happens that the one ecosystem in our country which is on the brink, which is on the verge of collapsing at the present time, is the ancient forest ecosystem of the Pacific Northwest. Up until recently, when the courts found that our agencies were violating the law and directed them to stop some of their past practices, we were cutting these ancient forests in the Pacific Northwest at a faster rate than the rain forests of Brazil were being cut. Most of the public knows the problem in Brazil. Most of the public in our Nation has become aware of the issue insofar as the rain forests in Central America and South America are concerned. But only recently have the American people become aware of the problems we have in our own forests and the fact that we have cut, cut them to a much greater extent. The forests in Brazil have been decimated to a much lesser extent than the forests in our country have been cut over, and we need to take action now. This is literally at the crisis stage.

The gentleman from South Carolina [Mr. RAVENEL] who joined me earlier spoke to his experience in flying over the forests in the Olympic Peninsula and seeing the devastation. Mr. Speaker, I submit to you that, if every American could fly over these forests, and see the landscape, and see the clearcuts, and see the erosion, we would see the Ancient Forest Protection Act passed within this body within a matter of days. One does not have to be an ecologist, one does not have to know the term "biological diversity" to see that something is wrong, that the integrity of the landscape has been violated.

The irony in these forests in the Pacific Northwest is what is left is almost entirely in public ownership. The forests that were on private lands have been cut. And what is left, so far as ancient forests are concerned, is practically all on public land.

Now the opportunity that we have as the Congress is critical because no one else will make the decisions about these public lands. It is our responsibility. We are the stewards. For too long the decisions about how these lands would be managed were not made with an understanding of the scientific consequences. They were not made from the perspective of the well-being of all of the people of our country, and that has to change, and I think we are seeing those changes, and I believe that we will see the appropriate committees in the Congress, the Committee on Agriculture, and the Committee on Interior and Insular Affairs, of which I am a member, and the other committees bring to the floor soon legislation which will put our policies back on the right basis.

Very recently our committees held hearings in which representatives from the agencies came forth, and we discussed with the agencies what plans the administration has to protect our forest resources. I was very discouraged at what I heard. I do not think we can let the agencies continue without a change in the law. I think we have to give them new directions.

One of the interesting aspects of this controversy is that in fact it has been the scientists from the agencies, like the Forest Service, that have revolutionized our understanding our understanding of how forests function. It was research that was done on our national forests, such as the H.J. Andrews Experimental Forest in the Willamette Forest in Oregon, that has changed our complete understanding of how forests function. One can still go someplace and hear people talk about decaying, dead, decadent forests and talk about how wasteful it is to have snags or dead logs, and how necessary it is to remove these dead and decaying material and to cut those forests down so that young healthy forests can take their place.

Well, that is the way we used to believe that forests functioned. Today we know better. Today we understand that those snags, that those downed, decaying logs, are the biological legacy of the forest. They are the source of nutrients for the growth of young trees; they are an integral part of the forest ecosystem, and nature wastes nothing.

One of the characteristics of the ancient forest in the Pacific Northwest which makes these unique is the complexity of these ecological systems. They evolved over thousands and thousands of years, and here we are at the beginning of exterminating them as viable ecological systems at the very moment in history when we are beginning to understand how they function.

□ 1800

Who knows what other plants, what other trees, what other genetic resources may be harbored in those forests?

Up until recently we saw the Pacific yew as a shrub, as an unimportant species that could be burned. Now we know that the Pacific yew is the source of a drug called taxol which may be a cure for cancer. Scientists are able to study the taxol and, fortunately, are near to being able to synthesize its chemical. Had we proceeded in cutting our forests so that the yew was gone, the ability of scientists to study that chemical and to replicate it would be nil.

We just have no way of knowing what other drugs may come from the forests. We only understand a small fraction about those forests function. So it would be hasty and imprudent to cut those forests to the point where they failed to function as a viable ecological system.

Some people ask, "Don't we have wilderness? Don't we have parks? Why do we need to set aside additional areas as ancient forest preserves?"

Well, we do have wilderness areas in the Pacific Northwest and throughout our country which are very valuable, but they were not designated by and large for ecological reasons. Wilderness areas were designated and have been designated and will be designated because they are scenic, because they are remote, because they provide outstanding opportunities for recreation, for solitude. But they are not designated specifically for their ecological function.

So in the Pacific Northwest we have a situation where we have lots of high elevation areas that have been put into wilderness, but we do not have other areas which are also very important parts of the forest.

So what the Ancient Forest Protection Act would do that I have spoken about this evening is to look at the landscape from an ecological perspective, to look at the existing wilderness areas, to look at the existing areas that have been protected under the Endangered Species Act as a critical habitat for the spotted owl, and ask the question, what more must be done to see that these systems can be sustained as viable, functioning ecological systems?

The Ancient Forest Protection Act would give the responsibility to ask that question to a panel of scientists which would be appointed by the Council on Environmental Quality and could be appointed by some other group. The important thing is we need to ask the individuals in our Nation with the scientific understanding of how forests function to look at this question, to examine what is happening on these publicly owned forests, which belong to all of us in this country, and to bring back to the Congress recommendations about which areas need to be set aside in addition to existing wilderness or parks, and also how we should manage the other forest lands.

I believe that it will take both. It will take additional reserve areas where there will be no logging, no road building, and it will take a change in the management practices in other forests.

We will continue to produce timber from the forests, the privately and publicly owned forests in the Pacific Northwest. But I think we will do it in a different way. And we will produce a smaller amount of timber, because that is all that can be sustained by these forests.

In essence, during the decade of the 1980's we overcut these forests. We incurred an ecological deficit. Throughout the decade of the 1980's we cut somewhere in the vicinity of 10- to 15-billion board feet of timber more than we should have.

Perhaps there was an excuse for that a number of years ago when we did not understand how much we could take from the forests. But today there is no question that we can only take so much. We have been taking too much in the past, and we have to adjust the management of these forests. We have to adjust our timber economy to the reality, the biological reality that there is only so much ancient forest there.

Very recently, within this last year, there was a group of scientists that was convened by the House Agriculture Committee and the House Merchant Marine and Fisheries Committee and asked this question: what recommendations would they make about protecting additional forests or managing forests to see that the value of old growth and fisheries and other species were sustained?

This group, called the Portland Group, consisted of scientists from the land management agencies themselves. They were brought together in an unprecedented meeting to debate and study and prepare recommendations.

That report came to the Congress just a few months ago. We now can use that report as the basis of legislation which the Agriculture Committee and the Interior Committee will produce soon.

Mr. Speaker, the inescapable conclusion from these scientists is we cannot continue to cut 4 billion board feet a year, or even 3 billion board feet a year, or maybe even 2 billion board feet a year from these forests in the Pacific Northwest, in region 6, Oregon and Washington State, if we are going to sustain the environmental values that are so important to us.

This group of scientists outlined for us a number of options that we can pursue. I believe that this report gives us the scientific information we need to write the legislation.

Included in this legislation will be a more thorough scientific study which will give us the information we need to make long-term decisions.

There are a couple of other questions that have been raised about this legislation that I want to address in the time that remains in the special order on forests tonight. One of those questions is where are we going to get the timber that our Nation needs if we do not cut these ancient forests?

Well, I think it is important to put the whole issue in perspective. At the present time most of the wood products from our country, that are used by our country, come from the private lands, not from the public forests.

The national forests right now are something in the vicinity of 15 percent of the timber that is used in our country. We have vast privately owned forest lands in the Pacific Northwest, in the South, in the Midwest, and all across our country. The irony is we have been neglecting these private lands. We have been neglecting the productivity of these lands in private ownership, while we have been fighting about what will happen to our public forests.

That policy has to change. Whether the Ancient Forest Protection Act passes, no matter what happens to the spotted owl or the other endangered species, we will need more of our wood products produced from the private forests.

We need a comprehensive program to invest in those private forests and to increase their productivity. We fortunately do not need to cut down 400-year-old trees to produce 2 by 4s. The wood products industry in the Pacific Northwest is undergoing a change. The reason they are undergoing that change is because the ancient forests are elements of resource. The industry has recognized this and has retooled many mills so that they can cut the smaller trees, the second growth trees that are quite adequate for producing veneer or producing 2 by 4s or for virtually all other uses.

I think we have an obligation to the communities that are affected and the industries that are affected to try to help with this transition to a second growth economy. The transition will be made sooner or later. It will either be made when the last of the ancient forests are cut, except for those that are set aside in parks or forests which are recognized by scientists as not enough to sustain these forests' ecosystems, or it will occur when we decide that we want to save some of the last of those ancient forests.

Fortunately, we have the technological means. We have the economic means. It only will be determined by whether we have the political will to make that transition in time to save the last of those forests so they can function as an ecological system.

From a national standpoint there is no question we do not need the 400-year-old trees to meet the wood products needs of our country. We have millions of acres of timber base in the Pacific Northwest, and, in fact, the privately owned lands by and large are the more productive lands in the Pacific Northwest, as they are in the other parts of the country, because those lands were acquired from the public domain by different individuals and companies, and the lands that were left in our national forests when those were created early in this century were the lands which were by and large least productive.

□ 1810

So we have ample forest resources to meet the wood products needs of our country, if we manage them wisely. We do not have to sacrifice the last of these magnificent cathedral forests in order to meet the needs for timber, for homes or for whatever purpose. It is a false impression which is left by some that this is the choice that we face. That is not the choice at all.

We should be concerned, however, about the impact on specific communities. In fact, the number of jobs in the timber industry has been going down in the Pacific Northwest from factors that are not related to the spotted owl or the Endangered Species Act or this controversy over the state of our forests at all. The industries have modernized. That has been necessary for them to meet the competition.

Some of the companies involved, many of them have shifted their investments to other parts of our Nation. So there are communities where jobs have been lost and will be lost.

I think we do need to look at what can be done to assist those communities and assist those working families. I have said from the day that I first introduced the Ancient Forests Protection Act that it should be passed as a package of legislation with an economic component to complement the ecological component.

There are many things we can do. One thing we can do is to address the issue of log exports. Our Nation continues to export in the vicinity of 3 billion board feet of logs a year. That is the equivalent of exporting jobs, because when we send those raw logs to Japan or Korea or any other Pacific Rim nation or wherever we send them as raw logs, we are losing the opportunity to mill those logs. I think that we should at least for the foreseeable future require that the logs be milled in the United States. We should keep those jobs in the United States. That would more than make up for whatever loss of jobs will occur under the Endangered Species Act or other legislation that may be passed.

It is not a question of owls versus jobs. It is a question of whether we are going to let the profits of some individual companies take precedence over the interests of the public in this issue. If we are truly concerned about jobs, then we will declare that there will be no log exports from the Pacific Northwest for the foreseeable future, that those logs will be milled in the Pacific Northwest and that we will keep those jobs here.

We can sell Japan finished products. Virtually no other country in the world exports raw logs except the United States, and we need to insist that the jobs are kept here in the United States.

Mr. Speaker, in our special order this evening, we have tried to outline the issue that should be of concern to all Americans. That is, what are we doing in the Congress of the United States to see that these forest resources are passed on to the next generation unimpaired, that we maintain for those who will come after us the natural resources of this country as a part of our heritage?

I want to thank the gentleman from New York [Mr. SCHEUER], the gentleman from South Carolina [Mr. RAVENEL], for joining me. There are many other Members of this House who have become cosponsors of our Ancient Forests Protection Act to signify their support for the goals of this legislation.

Very soon the Committee on Agriculture, the Committee on Interior and Insular Affairs, through the leadership of their distinguished chairmen and subcommittee chairmen will be bringing to this House legislation to address this problem. I think it is important that we take action on this legislation and resolve the controversy so that we can go home to the people we represent and say, "We are passing on these forests to you, to your children, to their children, as a resource for their benefit and enjoyment, not just our own."

Mr. Speaker, I thank my colleagues for their contribution.

Mr. BROWN. Mr. Speaker, while much of the current debate on ancient forest protection legislation has focused on the Pacific northwest—and rightly so—we should not lose sight of the fact that this same debate will be replayed in the coming years, this time focusing on national forests throughout all of California, if we exclude the Sierra Nevada region in any ancient forest protection act.

Because of a history of more than a decade of overcutting—actively promoted by the U.S. Forest Service and driven by political interference from the executive branch as well as the Congress—and now 6 years of drought, and countless years of air pollution—the ancient forests of California, especially those in the Sierra Nevada Range, are in danger of falling apart. These forests are in danger of losing their ability to function as a complex interconnected ecosystem.

If we continue to follow a pattern of overcutting—driven by environmentally destructive cut levels—we will have no one to blame but ourselves when the inevitable occurs. If Congress does not act, two events will occur in a few short years.

Thousands of loggers and millworkers will be unemployed, and the ecosystem of the ancient forests will be destroyed. We must, for the future of our workers and the future of our forests, attain sustainable cut levels for our national forests. Our current policy simply is not working.

California is an extremely important timber producing State, providing more than 6 billion board feet of timber to our economy each year. In terms of public lands, more timber is cut in California than any other State except Oregon. As a native Californian I am aware of the fact that we play an important part in the production of timber, and that is precisely why I am concerned about the timber management practices of our Federal Government.

If the U.S. Forest Service had followed the direction provided by Congress in 1976, when we enacted the National Forest Management Act, we might not be in this predicament. We directed the Forest Service to establish sustainable cut levels—we directed the Forest Service to establish long-term plans—we gave the Forest Service ample time to develop these plans—and here we are today, 15 years later, faced with a crisis in the Northwest.

It may be too late to correct some of the damage inflicted by the cut-now-and-plan-later policy followed by the Forest Service, and this administration, but it is not too late to do something for the ancient forests that remain.

California has an unequaled diversity of ancient forests, ranging from the giant sequoias in the southern Sierra Nevada Mountains, all the way north to the Klamath National Forest, where 17 different species of conifer trees are found in 1 square mile. In terms of conifers, this area is the most biologically diverse spot on Earth.

California's ancient forests are also experiencing an incredibly great demand for recreation. For example, the Inyo National Forest on the east slope of the sierra has the greatest recreational use of any national forest in the Nation. Millions of southern Californians visit the southern sierra every year for hiking, backpacking, fishing, and more. As our State's population expands and development further encroaches on our forests, the demand for recreation in ancient forests will only increase. We need to plan for the needs of our children, recreational as well as economic. We must not continue the exploitation of our remaining natural resources, including our ancient forests.

California's ancient forests must be protected. We need a strong ancient forest protection act, scientifically based and permanent. And the ancient forests of the Sierra Nevada must be included in any legislation that we pass. Much like our other natural treasures, ancient forests must be left for future generations to enjoy.

We can continue to follow a short-term, environmentally destructive, economically unsustainable forest policy, or we can finally put in place, and enforce, a long-term, environmentally conscious, and sustainable forest policy that benefits both people, and the environment. We must remember that economic development and environmental protection are not mutually exclusive. We can, in fact, have it both ways. More than that, we must have it both ways.

Mr. LEVINE of California. Mr. Speaker, saving our Nation's ancient forests is an enormous task, and I would like to commend my colleague Congressman JONTZ for his leadership in this effort.

Our ancient forests are among our Nation's most beautiful and important natural resources. They are home to an incredible variety of plant and animal species. And the trees and plants which make up these forests are breathtakingly beautiful. Anyone who has ever had the opportunity to visit these areas comes away stunned by their majesty.

We are only just beginning to understand just how valuable a resource our ancient forests are. Unfortunately, they are being destroyed at an alarming rate.

The Bush administration has made it clear that it has no intention of upholding its responsibility to protect the ancient forests and the critical habitats within them. If the administration would devote as much time and energy to enforcing our environmental protection laws as it devotes to circumventing them, our ancient forests would be secure.

For example, Secretary Lujan recently created yet another interagency task force to study the northern spotted owl. But unlike its predecessors, this new task force is to be unconstrained by existing laws in recommending a solution to the owl problem, laws like the Endangered Species Act, and the National Forest Management Act. Mr. Speaker, the scientific studies have been done, and the results are clear: It is past time to protect the old growth forests.

The intransigence of the administration with respect to the northern spotted owl has, in many people's minds, made the debate on ancient forests synonymous with protecting that endangered species. However, the spotted owl does not, and should not, define the limits of the old growth debate. Like the magnificent forests of the Pacific Northwest, the old growth in California's Sierra Nevada has sustained severe damage, and is as threatened as that in Oregon and Washington.

The 11 national forests in California's Sierra Nevada range are home to some of the most massive conifers in the country, and are rich in biological diversity. Unfortunately, this national treasure is in jeopardy. Less than 10 percent of the original Sierra Nevada ancient forest remains, and it too will be gone unless

Congress acts to protect them. These forests form a delicate ecosystem that is home to more than 100 species of wildlife, like the California spotted owl, the white-headed woodpecker, the willow flycatcher, the fisher, the pine marten, and the northern alligator lizard, all of which prefer this old growth habitat. The vast diversity of these forests is threatened by intense logging of the forests. Unless Congress acts quickly to protect their habitats, we are likely to be faced with more endangered species.

What little remains of the Sierra Nevada's forests is threatened due to the combined effects of past overcutting, erosion, drought, and air pollution. As many as one in five trees is dying of these causes. The forest simply cannot sustain continued intense logging of the remaining healthly trees. I look forward to working with my colleagues in the coming months to protect the Sierra's forests from further deterioriation.

Mr. ATKINS. Mr. Speaker, I rise tonight to speak on the subject of protecting our Nation's remaining ancient forests. I commend Representative JIM JONTZ, the author of the Ancient Forest Protection Act, for his tireless efforts to keep this topic before the minds of our colleagues here in the Congress.

I am often asked why, as a Representative of Massachusetts, I get involved in protecting the ancient forests of the Northwest. First and foremost, I am involved because, as an American, they belong to me and to all of us. Second, I am involved because these forests play a vital role in the global environment by protecting watersheds, insuring water quality, providing wildlife habitat, maintaining the carbon cycle, and conserving biological diversity. Third, I am involved because I strongly believe the situation in the Pacific Northwest is simply an example of mismanagement by the U.S. Forest Service which unfortunately is becoming more evident across the country.

Under the National Forest Management Act, the National Environmental Policy Act, and the Endangered Species Act, Federal forest management policy in our country has the stated purpose of maintaining healthy forests and diverse wildlife populations. That is the policy is to protect ecosystems and all species, whether or not we are wise enough to understand their value. If it is true that endangered species serve as environmental barometers for the health and productivity of ecosystems, then the decline of the spotted owl population is sending us a dramatic message about the mismanagement of our natural resources.

Last February, in the Interior Appropriations Subcommittee, I presided over nearly 7 hours of testimony concerning the mismanagement of public forests across the entire country, not just in the Pacific Northwest. What I heard was deeply distressing to me and convincing enough to believe that the situation in the Pacific Northwest will be repeated throughout the national forests, unless we begin now to reform the Forest Service. Let me share with you just a few examples from this hearing:

Together, the Forest Service and the Appropriations Committee instructs each national forest about the amount of timber they must offer for sale each year without regard to what the ecosystem can sustain or what the market will buy. For instance, despite the fact that Florida's national forests contain two of the world's most endangered ecosystems—the ancient scrub of the central and coastal ridges and the longleaf-wiregrass complex of the coastal plain—and despite the fact that the southern national forests harbor twice the number of endangered, threatened and sensitive species than any other region, the forest plan calls for a doubling of commercial timber output from Florida's already overharvested public lands.

Another example arises in Vermont where only about two-thirds of the timber offered for sale by the Green Mountain National Forest in 1990 received bids from industry. The Forest Service's response? Double the amount of timber offered the following year and find new markets for the wood. Now some of New England's remaining forests are to be ravaged in order to produce electricity for the New England power grid. And this is occuring during a power glut, I might add.

The Forest Service contends that these timber targets are sustainable, pointing to regrowth in clearcut areas that will be available in years to come. However, the evidence presented at the hearing last week caused me and others to call these phantom forests. Several groups testified that the Forest Service has not acknowledged the many reforestation failures that have occurred in clearcut areas around the country, particularly on steep slopes of southern Oregon. For example, the Forest Service, in their computer program, shows that an area that had been clearcut 20 years ago is now covered with trees over 20 feet tall. However, when you go out on the ground, there aren't any trees there, instead the ground is covered instead with shrubs and brush. Furthermore, the Forest Service has made repeated efforts to regrow these trees, only to experience repeated failures.

Even though we do not know how to regrow these forests, the Forest Service also includes outlandish estimates of how fast they will regrow. The Forest Service's computer model shows that these new tree farms would grow two times as fast as natural stands, while the Bureau of Land Management estimates that tree farms would grow three times as fast. According to these models, if the trees were allowed to grow rather than be harvested, they would reach a height of 650 feet. Now I don't know of a tree anywhere in the world that reaches the height of 650 feet, but the Forest Service's tree experts claim to. The Forest Service's computer model assumes these phantom forests will be available for future harvests to justify today's unsustainably high harvest levels.

The final outrage: Taxpayers are asked to support this mismanagement at an enormous cost to the Federal Treasury. The Forest Service itself admits that of the 122 national forests across the country, only 57 forests made money last year. Others estimate that number is closer to 20. How much money is lost? It is hard to tell, because of how the Forest Service accounts for these sales. In reports to the Appropriations Committee, the Forest Service estimates it earned $630 million on timber sales in 1990. But when actual costs for roads, reforestation, and administration are counted, the Treasury paid out $100 million to give away that timber. A report prepared by Mr. Bob Wolf, a retired forester, for the Government Operations Subcommittee on Environment calculated that the Forest Service may have lost the Treasury over $6.3 billion since 1979 selling our timber below cost. That's a huge taxpayer subsidy to the timber industry.

Mr. Speaker, we have ignored the warnings that endangered species have presented to us over the years. We must stop fooling ourselves. We cannot continue to discard ecological pieces—ecosystems and species like these ancient forests and the spotted owl. We must protect ecosystems for all the many values we know they provide, as well as for their value and intrinsic worth we have not yet discovered but our children and grandchildren may.

The Ancient Forest Protection Act is one way of insuring that the remaining fragments of old growth forests are protected, rather than destroyed forever by clearcuts. But we must also pursue reform of the U.S. Forest Service—specifically phasing out below cost timber sales and returning the incentive to manage for ecological values, not for commercial reasons. Finally, we must also look toward a strong reauthorization this year of the Endangered Species Act that continues to protect species and biodiversity for our own sake and for the sake of our children. I look forward to seeing that this legislation is enacted soon.

Mr. WALSH. Mr. Speaker, as a cosponsor of H.R. 842, the Ancient Forest Protection Act, I rise to reiterate my support for legislation that would establish long term, permanent protection for the ancient forests of the Pacific Northwest. I am also concerned about the current abuse of the Endangered Species Act by Secretary of Interior Manuel Lujan.

For the last 40 years, the ancient forests of the Pacific Northwest, Federal and private, have been systematically clearcut. Ancient forest resources on private lands have been virtually eliminated, and it is clear that if logging continues unabated on Federal lands, the remaining ancient forests soon will be destroyed as well.

The ecological aspects of ancient forest destruction have been analyzed and are widely known. In a few short decades, we have destroyed 90 percent of an ecosystem that evolved over many thousands of years. The plight of these forests was recently covered by the New York Times, and I would like to include a copy of this article in the RECORD with my remarks.

I first became aware of the grave consequences of the rapid and irresponsible logging of natural forest ecosystems during my work as a Peace Corps volunteer in Nepal. My work in the expansive forests of Nepal has provided me with first hand knowledge of the tragedy and destruction created by poorly planned timber management practices. These magnificent Nepalese forests had existed for thousands of years and yet, due to an ill-advised resettlement program initiated by the Nepalese government, these forests have totally disappeared within 20 years. These forests were home to tigers, rhinos, pythons, wild buffalo, and hundreds of bird species of every color and hue. Now they are gone: Both the trees and the animals. We can't afford to make that mistake with our ancient forests.

During my years in the Peace Corps, my experience has led me to conclude that we cannot avoid the fundamental linkage between the environmental and economic health of a region or nation. Ultimately, bad forest management practices or other economic activities tend to undercut the economic future of the Nation or region.

The effort to protect our ancient forest depends, in large part, on dispelling the myth that protecting old growth or ancient forests will devastate the forest products industry and ultimately the regional economy. While fundamental changes are already underway within the industry and the region, sustainable forest management can support both a viable timber economy and a healthy environment.

The present course of action can do neither. It is clear that the timber industry is undergoing a fundamental transition in its role in the region. The timber industry has recognized these changes for years. George Weyerhaeuser warned the industry of its own transition in February 1986. In a speech to industry employees, Mr. Weyerhaeuser has some harsh truths to share:

> The industry has changed in fundamental and permanent ways. A set of economic factors both within and beyond the industry has combined * * * to transform the lumber and log markets.
>
> The harsh reality is that the competitive environment within the forest products industry has changed dramatically and permanently since 1980. Forest products companies, both big and small, must learn to play by a new set of rules if they are to survive.

The timber industry, which once dominated the region's economy, has been in a nearly decade long transition that has featured improved labor productivity, mill modernization, log exports, and sadly an enormous decline in direct employment. These job losses have come at time when the timber industry has been cutting trees at record speed. The industry's share of the region's economic activity has been cut in half over the past 20 years, from 7 to 3.5 percent.

How has this happened? It has happened in part because a decade ago it took 4.5 workers to produce every 1 million board feet of lumber and plywood; today it takes just three workers to produce the same volume of wood products.

And what has been the timber worker's reward for this improved productivity? Fewer jobs, fewer shifts, and much lower wages. More than 26,000 jobs were lost during the 1980's because the timber industry became more automated.

These jobs were lost before a single acre of Federal land was protected as spotted owl habitat.

Log exports have also cost thousands of domestic timber workers their jobs. The Forest Service has estimated that 860 U.S. timber jobs are lost for every 100 million board feet of raw logs exported. Last year, some 3 billion board feet of raw logs were exported from Pacific Northwest ports. These exports generated a huge profits for the timber industry, and cost local workers a potential 25,000 jobs.

As a result of this ongoing transition, the timber industry is no longer a dominant component of the region's economy, and never will be again. The region's economy is growing and diversifying—in the last 2 years more than 250,000 jobs were added. While the timber industry will always have a place in the region, it is folly to assume that continued, unsustainable, logging levels will contribute to the region's economy.

We need to abandon the myth—once and for all—that cutting more trees is going to create more jobs. This did not happen during the industry's boom years during the 1980's when logging hit record levels. It will not happen now.

We do need to take a realistic look at the needs of timber dependent communities and address these needs in light of the ongoing and inevitable transition within the industry and the regional economy.

What is appropriate is a two part strategy of economic diversification and resource conservation. We need to link a sound economic package to the strong ancient forest protection legislation that must be passed by Congress.

Unfortunately, the ancient forest policies of the Department of Interior and other Federal agencies are focused solely on the spotted owl, with its probable goal of limiting the spotted owl's protection. These agencies have tended to ignore the fundamental linkage between the plight of the owl and the imperiled status of ancient forests. They have ignored the pain that shortsighted, unsustainable, logging policies have caused the citizens of the region.

Mr. Lujan's decision to convene the Endangered Species Committee, or the so-called God squad as its commonly called, demonstrates a willingness to attempt to circumvent both the facts and the law. This committee is also being used as a platform to weaken the Endangered Species Act.

It is clear that a fundamental change in our Federal forest policies is necessary to prevent the destruction of the ancient forest ecosystem, species extinctions, and the loss of biological diversity.

Ignoring the weakening environmental law will not bring resolution to this issue or address the needs of the people of the Pacific Northwest. We must bolster our efforts to protect our forests and wildlife. An integral component of these changes must be the creation—as would be accomplished by H.R. 842—of a permanent system of ancient forest reserves. I urge my House colleagues to support the ancient forest protection of H.R. 842 as well as a sound economic transition package.

I respectfully close by posing a question which I believe has only one answer. How can we seek to persuade other Nation's—particularly the developing nations in South and Central America—to protect their natural forest ecosystems when we will not choose to protect our own? I submit that we cannot.

THE CONTINUING CRISIS IN THE BALKANS

The SPEAKER pro tempore (Mr. JONES of Georgia). Under a previous order of the House, the gentlewoman from Maryland [Mrs. BENTLEY] is recognized for 60 minutes.

Mrs. BENTLEY. Mr. Speaker, I first want to commend the gentleman from Indiana [Mr. JONTZ] for his statement that we should not be exporting logs and we should keep the jobs in the United States. I think that is something we all need to be concerned about, and I agree with the gentleman 100 percent on that. We are going to look at his bill very carefully after listening to him today.

Mr. Speaker, earlier today, my esteemed colleague from Michigan, Mr. BROOMFIELD, asserted that the United States should send aid and technical assistance to the recently recognized breakaway Yugoslav Republics.

That aid is needed, I concur, but not in the form that Mr. BROOMFIELD advocated.

The situation in the Balkans is still very tense. According to news reports today, fighting continues unabated, as it has since Sunday. Reuters correspondent Nikola Antonov reports:

> Recognition of Bosnia's independence from Yugoslavia by the European Community and the United States on Tuesday has done little to end fighting between minority Serbs who opposed the split and Moslems and Croats who supported it.
>
> Artillery, mortar and machinegun fire rattled through the city throughout the night, despite repeated calls for a ceasefire by Bosnia's leaders.
>
> Sarajevo radio said more than 30 people had been killed in the capital alone since Sunday in the republic's worst crisis since World War Two. Dozens more have been wounded.

Yes, the Yugoslav Republics—all of them—need aid, Mr. Speaker. They need aid to stop the current unrest. They, however, do not need military aid. This would just increase the fighting. They need the aid of a competent mediation panel to work out their deep-seated differences.

Had the European Community, the United Nations, and the United States stopped to think about it, surely they would have realized that in a situation as tense as Bosnia-Hercegovina where fully a third of the people do not support the status quo, that some form of serious mediation is required.

But instead, the EC decided to go ahead with recognition of Bosnia-Hercegovina, even though they have scheduled a meeting on April 11 with the leaders of the various ethnic groups in Bosnia to resolve their differences.

The current Croat-Moslem partnership in Bosnia is a marriage of convenience, there historically having been no love lost between those two groups, and without an acceptable mediation of the concerns of all three ethnic groups in Bosnia-Hercegovina, a repetition of the interethnic violence that plagued this region during the Second World War is inevitable.

But now, the European Community, and more importantly, the United States, have given two of the groups the upperhand—the Croats and the Moslems—and have left the third—the Serbs, the only group that openly supported the allies in both World Wars—even more scared than before. And their fright is based on the genocide from 1941 to 1945 of 750,000 Serbs, Jews and Gypsies in the same area of Croatia by the Ustashi. And today's fighting has spilled over from the current Serb-Croat civil war.

Last week, neo-Nazi extremists seized the ethnic Serbian town of Kupres in northern Bosnia. These extremists, members of Dobroslav Paraga's HOS, came from the Republic of Croatia. Even President Tudjman of Croatia acknowledged this, although he also says he has no control over these forces.

According to Reuters, "Kupres was the biggest town seized by Croat militias during several days of fighting over independence in which dozens of people have been killed. It is the key town in an area which contains several federal military installations."

Surely, if the Croatians were in search of a peaceful solution to the strife in Bosnia, they would not have even attempted to seize the town.

This fact also is belied by the alleged slaughter of at least 12 ethnic Serbs in the town of Sijekovic in northern Bosnia by Croat and Moslem gunmen at the end of March.

Mr. Speaker, there are many facets to the current situation in the Balkans, and they cannot be hidden under simple buzzwords or catchall phrases: Why do you call Moslems or Croats "freedom fighters" when they are involved in the actions which I described above? Why do you call the Yugoslav army "Serb-led" when the prestigious Financial Times recently published that the JNA and the Republic of Croatia entered into a joint manufacturing venture to produce T–84 tanks which is going on right now.

Mr. Speaker, there are many sides and many ways to view the current strife in Yugoslavia. It is imperative that the United States not become blinded in its Yugoslav policy. The United States must see the big picture for what it is. This Congress must not lose sight of the fact that Germany has, by its recognition of Croatia, once again supported the aspirations of its Nazi ally from the Second World War. Is it too much to ask that the United States, the United Kingdom, and France at least accord fairness to the minority Serbs in Croatia and Bosnia-Hercegovina, their allies from both world wars, and not limit its views to those of the EC, the United Nations, or any other single proponent involved in the current strife.

The United States should not provide aid only to the breakaway Yugoslav Republics, Mr. Speaker, as Mr. BROOMFIELD advocates. Instead, let the United States take the forefront in mediating the current crisis, and provide for the concerns of all people involved, including the minority Serbs, and not just one group or the other. That is the kind of aid that the Yugoslav Republics and the Balkans need right now. These ancient and deep-seated ethnic animosities will not just go away. So let us attempt to resolve the current situation, not just ignore it or condone unfairness.

The world has recognized that there is a serious problem in the Balkans. Without proper mediation, a repeat of the ethnic strife which characterized the area during the Second World War and began World War I is inevitable.

REPORT ON RESOLUTION PROVIDING FOR MOTION TO SUSPEND THE RULES ON APRIL 9, 1992

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–488) on the resolution (H. Res. 425) providing for consideration of a motion to suspend the rules on April 9, 1992, which was referred to the House Calendar and ordered to be printed.

WAIVING POINTS OF ORDER AGAINST CONFERENCE REPORT ON S. 3, CONGRESSIONAL CAMPAIGN SPENDING LIMIT AND ELECTION REFORM ACT OF 1992, AND AGAINST CONSIDERATION OF SUCH CONFERENCE REPORT

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–489) on the resolution (H. Res. 426) waiving all points of order against the conference report to accompany the bill (S. 3) to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, and against consideration of such conference report, which was referred to the House Calendar and ordered to be printed.

REPORT ON RESOLUTION PROVIDING FOR CONSIDERATION OF HOUSE RESOLUTION 423 AMENDING RULES OF THE HOUSE TO PROVIDE CERTAIN CHANGES IN ADMINISTRATIVE OPERATIONS

Mr. MOAKLEY, from the Committee on Rules, submitted a privileged report (Rept. No. 102–490) on the resolution (H. Res. 427) providing for consideration of the resolution (H. Res. 423) amending the Rules of the House of Representatives to provide for certain changes in the administrative operations of the House, which was referred to the House Calendar and ordered to be printed.

□ 1820

U.S. POLICY TOWARD THE MIDDLE EAST

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York [Mr. SCHEUER] is recognized for 30 minutes.

Mr. SCHEUER. Mr. Speaker, I yield to the gentleman from Texas [Mr. PICKLE].

REPORT ON OVERSIGHT INVESTIGATION INVOLVING THE CARLOS CARDOEN EXPORT CONTROL CASE

Mr. PICKLE. Mr. Speaker, I simply want to make a report to the Congress, and I appreciate being given a chance to do that.

Mr. Speaker, last year the Subcommittee on Oversight of the Committee on Ways and Means examined the Bush administration's effort to enforce United States export control laws. The subcommittee at that time was particularly interested and concerned about the illegal exports of weapons and weapons technology to Iraq and to other Middle East countries. You will remember that we had rumors and reports that several individuals were selling deadly weapons and munitions to countries even like Iran and Iraq, and that American goods were actually ending up in those countries. It is very difficult to find out how to catch these people. Overall, I would have to say that at that time I was not particularly impressed with the administration's efforts in this critical area. We just seemed to not be able to trace them down, or they could get off the hook some way or another. That is the frustrating thing for us.

We examined in detail three specific cases of major illegal transfers of deadly materials and related technology from sources in the United States to Iraq which were used to manufacture mustard gas, cluster bombs, and mid-range ballistic missiles and attack helicopter prototypes. Most of the individuals involved in these illegal transfers have gone scot-free. The United States cannot touch them because they are foreign citizens living outside the United States, or in one case, were foreign diplomats with diplomatic immunity at the time they committed the crimes. I am sorry to say that the hard-working dedicated Federal law enforcement agents who spend years investigating these cases usually come up with nothing to show for it at the end of the day, or at the end of the investigation.

However, and this is the good part about these efforts, those Federal agents have managed to get some measure of satisfaction in one of the cases that the subcommittee examined last year. After more than a year of sifting through myriad shell corporations and bank accounts all over the world, they have traced profits from the illegal sale of cluster bombs to Iraq by Carlos Cardoen, a native Chilean. Those goods were transferred to sale of real property and other assets in the United States. Last week, and continuing into this week, the Federal agents have seized Cardoen assets valued in excess of $30 million.

Federal agents from the U.S. Customs Service and the Department of Commerce, Office of Export Administration, worked for months to unravel Cardoen's financial transactions. They traced the flow of proceeds from Cardoen's illegal deals with Iraq through Swiss bank accounts to numerous Cardoen-controlled shell corporations in the United States, Switzerland, and Chile and eventually to a Cardoen-controlled company in Miami, FL, Swissco Properties, Inc. Swissco Properties used these illegal proceeds to make several investments for Cardoen.

Today, Mr. Speaker, Mr. Cardoen still is free. He can walk the streets in Chile without apprehension. We may never be able to get our hands on him because he is in a foreign country, but at least today he is $30 million poorer, and our Government is $30 million better off. So sometimes we have to say to ourselves sometimes our Federal agents, like the Customs Service, Export Control, Commerce, they can conduct valuable investigative work.

Today I want to commend them for this very exhaustive, thorough, stick-to-it type of relentless investigation that has at least seized $30 million of illegal munitions sales to merchants. I think that is good news for us.

Mr. SCHEUER. Mr. Speaker, I thank the gentleman from Texas [Mr. PICKLE] for his most interesting remarks. I think the net result on the bottom line of the situation he has described in an absolute disgrace, that our laws should have been so blatantly and ruthlessly exploited and abused by an American citizen. It is a matter of shock to me. It is hard to understand the kind of an individual who would abuse our laws and help a country that is endangering his own region, with a chief of state who is brutalizing his own people, endangering and threatening the region.

Mr. PICKLE. I would say to the gentleman, at least one merchant has been apprehended, and we seized his assets. If we keep after some of these other merchants of death and destruction, we can nail some more.

Mr. SCHEUER. I would say to the gentleman, he has done us all great service by bringing this to our attention.

Mr. Speaker, We heard last night on television that Yasser Arafat, the founder and leader of the PLO, was lost somewhere in the Libyan desert. After 15 hours of waiting, we found in the morning that he was safe and well, suffering only a few scratches and bruises after landing someplace in the Libyan desert in a sandstorm. The streets of Arab capitals of refuge camps in the West Bank and Gaza, and of Eastern Jerusalum erupted with dancing masses of jubilant Arabs celebrating Mr. Arafat's survival, just exactly as they celebrated the Scud attacks on Israel just 1 year ago.

□ 1830

I think all of us can be pleased that a human being escaped a fiery death in an airplane accident. No one wishes that on anybody. And so we welcome Mr. Arafat back into the world of the living, which he came perilously close to departing.

But nevertheless, a bit of rumination is in order. What I find strange about the news coverage of this story, at least to this point in time, is little attention has been paid to who Mr. Arafat is, what he stands for and what he was doing when he flew into that sandstorm. Mr. Arafat was on no mission of peace, believe me. He is a terrorist. Believe that. He stands for the violent conquest and subjugation of Israel. He was flying, as I said, not on a peace mission, but on a mission to encourage the continuance of conflict, of death and of terror. One would barely notice it in the news reports, but Yasser Arafat was on his way to visit a PLO guerilla base in Sudan, a guerilla base, a base where they train PLO soldiers and convert them into terrorists so that they can attack even more viciously and more skillfully civilians in Israel and abroad, attacking men, women, and children in buses, in supermarkets, in the parks, on the beaches, attacking them with the aim of maiming and killing as many as they can.

And he was flying over a vast desert. Where? Libya. He was flying over Libya, the same country that refuses the United Nations and the United States demands the surrender of two terrorists responsible for the cowardly and dastardly destruction of Pan Am 103 over Lockerbie, Scotland.

And what was his destination? His destination was the Sudan, that African country that Iran has recently taken under its radical wing in an attempt to transfer it into a fundamentalists Islamic state.

These aspects of the PLO chairman's trip show his true nature and the true nature of his organization, the Palestine Liberation Organization. He was not on a peace mission, and they are not on a peace mission. That is not what Yasser Arafat is all about, and that is not what the PLO is all about. No, the PLO is committed to the overthrow and destruction of the State of Israel. The PLO is committed to driving the last Israeli into the Mediterranean. The PLO has never given up its dreams of conquest and liberation of what they perceive to be Arab and through armed struggle and revolution.

Mr. Speaker, at a time when such agendas should be tossed onto the ash heap of history, at a time when we have already seen the other great global superpower announce the end of the cold war, at a time when we have seen our ideals—of freedom and democracy and independence, of the liberation of the human spirit prevail, when we have seen the Russian State capitulate disintegrate and after that the Warsaw Pact countries rush to adopt our ideals of liberty and independence and dignity of the human spirit through democratic forums. At a time like this, Mr. Speaker, would you not think that the PLO would search its innermost soul to see if it could not have a more constructive mission? But no, they are still committed to the overthrow and destruction of Israel. And they still have not given up their dreams of conquest and liberation. They still have not given up their dreams of the days of Saladin a thousand years ago when the Arabs ruled a large portion of the civilized world, and when the Arab civilization was preeminent in the world at that time. It is just a pity at a time when such agendas should be tossed into the ash bin of history and be replaced by a thoughtful, democratic concept of a new world order where nations would live in peace with nations and people would respect each other, it is unfortunate that the Arabs have been given signals of encouragement from our own administration, the American administration to persist in their fantasies.

Our President's demonstrated willingness to criticize Israel constantly and systematically, his lack of concern about maintaining any kind of a warm United States relationship with Israel, has indeed encouraged rejectionist Arab states all over the world. They have been reinvigorated by this administration's attitude toward them.

In the last few months we have seen very disturbing signs of a resurgence of terrorism. Terrorists bombed the Israeli Embassy in Argentina, killing dozens of innocent people. Terrorists killed innocent worshipers in Turkey at the Jewish synagogues there, and terrorists in Israel itself have stabbed, slashed, and sliced into pieces Israeli soldiers and civilians.

□ 1840

Mr. Speaker, the President's attitude toward Israel has become perfectly clear to the entire world and especially to the chiefs of state of the Arab countries. He has engaged in persistent and unremitting criticism of Israel. He has accused Israel of breaking faith with the United States and making our military secrets available to China and perhaps other countries—all without any proof, as the State Department belatedly admitted just a few days ago.

He has sent, by his absolute obsessive singleminded concern with Israel's settlement policy, a very clear signal to the Arabs and that is that he, the President, and the Secretary of State view the State of Israel as the sole obstruction to peace in the region.

When Mr. Baker and President Bush refer to Israel's settlements policy as the sole obstruction to peace, they do not count any of the Arabs' aberrational and destructive behavior also as obstructionist to peace. You never hear Mr. Bush or you never hear Mr. Baker talking about the Arab economic boycott of 44 years as being an obstruction to peace, even though in diplomatic terms it is actually an act of war. You never hear Mr. Baker or Mr. Bush refer to the constant flow of poison and venom from Arab media, from radio, from television, from the press, poisoning the minds of their young people who will be the next generation's leaders. You never hear that referred to by the President or the Secretary of State as impediments to peace.

You never hear of the consistent support by some Arab countries, many Arab countries, of state-supported terrorism, most of it directed against Israel, as an impediment to peace. How can that be?

Mr. Speaker, it is hard for me to understand why the President does this, but it is not hard for the Arab chiefs of state to understand why he does that. He is sending them a very clear signal. He is sending them a signal that Israel is the problem, and that all the Arab chiefs of state have to do is sit on their hands not negotiate, not conciliate, not meet Israel halfway, and not bite the bullet, or make a serious attempt to face the world of reality as it is today. Just stay intransigent, just stay unyielding, just wait until the United States delivers Israel hog-tied and powerless to the Arab negotiators. Now, this is the message the administration is sending to the Arab leaders today even as the negotiations are going on, and it is a very destructive message, because there is not a man or woman in this room who really believes that the Israelis are going to let themselves be delivered into a state of insecurity.

They will not pay that price for the $10 billion of loan guarantees or for anything else.

For decades the United States has been demanding for Soviet Jews the right to emigrate to the country of their choice and most of them have gone to Israel. The United States has been a stalwart supporter of such emigration, and the United States has always promised aid. Now, when the time has come and the Soviets have opened the gates to their Jewish population—and nobody knows how long those gates will stay open—and when there is a stream of Russian immigrants coming to Israel in the next 3, 4, 5 years that is estimated at a million or more, almost half of whom have advanced degrees in science, mathematics, engineering, and brilliant musicians by the thousands, the United States is reneging on its solemn promise, is turning its back on Israel and is telling Israel, "Now, we are going to attach a condition. If you want our aid, you must stop the settlements."

For the United States to now apply conditionality to their willingness to extend the $10 billion loan guarantee, to my mind, is a shameful abandonment of the United States' obligation to Israel and the Russian Jewish community.

Why apply conditionality for loan guarantees only to Israel. In the last 5 years, Mr. Speaker, the United States expended $12 billion of loan guarantees to the Arab world—$3 billion in the last year alone—and whereas Israel has never defaulted on a loan, ever, and would surely repay the $10 billion loan which they hope the United States would guarantee, the United States has already had to pay $360 million for a loan that they guaranteed to Iraq in the 1980's and which Iraq defaulted on.

There was never any suggestion of conditions on these loan guarantees to the Arab States—conditions like ending the Arab economic boycott, or ending the state of war which the Arabs have insisted on maintaining for 44 years, all of them except Egypt.

No, Mr. Speaker, there was no suggestion of conditionality on the cessation of the vicious flow of poison emanating from all of the Arab media, either.

So I say that this administration's policy has done a grave injustice to Israel, to the Soviet refugees who would like to come to an Israel that could afford to find jobs for them and find housing for them. But the worst injustice is to the peace process itself, because of the way it has encouraged Arab stonewalling.

So the President has really thrown a wrench into the machinery of the peace process and has threatened its viability, has threatened the integrity of the process by his overwhelming consistent and systematic bashing of Israel and sending a signal to the Arabs that he is going to take care of the Israelis.

□ 1850

We are paying a terrible price for the lost opportunities of peace, the lost potential to all the people of the Middle East of engaging in a peace process that counts.

I spoke earlier with the gentleman from Indiana [Mr. JONTZ] who is suggesting a rational lumber policy, a rational policy for the United States to preserve and save its last major northwestern forests, these glorious trees of up to 300 feet. This is relevant to the potential of peace in Israel. Let me tell you why.

The Middle East of ancient times had numerous forests. But not any more. Now it is desert because the trees were not preserved. Now, there is enormous potential for reforestation in the Arab lands, just as the Israelis have proved with reforestation in Israel, where they planted several hundred million trees and where a satellite photograph will show the green crescent of Israel, surrounded by a sandy wasteland of the Arab countries, with just a green squiggle in Egypt—the Nile River—and the several miles on each side that is arable land.

Well, Mr. Speaker, the possibilities of cooperation between Arabs and Israelis once we have peace achieved are absolutely mind-boggling and staggering.

I will give full credit to the Secretary of State for his shuttling about the region last year to get the parties together, and to Mr. Bush for producing a significant result in getting the parties to sit down at the conference table. But this current egregiously foolish policy—of sending a signal to the Arabs that the United States will deliver Iszrael and that Arabs do not have to meet the Israelis halfway or a quarter of the way or make any compromise or make any concession—threatens the very integrity, the very possibility of success in the peace process which our country so nobly and effectively initiated.

Now, what could be the product of peace? Well, first of all, the possibilities of scientific cooperation between Israelis and Arabs presents an absolutely limitless opportunity for progress to help people. I have been participating in this personally for 10 years. There is an organization known as the IOLRI, the Israeli Oceanographic and Limnological Research Institute, or—in layman's terms—the Israeli Institute for the Study of Oceans and Lakes.

I have been participating in a quiet, effective program of scientific cooperation in which they have been involved with Egyptian marine biologists and Jordanian marine biologists.

For what purpose? For cleaning up the Gulf of Aqaba which is bordered by Israel, Egypt, Jordan, and Saudi Arabia. And they have worked together prodigiously. The Israelis have had a joint science project, a sharing project, to help the Egyptians become farmers of the sea, to engage in large scale marine farming to fulfill their protein needs, and the Egyptians are absolutely delighted at this new high technology that the Israelis have been able to give them.

The Israelis and the Egyptians together are using the most sophisticated computerized underwater measuring devices to measure the velocity and the direction of the waves and the currents that are eroding the Nile Delta, which is of tremendous concern to the Egyptians. The Egyptian experts and Israeli experts have worked very successfully integrating their knowledge, integrating their technology to prevent further erosion of the Nile Delta.

Now, this has been going on for a decade. I have met with Israeli and Arab scientists in Jerusalem. I have met with them in Cairo. I met with them in Alexandria and I have invited them to my home in Washington when they held conventions here to discuss their past progress and their future hopes, their future programs.

It is possible, it is very possible for Arabs and Israelis to work together for the betterment of all their people. The potential is there for marine biology. The potential is there for forestry management, for the planting of vast tracts of grasses—the Savannah grasses—the shrubs, and the trees that were typical of that whole Middle Eastern area 2,000 years or more ago. All it takes is dedication, a willingness to work together, and some financing.

Look at the potential of cooperation in interregional telecommunications, in interregional education, in the exchange of students, and in the creation of an Arab-Israeli peace corps to help every nation's young.

Think of the flow of medical personnel coming from Russia to the State of Israel, far more than Israel needs. Think of joint programs between the Arabs of Egypt, Jordan, and other countries, in which Russian doctors would advise and participate in creating a health services delivery system that could help every single Arab family in need of health care.

The prospects and the potential for cooperation between Arabs and Israelis are exciting beyond measure and the parties have shown over the last 10 years that they can do it. I just hope that this administration comes to its senses and begins to encourage the peace process fairly, instead of destroying the prospects for peace in the Middle East.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. RIDGE) to revise and extend their remarks and include extraneous material:)

Mr. MILLER of Washington, for 60 minutes, on May 6.

Mr. THOMAS of Wyoming, for 5 minutes, today.

(The following Members (at the request of Mr. COX of Illinois) to revise and extend their remarks and include extraneous material:)

Mr. ANNUNZIO, for 5 minutes, today.

Mr. ROSTENKOWSKI, for 5 minutes, today.

Mr. GONZALEZ, for 60 minutes, today.

Mr. STALLINGS, for 60 minutes, today.

(The following Members (at their own request) to revise and extend their remarks and include extraneous material:)

Mr. GLICKMAN, for 5 minutes, today.

Mr. HAYES of Illinois, for 60 minutes, today.

Mr. BONIOR, for 60 minutes, today.

Mr. NAGLE, for 60 minutes, today.

Mr. KANJORSKI, for 30 minutes, today.

Mr. SCHEUER, for 30 minutes, today.

EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. RIDGE) and to include extraneous matter:)

Mr. BROOMFIELD in two instances.

Mr. GEKAS.

Mr. VANDER JAGT in three instances.

Mrs. JOHNSON of Connecticut.

Mr. GOODLING.

Mr. GUNDERSON.

(The following Members (at the request of Mr. COX of Illinois) and to include extraneous matter:)

Mr. SKELTON.

Mr. LANTOS.

Mr. ERDREICH.

Mr. KILDEE.

Mr. MAZZOLI.

Mr. TORRES.

Mr. CLEMENT.

ENROLLED JOINT RESOLUTION SIGNED

Mr. ROSE, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a joint resolution of the House of the following title, which was thereupon signed by the Speaker:

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

Liberia and authorizing limited assistance to support this process.

ADJOURNMENT

Mr. SCHEUER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 7 p.m.), the House adjourned until tomorrow, Thursday, April 9, 1992, at 11 a.m.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

3274. A letter from the Assistant Secretary for Environmental Restoration and Waste Management, Department of Energy, transmitting notice that the report on research and technology development activities supporting defense waste management and environmental restoration will be delayed until June 1, 1992, pursuant to Public Law 101-189, section 3141(c) (1), (2) (103 Stat. 1680); to the Committee on Armed Services.

3275. A letter from the Secretary, Department of Housing and Urban Development, transmitting the Department's 1991 report on the Supportive Housing Demonstration Program, pursuant to 42 U.S.C. 11387; to the Committee on Banking, Finance and Urban Affairs.

3276. A letter from the Secretary of Education, transmitting Final Regulations—Eisenhower Mathematics and Science Education Program—State Grant Program, pursuant to 20 U.S.C. 1232(d)(1); to the Committee on Education and Labor.

3277. A letter from the Secretary of Energy, transmitting a report on enforcement actions and comprehensive status of Exxon and stripper well oil overcharge funds; to the Committee on Energy and Commerce.

3278. A letter from the Secretary of Health and Human Services, transmitting the 1991 annual report on the National Institutes of Health AIDS Research Loan Repayment Program; to the Committee on Energy and Commerce.

3279. A letter from the Secretary of Health and Human Services, transmitting a revised national strategic research plan for balance and the vestibular system and language and language impairments, pursuant to Public Law 100-553, section 464D; to the Committee on Energy and Commerce.

3280. A letter from the Acting Under Secretary for Export Administration, Department of Commerce, transmitting revisions to the 1992 Annual Foreign Policy Report; to the Committee on Foreign Affairs.

3281. A letter from the Assistant Secretary for Legislative Affairs, Department of State, transmitting copies of the President's determination authorizing the furnishing, sale, and/or lease of defense articles and services, pursuant to section 503 of the Foreign Assistance Act, to Czech and Slovak Federal Republic, Hungary, and Poland, pursuant to 22 U.S.C. 2311; to the Committee on Foreign Affairs.

3282. A letter from the Director, Office of Management and Budget, transmitting a pay-as-you-go status report for direct spending and receipts legislation enacted as of March 31, 1992, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

3283. A letter from the Director, Office of Management and Budget, transmitting OMB estimate of the amount of change in outlays or receipts, as the case may be, in each fiscal year through fiscal year 1993 resulting from passage of House Joint Resolution 456, pursuant to Public Law 101-508, section 13101(a) (104 Stat. 1388-582); to the Committee on Government Operations.

3284. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3285. A letter from the Chairman, Federal Communications Commission, transmitting a copy of the annual report in compliance with the Government in the Sunshine Act during the calendar year 1991, pursuant to 5 U.S.C. 552b(j); to the Committee on Government Operations.

3286. A letter from the Executive Director, National Mediation Board, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3287. A letter from the Secretary of Housing and Urban Development, transmitting a report of activities under the Freedom of Information Act for calendar year 1991, pursuant to 5 U.S.C. 552(d); to the Committee on Government Operations.

3288. A letter from the Acting Assistant Secretary for Land and Minerals Management, Department of the Interior, transmitting the Department's notice on leasing systems for the central Gulf of Mexico, sale 139, scheduled to be held in May 1992, pursuant to 43 U.S.C. 1337(a)(8); to the Committee on Interior and Insular Affairs.

3289. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3290. A letter from the Deputy Associate Director for Collection and Disbursement, Department of the Interior, transmitting notice of proposed refunds of excess royalty payments in OCS areas, pursuant to 43 U.S.C. 1339(b); to the Committee on Interior and Insular Affairs.

3291. A letter from the Secretary of the Interior, transmitting a copy of the Colorado River System Consumptive Uses and Losses Report for 1981 through 1985, pursuant to 43 U.S.C. 1551(b); to the Committee on Interior and Insular Affairs.

3292. A letter from the Chairman, Merit Systems Protection Board, transmitting the Board's case decisions during fiscal year 1991, pursuant to 5 U.S.C. 7701(i)(2); to the Committee on Post Office and Civil Service.

3293. A letter from the Tennessee Valley Authority, transmitting a revision to their 1992 report on labor-management relations; to the Committee on Post Office and Civil Service.

3294. A letter from the Assistant Secretary for Civil Works, Department of the Army, transmitting a report recommending a modification to the authorized flood damage reduction project for the South Fork Zumbro River, Rochester, MN; to the Committee on Public Works and Transportation.

3295. A letter from the Secretary of the Interior, transmitting a draft of proposed legislation to authorize an exchange of lands in the States of Arkansas and Idaho; jointly, to the Committees on Agriculture and Interior and Insular Affairs.

3296. A letter from the Acting Administrator, Federal Aviation Administration, transmitting the report on the effectiveness of the Civil Aviation Security Program for the period January through December 1990, pursuant to 49 U.S.C. app. 1356(a); jointly, to the Committees on Public Works and Transportation and Foreign Affairs.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ROSE: Committee of conference. Conference report on S. 3 (Rept. 102–487). Ordered to be printed.

Mr. GORDON: Committee on Rules. House Resolution 425. Resolution providing for the consideration of a motion to suspend the rules on April 9, 1992 (Rept. 102–488). Referred to the House Calendar.

Mr. FROST: Committee on Rules. House Resolution 426. Resolution waiving all points of order against the conference report to accompany S. 3. A bill to amend the Federal Election Campaign Act of 1971 to provide for a voluntary system of spending limits for Senate election campaigns, and for other purposes, and against consideration of such conference report. (Rept. 102–489).

Mr. MOAKLEY: Committee on Rules. House Resolution 427. Resolution providing for consideration of House Resolution 423. Resolution amending the Rules of the House of Representatives to provide for certain changes in the administrative operations of the House. (Rept. 102–490). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 5 of rule X and clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GONZALEZ:

H.R. 4803. A bill to promote the nonproliferation of weapons of mass destruction by denying funding to the international development institutions until such institutions revoke the membership of countries not adhering to appropriate nonproliferation regimes, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. BALLENGER:

H.R. 4804. A bill to suspend until January 1, 1995, the duty on formulated fenoxaprop; to the Committee on Ways and Means.

By Mr. ROSTENKOWSKI (for himself, Mr. STARK, Mr. MOODY, and Mr. CARDIN):

H.R. 4805. A bill to amend the Balanced Budget and Emergency Deficit Control Act of 1985 to allow Medicare administrative funding to increase and thereby combat waste, fraud, and abuse, and for other purposes; jointly, to the Committees on Government Operations and Rules.

By Mr. BLACKWELL:

H.R. 4806. A bill to amend the Fair Credit Reporting Act to protect the credit rating of consumers with satisfactory credit ratings who become unemployed due to recession or to an employer's transfer of the job function performed by a consumer to another country, and for other purposes; to the Committee on Banking, Finance and Urban Affairs.

By Mr. CARPER:

H.R. 4807. A bill to suspend until January 1, 1995, the duty on quizalofop-ethyl; to the Committee on Ways and Means.

H.R. 4808. A bill to suspend until January 1, 1995, the duty on Pigment Red 254; to the Committee on Ways and Means.

H.R. 4809. A bill to suspend until January 1, 1995, the duty on Pigment Blue 60; to the Committee on Ways and Means.

H.R. 4810. A bill to suspend until January 1, 1995, the duty on Pyrrolo (3,4-C) Pyrrole-1, 4-Dione, 2,5-Dihydro 3,6-Diphenyl; to the Committee on Ways and Means.

H.R. 4811. A bill to suspend until January 1, 1995, the duty on (±)-Methyl p-(2-hydroxy-3-(isopropylamino) propoxy) hydrocinnamate hydrochloride; to the Committee on Ways and Means.

H.R. 4812. A bill to suspend until January 1, 1995, the duty on 3-(a-acetonyl benzyl)-4-hydroxycoumarin sodium salt; to the Committee on Ways and Means.

By Mr. COBLE:

H.R. 4813. A bill to suspend until January 1, 1995, the duty on 1,8-Dichloroanthraquinone; to the Committee on Ways and Means.

By Mr. DE LA GARZA:

H.R. 4814. A bill to extend the temporary suspension of duty on fresh cantaloupes imported between January 1 and May 15 of each year; to the Committee on Ways and Means.

By Mr. GOODLING (for himself and Mr. GUNDERSON):

H.R. 4815. A bill to amend the Age Discrimination in Employment Act of 1967 to provide compensatory and punitive damages that are consistent with the damages authorized by section 1977A of the revised statutes, and for other purposes; jointly, to the Committees on Education and Labor, Post Office and Civil Service, and House Administration.

By Mr. GRANDY:

H.R. 4816. A bill to suspend until January 1, 1995, the duty on Fomesafen; to the Committee on Ways and Means.

By Mr. GUNDERSON:

H.R. 4817. A bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, and to cover the costs thereof by means of benefit reductions in the first month of entitlement for future beneficiaries proportionate to the periods before entitlement, and to further cover early costs by providing a $0.50 reduction in monthly benefits for current beneficiaries for a transitional period of 5 years; to the Committee on Ways and Means.

By Mr. HALL of Ohio:

H.R. 4818. A bill to establish the Department of Energy Nuclear Weapons Complex Reconfiguration Commission; to the Committee on Armed Services.

By Mr. HATCHER:

H.R. 4819. A bill to suspend until January 1, 1995, the duty on Triphenylmethyl chloride, Imidazole Intermediate, 1,3-Dihydroxyacetone, N-Chlorosuccinimide, Losartan (active) and Avistar (formulation); to the Committee on Ways and Means.

By Mr. JACOBS:

H.R. 4820. A bill to suspend until January 1, 1995, the duty on exomethylene ceph v sulfoxide ester; to the Committee on Ways and Means.

By Mrs. KENNELLY (for herself and Mrs. JOHNSON of Connecticut):

H.R. 4821. A bill to amend the Internal Revenue Code of 1986 to allow a credit for the purchase of a principal residence by first-time home buyers; to the Committee on Ways and Means.

By Mr. KILDEE (for himself, Mr. EMERSON, Mrs. SCHROEDER, and Mr. HALL of Ohio):

H.R. 4822. A bill to make appropriations to begin a phasein toward full funding of the special supplemental food program for women, infants, and children [WIC] and of Head Start Programs, to expand the Job Corps Program, and for other purposes; to the Committee on Education and Labor.

By Mr. LEHMAN of California:

H.R. 4823. A bill to extend until January 1, 1995, the existing suspensions of duty on tartaric acid, potassium antimony tartrate, and potassium sodium tartrate; to the Committee on Ways and Means.

By Mr. LOWERY of California:

H.R. 4824. A bill relating to the tariff treatment of gear boxes of certain agricultural horticultural equipment; to the Committee on Ways and Means.

H.R. 4825. A bill to suspend until January 1, 1995, the duty on gear boxes of certain agricultural or horticultural equipment; to the Committee on Ways and Means.

By Mr. RICHARDSON:

H.R. 4826. A bill to suspend temporarily the duty on rifabutin (dosage form); to the Committee on Ways and Means.

By Mr. SHARP (for himself, Mr. HAMILTON, Mr. JACOBS, and Mr. MCCLOSKEY):

H.R. 4827. A bill to suspend until January 1, 1995, the duty on certain high displacement industrial diesel engines and turbochargers; to the Committee on Ways and Means.

By Mr. SHAW:

H.R. 4828. A bill to extend the existing suspension of duty on metal oxide varistors; to the Committee on Ways and Means.

By Mr. SOLOMON (for himself, Mr. ACKERMAN, Mr. BOEHLERT, Mr. DOWNEY, Mr. FISH, Mr. GILMAN, Mr. GREEN of New York, Mr. HOCHBRUECKER, Mr. HORTON, Mr. HOUGHTON, Mr. LENT, Mr. MARTIN, Mr. MCGRATH, Ms. MOLINARI, Mr. NOWAK, Mr. RANGEL, Mr. SCHEUER, Mr. SCHUMER, Ms. SLAUGHTER, Mr. SOLARZ, Mr. TOWNS, Mr. WALSH, Mr. WEISS, Mr. MCNULTY, and Mr. PAXON):

H.R. 4829. A bill to establish the Hudson River Artists National Historical Park in the State of New York, and for other purposes; to the Committee on Interior and Insular Affaris.

By Mr. SUNDQUIST (for himself and Mr. FORD of Tennessee):

H.R. 4830. A bill to restore duty-free treatment for combination convection microwave ovens; to the Committee on Ways and Means.

By Mr. VOLKMER:

H.R. 4831. A bill to establish a congressional commemorative medal for veterans of the Battle of Midway; to the Committee on Banking, Finance and Urban Affairs.

By Mr. WEISS:

H.R. 4832. A bill to amend the Federal Home Loan Bank Act to require the Resolution Trust Corporation to maintain residential properties of institutions for which the Corporation is conservator or receiver in compliance with local property maintenance and safety laws; to the Committee on Banking, Finance and Urban Affairs.

By Mr. ZIMMER:

H.R. 4833. A bill to suspend until January 1, 1995, the duty on Trimethyl Hexamethylene Diisocyanate; to the Committee on Ways and Means.

H.R. 4834. A bill relating to the tariff treatment of isophorone dissocyanante [IPDI]; to the Committee on Ways and Means.

By Mr. FAZIO:

H.R. 4835. A bill relating to the tariff treatment of Benthiocarb; to the Committee on Ways and Means.

By Mr. IRELAND:

H.R. 4836. A bill to reduce Department of Defense balances of expired appropriations by canceling certain unliquidated obligations that have been determined by audit to be invalid; to the Committee on Appropriations.

H.R. 4837. A bill to amend title 31, United States Code, to limit the authority of the President and heads of agencies to prevent the closing of appropriation accounts available for indefinite periods; to the Committee on Government Operations.

By Mr. NOWAK:

H.R. 4838. A bill to direct the Secretary of the Army to construct a visitor center at Mt. Morris's Dam, Mt. Morris, NY; to the Committee on Public Works and Transportation.

By Mr. BLILEY (for himself, Mr. BATEMAN, Mr. ALLEN, Mr. WOLF, Mr. OLIN, Mr. MORAN, Mr. SISISKY, Mr. PAYNE of Virginia, Mr. PICKETT, Mr. BOUCHER, Mr. ERDREICH, Mr. TOWNS, Mr. DEFAZIO, Mr. EMERSON, Mr. WALSH, Mr. PASTOR, Mr. COBLE, Mr. SPENCE, Mr. JONTZ, Mr. MARTINEZ, Ms. HORN, Mr. MCDERMOTT, Mr. SKEEN, Mr. POSHARD, DANNEMEYER, Mr. LEWIS of California, Mr. WOLPE, Mr. OXLEY, Mr. DUNCAN, Mr. AUCOIN, Mr. ANDERSON, Mr. ROGERS, Mr. ENGEL, Mrs. BENTLEY, Mr. ECKART, Mr. FEIGHAN, Mr. HERGER, Mr. ROE, Mr. TALLON, Mr. HOBSON, Mr. EWING, Mr. THOMAS of Georgia, Mr. HARRIS, Mr. NEAL of Massachusetts, Mr. GUARINI, Mr. ESPY, Mr. DE LUGO, Mr. LOWERY of California, Mr. ROHRABACHER, Mr. WYDEN, Mr. WAXMAN, Mr. WILSON, Mr. STOKES, Mr. SAXTON, Mr. TAYLOR of North Carolina, Mr. NATCHER, Mr. BEREUTER, Mr. WYLIE, Mr. GILMAN, Mr. MCNULTY, Mrs. MEYERS of Kansas, Mr. HUGHES, Mr. WASHINGTON, Mr. COUGHLIN, Mr. LAGOMARSINO, Mr. MAVROULES, and Mr. SMITH of New Jersey):

H.J. Res. 465. Joint resolution designating January 16, 1993, as "Religious Freedom Day"; to the Committee on Post Office and Civil Service.

By Mr. GEKAS (for himself, Mr. COBLE, Mr. CRAMER, Mr. BATEMAN, Mr. MCDADE, Mr. WOLF, Mr. GALLEGLY, Mr. HAMILTON, Mr. KOLTER, Mr. STALLINGS, Mrs. UNSOELD, Mr. FISH, Mr. TOWNS, Mr. SKEEN, Mr. GUARINI, Mr. LAGOMARSINO, Mr. WILSON, Mr. HORTON, Mr. SCHUMER, Mr. BILIRAKIS, Ms. HORN, Mr. MAZZOLI, Mr. FAZIO, Mr. BROWDER, Mr. RAMSTAD, Mr. MCDERMOTT, Mr. SWETT, Mr. ERDREICH, Mr. GREEN of New York, Mr. CHAPMAN, Mr. MOORHEAD, and Mr. MCNULTY):

H.J. Res. 466. Joint resolution designating April 26, 1992, through May 2, 1992, as "National Crime Victims' Rights Week"; to the Committee on Post Office and Civil Service.

By Ms. HORN (for herself, Mr. KOPETSKI, Mr. BEVILL, Mr. GREEN of New York, Mr. MCMILLEN of Maryland, Mr. MARTIN, Mr. HUBBARD, Mr. ERDREICH, Mr. MAZZOLI, Mr. DURBIN, Mr. TOWNS, Mr. SISISKY, Mr. WALSH, Mr. PASTOR, Mr. SWETT, Mr. SHAW, Ms. KAPTUR, Mr. JONTZ, Mr. MARTINEZ, Mr. OWENS of New York, Mr. MCDERMOTT, Mr. LAGOMARSINO, Mr. GUARINI, Mr. LIPINSKI, Ms. OAKAR, Mr. MCCANDLESS, Mr. LOWERY of California, Mr. RINALDO, Mr. LAROCCO, Mr. SMITH of Florida, Mrs. MEYERS of Kansas, Mr. INHOFE, Mrs. PATTERSON, Mr. HOBSON, Mr. MACHTLEY, Mr. CLEMENT, Mr. EMERSON, Mr. MATSUI, Mr. REED, Mrs. MORELLA, and Mr. FROST):

H.J. Res. 467. Joint resolution designating October 24, 1992, through November 1, 1992, as "National Red Ribbon Week for a Drug-Free America"; to the Committee on Post Office and Civil Service.

By Mr. WEISS (for himself, Mr. FASCELL, Mr. BROOMFIELD, Mr. SOLARZ, Mr. WOLPE, Mr. GEJDENSON, Mr. DYMALLY, Mr. TORRICELLI, Mr. OWENS of Utah, Mr. FALEOMAVAEGA, Mr. MURPHY, Mr. KOSTMAYER, Mr. FOGLIETTA, Mr. ORTON, Mr. GILMAN, Mr. LAGOMARSINO, Mr. LEACH, Mrs. MEYERS of Kansas, Mr. MILLER of Washington, Mr. BLAZ, Mr. GALLEGLY, Mr. HOUGHTON, and Mr. CONYERS):

H. Con. Res. 306. Concurrent resolution condemning the extraconstitutional and antidemocratic actions of President Fujimori of Peru; to the Committee on Foreign Affairs.

By Mr. EWING (for himself, Mr. PENNY, Mr. IRELAND, Mr. WEBER, Mr. ARCHER, Mr. DELAY, Mr. SOLOMON, Mr. HUNTER, Mr. ROHRABACHER, Mr. PACKARD, Mr. SMITH of Oregon, Mr. HORTON, Mr. DOOLITTLE, Mr. BOEHNER, Mr. MOORHEAD, Mr. GALLEGLY, Mr. BURTON of Indiana, Mr. KOLBE, Mr. DUNCAN, Mr. ALLARD, Mr. SUNDQUIST, Mr. KYL, Mr. LIVINGSTON, Mr. CAMP, Mrs. VUCANOVICH, Mr. ROBERTS, Mr. ALLEN, Mr. PORTER, Mr. STUMP, Mr. CUNNINGHAM, Mr. TAYLOR of North Carolina, Mr. STEARNS, Mr. DORNAN of California, Mr. RIGGS, Mr. HASTERT, Mr. ZELIFF, Mr. LIGHTFOOT, Mr. MCCANDLESS, Mr. JOHNSON of Texas, Mr. BARRETT, Mr. HANCOCK, Mr. HANSEN, Mr. BEREUTER, Mr. LOWERY of California, Mr. RAVENEL, Mr. HOLLOWAY, Mr. BAKER, Mr. DICKINSON, Mr. ARMEY, Mr. BROOMFIELD, Mr. COMBEST, Mr. YOUNG of Alaska, Mr. RITTER, Mr. SKEEN, Mr. NICHOLS, Mr. INHOFE, Mr. DANNEMEYER, Mr. HYDE, Mr. CRANE, Mr. THOMAS of Wyoming, Mr. LAGOMARSINO, Mr. PAXON, Mr. MCMILLAN of North Carolina, Mr. LEWIS of Florida, Mr. GRANDY, Mr. TANNER, Mr. VANDER JAGT, Mr. HOUGHTON, Mr. SCHAEFER, Mr. EMERSON, and Mr. SENSENBRENNER):

H. Con. Res. 307. Concurrent resolution expressing the sense of the Congress that the President should extend for a period of 1 year the 90-day moratorium on new unnecessary Federal regulations; to the Committee on Government Operations.

By Mr. GEPHARDT (for himself, Mr. HOYER, Mr. FAZIO, Mr. ROSE, Mr. MOAKLEY, Ms. SLAUGHTER, and Mr. OBEY):

H. Res. 423. Resolution amending the Rules of the House of Representatives to provide for certain changes in the administrative operations of the House; jointly, to the Committees on Rules and House Administration.

By Ms. OAKAR (for himself, Mr. JONNS, Mr. JERRSON, and Mrs. LLOYD):

H. Res. 424. Resolution providing for the elimination of perquisites in the House of Representatives; to the Committee on House Administration.

By Mr. SCHULZE:

H. Res. 428. Resolution expressing the sense of the House of Representatives that secondary schools throughout the Nation should implement a financial planning program using the proven techniques of the College for Financial Planning in partnership with the U.S. Department of Agriculture Extension Service and participating Land-Grant University Cooperative Extension Services; to the Committee on Education and Labor.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

362. By the SPEAKER: Memorial of the General Assembly of the Commonwealth of Virginia, relative to the credit crisis; to the Committee on Banking, Finance and Urban Affairs.

363. Also, memorial of the General Assembly of the Commonwealth of Virginia, relative to the corporate average fuel economy standards; to the Committee on Energy and Commerce.

364. Also, memorial of the Legislature of the State of Florida, relative to the physical desecration of the American flag; to the Committee on the Judiciary.

365. Also, memorial of the Legislature of the State of Florida, relative to naming a courtroom in the Federal courthouse in Bay

County, FL, for the late Lynn C. Higby; to the Committee on Public Works and Transportation.

366. Also, memorial of the General Assembly of the State of South Carolina, relative to reform of medical insurance; jointly, to the Committees on Energy and Commerce and the Judiciary.

ADDITIONAL SPONSORS

Under clause 4 of rule XXII, sponsors were added to public bills and resolutions as follows:

H.R. 371: Mr. Riggs.

H.R. 643: Mr. Schiff and Mr. Roemer.

H.R. 780: Mr. Evans and Mr. Gilchrest.

H.R. 812: Mr. Atkins, Mr. Glickman, Mr. Sikorski, Mr. Kopetski, Mr. Matsui, Mr. Torricelli, and Mrs. Kennelly.

H.R. 888: Mr. Richardson.

H.R. 941: Mr. Torres and Mr. Lagomarsino.

H.R. 1003: Mr. Stearns.

H.R. 1049: Mr. Upton.

H.R. 1200: Mr. Bateman.

H.R. 1241: Mr. DeLay, Mr. Mazzoli, Ms. Horn, Mr. Miller of Washington, and Mr. Kasich.

H.R. 1456: Mr. Mavroules and Mr. Duncan.

H.R. 1468: Mr. Bilirakis.

H.R. 1502: Mr. Murphy, Mr. Gilchrest, and Mr. Cramer.

H.R. 1572: Mr. Coleman of Missouri.

H.R. 1628: Mr. Yatron, Mr. Dellums, Mr. Carper, Mr. Lipinski, Mr. Smith of Florida, Mr. McCandless, Mr. Kanjorski, Mr. Clinger, Mr. Valentine, Mr. Cox of California, Mr. Murtha, Mr. Hayes of Illinois, and Mr. Schulze.

H.R. 1664: Mr. Hayes of Illinois.

H.R. 1691: Mr. Walsh, Mr. Levin of Michigan, Mr. Gingrich, Mr. Gunderson, and Mr. Abercrombie.

H.R. 1726: Mr. DeFazio.

H.R. 1820: Mr. Dixon.

H.R. 1870: Mr. Atkins.

H.R. 2070: Mr. Stearns, Mr. Sisisky, Mr. Clement, Mr. Hyde, Mr. McCandless, Mr. LaRocco, Mr. Brewster, Mr. Regula, Mr. Inhofe, Mr. Baker, Mr. Paxon, Ms. Snowe, and Mr. Parker.

H.R. 2126: Mr. Engel.

H.R. 2200: Mr. Gilchrest.

H.R. 2248: Mr. Cunningham, Mr. Gordon, Mr. Hayes of Louisiana, and Mr. Burton of Indiana.

H.R. 2253: Mr. Gingrich.

H.R. 2299: Mr. Studds and Mr. Solarz.

H.R. 2415: Mr. Engel.

H.R. 2600: Mr. Gunderson.

H.R. 2782: Mr. Williams, Mr. Morrison, Mr. Smith of New Jersey, Mr. Mineta, Mr. Bacchus, Mr. Dooley, Mr. Sikorski, Mr. Swift, Mrs. Collins of Illinois, Mr. Sharp, Mr. Volkmer, and Mr. Durbin.

H.R. 2797: Mr. Alexander, Mr. Coyne, Mr. Dicks, Mr. Dixon, Mr. Dooley, Mr. Erdreich, Mr. Glickman, Mr. Hall of Ohio, Mr. Herger, Ms. Kaptur, Mr. Levin of Michigan, Mr. Mfume, Ms. Molinari, Mr. Nagle, Mr. Payne of New Jersey, Mr. Porter, and Mr. Saxton.

H.R. 2861: Mrs. Roukema.

H.R. 2881: Mrs. Boxer.

H.R. 2890: Mr. Dickinson and Mr. Sikorski.

H.R. 2964: Mr. Gordon.

H.R. 2966: Mr. Gingrich, Mr. Hoagland, Mr. Lightfoot, Mr. Skaggs, and Mr. Coleman of Missouri.

H.R. 3071: Mr. Parker, Mr. Richardson, and Mr. Slattery.

H.R. 3121: Mr. Weldon and Mr. Walsh.

H.R. 3138: Mrs. Boxer.

H.R. 3198: Mr. Hopkins, Mr. Bustamante, Ms. Collins of Michigan, Mr. Myers of Indiana, Mr. Johnson of South Dakota, Mr. Lagomarsino, Mr. Santorum, and Mr. Ortiz.

H.R. 3215: Mr. Skeen.

H.R. 3220: Ms. Oakar.

H.R. 3222: Mr. Gilchrest.

H.R. 3393: Mr. Oberstar.

H.R. 3407: Mr. Neal of Massachusetts and Mr. Mineta.

H.R. 3598: Mr. Gillmor and Mr. Stump.

H.R. 3639: Mr. Engel.

H.R. 3681: Mrs. Johnson of Connecticut, Mrs. Mink, and Mr. LaFalce.

H.R. 3712: Mr. Jones of North Carolina, Mr. Johnson of Texas, Mr. Dornan of California, and Mr. Hunter.

H.R. 3780: Mr. Stenholm and Mr. Peterson of Florida.

H.R. 3836: Mr. Dorgan of North Dakota.

H.R. 3908: Mr. Jontz.

H.R. 4018: Mr. Richardson.

H.R. 4025: Mr. Tallon.

H.R. 4045: Mr. Peterson of Minnesota and Mr. McMillen of Maryland.

H.R. 4079: Mr. Jontz.

H.R. 4097: Mr. Weiss.

H.R. 4099: Mr. Herger, Mr. Hansen, Mrs. Vucanovich, and Mr. Davis.

H.R. 4104: Mr. Mazzoli, Mr. Cunningham, and Mr. Ewing.

H.R. 4169: Mr. McCrery.

H.R. 4190: Mrs. Schroeder.

H.R. 4220: Mr. Blackwell.

H.R. 4235: Mr. Owens of New York.

H.R. 4261: Mr. Peterson of Minnesota.

H.R. 4275: Mr. McCandless, Mr. Mavroules, Mr. Feighan, Mr. Henry, Mr. Miller of Washington, and Mr. Atkins.

H.R. 4278: Mr. Neal of Massachusetts.

H.R. 4292: Mr. Paxon, Mr. Thomas of Wyoming, and Mr. Dannemeyer.

H.R. 4294: Mr. Armey.

H.R. 4295: Mr. Armey.

H.R. 4296: Mr. Armey.

H.R. 4297: Mr. Armey.

H.R. 4315: Mr. Lent.

H.R. 4338: Mr. Coble, Mr. Ewing, Mr. Lowery of California, Mr. Allen, Mr. McMillen of Maryland, Mr. Swift, Mr. Hefley, Mr. Harris, Mr. Vander Jagt, Ms. Pelosi, Mr. Lehman of California, Mr. Coyne, Mr. Kennedy, Mr. Studds, Mr. Alexander, Mr. Traxler, Mr. Neal of North Carolina, Mr. Livingston, Mr. Torres, Mr. Regula, Ms. Kaptur, Mr. Mfume, Mr. Hubbard, Mr. AuCoin, Mr. Poshard, Mrs. Johnson of Connecticut, Mr. Jenkins, Mr. Fazio, Mr. Scheuer, Mrs. Kennelly, Mr. Gilchrest, and Mr. Rhodes.

H.R. 4427: Mr. Fields.

H.R. 4452: Ms. Long, Mr. Johnson of South Dakota, Mr. Hatcher, Mr. Stallings, and Mr. Staggers.

H.R. 4513: Mrs. Meyers of Kansas.

H.R. 4533: Mr. Condit.

H.R. 4539: Mr. Whitten, Mr. Montgomery, Mr. Espy, and Mr. Parker.

H.R. 4571: Mr. Rangel, Mr. Spratt, Mr. Kostmayer, Mr. Dwyer of New Jersey, Mr. Evans, and Mr. Frost.

H.R. 4617: Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4618: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4619: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4620: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4621: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4622: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4623: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4624: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4625: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4626: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4627: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4628: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4629: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox. of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4630: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4631: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4632: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4633: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4634: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4635: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4636: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4637: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4638: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4639: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4640: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr. Cox of California, Mr. Kyl, Mr. Zeliff, and Mr. Lent.

H.R. 4641: Mr. Condit, Mr. Goss, Mr. Rohrabacher, Mr. Thomas of Wyoming, Mr.

COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4642: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4643: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4644: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4645: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4646: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4647: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4648: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4649: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4650: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4651: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4652: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4653: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4654: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4655: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4656: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4657: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4658: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4659: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4660: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4661: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4662: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4663: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4664: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4665: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4666: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4667: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4668: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4669: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4670: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4671: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4672: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4673: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4674: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4675: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4676: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4677: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4678: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4679: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4680: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4681: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4682: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4683: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4684: Mr. CONDIT, Mr. GOSS, Mr. ROHRABACHER, Mr. THOMAS of Wyoming, Mr. COX of California, Mr. KYL, Mr. ZELIFF, and Mr. LENT.

H.R. 4689: Mr. SHAYS, Mr. LEACH, Mr. AUCOIN, and Mr. PAXON.

H.J. Res. 81: Mr. RAMSTAD.

H.J. Res. 121: Mr. MARTINEZ, Mr. SANDERS, Mr. LANCASTER, Mr. SERRANO, Mr. COUGHLIN, Mr. MATSUI, Mr. JONTZ, Ms. KAPTUR, Mr. BROOMFIELD, Mr. GORDON, Mr. CLINGER, Mr. YATRON, Mr. SMITH of Iowa, Mr. MCCRERY, and Mr. GAYDOS.

H.J. Res. 283: Mr. MOORHEAD.

H.J. Res. 371: Mr. BLAZ, Mr. BREWSTER, Mr. CARDIN, Mr. CRAMER, Mr. DIXON, Mr. DWYER of New Jersey, Mr. FROST, Mr. HAYES of Louisiana, Mr. KILDEE, and Mr. LAUGHLIN.

H.J. Res. 388: Mr. HYDE, Mr. EVANS, Mr. NEAL of Massachusetts, Ms. SNOWE, Mr. BENNETT, and Mr. TAUZIN.

H.J. Res. 393: Mr. BLILEY, Mr. LEVINE of California, Mr. MCDERMOTT, Mr. QUILLEN, and Mr. VENTO.

H.J. Res. 399: Mr. HATCHER and Mr. FROST.

H.J. Res. 417: Mr. DEFAZIO.

H.J. Res. 418: Mr. ARMEY.

H.J. Res. 445: Mr. LAFALCE, Mr. ROYBAL, Mrs. UNSOELD, Mr. WILSON, Mr. WEBER, Mr. MORAN, Mr. PURSELL, Mr. CALLAHAN, Mr. DEFAZIO, Mr. HOCHBRUECKNER, Mr. MCMILLEN of Maryland, and Mr. MOAKLEY.

H.J. Res. 457: Mr. GALLEGLY, Mr. RAMSTAD, Mr. BENNETT, Mrs. COLLINS of Illinois, Mr. BARRETT, Mr. BOEHNER, Mr. BUSTAMANTE, Mr. DELAY, Mr. DONNELLY, Mr. EDWARDS of Oklahoma, Mr. FAWELL, Mr. GALLO, Mr. GREEN of New York, Mr. HEFLEY, Mr. HENRY, Mr. LENT, Mr. LIVINGSTON, Mr. MILLER of Washington, Mr. PACKARD, Mr. RHODES, Mr. RIDGE, Mr. ROBERTS, Mr. SCHAEFER, Mr. SHAYS, Mr. SOLOMON, Mr. VANDER JAGT, Mr. WEBER, Mr. CRANE, Mr. HOUGHTON, Mr. MONTGOMERY, Mr. MYERS of Indiana, Mr. SUNDQUIST, Mr. UPTON, Mr. JEFFERSON, Mr. MCDADE, Mr. MORRISON, Ms. SLAUGHTER, Mr. QUILLEN, Mrs. UNSOELD, and Mr. STUMP.

H. Con. Res. 289: Mr. HAYES of Louisiana, Mr. HORTON, Mr. ZELIFF, and Mr. DWYER of New Jersey.

H. Con. Res. 291: Mr. PAXON.

H. Con. Res. 297: Mr. ZELIFF, Mr. FOGLIETTA, Mr. ACKERMAN, Mr. JEFFERSON, Mr. LEVINE of California, Mr. KOPETSKI, Mr. YATRON, Mr. FAZIO, Mr. BILBRAY, Mr. WAXMAN, and Mr. PAXON.

H. Res. 204: Mr. WELDON.

H. Res. 271: Mr. LEWIS of Georgia and Mr. COX of Illinois.

H. Res. 404: Mr. SENSENBRENNER, Mr. LIVINGSTON, Mr. PAXON, Mr. POSHARD, Mr. GALLEGLY, Mr. ZELIFF, Mr. SHAW, Mr. BALLENGER, Mr. KOLBE, Mr. BACCHUS, Mr. ROEMER, Mrs. MEYERS of Kansas, Mr. GILCHREST, Mr. ATKINS, and Mr. ROBERTS.

H. Res. 417: Mrs. BOXER and Mr. KOSTMAYER.

H. Res. 419: Mr. REGULA, Mr. RHODES, Mr. BEREUTER, Mr. BOEHNER, Mr. MARTIN, Mr. SENSENBRENNER, Mr. GOSS, Mr. PAXON, Mr. CAMPBELL of California, Mr. JAMES, Mr. WALSH, Mr. OXLEY, and Mr. CAMP.

PETITIONS, ETC.

Under clause I of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

147. By the SPEAKER: Petition of the 29th Division Association, Inc., Boonsboro, MD, relative to the notch Social Security law; to the Committee on Ways and Means.

148. Also, petition of the Louisiana Republican Legislative Delegation, Baton Rouge, LA, relative to President Bush's economic growth program; to the Committee on Ways and Means.

SENATE—*Wednesday, April 8, 1992*

(Legislative day of Thursday, March 26, 1992)

The Senate met at 8:30 a.m., on the expiration of the recess, and was called to order by the Honorable WENDELL H. FORD, a Senator from the State of Kentucky.

PRAYER

The Chaplain, the Reverend Richard C. Halverson, D.D., offered the following prayer:

Let us pray:

There is a way which seemeth right unto a man, but the end thereof are the ways of death.—Proverbs 14:12.

God of truth and justice for whom integrity is the hallmark of virtue, grant discernment and wisdom to all who labor in this place, that their priorities may be correct, their frustration minimal, their failure negligible. Immersed as our culture is in the television 30-minute solution syndrome, pragmatic as we are required to be in a democracy, deliver us from the assumption that immediate results are the criterion for effective leadership. Save us from being overwhelmed by the urgent while sacrificing the essential. Help us to see that it is not immediate results with shortcuts and detours that determine effectiveness, but the long-term destination. Inundated as we are with agendas, save us from becoming brokers of special interests. Help us not to sacrifice the welfare of the whole for the squeaky wheel, the future for the present.

In the name of Him who was never in a hurry but finished the eternal work He came to do. Amen.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. BYRD].

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, April 8, 1992.

To the Senate:

Under the provisions of rule I, section 3, of the Standing Rules of the Senate, I hereby appoint the Honorable WENDELL H. FORD, a Senator from the State of Kentucky, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mr. FORD thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business with Senators permitted to speak therein for not to exceed 5 minutes each, with the time between 9:30 and 10:30 a.m. under the control of the majority leader or his designee.

The Chair, using his prerogative as a Senator from Kentucky, suggests the absence of a quorum.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. GORE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The Senator is recognized for 1 hour.

LEADERSHIP FROM PRESIDENT BUSH?

Mr. GORE. Mr. President, as we meet today, the world waits for the start of yet another round of negotiations on global climate change, for the convening of the Earth summit and yet another attempt to forge solid meaningful agreements that will finally move this Nation and every other nation in the world to real action to protect the global environment.

You could say at this moment between meetings that the world is catching its breath, taking stock of how far we have come, and looking ahead to see how much farther there is to go. Sadly, we have not traveled far and the steepest roads requiring the toughest work are still before us. We cannot turn back or give up, too tired or frustrated to move on or too afraid to work up a sweat, and we cannot continue an unconscionable effort to stop everyone else from moving forward.

The United States, because of the policies of President Bush, has been a lead weight on this process. We have put on the brakes, put up the barricades and challenged the rest of the world to get by. "I dare you" might be George Bush's motto. "Make my day."

President Bush has made our policies the principal obstacle to progress. He is the 800-pound gorilla blocking the door, the neighborhood bully with the threat meant to strike fear, stop action, and halt progress where this global negotiation is concerned.

So far, unfortunately, the routine has been working pretty well. International negotiations on new environmental agreements are now stalled. The Earth summit is in jeopardy and dangerously missing every deadline, all thanks to the policies of President George Bush and his administration. "Hasta la vista" seems to be his attitude toward the Earth summit.

Is this really what being a leader is all about? Is this really what leadership looks like? Is this what it means in the post-cold-war world to be President of a superpower? Is this what the "new world order" is about, politics by intimidation and intransigence, policy by stonewalling and sleight of hand, victories measured by ground held instead of progress made?

Mr. President, yesterday, this body debated quite thoroughly a resolution dealing with the upcoming Earth summit and with specific calls for actions to be taken at that meeting. That debate raised serious questions that remain unanswered. Will President Bush attend the Earth summit? Will he block or prompt historic new agreements that could offer bold new protections for the environment and for our future? Will he agree to specific timetables and targets for reductions in carbon dioxide, the principal cause of global warming? Will he sign broader agreements on fundamental principles?

But for all these important questions that remain to be answered, there is one more disturbing, disturbing first because it has to be asked at all and, second, because the answer is still uncertain: Will President Bush provide the leadership our country and the world is so desperately seeking on these issues and on so many others? Sadly, the record provides little reassurance.

This is the man who says he will do anything to get reelected. This is an administration moved by political winds, not by principle. In this White House, policy is made by poll and measured against its ability to win votes. Nothing but reelection matters. No ideology, no core commitments, no responsibility to leave a legacy other than an election day margin of victory. There is not even a sense of direction.

It is not my intention today to be partisan. I do not take to the floor as a Democrat, although I readily admit

---

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

my preference for a Democratic victory in this fall's election, and my remarks are critical of President Bush as a leader. But I take to the floor as someone deeply disturbed by the sense of drift pervading our Nation. I was not a big fan of Ronald Reagan, but he was predictable. You knew where he was coming from and where he was going. With George Bush, you do not know either and he does not himself. Does he have a sense of where we should be heading as a nation? Does he have any idea of how we should get there? Does he have a clue about what this new world order means? Maybe we should not be surprised that overwhelming numbers of Americans now believe our country is on the wrong track. President Bush is a conductor without a compass.

What President Bush does have is good reflexes. When something happens, he responds.

Voters express their deep anxiety about health care by electing a less well-known Democrat over a heavy weight, established Republican and President Bush decides he should then talk about health care.

Voters make it crystal clear they are tired of business as usual in Washington so President Bush, with an entire career in Government, the insider's insider resume, and an unshakeable commitment to the status quo, suddenly decides he will be the outsider campaigning for change and so he makes speeches that use the word change, change, change, change, just over and over again, because his image makers have told him the concept of change is one with which he must rhetorically identify in the minds of the voters. Everyone else is trashing Congress so he decides he ought to join in as well in hopes that it will keep folks from bashing him.

Someone, somewhere whispers that he may be having a hard time convincing people that he is really living up to his promise, his laughable promise to be the environment President, so he visits the Grand Canyon and invites a crowd of television cameras to come with him.

When similar questions are raised about his empty promise to be the education President, he schedules a trip to a Washington-area classroom where students complain to reporters about being used as props in a photo opportunity. When Patrick Buchanan irresponsibly challenges President Bush in the Republican primaries for being too liberal, President Bush fires the head of the National Endowment for the Arts.

President Bush basked in the glory of the Desert Storm victory, and rightfully so, but what happened afterwards? It was not until the world community and the media exposed the brutal treatment of the Kurds that President Bush finally responded, belatedly, to help relieve their misery.

Former President Richard Nixon suggests that we are losing a once-in-a-lifetime opportunity to really create a new world order. Democratic Presidential candidate Bill Clinton schedules a speech on the same subject and 20 minutes before Governor Clinton can say a word President Bush unveils his aid package for the former Soviet Union. Beat-the-clock meets the White House.

I could go on with these points, but I will not. I hope you get the idea. Leadership is not about putting your finger to the wind and deciding which way to travel. Leadership is not about running to the front of a parade that stepped off blocks earlier. Leadership is not about figuring out what people want to hear and then repeating it. There is a reason so many Americans think we are on the wrong track; why so many Americans are staying home when they should be voting; why so many Americans are just plain disgusted with their Government. The American people see through it. They know better.

The American people know that a visit to the Grand Canyon will not improve their environment any more than a visit to a classroom will improve their children's education. They know that talk is cheap and health care is expensive. They know we are at a turning point in our history when vision, courage, and a clear sense of guiding principles are essential to navigate uncertain times in rough waters.

Leadership is not about reflexes. It is about being brave enough to move forward before the crowd turns one way or the other. Leadership demands courage, vision, and a strong sense of direction. It means you take the first steps and through the strength of your conviction and the power of your ideas move others to travel with you. It means that for a time you fight the conventional wisdom, the skeptics, and the status quo. It means you take the right course, not the easy one.

Nowhere is leadership more critically needed now than on issues affecting the global environment. And nowhere, unfortunately, is exactly where President Bush can be found.

Yesterday, as the President's supporters challenged the resolution on the Earth summit, they quoted the skeptics, a small but persistent group whose work echoes the example of the scientists who work for tobacco companies and claim that there still is an insufficient quantity of evidence to link smoking with lung cancer. And the President's supporters refuse to admit what hundreds of scientists have concluded: Global warming is real. The depletion of the ozone layer is occurring at dangerously rapid rates. Forests are being destroyed at the rate of 1½ acres every second. Species are being lost at a rate 1,000 times faster than at any point in the last 65 million years.

And the global environment faces a crisis unlike any we have ever experienced in the entire history of humankind on this planet. Where is President Bush? He is listening to a crackpot view of those who say, "There is no crisis, do not worry about it; just continue with business as usual." Some people still believe that the moon landing was staged in a movie lot. President Bush presumably does not listen to them, but he does listen to those who tell him, "There is no environmental crisis, do not worry about it, Mr. President."

We are facing environmental changes that could disrupt life on Earth as we know it, with implications far beyond the lifetime of our children, and still, this White House and this President says, "do not worry." The President and his advisers tell us that we do not know enough yet about global warming to decide whether or not it is really a problem. And besides, the effort to respond is simply too difficult. That is exactly what those tobacco company doctors told us about cigarette smoking and lung cancer. It took an ozone hole above Kennebunkport, or the prospect of one, to get President Bush's attention on that issue. That makes it frightening to think about what kind of environmental catastrophe it would take to finally move President Bush to run to the head of the parade where the global crisis is concerned.

Because of this administration's intransigence, the Earth summit and the entire process of crafting new international agreements on key issues is now threatened. While every major leader in the world has committed to attending and participating fully in the Rio Conference, President Bush has not decided yet. He is not saying whether he will even go.

Is that not embarrassing to our country? Walk in any classroom in America, Mr. President, and ask the children in that classroom, what is the most important threat to our future? They will say the global environmental crisis. How do you tell these young boys and girls in the classroom that, yes, you are right about this, but do you know what? Every world leader is going to do something about it, except the President of the United States. How do you tell them to have confidence in our ability to face the future; have confidence in our leadership; have confidence in your President?

He does not even care enough to decide to go to the Earth summit, much less to remove the roadblocks that have prevented progress in the negotiations. This is a historic turning point. The ecological balance of this Earth is at risk. Industrial civilization is colliding with the ecological system of the Earth. Nations all over the world are planning to attend this historic Earth summit and work on important agreements to change the practices that are causing this collision. The leader of the most powerful nation in the world, with an economy twice as large as any other nation, with the mantle of political and moral leadership in the world, is refusing even to go. And he is instructing our negotiators to stop any progress toward binding commitments to do something about this.

President Bush's policy toward the Earth summit is a disgrace, Mr. President. Historians will look back on this failure of leadership and wonder in amazement how it could have taken place. While every industrial country in the world has now pledged to stabilize emissions of carbon dioxide, the principal greenhouse gas, President Bush has said no. Why? His counsel made it clear 2 weeks ago when he invited the heads of major coal companies into the White House and gave them a solemn pledge: We will not change that position, because we know it will hurt your profits if we do.

Meanwhile, other countries, like Japan, are moving aggressively on this front, because they know the way to create millions of new jobs and profits and economic progress is to mobilize to create the new technologies necessary to allow economic progress without environmental destruction.

On the issue of forests, we are seeing an acre and a half slashed and burned every second. We are seeing living species disappear very rapidly as a result. President Bush has told the rest of the world that they ought to preserve their forests, but not to worry about our forests. Meanwhile, he fights efforts here in the Congress to eliminate the taxpayer subsidies for clearcutting our national forests.

In other words, on environmental issues, the parade has stepped off of the curb, is rounding the final corner and, still, President Bush cannot decide whether he ought to jump in front of it and at the very least move this vast international network through the difficult steps toward these important agreements.

Years of work in preparing for the Earth summit may now be lost. As a consequence, we face the prospect of an ever-escalating environmental crisis that portends severe economic dislocation and untold human suffering for communities in the United States and around the world. Tragically, because of the President's obstruction of the UNCED proceedings, we stand to lose a historic opportunity to bring the world community together, to move forward in a spirit of true global partnership to meet the challenges, and seize the opportunities that will define our common future.

Perhaps we should be surprised that Mr. Bush, the environmental President, would jeopardize an effort of such crucial importance to the world community's ability to confront the environmental problems we face. But the record shows that the President's performance in the UNCED preparations exemplifies the rule, rather than the exception, to the kind of leadership he has shown.

In 1988, when the Nation was suffering a severe drought and heat wave, Mr. Bush vowed that he would combat the greenhouse effect with the White House effect. Remember that one? That was a good line. After this disturbed his friends in the energy industry, however, Mr. Bush quickly changed course and discovered instead the whitewash effect. Let us wait, the President argued, until the scientists tell us if this really is a problem at all.

Well, the international scientific community has since told us, not once, but three times, that global warming is the worst environmental crisis human civilization has ever faced. If we continue with business as usual, if we continue to pump carbon dioxide and other greenhouse gases into the atmosphere at ever-accelerating rates, these scientists—some 700 of them from 150 countries around the world—have warned that we risk disruptions in the Earth's climatic balance greater than any experience in the entire history of human civilization on earth, and that these changes will occur rapidly and dramatically and disrupt civilization in ways that will cause enormous human suffering.

Still, the President cannot decide to act. He is worried about the election. He gives every appearance of caring less about what happens to the next generation. But the argument from President Bush is one I hope the American people will reject. He says, "We do not know enough. We cannot afford to respond. We cannot afford to confront global climate change."

Welcome to voodoo economics, circa 1992, the environmental chapter. The President's advisers at the Department of Energy predict that controlling carbon dioxide emissions will have a significant and negative impact on GNP. But they reach that conclusion by priming their computers with incredible assumptions. According to their models, our economy currently operates perfectly efficiently and on the basis of complete and perfect information. Any change to our standard operating practices therefore necessarily means that we will be worse off. It is painful to watch this analysis.

Let us look instead to the obvious. Our economy is not perfectly efficient. In fact, we have to expend at least twice as much energy as our leading competitors to produce the same amount of product. It is only if we reduce our energy consumption that we will remain a viable economic force. Other studies—from Government and private sector scientists—show that we can confront global warming and simultaneously strengthen our economy. Common sense should tell us we are presented with a tremendous opportunity for growth in industries responsive to environmental concerns. We know already from example: Northern TeleCom invested $1 million in research and now saves $4 million each year because they no longer buy ozone depleting chlorofluorocarbons; Amoco recycles more than 32,000 tons a year of hazardous waste and realizes a disposal savings of at least $1.5 million; Alcoa estimates that at least 30,000 people in the United States are employed in aluminum recycling—twice as many as are employed in the primary aluminum industry.

Strange that Japan and Germany have been among the leaders in the world community in calling for reduced CO_2 emissions. Would the President suggest that they are softheaded when it comes to economic policy? Clearly not. Rather, they simply recognize and are gearing up to seize a challenge and an opportunity that the President—desperately afraid even to question the status quo—would much prefer to see go away.

Across the landscape, the President's environmental policies have reflected this same pattern of false starts. No net loss of wetlands? The plan the President produced to put that promise into effect in fact would have led to the loss of more than 50 percent of the Nation's wetland areas. The plan was so disastrous in fact that scientists at the EPA and other agencies quit rather than endorse it.

And what of the Clean Air Act the President loves to brag on as his own? Apparently, the President thinks it looks nice on paper, but that we should not get carried away and actually try to implement it. Indeed, he has launched DAN QUAYLE on a campaign to undermine EPA's efforts to comply with the law. Huge loopholes have been carved for industry to increase toxic air emissions—without challenge from citizens or the courts; utilities will be able to circumvent controls on emissions that cause acid rain simply by saying that they are upgrading—but not really adding anything new to their facilities; and auto companies—receiving a personal pre-Michigan primary present from the President—will not have to ensure that the cars they produce meet the volatile chemical standards outlined in the law. Indeed, so determined has the President been to eviscerate this—his premier environmental accomplishment—that several of our colleagues in the House and the Senate may bring a lawsuit to force the administration's compliance.

Mr. President, I believe that we must have a change in these policies.

I speak today motivated by many of the same concerns that moved our debate yesterday. I plan to speak on the Senate floor again tomorrow, with the last of a series of speeches on these issues designed to provide some direction to an administration and a policy that continues to drift.

I believe strongly, passionately, to my very core, that the global environment must be the central organizing principle for this post-cold-war world and that we must focus our energy, our talent, our attention and our collective will on confronting these issues. The Earth summit in Rio provides an important, historic opportunity to begin this task and to create a process that will allow progress to continue. It is an opportunity the White House is in the process of missing with slow footed, uncertain hesitancy that simply cannot be understood, condoned, forgiven, or continued. We cannot allow this critical moment to be lost because President Bush cannot find his way.

It is my hope that this administration will change course in time to save the Earth summit; that our President will demonstrate real leadership at a time when it is urgently needed. To President Bush, our message should be simple: The Earth summit is important. Make it a priority. Make it a success. Or answer for its failure.

The strong bipartisan vote yesterday of 87 to 11 sends that message to the President loudly and clearly.

Mr. President, I yield the floor.

The PRESIDING OFFICER (Mr. KOHL). The Chair recognizes the Senator from Arizona [Mr. MCCAIN].

Mr. MCCAIN. I thank the Chair.

(The remarks of Mr. MCCAIN pertaining to the introduction of S. 2543 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. GORE. I thank the Chair.

(The remarks of Mr. GORE pertaining to the introduction of S. 2543 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. MCCAIN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. KASSEBAUM. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

CONGRESSIONAL REFORM

Mrs. KASSEBAUM. Mr. President, last Friday, President Bush delivered a major address in Philadelphia that focused on the need for governmental reform and specifically reforms in the Congress. This seems to have become the target of much attention—and probably well-deserved attention—in recent weeks and months. One of the President's key points was the need to overhaul what he called the "sticky web of 284 congressional committees and subcommittees." He went on to praise the bipartisan initiative of Senators BOREN and DOMENICI in calling for a joint House and Senate committee to study and recommend reforms.

As a cosponsor of the Boren-Domenici proposal, I strongly believe we need to move forward this year in a bipartisan effort to deal with the problems all of us know exist in our current structure and that all of us know should be dealt with. We are not exactly sure how we would deal with them. We have gone through a number of commissions that have studies and made recommendations. But I think the fact that we are losing some very worthy Members of the U.S. Senate is another reason for us to try to address the problems that we feel are before us without wearing, necessarily, a hair shirt about all that has gone wrong.

I have my own legislation, Senate Resolution 66, that offers a specific set of reforms for our current committee structure, and I am pleased that this legislation has gained bipartisan support. This bill now has been cosponsored by Senators INOUYE, DASCHLE, DODD, LUGAR, MCCAIN, COHEN, PELL, GORTON, SIMON, and NUNN.

By any measure, that is an impressive lineup, and I believe it speaks to the deeply felt need, in both parties, for us to put the Senate in order. While I doubt that any of these cosponsors support each and every provision of Senate Resolution 66, all of them support fundamental change in the way we conduct our business.

The joint goal of all of us is to improve both the quality of life here in the Senate and the quality of our work product. In fact, I suggest that it is the quality of our work product that is by far the most important. It goes beyond just the quality of life in the Senate. I worry that today, with the emotional frustration of the public as well as our own inability to move to substantive issues, largely because we have been distracted by many of the others—which in the long run will be trivial issues—that we indeed risk destroying the institution itself in its need to build confidence with the public that we serve.

If we cannot do that, we are at risk of being unable to pull together a consensus of support for dealing with the substantive issues—our deficit, health care reform, and others issues that are before us.

One way that Senate Resolution 66 would do this is by giving our leaders the power to lead. Another would be by creating clear lines of authority and at the same time clear lines of accountability. While this legislation is far from perfect, I strongly believe it sets out basic key principles that must be part of any overhaul of our committee system, and I urge my colleagues to consider it carefully or to offer specific proposals of their own. In the 13 years I have been here, Mr. President, I have seen two commissions which made reports on how we could better improve the process here in the Senate, and we have adopted some of those measures. But some are still just parts of reports.

It seems to me we need to go beyond "just another commission," as important as that may be, and look to specific recommendations that we can agree with or improve upon, or offer alternatives.

I believe that much of the anger the voters now feel toward Congress is a direct result of our institutional gridlock and the feeling that we cannot get anything done in a timely, efficient and effective manner. We should not only pay attention to that anger, but we should respond in a productive and serious fashion.

I hope that we can begin the process of committee reform this year. It is, I believe, a step that is long overdue.

Mr. President, I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BOREN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ROBB). Without objection, it is so ordered.

CAMPAIGN FINANCE REFORM

Mr. BOREN. Mr. President, the House is preparing to act probably tomorrow on a historic piece of legislation. It is a piece of legislation on which many of us have worked for more than a decade. I cannot think of any more important piece of reform legislation that will be considered this year by this Congress than the conference report on Senate bill 3. S. 3 is the bill that would bring true campaign finance reform to our political process.

Mr. President, in many, many ways, the people of this country are expressing frustration with the way in which the people's business is being done. They are expressing their frustration with politics as usual and campaigns as usual. We saw it again in the election results yesterday, obviously an electorate not satisfied with the choices and frustrated by the direction which the country has taken. We have seen it in poll after poll, the most recent polling data indicating that three out of every four Americans are expressing displeasure at the way the Congress is conducting itself.

Mr. President, when we come into this Chamber each day, we should reflect upon the fact that this room, that these desks, the offices from which we come do not belong to us, they belong to the people. We are a part of a continuum of history that really is at the heart of the political process of this country and the genius of the American political system. We are the temporary occupants of these desks, these seats on this floor and, as such, we have a solemn obligation to serve as the trustees of this institution and to serve as trustees for the political process for the American people.

The tradition, of course, is that inside the desk drawers of each of these desks we have written our names, not on top of the desks like schoolchildren, but inside the desk drawer, and inside the drawers are the names of those people who have served before us, great names in American history like Webster and Clay and Calhoun, like Taft and La Follette and Humphrey and Truman and many, many others.

I have been privileged to have the use temporarily of the desk used by President Truman when he was a Senator from Missouri, by Hugo Black when he was a Senator before he became a Justice of the U.S. Supreme Court, by the great blind Senator from my home State who was our first Senator from Oklahoma, from statehood, T.P. Gore and so many others.

When you look at those names and you reflect upon people who have been the keepers, the trustees before us, surely it should cause us to reflect upon our duty. We have watched for more than a decade as our political system has really been attacked by a cancer that threatens to destroy it.

We have remained inactive for far too long, Mr. President. We have watched while the cost of winning a U.S. Senate seat on the average has risen from $500,000, the average amount spent by a successful candidate 14 years ago, to over $4 million this last year. When you think about the amount of money that it takes to successfully run for the U.S. Senate, that means if a Senator has a 6-year term, he must figure out how to raise $20,000 every week for 6 years to come up with the average amount of money it takes to win a Senate seat.

I am talking only about averages. I am not talking about New York or California or larger States where the figure may be $20 or $30 million instead of $4 million.

Not only is too much money coming into the political system, Mr. President, but it is coming from the wrong places.

When we started this effort, Senator Goldwater, who was then a Member of the Senate, Senator Stennis from Mississippi, and I almost 10 years ago to reform the way campaigns are financed, about 9 percent of the money coming to candidates came from special interest groups, political action committees, and people outside the States of the Members who were running

Now that figure is well above 50 percent—over half of the Members elected in Congress receive more than half of all of their campaign money, not in small donations from the people back home but from people outside their home States, outside their home districts, with special interests and axes to grind.

Then, Mr. President, not only is there too much money coming into politics and not only too much of it coming from special interests, from the wrong places, instead of the people from back home at the grassroots in small donations, but there is too much of a correlation between who wins an election and who can raise the most money. In the vast majority of cases, well over 90 percent, over 95 percent of the time the candidate that can raise the most money is the candidate who wins at the polls. Not only is there too much money coming in and too much of it coming from special interests, and the power of the money is too great in terms of deciding who wins the election, it is also distorting the process by giving incumbent Members a much greater chance to win elections than challengers.

In the last election cycle, incumbents, sitting Members of Congress, on the House side were able to raise eight times as much money as challengers, and in the Senate it was three times as much money as challengers.

When you get down to the special interest groups, the political action committees, and you want to know why incumbents can raise so much more money than challengers, look at where the special interest money is going.

In the last election cycle, PAC's gave $16 to incumbents for every $1 they gave to challengers; they gave $4 to incumbent Senators for every $1 that they gave to challengers. It is getting worse. In this election, so far, the special interests, the PAC's are giving $25 for sitting Members of the House for every $1 they are giving to challengers, and $15 for sitting Members of the Senate for every dollar they are giving to challengers.

Mr. President, when you look at those figures, when you look at the money chase, when you look at the fact that Members of Congress have had to become part-time Members of Congress and full-time fundraisers, when they have had to devote their time and effort and attention to raising money instead of solving the people's problems at a time in which many families are having a desperate time making ends meet, can we be surprised when we see poll numbers that reflect the lack of confidence in Congress? Can we really say we are amazed when a vast majority of the American people say they believe Congress does not belong to them anymore, that it belongs to special interest groups which can pour the most money into campaign coffers?

How can we express surprise at that, Mr. President, when we are a part of a Congress where the sitting Members are getting as much as 25 times as much from special interest groups to run their campaigns as the challengers?

So, Mr. President, the time has come for us to act. For the first time in virtually two decades, we have an opportunity, and we will be voting right after the Easter recess—hopefully, the House will vote this week—to pass and send to the President a bill which will stop this money chase, which will begin to treat the cancer that is eating at the heart of our political process, to take a step to try to restore the confidence of the American people back in their own political process again, to send a message to those people that this Congress, this institution, which has belonged to you through so many years as people like those whose names are written in these desks, who have served you so well over the years, once again is going to belong to you. We have that opportunity.

If both Houses of Congress pass this bill, as I hope and trust they will, the President of the United States will then have an opportunity to sign a bill which will do more to restore the confidence of the American people in the political process than any other bill that he has ever had a chance to sign during the course of his Presidency.

What will this bill do, Mr. President? First of all, it will put limits on total spending. It will stop the money chase. It will even the playing field between incumbents and challengers because it is in the money chase, it is in the raising of money that incumbents have such an advantage. It will allow Members to stop being full-time fundraisers and start being full-time Senators again, dealing with the problems of the people.

If the spending limits had been in place during the last election cycle—and I think this is very revealing—82 percent of all incumbent Senators running last time would have exceeded the spending limit by an average of $2 million. It ought to tell us that if those spending limits had been in place, a lot less time would have been spent raising money and a lot more time would have been spent solving problems.

What about challengers? Some people have said spending limits hurt challengers. This is the most illogical argument ever advanced. Only 32 percent of the challengers would have exceeded the spending limit, and only by $400,000 if the spending limits had been in place, again as opposed to 82 percent of the incumbents exceeding the spending limits by an average of $2 million.

So if we want to level the playing field, if we want to give challengers a chance, if we want to give people with new ideas a chance to enter into the political process, the most important thing we can do is to put spending limits in place. It is at the very heart of any true reform of the campaign finance system. When special interests give to incumbents 25 to 1 over challengers, when incumbents can outspend challengers 8 to 1, when 82 percent of incumbents went over the spending limits in this bill by an average of $2 million, it is clear that spending limits are of crucial importance to restore fairness to the political process.

Some people are sad, and unfortunately some of those on the other side of the aisle argue that they are for campaign reform, but they do not want to do anything about limited spending. To say that you are for campaign reform and you do not want to stop the money chase, and you want to let millions and millions of more dollars flow into the political process, is like saying to the doctor you can look at the patient but we are not going to let you treat the disease. It makes absolutely no sense.

Campaign reform means limiting spending, limiting the influence of too much money in the process, and giving challengers a chance to compete on an even playing field. Real reform also in addition to spending limits means that we must reduce the influence of the special interest groups and the political action committees. Under this bill, a candidate would be able to receive not more than 20 percent of their aggregate contributions in a campaign from political action committees.

Mr. President, if those limits had been in effect in the 1990 elections, it would have cut by 53 percent—more than in half—the amount of special-interest money flowing into campaigns. So it is an important reform.

Finally, it would stop the flow of soft money into campaigns. We all know what soft money is. It is money given by individuals in evasion of the contribution limits. Individuals are only supposed to be able to give $1,000 to a candidate. What happens is this: They give money to political parties in the States; those parties then spread the money among other groups to influence the outcome of a Federal election. And we have had actual fundraisers held where it costs $100,000 each to come and to contribute. We are talking about tens of millions—$20, $30, $40 million—of soft money going into every election process in evasion of the contribution limits.

Under this bill, Mr. President, that soft money—what has been called sewer money by those who have studied the political process—that soft-money source would be cut off. All Americans would have to abide by the contribution limits which are written into law.

So when you look at the real test of what constitutes reform, meaningful campaign finance reform, S. 3 meets the test of real reform—limitations on overall spending to stop the money chase. Real reform must reduce the influence of special-interest political action committees and others, and bring the political process back home to the grassroots where it will belong to the people again, and where you will not be required to be able to afford to make huge contributions to feel that you can have an influence and impact on elections.

Third, it must do something to stop the flow of soft money, sewer money, into the political system. If we undertake these changes, not only am I convinced that the quality of our decisions in public life in this country will be improved, not only am I convinced that people with new ideas will have a greater chance to enter into politics, but I am also convinced that it will be an important step toward restoring the confidence of the American people in the political process. So often, they feel: Why should I vote; why should I bother to go to the polls?

We saw the turnout was down by 33 percent in the primary election yesterday; a tragedy. No longer will people feel as they do now, that the institutions of Government no longer belong to them, but they belong to those special-interest groups that are highly organized, that can bring into the system the money, the money which will make the difference in terms of who wins and who loses.

We can begin to restore the political process in a way that will cause people once again to think and to believe, and to believe with good reason, that the U.S. Senate Chamber here does not belong to special-interest groups; it belongs to them. It belongs to the people; it serves the people again.

Mr. President, how long are we going to wait? How long is the President going to wait before we finally enact this legislation into law, and before the President finally affixes his signature to it?

We waited while the cost of campaigns went from $500,000 on the average to $4 million. Are we going to wait, Mr. President, until it doubles again, and triples again, and quadruples again? At that rate, it is going to cost $15 million, on the average, to run for office 12 years from now.

What are we going to say—those who are going to make high school commencement and college commencement addresses this year? What are we going to say to those students who want to make a difference in the future of their country? Are we going to say: We hope someday you will aspire to public service? We hope someday you will run for the Congress of the United States? Or more particularly, for the Senate of the United States? And, by the way, if you want to save your country, change its direction, and make a contribution with your life, it is not enough just to think about what you would do; it is not enough to study hard; it is not enough to come up with good ideas; it is not good enough to be willing to give generously of your time, talent, to thinking through the problems of the day. Have you also thought about how you are going to raise the $15 million to get there?

Is that what we are going to do? How long are we going to wait? If we do not act as trustees of this institution, if the President of the United States, as the chief trustee of the political institutions of this country, does not join with us, no one else will do the job. No one else can do the job under the powers and responsibilities delegated by the Constitution of the United States, our basic document of Government.

No, Mr. President, we cannot duck and dodge. We cannot say it is someone else's problem. We cannot say we are helpless in this endeavor. We are the trustees. We are in power. We are given that responsibility by the Constitution, and it is time, once and for all, for us to do our duty; and it is time for the President to join us in doing his duty, as well.

Let us not wait another year. Let us not wait until 5, 10 or 20 percent more of the American people become disillusioned with their own political process. Let us not wait until more and more of our more talented Members throw up their hands in frustration and decide that they simply cannot fight this fight anymore and figure out how to solve our problems while they are worrying about raising millions of dollars of campaign money at the same time.

Let us not wait. Let us pass this bill. Let us hope that the House will act on the conference report this week. When we return after the April recess, let us pass this bill with the large bipartisan majority that this bill, this conference report, will merit. Then let us say to the President of the United States: Mr. President, we have done our duty as trustees; we have lived up to our high responsibility. Join us; join us. Sign this most important piece of reform legislation of your entire Presidency.

Let us begin the healing process in this country; let us begin the process which will restore the confidence of the American people in their own Government once more.

UNCED

Mr. SYMMS. Mr. President, I would like to say that as 15 members of the Senate prepare to go to Brazil in June to take part in the United Nations Conference on Environment and Development, we need to use some common sense and scientific facts as we prepare for this trip.

I am pleased to be part of this effort because I, too, along with others, am concerned about the global climate issue. However, I have not taken the giant leap that some of my colleagues have taken, and I support the comments that my colleague, Senator

WALLOP, has made on the floor with regard to this in his effort to bring some reason to this discussion.

I note some of my colleagues have been railing and calling for the President to go to Brazil, to Rio, for the conference, the global warming conference, saying the American people want him to go there.

I say what the American people want from this President is common sense; they want common sense on this issue. They recognize that there is no scientific evidence that says that somehow there is any global warming catastrophe taking place. There is no evidence that it is fully substantiated. A large part of the scientific community says that natural events have a bigger impact on global warming than anything the human race does.

I am not convinced, Mr. President, that we have a crisis on our hands. The conventional wisdom throughout much of the world these days seems to be as follows:

The increase of carbon dioxide from the burning of fossil fuels is enhancing the atmospheric greenhouse effect. By the next century, so we are told, the resulting global warming will present clear and present danger to humankind. We need to get moving on the radical solutions as quickly as possible to minimize certain catastrophes of violent weather, rising sea levels, and so on. The danger is so great, according to some, that the more ardent proponents of global warming theorize that this is somehow inappropriate, if not downright immoral, for any scientist to emphasize the evident uncertainties of global warming theory.

The proponents of global warming theories, who in many ways should be put in the category of utopians, who want to mandate Government force and regulations, any kind of conceivable impact that stops people from producing and creating wealth in our society, by some utopian scheme that they have; and so their argument is that it is better for world governments to do something, even if it turns out that they are wrong, even if it ruins the economy, than to risk studying and waiting for more certain persuasive data.

Most laymen would probably agree with this view, and that is not surprising. After all, the public has been exposed for years to a steady diet of exaggerated news stories, television pseudodocumentaries like "Crisis in the Atmosphere" and "After the Warming." However, these views are not generally held by specialists in atmospheric physics and climatology. There is certainly no scientific consensus in support of greenhouse warming. There is no consensus. The scientists do not agree with the theory that we are beat over the head with so much in the establishment news media and, oftentimes, here on the Senate floor.

During the summer of 1991, researchers at the Science and Environmental Policy Project, an independent Washington based research group, sent survey forms to more than 100 atmospheric scientists in the United States. All of these scientists had contributed to or reviewed a report prepared by the Intergovernmental Panel on Climate Change, IPCC, which operates under the auspices of U.N. agencies.

This IPCC report forms the basis for the forthcoming U.N. Conference on Environment and Development, UNCED, the so-called Earth summit I spoke of earlier. The summit is expected to attract some 70,000 participants to Rio de Janeiro. The report has been touted as constituting a scientific consensus about the reality and danger of enhanced greenhouse warming.

Researchers with the project decided to investigate this assertion after hearing complaints from several colleagues who worked on the report that its the so-called policymakers summary did not accurately convey their contributions. And, of course, most journalists and bureaucrats would read only the summary, not the rather technical report of some 300-plus pages.

As reported in the Wall Street Journal, the results of this survey were quite remarkable, Mr. President, very remarkable. About half of the scientists who responded agreed that the IPCC summary did not represent the report fairly and could be misleading to nonscientists. A majority agreed that there was no clear evidence in the climate record of the last 100 years for enhanced greenhouse warming due to human activities. And an even larger majority expressed skepticism about the theoretical global climate models being used to predict future warming.

This survey of scientists who worked on the IPCC report was conducted under the condition of anonymity. Many did sign their names, but in February 1991, the Science and Environmental Policy Project went a step further and wrote to some 300 atmospheric experts, most of them members of the technical committees of the American Meteorological Society, asking them to publicly endorse a strongly worded statement that the policy initiatives now being developed for the UNCED Earth summit were being driven by "highly uncertain scientific theories." More than 50 scientists did so. Here is their statement:

> As independent scientists, researching atmospheric and climate problems, we are concerned by the agenda for UNCED, the United Nations Conference on Environment and Development, being developed by environmental activist groups and certain political leaders. This so-called Earth Summit is scheduled to convene in Brazil in June 1992 and aims to impose a system of global environmental regulations, including onerous taxes on energy fuels, on the population of the United States and other industrialed nations.
>
> Such policy initiatives derive from highly uncertain scientific theories. They are based on the unsupported assumption that catastrophic global warming follows from the burning of fossil fuels and requires immediate action. We do not agree.
>
> A survey of U.S. atmospheric scientists, conducted in the summer of 1991, confirms that there is no consensus about the cause of the slight warming observed during the past century. A recently published research paper even suggests that sunspot variability, rather than a rise in greenhouse gases, is responsible for the global temperature increases and decreases recorded since about 1881.
>
> Furthermore, the majority of scientific participants in the survey agreed that the theoretical climate models used to predict a future warming cannot be relied upon and are not validated by the existing climate record. Yet all predictions are based on such theoretical models.
>
> Finally, agriculturists generally agree that any increase in carbon dioxide levels from fossil fuel burning has beneficial effects on most crops and on world food supply.
>
> We are disturbed that activists, anxious to stop energy and economic growth, are pushing ahead with drastic policies without taking notice of recent changes in the underlying science. We fear that the rush to impose global regulations will have catastrophic impacts on the world economy, on jobs, standards of living, and health care, with the most severe consequences falling upon developing countries and the poor.

This was signed by the following scientists: David Aubrey, Ph.D., senior scientist, Woods Hole Oceanographic Institute; Nathanial Guttman, Ph.D., research physical scientist, National Climatic Data Center; Hugh Ellsaesser, Ph.D., meteorologist, Lawrence Livermore National Laboratory; Richard Lindzen, Ph.D., Center for Meteorology and Physical Meteorology, MIT; Robert Balling, Ph.D., director, Laboratory of Climatology, Arizona State University; Patrick Michaels, Ph.D., associate professor of environmental sciences, University of Virginia; Roger Pielke, Ph.D., professor of atmospheric science, Colorado State University; Michael Garstang, Ph.D., professor of meteorology, University of Virginia; Sherwood B. Idso, Ph.D., research physicist, U.S. Water Conservation Laboratory; Lev S. Gandin, Ph.D., visiting scientist, National Center for Atmospheric Research; John A. McGinley, chief, Forecast Research Group, Forecast Systems Laboratory, NOAA; J. Jean Thiebaux, Ph.D., research scientist, National Meteorological Center, National Weather Service, NOAA; Kenneth V. Beard, Ph.D., professor of atmospheric physics, University of Illinois; Paul W. Mielke, Jr., Ph.D., professor, Department of Statistics, Colorado State University; Thomas Lockhart, meteorologist, Meteorological Standards Institute; Peter F. Giddings, meteorologist, Weather Service Director; Hazen A. Bedke, meteorologist, former Regional Director, National Weather Service; Gabriel T. Csanady, Ph.D., eminent professor Old Dominion University; Roy Leep, executive weather director, Gillett Weather Data Services; Terrance J. Clark, meteorologist, U.S. Air Force; Neil L. Frank, Ph.D., meteorologist; Michael A. Uhart, Ph.D., meteorologist, National Weather Service; Bruce A. Boe, Ph.D., director North Dakota Atmospheric Resource Board; Andrew Detwiler, Ph.D., associate professor, Institute of Atmospheric Sciences, South Dakota School of Mines and Technology; Robert M. Cunningham, consulting meteorologist, fellow, American Meteorological Society; Steven R. Hanna, Ph.D., Sigma Research Corp.; Elliot Abrams, meteorologist, senior vice president, AccuWeather, Inc.; William E. Reifsnyder, Ph.D., consulting meteorologist, professor emeritus, Forest Meteorology, Yale University; David W. Reynolds, research meteorologist; Jerry A. Williams, meteorologist, president, Oceanroutes, Inc.; Lee W. Eddinton, meteorologist, Geophysics Division, Pacific Missile Test Center; Werner A. Baum, Ph.D., former dean, College of Arts and Sciences, Florida State University; David P. Rogers, Ph.D., associate professor of research oceanography, Scripps Institution of Oceanography; Brian Fiedler, Ph.D, associate professor of meteorology, School of Meteorology, University of Oklahoma; Edward A. Brandes, meteorologist; Melvyn Shapiro, meteorological research, Wave Propagation Laboratory, NOAA; Joseph Zabransky, Jr., associate professor, Plymouth State College; James A. Moore, project manager, Research Applications Program, National Center for Atmospheric Research; Daniel J. McNaughton, ENSR Consulting and Engineering; Brian Sussman, meteorologist; Robert D. Elliot, meteorologist, fellow, American Meteorological Society; Edward A. Brandes, meteorologist; Robert E. Zabrecky, meteorologist; William M. Porch, Ph.D., atmospheric physicist, Los Alamos National Laboratory; Earle R. Williams Ph.D., associate professor of meteorology, Department of Earth, Atmospheric and Planetary Sciences, Massachusetts Institute of Technology; S. Fred Singer, Ph.D., atmospheric physicist University of Virginia, director, Science and Environmental Policy Project.

Mr. MURKOWSKI. I wonder if I can ask my friend a question.

Mr. SYMMS. I am happy to yield for a question.

Mr. MURKOWSKI. I wonder if my friend is aware of experimentation, where they are core drilling in the Greenland icecap to the bottom, which is about 11,000 feet and which will give scientists an opportunity to analyze the changes that have occurred as a consequence of examining those ice borings over the last 150,000 years of the Earth's history. And, theoretically, what they hope to find is evidence of whether or not there have been substantial changes in the climate of the world as a consequence of the history that they can tell from these ice core analyses and the theory, as I understand it further, is that they can tell whether in effect we have had a change in the greenhouse application, or whether the burning of the forests in Europe in the 17th century were a contributing factor at that time, or whether there is global warming actually occurring; and that the theory is that the analysis will point out sound scientific evidence as opposed to much of the emotion that the Senator from Idaho has been referring to.

Mr. SYMMS. I am. I thank the Senator for bringing that point to us. I think it is worthy of more scientific data and sound science. I will not use it in this speech, but I plan to come to the floor and talk about chapter IV of the wonderful book by the former Governor of Washington State, Dixie Lee Ray, "Trashing the Planet." It tells us how science can help us deal with acid rain, depletion of the ozone and nuclear waste, among other things.

I say to my colleague that when people talk about the crisis of global warming Governor Ray in her book points out that thank God there is a greenhouse effect or else it would be 200 below zero at night and 200 above zero during the day or more like the Moon's climate and it would be impossible for human habitation and other living species on this planet.

I would just in summary say with this many scientists raising concerns, Mr. President, how can we not question the premise of the global warming debate?

It is worth repeating that unlike other surveys and declarations on global warming, which drew upon scientists from unrelated fields, such as biology or psychology, all of these are trained atmospheric physicists and meteorologists, it is remarkable—given the heavy overtones of political correctness on this issue—that so many scientists were willing to take such an open and visible stand as is the Senator from Alaska, pointing out that there is a lot of scientific evidence being uncovered. We seem to live in the world of Chicken Little—the sky is falling in this society we live in when, in fact, mother Earth has a way to heal itself and to continue to survive. There is a substantial body of scientific evidence that points out that it is natural events such as volcanoes and Sun spots that have much more impact on the climate, or any climate changes that may be in the offing, than we have from human contributions.

I might also say that as a member of the House Ag Committee in the other body in the 1970's, how well I remember we had witness after witness after witness, and the Senator from Alaska would be interested in this, who came in and made the point that we are now undergoing a huge polar reduction in temperatures and the polar caps are going to continue to freeze more. It is going to alter the temperatures of the North American, European, and Asian Continents farther south; we will not be able to feed the populations because we are getting colder.

Mr. Kenneth Barr, a former Chairman of Cyprus, attended an environmental meeting in Salt Lake City last year and brought to the attention of one person presenting the paper in the late 1980's about the global warming impact of the greenhouse effect. He pulled up a paper that the same person had presented in the 1970's where he was saying that the sky is falling because we are going to have global freeze instead. He asked what is the conflict. It has only been 17 years between then and now and you have changed sides.

The fact is that many of these people are not scientists. They are playing on emotions of people and are presenting more scare tactics, and it is a political thing.

I know the Senator wants the floor here. Could I just bring up one more point?

More evidence: a Gallup poll commissioned by the Center for Science, Technology, and Media, and reported in the National Review, March 16, 1992, found that of those scientists actively involved in global climate research, 53 percent do not believe human-induced global warming has occurred and 30 percent do not know. That is 83 percent. Only 17 percent feel there is now some evidence of global warming in the climate record—far short of the 98 percent figure widely reported by environmental pressure groups.

I note that that figure is used here on the Senate floor freely by some of my colleagues, and I think we need to look at the facts on that.

In view of the lack of scientific support for greenhouse warming, how urgent is it to take action now?

It is not urgent.

Despite the fact that the 1980's show some of the hottest years on record, global satellite temperature data, available only since 1979, have shown no warming trend—contrary to theoretical predictions. Therefore, it would be worthwhile to extend these measurements for at least another decade before jumping to conclusions about catastrophic greenhouse warming not verified by the data.

The global climate models themselves have changed. Scientists report that during the last few years, faster computers have allowed them to refine the models, generating a better treatment of clouds, ocean circulation, and other factors affecting climate.

As a result, temperature predictions have fallen, and so have predictions for a rise in sea level. Where the popular press once reported a rise of more than 30 feet—causing coastal flooding, population migration and the destruction of coastal ecosystems—the latest projections, even among global warming true believers, are considerably less—from 3 to 11 inches. That is quite a comedown from catastrophe.

If we do not act now, will it be too late in 10 years? Let us put things in perspective. We have understood the basics of an enhanced greenhouse effect for 100 years, with little popular concern and virtually no publicity. Furthermore, according to prominent climate modeler Michael Schlesinger of the University of Illinois, a 10-year delay in controlling greenhouse gas emissions would have negligible—I repeat, negligible consequences on climate developments of the next century.

We can confidently expect that global climate models will continue to be fine tuned in the coming decade and will eventually provide a more reliable prediction of future climate. In the meantime, let us not take hasty and precipitous actions that would cripple our economy, cost us jobs and negatively impact our lives in ways we can only begin to imagine.

And I would just say that if you put a massive tax on the Western World on energy, a massive tax, you are going to make people poor, have less capital for investment, and that means there will be less new technology development. It will not make the environment better; it will make it worse.

It is the wealthy producing capitalist countries that can do things to improve the economy. The nonmarket economies have done nothing to contribute to the environment of the Earth. It is the wealthy, affluent entrepreneurial capitalist free societies that can come up with the technologies that can make for a better world.

We are skirting on the verge of having an opportunity to have a more peaceful world. We should be pushing ahead in this coming century to improve technologies to have simpler designs. The solution to pollution is design, Mr. President. It is not increasing taxes and regulation, stifling economic growth and activity.

So that is why, Mr. President, that I oppose the effort that Mr. KERRY made on the floor, and I ask President Bush as a leader of the free world to exert his leadership of common sense and speak out on this issue.

There is nothing that he will gain in this Senator's view by going to Brazil because nothing he will say will satisfy the extremists in the establishment news media and others who want to have just an absolute utopian scheme on how mankind is going to live and produce and use coercion and forms of government to somehow make their utopian schemes come true.

I urge the President to speak on the issue, yes, but speak as a leader of the free world for common sense and for a more entrepreneurial, technological society that can then, in fact, have the ability to develop the technologies that will make cheaper, cleaner sources of energy, therefore, higher wages for people, better standard of living for people in all the world. We are on the verge of being able to do that. We are seeing a reduction in the confrontation between the East and the West. I think as we look into the future, we should be pushing into modern technologies, not backing away from them.

Mr. President, I thank my colleagues for the time and I yield the floor.

The PRESIDING OFFICER. The Chair recognizes the Senator from Alaska [Mr. MURKOWSKI].

Mr. MURKOWSKI. I thank the Chair.

Mr. President, I would like to commend my colleague from Idaho. We are all concerned about climatic changes and global warming but the reality is we want to make decisions based on sound scientific evidence and not emotion. Clearly, few in this body have that expertise but by technology and by scientists who are willing to put their reputation, if you will, behind their recommendation with regard to this very important issue, these are I think the legitimate questions that we can ask the scientific community to come forward and relate to. I think and I am very, very fascinated by this idea of getting some answers from the ice borings in the Greenland icecap where we can actually analyze the history of the world for some 150,000 years. It is very much like the rings of a tree; it grows each year there is a climatic change and there is an identification perhaps a volcanic action or whatever. So I think the point that our friend from Idaho has brought up is very significant in relationship to the necessity of making these decisions on the basis of not emotion but evidence.

THE ARCTIC AS A DISPOSAL AREA

Mr. MURKOWSKI. Mr. President, today I rise to inform my colleagues of another issue that I think is very alarming and again it concerns the necessity of having decisions made by sound scientific evidence. This is in relationship to the Soviet Union's legacy of using the Arctic as a disposal area for radioactivity of various natures.

A gentleman by the name of Dr. Grigory Barenboim of Moscow's Physics and Technics Institute recently stunned a gathering of United States scientists in Washington, DC, with the revelation that "up to a billion curies" of radiation linger along the fringe of the Arctic ecosystem—the result of decades of peaceful Soviet nuclear explosions in that area.

In a recent Moscow weekly news magazine, 15 previously secret nuclear dump sites in and around the Arctic island of Novaya Zemlya were identified. Items listed as dumped include the following:

A cargo vessel with a damaged reactor;

A tanker with liquid radioactive waste;

The mid section of the ice-breaker Lenin containing allegedly three damaged reactors;

No less than 5 damaged nuclear submarines containing 10 reactors that still have their nuclear fuel; and

More than 10,000 containers of nuclear waste.

All of this nuclear waste, Mr. President, can be found in and around an island that has witnessed above and below ground nuclear testing for decades.

For the small cadre of international scientists who monitor and work in the Arctic, the flow of information let loose by the breakup of the former Soviet Union is slowly revealing an emerging environmental disaster.

In its relentless pursuit of development and industrialization, the Soviet Union for decades used nuclear explosions to harness the natural resources of the nation. Nuclear explosions were used for everything from creating subterranean pressure to extend the life of oil and gas wells to constructing dams. The result is a deadly legacy of communism whose effects will linger longer after the political and economic fate of the region is decided.

Published reports have identified more than 120 instances of nonmilitary nuclear devices detonated in the Soviet Union during the 1960's, 1970's and 1980's. These devices were used to build dams, mines, and underground storage for crude oil and toxic wastes. In addition to their tests on Novaya Zemlya, the Soviets also detonated hundreds of nuclear devices above and under the plains of Kazakhstan as part of their nuclear weapons testing and development program.

Like so many of the aftershocks created by the fall of the former Soviet Union, the effects of these Soviet nuclear explosions are not likely to be contained within the borders of the disintegrating empire. Nuclear contamination of ground water in the former Soviet Union is said to be rampant. If this radiation finds its way into the northward-flowing Siberian rivers that empty into the Arctic Ocean, there is concern that one of our planet's most important and fragile ecosystems—the Arctic—could be at risk.

Concern over the human and environmental hazards of Soviet nuclear activity is not confined to the scientific community. The United States and Russia share a population of indigenous residents, the Inuit, whose lives could be potentially affected by the Soviet Union's nuclear legacy in the Arctic. Since Arctic tundra mosses and lichen grow slowly and live for years, they collect and concentrate radionuclides. These lichen and mosses are eaten by caribou and reindeer which are later consumed by humans.

All people who live and work in the Arctic have cause to be concerned. The Russian scientists who are most familiar with the extent of this emerging environmental catastrophe are hoping that the United States—their Arctic neighbor by virtue of Alaska—will assist them in monitoring and containing this Arctic radiation. We must act immediately, and here is what we can do:

First, we should undertake a focused Arctic radiation monitoring program to fully understand the extent of the Russian nuclear problem, its potential spread, and its impact on the larger Arctic environment. I have asked United States Secretary of State James Baker to launch immediate talks with Russia to work out terms of a joint Arctic radiation monitoring program.

Second, we must make use of our existing environmental agreements with Russia. This May, United States and Russian officials will meet in Washington under the auspices of a United States-Russia agreement on environmental protection that has been in place since 1972. EPA Administrator William Reilly, the United States official responsible for implementing this agreement, should mark the 20th anniversary of the Environmental Protection Agreement by proposing and funding an action plan to address the range of environmental problems in the former Soviet Union that place United States citizens or interests at risk.

Third, we must fully leverage existing multilateral agreements, namely the Arctic Environmental Protection Strategy signed in Finland in June 1991. This agreement proposes the establishment of an Arctic Monitoring and Assessment Program to monitor and assess the effects of pollutants—including radiation—in all aspects of the Arctic environment. We must vigorously support and comply with this agreement.

Fourth, the United States should exploit the defense and intelligence collection methods at our disposal to monitor the movement of radiation as well a other environmental contaminants. As our intelligence community adjusts to the changing world situation, it must expand its environmental activities. I have already discussed this with Director of Central Intelligence Gates.

Finally, in all of these cooperative ventures we should encourage, to the maximum extent possible, the use of Russian scientists and technicians in an ongoing effort to assess and contain Arctic radiation. This area of research presents an excellent opportunity to provide these highly skilled individuals with employment alternatives outside of the weapons labs of Third World dictators.

Potentially elevated levels of radiation in any part of the Arctic is a global concern. The transformation of the former Soviet Union has provided us with the information, the resources and the opportunity to tackle this problem. None of us can afford to ignore this frightening new development in the emerging new world order.

THE WEST FRONT CONSTRUCTION OF THE CAPITOL

Mr. MURKOWSKI. Mr. President, I would like to remind my colleagues that currently construction is taking place on the west front of the Capitol. Eight thousand five hundred square feet of office space is under construction at approximately a cost of $500 a square foot. This consists of two new wings totaling 17,000 square feet in all that are supposed to be developed as additional office space.

I question the need for that, Mr. President. I think it should be brought to the attention of my colleagues, in view of recent announcements of other construction ceasing, including the proposed construction by the CIA of about 1.4 billion dollars' worth of construction to house those agencies in Virginia and West Virginia.

I think this Government is big enough. The requirement for that kind of an expenditure, which would total some $9 million, at this time I think is unnecessary. I may be asking my fellow Senators to join me in a sense-of-the-Senate resolution to address this matter further in the very near future.

I thank the Chair for his courtesy and I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Minnesota [Mr. WELLSTONE].

Mr. WELLSTONE. Thank you, Mr. President.

THE CATERPILLAR STRIKE

Mr. WELLSTONE. Mr. President, I rise to address the Senate about a labor struggle. I think it is a historic labor struggle now taking place in our country between the United Auto Workers and Caterpillar Inc. The work stoppage has lasted more than 150 days. I think that what we are witnessing in the country, Mr. President, really is not only historic but very serious in human terms.

I do not choose to speak on the floor of the Senate today about the specifics of the disagreement. But I do wish to express my concern on two fronts.

First of all, I am troubled by Caterpillar now calling in permanent replacements. Mr. President, I think that this just adds fuel to the fire. It concerns me that when workers are out on strike and there is some effort to try and get collective bargaining going, the company now hauls in other people, many of them desperate, to become workers and to become permanent replacements.

Mr. President, the problem is that ever since the Supreme Court's decision in Mackey versus Radio in the late thirties, we have had a situation in our country which simply does not work for working people; namely, that it is perfectly legal for a company to permanently replace someone who is out on strike. An employer cannot fire someone for going out on strike; that is illegal. But he can permanently replace his employees. That is a distinction without a difference.

Now for many, many years companies never did that and we had a contract between labor and management and it served our country well. But since the early eighties, what has happened in our country is that the right to strike has become the right to be fired, and working people have usually lost their collective bargaining rights. That is why this struggle is so significant.

So, Mr. President, what I want to suggest—and I believe it is constructive—is that there is an important role to play in this dispute for the Secretary of Labor.

I ask unanimous consent that a letter from Labor Subcommittee Chairman METZENBAUM, Labor and Human Resources Committee Chairman KENNEDY, and many of us on the Labor Committee for Labor Department Secretary Martin urging her intervention in this strike be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON LABOR
AND HUMAN RESOURCES,
Washington, DC, April 8, 1992.

Hon. LYNN MARTIN,
Secretary, Department of Labor, Washington, DC.

DEAR MADAM SECRETARY: We are writing about the protracted labor dispute between Caterpillar, Inc. and the United Auto Workers (UAW). The work stoppage has now lasted more than 150 days. Approximately 12,000 workers are currently on strike at various facilities.

We are extremely concerned by recent reports that Caterpillar has begun the process of hiring permanent replacements for striking workers. We feel that the use of permanent replacements could have disastrous consequences for the company, the workers, and the communities in which they live.

Lawful economic strikes involve substantial risks for both labor and management, and we take no position on the merits of this particular dispute. We fear, however, that use of the "permanent replacement" weapon will convert this extended work stoppage into a far more contentious struggle, one in which thousands of workers may lose their jobs and the very existence of Caterpillar may become an issue. Surely, the experience at Eastern Airlines, Greyhound, the *New York Daily News*, and countless other, less publicized disputes, has shown that the introduction of permanent replacements is counterproductive. It often hardens positions on both sides, and prolongs the strike by converting a dispute over wages and benefits into a contest over the future of every striking worker's job.

> We believe the public's interest in stable and peaceful labor-management relations will best served if Caterpillar and the UAW refrain from any further escalation of the current dispute, and instead agree to resume negotiations in the presence of a neutral mediator, without any preconditions. We urge you to use your good offices to persuade the UAW and Caterpillar to accept this approach, and also to convince Caterpillar to refrain from using permanent replacements. Finally, we urge you to appoint a respected individual to act as a mediator in the dispute.
>
> This approach was used successfully by former Secretary of Labor Elizabeth Dole to resolve the lengthy coal strike at Pittston. In our judgment, a similar strategy is well worth attempting in order to resolve the current labor dispute at Caterpillar.
>
> We stand ready to assist you in efforts to promote an early and peaceful resolution of the Caterpillar strike. The interests of the company, the workers, and the entire country would be well served by the Department's intervention to facilitate the resolution of this conflict.
>
> Sincerely,
>
> Howard M. Metzenbaum, Mark Hatfield, Don Riegle, Harris Wofford, Paul Wellstone, Jeff Bingaman, Carl Levin, Jay Rockefeller, Edward M. Kennedy, Paul Simon, Chris Dodd, Claiborne Pell, Tom Harkin, Brock Adams, Barbara A. Mikulski.

Mr. WELLSTONE. To summarize, I think that the import of this letter is that Secretary Martin really has a role to play; a positive, constructive role to bring in a neutral mediator to try and get the negotiations going again. Secretary of Labor Dole did that in the Pittston strike and it was very successful.

Mr. President, I believe that if this strike continues and, more importantly, if the company brings in permanent replacements, we are going to have a very volatile situation. It will be bad for our Nation. It will be bad for the company, and it will be bad for the people that work in the plants. So I hope that Secretary Martin will take some real leadership here.

My second point, Mr. President, is that I think those of us in the Senate can also take some leadership. I have in mind support for S. 55. It is time for us to pass legislation which says to companies, "You can't hire permanent replacements. You can't haul in people during a strike and make those people permanent replacements and essentially wipe out jobs for people who have worked for your company, many for decades."

Mr. President, I believe that we must restore some kind of balance of power between management and labor. Of course, it will be good for unions. But far more importantly, it will be good for working people. It will encourage higher levels of productivity. It will prompt greater labor-management cooperation. That is what we have to do to get our economy going. Finally, and most important Mr. President, it will be the right thing to do.

I urge my colleagues to pay close attention to the situation in Illinois and elsewhere with the Caterpillar strike, and to support S. 55 when it comes before the Senate. We must take action now on this legislation so critical to the lives and livelihoods of American workers.

The PRESIDING OFFICER. The Chair recognizes the Senator from Missouri [Mr. BOND].

THE GAO BLEW IT

Mr. BOND. Mr. President, last week I came to the floor to outline my grave concerns over the lack of professionalism in the Government Accounting Office. At that time I referred to it as "Alice's Restaurant" in that you could get anything you wanted at "Alice's Restaurant." You can get anything you want from the GAO. They will even cook it to your own recipe.

In addition I pointed out that contrary to popular belief the GAO did not suddenly discover the fiasco at the House bank, but had known about the problems and practices for many, many years.

In fact, I told the Senate the GAO was documenting the number of overdrafts and their total value as early as 1960; and that prior even to that the GAO audits were commenting on concerns about the overdrafts.

Unfortunately, the GAO was only providing this information to the House Speaker and Sergeant at Arms, as the audits performed by the GAO from 1952–76 were presented privately.

However, in 1977, when the audits became public, suddenly no mention was made of the number of overdrafts, dollar value of the checks, or even the scope of the problem.

Thus, Mr. President, I concluded that the GAO blew it instead of blowing the whistle in 1977. What other possible reason could there be for the GAO to cease discussing the problem when for 16 consecutive years they have included the facts on the dimensions and scope of the problem. For 16 consecutive years when the reports were private, the GAO described a growing problem which began as 2,791 checks worth $653,000 in 1960 and reached 8,428 checks worth $1,817,550 by 1976. Then in 1977, in a report made public, nothing.

Now of course the GAO will not admit that the reason they kept quiet about this issue for 12 years is that they were doing what they thought the House wanted them to, but I did not quite expect their response to be quite so bureaucratic. According to press reports, the GAO argues they simply were "implementing a standard accounting practice in financial audits, which moved information about bad checks to a note section of the documents."

Mr. President, perhaps the GAO should read their own reports, so they too could see the difference between pointing out potential problems, and simply ignoring them. But in case anyone wants to judge for themselves, I have two charts.

The first, shows a page from the last private GAO report issued for audit year 1976. It is a blow-up of a page 3 reference to a category referred to as "due from members."

Take a look at it.

Please note in particular the sections in yellow.

> Unpaid checks at June 30, 1975, amounted to $43,775. During fiscal year 1976, unpaid checks numbered 8,428 and amounted to $1,817,550; redemption of unpaid checks totaled $1,825,675.

That left the balance of $35,000.

Down here it says "our analysis of unpaid checks showed that during the first half of fiscal year 1976 about 54 percent of the Members had at least one unpaid check." During the last half of the year they got better, "58 percent of the Members had unpaid checks."

This describes the dimensions and scope of the overdraft problem: 1.8 million dollars' worth of checks, over 8,400 checks, and over 50 percent of the House Members with at least 1 overdraft that year.

In addition, the report specifically notes that the Sergeant at Arms "does not have the records from which the frequency, duration and amounts of actual overdrafts can be determined with a high degree of accuracy."

Let us take a look at the standard accounting practice report. Let me show the first section. This is the standard accounting form. This is the public version. And this is the little footnote that includes and encompasses all of the practices previously laid out on that large page. Let me blow up this little section.

What that says:

> Amounts due from Members: due from Members represent checks drawn on and cashed or paid by the Sergeant at Arms but not charged to the Members' accounts. Usually checks are held because of insufficient funds in a Member's account. The Sergeant at Arms told us that no loss had resulted from cashing Members' checks when funds on deposit were insufficient to cover the checks. He said many checks were outstanding for only a few days.

Mr. President, is that blowing the whistle? Does that little footnote tell you what that full page on the private report said? I think not.

What happened to the detail? What happened to the numbers, dollars and percentage of House members involved? What happened to the watchdog?

Mr. President, since I made my comments last week, I have discovered that most people thought the GAO had done a surprise audit and had caught the misdeeds—instead of the GAO finally, after 12 years, deciding to inform the public about what was going on.

The GAO now says the check-bouncing came to light only because of their actions. Which is a bit like the Dallas

Police Force patting itself on the back for solving the Kennedy assassination. Or better yet, it would be like Woodward and Bernstein getting a Pulitzer Prize for breaking the Watergate story in 1985.

The GAO also says they were "auditing the bank, not auditing Members." Now what does this mean? And if this is true, whatever it means, then why mention the overdrafts at all in their September 1991 report? Nothing had changed, in fact conditions were almost identical to those in the 1976–77 period.

Clearly the GAO cannot have it both ways, but by trying to be both the fearless watchdog that broke the story, and the careful auditor just following standard accounting conventions the GAO is beginning to remind one of the important role played by the lawyers, accountants, and assessors in the S&L debacle.

In the S&L case much of the fraud could not have occurred without auditors and assessors turning a blind eye to the mishandling of funds, and the sloppy or nonexistent recordkeeping. A fair case could be made that the GAO, by waiting for 12 years to publicly call attention to the scope of the problem, did the same type of disservice to the public that all of the accountants, auditors and assessors who never blew the whistle on the S&L scams.

Mr. President, I repeat what I said last week, the GAO needs to be reformed such that we can once again trust them to be straight-forward, independent, and factual.

In discussing this with several colleagues this past week, the idea of an outside, independent audit and review of the GAO's practices seems to be taking hold. I certainly plan to continue to pursue this, as well as explore the idea of the need for an Inspector General's Office within the GAO itself. This would create a place for those employees who believe there are internal problems at the GAO to go with their concerns.

Mr. President, I remain hopeful that we can reform the GAO and make it the tough watchdog it once was.

Mr. President, I ask unanimous consent that the relevant text of the two GAO reports be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

PRIVATE GAO REPORT FOR FISCAL YEAR 1976

DUE FROM MEMBERS

Amounts due from Members (Members' unpaid checks) (see sch. 1) represent checks drawn on and cashed or paid by the Sergeant at Arms, which were not charged to the Members' accounts. This situation usually occurs because of insufficient funds in a Member's account and the checks are held to avoid an overdraft. However, some of the unpaid checks are held because of improper signatures, no signatures, or stop payment orders. Individual unpaid checks are listed on the Daily Settlement Sheet on the day they are received. The amounts unpaid at any time by individual Members can be determined only from the unpaid checks on hand. The Sergeant at Arms, however, does not have any records from which the frequency, duration, and amounts of actual overdrafts, in total or by individual Members, can be determined with a high degree of accuracy.

Unpaid checks at June 30, 1975, amounted to $43,775. During fiscal year 1976, unpaid checks numbered 8,428 and amounted to $1,817,550; redemption of unpaid checks totaled $1,825,675, leaving a balance of $35,650.

At the beginning of each month when salaries are credited to the Members' accounts, all unpaid checks are applied against the Members' accounts. However, balances after salary credit may not be sufficient to cover the total amount of unpaid checks. For example, on January 5, 1976, 29 Members had 77 checks amounting to $34,253 which did not clear. On July 1, 1976, 12 Members had 42 checks amounting to $11,326 which did not clear.

Our analysis of unpaid checks showed that during the first half of fiscal year 1976 about 54 percent of the Members had at least one unpaid check. During the last half of the fiscal year, 58 percent of the Members had unpaid checks.

The Sergeant at Arms informed us that no loss had resulted from cashing Members' checks when funds on deposit were insufficient to cover the checks. He said many checks were outstanding for only a few days. He considered that the Members generally were drawing against their accruing salaries, which would be paid on the first of the following month.

DUE FROM MEMBERS

Amounts due from Members (see sch. 1) represent checks drawn on and cashed or paid by the Sergeant at Arms but not charged to the Members' accounts. Usually checks are held because of insufficient funds in a Member's account.

The Sergeant at Arms told us that no loss had resulted from cashing Members' checks when funds on deposit were insufficient to cover the checks. He said many checks were outstanding for only a few days.

The PRESIDING OFFICER. The Senator from Washington [Mr. GORTON]. Under the previous order the Senator from Washington is to be recognized for up to 10 minutes.

OPERATION WEED AND SEED

Mr. GORTON. Mr. President, I am pleased to announce that last Monday the city of Seattle was chosen as a project site for the Department of Justice's Weed and Seed initiative. This $1.1 million grant involves an unprecedented effort by Federal, State, and local law enforcement and social services together with private individuals and businesses to take back our streets. Such an endeavor deserves the recognition and praise of the U.S. Senate.

Operation Weed and Seed will be carried out in 16 cities across the Nation that have experienced violent crime, drug use, and gang activity. The two-pronged goal is to eliminate drug and gang activity in a targeted neighborhood and replace that activity with economic opportunity for the community.

The central area in Seattle, which recently experienced one of its bloodiest weekends, will be the focus of the operation in Washington State. The area was chosen for its potential to revitalize itself and to serve as an example for other communities facing violent crime. Despite current violent crime problems, the community's commitment toward schools and the local economy is solid. Indeed, the planning and coordination required for the grant proposal is an indication of the commitment of central area residents to win back their neighborhoods.

In each city, a high-crime area is selected by the program for a strategy that incorporates the unique situation each community faces. Several elements are essential to the operation's success:

First, the elimination of gang and drug activity. The initiative will establish an unusual coordination of Federal, State, and local enforcement under the control, in our case, of the able Seattle Police Department. A law enforcement task force is created to implement this aspect of the operation. Members of the panel include the U.S. attorney, the office of the mayor of Seattle, the Department of Justice, the Federal Bureau of Investigation, the Seattle city attorney, the King County prosecutor, and the Seattle Police Department. This formidable coalition should and will strike fear into the hearts of those making the streets of Seattle unsafe for children and families.

Second, the prevention of future drug and gang activity. In conjunction with efforts to pursue, arrest, and convict drug dealers and gang members for criminal activities, police and community leaders will work to prevent the return of criminal elements. This effort is consistent with the ability of the Seattle Police Department to instill a sense of trust and cooperation with area communities.

Third, the provision of vital social and human services. In conjunction with the law enforcement task force, the operation will create a Community Revitalization Committee. This panel includes the U.S. attorney, the Department of Housing and Urban Development, representatives of eight existing community councils, representatives from the Central Area Planning Committee, the Seattle Police Department, the office of the mayor, and various community and business leaders. These agencies will coordinate programs which include Job Corps, Head Start, drug and crime prevention, educational opportunities and WIC to provide necessary assistance to at-risk youths and to allocate vital resources to needy families.

Fourth, the revitalization and expansion of economic opportunities. Perhaps the most impressive element of this extraordinary public and private team effort is a commitment by local businesses to invest in the future of distressed neighborhoods. Private firms including the First Interstate Bank, Seattle First National Bank, and Security Pacific Bank of Washington, and U.S. Bank and a consortium of businesses entitled the Seattle Small Business Lenders Association, have pledged an astounding $6 million during the next 2 years. Other participants include Key Bank, Puget Sound Bank, and the Providence Medical Center. The private sector commitment to this initiative exemplifies the pride and strength of Seattle area businesses in their neighborhoods.

Despite the enormous degree of community support that I have outlined, the program has received criticism from a number of central area residents. I have listened to their concerns and understand their wariness of federally imposed solutions to local problems. I am confident, however, that this $1 million Federal grant recognizes the need for local control and operation and is designed to do just that. Under the able leadership of the Seattle police chief, the mayor, and the U.S. attorney, this operation will indeed meet local problems with local solutions backed by Federal and State resources. Their efforts to meet community concerns are genuine and will ensure the successful implementation of this ambitious proposal.

Eradicating gang and drug activity, providing necessary assistance, and restoring economic prosperity to a large, violent neighborhood will not happen overnight. Indeed, the commitment of the city of Seattle to coordinate this effort must be backed by a similar commitment from the Congress. One way to exercise such a pledge is to agree to the President's recommendation of $500 million for an expanded program in the fiscal year 1993 budget. As a member of the Appropriations Committee, I will do all I can to maximize congressional support of this initiative.

Mr. President, Operation Weed and Seed requires unprecedented cooperation and coordination to achieve neighborhood revitalization. I commend the leadership displayed by U.S. Attorney Mike McKay and mayor of Seattle Norm Rice in obtaining this valuable Federal grant and the inspirational commitment of central area leaders and Seattle area businesses in investing in their future of their neighborhoods. I fully support this effort to protect Washington State families from crime while expanding jobs and economic opportunities, and I will work toward its ultimate success.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ADAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FOWLER). Without objection, it is so ordered.

Mr. ADAMS. Mr. President, I ask unanimous consent that I may proceed for 8 minutes as in morning business.

The PRESIDING OFFICER. The Senator from Washington is recognized for 10 minutes.

THE FISCAL YEAR 1993 BUDGET RESOLUTION

Mr. ADAMS. Mr. President, I am going to speak today on the budget resolution. I know that we will be in the time period for amendments later, but I want to speak on the resolution generally and as a former chairman of the House Budget Committee.

Mr. President, as we consider the fiscal year 1993 budget resolution, our budget priorities must be discussed in the context of a very weak domestic economy and an altered global security balance. It is unconscionable to me that Congress has been unable to agree upon breaking the budget firewall set up in the 1990 budget agreement. Breaking the firewalls is essential to renewing real economic growth and to putting Americans back to work. That is clearly the direction in which the United States ought to be moving. We ought to be using the peace dividend for our citizens. We ought to be repairing the years of neglect. We ought to be invigorating our economy. To those ends, we should not be dedicating the entire peace dividend to lowering the deficit. The deficit is largely structural. It stems from our inability to control that part of the budget that is outside the budget agreement caps: Entitlements.

Let us be clear about what we are considering here today. Without agreement to bring down the firewall in fiscal year 1993, we will face severe shortfalls in the domestic discretionary budget. Even a freeze at the fiscal year 1992 levels would exceed the domestic cap set by the 1990 agreement. We thus will be required to cut even more in fiscal year 1993 than we did in fiscal year 1992.

Given the recession that continues to plague much of our Nation and the dire straits facing some of our cities and counties, any additional cuts will be painful, indeed.

In certain situations, these cuts would be defensible. But not today. How can we tell the American people we are on their side, that we represent their interests, when we are throwing the peace dividend into a budget hole we dug ourselves, a hole we are unable to fix.

The American people deserve the peace dividend. They are the ones who have sacrificed to make it possible. I believe, Mr. President, that we should be prepared to follow the recommendation of the over 100 economists who have recommended that we put in place a $50 billion Marshall plan-type program to stimulate and rebuild America, both in its material and its human resources.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD an article from Sunday's Washington Post by Hobart Rowen outlining the recommendations of this group and setting forth a daring plan for recovery.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Apr. 5, 1992]

A DARING PLAN FOR RECOVERY

(By Hobart Rowen)

Ever so cautiously, Washington officials and private economists say that a recovery from the 1991–92 recession is underway. The problem is that "recovery" in this context is nothing to write home about: At best, it is anemic, and not necessarily durable.

Federal Reserve Board Governor Susan M. Phillips said as much in a speech at the University of Tennessee at Chattanooga last week. On balance, assessing the pluses and minuses, she believes that the economic numbers will look increasingly better as the year goes on. Yet she conceded that " it may be some time" before businesses and households feel the benefits of whatever upturn is emerging.

It is for precisely this reason that a group of more than 100 nationally known academic and business economists last week urged a short-term boost to the economy via a $50 billion public expenditure program, designed to expand economic growth.

Better to risk a temporary expansion of the budget deficit, said the University of California's Marshall Pomer—one of the organizers of the group—than to sit by and hope that lower interest rates will revive the economy, thereby risking "prolonged stagnation, or worse, no recovery at all."

Once the economy has recovered fully, the economists said, the nation should again concentrate on reduction of the deficit. But for the moment, the priority problem is to attack the under-performance of the economy.

The concept that the nation should openly embrace an increase in the huge budget deficit, even temporarily, is a difficult one for many to accept. But, as Nobel Award winner James L. Tobin of Yale University pointed out, the deficit can be enlarged with little danger of inflation while the economic growth rate is measured in fractions above zero.

Robert Solow of the Massachusetts Institute of Technology, another Nobel winner in the group of economists advocating going for growth (there were six Nobel winners in all), suggested that the growth rate could be pushed to 6 percent before the second stage of the economists' program would need to be activated. At that level of recovery, the correct policy would require cutting the deficit to free resources for long-term investment, raising taxes if necessary to do so.

Solow and others freely conceded that there are two dangers inherent in their controversial strategy: first, that the financial markets would assume that the $50 billion stimulative program would trigger inflation, resulting in higher long-term interest rates. That would be counterproductive because higher interest rates would reduce the ability of business to expand and generate jobs.

The second concern is that once public sector spending was boosted, it would be difficult to get the politicians in either party to reverse course—and raise taxes to cut off expansion of the deficit.

The response from Tobin, Solow, the Boston Co.'s Allen Sinai and others went this way: The added $50 billion thrust should not significantly boost long-term interest rates, especially if the Federal Reserve followed another of their recommendations and cut interest rates another one-half or full percentage point.

And whatever risk might ensue from marginally higher long-term rates would be less costly to the overall economy than continuing on the present stagnating basis, they contend.

As to the difficulty in getting Congress and the president to try to slow down the economy—particularly through higher taxes later on—there is no real answer. "If the Congress and the president are determined to screw up the economy," Solow said, "there is nothing we can do about it."

So there is a risk that the program recommended by the economists would boomerang—if the politicians bought the first part and not the second part. But I'm persuaded that there are equal, if not greater, risks in not acting to jerk this economy out of the rut it's in.

It is fallacious to be comforted by the notion that this recession is, after all, not so bad as others in the post-World War II era. The fact is that this recession comes at the end of a terrible decade, one that Republican revisionists would have us believe delivered a wonderful boom.

Richard D. Bartel, editor of Challenge, a magazine for professional economists, rightly chastises a New York Times reporter for alleging in a Feb. 14 article that "the bad old eighties were actually a lot like the good old sixties."

In the '60s, Bartel points out, the jobless rate never rose above 6.7 percent (in one year, 1961), whereas it never fell below 7 percent in each of seven years in the '80s. With sub-par economic growth ahead, the jobless rate will remain close to that 7 percent level.

High unemployment generates competition for jobs and minimal pay raises. Stagnant income means that consumer spending will remain sluggish. Without consumers acting as an engine for growth, the nation can forget any notion of boom times.

The Tobin-Solow-Pomer 100 have the right policy prescription: In addition to monetary policy, we need a fiscal thrust—not via lower taxes that feed consumption, but from the expenditure side, feeding investment.

For this year and next, we would be accepting a budget deficit of $450 billion or so instead of $400 billion. The economists' proposal is daring, but some politician or political party has to step forward to sponsor it. That will take a substantial amount of guts.

Mr. ADAMS. As a former chairman of the House Budget Committee, in fact the first chairman that took a budget resolution through, and as an author of the congressional budget process, I understand the need for discipline. I appreciate the importance of crafting a congressional budget document. Not an administration document, but a congressional document.

I also understand the need for Government in times of prolonged recession, which we have, to stimulate the economy with both fiscal and monetary policy to bring us out of the slump. It will do us no good if we stimulate fiscal policy and in turn have a restrictive monetary policy. We have to have fiscal policy and monetary policy acting together.

But the discipline of the budget agreement is now a straitjacket. The world has changed completely since that agreement was made in 1990.

Internationally, we no longer face the threat of the Communist bloc, but we do face the challenge of increased competition from our cold war allies and from the newly industrialized nations of Asia and Latin America.

Domestically, we no longer face the threat of inflation in the short term, but we do face enormous need among the people, both in our cities and in our rural areas.

As I previously mentioned, with respect to the article I have placed in the RECORD, some of the country's most prominent economists, ones who favored deficit reduction over increased Government spending as recently as a few months ago, are now arguing for renewed public spending, at least in the short term. I believe, as they do, and as Senator BRADLEY and Senator HARKIN and many of our colleagues do, that the most responsible course is to support our citizens, support our cities, invest in our economy. So I shall support those amendments which say let us get out of this recession first, and then we can talk about handling the structural deficit.

This can best be achieved through greater defense cuts and through a combination of increased public spending and deficit reduction.

I support every effort to keep this critical issue before the Congress, and I will continue to vote for renewed investment in America, in our children, in our workers, in our elderly, and in our infrastructure.

As a former Secretary of Transportation, I can tell you that if we speed up the highway program, we will produce not only more jobs, but we will also place our economy in a position where goods move more quickly to market and we will begin to see a pickup in the manner in which our economy is functioning.

It may not be the political thing to do, Mr. President, but it is the right thing to do. It is time to put in place a plan that helps Americans. This is not throwing money away. This is investing in America, and I think it is time this Congress and this administration do it.

Mr. President, yield the floor.

IT IS TIME TO CLEAN UP THE CAMPAIGN FINANCE SYSTEM

Mr. SANFORD. Mr. President, in the next few weeks the Senate will begin consideration of the conference report on S. 3, the Congressional Campaign Spending Limit and Election Reform Act of 1992. I rise this morning to voice my strongest support for this historic measure.

When I was elected to the Senate in 1986, I made a promise to the people of North Carolina. I promised that I would listen to all sides of each issue before the Senate, paying particular attention to the letters and phone calls to my office from North Carolinians. On this issue, my constituents have spoken forcefully. They want a fundamental change in the electoral process. They deserve it.

The electoral process has effectively served to lock out the people. We see evidence of this every time a new poll is released showing that the American people have lost confidence in their elected officials, in the Congress, in the Government. Some of the letters I receive focus on congressional or executive branch perks, or special interest groups, or negative campaigns, or a lack of responsiveness on the part of the Congress. The consensus of their voices is that we need reform in the way we do business, and in the appearance of the way we do business here in the Congress, and the first step in that process of congressional reform is passage of the conference report on S. 3.

This legislation will provide access to the electoral process by encouraging small, in-State contributions, by placing aggregate limits on political action committee contributions, and most importantly by establishing a system of voluntary flexible spending limits, a key to true campaign finance reform.

Mr. President, I look forward to this debate, and I will have more to say on this subject when we take up consideration of the conference report. Today, however, I urge my colleagues who are prepared to vote against campaign finance reform to take another look at your mail and your phone calls. I encourage you, as you travel throughout your State over the Easter recess, to pay close attention to what your constituents are saying. Their frustration, and their anger, and their resentment illustrate more than anything else that the people feel shut out of the electoral process, and they want back in. They want to clean up the process by which Senators and Representatives are elected. They want to reduce the importance of money in campaigns, and so do I. Passage of the conference report on S. 3 is an important step in that direction.

Thank you, Mr. President, and I yield the floor.

MR. BASEBALL

Mr. MACK. Mr. President, I rise today to honor a man who in my hometown was known as "Mr. Baseball." 41 years ago Chuck Ross moved his family from Brooklyn, NY, to Fort Myers, FL. He brought to Fort Myers a unique and wonderful mix of Brooklyn chutzpa and fatherly love.

No one that I know has so positively affected so many lives. In 1945 he started little league in Lee County. When he died he was coaching children of his former Dodgers. Chuck's immediate family of Elaine his beloved wife of 47 years, his sons Richard, Matthew (Choo Choo) and daughter Nina knew and understood that his "family" numbered in the thousands. Chuck lived for laughter, love and kids. As president of the Sportsman's Club, he raised hundreds of thousands of dollars for youth programs. If it had to do with kids it was good. If it had to do with baseball Chuck was there. When his close friend Joe Burke and the Kansas City Royals left Fort Myers, Chuck was crushed, but it was not long before he was working hard to convince the Minnesota Twins that Fort Myers was where winners trained. When his former little league Dodger, now Mayor Billy Smith wanted to lure the Red Sox to Fort Myers, it was his old coach who helped convince the Twins that the area was ready to support two teams.

Yes, wherever there was baseball and wherever there were kids, there was Chuck. If there was a kid in need of a job or a grownup in need of baseball tickets or anyone just in need, there was Chuck. He never asked how or why, he just did.

His trademark was his boisterous greeting of "How are ya?" He bellowed it out in stadiums, on street corners and in offices. He came with a "How are ya," a joke, and a hug.

Chuck always said he was going to die in the dugout going out a winner. On April 3, 1992, while coaching his beloved Dodgers and leading 5 to 1 Chuck Ross had a heart attack and died in the dugout. Lee County, FL will never be the same. I will grant you one thing: Our lives have been blessed and a thousand "How are ya's" will now fill the stadiums, the streets and the offices and Chuck Ross' legacy of love, laughter and helping kids will be passed down from generation to generation.

IRRESPONSIBLE CONGRESS? HERE IS TODAY'S BOXSCORE

Mr. HELMS. Mr. President, the Federal debt run up by the U.S. Congress stood at $3,890,836,750,569.20, as of the close of business on Monday, April 6, 1992.

As anybody familiar with the U.S. Constitution knows, no President can spend a dime that has not first been authorized and appropriated by the Congress of the United States.

During the past fiscal year, it cost the American taxpayers $286,022,000,000 just to pay the interest on spending approved by Congress—over and above what the Federal Government collected in taxes and other income. Averaged out, this amounts to $5.5 billion every week, or $785 million every day.

What would America be like today if there had been a Congress that had the courage and the integrity to operate on a balanced budget?

NED STRATEGY DOCUMENT

Mr. HATCH. Mr. President, I would like to make a few points regarding the future of the National Endowment for Democracy [NED].

The National Endowment for Democracy was created in 1983 to support groups and invidivuals abroad working to establish democratic institutions. The radically changed landscape that has emerged from the cold war has made NED more important than ever. This new landscape has forced NED to refocus its substantive agenda.

I have been a strong supporter of NED since its establishment. It has proven to be an important leader in educating other countries about democracy and helping them to establish democratic institutions. NED's new strategy document reveals three main reasons as to why it will remain a vital asset in the post-cold-war period. First, as a nongovernmental institution, it can position itself at the cutting edge of democratic change. Second, it can respond comprehensively to democratic needs because of its multisectoral structure. Third, given its sole mission to promote democracy, it can serve as a vital center for democratic thought and action. I hope that Members of this Chamber will continue to support NED's efforts and take time to review this important document.

Mr. President, I ask unanimous consent to submit a copy of NED's strategy document into the RECORD.

There being no objection, the document was ordered to be printed in the RECORD, as follows:

NATIONAL ENDOWMENT FOR DEMOCRACY

STRATEGY DOCUMENT

The Board of Directors of the National Endowment for Democracy formally adopted this strategy document in January 1992 as a means of setting forth broad program objectives for the next three to five years. The strategy outlined herein is based upon the Endowment's operating Statement of Principles and objectives and is intended to serve as a framework for annual priorities documents which target specific areas of work intended to advance the Endowment's longer-term strategic objectives.

I. A NEW ERA

In the short span of years since the founding of the National Endowment for Democracy, the international political landscape has been utterly transformed. When the Endowment began its work in 1984, the Cold War was still at its height, and only a few lonely outposts of freedom were to be found outside the Western democracies. In Latin America, however, a series of democratic transitions had already begun that has since accelerated and swept virtually the entire region. This democratic tide also extended to Asia, reaching the Philippines, Korea, Pakistan and Taiwan, and by the beginning of the 1990s its ripples were being felt in sub-Saharan Africa and even in the Middle East. Most dramatic of all was the success of democratic forces in bringing down seemingly impregnable Communist regimes, first in Eastern Europe in 1989 and then in the Soviet Union itself in August of 1991.

The victories of these democratic movements, most of which received vital assistance from the National Endowment for Democracy, have brought hundreds of millions of people new hope for a freer and more prosperous future. They have also achieved extraordinary gains for the United States, not only by advancing the democratic values that Americans hold dear, but also by bringing an enormous increase in American national security. The dismantling of the Warsaw Pact and the diminution of the Soviet threat to the U.S. and our allies are the direct result of the spread of democracy in the formerly Communist world. The historical records shows that liberal democracies rarely, if ever, go to war with one another. Open societies, in which governments are accountable to the freely expressed will of their citizens, offer the best possibility for the peaceful settlement of international conflicts.

The end of the Cold War and the prospect of a more peaceful world are due, above all, to the sacrifices and the triumphs of indigenous democratic movements around the world. But international encouragement and assistance also played an important role, as the courageous leaders of these movements have themselves attested.

Yet in many of the countries that have recently emerged from dictatorship the situation remains fragile; few of them can be considered strong and stable democracies. Democracy is not an easy form of government to maintain, especially in countries that lack an educated populace, a substantial middle class, an established market economy, or a democratic culture. Although the threat to democracy from left-wing insurgencies or military coups has in most countries receded, new threats have arisen from ethnic conflict and religious intolerance. In addition, most of the new democracies confront severe economic problems. If they fail to meet the rising expectations of their citizens for improved material well-being, there is real danger that democracy could be discredited.

Moreover, a substantial portion of the world's population continues to live under dictatorial governments, including more than a billion people who suffer under the yoke of Communist regimes still clinging to power. In many of the areas that have so far resisted the advance of freedom, powerful cultural factors pose significant obstacles to democratic progress. Yet virtually everywhere in the world there are individuals who aspire to democracy and are dedicated to attaining it in their own countries.

The remarkable events of 1989–91 should not blind us to the fact that achieving and maintaining democracy take time and effort. Today's remaining dictatorships will not easily give way, and there will inevitably be some backsliding into authoritarianism among countries that are now on the democratic path. Such critical countries as the former Soviet Union and South Africa are still in the midst of complex and difficult transitions whose democratic outcomes are by no means assured.

Thus the challenges and the opportunities facing the National Endowment for Democracy are in some ways even greater and more complex today than they were in 1984. The momentous changes that have taken place in the world make it imperative that the Endowment reassess the overall strategy that guides its programs.

II. ELEMENTS OF CONTINUITY

The reassessment attempted in this document suggests some important shifts in emphasis and priorities, but it also points to significant elements of continuity. We believe that the basic mission and approach outlined in the Statement of Principles and Objectives adopted by the Endowment Board in 1984 remain no less valid today. As a reading of that document shows, the Endowment's mission was from the very outset conceived not as anti-communist but as pro-democratic. Its aim was not only to assist those seeking to bring down dictatorships and carry out democratic transitions, but also to support efforts to consolidate new democracies.

The basic program categories set forth in the Statement of Principles and Objectives have also proven their worth and continuing relevance. The Endowment has funded programs primarily in three major functional areas—pluralism; democratic governance; and education, culture and communications. Programs in these areas have as their goals the strengthening of civil society, democratic political institutions, and democratic culture, respectively. Although political scientists and other experts may disagree about the relative importance of these three aspects of democratic development, it is generally acknowledged that all three are essential to the achievement and maintenance of stable democratic orders.

Pluralism involves the development of strong, independent private-sector institutions, especially trade unions and business associations, as well as civic and women's organizations, youth groups and cooperatives. Endowment programs in the areas of labor and business are carried out, respectively, through the Free Trade Union Institute (FTUI) and the Center for International Private Enterprise (CIPE).

The program area of Democratic Governance and Political Processes involves, above all, efforts to promote strong, stable political parties that are committed to the democratic process. The National Democratic Institute (NDI) and the International Republican Institute (IRI) carry out such party-building programs. This area includes, as well, programs that promote the rule of law and respect for human rights, strengthen the unity and effectiveness of the democratic forces in transitional situations, encourage dialogue among different sectors of society, and advance solutions to national problems. It also includes programs which bolster the effectiveness of parliaments, improve relations between civilian and military authorities, promote constitutional reform, and strengthen electoral processes.

The program area of Education, Culture and Communications involves programs that nourish a strong democratic civic culture, including support for publications and other communications media. Also included here are training programs for journalists, the production and dissemination of books and other materials to strengthen popular understanding and intellectual advocacy of democracy, and programs of democratic education.

The Endowment also devotes modest funding to research on questions related to democratic development, and to programs that encourage regional and international cooperation in promoting democracy. These two smaller categories of programming are addressed in the final section of this document.

III. ADAPTING TO CHANGE

The democratic revolution that has swept the world during the past decade, embracing countries as diverse as Benin and Bulgaria, Haiti and Hungary, Chile and Czechoslovakia, Nicaragua and the Philippines, South Africa and the Soviet Union, has reshaped both the international and the domestic environment in which the Endowment works. This extraordinary wave of democratic transitions requires the Endowment to refocus its programmatic agenda, as well as to address dramatically new institutional realities that have arisen in its wake. Like the democratic movements it has supported, the Endowment, too, must adapt to revolutionary change.

Foremost among these new institutional realities facing the Endowment is the emergence of significant alternative funding sources for democracy promotion in countries where dictatorships have fallen and democratic institutions need to be consolidated. These sources include private foundations and, most importantly, the U.S. Agency for International Development (A.I.D.), as well as new funders in other countries, including the British Know-How Fund and the Canadian Center for Human Rights and Democratic Development.

The existence of these new funding sources demonstrates that democracy promotion, which only a few years ago seemed like a pioneering venture, has become an established form of international assistance. As such, it is a further sign of the extent to which democracy is now recognized internationally as the most legitimate form of political and social organization. Moreover, the existence of additional resources is a welcome development, since the funds available until now for democracy promotion, including those of the Endowment, have hardly been sufficient to meet the needs of the emerging democracies and other countries still struggling for political freedom.

At the same time, this development creates a new and complex set of issues to which the Endowment must respond. It will obviously affect how the Endowment chooses to apportion its own limited resources. And it requires the Endowment to define its role based not only upon its fundamental mission to promote democracy, but also upon a fresh understanding of its unique institutional capabilities. The Endowment will be successful in adapting to new circumstances by accentuating in its strategic and program planning the institutional features that give it a comparative advantage in assisting democratic political development.

IV. A STRATEGY OF COMPARATIVE ADVANTAGE

There are three institutional features of the Endowment that give it a distinct comparative advantage: its nature, its structure, and its mission.

(1) As a non-government organization, the Endowment can provide political assistance to democratic forces in repressive or other sensitive situations where U.S. government support, even if channeled through intermediary non-governmental organizations, would risk serious diplomatic complications. In addition, democratic groups abroad often have a strong preference for receiving assistance from a non-governmental source, believing that their credibility or even their independence would be compromised by accepting funds from a U.S. government agency. Assistance through non-governmental channels is also more cost-effective than government-to-government aid. Finally, the Endowment's autonomy gives it the flexibility to respond quickly to changes taking place in countries around the world.

(2) The Endowment's unique structure, which includes its four constituent institutes in the fields of labor, business and party development as well as discretionary grantees active in other sectors, enables it to respond comprehensively to democratic needs. The Endowment's structure reflects an understanding that the establishment of democracy is not limited to the successful conduct of elections but involves, as already noted, the strengthening of civil society, democratic political institutions and democratic culture. Moreover, the Endowment's multi-sectoral structure enables it to provide a "full package" response to the complex needs of emerging democracies—especially important in light of the close relationship between political and economic reform—as well as targeted assistance to movements struggling to defend democratic values in closed societies.

(3) The fact that the Endowment's sole mission is the promotion of democracy accounts for its ability over the past eight years to reach out to and work with democratic activists around the world in an authentic and unambiguous manner and on the basis of common values and a shared vision. Unencumbered by other considerations, the Endowment has been able to act upon a coherent set of principles and goals, including consistency in applying its purposes to diverse political situations and movements and responsiveness to the pressing needs of democratic forces. The compromise of any of these principles would have jeopardized the strong international reputation the Endowment has enjoyed and the relationships of trust and solidarity it has established with democratic activists in many complex and dangerous situations.

The institutional features that give the Endowment these comparative advantages have important strategic implications:

First, the fact that the Endowment is a non-governmental institution suggests that it should position itself at the "cutting edge" of democratic advance, where historically it has been most effective. In this context, it will be recalled that the Endowment's 1991 Priorities Document, as well as the Statement of Principles and Objectives, lists four broad categories of countries, corresponding to their state of democratic development. The first two "post-breakthrough" categories include emerging democracies, i.e., countries that have achieved democratic breakthroughs but not yet consolidated democratic institutions, and transitional countries where repressive political authority is collapsing and democratic groups committed to peaceful transition and the establishment of alternative structures exist and need support. The other two "pre-breakthrough" categories include closed societies that repress all institutions independent of the state, and authoritarian systems that tolerate the elements of civil society but where democratic development can only be viewed as a long-term prospect.*

Despite the dramatic breakthroughs of the past decade, over half of the world's population continues to live under authoritarian rule. Non-democratic regimes are concentrated in Africa, the Islamic World and East Asia. A "cutting edge" strategy would seek to place greater emphasis on these countries, where there is significant resistance to democratic political change from government authorities and powerful entrenched interests. To reinforce the relatively weak and often inexperienced democratic movements in these countries, the Endowment would provide "venture capital" to help them overcome the many social, cultural, political and historical obstacles they face. This is particularly important in light of the fact that alternative funding for these countries is usually limited, and in addition, it is awkward for a U.S. government agency to provide such assistance.

---

*In Fiscal Year 1991, NED devoted approximately 80% of all obligated program funds to projects in the "post-breakthrough" category and 20 percent to the "pre-breakthrough" category.

A heightened emphasis on the "pre-breakthrough" categories would not and should not preclude continuing engagement in the "post-breakthrough" emerging and transitional democracies. These constitute such a large and important group of countries, reaching now into all the major regions of the world, that a policy of abstention would effectively mean the abandonment of the Endowment's global mission.

The process of consolidation in these new democracies will be long and difficult; there are important and sensitive sectors in these countries where alternative funding may not be available, and where Endowment support to independent, politically active organizations can play a vital role. Given the concentration of most of the new democracy donors on technical assistance in developing efficient market economies and proficient government institutions, there is still a need for Endowment support for groups working to help achieve democratic transitions, as well as selective assistance to cultural, civil, and political groups working to broaden democratic participation, to strengthen the values of pluralism and tolerance, and to enliven the spirit and understanding of democracy.

Second, the Endowment's multi-sectoral structure, in particular its relationship to its four core institutes (CIPE, FTUI, NDI and IRI), must adapt to the new circumstance created by the existence of alternative funding from A.I.D. by increasing the degree of program coordination with the institutes. In the case of labor and the two party institutes, direct funding from A.I.D. is now beginning to exceed the resources received out of the Endowment's core USIA appropriation, though that funding is targeted at specific countries and programs of priority to the U.S. Government. (So far, CIPE is an exception, though it, too, may soon be receiving large A.I.D. grants.)

The additional funding being received by the institutes is a further reflection of the Endowment's success. NED funding helped launch the institutes and has positioned them to play a pivotal role in a period when the goal of democracy promotion has gained increased acceptance. The Endowment welcomes the fact that the institutes have been able to expand their work with alternative funding, especially since it frees NED funding for other activities. Moreover, it remains a strategic priority for the Endowment to continue to provide the institutes with a secure infrastructure and sufficient flexibility in programming to enable them to procure maximum funds from sources other than our own. At the same time, the availability of alternative funding for the institutes complicates NED planning procedures at the very moment we are being asked by the GAO to develop a more systematic process for overall program planning, evaluation and setting priorities.

Clearly, Endowment procedures that were developed in an earlier period when NED was the sole or principal funding agency need to be reexamined in light of these new circumstances. For example, in planning programs and allocating resources, the Endowment may choose to deemphasize a strategically important country if the institutes are carrying out (or planning to carry out) significant programs there using non-Endowment funds. The Endowment will also have to balance its desire to allow the institutes sufficient programming flexibility with the kind of program specificity and prioritizing needed to fulfill its evaluation responsibilities. As part of its planning responsibilities, the Endowment will also have to insure that the institutes' programs are consistent with the priorities of the NED Board as discussed in Section V below.

Most importantly, the Endowment can only maximize its comparative advantage as a multi-sectoral institution if the expanded alternative funding is complemented by enhanced program coordination between the Endowment and the institutes. Effective program coordination should extend to non-NED resources that are being provided to the institutes and other Endowment grantees in countries of priority. Joint meetings held on a more frequent basis will offer increased opportunities to share information about specific countries and to coordinate joint activities where possible. Periodic strategic regional review sessions led by regional experts will also provide opportunities to discuss and identify specific projects on which the institutes can coordinate. More regular coordination will enhance the overall contribution made in particular countries beyond the sum of the individual programs involved. In this way, the availability of alternative funding will strengthen, not weaken, the Endowment's ability to respond coherently and comprehensively to democratic needs throughout the world.

Third, the availability of non-Endowment resources for democracy promotion puts a new premium on that aspect of the Endowment's work that complements its grantmaking program; namely, its ability as an institution whose sole mission is the advance of democracy to be a vital center of democratic thought and action. The Endowment has already taken significant steps in this direction by launching the Journal of Democracy and sponsoring a number of conferences and seminars where the increasingly complex issues related to the democratic prospect in the world are discussed and debated. The further development of this work is considered in Section VII below.

V. PRIORITIES

As part of its new planning process, the Endowment will now be preparing a more detailed annual priorities document. This new priorities document will contain a description of Endowment goals in individual regions and countries, accompanied by target figures for Endowment expenditures for the year. In the course of this process, each institute will draw up its own proposed priorities for NED Board review prior to their integration into the overall document. This process will provide an important tool for achieving greater coordination in implementing Board priorities. The brief discussion of priorities here is intended to present some of the broader considerations from which concrete budgetary decisions about particular regions or countries will flow.

During the first eight years of its existence, the Endowment's priorities have shifted with the rapidly changing fortunes of democratic movements around the world. During the early years, the principal focus of democratic activity, and the cutting edge of the incipient democratic revolution, was in Latin America, where approximately fifty percent of Endowment program funds were spent. By the end of the 1980s, the focus began to shift to Eastern Europe and then to the Soviet Union. Now China and Africa are attracting increased funding, and the Middle East (along with the Islamic world generally) looms as a growing challenge.

These shifts in focus and priority do not mean that the Endowment will abandon regions where breakthroughs have occurred. A "breakthrough" does not mean that democracy has been achieved, only that the obstacle of a dictatorial government has been removed. The process of establishing a stable and deeply rooted democratic system is long and arduous, and the economic, political and cultural obstacles can only give way to evolutionary, not revolutionary, change.

The prospect of democratic setbacks is everpresent as change comes more slowly and painfully than anticipated, and frustration and disillusionment build. No one should assume, for example, that democracy is secure in South and Central America or in the previously communist countries of Central and Eastern Europe. (Should setbacks occur, work in countries where transition has failed and dictatorship has been reimposed will assume a high degree of importance in Endowment programming.) Moreover, the failure of democracy in these areas could have a devastating "demonstration effect" on the prospects for change in countries that continue to resist the international movement toward democracy.

Conversely, the successful consolidation of democracy would itself have a positive demonstration effect on countries where democratic breakthroughs have not yet been achieved or consolidated. This is particularly important in Eastern Europe and the former Soviet Union, since viable models of transition from communism do not yet exist. The Endowment will continue to fund programs in these countries, (including programs that promote conflict resolution and civic dialogue among diverse ethnic groups), while being prepared to adjust its priorities depending upon the degree of alternative funding available to the institutes and other prospective grantees in particular countries.

Still, given the availability of alternative funding for programs in emerging democracies, the Endowment will seek to expand its programs in those countries and regions where democratic breakthroughs have yet to occur. These include the world's remaining closed societies, especially China, Cuba and Vietnam; and authoritarian systems, especially in Africa, the Middle East and elsewhere in the Islamic World, including Indonesia. This shift will take place incrementally so as not to disrupt the overall Endowment program, also taking into account the fact that the ability of those countries to absorb large amounts of resources is limited.

VI. EXISTING PROJECTS AND NEW INITIATIVES

The Endowment seeks to balance its desire to sustain and nurture existing projects with its wish to respond to new initiatives. While, ideally, Endowment support should encourage groups to become self-sustaining as rapidly as possible, no simple formula can be applied. Some projects will be of a short-term nature, but because democratic development is a long-term process, other programs may require more extended assistance. In all circumstances, the Endowment will continue to encourage efforts by its grantees to seek other sources of funding, and where possible it will assist in these efforts.

Many groups the Endowment will wish to support function under difficult conditions and may not be able to develop alternative funding. In addition, as we have already noted, much of the increased alternative funding that is now available is not directed at the kind of activities the Endowment supports, especially in the program area of Education, Culture and Communications. In deciding whether to renew support, the Endowment will weigh such factors as a grantee's success in achieving what was intended with the initial support, the importance of its activities to the overall democratic effort in the country or region, and the value of continuing these activities in relation to the Endowment's overall priorities and competing program goals, including its wish to help worthwhile new initiatives. An emphasis on project funding, as opposed to core administrative support, will be an added incentive to encourage new initiatives and organizational self-sufficiency.

In evaluating both new and ongoing programs, the Endowment will stress the importance of developing innovative ways of strengthening democratic institutions and organizations. The programmatic framework established by the Endowment is sufficiently broad and flexible to allow new ideas to be tested and bold new approaches to be tried. Obviously, the Endowment endeavors to learn from experience and to build upon a foundation of tested programs and methods. But it will continue to welcome proposals that demonstrate originality and creativity and thus further understanding of the kinds of efforts that will enhance the democratic prospect.

Given the Endowment's limited resources the Board wishes to guard against duplication of program activities. Toward this end, the Endowment will require each grant applicant, wherever possible, to describe other related activities presently underway and how its proposed program is not duplicative.

In establishing priorities, the Endowment retains the capacity to be responsive to promising initiatives from a wide range and variety of non-priority countries. Grant allocations for groups in countries of lesser priority, even if the funds are relatively modest, nonetheless serve important purposes. Such small grants represent crucial assistance to struggling democratic groups. Moreover, they help put the Endowment in a position to respond quickly in non-priority situations if new opportunities suddenly develop. Not least, being as responsive as possible to authentic democratic advocates around the world is consistent with the Endowment's overall commitment to assist indigenous efforts to further democratic development.

VII. INTERNATIONAL FORUM FOR DEMOCRACY

There is another way in which the Endowment can reach out to democratic groups in countries of lesser priority—namely, by including them in regional or worldwide programs aimed at promoting interchange and solidarity among democratic forces.

The Endowment's two smaller categories of grant programs, research and international cooperation, support projects that are potentially of value to all countries seeking to achieve and maintain democracy. In addition, the Endowment seeks to complement its grant-making program with other activities aimed at encouraging reflection and discussion about key issues in the struggle for democracy. It sponsors the Journal of Democracy, a quarterly published by the Johns Hopkins University Press that contains articles by both distinguished scholars and leading democratic activists and intellectuals. It also hosts a major biennial conference on democracy that brings together an international cross-section of prominent democrats from around the world.

Building upon these activities, and drawing upon its unparalleled worldwide network of contacts with key democrats, the Endowment intends to increase its efforts in the realm of ideas and information under the heading of the International Forum for Democracy. In this new era, when so many counties have already completed the daunting task of toppling dictatorial governments but now face the more complex problems of democratic consolidation, it is imperative to develop a more sophisticated understanding of the process of democratic development. One consequence of the wave of democratization during the past decade is that there is no a vastly expanded range of experience from every region of the world that can potentially provide valuable lessons about successful strategies for building democracy. The best way to profit from this experience is to bring together those who are or have been on the front lines of democratic change with their counterparts from other countries and also with scholars who can provide them with a useful comparative and historical perspective.

To further these aims, the Endowment hopes, among other possible initiatives, to develop an information base on international programs to promote democracy and to establish a library housing important books and documents on democracy. The work of the International Forum for Democracy should be useful to democrats everywhere, but its most important benefits will accrue to the Endowment itself. The International Forum will enable the Endowment to enhance its own knowledge base and thereby help it both to make better informed choices with respect to program planing and priorities and to assess more effectively its grants program. The Endowment will consult closely with Congress to ensure that any activities undertaken in the context of the International Forum are regarded as fully consistent with the Endowment's legislative mandate.

The activities of the International Forum will also provide a means and opportunity to keep former members of the Endowment's Board of Directors actively involved in its work. Additionally, the Forum should present an opportunity for reaching out to more U.S. citizens, including students, and involving them more extensively in the worldwide effort to build democracy. Such broadened participation would enhance the understanding in the U.S. of the Endowment's activities and objectives. More importantly, it would contribute to the spread of democratic values and ideas around the world and to a deeper appreciation here of the meaning of our democratic heritage and system of government.

BOARD OF DIRECTORS

Winston Lord, Chairman; Frank J. Fahrenkopf, Jr. and Charles T. Manatt, Vice Chairmen; Susan Kaufman Purcell, Secretary; and Jay Van Andel, Treasurer.

Madeleine Albright, Harry Barnes, Jr., John Brademas, Zbigniew Brzezinski, Henry G. Cisneros, Edward Donley, David Gergen, Fred C. Ikle, James A. Joseph, John T. Joyce, Thomas H. Kean, Lane Kirkland, Richard G. Lugar, Mark Palmer, Stephen J. Solarz, and Eddie N. Williams.

William E. Brock, Dante B. Fascell, and John Richardson, Chairmen Emeriti.

The National Endowment for Democracy is a private nonprofit organization created in 1983 to strengthen democratic institutions around the world through nongovernmental efforts. Through its worldwide grant program, the Endowment assists those abroad who are working for democratic goals. The Endowment, which receives an annual appropriation from the U.S. Congress, is a tax-exempt organization as defined in Section 501(c)(3) of the Internal Revenue Code.

MODJESKA MONTEITH SIMKINS: IN MEMORIAM

Mr. HOLLINGS. Mr. President, with the death of Modjeska Monteith Simkins on Sunday, a rare and courageous spirit was extinguished—at least so far as this earthly life is concerned.

Mrs. Simkins had a richly varied life as a civil rights champion, health activist, teacher, and what today would be called an investigative journalist. But her greatest achievements were as a fearless, outspoken fighter for civil rights in South Carolina. Her activism spanned four decades, during which time she helped to organize South Carolina's chapter of the NAACP, and spearheaded the Clarendon County desegregation case that became part of the Brown versus Board of Education in 1954. Mrs. Simkins successfully challenged South Carolina's system of whites-only primaries, and she forced the integration of the University of South Carolina.

In her struggle against injustice, this remarkable woman was invariably gutsy, witty, and unorthodox. On more than one occasion, the 5-foot-3 Mrs. Simkins showed up at Ku Klux Klan rallies to give the white-hooded racists a piece of her mind. And yet the feistiness which her adversaries feared was more than matched by her gentleness and kindness toward friends.

U.S. District Judge Matthew J. Perry spoke eloquently of Mrs. Simkins when he said:

> She will be remembered as a woman who challenged everyone. She challenged the white leadership of the State to do what was fair and equitable among all people. And she challenged black citizens to stand up and demand their rightful place in the State and the Nation.

Mr. President, Modjeska Monteith Simkins was not just a granddaughter of slaves, she was also a proud daughter of South Carolina. She enriched our lives, and played a historic role in transforming our State for the good. We will miss her greatly.

AN IMPORTANT AND HISTORIC OCCASION

Mr. DOLE. Mr. President, yesterday the United States recognized the nations of Bosnia-Herzegovina, Croatia, and Slovenia. Many of us here in the Senate have urged for some time now that the United States recognize the republics of the former Yugoslavia whose people took to the ballot box last year to vote for democracy, freedom and independence. While we wish United States recognition would have come sooner, we are extremely pleased that it has now come.

The people of Slovenia paid a price for freedom last June when they stood up to the Yugoslav Army's brutal attack; for more than 8 months, the people of Croatia have paid a heavy price for freedom—thousands of people, mainly civilians, lost their lives, many more were wounded; and, unfortunately, at this very moment, the people of Bosnia-Herzegovina are paying the price for freedom, as Yugoslav Army jets are attacking towns and Serb militants are terrorizing the streets of Sarajevo, the capital.

It is my sincere hope that recognition by the United States—the leader of the free world—will signal the beginning of the end of violence and aggression on the territory of the former Yugoslavia, so that the people of Croatia, Slovenia and Bosnia-Herzegovina can finally pursue their goals and dreams in peace. I believe that United States recognition will serve to bolster the peacekeeping efforts of the U.N. forces because it sends a definite message to the Yugoslav Army and their militant henchmen that their brutal tyranny of freedom-loving people will not be tolerated by this country.

There is no longer any doubt where the United States stands: it stands where it should stand—on the side of freedom and democracy.

But, let us not forget that the recognition of these three countries does not end our responsibilities with respect to resolving the situation in the former Yugoslavia—unsolved problems remain: the Albanians of Kosova—who, I would note, are not represented at the European Community sponsored Peace Conference on Yugoslavia—are still suffering under the weight of tremendous repression, and the terms under which recognition will be granted to the Republic of Macedonia are being worked out. Yesterday's recognition of Bosnia-Hercegovina, Croatia and Slovenia was just a first step.

I would like to extend my best wishes to the people of Bosnia-Herzegovina, Croatia and Slovenia on this important and historic occasion.

TRIBUTE FOR MS. ROBBIE L. LYLE ON HER RETIREMENT

Mr. PRYOR. Mr. President, I would like to take a few minutes to pay tribute to an extraordinary Arkansas woman, Ms. Robbie L. Lyle. Ms. Lyle will be retiring soon from Arkansas State University where she serves as assistant dean of University College and director of the program of academic skills and services [PASS], a position she has held since founding PASS in 1976. This program, funded under the Federal TRIO Program, is designed to provide disadvantaged students with educational opportunities they would not otherwise have.

Ms. Lyle has also been the director of the Upward Bound Program at ASU since she established the chapter in 1981. This program helps high school students reach their full academic potential by giving encouragement, individual tutoring, and advice to those who might not otherwise continue their education. Usually the students in Upward Bound are the first ones in their families to attend a postsecondary institution. Ms. Lyle's contributions to the education of disadvantaged students have earned her the respect and admiration of colleagues and the thousands of students who have been helped by these programs. Her dedication to providing low-income students with a quality education has become legendary at ASU. She has truly mastered the arts of counseling, advising, and teaching.

Ms. Lyle has also been a pioneer and an inspiring role model to educators in Arkansas and elsewhere. She was the first black woman to become president of the Arkansas Association of Student Assistance Programs (1978–80) and was the first woman to serve as president of the Southwest Association of Student Assistance Programs and the National Council of Educational Opportunities Association with her terms from 1982 to 1983 and 1985 to 1986 respectively.

When Ms. Lyle retires from ASU on June 30, 1992, she will be sorely missed. But, like many retirees, Ms. Lyle will not be idle. She has plans to build a restaurant in Jonesboro, AR, and will continue to champion the fight for more educational assistance programs for our Nation's youth. With her work for PASS and Upward Bound, Ms. Lyle has built an impressive record over the years that will serve as an inspiration to those who follow. She has made a difference to many of my State's youth and her efforts will not be soon forgotten.

MR. AND MRS. THOMAS FREEMAN—50TH WEDDING ANNIVERSARY

Mr. INOUYE. Mr. President, I rise today in tribute to Mr. and Mrs. Thomas Freeman, who will be celebrating the joyous occasion of their 50th wedding anniversary. Mr. Freeman wrote a heartwarming poem for his lady, while recuperating from a heart ailment. I would like to take this opportunity to share it with my esteemed colleagues.

LOVE

I love to see the sunrise and the morning dew.
I love to see the sunset in all its glory too.
I see the lightning flash and the clouds go rolling by.
I feel His presence in His heavenly sky.
I love the churches scattered throughout this great land.
I love the holy men and holy women too,
And all the sinners who are consecrated to you.
I love my doctors and nurses who held me by the hand.
And lifted me from despair into the promised land.
I love my family, friends, and business partners too.
Who helped me throughout my life to do what I must do.
The list goes on and on His powers do display.
Through out his universe each and every day.
And last but not least I love you mom you know I do.
Your laughter your smiles and yes your frowns too.
And when we lay down for our final rest.
A little bit of heaven will be our little nest.
With all the angels and the saints and our family
We'll be together always throughout eternity.
And so my brothers and sisters of this great wide world.
Be not afraid pick up his cross and give it a whirl.
Follow Him to paradise along that narrow road.
His story forever will be told and retold.
And when life's problems takes you to task,
Remember He will always help, all you do is ask.

Mr. President, it is rare to encounter a couple who have had a relationship which withstood the tests of time and have shared life experiences. I am honored and proud to have had a small part in a celebration of life and love.

IN RECOGNITION OF SENATOR INOUYE

Mr. PRYOR. Mr. President, I rise today to pay special tribute to my distinguished colleague from Hawaii, the Honorable DANIEL INOUYE. Recently, Senator INOUYE was featured in the George Washington University magazine, the magazine of his alma mater. The interview, "Inouye's World: A View from the Hill" recognizes the countless ways Senator INOUYE has served the people of Hawaii and the United States.

Senator INOUYE was first elected to the U.S. House of Representatives soon after Hawaii was granted statehood in 1959. We have been honored to have him in this Chamber since 1962, and the people of Hawaii continue to award him with election margins usually in excess of 70 percent. It is indeed an honor to work with this gentleman, this statesman, this peacemaker.

The leadership he has exemplified as the chairman of the Defense Appropriations Committee is appreciated and a comfort to all Americans as we come to terms with our role in the post-cold war era. His role on the steering committee for the Select Committee on Indian Affairs has brought great changes for Native Americans and he has made us aware that concerns of Native

Americans are, in his words, "matters of national concern to all of us."

Senator INOUYE is an esteemed graduate of the George Washington University Law School. He has given back to his alam mater in many ways, including serving on GW's Board of Trustees. He has been an advocate for adequate appropriations for the GW Hospital, the facility with serves the needs of the U.S. Government, the diplomatic community, and of course, the citizens of Washington, DC.

I noted with interest that Senator INOUYE said in the article that one of his greatest loves is health care and medicine and in particular thoracic surgery. It was almost a year ago that I became all too familiar with the impressive capabilities of the George Washington medical facilities.

The George Washington magazine article, which I will submit for printing in the RECORD following my statement, is a fitting testimony to Senator INOUYE'S willingness to take on new challenges, to rise above and beyond the call of duty, and to meet those goals which he sets and are set before him. He is indeed an individual who has my respect, my support, and my friendship.

Mr. President, I ask unanimous consent that the GW magazine article about Senator INOUYE be placed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A VIEW FROM THE HILL

(By Robert Guldin)

It's a long way from Hawaii to Washington, D.C. Sen. Daniel K. Inouye, JD '52, one of GW's most esteemed alumni, took the first step on that journey back in 1950, when he began his studies at The George Washington University Law School

The Honolulu-born Democrat, who has served for the past 32 years as a member of Congress, launched his political career in 1953 as Honolulu's deputy public prosecutor. Inouye subsequently served for four years as House Majority Leader for the Territorial House of Representatives and as a member of the Territorial Senate.

Soon after Hawaii was granted statehood in 1959, Inouye won election to the U.S. House of Representatives as the state's first congressman. He has been on Capitol Hill ever since, sweeping election after election in Hawaii, with margins usually in excess of 70 percent.

A U.S. senator since 1962, Inouye gained national exposure and respect as a member of the Senate Watergate Committee in 1973–74. In 1987, Inouye served as chair of the Iran-Contra investigating committee, another sign of the high regard in which he is held by his congressional colleagues.

A World War II hero, Inouye was a member of the 442nd Regimental Combat Team, a Japanese-American unit from Hawaii which suffered extraordinarily high casualties while earning more decorations for battlefield bravery than any other unit of its size. Inouye, who lost his right arm after leading his platoon up a heavily defended hillside in Italy's Po Valley, won the Distinguished Service Cross, America's second highest award for military valor, as well as a Bronze Star, Purple Heart with cluster and 12 other medals and citations.

Through the years, Inouye has remained a friend of The George Washington University, serving on the University's Board of Trustees from 1981 to 1991. Here, GW Magazine meets the man behind the public persona.

GW MAGAZINE. How did you wind up coming all the way from Hawaii to George Washington University to attend law school?

INOUYE. That's very easy. I wanted to be a politician. Originally, I wanted to be an orthopedic surgeon but my war injuries made that impossible. After I went through a whole series of tests and examinations, my advisers in the military suggested that I should either teach or do social work or be a politician—so I opted for that. This is the nation's political capital, so GW was a natural choice. But in order to satisfy myself, I did apply to other law schools, and I was accepted there as well.

But I have to tell you the day after I arrived here, I wanted to get out.

GW. Why was that?

INOUYE. Because at that time, GW, unbeknownst to me, was segregated. Of course, the University desegregated in the early 1950s and has a good ethnic mix nowadays. But I recall the day after going through the registration ritual, visiting the assistant dean of the law school—I just happened to casually mention, "I don't see any blacks here—why is that?" He hemmed and hawed a little and he finally came out and said that we don't admit black students. He pointed out that GW did accept students from Ethiopia because for some reason they were considered Aryan. Now you explain that to me! So, I seriously thought about leaving but then it was too late to go to another school, the rolls were closed. So I decided to stay and make the best of it.

GW. Was it difficult for you as a person of Asian ancestry at GW?

INOUYE. Not at all. I was accorded all the courtesies. They were good to me. In fact, I belong to a fraternity, where I had an interesting experience. I belong to the Phi Delta Phi. I was the exchequer of that group, the secretary-treasurer, and I had no idea about the blackball system of initiation. I'm from Hawaii and I never belonged to a fraternity. I didn't realize that I myself had gone through that process—that somebody must have submitted my name and I went through the blackball process and I was accepted. So I suggested two names: one was the chief editor of the law review—the brightest in the class—and I felt that we should have the brightest member. The other was a dear friend of mine, I won't mention the name because it might be embarrassing. Both were of the Jewish faith and they went through the blackball process and I was surprised that nine of my fellow fraternity brothers had tossed in a blackball. So I just told them, obviously it's not because they offend you with body odor, it's not because they don't dress well, obviously its not because they are stupid. They were the brightest in the class. So I must come to the conclusion that they opposed them because they were Jewish. There's no ifs or buts about it. Then I asked for one more round, and if there is any blackball I would consider that cast against me. I want no part of this. I'm happy to say that there were no blackballs. To their credit, all nine of my fraternity brothers came to see me afterwards. One of the blackballed members became the youngest commissioner of the Internal Revenue Service—Sheldon Cohen. I had some interesting times at GW.

GW. That's a great story. This was when, in the late '40s?

INOUYE. No, it was in 1951.

And then, there was a brief moment when I seriously considered dropping out of law school. This was the situation. About six months after I started law school, I would find myself getting dizzy, nauseous every time I went to school. But when I would get home, I'd feel fine. This would happen every day.

So I went to the VA hospital and they gave me a physical. Physically, I'm OK. The doctor said, "Well, it could be that you are psychologically resisting your studies; often the body reacts like this." So I visited the psychiatrist three times. He sat down, he asked me all kinds of questions about my mother, my wife. Each time he reported back: "This guy is normal."

Then one afternoon, I finished my physical and I put on my clothes. The doctor said, "Stop it, right there," and I said "why?" He called in the psychiatrist and he started getting hysterical, laughing, laughing. He says, "I got the answer!"

I was struggling to put on my tie. All throughout my adult life, whenever I put on a shirt, I always button it, I don't leave it open. I like to be correct in that sense. What had happened during my first six months in law school, was that I had picked up 20 pounds. I was choking myself! And so I turned around and I laughed with them, and I immediately went to a men's shop and bought myself a dozen shirts—with big necks. Sure enough, no more headaches, no nausea.

I had been baffled—I thought gee . . . I love law school, everything seemed fine, but something here must be telling me this is not my cup of tea, I better get out of this.

GW. Looking back now, do you feel that the experience at GW made a positive contribution to your life?

INOUYE. This was my first experience in working almost exclusively with people of the Caucasian race. You must keep in mind that I'm from Hawaii, where there is an ethnic mix. In fact, there's no majority group. All of us are minorities. So I found myself in a classroom where we Hawaiians constituted less than 5 percent. All the rest were white. It was a grand experience and I'm pleased to say that I learned a lot. I still maintain close friendships. One of my classmates was a very famous judge, Judge Harold Greene. Most of my classmates from Hawaii became politicians. One became president of the Senate in Hawaii and another was a member of the House and became a judge later on, so we did pretty well.

GW. You served for a number of years on GW's Board of Trustees. What was that experience like for you?

INOUYE. When I was asked to serve on the board, it was done with the understanding that I might serve as some sort of informal liaison with the Congress of the United States. Federal activity can have an impact on GW; after all, GW is a congressionally chartered university.

That's how I got involved with the GW hospital funding. When that matter got active, I resigned from the GW board, and I did so sadly. But I did it because I didn't want anyone to suggest that there was even an appearance of conflict of interest.

GW. In fact, that was one of the questions I was going to touch on. You obviously played an important role as an advocate for an appropriation toward GW hospital facilities.

INOUYE. It is important that the public and the news media become aware of some of these important facts about the role of the GW Medical Center. Number one: GW Hospital has a long history of serving the emergency needs of the United States government. This is where men and women working in the White House can easily go if they should become suddenly ill, not only because of its proximity but because the place has facilities appropriate to the needs of high government officials, including the president of the United States. Special telephone lines and other equipment have been put in, at no expense to the government of the United States. All of this extra cost has been borne by GW. It's also the hospital for much of the diplomatic corps, so if there's a problem among diplomats, they'll rush off to GW. A lot of it is pro bono.

Then GW hospital happens to be surrounded by a lot of the homeless population, the men and women who rest on steam gratings and such. Many of them come to the GW emergency room for medical care. GW has more emergency visits than any other hospital in the District except D.C. General, which is, of course, publicly supported. GW Medical Center provides about $30 million dollars worth of uncompensated care per year, much of it to the poor. Most other D.C. hospitals have been receiving assistance, either from the federal government or the District. If the District of Columbia were a state, GW might be receiving state assistance, but today it does not receive any sort of assistance from any level of government.

So I felt that here was a hospital, its major building nearly 50 years old, which has been declared to be a prime candidate for repair, renovation and rebuilding. I'm afraid that if the present condition is permitted to run, serious accreditation problems could emerge before the end of the decade. I thought it would be appropriate for the federal government to provide this assistance. When one considers $30 million dollars per year of uncompensated care, and GW's special rule as hospital of choice for the White House, this is where the action is.

Somebody has to pick up the tab for the costs the University bears in providing this public service. That somebody shouldn't be the student who has to pay higher tuition, the professor who has to take a pay cut, or buildings that need repair but have to go without repairs. The University cannot be required to sustain this level of philanthropy to the District. The government has a responsibility to help GW meet the costs of this public service.

Somehow the idea got around that the money for GW would come out of the D.C. budget, that it would reduce funds available to the D.C. government. But the GW money was always intended to be over and above the appropriation for the District. It would have been a boost to D.C. to get the GW hospital project on top of its regular appropriation.

I'll continue fighting for this funding. I was very disappointed with my colleagues—not with the Senate, they did OK. Something happened when it went across to the House side.

GW. You mentioned at the outset of this interview that you had at one point intended to be a doctor, an orthopedic surgeon. I know that you have had an interest in health care regarding the GW Hospital. Does your interest in health care stem from your early desire to be a medical doctor?

INOUYE. I suppose my first love would still be medicine. I find myself visiting operating rooms, putting on my mask, special shoe covers, my gown. Right now, the thing that intrigues me is thoracic surgery, opening a chest. I like open heart surgery; it's very exciting because that's a surgical procedure that requires precise team work. You use the artificial heart machine. I know some procedures so well I can almost tell them where to go.

GW. That's pretty amazing—I've never met anybody who is a fan of the operating room.

INOUYE. That's what I wanted to do when I was young.

GW. You grew up in Hawaii when it was a territory rather than a state. I know you've been very sympathetic all along to the goal of statehood for Washington, D.C., and for programs that benefit the District. Did your personal background as someone who didn't have full rights under statehood play any role in your interest in that issue?

INOUYE. Obviously. How can I, a beneficiary of statehood, now deny it to others who obviously are entitled to it?

I would say the program I pushed for which has had the biggest impact on Washington has been the Metrorail system. When I first became a member of the Appropriations Committee over 20 years ago, I became chairman of the Select Committee on the District of Columbia. During those days, you had no elected council or elected mayor. D.C. was run by commissioners, and in a real sense the chairman of the House committee and the chairman of the Senate committee almost served as mayors. We had to make the budgetary decisions and such. The Metro system was very much opposed by certain House people. I thought it was a good idea and I insisted on it. I'm glad I prevailed. Another thing: the construction of Metro provoked a great debate on disabled people. There was great opposition to putting in those elevators to assist wheelchair patrons. Some said the escalators are enough, but that would have deprived all people with mobility problems of access to the system. I insisted on those elevators, notwithstanding the cost. Now everyone takes it for granted.

GW. Let's get into some broader political questions. One of your most important roles in the Senate is as chairman of the Defense Appropriations Subcommittee. Where do you think military expenditures are headed in the next few years? Do you think we'll see a peace dividend from the end of the Cold War?

INOUYE. The military has a plan now, which I approved of, reducing our forces by one-third over the next five years. Some have suggested that we should accelerate this process, but I have suggested caution. In fact, there is some justification to slow it down slightly.

I realize that the Cold War is over as far as the Soviet Union is concerned. We are not threatened by a massive invasion by the Warsaw Pact. However, there are other areas of potential upheaval and violence. For example, in January of 1990, senior policy-makers of the U.S. government felt that the Middle East was tranquil, that Saddam Hussein was behaving. At that time the Pentagon was prepared to retire General Schwarzkopf and dismantle the Central Command—that's the command that took charge of Desert Storm. The same month the Commerce Department was preparing to open up a trade fair in Baghdad to convince the Iraqis to buy our aerospace technologies and computer technologies. In June of 1990 we were offering him $4 billion in agricultural credits.

But I was concerned about this chemical weapons program, his use of poison gas on civilians, so I introduced a measure to impose economic sanctions on Iraq. But the administration and many senators opposed sanctions, so I withdrew the measure. Then, on August 3, Saddam Hussein became the second Hitler of the century, and we imposed economic sanctions almost identical to the ones I had suggested in June. I cite this to tell you about the uncertainty in this world. Our democracy operates best when there is stability. Often times, stability takes a little money, a little muscle.

In addition, it's easy to forget about the economic impact of sudden cuts in military spending. We're in the middle of a recession now. Are we going to dismiss the people who fought in Desert Storm and send them into the unemployment rolls? Do we close up military production factories? Think about the impact on the banks, on unemployment, welfare—these all affect government spending, so what you save on the military, you may spend elsewhere.

GW. One of the hottest topics to come to the Senate's attention in recent years has been the Clarence Thomas nomination. What observations do you have on that process? Do you think the Senate took Anita Hill and the question of sexual harassment seriously enough?

INOUYE. First of all, I voted against Judge Thomas and I made my decision before the involvement of Anita Hill. Most Americans have already forgotten that; it seems like ancient history. The American Bar Association has been providing assessments of judicial nominees to the president for the past 25 years. During that period, I think the Bar Association evaluated 26 Supreme Court nominees. Of those 26, the lowest grade ever issued was that on Thomas. He was considered not even good. He had several votes that said that he was unfit judicially. That to me made a difference.

Then here is this man who is going to become a member of the Supreme Court who would tell the Judiciary Committee that all the years while serving as a judge and as an attorney, he never, never discussed with anyone Roe v. Wade. Never discussed abortion. Just about every cabdriver—whether he's from Pakistan or Jamaica—would be discussing that, the lowest-grade federal employee would be talking about it. It's on the front page all the time, and he's telling us that he has never discussed this. I had to conclude he was less than candid.

Judge Thomas also used reverse racism. I'm sorry that my colleagues were afraid to stand up to him. They were reluctant because he was black. I don't think Anita Hill was lying.

GW. You have a strong interest in Native American issues, and you were recently helpful in getting started a planning office for an American Indian Policy Center at GW. How did that interest of yours come about?

INOUYE. If you had interviewed me 10 years ago, I would have indicated to you almost total lack of interest in Native American issues. When I became a member of the Select Committee on Indian Affairs, it was not a committee of choice, although now that has changed. I got on because I was on the Steering Committee and I was asked to look for a senator to fill a vacancy that existed at that time. No one came forward. When I reported that to the Senate leader, he looked at me and said, "Why don't you serve on the committee?" My response was, "But Mr. Leader, we don't have any Indian reservations in Hawaii." His response was, "At least you look like one." I knew that he wasn't serious about it so I said OK. Then I became chairman and I decided that if I'm going to be chairman, I'm going to study it seriously now. What come forth was outrageous.

I learned, for example, that Indian tribes are sovereign nations who have dealt with the United States through treaty relations. There were 800 treaties with Indian nations, solemn treaties, all of them signed by the president of the United States. Of the 800 treaties, 430 were ignored by the Senate, my predecessors. We did ratify 370 of them. We insisted that the Indians live up to their promises in those treaties, but we proceeded to violate provisions in every single one of them.

Two hundred years ago, there were a minimum of ten million Indians in the 48 contiguous states. At the end of the Indian wars, there were about 250,000 living in misery. Today, there are about two million. Unemployment today in the United States is about seven percent. Among Indians it ranges from 35 to 95 percent.

Now I come to your question. Why did we set up the planning office for policy? I want to enable the Indians to think like a confederation of nations. The American government, the American people have been playing one tribe against another. They are so poor that they have no time to think about the concerns of other Indians. They are matters of national concern to all of us. This center at GW is where you can begin thinking nationally, to set up policy on sovereignty. That's my purpose.

GW. Let me ask one final question: the 1992 race for the presidency has started in earnest. Do you have any observations on the presidential candidates? Would you say that President Bush is beatable or unbeatable in '92?

INOUYE. He is obviously beatable. Unless there's a war in progress, during a national election people look at their pocketbooks. These days, when they open up their pocketbooks, they're pretty empty. People are very unhappy. We have many good candidates. I hope that the process will bring out the best.

GW. Any candidates you especially like?

INOUYE. You should know better than that. How do you think I lasted this long around here?

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is now closed.

CONCURRENT RESOLUTION ON THE BUDGET

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 106) setting forth the congressional budget for the United States Government for fiscal years 1993, 1994, 1995, 1996, and 1997.

The Senate resumed consideration of the concurrent resolution.

AMENDMENT NO. 1762

(Purpose: To express the sense of the Senate regarding foreign government subsidies)

Mr. DANFORTH. Mr. President, for myself and Senator BAUCUS, I send an amendment to the desk and ask that it be reported.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Missouri [Mr. DANFORTH] for himself and Mr. BAUCUS proposes an amendment numbered 1762:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING FOREIGN GOVERNMENT SUBSIDIES.

(A) FINDINGS.—The Senate finds that—

(1) the provision of trade distorting industrial subsidies by foreign governments puts some tremendous pressure on the United States Government to provide similar subsidies to industries in the United States; and

(2) any ratification of foreign government industrial subsidies would so increase the pressure for industrial subsidies by the United States Government as to undermine efforts to limit growth of government spending and reduce the Federal budget deficit.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that, consistent with the overall and principal trade negotiating objectives set forth in the Omnibus Trade and Competitiveness Act of 1988, the United States Government should not, as a matter of official policy, condone or legitimize trade distorting subsidies by foreign governments, that cause material injury to industries in the United States.

The PRESIDING OFFICER. Under the Budget Act, all time is controlled. The Senator from Missouri [Mr. DANFORTH] is recognized for 1 hour.

Mr. DANFORTH. Mr. President, it is my understanding there is not a time agreement on this amendment. Is that correct?

The PRESIDING OFFICER. The time is controlled. The Chair announces that the Senator from Missouri has 1 hour, the opposition has 1 hour.

Mr. DANFORTH. Mr. President, I yield myself such time as I require.

Mr. President, as is obvious from the reading of this amendment, it is a generic amendment. It is an amendment which deals in general terms with the problem of trade-distorting subsidies. As such, it is really a little more than a restatement of current law, a restatement of the Subsidies Code which was entered into back in 1979 in the Tokyo round of trade negotiations, and which was ratified by the Senate in implementing legislation passed by an overwhelming majority of both Houses in 1979.

The thrust of the policy then established was that subsidies are wrong; subsidies are wrong if they distort trade, and if they materially injure businesses in the United States. This is what is really restated in the amendment that has been sent to the desk.

So there is a general theme that is being addressed by this amendment. But the general theme has a specific backdrop. The specific backdrop is the Airbus agreement which was tentatively entered into by our U.S. Trade Representative last week, and which is going to be reviewed by a Cabinet committee at the end of this week.

The reason for bringing this matter to the floor of the Senate right now is that the Airbus agreement sets forth what I consider to be a major event in U.S. trade policy. Because the Constitution vests in the Congress the power to deal with matters of foreign commerce, I think it is important that Congress, even in a sense-of-the-Senate resolution, focus on the issue of trade policy in the agreement that was initialed or signed by the USTR last week.

It is my belief that that trade policy is absolutely wrong; that that policy is a contradiction to the Subsidies Code of 1979; that that trade policy cannot be allowed to stand; and, certainly that it cannot be the model for trade negotiations in the future.

With respect to Airbus, Airbus in its history, which is some 22 years now, has never earned a profit—not once. Airbus has been very heavily subsidized by European governments in the amount of some $26 billion, and solely because of those subsidies Airbus has been able to stay in business; solely because of those subsidies Airbus has increased its market share to the point where right now Airbus has about 30 percent of the world market.

The effect of this on the U.S. aircraft manufacturing business is obvious. The United States has been the primary aircraft manufacturer in the world. McDonnell Douglas, headquartered in my State of Missouri, has seen its market share go from about 30 to about 15 percent in the 1980's while at the same time Airbus' share of the market has gone from about 15 percent to about 30 percent of the market share.

What happened last week is that the U.S. Trade Representative, at least tentatively, agreed to an arrangement where, in effect, a safe harbor has been created for some, but not all, subsidies given Airbus by the governments that are participants in Airbus.

What the USTR has agreed to is that past subsidies will not be actionable, the United States will not pursue countervailing duty cases relating to past subsidies. Aircraft that are not in the development stage also will be grandfathered, and henceforth the only thing that will be allowed by way of subsidies for aircraft to be developed at some future time will be development subsidies of one-third of the cost development.

I am less interested in the specific terms of the Airbus agreement than I am concerned with the principle that has been established by the Airbus agreement. The principle established is that some subsidies henceforth are going to be OK, that the United States, as a matter of official governmental policy, will ratify and condone subsidies by foreign governments even though they are trade-distorting subsidies, even though they are subsidies which cause injury to U.S. industry, provided those subsidies are within certain contained categories.

Mr. President, I think that the broad issue that is raised is the issue of industrial policy. The broad issue that has been raised is the extent to which the Government of the United States, as a matter of official policy, is going to condone and ratify the industrial policy of other countries.

There are some who believe that we should have our own industrial policy in the United States. There are some who believe that the Government of the United States should select particular industries—for example, the aerospace industry—and that we should engage in subsidizing those industries ourselves.

That is a position which has not been adopted by this administration. It would be a position which would be highly controversial in the Congress and among the American people. But there are those who support the idea of industrial policy.

What we are talking about now is whether we should move away from the agreement that was entered into among the nations in the GATT back in 1979, backpedal from that agreement, and allow some subsidies for a major industry, even though those subsidies are in point of fact less than what are given now by Airbus. We as a government would be officially ratifying the concept of subsidies. I do not think we can do that unless we, in turn, open ourselves up to an industrial policy of our own.

I do not understand how we as a government can say that it is quite all right for the Europeans to have a subsidy scheme to support a major industry unless we are also willing to join in our own subsidy scheme for the same industry. Otherwise, we are saying that the so-called concept of a level playing field does not apply at all. Otherwise, we are saying that the Europeans may as a matter of right, may as a matter of law, agree to their program of industrial policy. The United States will bow out of that game, and I do not understand how we can compete in any major industry on that basis.

So what we intend to do with this amendment is to state that we meant what we believed we were voting on back in 1979: that the Government of the United States does not condone, does not ratify, and does not approve trade-distorting subsidies that cause injury.

I might say, Mr. President, that this issue with respect to Airbus is precedential. It creates a precedent. For example, just recently, until the U.S. steel industry decided that it could not live with the proposed agreement, our trade negotiators were in the process of working out a multilateral steel agreement, which would create a safe harbor for certain types of subsidies provided in the steel industry. Similarly, the so-called Dunkel draft of the Uruguay round does provide for authority for certain kinds of subsidies. And our trade negotiators will be dealing with the Dunkel draft proposals.

I think that it is important for us in Congress, with the constitutional authority, to deal with matters of trade policy, to state a clear position on what our view is with respect to the issue of subsidy. And it appears to this Senator that we should adhere to what we agreed to back in 1979. In 1979, we said subsidies are wrong. Now our trade negotiators are saying that some subsidies are fine; some subsidies are quite all right. If we proceed down that road, I do not see how we are going to come out of it without a subsidy program of our own.

So that is the nature of the amendment that is now before us. I am prepared to debate it in some degree of length.

Mr. ADAMS. Will the Senator yield.

Mr. DANFORTH. Yes.

Mr. ADAMS. Mr. President, I rise in support of the amendment offered by the Senator from Missouri. We have had personal experience with this in selling airplanes from the Boeing Co. When I was in private practice, and since I have been in the Senate, I have seen it happen both times. I give the example of Algeria, where the French came in and offered agreements of buying natural gas for lesser prices that would subsidize their planes.

I am familiar with Airbus. I was in Europe when it was being built. They spent billions on that which has never been written off. This gives a very unfair advantage to one of the few experts we still have, that we are a dominant factor on, in the world.

So I hope the amendment of the Senator from Missouri is agreed to. I am in support of it, and it is very unfair what is happening in the subsidy business. Because without subsidies, the American airplane manufacturers in the Senator's home State, in my home State, and in the rest of the United States, are superior to any in the world. I thank the Senator very much for granting me this amount of time.

Mr. DANFORTH. I thank the Senator. I say in conclusion, Mr. President, that we really have three alternatives that we can pursue. One alternative is to enforce the law, to bring a GATT case, or to bring a countervailing duty case and enforce the law. That is one possibility. It is what I would recommend.

A second alternative is what the administration apparently is now in the process of agreeing to; namely, to backtrack from what was agreed to back in 1979 and to officially endorse the practice of subsidies. To me, that is the worst approach. The third possibility is to do nothing.

I, frankly, would rather do nothing than to say that the 1979 Subsidies Code is a thing of the past, and that the point of negotiating a trade agreement is not to enforce it. We have now been engaged in 6 years of negotiations on the Airbus issue; 6 years of negotiation have led to a proposed agreement, whereby, the United States says: Forget about 1979, we are now going to condone some subsidies. There is not even an enforcement mechanism in this agreement.

So, presumably, if the Europeans said: Well, the one-third development subsidies which you now say are fine, we are going to go beyond that, and we are going to have more subsidies than the one-third development costs. If the Europeans were to say that, presumably, the position of our Government would be: Oh, well, now that you put it that way, we are prepared to roll up our sleeves for yet more negotiations and more back-pedaling from where we are today. I think we have come out of this with absolutely nothing. I think that the time has come for Congress to debate it.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, I ask the manager of the bill if he might yield me up to 10 minutes of time. If I do not use it all, I will yield it back.

Mr. SASSER. I am pleased to yield the Senator 10 minutes. Am I managing in opposition to the amendment?

Mr. PACKWOOD. I think so. I am not sure that, in the long run, there is going to be opposition.

Mr. SASSER. I yield to the Senator such time as he may consume.

Mr. PACKWOOD. Mr. President, when I say I think there is going to be no opposition, I would have been in opposition to this resolution, as I understood the way it might have been originally drafted.

As it is drafted now, I support it. Our good friend from Missouri raised a very valid point in terms of the subsidy code, and are we retrenching on it, and do we want to enter into agreements that in essence say: As nice as the subsidy code was, and the fact we want to get rid of subsidies, we will make an exception. I think we are not making an exception now.

He talks about the Airbus and, on occasion, I find that we talk in acronyms here. It is just a big airplane. We call them "airframes." They are 747's; they are L–1011's; big planes, such as DC-10's, usually passenger airliners, but not always. Some years ago, the Europeans decided to get into business with the Airbus, another big airplane. They got into it with immense subsidies. Boeing, McDonnell Douglas, and Lockheed were the principal suppliers of these planes to the world, on a tremendously competitive basis between the three American companies. And they are one of our biggest dollar earners, in terms of exports.

Last year, we sold over 39 billion dollars' worth of planes overseas of this type. So we justifiably were concerned when Europe got into the competitive building of these planes on an immensely subsidized basis. To her credit, Carla Hills, our Special Trade Representative, the U.S. Trade Representative, has negotiated an agreement with Europe that will reduce the subsidies rather dramatically. Boeing and McDonnell Douglas think this is a good agreement, because it is going to put them in a more competitive position than they have been in before this agreement.

But, initially, I think our good friend from Missouri thought that by the very act of agreeing to the agreement, we would be condoning the start of an industrial policy that included subsidies. And if that was the case, I would be opposed to it. I think a good many people in the Senate would be opposed to it.

But that is not the purpose of the agreement between the United States—and this agreement is not yet concluded I might say—and the European countries. It is still in the final throes of negotiation. Based upon the preliminary information we have had to date, there is no question but what the subsidies will be reduced, and that the roughly $8 million per plane subsidies that the four European nations—I say this collectively—in the consortium manufacturing this plane have been pouring into it makes it a very competitive plane.

But with that subsidy, Boeing and McDonnell Douglas—Lockheed is now out of the major civilian aircraft business—have been able to keep a majority of the world's market, although a shrinking portion of it.

I rise to compliment my good friend from Missouri for calling to our attention and alerting us not to get dragged unintentionally into an acknowledgment, a recognition, an agreement that we will undo our opposition to subsidize. He has alerted us in time, and I think his resolution very clearly says we are not backtracking and saying let us now go for an industrial policy and we will pick winners and loses, we will do subsidies, and they will, and we will see who subsidizes more and who wants to subsidize which industries.

So I am going to vote for his resolution. I am delighted that it has been presented in its amended form because it is very clear now that, if the United States can conclude—and I want to emphasize again we have not yet finalized the agreement—but if the United States can conclude this agreement with Europe, it will take perhaps our most competitive export industry, large airplanes, and put them in an even more competitive position.

I thank the Chair, and I yield back the time that I did not use.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I ask whoever controls time to yield me time.

The PRESIDING OFFICER. It is the opinion of the Chair that in this unique arrangement, since the chairman of the committee is supportive of the amendment, that the Senator from Missouri [Mr. DANFORTH] controls an hour and designates the Senator from Oregon [Mr. PACKWOOD] to control time.

Mr. BAUCUS. I ask him to yield.

Mr. DANFORTH. I yield to the Senator from Montana such time as he requires.

Mr. BAUCUS. Mr. President, I rise in strong support of this amendment. I compliment Senator DANFORTH for his leadership on this issue.

The administration advocates the Airbus agreement as a substantial improvement over the status quo. I do not disagree with this assessment.

The problem, in my view, is much bigger than Airbus. The problem lies in how we set our sights. We have entered a new era, our trade policy remains constrained by the narrow blinders of another age.

Let us not forget the starting point in the dispute over Airbus. In the past 20 years, the Europeans have subsidized Airbus to the tune of $26 billion. These subsidies violate the GATT subsidies code, and injure America's most competitive manufacturing export industry.

What good are new trade agreements? What good is a Uruguay round agreement if the United States is not willing to stand up for its existing rights?

I am fully aware of the support for the Airbus agreement from Boeing and McDonnell Douglas. Frankly, our industries are in a tenuous position when the United States engages in tough negotiations. The opposing party in this trade dispute is also a customer. I understand the concern of our airplane manufacturers. But it is the delicate position of our industries that necessitates tough action by the U.S. Government. The Government, in some cases, must play the bad cop role. The Government must do what industry cannot. Moreover, we must realize that the interests of individual companies do not always align with the interests of the nation as a whole.

Companies must look to the bottom line. Multinational ownership often pulls companies in several directions. I am not criticizing economic interest or foreign investment. But I am saying that Government, when it sets national trade policy, must consider more than the wishes of individual companies. At a certain point, the United States must draw the line. Our trading partners play a rough game, and they play for keeps.

This debate is about more than Airbus. Unfair foreign subsidies are a serious problem with many of our trading partners. For example, we are currently embroiled in a dispute with Canada over that country's blatant subsidization of its natural resources industries.

Condoning subsidies in the Airbus context sends precisely the wrong signal to the Canadians. It suggests that if they fight long enough, the United States ultimately will allow some level of subsidization. We cannot allow such a result. The Airbus agreement also sends the wrong signal to Geneva. We are a week away from the deadline for the Uruguay round.

Deals are being cut with the national interest at stake. The trade policy decisions we make in the next days and weeks will set the tone for decades to come. It is not a good time to signal weakness, a terrible time to signal that the United States will continue to tolerate business as usual. For too long, business as usual in trade negotiations has meant that the United States comes up on the short end. When the United States is in the right, we do not have to accept half a loaf. But one thing is sure: If we accept half a loaf, that is all we will ever get.

Again, I want to commend the Senator from Missouri. I think he has done a very commendable job here bringing it to the Senate's attention.

Mr. PACKWOOD addressed the Chair.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. PACKWOOD. Mr. President, you were very generous and volunteered me to control the time on this side.

I am going to yield 15 minutes to the Senator from Washington and delegate him to control the remainder of the time.

The PRESIDING OFFICER. The Senator from Washington is recognized for 15 minutes.

Mr. PACKWOOD. I thank the Chair.

Mr. GORTON. Mr. President, as was the case with the distinguished Senator from Oregon, I came to this debate prepared to be opposed to a resolution which was designed to undercut the agreement made between our U.S. Trade Representative and representatives of the European countries which have manufactured Airbus. I find, however, that in my view the resolution is irrelevant to that agreement and, therefore, like the Senator from Oregon, I am perfectly willing to vote in favor of the amendment.

I listened with interest to the attempt by the Senator from Montana to say that the agreement and the amendment are inconsistent with one another. But I was not persuaded because, of course, the amendment quite properly speaks only of trade subsidies which cause material injury to industries in the United States.

It is curious that the Senator from Montana would say that we should ignore the views of the only two aircraft manufacturing companies in the United States, companies which represent a great majority, the overwhelming majority, of all of the production of such aircraft in the United States, and their support for this agreement. I submit, Mr. President, that the national interest in this case is almost certainly more to be found in the views of the very companies on whose behalf these negotiations were carried out and whose views were consulted at every step during the negotiation than it will from last-minute critics here in the U.S. Senate.

So, Mr. President, I will vote for the resolution. But I do believe it appropriate to disagree firmly with the position on the Airbus agreement as stated by both the Senators from Missouri and from Montana.

First, Mr. President, it is vital to keep in mind the framework within which these negotiations took place. Airbus is a company which began its work in 1970. During the course of more than 20 years since that time, subsidies from the four European countries which own Airbus have been, for all practical purposes, unlimited and have certainly been unchecked by any free trade argument also made here in the United States.

Airbus subsidies now total some $26 billion from those governments, or about $8 million for every aircraft which Airbus has produced and sold. Certainly, this Senator will take second place to no individual in this body with respect to his urging of the administration to negotiate an end to these subsidies. All of us would feel far better off it there were such subsidies at all. That was and, for that matter, remains the goal of the administration and of the U.S. Trade Representative.

But there is a classic case in which a demand for perfection is the mortal enemy of the good. To take the position advocated by the two Senators from Missouri and from Montana will mean in the real world that these subsidies will continue unchecked. We will not get out of these negotiations at this time—the agreement of the Airbus governments to end these subsidies in their entirety—this agreement does not create a level playing field, but it certainly does tend to level that playing field and tend to reduce or to remove the slippery slope on which our aircraft manufacturers have been operating over the last several years with a substantial decline in their overall share of aircraft sales.

Mr. President, I suspect that we will find plenty to criticize in connection with trade negotiations in and outside of the GATT. I would suggest, however, that we would be well advised to reserve those criticisms for mistakes which our negotiators may make in the future rather than to expend them on an agreement which is almost certainly better than any agreement which we had a right to expect.

These negotiations have gone on now for 5 years. The subsidies to Airbus have gone on for 20 years. We have a good agreement and we should enthusiastically support that agreement while, at the same time, continuing pressures for a better agreement in the future.

There are four specific ways, Mr. President, in which this represents a very significant step forward. First, it calls for an end to all production subsidies for Airbus aircraft. We cannot tell, because of the way in which Airbus has accounted for its expenditures, exactly what that means, but production subsidies seem to have amounted to several millions of dollars for each and every aircraft so far manufactured by Airbus at this point. This will end. This part of the subsidy is a complete wipeout. It will not take place again in the future.

Second, this agreement will end a particularly pernicious connection between Airbus and the governments which own it. On numerous occasions in the past, both Boeing and McDonnell Douglas have been faced with a coincidence of a sale by Airbus and the almost contemporaneous allowance, say landing rights in the countries which manufacture the Airbus, tie-in arrangements of that sort, government-subsidized lower interest rates on these loans. These subsidies, these unfair incentives will be terminated completely as a result of this agreement.

Third—and this is the key to the criticism on the part of those who dislike the agreement—developmental research subsidies will be defined and limited to 33 percent, 33 percent which must be paid back over a reasonable period of time and with interest.

This is a lot higher than zero, Mr. President. At first blush it may seem not to be too good of an agreement. On the other hand, to the best of our ability to determine the facts of the past, developmental subsidies have been anywhere between 75 and 100 percent for those aircraft already developed by Airbus. I doubt if we were to negotiate for another 5 years that we would get a lower research and developmental subsidy than the one which we have as a result of this agreement. And by refusing to ink this agreement, by demanding another set of negotiations, we would simply encourage continued 50, 75, or even 100 percent subsidies for research and development in the interim.

Finally, although this may be the most difficult element in the agreement to understand, the agreement provides for real transparency.

Transparency means the disclosure of operations on the part of Airbus which we can monitor and verify. For the first time we will be able to determine whether or not Airbus is operating at a profit or a loss and, if so, how much that loss is. We will have all kinds of financial information available which is not available to us at the present time.

I have already said, but I simply wish to repeat, that during this entire 5-year negotiating period our negotiators were in constant and direct contact with top officials of Boeing and of McDonnell Douglas. They have wanted an agreement limiting—or of course eliminating—these subsidies during the entire 20-year period during which they have taken place. Each of them is satisfied with this agreement as making a major step forward for an industry which provides, in the case of Boeing, the largest single figure of export earnings from any corporation in the United States. Perhaps perfection was available. But I think not.

As recently as December, in discussing this matter both with the U.S. Trade Representative and with Boeing, it looked as though any agreement would be less favorable to us than is the one which we have reached at this point. Moreover, this agreement does not limit the ability of any American manufacturer to file an action for countervailing duties. But filing an action for countervailing duties is exactly what our industries have not wished to do. They have not wished to do it for a very good reason. We continue to dominate the world aircraft market. The retaliation to those countervailing duties would be a cure far worse than the disease to which we are subjected at the present time.

The estimate of the U.S. Trade Representative is that the total subsidy that we may have, after payback, may be approximately 1 percent of the total cost of these next planes. That is a figure which is much smaller than the subsidies are at the present time.

The Airbus agreement is a very good deal for the people of the United States. We have a deal which is far better than anything we could get under GATT, even if we were successful in applying for countervailing duties. I believe, in short, that the administration has taken a tough line and has taken a successful line in this connection.

Nevertheless, when I get to this point of this argument I find myself faced with a sense-of-the-Senate resolution which of course does not mention the agreement at all. The sense-of-the-Senate resolution simply says that we should not, as a matter of official policy, condone or legitimize trade-distorting subsidies by foreign governments that cause material injury to industries in the United States, and that we should operate consistently with our 1988 Trade Act.

I submit that not to sign the Airbus agreement would cause material injury to industries in the United States. It is to avoid those injuries, it is to make us more competitive, it is to arrest the slide in our share of the international aircraft market that this agreement was initialed. Therefore, with an open heart I can vote for the resolution because the Airbus agreement is not in disagreement with it.

The PRESIDING OFFICER (Mr. SHELBY). The Senator from Missouri.

Mr. DANFORTH. Mr. President, I yield myself 10 minutes.

Mr. President, I understand the rope-a-dope defense when I see it, and that is precisely what is happening with respect to this amendment. It is a good strategy, basically to say, well, there is nothing in this amendment that we do not agree with. But I would point out to the Senate that it is the intent of this amendment and it is the fact of this amendment to expressly contradict the kind of agreement that has been negotiated by the U.S. Trade Representative with respect to Airbus.

The proposed Airbus agreement is in exact contradiction to the point that will be made by the Senate in this sense-of-the-Senate language. The Senate, by adopting this amendment, will speak out against the proposed Airbus agreement and against the kind of negotiation that has been conducted with respect to the Multilateral Steel Agreement and against the proposal of the so-called Dunkel draft of the Uruguay round.

In the parlance of the trade negotiators, what they are talking about in Airbus, what they were talking about it the steel agreement, and in the Uruguay round, is the so-called red-light/green-light approach to trade subsidies.

By that they mean a redefinition of the Subsidies Code so that certain subsidies will be permitted henceforth. That is green lighted. And certain subsidies will be prohibited. That is red lighted.

That is the approach that was taken in the Airbus agreement. That approach is contrary to the Subsidies Code, contrary to what the Congress agreed to back in 1979, and contrary to what this amendment says.

This amendment says that the U.S. Government should not condone or legitimate trade distorting subsidies that cause material injury to industries in the United States. That is not the position that the USTR has taken with respect to Airbus. With respect to Airbus, the U.S. Trade Representatives proposes that our Government say, as a matter of official governmental policy: Some subsidies henceforth will be condoned and we as a Government will condone them, and we as a Government will not act against them. We will not enforce the Subsidies Code. We will not enforce the countervailing duty law. We will initiate nothing at all. Law enforcement is over.

The problem with trade negotiations by the United States is simply this. We are very good at negotiating agreements. Then when those agreements are not complied with by our trade partners, we then proceed over a very long period of time, 6 years in this case, to renegotiate the deal. Negotiation leads to renegotiation. If the other side does not comply, we do not enforce, we renegotiate. If the Subsidies Code is not going to be complied with by the European countries with respect to Airbus, all right, we will not enforce our rights. We will simply renegotiate the deal to provide something that maybe they will comply with. With no enforcement mechanism at all.

We say, in effect, to the Europeans: All right, you have broken your promise, you have proceeded with your subsidy scheme, now will you not make another promise that is not as onerous as the old one and we will take your word for it this time with no enforcement at all. That is what this deal is. That is the kind of negotiation that we are coming up with, and it is wrong. It absolutely wrecks the credibility of trade negotiation. What is the point of it? Why engage in year after year after year of negotiation if we do not enforce anything? Why engage in year after year of negotiating the Tokyo round in the 1970's if the only effect is 6 years of renegotiation followed by nothing at all? It is silly. It is empty. It is not trade policy at all. It is weak, vapid, nothing.

I want to make it clear that this amendment is worded in such a way as to oppose, even though it is sense of the Senate language, the Airbus deal. I would only say that I do not share the view that the Airbus deal is a good deal. I think it has so many holes in it that it is ridiculous. It says you can have some subsidies in the future. It does nothing about subsidies in the past. It is not verifiable by any independent auditor. There is no enforcement mechanism in it. It is a lousy deal, but it is a softer deal for the Europeans than the Subsidies Code. Give them what they want.

Mr. President, I had hoped that there would be a little more fight in the fish than I am seeing on the floor of the Senate today by those who support the Airbus deal. But if they want to stop fighting and sort of float into the vote, that is fine. That is one strategy on the floor of the Senate, but I hope that there is not a single Member of the Senate who views this amendment as in the least bit compatible with the Airbus deal. It is absolutely, totally incompatible with the Airbus deal. And it is the intention of the author to repudiate the Airbus deal; to say that this is bad trade policy; that the Airbus deal is wrong; that it is the wrong direction; and it should not be pursued with respect to the Uruguay round or a steel agreement or anything else.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who controls time?

Mr. GORTON. Mr. President, this Senator controls time.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I have the greatest respect both for the oratorical abilities and the drafting abilities of the distinguished Senator from Missouri. If the distinguished Senator from Missouri had wished to draft a resolution specifically repudiating the Airbus agreement, he was, of course, perfectly capable of doing that.

What he has drafted has been a resolution that probably is not worth the 2-hour debate which we are taking on it because it contains nothing but unexceptionable language with which every Member of the Senate can agree.

The Airbus deal is, in fact, a good deal in the real world for the people of the United States. The two companies which are affected by it feel that it is a good deal. It is very likely to arrest the loss of market share which we have at the present time. Those two companies retain all of their rights to file countervailing duty petitions under this agreement. They lose no rights which they have at the present time. They have not chosen to file such complaints under the present unlimited subsidy arrangement for a very good reason. Since so large of a percentage of the market for aircraft is outside of the United States, a successful countervailing duty petition could have no real impact on the problem with which we are faced.

The U.S. Trade Representative has done a good job. The Trade Representative's work should be commended. It is commended by many in this body. The resolution we have before us is irrelevant to it.

On one additional note, Mr. President, the Senator from Montana is no longer here, but he raised the specter of some kind of conspiracy which entered into even Americans flag airlines, such as Northwest, in this connection stating that he suspected that the reason that he had traveled on Airbus aircraft on Northwest Airlines is that it was 49 percent owned by KLM. Mr. President, simply for the record, KLM itself, a European airline, owns 45 aircraft manufactured by Boeing, 6 aircraft manufactured by McDonnell Douglas, and 10 manufactured by Airbus. That is a perfect illustration of what is involved here. We are selling more aircraft in Europe now than the Europeans are. This agreement is an attempt, I think a successful attempt, to keep ratios like this in the future rather than to lose them. Not to agree to this arrangement would have exactly the opposite impact.

So I can vote with a free conscience for this resolution because the resolution does not match the oratory of the Senator from Missouri.

Does the Senator from Rhode Island wish time? I yield 10 minutes to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. CHAFEE. Mr. President, it seems to me this debate today has been proceeding on two levels. One level deals with the content of the resolution, which nobody seems to be able to find fault with. Indeed, it is my intention to vote for the resolution.

The other level of debate, Mr. President, deals with the proposed airbus agreement itself. It is an agreement that has not been finalized and entered into yet, but it is an agreement that has been negotiated for years and just recently concluded. The question is, is it a bad agreement, as the Senator from Missouri seems to indicate, or is it a good agreement, one that might well be better but still appears to be quite good?

Mr. President, I do not come from a State that contains either Boeing or McDonnell Douglas. However, in reviewing the agreement and seeing the support given to it by our domestic aircraft industry, it seems to me that there is considerable merit to the agreement.

I would point out, and it is worth repeating, that there is much in the agreement that could not have been obtained through the regular GATT process. A GATT case would only address the basic matter of subsidies. The agreement, on the other hand, deals not only with subsidies but also with sales financing, sales inducements, offsets, trade dispute resolution, definitions and other matters. These are issues which, as I mentioned before, would not be solved if you were to pursue the GATT route.

In addition, I think it is important to point out that contrary to what the Senator from Missouri seems to suggest, success in a GATT case is not always a sure thing. There is considerable uncertainty; it is not simply that all that needs to take place is for somebody to have some guts and press a GATT case in order to be certain of victory.

Certainly Boeing does not feel that way. Boeing states in its official statement on the agreement that a victory in a GATT case in the area of subsidies is far from certain. Nobody is sure that they are going to prevail. Even if they think they might prevail they also are aware that a case would take several years, and involve contentious arguments over jurisdiction and form and procedure and the relation of the aircraft code to the subsidy code. This apparently is one of the reasons why Boeing is supportive of this agreement.

Also, it is worth reinforcing the point made by the distinguished Senator from Washington: That U.S. industry under this agreement does not give up its right to initiate trade actions, be they for violations of this proposed Airbus agreement or for those industry matters not covered on the agreement.

So I think that the Senator from Missouri is somewhat harsh in his criticism of the agreement and of our U.S. trade negotiators. I believe he termed the agreement "vapid," "of no consequence," and as representing complete collapse of backbone on the part of the U.S. negotiators.

I am just not sure that is the case. If I could put in a word on behalf of the USTR, Ambassador Hill's and her agency, I would say that there seems to be considerable merit to the work they have done. And I must say, Mr. President, that we cannot overlook the fact that the two principal U.S. entities affected, namely Boeing and McDonnell Douglas, are both in favor of the agreement negotiated by USTR.

It is great fun for us to get on the floor and discuss the agreement and attack it or defend it, but the fact is that a proposal has been put forth and it seems to have U.S. industry support. Let me conclude my voicing my view, Mr. President, that there is considerable merit to the agreement. Is everything perfect? I suspect not. I have not seen an agreement yet where both sides go away completely happy, where each has achieved everything it sought. But the Airbus agreement just announced does put an end to a very contentious issue that has dogged these parties for some 5-plus years.

So, Mr. President, may I put a word in for the beleaguered USTR and her agency against the powerful oratory of the distinguished Senator from Missouri, who has reduced them to a status where they could only emerge from their hole after his shelling with some fear and trepidation. So I extend a warm hand of greeting to the USTR.

I thank the Chair.

Mr. DANFORTH addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DANFORTH. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. DANFORTH. Mr. President, I ask unanimous consent that Senator DURENBERGER be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DANFORTH. Mr. President, I simply want to respond to the Senator from Rhode Island. I give enormous credit to the people at USTR. I think that they are terrific trade negotiators, and have been for a long period of time.

I think they did a great job of negotiating the Subsidies Code in the 1970's, and when the Europeans did not comply with that after a period of 6 years, they have done a good job of renegotiating the next deal. And when that is not complied with, undoubtedly they will do a very lawyer-like job of negotiating yet another deal, and on and on, ad infinitum.

I think that the policy of our Government is to negotiate as many deals as anybody wants negotiated. Enforcement is a different matter. But negotiation is the great forte of the USTR.

I yield 5 minutes to the Senator from Montana.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BURNS. Mr. President, I thank my friend from Missouri. I also associate myself with his comments as far as international trade and being able to negotiate.

To my good friend from Rhode Island, who would say that some of us characterize the USTR as a bit feeble in negotiations, I would characterize our USTR just the opposite: Very smart and tough. But the basis of this whole sense-of-the-Senate is how much do we legitimize subsidies.

We do not build the Airbus or any of the aircraft, although we do have elements of Boeing in the State of Montana which said they would agree with this. Every time we get in these little squabbles, we go to thinking about our own constituency and sometimes our own area of expertise.

Those of us who live on a border, an international border, are very sensitive to trade, and whenever we see our position in international trade being taken advantage of by a country that offers subsidies to those products coming into this country—and that is the kind of situation we have now with Canada. I think my colleague from Montana, Senator BAUCUS, alluded to the situation with the soft wood and our Canadian friends to the north. I would also say we have problems in other areas.

We hear now of a tripartite-type of subsidy to live slaughter cattle coming into the United States from Canada. Whether they are impacting our market or not, there is a psychological impact to that market. I happen to believe they have impacted quite a lot. There, again, is an attitude: Do we legitimize subsidies?

We can also say the same thing in wheat that is coming in from Canada, sold through American elevators, and in essence in competition with our farmers in this country trying to market that wheat. Because once it gets here, once it is in the elevators of the United States of America, it becomes American wheat, yet it is in competition.

I called the miller in Oregon one time when I was concerned about Durum wheat coming in from Canada, going to Oregon—Durum is the kind of wheat that you make your pasta from—supplying the California market, when I found out that it is a transportation subsidy; he can buy that wheat in Canada just a little bit cheaper than he can buy domestic Durum wheat. The difference was the subsidized transportation from the southern part of Saskatchewan and Alberta into Oregon.

This is unfair, especially when we have a product on the shelf produced by Americans, a superb product, and we are taken out of the market by a little-known or little-seen subsidy.

So my support for this sense-of-the-Senate resolution comes from the general attitude, do we legitimize subsidies in all areas of trade around the world? It is my belief that Americans can compete, can do our share of the business, can put our people to work as long as we are given a level playing field in the area of trade.

I wish to point out and reiterate—and I imagine the USTR will be looking at this—yes, we can take legal action. You talk about going into the courts, but you are not going to get anything. I think the pork industry has already learned that, that countervailing suits do not work, especially when the court is sort of loaded against you.

I want to strengthen our USTR, to be strong in these areas. And whenever we make little separate agreements, that has to be between the parties. But I am very concerned about the products produced in this country, and I am very concerned about the people who work in our plants, and added values to our products. Because I think Americans should be working first, with added values, without the threat of outside subsidies taking part of their market.

Mr. President, I heartily support this sense of the Senate. I thank the Senator from Missouri for yielding me 5 minutes.

I yield the floor.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. DANFORTH. Mr. President, I yield 5 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized for 5 minutes.

Mr. SPECTER. Mr. President, I support the pending amendment. I urge that we go beyond this sense-of-the-Senate resolution and act to stop subsidized goods from coming into this country and to stop their first cousin, dumped goods, as well.

Free trade means a reasonable profit on top of the cost of production. The essence of free trade is that there be no subsidy, there be no dumping, and that there be reciprocity. The problem with our trade policy, is that too often it yields to foreign policy and defense policy considerations.

Last week, I introduced legislation, which I have been pushing for the past decade, to grant jurisdiction to the Federal courts to stop subsidized goods from coming into this country. I urge my distinguished colleague from Missouri, the author of this resolution, to support my legislation.

Mr. SPECTER. I believe that what we need in this country is more than the sense-of-the-Senate resolution offered by the distinguished Senator from Missouri and the distinguished Senator from Montana. We need some teeth to have an effective remedy to stop subsidized goods from coming into this country.

I know that whenever there is a request to expand the jurisdiction of the Federal courts, there are complaints from many quarters that the Federal courts are overburdened at the present time.

It is true that there are too many cases in litigation in this country. We are an excessively litigious country, but the cases which are in court pale in significance to the kinds of problems which are present in trade. The cases about which I speak would allow for injunctive relief to stop subsidized goods from coming into this country. Such cases are much more important than the bulk of the litigation which is now in court.

On March 31, the voluntary restraint agreements lapsed. The specialty steel industry is now at great risk of being victimized by subsidized goods coming into this country. In response, 12 cosponsors and I introduced legislation to extend the voluntary restraint agreements.

Right now we are seeking a meeting with the President to try to get some interim relief until there is a multilateral steel agreement which may provide some appropriate standards on international free trade. But until that time happens, Mr. President, I would like to see us do much more by way of legislation to open the Federal courts to stop subsidized goods from coming into this country.

At an appropriate time, I will bring this matter to the floor again. I am almost tempted to do so at the present time. I see a frown on the face of my distinguished colleague from Missouri because he and I have debated this issue many times in the past. But there will be an appropriate trade bill when we will bring that matter up.

I am hopeful we will attract the attention of the Trade Representative, the Secretary of Commerce, and the President of the United States to deal with some of the pressing problems on subsidized and dumped steel which are coming into this country. Keep in mind, though, that the steel industry is only one of many industries which are being unfairly treated.

The sense-of-the-Senate resolution which has been offered today, I think, is preeminently sound. I do not intend to ask for a rollcall vote because I am not the sponsor. I have a concern that should it pass by voice vote, it would be little noted, not that there is a great deal of note for any sense-of-the-Senate resolution. But when you have a large vote in favor of it, I think people take it more seriously. Nonetheless, I compliment Senator DANFORTH and Senator BAUCUS for offering this sense-of-the-Senate resolution. I do support it.

I thank the Chair. I yield the floor.

Mr. GORTON. Mr. President, I yield 5 minutes to the Senator from Texas [Mr. GRAMM].

The PRESIDING OFFICER. The Senator from Texas is recognized for 5 minutes.

Mr. GRAMM. Thank you Mr. President. I want to thank our dear colleague for asking that we listen to his speech. It was informative, as always. I appreciate having an opportunity to hear it.

Mr. President, I rise today simply to be sure that this good message, which we are trying to send to the President, our Trade Representative, and all of the "evil" foreigners who do not vote in American elections—I want to be certain that this good message is not missed by the same Congress that is about to send that message.

Subsidizing production is something that is as old as government. It is something that is richly practiced around the world. It is something that is waning in Eastern Europe and the former Soviet Union and in the developing world, but, unfortunately, it is something on the rise in the developed world in the G-7 countries, and it is especially on the rise in the United States of America.

My point is a simple, straightforward point. I thought about offering a second-degree amendment to include in the resolution. But, like the distinguished Senator from Washington, having read the resolution, I do not find anything objectionable in it. And I do not think we ought to hold up the debate on the budget to spend a lot more time on it and to debate a second-degree amendment.

But my point is a simple and straightforward point. If we are going to run around pointing the finger at other nations for engaging in subsidization of products that end up being sold on the world market, I support that. I think that subsidization is an unproductive practice that distorts trade, lowers wealth, lowers unemployment, and lowers world living standards.

But I think it is also important that we be aware that we are one of the world's great practitioners of subsidization. We provide a tremendous amount of subsidy to American industry and agriculture, and I simply remind us of the old adage that, if you are criticizing something in others, it is important that you begin by healing yourself.

I think we ought to take this amendment seriously, not only in our trade negotiations, but in our own policies. One of the reasons that I am so concerned about having a successful GATT negotiation is that I think it is vitally important that we begin to reduce our own subsidies, and we cannot do that until other countries stop their subsidies.

But I think this is an important amendment. I wanted to be certain that the message is not lost on those that are sending the message. I wanted to be certain that, in speaking so loudly to others, we did not miss our own message; that is, we ought to begin comprehensively looking at subsidies that American industry grants to itself. Unless we are getting ready to change our own practice, I think it is very dangerous to be pointing the finger at other countries in terms of their subsidization. I suspect that fingers will be pointed at us. Maybe in the long run that finger pointing may induce us to stop doing things that do not make any sense for our own country and for our own trade relations. Maybe if we were less hypocritical in our own trade relations, we would be more powerful advocates of fair and free trade around the world.

I yield the remainder of my time.

Mr. DANFORTH. Mr. President, I yield myself such time as I require, and it will not be long because I think we are about to wind this up.

I do not intend to ask for a rollcall vote unless some other Senator would like to ask for a rollcall vote.

Mr. BENTSEN. Will my colleague yield for a point?

Mr. DANFORTH. Of course.

Mr. BENTSEN. Mr. President, I would like to comment for just a moment on the concerns of the distinguished Senator from Missouri. He is quite right. We ought to be working against subsidies in any way we can, trying to see that we have better access to markets, and that we do not have governments joining with the private sector to overwhelm private initiatives and the free market system.

I appreciate the cooperation of the Senator on his resolution. I would like to say to him I think this subject ought to be further developed, and that we ought to do that in the Finance Committee. We should have the administration testify on their point of view to see if we cannot further develop this issue so that we have a better understanding between the Congress and the administration in this regard. I will do that at the earliest opportunity.

Mr. DANFORTH. Mr. President, I very much appreciate the comments of my chairman. I think that would be very helpful because, as I noted at the outset of my remarks, the language of this sense-of-the-Senate resolution has been drafted in a generic way. It has been drafted in a generic way for the reason that what is happening with respect to Airbus apparently is a trend with regard to U.S. trade policy. I think that trend is something that deserves attention.

We in the Congress have, under the Constitution, the responsibility to set trade policy for our country. I do not want to see us drift into this red light-green light approach to holding harmless certain kinds of subsidies without Congress weighing in. I think that is a very useful suggestion.

Mr. President, I want to wind this up by saying that I think that, as Senator GRAMM has pointed out, there is an underlying issue. And the underlying issue is are we going to get on an international binge of subsidies? Is the response of the United States to the subsidies of other countries going to be to condone those subsidies, and then set us up for our own subsidy scheme to respond to the subsidies of other countries?

I think that that would be a very bad policy for our country to follow. I think that the better approach is that which was set out in 1979, with the Tokyo round, the Subsidies Code. In 1988, when we passed the Omnibus Trade Act, we said that one of the trade objectives of the United States should be to improve on the Subsidies Code, to move forward to tighten that Subsidies Code, to expand it. Now the issue that has been raised by the U.S. Trade Representative is not whether we are going to tighten it, but whether we are going to withdraw from the Subsidies Code, whether we are going to provide for exceptions in the Subsidies Code, whether we are going to build into new trade agreements with our trading partners safe harbors, so that our trading partners can be assured that there are certain types of subsidies which, henceforth, are going to be agreed to by the Government of the United States.

It may be that, as a practical matter, the result of this agreement will be less subsidies for Airbus than is the case today. That may be. I do not think that is going to be true. I think that there are too many holes in this particular agreement. But the point that I am bringing to the floor of the Senate does not have anything to do with the details of this particular agreement. Rather, what I am attempting to do is to raise a question of trade policy; and the question of trade policy is: Should there be circumstances in which the Government of the United States concedes that certain types of subsidies will henceforth be permitted by our trading partners?

In the Airbus agreement, that is the approach that has been taken by the USTR. In the proposed steel agreement, that is the position that was taken by the USTR.

If that position is to stand, that amount to a fundamental change in trade policy for our country. If we are going to have a fundamental change in trade policy, Congress should initiate that change, not the executive branch. That is what the Constitution says. Therefore, I welcome what Senator BENTSEN has said, that the Finance Committee is going to be getting into this whole area of red light-green light, or as I would put it, safe harbors for certain kinds of subsidies.

I will not ask for a rollcall vote. I do not know if Senator GORTON wants one or not. I simply point out, in closing, that what this sense-of-the-Senate language says is that we do not condone, and that our Government should not condone trade-distorting subsidies by foreign governments. The point of it is that whether it is with respect to Airbus, or steel, or agriculture, or anything else, we do not condone, and our Government should not condone, a practice of allowing some subsidies, even though they would otherwise violate the Subsidies Code. This language, therefore, is inconsistent with the Airbus agreement.

Mr. President, I am prepared for a vote.

Mr. GORTON. Mr. President, under those circumstances, I yield my time.

Mr. HATCH. Mr. President, I am taking the unusual step of opposing the Airbus agreement recently negotiated by the USTR. I say unusual because I have been first to demand that orderly trade in today's economic climate requires well developed rules and procedures. Otherwise, the results will be cutthroat competition—the type that has led to trade wars, recessions, and punitively restrictive legislation and regulations in our own country and internationally.

Unfortunately, Mr. President, the Airbus agreement does not meet our national needs. USTR advises us that it has consulted with U.S. industry; however, that means just two manufacturers: Boeing and McDonnell Douglas. USTR has not negotiated with the thousands of small suppliers, the aftermarket industry in aerospace, nor with aspiring small airframe manufacturers that may someday seek entry into the large airframe market.

Market entry restrictions are the flaw inherent in the agreement, Mr. President. Airbus, having used production and development subsidies to give it a 30-percent market share, displacing McDonnell, now agrees to give up production subsidies. This, USTR tells us, is a victory. I disagree.

Airbus no longer needs production subsidies, since it is simply too prudent, as are its consortium government that have provided the subsidies, to begin production until it has orders in hand.

Second, we have allowed Airbus a 30-percent developmental subsidy. This will contribute in part to the production of prototype airplanes that Airbus needs for sales purposes. Under existing rules, prototypes can be built during the developmental phase of aircraft building.

Finally, Mr. President, having gained substantial market position through market subsidies, the U.S. and the Airbus consortium have now agreed to set a standard that will deny all other aspiring countries similar use of production subsidies to launch their own aircraft industries. I am not certain how the standard will affect the McDonnell-Taiwan negotiations. But I would think that the threat of an Asian Airbus was in the minds of the EC negotiators when they conceded production subsidies.

Mr. President, this is just one of several deficiencies that I have found in the agreement, and in the interest of time, I will limit my remarks to that particular concern. Thank you, Mr. President.

Mr. RIEGLE. Mr. President, I commend my colleague from the Finance

Committee for his resolution on what should be the policy of the U.S. Government with regard to the continued and increasing use of subsidies by our trading partners. This resolution rightly addresses the lack of common sense in the administration's trade policy.

Just last week, Congress received disappointing news that the administration had negotiated another agreement which will adversely affect the health of U.S. industries—aerospace and aerospace parts. The United States-EC Agreement on Commercial Aircraft locks in subsidies for Airbus and appears to have locked our industries out of their rights under United States trade law and the GATT.

Once again, the United States is saddled with a less-than-perfect trade agreement—one which will not yield real results for our industries and workers but which will further erode our market share and industrial base. The efforts of our negotiators on Airbus have condemned our largest export sector—commercial aircraft—to the same fate that has weakened or destroyed on our semiconductor, vcr, and television industries.

In addition, the agreement on Airbus is laden with loopholes. Under the agreement, it is conceivable that the European partners in this consortium could disguise their subsidy efforts in the future in a way that they are not easily identifiable under the agreement's transparency provisions. Where would this leave USTR in determining compliance by the European Community with the agreement?

USTR's style of negotiating agreements for the sake of negotiating must end. We do not have many other industries to bargain with. And, I do not want to see the administration continue to test the health of our economy in this manner.

Mr. President, before I close, I would like to bring to the attention of my colleagues, the 1992 National Trade Estimates Report on Foreign Trade Barriers which was released by the USTR on March 30, 1992. As far as I am concerned, this is not a progress report—it is a report of USTR's failures.

It sadly recounts the continued failure of USTR to aggressively open overseas markets for U.S. products. This report reveals that there have been high level discussions on some of the issues but, nowhere does it mention specific goals established by the USTR for achieving actual, substantial reductions in our overall, bilateral, or sectoral trade deficits with our trading partners. In fact, in comparing this recent report with the 1991 edition, the overall situation with regard to trade barriers faced by United States businesses, especially in Japan, is very similar to that which USTR reported in its 1991 report.

In this light, I question the utility of a process which allows the administration and its trade negotiators to identify and report on problems but renders them incapable of achieving real results for our economy and our workers. I will continue to push for passage of S. 2145, The Trade Enhancement Act of 1992, which calls for a 20-percent reduction per year over 5 years in our trade imbalance with Japan. A similar system, with realistic and fair benchmarks would be useful in confronting our trade problems with other nations, like the Airbus participants.

The Airbus agreement and the 1992 Foreign Trade Barriers report are signals that we need to seriously improve our resources, efforts, and will in trade regulation and negotiation. This is the key to success for U.S. industry in trade negotiations like those on Airbus subsidies—not agreements that overtly acknowledge the continuation of unfair trade practices and therefore, are not worth the paper they are written on.

Mr. ROCKEFELLER. Mr. President, I am pleased to add my support to the amendment of the Senator from Missouri [Mr. DANFORTH] which will put the Senate clearly on record in opposition to subsidies that injury U.S. industries.

This is not a new position for the Senate to take. When we approved the Tokyo round of trade negotiations in 1979 we endorsed a Subsidies Code that was intended to curb subsidies. Indeed, its failure to do so adequately has contributed to many of the trade problems we have had since then.

In addition, as the Finance Committee has met regularly with Ambassador Hills, consulting with her regarding the status of the Uruguay round, we have consistently sent what I believe is a strong message against subsidies. In my own view, one of the greatest weaknesses of the so-called Dunkel draft Uruguay round agreement, a text that was issued last December, is its provisions on subsidies, which actually represent some significant steps backwards from the already inadequate discipline of the Tokyo round Subsidies Code. I believe the prevailing view in Congress and in the committee right now is that the Dunkel draft would not be approved by the Congress in its current form, and one of the main reasons is its grossly deficient subsidies discipline.

One of the industries where subsidies have been the greatest problem is steel. Some years ago, when the VRA program was being initiated, Alan Wolff, a prominent trade lawyer and former Deputy Special Trade Representative under Bob Strauss, estimated steel subsidies in the European Community alone at over $37 billion between 1980 and the end of 1985. Those subsidies had a direct adverse effect on the U.S. industry. Essentially what happened was that European steel companies were able to export their unemployment to our industry. European companies kept producing and kept employing people, despite huge losses and uncompetitive production costs, while our belief in open markets cost us more than 250,000 steelworkers—some 60 percent of the work force. The economic devastation steel producing regions in West Virginia, Pennsylvania, Ohio, Michigan, Illinois, Indiana, New York, Alabama, and other areas suffered is incalculable. In my own State, both of our large companies, Wheeling-Pittsburgh and Weirton, underwent major changes, with the former ultimately filing for bankruptcy. Both companies have survived and have become competitive, but at a terrible cost in employment and economic devastation for the entire region.

In fact, our entire industry is now competitive, as detailed in an article 2 weeks ago in the New York Times, that I have previously placed in the CONGRESSIONAL RECORD, but it has come at a terrible—and unnecessary—cost, due to EC subsidies.

In the recently failed negotiations to produce a multilateral steel agreement, we saw a repeat of this same problem. Just as we came close to agreement, down to the last day of the talks, we saw the European Community rapidly sliding away from any reasonable position. They wanted to exempt a list of subsidies from the reach of our law. They wanted to include in that list regional subsidies, which has been the biggest problem our steel industry has had. They wanted to prevent the U.S. industry from filing trade complaints with our own Government until the EC had a chance to come in and try to persuade our officials not to accept the complaints. And finally, on top of all that, they wanted an ever-lengthening list of specific waivers from the remaining discipline of the proposed agreement. USTR and the Commerce Department wisely rejected these outrageous positions, as did the domestic industry, but the fact that they were advanced at all shows how little progress our trading partners have made in the last decade in bringing market discipline to the steel sector.

Adopting this amendment will not change the EC's mind about subsidies, I suspect. Their insistence on continuing substantial subsidies for Airbus is only the most recent example of their fixation. But adopting this amendment will send a signal to our own Government that the Congress will not condone the bad economics and bad politics of subsidies. Our workers have been the victims long enough, Mr. President, and it is time for the Congress to defend those workers clearly and convincingly. This amendment does that, and I urge Senators to support it.

Mr. BREAUX. Mr. President, I rise in support of the amendment proposed today by Senator DANFORTH expressing the sense of the Senate on foreign subsidies. I would like to call to the attention of the Senate the problems facing the U.S. shipbuilding industry as a result of foreign governments' shipbuilding subsidies.

The shipbuilding industry in this country is currently competing with its opponents at an enormous disadvantage created by subsidies provided by foreign governments to their shipyards. In 1981, the United States abolished its shipbuilding subsidies, while many of our trading partners have continued to subsidize their nation's shipyards. Simply stated, foreign shipbuilding subsidies are killing the U.S. shipbuilding industry. I believe that it is past time that we made a serious effort toward leveling the playing field.

In the 20 years that I have been involved in maritime issues, never has there been a more critical time for the U.S. shipbuilding industry than now. Only one commercial ship has been built in this country in the last 8 years. This is a disgrace.

The loss of the shipbuilding base in this country is not only a personal tragedy for the individuals whose livelihoods are threatened, but it is also a national tragedy. The well-being of our Nation's shipyards is essential to the well-being of our Nation's security. These shipyards build the ships for all of our Armed Forces. Without them we would be forced to rely on foreign builders—not a comforting thought.

As I speak today, the U.S. negotiators are coming home from a meeting in Paris at the Organization for Economic Cooperation and Development [OECD]. They were there attempting to reach an agreement to end foreign shipbuilding subsidies. Since the OECD talks were not successful, we must take some other dramatic action to counter these unfair trading practices. I believe a better approach would be through section 301 of the Trade Act of 1974.

I strongly support the amendment proposed today by Senator DANFORTH. The United States eliminated its shipbuilding subsidies over 10 years ago. It is past time for other shipbuilding nations to eliminate theirs. Only then can the U.S. shipbuilding industry regain its position as a competitive shipbuilding nation in the international marketplace. This resolution should send a strong message to our trading partners that we are serious about ending subsidies that distort trade.

The PRESIDING OFFICER. All time has been yielded back.

The question is on agreeing to the amendment.

The amendment (No. 1762) was agreed to.

Mr. DANFORTH. Mr. President, I move to reconsider the vote.

Mr. GORTON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, under the previous order, the next amendment to be taken up would be offered by the distinguished Senator from Nebraska [Mr. EXON]. I am advised that he is on his way to the floor and will be here shortly. So, in anticipation of his presence, I will suggest the absence of a quorum and ask unanimous consent that it be charged equally against both sides.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. RIEGLE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. LIEBERMAN). Without objection, it is so ordered.

Mr. RIEGLE. Mr. President, I ask unanimous consent as a matter of personal privilege to set aside the pending order long enough to be able to enter some material into the RECORD about Senator WIRTH, our colleague, who is announcing at this time, in Colorado, his decision not to seek reelection this year.

The PRESIDING OFFICER. Without objection, it is so ordered.

SENATOR TIMOTHY E. WIRTH

Mr. RIEGLE. Mr. President, I have a very strong feeling about TIM WIRTH and the great value that he is to the U.S. Senate and to our country. I want to, in the course of the time I will take, have printed in the RECORD, at the end of my remarks, a summary of TIM WIRTH's legislative record from 1987 through 1992, in terms of, first, his work in the Senate, and then in addition, his work in the House of Representatives, from 1975 to 1987. I ask unanimous consent that be printed at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. RIEGLE. Mr. President, in addition, there is an editorial in today's Denver Post. I would like to just read that editorial now into the RECORD.

The headline is, "Tim Wirth Wraps It Up; He Served Colorado Well."

It reads as follows:

> Tim Wirth's reported decision not to seek a second U.S. Senate term, which he is expected to confirm at a press conference this morning, ends a remarkable era in Colorado politics that he and a kindred reformer, former Gov. Dick Lamm, ushered in with their twin victories in the watershed election of 1974.
>
> The two men differed markedly in style, with Lamm relishing the role of intellectual provocateur while Wirth cultivated a pragmatic, consensus-building approach. But together, they changed the way Colorado looked at its environment, its politics and its future.
>
> During the 18 years he spent in Washington, Wirth earned a reputation as Colorado's most effective legislator. He won a national reputation as a leader of the campaign-finance reform movement, a fighter for an effective energy policy, an early herald of the dangers of global warming and deforestation, and a far-sighted critic of the calamitous deregulation of the savings-and-loan industry.
>
> For much of Wirth's time in Congress, Bill Armstrong was Colorado's senior Republican in the House or Senate. The difference between their approaches was instructive. Armstrong had a strong agenda, but it often had little to do with Colorado and much to do with Armstrong's personal vision about what is appropriate in terms of private morality. In contrast, Wirth never let his national or international concerns conflict with the basic "Colorado first" approach.
>
> While Armstrong crusaded to ban sales of "Playboy" from military bases, Wirth served as an "honest broker" who brought warring local governments and environmentalists together in a compromise that allowed the Foothills water treatment plant to be built. He worked together again with his fellow Colorado senator, pragmatic Republican Hank Brown, to similarly bridge competing interests in drafting a compromise wilderness bill to protect thousands of acres of Colorado land.
>
> Similarly, Wirth was quick to recognize the environmental hazards at the Rocky Flats nuclear weapons plant and later, as the Cold War faded, he resisted absurd efforts to boost the production of nuclear warheads even as the Soviet Union was sliding into the dustbin of history.
>
> Wirth was blamed unfairly for the breakup of AT&T—which actually was dismembered by a federal judge responding to an antitrust suit filed by the Reagan administration. But Wirth was a leader in rewriting half-century-old federal telecommunications laws to face the new legal and technological realities that reshaped the communications industry in the 1980s.
>
> His efforts to deregulate cable television fostered the growth of a vital Colorado industry while earning the ire of some short-sighted consumer groups. But only those citizens who believe the U.S. Postal Service is a dynamic and progressive organization would believe that their local cable companies would operate better under the heavy hand of government bureaucracy than in the open air of free enterprise.
>
> Wirth's consensus-building style sometimes made him look indecisive. But in fact, he staked out some uncompromising positions on items dear to his heart. He firmly and proudly held to a pro-choice position on abortion. He was a national leader on energy policy, fighting to deregulate natural gas and promote its use as an alternative fuel, promoting conservation and energy efficiency—all items which helped curb the ominous trends toward global warming and the mounting dependency of the U.S. on politically unstable sources of energy such as the Middle East.
>
> First elected to Congress in the 1974 Watergate sweep—when he ousted veteran Republican Don Brotzman—Wirth quickly became identified with the Democratic reform movement. Probably no single issue during his 18 years in Washington took more of his attention—or ultimately came to symbolize his frustration—than did campaign reform.
>
> While he partially succeeded in his efforts to make the process more open and account-

able, Wirth could not escape the costs of modern campaigns, which force all politicians to shake their begging bowls almost daily. But while he accepted money from a wide range of contributors, there is no sign he ever paid any favors in return. He received sizable donations from S&L executives, for instance, yet voted against deregulating the industry and was a leader in fighting to expose the catastrophic mess that resulted from S&L deregulation.

Jesse Unruh, former speaker of the California House of Representatives, once noted that lobbyists were an inevitable part of politics, yet joked: "If you can't take their money, drink their whiskey, vote against them, walk out and look 'em in the eye, then you don't belong in this business."

Wirth could not escape the need to scrounge campaign funds in an endless grind that contributed much to his decision to end his congressional career. But on the basis of the public record so far, he can look the voters of Colorado—lobbyists and ordinary citizens alike—straight in the eye.

Whether judged by the rough integrity of Jesse Unruh's test or the later and loftier notions of public service that he helped write, Wirth was surely a person who belonged in the business of politics.

He leaves a high standard of personal integrity and public service for his eventual successor, of whatever party, to meet.

That is a verbatim reading of the editorial today from the Denver Post with respect to our colleague TIM WIRTH.

I discussed this with TIM. He wanted his statement, which he is delivering at this time in Colorado, to be shared with colleagues here as well. And so I will now undertake to read into the RECORD TIM WIRTH's statement that he is delivering at this time in Colorado. And I will read his statement verbatim. This is Senator WIRTH.

STATEMENT BY SENATOR TIMOTHY E. WIRTH

Today I am announcing my decision not to run again for the U.S. Senate. The reasons are complicated; life is complicated and political life is doubly so. So I will try to lay out the main considerations behind my decision.

First is the stalemate to which economic mismanagement and partisan pettiness have reduced the work of our Government. The Federal budget is out of control. Our debt is crippling, and each year brings a larger deficit with neither spending cuts nor increased revenues anywhere in sight. The President shirks his duty to lead. The Congress is stymied by relentless and pointless maneuvering for short-term political advantage.

Meantime, in a society dedicated from its creation to the twin ideals of opportunity and democracy, the gap widens between rich and poor and between the governed and their government. Too many of the young see their horizons narrowing. Too few see any stake for themselves in civic action. Under heavy social strains, family structures buckle. Communities that are denied the resources to meet pressing needs fragment as a result. Government that cannot respond to its people loses their trust.

Our national security was once defined by our relationship with the Soviet Union. They and we were the two super powers. Today the Soviet Union is dissolved while the United States has become the greatest debtor Nation on the planet. The only super power on earth now is the earth itself. Yet the administration gropes foolishly and blindly for a post cold war leadership role, oblivious to the obvious direction and responsibility we should take, leading the world into environmental awareness and action in time to save itself.

Education, my own earliest interest and the source of my initial commitment to public service, is an unhappy example of a broader reality. Our schools, students, parents, and teachers should be the priority concern of government at all levels. Instead, they are being starved of Federal support just when they are being asked to do more, to be a surrogate parent to so many children; and just when we most need to foster new institutions, to sponsor experiments and research, and to fuel a renaissance in industry for a skilled and innovative work force. There should be funds to spur these new departures, but we refuse either to redirect the tax dollars we raise or to raise the tax dollars we must to invest in the future.

The environment is a second sphere where I have found absorbing, truly alarming challenges and a largely inadequate response. Even the expanding hole in the ozone layer has not awakened many in the Congress or the administration to the urgency of an array of global threats. The White House condones a know-nothing indifference. On Capitol Hill political fears of offending entrenched interests become roadblocks to serious, concerted action. The environment receives far less than the sustained attention the urgent danger signs deserve.

When something as relatively straightforward as a Colorado wilderness bill cannot get through the gauntlet of negatives through which it must pass, I cannot help but be discouraged about the prospects of really complex and far-reaching legislation that would help check the population explosion, protect biodiversity or defend our climate against global warming.

I entered the Senate 6 years ago hopeful that it was the place to pursue these causes and, through serious inquiry and discussion, to advance public understanding of them. I have not liked what I have found. Personal ambition and partisan bickering set too much of our agenda. Our rules are too weak to keep these divisive forces in check and the egos too strong to submerge in a common defense of the institution itself. Designed to be a forum for serious debate and decision on long-term policy questions, the Senate seems to me to have lost much of the compromise, cooperation, and genuine courtesy that made it work. This should be a truly national forum, but its effectiveness is limited today. With no program coming from the White House, the stalemate naturally encouraged by the checks in our Constitutional system becomes gridlock. No legislative body can ever lead, but at least the Senate can be a conscience; unhappily it has lost much of that capability.

In order to be a good Senator, I know that I should come to work each day with confidence and humor, meet constituents with eagerness, and face problems and snarls positively and creatively. When the enthusiasm starts to flag, when indignation decays into resignation, and personal anger starts to shadow my instinctive Western born optimism, I know myself well enough to know that I need a new venue; it is time for sabbatical, for renewal, to regroup and refresh. That is what Wren and I will do.

For the last year, especially, I have felt my own strength diminished. What I judge to have been my most effective and creative work in the Senate was the product of a partnership with JOHN HEINZ, on the other side of the aisle. His death last year was a terrible blow. And his absence has left an enormous void in my Senate life. It is probably not a coincidence that Wren and I came to our final decision about running for reelection on the first anniversary of his death.

Another factor was the prospect of the campaign itself. There were two determining elements: First is the continuous money chase. It is not just time-consuming and energy-wasting, but ultimately demeaning. Without comprehensive campaign finance reform, we are leaving the system of representative democracy open to the charge and to the reality that political outcomes are for sale. The appearance of favoritism to contributors is damaging; they fear bred of alienating contributors is growing; and each year the expense of campaigning mounts and the pressure to seek financial support wherever it can be found intensifies, even though the consequences are increasingly transparent.

The second, even heavier weight on the scale is the style of modern campaigns. They are increasingly shrill, negative, and devoid of content. Here in Colorado, we would surely have had a "scorched earth," take no prisoners" contest. Voters would have been disgusted, and the last person standing—the person elected to represent Colorado—would have been severely damaged. I am absolutely confident that we would have won the race. Yes, it would have been close, but every Wirth campaign has put the thrill back into the extra point. The question I had to face squarely was my own dismay at being a participant in such a destructive exercise. I would have been under fierce pressure, and more than sufficiently able to respond in kind. But I don't want to live or to win that way. Campaigns should be about ideas and ideals. They should be about the future. Negative strategies may win elections, but they destroy public trust in the winner and the loser.

Worst of all, they feed the disillusionment that already infects so much of our public life and, in much of the press, poisons, or stifles civil discourse and constructive argument. I do not expect or want to return to the naive, if charming, boosterism that once made the press in Colorado an automatic ally of the State's business and political leaders. Those were innocent times, and they are gone. But in their place and in place of shared community goals and aspirations, we too often see a reflexive cynicism in the print press and a hysterical superficiality in the electronic media's focus on sensational themes.

We need renewal as a nation, renewal of our ideals, our sense of mission, and our ability to cooperate in the public interest. I hope that I see signs that such a renewal is beginning. When I came to Washington in 1974 in the aftermath of Watergate, it was a year of revulsion against political corruption. I was proud to have been on the front line of the revolt and reform that followed that election. This time 1992 could bring another revolution: a return to civility, common sense, and shared purpose.

I fully expect that there will be times when I miss this political life:

I will miss the satisfaction of legislation passed, of wilderness preserved and parks expanded, of projects begun and of accomplishment applauded.

One of the great joys of my service has been bringing young people into government and politics, and I miss the constant force of their idealism and optimism.

I will miss the unfailing support of my staff; only I and the Coloradans whom they helped know the heroic drudgery of the skilled case workers who assisted constituents with their problems and who made our office the place to come when there was nowhere else to turn.

I will miss, as well, the imagination, attention to detail and energetic drive of my talented legislative aides. I am proud of them and of what they helped me to do in directing the telecommunications revolution, writing the Clean Air Act, refocussing our Nation's energy policy and maintaining an unshakeable commitment to opportunity and choice for all Americans.

And I will miss, at least for now, following up on the ground we broke with major new initiatives on population, global climate change and biodiversity.

But on these and other issues, such as reform of our policies toward the public lands, organizing citizen outrage about the environment, and providing avenues for the young to express their hopes and aspiration, there will be other arenas for action.

Colorado is a state in transition, leaving behind its past as a region from which resources were extracted to enter a future where its economy is more balanced and diversified. I look back with real satisfaction to the momentum I helped contribute to that process, from airports across the State to major league baseball in Denver, from problems solved for the public lands and our natural resources, to aid for higher education, from bringing attention to our rural health care crisis to making housing more affordable. And I hope to play a continuing role in realizing our State's bright promise.

But I will do that old work in some new way. In the coming years, Wren and I intend to live up to our abiding sense of public responsibility as private citizens, committed especially to mobilizing in defense of environmental balance and respect for nature. I know no single set of challenges that are more pressing or more rewarding.

I have been fortunate in the opportunities that have been given to me in public service, in the investments society made to equip me for that work, in the mentors who steered me to it and the friends who supported me through it. There is great exhilaration in risking everything, in laying yourself and your beliefs out on the line and then with a team of like minded people, fighting and winning in political combat. I have had that affirmation seven times. I am deeply grateful to the thousands of people who made those victories possible and who will understand my decision now to open the field to others, to move on to new challenges and fresh opportunities.

If I may now just add a personal note. TIM WIRTH is truly one of the special people to come into public service, as all of us here know. He just has all of the talents that one would want to see in a public person, in this case a public man. Sometimes you will find in someone committed to public service maybe the right brain or the right heart.

It is not often enough that you find in the same person the brain and the heart and the guts to do what needs to be done in behalf of the great issues of our time.

TIM is such a person. He has those special gifts, and he has brought those gifts to his service first in the House of Representatives and now here in the U.S. Senate.

So his decision to leave is truly a loss to this institution, to the State of Colorado, and to the country. He will do other important work in his lifetime. Of that there can be no doubt. But he will be greatly missed here in this Chamber, and particularly so by those who know TIM best.

I remember back in my own experience when I was a Member of the House of Representatives in 1974. I had changed my party affiliation just a year-and-a-half earlier after being part of an insurgency of the Republican Party in 1972 to challenge Richard Nixon's renomination as President. I remember TIM WIRTH coming to the office one day, and my office at that time was in Cannon Building on the House side.

TIM was thinking about running for the U.S. Congress. He had been serving as a White House fellow. He wanted to think aloud about some of the challenges and aspects of running that campaign. I remember having the chance in his campaign of 1974 to go out to campaign with him in Colorado; to meet Wren, and their children; to feel directly the vitality, the purpose, the mission that they were bringing to that first campaign, and to their commitment to public issues and public work.

I will never forget those moments in that experience because it is a very treasured one for me personally. I remember the great thrill of seeing TIM first elected to the House, then reelected many times over, and his very impressive election 6 years ago to the U.S. Senate.

So for each and every one of us here, this decision by TIM and by Wren together, is a decision that will carry a very significant impact. For me it is a very deep personal and emotional impact.

I want to thank them and their family for the tremendous service that they have given our country; the hours, the sacrifices, the fact that it is a 7-day-a-week job, as we all know. To do a 7-day-a-week job in the public interest for 18 years is a tremendous contribution to the public good.

That is a matter of record, the facts that I have inserted with my remarks to lay out in detail in terms of TIM WIRTH's accomplishments in both his time in the House and Senate.

So today is a reflective day because we do not get too many TIM WIRTH's that come down the track in this country; far too few. To have to contemplate saying goodbye to TIM here in the Senate a few months from now is a very painful thing to contemplate.

But the love, the prayers, and the best wishes of his friends here on both sides of the aisle go with him; the respect for the decision that he has made, the respect for the commitments that he has and will continue to pursue. He takes with him an abundance of affection and respect from this institution.

I yield the floor.

EXHIBIT 1

TIM WIRTH'S LEGISLATIVE RECORD

The following are the legislative accomplishments in which I take the greatest pride.

U.S. SENATE—1987–92

Project '88 and the Clean Air Act Amendments of 1990

Senator John Heinz and I authored this first conceptual approach to the use of market forces to help solve environmental problems. Utilizing these new principles, this approach helped break the stalemate that had plagued Clean Air legislation for a decade, led to the passage of the most far-reaching environmental legislation ever enacted, and opened the door for many new solutions to our environmental challenges.

The 1992 Energy Act

By organizing and leading Senate efforts on increasing energy efficiency and conservation, and promoting the use of alternative fueled vehicles, such as natural gas, I helped pass the first national energy legislation in nearly 20 years—certainly the first which does not encourage continuing dependence on imported oil. I am particularly pleased to have worked with diverse interests in Colorado's natural gas industry to promote our clean, cheap and abundant natural gas resources.

Wilderness Protection

After 10 years of stalemate, I worked out a compromise with Senator Hank Brown to preserve for our children more than 600,000 acres of Colorado wilderness. This legislation, which has passed the Senate and, I hope, can pass the House, will create a lasting legacy for all Coloradans.

Alaska Lands

For years taxpayers financed and ravaging of the Tongass National Forest, the last remaining North American rain forest. Legislation I authored halted this poor use of our natural resources, and another bill derailed efforts to drill in the Arctic National Wildlife Refuge.

Population Growth and Global Climate Change

I authored the first comprehensive legislation offering solutions to these two pressing problems, framing the national debate and raising the awareness of the media and the American people. I hope these two bills, though not yet passed, will provide the foundation for future action on these major challenges.

The Homefront Initiative

In 1991, I organized and led a successful effort to increase funding for important, proven and effective education programs—the largest such increase in many years. I am deeply honored by the recognition I have received from many of those advocating better education for our children, including the National School Boards Association, National Elementary and Secondary School Principals, and the Committee for Education Funding, an umbrella organization representing more than 100 education groups.

Children's Television

In 1990, legislation which I first initiated in 1975(!), limiting advertising in children's television, and requiring broadcasters to provide educational programming for children, became law. For this and other efforts I recently was named by the American Academy of Pediatrics "Legislator of the Year".

Energy Efficient Mortgages

Because of Wirth legislation, tens of thousands of homebuyers now have access to energy efficiency mortgages thus qualifying for purchase families who otherwise would not be able to buy a house.

Major League Baseball in Denver

I organized and led the Senate Task Force on the Expansion of Major League Baseball. Fay Vincent said: "The citizens of Colorado should know that without the efforts of Tim Wirth, baseball probably would not have expanded."

The Denver International Airport

When legislation issued from the House that would have effectively killed federal funding for the new Airport, I substituted new language preserving Denver's access to aviation dollars, and successfully guided it into law. Without federal monies, the new Denver Airport simply would not be under construction today, providing Coloradans thousands of jobs.

Diversifying Colorado's Economy

I take pride in the many initiatives I have undertaken in pursuit of building and diversifying Colorado's economy—from bus lanes, the mouse trap, C-470 in southern Jefferson County, the Glenwood Canyon expansion of I-70, the Grand Junction Projects Office on the Western Slope to biotechnology in Boulder and Weld Counties, the establishment of CableLabs, working with the Pueblo Economic Development Corporation and, in the House, brokering negotiations that allowed the construction of the Foothills water project.

Rocky Flats

I initiated efforts which successfully halted the building of new facilities at Rocky Flats, presaging its eventual shut down as a nuclear weapons plant. The Wirth office is now leading new initiatives in defense industry conversion, worker retraining, and community impact.

Women's Issues

Wren and I have been constant, outspoken and energetic advocates for women in America, from choice to equal treatment in the military and in our courts, from preventive medicine to health and reproductive research, and in opposition to the "gag rule" and its international likeness, the "Mexico City policy". I was one of the first Senators to announce opposition to the nomination of Clarence Thomas to the Supreme Court.

Serving Coloradans

I am proud that my office has become the source of expertise for helping airports all across the State; has been the constant and steady advocate for education, health, and women's groups; has championed necessary changes to support rural health care; has organized efforts to purchase thousands of acres of prime wildlife habitat and riverfront property for addition to our parks and national forests; and has been the leader in solving scores of natural resource problems in Colorado.

The tireless caseworkers in the Wirth office have helped thousands of individuals in Colorado, through day to day drudgery in Social Security, veterans benefits and other case work. We have brought together separated families, facilitated the adoption of hundreds of children, and been the persistent advocate for minorities, for the poor, and for those whose voices are not amplified by money or position.

U.S. HOUSE OF REPRESENTATIVES—1975–87

Telecommunications

As chairman of the Communications Subcommittee, I led efforts which laid the foundation for a more competitive and innovative communications marketplace in the United States. The result has been a significant increase in options available to businesses and consumers and lower prices for all. Today we have the most technically advanced communications system in the world, less expensive long distance service, countless new equipment offerings and a more competitive posture for the United States in world trade.

Cable Television

As the prime author of the Cable Act of 1984, I am proud to see vast new programming available to millions of Americans, from CNN to children's television, and a broad array of specialized services and programming looms on the horizon.

The Ski Industry

In 1986, President Reagan signed the legislation which I authored, providing long term leases, greater dependability and a broader financial base for the Colorado ski industry.

This has been one of scores of initiatives on behalf of Colorado's hunting, fishing, rafting, skiing and other tourism and recreation industries.

Mortgage Backed Securities

I guided legislation through the House which dramatically altered the way in which housing is financed for American families. Today more than 50 percent of housing sold in the United States is financed through the use of these new securities.

Other Achievements

I have warm memories as well of organizing the "Freshman Revolt" of 1974; leading the group that successfully killed President Carter's Energy Mobilization Board (it would have allowed federal control over almost all Colorado land use and public health law); stopping President Reagan's efforts to deregulate our securities markets (might this have been another S&L disaster?); successfully battling the Reagan administration in order to maintain the air bag requirement for autos sold in the US (today a life is saved every 100 minutes because of air bags); and beating back President Reagan's FCC access charge proposal, which would have dramatically increased local telephone rates.

SUMMARY

This is a record of great legislative achievement. Legislation is very hard; it is always easier to say no, and veto power pervades the Congress. My staff and I have taken these responsibilities most seriously, and this is a record that I believe is matched by few in the time I have been in the Congress. Governing is serious business, and requires serious, concerted coalition building and patience. I am especially proud of my dogged and determined staff, overworked, underpaid, and always cheerful.

Of course the frustrations and failures remain: Campaign finance reform remains an ideal, and the present financing scheme is the greatest cancer in our legislative branch of government; the federal deficit is out of control, skyrocketing without executive leadership and lacking Congressional compromise (the Democrats must cut; the Republicans must add); our competitiveness is threatened by poor education, declining research and development, and a strategic vacuum; the gap between rich and poor grows each year, and has now become a dangerous threat to our ability to govern in a democratic society, we cannot long remain a great nation if we allow our core cities to rot; and we have not yet recognized that a threatened environment has replaced the Cold War as our primary national security goal, at home and abroad.

These remain challenges for the years ahead.

APRIL 8, 1992.

Mr. MITCHELL. Mr. President, it was with a great deal of regret that I learned of the plans of Senator TIM WIRTH of Colorado to retire after a single term in the Senate.

Senator WIRTH served with commitment, and great energy. He sought to bring to the Senate an awareness of the importance of action against the threats that seem distant, like global warming, but are potentially catastrophic.

Senator WIRTH came to the Senate with a strong background in education, and he dedicated himself to the goal of reforming and renewing excellence in American education.

We all recognize that education reform is a crucial underpinning of our Nation's ability to compete in the global marketplace. Senator WIRTH had the education and the commitment to understand what was needed in the mix of education reform efforts, what would work, and what should be a priority.

Our work will be much harder for his departure. Senator WIRTH's commitment to fairness for all Americans was total. His record on issues of equity for women is evidence of the depth of that commitment.

Senator WIRTH sought to make sure that the words of equality of treatment are backed up with legislation that assures quality of treatment. His was a strong voice and a vote for fundamental fairness for women. It will be missed.

And, as a champion of a much more energetic U.S. role in combating global environmental problems, Senator WIRTH brought to the Senate a sense of urgency about these problems.

The ability of our descendents to inherit a natural world like the ones our parents handed down to us will make all the difference in their lives.

It is to that future that TIM WIRTH addressed his efforts. His work in this field has earned him the gratitude of all who care about the environment, and the future of our Nation. And I am very sorry that he will not be working on these issues beside us in the next Congress.

Mr. FOWLER addressed the Chair.

The PRESIDING OFFICER. The Chair recognizes the Senator from Georgia [Mr. FOWLER].

RETIREMENT OF CERTAIN SENATORS

Mr. FOWLER. Mr. President, I wanted to join my colleagues, the majority leader of the Senate, as well as the distinguished Senator from Michigan [Mr. RIEGLE] in taking advantage of this pause to reflect for just a moment on the retirement of several of our colleagues over the last 10 or 12 days.

This morning's announcement by Senator WIRTH from Colorado came as a shock. But I must add that it was no less a shock than the announcement last week of the Senator from North Carolina [Mr. CONRAD] and the Senator from New Hampshire [Mr. RUDMAN].

All these men are marked by intelligence, and integrity—men of devotion to the public interest. All will be missed for their contributions to the public good. And this institution which was enriched by their service will be diminished by their departure, but moving from their public service to contributions in the private sector, is in the greatest traditions of our country.

I guess it was one of my first lessons in democracy in grade school, that in a democratic society citizens were asked in the early days of our Republic to take time off from building a barn to help build a nation. These men have furthered that tradition.

Public service should be service with a capital S, and it was not, and is not, meant to be a lifetime career. There is a time to serve and a time to reqlinquish service to others. In Great Britain 5 weeks ago, the Prime Minister made a decision that an election should be called. He traveled, probably by horse and carriage, down to Buckingham Palace to inform the Queen. The Queen immediately dissolved the Parliament, and the election was set exactly 5 weeks later, which will be tomorrow, April 9.

In that 5 weeks, the issues of public concern in Britain will have been debated. Free air time will be provided to the candidates of the major parties. In Great Britain, no candidate is allowed, by law, to purchase time on television. And the people of Great Britain will be treated—yes, treated—to candidates not hiding behind the great veil and gauze of television, advertisements, but will actually stand in public places, "live and in living color," to debate their policies on education, health, and foreign policy, so that the citizens of a free country can be educated in their choice.

This morning, you heard Senator BOREN from Oklahoma discussing our efforts to try and bring our country out of the grip of money and commercialism of candidates and return it to free and open debate amongst our citizens and their representatives.

Yes; money is often the root of evil in politics. If there is one reason that our campaigns have reached astronomical costs, money piled upon money, it is to buy time on television, to promote ourselves and to defend ourselves against distortions of our public record. But no 30-second TV ad can inform, educate, or give to the citizenry what they have to have, if they are to make an open and informed decision as to who should represent them in the highest counsels of our Government.

Mr. RIEGLE. Will the Senator yield on that point?

Mr. FOWLER. Yes.

Mr. RIEGLE. I am struck by an observation related to one point the Senator just made. The morning television show, the "Today Show," is a very important and popular morning TV show, one that I watch with some frequency. The professional of crafting political television ads is a huge and enormously profitable business; so much so, that now on the "Today Show," there is a normal practice where they have two individuals who are professionals in that field—Bob Squier, who tends to do ads for Democratic candidates, and Roger Ailes, who has done them for a long time for Republican candidates—who are there as part of the normal news and commentary format about what is going on in politics and issues in the country today.

When you think about it—with no particular reference to those two individuals—those two represent the industry of people who make these television ads and television spots, and the campaign discourse has been lifted up to the level of people who are crafting and designing these TV ads that pass in place of the kind of face to face debate, the kind of coat-off, sleeves-up discussion between candidates for office and citizens and so forth. But I think it is an illustration of how far removed we have become. Let me begin by asking, without any disrespect for those individuals, why is it not a more useful exercise to try to get past those people that are packaging up and delivering slick television spots and try to get directly to the issue of what it is a given candidate, or challenger, or incumbent is standing for, saying, representing, undertaking to do, offering as a vision for the future; but I think it is a powerful illustration. It is one thing if an individual like that were called in once in a great while, on occasion. But that has become a standard part of the news format, so that we are getting more and more of the political discourse as it comes through these political television soldier-of-fortune people, who operate in the private sector, and who are packaging up the ads—some positive, and many, if not most, negative—designed to go out and twist facts in order to put a bleeding wound into a candidate on the other side.

But I am so struck by what the Senator said, because we have reached a point where we have incorporated that mechanism, the money and the political ads on television, to such a point that we are now featuring the people who do that for a living, at great profit, as being the ones who have to tell us what is really going on and, presumably, what lessons we ought to draw from it.

I thank the Senator for yielding.

Mr. FOWLER. I thank the Senator for his contribution, which is valuable, as always. He is exactly right. Rather than asking the candidate, the representative of the people, we have created a whole new industry where people earn their living by analyzing what they allege to be the candidate's thoughts and actions. They are the so-called opinionmakers. The result is that the citizen is removed from the direct thoughts—and policies—of his or her representative, and filtered through the hands of a private packager, or analyst. People who may or may not know what they're talking about.

The only way to get out of this that I know of, and that many of my colleagues know of, is to put a limit on the amount of money that can be spent in Senate races. That will force candidates back into direct contact with voters. It will force candidates for public office out from behind television ads, and back into town meetings, back into the PTA, back into the nursing homes, telling the citizens of our country their plans for our country.

And I do not know how you can represent people unless you go home, face them, ask them what policies we are getting right and what policies ought to be improved for the benefit of our country.

The British experience reminds us you do not need 5 years to campaign, or even 5 months; you can do it in 5 weeks if you do not let candidates buy 30-second nasty ads on television, but force them to look each other in the eye and debate in public.

I seem to have started off on one track and ended up on another. That is not unusual for me, as the distinguished Presiding Officer knows, but in this case there was motive to my madness.

I do not know why over the last 10 days men of the caliber of TIM WIRTH, KENT CONRAD, and WARREN RUDMAN made the decision to retire. But I suspect that a large portion of it was that they would not continue to prostitute themselves in the eternal chase for the millions and millions of dollars that go into television advertising costs. Even when you are trying to tell the truth, you cannot do it in 30 seconds.

You cannot cover the complexities of public policies of needed health and environmental reforms for our country because, as the Senator from Tennessee, [Mr. GORE], has written so eloquently in his book, you cannot have a healthy individual and unhealthy environment. You cannot discuss how we continue to make our country first—not alone but first—in a new global system, by taking advantage of the changes of this world in 30 seconds. You have to have free and open discussions of differences and that should come from the elimination of all this money going up in celluloid smoke and making all of us who are trying to achieve a consensus on our Nation's public purpose go down, be with our people, and together work out the policies openly and out from behind all this money-driven advertising.

I hasten to add, I am seeking reelection and I am asking Georgians to reelect me as their representative. I am not going anywhere unless that is the decision of the voters of Georgia. And if that is what happens, I will respect it and I will hold my head high, and I will say I did my best. If they choose someone else, that new individual will have my support. But right now I am being forced to play by the rules of money, and I do not like that one whit. I do not like the fact that the only way I can defend myself against false charges of my legislative record is to come up with $2, $3, $4 million to buy 30-second spots. The people in this country, both here in the our gallery today, would be absolutely shocked to know how much it costs to buy on 30-second spot in the middle of Bill Cosby or something popular on TV. It starts at $50,000 in Atlanta; some of them are $150,000, for one 30-second spot to try to say what we want to say about our record.

I see others want to speak. So let me end.

We are going to have a bill that will do more to reform not only our politics in this country but, in my opinion, if we limit the amount of money that can be spent, a whole series of decisions will fall into place that will lead the public of our country back into more respect for the political process and the men and women they elect to represent them.

It is long overdue. It deserves implementation, and next week, or the week after, I hope that we will take this serious first step into getting our politics and our policy back where they ought to be.

I want to conclude by saying that it is a great honor to serve in this body. There are only 100 Americans out of 250 million Americans who have the privilege of serving in the U.S. Senate. We are the national legislature. Yes, we are Georgians, Tenneseeans, and New Mexicans, but for those of us who serve in the Senate, our country comes first.

When Senator SASSER votes, his votes counts just as much in Georgia as mine does. Senator RIEGLE'S vote counts just as much to Georgia and Georgians as mine does.

We are the national legislature. We are not a collection of individual Balkan States. We are sent here to do the national good and the national will.

I want to end my comments by simply saying that we, as Georgians, are proud of the service of Senators WIRTH, CONRAD, RUDMAN, and others. The example of their public stewardship in the U.S. Senate was welcomed in Georgia, as it was throughout the country. I would have been proud of any of those men representing my State. They are individuals of intelligence, integrity, and devotion to the common interest, and all Americans should be saddened by their decision to retire.

I thank the Chair.

The PRESIDING OFFICER (Mr. SANFORD). The Senator from Tennessee.

Mr. GORE. Mr. President, I would say to the ranking member of the committee and the chairman of the committee that I will seek unanimous consent to speak briefly as if in morning business, and it would not be my intention to speak very long. It is a statement that follows on the heels of the ones that were just made and if that is acceptable to the leadership of the committee I would now make that request.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, how much time has been used in speeches that are not technically on the resolution?

The PRESIDING OFFICER. About 50 minutes.

Mr. DOMENICI. How much time would the Senator require? Would 10 minutes be satisfactory?

Mr. GORE. Surely.

Mr. DOMENICI. If the chairman concurs, I would ask unanimous consent that the previous time used be charged equally and that Senator GORE be allowed 10 minutes and it be charged equally and thereafter we return to the resolution.

Mr. RIEGLE. Mr. President, reserving the right to object, I would not want to see anyone else foreclosed from speaking who might wish to. Senator DODD I think is here and he can speak for himself on this same issue but I think it is appropriate that those who want to speak briefly have a chance to do so. I would object to any limitation that allows one and not another to speak.

Mr. GORE. Mr. President, reserving the right to object, for purposes of clarification, the question posed earlier was the amount of time consumed. It was my understanding none of that has been charged against the time for the bill.

Mr. DOMENICI. Mr. President, there need be no objections because regular order will put us back on the resolution.

It is just a sense of fairness to those who are in the Senate who want to proceed to the resolution that the Senator from New Mexico inquires. If you want to work something out that is reasonable, the proponent of the amendment has been waiting for a long time to offer it. Senator EXON is here. There have been Senators wishing to speak with regard to the announcement of Senator WIRTH. We have not seen fit to try to keep that from happening. In fact, it has gone on for almost 50 minutes.

It seems to me there are two additional Senators here who would like to speak to that issue. Am I correct?

Mr. DODD. The Senator from New Mexico is correct. I note the Senator from Nebraska is here, as well. I appreciate the efforts of the chairman. I can wait until later. Maybe there will be a quorum call and I can come over and do it again.

Mr. GORE. I can limit my remarks to 3 minutes.

Mr. EXON. I might just say, I am fully wishing to accommodate my friends. If they are not going to be extended, I see nothing wrong with it, except that we all know we are running out of time here. I am here ready to move with the amendment scheduled to be offered at any appropriate time. But if I can accommodate my friends and get their remarks taken care of at this time, I would have no objection.

Mr. DOMENICI. Mr. President, from our side, I am not unwilling to add to the consent request that I made heretofore and make the 10 additional minutes equally divided between the two Senators who seek to speak on Senator WIRTH. That will be charged equally, all of it, and we would then proceed to the resolution. Is that all right with Senator SASSER?

Mr. SASSER. Yes.

The PRESIDING OFFICER. Is there objection? If not, it is so ordered.

Mr. GORE addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. GORE].

SENATOR WIRTH

Mr. GORE. Mr. President, I am feeling the same emotions that others have already described with great eloquence. I talked with Senator WIRTH yesterday and had his decision on my heart this morning when I came to speak about an issue that he and I have worked on together, the global environment, but, of course, wished to allow him to make his statement in his own words as he has now done in Colorado. All of us respect his decision and the reasons he has given.

But as others have noted, there is a cumulative impact on this body of having three such fine men, such fine Members of this body, announce their decision to retire in such a short space of time—Senator RUDMAN and then Senator CONRAD and now Senator WIRTH—all of them immensely respected in this body, all of them tremendous public servants.

I was especially devastated—if I may use that word advisedly—by the announcement today partly because I have served with TIM WIRTH for a long time, since 1976. I was a member of the subcommittee he chaired in the other body before I came to the Senate. And since the two of us have been serving in the Senate, we have worked especially closely together on environmental issues. And sometimes one finds that when two Senators work on the same issue a certain feeling of competition results. In the case of Senator WIRTH and myself, we sat down, as we have on so many other subjects, and talked openly and frankly about how we could best serve the public interests. I have never in my career of public service enjoyed a partnership as much as I have enjoyed my partnership with Senator TIM WIRTH. I have never known a Senator or any public servant with more imagination, with more drive and energy, with more dedication to the public interest, or with more of a willingness to look beyond the next election and see the interests of the next generation and all those to come.

I will miss him greatly, as will we all. I will elaborate on this for the record, but his contribution to the task of bringing environmental concerns into the marketplace and bringing the forces of the market to bear in a positive way to protect the environment will stand as a remarkable and historic accomplishment. We have talked on so many occasions, during a trip to the Amazon together, during innumerable meetings with officials at the World Bank or agencies of the U.S. Government or grassroots environmental activists or our counterparts from parliaments in foreign countries who work on similar issues. We have dealt together and worked together for a different approach to protecting the Earth's environment.

I must say on some other issues we have occasionally found ourselves at loggerheads, and on those occasions I have never known a more able advocate for his position, a more tireless worker for the things he believes in. His commitment to public service and his dedication to the people of Colorado and the people of this country are legendary and remarkable. He will be greatly missed. But I am comforted by the fact that his public service will continue throughout the remainder of this Congress and, I predict, will continue in some other form after his retirement from the U.S. Senate.

Instead of making that a prediction, let me register it as a fond hope because a person of his talents and dedication should be able to serve the public on a continuing basis, and I hope he will.

I yield the floor.

Mr. DODD addressed the Chair.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I rise as well to express my deep regrets over the decision reached by our colleague and friend TIM WIRTH, of Colorado. I want to associate myself with the remarks just given by my distinguished colleague and friend from Tennessee, along with others who have spoken here this afternoon, regarding the decision by Senator WIRTH to not seek reelection.

Mr. President, let me start by saying that, in the first instance, while we speak of our colleagues who are leaving—we have talked about Senators RUDMAN and CONRAD, and now Senator WIRTH—I begin my remarks by lamenting the loss of a friend who will be leaving this institution.

I arrived in Congress in the very early days of January 1975 along with TIM WIRTH and the so-called Watergate class that came in the wake of the Watergate scandal in 1973-74. Mr. President, TIM WIRTH has been a friend of mine for these 18 years. Along with his wife Wren, we spent countless hours together both professionally and informally. I had the pleasure to visit with them in his State as well as many other places.

I was so saddened yesterday to receive a call that TIM made to some of us to tell us of his decision in a personal way. I will miss him. We will all miss him and miss his leadership and commitment and dedication. But my personal loss does not even come close, Mr. President, in my view, to the loss that this institution and the country will feel as a result of his decision, a decision I respect. Each person here has to make a decision about whether to seek reelection or not. We all respect the individual decisions and the process that individual Members go through to arrive at those decisions.

But TIM WIRTH is a special case. I have watched him now for 18 years, beginning in 1975 when he led, along with others, the efforts to reform the House system, which in those days was weighted down by a structure that made it impossible for Members who came to that body to have their voices heard and their ideas vented in the House of Representatives. He was the individual constantly reminding us that we ought to think beyond the specific calendar and agenda, to think about the future. He had meetings, I do not know how many months in succession, trying to get Members of the Congress, Republicans and Democrats, to think ahead, to think about next year, the next decade, the next century, and we ought to be doing.

He repeatedly raised the issue of what is happening to this Earth and our environment. This was not just an issue he discovered a year or two ago. He cared about it from the very first days he arrived as a young Member of the House of Representatives. He carried it forward, and it was not just Colorado or just the West that he talked about. He talked about this country. He talked about the very Earth that we all reside in and what steps needed to be taken to try to improve environmental conditions around the globe.

TIM WIRTH was a leader and a fighter on other issues as well. I now chair the Securities Subcommittee of the Banking Committee. For 5 years, TIM WIRTH chaired that committee in the House of Representatives. The very first legislation dealing with insider trading ever to be passed by the Congress of the United States was done under TIM WIRTH's leadership and auspices. When the Reagan administration proposed deep cuts in the enforcement division of the SEC, TIM WIRTH fought against it.

TIM WIRTH led the fight for competition in the telecommunications industry. He fought the automobile industry on the issue of airbags. He has been a leader in the debate on energy policy, on campaign reform, and on the major issues confronting this body. He has been an invaluable Member of the House, and the Senate. And he will be deeply, deeply missed.

It is that quality of individual with that kind of dedication, that kind of conviction, that kind of broad sense of what this country needs to be doing that we need so much more of in our public debate.

So, Mr. President, as I mentioned, not only on a personal level I am saddened by his decision, but on a professional level as well. It was once said by a former Member of the U.S. Senate that the Senate ought to be a place where people of reputation come, not where you come to make a reputation. If any Member ever embodied that ideal it was TIM WIRTH of Colorado. He sought public service because he wanted to do good; because he believed we could do better. He never sought personal gain; never sought any special treatment of any kind. But on a day-to-day basis he was deeply committed to trying to improve the quality of life for people of—not only his own State, but people across the country.

It was said a moment ago by our colleague from Georgia how proud he would have been to have our colleague Senators RUDMAN or CONRAD or WIRTH represent his constituency in Georgia. I would like to echo those comments. Certainly—and I will speak at greater length about Senators CONRAD and RUDMAN at a later time—but certainly I would be proud to have TIM WIRTH represent me in any forum. I am saddened by his decision, but I respect it. I wish him and Wren, and Christopher and Kelsey, his two children, the very best in the years to come.

I yield the floor.

The PRESIDING OFFICER. Under the previous order the Senator from Nebraska is recognized.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

Mr. EXON. Mr. President, very shortly I will be sending an amendment to the desk. I wish to address the details of that amendment at the present time. At the time I send the amendment to the desk I will announce several cosponsors that we have on this amendment.

Do I understand the situation correctly in that the Exon amendment will have 1 hour for and 1 hour against the amendment under the Senate agreement with regard to the budget agreement's presentation to the Senate? Is that correct?

The PRESIDING OFFICER. The Senator is correct. But the amendment needs to be at the desk to trigger the time.

Mr. SASSER. Parliamentary inquiry, Mr. President. Do we, either myself or the distinguished ranking member, need to yield time off the bill if additional time is needed to discuss the Exon amendment beyond 2 hours?

The PRESIDING OFFICER. That is correct.

Mr. SASSER. I thank the Chair.

Mr. FOWLER. Mr. President, reserving the right to object.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. FOWLER. May I ask, based on the chairman's answer, would the Senator agree—since he is not going to propose his amendment right now—that the 2-hour time limit would begin running now?

Mr. EXON. I would agree that the 2-hour time limit should start running as of now.

Mr. FOWLER. Mr. President, I ask unanimous consent the Exon amendment time begin to run now for the 2 hours.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FOWLER. I thank the Senator from Nebraska.

Mr. EXON. Mr. President, I rise to offer an amendment to Senate Concurrent Resolution 106, which I will be sending to the desk for consideration in just a few moments.

Mr. President, on March 31, I gave a detailed statement here on how much and where we can make cuts in our defense budget and still maintain a credible and essential national defense posture. I made this speech in anticipation of the Senate Budget Committee's consideration of the fiscal year 1993 budget resolution. During last week's Budget Committee markup, I offered an amendment to the chairman's mark that would have implemented the cuts I detailed in my March 31 statement, specifically to reduce the President's proposed defense budget by $8.8 billion in budget authority and $4.2 billion in outlays for the fiscal year 1993. By a slim 11-to-10 vote my amendment was defeated in the Budget Committee.

After careful deliberation I have decided to offer this amendment to the budget resolution on the Senate floor. Having reviewed the President's 1993 proposed defense budget, I am convinced that the defense budget can be cut further. It can be cut significantly, and it can be cut without pink-slipping troops by the tens of thousands, as many in the administration would have Congress believe if we dare cut a penny below the President's numbers.

There is an artful, emotionally charged, yet inherently dishonest snow job going on as the future of our Nation's military is debated. The Bush defense plan is based on the flawed premise that the administration's proposed 6-year, $50 billion cut from defense spending cannot be further reduced without causing harm to our national security.

That $50 billion cut, Mr. President, over 6 years sounds like a significant cut. But it is not. And upon closer examination, one finds that $34 billion of the $50 billion, or 68 percent of the total, comes from just two weapons programs—the B-2 bomber and the SSN-21 attack submarine. Both of these programs are only in development and not even part of our Nation's operational forces. The Bush response to the remarkable and improbable world events of the last year or two has been mostly paper savings, illusory cuts of weapons not even fielded.

The President says: "This deep, and no deeper." Pentagon officials have come to the Hill and followed up this line in the sand with scare tactics of having to let go career officers if further cuts are taken.

The American public is scared enough as it is. They are scared about their own financial future, and they need the truth—the truth about where the defense budget can be cut without compromising our national security.

My analysis of the President's 1993 defense budget convinces me that the Congress can responsibly cut the budget by at least an additional $8.8 billion in budget authority and $4.2 billion in outlays through modest reductions, none of which come out of the personnel payroll account.

So let us set aside the issue of pink-slipping service men and women right and left.

Let us understand now, that is not necessary. The Exon plan reduces personnel at exactly the same rate as the President's request and under the President's direction: No more, no less. Rather, most of my suggested cuts would come from limiting the large increases—the large increases, Mr. President—in the procurement and research and development accounts of the defense budget.

My 1993 defense spending plan, I freely admit, if it is open to criticism it would be that it is too cautious, too conservative, and not enough of a cut.

Of the $8.8 billion reduction in budget authority, I propose $5.2 billion can be cut from the procurement account alone. Having reviewed the Pentagon's $5.4 billion procurement budget for fiscal year 1993, I found that 385 of the 1,288 procurement line items, or 30 percent of the total line items, have proposed increases over their 1992 spending level. The increases alone in these 385 items total $11.4 billion, over and above the 1992 comparable amounts. In other words, if spending in just these 385 individual item programs were held to last year's level for these 385 programs without eliminating a single one, doing nothing more than to freeze them at last year's level, by just doing that, Mr. President, it would make a significant difference and the Bush procurement budget would be, therefore, reduced by $11.4 billion in just those limited programs.

One of the problems that we have is that we properly take a look at the high-profile items—the strategic defense initiative, the B-2 bomber, the cuts in military personnel—and while those should be looked at, unfortunately, meanwhile back at the ranch no one is looking at the nickel and diming to death of the increase in the defense budget by what we would call nickel-and-dime items compared to the big ticket items that we talk about so often.

Nevertheless, I would simply point out once again forcefully that we are being nickeled and dimed to death by a total of $11.4 billion in these nickel-and-dime items that are sprinkled throughout the budget, line items that very few people pay any attention to. Of course, they are not anything the news media would like to get into and talk about because they do not make exciting copy that the news media loves to play on. Anyone who is interested, though, can take a look at the record that I already have made as to what each and every one of those in specifics are.

But as everyone knows, there are high-priority, high-profile programs that the Pentagon says it must have. Some programs, of course, Congress agrees are essential to the modernization of our forces. If you fully protect though from any cuts below the President's numbers, as recommended, for each of the services' 10 top most expensive programs, a total of 30 weapons systems which I do not propose to cut in my detailed assessment, there are still 368 programs in the President's procurement budget that are growing, totaling once again $6.7 billion in increases. This $6.7 billion growth is over and above their 1992 funding level.

Mr. President, sometimes it is so difficult to really have an understanding of what is going on, how the process works around here. I do not suppose that we are going to have the votes to pass this proposal, although most of the people who I have discussed it with who have a basic knowledge of the national defense budget are saying, "You know, Senator, you have a pretty reasonable proposal there which we find is a little difficult for anybody to vote against, especially the savings of the money that you are providing would go to the reduction"—the reduction, Mr. President—"of the budget deficit and, therefore, the national debt."

Any savings that would be created by this would go to that purpose, but it will be interesting to see how the votes fall out and see how the votes on this measure compare with other statements that have been made over a period of years on the floor of the U.S. Senate by those who said we have to start doing something.

I would just like to point out, I read today an article from the Congressional Quarterly Weekly Report. It is a pretty well-known organization. Generally, they have a pretty good understanding of what is going on here, but I thought it was rather interesting to quote from Congressional Quarterly on page 867 in the current issue:

> An Exon amendment to set the level at $273.4 billion by leaving big ticket items, such as the B–2 bomber, alone and instead cutting back on scores of smaller weapons failed on a 10-to-11 vote.

I do not suppose that statement would mean a great deal to the average person out there in the United States who is trying to raise a family and pay the bills, but I think indirectly what that statement is saying is that Exon is known to have an indelible record of being a supporter of the B–2 program and I have been and still am. But I realize and recognize that regardless of what anyone thinks of the B–2 program, we are never going to build less than 15 of those or more than 20. So from the standpoint of what effect that would have on the budget, it is meaningless.

The point is, Mr. President, while I think we could have cut some money out of the B–2 program, the B–2 program is one of the must-have items of all of the services, 10 or 30 services that I did not touch with my program trying to make the case, trying to make the point that the Exon cut is so reasonable that it should be accepted. But whatever you do here and whatever you put down in numbers, you open yourself up to somebody drawing a false conclusion of what you are trying to do. All I am trying to do is make a cut in the program for the national defense interests of the United States and doing it responsibly and reasonably.

Mr. President, I ask unanimous consent that the list of the 385 programs and the list of the services' 30 top systems spared any cut by my illustrative plan be printed in the RECORD. Of course, these are the items that I have just been addressing.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Services' top 10 fiscal 1993 programs [1]

[Cost in millions of then-year dollars]

Army:	
RAH–66	443.0
UH–60	428.3
ASM	367.2
FHTV	315.7
FMTV	291.1
Longbow engine	281.8
HMMWV	229.5
Sincgars	223.2
MLRS launchers	217.2
ATACMS	188.3
Total	2,985.3
Navy:	
DDG–51	3,369.6
F/A–18	1,808.6
F/A–18E/F	1,079.7
Trident II	986.8
Carrier	832.2
E/A–6B	530.0
CH/MH–53E	513.1
Tomahawk	404.2
Fltsatcom	326.0
T–45	303.5
Total	10,153.7
Air Force:	
B–2	4,028.0
C–17	3,142.0
ATF (F–22)	2,224.0
Milstar	1,552.0
F–16	901.0
Amraam	773.0
Jstars	744.0
Titan IV	525.0
Navstar GPS	509.0
DSP	413.0
Total	14,811.0

[1] Includes procurement and R&D programs.

PROCUREMENT ACCOUNT

[in millions]

Number and description	Appropriation	1992	1993	Percent change	Change
ARMY					
8 Helicopter new training	2031	$23.5	$44.9	91	$21.4
12 Guard rail mods	2031	26.0	93.0	258	67.0
20 Flight data recorder	2031	.5	9.7	1840	9.2
26 Airborne avionics	2031	0	1.0		1.0
30 Spare and repair parts	2031	.0	101.0		101.0
31 Aircraft surv. equipment	2031	49.1	75.2	53	26.1
32 Air. comm. and Ctrl. consoles	2031	6.0	6.8	13	.8
33 Avionics supp. equip	2031	27.1	33.7	24	6.6
35 Air traffic control	2031	2.0	5.7	185	3.7
3 Other missile support	2032	.6	1.4	133	.8
8 Laser hellfire sys	2032	19.7	103.4	425	83.7
13 Mlrs launcher	2032	133.6	197.3	48	63.7
15 Atacms	2032	146.9	163.2	11	16.3
25 spare and repair parts	2032		42.1		42.1
28 Prod. base supp	2032	1.0	10.2	920	9.2
4 Armored gun system	2033		4.7		4.7
10 FAASV pip to fleet	2033		25.8		25.8
13 Spare and repair parts	2033		52.0		52.0
16 Reg. maint. train. sites	2033	.6	2.4	300	1.8
17 Howitzer, 105mm, M119	2033	36.4	47.8	31	11.4
18 Machine gun 5.56MM	2033	5.8	9.8	69	4.0
23 5.56 carbine M4	2033	5.0	9.7	94	4.7
27 Suad auto. weapon	2033	2.4	3.1	29	.7
28 M–16 rifle Mod.	2033	4.6	9.3	102	4.7
29 Mods < $2.0M	2033	.6	2.0	233	1.4
30 Spare and repair parts	2033	.0	.6		.6
31 Items < $2.0M	2033	3.4	4.5	32	1.1
32 Prod. base supp	2033	21.1	22.1	5	1.0
4 CTG, 9MM	2034	.5	2.4	380	1.9
5 CTG, .45 cal	2034	.1	2.0	1900	1.9
10 CTG, 40mm	2034	5.3	29.5	451	24.2
17 CTG, tank, 35mm	2034		1.3		1.3

PROCUREMENT ACCOUNT—Continued

[in millions]

Number and description	Appropriation	1992	1993	Percent change	Change
23 CTG, tank, 120mm	2034	31.4	46.1	47	14.7
28 Proj, arty, 155mm	2034	150.9	172.1	14	21.2
29 Proj, arty, 155mm	2034		35.5		35.5
47 Grendades	2034	3.9	7.8	100	3.9
49 Simulators	2034	4.7	6.1	30	1.4
51 Cad/pad	2034	9.2	11.4	24	2.2
53 Eod explosive	2034	2.3	2.7	17	.4
58 Comp. for proveout	2034	1.8	2.3	28	.5
59 Layaway of indust. fac	2034	29.0	31.7	9	2.7
61 Maint. of inactive	2034	67.6	75.2	11	7.6
5 Family of med. tac. vehicle	2035	171.6	291.1	70	119.5
8 Family of heavy tac. vehicle	2035	99.7	315.7	217	216.0
13 General purpose veh	2035	4.8	6.0	25	1.2
14 Special purpose veh	2035	4.9	5.7	16	.8
17 Proj. mgmt. supp	2035	3.3	3.7	12	.4
19 spare and repair parts	2035		11.8		11.8
22 Def. sat. comm. sys	2035	47.9	112.4	135	64.5
23 Sat. term, adv. MPIC	2035		11.0		11.0
27 Scott	2035	17.9	38.4	115	20.5
32 Staccs	2035	1.4	2.8	100	1.4
39 Eac comm	2035	16.2	37.5	131	21.3
44 Tsec–ted	2035	4.2	6.8	62	2.6
51 Def. data net	2035	3.0	6.1	103	3.1
55 Information sys	2035	48.5	66.2	36	17.7
56 Local area net	2035	5.2	29.3	463	24.1
57 Pent. telec. ctr	2035	2.9	4.1	41	1.2
59 GDIP	2035	3.1	26.0	739	22.9
65 DTSS Tiara	2035	7.3	10.0	37	2.7
73 Mod of EW	2035		8.9		8.9
79 Mod of tac surv	2035	26.2	30.2	15	4.0
81 Imets	2035		5.9		5.9
82 Fire supp. ADA	2035	6.9	11.7	70	4.8
87 Maneuver ctrl. sys	2035	8.0	42.3	429	34.3
89 ADPE	2035	131.6	147.8	12	16.2
93 Calib. sets equip	2035	13.5	15.3	13	1.8
95 Simp test equip	2035	3.2	5.6	75	2.4
96 TMDE mod	2035	9.8	15.8	61	6.0
97 Initial spares	2035		68.9		68.9
98 Print and binding equip	2035		4.2		4.2
100 Pecip and qrip	2035	5.7	7.5	32	1.8
103 Special programs	2035	14.7	47.8	225	33.1
104 Simp. coll prop. equip	2035	1.6	2.3	44	.7
106 Mask, protective	2035	32.4	42.3	31	9.9
123 Firetrucks	2035		4.2		4.2
133 For. area refuel sys	2035	1.0	3.4	240	2.4
141 Combat supp. med	2035	19.2	24.8	29	6.6
145 CCE	2035		1.1		1.1
146 Crush./screen. plant	2035		3.2		3.2
148 Causeway sys	2035	5.0	10.8	116	5.8
152 Forklift	2035	1.0	8.5	750	7.5
155 Combat train. ctrs. supp	2035	12.3	21.9	78	9.6
156 Training devices	2035	85.9	90.7	7	5.8
159 Spare and repair parts	2035		13.3		13.3
163 Arms control comp	2035		3.5		3.5
165 Comb. def. improv. proj	2035	3.0	3.9	30	.9
173 Oper. proj. stocks	2035		14.4		14.4
NAVY					
2 EA–6B remfg	1506	98.2	482.7	392	384.5
3 EA–6B adv. proc	1506	17.0	47.3	178	30.3
9 CH/MH–53E proc	1506	338.4	464.4	37	126.0
10 CH/MH–53E adv. proc	1506	32.0	48.6	52	16.6
13 SH–60B seahawk AP	1506	38.5	45.9	19	7.4
14 SH–60F	1506	201.7	221.3	10	19.6
20 HH–60H	1506		117.4		117.4
25 A-6 mods	1506	21.5	156.6	628	135.1
36 H–46 mods	1506	68.1	131.2	93	63.1
37 H–53 mods	1506	42.3	43.8	94	1.5
38 SH–60 mods	1506	29.0	35.2	21	6.2
43 EP–3 mods	1506	18.4	33.0	79	14.6
44 P–3 mods	1506	18.4	49.9	171	31.5
46 E–2 mods	1506	57.4	94.1	64	36.7
52 Exec. helo. series	1506		27.9		27.9
57 Common avionics	1506	16.6	23.0	39	6.4
59 Common grd. equip	1506	417.5	453.4	9	35.9
62 Other prod. charges	1506	35.8	83.1	132	47.3
11 Hellfire	1507		50.5		50.5
14 Tow IIA	1507		23.9		23.9
19 Sparrow mods	1507	2908	56.9	91	27.1
20 Sidewinder mods	1507		15.3		15.3
24 Standard mods	1507	26.4	27.5	4	1.1
26 Flt sat comm	1507	283.1	326.0	15	42.9
27 Arctic sat comm	1507		17.5		17.5
32 ASW targets	1507	18.2	26.2	44	8.0
34 VL asroc	1507	3.1	38.0	1,126	34.9
35 MK–46 torpedo mods	1507	9.9	48.6	391	38.7
45 CIWS mods	1507	56.6	58.5	3	1.9
52 2.75 inch rockets	1507	12.2	15.0	23	2.8
55 Gator	1507		18.8		18.8
58 5/54 gun ammo	1507	36.3	68.5	89	32.2
60 77MM gun ammo	1507	8.9	10.7	20	1.8
63 Pyro. and demo	1507	14.7	19.9	35	5.2
2 Carrier replacement	1611		832.2		832.2

PROCUREMENT ACCOUNT—Continued

[in millions]

Number and description	Appropriation	1992	1993	Percent change	Change
6 CVN refuel	1611	....	6.8	....	6.8
7 CGN refuel	1611	....	30.4	....	30.4
9 DDG–51 adv. proc	1611	8.1	23.1	185	15.0
16 Ocean. Ship Conv	1611	....	19.5	....	19.5
18 Service craft	1611	35.4	200.2	466	164.8
22 Outfitting	1611	243.6	385.3	58	141.7
23 Post delivery	1611	163.2	223.1	37	59.9
6 Other pumps	1810	5.5	7.3	33	1.8
7 HP air compr	1810	.2	5.8	2,800	5.6
9 Other props	1810	3.2	3.9	1,119	.7
12 Underway replen	1810	29.0	35.0	21	6.0
17 Pollution ctrl	1810	28.9	35.1	21	6.2
18 Sub. silencing	1810	18.3	21.6	18	3.3
19 Surf. Ship silen	1810	5.5	11.7	113	6.2
25 Minesweeping	1810	2.4	3.1	29	.7
27 Surface IMA	1810	7.1	11.3	59	4.2
30 Mini/micro elect rep	1810	.6	1.3	117	.7
31 Chem. war. detect	1810	5.9	8.4	42	2.5
32 Sub. life supp. sys	1810	10.7	17.9	67	7.2
34 Reactor components	1810	247.8	285.6	15	37.8
35 Diving and salvage	1810	6.5	8.3	28	1.8
36 Naval spec. war	1810	3.4	5.4	59	2.0
39 Prod. supp. fac	1810	8.2	13.9	70	5.7
45 AN/SPS–49 radar	1810	1.3	20.5	1,477	19.2
49 Surf. sonar supp	1810	15.4	22.3	45	6.9
51 AN/BQQ–5	1810	151.8	179.9	19	28.1
52 Sonar windows	1810	7.8	12.4	59	4.6
54 Switches and trans	1810	28.2	33.1	17	4.9
57 SSTD	1810	25.9	46.3	79	20.4
60 Sosus	1810	72.7	87.0	12	9.3
64 Surtass	1810	27.7	30.2	9	2.5
70 AN/WLR–8	1810	7.5	14.9	99	7.4
73 C–3 countermeas	1810	24.8	32.0	29	7.2
75 Outboard	1810	5.5	8.6	56	3.1
78 AN/WLQ–4 improv	1810	10.4	18.9	82	8.5
80 Sub. supp. equip	1810	3.6	4.5	25	.9
82 Tac flag command ctr	1810	30.9	39.8	29	8.9
83 Link 16 hardware	1810	40.8	43.0	5	2.2
90 Other training equip	1810	7.3	8.7	19	1.4
97 Facsfac	1810	1.6	12.3	669	10.7
101 Space sys proc	1810	....	4.4	....	4.4
102 NCCS ashore	1810	32.8	47.2	44	14.4
105 Gpete	1810	21.7	22.9	6	1.2
109 Hems<$2M	1810	7.2	10.9	51	3.7
110 Shipbd tac comm	1810	58.7	82.7	41	24.0
111 Flight deck comm	1810	....	3.4	....	3.4
112 Portable radios	1810	14.9	22.6	52	7.7
114 Items<$2M	1810	23.1	28.7	24	5.6
116 Verdin	1810	1.3	4.7	262	3.4
118 Satcom ship term	1810	144.5	193.6	34	49.1
122 Shore HF comm	1810	15.5	16.8	8	1.3
129 Secure voice	1810	61.3	77.0	26	15.7
139 Key MGMT. syst	1810	4.7	9.8	109	5.1
145 Crypto. reserves	1810	0.7	1.5	114	0.8
151 Sonobuoys	1810	68.3	74.0	8	5.7
155 Sus Sonbuoys	1810	....	1.8	....	1.8
156 Cartridges	1810	15.3	21.0	37	5.7
158 AEC	1810	62.0	63.8	3	1.8
161 JATOS	1810	7.9	9.0	14	1.1
163 Exped. airfields	1810	4.8	6.3	31	1.4
165 Catapults	1810	50.5	59.9	19	9.4
166 Meteor equip	1810	30.6	31.8	4	1.2
168 Aviation life supp	1810	6.1	12.5	105	6.4
169 Air. Mine C/M	1810	3.1	11.0	255	7.9
170 Lamps MKIII	1810	4.2	12.6	200	8.4
174 Gun FCE	1810	15.2	16.6	9	1.4
175 MK 92 FCS	1810	13.7	23.0	68	9.3
176 Harpoon supp	1810	28.4	37.6	32	9.2
177 Terrier supp	1810	19.5	20.6	6	1.1
178 Tartar supp	1810	26.9	33.3	24	6.4
181 Aegis supp	1810	46.4	154.3	233	107.9
184 VLS	1810	42.5	89.3	110	46.8
187 MK-117FCS	1810	55.2	65.1	18	9.9
189 Surf. ASW supp	1810	13.3	15.0	13	1.7
190 ASW range supp	1810	10.3	14.5	41	4.2
191 Explos. ord. disp	1810	11.0	12.3	12	1.3
192 Unmanned sea targ	1810	5.3	8.4	58	3.4
195 Stock survel. equip	1810	1.7	2.3	35	0.6
196 Other ord. equip	1810	0.8	1.2	50	0.4
200 Ship expend, C/M	1810	25.8	45.2	75	19.4
207 Const. & main. equip	1810	5.0	7.4	48	2.4
211 Combat const. equip	1810	2.4	3.1	29	0.7
215 Fleet moorings	1810	3.1	4.1	32	1.0
216 Poll. Ctrl. equip	1810	10.4	11.3	9	0.9
218 Forklift trucks	1810	7.3	9.9	36	2.6
221 Other supply supp	1810	2.4	3.6	50	1.2
225 Surf. sonar train	1810	1.7	9.8	476	8.1
228 Sub. combat train	1810	3.7	4.1	11	0.4
235 Intel. supp. equip	1810	36.7	64.3	75	27.6
239 Envir. supp. equip	1810	13.2	23.2	76	10.0
240 Physic. sec. equip	1810	25.9	33.1	28	7.2
242 Comb. acqu. prog	1810	75.9	133.3	76	57.4
245 Spare and rep. parts	1810	491.3	580.5	18	89.2
MARINES					
30 83MM rocket	1109	10.6	29.4	177	18.8
38 RKT motor	1109	0.0	6.0	....	6.0
46 Art. mod. kits	1109	0.6	5.8	867	5.2
47 Items < $2M	1109	0.3	2.2	633	1.9
52 Hawk mod	1109	2.5	24.0	860	21.5
54 Ped. mtd. stinger	1109	4.9	23.9	388	19.0
58 Items < $2M	1109	.	0.6	....	0.6
60 Gps	1109	.	12.7	....	12.7
62 AN/GRC	1109	.	19.0	....	19.0
63 TSC-96 PIP	1109	.	2.0	....	2.0
70 TEL	1109	.	2.0	....	2.0
71 Single chan. grd	1109	52.4	59.8	14	7.4
73 Items < $2M	1109	1.9	2.4	26	0.5
76 Adv. tac air ctr	1109	.	6.8	....	6.8
77 Marine tact. C2	1109	7.3	8.3	14	1.0
79 Meteor. sys	1109	....	6.0	....	6.0
90 NDNTEL mods	1109	2.8	3.7	32	.9
94 5/4 HMMWV	1109	40.3	47.3	17	7.0
99 Items < $2M	1109	.4	1.0	150	.6
101 Ace	1109	....	28.0	....	28.0
103 TFS equip	1109	4.7	14.1	200	9.4
104 TOPD/survey	1109	....	1.4	....	1.4
106 Tray heating sys	1109	....	3.3	....	3.3
122 Chem. agent monitor	1109	.2	.9	350	.7
AIR FORCE					
1 B–1B	3010	62.5	214.9	244	152.4
2 B–2A	3010	1,334.0	2,686.9	101	1,352.9
3 C–17	3010	1,523.5	2,513.9	65	990.4
4 C–17 (AP)	3010	172.4	205.6	19	33.2
10 C–130H	3010	289.8	300.4	4	10.6
13 Tanker trainer	3010	156.1	158.6	2	2.4
14 MH–60G	3010	23.5	30.1	28	6.6
16 E–8B	3010	....	310.6	....	310.6
21 B–52 mods	3010	31.1	76.7	147	45.6
22 F–117 mods	3010	....	24.7	....	24.7
23 A–10 mods	3010	.4	7.8	1,850	7.4
25 F–15 mods	3010	295.9	303.9	23	8.0
26 F–16 mods	3010	246.5	274.5	11	28.0
27 EF–111 mods	3010	....	9.0	....	9.0
32 C–9 mods	3010	1.4	2.0	43	.6
34 C–22 mods	3010	....	4.7	....	4.7
36 C–137 mods	3010	3.2	10.7	234	7.5
41 KC–10A mods	3010	3.6	38.6	907	35.0
42 C–12 mods	3010	.2	5.7	29	5.5
48 E–3 mods	3010	50.9	76.4	50	25.5
49 E–4 mods	3010	6.4	18.0	181	11.6
52 Other aircraft mods	3010	46.9	101.6	117	54.7
55 Spare and repair parts	3010	603.4	724.4	20	121.0
56 Common age	3010	330.3	442.4	34	112.1
57 Indust. responsive	3010	15.3	35.5	132	20.2
58 War consumables	3010	25.4	27.9	10	2.4
59 Other prod. charge	3010	547.7	686.6	25	138.9
8 AMRAAM	3020	532.4	731.4	37	199.0
10 AGM–130 GBU–15	3020	69.8	76.1	9	6.3
12 AGM–88A harm	3020	112.8	218.4	94	105.6
13 Target drones	3020	28.7	60.9	112	32.2
14 Indust. facilities	3020	....	9.9	....	9.9
20 Sidewinder mods	3020	.9	11.7	1,200	10.8
21 MMII/III mods	3020	152.0	194.6	28	42.6
28 GPS	3020	120.8	188.3	56	67.5
30 Space shuttle ops	3010	31.9	88.3	177	56.4
32 Space boosters	3020	290.2	382.2	32	91.7
34 Med. launch veh	3020	38.9	46.3	19	7.4
37 Def. support prog	3020	64.3	139.7	117	75.4
38 DSP AP	3020	....	147.0	....	147.0
41 Ionds	3020	28.2	38.0	35	9.8
42 Ionds AP	3020	3.9	11.4	192	7.5
43 Spec. update prog	3020	78.6	154.2	112	81.6
44 Special progs	3020	2,230.3	2,330.5	4	100.2
1 2.75 rocket motor	3080	....	13.6	....	13.6
4 5.56 MM cart	3080	....	2.0	....	13.6
7 30MM cart	3080	44.4	66.7	50	22.3
9 Signal MK–4 cart	3080	....	.6	....	.6
10 Cart imp 3000	3080	....	8.8	....	8.8
20 GBV–15	3080	....	6.6	....	6.6
21 Bomb practice 25LB	3080	....	12.9	....	12.9
23 MK–84 empty	3080	....	21.1	....	21.1
27 Items < $2M	3080	....	3.6	....	3.6
29 Flare, irmju–7B	3080	6.6	9.3	41	2.7
38 Items < $2M	3080	7.6	8.2	8	.6
42 Squad auto. rifle	3080	....	2.1	....	2.1
46 M2.50 mach. gun	3080	....	.4	....	.4
49 Bus, 28 pass	3080	....	2.7	....	2.7
50 Bus, 44 pass	3080	.1	3.1	3,000	3.0
52 Modular ambul	3080	....	7.4	....	7.4
53 14–23 BUS	3080	....	.5	....	.5
65 Truck, cargo 2½T	3080	....	4.8	....	4.8
66 Truck tractor	3080	6.2	11.4	84	5.2
68 Truck, utility	3080	....	3.4	....	3.4
70 Items < $2M	3080	9.9	16.6	68	6.7
71 Truck phone line	3080	....	3.9	....	3.9
77 Items < $2M	3080	17.6	20.2	15	2.6
79 Truck crash P–23	3080	4.3	22.1	414	17.8
80 Truck water P–26	3080	1.8	2.1	17	.3
81 Heavy rescue veh	3080	....	4.3	....	4.3
82 Truck pumper P–24	3080	....	2.9	....	2.9
83 Truck pumper P–22	3080	....	3.0	....	3.0
95 Spares and repair parts	3080	2.0	2.6	30	.6
97 Items < $2M	3080	9.8	10.8	10	1.0
98 Comsec equip	3080	49.5	57.0	15	7.5
99 Spare and repair parts	3080	1.1	1.9	73	.8
100 Comsec mods	3080	.5	.9	80	.4
103 Intell comm equip	3080	3.9	17.7	354	13.8
106 Tact air ctl. sys	3080	66.3	118.8	79	52.5
107 Weather OBS/FOR	3080	57.0	62.9	10	5.9
108 Def. supp. prog	3080	51.3	57.1	11	5.8
110 Sac comm and ctrl	3080	37.8	63.1	67	25.3
112 BMEWS mod	3080	....	1.0	....	1.0
113 Navstar ops	3080	3.4	6.1	79	2.7
115 Def. met. sat. prog	3080	7.3	15.2	108	7.9
121 Air base oper	3080	....	9.5	....	9.5
123 Tact. warn. sys	3080	.6	1.5	150	.9
126 Adp oper. cons	3080	....	124.4	....	124.4
127 WWMCCS/WIS	3080	16.6	32.3	95	15.7
128 Mac comm and ctrl	3080	19.6	28.8	47	9.2
129 AF phys. sec. sys	3080	28.5	36.2	27	7.7
131 C3 C/M	3080	2.9	4.0	38	1.1
133 Base level data	3080	20.1	23.0	14	2.9
134 AF sat. ctrl. net	3080	25.8	36.3	41	10.5
137 ESMC/WSMC I&M	3080	61.2	94.0	54	32.8
140 Telephone exchange	3080	59.8	80.5	35	20.7
141 JT. tact. comm. prog	3080	46.8	54.0	15	7.2
142 Ustranscom	3080	3.8	4.8	26	1.0
143 Uscentcom	3080	5.0	5.6	12	.6
144 Auto. tele. prg	3080	4.3	7.8	81	3.5
148 Min. essent. emer	3080	....	33.4	....	33.4
149 Tact. C–E equip	3080	17.1	37.6	120	20.5
150 Radio equip	3080	2.8	14.2	407	11.4
151 TV equip	3080	4.0	4.5	13	.5
152 CCTV equip	3080	2.7	3.7	37	1.0
154 Spares and repair parts	3080	122.7	210.4	71	87.7
156 Items < $2M	3080	9.1	12.9	42	3.8
157 Comm. Elect. mods	3080	25.0	26.1	4	1.1
159 Space mods	3080	12.3	19.7	60	7.4
160 Bace/alc calib.	3080	8.7	14.7	69	6.0
161 Newark AFB calib	3080	2.2	2.6	18	.4
162 Items < $2M	3080	23.4	29.0	24	5.6
163 Night vision goggles	3080	6.2	6.6	6	.4
164 Breathing appar	3080	6.2	8.5	37	2.3
166 Items < $2M	3080	3.3	5.0	52	1.7
167 Base mech. equip	3080	9.0	12.3	37	3.3
168 Air term. mech. equip	3080	3.9	5.0	28	1.1
172 Floodlights	3080	11.2	15.3	37	4.1
173 Items < $2M	3080	2.2	4.4	100	2.2
176 Air base oper	3080	13.1	17.3	32	4.2
179 Photo. equip	3080	3.6	6.4	78	2.8
183 Mobility equip.	3080	.5	1.4	180	.9
186 Items < $2M	3080	13.2	20.1	52	6.9
187 Int. prod. act.	3080	34.5	72.7	111	38.2
190 Selected activities	3080	5,458.5	5,560.1	2	101.6
191 Special update prog	3080	162.1	176.9	9	14.8
DEFENSE AGENCIES					
3 Major equip	0300	2.0	53.2	2,560	51.2
4 RPV	0300	138.4	149.0	8	10.6
5 Corp. info. mgmt	0300	56.8	64.0	13	7.2
13 Items < $2M	0300	27.2	67.5	148	40.3
23 Def. supp. act	0300	....	1.9	....	1.9
29 Other capital equip	0300	20.3	34.0	67	13.7
30 Geodesy equip	0300	.3	2.7	800	2.4
31 Vehicles	0300	2.1	4.0	90	1.9
34 Items < $2M	0300	3.6	5.6	56	2.0
35 Major equip	0300	179.2	463.4	159	284.2
36 Major equip	0300	21.7	30.7	41	9.0
39 SDIO patriot	0300	25.0	62.5	150	37.5
43 C–130 mods	0300	84.4	110.6	31	26.2
48 Aircraft supp	0300	15.1	138.4	817	123.3
49 Patrol boat	0300	4.2	25.4	505	21.2
51 SOF pyro/demo	0300	20.8	25.3	22	4.5
53 SOF indiv. weapons	0300	13.1	17.5	34	4.4
59 Comm. equip. and elec	0300	78.0	81.7	5	3.7
60 SOF Intell. sys	0300	....	34.3	....	34.3

Mr. EXON. Mr. President, what is so startling about these programs is the rate of increase. Of the 368 programs, 157 programs, totaling $3.9 billion in increases over last year, their level in 1992 is at least a 100-percent increase over last year; 214 of the 368 programs, totaling $5 billion in increases, exceed the 1992 levels by at least 50 percent; 296 of the 368 programs, totaling $5.9 billion in increases, exceed the 1992 levels by at least 20 percent.

I have taken a cut of only $5.2 billion out of these increases, which total $11.4 billion, but again more savings can and should be found. Remember, my plan protects the requests for the 30 most expensive programs and it would not—I repeat, it would not—cut any procurement program below this year's spending level.

In other areas of my illustrative list of cuts, I reduce $2.1 billion from the Bush research and development budget which has a total of $39 billion. This cut assumes a $1 billion reduction in the strategic defense spending.

But to put that in perspective, let me say that even at the reduced spending level I have recommended of $4.3 billion for SDI for fiscal 1993, it is still higher than what we provided for that program last year, which was $4.1 billion. Anyone paying close attention to the sentiment in Congress about the increases in the SDI spending realize that a $4.3 billion funding level is a very high number.

Once more, my plan assumes a conservative reduction. An additional $1 billion in savings can be realized simply by freezing the Air Force research and development budget, which is proposed to increase by 6.9 percent over last year, and the director of test and evaluation at 1992 levels.

In other accounts, my plan would save $400 million by freezing Department of Energy funding at the 1992 spending level and reduce operations and maintenance in military construction and family housing by a paltry 1 percent below the President's request.

Senator NUNN, the distinguished chairman of the Armed Services Committee, spoke eloquently on the Senate floor earlier this year about how the Pentagon can lower spending in the operations and maintenance account by reducing operational tempos, training levels, and readiness standards to reflect the reduced threat to our forces around the world.

In proposing this amendment, I have outlined where the cuts can be made to the defense budget, not necessarily what will be made. The budget resolution is designed to establish spending caps or ceilings. It is not meant to specifically address funding levels for defense accounts or programs.

I have purposely taken a modest, conservative approach in my plan to illustrate that the scare tactics of the Pentagon do not hold up to scrutiny. The budget amendment takes the President's proclamation of "this deep and no deeper" head on and says that the defense budget is not sacrosanct. It is time we managed the Defense Department budget to bring it kicking and screaming in line with the post-cold war world.

AMENDMENT NO. 1763

Mr. EXON. Mr. President, I send the amendment to the desk.

I point out at this time that the amendment is cosponsored by Senator SASSER, Senator BYRD, Senator MITCHELL, Senator LEVIN, Senator HARKIN, Senator SIMON, Senator BUMPERS, and Senator CONRAD.

I would further explain that, at the suggestion of the Senator from Iowa [Mr. GRASSLEY], we have incorporated in the amendment a clear understanding that it is a sense of the Senate that none of the cuts made in this budget proposal will not cause nor should those cuts be used to make any further reduction in forces beyond those already outlined by the President.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Nebraska [Mr. EXON], for himself, Mr. SASSER, Mr. BYRD, Mr. MITCHELL, Mr. LEVIN, Mr. HARKIN, Mr. SIMON, Mr. BUMPERS, and Mr. CONRAD, proposes an amendment numbered 1763.

Mr. EXON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 3, line 16, decrease the amount by $7,700,000,000.

On page 3, line 17, decrease the amount by $8,100,000,000.

On page 3, line 18, decrease the amount by $8,600,000,000.

On page 3, line 19, decrease the amount by $9,300,000,000.

On page 3, line 20, decrease the amount by $10,000,000,000.

On page 3, line 23, decrease the amount by $3,600,000,000.

On page 3, line 24, decrease the amount by $7,800,000,000.

On page 3, line 25, decrease the amount by $9,200,000,000.

On page 4, line 1, decrease the amount by $10,200,000,000.

On page 4, line 2, decrease the amount by $11,100,000,000.

On page 4, line 5, decrease the amount by $3,600,000,000.

On page 4, line 6, decrease the amount by $7,800,000,000.

On page 4, line 7, decrease the amount by $9,200,000,000.

On page 4, line 8, decrease the amount by $10,200,000,000.

On page 4, line 9, decrease the amount by $11,100,000,000.

On page 4, line 12, decrease the amount by $3,600,000,000.

On page 4, line 13, decrease the amount by $11,400,000,000.

On page 4, line 14, decrease the amount by $20,600,000,000.

On page 4, line 15, decrease the amount by $30,800,000,000.

On page 4, line 16, decrease the amount by $41,900,000,000.

On page 5, line 20, decrease the amount by $3,600,000,000.

On page 5, line 21, decrease the amount by $7,800,000,000.

On page 5, line 22, decrease the amount by $9,200,000,000.

On page 5, line 23, decrease the amount by $10,200,000,000.

On page 5, line 24, decrease the amount by $11,100,000,000.

On page 7, line 13, decrease the amount by $7,600,000,000.

On page 7, line 14, decrease the amount by $3,500,000,000.

On page 7, line 22, decrease the amount by $7,600,000,000.

On page 7, line 23, decrease the amount by $7,300,000,000.

On page 8, line 7, decrease the amount by $7,600,000,000.

On page 8, line 8, decrease the amount by $8,200,000,000.

On page 8, line 16, decrease the amount by $7,600,000,000.

On page 8, line 17, decrease the amount by $8,500,000,000.

On page 8, line 25, decrease the amount by $7,600,000,000.

On page 9, line 1, decrease the amount by $8,700,000,000.

On page 40, line 12, decrease the amount by $100,000,000.

On page 40, line 13, decrease the amount by $100,000,000.

On page 40, line 21, decrease the amount by $500,000,000.

On page 40, line 22, decrease the amount by $500,000,000.

On page 41, line 5, decrease the amount by $1,000,000,000.

On page 41, line 6, decrease the amount by $1,000,000,000.

On page 41, line 14, decrease the amount by $1,700,000,000.

On page 41, line 15, decrease the amount by $1,700,000,000.

On page 41, line 23, decrease the amount by $2,400,000,000.

On page 41, line 24, decrease the amount by $2,400,000,000.

On page 42, line 7, decrease the amount by $100,000,000.

On page 42, line 8, decrease the amount by $500,000,000.

On page 42, line 9, decrease the amount by $1,000,000,000.

On page 42, line 10, decrease the amount by $1,700,000,000.

On page 42, line 11, decrease the amount by $2,400,000,000.

At the end of the resolution insert the following:

SEC. . SENSE OF THE CONGRESS.

It is the sense of the Congress that the levels in section 6 of this resolution are consistent with the assumption that the defense reductions required shall not result in reductions in military personnel below those levels set forth in the President's fiscal 1993 budget.

Mr. EXON. Mr. President, I yield the floor and reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I understand on our side that several Senators want to be heard. I think Senator LOTT, a member of the Budget Committee and the Armed Services Committee, has a time problem. As soon as I am finished, I would allow time on our side to Senator LOTT.

I understand Senator WARNER, the ranking member of the Armed Services Committee, wants to speak; Senator THURMOND; Senator SYMMS from the Budget Committee wants to speak. And, Senator COHEN would like to speak. We will have plenty of time. Senator WALLOP wants to speak. We will arrange those in short order. Obviously, the other side is entitled to take time in between our various speakers.

Mr. President, first, let me start with the last comments that the distinguished Senator from Nebraska made. I think he said Senator GRASSLEY has asked him to put some language in this particular amendment to a budget that says there will be no reduction in forces, military forces, manpower.

Everyone should know, including Senator GRASSLEY, that will not work. This is a budget resolution, and the only thing in the budget resolution, Mr. President, and fellow Senators, are numbers.

So there is a number for defense for 1993 that changes the number, that is, in the resolution that the Budget Committee reported out. That is it. In due course, the Armed Services Committee will take the number and develop a scheme, an authorization, to spend it. There is no way that you can say to that committee or the Defense Department we are going to cut $8.8 billion but you cannot cut anything that I do not want you to cut. That just will not work.

So anyone who votes for this and does not think there is going to be a further reduction in military manpower is just taking a great big gamble because more than likely there will be substantial manpower cuts if you have to reduce the defense number by the amount suggested by the Senator from Nebraska.

Second, I do not quite understand why the Senator from Nebraska insists on using words like "dishonest." I do not understand how he insists on using words like "snow job," and, I repeat, "dishonest."

I wonder who is dishonest? Is it the President of the United States who is dishonest? If that is the case, how come he has such great respect for the Senator from Georgia?

The Senator from Georgia believes the President's number is right for the first year. Who now is dishonest? Both of them? One of them? Do we choose? Or is it perhaps Secretary Cheney, or maybe it is the staff?

In any event, I do not think this is an issue of honesty or dishonesty. I do not think it is a issue of snowball or snow job to anyone. We are all grown people. If we do not have time to read this ourselves, we have scores of staff to look at the proposal and see what the facts are. The facts are that the Senator from Nebraska misstates cutting defense and what cutting defense means. He says if you are cutting something that is not already in existence, you are not cutting defense.

I submit that we ought to call the two Senators from Connecticut down here. Let us stand them up here and say, "Senators, why are you worried about Seawolf?" Seems to me they are very worried about it. Why? Because Seawolf is going to go into an industrial plant that has all the people there ready to build Seawolf.

If Seawolf is not built, what happens? We understand between 11,000 and 15,000 people, highly paid, are laid off. Is that a reduction in defense expenditures or not? I submit moving Seawolf is a cut in defense. It was not only planned; it has been designed. We put the money in; it is ready to go. That is how you figure cuts in defense.

There are other items in the President's budget that almost everyone says are cuts in defense that are not yet things in being, as submitted here—at least by inference, if not directly—by the Senator from Nebraska as a contention that those are not cuts.

Mr. President, we reduced defense $170 billion when we came out of the 5-year economic summit; $170 billion. Senator SASSER, chairman of the Budget Committee, was there. He helped put this together. I do not think he walked out and said $170 billion is not real. In fact, I think everybody touted the fact that we had really cut the discretionary appropriations of the United States, and almost all of it was defense.

The President came along and said, "Let us put $50 billion more on." He told us why and how. I think that is $220 billion in defense cuts. To tell the American people there are no defense cuts to speak of and we have not gotten any peace dividend is just belying the facts.

The fact that we have not yet balanced the budget because we spent all the money does not mean we have not cut defense; the fact that we have not had sufficient savings to put in all kinds of programs that people are running around saying they think we need that should have been the peace dividend does not mean there were not some real cuts. There will be $220 billion worth of cuts when the President's plan is completed, when the plan that is currently contemplated by the budget resolution is completed.

Having said that, I want to thank the members of the Budget Committee. Every Republican and two Democrats voted for the President's number. I think they were saying, plain and simple, two things: First, that it is too early in the scheme of current world history to take a chance, and second, disarm and reduce our defenses dramatically. I think they are saying let us cut in an orderly manner, and wait and see for a few years how this world pans out. I think that is pretty logical.

I think it was urged on us by every expert, looking at our past mistakes that we brought before the Budget Committee and Armed Services Committee: Be careful; be orderly; do not do things precipitously, because they have always been wrong. So I think that is one thing that convinced them.

I think the other was that we were making a real reduction in things we were buying for the defense of our country, such that they believed the Congressional Budget Office that we were going to add 1.2 million men and women, military and civilian, to the job market of America, most of whom would have no jobs to go back to.

Let me repeat, before the President adds his additional $50 billion request: The Congressional Budget Office says 1.2 million men and women, civilian, military, industrial workers, military men and women—we are taking 1.2 million of them and saying—we do not know what you are going to do, but you do not work for us anymore.

For the men and women in military: We are saying we do not know what your contract was. You are not draftees. You are volunteers; you have an agreement. We will have to start shipping some of you home, into the marketplace of your hometown or some other city in America, 1.2 million. It does not sound like nothing to me. It sounds like a lot.

I do not believe the Congressional Budget Office would think the additional $50 billion was nothing. When you add the $50 billion cut you will have 1.8 million American men and women, civilian, and military, who have been let out of either the service or the employment of industries that employed them for defense purposes. That is a pretty big estimate.

Those are estimates; I understand. But I believe they indicate that these cuts are serious, and that we probably cannot do anything with more defense cuts other than make the economic situation worse in our country. We do not know how to do otherwise. When we reduce defense, we add people to the marketplace for jobs. We reduce industries' capabilities, and they must let people off.

I am not complaining about that. I do not think we will ever find a way to do it much better in America. People speak of conversions. I hope we can make some. I hope we find ways to transition; I hope we find ways.

But essentially, on every score, the 11 members of the Budget Committee said to the Armed Services Committee: We think the President's number is about right. We know there are other things you might cut other than the President did, but we also think there are things you will add that the President had cut.

Mr. President, a great deal has been said and more will be said about the specifics that justify this new cut that the distinguished Senator from Nebraska recommends.

The Senator from Nebraska will assume that we can cut procurement, we can cut some of our supplies, some things we have been purchasing, some inventories. As I understand it, he looks at that part of those items that are going up, and says we ought to cut them. Well, from what I read, from what I saw in the committee, he shows a pie that has 100 percent of procurement. He shows that two-thirds of that, I say to my friend from Mississippi, would be cut or held constant under the President's plan; one-third would increase.

The Senator from Nebraska is telling us that we are not cutting procurement because he is looking at the one-third that did not get cut and saying: Let us cut it. Obviously, if you are managing procurement in a changing world and in an orderly manner, everything does not come down; something goes up if you are handling that big a procurement. So it seems to me it is wishful thinking to assume that the authorizers and the appropriators are going to further reduce the procurement from that which is in the President's recommendation. At least it is not going to happen in the manner suggested.

So one-third is growing; two thirds has either been cut or is constant. So we are being told that we have not cut enough, when frankly we are not going to be able to tell the committees of that total reduction we are talking about, where they will find additional reductions.

Having said that, let me say one other thing, and I will sit down and yield to either Senators LOTT or WARNER.

The cut that is not built into this budget in the year 1993, by a coincidence of the 5-year agreement—by a coincidence of the 5-year agreement—whatever is cut in 1993 will go to deficit reduction. The Senate refused to change that, and said: Whatever you save, you put in deficit reduction.

But, Mr. President, it is in error to allege that, under this budget resolution or the budget resolution as amended by the Senator from Nebraska, the savings in 1994, 1995, 1996, and 1997, which are being touted by the proponents of the amendment would save an additional $62 billion in the years 1994, 1995, 1996, and 1997 will go to the deficit.

Mr. President, I wish that were the case. That is not the case.

The way we structured the agreement, it will be up to the appropriators to determine how much will go to domestic spending and how much, if any, in those outyears will go to deficit reduction. I do not say that because I have any way of changing that outcome, but I merely suggest for those who think they are adding a very large deficit reduction by virtue of this amendment, essentially they are adding $8 billion in budget authority to the deficit reduction, period.

With that, I yield the floor.

Mr. SASSER addressed the Chair.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, I think we ought to not lose track of the reason we are on the Senate floor today, and that is to take up a budget resolution which we are debating, and to try to reduce the deficit. That is what we are about here. We are trying to reduce the budget deficit.

The distinguished Senator from Nebraska, Mr. EXON, is the ranking majority member of the Armed Services Committee, and is intimately familiar with the U.S. military force structure and its requirements. And over the years of his service here in the U.S. Senate, the Senator from Nebraska has been at the forefront of defending military spending, and has exhorted this body on more than one occasion to increase spending for a particular weapon system that he felt the security of the country demanded at a particular time.

I think it is something that we ought to take note of, that this same ranking majority member of the Armed Services Committee, who in times past, has come to this floor asking for increases in military spending in various areas, should come now and propose reductions in military spending, all in the name of deficit reduction; all reductions in military spending under the Exon amendment go to deficit reduction.

It appears to me that the Senator from Nebraska has been reading the newspapers for the past 2 years; he has been reading the periodicals, the journals, and watching the news and has been traveling. And he understands that the former Soviet Union no longer exists. And that superpower, that military superpower—that nation state that we have spent multiples of trillions of dollars of our national treasure and tens of thousands of the lives of our young men since 1947 in resisting—no longer exists; it is all over. The Senator from Nebraska is looking down the road to the future of this country. He is looking straight ahead, but there are others who are still looking at the world through the rear-view mirror. They are looking at the road that was behind them.

So I want to pay tribute to the distinguished Senator for having the perception to understand the world that we live in today, and for having the courage to come before this body and say: I have changed my mind now, in view of a very different world that we live in, and I think a bigger threat to the security of the United States now is an exploding budget deficit, as opposed to a moribund of dead former military superpower. Perhaps he is telling his colleagues: Let us learn from the experiences of very recent history. The Soviet Union spent itself into bankruptcy in funding an enormous military apparatus. Indeed, it was the second largest military superpower in the world.

Mr. President, the Senator from Nebraska knows that the Soviet weapons are still there, but they are no longer a superpower, because they have collapsed economically, politically, and are perhaps on the verge of collapsing socially, simply because they spent themselves into bankruptcy on military weapons and a military apparatus.

My able friend and colleague, a man for whom I have great respect, and I might say affection, the ranking member of the Budget Committee, Senator DOMENICI, who I know feels very strongly about these matters, indicated that there was no guarantee that manpower would not be cut simply because the amendment of the distinguished Senator from Nebraska said that. But I submit that there is no reason to cut manpower if the Exon amendment should pass. Our total force structure now stands at 1.8 million men and women. The President's budget will bring that force down by 99,000 in fiscal year 1993, and begin bringing it down at a lower rate each year thereafter, until we stabilize with a force of 1.6 million men and women in fiscal year 1995.

Let us just look at that figure for a moment. We are going to take 99,000 people out of the force under the President's budget in fiscal year 1993. Every year, the force loses 200,000 men and women just by attrition. Just by attrition. So the force is cut 110,000, more than the President's request, simply by attrition—those who voluntarily, of their own accord leave the military services.

I say to my colleagues, when we turn on the television set, many of these programs are aimed at young people. We see the ads exhorting young people to join the armed services. We are familiar with the slogan: Be all you can be, join the Army. Well, they do that because they have to bring in an additional 110,000 people next year in order to hold to the President's budget. So there is no reason to cut additional manpower. Granted, it may mean that everyone who wants to serve in the military cannot. You cannot accept everybody who applies. I do not accept everybody who wants to work on my staff here in the Senate. I wish I could. We turn away many promising young people, but there are just not enough slots available. But with regard to those who are being ejected against their will, that is a very small portion, and that is occurring under the President's budget.

This is the President's budget, the President's number, that is rejecting a small number of young people and a small number of military service personnel against their will. One of our colleagues, the other day, was very upset. He said: Here we are, discharging sergeants who have been in for 6 or 7 years, just letting them go and giving them the option of resigning now and accepting $50,000, or they may be involuntarily discharged later on.

We lay off a lot of people down in my area. In factories, people are losing their jobs. Very few of them are offered a $50,000 termination package, these wage earners, if they leave voluntarily.

I am sorry that everybody cannot remain in the military that would wish to. But it is difficult for me to work up a great deal of sympathy under the example that was given by one of our colleagues. I do not know if it is accurate or not, but I cannot work up much sympathy over someone who served 6 or 7 years and then is given a $50,000 cash bonus termination package.

A question might arise, well, suppose we do have to make a choice of making additional reductions beyond the administration's defense budget. How can we do it without additional cuts in the force? That turns out to be a remarkably uncomplicated exercise.

The Senator from Nebraska offers a reduction, as I understand it, in budget authority some $8 billion above the President's, a reduction in outlays of some slightly over $4 billion above the President's. This amounts to less than a 3-percent additional savings over the President's defense request.

So let me just offer my colleagues a menu of 15 options that quickly adds up to $25.6 billion in budget authority and $12.8 billion in outlays in 1993. I am not saying this ought to be done. I am just saying this is what could be done so you do not have a reduction in force.

We can start first by halting the B-2 production program at 15 aircraft. That saves $40 million in outlays in 1993.

There are some very good reasons to shut down the B-2 production entirely. As many of my colleagues know, I favor that. But this option does not do that. It merely upholds the well-established will of this Congress to halt B-2 production to the 15 that we have already authorized.

The administration wants to procure four additional B-2's this year. By simply denying that request, to buy an additional four B-2 bombers we save $40 million in outlays and $900 million, almost a billion dollars in budget authority just on this one weapon system. This is certainly not a radical proposal. It is just simply in keeping with the recorded will of this body here in the U.S. Senate.

Let us go on down the list. We could halt production of the D-5 missile. We all know that a D-5 is a MIRV'd missile to be fired from the Trident submarines. It has hard target-kill capability. It has exceptional accuracy.

But I have yet to hear a credible rationale for moving on to this advanced D-5 missile because we already have a missile in our Trident submarines that is accurate. I cannot state on this floor how accurate, because it is classified, but it is extraordinarily accurate, the most accurate submarine launched ballistic missile in the world. That missile has some hard-target kill capability. It has a MIRV'd warhead.

What threat, what enemy is forcing us to go ahead and spend an additional $1 billion in budget authority for the D-5 missile? It does not make sense to me, and this is something that could be phased out. You would not have to reduce manpower by one man.

Mr. DOMENICI. Mr. President, will the Senator yield 30 seconds for a request?

Mr. SASSER. I am pleased to yield to my friend from New Mexico.

Mr. DOMENICI. Mr. President, I designate Senator LOTT as the Senator controlling time on our side. The Republican leader designated the Senator from New Mexico. I would like to designate him, and I understand he will speak next on our side.

The PRESIDING OFFICER. The designation is so noted.

Mr. SASSER. I thank my friend from New Mexico.

Now, Mr. President, we really should freeze nonmajor procurement at a 1992 level. Why cannot we freeze nonmajor procurement at a 1992 level? Why should we increase it for fiscal year 1993. If we froze it there, we would save $1.7 billion in outlays. There are some 1,288 military procurement items in some stage of development and 30 percent of these have proposed spending increases over the 1992 spending levels.

This occurs, I say to my colleagues, after the demise of the evil empire and when we stand as the military colossus of the world, unchallenged.

And these increases total $11.4 billion and include 368 nonmajor procurement items with proposed increases totaling $6.7 billion. And 157 of these items have increases in 1993 greater than 100 percent of their 1992 level.

And this is occurring at a time when the Federal budget deficit has literally exploded.

I want to be reasonable about this and I want to try to understand the point of view of all of my colleagues on this matter. We are not talking about canceling anything, though I will be frank to say that I think many of them should be.

I am only suggesting that we hold them to last year's level. If not having a superpower adversary means anything, it means we can afford to take our time on some of this military weapons development. Frugality is now a luxury that we can afford in the military area. Let us take advantage of it. Save taxpayer dollars. Reduce the budget deficit.

On that score, for example, we can reduce funding on the strategic defense initiative to a 1991 level and save $1.270 billion just in 1993.

This is not a death knell for SDI if we do this. Scaling back to 1991 levels on spending for the strategic defense initiative, the so-called Star Wars, means that we will still be spending over $3 billion on SDI for 1993.

Surely, that is not an unreasonable request to say colleagues let us hold it to a little over $3 billion on SDI.

Why do not we just defer the procurement of a new aircraft carrier. We could save $40 million in outlays if we did that. We have 14 aircraft carriers, 14 active carriers, and one training carrier. Nobody else has any. The old Soviet Navy might have had one or two, but you could never get agreement as to whether or not they were actually operational. And the British and the French have one or two apiece, and they are all World War II antiques.

What threat, what threat, really, impels us to move forward and build another aircraft carrier, to the tune of billions of dollars in outlays over the next few years when we already have 14 and have the 15th for training and nobody else has any, at least no potential adversary has any? I just do not understand it.

What is this that drives us forward to do this?

Let us talk about fighter aircraft. We want to develop a new fighter aircraft, the F-22. We could slow development on the F-22. I am not saying stop it; just slow development, and that would save us $1.220 billion in budget authority. We now have the state-of-the-art fighter aircraft in the world. No one can compete with the aircraft manufactured by the United States of America. No aircraft can stand up to the F-15E. It is the best in the world and nobody is really trying to build one any better.

People are standing in line to buy the F-16, the most highly sought after tactical fighter aircraft in the world, manufactured by General Dynamics. It has no rival in the world. The F-18, the most advanced fighter bomber in the world, no one has anything to compare to it.

Yet we are moving full speed ahead with a new F-22 aircraft and the administration wants to spend $2.2 billion in 1993.

Why are we doing that? I am reminded of the old saying that "the wicked fleeth where no man pursueth." There is nobody pursuing us now. Why do we move forward with these grossly, almost obscenely expensive military projects.

Now, we could freeze the C-17, a new strategic airlifter at the 1992 level and save $1 billion.

Frankly, I do not think we need a C-17. If we need more airlift, and I am prepared to accept the arguments of those of our colleagues that say, yes, we need more airlift, but if we need more airlift, I think we ought to build some more of the C-5B's. They are a lot cheaper. They haul just as much, but the option I am putting before us with regard to the C-17 would still allow for the procurement of four C-17's in fiscal year 1993 at a cost of $2 billion.

Now let us talk about the intelligence budget for a moment. Published figures indicate that we spend $30 billion a year approximately on intelligence. Most of that intelligence apparatus since 1947, when the CIA was formed by Harry Truman, has been focused in gathering intelligence against the former Soviet Union and their activities worldwide.

The old Soviet Union does not exist anymore. If we wanted to find out what the KGB was up to, all you have to do is go to Moscow and go to their headquarters and open the file drawers and look. It is there. Anyone can see it. American scholars and academics from all over the world are going through those. And it is going to be very interesting reading to see what they find in the files of the old KGB.

But surely, we could save 5 percent out of that intelligence budget. Our distinguished friend from South Carolina, Senator HOLLINGS, has already proposed doing that. We could save $2 billion out of the intelligence budget. That would be about a 5-percent cut. Surely, given the way the world has changed, that is not unreasonable.

So I offer this menu of cuts, really, so that my colleagues will have some way of knowing that if those in the Pentagon really want to reduce defense spending without reducing the force, they certainly have every alternative available at their disposal. So to raise the scare tactic that reducing this defense or military spending by the very modest amount proposed by my friend from Nebraska is going to cause the force to come down, why, it just does not make sense.

My friend and colleague from New Mexico indicated a moment ago that at the budget summit we reduced defense spending by $170 billion over 5 years. Well, that was from a baseline that was going up. It was going up. And the truth is that in 1990, the defense budget, military spending, stood at $301 billion in budget authority, and by 1997, under the President's program, it will stand at $290.6 billion in fiscal year 1997. Now is that not remarkable that we would be spending a little over $290 billion still in fiscal year 1997, I say to my friend in the chair; that we would still be spending in 1997, Mr. President, over $290 billion in military expenditures?

It just does not make sense, I say to my colleagues, at a time when we have no adversaries, and at a time when our budget deficit has exploded, at a time when we have such terrible and long neglected needs here at home. No one advocated deep cuts. No one is advocating unilateral disarmament. We are simply advocating a very slight moderation in view of changed circumstances.

So I for one want to pay tribute to the work of the Senator from Nebraska. It is not easy, when you sit on a committee that has jurisdiction over a particular area of the Government, whether it is the Defense Department, or the Treasury Department, or whatever, over a period of years, you develop an affinity with that portion you are supposed to be overseeing and you develop a bias in favor of those that you are supposed to be authorizing funds for overseeing or appropriating funds for.

And it is not easy to turn around and disagree with them and say we have to make some reductions here, and you have to make them. The Senator from Nebraska has had the courage to take the bull by the horns here and say, "We are moving in the wrong direction. Let us moderate ourselves along that path just ever so slightly." I respect him for it and say a hardy thank you to him. I am honored to be a cosponsor of his amendment here today.

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER. The Senator from Mississippi [Mr. LOTT] is recognized.

Mr. LOTT. Mr. President, I thought perhaps I just misunderstood what I heard a while ago. I listened closely but I though I heard it said that this budget resolution was an exercise to reduce the deficit. I did not laugh out loud but I was tempted to. This budget resolution has a deficit for 1 year of $327.4 billion. That's not a very good effort, if we are trying to reduce the deficit.

The proposal before us now would, it has been said, only slightly cut a little from defense. Yet the record is clear that defense has already paid at the office, Mr. President.

Defense has already been cut dramatically over the past 2 years. And again this year, the President came and presented to the Congress a proposal to cut defense over the next 5 years another $50 billion. Frankly, I think that is too much. So defense, from any baseline you want to choose, has already been cut. The fact of the matter is that around $220 billion less in defense spending has already been proposed, some of it enacted by the Congress, but proposed by the President.

Defense has already paid. It is being cut substantially. But when I look at the committee's mark, which I voted against, thank goodness, at least in the defense area the committee held the line at the level basically that the President asked for.

I would point out, Mr. President, nothing else has paid at the office to reduce the deficit; not really. The international discretionary account has not been cut. I have looked at the domestic discretionary accounts. Most of them are up over previous years, and over the previous year, but most of them are up substantially over the previous year.

Look at these numbers. I am looking at some here, a $2 billion increase. Here is another one, up $8 billion over the previous year. Let's face it, domestic discretionary is going up. International discretionary is basically holding at present levels. And, of course, mandatory spending is going up dramatically—some accounts 38 percent, some 16, some 12. Nothing else in this budget resolution is really helping to reduce the deficit—just defense.

A good deal is being made about the sponsor of this amendment. We all respect him. I worked with him on the Armed Services Committee and on the Budget Committee. He does defend vigorously various defense projects. We all appreciate that.

But let us talk a little bit about who is opposed to this amendment and who supports another figure, a figure that is not as draconian in its cuts: The President of the United States, the Secretary of Defense, who came to Congress and made this additional proposal of cuts. He was honest about it. He did not ask for a lower number, thinking Congress would increase the cut. He asked for the number he thought they could legitimately, honestly, and safely meet for the country.

Gen. Colin Powell came before the Armed Services Committee and made an impassioned plea that we not make more cuts beyond what has already been agreed to.

How about Members of the other side of the aisle? How about the chairman of the Armed Services Committee? What is his position? My understanding is that his position supports the level the President has asked for—not the amendment of the Senator from Nebraska. I assume we will hear from him on this.

What about the distinguished Senator from South Carolina, the ranking member on the Budget Committee, Senator HOLLINGS. He voted against this very amendment in the committee.

So we need to think about some of the other people, the real leaders who oppose this amendment and who support the President's budget number for Defense.

Mr. President, speaking before the House of Commons, Winston Churchill once said:

> The problems of victory are more agreeable than those of defeat, but they are no less difficult.

That is what we are dealing with here. The world is changing. Thank goodness, the world is poised, perhaps, for a period of peace. There is economic improvement all over the world, and freedom for countries all over the world. But now is the time when we must secure our future. And our future is not free. It is not cheap. We must have a plan for what we are going to do with defense, not a meat-ax chopping away, but a clear, steady path that we know, we can count on, and that meets our needs.

There are in this body those running around almost giddy, "We get to cut the defense budget. We can take the money and apply it to the deficit." They are sort of Johnny come lately, as far as I can tell.

There is another quote, an old Russian proverb which says, "He who digs a hole for another may fall in himself."

That is what can happen here. I caution my colleagues, before you cut defense further, think about what it will do to our defense programs and the men and women in our defense programs that will be affected by it. Somebody is going to have to come up with the cuts to pay for this.

I remind my colleagues, this is a budget resolution. A menu is nice. I could develop a menu. It might be somewhat similar to the menu that the Senator from Tennessee came out with. Maybe it would be a little different. We all can get a menu, but that is my point.

"We can cut more," everybody says, but everybody also says, "not in my backyard." Do I hear an echo around here? People saying "No, no, not B-2. Don't cut more from B-2." And the Seawolf submarine, "No, no, we have to have that capability."

And what about industrial base? And you know what, I agree with them. I worry about our industrial base. What are we doing about our capability to produce and overhaul nuclear submarines?

Members would say "not the Seawolf, not the B-2."

I am not just pointing at other Members. We all say it.

In response to the base closure commission last year, who among us did not say "not my base"? None of us wanted our bases closed. I plead guilty. I defended the Meridian Naval Station with every fiber in my being. "Not my base." At least, I said, I have always voted for these programs; not me.

How about people on the other side who have been for cutting this stuff all along? Now they are saying "not my base."

Just 2 weeks ago, the Secretary of Defense and Gen. Colin Powell, two respected men, came to the Congress and said, "Say, guys and girls, you are going to have to cut a little more out of defense in the National Guard and Reserve area."

Oh, my goodness, there was an uproar. "You cannot cut my armory. Do not cut my armory in Marks, MI. Do not cut these Reserve units."

So, right down the list we go. For every program you name, there is going to be somebody who says "not that one" and "not mine."

But this is not a generic cut. This is not pie in the sky when we say "Oh, we wish it would be less" and we pay no price. We do not even get to say that in this resolution. We are just voting on the macro numbers. We are going to turn this over to other people and they will pick and choose. And let me tell you most of us will not be in that little room when the picking and choosing is done. Think about it.

But I am going to say again, as I said in the Budget Committee, there is something more important than just a weapons system or just an armory. It is the human face that is involved here. Nobody seems to get too excited about the tens of thousands—hundreds of thousands of jobs that are being lost in the defense industry. GM cut 74,000 over 3 years and that is a disaster. But if defense-related industries cut hundreds of thousands, "Well, gee, whiz, we can assimilate that into our economy."

Those men and women, not just who have been in the Army 6 years, but those with 16 years, with a wife and children, on third tour to Germany, having served in conflict in Vietnam, or having been in the Persian Gulf. They are being told, "Get out and take the $50,000." And if you say "I do not want to get out," you will be thrown out and there will not be any $50,000 lump sum.

We are moving almost 500 people out of Europe every day, and they are being put out and told get a job in an economy that is not very strong.

Believe me, these cuts don't affect only airplanes, tanks, or ships. Human beings in the defense industry and men and women in the military are also affected.

Once again we are breaking our word to our military men and women. These are not just workers in an industry, either. These are people who have been moved all over the world, who have sacrificed their families, who have been endangered, who made the extra sacrifice, and we are going to say "Gee, sorry about that. Sixteen years. Tough tamales. Get out. Get a job."

It is not going to be that easy.

Everybody says "Freedom at last, freedom at last. Utopia is here; no threats." Don't believe it. How many of you are satisfied the former Soviet Union is a nice, secure place and there are no dangers?

If you believe that, you better be looking at the record. For instance, let us just look at the former Soviets and what they continue to do. They continue to modernize five nuclear weapons programs, including the extra lethal SS-18 heavy ICBM. They continue development of follow-on missiles to the SS-N-20 SLBM, the SS-24 ICBM, and the SS-25 ICBM. They continue to develop a new SLBM missile to replace their existing sub launched missile arsenal. They continue to build the Blackjack bombers, Bear-H bombers, and the AS-15 ASLCM's.

Does this sound to you like a country that is not dangerous anymore? You say, "the economy is about to collapse; socially they have all kinds of problems; they are having to ration food. This is just a pipeline problem."

No, it is more than that. They could stop this. And they have not. There is a danger.

The North Koreans—"Oh, we do not have to worry about them."

Oh, really? We have clear evidence they will have the capability to develop, very soon, a nuclear weapon capability. Only a month ago we had reason to believe they were sending advanced Scud missiles to some Middle Eastern countries.

Problems in South and Latin America? Did you hear the news this very week? We are now spending $1.2 billion for the military to assist, as they should, in a war on drugs. General Joulwan, the commander of the Southern Command.

General Joulwan, the commander of the Southern Command, and others have said that this is the No. 1 national security threat in the region. Illegal drugs is a problem that undermines the very security of our country. And that costs money.

As we modernize, as we reduce our numbers and reduce the numbers of personnel and equipment, we are going to need more sophisticated and better equipment. We should not be cutting R&D, as has been suggested. As we cut everything else, the one thing we should not cut is research and development so we can move to an ever-more sophisticated military capability.

But I want to emphasize again the economic impact of these cuts. How low can you go and how fast? There is a limit to how fast we can cut our defense structure without it affecting our ability to do the job, but also without having an impact on the economy. These people who fly the planes and carry the weapons will be out there looking for a job at a time when the economy is in a position where it can clearly get stronger or slide back.

So let me conclude and make it brief because I know there are others who have been waiting a long time, by reminding my colleagues that there will be a price to pay. You say it is only another $8 billion, but remember that is on top of what the President had already asked that we cut. It is not just $8 billion, it is $228 billion. I think that what the President has proposed and what the Budget Committee reported on a bipartisan vote is the defense number we should stick with.

Maybe you say this is a free vote because it is a budget resolution and who among us believes a budget resolution really amounts to anything anymore; it is a toothless giant. It is not free. The symbolism is very important. If we vote to further cut defense, you can rest assured it will be cut this year even if we do not follow through with it. We do not know for sure how much we are going to wind up getting this year as we go through the authorization and appropriations process.

But I urge my colleagues today to remember what we are doing but also what has already been done and let us make sure that in victory we do what is necessary to secure the future and the safety of our country.

Mr. President, I will be glad to yield the floor now to the distinguished Senator from South Carolina.

The PRESIDING OFFICER. Is there an amount of time? The distinguished Senator from Mississippi controls time pursuant to allocation by the Senator from New Mexico [Mr. DOMENICI].

Mr. LOTT. Mr. President, I yield the Senator 8 minutes.

The PRESIDING OFFICER. The Senator is recognized for 8 minutes.

Mr. THURMOND. Mr. President, I rise to express my support for the Budget Committee's 1993 budget resolution. I am especially pleased that the committee supported the Hollings-Domenici mark on defense spending which essentially duplicates the President's $281 billion request for defense in fiscal year 1993. This is an important first step toward assuring that the Congress has the flexibility to pass a sound and rational defense plan for fiscal year 1993.

Mr. President, during the past 3 months the Armed Services Committee has held numerous hearings on defense requirements. These hearings have highlighted two points. First, the Department of Defense is making cuts in force structure as fast as feasible. As currently planned, these reductions which will be completed by 1995 include 500,000 active military personnel, 250,000 reservists, and 200,000 civilians. We must all remember that these are not mere numbers on a ledger, but human beings with families whose lives are being disrupted. Those servicemembers being separated receive a double whammy—the military career they had planned on no longer exists; and, they are being separated at a time when the civilian job market is extremely tight.

Mr. President, Secretary Cheney and General Powell have both testified before the Armed Services Committee that any cuts above those currently programmed "would tear the heart out of the force." We must not allow that to happen, nor should we allow additional men and women in uniform to be added to the unemployment lines.

The second point that has come across loud and clear during the hearings on the defense budget is that the Nation's defense industrial base is in dire straits as a result of the budget cuts already made or planned. Two weeks ago, we were told that the termination of the Seawolf submarine program would wipe out the Nation's nuclear submarine construction base. Cuts in such mundane items as meals ready to eat may force one or two of the three MRE manufacturers out of business. This loss of production capacity will not only force people into unemployment lines, but may also severely limit the surge capacity which would be necessary to support another Desert Storm-type operation. These two industries represent only a minute portion of our industrial base which is in danger of being eliminated by further cuts in the defense budget. We cannot make further cuts at the present time without causing serious repercussions.

Mr. President, in a report on the impact of defense cuts, the Congressional Budget Office estimated that for every $10 billion cut in the defense budget, a net total of 200,000 civilian jobs will be lost. This would be above and beyond the 1 million jobs being eliminated as a result of President Bush's $50 billion reduction in defense expenditures over the next 5 years.

Both the Secretary of Defense and the Chairman of the Joint Chiefs of Staff have indicated that they are willing to consider further cuts in 1995 when we reach the base force structure advocated by the administration if conditions in the world continue to improve. Although I am hopeful that we can make additional cuts, we must be prepared to reverse course if the situation in the former Soviet Union deteriorates and Iran and Iraq continue their bellicose ways.

Mr. President, I believe we owe it to the Nation and our future generations to support the judgment of our civilian and military leadership and not force further cuts in defense below that advocated in the budget resolution. We must learn from history and not repeat the mistakes this Nation made after both World War I and World War II by precipitously reducing our forces. This budget resolution will allow for a gradual reduction in defense spending and ensure a strong defense for the rest of this decade—if events progress as everyone hopes.

Mr. President, I urge my colleagues to support the Budget Committee's defense numbers and vote against the Exon amendment.

Thank you, Mr. President.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. DOMENICI. Mr. President, I yield to the Senator from Georgia—how much time would the Senator like?

Mr. NUNN. If the Senator will yield me about 20 minutes.

Mr. DOMENICI. Senator Warner wanted to try to speak at what hour?

Mr. WARNER. Mr. President, I have spoken to the leadership and the managers of this particular amendment and I am going to ask if the Senate will indulge this Senator to speak from roughly 4:05 to 4:20 as in morning business on a matter of great personal importance to me.

Mr. DOMENICI. Mr. President, I yield the time until 4:05 off our side to Senator NUNN of Georgia.

The PRESIDING OFFICER. The Senator from Georgia [Mr. NUNN] is recognized.

Mr. NUNN. Mr. President, I will be glad to yield to the Senator from Virginia whenever he chooses.

Mr. President, I oppose the Exon amendment. I want to make it clear while opposing this amendment to make additional reductions in defense for fiscal year 1993, I have suggested to the Budget Committee that I believe we can reduce the administration's 5-year defense program by somewhere in the neighborhood of $30 to $35 billion, of course depending on events in the world. It could be more, it could be less, but I do think that is a reasonable range of projections and that $30 to $35 billion would be above the President's already suggested $50 billion cut. That would be a total of $80 to $85 billion over 5 years below the budget summit levels.

Mr. President, I think we must be very cautious about accelerating the pace of the defense drawdown in the near term. In my view, it is essential that we draw down our defense establishment in an orderly manner. We are already going to have to make significant cuts in the President's proposed defense program for fiscal year 1993 just to fund some of the initiatives that most Members on both sides of the aisle support: Initiatives such as defense conversion in this country, protecting the defense industrial base, and the personnel levels for National Guard and Reserve. I am sure there will be others.

Mr. President, given the practical limits on the pace of personnel reductions, the extensive defense program reductions already underway, the need to assist military, civilian, and industrial personnel leaving the defense sector, the rapidly growing environmental cleanup requirements, and the uncertainty of whether Congress will accept the President's rescission proposals or whether Congress will substitute rescission proposals, I do not believe that significant reductions below the funding level in this budget resolution should be made in defense spending for fiscal year 1993.

The budget resolution before us today cuts defense spending by $8 billion in budget authority and $5.3 billion in outlays below the caps in the Budget Enforcement Act. There is already more deficit reduction for defense in this budget resolution than there is in the entire rest of the budget, both in spending and revenue. If we are, indeed, making any progress on deficit reduction, most of that progress is because of defense reductions now underway.

Mr. President, this resolution, unknown to an awful lot of our people and unreported in the news media thus far, already requires $2 billion in outlay reductions from the President's defense program. The reason for that is because the Congressional Budget Office costs out and scores the President's program differently from the way OMB scores that program. Reductions of that order are going to already be difficult to achieve without cutting personnel. This resolution must also go to conference with the House, which is already $6 billion lower in budget authority and $7 billion lower in outlays than the current Senate bill.

Mr. President, there is no doubt defense is going to be cut. There is no doubt it is going to be cut below the President's budget. This resolution already cuts the defense program the President has submitted by approximately $2 billion in outlays because the OMB scoring is different from the CBO scoring.

Defense has been the major contributor to deficit reduction not only in this budget resolution but over the whole 5 years of the budget summit. If we continue on our present course, concentrating almost all budget cuts in defense—and I sincerely hope we do not—if that is the course we are on, at the end of this decade we will find that defense was the only major source of deficit reduction during the entire 1990's. It would be a tragedy for the country if that continues, because the deficit will still be out of control, no matter how much we cut defense because this body, the House, and particularly the White House, none of us are addressing the real growth in the budget, which is the entitlement programs.

The deficit was supposed to be $500 billion lower because of the budget summit, which occurred 2 years ago, but the current CBO baseline is $450 billion higher than the baseline used going into the budget summit. That is a total swing of $950 billion from where the budget summit expected to be.

Now, of course, a lot of that is due to the recession, and we know that, but still a very considerable amount of it is structural, and those structural changes have to be addressed. When we look at where the outlays will be increasing in the next 5 years compared to the last 5 years, defense is going down while every other part of the budget is going up. Over the next 5 years domestic discretionary spending will go up over $200 billion, even under the President's budget.

Mr. President, there was a long discussion on the merits of domestic discretionary spending during debate on the firewalls bill. I support most of these programs. I think they are excellent programs. I particularly support a program such as Head Start, which is part of the domestic discretionary budget. But just to keep this debate in perspective, the domestic discretionary part of the budget is already getting special treatment under the budget summit. Not only did none of the $500 billion in budget summit reductions come from domestic discretionary spending, but that category was increased under the budget summit. I support most of those programs. I am not opposed to them. But I think we ought to understand much of what goes into those programs and much of what goes into the other parts of the budget pales in terms of comparison to the uncontrollable spending.

What we are having today really is a false debate. The debate is more and more pitting discretionary versus defense, and actually the debate should be everything else in the budget versus entitlements because that is where the money is going.

Interest on the national debt over the next 5 years will increase by $300 billion—$300 billion just in interest on the national debt. The entitlement program spending over the next 5 years, while we are here debating defense versus domestic, is going to increase by over $1 trillion. That is $1 trillion over the next 5 years. That is where the debate ought to be, but that is where the debate, unfortunately, is not. Given the administration's track record on the budget estimates, if anything, these increases in interest payments and entitlements are probably understated.

Mr. President, there is a widespread perception in the Congress and among the American people that the defense budget has not been reduced in response to changes taking place in the world. I do not believe that to be accurate, and I think the record should be put straight on this point. The reality is that the defense budget has actually been reduced in real terms every year since fiscal year 1985, during the Reagan administration. That was the peak year of the Reagan buildup. From fiscal year 1985 through the end of the current fiscal year, defense spending will have declined by 25 percent in real dollar terms. The defense reductions embodied in the budget summit agreement, totaling $250 billion in budget authority, $180 billion in outlays from 1991 to 1995, were based on the recommendations I made in a series of speeches here on the floor of the Senate. These recommendations came from the Armed Services Committee. By fiscal year 1997, the cumulative real decline in defense budget authority will total 37 percent, a reduction of more than one-third in real terms, and that is measured from fiscal year 1985.

Defense is being cut. It is being cut very significantly. Mr. President, we have already been reducing the defense budget. We have been restructuring our defense establishment in response to changes in the world, and we will continue to do so over the next 5 years. But what do these numbers really mean in terms of military capability, in terms of our investment in new weapons, and, most importantly, in terms of the military and civilian people who make up the defense establishment?

Mr. President, let us talk a moment about the people first, military personnel, civilian workers in the Department of Defense, and defense industry workers. These are the men and women whose skills, dedication, and talent helped our Nation win the cold war. A large number of these men and women are going to be out of a job in the next 5 years.

Earlier this year, Gen. Colin Powell testified before the Armed Services Committee. Quoting him, "A million people, civilian and military, will be released from the rolls of the Defense Department by 1996." That is 1 million jobs lost just in the Department of Defense.

The Armed Services Committee has received a great deal of testimony about the turmoil and concern among military members, Defense Department civilians, and defense industry employees that make up the defense establishment. There was, understandably, a lot of concern throughout our whole country when General Motors announced the layoff of 74,000 people over the next 3 years, and that concern was certainly appropriate. But during the current fiscal year alone the Army will release a total of 154,000 people from active duty, and they will actually draw down their total strength by 70,000. The Army alone is basically terminating 70,000 jobs this year, almost as many as General Motors was terminating over the 3-year period that caused so much concern.

Mr. President, I hope Members of the Senate will keep in mind one fundamental difference between this drawdown and previous drawdowns after previous buildups, and after previous wars. After most of our wars, the people being released from the military were draftees who wanted to get out. We have a very different situation today. All military members serving on active duty are serving because they volunteered to do so. They all entered the military services with the expectation that, if they performed well, they would have a rewarding and fulfilling career in uniform. The coming reductions in the size of the military services mean that many of these volunteers will no longer have the opportunity to complete their career.

If we are serious about maintaining a top quality volunteer force, we must keep this distinction in mind. The employment picture for workers in the U.S. defense industry, many of whom are facing the prospects of layoffs, is just as bleak.

A study released last month by the defense budget project estimates that the private sector defense industry employment would decline by almost 1 million jobs from 1990 to 1997 as a result of the defense spending reductions already included in the administration's budget and in this budget resolution.

The largest single year of decline, almost 300,000 jobs, will be fiscal year 1993 beginning October 1. Add into that the loss of Defense Department jobs, and this represents 1 million fewer jobs in the next several years.

To those who do not think defense is being reduced, I hope they will pay attention to just the next few minutes.

Where do the reductions come from? What do they mean in terms of reduced reductions in our military capability? Today, 1992, we have fewer troops on active duty than at any time since the Korean war. Military services are going to get a lot smaller even from this level.

By 1995, the number of Army divisions will be cut from 28 to 18; the reduction of 10 divisions, and 36 percent. The active duty Army of 1995 will be down to 535,000, smaller than any time the U.S. Army has been since 1940.

The number of Navy ships will be reduced from 546 to 451; a reduction of 95 ships, and 18 percent. This 450-ship Navy will the smallest we have had since 1940.

The number of Air Force tactical fighter wings will be reduced from 36 to 26; a reduction of 10 wings, and 28 percent. We will have a force of 180 long-range Air Force bombers, the smallest number of bombers since the attack on Pearl Harbor. The active duty Air Force of 1995 will be down to 437,000, smaller than any year since 1950.

Reductions are also planned for National Guard and Reserve components. For fiscal year 1993 alone, the Pentagon's budget request calls for a reduction of 131,000 in National Guard and Reserve strength.

Mr. President, these levels may not be low enough. I, myself, think the base force is too large. But the point I am making today is no matter what one may think of the base force and no matter what one may think of the arriving point, we have to decide whether the pace of these reductions is too slow. In my view, it is not too slow. It is about as rapid as we can go without causing very severe disruptions not only in our defense, but also in our overall economy in many areas of the country.

In other words, Mr. President, we are not talking about a cold war defense budget. Even under the base force, the United States will have a smaller Army, fewer ships and fewer bombers than at any time during the last 40 years. U.S. forces are coming home from overseas. During the 5 years covered by the budget agreement, 1990–95, overseas troop strength in Europe and the Pacific will be reduced by 200,000 under the administration's plan, a reduction of 40 percent.

General Saint is the commander of the U.S. Army in Europe. Listen to what he said about the withdrawal of U.S. Army forces from Europe when he testified before our committee last month. Quoting from General Saint:

> We are doing the best we can, and we are not dragging our feet to execute the withdrawal, but I have got to tell you, I am on the edge of breaking my force, breaking my ability to train at the same time I redeploy, breaking my ability to provide services, breaking the confidence of the soldiers in their leadership.

Mr. President, the administration's long-range plans call for leaving 150,000 U.S. troops stationed in Europe. In my view, this level under the current conditions and under the trends is excessive and can be reduced. But in the near term, I do not think it is prudent or possible to withdraw our forces from Europe any faster than we are doing in fiscal year 1992 and fiscal year 1993.

That does not mean we have to stop at the 150,000 level. The administration wants to stop at that level in 1994 and 1995. I do not believe under the current world conditions we should stop at that level. I think the level ought to be substantially lower. But that is not a question for today or for this year.

Mr. President, right now we are on the glide path to reduce the size of our military services to historically low levels never dreamed of 2 or 3 years ago. But we must bear in mind the current pace of reduction is taxing the services almost to the breaking point over the next several years.

Mr. President, deep reductions are also being made in defense procurement and development programs. Dozens of major weapons programs have been terminated in the last few years.

Even before the collapse of the Communist regime in the Soviet Union, significant program terminations were taking place based on the collapse of the Warsaw Pact in 1989, an event of equal or greater strategic significance to the United States as the events of last year. The result of these terminations can be seen most vividly in the procurement part of the budget. The procurement request in the fiscal year 1993 defense budget is 40 percent lower in real terms than the fiscal year 1990 level.

Many of these program terminations are justified by the changes that have taken place in the world. We simply do not need to produce as many weapons as we did when we confronted a formidable adversary on the other side of the Iron Curtain. But the impact of these reductions in Defense procurement is already being felt on production lines at defense plants across the country, and this impact is going to get significantly worse in the next 2 to 3 years.

BASE CLOSINGS

Finally, another painful indicator of the downsizing of our defense establishment is base closures. The first base closure round in 1988 closed 16 major bases and closed or realigned activities at 84 other sites. The base closure package approved by the Congress last year closed 34 major bases and realigned 48 others. There will almost certainly be additional base closures in 1993 and 1995 under the base closure process set up by Congress 2 years ago.

So Mr. President, to those people who say we have not reduced the defense budget or we are not reducing the defense budget fast enough, I say: Go ask the men and women serving in uniform today whether the defense budget is coming down; go ask the workers on defense production lines facing the prospect of losing their jobs how they feel about the peace dividend; go ask communities losing military bases whether we should speed up the reduction in defense spending; go ask the National Guard and Reserve units in your local communities how they feel about defense cuts. I think all of these groups will tell you that there are real and substantial changes taking place in the Defense Department, and that the process of restructuring our Defense Establishment in light of the changes in the world is already underway.

THE FISCAL YEAR 1993 DEFENSE BUDGET

Mr. President, I do not think we should make any further reductions in defense spending in fiscal year 1993 beyond those contained in this resolution.

I spoke earlier about the current pace of personnel reductions in the Defense Department, and the turmoil these reductions are causing throughout the military services. I do not believe it is possible or desirable to reduce the military or civilian personnel levels in the Defense Department at a faster rate than that proposed in the administration's fiscal year 1993 budget.

There is no doubt that some reductions can be made in the President's request. But in my view this amendment does not take into account the congressional increases to the President's programs that we will make, just as surely as we have made them every other year. Just this morning, for example, the two cochairmen of the National Guard Caucus in the Senate, Senator FORD and Senator BOND, argued against the reductions in the National Guard and Reserve proposed by the Pentagon for fiscal year 1993, and I know how many Members share their concern about these cuts. If we want to reverse these cuts in the Guard and Reserve however, we will have to make cuts in other areas of the defense budget to pay for it.

The same holds true for initiatives in the area of the defense industrial base, defense conversion programs, or additional assistance to the countries of Eastern Europe and the former Soviet Union. To fund these initiatives we will have to cut other areas of the fiscal year 1993 defense budget.

We also have to take into consideration the $7.7 billion in rescissions proposed by the President. These rescissions of prior years budget authority result in significant outlay savings in fiscal year 1993—savings that the administration has assumed in their 1993 budget. Many of these proposed rescissions are programs strongly supported by the Congress. If the Congress does not approve all of these rescissions—for example if we do not rescind both of the Seawolf submarines—then additional cuts must also be made just to get back to the fiscal year 1993 outlay level proposed by the administration, even before we make the additional outlay cuts required by this budget resolution.

The PRESIDING OFFICER. The Senator from Virginia.

REPRESENTING THE COMMONWEALTH OF VIRGINIA

Mr. WARNER. Mr. President, I am going to read from a letter which I am sending today to my fellow Virginians.

Many Virginians have approached me in the past few months concerning their views on my becoming a candidate for the esteemed office of the Governor of Virginia. Most of these individuals, Mr. President, were motivated not by politics but by love, a deep respect and affection for our State, its future, and the future of their children.

I am deeply humbled. I am deeply grateful for their honest expressions.

Virginia has been exceptionally good to me. It was in our State that I spent much of my carefree youth, that I was offered the finest of college and university opportunities to learn, that I underwent a significant part of my military training.

I have had many joyful days in Virginia on my farm, raising a family, and I look forward to many more.

It is for Virginia that I have had the privilege of being in this Chamber, now in my 14th year representing its people.

For most people, these are dreams. But for me they have been a reality. I am a very fortunate man.

Consequently, I feel a great debt of gratitude. I feel a compelling obligation to pay back for all that I have received.

Therefore, the question is not what is best for me, but how can I best repay this debt?

These are difficult times for my State, for my country. Congress, largely through its own neglect, has lost a considerable amount of the public confidence it had when I joined this institution. There is a strong temptation for many to leave the Congress. With each departing Senator—and yesterday we witnessed, to our astonishment a tough decision by one of us to depart, that brings it to 7—the challenge for those who remain becomes even greater.

As an institution we are now unequivocally at the threshold when we must look in the eye ourselves and those whom we represent and say at a minimum two truths. First, we no longer have the money with which to reach easy solutions to the problems. And second, no matter how much wisdom individually and collectively we may possess, we simply do not, standing alone as an institution, have all the answers to the tough questions that face our respective States, our Nation today.

In return for this admission by us, the public must accept these same truths, and hopefully bring to a halt this confrontation between us, and begin to work together collectively in the spirit of cooperation to solve these problems.

The future needs of the Commonwealth of Virginia are no less great. The rising cost of health care, the challenge of improving schools, the threat of crime, pressing transportation, and in our particular State, one that has prided itself for these many years as being one of the principal States involved in national defense, the reality of a declining defense budget. There is always the need to balance our State budget and work to likewise balance the Federal budget.

To make a fair and objective choice between these two opportunities has indeed been one of the most challenging decisions that has ever confronted me.

There is also another complicating, but not controlling, factor. A governor has the responsibility to fill an unexpired term of a U.S. Senator until the next general election in our State. This appointment would be extremely important, first, to the people of Virginia, and second, to a governor as a working partner. I know that from long experience, having worked with four consecutive governors including, most significantly, my colleague today, the distinguished junior Senator, Senator ROBB.

I feel an obligation to those voters who have elected me, now three times, were I to be the Governor of Virginia, to make that appointment; but a careful review of the law by me and others reveals that that law is unclear and, therefore, I cannot with any sense of certainty go into an election thinking that I would have that appointment. I do not say that in any contradictory or derogatory way of those who would oppose me, for they would have an affirmative duty on behalf of their party, to exercise whatever rights the law provides. Virginia, in my judgment, would be plunged into an indeterminate period of legal turmoil as it relates to that individual who would succeed me. It might be that this very Senate, under article I of the U.S. Constitution, section 5, would have the difficult choice to make between, perhaps, two nominations.

Therefore, after most careful deliberation, I have concluded that I can best serve my State, my country, by remaining as a Member of the U.S. Senate for the balance of my term.

Each time Virginians have voted for me they have implicitly said: We trust you. We trust you to make decisions which are in our best interest. I have given the greatest weight to that trust, and I will not, in any way, step aside from the responsibility of making this tough decision.

The Senate seniority and the Senate experience comes as a direct result of hard-won successive elections. Senate experience comes from, first, the friendship that is accorded amongst our fellow Members, from the many long hours of working together, more often than not, in the interest of our country as opposed to partisan interests. I would like to think that my wealth today is largely the friendships that I have in this Chamber on both sides of the aisle.

That seniority belongs not just to me, but it belongs equally to my State and its citizens.

My departure would also break a tradition that Virginia has been privileged to have in this institution that dates back to the year 1945, when a Virginia Senator took a seat on the Senate Armed Services Committee, and a Virginian has held that seat every year since then. That seat is very important because, first, Virginia's philosophy has always been for a strong national defense. Each of my colleagues who has preceded me from Virginia has stood steadfast on this floor, in the most trying of times, to fight for that principle. That seat is important to the future of my State's economy.

So to conclude these remarks, I simply say that I, once again, extend my appreciation to those who have come forward and discussed with me objectively this tough decision.

Once again, I say that it is the trust given me by the voters of Virginia which I want to fulfill more than any other opportunity I may have. I call on them once again to repose trust in me for having made the right decision to fulfill the term of office to which I have been elected and not, at this time, seek the governorship of Virginia.

Thank you, Mr. President.

Mr. NUNN. Mr. President, let me say that I know the Senator from Virginia has gone through a great deal of deliberation and probably has had a lot of sleepless nights trying to figure out exactly what his duty is. I know he reached his decision after a tremendous amount of thought and a lot of discussion with a number of people.

I can say, as one on this side of the aisle, that from the point of view of the institution of the U.S. Senate, and from the point of view of the Armed Services Committee, and the point of view of the national security of our Nation, I am very pleased that the Senator from Virginia is going to complete his term, because he is a most valued and trusted friend, and an outstanding member of our committee and of our body. I know it was a tough decision, and there were a lot of things pro and con, but I for one can say that I am pleased with the outcome of this decision.

Mr. WARNER. Mr. President, I thank my dear friend and colleague. For 14 years we have indeed forged a working partnership of always putting our Nation's interests above all others. We will continue to do that together. Thank you.

Mr. NUNN. Mr. President, I do not see anyone on the floor to yield time, but I would like to complete the remainder of my remarks, if somebody can yield 6 or 7 minutes, which would be enough off of the bill.

Mr. SASSER. Mr. President, I ask unanimous consent that the Senator from Georgia be yielded additional time off of the amendment.

Mr. WARNER. Mr. President, I concur in that, and speaking for those in opposition to the amendment, we yield to the distinguished Senator from Georgia such time as he may require.

Mr. SASSER. Will the Senator from Georgia yield for a moment?

Mr. NUNN. Yes.

Mr. SASSER. Mr. President, I yield myself such time as I may consume off of the bill.

Mr. President, I want to associate myself with the remarks of the Senator from Georgia relative to our distinguished senior colleague from the State of Virginia. I think that the Senate is certainly the better for the Senator's decision to remain here in this body.

He has been an energetic, highly competent, and highly respected Member of the U.S. Senate during his years here. It has been my pleasure to work with him on a number of different matters during the course of our service together, and even though we might have differed on occasion with regard to the subject matter of a particular problem that we were working on, the Senator from Virginia was always, and has always been unfailingly courteous, kind in his treatment of myself, and all of his colleagues.

He is a Virginia gentleman, I would say, Mr. President, in the finest sense of the word. I know that there has been a great deal of soul searching on his part with regard to the decision that he made today, no question that he could have rendered a yeoman service to the people of the Commonwealth of Virginia in the office of Governor. I happen to think that he can also yield service of a similar value and quality right here in the U.S. Senate and I look forward to serving with him for many years in the future.

I thank the Chair.

Mr. WARNER. Mr. President, I thank my distinguished colleague.

CONCURRENT RESOLUTION ON THE BUDGET

The Senate continued with the consideration of the concurrent resolution.

The PRESIDING OFFICER (Mr. CONRAD). The Senator from Georgia.

Mr. NUNN. Mr. President, I thank the Chair.

Mr. President, the Senator from Nebraska is one of the most valued members of our committee. He is a leader in our committee. He is a leader of the Strategic Forces Subcommittee. He is a leader in the Senate and in the Nation on national security issues. When he identifies reductions in the defense budget he thinks should be made, you can be sure our committee will look at these cuts very carefully. I understand and share his frustration with the lack of significant progress on deficit reduction. But I do have concerns about the approach he has taken in his amendment. In particular, the proposed cut in the Exon amendment is based on the premise that we should cut out any increases in line items in the procurement budget.

Mr. President, I listed personnel decreases a few minutes ago to show the track we are already on in defense, and the amendment of the Senator from Nebraska does not affect personnel, as I understand the amendment. None of that had anything to do with personnel. His amendment would actually close the track we are on even if the Exon amendment does not pass. Those are the figures that relate to the President's budget. Let me speak, Mr. President, to the Exon amendment directly.

The Exon amendment's basic premise is that increases in any line items in the procurement budget are subject to basically either being frozen or held where they are. I do not believe he uses all those increases but uses a certain percentage of those increases as indicative of money that can be and should be saved.

Mr. President, this is not the approach the Armed Services Committee has taken in the past, and in my view is not the approach we should take in the future. We do not manage any programs in the budget in that way, including entitlement programs or domestic discretionary programs. Some programs in each year should go up and some programs should come down.

That is particularly true in domestic discretionary programs. One of the problems we have in our whole budget now is so much of our budget is entitlement programs that we do not have discretion to raise and lower. We do manage the defense budget and the domestic discretionary programs. They can go up and some can come down. Although we should certainly give consideration and look closely and will look closely at any items that are going up as to why they are going up and how rapidly they should go up, we certainly should not, in my view be planning our defense budget by saying that no line items are going to go up from the year before.

By the time the President's defense budget has been reviewed by four defense committees, and gone through two conferences this fall, these line items will have undergone careful scrutiny, and programs we do not need, or increases that are not justified, will be eliminated.

It may very well be we will be able to save some money. If that is the case, it will be applied to the deficit because the walls did not come down, and I hope we can save some money, and I hope we can. We will be looking at every item to see we can.

The procurement budget in the 1993 request is already 8.5 percent below the 1992 level, even before you take inflation into account. That is a very substantial reduction in the procurement account. Overall the procurement account declines by $5.2 billion in the President's budget from 1992 and only $200 million of that decrease is associated with the Seawolf submarine program and the B-2. Those are the big items, but they only involve a small amount of the overall $5.2 billion.

So if the Senator from Nebraska has found the $11.4 billion in increases then there clearly are a lot of decreases in the overall budget because the overall budget in procurement is going down $5.2 billion. So I assume the Senator's figures are correct; $5.2 billion is what this overall budget has declined. If $11.4 billion of increases are in that procurement budget, then obviously $16.6 billion in declines are taking place, and that is something that has not been talked about here but people ought to put that in perspective. In other words, there is $1.50 in cuts in the procurement budget for every $1 of increases that the Senator from Nebraska points to, yet the amendment deals only with the increases.

Mr. President, I would like to briefly review the basis for the cuts proposed by the amendment that is now pending. This amendment proposes cuts in the so-called other procurement accounts and in research and development. These cuts really, in effect, advocate spending freezes for many of the individual programs at last year's level.

That sounds interesting and it sounds very compelling. This amendment says there are hundreds of little items in the DOD budget and they should all just make do with what they had last year. That sounds sensible on its face. It sounds like what you and I might do in our personal finances. Times are tough, so we just make do at our current level. It sounds sensible. Overall that makes sense. It does not make sense on a line-item basis, though.

We need to look at this more closely. The Senator from Nebraska would not cut the big programs and instead would whittle a little out of hundreds of smaller programs. The Senator from Nebraska singles out 368 procurement programs in the 1993 budget that increase over the 1992 budget, but simply accepts the lower funding in the 900 programs that were cut from this year's level. That is not talked about. There have been a lot of programs cut here, and again I repeat, the procurement account is already going down $5.2 billion net this year.

Let me give a couple of examples. One of the increases is for modifications to the Navy's A-6 medium attack bomber. The fiscal year 1993 request of $157 million is an increase of 628 percent over this year. That sounds shocking, going up 628 percent in 1 year. But let us take look at that program.

When the A-12 replacement aircraft was canceled, and we all read about that last year, the Navy needed to go back and rewing more A-6 aircraft so they can last another 15 years. That is what we are planning on for our aircraft carriers. Last year's funding restarted the rewinging line on the A-6. This year's budget starts that process in a meaningful way. It makes no sense to freeze the program at last year's level. Last year's level was the beginning level. This year's level is totally different and the beginning of a meaningful program.

Another example is the Army's request of $44.9 million to buy a small commercial helicopter to use to train new helicopter pilots, a 91-percent increase over this year.

The Army currently uses large, old UH-1 helicopters for flight training. Those are 11-passenger helicopters, but now carry only one new pilot-in-training and an instructor pilot. Last year Congress added the first funding to replace the old UH-1's with small commercial helicopters. This year the Army is requesting the remaining funds to buy out the requirement. Holding it down only drives up the cost of the replacement and forces the Army to waste millions operating old, inefficient UH-1's. Can we live with a cut here? Yes. Is it a smart thing to do? I do not think so.

In yet another example, the Army is requesting $103.4 million to buy a new version of the Hellfire antitank missile; that is a 425-percent increase.

For years we have been working on an improved version of the Hellfire that incorporates some design elements that correct problems in the current system. Last year was the first year of production. The funding level provided last year was sufficient only to start the line up to produce the new missile. This year is the first year of low rate production. But when you move from a development stage into a production stage you naturally greatly increase the cost even though the first year production is a low level of production. If we freeze funding at last year's level, we will build only a few dozen missiles, and we will pay a lot more for each missile at very expensive prices. It would make no sense programmatically.

If we have too many of those missiles, the time to cut the program is not now; the time to cut it is on the end of the program so we are not driven to very inefficient, high per-unit cost production rates.

Mr. President, no one should conclude that this amendment will have no effect on defense; it will. It will have a serious impact on a large number of programs if we carry out the philosophy of the amendment. Of course, we have the flexibility, as I understand the budget process, to make other cuts. We could do it in personnel, although the Senator from Nebraska—I think wisely—is not suggesting that. I believe the Senator from Nebraska agrees with my statements earlier on personnel.

I am not saying that no cuts are possible in any of these accounts. We are going to have to make cuts.

First of all, we are going to have to make cuts to meet the number that the Congressional Budget Office says the present program would cost. CBO says it will cost almost $2 billion more than the President has costed it out. So we have to reduce the program by $2 billion to meet the CBO estimate, even if we pass the resolution as now on the floor, we are going to have to make cuts in the President's program, because I think a majority on both sides of the aisle are going to want to do something to protect those people who are going to be hurt in the defense industry, as we lay off thousands and thousands of people because of the cuts in the defense budgets that are already occurring. I do not know how much money is going to be required on that.

At 4:30 this afternoon, Senator PRYOR's task force—and I am a member of that—will be meeting to determine some of the programs that are going to be advocated in that respect. We are going to have to make cuts in the President's program to add back money in that respect. We are going to have to make cuts in the many programs under the current resolution if we do not go along with all the guard and reserve cuts that have been advocated by the President.

The Senator from Kentucky and the Senator from Missouri were before our committee this morning advocating that we not make those kinds of cuts in the guard and reserve programs, and 60 Senators—60 Senators—have signed letters indicating they do not want to make those cuts.

Mr. President, I do not want to make those cuts either. But we are going to have to cut something else in order to add back in that area.

I want to conclude by quoting my friend, the senior Senator from Kentucky [Mr. FORD]. Senator FORD testified this morning before the Manpower and Personnel Subcommittee of the Armed Services Committee. He gave our committee some very good advice. He said:

> History has shown that, after every major conflict, we have drawn down too far too fast and have had to build up all over again, resulting in a waste of resources and money, and in an endangerment to this Nation's security. I caution the committee not to let this happen again.

Mr. President, Senator FORD is correct. We can and we should reduce our defense establishment and our defense budget in response to the changing threats in the world, but we should do so in a logical way and in an orderly way. And I believe that the present resolution is the correct way to go.

I hope that our colleagues will reject the pending amendment.

Mr. President, I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. SYMMS. Mr. President, I yield myself 20 minutes off the resolution.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SASSER. Mr. President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, Senator EXON is controlling the time for the proponents of his amendment; is he not?

The PRESIDING OFFICER. The Senator from Nebraska is controlling his time; that is correct.

Mr. SASSER. I thank the Chair.

Mr. SYMMS addressed the Chair.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. SYMMS. Mr. President, I did not mean to crowd out the distinguished author of the amendment but I have been waiting here on the floor to speak on the amendment, and I yield myself 20 minutes off the bill to speak on the amendment.

The PRESIDING OFFICER. The Senator is recognized for 20 minutes.

Mr. SYMMS. Mr. President, I want to thank the distinguished chairman of the Armed Services Committee, a committee which I was privileged to serve on for 2 years, for his eloquent remarks in what I think is a correct position with respect to the pending business before the Senate. I say that with all due respect to my good friend from Nebraska.

But I believe the Senator from Georgia is absolutely correct when he says the President, General Powell, the Joint Chiefs of Staff, and the Secretary of Defense have reduced the defense spending as far as we can, and for us to try to go further is putting the country at risk and at peril.

The Senator quoted our good colleague from Kentucky, Senator FORD, about the national defense and what has happened in history. And I am reminded that a week ago, Senator INOUYE, the chairman of the Subcommittee on Defense Appropriations, made the observation to me that this is not new. This happens throughout history. Every time we have some cataclysmic event happen—World War II, World War I, dating clear back to the American Revolution and our success against the British—we have reduced our military to a very risky position.

As a matter of fact, Senator INOUYE made the observation that the Continental Congress, against the advice of President Washington, cut the military in this country so much that I believe we had 55 people left in the U.S. Army. Fifty-five people in the Continental Army on active duty, and that included those at West Point, and at Philadelphia.

And what happened, Mr. President? Well, the British, noticed that we did not have a continental army and burned this building down. They sailed up the Potomac River, marched on the Capitol, burned it down in the War of 1812. So this is not new; it is not new for Congress to wish to come in and reduce defense spending.

Mr. President, before I go further in my remarks, I ask unanimous consent that Steven Madey be granted floor privileges for the duration of the pending budget resolution.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SYMMS. Mr. President, the principal issue before the Congress with respect to this budget resolution is primarily one item, and that is the defense number. The Domenici-Hollings number that passed the Senate Budget Committee last Thursday is for all practical purposes the chairman of the Armed Services Committee's number, Senator NUNN; it is Secretary Cheney's number; it is President Bush's number. It is, I think $281.4 billion in budget authority, and $290.4 billion in outlays.

I am here, Mr. President, to simply state that this Senator believes that we cannot allow this budget resolution to be amended with any deeper cuts in defense. I say that for the sake of national security, and indirectly for the sake of the economy.

If we think we can continue to run the fiscally irresponsible program that we do run in this Congress—and I will get to where the money goes later in my remarks—and then disarm the United States, too, we have not seen anything yet to what is going to happen. In many places around the world, if it were not for the strength of our military, there would be little respect for the United States. Because most nations certainly do not respect a country that borrows a billion dollars a day, then watch the U.S. Senate and House of Representatives continue to say we can fix the budget and all the ills of the country by simply taking money out of the defense accounts and put it into other programs.

I would invite my colleagues to look at what has happened in history. Mr. President, I ask my colleagues to look at this chart. We go back to the Eisenhower years. We were spending over 60 percent of the Federal budget on defense and less than 20 percent was spent on payments to individuals as a percent of Federal spending. As we come through the Kennedy years, it keeps coming down and then we hit the Johnson and Nixon years after Vietnam. It comes up a little, then down. Then it hits a peak in 1985, but as you can see, it has steadily declined to 16 percent. While at the same time 16 percent of the budget will end up from defense spending, payments to the individuals has gone up to 61 percent by 1997. So it is very clear where the money is going.

Mr. President, for the sake of national security, the President's defense number reflects an orderly draw down of the military. Any greater number of this is going to be disruptive and highly risky. Last year, it took the U.S. military 43 days—43 days—to decimate the fourth strongest military in the world. That was the military machine of Saddam Hussein. Unfortunately, he is still alive, and that is a sad thing to admit for this Senator. I am sorry that they stopped too soon, but nevertheless they accomplished the mission and it took 43 days.

If we allow a greater and accelerated reduction in the President's defense budget, we will decimate the finest military organization this world has seen. It would take this Congress less than 43 days to do what we did to Saddam Hussein's military if Congress further reduces defense spending. I find it very frustrating, Mr. President.

The Constitution makes it very clear that the most important thing we in the Congress must do is provide for the security of the American people, to preserve peace and freedom for ourselves and the freedom-loving people in this world.

Although many of my colleagues truly believe that there is no longer any threat, I want to remind everyone that it is still a very hostile world. We still have the Iranians to worry about. We still have the Iranians. We still have Saddam Hussein. We do not know what is going to happen with respect to India and Pakistan and other places. We do not know what is going to happen with the Communist Chinese, the North Koreans, just to name a few, much less what is going to happen in the Commonwealth. In their modernization programs they have five new programs underway right now. We hope they are going to collapse. We hope they are going to stop. But I want to make the point the threat has not totally disappeared.

It is very popular for everyone to say there is no threat left, but we do not know what lies ahead in the world's future. In 1948, we cut our defense budget down to less than 16 percent of the Federal budget, less than 4 percent of the GNP of the United States. We basically disarmed after World War II, and what happened was North Korea attacked South Korea and the United States was thrown back into a war and we suffered over 10,000 needless casualties in the early part of the Korean war, because we did not have the proper training to defend this country and defend South Korea at the time.

You do not know where you are going to run into the problem. But what we do know we need is a highly mobile, efficient, trained military.

Some of my colleagues here, if you listen to the speeches and listen to them in the Budget Committee, you would think if we just cut defense more and more, we can solve all of our problems with respect to the rest of the budget. I do not believe that can happen. We are being blinded by dollar signs, and it is not going to be a proper way to advance an economic agenda to improve this Nation's well-being.

Some of you may end up thinking further cuts in defense may not be used for further spending on domestic programs because we voted not to tear down the firewall. The firewall comes down next year and savings in defense can be promised for increased domestic spending in the future. The last thing the country needs is more government through increased Federal spending on domestic programs.

Somehow the Congress seems to continue to believe that the way to prosperity is through more government, increased Federal spending on domestic programs. It is ironic that in Eastern Europe and all throughout the former Soviet Union, people are celebrating that they are moving closer to freedom from government, while in the United States, the Congress is continuing to pursue policies that will increase Government intrusion and regulation in the lives of the American citizens, and the business-producing and the commercial sector of the United States.

What we should be doing, Mr. President, is looking for ways that Government intrusion and regulation can be decreased and eliminated. Get the Government out of the way and let the people produce. Freedom, including freedom from Government intervention, is the engine that will drive America toward recovery and ultimate prosperity.

I know there are many, many needs in our country that should be addressed. I hear many of my colleagues say they want to spend this money on education. Though this may be a very noble gesture, and I criticize no one or impugn no one's motives for wanting to do that, I would remind my colleagues that if we continue to cut the military budget further, one of the things we are going to be doing is gutting one of the best Government education systems this Federal Government of ours ever ran. That is the one that has been run by the U.S. military—the Marines, the Army, the Air Force, the Navy—over these past many years. We have educated more metal benders, more pilots, more truck drivers, more engineers, more computer operators, all kinds of skills and trades. Through individuals who have gone from the military into the civilian work force we have improved the work discipline of this Nation, helped make us more productive, and helped make better citizens out of us. I do not comprehend how we think we are going to improve educational benefits in the country by dismantling one of the best education systems we have in place. The benefits are twofold: The military trains young people in the virtues of discipline that go with military service and at the same time, America is provided with a highly mobile, highly trained force for peace, freedom, and protection around the world. Peace and freedom are inseparable. That is not a cliche, Mr. President. That is not something that is going to go away.

In my view, we have squeezed as much savings as we possibly can from the defense budget. Anyone who thinks it is the defense budget that drives this Nation's budget deficit problems is stuck in a 20-year-old rut. As the chart shows, since the early 1970's, and I will put that chart back up, payments to individuals will increase to 61 percent of the total Federal spending, while national defense will decrease to 16 percent of the total Federal budget by 1997. Right back to the pre-Korean war levels, Mr. President.

Using the President's numbers, we are talking about reducing the force by 1 million people. That consists of 521,000 active duty personnel, 245,000 reservists, and 193,000 civilians. As it relates to military programs, the President's budget eliminates 10 Army divisions, 3 aircraft carriers, 2 air wings, 100 battle force ships, 10 tactical fighter wings, and 88 strategic bombers. That is what is coming out of the defense now, Mr. President. That is coming out now.

As the distinguished Senator from New Mexico said, if anybody thinks they are not going to be cutting out more people and more money by accepting the Exon amendment, they are whistling Dixie because they are going to be cutting out more. You simply cannot cut out more billions and not have an impact on these programs.

What it means is that the Armed Services Committee and the Appropriations Committee are going to have to go in and make the real cuts and live with less.

In addition to cutting out over a million people, programs I just mentioned, we are going to be cutting our capability to run a sound, efficient military. Not to mention the fact the Marine Corps, which will still be three divisions by law, because we are going to cut it down to where we will not be able to have three Marine expeditionary forces afloat like we do today. We have three groups afloat in the world. Last year we had them in places like Bangladesh, rescuing people from floods, two places in Africa rescuing American people who were in jeopardy, up in the Kurdish area of Iraq where a Marine expeditionary force worked to help those people be resettled and secured from the threat of Saddam Hussein. Those kinds of operations are available for the American people, they are available, as we speak, for world peace and freedom.

We are going to be reducing that. So while we will still have three Marine divisions on paper, we will have only 159,000 marines under the President's request. What we give up, in terms of capability, for what it costs to reduce our Marine Corps from 176,000 to 159,000 is astronomical. In fact, it is penny wise and pound foolish, and should not be done. We should, in my view, keep three Marine expeditionary forces afloat.

In the Navy, we need in the troubled world ahead, a blue water navy and expeditionary forces that can go to trouble spots any place in the world and be able to sustain themselves for short periods of time to put out brushfires that might erupt.

The following chart shows that using the President's defense number the defense budget has been cut 37 percent since 1985. Mandatory spending increased by 33 percent and domestic discretionary spending increases by 8 percent. These are the President's numbers.

Since 1985 the defense budget has been declining while mandatory spending, as I show, has gone up by 33 percent and domestic discretionary has gone up by 8 percent.

Mr. President, while all the attention has been focused around cutting the defense numbers, we have failed to tell the American people the truth about where the real budget crisis lies, and that is within mandatory spending.

Currently the interest on the debt and mandatory spending consume 65 percent of the budget. In addition, 75 percent of all revenues taken in by the Federal Government go toward mandatory spending. When Willie Sutton was finally apprehended after robbing many banks, they asked Willie, "Why do you rob banks?" He said, "That is easy. I rob the banks because that is where the money is."

I say to my colleagues, if you really want money for domestic spending, you should not be looking at the defense budget. You should take the Willie Sutton advice—he robbed the banks because that is where the money is. We should look at the mandatory spending programs, Mr. President, and see where we can gain some real savings in the budget that can reduce the deficit.

For too long, the Congress has exempted itself from budgetary scrutiny. I think one way to start looking at where the real problem is, is to look at ourselves. I have been hearing we cannot touch mandatory spending. There is no reason why we should not have reformed mandatory spending levels—that is what everyone says—but we just cannot do it because it is politically not acceptable. I disagree with that.

I want to point out that I have been on this Budget Committee for the last 12 years, and time and time again I have made efforts to reform the entitlement spending formulas. In 1981, I joined Senator HOLLINGS and offered an amendment, to take 85 percent of the Consumer Price Index or the wage index for the formula for COLA increases. Had the Congress and President Reagan accepted our amendment we probably would have had the Federal budget balanced today and these mandatory programs would not be at a 33-percent increase. This would have been significantly less and we would not have borrowed the last trillion dollars. But no, it was not politically acceptable, so we went on down the road toward fiscal disaster.

In 1983 I offered an amendment on the floor to raise the retirement age, yes, on Social Security. We get the idea if we do something fiscally prudent we are not going to get reelected. I want to tell my colleagues I was reelected and many of the Senators who voted for the amendment also were reelected. The fact is my colleagues who voted for the amendment and ran for reelection were reelected. I should check the record for verification. I do not believe Senator Goldwater ran; Senator McClure was reelected; Senator NICKLES was reelected; and myself.

I want to make the point that what the American people would like to see us do is be fiscally prudent. This will help the economy.

In 1930 when the Social Security Program was put into effect, the life expectancy was much lower. I read in one statement in the CONGRESSIONAL RECORD, while doing some research, that it was around 50. I think it was a little higher than that but it was much lower than it is today. Life expectancy has been increasing during my lifetime and throughout the life of the Social Security Program. Today, the life expectancy has increased to age 72. This age is rising all the time.

But the Social Security retirement age has not changed, Mr. President. We have had the chance to change it in the Senate and people refused to do it. Under current law the retirement age does begin to rise by 2 months a year for 12 years beginning in the year 2000. If we had raised the retirement age as I suggested starting in 1984, we would have been a long way toward solving some of these problems because people would now be 65 years old and 8 months today and next year they would be 65 years old and 9 months, raising it every year for a total of 36 years and gradually allowing people to adapt to it. It would have a tremendous impact on savings in the Federal budget.

Mr. President, I do not think we give the American people enough credit.

People all across America operate under the constraint of a budget. When things are tight, they make adjustments by spending less money and making different choices. They do things to change their lifestyle. They go out to eat less; they rent movies instead of going to the movies. They do different things to save money, but in Congress we have not been willing to make choices. We have not been willing to face up to how to save money. So it is no wonder, Mr. President, that a recent poll showed that only 17 percent of the American people have faith in the Congress. One of the reasons American's have lost faith is because Congress continues to try to slash the one thing that the Constitution requires them to do, and that is to provide for the national security of the United States. Instead, they try to cut that part and then add spendng to all of the things that create more problems in the country.

It is no wonder that the people get mad at the Congress. They are mad not because of our willingness to give them what we think they want, but because we are not willing to give them what they really want: Some fiscal sanity in Washington. They run their households that way, but we refuse to run our budget this way. That is what I hear from my constituents.

Mr. President, I hope that someone will offer an amendment to this budget to reduce the legislative branch budget. Maybe if we start a little fiscal restraint here in the Senate, and in the House, we could then look at some areas to reduce our legislative expenditures, and then maybe we can look at where all the money is going in the budget. It is not all going to the defense budget.

The reforms that we passed in the 1990 Budget Act—to control spending were like putting Vaseline on a cancer, I must say, though I am glad the firewalls did not come down. We are not controlling spending in this Congress, Mr. President. The distinguished occupant of the Chair, Mr. CONRAD knows that. He made a very eloquent statement regarding the budget last week.

I believe a good place to start fiscal prudence would be to reduce the budget in the House and the Senate by about 25 percent over 2 years. Reduce the number of employees and then I think we would find we could get along very well. We could do this in other parts of the Government as well. I think the American people would agree we cannot continue to increase all of these mandatory programs automatically and not bankrupt the country.

I know the distinguished Presiding Officer, Mr. CONRAD, who was a certified public accountant in his professional life, knows that. He knows you cannot run a budget the way we run our budget in Congress. That is one of the reasons Mr.CONRAD has voiced his frustration, and regretfully, has decided not to stay with this body next year because he is frustrated at what is happening.

I invite my colleagues to look at where the money goes. I will tell you what Willie Sutton would say. He would say you people are looking at the wrong place if you want to rob the defense budget for various programs. You ought to look at mandatory spending and get all the money you need for the various projects. Much of this money should go toward debt reduction to eliminate this massive interest bill we have to pay every year.

Until we in Congress critically evaluate every line in the budget for excesses and waste, we will not solve the deficit problem. I have said time and time again that the only way to get the budget deficit under control is to cut spending, Mr. President. I hope my colleagues realize that the time has come to make a balanced budget a reality. It can be done. People say, you cannot do it. That is absolutely not true. It can be done. It is simply the fact that the Congress has failed to address the areas of the budget where we could find real savings.

The one place where the Congress has reduced spending since 1985 is for military and defense programs. There is simply no more room to cut the defense budget any more.

Mr. President, what I would invite my colleagues to think about is the kind of a world they think we are going to have to live in 10 or 15 years from now. We have an opportunity to have a great world going into the next century, with reduced tensions, with a reduced threat from the former Soviet Union, a reduced threat for our military, from a massive nuclear holocaust. It could be a much greater world for us.

But one of the sure ways to guarantee that we will not have a great world is to overdo the reduction in the strength and the viability of the American military. We need to have the ability to contain problems that come from unexpected places and unexpected enemies in an unforeseen future. It seems logical to me to maintain our strength at the level advocated by the military experts. The Chairmen of the respective services, the military itself, the President, the Secretary of Defense, the distinguished ranking member of the Armed Services Committee—who announced today that he will be remaining in the Senate, which many of us are happy to see that he will stay here with us and continue to work for his State and for the Nation—the distinguished chairman of the Armed Services Committee, the Senator from Alaska, who I see is here on the floor—I know he feels very strongly about this—and Senator INOUYE, from Hawaii, all feel we should keep the President's defense number.

We simply cannot reduce our military expenditures at too rapid a rate without doing great damage. It is a high-risk world we live in.

We do not know what is going to happen in the former Soviet Union. If we do things right, I think, Mr. President, we will have an opportunity to see a world with a much better standard of living for people in all countries, not just here.

But a necessary element is that the United States maintain the forces of peace and freedom. If we start dismantling the budget, there is a human dimension. These young men and women in our military are very intelligent. They are watching what we here in the Senate are going to do. If we make any more cuts, you are going to see some of your best people saying there is no career for us; even though it is promised, it is not going to be a good career. We are going to get out.

Mr. President, it takes time to raise a military that is trained to man the sophisticated equipment and provide the leadership for people. Desert Storm was not just an accident. Desert Storm was the result of some very good training and very good leadership on the part of the NCO's and the officers of our military.

If we think we can slash the budget for a few more billion here and a few more billion there and still have a military that will be able to accomplish what we did in Operation Desert Storm, we are dreaming. It is very risky.

You talk about the industrial base. We hear a lot about the industrial base with respect to the Seawolf and what will happen. There is a good argument to be made with respect to that industrial base, but it is true of all these other systems, too. If we decimate this industrial base and we are in a situation where we need these forces of freedom to be replenished, we may find it will take a long time to bring it back on-line.

The PRESIDING OFFICER (Mr. BINGAMAN). The additional 10 minutes yielded to the Senator from Idaho has expired.

Mr. SYMMS. I will take 1 more minute to summarize, I say to the distinguished Senator from New Mexico.

Mr. DOMENICI. I yield 1 more minute off the bill.

Mr. SYMMS. Mr. President, if we fail in our responsibilities to live up to what we are charged to do under the Constitution of the United States, we are inviting grave problems for this country in the future.

There is a way to get the money for some of the programs some people want. The first place they should go in my view is debt reduction so we stop borrowing money. That should be first.

But second, if in fact there are programs in public infrastructure for which people think they need money, look where the money is. It is in mandatory spending programs, Mr. President. It is not in the defense budget. The defense budget has been cut each and every year for the last 5 years.

So I urge my colleagues to vote down the Exon amendment. It is the principal, fundamental issue of debate on this budget today.

I yield the floor.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. EXON and Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. DOMENICI. I wonder if the Senator from Nebraska will permit the Senator from New Mexico to make a few inquires of where we are?

Mr. EXON. Certainly.

Mr. DOMENICI. Mr. President, how much time have we used in opposition to the amendment?

The PRESIDING OFFICER. The Senator has used 2 hours 6 minutes.

Mr. DOMENICI. How much time has the majority side in favor of the amendment used?

The PRESIDING OFFICER. At this point, 2 hours and 3 minutes.

Mr. DOMENICI. How much is off the bill and how much is off the statutory allotted time?

The PRESIDING OFFICER. Could the Senator restate that question?

Mr. DOMENICI. As I understand it, the Budget Act provides that there is 2 hours on an amendment, 1 hour to each side. I am just trying to find out have we both used up the 1 hour?

The PRESIDING OFFICER. The 1 hour in opposition to the amendment has expired. The proponent of the amendment still controls 36 minutes.

Mr. DOMENICI. Might I ask, when you add all that up, how much time do we have remaining on the bill, and how much time does the other side have on the bill?

The PRESIDING OFFICER. The Senator will indulge the Chair a moment while that is calculated.

Mr. DOMENICI. Indeed.

The PRESIDING OFFICER. The time remaining for the minority is 9 hours and 48 minutes, and the time for the majority 9 hours and 35 minutes.

Mr. DOMENICI. Mr. President, I was just wondering how many more people wanted to speak on our side. Perhaps the majority could tell us how much on their side. I note that at the earliest opportunity on our side Senator ROBB wants to speak for about 3 to 5 minutes, and then we would start some rotating with our other Senators on this side. Might I inquire where the majority is at this point?

Mr. SASSER. Let me say to my friend from New Mexico that we know Senator LEVIN, who is presently on the floor, has been waiting for some time to speak. Senator EXON wishes to speak for a period of time. The distinguished President pro tempore also wishes to speak. I am advised that Senator BUMPERS is on his way to the floor, and he will also wish to speak. Those are the four Senators I am aware of at the present time.

Mr. DOMENICI. Might I just inquire, I do not intend, unless the Republican leader instructs me, to allow very much more time off the bill because we have used up our hour, but I will do that if the majority is saying that they do not intend to vote tonight. Clearly, we thought we would vote here this evening, and I have to consult with the Republican leader if there is intention not to do that. I think we ought to know as soon as we can.

Mr. SASSER. I say to my friend from New Mexico, I think it would be extremely difficult to vote this evening. The majority leader has indicated the intention to put us out at a relatively early hour, perhaps 6 to 6:30 this evening, although I do not say that in a definitive way. This was simply the impression I gleaned from discussing the matter with him. He, of course, will have to speak for himself on that. So I think, given the number of speakers and the fact we will be going out relatively early, it would be highly unlikely we will get to a vote this evening.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. Mr. President, I am about to recognize the Senator from Michigan for 8 minutes or whatever time he needs on my time. He has been very, very patient.

At some time yet tonight or tomorrow the proponents of the measure would like small rebuttal time. I have been sitting here listening for the last 3 or 4 hours about the amendment the Senator from Nebraska has offered, which as near as I can tell destroys totally the national defense posture of the United States from here to eternity.

All you have to do is listen to the statements that have been made and you would almost conclude, if you did not know any better, that the Senator from Nebraska must be some wild-eyed liberal nut that wants to destroy the national defense of the United States. A friend of mine moments ago said "Why do not you plead guilty? Throw yourself on the mercy of the court?" I looked around this court and I said, "Not with this court."

I will make some rebuttal at an appropriate time. Most of the babble that has been going on here today has nothing to do with the true amendment offered by the Senator from Nebraska, but it is a diatribe about how we spend money, how we do not spend money, and how terrible it is that we do not do anything about reducing the national debt of the United States of America which is the thrust and the reason that the amendment has been offered by the Senator from from Nebraska. But in due time, I have reserved enough time for myself so that I will have ample time to answer those things.

If it is appropriate, I am very pleased to yield to my friend and colleague from the State of Michigan.

Mr. LEVIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. LEVIN. Mr. President, I ask the Senator from Nebraska to yield me 8 minutes.

The PRESIDING OFFICER. The Senator is recognized for 8 minutes.

Mr. LEVIN. I thank the Chair.

Mr. President, I support the amendment of the Senator from Nebraska because I believe that we can safely make reductions of the amount listed in his amendment. We can do so without any jeopardy to the Nation's defense.

The Senator from Nebraska would never do that and his amendment does not do that. If we can safely make reductions, we ought to do so, whether or not the President's budget request is viewed as a reduction from the budget cap this would then be an additional reduction. The label that is applied is not as nearly as important as whether or not the amount which is set forth is an amount by which we can safely reduce this request. And I believe it is.

We can achieve greater savings in our military budget without harming our ability to meet the threats of the future. In fact, if we do not shift our national spending priorities, we will harm our national security by failing to put our economic house in order.

The President's plan is premised on a military base force that I am convinced does not take sufficient account of the significant reductions in threat, most notably the changed map of Europe, the dissolution of the Soviet Union and the tremendous improvement in relations between the successor Republics and the United States. Nobody anticipated such fundamental changes—not I, not the President, not the Chairman of the Joint Chiefs or the Secretary of Defense.

Work began on the base force over 2 years ago. It was officially proposed over 1 year ago. And yet the budget proposal the President sent up here in February contains the same base force end strength goals. The size and content of the proposed forces has not changed, even though the world has. So the cold war is over, but the base force remains frozen. That is illogical. That is unwise. And we cannot afford it.

The Exon amendment reduces the Senate Budget Committee number for defense by $7.6 billion in fiscal year 1993 budget authority and $3.5 billion in fiscal year 1993 outlays. It set defense spending below the President's proposed budget by $8.8 billion in budget authority and $4.2 billion in outlays.

All of those savings would go toward deficit reduction under the terms of the existing budget agreement.

The Senator from Nebraska has given us some illustrative examples of where we might cut. Those are simply illustrative. Those are not binding. They are just simply an illustration of where some cuts could be made.

I would like to focus on another area where a cut can be safely made. Just one example. It involves billions of dollars which is currently unnecessarily budgeted, and which can be, should be, and I predict will be cut from this budget request. that has to do with the so-called secondary items, items such as aspirin, light switches, batteries, and common parts and tires. The wholesale inventory of the Department of Defense is made up of these secondary items for the most part.

There are about $100 billion of secondary items in the wholesale inventory of the Department of Defense which is in the Department of Defense's warehouses. The General Accounting Office has concluded that about half of that is excess. About half of the approximately $100 billion of inventory, much of which are common items, and are excess to the requirements of the Department of Defense.

We have a 35-year supply of common washers. We have an 8-year supply of light switches that you can buy at the hardware store. We have a 40-year supply of spare parts for a fax machine which probably is not even going to be used for too many years.

So we have excess. We have surplus. We have now tremendous amounts of money being spent to warehouse items that are in excess. Believe it or not, there are $2½ billion of items that are on order now which are excess to the requirements of the Department of Defense.

We have stuff in these warehouses from 1952. They are bulging, and we are wasting a lot of money in warehousing. We can safely cut the amount of supplies that we continually pour into these warehouses.

I asked the General Accounting Office to give me an estimate of how much we could reduce the budget for secondary items in 1993 over the level that was budgeted, appropriated in 1992. The General Accounting Office wrote me on January 28 that—

> Based on our evaluation of past budget requests, we believe the amount budgeted for secondary items for fiscal year 1993 should be at least $5 billion less than the amount budgeted in 1992.

The Comptroller of the Department of Defense responded to that with a letter which was, to put it mildly, misleading when he said on February 18 that—

> With respect to the funds budgeted for secondary items in the 1993 program, the 1992-93 budgets are down approximately $6 billion from the budget levels submitted last year. This—

He wrote to the GAO—

> exceeds your suggested reduction of $5 billion.

It does. It sounds like it does, because six sounds like more than five. As a matter of fact, it was an apple-to-orange comparison. The six was made up of 2 years, not 1, and it was not even an appropriation.

Mr. EXON. Will the Senator from Michigan yield for a question?

Mr. LEVIN. Yes.

Mr. EXON. I will yield him another minute of time.

I was just wondering if this was a great interest of the Senator's very factual comment. Was the Senator from Michigan aware of the fact that under the budget proposal from the Pentagon and the President, under spare and repair parts, there is a $520 million increase for the 1993 budget? It fits in so well with what the Senator was saying that I draw it to his attention, if he had not caught that.

Mr. LEVIN. I thank my friend from Nebraska.

The point, Mr. President, is that there are areas of this budget which can be safely reduced which will not threaten the national security of this country because, indeed, all of us agree that that is a prime responsibility of this body.

None of us can in good conscience vote for any amendment which we believe could jeopardize the Nation's security—present or future. This amendment does not. This amendment is a sensible, careful, representative analysis of what can be safely reduced in this defense budget.

By the way, it is not just these secondary items which can be cut. We do not need a 30-percent increase in the SDI Program. That can be safely reduced, and we know in this body will be reduced. I do not think any of us have too much doubt about that; at least not many of us.

I do not think there is more than a handful of us who truly believe that the President's request of $5.3 billion for SDI is going to be authorized and appropriated. So for anyone to stand up here and to suggest that every dollar in this budget request must be authorized, must be appropriated, and must be in the budget resolution, violates what we know is coming down the pike, which is authorization and appropriations bills which are significantly less on star wars or SDI than the $5.3 billion requested.

Just one other item, Mr. President, to show you that we ought to consider cuts in the budget request and can safely do so. Take a look at the recruiting budget. I happen to agree, for the most part, with the chairman of our committee, Senator NUNN, when he says that the pace of personnel reductions is about as much as we can tolerate this year. I think he is probably right. That does not mean that the end point that the administration has selected is right 3 years down the pike. But it means that this year's reduction is about as quick a pace as can properly be handled.

But that is a very different issue from whether or not we ought to be adding new people to the military as quickly as we are.

Mr. President, the recruiting budget this year is a huge budget, $1.3 billion. The advertising component is $156 million. Maybe that does not sound like a lot of money in the defense budget. It is a small item, just the way the items of the Senator from Nebraska are a lot of small items. This is a small item. But I have to tell you, when I see TV advertisements in the middle of the most expensive prime-time shows that are going to produce more and more people applying for military that we cannot handle—we are laying off people. We have to let people go. We have to pink-slip people. The rate of accession, the rate of new enlisted personnel that we are budgeting for, is the same level this year as last, the same level next year as this, 206,000 people, enlisted personnel. That is the base force.

The base force plan, which was designed 2 years ago and announced 1 year ago, before the dissolution of the Soviet Union and the end of the cold war, has not changed by one person. The accession continued to be 206,000. The TV budget continues to be the same this year as last, proposed next year the same as this. Can we not reduce the advertising budget for a force which surely has to be smaller after the cold war is over than when the cold war was still on?

Again, it is a small item, only $156 million. But it is a significant item. Because what it shows is a lack of recognition that the world is changing. This budget has not changed with the world quite yet. This defense budget can safely be reduced.

Senator EXON, who is as strong a defender of defense as exists in this body, has carefully identified a number to which we can safely reduce this budget, and I support his amendment because it is a number which I believe is consistent with the security of this Nation.

Mr. President, we must seize this moment to change our spending priorities and get our national house in order. This amendment will help do that. It has been said that mindsets change more slowly than blueprints, but we must not hold to an outdated cold war notion of what brings security to our Nation and our people. We can achieve substantial defense savings below the committee resolution's defense number while still constructing appropriate security arrangements and military forces to prevent the threats of the future.

I urge a vote for the Exon amendment.

I thank Senator SASSER and Senator EXON for yielding me time.

Mr. WARNER. Mr. President, I would like to, on the time under my control, such time as may be required, put a question to my good friend and colleague of these nearly 14 years now.

The Senator came to the Armed Services Committee, as did Senator EXON and I, at the same time. We have worked together on this committee these many years; 20 members of the committee. There is a fundamental question I have here. It seems to me that we ought to step aside from the rhetoric about dishonesty and who is doing right and who is doing wrong, and focus that we are trying to make really a series of decisions in 2 hours.

Why, I ask my good friend, cannot the same decisions be made over the period of the next 2 months in an orderly way, by the committee on which you and I and Senator EXON have served these many years; and then, either contemporaneously or successively, by the Appropriations Committee, of 29 members, in which case, Mr. President 49 U.S. Senators will have taken time carefully to go over and make the decisions as to whether or not further cuts should be taken.

Should we not take 2 months of care out of respect for the people in the Armed Forces; out of respect for the cities, towns, and the villages being impacted by the declining defense budget; out of respect for the fact that this is a changing world, every week something different happens? And should we not go about this is an orderly way, giving the Budget Committee, Mr. Chairman, recognition for having done its best as a deliberative part of this institution, and accept their decision, and then work on it in the two committees?

I put the question to my friend.

Mr. EXON. Mr. President, may I answer the question?

The PRESIDING OFFICER. The question is directed to the Senator from Michigan.

Mr. WARNER. I am happy, on my time, to receive responses from both Senators.

Mr. LEVIN. I would be happy to yield to my friend from Nebraska.

Mr. WARNER. Why do we not give a minute and a half off of my time?

The PRESIDING OFFICER. The Senator from Nebraska is recognized to respond to the question.

Mr. EXON. Mr. President, I am pleased to answer that.

Once again, let me point out how utterly ridiculous, in my opinion, many of the statements regarding the Exon amendment have been today. The President of the United States has requested that, for fiscal 1993, there be a cut of $5.2 billion out of a $285 billion total defense spending. The amendment of the Senator from Nebraska says let us do a little better than that. Instead of $5 billion, let us go $9 billion. That is $4 billion more out of the $280 billion budget.

I am ashamed of the fact that I have not identified a higher number; $280 billion, and we are expending all afternoon arguing whether we should cut it another $4 billion over what the President said. It is $5 billion; Senator Exon wants it $9 billion. All of this debate over that itsy-bitsy insignificant amount of the budget.

All I can say is that I have given this a lot of thought, and I am willing to give it further thought and consideration. The action of the Budget Committee was accomplished by high pressure tactics from the Pentagon. It was not a bipartisan approach, as has been said here time and time again. There were nine Republicans and two Democrats that stood in the way of this amendment in the budget. That is hardly bipartisan.

All I am trying to do, to answer my great friend and colleague from Virginia, is ask for a little better understanding than I have heard on the floor today. I have been reasonable all my life, and I do not think the statements which have been made about this amendment are very reasonable today. But I hope maybe we can return to reason. If so, I would like to be a part of it.

Mr. WARNER. Mr. President, my question got lost in the rhetoric. I simply asked my colleague, why do we not do in 2 months, in an orderly way, what we are trying to cram into 2 hours?

I lodge the question, once again, to my other friend and colleague on the Armed Services Committee, the Senator from Michigan.

Mr. LEVIN. Mr. President, I would like to thank my friend from Virginia.

First of all, I will use 30 seconds of the minute and a half to tell the Senator from Virginia how glad I am that he is staying with us. We have lost enough talented Members of this body in the last few weeks, and the Senator from Virginia is one of the most talented Members of this body.

I am very glad that he has chosen to remain here. He is a longstanding, dear friend of mine.

Mr. WARNER. Mr. President, I thank my friend.

Mr. LEVIN. Mr. President, the Budget Act provides the orderly way to set the number for the defense function. That orderly way is for the Budget Committee to first act. It has by one vote. And the second step in that orderly process is for the Senate to consider the number. And this is a part of the design that we are going through. It is part of the orderly design, which is for the Senate to use its best judgment to set a number for the defense function. It is just as much a part of the design as the Budget Committee decision to set the number. Now it is up to the Senate.

But I do agree with the Senator that in the months ahead there is a very serious responsibility, if ever a number is set, for the committees to then allocate that number among the various programs. It is a very serious responsibility, and we will carry it out the best that we can, whether the number is a little higher or a little lower. And the Senator from Virginia is an important part of that process.

Mr. WARNER. Mr. President, I thank my distinguished colleague, and I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I am going to yield to Senator ROBB in a moment. Let me say to my friend from Nebraska, who is still on the floor, his reference to high-pressure tactics from the Defense Department is about as far off the mark as his statement that people were dishonest with the President's cuts in his particular amendment.

First of all, the Senator from New Mexico was in charge on the Republican side, and I called the Secretary of Defense myself. At that point in time, I asked him to do three things. And he called an hour later and left a note that he did. I asked him to call Senator HOLLINGS and thank him. That is very high-pressure tactics? He called him and thanked him. Senator HOLLINGS already had the amendment in his name to offer, Hollings-Domenici, that prevailed, which was the President's mark.

I asked him if he would call Senator GRASSLEY and see how things were going. As a matter of fact, Senator GRASSLEY informed me he had made up his mind to support the Hollings-Domenici amendment well before the call was placed, and he so informed the Secretary and he so informed me.

He called Senator DODD, at my suggestion, who made no commitment according to Senator DODD, and Senator DODD informed him that he had already made up his mind that he was voting for the President's mark as shown in the Hollings-Domenici amendment.

We might have had high-pressure tactics before. I submit there was not any here. The Senator from Nebraska lost fair and square.

Now I yield the floor to the Senator from Virginia.

The PRESIDING OFFICER. The Senator from Virginia is recognized.

Mr. ROBB. Mr. President, I thank the Senator from New Mexico, and I must say at the outset that I agree with a great deal of what I have heard from my colleagues and friends from both Michigan and from Nebraska. They have taken, I believe, a thoughtful approach to try to save money, and I am absolutely committed to that goal.

But, Mr. President, there are two ways to land an airplane: One is to follow the traffic pattern, lineup with the runway, follow a glide path, and put it down smoothly; the other way is to shut off the engines, push the stick forward, and hope. Both of these methods wind up with the airplane on the ground, but I would submit that their effect on the passengers and on the aircraft itself is likely to be quite different. America's defense budget must and will be reduced.

There is no disagreement on that question. The budget resolution before us does that, as does the amendment by the Senator from Nebraska, and I am delighted to see real deficit reduction taking priority in the budget process.

But, Mr. President, we have to be careful in our pursuit of that goal. The Senate's approach to budgeting often resembles a Wall Street trading floor with numbers flying all about. They seem to take on lives of their own. But the budget is not a bloodless spread sheet. It is not just accountancy. We have a constitutional obligation to provide for the common defense, and the number that we arrive at here today or tomorrow has a direct impact on our ability to live up to that obligation.

There is only so much reduction that we can do, in my judgment, responsibly in the first year without doing real and irreparable damage to our defense capability. If we want to cut more than those tasks with responsibility for carrying out those actions, if we believe that we can, it seems to me that we have to provide a way for them to meet their obligations with those reduced resources.

The amendment proposed by my friend, the Senator from Nebraska, is indeed well-intentioned. But we cannot build a rational defense or indeed run any program sensibly by setting a price tag and then simply randomly chopping off parts to make it fit. We have to build from the ground up and not from the numbers down. If we fashion a rational defense which costs too much, it must be replaced by another no less rational.

Senator EXON has already been noted for his vision and imagination in crafting defense strategies and for his commitment to fiscal responsibility. But I would submit that this particular amendment does not reflect that insightful approach. Instead of proposing a new, coherent strategy to make the world safer, it is based on cutting corners in line items without the obvious consideration that I know he would normally give to the effects of those cuts. The result is a spending level, a cold number, with no guarantees that it will yield a defense which works or necessarily makes any sense in the modern world.

Over the next few years, Mr. President, America's Defense Establishment will shrink drastically. We owe it to our citizens, both in the defense community and out, to undertake that reduction with care, thought, and, above all, a clear and sensible plan.

For budgetary reasons I wish I could support this amendment. I happen to believe that our willingness to confront the fiscal challenge facing this country is the single greatest failure of the Federal Government to date. But because we have to think before we act, because we have to land the plane on the runway in one piece, I regret that I cannot vote for this particular amendment, well-intentioned though it may be.

Mr. President, I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SASSER. Mr. President, I would be pleased to yield to the distinguished senior Senator from Arkansas such time as he may consume.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. BUMPERS. Mr. President, I thank the distinguished floor manager, my good colleague, the Senator from Tennessee, for yielding to me.

Mr. President, if one surveys history, one will find that most problems, wars, pestilences, famines, and depressions, have been caused because people would not lead. You will find that leaders traditionally either are too dumb to recognize opportunities when they present themselves or do not have the political courage to do what is right.

I personally was impressed with President Bush the other day coming up with his proposal to assist Russia, very politically unpopular in this country at this time, being a very difficult thing to get his own party to support him on that.

I remember Harry Truman—and I am old enough to remember Harry Truman. I spent an hour with him one time, as a matter of fact. It was one of the most indelible, memorable occasions of my life because I did not like him when he was President. And the reason I did not like him was because I was a young college student, and I was going for the cosmetic part. I did not like the way he combed his hair. I did not like his glasses, and I certainly did not like his nasal twangy voice or anything else about him. I remember when he called the music critic an SOB. I thought that was the most horrible thing I ever heard of, because the critic had criticized Truman's daughter's singing. After I had a daughter, I understood it a little better.

But I remember when Harry Truman came to the Congress and said we are going to spend $18 billion to bail out our former enemies in Western Europe as well as France and Britain because General Marshall says, if we do not, all of Western Europe is going to go Communist. And Arthur Vandenberg, who was in that day considered to be the foreign policy guru in the U.S. Senate said, "Mr. President, you are out of your mind. The American people will never sit still for a thing like that." And President Truman, in his inimitable fashion, said, "I'm going to do it because I believe what George Marshall is saying," and he did it. He talked Congress into it.

Today, people take polls in this body and nightly at the White House to figure out what they think. They take a poll so they can look at it and go to the coffee shop and regurgitate what they got in a poll. In contrast, Harry Truman took polls to see how far he was going to have to bring the American people to his position. It is now 180 degrees from those days.

And here this man whom I did not like for cosmetic reasons when I was an undergraduate student, after I matured and started reading about his Presidency, I determined in my own mind that he is one of the five or six best Presidents the United States ever had.

I remember the Joe McCarthy era when Harry Truman, much to his political detriment, called Joe McCarthy exactly what he was, told the American people what he was. But Joe McCarthy had everybody in this country thinking there was a Communist under their bed when they went to bed every night. And everybody in this body, virtually everybody in this body was jumping under his desk scared to death of Joe McCarthy, and some of them paid a price for standing up to him.

And here was Harry Truman. I remember when they brought him the McCarran Act, which outlawed the Communist Party.

And President Truman said, "I'm going to veto that bill."

And his advisers said, "Mr. President, you veto that bill and Congress will override your veto in a New York minute, unanimously."

President Truman said, "Yes, and the Supreme Court will rule it unconstitutional because if you can outlaw the Communist Party, you can outlaw the Democratic Party."

He vetoed it and as predicted Congress took about 24 hours to override it. I think there were nine dissenting votes in the House of Representatives and maybe one in the Senate. And 2 years later the Supreme Court, nine-zip, ruled the bill unconstitutional.

Mr. President, this is an unhappy place now, not just in the Senate but all over this Hill. There is no denying, morale is very low. In the past 3 weeks, three of the finest Senators in this body—that is the tragedy of it—have announced they will not run again. And it gives you pause if all the good guys start pulling out, who is going to run this country?

But having said that, Mr. President, do not ever quarrel with the people. They are not always right, but they have a right to their opinions in this great democracy of ours. And right now they are saying, you people are not really serious about a lot of things, principally the deficit. You are jeopardizing the United States, you are jeopardizing its political process, you are looking for short-term political advantage; you are scared to go home for fear somebody will say you cost us our defense contract or you are soft on defense.

You think about this country spending $30 billion a year on intelligence, Mr. President, most of which is to spy on Russia, who is trying to get into NATO. Now you do not have to be a Ph.D. to understand the idiocy of that, the absolute idiocy. CNN can give you information that we used to pay $15 billion for, you can get it for nothing now. But you heard the head of the CIA come over the other day and said yes, you just do not know; there are all kinds of other problems.

It goes from the lowest committee in the Congress right up to the highest. "No matter what happens, you cannot disturb my budget, you cannot get at this program." And the deficit is a terrible thing until you have to do something about it, and then suddenly everybody jumps under their desk just as they did during the McCarthy era.

This amendment by Senator EXON, which I'm proud to cosponsor, is minimal.

I went to New York 2 days ago to campaign for my favorite Governor for President. I went to a fair-sized city in New York State and I met with the editorial board of the newspaper. This particular city was pretty heavily dependent on defense contracts. And one of the first questions I got was, what do you think about the defense budget?

I said I think it can be cut more than the President is proposing.

"Well, what would you say and what would Governor Clinton say to the people of this city that are going to lose their jobs if you cut defense?"

And I said, "I'm going to say the same thing to them that I said to the people of Mississippi County, one of the poorest counties in Arkansas, when they closed Eaker Air Force Base. We are going to join hands and we are going to pull together and we are going to overcome this debacle for us. We are going to use some Federal money to get this county and this region of the State back on its feet. We are going to use some of that economic dislocation money that the Pentagon has to ease these problems. We will retrain people for jobs that are available, not for ones that are not available."

And finally, I said, "Mr. Editor, there are some tough choices to be made in this country. You are not going to deal with the budget deficit in this country in a painless way, and any politician who tells you that he has the ultimate, painless solution deceives you, misleads you, manipulates you."

You know that is the reason I say put your trust in the people. They understand exactly what is going on. I have said it on this floor a half dozen times, but this is a good point to repeat it.

Harry Truman told me one thing when I left his home that day, because I was telling him I did not enjoy being Governor of my State, it was just a pressure cooker. There I was, telling the man who had to make the decisions to drop the atom bomb, what a tough job being Governor of Arkansas was.

He said, "Son, I will tell you how to get to liking it. Just put your trust in the folks."

Richard Nixon was President, and everybody knows how Harry Truman felt about him. And he waved toward Washington and he said, the only time this country ever gets in trouble is when there is some lying you-know-what sitting in the White House deceiving people. How can you expect the people of this country to respond responsibly and sensibly when they are constantly being mislead and deceived and lied to?

So he said, "You know, don't do like the ordinary politician who has this irresistible urge to tell people what he knows they want to hear, and that is we can solve the gravest problems in this country with no pain."

There have been times in the history of this country when you could solve the problems without much pain. But when you consider the $3 trillion we have had added to the national debt in the last 12 years, there is absolutely no way to deal with that and keep everybody happy at the same time.

And do you know one reason why the stock market is sort of in a free fall right now? They sense that Congress is still not willing to level with the American people. And here is a classic case of a very minimal, sensible amendment by the Senator from Nebraska which is going to go down to defeat as soon as we vote on it.

You think about this. Out of $285 billion in the defense budget, the Soviet empire gone, dissolved, cannot feed themselves, and the Senator from Nebraska says, out of that amount of money, let us cut $4.2 billion, about 1.5 percent in outlays for 1993 and does not cut a single program out. he simply cuts the amount of increase in some programs. Now you think about that.

You cannot make it any more painless than that. The Senator from Nebraska does not say "I want to eliminate the Seawolf, I want to eliminate SDI, all $5.3 billion of it," but he is suggesting a $1 billion cut from SDI. I would have suggested $4 billion, Senator, by the way.

Did you see the article in the paper today about how accurate the Patriot missile turned out to be in the gulf war? And do you realize it was all those stories about the success of the Patriot that caused us to vote for that big missile defense system in North Dakota? And now we find out—now—the patriot missile may have killed just 10 out of the 80 Scuds that were fired.

There is almost $1 billion in here for long-lead items for an aircraft carrier. The Senator knows how badly we need another aircraft carrier. I know how badly we need it. Every Senator in this body knows how badly we need it. Every Senator in this body knows that to increase SDI by 30 percent is crazy.

There is $39 billion in this budget for military R&D. And his amendment proposes to cut that by $2 billion—$2 billion.

Five percent, Mr. President. I cannot believe this. But it is not the first time I could not believe something on this floor.

President Reagan got more mileage out of the statement, "If not us, who? If not now, when?" Do you remember that? I tell you, that statement had as much clout as any statement I ever heard a politician utter. I was pretty impressed by it myself. "If not us, who? If not now, when?"

And 12 years later we have had a 300-percent increase in the national debt. So the statement is just as relevant now as it was when he said it in 1980. If not us, who? And if not now, when? And those who are up for reelection this fall are going to have to go home and answer that question.

Mr. President, the other day we had a long, excellent debate on tearing down the so-called firewalls on the different kinds of spending. I voted with my good friend from Tennessee, the chairman of the Budget Committee, not because I wanted to take the defense savings and transfer it over to domestic programs. I did it because I do not think it makes any sense to take away all the flexibility that we have. There are a few things around here that ought to be funded.

For example, a $5,000 tax credit for first-time home buyers; Senator BUMPERS' capital gains bill, which was in the tax bill the president vetoed; maybe passive losses for the real estate industry. When you look at what happened in the market yesterday and today, I bet you the President is looking at his hole card, about having vetoed a bill that had six of the seven things he asked of us to get the economy going. What have we done for the economy so far? Zilch.

Do you know what I think? I think, just as an aside, that we ought to pass the same bill again and send it over there and say, Mr. President, instead of putting in this $60 billion tax increase over the next 5 years, a tax increase on the wealthiest 1 percent of the people in the country—I wish I were in that category, I wish I were in that category and could pay that little 5 percent tax that was in that bill.

We ought to pass it again and say, Mr. President, you did not want the children of this country to have a tax cut of $150, $200, you children of the 67 million taxpayers of the country who have been losing ground for the past 6 or 7 years. You did not want that. So, Mr. President, here it is again. We are going to dump the whole thing on the deficit.

He would not sign it, I am sure. What a tragedy.

If I were king for a day, I would like to pick out all the items in that defense budget that we do not need and which would not jeopardize our security one iota. I would like to pick out $5 or $10 billion out of the intelligence community and cut that. I would like to torpedo that space station, which is going to cost somewhere between $120 and $200 billion over the next 30 years; the superconducting super collider—what started out as a $4 billion project.

Everything here starts out at $4 billion, have you noticed that? I remember when the Secretary of Energy came over and he said, well, it is up to $5.9 billion, but if it goes a dime over that count me out. It is up to $12 billion now and he is still the chief proponent. It is going to $20 billion. By the time we finish it the consortium in Geneva will have the answer to the origin of matter. I am not a scientist. I have never been curious about the origin of matter. And I am certainly not curious about it in light of the deficit in this country right now.

Senator ROBERT C. BYRD, the great senior Senator from West Virginia, handed me a note the other day when I was making this speech and he said, "You can find it all in First Genesis, anyway."

Then I would go through that budget. I would cut the Secret Service. Their budget was $7 million when Jack Kennedy was President. Do you want to take a guess what it is today, Mr. President? $470 million.

I am not going to reveal my hand on some of the other things that I have in mind to cut this year. Mr. President, we are talking about the Exon amendment, a modest amendment, carefully crafted by the senior Senator from Nebraska. He has done it because he feels strongly about it personally and because the people of Nebraska are just like the people in Arkansas. They are conservative folks, fiscally. They want to know, when are you going to stop all that spending?

I have to confess to my colleagues there was a time, not too many years ago, when the people would come up to me—I will say 10 years ago—and they would say, why do you not cut all that spending? Sort of in the back of my mind I would think, if they just knew what I know. The truth of the matter is they knew there was a lot of spending that could be cut.

Several years ago as I began to get interested in this and look around for things to cut, I became appalled at the way we were spending money in a whole host of areas. But now there is no Soviet Union, the country that caused us to spend literally trillions of dollars. And everybody wants it to continue.

Mr. President, I want to compliment my distinguished colleague, Senator EXON, for this fine proposal. For the life of me—I guess that is what makes the mare go, differences of opinion—but for the life of me, I cannot believe that people will stand on this floor and make those pious, unctuous, self-serving statements about cutting the deficit and then vote against a little old amendment that cuts $4 billion and does not eliminate anything.

Incidentally, let me say something about research and development—$39 billion in the Defense Department for R&D. I will close on this point. Do you know the number of scientists in this country engaged in making weapons? Somewhere between 27 and 30 percent. In Japan it is 1 percent.

Do you want to know why Japan has this technological edge, and are shipping all these goods to America? Because they have been putting their money into basic and applied and developmental research and we have been putting it into building weapons. And now the world has changed and we have an opportunity to turn it around.

I want to say to my colleagues and to all the American people, we are in a heap of trouble. It would be so comforting if the President would go on television and say it. Show them the chart: Folks, we are in a heap of trouble and here it is. I am not running for Mr. Congeniality. Here are the solutions I am proposing, and I know this is going to irritate some of you. But these are tough choices, these are tough times, and they are going to get tougher if we do not do it now. If not now, when?

So, Mr. President, we either believe in deficit reduction or we just like to talk about it at chamber of commerce banquets. Here is a chance to make that very simple decision.

I yield the floor.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. I yield myself as much time as might be necessary off the bill.

Mr. President, I want to thank very much my good friend and colleague from Arkansas. We have been in Government service a long, long time. We were elected Governors of our States at the same time; we served as Governors together for 4 years and then he came here and I followed 4 years later. I have always had such a high regard for him, and I thank him for his most informative remarks. I have long considered him the best orator of the U.S. Senate. I think he gave us something today that we need to listen to.

Having said that, I must recognize and apologize to the Senator from Arkansas for the many times that I have been on the floor with him on defense matters and I have listened with great interest and admired what he said and then proceeded to vote the other way. I am delighted that we see eye to eye on this issue.

I just want to confess to him that we live and we learn. I must tell the Senator from Arkansas and the body as a whole that this Senator who has served on the Armed Services Committee for going on 13 years worked very hard with the naval staff to craft—it was not anything out of the blue; there was a lot of hard work that went into this. I really thought maybe the Armed Services Committee would like to have something that they could say we really are going to make a cut. I could not get anywhere with it. Then I thought certainly I could take it to the Budget Committee where I serve and there must be a lot of thoughtful people there who would understand it.

I must say that I leaned over backwards, and I very carefully crafted this, as the Senator from Arkansas observed, in such a fashion that I did not believe that anybody in good conscience could possibly vote against it. I have been wrong before and I was wrong again.

We will be taking this up again tomorrow, I guess, not having a vote tonight. I will have some more to say. I will simply say it is very clear to me that the perspective of the Senator from Arkansas is good. When the vote comes, we will lose. The military industrial complex is alive and well, and all those who do not believe that just have to look at the vote that will take place on the floor of the U.S. Senate tomorrow and it will be proven once again that the military industrial complex is, indeed, alive and very well, and the budget of the United States and our future deficits find themselves in very much disarray.

I reserve the remainder of my time and yield the floor.

The PRESIDING OFFICER (Mr. WELLSTONE). Who yields time?

Mr. EXON. I yield myself time as necessary from the bill itself. I ask unanimous consent that Senator ROBERT KERREY, from Nebraska, be added as a cosponsor to the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. EXON. I reserve the remainder of my time and yield the floor. Mr. President, I suggest the absence of a quorum.

Mr. DOMENICI. Mr. President, will the Senator withhold that?

Mr. EXON. I withhold.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

Mr. DOMENICI. Mr. President, I was wondering if the distinguished chairman of the Budget Committee or the majority leader might tell us when we could vote. I think we have been on this matter now, at least the Danforth amendment which is the last business we conducted was at 12:44. For some reason we waited until about 2:20 and we have been on this amendment since 2:20.

The Budget Act does take into consideration that there are apt to be many other amendments. As a matter of fact, there are. I do not say this because many of them are from our side of the aisle. I have a list of about 15, all but about 2 or 3 are from the majority side of the aisle. The Budget Act in substance we thought maybe ought to take an hour on each side for each amendment and a half hour for amendments to amendments, and perhaps these other Senators will have a chance to debate their amendments.

I do wonder if perhaps the chairman can give me an answer as to when we might vote. We are ready to vote this evening and if we could, we would do that on a minute's notice. But while the chairman is coming to the floor to discuss this issue, let me just address one issue in my own way.

First, I want to say to the distinguished Senator from Nebraska, I really do not believe I have to, because I think he knows, but I hold him in very high esteem. I have worked with him. I have been on the same side with him many more times than I have been on the opposite side. I have joined him in amendments. I followed him in the Budget Committee. It just happens that on this one I disagree.

But I also think if the distinguished Senator from Arkansas was making a point that it took courage to vote for the Exon amendment because somehow or another we were bucking the tide, perhaps a popular support. Maybe I misunderstood; I thought that is what he was saying, that we had to do something courageous. It seems to me unless I am reading the opinion polls wrong, the American people in very large numbers and very high percentages want us to cut defense more than the President recommended, large numbers.

I think in States that even have large defense installations, the population at large wants defense cut even more. That is what I find. I believe that is the case in my State. Even though we have military and defense installations, people want to cut more.

I think those who are voting to provide orderliness to this build down, 30 percent, rather than cutting it more and doing it more rapidly, I think they are doing that on the basis that they are genuinely concerned about a world that we do not quite understand in terms of its outcome. Where will it be 3 years from now? We will be in the world. We will be expected to be leaders. Hopefully, we will still be the bastion of freedom and democracy and we will be influence and helping this world we are in as we always have.

Some of us think we ought to know what it looks like in terms of danger spots, having the best and the brightest in the military now and technology that keeps us on the cutting edge so that we gain the air space as we did in Iraq. That is why we did not have any real air struggles because our technology gained the air space for us. Those are the kind of things that are a little bit more difficult than to vote to cut. It is easy to vote to cut in this case.

Second, I have not checked the record and I clearly understand how people on either side will change their mind in 5 or 6 days, but I think it is worth looking at the record and seeing how various Senators voted on tearing down the wall because tearing down the wall was a vote to cut defense and, yes, to cut it more than we are talking about. But guess what, Mr. President? Tearing down the wall was a vote to spend more on other programs. Just a week ago, Senators were saying let us do that. Some of the Senators who are speaking about deficit reduction tonight wanted little or no deficit reduction then because they thought the defense cuts were going to be spent elsewhere on domestic programs. Nobody knew where, but somewhere.

It seems to me you cannot have it both ways. A week ago, you cannot vote to tear down that fence wall so you can spend more, and then when you lose that argument that we ought to cut defense more so we can reduce the deficit. And anyone who does not want to do that is not for deficit reduction.

So from my standpoint, if we are not going to vote tonight, and I ask again our leader, I would like to know whether we are going to vote tonight or not.

Mr. SYMMS. Mr. President, will my colleague yield for a question when he gets the chance?

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. SASSER. Mr. President, I wish to respond to the distinguished Senator from New Mexico. In light of the request of the distinguished Senator from Idaho——

Mr. SYMMS. I did want to ask a question pertinent to what the Senator was saying.

Mr. SASSER. I think I still have the floor.

Mr. DOMENICI. Yes, the Senator has the floor.

The PRESIDING OFFICER. The Senator from Tennessee.

Mr. SASSER. Mr. President, let me say to my friend from New Mexico that the majority leader has indicated he wants the Senate to adjourn as soon as the Senator from New Mexico has concluded his remarks. I understand the distinguished Senator from Idaho wishes to address the Senate, and I would be perfectly happy to enter into a unanimous-consent agreement that he be first off tomorrow morning.

Mr. SYMMS. If the Senator will yield, the Senator from Idaho will be happy to wait. I want to discuss defense some more, but I assume there will be a little time prior to the vote tomorrow. Is that correct?

Mr. SASSER. Absolutely, I say to my friend from Idaho.

Mr. SYMMS. I will be recognized tomorrow; that is fine. If I could just ask my colleague from New Mexico one question, I will get out of the way.

My question is, if the distinguished floor manager of the bill will yield, and I would like to also echo the comments of the Senator from New Mexico, speaking of my respect for the Senator from Nebraska. What I am saying here is absolutely in no way derogatory. I just disagree with those who want to cut the defense budget more.

But the Senator from New Mexico made a statement that the Senator from Arkansas said it would take a lot of courage to vote for the Exon amendment. The Senator from New Mexico said the people in his State would want to cut more. Does the Senator think they want to cut more in defense, or the media wants to cut more in defense?

Mr. DOMENICI. Wherever they got the idea, it is obvious to the Senator from New Mexico that the people, the majority of our people, want to reduce defense more.

Mr. SYMMS. The establishment and news media in this country is beating the drum to cut defense more.

Mr. DOMENICI. The peace dividend.

Mr. SYMMS. Mr. President, I thank the Senators both for their indulgence. I see my friend is on the floor, and I want to say that again to him.

Mr. DOMENICI. Mr. President, I have a note from my good friend, the chairman. I think it has a lot of inferences in it. It says we are going to adjourn as soon as I stop speaking. Maybe he was suggesting that I speak too much. If the distinguished Republican leader was here, he would surely tell me I speak too much.

But I wanted to say something before Senator SYMMS leaves, and just tell him I neglected, when he finished his remarks, to thank him for what he had done with reference to defense in this country. I find, with the passage of time, that Senator STEVE SYMMS, who many, many, many times around here was in the minority, and many times he was the only person voting no, reminds us regularly as we complain about the results of some of the legislation we have voted for that is untoward, unexpected, beyond anything we thought we were doing, he reminds us every now and then: I was the only one who voted no. I am sorry he is leaving. Everybody is expressing their concerns about Senator WIRTH, and I will do that tomorrow in my own way. But I have never said I am sorry that Senator SYMMS is leaving. I say that tonight.

I thank the Senator for his help in the Budget Committee in bringing this issue to the floor.

Mr. SASSER. Mr. President, I echo the statement of my friend from New Mexico. I have had the pleasure now of serving for many years on the Budget

Committee with the distinguished Senator from Idaho. He and I have differed on some policy issues; we have agreed on others. But he has been a very valuable member of the committee, and a Senator for which I have considerable affection, I might say. He is a Senator who has certainly spoken his mind in committee and on the floor of the Senate.

I want to join with my friend from New Mexico in saying we are going to miss him on the Budget Committee because he brings to the committee, I think a perspective that is unique to the Senator from Idaho. He also brings it to the committee with a sense of color and dash, and we always like to hear from him.

Mr. EXON addressed the Chair.

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Mr. EXON. I yield myself time off of what time I have remaining on the amendment.

I wish to thank the Senator from New Mexico and the Senator from Idaho and my friend from Tennessee for the nice things that have been said about me on the floor today. I suppose, as people sit and watch these things back home, they must think we just do not care for each other at all. I do care very much about both of my colleagues who have been involved in this debate.

Certainly, I have studied under the tutelage of my friend from New Mexico. He was on the Budget Commmittee when I came there, and we have worked together so very often. I hold him in the highest esteem. We do not happen to agree on this, and I hope people understand that when we get into these debates, we try to make our points as best we can.

I think I had said something before about my being disappointed in the loss of my friend from the State of Idaho. I came here before he did, but we have been good working partners, although we are on different sides of this aisle. We indeed are going to miss the Senator.

One of the problems I have said about the Senate and the House time and time again is that we have too few business people with business backgrounds who serve here.

I have always thought that the ideas and comments by my friend from Idaho have been on point, although I have not always agreed with them. So I have the highest regard for both of them. It would even be higher if they would change their minds and agree tomorrow to support the Exon amendment. But if they do not, which I suspect they will not, I will not think any less of either of my two friends.

I thank Senator SYMMS, and I thank the Senator from New Mexico.

Mr. SASSER. I yield to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, I understand the Senator wants to go out, and I am going to cooperate. I understand Senator SIMPSON may want to speak a few minutes on something else.

There are a lot of amendments to be offered. We have been on the resolution for a substantial amount of time. Does the Senator have any idea when we might vote tomorrow?

Mr. SASSER. It is my understanding the majority leader wants the Senate to come in tomorrow morning at 9:30, and that the Senate resume consideration of the budget resolution at 10 o'clock in the morning.

Now, on our side, I know of no other speaker, with the exception of the distinguished President pro tempore. And depending on how much time he would take and how many other speakers the distinguished ranking member might wish to give time off the bill, I assume we would be ready to vote.

Mr. DOMENICI. Mr. President, we have some Senators who have been waiting a long time. I can think of at least one, Senator COHEN who wants to speak in the morning. And Senator SYMMS just acknowledged that a moment ago. So if we can start at 10, I am very hopeful that somewhere close to 11 we might be ready to vote.

We are going to cooperate as best we can because there are a lot of amendments, and Senators deserve an opportunity to discuss them. I do not want to give any more time off the bill than I absolutely have to. The Senator will be yielding far more off the bill than will I.

Mr. EXON. Will the managers of the bill yield for just a moment?

Mr. SASSER. I yield to the distinguished Senator from Nebraska.

Mr. EXON. I know the Senator BYRD wants to talk. This Senator has 23 minutes remaining. I do not intend to use all of that, but I will want to make some closing remarks as sponsor of the amendment.

We have one or two other Senators who have indicated to me they might want to talk; I am not sure. I do not think there is a lot of time necessary to discuss it on this side of the aisle.

I agree, I think we have to be moving ahead. I hope we can reach some agreement, maybe early in the morning, to have a vote at as early an hour as possible depending on what time we are coming in. It seems to me we should be on our way to voting, but at 11 o'clock. We have lot of work to do.

MORNING BUSINESS

Mr. SASSER. Mr. President, I see that the distinguished Senator, the assistant minority leader, is on the floor. I now ask unanimous consent that there be a period for morning business and that Senators be allowed to speak therein.

The PRESIDING OFFICER. Without objection, it is so ordered.

RETIREMENT OF TIM WIRTH

Mr. KENNEDY. Mr. President, TIM WIRTH will be deeply missed by all of us who have served with him in the Senate.

We all know of Senator WIRTH's dedication to the causes he believes in and his unique contributions to the Nation. Day after day, year after year, he has been a true champion of women's rights and equal rights, and he has led the fight in the Senate to clean up the environment.

I am saddened by his announcement that he will not seek reelection. When a superb Senator like TIM WIRTH says that he is disillusioned with Congress and unwilling to endure another campaign full of negative advertising and distortion, it is time for all of us to reflect on the evils of the campaign process and to change that process in the future.

We need the TIM WIRTHS, the KENT CONRADS, and the WARREN RUDMANS in the U.S. Senate. They bring commitment, idealism, and intelligence to our debates. The Senate is a lesser institution without their ideas, their abilities, and their leadership, and the Nation is a poor land without their public service.

I join my colleagues in wishing TIM WIRTH well, and I hope very much that he will return to public service in the future. He has served the people of Colorado and the Nation well, and I'm confident he will have the opportunity to do so again in the years ahead.

TIM WIRTH'S CHOICE

Mr. DASCHLE. Mr. President, this body is diminished again today.

Diminished as it was just a few short weeks ago, when Senator RUDMAN cut short his distinguished career.

Diminished as it was just a few short days ago, when my close friend, KENT CONRAD, chose to leave this place.

And now TIM WIRTH, who announced today his decision to retire at the conclusion of the 102d Congress.

With his decision to leave, a light as bright as any to have shown in this Chamber has been extinguished.

And why is this happening? Why are the best and brightest among us—young leaders with many years of quality service still ahead—why are they the ones choosing to leave?

It is a sobering question, Mr. President. One on which every citizen of this Nation should reflect at some length.

But that is a somber topic, one better left for another day. I want to use this afternoon to thank a friend.

Linda and I have been privileged to know TIM and Wren WIRTH for years. I served for 8 years with TIM in the other body. We came together to this Chamber in 1986. We have spent many hundreds of hours together. In happiness and despair, in debate, decision, and disagreement. And in friendship.

TIM WIRTH is a Senator who cares. He cares passionately.

That is the reason I care for him. It is what makes him one of the very finest, I believe, ever to walk this floor.

Each American who cares about the health of the planet Earth will miss his passionate devotion to the environment. There is no person anywhere who has fought harder, nor done more than TIM WIRTH has done over the past 20 years to protect the natural inheritance we will pass to our children.

TIM WIRTH has approached his efforts to reduce the threat of nuclear war and educate our children with the same passion.

Sadly, I fear it is another passionate caring that may be the reason TIM has chosen to leave the Senate. That passion is for his own family, for his wife and for the quality of the lives they share.

Disappointed as I am today that they will be leaving, who can begrudge them the choice of family. It is a natural choice and one that I respect.

We will miss TIM WIRTH in the Senate—not only for the fights he has led on behalf of worthy causes, but for the friendship he has offered us. No one will miss him more than me.

SENATOR TIM WIRTH

Mr. REID. Mr. President, TIM WIRTH was a veteran legislator when I came to the House of Representatives in 1982. During my service in the House, I came to respect and admire his work as a legislator for the interests of Colorado and our country.

We came to the Senate together. It has been a pleasure to work with TIM. He is truly a leader. Colorado will miss his talent, our country will miss him, as will I.

My heart is heavy knowing that TIM WIRTH will not seek re-election.

His academic background is impressive: bachelor and master degrees from Harvard University; and his doctorate from Stanford. He was also a White House fellow.

The friendship I have developed with TIM these past 10 years will last. I wish TIM, Wren, and their children, Christopher and Kelsey, happiness and contentment. Senator WIRTH's record of public service speaks for itself. His legislative record will stand as a monument to all young people in Colorado and will be viewed as the ultimate in government service.

RETIRE OLD CARS—CREATE NEW JOBS

Mr. WALLOP. Mr. President, all too often some of us indict American business for the unintended consequences of its actions. And all too often our indictment is used by the advocates of centralized economic planning to tell manufacturers what kinds of products they can or cannot produce. While such actions always run the risk that consumers may want to buy something else, the supporters of Washington-knows-best legislation think differently.

Corporate average fuel economy standards [CAFE] for new vehicles are a prime example of this centralized planning. Even though CAFE has proven ineffective, the proponents continue to argue that we need more, not less, regulation to close loopholes and force Americans to buy more of what they do not want.

It is a familiar scenario. Government regulation forces consumers to purchase features that they do not need. In order to furnish consumers with the products they want, mechanisms are conceived to game the CAFE system. For example, manufacturers badge CAFE positive cars produced by other manufacturers in order to meet CAFE standards.

We continually hear from advocates of such command and control policies that we can achieve greater energy independence by mandating much more dramatic increases in CAFE standards for new cars. We can do that, the argument goes, by simply mandating that manufacturers produce certain kinds of cars, and then turn them loose to find the means to do so. Never mind that auto manufacturers also are faced with mandated safety standards and Federal emissions standards that also have to be met, and the advocates of command and control polices never allow for the interrelationship between them.

Nevertheless, the proponents of stronger CAFE standards charge forward on their mission and suggest that consumers not only will buy the kinds of cars that Government tells them they can have, but the consumer wants to buy them. Their rationale is that it worked when the Congress first passed CAFE standards in 1975, and it can work again. CAFE advocates suggest that increased automobile fuel efficiency was accomplished without any loss of passenger safety, comfort or performance. Therefore, the law was a success. But was it?

When the CAFE standards took effect with model year 1978 the standards were actually less than what already was being achieved. The decade of the eighties was when you would have expected to see the benefits of CAFE standards at work. The standard for passenger cars went from 20 to 27.5 miles per gallon, and the standard for other vehicles went from between 14 and 16 miles per gallon up to 20, or 4 to 6 miles per gallon. In reality, the new car fleet mileage increased only 2.3 miles per gallon—from 23.1 miles per gallon in model year 1980 to 25.4 miles per gallon in model year 1990.

It is startling that these modest improvements came during a period in which there were tremendous advances in automotive technology, new taxes on fuel inefficient vehicles, increased taxes on motor fuels, and increased consumer awareness of the economic and environmental costs of excessive energy consumption. Advanced radial tires alone should have accounted for an approximate 1.5-mile-per-gallon improvement in fuel economy, out of the 2.3 miles per gallon during this period.

Despite significant engine redesigns, the only way automakers were able to meet their CAFE requirements was by downsizing cars by an average of 500 pounds. Only last month, the D.C. Court of Appeals overturned the 1990 CAFE standard after it found that the Government had ignored the safety consequences of limiting the availability of larger cars by pricing many of its citizens out of access to larger car safety.

It should not be news to anyone that smaller cars are less safe, and more stringent CAFE standards are going to cost more lives. The current CAFE standard contributes to between 2,200 and 3,900 additional deaths every year. One must ask, where are the safety advocates like the Center for Auto Safety and Public Citizen now that we need them? At the point where the rubber meets the road, where the advocates of increased automobile fuel economy are faced with a choice between safety and big government, they chose more government at the expense of the American consumer's safety.

CAFE was enacted in 1975 as part of the Energy Policy and Conservation Act, a misguided experiment in tampering with our free market. In a usually myopic action, Congress drove down the price of petroleum in the United States, thus encouraging its consumption, and then over compensated for that mistake by enacting mandatory requirements that manufacturers produce cars that consume less gasoline.

We have long since given up this catastrophic experiment with regulating energy prices. Gasoline lines were its instrument of demise. Yet we have not quite learned our lesson. Let us look at the facts regarding CAFE.

The facts tell us that CAFE has not worked. CAFE requirements encouraged urban consumers to buy less efficient vans and light trucks to get the passenger car characteristics they want.

Mr. President, if we are truly interested in increasing the fuel economy of our national automobile fleet, we should be focusing our attention on ways to get inefficient cars off the road and accelerate the purchase of new more efficient cars. There are over 12 million cars registered in the United States that are 15 years old or older. According the Office of Technology Assessment the benefits of retiring pre-1975 vehicles are twice the costs. Retiring 1 million vehicles would cost between $221 and $312 million, but it would yield gasoline savings of 681 to 908 million gallons, annually, or 44 to 59 thousand barrels a day. It is a persuasive argument for scrappage—not CAFE.

An August 1991 DRI/McGraw-Hill comparison of retiring older vehicles an alternative to CAFE standards of 32 miles per gallon estimates comparable savings. By scrapping 9 million additional older cars we could save approximately 5 billion gallons of gasoline by 1997, and over 10 billion gallons by the year 2000. More importantly, the scrappage program would boost new vehicle sales by 4.5 million over the subsequent 5 years.

Mr. President, I request that a summary of the DRI/McGraw analysis be printed in the RECORD at this point.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SUMMARY DRI/McGRAW-HILL STUDY

	CAFE versus base case	Accelerated retirement versus base case
Gasoline consumption savings (billions of gallons)	4.9	5.1
Emissions reductions (thousands of tons):		
Hydrocarbons	−200	−4,500
Carbon dioxide	−62,000	−48,000
NO_x	−90	−900
Carbon monoxide	−400	−21,000
Changes in vehicle sales:		
Cars	−910,000	4,500,000
Light trucks	570,000	0
Total	−340,000	4,500,000
Average changes in employment	−3,000	42,000
GNP impact (billions of dollars, 1982)	$3	$35
Changes in new car prices (1996):		
Domestic	$900	0
Imports	$250	0
Changes in gasoline prices (cents per gallon)	0	2

Note.—Cumulative totals over 1992 to 1996, except where noted.

Mr. WALLOP. Mr. President, the UNOCAL experience in southern California dramatically demonstrated the environmental benefits that can be achieved. When UNOCAL offered to scrap older vehicles at $700 apiece, more people came forward than expected. Over 8,400 automobiles were scrapped out of the 400,000 pre-1971 vehicles registered in the Los Angeles area. The scrapped cars averaged about 12 miles per gallon, about half of the average of 23.4 for 1990 autos.

The UNOCAL experience also suggests that for every million pre-1975 cars retired early there are annual gasoline savings of 681 to 908 million gallons, or 44 to 59 thousands of barrels per day. As a consequence, each American consumer can save about $200 to $250 annually, because new cars get about twice the fuel economy of the cars being retired.

The removal of one of these old vehicles off the road is equivalent to getting as many as 15 to 30 commuters to join a carpool. On average these vehicles were found to emit almost 65 times as much hydrocarbons per mile driven as a new car. That was nearly twice what the experts had anticipated. The old cars were also emitting 45 times more carbon monoxide, 11 times more nitrogen oxides and 7 times more fine particulate than 1990 vehicles. Even the cleanest car was eight times dirtier than a new car. In one instance you actually could have run a 1990 vehicle on the exhaust emissions of the scrapped vehicle.

In addition to the potential energy and environmental benefits of the early retirement of such vehicles, the UNOCAL program demonstrated significant economic benefits. Nearly 11 million pounds of pollution annually were removed from the air at a cost of $6 million. Had UNOCAL had to achieve the same result by reducing emissions at its Los Angeles' refinery, it would have cost them about $150 million, or 25 times as much.

I ask unanimous consent that a table showing the contribution of pre-1971 cars to air pollution in the Los Angeles area be printed at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FLEET PROFILE: LOS ANGELES AREA

	Pre-MY71	All cars	Percent of total
Number of cars (1,000's)	380	6,000	6
Number of miles (millions)	2,280	73,278	3
HC (tons per day)	57	266	22
CO (tons per day)	345	2,275	15
NOx (tons per day)	30	234	13

Mr. WALLOP. Mr. President, the administration's National Energy Strategy endorsed the concept of accelerated scrappage of older vehicles. The disproportionately large contribution of older model cars to air emissions and their lower fuel efficiencies was discussed in the administration's fiscal year 1993 budget request for the Department of Energy. The details of their proposal were recently disclosed in the press.

Under little noticed provisions of the 1990 Clean Air Act Amendments, emission compliance credits will be available to States establishing voluntary programs that remove old vehicles from use. Such scrappage programs would be voluntary. The emission reductions achieved through these programs will be available to satisfy a broad range of Clean Air Act compliance requirements. As if cleaner air were not sufficient benefit alone, such a program offers an inexpensive way to fuel our economy and create additional jobs.

On March 18 the White House announced that the Environmental Protection Agency will issue guidance to the States for the establishment of scrappage programs that will satisfy the requirements of the Clean Air Act. The programs envisioned would be market-based and rely upon trading of emission reduction credits between stationary and mobile sources of air pollution. As such the programs can provide a more cost-effective means for meeting Clean Air Act requirements, thereby promoting jobs, economic growth and environmental quality.

Serious consideration needs to be given to acceleration of a scrappage program, rather than wait for this voluntary program to be implemented as a part of State implementation plans under the Clean Air Act. Perhaps now is time for the Congress to enact legislation establishing a national scrappage program, not only as an option for some States as a matter of clean air, but as a national jobs program for all states, too.

Such programs do not require the heavy hand of Government to be successful. They can be voluntary, flexible and cost-effective. They need not be mandatory or confiscatory.

People who are antique car buffs are not forced to sell them. People who rely upon their older cars can continue to do so. However, if anyone decides the incentive is sufficient enough for them to participate in the program, they have that option.

Why not enhance new car sales, improve air quality, and improve the fuel efficiency of the national fleet average? Our chief economic competitors, Japan and Germany, recognize the benefits of such national policies. They have adopted economic incentives that get old cars off the roads. Why not us?

EXECUTIVE SESSION

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate proceed to executive session to consider the following nominations: Calendar Nos. 548, 549, 550, 551, 552, 553, 554. I note Calendar No. 554 is to perhaps promote Rear Adm. William J. Flanagan, Jr. I wonder if he is the admiral they call "Full Flaps Flanagan." Does the distinguished minority leader happen to know the great, daring naval aviator?

Mr. SIMPSON. Mr. President, I have no idea whether this is the "Full Flaps Flanagan" that the Senator refers to. But, if it is, he certainly is going to have more flap about.

Mr. SASSER. I thank the distinguished deputy minority leader.

Mr. President, I ask unanimous consent also that the Senate proceed to consider the following nominations: Calendar Nos. 555, 556, 557, 558, 559, 560, 562, and all nominations placed on the Secretary's desk in the Air Force, Army, and the Marine Corps; and all nominations reported earlier today by the Committee on the Judiciary; and I further ask unanimous consent that the Senate proceed to their immediate consideration, and that the nominees be confirmed; that any statements appear in the RECORD as if read; that the motions to reconsider be laid upon the table; that the President be immediately notified of the Senate's action;

and that the Senate return to legislative session.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations considered and confirmed en bloc are as follows:

CENTRAL INTELLIGENCE

Vice Adm. William O. Studeman, U.S. Navy, to be Deputy Director of Central Intelligence, and to have the rank of admiral while so serving.

DEPARTMENT OF DEFENSE

John E. Connolly, of California, to be a member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1997.

William D. Skelton, of Georgia, to be a member of the Board of Regents of the Uniformed Services University of the Health Sciences for a term expiring June 20, 1997.

IN THE AIR FORCE

The following-named officer for reappointment to the grade of general while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

Gen. John M. Loh, [redacted] U.S. Air Force.

The following-named officer for appointment in the U.S. Air Force in the grade of brigadier general under the provisions of section 624, title 10 of the United States Code:

To be brigadier general

Col. Thomas L. Hemingway, [redacted] Regular Air Force.

IN THE ARMY

The following-named officer for appointment in the U.S. Army, without specification of branch component, and in the Regular Army of the United States to the grade indicated in accordance with article II, section 2, clause 2 of the Constitution of the United States. This appointment is vice existing appointment as a brigadier general of the Army Nurse Corps.

To be permanent brigadier general

Brig. Gen. Clara L. Adams-Ender, [redacted] U.S. Army.

IN THE NAVY

The following-named officer for appointment to the grade of vice admiral while assigned to a position of importance and responsibility under title 10, United States Code, section 601:

To be vice admiral

Rear Adm. (Selectee) William J. Flanagan, Jr., [redacted] U.S. Navy.

IN THE AIR FORCE

The following officers for appointment in the Reserve of the Air Force to the grade indicated, under the provisions of section 593, 8218, 8373, and 8374, title 10, United States Code:

To be major general

Brig. Gen. Michael Adams, [redacted] Air National Guard of the United States.

Brig. Gen. Gary C. Blair, [redacted] Air National Guard of the United States.

Brig. Gen. Allen C. Pate, [redacted] Air National Guard of the United States.

Brig. Gen. David L. Quinlan, [redacted] Air National Guard of the United States.

Brig. Gen. Edward V. Richardson, [redacted] Air National Guard of the United States.

To be brigadier general

Col. Edmond W. Boenisch, Jr., [redacted] Air National Guard of the United States.

Col. Steffen P. Christensen, [redacted] Air National Guard of the United States.

Col. Donald Dalton, [redacted] Air National Guard of the United States.

Col. Dan E. Dennis, [redacted] Air National Guard of the United States.

Col. Peter L. Drahn, [redacted] Air National Guard of the United States.

Col. William D. Lackey, [redacted] Air National Guard of the United States.

Col. John M. Lotz, [redacted] Air National Guard of the United States.

Col. Roberta V. Mills, [redacted] Air National Guard of the United States.

Col. Paul A. Pochmara, [redacted] Air National Guard of the United States.

Col. Alan T. Reid, [redacted] Air National Guard of the United States.

Col. Kenneth L. Ross, [redacted] Air National Guard of the United States.

Col. Mason C. Whitney, [redacted] Air National Guard of the United States.

Col. Phillip E. Zongker, [redacted] Air National Guard of the United States.

The following-named officers for appointment to the grade of major general under the provisions of title 10, United States Code, section 624:

To be major general

Brig. Gen. Jay D. Blume, Jr. [redacted] Regular Air Force.

Brig. Gen. Roy D. Bridges, Jr. [redacted] Regular Air Force.

Brig. Gen. Patrick P. Caruana [redacted] Regular Air Force.

Brig. Gen. Stephen P. Condon, [redacted] Regular Air Force.

Brig. Gen. Gary L. Curtin, [redacted] Regular Air Force.

Brig. Gen. Kenneth E. Eickmann, [redacted] Regular Air Force.

Brig. Gen. Phillip J. Ford, [redacted] Regular Air Force.

Brig. Gen. Carl E. Franklin [redacted] Regular Air Force.

Brig. Gen. John C. Griffith [redacted] Regular Air Force.

Brig. Gen. Otto K. Habedank, [redacted] Regular Air Force.

Brig. Gen. Donald J. Harlin [redacted] Regular Air Force.

Brig. Gen. James L. Hobson, Jr. [redacted] Regular Air Force.

Brig. Gen. Nicholas B. Kehoe, III, [redacted] Regular Air Force.

Brig. Gen. Robert E. Linhard [redacted] Regular Air Force.

Brig. Gen. Michael D. McGinty, [redacted] Regular Air Force.

Brig. Gen. Richard B. Myers, [redacted] Regular Air Force.

Brig. Gen. Philip W. Nuber [redacted] Regular Air Force.

Brig. Gen. Everett H. Pratt, Jr. [redacted] Regular Air Force.

Brig. Gen. Glenn A. Profitt, II, [redacted] Regular Air Force.

Brig. Gen. Ronald N. Running, [redacted] Regular Air Force.

Brig. Gen. Garry A. Schnelzer, [redacted] Regular Air Force.

Brig. Gen. Paul E. Stein, [redacted] Regular Air Force.

Brig. Gen. Ralph G. Tourino [redacted] Regular Air Force.

The following-named officer for appointment to the grade of major general under the provisions of title 10, United States Code, section 624:

To be major general

Brig. Gen. William E. Jones [redacted] Regular Air Force.

The following-named officer for appointment to the grade of lieutenant general on the retired list under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Leo W. Smith, II, [redacted] U.S. Air Force.

IN THE ARMY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 1370:

To be lieutenant general

Lt. Gen. Jack D. Woodall, [redacted] U.S. Army.

The following-named officer for appointment to the grade of lieutenant general while assigned to a position of importance and responsibility under title 10, United States Code, section 601(a):

To be lieutenant general

Maj. Gen. Jerome H. Granrud, [redacted] U.S. Army.

IN THE NAVY

The following-named captains in the line of the U.S. Navy for promotion to the permanent grade of rear admiral (lower half), pursuant to title 10, United States Code, section 624, subject to qualifications therefor as provided by law:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

Capt. Charles Stevenson Abbot, [redacted] U.S. Navy.

Capt. Michael Lee Bowman, [redacted] U.S. Navy.

Capt. Richard Alan Buchanan, [redacted] U.S. Navy.

Capt. Ernest Edward Christensen, Jr., [redacted] U.S. Navy.

Capt. Kevin Francis Delaney, [redacted] U.S. Navy.

Capt. Frank Matthew Dirren, Jr. [redacted] U.S. Navy.

Capt. Robert Lee Ellis, Jr. [redacted] U.S. Navy.

Capt. Marsha Johnson Evans, [redacted] U.S. Navy.

Capt. Henry Collins Giffin III, [redacted] U.S. Navy.

Capt. Lee Fredric Gunn, [redacted] U.S. Navy.

Capt. Michael Donald Haskins, [redacted] U.S. Navy.

Capt. Henry Francis Herrera [redacted] U.S. Navy.

Capt. Edward Kristian Kristensen, [redacted] U.S. Navy.

Capt. Francis William Lacroix, [redacted] U.S. Navy.

Capt. Thomas Fletcher Marfiak, [redacted] U.S. Navy.

Capt. Richard Willard Mies [redacted] U.S. Navy.

Capt. Robert Joseph Natter [redacted] U.S. Navy.

Capt. Robert Michael Nutwell, [redacted] U.S. Navy.

Capt. Marc Yve Eugenio Pelaez, [redacted] U.S. Navy.

Capt. James Gregory Prout III [redacted] U.S. Navy.

Capt. Raymond Charles Smith, Jr., [redacted] U.S. Navy.

Capt. Jay Woodrow Sprague, [redacted] U.S. Navy.

Capt. James Reynolds Stark [redacted] U.S. Navy.

Capt. Richard David Williams III, [redacted] U.S. Navy.

Capt. Jay Bradford Yakeley III, [redacted] U.S. Navy.

ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

Capt. Lewis Allen Felton, [redacted] U.S. Navy.

Capt. Paul Matthew Robinson, [redacted] U.S. Navy.

AEROSPACE ENGINEERING DUTY OFFICER

Capt. Glenn Patrick Phillips, [redacted] U.S. Navy.

Capt. Barton Dale Strong, [redacted] U.S. Navy.

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

To be rear admiral (lower half)

Capt. Kendell Milford Pease, Jr. [redacted] U.S. Navy.

NOMINATIONS PLACED ON THE SECRETARY'S DESK IN THE AIR FORCE, ARMY, MARINE CORPS

Air Force nomination of Susann J. Steinberg, which was received by the Senate on February 14, 1992, and appeared in the CONGRESSIONAL RECORD of February 18, 1992.

Air Force nominations beginning Maj. James D. Barker, [redacted] and ending Major William W. Manning, [redacted], which nominations were received by the Senate on February 14, 1992, and appeared in the CONGRESSIONAL RECORD of February 18, 1992.

Air Force nominations beginning James A. Abbott, and ending Anthony L. Woodson, which nominations were received by the Senate on February 14, 1992, and appeared in the CONGRESSIONAL RECORD of February 18, 1992.

Air Force nominations beginning Steven A. Task, and ending David M. Deckman, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of February 25, 1992.

Air Force nominations beginning Phyllis J. Hansen, and ending Darrell L. Sechrest, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 3, 1992.

Air Force nominations beginning Robert K. Butler, Jr., and ending William L. Sherrill, Jr., which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 3, 1992.

Air Force nominations beginning * Stephen C. Carey, and ending * Ronald D. Wong, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 3, 1992.

Air Force nominations beginning Gary A. Anderson, and ending Catherine R. Zelner, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of 1992.

Air Force nominations beginning Timothy D. Ballard, and ending Nathan C. Ward, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 18, 1992.

Army nominations beginning James A. Buckner, and ending Larry Williams, which nominations were received by the Senate on February 14, 1992, and appeared in the CONGRESSIONAL RECORD of February 18, 1992.

Army nominations beginning Robert G. Albrecht, Jr., and ending Donald L. Berry, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 3, 1992.

Army nominations beginning Ina J. Clawson, and ending * Patricia A. Vinocur, which nominations were received by the Senate on March 3, 1992, and appeared in the CONGRESSIONAL RECORD of March 4, 1992.

Army nominations beginning Johnny D. Brown, and ending Gregory L. Angstman, which nominations were received by the Senate March 3, 1992, and appeared in the CONGRESSIONAL RECORD of March 4, 1992.

Army nominations beginning David A. Abke, and ending Joseph J. Zwirecki, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD of March 3, 1992.

Marine Corps nominations of Bruce K. Bancroft, which was received by the Senate and appeared in the CONGRESSIONAL RECORD of March 18, 1992.

THE JUDICIARY

Henry C. Morgan, Jr., to be U.S. district judge;

J. Curtis Joyner, to be U.S. district judge;

Joseph E. Irenas, to be U.S. district judge;

Donald J. Stohr, to be U.S. district judge;

Ewing Werlein, Jr., to be U.S. district judge;

Paul J. Kelly, Jr., to be U.S. district judge; and

Wayne A. Budd, to be Associate Attorney General.

STATEMENT ON THE NOMINATION OF VICE ADM. WILLIAM J. FLANAGAN, JR.

Mr. NUNN. Mr. President, I was pleased to report to the Senate the nomination of an outstanding naval officer, Rear Adm. William J. Flanagan, Jr. to be vice admiral. Admiral Flanagan, when confirmed, will be promoted to three stars and will move to a new job as commander of the U.S. 2d Fleet, headquartered in Norfolk, VA. His flagship will be the amphibious command ship, the U.S.S. *Mount Whitney*, which is an integral part of the Navy-Marine Corps expeditionary force which Gen. Carl Mundy, Commandant of the Marine Corps, has called the Nation's 911 force. For the past 3 years, Admiral Flanagan has served as the Navy's chief of legislative affairs. I enthusiastically recommend that the Senate confirm Admiral Flanagan to this new position of trust and responsibility.

In his recent job as chief of legislative affairs, Admiral Flanagan had the task of ensuring that Congress was provided with timely information and support as we implement our constitutional role of maintaining a strong Navy. Admiral Flanagan has provided this support in an outstanding fashion, particularly during a period of such turbulence as Operation Just Cause, Operation Desert Shield/Desert Storm, and numerous other activities involving the Department of the Navy. The demands of a changing world environment, such as the demise of the Warsaw Pact and dissolution of the Soviet Union, have made this a critical time that demanded the talents of an exceptional naval officer. Admiral Flanagan has met this challenge.

Admiral Flanagan's success in his latest job has been the continuation of a distinguished career as a naval officer over the last 25 years. Although he was born in Jessup, GA, Admiral Flanagan spent most of his youth in Massachusetts. He was commissioned in the Navy in 1967 after having graduated from the Massachusetts Maritime Academy in 1964 and serving 3 years in the U.S. Merchant Marine. At sea, he has commanded Destroyer Squadron Five, the destroyer U.S.S. *Kidd* (DDG–993) and the frigate U.S.S. *Bronstein* (FF–1037). Ashore, his assignments have included serving as the chief of legislative affairs, the director of the surface warfare division on the Chief of Naval Operations staff, the deputy chief of legislative affairs to the U.S. House of Representatives, and administrative aide to the Secretary of the Navy. He holds numerous personal and unit decorations.

Although Admiral Flanagan's family made the mistake of leaving Georgia after his birth, I can assure the Senate that Admiral Flanagan has overcome this handicap as only a native Georgian could. In addition, he has spent most of his naval career serving in more southern locations. He is an officer who is a credit to the Navy and the country he so proudly serves. I am sure the entire Senate joins me in wishing him Godspeed in his important new assignment of Commander, U.S. 2d Fleet.

Mr. President, I ask consent that Admiral Flanagan's entire biographical data be printed in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

REAR ADMIRAL WILLIAM J. FLANAGAN, JR., UNITED STATES NAVY

Rear Admiral William J. Flanagan, Jr., was appointed to the position of Chief of Legislative Affairs by Secretary of the Navy William Ball on May 5, 1989.

Born in Jessup, Georgia, Rear Admiral Flanagan is a 1964 graduate of the Massachusetts Maritime Academy. Following graduation, he served three years in the U.S. Merchant Marine. In 1967, he was commissioned in the Navy and reported to the commissioning crew of USS DUBUQUE (LPD 8) for duty as navigator. Subsequently, he served as Operations Officer in USS PARSONS (DDG 33).

In 1973, Rear Admiral Flanagan was assigned duty at the Bureau of Naval Personnel as the Executive Assistant to the Assistant Chief for Personal Affairs. This assignment was followed by duty as the Special Assistant to the Chief of Naval Personnel and as the 1973–74 Chief of Naval Operations Fellow.

Returning to sea, Rear Admiral Flanagan commanded USS BRONSTEIN (FF 1037) from 1975 to 1977. He then returned to Washington to serve in the office of the Deputy Chief of Naval Operations for Plans and Policy, followed by an assignment as the Administrative Aide to the Secretary of the Navy.

Rear Admiral Flanagan then reported for duty as the first commanding officer of the USS KIDD (DDG 993), the lead ship in a new class of guided missile destroyers. He held this command from 1980 to 1983.

After returning to Washington, Rear Admiral Flanagan served as the Navy's Principal Deputy Chief of Legislative Affairs to the U.S. House of Representatives. In August 1986, he returned to sea duty and assumed the duties of Commander, Destroyer Squadron FIVE in San Diego, California. Upon selection for flag, he was assigned to Washington as the Director, Surface Warfare Division (OP–32) from July 1988 to April 1989.

Rear Admiral Flanagan's academic achievements include a Bachelor of Science

Degree in Maritime Transportation and a Master of Arts Degree in Political Science from American University. He is also a graduate of the Harvard Business School.

His military awards include four Legions of Merit, the Meritorious Service Medal with gold star in lieu of second award, two Navy Commendation Medals, the Combat Action Ribbon, the Meritorious Unit Commendation, and numerous other unit and personal awards. In 1979, Rear Admiral Flanagan was named one of the Ten Outstanding Young Men of America by the U.S. Jaycees, and in 1980, he received the Arthur S. Flemming Award for excellence in government.

STATEMENT ON THE NOMINATION OF WILLIAM O. STUDEMAN

Mr. MURKOWSKI. Mr. President, in March, I had the distinct pleasure of introducing Adm. William Studeman to the Senate Select Committee on Intelligence for his confirmation hearing.

Today, I am pleased to recommend to my colleagues the confirmation of Bill Studeman to be the next Deputy Director of Central Intelligence.

Admiral Studeman is a Texan by birth and a Naval Intelligence Officer by career choice. In his distinguished career, he has served among other assignments as the operational intelligence officer with the 7th Fleet during four lengthy deployments to Vietnam/Southeast Asia, as executive assistant to the Vice Chief of Naval Operations, as commander of the Naval Operational Intelligence Center, and as Director of the Long-Range Planning Group under the Chief of Naval Operations.

In 1985, Admiral Studeman was named Director of Naval Intelligence, where he served until 1988 when he became the 12th Director of the National Security Agency.

Mr. President, when I introduced Bill Studeman to the Senate Intelligence Committee in March, I noted that our committee's hearings on the nomination of Bob Gates to be Director of Central Intelligence highlighted areas of general agreement concerning the post of the Deputy Director of Central Intelligence.

First, the DDCI should be a military officer because so many of the programs and so much of the manpower of the Intelligence Community are found within the Department of Defense.

Second, the DDCI should be a person of extraordinary ability with the breadth of mind and creativity to deal effectively with the accelerating pace of change in the world around us. On this point, Mr. President, the world around us has changed even more than when we were going through the lengthy hearings on the DCI confirmation last summer. Not only has the Soviet Union ceased to exist, but more than a dozen new states have arisen. The ability of the Intelligence Community to react quickly to these changes, and to establish priorities on collection and analysis are challenges that have never been faced before.

To continue, a third criterion for an affective DDCI is that the person must be an officer who commands universal respect among his or her peers in the military services. Finally, the Deputy Director of Central Intelligence must be someone who can adapt to a more open style of doing business than has been the norm for intelligence agencies during the Cold War.

Mr. President, Bill Studeman more than matches the criteria I have outlined above. He has mastered, as few others have, the intricate and arcane world of signals intelligence as head of the NSA. I might add that during Desert Storm and Desert Shield, the NSA, under Bill Studeman's leadership, quickly reoriented its priorities and played an extraordinarily important role in providing important intelligence to our policymakers and military leaders.

Admiral Studeman also maintains an open door-style of leadership, and this has prompted an unusual and enthusiastic letter of commendation from the leaders of the business community along the Baltimore-Washington corridor.

It is also important that I note Bill Studeman has a clear understanding and an appreciation of the value of congressional oversight His acknowledgment of the important role of congressional oversight is matched by Director Gates's belief that oversight is an important component of the responsibilities of the Director and Deputy Director of Central Intelligence.

Mr. President, I urge my colleagues to support the nomination of Admiral Studeman to be Deputy Director of Central Intelligence. The intelligence community is currently establishing different priorities and realigning its structure to respond to requirements for the next 20 years. Under Bob Gates's leadership, changes have already been undertaken, and I know from discussing these changes with the Director that he is most anxious to have as his Deputy a person of Bill Studeman's character and caliber.

Thank you, Mr. President.

STATEMENT ON THE NOMINATION OF VICE ADMIRAL WILLIAM O. STUDEMAN

Mr. BOREN. Mr. President, I now ask unanimous consent that the Senate proceed to consideration of the nomination of Vice Adm. William O. Studeman of the U.S. Navy to be Deputy Director of Central Intelligence and to have the rank of four-star admiral while serving as Deputy DCI, Executive Calendar No. 548.

I will cast my vote in favor of the nominee, and I urge each of my colleagues to do the same.

The President formally submitted Admiral Studeman's nomination to the Senate on February 25, 1992. It was jointly referred to the Select Committee on Intelligence and the Committee on Armed Services.

The Intelligence Committee held a hearing on the nomination on March 10 at which we took testimony from the nominee. There were no requests by others to testify. Subsequent to the hearing, the committee sent the nominee additional written questions for the record. The nominee has submitted written answers.

On April 1, the Intelligence Committee voted 15 to 0 to favorably report to the full Senate Admiral Studeman's nomination to be Deputy DCI. On April 7, the Senate Armed Services Committee also voted to favorably report Admiral Studeman's nomination for promotion to four-star admiral.

We are fortunate, I believe, that the President has nominated to this position a military officer who is a career intelligence professional. To my mind, the need to forge a stronger link between our civilian and military intelligence structures is clear, and what better way to do this than to put a senior military officer into the Deputy DCI position.

Admiral Studeman has worked closely with the Intelligence Committee in the past, and, indeed, we have come to have a high regard for his competence and his dedication. He has spent close to 30 years in military intelligence. He is presently Director of the National Security Agency. Immediately prior to coming to NSA, he served as Director of Naval Intelligence. In these positions, Admiral Studeman played key roles in providing intelligence support to Operation Desert Shield/Desert Storm in the Persian Gulf and to Operation Just Cause in Panama. He is a leader tested by crisis and well understands the role that intelligence can and must play in supporting our military commanders in the field.

A 1962 graduate of the University of the South, Admiral Studeman went on to obtain a masters degree in public and international affairs at George Washington University. While in the Navy, he also was a distinguished graduate of the Naval War College and National War College, as well as the recipient of an honorary doctorate in strategic intelligence from the Defense Intelligence College. He will receive a second honorary doctorate degree this fall from the University of the South.

Admiral Studeman is also the recipient of numerous service commendations and citations, including the Distinguished Service Medal of the Navy and the Legion of Merit with two Gold Stars. He also has received service medals from the Governments of France, Brazil, and South Korea.

Mr. President, we are in a period of rapidly changing and increasingly complex world events, as well as declining budget resources. The challenges for our intelligence community are immense, and the Deputy DCI will have to play a key role. Admiral Studeman appears well qualified by training and experience both for the demands of the position of Deputy Director of Central

Intelligence and to become a four-star admiral in the U.S. Navy. I urge the Members of this body to confirm him.

STATEMENT ON THE NOMINATION OF JOSEPH E. IRENAS

Mr. LAUTENBERG. Mr. President, I rise today to express my strong support for the nomination of Joseph Irenas to become a U.S. district court judge for the District of New Jersey. A man of great character and a lawyer of vast experience, Joe Irenas would serve the public with great distinction on the district court bench.

Born in Newark and a resident of Princeton, Joe Irenas received his legal training at the Harvard Law School and completed post-graduate legal work at the New York University School of Law. Following a year as clerk to New Jersey Supreme Court Justice Haydn Proctor, Mr. Irenas joined the firm of McCarter and English where he serves today as one of the firm's partners.

In his practice, Mr. Irenas has devoted his attention to a broad variety of corporate legal issues. His practice has included significant work in litigation, environmental law, bankruptcy, banking and real estate law. This broad experience should serve him well on the federal bench.

At McCarter and English, Mr. Irenas has had extensive courtroom experience in both the Federal courts and State courts. He has served as sole trial counsel in more than two dozen cases decided by both juries and judges. While practicing law, Mr. Irenas has also served as an adjunct professor of law at Rutgers University School of Law and served for 2 years as a member of the New Jersey Board of Bar Examiners.

Beyond the courtroom, boardroom, and classroom, Joe Irenas has demonstrated a deep commitment to public service. For more than 20 years, Mr. Irenas has served the community through his service to Newark's United Hospitals. First as a member of the board of trustees, and for the past 8 years, as chair of the Hospital's Foundation, Mr. Irenas has helped support the provision of medical care to inner city Newark's disadvantaged and especially the city's children.

Mr. Irenas has also shown that he can make a one on one contribution to his community. For several years he has tutored applicants for the New Jersey bar examination—many of them African-American and Hispanic students. This tutoring has involved long hours of work to ensure that the New Jersey bar is representative of the State's racial and ethnic diversity. Mr. Irenas has also raised funds and personally contributed to endow scholarships for law students at Rutgers School of Law at Camden.

Mr. President, based on this record of achievement, the Standing Committee on the Federal Judiciary of the American Bar Association unanimously rated him as "well qualified" for appointment to the bench.

What does not appear in Mr. Irenas public record is the esteem in which he is held by his colleagues. He is highly praised for his intellect and judgment. Members of the New Jersey legal and philanthropic community have recognized his fairness, sensitivity and depth of understanding for those less fortunate than himself.

Mr. President, these are key qualities for someone seeking to exercise the responsibilities of a U.S. district court judge. Joe Irenas has those qualities. Mr. Irenas' education, experience, public service commitment and temperament all recommend him to the Senate for confirmation.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

HOME INVESTMENT PARTNERSHIPS ACT

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 4449, the HOME Investment Partnerships Act amendments, now at the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 4449) to authorize jurisdictions receiving funds for fiscal year 1992 under the HOME Investment Partnerships Act that are allocated for new construction to use the funds, at the discretion of the jurisdiction, for other eligible activities under such Act and to amend the Stewart B. McKinney Homeless Assistance Amendments Act of 1988 to authorize local governments that have financed housing projects that have been provided a section 8 financial adjustment factor to use recaptured amounts available from refinancing of the projects for housing activities.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

The PRESIDING OFFICER. The bill is before the Senate and open to amendment. If there be no amendment to be proposed, the question is on the third reading and passage of the bill.

The bill (H.R. 4449) was ordered to a third reading, was read the third time, and passed.

Mr. SASSER. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. SIMPSON. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

ALLEGHENY WILD AND SCENIC RIVERS ACT

Mr. SASSER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 606.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 606) entitled "An Act to amend the Wild and Scenic Rivers Act by designating certain segments of the Allegheny River in the Commonwealth of Pennsylvania as a component of the National Wild and Scenic Rivers System, and for other purposes" do pass with the following amendment:

Strike out all after the enacting clause, and insert:

SECTION 1. DESIGNATION OF ALLEGHENY RIVER.

In order to preserve and protect for present and future generations the outstanding scenic, natural, recreational, scientific, historic, and ecological values of the Allegheny River in the Commonwealth of Pennsylvania, and to assist in the protection, preservation, and enhancement of the fisheries resources associated with such river, section 3(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1274(a)) is amended by adding the following new paragraph at the end:

"( ) ALLEGHENY, PENNSYLVANIA.—The segment from Kinzua Dam downstream approximately 7 miles to the United States Route 6 Bridge, and the segment from Buckaloons Recreation Area at Irvine, Pennsylvania, downstream approximately 47 miles to the southern end of Alcorn Island at Oil City, to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement with the Commonwealth of Pennsylvania and the counties of Warren, Forest, and Venango, as provided under section 10(e) of this Act; and the segment from the sewage treatment plant at Franklin downstream approximately 31 miles to the refinery at Emlenton, Pennsylvania, to be administered by the Secretary of Agriculture as a recreational river through a cooperative agreement with the Commonwealth of Pennsylvania and Venango County, as provided under section 10(e) of this Act.".

SEC. 2. ADVISORY COUNCILS FOR THE ALLEGHENY NATIONAL RECREATIONAL RIVER.

(a) ESTABLISHMENT.—The Secretary of Agriculture (hereafter in this Act referred to as the "Secretary") shall establish within 120 days after the date of enactment of this Act 2 advisory councils to advise him on the establishment of final boundaries and the management of the river segments designated by section 1 of this Act (hereinafter referred to as the "Allegheny National Wild and Scenic River"), as follows:

(1) The Northern Advisory Council, to provide advice for the management of the segments of the Allegheny National Wild and Scenic River between Kinzua Dam and Alcorn Island.

(2) The Southern Advisory Council, to provide advice for the management of the segment of the Allegheny National Wild and Scenic River between Franklin and Emlenton.

(b) NORTHERN ADVISORY COUNCIL.—(1) The Northern Advisory Council shall be composed of 9 members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his designee, who shall serve as chair of the Council and be a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the Commonwealth of Pennsylvania, or his designee.

(C) 6 members, 2 from each county from recommendations submitted by the County Commissioners of Warren, Forest, and Venango Counties, of which no fewer than 2 such members shall be riparian property owners along the Allegheny National Wild and Scenic River.

(D) One member from a nonprofit conservation organization concerned with the protection of natural resources from recommendations submitted by the Governor of the Commonwealth of Pennsylvania.

(2) Members appointed under subparagraphs (C) and (D) of paragraph (1) shall be appointed for terms of 3 years. A vacancy in the Council shall be filled in the manner in which the original appointment was made.

(3) Members of the Northern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Northern Advisory Council shall cease to exist 10 years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

(c) SOUTHERN ADVISORY COUNCIL.—(1) The Southern Advisory Council shall be composed of 7 members appointed by the Secretary as follows:

(A) The Forest Supervisor of the Allegheny National Forest, or his designee, who shall serve as a nonvoting member.

(B) The Secretary of the Department of Environmental Resources of the Commonwealth of Pennsylvania, or his designee, who shall serve as chairman.

(C) 4 members from recommendations submitted by the County Commissioners of Venango County, of which at least one shall be a riparian property owner along the Allegheny National Wild and Scenic River.

(D) One member from a nonprofit conservation organization concerned with the protection of natural resources, from recommendations submitted by the Governor of the Commonwealth of Pennsylvania.

(2) Members appointed under subparagraphs (C) and(D) of paragraph (1) shall be appointed for terms of 3 years. A vacancy of the county representatives on the Council shall be filled in the manner in which the original appointment was made.

(3) Members of the Southern Advisory Council shall serve without pay as such and members who are full-time officers or employees of the United States shall receive no additional pay by reason of their service on the Commission. Each member shall be entitled to reimbursement for expenses reasonably incurred in carrying out their responsibilities under this Act.

(4) The Southern Advisory Council shall cease to exist 10 years after the date on which the Secretary approves the management plan for the Allegheny National Recreation River.

SEC. 3. ADMINISTRATION OF ALLEGHENY NATIONAL WILD AND SCENIC RIVER.

(a) BOUNDARIES.—After consultation with the Commonwealth of Pennsylvania, advisory councils, local governments, and the public, and within 18 months after the enactment of this Act, the Secretary shall take such action with respect to the segments of the Allegheny River designated under section 1 of this Act as is required under section 3(b) of the Wild and Scenic Rivers Act.

(b) INTERIM MEASURES.—As soon as practicable after enactment of this Act, the Secretary, shall issue guidelines specifying standards for local zoning ordinances, pursuant to section 6(c) of the Wild and Scenic Rivers Act, with the objective of protecting the outstandingly remarkable values of the Allegheny Wild and Scenic River, as defined by the Secretary. Once issued, such guidelines shall have the force and effect provided in section 6(c) of the Wild and Scenic Rivers Act.

(c) ADMINISTRATION OF CERTAIN SEGMENTS.—(1) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Wild and Scenic River segments located between Kinzua Dam and Alcorn Island shall be added to and become part of the Allegheny National Forest.

(2) Land and mineral rights acquired by the Secretary for the purpose of managing the Allegheny National Wild and Scenic River segments located between Franklin and Emlenton may be managed under a cooperative agreement with the Commonwealth of Pennsylvania.

SEC. 5. STUDY RIVERS.

(a) STUDY.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1271–1287) is amended by adding the following new paragraphs at the end thereof:

"( ) CLARION, PENNSYLVANIA.—The segment of the main stem of the river from Ridgway to its confluence with the Allegheny River. The Secretary of Agriculture shall conduct the study of such segment.

"( ) MILL CREEK, JEFFERSON AND CLARION COUNTIES, PENNSYLVANIA.—The segment of the main stem of the creek from its headwaters near Gumbert Hill in Jefferson County, downstream to the confluence with the Clarion River.".

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

ALLEGHENY WILD AND SCENIC RIVER BILL

Mr. SPECTER. Mr. President, I am pleased to support final passage of S. 606, a bill to designate the Allegheny River as a component of the National Wild and Scenic Rivers System and I hope that the President will sign this bill quickly into law. This week marks the tragic death 1 year ago of our friend John Heinz, who was the original sponsor of the Allegheny Scenic River bill. John would have been very pleased to see this project, which was one of his passions, brought to fruition. It is my hope that that this bill will serve as a tribute to the memory of this extraordinary man who touched us all so deeply.

This bill, as amended by the House of Representatives, will provide an opportunity to preserve the scenic qualities of the Allegheny River, which has a strong tradition of fishing, canoeing, camping, and other recreational activities, and which flows through one of the most beautiful forests in the country. The bill includes provisions added by the House of Representatives for a study of two tributaries of the Allegheny River, the Clarion River, and Mill Creek, for possible inclusion in the Wild and Scenic Rivers System. This study has been supported by the American Whitewater Affiliation, the American Canoe Association and American Rivers, who have attested to these rivers' scenic and recreational qualities.

Mr. President, 22 years ago, Congress enacted the Wild and Scenic River Act, to set the policy of our country in protecting and preserving certain rivers in the United States that possess remarkable scenic, geologic, historic, cultural, or recreational attributes. The Wild and Scenic Rivers System represents a balanced approach to land management that allows for productive interaction between man and nature. This program affords the people of this country the opportunity to enjoy fully the natural values of rivers such as the Allegheny while ensuring the long-term preservation of those assets so that future generations may enjoy the same benefits.

For those who have not had the pleasure to visit, the Allegheny River is located in northwestern Pennsylvania and flows through portions of the Allegheny National Forest, one of the most beautiful forests in the country. Seventy-three percent of the Allegheny River corridor is forested, predominantly with oak, hemlock, and northern and Allegheny hardwoods. The Pennsylvania Fish and Wildlife Service lists 394 species of mammals, birds, amphibians, reptiles, and fish that are likely to be found along the river corridor. Of these, 34 are designated as threatened, endangered or of special concern in the State of Pennsylvania. Passage of this bill would extend added protection to the bald eagle, the only federally listed endangered species known to live in the corridor.

In 1978, Congress directed the Forest Service to conduct a study to determine which portions of the Allegheny River were eligible for protection under the Wild and Scenic Rivers Act. The study concluded that 85 miles of the river contained "outstanding remarkable values." In addition to the beautiful scenic value of the river, there are 109 islands containing significant ecological and recreational value. The Allegheny River also has cultural value as a principle travel route for more than 12,000 years, marked by a site known as "Indian God Rock," which is listed on the National Register of Historic Places. As no section of the Allegheny River was remote enough to be classified as a wild river area, the 85 miles of the river will be designated as a recreational river.

Mr. President, this bill has been developed through extensive consultation with the Forest Service, local and county governments, and members of the public. The Allegheny River is located within 3 hours of several major metropolitan areas, and there are 2,000 cottages and permanent homes located within the eligible river segments. In addition, the Allegheny study report estimates that recreational use could increase by 30 percent within 6 years following designation, creating jobs in the region and stimulating the local economy by $315,000 each year.

After clarifying what impact a study of the Clarion River and Mill Creek for wild and scenic designation would have on the surrounding communities, I am in agreement with Congressman CLINGER that the Senate should concur with the House amendments to the Senate bill, which will allow studies to go forward on determining whether the Clarion River and Mill Creek meet the criteria qualify for designation as wild and scenic. Such a study does not preclude the State from acting on any applications for industrial siting permits, because section 7 of the Wild and Scenic Rivers Act provides that only Federal development assistance for water resources projects that would have a direct and adverse effect on the values of the river are precluded during the pendency of the study and for 3 years thereafter.

I ask unanimous consent that a letter from the National Park Service concerning the impact on development of a wild and scenic study be placed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPECTER. Mr. President, having had the opportunity to recently visit Clarion County, I am pleased that this bill will provide an opportunity to reevaluate the scenic qualities of these rivers. In 1974, the Bureau of Outdoor Recreation, since incorporated into the National Park Service, studied the area of the Clarion River proposed in H.R. 1323 and found that the river did not qualify for a wild and scenic designation. However, from my recent visit to the Clarion River, I understand that the water quality of the river has improved significantly in recent years, and that the river deserves to be reevaluated for wild and scenic designation. In this regard, I would like to recognize the tireless efforts of the citizens of Clarion and adjacent counties who worked so diligently to inform the Senate of the merit of studying the Clarion and Mill Creek for wild and scenic designation.

Finally, I would like to acknowledge the exemplary work of my colleague Congressman CLINGER, who, along with Senator Heinz, initiated this project many years ago. Our good friend and colleague, Senator John Heinz, was the original sponsor and an ardent supporter of this bill. I consider S. 606 to be a memorial to Senator Heinz, who was noted for his dedication to environmental protection and his innovative efforts to find solutions to the complex environmental threats which confront us. I feel that it is a fitting tribute to John Heinz to pass this year the Allegheny wild and scenic river bill, which is representative of his passionate commitment to the preservation of our natural resources.

Mr. President, this legislation represents another step in our efforts to preserve, enhance, and protect the natural heritage and beauty of our great Nation. I am proud to join in support of this legislation to preserve a piece of our natural heritage for future generations of Pennsylvanians and all Americans.

EXHIBIT 1

DEPARTMENT OF THE INTERIOR,
NATIONAL PARK SERVICE,
Washington, DC, March 6, 1992.

Hon ARLEN SPECTER,
U.S. Senate, Washington, DC.

DEAR SENATOR SPECTER: Thank you for your letter of February 10 requesting clarification of the Wild and Scenic Rivers Act. You have raised several questions in the context of legislation pending in Congress regarding designation of the Allegheny River as wild and scenic and study authorization for two of its tributaries, the Clarion River and Mill Creek.

With respect to the earlier Wild and Scenic River Study of the Clarion River conducted by the former Bureau of Outdoor Recreation, enclosed is a copy of the letter sent to the President of the Senate, among others, announcing that the river had been determined ineligible for the National System and the reasons therefor. These related primarily to poor water quality. If water quality problems have been rectified, the river may bear another look for possible wild and scenic river status.

Section 7 of the Wild and Scenic Rivers Act provides that during the study period and for three additional years after the report is sent to Congress, no agency of the United States shall assist by loan, grant, license or otherwise in the construction of any water resources project that would have a direct and adverse effect on the values of the river for which it might be designated. A "water resources project" is interpreted broadly by the Department of the Interior to mean any project affecting the free flow of the river, including diversion, channelization, withdrawal, augmentation or damming. The study area would include at least everything within one-quarter mile of the river. We are unable to answer your specific question pertaining to the incinerator project because we do not know whether any aspect of its construction or operation would meet the definition of a water resources project, or whether a Federal permit, license or funding would be involved. If both of these requirements were met, we would then have to determine whether the project would have a direct and adverse effect on river values. We would first have to identify those values as well.

We should also point out that during the study period, the Federal Government would have no land acquisition or regulatory authority outside of that specified in the preceding paragraph. Agricultural and forestry activities, sand and gravel operations, real estate transactions, recreation use of the river, road repair—to name just a few common activities—would not be affected, contrary to misinformation often spread when wild and scenic river study is contemplated.

If the Clarion and Mill Creek should ever be designated, and management assigned to either the National Park Service or the U.S. Forest Service, that agency would be required to establish boundaries (averaging no more than 320 acres per mile as required by law) and develop a management plan. The management plan would be developed in close cooperation with local and State political jurisdictions and affected landowners. The plan would specify the types and level of activities which would be compatible with protection of the values for which the designation was made. Provisions would be made for recreational use of the river. Residential and agricultural uses definitely would be permitted as well. We cannot be more specific because each river is unique and local and State regulations vary.

We trust this information will assist you. If you should have any specific, follow-up questions, we would be pleased to assist.

Sincerely,

JAMES M. RIDENOUR,
Director.

Mr. SASSER. Mr. President, I move that the Senate concur in the House amendment to the Senate bill.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

HIGHER EDUCATION AMENDMENTS OF 1992

Mr. SASSER. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1150.

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 1150) to reauthorize the Higher Education Act of 1965, and for other purposes.

(The amendment of the House is printed in the RECORD of March 26, 1992, beginning at page 7106.)

Mr. SASSER. Mr. President, I move that the Senate disagree to the amendments of the House, agree to the request for a conference, and that the Chair be authorized to appoint conferees.

The motion was agreed to; and the Presiding Officer appointed Mr. KENNEDY, Mr. PELL, Mr. METZENBAUM, Mr. DODD, Mr. SIMON, Mr. HARKIN, Mr. ADAMS, Ms. MIKULSKI, Mr. BINGAMAN, Mr. WELLSTONE, Mr. HATCH, Mrs. KASSEBAUM, Mr. COCHRAN, Mr. JEFFORDS, Mr. THURMOND, Mr. COATS, and Mr. DURENBERGER conferees on the part of the Senate.

ARKANSAS WILD AND SCENIC RIVERS ACT

Mr. SASSER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 1743.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 1743) entitled "An Act to amend the Wild and Scenic Rivers Act by designating certain rivers in the State of Arkansas as components of the National Wild and Scenic Rivers

System, and for other purposes", do pass with the following amendments;

Page 2, line 3, strike out "1991", and insert "1992".

Page 2, line 9, strike out "(119)", and insert "( )".

Page 2, line 14, strike out "(120)", and insert "( )".

Page 3, line 1, strike out "(121)", and insert "( )".

Page 3, lines 13 and 14, strike out "Forest Proclamation Boundary,", and insert "south section line of section 20, township 4 south, range 30 west,".

Page 3, beginning on line 17, strike out "its origin in the southeast ¼ of section 7, township 4 south, range 30 west, to the Forest Proclamation Boundary,", and insert "the north line of the south ½ of the southwest ¼ of section 7, township 4 south, range 30 west, to the south section line of section 20, township 4 south, range 30 west,".

Page 4, line 2, strike out "500)).", insert "For purposes of management of such segment, the Secretary of the Army may enter into a cooperative agreement or memorandum of understanding or other appropriate arrangement with the Secretary of Agriculture or an appropriate official of the State of Arkansas.".

Page 4, line 3, strike out "(122)", and insert "( )".

Page 4, line 19, strike out "(123)", and insert "( )".

Page 5, beginning on line 1, strike out "the southern property line between National Forest System lands and private lands in", and insert "the north line of".

Page 5, line 3, after "of", insert "the southeast ¼ of".

Page 5, beginning on line 4, strike out "Forest Proclamation Boundary,", and insert "north line of the northwest ¼ of the southwest ¼ of section 5, township 5 south, range 27 west,".

Page 5, line 6, strike out "(124)", and insert "( )".

Page 5, line 19, strike out "(125)", and insert "( )".

Page 5, line 24, strike out "(126)", and insert "( )".

Page 5, line 25, strike out "section 36,", and insert "section 35,".

Page 6, line 5, strike out "section 36,", and insert "section 35,".

Mr. SASSER. Mr. President, I move the Senate concur in the amendments of the House.

The PRESIDING OFFICER. The question is on agreeing to the motion.

The motion was agreed to.

EXTENSION OF TIME LIMITS IN A FERC-ISSUED LICENSE

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 431, S. 1882, a bill to authorize extensions of time limitations in a FERC-issued license; that the bill be deemed read the third time, passed, and the motion to reconsider be laid upon the table; further, that any statements appear at the appropriate place in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (S. 1882) was deemed read the third time and passed, as follows:

S. 1882

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding the time limitations of section 13 of the Federal Power Act, the Federal Energy Regulatory Commission, upon the request of the license for FERC project numbered 6641 (and after reasonable notice) is authorized, in accordance with the good faith, due diligence, and public interest requirements of section 13 and the Commission's procedures under such section, to extend until June 29, 1996, the time required for the licensee to acquire the required real property and commence the construction of project numbered 6641, and until June 29, 2000, the time required for completion of construction of such project. The authorization for issuing extensions under this Act shall terminate on June 29, 1996.

HORN OF AFRICA RECOVERY AND FOOD SECURITY ACT

Mr. SASSER. Mr. President, I ask that the Chair lay before the Senate a message from the House of Representatives on S. 985.

The PRESIDING OFFICER laid before the Senate the following message from the House of Representatives:

Resolved, That the bill from the Senate (S. 985) entitled "An Act to assure the people of the Horn of Africa the right to food and the other basic necessities of life and to promote peace and development in the region,", do pass with the following amendment:

Strike out all after the enacting clause and insert:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Horn of Africa Recovery and Food Security Act".

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) The Horn of Africa (the region comprised of Ethiopia, Somalia, Sudan, and Djibouti) is characterized by an extraordinary degree of food insecurity as a result of war, famine, mounting debt, recurrent drought, poverty, and agricultural disruption, as well as gross violations of human rights, political repression, environmental destruction, and the breakdown of such essential services as primary education and health care.

(2) Internal conflict and famine have killed an estimated 2,000,000 people in Ethiopia, Sudan, and Somalia since 1985, and generated another 8,000,000 displaced persons and refugees, a number so high as to make millions wards of the United Nations and the international community. Relief officials now estimate that another 15,000,000 to 20,000,000 people are threatened by starvation as civil war and drought continue to ravage the area.

(3) Governments and armed opposition groups in Ethiopia, Sudan, and Somalia have been guilty of gross violations of human rights, which further erode food security in those countries.

(4) Assistance policies have failed in large part because of political and economic insecurity, which have prevented the development of programs to achieve sustainable development and programs to achieve food security.

(5) Appropriate assistance should promote real food security, which means access by all people at all times to enough food for an active and healthy life and the availability of sufficient income and food to prevent chronic dependency upon food assistance.

(6) The end of the Cold War rivalries in the Horn of Africa affords the United States the opportunity to develop a policy which addresses the extraordinary food security problem in the region.

(7) Notwithstanding other pressing needs, the United States must accordingly fashion a new foreign policy toward the Horn of Africa and cooperate with other major donors and the United Nations—

(A) to develop an emergency relief plan which meets the immediate basic human needs that arise as long as civil strife and famine afflict the region;

(B) to promote immediately cease-fires, secure relief corridors, and an end to these conflicts; and

(C) to provide creative developmental assistance which attacks the root causes of famine and war and assists these nations on the path to long-term security, reconstruction, voluntary repatriation, economic recovery, democracy, and peace, and which targets assistance to assist the poor majority more effectively.

SEC. 3. STATEMENT OF POLICY REGARDING INDIVIDUAL COUNTRIES.

(a) ETHIOPIA.—It is the sense of the Congress that the President should—

(1) call upon the authorities who now exercise control over the central government in Ethiopia to protect the basic human rights of all citizens, to release from detention all political prisoners and other detainees who were apprehended by the Mengistu regime, and to facilitate the distribution of international relief and emergency humanitarian assistance throughout the country;

(2) urge all authorities in Ethiopia to make good faith efforts to—

(A) make permanent the cease-fire now in place and to permit the restoration of tranquility in the country, and

(B) make arrangements for a transitional government that is broadly-based, that accommodates all appropriate points of view, that respects human rights, and that is committed to a process of reform leading to the writing of a constitution and the establishment of representative government; and

(3) support efforts to ensure that the people of Eritrea are able to exercise their legitimate political rights, consistent with international law, including the right to participate actively in the determination of their political future, and call upon the authorities in Eritrea to keep open the ports of Mitsiwa and Aseb and to continue to permit the use of those ports for the delivery and distribution of humanitarian assistance to Eritrea and to Ethiopia as a whole.

(b) SOMALIA.—It is the sense of the Congress that the President should—

(1) use whatever diplomatic steps he considers appropriate to encourage a peaceful and democratic solution to the problems in Somalia;

(2) commit increased diplomatic resources and energies to resolving the fundamental political conflicts which underlie the protracted humanitarian emergencies in Somalia; and

(3) ensure, to the maximum extent possible and in conjunction with other donors, that emergency humanitarian assistance is being made available to those in need, and that none of the beneficiaries belong to military or paramilitary units.

(c) SUDAN.—It is the sense of the Congress that the President should—

(1) urge the Government of Sudan and the Sudanese People's Liberation Army to adopt at least a temporary cessation of hostilities in order to assure the delivery of emergency relief to civilians in affected areas;

(2) encourage active participation of the international community to meet the emergency relief needs of Sudan; and

(3) take steps to achieve a permanent peace.

SEC. 4. HORN OF AFRICA RELIEF AND REHABILITATION PROGRAM.

(a) EQUITABLE DISTRIBUTION OF RELIEF AND REHABILITATION ASSISTANCE.—It should be the

policy of the United States in promoting equitable distribution of relief and rehabilitation assistance in the Horn of Africa—

(1) to assure noncombatants (particularly refugees and displaced persons) equal and ready access to all food, emergency, and relief assistance and, if relief or relief agreements are blocked by one faction in a region, to continue supplies to the civilian population located in the territory controlled by any opposing faction;

(2) to provide relief, rehabilitation, and recovery assistance to promote self-reliance; and

(3) to assure that relief is provided on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

(b) MAXIMIZING INTERNATIONAL RELIEF EFFORTS.—It should be the policy of the United States in seeking to maximize relief efforts for the Horn of Africa—

(1) to redouble its commendable efforts to secure safe corridors of passage for emergency food and relief supplies in affected areas and to expand its support for the growing refugee population;

(2) to commit sufficient resources under title II of the Agricultural Trade Development and Assistance Act of 1954 (relating to emergency and private assistance programs), and under chapter 9 of part I of the Foreign Assistance Act of 1961 (relating to international disaster assistance), to meet urgent needs in the region and to utilize unobligated security assistance to bolster these resources;

(3) to consult with member countries of the European Community, Japan, and other major donors in order to increase overall relief and developmental assistance for the people in the Horn of Africa;

(4) to lend the full support of the United States to all aspects of relief operations in the Horn of Africa, and to work in support of United Nations and other international and voluntary agencies, in breaking the barriers currently threatening the lives of millions of refugees and others in need; and

(5) to urge the Secretary General of the United Nations to immediately appoint United Nations field coordinators for each country in the Horn of Africa who can act with the Secretary General's full authority.

(c) HORN OF AFRICA CIVIL STRIFE AND FAMINE ASSISTANCE.—

(1) AUTHORIZATION OF ASSISTANCE.—The President is authorized to provide international disaster assistance under chapter 9 of part I of the Foreign Assistance Act of 1961 for civil strife and famine relief and rehabilitation in the Horn of Africa.

(2) DESCRIPTION OF ASSISTANCE TO BE PROVIDED.—Assistance pursuant to this subsection shall be provided for humanitarian purposes and shall include—

(A) relief and rehabilitation projects to benefit the poorest people, including—

(i) the furnishing of seeds for planting, fertilizer, pesticides, farm implements, crop storage and preservation supplies, farm animals, and vaccine and veterinary services to protect livestock;

(ii) blankets, clothing, and shelter;

(iii) emergency health care; and

(iv) emergency water and power supplies;

(B) emergency food assistance (primarily wheat, maize, other grains, processed foods, and oils) for the affected and displaced civilian population of the Horn of Africa; and

(C) inland and ocean transportation of, and storage of, emergency food assistance, including the provision of trucks.

Assistance described in subparagraphs (B) and (C) shall be in addition to any such assistance provided under title II of the Agricultural Trade Development and Assistance Act of 1954.

(3) USE OF PVOS FOR RELIEF, REHABILITATION, AND RECOVERY PROJECTS.—Assistance under this subsection should be provided, to the maximum extent possible, through United States, international, and indigenous private and voluntary organizations.

(4) MANAGEMENT SUPPORT ACTIVITIES.—Up to two percent of the amount made available for each fiscal year under paragraph (5) for use in carrying out this subsection may be used by the agency primarily responsible for administering part I of the Foreign Assistance Act of 1961 for management support activities associated with the planning, monitoring, and supervision of emergency humanitarian and food assistance in the Horn of Africa provided under this subsection and subsection (d).

(5) TRANSFER OF SECURITY ASSISTANCE FUNDS.—The authority of section 610 of the Foreign Assistance Act of 1961 may be used to transfer for use in carrying out this subsection, without regard to the 20-percent increase limitation contained in that section, unobligated security assistance funds made available for fiscal year 1992 and 1993. As used in this paragraph, the term "security assistance funds" means funds available for economic support assistance, foreign military financing assistance, or international military education and training.

(d) EMERGENCY FOOD ASSISTANCE.—The President is urged to use the authorities of title II of the Agricultural Trade Development and Assistance Act of 1954 to provide supplemental emergency food assistance for the various civilian victims of civil strife in the Horn of Africa, in accordance with paragraphs (2)(B), (2)(C), and (3) of subsection (c), in addition to the assistance otherwise provided for such purposes.

SEC. 5. HORN OF AFRICA PEACE INITIATIVE.

(a) SUPPORT FOR GRASSROOTS PARTICIPATION.—It shall be the policy of the United States in promoting peace and development in the Horn of Africa—

(1) to support expanded pluralistic and popular participation, the process by which all groups of people are empowered to involve themselves directly in creating the structures, policies, and programs to contribute to equitable economic development, and to local, national, and regional peace initiatives;

(2) to ensure that all citizens enjoy the protection of civil, political, economic, social, religious, and cultural rights, an independent judiciary, and representative governmental institutions, regardless of gender, religion, ethnicity, occupation, or association; and

(3) to provide assistance to indigenous nongovernmental institutions that carry out activities in government-controlled or opposition-controlled territories and have the capacity or potential to promote conflict resolution, to advance development programs, or to carry out relief activities such as those described in section 4(c)(2).

(b) CONSULTATIONS.—The President is encouraged to undertake immediate consultations with appropriate countries, with armed and unarmed parties in the Horn of Africa, and with the Secretary General of the United Nations, in order to bring about negotiated settlements of the armed conflicts in the Horn of Africa.

(c) MECHANISMS.—It is the sense of the Congress that the President should—

(1) direct the United States Representative to the United Nations to—

(A) urge the Secretary General of the United Nations to make cease-fires, safe corridors for emergency relief, and negotiated settlements of the armed conflicts in the Horn of Africa a high and urgent priority;

(B) propose that the United Nations Security Council establish a United Nations arms embargo to end the supply of arms to the region, pending the resolution of civil wars and other armed conflicts; and

(C) pledge diplomatic and material resources for enhanced United Nations peacekeeping and peacemaking activities in the region, including monitoring of cease-fires;

(2) play an active and ongoing role in other fora in pressing for negotiated settlements to armed conflicts in the Horn of Africa; and

(3) support and participate in regional and international peace consultations that include broad representation from the countries and factions concerned.

SEC. 6. HORN OF AFRICA FOOD SECURITY AND RECOVERY STRATEGY.

(a) TARGETING ASSISTANCE TO AID THE POOR MAJORITY; USE OF PVOs AND INTERNATIONAL ORGANIZATIONS.—

(1) TARGETING ASSISTANCE.—United States developmental assistance for the Horn of Africa should be targeted to aid the poor majority of the people of the region (particularly refugees, women, the urban poor, and small-scale farmers and pastoralists) to the maximum extent practicable. United States Government aid institutions should seek to—

(A) build upon the capabilities and experiences of United States, international, and indigenous private and voluntary organizations active in local grassroots relief, rehabilitation, and development efforts;

(B) consult closely with such organizations and significantly incorporate their views into the policymaking process; and

(C) support the expansion and strengthening of their activities without compromising their private and independent nature.

(2) PVOs AND INTERNATIONAL ORGANIZATIONS.—While support from indigenous governments is crucial, sustainable development and food security in the Horn of Africa should be enhanced through the active participation of indigenous private and voluntary organizations, as well as international private and voluntary organizations, and international organizations that have demonstrated their ability to work as partners with local nongovernmental organizations and are committed to promoting local grassroots activities on behalf of long-term development and self-reliance in the Horn of Africa.

(3) POLICY ON ASSISTANCE TO GOVERNMENTS.—United States assistance should not be provided to the Government of Ethiopia, the Government of Somalia, or the Government of Sudan until concrete steps toward peace, democracy, and human rights are taken in the respective country.

(4) SUPPORT FOR PVOS.—Meanwhile, the United States should provide developmental assistance to those countries by supporting United States, indigenous, and international private and voluntary organizations working in those countries. Such assistance should be expanded as quickly as possible.

(b) EXAMPLES OF PROGRAMS.—Assistance pursuant to this section should include programs to—

(1) reforest and restore degraded natural areas and reestablish resource management programs;

(2) reestablish veterinary services, local crop research, and agricultural development projects;

(3) provide basic education, including efforts to support the teaching of displaced children, and rebuild schools;

(4) educate young people outside of their countries if conflict within their countries continues;

(5) reconstitute and expand the delivery of primary and maternal health care; and

(6) establish credit, microenterprise, and income generation programs for the poor.

(c) VOLUNTARY RELOCATION AND REPATRIATION.—Assistance pursuant to this section should also be targeted to the voluntary relocation and voluntary repatriation of displaced

persons and refugees after peace has been achieved. Assistance pursuant to this Act may not be made available for any costs associated with any program of involuntary or forced resettlement of persons.

(d) DEBT RELIEF; INTERNATIONAL FUND FOR RECONSTRUCTION.—Developmental assistance for the Horn of Africa should be carried out in coordination with long-term strategies for debt relief of countries in the region and with emerging efforts to establish an international fund for reconstruction of developing countries which settle civil wars within their territories.

(e) ASSISTANCE THROUGH PVOs AND INTERNATIONAL ORGANIZATIONS.—Unless a certification has been made with respect to that country under section 8, development assistance and assistance from the Development Fund for Africa for Ethiopia, Somalia, and Sudan shall be provided only through—

(1) United States, international, and indigenous private and voluntary organizations (as the term "private and voluntary organization" is defined in section 496(e)(2) of the Foreign Assistance Act of 1961); or

(2) through international organizations that have demonstrated effectiveness in working in partnership with local nongovernmental organizations and are committed to the promotion of local grassroots activities on behalf of development and self-reliance in the Horn of Africa (such as the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations High Commissioner for Refugees, the United Nations Development Program, and the World Food Program).

This subsection does not prohibit the organizations referred to in paragraphs (1) and (2) from working with appropriate ministries or departments of the respective governments of such countries.

(f) WAIVER OF RESTRICTIONS.—Assistance pursuant to this section may be made available to Ethiopia, Somalia, and Sudan notwithstanding any provision of law (other than the provisions of this Act) that would otherwise restrict assistance to such countries.

(g) UNITED STATES VOLUNTARY CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS FOR DEVELOPMENTAL ASSISTANCE FOR THE HORN OF AFRICA.—It should be the policy of the United States to provide increasing voluntary contributions to United Nations agencies (including the United Nations Children's Fund, the International Fund for Agricultural Development, the United Nations High Commissioner for Refugees, the United Nations Development Program, and the World Food Program) for expanded programs of assistance for the Horn of Africa and for refugees from the Horn of Africa who are in neighboring countries.

(h) DEVELOPMENTAL ASSISTANCE AUTHORITIES.—Developmental assistance to carry out this section shall be provided pursuant to the authorities of chapter 1 of part I (relating to development assistance) and chapter 10 of part I (relating to the Development Fund for Africa) of the Foreign Assistance Act of 1961.

SEC. 7. PROHIBITIONS ON SECURITY ASSISTANCE TO ETHIOPIA, SOMALIA, AND SUDAN.

(a) PROHIBITION.—Economic support assistance, foreign military financing assistance, and international military education and training may not be provided for fiscal year 1992 or 1993 for the Government of Ethiopia, the Government of Somalia, or the Government of Sudan unless the President makes the certification described in section 8 with respect to that government.

(b) ASSISTANCE FOR ETHIOPIA; CONDITIONAL WAIVER OF BROOKE-ALEXANDER AMENDMENT.—If the President makes the certification described in section 8 with respect to the Government of Ethiopia, the President may provide economic support assistance, foreign military financing assistance, and international military education and training for Ethiopia for fiscal years 1992 and 1993 notwithstanding section 620(q) of the Foreign Assistance Act of 1961 or any similar provision.

SEC. 8. CERTIFICATION.

The certification required by sections 6(e) and 7 is a certification by the President to the appropriate congressional committees that the government of the specified country—

(1) has begun to implement peace agreements, national reconciliation agreements, or both;

(2) has demonstrated a commitment to human rights within the meaning of sections 116 and 502B of the Foreign Assistance Act of 1961;

(3) has manifested a commitment to democracy, has held or established a timetable for free and fair elections, and has agreed to implement the results of those elections; and

(4) in the case of a certification for purposes of section 6(e), has agreed to distribute developmental assistance on the basis of need without regard to political affiliation, geographic location, or the ethnic, tribal, or religious identity of the recipient.

SEC. 9. REPORTING REQUIREMENT.

Not later than 180 days after the date of enactment of this Act and each 180 days thereafter, the President shall submit a report to the appropriate congressional committees on the efforts and progress made in carrying out this Act.

SEC. 10. DEFINITIONS.

As used in this Act—

(1) the term "appropriate congressional committees" means the Committee on Foreign Affairs and the Committee on Appropriations of the House of Representatives and the Committee on Foreign Relations and the Committee on Appropriations of the Senate;

(2) the term "assistance from the Development Fund for Africa" means assistance under chapter 10 of part I of the Foreign Assistance Act of 1961;

(3) the term "development assistance" means assistance under chapter 1 of part I of the Foreign Assistance Act of 1961;

(4) the term "economic support assistance" means assistance under chapter 4 of part II of the Foreign Assistance Act of 1961;

(5) the term "foreign military financing assistance" means assistance under section 23 of the Arms Export Control Act; and

(6) the term "international military education and training" means assistance under chapter 5 of part II of the Foreign Assistance Act of 1961.

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate concur in the amendment of the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

CHANGES IN PLACES OF HOLDING COURT IN THE EASTERN DISTRICT OF NORTH CAROLINA

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 440, H.R. 3686, a bill to provide for changes in the place of holding court in the Eastern District of North Carolina; that the bill be deemed read a third time and passed; that the motion to reconsider be laid upon the table; further, that any statements relating to this matter be included in the RECORD at the appropriate place.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the bill (H.R. 3686) was deemed read a third time and passed.

FILIPINO VETERANS OF WORLD WAR II

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Senate Resolution 283, submitted earlier today by Senator CRANSTON; that the resolution be agreed to, that the preamble be agreed to and the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. Without objection, it is so ordered.

So the resolution (S. Res. 283) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, is as follows:

S. RES. 283

Whereas, upon the outbreak of war between the United States and Japan in World War II, 110,000 members of the organized military forces of the Government of the Commonwealth of the Philippines who had been called into the service of the United States Armed Forces by order of President Roosevelt dated July 26, 1941, were committed to battle, along with United States personnel, against the Imperial Japanese forces that invaded the Philippines on December 8, 1941;

Whereas, April 9, 1992, and May 6, 1992, mark the 50th anniversaries of the fall of Bataan and Corregidor, respectively, to Imperial Japanese forces;

Whereas, the Filipino and United States defenders of the Philippines engaged Japanese forces from the beaches of the Philippine islands to the last defense of Bataan and Corregidor in a grueling battle lasting 150 days;

Whereas, that defense compelled Japan to divert thousands of additional troops to the Philippines;

Whereas, the enormous sacrifices of the defenders in the battles of Bataan and Corregidor provided the United States and its Allies with valuable time to prepare their armed forces for a counteroffensive campaign against Japan;

Whereas, in that defense, the members of the Filipino forces and their United States counterparts struggled against difficult odds and desperate circumstances and faced, with indomitable spirit, fortitude, and loyalty to America, powerful Imperial Japanese forces;

Whereas, members of the Filipino forces acquitted themselves nobly during the Bataan death march, during their internment in death camps, and throughout 3 years of resistance against Japanese occupation of the Philippines; and

Whereas, the United States recognizes the sacrifice, loyalty, and valuable contribution of the Filipino World War II veterans to the causes of peace, freedom, and human dignity: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

The President should (1) issue a proclamation designating April 9, 1992, as the Day of Recognition for Filipino War Veterans and call upon the people of the United States to observe that day with appropriate ceremonies and activities, and (2) present that proclamation to Filipino veterans and the Filipino people in Manila during the ceremonies observing the 50th anniversary of the fall of Bataan, as an expression of goodwill and a reaffirmation of the continuing regard of the United States and the American people for a lasting Filipino-American friendship.

Mr. CRANSTON. Mr. President, I rise today to urge my colleagues to support adoption of S. Res. 283, expressing the sense of the Senate with respect to Filipino veterans of World War II on the occasion of the 50th anniversary of the fall of Bataan. This resolution is substantially similar to Senate Joint Resolution 261, which I introduced on February 25 and which has been cosponsored by 59 Senators. Unfortunately, that legislation was not able to garner the requisite number of cosponsors in the House and does not appear likely to be passed by both Houses by April 9, the day it would designate as a day of recognition for Filipino veterans of World War II. Because ceremonies marking the 50th anniversary of the fall of Bataan are taking place this week in the Philippines, I am proposing a Senate resolution expressing our appreciation for the service of the Filipino soldiers who fought so bravely with their American counterparts defending the Philippines during World War II. This resolution would further urge the President to issue a proclamation recognizing those veterans' contributions.

Mr. President, on December 7, 1991, our Nation observed the 50th anniversary of the Japanese attack on Pearl Harbor. That unprovoked, massive surprise attack on the American fleet, which is properly remembered as one of the most significant events in our history, profoundly shocked the American people and caused the United States to enter World War II. The ceremonies at Pearl Harbor last December, attended by the President, the Secretary of Defense, and several of our Senate colleagues, refreshed our national recollection of the immensity of those events and provided an opportunity to honor the great sacrifices, bravery, and gallantry of the millions of American service members who, along with our allies during the following 4 years throughout the Pacific, Asia, and Europe, fought and won a great victory for our Nation, and for the principles of freedom and democracy.

This resolution would pay tribute to the Filipino veterans of World War II who, along with American soldiers and sailors, fought under the command of General MacArthur in a valiant defense of the Philippines, in active resistance to the Japanese occupation, and in the recapture of the Philippines.

Mr. President, almost immediately after the attack on Pearl Harbor, Japanese forces attacked the Philippines, then an American territory moving toward full independence under the terms of the Philippines Independence Act of 1934. According to information provided by the United States Army Center of Military History, the combined regular United States and Filipino military forces in the Philippines at the time of the Japanese attack totaled over 155,000 troops. The majority, approximately 110,000, of those soldiers were members of the Philippine Commonwealth Army, which, on July 26, 1941, President Roosevelt, by Executive order authorized under the Philippine Independence Act of 1934, had called into the service of the United States Armed Forces. The United States Army presence in the Philippines consisted of approximately 19,000 American soldiers and nearly 12,000 Philippine scouts, who were part of the regular United States Army. In addition, approximately 3,000 United States Navy shore-based personnel and 1,600 United States Marines, who had been deployed from Shanghai in November 1941, were serving in the Philippines. These troops constituted the United States Army forces in the Far East, which had been established in July 1941 under the command of General MacArthur, who had been recalled to active duty to assume that post.

The destruction of the American fleet at Pearl Harbor eliminated the ability of the United States to support the defenders of the Philippines. Yet, despite their isolation, and the contrasting ease with which the Japanese were able to direct resources to support their invading forces, the Filipino and American forces waged a ferocious defense for 6 months. When the Philippines finally fell in June, 4 months after the Japanese commanders had expected to complete the campaign, 20,000 Philippine Army troops had been killed in action and approximately 24,000 Filipinos had been wounded.

Mr. President, the official United States Army history of the fall of the Philippines, prepared in 1953 by Louis Morton of the Office of the Chief of Military History, offers the following perspective on the efforts of the courageous defenders:

> Though the Japanese had won an important victory, the American and Filipino troops had not given their lives and their freedom in vain. For six months they had kept alive resistance in the Philippines, exacting heavy casualties from the enemy and immobilizing his forces. Not until Imperial General Headquarters, which had relegated the Philippines to a secondary place in the Japanese plan of conquest, had committed more men and planes than it had even intended to the struggle was the campaign brought to an end. During the six months required to accomplish this task, the American and Filipino troops had retained their tenacious hold on Manila Bay and denied its use to the enemy. This was their mission and it had been accomplished.

Shortly before General Wainwright—who in March 1942 had assumed command of the United States forces in the Philippines when General MacArthur departed for Australia—surrendered to the Japanese, President Roosevelt wrote to him and noted the importance of the defenders' efforts:

> In every camp and on every naval vessel, soldiers, sailors, and Marines are inspired by the gallant struggle of their comrades in the Philippines. The workmen in our shipyards and munitions plants redouble their efforts because of your example. You and your devoted followers have become the living symbol of our war aims and the guarantee of victory.

Mr. President, the sacrifices made by the Filipino and American soldiers in the Philippines during World War II still serve as a bright symbol of the great cost of freedom. The Filipino veterans of World War II who fought and died along with their American counterparts in defending United States territory that was soon to become their nation are most deserving of our remembrance and recognition for their sacrifices, loyalty, and contribution to the causes of peace, freedom, and human dignity. I am very pleased to offer this resolution and urge all of my colleagues to support its adoption.

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. McCathran, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

PROPOSED RESCISSION OF CERTAIN BUDGET AUTHORITY—MESSAGE FROM THE PRESIDENT—PM 198

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with accompanying papers; which, pursuant to the order of January 30, 1975, as modified on April 11, 1986, was referred jointly to the Committee on Appropriations, the Committee on the Budget, and the Committee on Energy and Natural Resources:

To the Congress of the United States:

In accordance with the Congressional Budget and Impoundment Control Act of 1974, I herewith report one rescission proposal, totaling $145 thousand in budgetary resources.

The proposed rescission affects the Department of Energy. The details of this rescission proposal are contained in the attached report.

GEORGE BUSH.

THE WHITE HOUSE, *April 8, 1992.*

ANNUAL REPORT OF THE NATIONAL ENDOWMENT FOR DEMOCRACY—MESSAGE FROM THE PRESIDENT—PM 199

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations:

To the Congress of the United States:

Pursuant to the provisions of section 504(h) of Public Law 98-164, as amended (22 U.S.C. 4413(i)), I transmit herewith the Eighth Annual Report of the National Endowment for Democracy, which covers fiscal year 1991.

GEORGE BUSH.

THE WHITE HOUSE, *April 8, 1992.*

MESSAGES FROM THE HOUSE

At 1:38 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House has passed the bill (S. 985) to assure the people of the Horn of Africa the right to food and the other basic necessities of life and to promote peace and development in the region; with an amendment, in which it requests the concurrence of the Senate.

The message also announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 4184. An act to designate the Department of Veterans Affairs Medical Center located in Northhampton, Massachusetts, as the "Edward P. Boland Department of Veterans Affairs Medical Center"; and

H.R. 4276. An act to amend the Historic Sites, Buildings, and Antiquities Act to place certain limits on appropriations for projects not specifically authorized by law, and for other purposes.

ENROLLED JOINT RESOLUTIONS SIGNED

The message further announced that the Speaker has signed the following enrolled joint resolutions:

S.J. Res. 271. Joint resolution expressing the sense of the Congress regarding the peace process in Liberia and authorizing limited assistance to support this process; and

H.J. Res. 410. Joint resolution designating April 14, 1992, as "Education and Sharing Day, U.S.A."

The enrolled joint resolutions were subsequently signed by President pro tempore [Mr. BYRD].

At 2:37 p.m., a message from the House of Representatives, delivered by Ms. Goetz, one of its reading clerks, announced that the House agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 3337) to require the Secretary of the Treasury to mint coins in commemoration of the 200th anniversary of the White House, and for other purposes.

The message also announced that the House has passed the joint resolution (S.J. Res. 246) to designate April 15, 1992, as "National Recycling Day"; without amendment.

The message further announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 3457. An act to amend the Wild and Scenic Rivers Act to designate certain segments of the Delaware River in Pennsylvania and New Jersey as components of the National Wild and Scenic Rivers System.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent, and referred as indicated:

H.R. 3457. An act to amend the Wild and Scenic Rivers Act to designate certain segments of the Delaware River in Pennsylvania and New Jersey as components of the National Wild and Scenic Rivers System; to the Committee on Energy and Natural Resources;

H.R. 4184. An act to designate the Department of Veterans Affairs Medical Center located in Northhampton, Masschusetts, as the "Edward P. Boland Department of Veterans Affairs Medical Center"; to the Committee on Veterans' Affairs; and

H.R. 4276. An act to amend the Historic Sites, Buildings, and Antiquities Act to place certain limits on appropriations for projects not specifically authorized by law, and for other purposes; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary, without recommendation with an amendment:

H.R. 1917. A bill for the relief of Michael Wu.

By Mr. BIDEN, from the Committee on the Judiciary, without amendment:

H.R. 3686. A bill to amend title 28, United States Code, to make changes in the places of holding court in the Eastern District of North Carolina.

By Mr. BIDEN, from the Committee on the Judiciary, with an amendment in the nature of a substitute and an amendment to the title:

S. 2201. A bill to authorize the admission to the United States of certain scientists of the Commonwealth of Independent States as employment-based immigrants under the Immigration and Nationality Act, and for other purposes.

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. BIDEN, from the Committee on the Judiciary:

Wayne A. Budd, of Massachusetts, to be Associate Attorney General;

Joseph E. Irenas, of New Jersey, to be U.S. district judge for the District of New Jersey.

Henry C. Morgan, Jr., of Virginia, to be U.S. district judge for the Eastern District of Virginia;

Ewing Werlein, Jr., of Texas, to be U.S. district judge for the Southern District of Texas;

Donald J. Stohr, of Missouri, to be U.S. district judge for the Eastern District of Missouri;

J. Curtis Joyner, of Pennsylvania, to be U.S. district judge for the Eastern District of Pennsylvania; and

Paul J. Kelly, Jr., of New Mexico, to be U.S. circuit judge for the Tenth Circuit.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MCCAIN (for himself, Mr. GORE, Mr. THURMOND, and Mr. HELMS):

S. 2543. A bill to amend the Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, to prevent the transfer of certain goods or technology to Iraq or Iran, and for other purposes; to the Committee on Foreign Relations.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 2544. A bill to establish in the Department of the Interior the Colonial New Mexico Preservation Commission, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SANFORD (for himself and Mr. HELMS):

S. 2545. A bill to correct the Harmonized Tariff Schedule of the United States as it applies to pharmaceutical grade phospholipids and soybean oil; to the Committee on Finance.

By Mr. MACK (for himself, Mr. HELMS, and Mr. SMITH):

S. 2546. A bill to designate a route as the "POW/MIA Memorial Highway", and for other purposes; to the Committee on Environment and Public Works..

By Mr. ROTH:

S. 2547. A bill to extend the existing temporary suspension of duty on fusilade; to the Committee on Finance.

By Mr. LUGAR:

S. 2548. A bill to suspend temporarily the duty on certain high displacement industrial diesel engines and turbochargers; to the Committee on Finance.

By Mr. MOYNIHAN:

S. 2549. A bill to establish the Hudson River Artists National Historical Park in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. BOREN (for himself, Mr. DOLE, Mr. SIMPSON, Mr. WALLOP, and Mr. NICKLES):

S. 2550. A bill to amend certain provisions of the Employee Retirement Income and Security Act of 1974 and the Internal Revenue Code of 1986 to assure the provision of health care to retired members of the United Mine Workers of America Union and to their family dependents who receive health care benefits from the United Mine Workers of America 1950 Benefit Plan ("1950 Benefit Plan") or from the United Mine Workers of America 1974 Benefit Plan "1974 Benefit Plan"), and, to assure the manner in which such care is funded and maintained, and for other purposes; to the Committee on Finance.

By Mr. BYRD:

S. 2551. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on April 8, 1992, in accordance with title X of the Congressional Budget and Impoundment Control Act of 1974, as amended;

to the Committee on the Budget and the Committee on Appropriations, pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, with instructions that the Budget Committee be authorized to report its views to the Appropriations Committee, and that the latter alone be authorized to report the bill.

By Mr. BROWN:

S. 2552. A bill to authorize a hard rock mining reclamation demonstration project to facilitate the expedient cleanup of acid mine drainage, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. INOUYE (for himself and Mr. AKAKA):

S. 2553. A bill to amend the Civil Liberties Act of 1988 to increase the authorization for the Trust Fund under the Act, and for other purposes; to the Committee on Governmental Affairs.

By Mr. ROCKEFELLER:

S. 2554. A bill to expand the technology extension activities of the National Institute of Standards and Technology in support of technical skills enhancement; to the Committee on Commerce, Science, and Transportation.

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 2555. A bill to prevent the introduction of plant and animal pests into Hawaii through the mails, to increase penalties relating to the introduction of plant or animal pests, to authorize cooperative agreements to safeguard Hawaii's environment, and for other purposes; to the Committee on Governmental Affairs.

By Mr. BUMPERS:

S. 2556. A bill to strengthen the protections afforded to units of the National Park System and certain other nationally significant historic and natural places, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. McCAIN (for himself, Mr. HARKIN, Mr. INOUYE, and Mr. HOLLINGS):

S. 2557. A bill to require candidates who are eligible to receive amounts from the Presidential Election Campaign Fund to prepare television commercials with closed captioning of the oral content; to the Committee on Commerce, Science, and Transportation.

By Mr. LIEBERMAN (for himself, Mr. DODD, Mr. MOYNIHAN, Mr. D'AMATO, and Mr. LAUTENBERG):

S.J. Res. 288. A joint resolution designating the week beginning July 26, 1992, as "Lyme Disease Awareness Week"; to the Committee on the Judiciary.

By Mr. D'AMATO:

S.J. Res. 289. A joint resolution designating the period beginning April 9, 1992, and ending May 6, 1992, as "Bataan-Corregidor Month"; to the Committee on the Judiciary.

By Mr. GORE (for himself, Mr. WIRTH, and Mr. WOFFORD):

S.J. Res. 290. A joint resolution calling for the Secretary of the Interior, in cooperation with the Secretary of State, to enter into agreements with Canada to protect the Alsek and Tatshenshini Rivers, for the Secretary of the Interior to ensure that Glacier Bay National Park and Reserve is not degraded by potential mine developments in Canada, and for other purposes; to the Committee on Foreign Relations.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. CRANSTON:

S. Res. 283. A resolution to express the sense of the Senate concerning Filipino veterans of World War II; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. McCAIN (for himself, Mr. GORE, Mr. THURMOND, and Mr. HELMS):

S. 2543. A bill to amend the Foreign Relations Authorization Act, fiscal years 1992 and 1993, to prevent the transfer of certain goods or technology to Iraq or Iran, and for other purposes; to the Committee on Foreign Relations.

PREVENTION OF TRANSFER OF CERTAIN GOODS OR TECHNOLOGY TO IRAQ OR IRAN

Mr. McCAIN. Mr. President, I thank Senator GORE, my friend from Tennessee, for the relationship that he and I have had on the issue of proliferation as well as others. I know of no Member of the U.S. Senate who is more keenly aware of the threats to world peace that are presented to us because of the issue of proliferation of weapons of mass destruction or conventional as well as chemical, biological, and nuclear. I look forward to working with him in the bipartisan fashion which has characterized our relationship now for 10 years as we move forward and try to get further action taken by the legislative branch in cooperation with the executive branch to reduce what is clearly the greatest threat to world peace in the world today. I thank him again for all of his cooperation and friendship over these many years.

Mr. President, I ask unanimous consent that privilege of the floor be granted to the following member of my staff, Jim Scofield during the pendency of the Iran-Iraq Arms Non-proliferation Act of 1992.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCAIN. Mr. President, today I rise to introduce legislation on behalf of Senators GORE, THURMOND, HELMS, and myself to halt the spread of advanced military weapons to Iran and Iraq. It is designed to halt the spread of nuclear, biological, chemical, and advanced weapons to the two most dangerous states in the Middle East. States that threaten peace, that threaten our friends in the gulf, that threaten Israel, that threaten the stable flow of oil and the world's economy, and that threaten the United States of America.

This bill reinforces the sanctions that the United Nations has already applied to Iraq, and which the United States applies to shipments of weapons of mass destruction and arms to both Iraq and Iran. It reinforces existing United States law as it applies to United States sales to these two threats to peace, and it discourages foreign businesses and governments from transferring advanced weapons or related technologies to Iran and Iraq through a variety of deterrents and sanctions.

THE CONTENTS OF THE IRAN-IRAQ ARMS CONTROL BILL

Let me briefly outline the content of this bill.

First, the bill is directed at deterring the transfer of nuclear, biological, chemical, and advanced conventional weapons or dual-use goods or technology to Iran and Iraq. It is written to complement—not supersede—previously enacted laws while also filling the gaps in the area of advanced conventional weapons and related technologies.

For its definition, "advanced conventional weapons" will include missiles or other long-range precision-guided munitions, fuel-air explosives, cruise missiles, low observability aircraft or other radar evading aircraft, military satellites, electromagnetic weapons, and laser weapons.

The President may further define, add, or remove weapons from this list. Other areas are recommended for inclusion but left to the discretion of the President. These areas include the difficult to define elements of command, control, and communications systems, electronic warfare systems, and intelligence collections systems.

THE IMPACT ON U.S. FIRMS AND INDIVIDUALS

The bill does not introduce new penalties for U.S. firms. It does, however, clearly set forth United States policy toward sales to Iran and Iraq, and reinforces the importance of enforcing enacted legislation such as the Atomic Energy Act, the Arms Export Control Act, the Export Administration Act, and the Missile Technology Control Regime.

THE IMPORTANCE OF PUBLIC EXPOSURE

The bill does recognize the powerful impact of public exposure of merchants of mass destruction. It requires that the President publicly condemn any country, or United States, or foreign firm that transfers the cited arms or arms-related technology to Iran or Iraq. Once the President learns that a foreign government or firm has transferred such materiel, he must provide Congress with a report on the transfer and the U.S. Government response within 30 days. The President will also provide Congress with an annual report summarizing the violations and U.S. Government responses.

SANCTIONS ON FOREIGN COUNTRIES AND COMPANIES

The bill also recognizes that we cannot prevent or deter foreign countries and companies from transferring weapons of mass destruction and advanced conventional weapons to Iran and Iraq unless we have legislation that confronts them with clear legal and economic penalties.

It identifies specific sanctions for foreign firms that violate the restrictions and also for governments that violate the restrictions. The sanctions are divided into mandatory and discretionary sanctions. Both are designed to punish an undeterred offender, while the discretionary sanctions provide the President with additional measures to penalize severe or repeat offenders.

The mandatory sanctions on foreign firms are:

First, barring the U.S. Government from procuring or contracting for the procurement of goods or services from the foreign firm for a period of 2 years; and

Second, prohibiting licenses for export to the sanctioned firm for 2 years.

There is only one discretionary sanction for the President to employ against foreign firms. That sanction would prevent the importation into the United States of any product produced by that firm or any product containing components produced by that company.

The mandatory sanctions on governments are:

First, suspension of U.S. assistance;

Second, U.S. opposition to multilateral development bank assistance to the country; and

Third, termination of technical exchange agreements.

The sanctions on governments left up to Presidential discretion are:

First, denial of MFN status;

Second, freezing of financial assets;

Third, restrictions on aviation; and

Fourth, restrictions on shipping.

PRESIDENTIAL WAIVER AUTHORITY

Of course, in deference to the President's constitutional power to conduct foreign policy, the bill provides him ample authority to waive sanctions should they jeopardize the national security interests of the United States.

THE THREAT FROM IRAQ AND IRAN

Mr. President, every member of this body is all too conscious that we rarely see a week go by when we do not receive news about new transfers of arms and technology to Iran, and learn new details about Iraq's massive effort to create a force of weapons of mass destruction.

The Director of Central Intelligence, Bob Gates, has repeatedly given testimony that identifies Iran and Iraq as hostile to United States interests and intent on rebuilding their military power and enhancing their influence. He has stated that Iran is spending $2 billion a year on weapons of mass destruction, and that Iraq can quickly recover many of its capabilities the moment the United Nations ceases to enforce inspection rights and sanctions.

We also must recognize that other nations have learned lessons from the gulf war. It has taught Iran and Iraq that the conventional power of the United States and its allies is too powerful to overcome—or even defend against—by conventional means.

Iran and Iraq have only one option that can paralyze the kind of peacekeeping effort we carried out in Operation Desert Storm. This option is to acquire weapons of mass destruction, and conventional weapons that are so advanced they undercut our margin of technical superiority. These are lessons they will act upon if we give them the chance, lessons that are already turning into threats to our allies and any forces we send into the region.

THE PROBLEM OF IRAQ

Let me briefly address the problem of Iraq.

Over the past decade, we have learned several lessons from Iraq's disregard for international law. In 1981, we saw Iraq invade a weakened Iran. During the subsequent war, we witnessed Iraqi disregard for human life in its persecutions and massacres of the Kurds, in its gassing of innocent civilians, and its execution and imprisonment of its Shiites.

Despite the defeat of the Iraqis by the Iranians, we then witnessed Iraqi aggression with the invasion of Kuwait in 1990. In response to Kuwait's resistance to irrational demands, Iraq attempted to annex valuable Kuwaiti oilfields.

In the war that followed, we witnessed unprovoked Scud missile attacks on Israel. Just as they were in Saudi Arabia, these missiles were targeted at civilian populations and not at military targets; they were used as sheer weapons of terror.

Over the past decade, Iraq has developed a sophisticated approach to procuring and developing military weapons. We have all been disturbed at learning of the diversity and intensity of Iraq's weapons programs, its redundant procurement network, its successful clandestine capabilities, and the diabolical conversion of dual-use plants and technology for the fabrication of highly lethal weapons.

Most worrisome, however, is the covert establishment of a complex and vast global network of fronts and agents for the procurement of arms, dual-use equipment, and technology. Some suppliers were certainly duped, others were not.

The United States Treasury Department uncovered and blacklisted some 52 businesses and 37 individuals in April 1991, for their roles in the Iraqi network. I suggest that any of my colleagues who believes that we can rely on other states to police themselves read that list and memorize it. I ask unanimous consent that the list appear in the RECORD at this point.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[Department of the Treasury, Office of Foreign Assets Control]

31 CFR PART 575, IRAQI SANCTIONS REGULATIONS, 56 FR 13584, APRIL 3, 1991

Action: Final rule; List of specially designated nationals of the Government of Iraq; List of vessels registered, owned or controlled by the Government of Iraq.

Summary: The Iraqi Sanctions Regulations (the "Regulations") are being amended to add a new appendix A and a new appendix B to the end thereof. Appendix A contains the list of Individuals and Organizations Determined to be Within the Term "Government of Iraq" (Specially Designated Nationals of Iraq). The list at Appendix A contains the names of companies and individuals which the Director of the Office of Foreign Assets Control has determined are acting or purporting to act directly or indirectly on behalf of the Government of Iraq. Appendix B contains the names of merchant vessels registered, owned, or controlled by the Government of Iraq. These lists may be expanded or amended at any time.

Effective date: April 3, 1991.

Addresses: Copies of these lists are available upon request at the following location: Office of Foreign Assets Control, U.S. Department of the Treasury, Annex, 1500 Pennsylvania Avenue NW., Washington, DC 20220.

For further information contact: Richard J. Hollas, Chief, Enforcement Section, Office of Foreign Assets Control, Tel.: (202) 566–5021.

Text: Supplementary Information: The Iraqi Sanctions Regulations, 31 CFR part 575 (56 FR 2112, Jan. 18, 1991, the "Regulations") were issued by the Treasury Department to implement Executive Orders No. 12722 and 12724 of August 2 and August 9, 1990, in which the President declared a national emergency with respect to Iraq, invoking the authority, inter alia, of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) and the United Nations Participation Act (22 U.S.C. 287c), and ordered specific measures against the Government of Iraq.

Section 575.306 of the Regulations defines the term "Government of Iraq" to include:

(a) The state and the Government of Iraq, as well as any political subdivision, agency, or instrumentality thereof, including the Central Bank of Iraq;

(b) Any partnership, association, corporation, or other organization substantially owned or controlled by the foregoing;

(c) Any person to the extent that such person is, or has been, or to the extent that there is reasonable cause to believe that such person is, or has been, since the effective date, acting or purporting to act directly or indirectly on behalf of any of the foregoing ; and

(d) Any other person or organization determined by the Director of the Office of Foreign Assets Control to be included within this section.

Determinations that persons fall within this definition are effective upon the date of determination by the Director, Office of Foreign Assets Control ("FAC"). Public notice is effective upon the date of publication or upon actual notice, whichever is sooner.

This role adds appendix A to part 575 to provide public notice of a list of persons, known as "specially designated nationals" of the Government of Iraq. The list consists of companies and individuals whom the Director of the Office of Foreign Assets Control has determined to be owned or controlled by or to be acting or purporting to act directly or indirectly on behalf of the Government of Iraq, and thus fall within the definition of the "Government of Iraq" contained in §575.306 of the Regulations. The persons included in appendix A are subject to all prohibitions applicable to other components of the Government of Iraq. All unlicensed transactions with such persons, or in property in which they have an interest, are prohibited.

The list of specially designated nationals is a partial one, since FAC may not be aware of all the persons located outside Iraq that might be owned or controlled by the Government of Iraq or acting as agents or front organizations for Iraq, and which thus qualify as specially designated nationals of the Government of Iraq. Therefore, persons engaging in transactions may not rely on the fact that any particular person is not on the specially designated nationals list as evidence that it is not owned or controlled by, or acting or purporting to act directly or indirectly on behalf of, the Government of Iraq. The Treasury Department regards it as incumbent upon all U.S. persons to take reasonably steps to ascertain for themselves whether persons they enter into transactions with are owned or controlled by the Government of Iraq or are acting or purporting to act on its behalf, or on behalf of other countries subject to blocking (at present, Cambodia, Cuba, Libya, North Korea, and Vietnam).

This rule also adds appendix B to part 575 to provide public notice of a list of merchant vessels which the Director of the Office of Foreign Assets Control has determined to be registered, owned, or controlled by the Government of Iraq or by persons acting or purporting to act directly or indirectly on behalf of the Government of Iraq, pursuant to §575.306 of the Regulations. The merchant vessels included in appendix B constitute blocked property in which the Government of Iraq has an interest, and are subject to all the prohibitions applicable to the Government of Iraq. No U.S. person may engage in any unlicensed transaction involving these vessels.

The list of Government of Iraq-flagged, owned, or controlled vessels is a partial one, since FAC may not be aware of all merchant ships registered, owned, or controlled by the Government of Iraq or by persons located outside Iraq that may be acting as agents or front organizations for Iraq who fall within the definition of "Government of Iraq." Therefore, persons engaging in transactions may not rely on the fact that any particular vessel is not on the list as evidence that it is not owned or controlled by the Government of Iraq. The Treasury Department regards it as incumbent upon all U.S. persons to take reasonable steps to ascertain for themselves whether such vessels are registered, owned, or controlled by Iraq or by other countries subject to blocking or transportation-related restrictions (at present, Cambodia, Cuba, Libya, North Korea, and Vietnam).

Section 586E of the Iraq Sanctions Act of 1990, contained in the Foreign Operations Authorization and Appropriations Act of 1990, dated November 5, 1990, 104 Stat. 1979, provides for civil penalties not to exceed $250,000 for violations of the Regulations and fines of up to $1,000,000 and imprisonment for up to 12 years for willful violations of the Regulations. In addition, section 5(b) of the United Nations Participation Act of 1945 (22 U.S.C. 287c(b)) provides for the forfeiture of any property involved in a violation of the Regulations.

LIST OF SUBJECTS IN 31 CFR PART 575

Banks, Banking, Exports, Imports, Iraq, Kuwait, Loans, Penalties, Reporting and recordkeeping requirements.

1. The authority citation for part 575 continues to read as follows:

Authority: 50 U.S.C. 1701 et seq.; 50 U.S.C. 1601 et seq.; 22 U.S.C. 287c; Public Law 101–513, 104 Stat. 2047–55 (Nov. 5, 1990); 3 U.S.C. 301; E.O. 12722, 55 FR 31803 (Aug. 3, 1990); E.O. 12724, 55 FR 33089 (Aug. 13, 1990).

2. Appendices A and B to part 575 are added to read as follows:

Appendix A—Individuals and Organizations Determined To Be Specially Designated Nationals of the Government of Iraq.

Please note that addresses of companies and persons may change. The addresses listed below are the last ones known to the Office of Foreign Assets Control. Where an address is not listed or someone wishes to check for latest address information, the Office of Foreign Assets Control will assist with any updated information in its possession.

COMPANIES

1. Admincheck Limited, 1 Old Burlington Street, London, England, United Kingdom.

2. Advanced Electronics Development, Ltd., 3 Mandeville Place, London, England, United Kingdom.

3. Al-Arabi Trading Company Limited, Lane 11, Hai Babil, Baghdad District 929, Iraq.

4. Al-Rafidain Shipping Company, Bombay, India.

5. The Arab Petroleum Engineering Company Ltd., Amman, Jordan.

6. Arab Projects Company S.A. Ltd., P.O. Box 1318, Amman, Jordan: P.O. Box 7939, Beirut, Lebanon; P.O. Box 1972, Riyadh, Saudi Arabia.

7. Arab Trans Trade Co. S.A.E., 36, Kaft Abdou Street, Rouchdy, Alexandria 481 638, Egypt.

8. Archi Centre I.C.E. Limited, 3 Mandeville Place, London, England, United Kingdom.

9. Archiconsult Limited, 128 Buckingham Place, London 5, England, United Kingdom.

10. Associated Engineers, England, United Kingdom.

11. A.T.E. International Ltd., f/k/a RWR International Commodities, 3 Mandeville Place, London, England, United Kingdom.

12. Atlas Air Conditioning Company Limited, 55 Roebuck House, Palace Street, London, England, United Kingdom.

13. Atlas Equipment Company Limited, 55 Roebuck House, Palace Street, London, England, United Kingdom.

14. A.W.A. Engineering Limited, 3 Mandeville Place, London, England, United Kingdom.

15. Banco Brasileiro-Iraquiano S.A., Praca Pio X, 54–10o Andar, CEP 20091, Rio de Janeiro, Brazil (Head office and city branch).

16. Bay Industries, Inc., 10100 Santa Monica Boulevard, Santa Monica, California, United States.

17. Dominion International, England, United Kingdom.

18. Endshire Export Marketing, England, United Kingdom.

19. Euromac, Ltd., 4 Bishops Avenue, Northwood, Middlesex, England, United Kingdom.

20. Euromac European Manufacturer Center SRL, Via Ampere 5, 20052 Monza, Italy.

21. Euromac Transporti International SRL, Via Ampere 5, 20052 Monza, Italy.

22. Falcon Systems, England, United Kingdom.

23. Geodesigns, England, United Kingdom.

24. Investacast Precision Castings, Ltd., 112 City Road, London, England, United Kingdom.

25. I.P.C. International Limited, England, United Kingdom.

26. I.P.C. Marketing Limited, England, United Kingdom.

27. Iraqi Airways, Saddam International Airport, Baghdad, Iraq: Opernring 6, 1010 Wien, Vienna, Austria; General Service Agent, Bangladeshi-owned Travel Agency, Dhaka, Bangladesh; Rio de Janeiro, Brazil; Jianguomenwai Diplomatic Housing Compound, Building 7–1, 5th Floor, Apartment 4, Beijing, People's Republic of China; Prague Airport, Prague, Czechoslovakia; Nekazanka 3, Prague 1, Czechoslovakia; Copenhagen, Denmark; Main Eisenhuttenplatz 26, Frankfurt 6, Germany; Rome, Italy; Tokyo, Japan; Casablanca, Morocco; The Netherlands; 27, Ulica Grojecka, Central Warsaw, Poland; Tunis, Tunisia; Ankara, Turkey; Moscow, U.S.S.R.; Abu Dhabi, United Arab Emirates; 4 Lower Regent Street, London SW1Y 4P, United Kingdom; 5825 W. Sunset Blvd. #218, Los Angeles, California 90028, United States; 25040 Southfield Road, Southfield, Michigan 48075, United States; Building 68, J.F.K. International Airport, Jamaica, New York 11430, United States; 1211 Avenue of the Americas, New York, New York 10036, United States; Sanaa, Yemen; Belgrade, Yugoslavia.

28. Iraqi Allied Services Limited, England, United Kingdom.

29. Iraqi Freight Services Limited, England, United Kingdom.

30. Iraqi Reinsurance Company, 31–35 Fenchurch Street, London EC3M 3D, United Kingdom.

31. Iraqi State Enterprise for Foodstuffs Trading, P.O. Box 1308, Colombo 3, Sri Lanka: P.O. Box 2839, Calcutta 700.001, India.

32. Iraqi State Enterprise for Maritime Transport, Bremen, Germany; Amman, Jordan.

33. Iraqi Trade Center, Dubai, United Arab Emirates.

34. Keencloud Limited, 11 Catherine Place, Westminister, London, England, United Kingdom.

35. Matrix Churchill Corporation, 5903 Harper Road, Cleveland, Ohio 44139, United States.

36. Meed International Limited, 3 Mandeville Place, London, England, United Kingdom.

37. Pandora Shipping Co., S.A., Honduras.

38. Petra Navigation & International Trading Co. Ltd., White Star Building., P.O. Box 8362, Amman, Jordan: Armoush Bldg., P.O. Box 485, Aqaba, Jordan; 18 Huda Sharawi Street, Cairo, Egypt; Hai Al Wahda Mahalat 906, 906 Zulak 50, House 14, Baghdad, Iraq.

39. PMK/QUDOS (Liverpool Polytechnic), England, United Kingdom.

40. Rafidain Bank, New Banks' Street, P.O. Box 11360, Massarif, Baghdad, Iraq (227 branches in Iraq): P.O. Box 607, Manama, Bahrain (2 branches in Bahrain); 114 Tahreer Str. Eldukki, P.O. Box 239, Omran Giza, Cairo, Egypt; P.O. Box 1194, Cinema al-Hussein Street, Amman, Jordan; P.O. Box 685, Aqaba, Jordan; P.O. Box 815401, Jabal Amman, Jordan; Mafraq, Jordan; 2nd Floor Sadat Tower, P.O. Box 1891, Beirut, Lebanon (2 branches in Lebanon); Sheikh Khalifa Street, P.O. Box 2727, Abu Dhabi, United Arab Emirates; Rafidain Bank Building, 7-10 Leadenhall Street, London EC3V 1NL, United Kingdom; P.O. Box 10023, Sanaa, Yemen Arab Republic.

41. Rajbrook Limited, England, United Kingdom.

42. Reynolds and Wilson, England, United Kingdom.

43. S.M.I. Sewing Machines Italy S.P.A. Italy.

44. Sollatek, England, United Kingdom.

45. Technology and Development Group Ltd., Centric House 390/391, Strand, London, England, United Kingdom.

46. T.E.G. Limited, 3 Mandeville Place, London, England, United Kingdom.

47. T.M.G. Engineering Limited, Castle Row, Horticultural Place, Chiswick, London, England, United Kingdom.

48. T N K Fabrics Limited, England, United Kingdom.

49. Trading & Maritime Investments, San Lorenzo, Honduras.

50. U.I. International, England, United Kingdom.

51. UNIMAS Shipping, 138 El Geish Road, P.O. Box 44, Alexandria, Egypt.

52. Whale Shipping Ltd., c/o Government of Iraq, State Organization of Ports, Maqal, Basrah, Iraq.

INDIVIDUALS

1. Abbas, Abdul Hussein, Italy.

2. Abbas, Kassim, Italy.

3. Abraham, Trevor, England, United Kingdom.

4. Ahmad, Rasem, P.O. Box 1318, Amman, Jordan.

5. Ahmad, Wallid Issa, Iraq.

6. Al-Amiri, Adnan Talib Hassim, 43 Palace Mansions, Hammersmith, London, England, United Kingdom.

7. Al-Azawi, Dafir, Iraq.

8. Al-Dajani, Leila N.S., P.O. Box 1318, Amman, Jordan.

9. Al-Dajani, Nadim S., P.O. Box 1318, Amman, Jordan.

10. Al-Dajani, Sa'ad, P.O. Box 1318, Amman, Jordan.

11. Al-Habobi, Dr. Safa Haji J., Flat 4D Thorney Court, Palace Gate, Kensington, England, United Kingdom.

12. Ali, Abdul Mutalib, Germany.

13. Allen, Peter Francis, "Greys", 36 Stoughton Lane, Stoughton, Leicestershire, England, United Kingdom.

14. Al-Ogaily, Akram H., Flat 2, St. Ronons Court, 63 Putney Hill, London, England, United Kingdom.

15. Amaro, Joaquim Ferreira, Praca Pio X, 54–10 deg. Andar, CEP 20091, Rio de Janeiro, Brazil.

16. Armoush, Ahmad, White Star Bldg., P.O. Box 8362, Amman, Jordan.

17. Armoush, Ali, White Star Bldg., P.O. Box 8362, Amman, Jordan.

18. Aziz, Fouad Hamza, Pracia Pio X, 54–10 deg. Andar, CEP 20091, Rio de Janeiro, Brazil.

19. Daghir, Ali Ashour, 2 Western Road, Western Green, Thames Ditton, Surrey, England, United Kingdom.

20. Fattah, Jum'a Abdul, P.O. Box 1318, Amman, Jordan.

21. Hand, Michael Brian, England, United Kingdom.

22. Henderson, Paul, 4 Copt Oak Close, Tile Mill, Coventry, Warwickshire, England, United Kingdom.

23. Jon, Hana Paul, 19 Tudor House, Windsor Way, Brook Green, London, England, United Kingdom.

24. Jume'an, George, P.O. Box 1318, Amman, Jordan.

25. Kadhum, Dr. Fadel Jawad, c/o Alvaney Court, 250 Finchley Road, London, England, United Kingdom.

26. Khoshaba, Robert Kambar, 15 Harefield Road, Maidenhead, Berkshire, England, United Kingdom.

27. Mohamed, Abdul Kader Ibrahim, Jianguomenwai Diplomatic Housing Compound, Building 7-1, 5th Floor, Apartment 4, Beijing, People's Republic of China.

28. Omran, Karim Dhaidas, Iraq.

29. Raouf, Khalid Mohammed, Praca Pio X, 54-10 deg. Andar, CEP 20091, Rio de Janeiro, Brazil.

30. Ricks, Roy, 87 St. Mary's Frice, Benfleet, Essex, England, United Kingdom.

31. Schmitt, Rogerio Eduardo, Praca Pio X, 54–10 deg. Andar, CEP 20091, Rio de Janeiro, Brazil.

32. Sim, Gilberto F., Praca Pio X, 54–10 deg. Andar, CEP 20091, Rio de Janeiro, Brazil.

33. Souza, Francisco Antonio, Praca Pio X, 54–10 deg. Andar, CEP 20091, Rio de Janeiro, Brazil.

34. Speckman, Jeanine, England, United Kingdom.

35. Tall, Aktham, P.O. Box 1318, Amman, Jordan.

36. Taveira, A. Arnaldo G., Praca Pio X, 54–10 deg. Andar, CEP 20091, Rio de Janeiro, Brazil.

37. Zahran, Yousuf, P.O. Box 1318, Amman, Jordan.

APPENDIX B.—MERCHANT VESSELS REGISTERED[1]

Vessel name	Ship type	DWT	Call sign
1. Ain Zalah	Tkr	36,330	HNAZ
2. Al Anbar	Tug	NA	YIAV
3. Al Fao	Res	80	YIAN
4. Al Karamah	Tkr	12,882	HNKM
5. Al Khalida	Tkr	7,155	HNKD
6. Al Mansur	Ycht	1,223	HNMR
7. Al Merbid	Svc	4,649	YIMD
8. Al Mosul	Svc	1,219	YIAS
9. Al Najaf	Svc	4,740	YINF
10. Al Nasr	Svc	2,444	DDRH
11. Al Nasr	Tkr	1,502	HNNR
12. Al Omarah	Tug	320	YIAW
13. Al Ramadi	Tug	320	YIAI
14. Al Rasheed	Svc	304	YIBE
15. Al Ratba	Tkr	544	YIBA
16. Al Shumookh	Tug	375	NA
17. Al Waleed	Res	NA	YIBF
18. Al Zab	Tug	NA	YIBH
19. Al Zawraa	Cgo	3,549	HNZW
20. Al-Alyaa	Tug	375	NA
21. Al-Amin	Tug	368	YIAM
22. Al-Baath	Tkr	9,928	HNBT
23. Al-Bakr	Res	390	YIBR
24. Al-Bayaa	Brg	1,662	HNHB
25. Al-Entisar	Tug	375	NA
26. Al-Hather	Tug	368	YIHR
27. Al-Karrkh	Tug	368	YIKH
28. Al-Khalij Al-Arabi	Svc	4,740	YIKA
29. Al-Nohoodh	Tug	375	YINU
30. Al-Qadisiya	Ycht	100	HNKS
31. Al-Ressafa	Tug	368	YIRF
32. Al-Sahil Al-Arabi	Svc	6,396	NHSA
33. Al-Thirthar	Tkr	524	YITH
34. Al-Wahdah	Tug	149	YIWH
35. Alabid	Brg	1,662	HNDB
36. Aledreesi	Cgo	3,550	HNID
37. Alfarabi	Cgo	8,342	HNFB
38. Alfarahidi	Tkr	149,441	HNFR
39. Alfidaa	Brg	1,662	HNFD
40. Alkhansaa	Cgo	3,525	HNKN
41. Alkindi	Cgo	8,342	HNKI
42. Almustansiriyah	Tkr	155,210	HNMS
43. Almutanabbi	Tkr	130,241	HNMB
44. Alnajaf	Svc	4,740	YINF
45. Alqadisiyah	Tkr	155,210	HNQS
46. Alsumood	Svc	6,977	YISD
47. Alttaawin Alarabi	Cgo	13,634	HNAI
48. Alwahda	Brg	1,662	HNAD
49. Alwasitti	Cgo	8,343	HNWS
50. Alyarmuk	Tkr	149,371	HNYK
51. Alzubair	Svc	4,640	YIZR
52. Amuriyah	Tkr	155,210	HNAM
53. Antara	Svc	508	YIBD
54. Arbeel	Tug	320	YIBB
55. Baba Gurgur	Tkr	36,397	HNGR
56. Babylon	Cgo	13,656	HNBB
57. Badr 7	Svc	647	NA
58. Baghdad	Svc	2,900	YIAD
59. Baghdad	Cgo	13,656	HNBD
60. Balqees	RO/RO	3,985	HNBL
61. Basra	Svc	2,906	YIAB
62. Basrah	Cgo	13,656	HNBS
63. Buzurgan	Tkr	36,400	HNBR
64. Damascus	Tug	149	YIDS
65. Damen Gorinchem 5716	Svc	NA	NA
66. Damen Gorinchem 5717	Svc	NA	NA
67. Damen Gorinchem 5718	Svc	NA	NA
68. Deyala	Tug	350	YIBJ
69. Dijlah	Tug	356	HNDJ
70. Diving Launch 1	Svc	NA	NA
71. Diwaniya	Tug	350	YIBK
72. Dockan	Tkr	528	YIDN
73. Dump Barge I	Svc	1,330	J8IY
74. Dump Barge II	Svc	1,330	J8IZ
75. Dump Barge III	Svc	1,330	J8JA
76. Fire Boat No. 705	Svc	NA	NA
77. Fire Boat No. 706	Svc	NA	NA
78. Forel	Fsh	1,163	HNFL
79. Furat	Tug	350	HNFT
80. Gaza	Svc	2,422	YIGZ
81. Hamdan	Tug	387	YIHM
82. Heet	Tug	89	NA
83. Hillah	Svc	6,709	YIAR
84. Himreen	Svc	508	YIHN
85. Hittin	Tkr	155,210	HNHT
86. Ibn Khaldoon	Svc	12,670	HNIN
87. Ibn Majid 6	Svc	NA	NA
88. Imhejran	Tug	386	YIMH
89. Jahha	Tug	244	YIJA
90. Jambur	Tkr	35,338	HNJM
91. Jamhoria	Tug	368	YIJR
92. Kefal	Fsh	1,170	HNKL
93. Kerbala	Svc	NA	NA
94. Khalid Ibin Al Waleed	Svc	2,235	YIBM
95. Khanaqin	Tkr	35,338	HNKQ
96. Khawla Bint Al Zawra	RO/RO	3,985	HNKN
97. Kirkuk	Tkr	35,338	HNKK
98. Mandali	Svc	6,977	YIQS
99. Maysaloon	Tug	368	YIMY
100. Measan	Tug	310	YIMN
101. Methaq	Tug	248	YIMQ
102. Moon Lady	RO/RO	3,985	HNNZ
103. Nagroor	Fsh	140	NA
104. Nainawa	Tug	310	YINW
105. Nisr	Svc	744	YISR
106. No. 1	SVc	30	NA
107. No. 2	Svc	30	NA
108. Nuwaibi	Fsh	140	NA
109. Ohod 5	Svc	NA	NA
110. Ohod 6	Svc	NA	NA
111. Ohod 7	Svc	NA	NA
112. Orooba	Tug	368	YIOB
113. Otori Maru No. 2	Svc	NA	NA
114. Palestine	Svc	4,649	YIFN
115. Pilot 393	Svc	NA	NA
116. Pilot 394	Svc	NA	NA
117. Police 1	Ptrl	NA	NA
118. Police 2	Ptrl	NA	NA
119. Police 3	Ptrl	NA	NA
120. Radhwa 18	Tug	NA	NA
121. Radhwa 19	Tug	NA	NA
122. Radhwa 20	Tug	NA	NA
123. Robian	Fsh	129	NA
124. Rumaila	Tkr	36,330	HNRM
125. Saif Saad	Svc	742	NA
126. Samarra	Fer	NA	YIBC
127. Sanam	Svc	508	YISM
128. Sboor	Fsh	129	HRN2
129. Seabank	Fsh/Cgo	6,953	HQHR4
130. Seamusic II	Cgo	26,732	9HYH2
131. Sebaa Nissan	Tug	368	YISN
132. Shaboot	Fsh	1,163	HNLK
133. Shatt al Basrah	Fsh	404	HNSR
134. Shorook	Svc	403	YISH
135. SHU' Alah	Tug	NA	NA
136. Sihan	Tug	387	YISI
137. Sinai	Svc	1,286	NA
138. Sinjar	Svc	NA	YIAY
139. Sky Sea	Cgo	8,334	HNRZ
140. Solnechnik	Fsh	404	UOJE
141. Sulaimaniyah	Svc	NA	YIAG
142. Survey Launch No. 1	Res	NA	NA
143. Survey Launch No. 2	Res	NA	NA
144. Survey Launch No. 3	Res	NA	NA
145. Tadmur	Tkr	3,627	HNTD
146. Tahreer	Svc	4,649	YITR
147. Tarik Ibn Ziyad	Tkr	118,139	HNTZ
148. Theeqar	Tug	220	YIAC
149. Ur	Tug	368	YIUR
150. Work Boat No. 6	Brg	NA	NA
151. Workship 3	Svc	NA	NA
152. Yanbu 31	Svc	NA	NA
153. Yousifan	Tug	386	YIYN
154. Zain Al Qaws	Cgo	9,247	HNZQ
155. Zamzam	Tkr	544	YIAZ
156. Zanoobia	Cgo	3,549	HNZN
157. Zubaidy	Fsh	NA	YIBO
158. 1 Athar	Tkr	1,502	HNAR
159. 1 Hurizan	Tkr	1,502	HNHN
160. 7 Nissan	Tkr	1,502	HNHN

[1] Owned, Or Controlled by the Government of Iraq or by Persons Acting Directly or Indirectly on Behalf of the Government of Iraq.

Note—All ships listed or Iraqi-flagged unless otherwise indicated. "NA" is listed where information is not available.

Vessel name	Owner
1. Ain Zalah	Iraqi Oil Tankers Company, Basrah, Iraq.
2. Al Anbar	Government of the Republic of Iraq. Managed by the State Organization of Iraqi Ports, Basrah, Iraq.
3. Al Fao	State Org. of Iraqi Ports.
4. Al Karamah	Iraqi Oil Tankers Company.
5. Al Khalida	Do.
6. Al Mansur	Iraqi State Enterprise for Water Transport.
7. Al Merbid	State Org. of Iraqi Ports.
8. Al Mosul	Do.
9. Al Najaf	Do.
10. Al Nasr	Do.
11. Al Nasr	Iraqi Oil Tanker Company.
12. Al Omarah	State Org. of Iraqi Ports.
13. Al Ramadi	Do.
14. Al Rasheed	Do.
15. Al Ratba	Do.
16. Al Shumookh	Do.
17. Al Waleed	Do.
18. Al Zab	Do.
19. Al Zawraa	Iraqi State Enterprise for Water Transport, Baghdad.
20. Al-Alyaa	State Org. of Iraqi Ports.
21. Al-Amin	Do.
22. Al-Baath	Iraqi Oil Tankers Company.
23. Al-Bakr	State Org. of Iraqi Ports.
24. Al-Bayaa	Iraqi State Enterprise for Water Transport. Formerly the Hiboob.
25. Al-Entisar	Iraqi Org. of Iraqi Ports.
26. Al-Hather	Do.
27. Al-Karrkh	Do.

Vessel name	Owner
28. Al-Khalij Al Arabi	Do.
29. Al-Nohoodh	Do.
30. Al-Qadisiya	Iraqi State Enterprise for Water Transport.
31. Al-Ressafa	State Org. of Iraqi Ports.
32. Al-Sahil Al-Arabi	Iraqi State Enterprise for Sea Fisheries, Basrah, Iraq.
33. Al-Thirthar	State Org. of Iraqi Ports.
34. Al-Wahdah	Do.
35. Alabid	Iraqi State Enterprise for Water Transport. Formerly the Sanabul.
36. Aledreesi	Iraqi State Enterprise for Water Transport.
37. Alfarabi	Do.
38. Alfaahidi	Iraqi Oil Tankers Company.
39. Alfidaa	Iraqi State Enterprise for Water Transport. Formerly the Silowat.
40. Alkhansaa	Iraqi State Enterprise for Water Transport.
41. Alkindi	Do.
42. Almustansiriyah	Iraqi Oil Tankers Company.
43. Almutanabbi	Do.
44. Alnajaf	State Org. of Iraqi Ports.
45. Alqadisiyah	Iraqi Oil Tankers Company.
46. Alsumood	State Org. of Iraqi Ports.
47. Alttaawin Alarabi	Iraqi State Enterprise for Water Transport.
48. Alwahda	Do.
49. Alwasitti	Do.
50. Alyarmuk	Iraqi Oil Tankers Company.
51. Alzubair	State Org. of Iraqi Ports.
52. Amuriyah	Iraqi Oil Tankers Company.
53. Antara	State Org. of Iraqi Ports.
54. Arbeel	Do.
55. Baba Gurgur	Iraqi Oil Tankers Company.
56. Babylon	Iraqi State Enterprise for Water Transport. Government of the Republic of Iraq, Ministry of Oil, State.
57. Badr 7	Company for Oil Projects, Baghdad, Iraq. (flag: Saudi Arabia).
58. Baghdad	State Org. of Iraqi Ports.
59. Baghdad	Iraqi State Enterprise for Water Transport.
60. Balqees	State Organization of Iraqi Government.
61. Basra	State Org. of Iraqi Ports.
62. Basrah	Iraqi State Enterprise for Water Transport.
63. Buzurgan	Iraqi Oil Tankers Company.
64. Damascus	State Org. of Iraqi Ports.
65. Damen	Do.
Gorinchem 5716	Do.
66. Damen Gorinchem 5717.	Do.
67. Damen Gorinchem 5718.	Do.
68. Dayala	Do.
69. Dijlah	Do.
70. Diving Launch 1	Do.
71. Diwaniya	Do.
72. Dockan	Do.
73. Dump Barge I	Whale Shipping Ltd., c/o State Org. of Iraqi Ports (flag: Gibralter).
74. Dump Barge II	Do.
75. Dump Barge III	Do.
76. Fire Boat No. 705	State Org. of Iraqi Ports.
77. Fire Boat No 706	Do.
78. Forel	Rafidain Fisheries Co. Ltd., Basrah, Iraq.
79. Furat	State Org. of Iraqi Ports.
80. Gaza	Do.
81. Hamdan	Do.
82. Heet	Do.
83. Hillah	Do.
84. Himreen	Do.
85. Hittin	Iraqi Oil Tankers Company.
86. Ibn Khaldoon	State Org. of Iraqi Ports.
87. Ibn Majid 6	Iraqi State Company for Oil Projects (flag: Saudi Arabia).
88. Imhejran	State Org. of Iraqi Ports.
89. Jabha	Do.
90. Jambur	Iraqi Oil Tankers Company.
91. Jamhoria	State Org. of Iraqi Ports.
92. Kefal	Rafidain Fisheries Co. Ltd.
93. Kerbala	State Org. of Iraqi Ports.
94. Khalid Ibin Al Waleed.	Do.
95. Khanaqin	Iraqi Oil Tankers Company.
96. Khawla Bint Al Zawra.	Iraqi State Enterprise for Water Transport.
97. Kirkuk	Iraqi Oil Tankers Company.
98. Mandali	State Org. of Iraqi Ports. Formerly the Alkadisiyah.
99. Maysaloon	State Org. of Iraqi Ports.
100. Measan	Do.
101. Methaq	Do.
102. Moon Lady	Pandora Shipping Co., S.A., Honduras, Managed by Petra Navigation & International Trading Co. Ltd., Amman, Jordan, Formerly the Iraqi-owned AL–ZAHRAA. (flag: Honduras).
103. Nagroor	Government of the Republic of Iraq, Ministry of Agriculture & Agrarian Reform, State Fisheries Company, Baghdad, Iraq.
104. Nainawa	State Org. of Iraqi Ports.
105. Nisr	Do.
106. No. 1	Do.
107. No. 2	Do.
108. Nuwaibi	Iraqi State Fisheries Co.
109. Ohod 5	Iraqi State Company for Oil Projects (flag: Saudi Arabia).
110. Ohod 6	Do.
111. Ohod 7	Do.
112. Orooba	State Org. of Iraqi Ports.
113. Otori Maru No. 2	Do.
114. Palestine	Do.
115. Pilot 393	Do.
116. Pilot 394	Do.
117. Police 1	Do.
118. Police 2	Do.
119. Police 3	Do.
120. Radhwa 18	Iraqi State Company for Oil Projects.
121. Radhwa 19	Do.
122. Radhwa 20	Do.
123. Robian	Iraqi State Fisheries Company.
124. Rumaila	Iraqi Oil Tankers Company.
125. Saif Saad	State Org. of Iraqi Ports.
126. Samarra	Do.
127. Sanam	Do.
128. Sboor	Iraqi State Fisheries Company.
129. Seabank	Trading & Maritime Investments, Honduras. Managed by Arab Trans Trade Co. S.A.E., Alexandria Egypt. Formerly the Iraqi-owned AL-BAHAR AL-ARABI (flag: Honduras).
130. Seamusic II	Seamusic Shipping Co. Ltd., c/o Thenamaris Ships Management Inc., Athens, Greece. Vessel Seized by Government of Iraq. (flag: Malta).
131. Sebaa Nissan	State Org. of Iraqi Ports.
132. Shaboot	Rafidain Fisheries Co., Ltd.
133. Shatt al Basrah	Iraqi State Fisheries Company.
134. Shorook	State Org. of Iraqi Ports.
135. SHU' Alah	Do.
136. Sihan	Do.
137. Sinai	Do.
138. Sinjar	Do.
139. Sky Sea	Pandora Shipping Co. S.A., Honduras. Managed by Petra Navigation & International Trading Co. Ltd., Amman, Jordan. Formerly the Iraqi-owned ALRAZI. (flag: Honduras).
140. Solnechnik	Iraqi State Fisheries Company.
141. Sulaimaniyan	State Org. of Iraqi Ports.
142. Survey Launch No. 1.	Do.
143. Survey Launch No. 2.	Do.
144. Survey Launch No. 3.	Do.
145. Tadmur	Iraqi Oil Tankers Company.
146. Tahreer	State Org. of Iraqi Ports.
147. Tarik Ibn Ziyad	Iraqi Oil Tankers Company.
148. Theeqar	State Org. of Iraqi Ports.
149. Ur	Do.
150. Work Boat No. 6	Do.
151. Workship 3	Do.
152. Yanbu 31	Iraqi State Company for Oil Projects (flag: Saudi Arabia).
153. Yousifan	State Org. of Iraqi Ports.
154. Zain Al Qaws	Iraqi State Enterprise for Water Transport.
155. Zamzam	State Org. of Iraqi Ports.
156. Zanoobia	Iraqi State Enterprise for Water Transport.
157. Zubaidy	State Org. of Iraqi Ports.
158. 1 Athar	Iraqi Oil Tankers Company.
159. 1 Hurizan	Do.
160. 7 Nissan	Do.

Mr. McCAIN. Mr. President, the United Nations' Special Commission in Iraq has uncovered far more missiles and weapons plants than experts had previously suspected. Iraq had disguised them well. In a report prepared by my staff, titled "Iraq and Weapons of Mass Destruction," it is noted:

> In late 1991, Iraq had declared seven missile facilities, no biological or nuclear weapons facilities, and 11 chemical weapons facilities.

United Nations experts now talk about 52 missile storage, assembly, and maintenance facilities, 13 facilities associated with biological weapons, 48 facilities associated with chemical weapons, and 20 facilities associated with nuclear weapons. These may still be low estimates. Some U.S. Government experts privately talk about a list of 200 such facilities.

Iraq's most egregious violations of international law have been its lying about its nuclear program, its deceptive efforts to conceal the program, and its complete disregard for its obligations as a signatory to the Non-Proliferation Treaty. Its violations of the Non-Proliferation Treaty include principally the violation of its pledge to remain a nonnuclear weapons state.

Thanks to the United Nations investigations in Iraq, the international community has learned the hard lesson that being an NPT signatory does not mean compliance with NPT terms. We need to reinforce the NPT regime, applying the lessons we have learned. We also need to strengthen the International Atomic Energy Agency and give it more muscle—more intrusive inspections authority, a ready inspection team, and more random inspections. These remedies will help prevent the reoccurrence of another Iraq elsewhere.

THE THREAT FROM IRAN

Let me move on to Iran, the other great threat in the Middle East.

Iran's important geostrategic position, its population, and its natural resources provide it with a great potential for influence in the region. In recognition of this, Iranian policies have focused on acquiring, extending, and exercising its influence. Yet, Iranian goals have diverged greatly from those of the peace-seeking members of the international community.

Iran has been a parish state since 1979 when it demonstrated its contempt for international law by seizing the United States Embassy in Tehran. It has continued to demonstrate its contempt for globally accepted norms via its support for terrorism and hostage-taking in Lebanon, and its support for Moslem radicals who have fostered instability throughout the Middle East and North Africa. Even within its own borders, it violates basic human rights in its persecution of its Bahai minority.

Iran is no friend of peace. In addition to the instability it continues to promote throughout the world, Iran has labored furiously to sabotage the Middle East peace process. While it campaigns against Israel, it actively supports the proliferation of arms among Moslem states.

The Iranian Deputy President—Ayatollah Mohajerani—has pledged that—

> * * * because the enemy (Israel) has nuclear facilities, the Muslim states, too, should be equipped with the same capacity. I am not talking only about one Muslim country, but rather the entirety of the Muslim states * * * In other words, the atomic capacity of Muslims and Israel should be at par.

Unlike Iraq, Iran has been free to stockpile missiles, biological and chemical weapons, and advanced arms. It is spending vast sums of money on the procurement of arms to put teeth into its peace-threatening program. While a lot of those funds are going to expanding a conventional capability, a significant portion is going toward nuclear, biological, chemical, and missile-type weapons.

Iran is seeking such technology all over the world, just as Iraq did before it. Reports have surfaced over the past year of extensive Chinese technical support to Iran's nuclear weapons program. In addition, Iran has been negotiating with China for a license to produce advanced medium-range ballistic missiles. Further to the east, Iran has negotiated with North Korea for a supply of SCUD missiles.

Iran is active in the Western Hemisphere. Last October the periodical Nucleonics Week reported that Iran and Cuba had signed an agreement in September for the exchange of information on nuclear technology. The first of Cuba's two nuclear reactors is scheduled to begin operation in 1993. The cooperation of these states should raise red flags worldwide!

THE NEED FOR AN EFFECTIVE ARMS CONTROL REGIME

Mr. President, we must act on what we have learned from the Iran-Iraq war and the Persian Gulf war. We must accept the fact that a tougher international arms control regime is necessary, and that it must be targeted against the states that are the real threats to peace.

Viewed in that light, the legislation that Senator GORE and I propose is moderate. It gives the President wide discretion in the sanctions he can use without depriving the legislation of teeth that no merchant of mass destruction can avoid.

At the same time, it builds upon legislation we have already passed dealing with proliferation. It reflects the lessons of recent analysis of the historical implementation and consequent effectiveness of various types of sanctions. The sanctions in this legislation are harsh enough to punish the proliferators of dangerous weaponry, yet flexible enough to allow their implementation by the President.

These points are important because we cannot simply impose sanctions without regard for our allies, but we also cannot rely on business as usual, or worry about the sensitivities of foreign merchants of mass destruction. There is no—I repeat—there is no case for selling advanced arms to Iran and Iraq. None.

Put simply, if we do not pass such legislation, and rely on words instead of actions, threats will build up that sooner or later will kill our friends in the gulf, kill our friends in Israel, and kill our own men and women in uniform. Our choice is simple. Act now, or fight another war tomorrow.

Mr. President, I ask unanimous consent that the text of the Iran-Iraq arms control bill be printed in the RECORD, along with two papers regarding Iran and Iraq and weapons of mass destruction.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2543

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. AMENDMENT TO THE FOREIGN RELATIONS AUTHORIZATION ACT, FISCAL YEARS 1992 AND 1993.

The Foreign Relations Authorization Act, Fiscal Years 1992 and 1993, is amended by adding at the end thereof the following new title:

"TITLE VI—IRAN-IRAQ ARMS NON-PROLIFERATION ACT OF 1992

"SEC. 601. SHORT TITLE.

"This title may be cited as the 'Iran-Iraq Arms Non-Proliferation Act of 1992'.

"SEC. 602. POLICY.

"(a) IN GENERAL.—It shall be the policy of the United States to oppose any transfer of any goods or technology, including dual-use goods or technology, to Iraq or Iran wherever there is reason to believe that any such transfer could contribute to that country's acquiring chemical, biological, or nuclear weapons or advanced conventional weapons.

"(b) PUBLIC IDENTIFICATION.—The Congress calls on the President to identify publicly any country or person that transfers goods or technology to Iraq or Iran contrary to the policy described in subsection (a).

"SEC. 603. APPLICATION OF IRAQ SANCTIONS TO IRAN.

"The sanctions in effect against Iraq under paragraphs (1) through (4) of section 586G of the Iraq Sanctions Act of 1990 (as contained in Public Law 101-513), including denial of export licenses for United States persons and prohibitions on United States Government sales, shall apply to the same extent and in the same manner to Iran, except that the President may not exercise the waiver authority of section 586H of such Act with respect to such sanctions for Iran or Iraq, notwithstanding any other provision of law.

"SEC. 604. SANCTIONS AGAINST FOREIGN PERSONS.

"(a) PROHIBITION.—If any foreign person transfers goods or technology so as to contribute knowingly or materially to the efforts by Iran, Iraq, or any agency or instrumentality thereof to acquire the weapons, defense systems, or technology described in section 602, then—

"(1) such person shall be subject to the sanctions set forth in subsection (b); and

"(2) the President is authorized to apply against such person, in the discretion of the President, the sanction set forth in subsection (c).

"(b) MANDATORY SANCTIONS.—The sanctions referred to in subsection (a)(1) are as follows:

"(1) For a period of 2 years the United States Government shall not procure, or enter into any contract for the procurement of, any goods or services from the foreign person or any parent, subsidiary, affiliate, or successor entity thereof.

"(2) No license shall be approved for the export by or to such foreign person for a period of 2 years.

"(c) DISCRETIONARY SANCTION.—The sanction referred to in subsection (a)(2) is that the importation into the United States of any articles which are the growth, product, or manufacture—

"(1) of that person, or

"(2) of any other person that has equity or interest in such foreign person,

may be prohibited for such period of time as the President may determine.

"SEC. 605. SANCTIONS ON THIRD COUNTRY TRANSFERS.

"(a) PROHIBITION.—If any foreign country transfers, or permits the transfer from its territory, of goods or technology so as to contribute knowingly or materially to the efforts by Iran, Iraq, or any agency or instrumentality thereof to acquire the weapons, defense systems, or technology described in section 602, then—

"(1) such country shall be subject to the sanctions set forth in subsection (b); and

"(2) the President is authorized to apply against such country, in his discretion, the sanctions set forth in subsection (c).

"(b) MANDATORY SANCTIONS.—The sanctions referred to in subsection (a)(1) are as follows:

"(1) SUSPENSION OF UNITED STATES ASSISTANCE.—The United States Government shall suspend for a period of one year any United States assistance to the sanctioned country except for urgent humanitarian assistance and food or other agricultural commodities or products.

"(2) MULTILATERAL DEVELOPMENT BANK ASSISTANCE.—The Secretary of the Treasury shall instruct United States executive directors to the appropriate international financial institutions, in accordance with section 701 of the International Financial Institutions Act (22 U.S.C. 262d), to oppose, and vote against, for a period of two years, the extension of any loan or financial or technical assistance to the sanctioned country by such institutions.

"(3) TERMINATION OF CODEVELOPMENT OR COPRODUCTION AGREEMENTS.—All obligations of the United States under any memorandum of understanding (MOU) with the sanctioned country for the codevelopment or coproduction of any item on the United States Munitions List (established under section 38 of the Arms Export Control Act) shall be null and void, including any obligation for implementation of the MOU through the sale to the sanctioned country of technical data or assistance or the licensing for export to the sanctioned country of any component part.

"(4) TERMINATION OF TECHNICAL EXCHANGE AGREEMENTS.—Any technical exchange agreement entered into between the United States and a sanctioned country shall have no force or effect within the United States, and no technology may be exported from the United States to a sanctioned country.

"(c) DISCRETIONARY SANCTIONS.—The sanctions referred to in subsection (a)(2) are as follows:

"(1) DENIAL OF MOST-FAVORED-NATION STATUS.—Notwithstanding any other provision of law, the President may suspend the application of nondiscriminatory trade treatment (most-favored-nation status) to the sanctioned country.

"(2) BLOCKING INTERNATIONAL FINANCIAL TRANSACTIONS.—The President may exercise the authorities of the International Emergency Economic Powers Act to prohibit any transaction involving any property in which the sanctioned country or any national thereof has any interest whatsoever except for the purchase of food or other agricultural commodities or products.

"(3) PRESIDENTIAL ACTION REGARDING AVIATION.—(A)(i) The President is authorized to notify the government of a sanctioned country of his intention to suspend the authority of foreign air carriers owned or controlled by the government of that country to engage in foreign air transportation to or from the United States.

"(ii) Within 10 days after the date of notification of a government under clause (i), the Secretary of Transportation is authorized to take all steps necessary to suspend at the earliest possible date the authority of any foreign air carrier owned or controlled, directly or indirectly, by that government to engage in foreign air transportation to or from the United States, notwithstanding any agreement relating to air services.

"(B)(i) The President may direct the Secretary of State to terminate any air service agreement between the United States and a sanctioned country, in accordance with the provisions of that agreement.

"(ii) Upon termination of an agreement under this subparagraph, the Secretary of

Transportation is authorized to take such steps as may be necessary to revoke at the earliest possible date the right of any foreign air carrier owned, or controlled, directly or indirectly, by the government of that country to engage in foreign air transportation to or from the United States.

"(C) The Secretary of Transportation may provide for such exceptions from subparagraphs (A) and (B) as the Secretary considers necessary to provide for emergencies in which the safety of an aircraft or its crew or passengers is threatened.

"(D) For purposes of this paragraph, the terms 'air transportation', 'air carrier', 'foreign air carrier', and 'foreign air transportation' have the meanings such terms have under section 101 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301).

"(4) PROHIBITION ON VESSELS THAT ENTER PORTS OF SANCTIONED COUNTRIES TO ENGAGE IN TRADE.—

"(A) IN GENERAL.—Beginning on the 10th day after a sanction is imposed under this Act against a country, a vessel which enters a port or place in the sanctioned country to engage in the trade of goods or services may not, if the President so requires, within 180 days after departure from such port or place in the sanctioned country, load or unload any freight at any place in the United States.

"(B) DEFINITIONS.—As used in this paragraph—

"(i) the term 'vessel' includes every description of water craft or other contrivance used, or capable of being used, as a means of transportation in water, but does not include aircraft; and

"(ii) the term 'United States' includes the territories and possessions of the United States and the customs waters of the United States (as defined in section 401 of the Tariff Act of 1930 (19 U.S.C. 1401)).

"SEC. 606. WAIVER.

"The provisions of sections 604 and 605 shall not apply with respect to a specific foreign person or country if the President determines, and so reports to the Congress, that to do so would jeopardize the national security interests of the United States.

"SEC. 607. REPORTING REQUIREMENT.

"(a) ANNUAL REPORT.—Beginning one year after the date of enactment of this Act, and every 12 months thereafter, the President shall submit a report to the Congress detailing—

"(1) all transfers made during the preceding 12-month period which are subject to any sanction under this title, whether by a foreign government, a United States person, or a foreign person; and

"(2) the actions the President intends to undertake or has undertaken under the provisions of this Act with respect to such transfers.

"(b) REPORT ON INDIVIDUAL TRANSFERS.—Whenever the President determines that a United States person or foreign person or foreign government has made a transfer which is subject to any sanction under this title, the President shall, within 30 days of such transfer, submit to the Congress a report—

"(1) identifying the United States person or foreign person or government and providing the details of the transfer; and

"(2) describing the actions the President intends to undertake or has undertaken under the provisions of this Act with respect to each such transfer.

"(c) FORM OF TRANSMITTAL.—Reports required by this section may be submitted in classified as well as in unclassified form.

"SEC. 608. CONSTRUCTION.

"Nothing in this title may be construed to prohibit the application of any other sanction against Iraq, Iran, or any sanctioned country which may be imposed pursuant to any other provision of law.

"SEC. 609. DEFINITIONS.

"For purposes of this title—

"(1) the term 'advanced conventional weapons' includes—

"(A) long-range precision-guided munitions, fuel air explosives, cruise missiles, low observability aircraft or other radar evading aircraft, military satellites, electro-magnetic weapons, and laser weapons, and

"(B) advanced command, control and communications systems, electronic warfare systems, or intelligence collection systems that the President determines destabilizes the military balance or enhances offensive capabilities in destabilizing ways,

except that the President may by regulation add or remove from this paragraph such items or systems as he may determine necessary;

"(2) the term 'cruise missile' means guided missiles that use aerodynamic lift to offset gravity and propulsion to counteract drag;

"(3) the term 'export' means—

"(A) an actual shipment, transfer, or transmission of goods or technology out of the United States;

"(B) a transfer of goods or technology in the United States to an embassy or affiliate of a controlled country; or

"(C) a transfer to any person of goods or technology either within the United States or outside of the United States with the knowledge or intent that the goods or technology will be shipped, transferred, or transmitted to an unauthorized recipient;

"(4) the term 'foreign person' means any person other than a United States person;

"(5) the term 'good' means any article, natural or manmade substance, material, supply or manufactured product, including inspection and test equipment, and excluding technical data;

"(6) the term 'person' means any individual, partnership, corporation, or other form of association;

"(7) the term 'sanctioned country' means a country against which the sanctions of section 604 are required to be imposed;

"(8) the term 'technology' means the information and know-how (whether in tangible form, such as models, prototypes, drawings, sketches, diagrams, blueprints, or manuals, or in intangible form, such as training or technical services) that can be used to design, produce, manufacture, utilize, or reconstruct goods, including computer software and technical data, but not the goods themselves;

"(9) the term 'United States assistance' means—

"(A) assistance under the Foreign Assistance Act of 1961;

"(B) sales, credits, and guarantees under the Arms Export Control Act;

"(C) sales and donations of agricultural commodities under the Agricultural Trade Development and Assistance Act of 1954;

"(D) financing by the Commodity Credit Corporation for export sales of agricultural commodities; and

"(E) financing under the Export-Import Bank Act of 1945; and

"(10) the term 'United States person' means any United States resident or national (other than an individual resident outside the United States and employed by other than a United States person), any domestic concern (including any permanent domestic establishment of any foreign concern) and any foreign subsidiary or affiliate (including any permanent foreign establishment) of any domestic concern which is controlled in fact by such domestic concern, as determined under regulations of the President.".

IRAN AND WEAPONS OF MASS DESTRUCTION

(By Anthony H. Cordesman)

Iran has long sought weapons of mass destruction, and the means to deliver them, although its efforts cannot be compared to Iraq. Iran has lacked the resources to finance a massive world-wide purchasing effort, and its revolutionary turmoil has limited its access to foreign technology and the efficiency of its industrial base. Iran has, however, sought long range missiles, produced chemical weapons, developed biological weapons, and made efforts to acquire nuclear weapons.

IRAN'S LONG RANGE MISSILE PROGRAMS

Iran relied on its force under the Shah, and made no effort to acquire long range missiles until the beginning of the Iran-Iraq War. Iraq began to fire FROG–7s at Iranian positions during the first weeks of the Iran-Iraq conflict, however, and Iran responded by making a major effort to develop and employ its own long range unguided rockets. This effort had made considerable progress by the mid-1980s. Iran claimed that it had over 100 factories manufacturing some sort of part or equipment for missiles and rockets, with major production facilities at Sirjan and a launch facility at Rafsanjan. These reports are unquestionably exaggerated, but Iran did succeed in 1985 in producing its own version of a Chinese Type-83 artillery rocket, which it called the Oghab. It also tried to develop its an original design for long range rocket, which it called the Iran-130.[1]

Iran used the Oghab in combat almost as soon as it entered production. It made about 325 Oghab rockets, and to have fired roughly 260–270 rockets out of this total between 1985 and the cease-fire in the Iran-Iraq War August, 1988. The Oghabs only had a range of 40 kilometers, however, and they lacked the range and/or accuracy to hit anything smaller than large area targets like assembly areas and cities. The Oghabs also had only a 70–300 kilogram warhead, and their operational CEP proved to be in excess of 1,000 meters.[2] Further, Iran had no way to accurately target the Oghab. The most it could do was to launch the Oghab's at the Iraqi cities near the border. These targets included Basra, Abu al-Khasib, Al-Zuybar, Umm-Qasr, Mandali, Khanaqin, and Banmil, but the Oghab had such a small warhead that ever successful hits in urban areas only did minor damage. Such strikes had far less effect than artillery barrages.[3]

Iran failed to develop and produce its longer range IRAN–130 in any numbers. The full details of this system remain unclear, but it seems to have been an attempt to use commercially available components and a simple inertial guidance system to build a missile that could reach ranges of about 80 miles (130 kilometers).[4] In practice, the "missile" was little more than a solid fuel free rocket with a jury-rigged guidance system. It proved highly unreliable, and only reached a maximum range of about 120 kilometers. It had very poor reliability and accuracy, and its payload only seems to have been several hundred kilograms at most. Some IRAN 130s were deployed to the regular Pasdaran, and the first such missiles were

---

Footnotes at end of article.

fired against Al-Amarah on March 19, 1988. Four more were fired against the city in April, but it is unclear that any of these strikes hit their targets or had any tactical effect.

in contrast to free rockets, Iranian efforts to use the Soviet-designed Scud B guided missile did have an impact on the war. The Scud B is a relatively old design and first became operational in 1967, and has a maximum range of 290–310 kilometers with its normal conventional payload, and a maximum flight time of 325 seconds.[5] The missile is 11.25 meters long, is 85 centimeters in diameter, and weighs 6,300 kilograms, and has a warhead weighing about 1,000 kilograms, of which 800 kilograms are high explosive and 200 are the warhead structure and fusing system.[6] It has a single stage storable liquid rocket engine and is usually deployed on the MAZ–543 eight wheel transport-erector-launcher (TEL). It has a strap-down inertial guidance using three gyros to correct its ballistic trajectory, and uses internal graphite jet vane steering. It has a warhead that detaches from the missile body during the final fall towards target. This provides added stability and allows the warhead to hit a velocity above Mach 1.5.[7]

Iran fired its first Scuds in March, 1985. It fired as many as 14 Scuds in 1985, 8 in 1986, 18 in 1987, and 77 in 1988. These missile attacks initially were more effective than those of Iraq. All of Iraq's major cities were comparatively close to its border with Iran, but Tehran and most of Iran's major cities that had not already been targets in the war were outside the range of Iraqi Scud attacks. Iran could never exploit its range advantage, however, because it lacked the number of missiles needed to sustain frequent attacks or deliver large amounts of high explosive at a given time, and Iraq had vastly superior air resources it could use as a substitute for or supplement to missile attacks. Further, most Iranian missiles struck outside Baghdad.[8] Even the missiles that did hit inside the city often hit in open spaces, and even direct hits on buildings rarely produced high casualties. Iran never hit any of its proclaimed major targets.

Like Iraq, Iran sought to improve the capabilities of its Scuds through out most of the 1980s. Iran, however, had no real success in developing longer range missiles during the Iran-Iraq War, and its wartime claims to be manufacturing Scuds in Iran were false. Although Iran claimed during the course of 1985–1988 that it had over 100 factories manufacturing some sort of part or equipment for missiles and rockets, it failed to demonstrate any production capability as late as 1991.[9]

This failure to develop a longer range Scud explains Iran's interest in the PRC's "M–9" and "M–11" group of missiles, and surface-to-surface conversions of surface-to-air missiles during.[10] It also explains why Iran is importing and/or manufacturing a Northern Korean upgrade of the Scud with ranges in excess of 500 kilometers, a payload of at least 500 kilograms, and with relatively high accuracy and reliability. Various sources indicate that anywhere from 15 to several hundred of these North Korean "Scud" missiles were delivered during 1991—but it seems unlikely that more than 50 of the new missiles were delivered and likely that any additional missiles were deliveries of the older Scud B. Iran also, however, served as a transshipment point for North Korean missile deliveries during 1992, and there are reports that Iran and Syria are cooperating in the development of missile production capabilities.[11]

There are indications that Iran has bought PRC-made CSS–8 missiles, with ranges of approximately 150 kilometers. Iran has definitely obtained 60–100 C–801 or YF–6 missiles from the PRC. These short range ballistic missiles can be launched from the land, ships, and aircraft. They have a range of approximately 70 kilometers in the surface-to-surface mode, and use J-Band active radar guidance. Further, it is virtually certain that Iran has had at least some Chinese aid for part of its nuclear weapons effort, and is continuing to manufacture chemical weapons and develop biological weapons.

IRANIAN CHEMICAL WEAPONS

Like Iraq, Iran signed the Geneva Protocols of 1925, prohibiting the use of poison gas, and both have signed the Biological Warfare Convention of 1972, banning the development, production, and deployment or stockpiling of biological weapons.[12] Nevertheless, Iran has actively sought weapons of mass destruction since the early 1970s, and used poisoned gas during the Iran-Iraq War.

Iran became serious about chemical warfare much later than Iraq, but it is hardly surprising that Iraq's attacks led Iran into a crash effort to purchase massive stocks of chemical defense gear and to develop its own chemcial agents. The purchase of defense gear proved relatively easy, and Iran obtained large stocks of such gear after 1984. Iran also obtained large stocks of non-lethal CS gas, although it quickly found such gas had limited military impact—since it could only be used effectively in closed areas or very small open air areas.

Acquiring poisonous chemcial agents proved far more difficult. Iran did not have the capacity to manufacture poisonous chemical agents when Iraq launched its chemical attacks.[13] While Iran seems to have made limited use of chemical mortar and artillery rounds as early as 1985—and possibly as early as 1984—these rounds were almost certainly captured from Iran.[14]

Iran only seems to have begun a crash effort to create a domestic chemical weapons production capability in 1983–1984. It sought aid from European firms like Lurgi to produce large "pesticide" plants, and began to try to obtain the needed feedstock from a wide range of sources, relying heavily on its Embassy in Bonn to manage the necessary deals. While Lurgi did not provide the pesticide plant Iran sought, Iran did obtain substantial support from other European firms and feedstocks from a wide range of Western sources.[15]

These efforts began to pay off in 1986–1987.[16] Iran began to produce enough lethal agents to load its own weapons.[17] The Director of the CIA and informed observers in the Gulf have indicated that Iran could produce mustard gas and blood agents like hydrogen cyanide, phosgene gas, and/or chlorine gas by 1987.[18] These gas agents were loaded into bombs and artillery shells, and were used sporadically against Iraq in 1987 and 1988.

Iran was beginning to produce significant amounts of mustard gas and nerve gas by the time of the August, 1988 cease fire in the Iran-Iraq War, but never succeed in using poison gas effectively during the war. Iranian troops could not be trained and equipped to use chemical weapons effectively at a time when Iraqi forces had vastly superior experience and were scoring major victories along the entire front. It is interesting to note, however, that debates took place in the Iranian Majlis in late 1988 over the safety of Pasdaran gas plants located near Iranian towns, and that Rafsanjani described chemical weapons as follows:

"Chemical and biological weapons are poor man's atomic bombs and can easily be produced. We should at least consider them for our defense. Although the use of such weapons is inhuman, the war taught us that international laws are only scraps of paper."[19]

The exact status of Iran's current capabilities is unknown. It is clear, however, that Iran has established a significant chemical weapons production capability, including blood agents and nerve gases such as V-agents, and is seeking to obtain and/or manufacture surface-to-surface missiles that could be used for both chemical and nuclear strikes. There are reports that Iran may have obtained chemical weapons materials and technology from India, North Korea, West Germany, and the PRC.[20] Western intelligence experts agree that Iran can now deliver fairly large amounts of chemical weapons.

IRANIAN BIOLOGICAL WEAPONS

Experts also agree that there are strong indications that Iran is actively working on biological weapons. Rumors of such biological activity surfaced as early as 1982, along with reports that Iran was working on the production of mycotoxins—a simple biological agent that requires limited laboratory facilities.[21] These rumors were confirmed by U.S. intelligence sources in August, 1989, when it became clear that Iran was trying to buy tow new strains of fungus from Canada and the Netherlands.[22] German sources indicated that Iran had successfully purchased such cultures several years earlier.

The Imam Reza Medical Center at Mashed Medical Sciences University and the Iranian Research Organization for Science and Technology were identified as the end users for this purchasing effort, but it is likely that the true end user is an Iranian government agency specializing in biological warfare. It also seems likely that Iran has conducted extensive research on more lethal active agents like Anthrax and on biotoxins. Little is known about the state of the Iranian effort, weaponization, and volume of production. Unclassified sources have identified a facility at Damghan as working on both biological and chemical weapons research and production, and Iran may be producing biological weapons at a pesticide facility near Tehran.[23]

IRANIAN NUCLEAR WEAPONS

Like other Middle Eastern proliferators, Iran has found it difficult to build nuclear weapons. Nevertheless, Iran has long been involved in trying to create a nuclear weapons program. Iran began its efforts while the Shah of Iran was still in power and had excellent access to Western technology. As a result, its initial efforts were far more ambitious than those of Iraq. In the early 1970s, the Shah acquired Iran's first nuclear reactor from the U.S. for the Tehran Nuclear Research Center. This five megawatt university reactor was originally supplied by the U.S., and started up in 1967. It uses a core with 93% enriched uranium, which is suitable for some forms of nuclear weapons.

The Shah established the Atomic Energy Organization of Iran in 1974, and rapidly began to negotiate for nuclear power plants. He concluded an extendible ten year nuclear fuel contract with the U.S. in 1974, with Germany in 1976, and France in 1977. In 1975, he purchased a 10% share a EURODIF uranium enrichment plant being built in France.[24]

The Shah sought more than weapons. He wanted to develop a nuclear power capability to reduce Iran's internal demand for oil, expand Iran's industrial infrastructure, and protect Iran's industrial growth once it depleted its oil reserves. This led the Shah to create an extremely ambitious plan calling for a network of 23 power reactors throughout Iran that was to be operating by the mid-1990s. By the time the Shah fell in January, 1979, he was already attempting to purchase 12 nuclear power plants from the FRG, France, and U.S. Two 1,300 megawatt German plants at Bushehr were 60% and 75% completed, and site preparation work had begun on the first of two 935 megawatt French plants at Darkhouin that were to be supplied by Framatome.[25] Thousands of Iranians were training in nuclear technology in France, the FRG, India, the U.K., and U.S.

Far less publicly, the Shah began a nuclear weapons research program, centered at the Tehran Research Center.[26] This research effort included studies of weapons designs, plutonium recovery from spent reactor fuel, and a laser enrichment program which began in 1975, and led to a complex and highly illegal effort to obtain laser separation technology from the U.S. This latter effort continued from 1976 until the Shah's fall, and four lasers operating in the critical 16 micron band were shipped to Iran in October, 1978.[27] At the same time, Iran worked on ways to obtain plutonium. It created a secret reprocessing research effort to use enriched uranium, and set up a small nuclear weapons design team.[28]

In 1976, Iran signed a secret contract to buy $700 million worth of yellow cake from South Africa, and seems to have reached an agreement to buy up to 1,000 metric tons a year.[29] It is unclear how much of this ore South Africa shipped before it agreed to adopt IAEA export restrictions in 1984, and whether South Africa really honors such export restrictions even now.[30] Iran also tried to purchase 26.2 kilograms of highly enriched uranium; the application to the U.S. for this purchase was still pending when the Shah fell.

The new Khomenini government let much of the Shah's nuclear power program collapse during 1979 and 1980, although it kept the core Iran's nuclear research effort going. The Khomeini government began to revive the nuclear program in 1981, however, after Iraq had invaded Irans' territory. The government provided new funds to the research teams operating the U.S. supplied reactor at Tehran University, although it continued to operate the reactor under IAEA safeguards. At least one senior official of the new government, Mohammed Behesti, stated to senior officials managing the nuclear research effort in 1981, that the mandate of Iran's nuclear program was now to develop a nuclear weapon. Iran's former President Al Khomeini may have implied the same thing in a speech to the Atomic Energy Organization in 1987.[31]

Iran also seems to have revitalized its laser isotope separation program in 1983, and held several conferences on the subject, including an international conference in September, 1987. It opened a new nuclear research center in Isfahan in 1984, and sought French and Pakistani help for a new research reactor for this center. The Khomeini government may also have obtained several thousand pounds of uranium dioxide from Argentina by purchasing it through Algeria. Uranium dioxide is considerably more refined than yellow cake, and is much easier to use in irradiating material in a reactor to produce plutonium.[32]

In 1984, the Khomeini government began to restart work at the Bushehr reactor complex, although the FRG officially refused to support the rebuilding effort until the war ended. Iran got around this refusal by obtaining Argentine support in completing the Bushehr 1 reactor, which was 75% finished. Reports surfaced in April, 1987 that the Argentine nuclear power agency, CNEA, had signed an agreement with Iran.[33] CNEA works closely with West Germany's Kraftwerk Union (KWU), which had the original contract for the reactor. The Spanish firm Impresarios Agupados may also have been part of the consortium.[34]

These Iranian efforts suffered major set backs during the Iran-Iraq War when Iraq repeatedly bombed Iran's reactor projects at Bushehr. Iraqi bombings occurred on March 24, 1984. February 12, 1985, March 4 or 5, 1985, July 12, 1986, November 17, 1987, November 19, 1987, and July 19, 1988, at least some foreign technicians died during these bombings, and work on the reactors was often suspended. It is interesting to note, however, that the 1987 and 1988 raids may have been a response to the fact that Iran had begun to move IAEA safeguarded material to the area in February, 1987.[35] While the FRG firm Kraftwerk Union officially pulled out of the Bushehr project in September, 1980. KWU or a proxy firm seems to have been working on the reactor when Iraqi aircraft bombed it on November 17, 1987. Several Kraftwerk technicians were injured and one was killed.[36]

Since 1987, the course of the Iranian program has become far harder to trace, and it has been the source of many unconfirmed rumors, U.S. exports believe that Iran has such a program, but do not believe that is anywhere nearly as advanced as Iraq's program was before the Gulf War. The International Atomic Energy Agency has also inspected many facilities rumored to be the site of Iran's nuclear weapons efforts by anti-regime groups like the People's Mujadeen. Its inspections did not find any of the rumored facilities, and in some cases conclusively indicated that the rumors were false.

It seems likely that Iran has attempted to build its program slowly by concentrating on research, rather than leaping forward by brute force massive investments of the kind made by Iraq. Even then, it has not always been successful.

For example, Argentina agreed to train Iranian technicians at its Jose Balaseiro Nuclear Institute, and sold Iran $5.5 million worth of uranium for its small Tehran university reactor in May, 1987. A CENA team visited Iran in late 1987 and early 1988, and seems to have agreed to sell Iran the technology necessary to operate its reactor with 20% enriched Uranium as a substitute for the highly enriched core provided by the U.S., and possibly uranium enrichment and plutonium reprocessing technology as well.[37] Changes in Argentina's government then, however, made it much less willing to support proliferation. The Argentine government announced in February, 1992, that it was canceling an $18 million nuclear technology sale to Iran because it had not signed a nuclear safeguards arrangement. Argentine press sources suggested, however, that Argentina was reacting to U.S. pressure.[38]

Iran has had equal problems in restarting its reactor program. It does seem to have had some success in getting German help in rebuilding one of its reactors near Busher.[39] It has not, however, found a source of new major reactors, although it has certainly tried. In February, 1990 a Spanish paper reported that Associated Enterprises of Spain was negotiating to complete the two nuclear power plants at Busher. Another Spanish firm called ENUSA (national Uranium Enterprises) was to provide the fuel, and Kraftwerk Union (KWU) would be involved. Later reports indicated that a 10 man delegation from Iran's Ministry of Industry was in Madrid negotiating with the Director of Associated Enterprises, Adolofo Garcia Rodriguez.[40]

These reports were followed in March, 1990 by reports that the USSR had provided an initial agreement to work on two 440 megawatt nuclear power plants in Iran, and that this might include both a new power plant and completion of the two PMR unit at Bushehr.[41] The same month, reports surfaced that South Korea was exploring the possibility of participating in rebuilding the facilities at Bushehr, and that the Korea Power Engineering Company (KOPEC) had sent a survey team to Iran to look at the project.[42]

Iran has also sought nuclear reactors from India. In 1992, reports surfaced that Iran and India were negotiating the sale of a 10 megawatt research reactor. While such a reactor is comparatively small, it can still produce enough Plutonium or enriched Uranium to produce the fissile material for about one bomb a year if it is run 24 hours a day. It is also interesting that India seems to have offered a 5 megawatt reactor for research purposes, but that Iran pressed harder for a larger 10 megawatt reactor. These same reports indicated that Iran was seeking a 220 megawatt power reactor.[43]

Given the fact that none of these reports of new reactor programs have yet been followed by major construction activity, and that Iran's only significant reactor is the small 5 megawatt research reactor that the U.S. supplied it in 1967, it is unlikely that Iran will have nuclear weapons before the late-1990s.[44] The U.S. reactor is under IAEA inspection, and the reactor at Busher will be under IAEA inspection, even if it comes on line early enough to be a potential source of weapons grade material.

Iran has, however, engaged in activities which may give it more of the resources it needs. Iran has found sources of raw material. While it has never been able to use the Shah's 10% investment in EURODIF to obtain enriched material, there are significant uranium deposits (at least 5,000 tons) in the Shagand region of Iran's Yazd Province.[45] There are also reports that Iran has a Uranium processing or enrichment facility at Pilcaniyeu. Iran announced plans to set up a yellow cake plant in Yazd Province in 1987, and this facility was under construction by 1989.[46] It may have opened a new uranium ore processing plant close to its Shagand uranium mine in March, 1990, and it seems to have extended its search for Uranium ore into three new areas.[47]

Iran has also found sources of nuclear technology. On February 7, 1990, the speaker of the Majlis publicly toured the Iranian Atomic Energy Organization and opened a new Jabir Ibn al Hayyan laboratory to train Iranian nuclear technicians.[48] Reports surfaced later that Iran had at least 200 scientists and a work force of about 2,000 working on nuclear research.

Pakistan signed a nuclear cooperation agreement with Iran in 1987. Specialists from Iran's Atomic Energy Organization began to train in Pakistan, and Dr. Abdul Qadeer Khan, who has directed much of Pakistan's effort to develop nuclear weapons material, visited Tehran. There are some reports that Pakistan is aiding Iran in developing plutonium extraction and other weapons technologies. There are also reports that Iran may have obtained nuclear weapons materials and technology from India, North Korea, and the PRC.[49] However, Pakistan denied it was giving Iran assistance in creating a nuclear center at Kazmin in November, 1990. It also indicated in 1992 that it had denied an Iranian request to provide nuclear weapons technology, and U.S. experts indicated that this denial was probably correct.[50]

Iran also established research ties to the PRC, although their military significance has sometimes been exaggerated. The two countries signed a nuclear research cooperation agreement in 1990. In 1989, the PRC sold Iran a Calutron. This, however, was only a 1 milliamp machine versus the 600 milliamp machines used by Iraq in its weapons enrichment efforts, and was so small that it was suitable only for research purposes—specifically to test insulators and liners and to produce stable isotopes of zinc for pharmaceutical purposes. In 1991, the PRC sold Iran a small 27-kilowatt research reactor which was located at Isfahan, but which was far too small to produce fissile materials.[51]

There is no evidence that Iran has major facilities to enrich Uranium or design and produce weapons. The People's Mujadeen, an anti-regime group has reported that Iran has a number of major nuclear weapons facilities. It reported that these included weapons site near Quazvin on the Caspian, two Soviet supplied 450 megawatt reactors at Gorgan on the Caspian, a weapons site at Moallem Kalayeh in the northern Elbruz mountains, a Calutron facility near Isfahan, a major Uranium mining facility at Shaghand, a nuclear reactor at Karaj, and a weapons facility in the south central part of Iran near the Iraqi border.[52] The IAEA, however, inspected six of these sites for the first time in February, 1992. It found no sign of weapons activity at any of these sites: The site at Moallem Kalayeh was nothing but a motel sized retreat, a Calutron was found at Isfahan but was far too small for weapons purposes, and only minor Uranium exploration efforts were found at Shaghand.[53] Similarly, reports that Iran has hired large numbers of Soviet scientists, bought weapons grade material from the Soviet Union, or even bought nuclear armed missiles from Khazakstan during the spring of 1992 all proved exaggerated or incorrect.[54]

In spite of these developments, it seems clear that Iran is willing to allocate major resources to continuing its nuclear weapons efforts, as well as continue its efforts to improve its chemical weapons and develop biological weapons. Robert Gates, the Director of Central Intelligence, testified to Congress in February, 1992, that Iran was, "Building up its special weapons capability as part of a massive * * * effort to develop its military and defense capability."[55] Further, Iran's difficulties in nuclear proliferation may well lead it to accelerate its production of chemical and biological weapons and to develop and produce more lethal systems.

FOOTNOTES

[1] The following details of the Iranian missile program are taken from W. Seth Carus and Joseph S. Bermudez, "Iran's Growing Missile Forces," Jane's Defense Weekly, July 23, 1988, pp. 126–131.

[2] Iran publicly displayed the Oghab at a military show in Libreville in 1989. It is 230 mm in diameter, 4,820 mm long, and weighs 320 kilograms, with a 70 kilogram warhead. Iran also displayed another rocket called the Nazeat, which is 355 mm in diameter, 5,900 mm long, weighs 950 kilograms and has a 180 kilogram warhead. Jane's Defense Weekly, February 11, 1989, p. 219; Lora Lumpe, Lisbeth Gronlund, and David C. Wright, "Third World Missiles Fall Short," The Bulletin of the Atomic Scientists, March, 1992, pp. 30–36.

[3] Jane's Defense Weekly, June 20, 1987, p. 1289; Lora Lumpe, Lisbeth Gronlund, and David C. Wright, "Third World Missiles Fall Short," The Bulletin of the Atomic Scientists, March 1992, pp. 30–36.

[4] Some estimates indicate a range of up to 200 kilometers. For background on the system, see Financial Times, June 8, 1988, p. 20, and The Middle East, April 1988, pp. 1 and 18.

[5] The reader should be aware that all such performance data are nominal, and that various sources report significant differences in given performance characteristics.

[6] CRS Report for Congress, Missile Proliferation: Survey of Emerging Missile Forces, Congressional Research Service, Report 88–624F, February 9, 1989, pp. 52–53.

[7] Edward L. Korb Editor, The World's Missile Systems, Seventh Edition, General Dynamics, Pomona Division, April, 1982, pp. 223–226.

[8] Iran had to target an inherently inaccurate missile without the kind of maps, satellite aids, and other targeting systems to correct for the fact the world is not perfectly round, and the inevitable bias errors in the missile's guidance systems. Beyond visual range targeting in excess of 200 miles is a major problem for nations without extensive test ranges and satellite or other advanced intelligence systems.

[9] The following details of the Iranian missile program are taken from W. Seth Carus and Joseph S. Bermudez, "Iran's Growing Missile Forces," Jane's Defense Weekly, July 23, 1988, pp. 126–131.

[10] Baltimore Sun, March 9, 1989; New York Times, March 12, 1992, p. A–12; Washington Post, February 2, 1992, p. A–1; Lora Lumpe, Lisabeth Gronlund, and David C. Wright, "Third World Missiles Fall Short," The Bulletin of the Atomic Scientists, March 1992, p. 30–36.

[11] Iran allowed a Northern Korean freighter to dock at Bandar Abbas and transshipped to missiles by air. Syria is reported to have allowed Iran to deliver arms to the Hizbollah and Party of God in Lebanon in return. Defense News, October 16, 1989, p. 60; Washington Times, June 18, 1990, p. A1, March 10, 1992, p. A–3; Lora Lumpe, Lisbeth Gronlund, and David C. Wright, "Third World Missiles Fall Short," The Bulletin of the Atomic Scientists, March, 1992, pp. 30–36.

[12] General references for this section include "Chemical and Biological Warefare," Hearing Before the Committee on Foreign Relations, U.S. Senate, 91st Congress, April 30, 1969; Department of Political and Security Council Affairs, Chemical and Bateriological (Biological) Weapons and the Effects of Their Possible Use, Report of the Secretary General, United Nations, New York, 1969; unpublished testimony of W. Seth Carus before the Committee on Governmental Affairs, U.S. Senate, February 9, 1989; W. Seth Carus, "Chemical Weapons in the Middle East," Policy Focus, Number Nine, Washington Institute for Near East Policy, December, 1988; unpublished testimony of Mr. David Goldberg, Foreign Science and Technology Center, U.S. Army Intelligence Agency, before the Committee on Governmental Affairs, U.S. Senate, February 9, 1989; unpublished testimony of Dr. Barry J. Erlick, Senior Biological Warfare Analyst, U.S. Army, before the Committee on Governmental Affairs, U.S. Senate, February 9, 1989; unpublished testimony of Dr. Robert Mullen Cook-Deegan, Physicians for Human Rights, before the Committee on Governmental Affairs, U.S. Senate, February 9, 1989; Elisa D. Harris, "Chemical Weapons Proliferation in the Developing World," RUSI and Brassey's Defense Yearbook, 1989, London, 1988, pp. 67–88; and "Winds of Death: Iraq's Use of Poison Gas Against Its Kurdish Population", Report of a Medical Mission to Turkish Kurdistan by Physicians for Human Rights, February, 1989.

[13] Washington Times, October 29, 1986, p. 9–A.

[14] Washington Times, October 29, 1986, p. 9–A.

[15] Iran was caught trying to by 430 drums of Thiodiglycol feedstock in April, 1988, for a U.S. firm called Alcolac. Baltimore Sun, February 11, 1988, p. 6.

[16] While rumors surfaced in November, 1986, that Iran had bought nerve gas bombs and warheads from Libya—which had obtained such weapons from the USSR—these reports were almost certainly false. Iran does not seem to have used nerve gas at any time during the conflict.

[17] Washington Times, October 29, 1986, p. 9–A.

[18] Unpublished "Statement of the Honorable William H. Webster, Director, Central Intelligence Agency, Before the Committee on Governmental Affairs, Hearings on Global Spread of Chemical and Biological Weapons, February 9, 1989.

[19] IRNA (English) October 19, 1988, as reported in FBIS, Near East and South Asia, October 19, 1988, pp. 55–56.

[20] Working papers by Leonard Spector; Observer, June 12, 1988; U.S. News and World Report, February 12, 1990; FBIS—NES, March 23, 1990, p. 57; Defense and Foreign Affairs, November 20, 1989, p. 2; New York Times, July 1, 1989, May 9, 1989, June 27, 1989; Financial Times, February 6, 1992, p. 3.

[21] Such reports begin in the SIPRI Yearbooks in 1982, and occur sporadically through the 1988 edition.

[22] New York Times, August 13, 1989, p. 11.

[23] James Smith, "Biological Weapons Developments," Jane's Intelligence Review, November 1991, pp. 483–487; New York Times, August 13, 1989, p. 11.

[24] Working papers by Leonard Spector, Daniel Poneman, Nuclear Power in the Developing World, London, Allen and Unwin, 1982, Chapter 5.

[25] Some reports indicate that one reactor at Bushehr was 80% complete.

[26] Much of this analysis is based on research by Leonard Spector of the Carnegie Endowment.

[27] The lasers were exported by a firm headed by Dr. Jeffery Earkens, who had worked on classified laser enrichment technology. They seem to have been exported filled with gases that did not produce the optimal wave length for nuclear enrichment, but could be refilled with the gases necessary to produce the required wave length.

[28] *Los Angeles Times*, August 22, 1979; Leonard Spector, *Going Nuclear*, Cambridge, Ballinger, 1987, pp. 47–53' Shyam Bhatia, *Nuclear Rivals in the Middle East*, London, Routledge, 1988, p. 85; JPRS–NTD, December 23, 1989.

[29] *Observer*, May 17, 1987.

[30] Yellow cake is not subject to IAEA inspection.

[31] Working papers by Leonard Spector and *Washington Post*, April 12, 1987.

[32] Uranium dioxide is normally subject to IAEA safeguards and inspection, but Argentine compliance is uncertain. Argentina sold at least three metric tons to Algeria in January, 1986. *Nucleonics Week*, May 7, 1987, p. 6.

[33] Argentina has not ratified the nuclear non-proliferation treaty, but Iran is an NPT signatory, and Argentina has agreed to IAEA safeguards. It is unclear what impact the Argentinean agreement with Iran will have on Iran's nuclear weapons program. As has been discussed earlier, agreement to IAEA safeguards and inspection does not preclude the development of a nuclear weapon.

[34] *Washington Times*, April 22, 1987, page 6; *Economist*, "Foreign Report", April 2, 1987, p. 7.

[35] Many of the details on these aspects of the Iranian effort are drawn from working papers provided by Leonard Spector of the Carnegie Endowment, and Warren Donnelly of the Congressional Research Service. Also see *Nucleonics Week*, November 19, 1987, p. 1; November 26, 1987, p. 5; March 3, 1988, p. 7; July 28, 1988, p. 15.

[36] *Nucleonics Week*, November 19, 1987, p. 1, November 26, 1987, p. 5.

[37] The U.S. had supplied 11 pounds of 93% enriched uranium in the mid-1970s, but this was largely depleted and could not keep the reactor running continuously. Based upon work by Leonard Spector; *Nucleonics Week*, May 14, 1989, p. 2; *Observer*, March 6, 1988.

[38] Reuters, February 7, 1992, AM Cycle, and *Rio Negro*, February 7, 1992.

[39] The German firm may be Siemens or one of its subsidiaries, like KWU of Brazil. Agence France Presse, February 12, 1992; *Los Angeles Times*, January 27, 1991, p. 1; Agence France Presse, December 2, 1991.

[40] *Nuclear Engineering International*, March, 1990, p. 3.

[41] Tehran Domestic Service, March 7, 1990; *Nuclear News*, April 1990, p. 19; *Nuclear Engineering International*, May, 1990, p. 7.

[42] *Korea Times*, March 2, 1990.

[43] *Washington Post*, November 15, 1991, p. A–33; Agence France Presse, November 20, 1991; AP AM Cycle, November 15, 1991.

[44] *Nuclear Fuel*, November 25, 1991, p. 8.

[45] The agreement made under the Shah has given Iran about 250–300 metric tons of Uranium enriched to 3%. During 1980–1990, Iran refused to accept the material or pay for it. When Iran did ask for the material in 1991, France used the fact that Iran's option to obtain enriched material for its investment had expired to deny Iran shipment of the material guaranteed under the original terms of the Iranian investment. *Washington Times*, November 15, 1991, p. F–4; David Albright and Mark Hibbs, "Spotlight Shifts to Iran," *Bulletin of the Atomic Scientists*, March, 1992 pp. 9–12.

[46] *Washington Post*, April 12, 1987, p. D–1; James Bruce, "Iraq and Iran: Running the Nuclear Technology Race," *Jane's Defense Weekly*, December 5, 1988, p. 1307; working papers by Leonard Spector; JPRS-TND, October 6, 1989, p. 19.

[47] *El Independiente*, Madrid, February 5 and 6, 1990; *FBIS-Middle East*, December 1, 1988.

[48] *El Independiente*, Madrid, February 5 and 6, 1990; *FBIS-Middle East*, December 1, 1988.

[49] Working papers by Leonard Spector; *Observer*, June 12, 1988; *U.S. News and World Report*, February 12, 1990; *FBIS-NES*, March 23, 1990, p. 57; *FBIS-EAS*, December 9, 1989, December 11, 1989; Defense and Foreign Affairs, November 20, 1989, p. 2; *New York Times*, May 8, 1989, June 27, 1989.

[50] *FBIS-Near East*, December 1, 1988 and April 4, 1989; David Albright and Mark Hibbs, "Spotlight Shifts to Iran," *Bulletin of the Atomic Scientists*, March, 1992, pp. 9–12.

[51] *Washington, Times*, November 6, 1991, p. F–4, November 1, 1991, p. 7; *Los Angeles Times*, October 31, 1991, p. B–4, March 17, 1992, p. 1; David Albright and Mark Hibbs, "Spotlight Shifts to Iran," *Bulletin of the Atomic Scientists*, March 1992, pp. 9–12; *Washington Post*, October 31, 1991, p. 1, January 12, 1992, p. C–7, February 2, 1992, p. A–1.

[52] *Washington Times*, November 15, 1991, p. F–4; *Washington Post*, February 7, 1992, p. A–18; February 15, 1992, p. A–29; AP PM Cycle, February 6, 1992.

[53] *Washington Post*, February 15, 1992, pp. A–29–A–30; *Los Angeles Times*, March 17, 1992, p. 1; AP, AM Cycle, February 12, 1992; Agence France Presse, February 12, 1992;

[54] Although the possibility is a real one. *Financial Times*, January 30, 1992, p. 4; Agence France Presse, January 26, 1992; *Sunday Times*, January 26, 1992.

[55] *Los Angeles Times*, March 17, 1992, p. 1.

IRAQ AND WEAPONS OF MASS DESTRUCTION

(By Anthony H. Cordesman)

No country in the Middle East, and perhaps in the developing world, has spent so much to acquire weapons of mass destruction as Iraq. While there is no way of precisely costing Iraq's effort to acquire long range missiles and biological, chemical, and nuclear weapons, few outside experts feel that Iraq has spent less than $10 billion dollars. The U.S. Government has also released a list of 52 businesses and 32 front organizations that Iraq used to buy the materials and technology it needed for such weapons.[1]

The sheer scale of this effort only became clear after the Gulf War. Under the terms of the cease-fire in the Gulf War, Iraq committed itself to allowing the UN inspected destruction of its biological, chemical, and nuclear weapons facilities, and long range missiles. On April 3, 1991, the UN created a Special Commission to prepare a plan for the destruction and removal of Iraq's biological, chemical, and nuclear weapons materials and facilities. This Special Commission authorized the International Atomic Energy Agency (IAEA) to carry out part of this task and created a force of UN inspectors to perform to rest.

As a result of the data allied intelligence efforts uncovered during the Gulf War, and the UN inspection effort, it became apparent that Iraq had far more missiles and launchers than experts had suspected before the war, had taken routes to acquiring nuclear material unknown to Western intelligence, and had far larger numbers of missile, biological, chemical, and nuclear facilities. At the same time, Iraq continued to make every effort to conceal these facilities from the UN inspectors that were supposed to supervise them as part of the terms of the 1991 cease fire. In late 1991, Iraq had declared seven missile facilities, no biological and nuclear weapons facilities, and 11 chemical weapons facilities. UN experts privately estimated that Iraq had 52 missile storage, assembly, and maintenance facilities, 13 facilities associated with biological weapons, 48 facilities associated with chemical weapons, and 20 facilities associated with nuclear weapons. Even these totals, however, may well have been an undercount.

IRAQ'S MISSILE WEAPONS AND THE DEVELOPMENT OF THE AL-HUSSEIN

Iraq started the use of surface-to-surface missiles and rockets in the Iran-Iraq War by firing FROG–7s at Iranian positions during the first weeks of the conflict. Iraq soon found, however, that these rockets had little military effect. They did not carry an effective conventional warhead, and Iraq lacked any means of effective beyond visual range (BVR) targeting. A good example of this lack of effectiveness occurred early in the war when Iraq fired four FROG 7 surface-to-surface rockets in an attempt to disorganize some of the staging areas of the Iranian Army near Dezful and Ahwaz. The rockets exploded without producing any significant casualties.

The reasons why the FROGs proved ineffective are easy to understand, and illustrate why the proliferation of long range guided missiles is being given so high a priority relative to unguided rockets. The FROG-7, which is also called the R65A or Luna, is an obsolete system. While it does have a high explosive warhead with up to 455 kilograms of high explosive, it was designed primarily to use nuclear warheads, is too inaccurate for use as a conventional weapon.[2]

Iraq made more effective use of the Scud, largely against Iranian population centers to the rear of the battlefield.[3] Iraq initially used the unmodified Scud B, with a range of 280 kilometers, a CEP of 1.0 kilometers, and a 1,000 kilogram warhead. Iraq first acquired these missiles in 1975, and used them against Iran as early as October, 1980. Typical targets included cities nearer the border like Dezful, Ahwaz, Khorramabad, and Borujerd (190 kilometers from the Iran-Iraq border). Iraq could not attack key targets like the Iranian capital of Tehran with the Scud B, however, because Tehran was about 510 kilometers from the Iraqi border—about 220 kilometers beyond the range of the Scud B.[4]

Iraq tried from 1982 onwards to acquire the longer range missiles it needed to attack targets deep in Iran. There is still considerable uncertainty as to exactly how Iraq got the technology to modify its Scuds. Various sources have claimed Iraq received Chinese, Egyptian, French, German, and/or Soviet help. All of these claims may be true, and other nations seem to be involved. Many firms have now been named as sources of assistance to Iraq's missile efforts, and several have been named specifically as provided assistance to Iraq in extending the range of the Scud.

In any case, these efforts first paid off in August, 1987, when Iraq announced it had tested a missile with a range of about 375–400 miles, or 650 kilometers.[5] This came to be called the Al Husayn, and gave Iraq Scuds that could reach Tehran and Qom from positions south of Baghdad, and Iraq soon began to use them. Iraq fired an average of nearly three Scuds a day, and some estimates indicate that it fired over 160 missiles at Tehran between February 29 and April 18, 1988.[6]

There is still some controversy over the way in which Iraq extended the range of the system. It could have modified a standard Scud by (a) cutting its warhead payload from around 800 kilograms to around 200–250 kilograms, (b) altering it to burn all its propellant at the cost of reliability, or (c) doing both.[7] The latter explanation seems most likely. Iraq could also have gotten higher payloads of up to 500 kilograms by using strap-on boosters—since there are unconfirmed reports of weld marks and other alterations on fragments of the Scuds recovered in Iran—but most experts now discount this possibility.

The improved Iraqi Scuds seem to have had ranges of over 550 kilometers, and re-fire times of 60 minutes versus 160 minutes for the earlier model Scuds. The precise range capabilities of Al Husayn could not be determined as a result of the attacks made during either the Iran-Iraq or Gulf wars because the Iraqis regularly moved the missile launch sites during this phase of their attack.[8] One Israeli source, however, estimates that the Al Husayn has a maximum range of 600 kilometers, a warhead weight of 300 kilograms, and a flight time of 420 seconds, and a CEP of around 1,700–2,300 meters.[9] Several U.S. experts feel this estimate may be right although some quote a range of 375 miles and a warhead weight of only 250 pounds.[10]

THE AL-ABBAS AND IRAQ'S MISSILE DEVELOPMENTS AFTER THE IRAN-IRAQ WAR

After the August, 1988 cease-fire, Iraq went on to develop more advanced missiles. It also tested and deployed chemical warheads for its regular Scuds, and may have done so for its Al Husayns and Al Abbas.[11] The timing of Iraq's chemical tests is uncertain, and Iraq did not have high quality chemical warheads at the time the Gulf War began, but UN inspection efforts later strongly indicates that Iraq developed its missile warheads to the point of readiness for deployment after the cease-fire.[12]

On April 25, 1988, Iraq tested a longer range missile called the Al-Abbas which reached a target area about 530 miles (850 kilometers) from the launch site. The Al-Abbas underwent further development during 1988 and 1989, and matured into a system with a range of 700–900 kilometers, a 100 to 300 kilogram payload, a flight time of 540 seconds, and seems to have an operational CEP at maximum range of 2,500 to 3,000 meters.[13] This maximum range was not tested during the Gulf War, and some experts feel the missile's range may be well below 800 kilometers and the payload is below 200 kilograms. The Al-Abbas's CEP also varies with range. It seems to have relatively high accuracy up to 400 kilometers, medium-high accuracy at 600 kilometers and poor accuracy beyond 700 kilometers.[14]

It is not completely clear whether the Al-Abbas missile is a still further modification of the Scud with additional fuel capacity, or an original design, but now seems very likely that it is a Scud modification which stretched the body of the original missile. This development was made possible by the fact that Iraq invested up to $3 billion on missile and other advanced weapons facilities between 1980 and 1990, and this funded a massive missile and highly modern research and development establishment.

The agency managing the activity seems to have been the "State Organization for Technical Industries—Sa'ad General Establishment", although some sources report it was managed by the office of Lt. General Amer Hammoudi al Saadi, the First Deputy Minister of Industry and Military Industrialization, and head of Iraq's Military Production Authority. Some sources refer to this as "Project 395", but so many designations have been applied to various Iraqi facilities and activities that there is no way to be sure of the program's title.[15]

The details of the various programs under the Military Production Authority are also far from clear, but one key missile development facility, with tunnels and rocket motor test ramps, was located at Al Kindi near Mosul in northern Iraq—and nicknamed "Sa'ad 16". Iraq also built a chemical and fuel facility called "DO–1" or "Project 96" at Al-Hillah, about 17 kilometers south of

Baghdad, and an engineering workshop and Scud assembly plant called "DO-2" or "Project 124" near Fallujah.[16] The scale of Iraq's efforts at Al-Hillah is illustrated by the fact an explosion at the Al-Hillah missile facility on August 17, 1989 killed up to 700 people, but did not produce a prolonged halt in work activity at the site.[17]

There was also a major Space Research Center at An-anbar in the desert near Karbala.[18] There was a rocket test range called DO-3 near Karbala, and several experts feel that Iraq had at least three to four more major fuel production, missile production, testing facilities.[19] These included two facilities west of Rutba, one near Mosul, and one near Mahmuniyan.[20]

These facilities did far more than work on modified versions of the Scud. Iraq established research links with Argentina and Egypt, and joined them in a project called Badar 2000. The project was supposed to turn a large Argentine weather rocket called the Condor, which Argentina had developed in the late 1970s, into a two-stage solid fuel long range missile. While Egypt and Argentina seem to have eventually canceled their work on the Condor project, after considerable pressure from the U.S., Iraq had obtained a great deal of technology from Argentina and the various European firms as a result of the project.[21]

Iraq continued the Condor project in Iraq, where it was managed largely by Iraqis, but with a wide range of foreign experts, and some technical workers hired in Pakistan. Ironically, given the rivalry between Argentina and Brazil, Iraq also hired a 23 man missile technology development team from Brazil. This team was led by retired Major Brigadier Hugo de Olivera Piva, the ex-director of Brazil's Aerospace Technology Center. Piva headed the effort to convert Brazil's Sonda IV space rocket into a missile large enough to carry a nuclear warhead.[22]

Iraq bought still further aid from the PRC and Europe. The details of these Iraqi relation with the PRC are nuclear, but they seem to have involved extensive cooperation in further modification of the Scud and aid in completing a Scud production facility. Some of the key Europeans involved included former MBB employees, a German construction firm called Zublin, a Swiss firm called Consen, and Austrian firms such as Consultico, Feneberg GmbH, and the Austrian subsidiaries of the British firms BBC Brown Boveri, and Bacon.

Consen was particularly important. It was a consortium based in Zug, Switzerland, which is staffed by former MBB employees. According to various reports, it procured technology for Iraq's technical corps for Special Projects between 1987 and 1989, and acted as a prime contractor for both Iraq's Sa'ad 16 facility and Project 395—which some reports indicate included the Project 073 missile workshops near Fallujah, the Project 1157 missile test area near Karbala, and the project 096 rocket propellant production facility near Mahmudiya.[23] Consen acted as the prime contractor for more than $400 million worth of projects under the direction of the Technical Corps for Special Projects and State Organization for Technical Industries. Consen was closed down in early 1989, but was replaced by a Swiss firm called Vufvaltun and Financierung AG (VUFAG).[24]

The Technical Corps for Special Projects acted as yet another front for Iraqi proliferation efforts, and was headed by General Husayn Kamil. According to some reports, it was able to purchase missile related technology from 22 different European and U.S. companies. Iraq has helped finance these various efforts to buy missile technology in the West—as well as other military technology and technology for weapons of mass destruction—by using the Atlanta branch of Italy's Banca Nazional del Lavoro to launder some 2,500 letters of credit worth nearly $3 billion.[25]

Throughout the period between the ceasefire in the Iran-Iraq War and the Gulf War, Iraq continued to develop its missile research facilities at its Sa'ad 16 research complex south of Baghdad (where some reports indicate it carried out much of its work on the Condor II), and at Al-Anbar, 80 kilometers west of Baghdad.[26] It explored further cooperation in missile design with both Brazilian and French aerospace officials, and some French aerospace officials seem to have visited secret Iraqi missile research facilities. Other firms which are reported to have become involved in the Iraqi missile research effort include Matrix-Churchill of the U.K. Iraq also established new "cover" companies to manage this technology transfer effort, including Techcorp, the Technology and Development Corporation, and NASR State Enterprise for Mechanical Industries.[27]

This vast network of facilities and foreign supply and advisory efforts began to pay off about nine months before the Gulf War. On December 5, 1989, Iraq tested a new long range booster, which reached a range close to 1,500 nautical miles.[28] This three stage system was called the Al Abid, and it seems to have been a 48 ton missile that used a cluster of five Scud boosters in its primary stage. The other two stages may not have been activated during the test. Nevertheless, the test showed Iraq would eventually be capable of launching a satellite into orbit or firing much longer range missiles. Reports had previously surfaced that Iraq's Scientific Research Center and Brazil's space agency, the Instituto de Pesquisas, had been discussing Brazilian supply of a surveillance satellite. Such a satellite could have critical value in providing Iraq with the long range targeting data it needs and the ability to improve its operational accuracy by allowing it to locate the precise point its missiles actually hit.[29]

On December 14, 1989—virtually at the same time the Western members of the Missile Technology Control Regime (MTCR) were holding a meeting in London—Iraq announced it had developed two new missiles.[30] It called one of these missiles the Tamuz 1, and claimed it had tested the missile twice and that the launches had reached ranges of up to 2,000 kilometers. The Tamuz seemed to be a three stage, liquid fueled, 48 ton missile similar to the Al Abid booster system—with five Al-Abbas boosters in the first stage, one in the second stage, and a third stage with a 750 kilogram payload.[31]

Some experts felt that the Tamuz could have a range of roughly 2,000 kilometers miles once it is deployed with its completed guidance package, but others felt that a range of 1,250 kilometers was more likely once a military payload is added. Such a missile would be very complex, involve a great deal of launch preparation and launch time, and require large fixed facilities. It would, however, be the first Iraqi missile with the range-payload to deliver a large nuclear weapon, or large chemical or biological weapons payload, against any target in Israel and Iran from launch sites deep in Iraq.

While any such performance estimates are highly controversial, one expert gave the following comparison of the performance characteristics of existing Iraq's missiles and the Tamuz.[32]

TABLE I.—IRAQI SURFACE-TO-SURFACE MISSILE PERFORMANCE

	Normal Scud B	Al-Husayn	Al-Abbas	Tamuz
Date first appeared		03 Aug87	18Mar88	07Dec89.
Number of stages	1	1	2	3.
Diameter	0.884 m	0.884 m	0.884 m	
Length	11.7 m	12.55 m	13 m	
Weight	6,300 kg	7,340 kg	34,500 kg	
Range	300 km	620 km	900 km	
Chem-warhead	985 kg total	190 kg total	220 kg	
	555 kg agent	107 kg agent		
Flight time	6.0–6.5 min	8.0–9.0 min	10–12 min	
Flight Mach	4.0	4.0	4.0	
Fuse	variable prox	variable prox	variable prox	
Accuracy		2000 m	2000 m	

The second new missile seemed to be a solid fuel missile with roughly the same, or somewhat shorter range. Iraq did not describe the details of this system, but it seemed to be a distinct new missile that was being developed in addition to the work on the Condor project. Ranges of 1,000 to 2,000 kilometers have been claimed for these missiles.[33] It became clear from UN inspections after the Gulf War, that Iraq had been actively working on nuclear warhead designs for its missiles.[34]

Finally, Iraq was experimenting with the use of advanced "gun" systems to launch its missiles at the time the Gulf War began, although these systems were still in the early developmental stage. This Iraqi effort became public on April 10, 1990, when British customs officials at Teeside seized eight steel tubes bound for Iraq. These tubes were part of a giant "cannon" that could hurl projectiles hundreds of miles. They also were part of a series of shipments. Britain later disclosed that 44 such tubes had already been sent to Iraq, and that devices that could serve as the breach for such a "gun" had been intercepted in Turkey.[35]

UN inspection teams found later that Iraq already had a 356mm meter gun for trails purposes, and that the tubes were to be used in two 1000mm prototype guns. The 356mm experimental gun had been operational for several years, tested seven times, and then had evidently not been used for about a year before the Gulf War. It was built into the slope of a mountain at Jabal Hamrayn, about 200 kilometers north of Baghdad. The

British firm of Walter Sommers had supplied the steel tubing for the 356mm gun during mid-1988 through early 1989. It was hardly a highly lethal long range weapon. It fired a projectile of 75 kilograms (165 pounds), but carried only 15 kilograms (30 pounds) of high explosive. Its total range was about 150 kilometers (93 miles) to 180 kilometers (120 miles), and Israel was some 825 kilometers (550 miles) away.[36]

Neither of the 1000mm guns were assembled, and only one had sufficient components to indicate it would be operational in the near future. The parts were stored for this gun at Iskabdariyah. According to some reports, it was supposed to be about 131 feet (40 meters) long, with a 39" breech, and weigh up to 402 tons.[37] The steel tubes, what seems to have been a recoil mechanism, and a frame for swinging the tube up to 60 meters, were all to be made by Walter Sommers Limited and Sheffield Forgemasters in the U.K.[38] Iraq also ordered large amounts of propellants to be used for the gun from a firm in Belgium. This came to light when the British firm Astra bought the Belgian Company of PRB, and found the order on its books.[39]

These "super guns" had been designed by Dr. Gerald Bull, a Canadian ballistics export who was murdered outside his home in Brussels on March 22, 1990. Several explanations have been advanced regarding the purpose of Bull's 1000mm super guns, ranging from a satellite launcher, to a system designed to attack Iran and Israel at long distances. Bull's primary interest was in space, and he headed a firm called Space Research Corporation (SRC), which was headquartered in Brussels.[40] While experts disagreed over the exact technology and performance of the weapon. Most experts estimated that it was an extension of work that Bull had done earlier for the U.S. and Canada in what was called "Project Harp".[41]

Data released by the UN inspection teams indicated that each gun was to be in 26 sections and about 160 meters long (the length of 1½ football fields.) It was to fire a 1,000 kilogram (2,200 pound) projective with 408 kilograms (898 pounds) of high explosive or payload.[42] Some experts estimate that it would have had a range of up to 1,000 miles; others that was designed to put payloads of 300 to 500 pounds into orbit.[43]

According to some sources, the 1000mm gun was designed to fire fin-stabilized rockets, and possibly to employ traveling charge technology. This technology burns solid fuel at the base of a rocket as the rocket moves up the barrel. The rocket gases prevent a vacuum from forming at the base of the projectile and slowing it down. The barrel is flanged rather than rifled, and a tight seal between the projectile and the barrel is far less critical that in a normal artillery projectile. The rocket may also use a second motor to provide additional power after the projectile leaves the barrel.[44]

IRAQ'S MISSILE ACTIVITY DURING THE GULF WAR

While there is still no way to determine exactly how many missiles Iraq had in inventory at the beginning of the Gulf War, it almost certainly had over 1,000 Scuds of all types, and at least several hundred extended range Al Husayn and Al Abbas missiles. While it is difficult to determine the exact point at which Iraq decided to go to war, it also expanded its missile deployments over its western as well as it eastern borders.

In March, 1990, Iraq deployed from 12 to 18 fixed Al-Abbas missile launcher at three fixed sites in southern, western, and northern Iraq. The northern and southern sites gave Iraq the ability to strike deeper into Iran, but the western and southern sites gave Iraq the ability to strike at other targets and provided coverage of targets in Israel, Syria, and Turkey.[45] The site nearest to Israel was near the H-2 airfield in Western Iraq, on the road between Iraq and Jordan, and had six launchers oriented towards targets in Israel or Syria. In addition, Iraq had nine prepared launch sites for Scud missiles with 62 launch positions, although several normally did not have launchers deployed.[46]

In April, 1990, information surfaced that Iraq was setting up a new missile test range in Mauritania in West Africa. This test range gave Iraq the ability to test missiles in excess of 1,000 miles—tests that were impossible in Iraq without crossing international borders. Finally, in July, 1990, it became apparent that Iraq had quietly sought to buy titanium furnaces from the U.S. These furnaces can be used to manufacture a number of lightweight titanium missile parts, including advanced nose cone designs for warheads.[47]

The Condor, Tamuz, and any other new missiles were still in the development stage when the Gulf War took place. However, on October 9, 1990, Saddam Hussein announced that Iraq had developed yet another new missile that could hit Israel. The timing of this announcement was suspicious. It came in the midst of a growing confrontation between Iraq and the nations supporting the UN blockade and military coalition that came as a reaction to Iraq's invasion of Kuwait. It also came the day after a major clash between Israel and Palestinians at the Temple Mount in Jerusalem that Saddam Hussein was trying to exploit to weaken Arab support for the UN.[48]

In any case, Iraq's efforts to use its existing missiles were serious enough. In some ways, Iraq's fixed Scud sites became more "deception targets" than actual launch sites.[49] Iraq created a wide range of presurveyed and fixed missile sites between its invasion of Kuwait in August, 1990, and the start of the Gulf War, to try to counter the build-up of forces supporting the UN. While many experts still felt that Iraq still only had 36 Scud B launchers at the time the war began, this ignored the fact that Iraq exhibited a new transporter-erector-launcher (TEL) called the Al Walid in 1989, at the Baghdad International Arms Exhibition. Iraq modified over 100 additional vehicles to act as transporter-erector-launchers, and continued to building fixed launch sites until the Gulf War stared.[50]

Iraq also sharply reduced its dependence on fixed sites, and sites that allied intelligence had detected before the actual fighting in the Gulf War began. Iraq presurveyed and set up a large number of sites in the launch areas that could be used to fire on Israel and Saudi Arabia in the months before combat began. This allowed it to scatter its missile units over a wide amount of territory, and to hide many with camouflage, in civil buildings, or other places of concealment. Its new TELs and support vehicles were difficult to distinguish from commerical vehicles without extensive reconnaissance, and usually move at night. Iraq also deployed it missiles and equipment shortly before a firing to minimize their vulnerability make targeting far more difficult.

The range of equipment Iraq deployed with its missile units during the Gulf War is uncertain. Iraq is known to have used the Soviet "End Tray" meteorological radar associated with the Frog 7 and Scud B in some of its missile deployments, and the UAZ-452T support vehicles. It is not known how effective any of this support equipment was at the ranges of the Al-Hussein and Al-Abas. Iraq did, however, develop relatively simple truck mounted launchers to supplement its sophisticated and expensive Soviet transporter-erector-launchers (TELS). This gave it far more missile launchers than the UN Coalition estimated at the start of the Gulf War, and made wartime targeting and enforcement of the post war cease-fire extremely difficult.[51]

Iraq may have had as many as 225 of these cheaper launchers by the time the Gulf War took place, in addition to the 36 Soviet-style TELs.[52] It took advantage of these launchers throughout the course of the Gulf War, and its surface-to-surface missile campaign was perhaps its only "success" of the war. The total pattern of launches is shown in Table II. The first Scud strike came late on the afternoon of January 17th, in the form of two Scuds aimed at Israel. The first strike on Saudi Arabia took place on January 18th. These systems might have caused large scale panic if it had not been for the Patriot air defense system. A Patriot hit the second round of Scuds aimed at Dhahran at 17,000 feet, and the U.S. provided aid to Israel in readying its Patriot missile systems, rushing 32 missiles to Israel in 17 hours.

The Patriot system, however, was only a point defense anti-tactical ballistic missile system, and could not provide anything approaching a leak proof defense system. It also could not prevent missile debris and warheads falling on populated areas. As a result, the UN Coalition was forced into a massive Scud hunt that consumed some 2,493 sorties. The Coalition was forced to create two "Scud boxes" to cover the areas launching missiles against Israel and Saudi Arabia. Both the U.S. and U.K. deployed special operations forces to help find the missiles, and the U.S. used F-15Es, with Lantirn directed by JSTARS to target and kill missiles, and F-16C/Ds and A-10s to patrol roads and key launch areas. It also used B-52s and F-117As to hit storage and production facilities.

This effort never succeeded in halting the Iraqi Scud launches, although it certainly affected launch rates, accuracy, and reliability. With over 1,000 missiles—and some estimates go up to 2,000—there was no way to locate and destroy all the missiles. The Iraqis were able to hide Scud TELs in towns and under underpasses. They also adopt "scoot and shoot" tactics that made it very difficult to detect and kill missiles when they were ready to launch. As a result, Iraq was able to launch its peak firing rate of 10 missiles at late as the 10th day of the war, and its last missiles on February 25th. It also scored its only major strike against U.S. forces when a chance hit near Dhahran killed 28 U.S. soldiers and wounded 97 others. The U.S. was still striking at Iraqi Scud forces when the war ended on February 27th.[53]

TABLE II.—IRAQI SURFACE-TO-SURFACE MISSILE LAUNCHES DURING THE GULF WAR

	Israel	Target		
		Saudi Arabia	Bahrain	Total
Total fired	40	48	3	91
Missed country	1	3	2	6
Missed target area	15	11	1	27
Intercepted by Patriot	34	11	0	45
Hit target	0	13	0	13
Debris hit	7	7	0	14

Source: OSD Public Affairs, March, 1991.

Iraq did not use missiles with chemical weapons during the Gulf War, and the damage done by its missile strikes was relatively limited—although one missile did kill a large number of U.S. combat troops and the attack on Israel damaged a number of urban areas. It is unclear whether this failure to use chemical weapons was the result of Iraq's fear of retaliation or the fact Iraq's Al Hussein and Al Abbas missiles lacked the range-payload and reliability to carry more than a token chemical warhead.

UN inspectors did confirm that Iraq had chemical warheads for its missiles, although the inspectors also concluded that the warheads were very crude. Soviet technicians who inspected the Iraqi missiles felt much of the basic missile work was also crude, and that explained both the break up of many Iraqi modified Scuds during their approach towards targets in Israel. They also felt that the chemical warheads were imbalanced, and would have made these problems far worse—potentially making the warheads burn up or depriving them of much of their effectiveness.[54]

IRAQ'S MISSILE ACTIVITY AFTER THE GULF WAR

There is no way to tell how much of Iraq's missile activity survived the Gulf War, and there are radically different estimates of how much of its equipment it dispersed before the UN Coalition attacks and recovered and hid after the Gulf War. Iraq initially declared that it had 52 ballistic missiles, 38 launchers, 30 chemical-filled warheads, and 23 conventionally armed warheads at five sites. It eventually admitted that it had nine more missiles at one of the sides.[55]

According to the ongoing work of the UN, at least 17 facilities have been identified since the war as being areas where the Iraqi government conducted research, production, testing and repair of ballistic missiles, launchers, and rocket fuel.[56] By February 1992, the UN had destroyed all the stocks that Iraq had declared and a substantial amount of additional equipment. The items destroyed included 62 missiles, 11 missile decoys, dozens of fixed and mobile launchers, 8 missile transporters, and 146 missile storage units.[57] The UN also found the 30 chemical warheads for Iraq's Scud missiles stored in the Dujael area, some 18 miles away from the position Iraq had declared. Sixteen used a unitary nerve gas warhead and 14 were binary.[58]

It was clear, however, that Iraq might have concealed a large number of missiles and Iraqi made launchers, as well as much of the manufacturing equipment, parts, and test equipment that it had purchased before the war. Some estimates indicated that Iraq had imported a total of 800 Scuds to launch or modify before the war, and that well over 100 missiles might still be left. In fact, the Director of the CIA estimated that the total might by "hundreds" in testimony before Congress in January, 1992.[59] While there is no way to know what number is correct, Iraq had established underground missile storage sites before the war and seemed to be building new sites after the cease-fire. Some Iraqi stocks of concealed missiles seem likely.[60] Further, Iraq continued to defy UN orders to destroy the equipment the UN did discover, and in February, began deploying the special fuel trucks used to launch Scud missiles in areas outside Baghdad.[61]

IRAQI CHEMICAL WEAPONS PROGRAMS

Iraq is a signatory to the Geneva Protocols of 1925, prohibiting the use of poison gas, and the Biological Warfare Convention of 1972, banning the development, production, and deployment or stockpiling of biological weapons. This did not, however, prevent it from producing and using chemical weapons in the Iran-Iraq War. Chemical weapons offered Iraq a highly lethal weapon that was well within its technical and manufacturing capability.

A great deal of information has become public since the Gulf War, in spite of the covert nature of Iraq's efforts, but there is no way to be certain of what Iraq has successfully been able to conceal. The uncertainties regarding Iraq's acquisition of chemical weapons are particularly striking during the period before the mid-1970's. Iraq seems to have been actively interested in chemical weapons since the 1960s, but there is no way to date the point at which it began to seek such weapons or establish technical capabilities to produce and use them. According to some U.S. experts, Iraq first sought chemical weapons from Egypt and the U.S.S.R. following Egypt's use of chemical weapons in the Yemens. Some Israeli experts believe that Iraq first acquired small amounts of chemical weapons from the U.S.S.R. in the 1970s, and that Iraq may have had assistance from Egypt in developing production and storage techniques in the period before the Camp David accords.[62] Iraqi forces do seem to have had limited chemical warfare training based on Soviet doctrine by the early-1970s, and may well have had some training support from Soviet and Egyptian officers.[63]

It seems likely that Iraq first decided to create laboratory-scale facilities to produce chemical weapons around the time of the October War in 1973. This was a period when there were numerous reports that Egyptian and Israeli forces were equipped with chemical weapons, and Iraq faced a growing threat from the military build-up in Iran and its Kurdish rebels.[64] There also are reports that Iraq may have used poison gas shells or bombs against its Kurdish rebels during its campaigns of 1973–1975.[65] These reports cannot be confirmed, but many Western experts agree that Iraq weaponized mustard gas for use by mortars and artillery by the late 1970s, and had mustard gas shells for at least 120mm mortars and 130mm artillery.[66]

Iraq initially turned to U.S. and British firms for help in setting up insecticide and fertilizer plants. When this failed, Iraq turned to firms from West Germany, Switzerland, France, the Netherlands, Belgium, and Italy, and obtained most of the components it needed.[67] Iraq obtained a special "pesticide" plant and three other small pilot facilities from Pilot Plant, a unit of Karl Kolb—a major West German laboratory equipment supplier. The Kolb supplied plant had some of the special equipment necessary to make Sarin nerve gas, but not special pumps.[68] Iraq also purchased technical assistance from a West German firm called Fritz Werner.[69] It received heavy duty pumps and chemicals from Water Engineering Trading GmbH of Hamburg, which sold some $11 million worth of equipment and tons of chemical, including trichloride, a nerve gas precursor; and equipment from Quast, which provided reactor vessels, centrifuges, and piping line with Hastalloy.[70]

It is unclear how successful Iraq's efforts were when the Iran-Iraq war began. Iraq was probably producing some mustard gas at Samara, and was constructing two small pilot plants to produce nerve gas at Samara, with a planned capacity of around 30–50 tons per year.[71] These two plants, however, were only designed to produce small amounts of nerve agents and had to use specialized feedstocks that were difficult to come by. Iraq may, however, have had enough non-lethal CS gas, or some form of blister agents, to have used them in the attack on Susangerd in November, 1980, attacks on Dezful and other areas in mid-1981, in defending against the Iranian attacks on Dezful and Sush in late March, 1982, and in the battles to defend Basra and Mandali in the fall and winter of 1982. Iraq may also have used mustard gas during some of these battles.[72]

By 1983, Iraqi production of mustard gas was sufficient for Iraq to begin to deliver small amounts of gas with artillery, fighters, and Mi–8 helicopters. It is unclear exactly when Iraq developed bombs using chemical agents, but Iraq seems to have used 250 kilogram bombs it bought from Spain, dropped by Fitter aircraft. The gas in these bombs was exceptionally pure, and this indicates that Iraq was still producing batches under laboratory conditions, rather than mass producing mustard gas in tons. This mustard gas seems to have been produced at the Iraqi chemical weapons facility at Samara.[73]

Mustard gas offered Iraq significant military advantages—advantages which apply to any future uses of this gas. Mustard gas is a blistering agent which is 10 to 100 times less lethal than the simpler nerve agents in terms of direct exposure, and slow to act on those who are exposed. Lethality, however, is not the only issue in measuring the effectiveness of chemical weapons. Mustard gas is easier to produce, handle, and deliver. It attacks the lungs, eyes, and skin, and gas masks alone are not effective protection. Mustard gas can also be more effective than many nerve gases for several important tactical purposes, particularly against infantry, or exposed humans in other target areas. It persists for several days to several weeks, and its wounds are slow to heal. Limited exposures to mustard gas can blind or blister for periods of 4 to 6 weeks. Casualties consume large amounts of medical services and support. These properties of mustard gas gave it considerable effectiveness against Iranian infantry, which often spent considerable time in static exposed locations and had relatively poor medical facilities.

In order to obtain the massive amounts of mustard gas it needed for larger scale operations, Iraq made major new efforts to acquire technology and feedstock overseas. For example, the Iraqi State Ministry of Pesticide Production turned to a unit of Philips Petroleum Company in Tessenderloo, Belgium, to obtain 500 metric tons of a chemical called Thiodiglycol.[74][75]

Other firms that gave Iraq more direct support in building its first mustard gas production facility seem to have included Montedison of Italy, Melchemie of the Netherlands, and Atomchem of France, with engineering support came from Technipetrol of Italy. These and other firms are reported to have helped Iraq build a mustard gas plant at Akashat, about 16 kilometers from Rutbahj and 370 kilometers from Baghdad.[76]

These problems in obtaining feedstocks abroad led Iraq to increase its efforts to build the facilities it needed to manufacturer ethylene oxide and the other chemicals it needed to make Thiodiglycol and produce mustard gas, and to eliminate its dependence on outside sources. Iraq had already begun to build-up ethylene production facilities in the late 1970s. These were located at Petrochemical Complex No. 1 near Basra. Basra, however, was within range of Iranian artillery fire at the start of the war, and soon came under fire again in the early 1980s. As a result, the Basra facility may not have begun large scale production until 1987 or 1988. This may explain why Iraq began construction of a new Petrochemical Complex No. 2 ethylene plant near Musayyib in 1988, with a target date of 1991 for actual operations.[77]

While the resulting history of the Iraq's ethylene production is uncertain, the Basra plant was designed with a capacity to produce 410,000 tons of ethylene products a year, and the Musayyib facility to produce 420,000 tons of ethylene and 67,000 tons of ethylene oxide.[78] Iraq completed construction of the special refinery and other facilities necessary to make Thiodiglycol. As a result, Iraq's industrial complex at Al Fallujah, northwest of Baghdad, seems to have been able to make Thiodiglycol before the August, 1988 cease-fire, and possibly some precursors for nerve gas.[79]

Iraq also acquired the equipment and feedstock to make nerve gas, and set up a precursor plant at Habbaniyah.[80] Iraq's initial goal was to produce non-persistent nerve gas, consisting of "G-agents" like Tabun (GA) and Sarin (GB). These agents are extremely lethal, and act almost instantly when the skin, eyes, and wet tissue of their victims are exposed. Nerve gasses are difficult to detect, and troops require excellent protection and an antidote in order to prevent high casualties.

The G-agents persist for only a few minutes to a few days, and allow an attacker relative rapid tactical movement into exposed areas. In contrast, persistent agents may remain lethal for several days to several weeks. Friendly troops can only operate in exposed areas if they have full protection, and occupy the area for only a limited amount of time. This is why persistent agents are much better suited to fixed targets like air bases and logistic centers, or defensive operations where they can be used against the rear areas of the enemy with only limited risk to friendly troops.[81]

U.S. customs stopped another State Ministry of Pesticide Production order for 74 barrels of potassium fluoride, another precusor of Sarin nerve gas, in February, 1984. The order was placed by Al-Haddad Enterprises Incorporated, owned by Sahib al-Haddad, a naturalized Iraqi citizen. The shipment was not then illegal, because the chemical was not yet controlled, and there is no clear way of determining how many other shipments occurred in the U.S. or other countries. However, at least one Dutch firm—Melchemie Holland B.V.—has since been convicted of export violations for selling phosphorous oxychloride, another precursor of nerve gas. Iraqi agents also bought large amounts of equipment from a West German firm in Drereich that it seems to have claimed would be used to make organophosphate fertilizer, but which could help manufacture nerve gas.[82]

A major new Iraqi research center for chemical weapons was set up at Salman Pak, 56 kilometers south of Baghdad. This facility has since expanded to the point where it works on biological and other advanced weapons. According to some reports, it has experimented with cyanide, hydrogen-cyanide, cyanogen-chloride, and Lewisite gases as well as the nerve, mustard, and CS gases that Iraq came to use extensively in the Iran-Iraq War.[83]

Iraq created a major production center for mustard gas, and Tabun and Sarin nerve agents, at Samara. The Samara complex occupied 26 square kilometers in an area about 100 kilometers north of Baghdad, and was constructed with numerous heavily sheltered facilities. It was defended by troops and SA-2 missiles. The complex became the largest single Iraqi production facility for mustard gas. This production seems to have begun in 1983, and climbed steadily to the point where Iraq could produce large quantities of mustard gas in 1985. The initial output of mustard gas seems to have been about 60 tons per year, and Iraq was able to use the gas fill bombs, artillery shells, and rockets—including 250 kilogram bombs based on Spanish designs. These Iraqi weapons at first were filled with mustard gas so pure that it seems to have been produced in laboratory scale facilities, but later had the impurities associated with large scale production.[84]

West German firms and technicians that helped Iraq to set up these pilot plants for the production of Tabun and Sarin nerve gases at Samara, which eventually expanded to a total production capacity of 48 tons per year. West German equipment for the nerve gas plants at Samara—and evidently for the nerve gas at other plants—was purchased through firms in West Germany, Austria, and Italy, along with large amounts of chemicals. Production of large quantities of Tabun began in 1984 and production of Sarin began in 1985 or 1986. Samara did not reach full capacity production of either mustard or nerve gases, however, until the late 1980s.[85] The Samara complex also housed one of the "insecticide plants" obtained earlier from the West, and this complex now serves as the nucleus for new facilities to produce large amounts of the feedstock to manufacture nerve gas without depending on imports of specialized chemicals. Iraq also may have established another plant near Karbala to produce nerve gas. According to some reports, this plant may be the facility developing nerve gas warheads for Iraq's long range missiles.[86]

Further, Iraq began a major effort to produce the precursor chemicals or feedstocks necessary to manufacture nerve gas without dependence on outside sources. Iraq was able to take advantage of the fact that it has phosphate mines at Akashat, and already was developing a phosphate industry centered at Akashat and Al Qaim, and the powdered detergent and fertilizer plants it had set up to use its phosphate ore could be adapted to make some of the necessary feedstocks. As a result, Iraq expanded its facility at Rutbah, just south of Ashkhat. This facility now seems to produce nerve agents using acids and other chemical components, and may have become the Iraqi facility which is most free of dependence on chemical imports of any kind. Iraq also established a complex called "Project 9320" in the area which has three factories to produce secondary chemicals to aid in the manufacture of nerve gas. This complex was built largely by West German firms and technicians, and has large underground storage tanks. Additional facilities seem to be under construction to transform basic phosphorous into precursor chemicals for the manufacture of nerve gas.[87]

Iraq set up a gas warfare complex at Fallujah, 65 kilometers west of Baghdad. Some reports credit the Fallujah facility with having three plants which were capable of producing 1,000 tons per month of Sarin, and large amounts of persistent VX nerve gas, by the late 1980s.[88] V-agents like VX retain their lethal effect for periods of several days to several weeks. They are slightly slower to kill than G-agents, but they kill far more quickly than mustard gas.[89] These reports also indicate that Fallujah is the main center of Iraqi loading of artillery shells and rockets with nerve gas.[90] West German and Austrian firms also gave Iraq the capabilities it needed to experiment with hydrogen cyanide, cyanogen chloride, and Lewisite.[91]

As UN inspectors found after the Gulf War, Iraq set up a plant to actually arm chemical weapons at Al-Muthana. This seems to have been the only place that Iraq actually armed rockets, shells, bombs, and warheads with chemical agents, and 280 tons of mustard gas.[92]

As a result, Iraq expanded from production levels of about 10 tons a month of all types of gases by late 1985, to a capacity of over 50 tons per month by late 1986.[93] In late 1987, Iraq could produce over 60 tons of mustard gas a month and four tons each of Tabun and Sarin.[94] In early 1988, Iraq could produce over 70 tons of mustard gas a month and six tons each of Tabun and Sarin.[95] It may have had the technical capability to produce Soman, a choking agent like Phosgene, blood agents like Hydrogen Cyanide and Cyanogen Cyanide, vesicants like Lewisite and agents like Adamsite and Chloropicrin.[96]

These production efforts expanded steadily from the August, 1988 cease-fire in the Iran-Iraq War to the beginning of the Gulf War. Iraq continued to import additional precursors from nations like the United Kingdom, and to produce large amounts of mustard and nerve gas weapons until its operations were halted by Coalition bombing.[97] It had at least ten major storage bunkers for chemical weapons scattered throughout Iraq the time the bombing began. Iraq was able to produce up to 3,500 tons of mustard gas and 2,000 tons of Sarin and Tabun a year by 1990, or more than 20 times the amount it could produce in 1985. It had a major plant producing Tabun near Samara, and three facilities producing Sarin near Fallujah.[98]

It was also producing persistent agents VX and VR-55, and its plant at Fallujah was being expanded to a capacity of 2,000 tons per month. This production would have given Iraq enough chemical agents to arm 250,000–500,000 tube and rocket artillery rounds each year, as well as smaller numbers of bombs.[99]

Iraq made it clear during early 1990 that it had binary chemical weapons—a technology it seems to have acquired in 1984 or 1985, and used in at least crude form in most of the weapons it used during the latter half of the Iran-Iraq War. Further, Iraq reports surface that Iraq might also be able to manufacture blood agents like cyanide and "dusty" mustard gas.[100] Blood agents rapidly defeat most military as masks. "Dusty" mustard gas is a powder form of mustard gas which is very persistent, and which can coat particles so small that they are only several microns in size and which may be able to penetrate protective clothing and filters.

Iraq also experimented with "double channel" or "cocktail" chemical weapons that mix several chemical agents together to provide different kinds of lethality and/or defeat different forms of protection. Some sources indicate that Iraq used "cocktails" of cyanogen with mustard gas and Tabun in Kurdistan. Saddam Hussein stated on April 2, 1990, that Iraq had "double-combined chemical" weapons, and had them since the last year of the war.[101] Iraq does, however, seem to have had some significant problems in keeping its agents pure, and in developing corrosion proof materials. The UN inspection teams charged with destroying Iraq's chemical weapons after the war found that nearly 25% of them leaked, although it was often impossible to distinguish between problems with the chemical agents, problems with the weapons design, and problems because of wartime damage or rapid post-war movement and inadequate storage.[102]

By the time the Gulf War began, Iraqi doctrine called for the regular training of all combined arms elements in chemical warfare. Iraqi field forces were equipped with numerous dual capable delivery systems, and sophisticated chemical protection, reconnaissance, and decontamination gear. Delivery systems included rifle grenades, 81mm mortars; 152mm, 130mm, and 122mm artillery rounds; bombs, bomblets, 90mm air-to-ground rockets, 216 kilogram FROG and 555 kilogram Scud warheads, and possibly land mines, and cruise missiles.[103]

UN inspections after the war determined that most of the chemical rounds for these weapons were not binary. They used a tube or canister of a single chemical agent in a plastic tube surrounded by a burster explosive like TNT. This weapons design made it difficult to store the round since Iraq's chemical agents were often impure or corrosive and the quality control of many rounds was poor. It helps to explain both the leaks found in Iraqi rounds after the war, and reported during the war that Iraqi rounds armed in the summer of 1990 had begun to leak by the time the war began.[104]

While regular army and air force units fired the weapons that actually delivered the chemical weapons, there were special chemical troops integrated throughout all of the branches of the Iraqi armed forces which were responsible for the care, build-up, and delivery of chemical weapons. They had a status approaching that of a separate combat arm, and included units and sub-units responsible for chemical defense, radiation and chemical reconnaissance, the operation of smoke and flame generators, the identification of chemical targets and meteorological analysis, and decontamination. Each corps had a chemical battalion, each independent brigade or division had a chemical company, regiments had chemical platoons, and chemical sections were assigned to battalions or platoons with weapons capable of delivering chemical weapons. As many as 50% of Iraq's combat aircraft and artillery weapons could deliver chemical rounds.[105]

Once it invaded Kuwait, Iraq quickly resorted to threats to use chemical weapons in dealing with the Western and Arab reaction to its invasion of Kuwait and build-up on the Saudi border. It conspicuously loaded its aircraft with chemical weapons before removing the weapons and placing them in storage. It dispersed chemical weapons in a wide range of areas, and on August 20, 1990, President Saddam Hussein gave a speech stating that foreign hostages would be dispersed to military and key civil locations throughout Iraq, including Iraq's major chemical weapons production facilities.

By November, 1990, Iraq had built up large dispersed and sheltered stocks of chemical weapons in its territory outside the KTO. It deployed a wide range of delivery systems to its forces supporting its invasion of Kuwait, deployed protection and decontamination gear, and built decontamination trenches in the forward and rear areas. As has been noted earlier, however, Iraq never used chemical weapons during the Gulf War. This may have been the result of many factors. Iraqi fear of Coalition or Israeli retaliation with nuclear or chemical weapons, the shattering impact of Coalition bombing and its loss of effective command and control and distribution capability, or the rapid understanding that the Coalition could expand its conventional strategic bombing campaign to devastating levels.

There is no question, however, that Iraq had ample stocks of chemical weapons, and that it equipped its units with chemical protection and decontamination gear, and with the operational instructions for using chemical weapons.[106] Iraq initially declared to the UN that it had 355 tons of mustard gas and nerve agents, 650 tons of intermediate chemicals, 6,920 chemical filled rocket warheads, 1,376 aerial bombs, and 105 artillery shells, virtually all at Samara.[107] As of February, 1992, the UN had found at least 46,000 chemical weapons versus the 10,000 to 11,000 that Iraq had initially declared, and 3,000 tons of raw materials for chemical weapons versus the 650 tons that Iraq had originally declared. UN and U.S. sources were estimating that Iraq might have 54,000 to 79,000 more rounds than it declared.[108]

The 46,000 rounds the UN was able to inspect and start destroying included 20,000 mortar rounds of non-lethal CS gas, plus 26,000 rounds filled with nerve agent or mustard gas. The lethal rounds included large numbers of 122mm and 155mm artillery shells, 250 kilogram and their bombs, and 30 Scud missile warheads. Iraq had ample time to disperse many of its chemical weapons, precursors, and production systems before the Gulf War began, and continued to hide and disperse them after it signed a ceasefire.[109]

While UN inspection discovered a great deal of Iraq's chemical weapons and production equipment, including items like production equipment concealed in a milk plant near Mosul, most experts felt as of the spring of 1992, that Iraq retained significant stocks of weapons. Robert Gates, the Director of CIA, testified to Congress in early 1992, that much of Iraq's "hard to get production equipment" for chemical weapons had been "hidden" before the allied bombing attacks. He also estimated that, "If UN sanctions are relaxed, we believe Iraq could produce modest quantities of chemical agents almost immediately, but it would take a year or more to recover the chemical weapons capability it previously enjoyed."[110]

TABLE III.—PROBABLE IRAQI CHEMICAL AGENTS

Type of agent	Delivery method	Symptoms	Effects	Rate of action
Confirmed:				
Blistering Mustard	Missile, artillery, bomb, aerial spray, landmine.	No early symptoms for mustard types; searing of eyes, stinging of skin.	Blisters skin, destroys respiratory tract, causes temporary blindness.	Minutes.
Nerve-Sarin (GB), Tabun (GB), VK/VX?	Missile, artillery, bomb, aerial spray, landmine.	Difficult breathing, drooling, nausea, vomiting, convulsions.	Incapacitates or kills when delivered in high concentrations.	Seconds
Suspected in At Least Limited Amounts:				
Blood-Cyanide	Missile, artillery, bomb	Convulsions and coma	Incapacitates or kills when delivered in high concentrations.	Minutes.
Possible at Experimental Level:				
Choking Phosgene	Missile, artillery, bomb	Coughing, choking, nausea, headache	Damages and floods lungs	Hours.

See Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Fort Worth, General Dynamics DWIC–01, February, 1992, pp. II–336 to II–338.

IRAQI BIOLOGICAL WEAPONS

The history of Iraq's efforts to develop biological weapons is less clear than that of its efforts to develop chemical weapons. This illustrates a key problem in tracking the proliferation of weapons of mass destruction in the Middle East. Biological weapons are an effective and relatively cheap way of acquiring weapons of mass destruction. At the same time, efforts to develop such weapons can be concealed far more easily than the facilities to produce chemical and nuclear weapons.

There have been some highly controversial changes that Iraq has used mycotoxins against its Kurdish population since early in the Iran-Iraq War, but these charges have not been confirmed.[111] Most of the examples and symptoms cited in these charges can also be more easily explained because of the sanitary and health conditions affecting the population in the area. The use of mycotoxins or "yellow rain" weapons cannot be ruled out, but reports that the Iraqi secret service used biological agents or toxins to poison the food in Kurdish refugee camps in mid-1989, and produce 700 dead and 4,000 casualties, seem dubious.[112]

Virtually all Western experts agree, however, that Iraq was actively working on the production of biological weapons when the Gulf War began, and many listed Anthrax and Botulin toxin as being among the most likely weapons.[113] A West German official, Friedhelm Ost, stated in early 1989, that Iraq was developing biological weapons research and might already have started the production of biological agents, and the U.S. Director of Central Intelligence, Judge Webster, publicly announced in October, 1990, that Iraq was producing biological weapons.[114] Iraq strongly denies developing such weapons as well as reports that it has used them against the Kurds.[115] Nevertheless, there not only are strong indications that Iraq is working on agents like botulin and anthrax, but is conducting research into typhoid, cholera, tularemia, and equine encephalitis.[116]

After the Gulf War, it became clear that Salman Pak was the main Iraqi center for the development and production of biological weapons, as well as chemical weapons. It also became clear that other facilities existed. Some reports indicate that such facilities exist at Samara or in a separate location west of Baghdad. Iraq also established a new Genetic Engineering and Biotechnology Research Center shortly after the Iran-Iraq War, and was the first nation to ratify an agreement by the UN setting up international centers for such research in Trieste, Italy and New Dehli, India. It seems to be exploiting these connections for biological weapons research.[117]

Some of Iraq's biological warfare facilities were co-located with industrial plants. The Iraqi Ministry of Industry and Military Industrialization created a State Enterprise for Drug Industries at Samara which consolidated plants originally built with Soviet assistance, but which later benefited from West German support. Some seem to have been involved in biological weapons.

The Al-Kindi Company for Serum and Vaccine Production was a major French-designed factory for manufacturing the vaccine for hoof and mouth disease at Doura, Baghdad, which some reports indicate can make up to 12 million doses per year, and has a research effort designed to allow it to manufacture up to 15 different vaccines. The Arab Company for Antibiotic Industries in Baghdad is an Iraqi-Jordanian-Saudi government-owned firm that is building a factory capable of making 200 tons of penicillin a year. This project has received extensive support from a West German firm called V-Consult Ingenieur.[118]

There also are reports that Iraq acquired mobile toxicological laboratories from West German companies. These laboratories theoretically are for "agricultural chemistry" but the West German firms involved in supplying them include Karl Kolb, a firm that actively helped Iraq acquire chemical weapons.[119] Further, a West German firm called Josef Kuhn and Plato-Kuehn seems to have sold Iraq 2.7 grams of mycotoxins called T-2 and HT-2, that it acquired from its parent U.S. firm, Sigma Chemie.[120] The State Department has charged that these are the same toxins used by Vietnam in Cambodia and the USSR in Afghanistan.

A wide number of companies may have deliberately or inadvertently helped Iraq in its biological weapons efforts. Sigma Chemie is also reported to have transferred precursor viruses for biological weapons, and Iraq seems to have obtained the strains for a number of viruses that can be used for biological warfare from centers in the U.S. under the guise of requesting them for medical research. Other firms seem to include Swatek and Cerny (Austria)—sanitary equipment; Labsco GmbH (FRG)—biological equipment; Rhein-Bayern Vehicle Construction (FRG)—mobile toxicological laboratory; Anton Eyerle (FRG)—mobile toxicological laboratory; and Iveco Magrius Deutz (FRG)—vehicles for mobile laboratories.[121]

There is no reliable way to determine exactly what biological weapons Iraq was developing before the Gulf War, although the head of the British government's Defense Arms Control Unit, Peter Verker, has stated that,[122]

"Biological research activities for military purposes had been undertaken at Salman Pak since 1986, and included research into some of the most effective biological agents—the organisms which cause gas gangrene (clostridium perfringens), anthrax, (Bacillus anthracis), and botulism (Clostridium botulinum)."

The UN inspection teams have also found brucellosis and tularemia.[123] Other logical biological weapons include equine encephalitis, and possibly cholera and typhoid. What is clear is that it had both production facilities at Salman Pak, and at least some stock piles of toxins and probably of stable weapons like Anthrax. It is also clear that Iraq had at least three to six other biological warfare sites, and probably had a number of other storage facilities.

Many of these facilities had not been inspected by the UN in the early spring of 1992, and it seems likely that Iraq still had stocks of some biological weapons. Further, having the technology, it could rapidly set up covert production centers at university research centers, medical goods and drug production plants, or virtually any other facility where it could maintain a secure biological research and production activity. Robert Gates, the Director of the CIA, responded to questions about Iraq's biological weapons effort in January, 1992, by stating that "the biological weapons program was also damaged, but critical equipment for it, too, was hidden during the war." Iraq could produce biological agents "in a matter of weeks."[124]

IRAQI NUCLEAR WEAPONS EFFORTS

Iraq denied that it was seeking nuclear weapons from the time this was first suspected in the 1970s until an admission was forced upon it by UN inspectors in 1991. Long before this admission, however, there was overwhelming evidence that Iraq had sought specialized expertise and technology which had only limited secondary applications, and in ways which could only be explained by a covert nuclear weapons program.[125]

Iraq's major nuclear research efforts began in 1959, when it ordered a small research reactor from the Soviet Union. This small 5 megawatt light-water reactor, called the IRT-2000, used highly enriched Uranium and went on line in 1968. This reactor was later used to test the production of plutonium from spent reactor fuel, although no confirmed reports exist regarding these tests until 1988.[126]

Iraq's next major reactor acquisition effort was the purchase of the "Isis" or "Tamuz II" reactor from France in 1976. This was a small 800 kilowatt light water reactor using highly enriched Uranium, and went on line in 1980. During this period, Iraq established a significant nuclear research effort and set up a laboratory scale Uranium purification plant at Tuwaitha with Italian support. Iraq is known to have tried unsuccessfully to purchase bulk depleted uranium and reactor fuel pins from the U.S. and Canada.[127]

The key step Iraq took in developing a nuclear weapon during the late 1970s and early 1980s was the purchase of the Osiraq (Tamuz I) light water reactor from France in 1976, which originally was designed to use 158 pounds (78 kilograms) of highly enriched uranium. The amount would have been sufficient to manufacture up to three nuclear weapons.[128] Iraq also obtained Italian assistance in developing fuel fabrication capability, and in obtaining a plutonium reprocessing technology with a capacity of up to 8 kilograms per year. This equipment included three radiologically shielded "hot cells" which could extract plutonium from uranium irradiated in a reactor, and related equipment suitable for producing plutonium.[129] The "hot cells" were particularly important to a nuclear weapons effort because the 40 megawatt Osiraq reactor was unusually large for research purposes, and could be used to irradiate uranium in "hot cells" to produce plutonium.

Experts still disagree over the extent to which the Osiraq reactor complex was designed for nuclear weapons purposes, but it now seems clear that Iraq was interested in nuclear weapons and not in nuclear power. While Iraq claimed that the reactor was purely for research purposes, its covert efforts to acquire plutonium "hot cells" and reprocessing capability make these claims extremely unlikely. So does Iraq's insistence during this period on obtaining 158 pounds of highly enriched uranium from France—although France eventually reacted to international pressure by limiting its supply to Iraq to 55 pounds at any one time.[130]

Further, Iraq bought large amounts of natural uranium from Brazil, Portugal, Niger, and Italy in 1980 and 1981 that it could not process into reactor fuel, but could process into uranium and could irradiate into Plutonium.[131] Plutonium can be produced by exposing Uranium to neutrons within a reactor and then chemically separating out the Uranium. Iraq also placed an order in early 1980 for 25,000 pounds of depleted uranium fuel pins from a West German firm called NUKEM. The pins were sized for irradiation in the Osiraq reactor, and had no other real purpose than to produce about ten to twelve kilograms of weapons grade plutonium. By 1990, Iraq had at least 332,000 kilograms of Yellowcake, 116,000 kilograms of UO_2, 2,577 kilograms of UCl_4, 0.465 kilograms of UF6, 1,850 kilograms of ADU, 2,050 kilograms of UO_3, 310 kilograms of UF_4, and 2,255 kilograms of UO_4[132]

Iraq could count on be gamble to use the irradiation approach to proliferation because of the limits to international inspection before the Gulf War. While the Osiraq reactor was under International Atomic Energy Authority (IAEA) inspection, and French technicians were working at the site, Iraq seems to have followed roughly the same approach to disguising its nuclear weapons efforts that Sweden had used in the early 1960s. While the fuel cells at the Osirak reactor were subject to inspection, they were only subject to inspection after Iraq declared that material was present. The IAEA had no right to inspect the cells on an on-going basis or the fabrication of the material being inspected. According to one Israeli source, the reactor also had a covert chamber of irradiating uranium which allowed it to produce significant amounts of plutonium—enough to produce one to two bombs over a period of two to three years. This allowed Iraq to "comply" with the IAEA, while developing an ability to handle plutonium technology and stockpiling material for weapons purposes.[133]

This mix of factors that led Israel to a series of efforts to halt or destroy the reactor. Israeli agents almost certainly planted a bomb in April, 1979, that destroyed the reactor's first set of core structures while they were still awaiting shipment to Iraq in Seine sur Mer, France. Israeli agents also seem to have assassinated Dr. Yahya el-Meshad, an Egyptian physicist working for Iraq, and to have bombed several of the French and Italian companies working on the project .[134] Finally, on June 7, 1981, Israel launched the highly publicized air raid that destroyed the reactor before it could become operational.

At the time when Israel attacked and destroyed the reactor, Iraq was negotiating to buy a heavy water power reactor from Italy and a sizable reprocessing facility whose purpose was almost certainly plutonium production. This series of deals seems to have halted, however, after it became clear that Israel would take military action to prevent it from going forward.[135]

While France initially agreed to rebuild the Osirak reactor, it failed to do so because of a mix of U.S. and other international pressures, the Iran-Iraq War, and Iraqi payment problems.[136] This forced Iraq to find other ways to produce its fissionable material. Iraq continued to give the search for a replacement for Osirak very high priority, and but it also started a major Uranium enrichment effort, and tried to develop a capability to process Plutonium.

Iraq used nuclear power as its "cover" in attempting to obtain nuclear reactors. In 1984—in the midst of the Iran-Iraq War, while unable to export its oil, and while nearly bankrupt—Iraq announced it was seeking to provide 10% of its power needs with nuclear power, and had contracted with the Soviet Union in 1984, to build a 440 megawatt plant at a cost of $2 billion. The plant was supposed to be built by the Soviet Atomnergo group, but even before Iraq's invasion of Kuwait, there was no sign that Iraq would get the USSR to start construction, or that Soviet Union would build a new reactor Iraq could integrate into a weapons development cycle.

In March, 1989, Saddam Hussein declared that Saudi Arabia had agreed to finance the rebuilding of the reactor during a visit to King Fahd to Baghdad.[137] This announcement, however, was not confirmed by Saudi Arabia, and still left the issue of who would actually rebuild the reactor unclear. No progress was made between March, 1989, and the virtual severing of Saudi-Iraqi relations following Iraq's conquest of Kuwait in August, 1990. Iraq also sought Latin American support in building an uncontrolled reactor somewhere in Northern Iraq, but seems to have had equally little success.

Iraq was far more successful in obtaining support in finding other ways of obtaining fissile materials and in getting nuclear weapons technology. Reports of Iraqi cooperation with other proliferating nations during this period are uncertain, but it seems likely that such cooperation took place. Iraq cooperated with Brazil in some aspects of missile research during this period, and Brazil is actively involved in manufacturing centrifuges, and has used many of the same suppliers for its centrifuge development effort as Iraq. Brazil sold Iraq substantial amounts of uranium, and had a research cooperation agreement with Iraq that at least lasted to 1989. Argentina sold Iraq uranium and missile technology, and may have cooperated with Iraq on some aspects of fissile material manufacture.

While Pakistan has closer ties to Iran than Iraq, Iraq had a nuclear research cooperation agreement with Pakistan and Egypt since 1985. At least some Pakistani scientists associated with Pakistan's centrifuge plant at Kahuta, near Islamabad, seem to have visited Iraq. Iraq was also the leading member of the Arab Atomic Energy Commission, which was established in December, 1988, and which includes Jordan, Kuwait, Lebanon, Libya, Palestine, Saudi Arabia, Syria, and Tunisia.[138]

IRAQ'S NUCLEAR EFFORTS AFTER 1988

What is certain is that Iraq spent up to $10 billion during the 1980s to acquire Calutron and centrifuge enrichment facilities, on other methods of enrichment, and on acquiring virtually all of the technology and equipment to use fissile material in a nuclear weapon.[139] At the time the Gulf War began, Iraq had over 5,000 Iraqi workers involved in its nuclear weapons effort and the following major facilities.[140]

Abu Ghraib: Military base and fuel-rod storage.

Abu Sukhayr: Exploratory mine located about 25 kilometers south-west of Najar. Production from September, 1988 to end of 1990, when was flooded. Uranium in ore ranged from 80 to 800 ppm.

Ahashat: Phosphate and open faced Uranium mine. Uranium extraction.

Amil: Liquid nitrogen for Calutron program.

Amir: Calutron component manufacturing: Magnet cores, return irons, ion sources, collector parts.

Ameen: Calutron component manufacturing—prototype components.

Atheer: Nuclear weapons design and testing of high explosives. Hydrodynamic studies. Large cold isostatic press for shaping explosive charges by Asea Brown Boveri. High temperature vacuum induction furnaces by Arthur Pfeiffer Vacuum Technik GmbH. Planned casting and machining of fissile material, machining of Uranium plates, and assembly of explosive structure and core of nuclear weapons. Plasma coating molds and mold fabrications, Design of regular implosion type nuclear weapon.[141]

Badr: Centrifuge component manufacturing. Civil contracting for Al Furat project.

Daura (SEHEE): Calutron component manufacturing—Vacuum chamber parts. Civil contracting for Al Furat project.

Fao: Civil contracting for Al Furat project.

Falluja: Military base and equipment storage.

Furat (Farat or Pharat): Centrifuge research. Two centrifuge manufacturing sites. Maraging centrifuge facility. Had begun with a Beams type and was capable of making the more advanced Zippe type by mid-1987. Iraqi initially claimed they were capable of producing up to 200 centrifuges a year. The manufacturing equipment intended for installation indicates that the true figure was 2,000.

IRT-5000: Po-210 production.

Jezira: Uranium processing; UCl_4 production. Calutron and centrifuge production.

Al Hadre: High Explosives research and hydrodynamic studies.

Hatteen: High Explosives research; main explosive structure research.

Musayyib: Materials research and high explosive test site. Test range for shaped charges. Power plant. Nuclear weapons laboratories.

Mosel: UCl_4 production.

Nafad: Calutron component storage.

Nasser Works: Centrifuge component manufacturing and machining.

Al Qa Qaa: Development of non-nuclear components and explosives for nuclear weapons, HMX production and casting for weapon, pressing and machining, main explosive structure of weapon, explosive lens building, and lens assembly. Detonator research. Exploding bridge wire detonators. Research facility for Ministry of Industry and Military Industrialization.

Qaim: Superphosphated fertilizer plant, Uranium extraction plant and yellowcake production.

Al Radwan: Centrifuge component manufacturing: Magnet cores, return irons, ion sources, collector parts.

Al Rashidiya: Maraging centrifuge facility.

Saddam Works: Calutron component manufacturing and centrifuge machining.

Salladine: Calutron component manufacturing—electrical control panels.

Ash Shakyli: Warehouse storing centrifuge components.

Sharqat: About 240 kilometers north of Baghdad. Worked started in 1988. Three groups of facilities. Uranium enrichment for Calutron. An Iraqi duplicate of Tarmiyah, with 600mm and 1,200mm Calutrons, but not yet operational.

Suwayrah: Nuclear equipment.

Tarmiyah: Calutron research. Main production site for Uranium enrichment. 8 working 1,200mm Calutrons. 17 1,200mm improved Calutrons being installed. Building for 20 600mm Calutrons under construction. Capacity of 90 600mm and 1,200mm Calutrons. This could have produced 15 kilograms of 93% enriched Uranium per year, and more of less enriched Uranium. (This complex was built by the Yugoslav Federal Directorate of Supply and Procurement and equipped by the Yugoslav firm of EMO electrical Engineering)).[142] Also, computer facility.

Technical University of Baghdad: Streak video cameras and related equipment suitable for weaponization work by Hamamatsu.[143]

Tikrit: Storage of yellowcake.

Tuwaitha: A major research and production center, Site of damaged Tamuz 1 and Tamuz 2 reactors, and IRT-5000 reactor (heavily damaged in war). Nuclear physics labs. Main computer facility with IBM-370 main frame and many IBM PS/2s. Uranium research and development. UCl_4 and UF_6 production. Calutron and centrifuge tests, Plutonium separation, and chemical separation. 5 working Calutrons. Gaseous diffusion research. Po-210 extraction and neutron initiator research and design. UF_4 production. Metal reduction, casting, and machining. Research on implosion nuclear weapon. Firing system research and design.

Zaafarniyah: Al Dijla and Al-Rabee sites fabricated Calutron components.

Walid: Centrifuge factory.

Most of these facilities were not declared to the IAEA and were not subject to its inspection, and many only became known after the UN inspections began following the Gulf War. While Iraq relied on dispersal and secrecy to protection some of these facilities, it also established massive surface-to-air missile defenses at major facilities like Tuwaitha.[144] These defenses were combined with hardened shelters at locations like Tuwaitha and Al Atheer, and Iraq had at least one underground facility in a mountain near Irbil.[145]

Iraq's critical problem was to obtain fissile material. In the late 1980s, Iraq only had a total of 27.5 pounds (11.3 kilograms) of French-supplied 93% enriched uranium for the Tamuz 1 reactor destroyed by Israel, and 22.3 kilograms of Russian supplied Uranium with levels of enrichment varying from 36% to 80% for its Russian supplied IRT-5000. research reactor.[146] Only the French material could be used in a bomb. Using this limited amount material to build even a single weapon also required the use of very complex implosion technology, since it cannot be used in the simpler weapon's designs made possible by using plutonium or mixes of uranium and plutonium. Iraq would have had no surplus material to test its weapon design.[147]

As a result, Iraq simultaneously pursued several approaches to getting the weapons grade material it needed. Iraq turned to the international black market in arms for fissile material, but made little progress. For example, Iraqi officers failed in 1984 to purchase some 33.9 kilogram (74.6 pounds) of Plutonium from Italian arms smugglers in what seems to have been little more than a confidence scheme.[148]

The UN Special Commission did find after the Gulf War that Iraq had managed to extract a little over five grams of weapons grade Plutonium from reactor fuel that was subject to IAEA inspection. Later examination of the source of Iraq's Plutonium indicated that it came from two sources. First, 2.26 grams of Plutonium had been separate at a small laboratory at the Tuwaitha Nuclear Research Center. This had evidently been separate between 1982 and 1988 after the IAEA exempted five fuel elements from inspection which contained 10% enriched uranium for the Soviet IRT-5000 research reactor. Such an IAEA exemption is normal for small amounts of material used for research purposes.

The second batch of 3 grams was also separated at Tuwaitha. This time, however, Iraq used natural Uranium that it had separated at Al Qaim in northern Iraq. Iran inserted about 11 kilograms of this processed Uranium into its research reactor. Iraq had sent another 8 kilograms to Tuwaitha by the start of the war, but this had not been processed by the time the UN inspected the facility.

This Plutonium enrichment activity demonstrates Iraq's interest in nuclear weapons, but it must be kept in careful perspective. If Iraq had used its laboratory in this way, round the clock for a year, it would only have obtained 100 grams of Plutonium. It takes approximately 8 to 10 kilograms of Plutonium to make a nuclear weapon, and there is no evidence that Iraq had a secret reactor or large scale facility for Plutonium production.[149]

Iraq also turned to cascade technology, but had little success. It studied gaseous diffusion from 1982 to 1987, but concluded that it required a more advanced industrial infrastructure than Iraq had available, and abandoned it for centrifuge and Calutron technology.[150] Iraq actively sought centrifuge technology from the U.S., Europe, and PRC, and this led to a number of incidents over attempts to smuggle equipment to Iraq. The U.S. blocked an attempt to acquire the specialized pumps needed for cascade facilities in February, 1989, and other Iraqi attempts to smuggle centrifuge technology from the U.S. to Iraq in 1988 and 1989 were blocked by U.S. officials.

Nevertheless, Iraq made significant progress towards creating a centrifuge enrichment capability, and meeting a long term goal of 10,000 operating centrifuges, U.S. aid.[151] Iraq had a Beams type centrifuge by mid-1987, and more advanced Zippe type by mid-1988. The UN Special Commission found that Iraq purchased centrifuge technology and equipment from thirteen different German companies, and found a plant at Al Furat that the Iraqi claimed was capable of producing up to 200 centrifuges a year that had escaped the UN bombing.[152]

Iraq seems to have had the designs for an early URENCO centrifuge, and a 1988 design by MAN Technologies GmbH of Munich.[153] It acquired the specialized drill presses, and rolling machines or lathes, for manufacturing enrichment centrifuges from H&H Metalform Mashinenbau and Vertriebsa Ltd. of Drensteinfurt in West Germany during 1987–1988.[154] It acquired machinery to manufacture end caps and flow-forming machines to make the thin and precisely machined rotors for centrifuges out of maraging-steel tubes from H&H and other German companies. It acquired 240,000 ferrite magnet spacers, 300 tons of special aluminum alloy for vacuum housings, and 84 tons of special aluminum alloy for molecular pumps. In 1989, Iraq acquired at least 100 tons of maraging steel-350, a high nickel content steel whose primary use is in uranium centrifuges. Some of this steel seems to have come from Export Union Duesseldorf GmbH, although not enough was found to provide for a major centrifuge manufacturing effort. Some experts feel Iraq's rotors were also still of low grade at the time of UN inspection.[155]

Iraq obtained the samarium cobalt magnets used to hold the centrifuge in place during high speed rotation from West Germany and the PRC. It attempted to acquire the specialized vacuum pumps used to circulate uranium hexafluoride gas through gas centrifuges from CVC products of Rochester, New York. When this failed, it seems to have acquired them in Europe.[156]

Iraq set up a hydrogen fluoride plant at Al-Qaim, in a facility plant used for phosphate production. Hydrogen fluoride is needed to produce uranium fluoride gas.[157] Iraq made enough progress to set up a maraging centrifuge facility at Al Farat, and another at Al Rashidiya. The West German investigation of the actions of H&H and technicians associated with MAN, indicated that this manufacturer played a major role in setting up a nuclear materials research and centrifuge manufacturing plant at Tuwaitha, and that research and development work on centrifuges was taking place at the Sa'ad 16 center near Mosul. It also indicated that a ex-MAN employee, Bruno Stemmler, played a critical role in making Ira's centrifuge design function.[158]

A number of other firms played a deliberate or inadvertent role in helping Iraq to acquire a centrifuge capability. These include a number of Austrian, German, and Swiss firms, and one American firm. UN reports have named Acomel Ltd. (high frequency converters for operating centrifuges), Degussa (large oxidation furnaces), Du Pont (Krytox nuclear grade fluorinated vacuum pump oil), Leybold Heraeus AG (electron beam welder), Neue Magdelburger Werkzeugmashchinenfabrik Ltd. (large centrifuge machines), Dr. Reutlinger & Soehne (horizontal and vertical balancing machines), and NUPRO, VAT, and Balzer (different types of bellows valves).[159]

Iraq planned to have a 100 machine cascade in operation by 1993 and a 500 machine cascade in operation by 1996. It would probably have had at least 2,000 machines on line by the late 1990. Under optimal conditions, a line or cascade of 2,000 centrifuges can produce 40 to 50 pounds of highly enriched Uranium a year, or about enough to produce one bomb.

The centrifuge, however, is a difficult to enrichment, and few developing countries are likely to get anything approaching this level of output.[160] The UN Special Commission found serious problems in the quality of Iraq's centrifuge technology and production equipment. Pakistan seems to have taken nine years to build a centrifuge enrichment facility, and still only seems to have about 1,000 out of 14,000 centrifuges running at its plant at any one time. Brazil took ten years to get a small plant running at Aramar, with only 50–75 centrifuges, although was well on its way to operating a full scale 2,000–3,000 centrifuge plant by 1990.[161]

As for other methods of enrichment, Iraq showed no interest in laser isotope separation, limited interest in chemical and jet nozzle separation, and a major interest in Calutron enrichment. Iraq tried both Japanese and French techniques for chemical separation which rely on catalysts to speed up the exchanges between U–235 and U–238. It abandoned the Japanese technique, but continued working on the French technique in order to obtain a relatively cheap and efficient method of low level enrichment. It only seems to have made limited progress in jet nozzle technology, and abandoned it.[162]

Iraq's efforts to use Calutrons was somewhat more successful, and was only discovered after the Gulf War. The Iraqi effort to keep these facilities was so covert that it led a number of experts to speculate that Iraq had taken advantage of deception techniques to hide its activities from U.S. satellites that it obtained from the Soviets after the Israeli attack on Osriak, and from studying U.S. satellite photos of Iran that the U.S. had supplied to Iraq during the Iran-Iraq War.[163]

Iraq's major Calutron facilities have been listed earlier, but the UN has not fully disclosed what it has discovered about the Iraqi Calutron effort or the names of its foreign suppliers. It is clear, however, that Iraq set up electro-magnetic isotope separation (EMIS) facilities at Ad Dijjla, Tarmiya, Ar Rabiyah, Al Hamath and in the Zaafariniyah section of Baghdad.[164] After the Gulf War, the U.N. Special Commission found these involved the production of massive equipment assemblies that included at least thirty 12 foot disks weighing 60 tons. These were supplied by a number of Austrian and German firms, including Voest-Alpine.[165]

While several Calutrons were built, their importance was sometimes exaggerated in the press. They do not appear to have been functioning with high reliability, at a significant scale, or with the throughout required to support a major weapons effort. They could, however, have been more effective as a way of preparing enrichment material for further enrichment by centrifuges. The UN Special Commission noted that the Calutrons could be used for high capacity-low enrichment operation and the centrifuges for low capacity-high enrichment.[166]

Iraq seems to have produced only grams of enriched Uranium and milligrams of 40%–45% enriched Uranium in the facility at Tuwaitha, which was constructed in 1985–1986. Iraq only began operating the Calutrons at Tarmiya in February, 1990, and produced a total of 500 grams of 4% enriched uranium with some at a high of 10%. The facility at Tarmiya was still in the test bed stage, and each Calutron had four ion sources and a design beam current of 145 milliamps of Uranium ions. Iraq was experiencing problems in keeping all the ion sources operating at once and in maintaining stable beams, but had evidently solved all the development problems except the ion source.[167]

It was installing a circular system, or racetrack, of 17 Calutrons when the war began to produce low enriched Uranium, with the goal of installing up to 70 low enrichment units and 20 high enrichment units. None of the high enrichment Calutrons were installed or operating, but UN officials speculated that they might eventually have produced 12–90 kilograms a year of Uranium with an enrichment level of at least 90%. This, however, required all four beams in each machine to operate at 145 milliamps and all machines to operate an average of 55% of the time. An output of 8–9 kilograms would have been more likely.

As this enrichment effort moved forward, Iraq steadily expanded what Iraq later admitted was its nuclear weapons design facility at Al Atheer.[168] The UN later identified several firms as providing equipment or technical data for the Al Atheer facility. They include Asea Brown Boverie of Switzerland (large cold isostatic press), Arthur Pfeiffer Vakum Technik Ltd. (very high temperature furnaces), and Hamamatu of Japan (high speed video cameras).[169]

Al Atheer was involved in research relating to the production of Plutonium, Polonium–210, natural Uranium metal, enriched Uranium metal and Yellow Cerium Sulfide. It worked on detonation and neutronic tests, nuclear initiation, and flash X-Rays. It also worked on firing systems, control, and guidance. Projects included explosive lens testing and analysis, natural Uranium reflector design, Polonium 210/Beryllium initiators, hardened iron tampers, synchronization and timing systems, pulse power equipment, charging power equipment, junction switches, capacitors, and related measurements.[170] The UN found some 40,000 pages of documents relating to the Iraqi nuclear weapons design effort, and sophisticated one and two-dimensional computer codes tailored to nuclear weapons design.[171]

Work by the UN inspection teams found that Iraq had concluded that gun type devices need more material, although they were simpler and had fewer calculation requirements. This led Iraq to concentrate on an intermediary implosion type device, and to focus on a yield of 20 kilotons—similar to the nominal yield of the weapon dropped on Nagasaki. Iraq had performed 20 detonation experiments relating to such designs by May 31, 1990—the last date referred to in UN-held Iraqi reports.[172] It is important to note that no records have yet been discovered for the period after May, 1990.

Because Iraq calculated that minor shifts in design could produce a yield as low as 1 kiloton, and lacked predetermined values for several critical calculations, it was using one dimensional integrated codes for much of its design work. It conducted weaponization studies, hydrodynamic calculations, exploding wire studies, initial initiator studies, flash X-ray studies, energy source studies, Neptunium and U-233 experiments, and Li-6 experiments. The bulk of this calculation work seems to have been done at Tuwaitha, using an IBM 370 mainframe and smaller IBM PS/2 computers, although the hydrostatic calculations were performed on an NEC mainframe computer.[173]

Iraq also purchased components for the high melting point explosive (HMX) and rapid detonation explosive (RDX) needed to compress fissile material into critical mass.[174] It obtained polonium 210 from Bismuth, and completed 20 tests of a polonium-beryllium initiator.[175] Iraq obtained X-ray crystal measurement, mass spectrometers, and beryllium. It bought some $96 million worth of computers from the U.S. between 1984 and 1990, and $26 million of which went to Iraqi military facilities, and large amounts of optical fiber.[176] Further, the UN Special Commission reported that Iraq was producing, or had obtained, up to 220 pounds of Lithium-6 a year. Lithium-6 can be used both in thermonuclear weapons, and to enhance the yield of fission weapons. The UN concluded from Iraqi records that Iraq was using Lithium to work on a boosted weapon.[177]

The exact level of Iraq's success in warhead design at the time the Gulf War began is still a matter of some debate. The report of IAEA Director Hans Blix to the UN Security Council on the results of the sixth IAEA inspection of Iraq makes it clear, however, that Iraq had made substantial progress:[178]

"The key result of the sixth inspection is the uncovering of documents that show conclusively that Iraq was very well advanced in a program to develop an implosion-type nuclear weapon and that links existed to a surface-to-surface missile project. In deed, so advanced has this program been deemed to be that the time needed to reach bomb-making capacity seems to have been determined by the time necessary for the enrichment facilities, rather than the weapons design activities.

". . . The sixth report also uncovered evidence of broad based Iraqi international procurement efforts in violation of laws of States from which the export originated. However, much, if not most of the procurement of which evidence will be available, will be found to pertain to equipment and material not subject to export controls elsewhere."

This statement and evidence discovered by the UN inspection teams leaves little doubt that Iraq had most of the technical capability to make an implosion type fission weapon. In fact, the U.S. seems to have helped Iraq in developing some of the explosion technology involved by inviting them to a conference in Portland, Oregon on denotation techniques.[179]

There is less clear, however, that Iraq could have deployed a weapon without testing. Iraq might not have found predictability of yield to be critical. Even a partial success, or "fizzle", that only produced a 5-6 kiloton yield is still an extremely effectively weapon. An outright failure to explode, however, could cost Iraq roughly $100 to $200 million per weapon until it developed a major fissile material production capability, and represent a significant portion of Iraq's total stockpile.

Further, Iraq faced the risk that a nuclear weapon susceptible to shock, accidental triggering, or partial detonation from causes ranging from static electricity to misuse of safety interlocks could do devastating damage to Iraqi territory. There are some indications that the bomb Iraq designed "crammed" so much high explosive into a narrow area that it was highly sensitive to shock and accidental detonation.[180]

Iraq also faced the challenge of mating a nuclear weapon to a delivery system. It had to develop the technology necessary to carry bombs on airplanes in ways that ensure safety and proper release, develop accurate delivery methods, and fuse the bombs to provide reliable control over the height of burst.[181] It had to develop similar technology for missiles, as well as missiles that are so reliable that there is almost a zero chance of the loss of one of Iraq's limited number of warheads. The warhead performance of Iraq's longer range missiles was extremely unreliable at the time of the Gulf War, and presented a risk of missing a target by several kilometers, and of misses that could detonate at virtually any point within their maximum range if the missile malfunctions.

Iraq's effort in March, 1990 to smuggle high speed, high voltage, capacitors from the U.S., suitable for use in nuclear weapons, provides a good example of the some of the other problems Iraq faced in moving from the possession of most of the technology it needs for nuclear weapons to all of the technology it needs for nuclear weapons. On March 28, 1990, five people were arrested in London's Heathrow Airport, after an 18 month "sting" operation in which U.S. and British officials tracked Iraq's purchasing efforts to buy military capacitors. These efforts were made by the London-based firms called Euromac and Atlas Equipment, Ltd., which were fronts for an Iraqi purchasing mission involving the efforts of at least three members of Iraq's Al-Qaa qaa military research and development establishment.[182] Euromac had previously been involved in smuggling cluster bomb parts out of Italy, and some of the Iraqi government personnel involved had ties to the facilities at Tuwaitha and Iraq's Sa'ad 16 military facility near Mosul, which are key centers for such nuclear weapons research.[183]

It is not absolutely certain that Iraq wanted the capacitors for nuclear weapons. They do have a number of other potential military applications, such as triggering the high explosive charges in a gas cannon, the capacitors are co-axial, high voltage, low inductance devices that have exceptional resistance to humidity, vibration, and shock. Nevertheless, they are identical to the devices used in U.S. nuclear weapons and they are perfectly suited to deliver the instant burst of electricity, or triggering charge, necessary to detonate all of the high explosive hemispheres surrounding nuclear material in other to ensure that it is compressed into critical mass with optimum efficiency.[184]

Without access to such technology, however, Iraq faced major problems in miniaturizing its nuclear devices, mating them to missile warheads, making effective use of its limited fissile material, and enhancing the yields it can obtain. It also risked producing weapons sensitive to shock and accidents, which may have significant fusing and reliability problems.

Finally, Iraq faced the problem of nuclear weapons security. The seizure of a nuclear weapon could give any political faction a dominant role in a coup attempt or struggle for power. In the case of a revolution, or ideological struggle, it could easily threaten the existence of the regime or lead to the use of a weapon that could trigger a major war. Creating effective security systems and devices, however, is not easy. Security devices that are internal in the weapon are probably the only way of ensuring a reasonable degree of central government control, but effective designs must be built into every aspect of the weapons design and can interfere with weapons function. Less stringent protection systems can be bypassed in relatively short periods of time, or by disassembling one weapon to learn how to bypass the security systems on the others.

As for the future, UN Coalition attacks destroyed many of Iraq's nuclear facilities during the Gulf War, and the deployment of UN inspection teams by the UN Special Commission created to implement the terms of the 1991 cease-fire in the Gulf War found and destroyed many others.[185] The IAEA has removed the enriched material from the two small research reactors still operating at Tuwaitha, and the UN bombing and Special Commission efforts have destroyed facilities for Plutonium production, Uranium production, hexafluoride conversion, and Uranium mining and milling.[186]

The UN bombing and post-war inspection and dismantling effort cannot, however, deny Iraq the advantages of the technology it has acquired from two decades of nuclear weapons development efforts. As CIA Director Robert Gates noted in testimony before Congress, ". . . Iraq will remain a primary proliferation threat at least as long as Saddam Hussein remains in power. . . . The cadre of scientists and engineers trained for these programs will be able to reconstitute any dormant program quickly." [187] Nevertheless, the UN effort does confront Iraq with a massive problem in investment and in re-acquiring the complex mix of equipment and facilities it had before the Gulf War.

If the UN sanctions are fully enforced, it will probably be at least five to eight years before Iraq's nuclear efforts can recover once the UN inspection effort ends. It could well be many years longer before Iraq can build up substantial nuclear forces. This would not, however, prevent Iraq from creating the kind of "nuclear ambiguity" that is already present in India and Pakistan. Iraq may well have a credible enough potential to possess a bomb to influence the regional balances years before it has an effective device. On the one hand this will increase its political and strategic leverage. On the other hand, such ambiguity could make Iraq a high priority target and lead to preemptive attacks by a state like Israel.

FOOTNOTES

[1] U.S. Federal Register, Volume 56, Number 64, p. 13584; London Financial Times, April 2, 1991, p. 1; London Times, April 3, 1991, p. 2.

[2] The Iraqi-held version of the FROG–7 is a free rocket with a range of 11 to 70 kilometers, a CEP of 0.5–0.7 kilometers, and a 550 kilogram warhead. The FROG 7 has a single stage solid propellant rocket motor, and the main nozzle is surrounded by a ring of much small nozzles. This variant of the FROG was first exhibited in 1967. It is 9.0 meters long, 61 centimeters in diameter, and weighs 5,727 kilograms. The FROG–7 is normally mounted upon, and launched from, a wheeled erector launcher called the ZIL–135. While the FROG–7 is superior in reliability and accuracy to early FROGs, there is no guidance system other than a spin-stabilized ballistic trajectory. If any trajectory correction is made after launch, it will begin during boost. After boost, the trajectory is ballistic and at long ranges the missile can strike up to two kilometers from its in-

tended target. Iraq's Scud holdings included a wide range of types. The World's Missile Systems, Seventh Edition, General Dynamics, Pomona Division, April 1982, pp. 65-66.

[3] "U.S. Reasserts Aim to Keep Oil Flowing From Persian Gulf," Washington Times (February 22, 1984), p. A-1.

[4] "Iraqis Fire Missiles on Iranian Cities," Chicago Tribune (February 25, 1984), p. 20; Washington Post, May 11, 1988, p. A-1.

[5] New York Times, May 1, 1988, p. 1.; Los Angeles Times, May 21, 1988, p. 18; Washington Post, May 11, 1988, p. A-1.

[6] Washington Post, May 11, 1988, p. A-1. Work done by Dick Pawloski of General Dynamics describes the systems as follows:

Alert State and Deployment:

State	Warhead	Missile	TEL
6	In storage	In storage	Available.
5	In storage	Sys/comp cks.	Available.
4	Attached	Fueled	Available.
3	Attached	Put on TEL	Move to site.
2	Attached	Erected	Set up.
1	Fused	Launched	Crew dispersed.

All of the SCUD's are liquid fueled and it takes a trained team around one hour to fuel and position the missile TEL (transporter-erector-launcher). It would take another hour to reload the launcher and an additional hour to prepare it for launching, not counting driving time to and from the reload site A chemical warhead would also be "filled" with the VX Agent. These warheads utilize pre-mixed agents that require crews in MOP gear to fill them. The binary forms are not considered feasible for rocket employment at this time.

The "Al-Hussein", which utilizes a reduced payload package (985 to 190 kg) to effect a 100% growth in range to 600 km (328 NM). The warhead inventory which comprises nuclear, high-explosive, ICM Bomblets, chemical (985kg with 555kg active VX), of fuel-air-explosive (FAE).

Iraq's 48 ton, three-stage, "Tamuz-1" heavy duty rocket is supposed to have put up a satellite and its "Abbas" two-stage 2000 km (1100 NM) SSM has been test fired. These advanced rockets could place Iraq into the ICBM club of the superpowers. There is another rocket project, the "Condor II", that was being done with the cooperation of Egypt and Argentina. Fortunately, it has been plagued with technical problems.

The latest advanced missile under development in Iraq has been named the "Al-Hijara" (stone), which is considered to be a modernized "Al Hussayn".

[7] The USSR claimed that none of the Scuds it sold to Iraq had the range to reach Teheran. Iran claims to have recovered parts showing the Scuds used in the attacks were of recent Soviet manufacture. Some sources claim that Egypt, Italy, France, the FRG, PRC, and/or USSR helped the Iraqis add boosters or modify the missiles to use more of their fuel and/or a smaller warhead.

[8] Baghdad has 23% of Iraq's population and is only 80 miles from the border. Tehran is about 290 miles from the front line.

[9] In spite of the knowledge gained during the Gulf War, sources still differ on other aspects of the performance of this system. According to some reports, the improved Iraqi Scuds have a CEP of 1,300 meters versus 1,000 meters for the Scud B, and carry only 600 kilograms versus 1,000 kilograms for the Scud B. According to other reports, Iraq has obtained Scud Ds from the USSR, although this seems unlikely. The Scud Ds are substantially more accurate than the Scud C, and can use minelet and submunition payloads, but there is no evidence the USSR has sold such systems to Third World states. Some reports indicate that Iraq has Soviet-made Scud C missiles with strap on boosters. This seems doubtful because the missiles Iran recovered did not have such boosters, only a smaller warhead. David C. Isby, Weapons and Tactics of the Soviet Army, Fully Revised Edition, London, Jane's 1988, pp. 296-301

[10] Working paper issued by the Israeli Embassy in Washington, April, 1990. No author, title, or publisher listed. Also see Duncan Lennox, "Iraq-Ballistic Missiles", Current News, Supplement, Department of Defense, October 11, 1990, pp. B-4 to B-6; Washington Post, October 10, 1990, p. 19; Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Forth Worth General Dynamics DWIC-01, February, 1992, pp. II-330 to II-331; San Diego Navy Dispatch, September 8, 1990, p. 26; DAH-90, December 1989, p. 30.

[11] New York Times. November 12, 1991, p. A-3.

[12] New York Times, March 30, 1990, p. 6, April 3, 1990, p. 1, November 12, 1991, p. A-3; Christian Science Monitor, January 23, 1992, p. 1; The Atlanta Constitution, January 16, 1992, p. 1

[13] FBIS, Middle East, April 25, 1988, p. 1; Duncan Lennox, "Iraq-Ballistic Missiles", Current News, Supplement, Department of Defense, October 11, 1990, pp. B-4 to B-6.

[14] Defense and Foreign Affairs Weekly, May 8-14, 1989, pp. 3 and 6. Iraq's minister of Industry and Military Industrialization Husayn Kamil, has denied Iraq is cooperating in missile development with any foreign country. Jane's Defense Weekly, May 13, 1989, p. 843.

[15] Kenneth R. Timmerman, The Poison Gas Connection, Los Angeles, Simon Weisenthal Center, 1990, pp. 10-12 and 21-22.

[16] Flight International, May 13, 1989, pp. 20-21, and work by Dick Pawloski, provide a view of the DOT program that may be summarized as follows: European countries helped Iraq set up a series of Rocket and Chemical development, testing and production projects. The scheme was always linked to the cooperative "Condor 2" program with Argentina and Egypt. The "Condor 2" was supported to create a two-staged. 1000 km range (500 kg payload) growth derivative from the Argentina "Condor 1" "weather rocket" developed with the help of MBB from Germany in the late 1970's. The central role of the "Condor 2" project was played by a group of small Swiss companies, headed by Zug-based Consen, staffed by former MBB engineers. In 1984, Egypt contracted the Ifat Company which also involved Argentina.

Iraq approached a Vienna based consultancy, Consultco, with a project for Iraq alone which became the "DOT" Program. A consortium was built with Zublin from Germany, two other Austrian firms, and several other electrical firms. Money was generously received and the work progressed. Thousands of Pakistani workers were recruited and the Feneberg construction firm built the complexes. DOT incorporated three major tasks and Feneberg completed them by March, 1989:

DO-1: near Hilla, 50 km south of Baghdad, chemical rocket fuels development.

DO-2; a collection of engineering workshops near the city of Fallujah, adjacent the Yugoslavian built artillery & ammunition factor called SADD 5.

DO-3: a rocket testing range some 95 km south of Baghdad near Karbala.

[17] The report also said that the fire took a week to fully extinguish and that up to one-third of the main complex had been destroyed, but this is not confirmed. New York Times, September 7, 1989, p. A-9; The Independent, September 6, 1989.

[18] Washington Post, May 3, 1989, p. A-19; Kenneth R. Timmerman, The Poison Gas Connection, Los Angeles, Simmon Weisenthal Center, 1990, pp. 21-22.

[19] Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 11.

[20] *Aviation Week and Space Technology*, August 27, 1990, p. 17, and Dick Palowski, *Changes in Threat Air Combat Doctrine and Force Structure, 24 Edition*, Fort Worth, General Dynamics DWIC-01, February, 1992, pp. 11-323.

[21] For a good summary report, see *Jane's Defense Weekly*, February 17, 1990, p. 295. Also see *Financial Times*, November 21, 1989, p. 1; *Washington Post*, September 20, 1989.

[22] *Flight International*, May 13, 1989, p. 20; *Wall Street Journal*, August 30, 1990.

[23] Michael Eisenstadt, "The Sword of the Arabs:" Iraq's Strategic Weapons, Washington, Washington Institute for Near East Policy, Policy Paper 21, September, 1990, p. 22.

[24] Michael Eisenstadt, "The Sword of the Arabs:" Iraq's Strategic Weapons, Washington, Washington Institute for Near East Policy, Policy Paper 21, September, 1990, pp. 22-23.

[25] Ruchita Vora, "Iraq Joins the Missile Club: Impact and Implications," *Strategic Analysis*, April 1990, p. 59; *Flight International*, May 13, 1989, p. 20.

[26] *Jane's Defense Weekly*, December 23, 1989, pp. 1371-1372.

[27] *Jane's Defense Weekly*, December 23, 1989, pp. 1371-1372.

[28] Some sources indicate that the booster is called the al-Abbid or Worshipper.

[29] *The Middle East*, November, 1989, p. 19.

[30] *New York Times*, September 7, 1989, p. A-9.

[31] Duncan Lennox, "Iraq-Ballistic Missiles", *Current News, Supplement*, Department of Defense, October 11, 1990, pp. B-4 to B-6.

[32] Working paper by Dick Pawloski.

[33] *New York Times*, December 5, 1989; *Washington Post, Washington Post*, December 9, 1989; *Aviation Week*, December 11, 1989, p. 31; *Defense Daily*, December 12, 1989, p. 381; *Financial Times*, December 20, 1989, p; FBIS-WES, December 8, 1989, p. 23; *Jane's Defense Weekly*, December 23, 1989, pp. 1371-1372.

[34] Reuters, October 4, 1991, AM cycle.

[35] Considerable debate has taken place since the war as to whether British officials knew about the gun much earlier and could have prevented earlier deliveries of equipment to Iraq. *Washington Post*, January 16, 1992, p. 11; *London Financial Times*, January 22, 1992, p. 6.

[36] The gun was aimed in the general direction of Israel. *Jane's Defense Weekly*, April 24, 1990, November 24, 1990, September 14, 1991, pp. 458-459; *Defense News*, November 11, 1991, p. 4; *U.S. News and World Report*, November 25, 1991, p. 36.

[37] Some sources estimate a barrel length of 153-160 meters. *Nature*, April 26, 1990, p. 811; *International Defense Review*, 5/1990. p. 481; *Financial Times*, April 18, 1990, p. 22, May 2, 1990, p. 18; The Middle East, March, 1990, pp. 17-18.

[38] Space Research Corporation had also done extensive work for Israel. Other firms involved may have included Societa delle Funcine, Firpas SrL and Italian Technology Innovation SrL of Italy; Amalgamated Trading Industries of Belgium; Advanced Technology Institute of Athens; PRB of Belgium, and Astra Defense Systems of the U.K. It is uncertain how many of these firms were knowingly involved, if they were involved at all. *Jane's Defense Weekly*, April 28, 1990, pp. 770-771; *Washington Post*, April 19, 1990, p. A-37; *London Sunday Times*, April 22, 1990, p. 1

[39] *London Financial Times*, February 20, 1992, p. 8, February 28, 1992, p. 6. A U.S. firm called Kennametal, Inc. of Pittsburgh has been accused of selling equipment that might have been used in the supergun effort, but the evidence is ambiguous. *The Philadelphia Inquirer*, February 18, 1992, p. 1; *Wall Street Journal*, January 31, 1992, p. 3.

[40] Space Research Corporation had also done extensive work for Israel. Other firms involved may have included Societa delle Funcine, Firpas SrL and Italian Technology Innovation SrL of Italy; Amalgamated Trading Industries of Belgium; Advanced Technology Institute of Athens; PRB of Belgium, and Astra Defense Systems of the U.K. It is uncertain how many of these firms were knowingly involved, if they were involved at all. *Jane's Defense Weekly*, April 28, 1990, pp. 770-771; *Washington Post*, April 19, 1990, p. A-37; London Sunday Times, April 22, 1990, p. 1.

[41] Project Harp had tested a gun based on combining two 16" guns bored out to a caliber of 16.69 inches with a total caliber length of L/86. This project demonstrated that such a device could launch 185 pound payloads up to altitudes of 118 miles (200 kilometers). Bull had claimed that such a device using a solid propellant rocket could deliver a 272 kilogram payload to ranges of 1,150 miles (1,852 kilometers), and 90 kilograms to 2,000 miles (3,200) kilometers. In addition, to helping Israel develop 175 mm guns rounds that reaches ranges of 40 kilometers, Bull and SRC had previously helped Iraq develop its own Majnoon 155mm and Al Faw 210mm artillery weapons. Jane's Defense Weekly, April 28, 1990, pp. 770-771, June 2, 1990, p. 1063, Washington Post, April 19, 1990, p. A-37; Economist, May 5, 1990, p. 99; Aviation Week, May 7, 1990, p. 88; Nature, April 26, 1990, p. 811.

[42] Jane's Defense Weekly, September 14, 1991 pp. 458-459; Defense News, November 11, 1991, p. 4; Philadelphia Inquirer, October 9, 1991, p. 12.

[43] Philadelphia Inquirer, October 9, 1991, p. 12 ; U.S. News and World Report, November 25, 1991, p. 36.

[44] Some experts seriously doubt whether the device would have worked. Bull, however, had an exceptional track record as a scientist. These are five types of "super guns", in addition to the use of weapons for launching rocket assisted projectiles. These include the concentric charge cannon, the ram cannon, the coil gun, and the electromagnetic rail gun—only the concentric charge and gas cannons seem to fit the components being delivered to Iraq:

A concentric charge cannon fits concentric charges of high explosive at regular intervals throughout the barrel of the gun. The intermediate propellant charges go off at regular intervals behind the projectile building up a growing wave of gas behind it. This requires critical timing and may explain why Iraq attempted to smuggle in detonating capacitors from the U.S. earlier in April, 1990, although these also have application to nuclear weapons.

A gas cannon uses the explosion or compression of a secondary gas like hydrogen to amplify the force of an initial explosion. A normal cannon can only accelerate projectiles to about 3,500 kilometers per second, a gas cannon may be able to accelerate them to 5,000 to 6,000 kilometers per second.

A ram cannon uses a barrel filled with inflammable gases, the passage of a projectile though the barrel causes the gas to ignite behind it and push it even faster because of the constantly expanding explosive wave behind it.

A coil gun is an electromagnetic weapon with a series of current bearing loops. The current in each loop creates an electromagnetic field that passes through the center of the loop. If a smaller coil is then put at the center of the loop, on the axis, the magnetic field will induce a current in it which will induce a second magnetic field. This field will act in the opposite direction. The gun's magnetic field then throws the smaller coil along the access of the loops.

A rail gun puts its payload across two parallel rails. A current passes up one rail through the payload and down the other. This creates a magnetic field that moves the projectile along the tracks.

Technical sources include: International Defense Review, No. 5, 1990, p. 481; Financial Times, April 18, 1990. p. 22, May 2, 1990, p. 18; The Middle East, March, 1990 pp. 17-18; Nature, Vol. 344, April 26, 1990, Jane's Defense Review, April 28, 1990, p. 770-771; the Economist, May 5, 1990, p. 99; Fort Worth Star-Telegram, April 24, 1990, p. 19; Aviation Week, May 7, 1990, p. 88 Washington Post, April 19, 1990, p. A-37.

[45] Washington Times, March 29, 1990, pp. A-1 April 29, 1990; Washington Post, April 30, 1990; Jane's Defense Weekly, October 29, 1988, p. 1045; New York Times, March 30, 1990, p. A-6.

[46] U.S. Navy working paper, August, 1990. The sites were Wadi al Jabaryah, Luadl or Ratqa, H-2, Wadi Amil, Ishuayb al Awaj, Qasr Amij East, Qasr Amij West, Wadi Hawran, and Zawr Hawran.

[47] New York Times, April 25, 1990, p. 13; Washington Times, May 30, 1990, July 10, 1990.

[48] Washington Post, October 10, 1990, p. 19; Financial Times (London), October 10, 1990, p. 7.

[49] See the deliberate furor Saddam Hussein created over the fixed sites in March, 1990. New York Times, March 30, 1990. p. 6.

[50] Duncan Lennox, "Iraq-Ballistic Missiles", Current News, Supplement, Department of Defense, October 11, 1990, pp. B-4 to B-6.

[51] Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Forth Worth, General Dynamics DWIC-01, February, 1992, p. II-332, UK Recognition Journal, October, 1988, p. 312.

[52] Some reports indicate that the U.S. firm of Terex in Bridgeport, Connecticut, assisted Iraq in making these units. New York Times, January 26, 1992, p. A-12.

[53] These statistics are taken from a U.S. Department of Defense background briefing dated March, 1991.

[54] New York Times, November 12, 1991, p. A-3; Christian Science Monitor, January 23, 1992, p. 1.

[55] Washington Post, July 26, 1991, p. A-1.

[56] The UN refused to name the facilities at the time of this declaration because it feared this would allow Iraq to move some of the equipment and missiles in them. Washington Post, February 14, 1992, p. A-33.

[57] Washington Post, February 14, 1992, p. A-33; Washington Post, January 15, 1992, p. A-18.

[58] Christian Science Monitor, January 23, 1992, p. 1.

[59] The Atlanta Constitution, January 16, 1992, p. 1.

[60] Washington Post, January 15, 1992, p. A-18; Washington Times, September 12, 1991, p. A8; March 5, 1992, p. 1. U.S. News and World Report published an article claiming that Iraq might have an underground factory and some 800 missiles on February 10, 1992 (p. 22). General Colin Powell later indicated that he had seen no evidence of any underground facility and that Iraq's maximum holding might be about 250 missiles. Albany Times Union, February 5, 1992, p. 7.

[61] New York Times, February 28, 1992, p. 28; Washington Times, February 11, 1992, p. 1.

[62] Based upon discussions with Israeli sources in January, 1989.

[63] The author visited the area several times during this period. Reports of such use were provided by both Iranian and Israeli officials, and confirmed by a British expert. Also see W.A. Terrill, Strategic Review, Spring, 1986; D. Wood, Jane's Defense Weekly, March 31, 1984; Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal. House Republican Research Committee. U.S. House of Representatives, May 29, 1990, p. 7.

[64] Peter Dunn, "The Chemical War: Journey to Iran, NBC Defense & Technology International, pp. 28–37 and "Iran Keep Chemical Options Open", pp. 12–14.

[65] The author visited the area several times during this period. Reports of such use were provided by both Iranian and Israeli officials, and confirmed by a British expert. Also see W.A. Terrill, Strategic Review, Spring, 1986; D. Wood, Jane's Defense Weekly, March 31, 1984; Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal. House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 7.

[66] Mustard "gas" is actually an oily liquid. It can be manufactured by three relatively simple processes: reacting vinyl chloride (which can be made from ethylene or acetylene) and hydrogen sulfide; reacting ethylene and sulfur monochloride; or reacting Thiodiglycol with hydrogen chloride after making the Thiodiglycol from ethylene or ethylene oxide and hydrogen sulfide. Sulfur and ethylene are produced by many refineries, and hydrogen chloride or chlorine gas can be made from salt, sea water, or petroleum brines. The manufacturing problem is not producing limited amounts, but producing tons. For a good discussion of the early Iraqi effort to acquire chemical weapons, see David Ignatius, "Iraq's 13-year Search for Deadly Chemicals," Washington Post, Outlook section, September 25, 1988.

[67] Based on work by Leonard Spector of the Carnegie Endowment for International Peace, and other working material.

[68] Christian Science Monitor, December 12, 1988; and BBC Panorama, 1986; The Iraqis had a natural reason to turn to Germany. Many Iraqis studied in Germany and one, Dr. Amer Hammoudi al Saadi, later became the Lt. General who serves as First Deputy Ministry of Industry and Military Industrialization—the group in charge of Iraq's strategic weapons effort and Military Production Authority.

[69] Christian Science Monitor, April 13, 1988, p. 32.

[70] There is no way to trace all the firms and countries involved, although an illustrated list is provided later in the text. By October 1990, 59 West German firms were under investigation by the West German government for arms sales to the Middle East. A classified report by Economics Minister Helmut Haussman has not been fully released, but evidently found that 25 German firms had directly contributed to the sale of technology to produce poison gas. According to German government sources, at least five German companies played a critical role in building Iraq's chemical weapons production plants (Walter Engineering Trading, GmbH of Hamburg; Karl Kolb GmbH & Co. KG, of Creieich bei Offenbach; Pilot Plant GmbH of Dreieich; Prussag AG, of Hanover; and Heberger Bau GmbH, Schifferstadt bei Ludwigshafen); eight German firms helped build the Saad-16 research and development center for chemical, biological, and nuclear weapons near Mosul; at least five German companies helped Iraq modernize and extend the range of its Scuds and equipped them with advanced warheads; and three German companies supplied Iraq with critical parts to build gas centrifuges. (Baltimore Sun, October 14, 1990, p. 4) A report by Kenneth R. Timmerman of the Simon Weisenthal Center of Los Angeles, The Poison Gas Connection, issued in late 1990, found that 29 German firms had played a critical role in helping West Germany to proliferate.

A working paper issued in September 1990 by the Republican Staff of the Senate Foreign Relations Committee put this issue in a broader perspective. It found that a total of 87 German firms had helped Iraq with its proliferation and military production efforts, versus 18 for Austria, 17 for France, 16 for the United States, 15 for the United Kingdom, 12 for Spain, 12 for Switzerland, 10 for Italy, 8 for Belguim, 6 for India, 4 for Brazil, 3 for Argentina, 3 for the Netherlands, 2 for Japan, and 1 each for Chile, Greece, Poland, Kuwait, and Sweden. This same Senate working paper named 60 West German firms as contributing in some way to Iraq's development of chemical, biological, and nuclear weapons, or long range missile developments. In addition, the Senate working paper named 3 Argentine firms, 12 Austrian firms, 6 Belgian firms, 4 Brazilian firms, 1 Egyptian firm, 13 French firms, 1 Greek firm, 6 Indian firms, 9 Italian firms, 1 Japanese firm, 1 Kuwaiti firm, 2 Netherlands firms; 8 Spanish firms, 1 Swedish firm, 12 Swiss firms, 7 British firms, and 13 U.S. firms as having contributed at least some equipment and technology to Iraq's efforts at proliferation. Later reporting indicated U.S firm unwittingly sold precursors to Iraq through a Dutch agent, Frans Van Anraat using the firm Alcolac as a cover. Alcolac had sold some 528 tons of Thiodiglycol to Iraq, but this seems to have been used up before the Gulf War. (Baltimore Sun, June 28, 1991, p. D1.)

[71] This is a small amount. About 15–20 tons of a nerve agent like Tabun are need to cover a single square kilometer.

[72] Iran claimed the Iraq used nerve and phosgene gas delivered by FROG-7s and BM-21s, and produced hundreds of killed and thousands of wounded as early as the Iraqi attack on Dezful in mid-1981. These reports do not seem true. Claims of the use of mycotoxins seem to reflect the results of poor sanitation conditions in the Iranian forces. Col. H.N., Commander of the IDF NBC Center, *Ma'arakhot*, No. 296, February, 1983; Task Force on Terrorism and Unconventional Warfare, *Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal*, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 7; Edgar O' Ballance, *The Gulf War*, London, Brassey's Defense Publishers, 1988, p. 77; Anthony H. Cordesman, *Lessons of Modern Wars—Volume II: The Iran-Iraq War*, Boulder, Westview, 1990, pp. 122–123.

[73] Seth Carus, *The Genie Unleashed: Iraq's Chemical and Biological Weapons Production*, Washington, Washington Institute Policy Papers, No. 14., 1989, p. 11.

[74] John J. Fialka, "Fighting Dirty", *Wall Street Journal*, September 16, 1988, p. 1; *New York Times*, January 31, 1989, p. A-3; *Washington Post*, January 31, 1989, pp. A-1 and A-10. There are several ways of manufacturing Mustard Gas, but the use Thiodiglycol as a precursor is most common. Thiodiglycol has a number of commerical uses, including the manufacture of dyes and inks. When it is mixed with hydrochloric acid, it produces Mustard Gas. Thiodiglycol can be manufactured, however, using a reaction of ethylene oxide with hydrogen sulfide. These are relatively common industrial chemicals, and hydrogen sulfide can be obtained by removing it from sour natural gas or petroleum. Iraq mines sulfur and has a limited industrial capability to process sulfur.

[75] Philips has since claimed that it did not react to the first order for Thiodiglycol because such orders were routine, and the Iraqi order because it was placed by KBS Holland B.V., a Dutch trading firm. It was only after the trading firm began to ship its initial order in July, 1983, that Philips learned that the actual customer was in Iraq, and even then it paid little attention because it was said to be a large "agricultural" organization. In early 1984, when the State Ministry of Pesticide Production placed a second order for 500 tons, Philips grew suspicious and canceled the order. Philips then notified the Belgian government, which reacted by canceling Philips' license to produce the chemical. A number of experts disagree, however, and feel that only limited amounts could have credibly been assumed to be used in printing, textiles, and automotive manufacturing. Iraq may also have obtained another 500 metric tons from other sources. This cannot be confirmed, but an American company called Alcolac was convicted of shipping Thiodiglycol to both Iraq and Iran in 1987 and 1988. John J. Fialka, "Fighting Dirty", *Wall Street Journal*, September 16, 1988, p. 1. *New York Times*, January 31, 1989, p. A-3 and *Washington Post*, January 31, 1989, p. A-1. Also see W. Seth Carus, *The Genie Unleashed: Iraq's Chemical and Biological Weapons Production*, Washington, Washington Institute Policy Papers, No. 14., 1989, p. 14. It takes roughly 1 metric ton of Thiodiglycol to produce one ton of mustard gas.

[76] Kenneth R. Timmerman, The Poison Gas Connection, Los Angeles, Simon Weisenthal Center, 1990, pp. 9–10.

[77] Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 8; Anthony H. Cordesman, Lessons of Modern Wars—Volume II: The Iran-Iraq War, Boulder, Westview, 1990, pp. 510-512; W. Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14, 1989, pp. 11–17.

[78] It takes 0.45 tons of ethylene oxide to make 1.0 tons of Thiodiglycol. Carus, p. 15.

[79] Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 8; Anthony H. Cordesman, Lessons of Modern Wars—Volume II: The Iran-Iraq War, Boulder, Westview, 1990, pp. 510–512; W. Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14, 1989, pp. 11–17.

[80] Nerve gases are more complex to manufacture than mustard gas. There are more ways to manufacture nerve gases than mustard gas, and many types of chemicals that can be used, but sales of most of these chemicals—such as pinacolyl alcohol, potassium fluoride, phosphorous oxychloride, phosphorous trichloride, and trimethyl phosphite—are easy to track and many have only limited commercial applications.

[81] The persistence of chemical agents is dependent on wind and temperature, and whether they are disperse as liquids or aerosols. Gases tend to disperse quickly in very hot weather and to persist far longer in cold weather. It is important to note that gases that may disperse in minutes under some conditions take days to disperse under others, and that persistent gases that last days or weeks in hot weather can last up to three times longer in cold weather.

[82] Carus, p. 11.

[83] Jane's Defense Weekly, January 9, 1988, p. 3; February 27, 1988, p.336.

[84] Unpublished "Statement of the Honorable William H. Webster, Director, Central Intelligence Agency, Before the Committee on Governmental Affairs, Hearings on Global Spread of Chemical and Biological Weapons", February 9, 1989; Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 8; Anthony H. Cordesman, Lessons of Modern Wars—Volume II: The Iran-Iraq War, Boulder, Westview, 1990; W. Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14, 1989; New York Times, March 27, 1984; Wall Street Journal, October 29, 1991, p. 24.

[85] At least four batches of chemicals were bought in the United Kingdom (London Financial Times, November 5, 1991, p. 9). For general sources for this analysis see unpublished "Statement of the Honorable William H. Webster, Director, Central Intelligence Agency, Before the Committee on Governmental Affairs, Hearings on Global Spread of Chemical and Biological Weapons", February 9, 1989; Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 8; Anthony H. Cordesman, Lessons of Modern Wars—Volume II: The Iran-Iraq War, Boulder, Westview, 1990; W. Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14, 1989.

[86] Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 8; Anthony H. Cordesman, Lessons of Modern Wars—Volume II: The Iran-Iraq War, Boulder, Westview, 1990, pp. 510–512; W. Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14, 1989, pp. 11–17.

[87] Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal. House Republican Research Committee, U.S. House of Representatives, May 29, 1990, pp. 9–10.

[88] Some of these reports may be exaggerated. There is no question that Fallujah has large scale facilities, but some of these facilities seem to produce nothing but the precursor chemicals for Sarin like phosphorous oxychloride, and phosphorous trichloride. Fallujah may be concentrating on the production of precursors. For a more pessimistic view, see Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal. House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 8.

[89] Seth Carus, "Chemical Weapons in the Middle East," Policy Focus, Number Nine, Washington Institute for Near East Policy, December, 1988, p. 4; "Iraq's Scare Tactic," Newsweek, August 2, 1982; Washington Post, April 5, 1988, p. A–1.

[90] Peter Dunn, "The Chemical War: Journey to Iran, NBC Defense & Technology International, pp. 28–37; Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14., 1989, pp. 22–23; Foreign Report, March 31, 1988, p. 12; and "Iran Keep Chemical Options Open", pp. 12–14. Jane's Defense Weekly, January 9, 1988, p. 3; February 27, 1988, p. 336. The Austrian firms seems to have included Neuberger Holz und Kunstoffindustrie and Lenhardt Metallbau under Dachdecker. Five West German firms seem to have been involved, including WTB (Walter Thosti Boswau), Infraplan, and Karl Kolb.

[91] Peter Dunn, "The Chemical War: Journey to Iran, NBC Defense & Technology International, pp. 28–37; Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14., 1989, pp. 22–23; Foreign Report, March 31, 1988, p. 12; and "Iran Keep Chemical Options Open", pp. 12–14. Jane's Defense Weekly, January 9, 1988, p. 3; February 27, 1988, p. 336. The Austrian firms seems to have included Neuberger Holz und Kunstoffindustrie and Lenhardt Metallbau under Dachdecker. Five West German firms seem to have been involved, including WTB (Walter Thosti Boswau), Infraplan, and Karl Kolb.

[92] Christian Science Monitor, January 23, 1992, p. 1.

[93] "Iraq's Scare Tactic," Newsweek, August 2, 1982; Washington Post, April 5, 1988, p. A–1.

[94] "Iraq's Scare Tactic," Newsweek, August 2, 1982; Washington Post, April 5, 1988, p. A–1; Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14., 1989, pp. 7–9; Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 9.

[95] "Iraq's Scare Tactic," Newsweek, August 2, 1982; Washington Post, April 5, 1988, p. A–1; Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14., 1989, pp. 7–9.

[96] Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Fort Worth, General Dynamics DWIC–01, February, 1992, p. II–325.

[97] It later became clear that Iraq had imported large amounts of thiodiglycol (whose main civil use is keeping the ink running in ball point pens) and thionyl chloride from Britain, The Independent, July 28, 1991, p. 2. Peter Dunn, "The Chemical War: Journey to Iran", NBC Defense & Technology International, pp. 28–37 and "Iran Keeps Chemical Options Open", pp. 12–14.

[98] Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14., 1989, p. 22; Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Fort Worth, General Dynamics DWIC–01, February, 1992, pp. II–375.

[99] The priority Iraq gave to chemical and biological weapons is illustrated by the fact that Hussein Kamil—Saddam Hussein's son-in-law and cousin—headed the Ministry of Industry and Military Industries during most of this period. The Ministry of Industry and Military Industries is the branch of the Iraqi government which is responsible for the production of chemical and biological weapons. Michael Eisenstadt, "The Sword of the Arabs:" Iraq's Strategic Weapons, Washington, Washington Institute for Near East Policy, Policy Paper 21, September, 1990, p. 7. W. Seth Carus, "Chemical Weapons in the Middle East," Policy Focus, Number Nine, Washington Institute for Near East Policy, December, 1988, p. 4; "Iraq's Scare Tactic," Newsweek, August 2, 1982; Washington Post, April 5, 1988, p. A–1; Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Fort Worth, General Dynamics DWIC–01, February, 1992, pp. II–325 and II–334; Jane's Soviet Intelligence Review, June, 1989, p. 256; Foreign Report, March 31, 1988, p. 1.

[100] New York Times, April 3, 1990, p. 1.

[101] Jane's Defense Weekly, January 9, 1988, and January 28, 1989; Der Spiegel, January 23, 1989; Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 10; Baghdad Domestic Service, April 2, 1990.

[102] Baltimore Sun, November 3, 1991, p. 16A; New York Times, November 12, 1991, p. A–3; Jane's Defense Weekly, December 14, 1991, pp. 1144–1145; Associate Press, December 12, 1991, PM cycle.

[103] Michael Eisenstadt, "The Sword of the Arabs:" Iraq's Strategic Weapons, Washington, Washington Institute for Near East Policy, Policy Paper 21, September 1990, p. 7 W. Seth Carus, "Chemical Weapons in the Middle East," Policy Focus, Number Nine, Washington Institute for Near East Policy, December, 1988, p. 4; "Iraq's Scare Tactic," Newsweek, August 2, 1982; Washington Post, April 5, 1988, p. A–1; Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Fort Worth, General Dynamics DWIC–01, February, 1992, pp. II–325 and II–334; Jane's Soviet Intelligence Review, June, 1989, p. 256; Foreign Report, March 31, 1988, p. 1: New York Times, November 12, 1991.

[104] New York Times, November 12, 1991; London Times, March 4, 1992, p. 10; Christian Science Monitor, January 23, 1992, p. 1.

[105] Dick Palowski, Changes in Threat Air Combat Doctrine and Force Structure, 24th Edition, Fort Worth, General Dynamics DWIC–01, February, 1992, pp. II–326 to II–327.

[106] The author visited many Iraqi positions the week after the war with senior Saudi officers. At several field headquarters positions, we found orders and instructions for the use of chemical weapons.

[107] Washington Post, July 26, 1991, p. A–1.

[108] New York Times, July 31, 1991, p. A–1, November 12, 1991, p. A–3; Christian Science Monitor, January 23, 1992, p. 1; Associate Press, December 12, 1991, PM cycle.

[109] New York Times, November 12, 1991, p. A3; Christian Science Monitor, January 23, 1992, p. 1; Jane's Defense Weekly, December 14, 1991, pp. 1144–1145; Associate Press, December 12, 1991, PM cycle.

[110] Christian Science Monitor, January 23, 1992, p. 1; The Atlanta Constitution, January 16, 1992, p. 1.; Jane's Defense Weekly, December 14, 1991, pp. 1144–1145; Associate Press, December 12, 1991, PM cycle. The UN found nearly 100 metal working machines for chemical weapons at the plant during a raid on November 20, 1991.

[111] Many sources classify mycotoxins as chemical poisons. Unfortunately, mycotoxins have become one of those weapons that are popular with journalists or propagandists seeking to sensationally a given conflict, and countries are often accused of using mycotoxins in cases where ambiguous symptoms are present. Iran has also been accused of producing and using mycotoxins.

[112] Task Force on Terrorism and Unconventional Warfare, Chemical Weapons in The Third World: 2. Iraq's Expanding Chemical Arsenal, House Republican Research Committee, U.S. House of Representatives, May 29, 1990, p. 12; Wiener Zeitung, June 25, 1989.

[113] For sample reporting, see Washington Post, January 26, 1989, p. A–16; New York Times, January 18, 1989, p A–7; Reuters, January 17, 1989.

[114] Washington Times, January 27, 1989, p. 2; Wall Street Journal, January 23, 1989, p. A–11.

[115] Seth Carus, The Genie Unleashed: Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14., 1989, pp. 29–35.

[116] Washington Times, January 19, 1989, p. A–8.

[117] Baltimore Sun, August 19, 1990, p. 5–E.

[118] Middle East Economic Digest, June 27, 1987, p. 16, August 29, 1987, p. 10; June 10, 1988, p. 9, June 24, 1988, p. 9, October 14, 1988, p. 20, February 10, 1989, p. 15; Seth Carus, The Genie Unleashed; Iraq's Chemical and Biological Weapons Production, Washington, Washington Institute Policy Papers, No. 14., 1989, pp. 33–35.

[119] FBIS, Daily Report, Western Europe, January 23, 1989, p. 11, January 25, 1989, p. 8, and February 6, 1989, p. 9; Der Spiegel, January 23, 1989, pp. 16–27.

[120] FBIS Daily Report, Western Europe, January 30, 1989, pp. 9–10, Wall Street Journal, February 1, 1989, p. A–11.

[121] Listed in Senate Foreign Relations Committee, Republican Staff, "Weapons Sales to Iraq," Working Paper, October 17, 1990.

[122] Jane's Defense Weekly, September 14, 1991, p. 471.

[123] Jane's Defense Weekly, September 14, 1991, p. 471.

[124] The Atlanta Constitution, January 16, 1992, p. 1.

[125] Iraq's President Saddam Hussein repeated this denial on July 10, 1990. He stated that, "We do not have nuclear weapons." He also went on to say, however, that, ". . . we would see no problem in a Western nation helping us to develop nuclear arms to help compensate for those owned by Israel." French TF1 Television network release, July 9, 1990; Washington Times, July 19, 1990, p. 2.

[126] Based on work by Leonard Spector and Atomic Energy Commission of Iraq, Annual Report for 1988, Baghdad, Iraq Atomic Energy Commission, 1989, p. 94.

[127] Leonard S. Spector, The Undeclared Bomb, Ballinger, New York, 1988; Leonard S. Spector and Jacqueline R. Smith, Nuclear Exports: The Challenge of Control, Carnegie Endowment for Peace, Washington, April, 1990, pp. 21–26; New York Times, March 18, 1980; Energy Daily, October 2, 1980; and Dr. Michael Brenner, "Iran as a Nuclear Power in the Middle East," SAI, December 14, 1989, Appendix B.

[128] The IAEA estimates that it takes 55 pounds (25 kilograms) of highly enriched uranium to make a nuclear weapon.

[129] See Leonard S. Spector, The Undeclared Bomb, Ballinger, New York, 1988; Leonard S. Spector and Jacqueline R. Smith, Nuclear Exports; The Challenge of Control, Carnegie Endowment for Peace, Washington, April, 1990, pp. 21–26; Jed Snyder, "The Non-Proliferation Regime: Managing the Impending Crisis," Journal of Strategic Studies, December, 1985, p. 11; Shyam Bhatia, Nuclear Rivals in the Middle East, London, Routledge Paul, 1988, p. 85.

[130] Half of the 55 pounds would have been in the core of Osirak and unusable for weapons purposes, and the rest would have been irradiated in the nearby Isis reactor, both of which would have been subject to IAEA inspection. Based on work by Leonard Spector.

[131] United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English), pp. 21–23 and Annex 2.

[132] Leonard Spector, The New Nuclear Nations, New York, Vintage, 1985, pp. 165–166; Energy Daily, October 2, 1980, p. 1.

[133] For an excellent history of Iraq's nuclear weapons effort prior to 1983, see Jed C. Snyder, "The Road to Osirak: Baghdad's Quest for the Bomb," Middle East Journal, No. 37, Autumn 1983, pp. 565–594. Also see Leonard Spector, The New Nuclear Nations, New York, Vintage, 1985, pp. 65–67.

[134] Leonard Spector, Proliferation Today, New York, Vintage Books, 1984, pp. 175–178.

[135] Shyam Bhatia, Nuclear Rivals in the Middle East, London, Routledge Paul, 1988, p. 85.

[136] See Andrew T. Parasiliti, "Iraq, Nuclear Weapons, and the Middle East", The Middle East Institute. December 14, 1989, p. 3.

[137] Washington Post, March 31, 1989, p. A–32.

[138] Working papers by Leonard Spector, Journal do Brazil, May 22, 1988; William H. Webster, Director of Central Intelligence, "Testimony Before the Committee on Governmental Affairs, "U.S. Senate, May 18, 1989; Washington Post, September 29, 1989; Mideast Markets, June 12, 1989, p. 10, September 18, 1989, p. 11; October 16, 1989; Financial Times Mid-East Market, December 12, 1989; Arms Control Today, April, 1990, p. 27; The Middle East, May, 1990, pp. 11–14; Nucleonics Week, May 29, 1986, p. 6; Defense News, May 8, 1989; Nuclear Engineering International, December, 1988, p. 5.

[139] The $10 billion dollar figure is a UN staff estimate. See New York Times, October 14, 1991, p. A–6.

[140] Washington Post, October 13, 1991, p. A–1; Newsweek, October 7, 1991, pp. 28–33; U.S. News and World Report, November 25, 1991, pp. 34–40; Chicago Tribune, October 6, 1991, p. I–28; United Nations Security Council, Report on the First and Second IAEA Inspection in Iraq Under Security Council Resolution 687, 15 July, 1991, New York, United Nations, S/22788 (English); Report on the Third IAEA Inspection in Iraq Under Security Council Resolution 687, 25 July, 1991, New York, United Nations, S/232/83 (English); Report on the Fourth IAEA Inspection in Iraq Under Security Council Resolution 687, 28 August, 1991, New York, United Nations, S/22986 (English); Report on the Fifth IAEA Inspection in Iraq Under Security Council Resolution 687, 4 October, 1991, New York, United Nations, S/23112 (English); Report on the Seventh IAEA Inspection in Iraq Under Security Council Resolution 687, 6 October, 1991, New York, United Nations, S/23122 (English); Report on the Seventh IAEA Inspection in Iraq Under Security Council Resolution 687, 14 November, 1991, New York, United Nations, S/232215 (English); Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English); Report on the Ninth IAEA Inspection in Iraq Under Security Council Resolution 687, 30 January 1992, New York, United Nations, S/23505 (English).

[141] United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English), p. 14.

[142] U.S. News and World Report, November 25, 1991, p. 36.

[143] United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English), p. 14.

[144] James Bruce, "Iraq and Iran: Running the Nuclear Technology Race," Jane's Defense Weekly, December 5, 1988, p. 1307; New York Times, July 10, 1992.

[145] Washington Times, August 29, 1990, p. 8; South, July 1987, pp. 99–100; Stern, April 6, 1989, pp. 214–217; Der Spiegel, December 18–25, 1989, pp. 93–94; Michael Eisenstadt, "The Sword of the Arabs:" Iraq's Strategic Weapons, Washington, Washington Institute for Near East Policy, Policy Paper 21, September, 1990, pp. 11–13.

[146] Nuclear Fuel, August 5, 1991, Vol. 16, No. 16, p. 14.

[147] It takes 15 to 25 kilograms to make one relatively simple nuclear weapon. More advanced weapons take substantially less. The IAEA did, however, certify on May 7, 1990, that all such material was still accounted for. Source: IAEA Office, United Nations, New York, New York.

[148] Leonard S. Spector, The New Nuclear Nations, New York, Vintage, 1985, pp. 44–54; FBIS, DR:NESA, Vol. 89, no. 66, April 7, 1989, p. 21; Defense and Foreign Affairs Weekly, vol. xv, no. 15, April 15–23, 1989, p. 3.

[149] New York Times, February 13, 1992, p. A–16; Zachary SA. Davis and Warren H. Donnelly, "Iraq and Nuclear Weapons," Congressional Research Service, IB90113, February 13, 1992, p. 3; David Albright and Mark Hibbs, "News that the front page missed," Bulletin of the Atomic Scientists, October, 1991, pp. 7–9.

[150] Andrew T. Parasiliti, "Iraq, Nuclear Weapons, and the Middle East", The Middle East Institute, December 14, 1989, pp. 4–5; Mideast Markets, Vol. 16, no. 8, April 17, 1989, p. 15 and vol. 16, no. 9, May 1, 1989, p. 12; Washington Post, March 31, 1989, p. A–1; Report on the Seventh IAEA Inspection in Iraq Under Security Council Resolution 687, 14 November, 1991, New York, United Nations, S/23215 (English), p. 3.

[151] U.S. News and World Report, Vol. 112, January 20, 1992, p. 45; London Financial Times, January 15, 1992, p. 1.

[152] Maximum ultimate design capability was 2,000 centrifuges per year. Washington Post, May 5, 1989; Rochester Democrat and Chronicle, March 28, 1989; New York Times, January 15, 1992; David Albright and Mark Hibbs, "News that the front page missed," Bulletin of the Atomic Scientists, October, 1991, pp. 7–9; Report on the Seventh IAEA Inspection in Iraq Under Security Council Resolution 687, 14 November, 1991, New York, United Nations, S/232215 (English), p. 19.

[153] Gary Milhollin, "Building Saddam Hussein's Bomb," New York Times, March 8, 1992, pp. 30–31.

[154] H&H was headed by Walter Busse, a former employee of MAN Technologies Ltd. which had built the uranium centrifuge assembly plant at Gronau in West Germany for URENCO. Washington Post, June 4, 1989; Der Spiegel, December 18, 1989; FBIS-Western Europe, December 20, 1989; Nucleonics Week, May 4, 1987, p. 1; Wall Street Journal, October 29, 1991, p. 24.

[155] Wall Street Journal, October 7, 1991, p. A–10.

[156] Michael Eisenstadt, "The Sword of the Arabs:" Iraq's Strategic Weapons, Washington, Washington Institute for Near East Policy, Policy Paper 21, September, 1990, pp. 11–13; Rochester Democrat and Chronicle, March 28, 1988, pp. 1A and 10A; Washington Post, May 5, 1989, p. A–24.

[157] The Middle East, May, 1990, pp. 11–14.

[158] H&H was headed by Walter Busse, a former employee of MAN Technologies Ltd. which had built the uranium centrifuge assembly plant at Gronau in West Germany for URENCO. It seems to have provided machinery for the production of gas ultracentrifuges. Washington Post, June 4, Los Angeles Times, December 12, 1991, A–9; Associated Press, December 11, 1991 AM cycle. Other firms named at this time included Schenk Weraberg and Machinebau, 1989; Der Spiegel, December 18, 1989; FBIS-Western Europe, December 20, 1989; Nucleonics Week, May 4, 1987; p. 1; Gary Milhollin, "Building Saddam Hussein's Bomb," New York Times, March 8, 1992, pp. 30–31.

[159] United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English), p. 13. Press sources have named Neue Magdeburger Werkzeugmaschinenfabrik, Schenk Werkzeug and Machinenbau, Machinenbau and Technikhandel, Dieburg, Rittal-Werk Rudolf Loh, Schmiedemeccanica (precision gas forgings), and Vacuum Apparat Technick. Associated Press, December 11, 1991 AM Cycle; Washington Post, October 16, 1991, p. A–1. Los Angeles Times, December 15, 1991, p. A–9. The Senate Foreign Relations Committee has also named Fried, Krupp GmbH, Carl Zeiss, and Man Aktiengesellschaft. Washington Post, October 18, 1991, p. A–3.

[160] New York Times, January 15, 1992, p. A–1.

[161] Michael Eisenstadt, "The Sword of the Arabs:" Iraq's Strategic Weapons, Washington, Washington Institute of Near East Policy, Policy Paper 21, September, 1990, p. 15.

[162] Washington Post, October 5, 1991, p. A–1; Wall Street Journal, October 29, 1991, p. 24.

[163] Washington Post, November 2, 1991, p. C–1.

[164] New York Times, January 15, 1992, p. A–1; U.S. News and World Report, Vol. 112, January 20, 1992, p. 45; Star Tribune, November 22, 1991, p. 22A, Christian Science Monitor, October 23, 1991, p. 9.

[165] U.S. News and World Report, November 25, 1991, p. 36. Vol. 112, January 20, 1992, p. 45; United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English).

[166] Zachary SA. Davis and Warren H. Donnelly, "Iraq and Nuclear Weapons," Congressional Research Service, IB90113, February 13, 1992, p. 3; David Albright and Mark Hibbs, "Iraq and the Bomb: Were They Even Close?, Bulletin of Atomic Scientists, March, 1991, pp. 16–25; U.S. Experts Divided on Whether Iraqi Calutrons Procure U–235," Nuclear Fuel, June 24, 1991, pp. 3–4.

[167] This analysis draws heavily on David Albright and Mark Hibbs, "Iraq and the Bomb: Were They Even Close?, Bulletin of Atomic Scientists, March, 1991, pp. 16–25; U.S. Experts Divided on Whether Iraqi Calutrons Procure U–235," Nuclear Fuel, June 24, 1991, pp. 3–4.

[168] Iraq made this admission to the UN on October 21, 1991. New York Times, October 14, 1991, p. A6, October 20, 1991, IV–5; United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English), p. 9.

[169] Los Angeles Times, December 12, 1991, p. A–9.

[170] A full description of activities is not included because of their value I nuclear weapons design. United Nations Security Council, Report on the Sixth IAEA Inspection in Iraq Under Security Council Resolution 687, 8 October, 1991, New York, United Nations, S/23122 (English).

[171] Washington Post, October 5, 1991, p. A–1.

[172] Gary Milhollin, "Building Saddam Hussein's Bomb," New York Times, March 8, 1992, pp. 30–31.

[173] United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English). pp. 14–15, 29; Gary Milhollin, "Building Saddam Hussein's Bomb," New York Times, March 8, 1992, pp. 30–31; Report on the Seventh IAEA Inspection in Iraq Under Security Council Resolution 687, 14 November, 1991, New York, United Nations, S/232215 (English), p. 30.

[174] The Middle East, 1990, pp. 11–14.

[175] U.S. News and World Report, November 25, 1991, p. 36; United Nations Security Council, Report on the Eighth IAEA Inspection in Iraq Under Security Council Resolution 687, 11–18 November, 1991, New York, United Nations, S/23283 (English), p. 29.

[176] U.S. News and World Report, November 25, 1991, p. 36. This same article named a number of possible U.S. supplies, including Honeywell (computers), Canberra Industries, Inc. (computer equipment to measure neutrons and for design specifications, Carl Zeiss (computer equipment to process photographic data), Databit, inc. (computer data transmission and circuit switches), Forney International (computer equipment for power stations), Hewellet-Packard (optical fiber cables, computers, frequency, synthesizers, precision electronic and photo equipment), Perkin-Elmer (computers, precision electronic, and photo equipment, Sackman Associates (computers, electronic assemblies, and photo equipment), and Westinghouse Electric (computer hardware and software for the Iraqi electric system). Many of these supplies almost certainly had little or nothing to do with the Iraqi nuclear effort.

[177] Zachary S. Davis and Warren H. Donnelly, "Iraq and Nuclear Weapons," Congressional Research

Service, IB90113, February 13, 1992, p. 4; Washington Post, October 9, 1991, p. A–17.

[178] Report to the UN Security Council on October 8, 1991; USA Today, October 10, 1991, p. 6.

[179] Gary Milhollin, "Building Saddam Hussein's Bomb," New York Times, March 8, 1992, pp. 30–31.

[180] Gary Milhollin, "Building Saddam Hussein's Bomb," New York Times, March 8, 1992, pp. 30–31.

[181] The problem of height of burst is critical because it determines the fall out effects of a weapon, and the relative importance of blast, radiation, and thermal energy affecting a given target. Fusing is not necessarily different from the fusing needed for ordinary bombs, but the fusing on ordinary bombs often fails to function properly.

[182] For general discussion see Wall Street Journal, March 30, 1990, p. A–18, April 4, 1990, p. A–24; The Middle East, May, 1990, pp. 11–14; Newsweek, April 9, 1990, pp. 26–28; Time, June 11, 1990, p. 34.

[183] The "sting" operation is a good example df what happens when a company that is concerned with proliferation takes immediate action to contact the officials in the country involved. A U.S. Company called CSI Technologies of San Marcos, California, immediately contacted U.S. Customs officials when it was contacted by Euromac, the Iraqi front organization. Located in Thames Ditton, New London. U.S. officials contacted British officials, and they worked together to set up a series of meetings, some of which were televised, and to make the intercept and arrests at Heathrow Airport. Ironically, Euromac was registered as a "general grocers and provision merchant". It is also unclear that the Iraqi fully understood what they were ordering. Maxwell Laboratories of San Diego had been delivering other types of capacitors to Iraq, and had delivered 518 slow speed capacitors to Iraq. Iraq then ordered 185 high speed capacitors. Maxwell Laboratories notified Customs, and halted the shipment at Customs' request. The new type of capacitor, however, was still unsuitable for nuclear weapons. Andrew T. Parasiliti, "Iraq, Nuclear Weapons, and the Middle East", The Middle East Institute, December 14, 1989, pp. 4–5; Mideast Markets, vol. 16, No. 8, April 17, 1989, p. 15 and Vol. 16, no. 9, May 1, 1989, p. 12; Washington Post, March 31, 1989; p. A–1; Los Angeles Times, March 30, 1990; Washington Post, March 31, 1990, p. 2.

[184] The core of a nuclear bomb consists of fissile material, a layer of outer explosives, and a firing circuit connected to all parts of the out high explosive cover to detonate all of it as exactly the same moment and achieve maximum compression at the precise instant high energy neutrons are being injected into the compressed fissile core. Washington Times, March 28, 29, 30, 1990; Washington Post, March 28, 29, 30, 1990; New York Times, March 28, 29, 30, 1990;

[185] Nucleonics Week, January 24, 1991.

[186] Zachary S. Davis and Warren H. Donnelly, "Iraq and Nuclear Weapons," Congressional Research Service, IB90113, February 13, 1992, p. 6.

[187] The Atlanta Constitution, January 16, 1992.

Mr. GORE. Mr. President, the bill we are introducing today—the Iran-Iraq Arms Non-Proliferation Act of 1992—aims to contribute to the stability of the Middle East by inhibiting insofar as we possibly can, the ambitions of Iran and Iraq to acquire weapons of mass destruction and advanced conventional weapons. Or to be more exact, we aim to inhibit as much as possible the willingness of enterprises and, even of governments to provide Iran and Iraq with the means to create these capabilities.

Our bill is very blunt. It says that the policy of the United States shall be to oppose any transfer of goods or technology to Iraq or Iran wherever there is reason to believe that any such transfer could contribute to the acquisition of chemical, biological, or nuclear weapons or advanced conventional weapons. Where such transfers are discovered by us, the law provides for a wide range of very effective economic penalties. Of course, the objective is to deter rather than to punish, and it is our hope that this will be the way in which our bill exercises its primary influence.

Nevertheless, we do feel that the sanctions package has got to lay out the choice for dealers in these technologies, in very stark terms. Mr. President, it is abundantly clear that we need to raise the stakes high, and we need to act without compunction if we catch violators. Our experience with Iraq demonstrates that there is no limit to the kinds of technologies and weapons that some are willing to traffic in. It does not matter if they place the survival of millions at risk, so long as payment is received. No level of horror, no moral consideration, interproses. So, if money is alone as the motivator, then loss of money must stand as the primary deterrent.

Fortunately, the legal structure of this bill is now as familiar as the substantive case for it. In many ways, what we are proposing today follows the precedents established by earlier legislation in which Senators BINGAMAN, MCCAIN and I authored, on sanctions to buttress export constraints for ballistic missiles and ballistic missile technology. That legislation is in place and is now acknowledged to be a useful extension of Presidential authority to deal with one dimension of the proliferation problem. The McCain-Gore bill this year can be thought of as a logical extension of that concept.

I commend Senator MCCAIN for his deep and tenacious concerns about the proliferation of weapons of mass destruction, and am very pleased to join him in presenting a new effort to deal with this threat.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 2544. A bill to establish in the Department of the Interior the Colonial New Mexico Preservation Commission, and for other purposes; to the Committee on Energy and Natural Resources.

COLONIAL NEW MEXICO COMMEMORATIVE ACT

• Mr. BINGAMAN. Mr. President, I rise today to introduce legislation to commemorate a significant period in the history of the State of New Mexico and the United States. In 1598, approximately 10 years before the establishment of the Jamestown settlement, the colonization of New Mexico territory by Spanish explorers began nearly 200 years of interaction of our American Indian and Hispanic peoples.

These two centuries of interaction, while often traumatic, have wrought a unique cultural landscape which distinguishes the character of New Mexico within the United States and even within the American Southwest.

To preserve and protect the tangible historic resources of the colonial New Mexico period and, equally important, the more intangible qualities such as the tradition and customs of our local American Indian and Hispanic cultures, I am introducing legislation which formally recognizes the influence of this period on our national history and establishes a vehicle by which this unique period can be preserved and interpreted for the benefit of the American people.

This legislation establishes a Colonial New Mexico Preservation Commission within the National Park Service. This Commission, which will have a lifespan of 10 years, will be charged with the development and implementation of a comprehensive management plan to guide programs in preservation, onsite interpretation, and public education activities such as film documentaries and school programs. The Commission will also coordinate the colonial New Mexico initiative with appropriate local, State, and Federal offices and the private sector, and provide the necessary oversight for historic surveys and archeological investigations.

In 1991, I convened a New Mexico based task force to study this issue and to provide the recommendations which ultimately resulted in this bill. The task force was composed of representatives from local, State, and Federal agencies as well as representatives from the regional Indian tribes and Hispanic communities. As a result of their hard work, I believe that there is strong support for this initiative throughout the State and for the establishment of a Colonial New Mexico Commission whose function it will be to implement this effort.

I am pleased that my colleague Senator DOMENICI has agreed to cosponsor this legislation.

Accordingly, Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

There being no objection, this bill was ordered to be printed in the RECORD, as follows:

S. 2544

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Colonial New Mexico Commemorative Act".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) in 1598, almost a decade before the first permanent English settlement was established at Jamestown, Spanish colonists entered New Mexico, beginning more than 2 centuries of colonization that would indelibly mark the character of the American Southwest;

(2) because of the flow of history, New Mexico has remained a unique area of the Spanish borderlands;

(3) as a result of its remoteness, New Mexico changed more slowly than other settlements and has retained many significant remnants of colonial customs, language, and attitudes; and

(4) the interaction of the American Indian and Hispanic colonial heritages resulted in customs, architecture, and many other

manifestations that are unique to today's American culture.

(b) PURPOSE.—In order to enhance the preservation, interpretation, and public understanding of various aspects of colonial New Mexico, the purpose of this Act is to establish a commission representing government and private sector interests to formulate a program for the research, interpretation, and preservation of various aspects of the colonial New Mexico story.

SEC. 3. DEFINITIONS.

As used in this Act:

(1) COMMISSION.—The term "Commission" means the Colonial New Mexico Preservation Commission established by section 4.

(2) PLAN.—The term "plan" means the comprehensive management plan described in section 8.

(3) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

SEC. 4. ESTABLISHMENT OF COMMISSION.

(a) IN GENERAL.—There is established in the Department of the Interior the Colonial New Mexico Preservation Commission to carry out the purpose of this Act.

(b) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of 13 members who have knowledge of New Mexico colonial history and culture and who shall be appointed by the Secretary, of whom—

(A) two members shall be appointed from recommendations submitted by the Governor of New Mexico, of whom one member shall represent the Office of Cultural Affairs of the State of New Mexico;

(B) one member shall be appointed from recommendations submitted by the All Indian Pueblo Council;

(C) one member—

(i) shall be appointed from recommendations submitted by the Director of the National Park Service; and

(ii) shall have knowledge of colonial history in New Mexico;

(D) four members—

(i) shall be appointed from recommendations submitted by local governments in New Mexico; and

(ii) shall represent Hispanic communities;

(E) one member shall be appointed from recommendations submitted by the President of the University of New Mexico;

(F) one member shall be appointed from recommendations submitted by Navajo and Apache tribal governments;

(G) one member shall have professional expertise in the colonial history of New Mexico;

(H) one member shall have professional expertise in architectural history; and

(I) one member, who shall be an ex officio member, shall be the Director of the National Park Service or a designee of the Director.

(2) CHAIRPERSON.—

(A) IN GENERAL.—The Commission shall elect a chairperson from among its members.

(B) TERM.—The chairperson shall serve for a term of 2 years.

(3) VACANCIES.—A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(4) TERMS.—

(A) IN GENERAL.—Each member of the Commission shall be appointed for a term of 5 years.

(B) MEMBERS FILLING VACANCIES.—A member appointed to fill a vacancy shall serve for the remainder of the term for which the member's predecessor was appointed.

(C) EXTENDED SERVICE.—A member of the Commission may serve after the expiration of the member's term until a successor is appointed.

(5) COMPENSATION.—Members of the Commission shall serve without compensation.

(6) TRAVEL EXPENSES.—While away from their homes or regular places of business in the performance of services for the Commission, members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as persons employed intermittently in the Government service are allowed expenses under section 5703 of title 5, United States Code.

(c) MEETINGS.—

(1) IN GENERAL.—The Commission shall meet at least twice annually or at the call of the chairperson or a majority of the members of the Commission.

(2) QUORUM.—A simple majority of members of the Commission shall constitute a quorum.

(d) TERMINATION.—The Commission shall terminate 10 years after completion of the appointment of the first group of members.

SEC. 5. STAFF OF COMMISSION.

(a) STAFF.—

(1) IN GENERAL.—

(A) IN GENERAL.—Subject to subparagraph (B), the Commission shall have the power to appoint and fix the compensation of such professional and nonprofessional staff, including an executive director, as is necessary to carry out the duties of the Commission.

(B) EXECUTIVE DIRECTOR.—The Commission shall select an executive director in consultation with the National Park Service.

(2) APPOINTMENT AND COMPENSATION.—Staff appointed by the Commission—

(A) shall be appointed subject to title 5, United States Code, governing appointments in the competitive service; and

(B) shall be paid in accordance with chapter 51 and subchapter III of chapter 53 of such title, relating to classification and General Schedule pay rates, at a rate not to exceed the rate of pay prescribed for step 10 of level GS-13 of the General Schedule.

(b) CONSULTANTS.—The Commission may contract for consultant services to assist the Commission in carrying out this Act, including consultant services for research necessary for plan preparation and site surveys.

(c) STAFF OF OTHER AGENCIES.—On a reimbursable basis, the Commission may procure the services of personnel detailed from the State of New Mexico, the National Park Service, or other Federal agencies.

(d) ADMINISTRATIVE AND RESEARCH SUPPORT.—The National Park Service shall provide—

(1) such administrative support to the Commission and its staff as the Commission may request; and

(2) research support and professional advice through the Spanish Colonial Research Center.

SEC. 6. POWERS OF COMMISSION.

(a) HEARINGS.—In carrying out this Act, the Commission may hold public hearings, take testimony, and record the views of the public regarding the plan and implementation of the plan.

(b) ADVISORY GROUPS AND SUBCOMMITTEES.—The Commission may appoint advisory groups or subcommittees to provide technical assistance in research programs, educational media, historic preservation, and other areas as necessary.

(c) DONATIONS.—The Commission may seek and accept donations of funds or services from public and private entities to assist the Commission in carrying out this Act.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(e) OFFICE SUPPORT.—On a reimbursable basis, the Commission may procure the assistance of the General Services Administration to provide such office support services as the Commission may request, including rental of office space for staff of the Commission.

SEC. 7. DUTIES OF COMMISSION.

(a) PLAN.—

(1) PREPARATION.—The Commission shall coordinate the preparation of the comprehensive management plan described in section 8.

(2) IMPLEMENTATION.—In close consultation with the Office of Cultural Affairs of the State of New Mexico, the Commission shall—

(A) coordinate the activities of Federal, State, and local governments, and private businesses and organizations, to carry out the plan and the purpose of this Act; and

(B) consistent with standards established by the National Park Service and the Secretary for the preservation of historic properties and for educational programs, and consistent with the National Historic Preservation Act (16 U.S.C. 470 et seq.), prepare guidelines and standards for projects, as identified in the plan, that will further public understanding of colonial New Mexican history.

(b) GRANTS.—

(1) IN GENERAL.—From funds appropriated, donated, or otherwise made available to the Commission, the Commission shall award grants to tribal, governmental, and nongovernmental entities to pay the Federal share of conserving and protecting structures, objects, and sites, and helping support cultural events, that have outstanding significance in the commemoration of colonial New Mexico.

(2) FEDERAL SHARE.—The Federal share may not exceed 50 percent of the cost of each project.

(3) NON-FEDERAL SHARE.—The non-Federal share may be in the form of cash or services, including donation of labor for project implementation.

(c) SURVEYS AND ARCHAEOLOGICAL INVESTIGATIONS.—The Commission shall contract for surveys and archaeological and historical investigations of sites relating to colonial New Mexico, including the preparation of reports and maps, and the curation of artifacts.

(d) PUBLICATIONS.—The Commission shall publish study reports and educational materials.

(e) NOMINATIONS TO NATIONAL REGISTER OF HISTORIC PLACES.—The Commission shall prepare thematic nominations to the National Register of Historic Places of colonial sites and resources in New Mexico.

SEC. 8. COMPREHENSIVE MANAGEMENT PLAN.

(a) IN GENERAL.—Not later than 2 years after funds are made available for operation of the Commission, the Commission, with assistance from its staff, the National Park Service, the State of New Mexico, units of local government, and private groups, shall prepare a comprehensive management plan to provide direction for commemorative actions and projects.

(b) CONTENTS.—The plan shall—

(1) establish a process and procedures for undertaking research relating to colonial New Mexico and a program for regular publication of research materials and findings;

(2) develop a survey program to further evaluate known resources and identify sites and features that require additional study;

(3) identify a core system of interpretive sites and features that would provide a com-

prehensive overview of the colonial New Mexico story;

(4) prepare interpretive materials to address the colonial New Mexico story and identify locations where this material will be available to the public;

(5) evaluate and recommend high priority sites and resources that need protection and assistance from the Commission;

(6) with the assistance of site owners, prepare options for the protection and management of high priority colonial New Mexico resources;

(7) evaluate and recommend highway routes that could be designated by the State of New Mexico as colonial New Mexico tour routes; and

(8) evaluate the feasibility of and need for developing commemorative centers in New Mexico in accordance with section 9(a).

SEC. 9. COMMEMORATIVE CENTERS.

(a) IN GENERAL.—

(1) IN GENERAL.—In accordance with the recommendations of the Commission pursuant to section 8(b)(8), the National Park Service may pay the Federal share of the cost of the development of commemorative centers to operate educational programs, provide technical assistance, conduct cultural events, and prepare media materials.

(2) FEDERAL SHARE.—The Federal share may not exceed 50 percent of the total cost of development.

(3) NON-FEDERAL SHARE.—The non-Federal share may be in the form of cash or services.

(b) ESPANOLA PLAZA CENTER.—

(1) IN GENERAL.—In consultation with the Commission, the National Park Service may pay to the city of Espanola, New Mexico, the Federal share of planning, developing, and operating a commemorative center as an element of the Spanish Commemorative Plaza.

(2) FEDERAL SHARE.—The Federal share may not exceed 50 percent of the total cost of the Espanola Plaza project.

(3) NON-FEDERAL SHARE.—The non-Federal share may be in the form of cash or services.

SEC. 10. GALISTEO BASIN STUDY.

In accordance with the National Park Service document entitled "Alternative Concepts for Commemorating Spanish Colonization" and dated February 1991, the National Park Service shall undertake a special resource study of the major prehistoric and historic sites in the Galisteo Basin relating to colonial New Mexico. The study shall include evaluations of significance, site integrity, threats, and protection and management options.

SEC. 11. ANNUAL REPORTS.

(a) IN GENERAL.—The Commission shall submit an annual report to the Secretary that lists—

(1) accomplishments regarding the duties of the Commission;

(2) expenses, income, and the entities to which any grants were made during the fiscal year;

(3) recipients of technical assistance; and

(4) actions taken to protect and interpret significant sites, structures, and objects relating to colonial New Mexico.

(b) COST ESTIMATES.—The report shall include detailed cost estimates of projects that are proposed to be funded during the next fiscal year.

SEC. 12. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission $5,000,000 to carry out this Act, to remain available until expended.•

By Mr. SANFORD (for himself and Mr. HELMS):

S. 2545. A bill to correct the Harmonized Tariff Schedule of the United States as it applies to pharmaceutical grade phospholipide and soybean oil; to the Committee on Finance.

RECLASSIFICATION OF TARIFF ON CERTAIN PHARMACEUTICAL OILS

• Mr. SANFORD. Mr. President, today I am introducing a tariff reclassification bill on behalf of Kabi Pharmacia's manufacturing plant in Clayton, NC.

The problem which this bill seeks to correct threatens the future of Kabi Pharmacia, Inc., a company which currently employs 165 people in Clayton and generates almost $90 million in economic activity in that region of my State.

Kabi's main product, intralipid, is a unique intravenous fat emulsion which is used as a life support for hospital patients. This product is important not only to the economy of North Carolina, but also to many patients and health care professionals across the country.

In 1976, Kabi's Swedish parent decided to open a facility in North Carolina. At that time, the duty on the two unique components of Kabi's product was set at 1.5 percent. However, in October 1991, the Customs Service reclassified Kabi's phospholipid and increased the duty to more than 4.5 percent. The basis for the reclassification was a new listing for all phospholipids in the Harmonized Tariff System [HTS] as of 1989.

As my colleagues know, the HTS was not intended to change any tariffs, but rather to make the system more manageable. Because Kabi's phospholipid product is a unique pharmaceutical-grade item and clearly distinguishable from other phospholipids, I believe that its duty should continue at the 1.5 percent rate rather than be grouped with vaguely similar products at the 4.5 percent rate.

I thank my colleagues for their support of this noncontroversial yet significant correction in the tariff schedule.•

By Mr. MACK (for himself, Mr. HELMS, and Mr. SMITH):

S. 2546. A bill to designate a route as the "POW/MIA Memorial Highway," and for other purposes; to the Committee on Environment and Public Works.

POW/MIA MEMORIAL HIGHWAY

• Mr. MACK. Mr. President, I rise today to introduce legislation to pay tribute to the noble service and costly sacrifices of the men and women of the U.S. military who are former prisoners of war, those who might still be held against their will, and those who remain missing in action. This legislation is also a tribute to the families of these men and women, many of whom spend every day wondering if a loved one is still alive overseas.

I am today introducing legislation to establish a living memorial to these men and women by designating two interconnecting, transcontinental systems of existing U.S. interstate highways as the "POW/MIA Memorial Highway." One system will run from key West, FL, northwest to Bellingham, WA, at the Canadian border. The other will run southwest from Hulton, ME, to Cabrillo National Monument at San Diego, CA.

The idea of establishing a POW/MIA Memorial Highway came as a suggestion from one of my constituents, José N. Proenza-Sanfiel, of St. Cloud, FL. A Cuban refugee and former U.S. marine, Mr. Proenza-Sanfiel has unselfishly devoted his time, talent, and effort to this cause for a number of years. He has never accepted a penny of compensation for his efforts, saying he is not a patriot for profit. He has been successful in gaining passage of legislation in Florida to designate U.S. 1 from Key West to the Georgia border as the POW/MIA Blue Star Memorial Highway. His next vision is to establish a pathway of honor across this great country.

Mr. President, it horrifies me to think that American soldiers might still be held against their will in lands abroad. A recent issue of Newsweek indicates that as many as 2,300 United States military personnel might still be held in Vietnam, Laos, and Cambodia. More than 8,000 Korean war veterans remain unaccounted for. And, shockingly, there are approximately 79,000 MIA's from World War II.

Couple these figures with the anguish, heartache, and uncertainty of the families and friends of POW's and MIA's and the need to focus on this issue becomes even more compelling.

That is why the establishment of a POW/MIA Memorial Highway is so important. By enacting this legislation, it will call attention to the plight of these brave men and women and their families. It will also serve as a tribute to all former prisoners of war. I urge my colleagues to join me in this effort.

Mr. President, I ask unanimous consent that the text of the bill along with the article "Help Sanfiel Get His Drive on the Road To Honor POW's/MIA's" from the February 24, 1989, issue of the Orlando Sentinel be inserted in the CONGRESSIONAL RECORD immediately following my remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2546

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "POW/MIA Memorial Highway Designation Act".

SEC. 2. ROUTE DESIGNATION.

(a) IN GENERAL.—The route described in subsection (b) is designated as the "POW/MIA Memorial Highway".

(b) DESCRIPTION OF ROUTE.—

(1) FLORIDA-TO-WASHINGTON PORTION.—The portion of the route running from Florida to Washington is—

(A) United States Route 1 north from Key West, Florida, to the border with the State of Georgia;

(B) Interstate Route 95 north to Savannah, Georgia;

(C) Interstate Route 16 north to Atlanta, Georgia;

(D) Interstate Route 24 north to Cairo, Indiana;

(E) Interstate Route 57 north to Interstate Route 64;

(F) Interstate Route 64 north to St. Louis, Missouri;

(G) Interstate Route 70 west to Kansas City, Missouri;

(H) Interstate Route 29 north to Sioux Falls, South Dakota;

(I) Interstate Route 90 west to Seattle, Washington; and

(J) Interstate Route 5 north to the border with Canada at Bellingham, Washington.

(2) MAINE-TO-CALIFORNIA PORTION.—The portion of the route running from Maine to California is—

(A) Interstate Route 95 south from Houlton, Maine, to Richmond, Virginia;

(B) Interstate Route 64 east to Norfolk, Virginia;

(C) Interstate Route 64 east from Charleston, West Virginia, to St. Louis, Missouri;

(D) Interstate Route 70 west to Denver, Colorado;

(E) Interstate Route 25 north to Cheyenne, Wyoming;

(F) Interstate Route 80 west to Sacramento, California; and

(G) Interstate Route 5 south to Cabrillo National Monument in San Diego, California.

SEC. 3. MEMORIAL PLAQUES.

(a) IN GENERAL.—In accordance with subsection (b) and in consultation with Former Prisoners of War and POW/MIA organizations, the Secretary of Transportation shall place appropriate memorial plaques along the POW/MIA Memorial Highway designated by section 2.

(b) LOCATION.—The memorial plaques shall—

(1) bear an official logo, the design of which shall be determined by the Secretary in consultation with former Prisoners of War and POW/MIA Organizations, and which shall be designed specifically for the POW/MIA Memorial Highway.

(2) be placed in scenic overlooks, rest areas, and other appropriate locations where vehicle parking is provided;

(3) be inconspicuously located relative to vehicle operations; and

(4) comply with the Manual on Uniform Traffic Control Devices for Streets and Highways approved by the Federal Highway Administrator.

[From the Orlando Sentinel, Feb. 24, 1989]

HELP SANFIEL GET HIS DRIVE ON THE ROAD TO HONOR POW'S/MIA'S

(By Charley Reese)

Andy Jackson, one of my favorite presidents, said, "One man with courage is a majority." Such a fellow is Jose N. Proenza Sanfiel, of Kissimmee. Sanfiel has taken it upon himself to persuade Congress to name two of the interstate highways in honor of Americans who are or were prisoners of war and those who are missing in action.

I think it is a great idea and I'm betting on Sanfiel. This American, who came from Cuba as a young boy and who has served two hitches in the Marine Corps, has all the qualities today's politicians are least able to cope with. He wants nothing for himself. He won't tolerate a runaround. And he won't quit.

It would seem to me that a Congress eager to hand out $12 billion to foreign governments, some of which are our enemies, or $2 billion to Japanese-Americans and former Japanese aliens, could at least name two highways for the MIAs/POWs. After all, it won't cost anything but the signs.

Ever since Americans left Saigon in 1975, I have been listening to American politicians flapping their lips about their dedication to the MIAs/POWs. Of course, former President Jimmy Carter tried to evade the problem of the MIAs by simply having a bureaucratic procedure declare them dead. The bureaucratic ploy was based on this ridiculous premise: Mrs. Wife and Child, do you (who live here as private citizens with no resources) have any proof your husband and father is alive? No? Well, we declare him dead.

Only outrage prevented this bureaucratic sleight of hand that was designed to hide the fact now tainting several administrations that the U.S. government, for reasons of political expediency, has not gone to the mat on the MIAs/POWs just as it did not go to the mat after the Korean War and World War II.

At any rate, Sanfiel thinks that if we name two highways in honor of these men, then it will be harder for the politicians to forget them. He wrote state officials and they told him it was a federal matter. He wrote his congressman, Rep. Bill Nelson, and Nelson said it was a state matter.

Sanfiel, however, is not one who gives up on the runarounds. He wrote the federal Department of Highway Administration and got it straight from the horse's mouth: The U.S. Congress may name an interstate highway whatever it wishes to name it.

So, at his own expense, Sanfiel, while working and studying to become a registered nurse, writes letter after letter and passes out literature. His strategy is simple: If enough Americans write their U.S. representatives and senators and ask for it, they will do it.

And he's right. At first, they will try to ignore it. Then they will come up with several bureaucratic reasons why it can't be done. In the end, however, if enough Americans persist with the same faith and tenacity as Sanfiel, the politicians will give in. Then, of course, they will pat themselves on the back and take credit for the idea.

I want to quote from Sanfiel's handout because I like his style:

"How can you help? Are contributions to this cause being taken? Where do you send them? You can help by passing the word on to any and all people that you know until the goal is reached. Contributions? If any one asks you for money for this project, slap their faces and call the cops. The only contributions "accepted" are a 25-cent stamp attached to an envelope and addressed to Washington, D.C., with your view regarding this subject."

In other words, all Sanfiel wants anyone to do is to sit down and write their members of Congress and ask them to name two interstate highways in honor of the MIAs/POWs.

That is refreshing. I, like most people, am forever being bombarded with computerized letters from patriots-for-profit who need our money to save the republic from some current horror. Jose is a true patriot. And like all true patriots, he's not for sale.●

By Mr. LUGAR:

S. 2548. A bill to suspend temporarily the duty on certain high displacement industrial diesel engines and turbochargers; to the Committee on Finance.

DUTY SUSPENSION ON CERTAIN DIESEL ENGINES AND SUPERCHARGERS

● Mr. LUGAR. Mr. President, I rise today to introduce a bill to suspend temporarily the duty on certain high displacement industrial diesel engines and turbochargers. I ask unanimous consent that the full text be printed in the RECORD, and that the bill be referred to the appropriate committee for review.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2548

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1.

(a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new headings:

"9902.84.08	Four-cycle compression ignition engines having more than 671 kilowatts and a displacement of 35 liters or greater, not principally used in motor vehicles (provided for in subheading 8408.90.90).	Free	No change	No change	On or before 12/31/95
9902.84.14	Turbochargers and parts thereof for compression ignition diesel engines which are not used with passenger care engines (provided for in subheading 8414.80.20).	Free	No change	No change	On or before 12/31/95".

(b) EFFECTIVE DATE.—The amendment made by this section applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15 day after the date of the enactment of this Act.●

By Mr. MOYNIHAN:

S. 2549. A bill to establish the Hudson River Artists National Historical Park in the State of New York, and for other purposes; to the Committee on Energy and Natural Resources.

HUDSON RIVER ARTISTS NATIONAL HISTORICAL PARK ACT

● Mr. MOYNIHAN. Mr. President, I rise to introduce a bill that would place the home and studio of Thomas Cole under the care of the National Park Service as a national historic site. Thomas Cole founded the American artistic tradition known as the Hudson River School. He painted landscapes of the American wilderness as it never had been depicted, untamed and majestic, the way Americans saw it in the 1830's and 1840's. His students and followers included Frederick Church, Alfred Bierstadt, Thomas Moran, and John Frederick Kennesett.

No description of Cole's works would do them justice, so let me just say that their moody, dramatic style and subject matter were in sharp contrast to the pastoral European landscapes that Americans had previously admired. The new country was just settled enough that some people had time and resources to devote to collecting art. Cole's new style coincided with this growing interest, to the benefit of both.

Cole had begun his painting career in Manhattan, but one day took a steamboat up the Hudson for inspiration. It worked. The landscapes he saw set him on the artistic course that became his life's work. He eventually moved to a house up the river in Catskill, where he in turn boarded, owned, married, and raised his family. That house, known as Cedar Grove, remained in the Cole family until 1979, when it was put up for sale. Three art collectors saved it from developers, and now the Thomas Cole Foundation is offering to donate the house to the Park Service.

In addition to designating the Cole House a national historic site, the Secretary of the Interior would be allowed to acquire at no cost some surrounding lands now owned by the State of New York which include some of the landscapes depicted by Thomas Cole and disciples. Such an area would be known as the Hudson River Artists National Historic Park, and would be as large as 19,000 acres.

Mr. President, the home of one of the most influential 19th-century American painters is being offered as a donation. I believe we owe it to him, and to the many people who admire the Hudson River School and explore its origins, to accept this offer and designate it a national historic site.

I regret that none of Thomas Cole's work hangs in the Capitol, although two works by Bierstadt can be found in the stairwell outside the Speaker's lobby. Perhaps Cole's greatest work is the four-part "Voyage of Life," an allegorical series that depicts man in the four stages of life. It can be found in the National Gallery, along with two other Cole paintings. The National Gallery recently had a major exhibition of works by Church, who was Cole's first student.

I urge my colleagues to seek out these and other works from the Hudson River School. They are proof enough of Cole's importance and the need to add his home to the list of national historic sites.

Mr. President, I ask that the text of the bill be printed at the conclusion of these remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2549

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hudson River Artists National Historical Park Act of 1992".

SEC. 2. DEFINITIONS.

As used in this Act:

(1) HUDSON RIVER ARTISTS.—The term "Hudson River artists" means artists who belonged to the Hudson River School of Landscape Painting described in section 3(a)(1).

(2) HUDSON RIVER VALLEY REGION.—The term "Hudson River Valley region" means the counties of Albany, Columbia, Dutchess, Greene, Orange, Saratoga, Putnam, Rockland, Ulster, Rensselaer, Washington, Bronx, New York, and Westchester in the State of New York.

(3) PARK.—The term "Park" means the Hudson River Artists National Historical Park established pursuant to section 4(b).

(4) SECRETARY.—The term "Secretary" means the Secretary of the Interior.

(5) SITE.—The term "Site" means the Thomas Cole National Historic Site established by section 4(a).

SEC. 3. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) the Hudson River School of Landscape Painting was inspired by Thomas Cole and was characterized by a group of 19th century landscape artists who recorded and celebrated the landscape and wilderness of America, particularly the Hudson River Valley region in the State of New York;

(2) Thomas Cole and his student Frederic Church have been recognized as America's most prominent landscape and allegorical painters in the mid-19th century;

(3) the Thomas Cole House in Greene County, New York, and the Olana State Historic Site and the home and studio of Frederic Church in Columbia County, New York, are listed on the National Register of Historic Places and are designated as National Historic Landmarks;

(4) within a 15-mile area of the Thomas Cole House, an area that forms a key part of the rich cultural and natural heritage of the Hudson River Valley region, significant landscapes and scenes painted by the Hudson River artists survive intact;

(5) collectively, the resources described in paragraphs (3) and (4) provide—

(A) opportunities for illustrating and interpreting cultural themes of the heritage of the United States; and

(B) unique opportunities for education, public use, and enjoyment; and

(6) New York State has established the Hudson River Valley Greenway to promote the preservation, public use, and enjoyment of the natural and cultural resources of the Hudson River Valley region.

(b) PURPOSES.—The purposes of this Act are—

(1) to preserve and interpret for the benefit, inspiration, and education of the people of the United States significant places illustrative and representative of the legacy of the Hudson River artists;

(2) to help maintain the integrity of setting in the Hudson River Valley region that inspired artistic expression;

(3) through cooperative management, to coordinate the interpretive, preservation, and recreational efforts of Federal, State, and other entities in the Hudson River Valley region in order to enhance opportunities for education, public use, and enjoyment; and

(4) to broaden public understanding of the Hudson River Valley region and its role in American prehistory, history, and culture.

SEC. 4. ESTABLISHMENT OF SITE AND PARK.

(a) THOMAS COLE NATIONAL HISTORIC SITE.—There is established, as a unit of the National Park System, the Thomas Cole National Historic Site—

(1) consisting of the home and studio of Thomas Cole, which is comprised of the 3.4 acre site and improvements on the site that are located at 218 Spring Street, Village of Catskill, State of New York; and

(2) as generally depicted on the map entitled "Thomas Cole National Historic Site Boundary Map", and dated ________.

(b) HUDSON RIVER ARTISTS NATIONAL HISTORICAL PARK.—

(1) ESTABLISHMENT.—At such time as the Secretary determines that sufficient lands, improvements, and interests in lands and improvements have been acquired, or at such time as the Secretary has entered into cooperative agreements satisfying the interpretive, preservation, and historical objectives of this Act, the Secretary may establish the Hudson River Artists National Historical Park in the State of New York by publication in the Federal Register of—

(A) notice of the establishment; and

(B) a detailed description or map setting forth the lands and improvements included in the Park.

(2) INCLUDED LANDS.—The Park shall consist of—

(A) the Site; and

(B) the approximately 19,471 acres of lands and improvements on the lands that are—

(i) owned by the State of New York;

(ii) managed as the Kaaterskill Wild Forest, North Mountain Wild Forest, Blackhead Range Wild Forest, North/South Lake Intensive Use Area, Rogers Island Wildlife Management Area, and Rogers Island Overlook Scenic Area;

(iii) under the jurisdiction of the Department of Environmental Conservation of the State of New York; and

(iv) generally depicted on a map entitled "Land Inventory Map, Hudson River Artists National Historical Park" and dated ________.

(c) MAPS.—The maps referred to in this section shall be on file and available for public inspection in appropriate offices of the National Park Service of the Department of the Interior.

SEC. 5. ACQUISITION OF REAL AND PERSONAL PROPERTY AND SERVICES.

(a) REAL PROPERTY.—

(1) IN GENERAL.—The Secretary may acquire—

(A) by donation only, the lands and improvements described in section 4(b)(2)(B); and

(B) such lands and improvements in Catskill, New York, as are necessary for the management and operation of the Site.

(2) STATE LANDS.—Lands and improvements owned by the State of New York may be acquired by the Secretary only by transfer at no cost to the Federal Government.

(b) PERSONAL PROPERTY.—For the purposes of the Park, the Secretary may acquire historic objects and artifacts and other personal property associated with and appropriate for the interpretation of the Park.

(c) OTHER PROPERTY, FUNDS, AND SERVICES.—For the purpose of carrying out this Act, the Secretary may—

(1) enter into cooperative agreements with—

(A) the Office of Parks, Recreation and Historic Preservation of the State of New York;

(B) the Department of Environmental Conservation of the State of New York; and

(C) other appropriate State, county, and local entities and individuals, including—

(i) the Thomas Cole Foundation;

(ii) the Greene County Historical Society;

(iii) the Hudson River Valley Greenway Council; and

(iv) other private museums and institutions; and

(2) accept donated funds, property, and services.

SEC. 6. ADMINISTRATION OF PARK.

(a) IN GENERAL.—The Secretary shall administer the Park in accordance with—

(1) this Act; and

(2) all laws generally applicable to national historic sites, including the Acts entitled—

(A) "An Act to establish a National Park Service, and for other purposes", approved August 25, 1916 (16 U.S.C. 1 et seq.); and

(B) "An Act to provide for the preservation of historic American sites, buildings, objects, and antiquities of national significance, and for other purposes", approved August 21, 1935 (16 U.S.C. 461 et seq.).

(b) PRESERVATION AND INTERPRETATION.—

(1) IN GENERAL.—Subject to paragraph (2), in administering the Park, the Secretary shall—

(A) preserve and interpret the Site;

(B) preserve and perpetuate knowledge and understanding, and provide for public understanding and enjoyment, of the lives and works of the Hudson River artists; and

(C) provide assistance to public and private entities in the interpretation of the Hudson River artists, their houses and studios, and the vistas depicted by the artists throughout the Hudson River Valley region.

(2) STATE PROPERTIES.—

(A) IN GENERAL.—The Secretary shall take no action with respect to the lands and structures owned by the State of New York within the boundaries of the Park except through cooperative agreements in accordance with subsection (c).

(B) STATE FOREST PRESERVE.—With regard to lands within the State Forest Preserve, the provisions of a cooperative agreement as described in subparagraph (A) shall be in strict conformance with the pertinent provisions of the Constitution of the State of New York.

(c) COOPERATIVE AGREEMENTS WITH NEW YORK AND OTHER ENTITIES.—

(1) IN GENERAL.—

(A) IN GENERAL.—To further the purposes of this Act, the Secretary may consult with and enter into cooperative agreements with the State of New York and other public and private entities.

(B) PURPOSES OF AGREEMENTS.—Each agreement shall—

(i) facilitate the development, presentation, and funding of art exhibits, resident artist programs, and other appropriate activities related to the preservation, interpretation, development, and use of the Park; and

(ii) encourage an appreciation of the scenic and artistic tradition inspired by the Hudson River artists.

(C) TECHNICAL ASSISTANCE.—Through agreements, the Secretary may provide technical assistance to cooperating entities described in subparagraph (A) for the marking, interpretation, restoration, preservation, or interpretation of any property listed in section 4.

(D) INTERPRETATION AGREEMENTS.—The Secretary may enter into additional cooperative agreements to plan and coordinate the interpretation of the cultural and natural history of the Hudson River Valley region, which provides the context for the work of the Hudson River artists.

(2) LIBRARY AGREEMENT.—The Secretary may enter into a cooperative agreement with the Greene County Historical Society to provide for the establishment of a library and research center at the Site.

(d) GENERAL MANAGEMENT PLAN.—

(1) IN GENERAL.—Not later than the end of the second fiscal year that begins after the establishment of the Park, the Secretary shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Interior and Insular Affairs of the House of Representatives a general management plan for the Site and the Park.

(2) CONSULTATION.—In preparing the plan, the Secretary, acting through the Director of the National Park Service, shall consult with advisors (including representatives of cooperating entities described in subsection (c)(1)(A), representatives of local and municipal interests, nationally recognized historians, scholars, and other experts) concerning the interpretation, preservation, and visitation of, and other issues pertaining to, the Park and other sites of related historical or scenic significance in the Hudson River Valley region.

(3) STATUTORY AUTHORITIES.—The plan shall be prepared in accordance with—

(A) this subsection;

(B) section 12(b) of the Act entitled "An Act to improve the administration of the national park system by the Secretary of the Interior, and to clarify the authorities applicable to the system, and for other purposes", approved August 18, 1970 (16 U.S.C. 1a–7); and

(C) other applicable law.

(4) CONTENTS.—The plan shall include—

(A) recommendations and cost estimates for the identification, marking, interpretation, and preservation of properties and landscapes associated with the Hudson River artists and located throughout the Hudson River Valley region (to be carried out through cooperative agreements and other means considered appropriate and practicable);

(B) recommendations on ways to broaden public understanding of the Hudson River Valley region and its role in American prehistory, history, and culture; and

(C) recommendations on ways to foster relevant public education, resource preservation, and appropriate levels of regional tourism.

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this Act.●

By Mr. BOREN (for himself, Mr. DOLE, Mr. SIMPSON, Mr. WALLOP, and Mr. NICKLES):

S. 2550. A bill to amend certain provisions of the Employee Retirement Income and Security Act of 1974 and the Internal Revenue Code of 1986 to assure the provision of health care to retired members of the United Mine Workers of America Union and to their family dependents who receive health care benefits from the United Mine Workers of America 1950 Benefit Plan ("1950 Benefit Plan") or from the United Mine Workers of America 1974 Benefit Plan ("1974 Benefit Plan"), and, to assure the manner in which such care is funded and maintained, and for other purposes; to the Committee on Finance.

UNITED MINE WORKERS OF AMERICA RETIREE HEALTH BENEFIT ACT

Mr. BOREN. Mr. President, I join today with several of my colleagues to introduce legislation designed to solve the financial problems of the UMWA-BCOA health benefit plans equitably and permanently. We are all aware of the financial crisis facing the plans and the resulting uncertainty for the retired coal miners and their dependents who rely on those funds for their health benefits. The debate here and in various federal courts centers not on the existence of the problem, but on disagreements over the best way to restore the funds to solvency.

The UMWA-BCOA health benefit plans were established though collective bargaining between the United Mine Workers and several bituminous coal companies. The agreements set up two health benefit trust funds. The 1950 benefit trust fund provides medical benefits to all UMWA coal miners who retired before 1976; and the 1974 benefit trust fund provides medical benefits to UMWA coal miners who retired after 1975 and whose companies ceased to be signatories to the contract.

Everyone appears to agree that still operating companies should be responsible for the health benefits of their own retirees. The difficulty lies in determining how to pay for the health benefits of the "orphan" retirees, or those retirees whose employers are no longer producing coal. The UMWA and the BCOA anticipated the need for a funding mechanism for the health benefits of these retirees when they negotiated their labor agreements; indeed, the 1974 fund was intended to fund only the benefits of these orphans, and the 1950 fund covers some orphans as well.

Until 1988, this negotiated system operated successfully. In 1988 and 1990, however, the Health Benefit Funds began to run deficits. Preliminary data from GAO indicates that as of December 31, 1992, the deficit in the 1950 fund was $99.3 million, and the deficit in the 1974 fund was about $15 million. The financial problems in the trusts coincided with adoption of the 1988 UMWA-BCOA labor agreement that changed the contribution rate paid by signatory companies.

If the contributions by BCOA members had continued at the rates set by the 1988 agreement, it is uncontested that the Trust Funds would be inadequately funded and health benefits to the retirees might well have been cut off. The trustees have pursued judicial remedies to avert this crisis and have prevailed in this litigation. Recently, a Federal district court in Virginia required the BCOA to increase contributions by 47 percent to a level sufficient to fund its obligation fully. The judge also ordered the trustees to reduce the benefit payments to Medicare-insured levels.

While this court decision has solved the immediate crisis and avoided a cutoff in benefits to the retirees, a more permanent solution is required to guarantee that the miners and their dependents will receive appropriate health care over the long term. Senator ROCKEFELLER has introduced legislation that presents his vision of a solution to this crisis. Although this legislation is well-intentioned, I have argued in the Finance Committee and before the full Senate that it is flawed legislation that sets a terrible precedent. Senator ROCKEFELLER's proposal would impose an industrywide tax on all coal companies, whether or not they were signatories to any of the UMWA-BCOA agreements, to provide funding for health benefits provided to orphan miners and their dependents.

The Rockefeller legislation would establish the disastrous precedent that companies that were not parties to a particular collective bargaining agreement would be legally required to meet certain contractual obligations. This result violates one of the fundamental tenets of contract law: a contract is not binding on persons who were not parties to the agreement. To adopt the Rockefeller solution would reward parties to a contract who may well have entered into the agreement with the idea that they could walk away from their legal obligations later and convince the government to hold other parties responsible.

The Rockefeller proposal had other problems, particularly after it was changed so that it could pass the Senate Finance Committee as an amendment to the comprehensive tax bill that we considered in March. One fundamental problem was the way the industrywide tax was set and imposed. The power to increase the tax in the future would have been exercised by a five-person board of directors of a new government corporation. This provision clearly violated the constitutional principle that taxation should be assessed only by elected representatives. In addition, many of us expressed concern with provisions establishing various exemptions and tax rates that differed according to geographic region.

The court-ordered increase in contribution rates gives us breathing space and allows the Senate to proceed thoughtfully and carefully in constructing a solution to this problem. As part of that effort, I am introducing today the United Mine Workers of America Retiree Health Benefit Act of 1992. The legislation has four components to ensure that the appropriate parties meet their obligations to fund adequate health benefits for the retired coal miners and their dependents.

First, the legislation authorizes the transfer of $180 million in excess pension plan assets from the UMWA 1950 pension plan to the health benefit plans. This amount would be sufficient to eliminate the accumulated deficits in the funds and to provide a cushion for the future. This provision is similar to one contained in the proposal advanced by Senator ROCKEFELLER.

Second, it would impose on every signatory to the 1988 UMWA-BCOA agreement and any future collective bargaining agreement a statutory benefit plan withdrawal liability based on the highly successful pension plan withdrawal liability concept established in the Multiemployer Pension Plan Amendments Act of 1980. The 1988 collective bargaining agreement directs the Health Benefit Fund trustees to assess withdrawal liability against any employer who ceases to contribute to the plans. The amount of this liability, however, is not tied to an actuarial valuation of the unfunded, vested health benefits for their retirees. The legislation presented today would require that withdrawal liability be a realistic estimate of the future cost of health benefits for the employer's retirees.

Specifically, the legislation would:

No. 1, impose on each 1988 or future signatory that produced or processed more than 300,000 tons of coal during the term of the 1988 agreement a statutory obligation to pay its pro rata share of the plan's unfunded liability with respect to a withdrawal occurring after the effective date of the legislation. The method for calculating and assessing liability would be the same as that set forth in the Multiemployer Pension Plan Amendments Act.

No. 2, incorporate a concept of partial withdrawal liability.

No. 3, provide a $50,000 de minimis exemption to make the assessment and collection of the withdrawal liability cost-efficient and to provide relief to small operators.

No. 4, use ERISA's control group rules to make affiliated businesses jointly liable for a withdrawn employer's assessment.

No. 5, allow up to 5 years to pay off an assessment to provide an income stream to the plans, while also minimizing the financial burden on the employer.

Third, the legislation ensures that health benefits will continue to be provided after the current collective bargaining agreement expires by incorporating a statutory guarantee provision, modeled after the contractual guarantee provision that has been part of all UMWA-BCOA agreements since 1978. Importantly, the legislation does not interfere with the rights and obligations of the parties to bargain in the future about eligibility standards, benefit levels or other relevant matters. It would require only that the signatories to the contract continue fund the benefits they agree to.

Fourth, the legislation would implement managed care and cost containment programs to ensure cost-effective use of the plans' assets. These programs would be developed by a panel of health care management experts under the direction of the Secretary of Health and Human Services.

Mr. President, this legislation solves the financial problems in the Health Benefit Trust Funds that threaten the health benefits of retired coal miners and their dependents. It is a solution that requires the appropriate parties to pay for that health care—the parties that negotiated the agreements that established the plans. It does not contain provisions that set dangerous precedents that may haunt us when we deal with similar problems in other industries.

This bill may not be the solution that is finally adopted by the Congress and signed by the President, but it can serve as the basis for our discussions about that final solution. I look forward to participating in that process with the cosponsors of the United Mine Workers of America Retiree Health Benefit Act of 1992, and with other Senators, like Senator FORD and Senator ROBB, who have expressed their desire to protect the health benefits of these retirees.

Mr. DOLE. Mr. President, I am pleased to be an original cosponsor of the United Mine Workers of America Retiree Health Benefit Act, introduced by the distinguished Senator from Oklahoma, Senator BOREN.

This legislation comes to the rescue of the financially troubled retiree health trusts and to the rescue of thousands of miners and their dependents who rely on these trusts for their health care.

It is critical to recognize that this debate has always focused on who will pay to get the trusts back on their feet—not on cutting back on benefits that were promised to the miners and for which concessions were made to obtain. For me, the bottom line is that nothing should happen to the miners' health benefits; rather, those who provided these benefits should step up to the plate and stand behind their word.

The legislation crafted by the distinguished Senator from Oklahoma is very straightforward in its approach.

First, it would provide for the transfer of roughly $180 million in excess pension plan assets from the UMWA 1950 pension plan to the UMWA 1950 and 1974 benefit plans and trusts. This transfer would eradicate the estimated combined trust deficit of $140 million and provide an additional $40 million to fund the payout of benefits.

Second, the legislation would impose on each employer who signed the 1988 national bituminous coal wage agreement or who enters into any such future agreement a statutory benefit plan withdrawal liability. This withdrawal liability is modeled after the successful pension plan withdrawal liability consent established in the Multiemployer Pension Plan Amendments Act of 1980.

Third, the legislation would implement managed care and cost containment programs to ensure maximum cost-effective utilization of plan assets. We all know that health care costs have skyrocketed and managed care and cost containment methods are universally recognized as a sound and responsible means to limit the increase of these costs.

Fourth, and most important, the legislation would ensure that health benefits will continue by incorporating the contract guarantee language that has been in every national collectively bargained agreement since 1978.

To date, Mr. President, the legislation offered to deal with this very serious matter has not been workable. While I have a great deal of respect for the distinguished Senator from West Virginia, Senator ROCKEFELLER, his solution—which among other things would legislate a discriminatory coal tax based on geographic location and type of coal produced—is unprecedented and unacceptable.

It is, in short, a penalty on innocent bystanders—non-BCOA companies and non-UMW employees—whose only connection to this dispute is that they coincidentally mine coal.

While the legislation introduced by the distinguished Senator from Oklahoma, and which I am cosponsoring, may not be perfect in each and every respect, it offers a more realistic and suitable framework for solving this difficult problem.

Certainly, now that the courts have enjoined the cutoff of benefits at least until June when litigation before Judge Jackson of the district court for the District of Columbia is scheduled to go to trial, we have an opportunity to fashion a solution which works and which preserves the integrity of the collective bargaining system. I hope this opportunity is not wasted.

Mr. WALLOP. Mr. President, one of the more contentious issues included in the recent ill-fated, ill-conceived Economic Growth Act of 1992 was a provision to create a new Federal tax on coal companies to fund a private labor agreement between the Bituminous Coal Companies of America and the United Mine Workers. Many myths and misrepresentations have been made about this issue. The most repugnant charge is that opposition to the amendment will mean that thousands of retired coal miners will lose their health benefits.

This phony argument ignores the fact that the retired coal miners and the spouses receive Medicare coverage. They will continue to receive this health insurance regardless of the future of the UMWA-BCOA health program. For many of these people, the health care they receive under their labor agreement is a Medigap insurance policy. But, it is a rather archaic, unique benefit in that the program provides first-dollar coverage. Unlike practically every other health insurance program, there is no coinsurance or deductibles required. This program contradicts everything we are trying to do to control health costs by providing the incentive for nonpaying participants to overutilize health services.

The real reason that there is any problem with the health program is that several years ago, the BCOA and the UMWA agreed to change the financing for the program. This contractual change was made with the full knowledge that the retirees' health benefit fund would immediately be underfunded. This would strike the unbiased observer as fiduciary irresponsibility. Now, having made the change in financing, the contracting parties are now demanding that noncontracting companies pay for the problem created by the UMW and BCOA. That is ridiculous.

The proponents take an additional step in arguing that the Federal Government must impose a tax to solve the problem. They have developed a specious claim for Federal responsibility. After the Second World War, President Truman seized the coal mines under a declaration of national emergency. To keep the mines open, he and John Lewis, the head of the UMW, developed a labor agreement that included health insurance for active miners. **But, the agreement was essentially an agreement between the mineworkers and the mineowners, and not a federally legislated policy.**

In the years following that labor contract, the UMW and the BCOA negotiated new labor agreements. Over the course of time, they agreed to provide health insurance to retired miners, and to the dependents of retired miners. There was no Federal involvement in this decision.

During the Senate debate on the economic growth package, we fully explored the inequities of the coal tax amendment. But, there are two points that need to be reemphasized. The BCOA and the UMW have a contractual obligation to keep the program solvent. A Federal judge has ordered that arrangements be made by the BCOA to adequately fund the program. So, benefits will not be cut off. Second, if a legislated solution is necessary, this can be done in a way that does not create new Federal taxes nor force noncontracting companies to bear the cost.

Today, I am joining with Senator BOREN in introducing legislation which provides a reasonable solution to ensure the solvency of the UMWA retiree health plan. Under our proposal, the obligation remains with the parties who signed the national agreements between the UMWA and the BCOA. And, health benefits will be protected while requiring a mandatory cost control program. Senator BOREN has already described the components in greater detail, and I will just add that this is a sensible solution to the problem which I am certain my colleagues will warmly embrace.

By Mr. BYRD:

S. 2551. A bill to rescind certain budget authority proposed to be rescinded in a special message transmitted to the Congress by the President on April 8, 1992, in accordance with title X of the Congressional Budget and Impoundment Control Act of 1974, as amended; pursuant to the order of January 30, 1975, as modified by the order of April 11, 1986, referred jointly to the Committee on Appropriations and the Committee on the Budget.

RESCISSION OF CERTAIN BUDGET AUTHORITY

Mr. BYRD. Mr. President, the President has today sent to the Congress another rescission message, R 92-34, asking us to rescind $144,590 from the Department of Energy related to the Office of the Federal Inspector for the Alaska Natural Gas Transportation System. According to the message from the President he will soon submit legislation to abolish the Office and dispose of its various functions.

This message brings to 948 the number of rescissions proposed by Presidents since enactment of the 1974 Congressional Budget and Impoundment Control Act.

The Appropriations Committee will carefully examine this request, as we will have the other 947 requests.

I introduce and send to the desk a bill and ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2551

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following rescissions of budget authority are made, namely:

DEPARTMENT OF ENERGY

ENERGY PROGRAMS

FOSSIL ENERGY RESEARCH AND DEVELOPMENT

(RESCISSION)

Of the funds made available under this heading for the Office of the Federal Inspector for the Alaska Natural Gas Transportation System in Public Law 102-154, R92-34, $144,590 are rescinded.

By Mr. BROWN:

S. 2552. A bill to authorize a hard rock mining reclamation demonstration project to facilitate the expendient cleanup of acid mine drainage, and for other purposes; to the Committee on Energy and Natural Resources.

HARD ROCK MINING RECLAMATION ACCELERATION ACT

• Mr. BROWN. Mr. President, today I am introducing legislation that I hope will accelerate the cleanup of our Nation's hard rock abandoned mine sites.

All too often scarce Federal resources are squandered on pre-remediation activities before actual cleanup work is started. The legislation I am introducing today authorizes a hard rock mining reclamation demonstration project. The project must be conducted through a cost-sharing arrangement between the Federal, State, and/or local governments with at least 20 percent of the total remediation costs being funded locally. The reclamation alternative selected for site remediation should be the least costly method necessary to bring the site into compliance with environmental laws and that requires little or no future maintenance.

The scope of the environmental, health and safety problems that inactive/abandoned mines pose is staggering. The State of Arizona estimates that there are 80,000 sites with an estimated remediation cost of $654 million. Montana has identified more than 20,000 sites with an estimated remediation cost of $912 million.

In the east, Florida has indicated that 62,080 acres are affected by abandoned mine sites and remediation costs will reach $192 million.

In my own State of Colorado, there are 20,299 abandoned mine openings that will cost $245 million to remediate. Acid mine drainage is one of the most severe environmental problems associated with abandoned mines and one of the most difficult to remediate. Remediation technologies are, at best, limited and expensive. Along with other States, Colorado has experimented with different technologies. However, much more work needs to be done if we are to develop long-term reliable solutions to the acid mine drainage problem.

It is my hope that demonstration projects, like the one I am proposing to authorize, will explore and develop technologies to address this problem in a cost effective and efficient manner.

Mr. President, as I've traveled across the State of Colorado, the sight of waters contaminated with acid mine drainage scarring our scenic vistas has been extremely troubling to me. Many of the sites are in close proximity to widely used recreational areas and mountain communities. I believe we have the chance to eliminate the abandoned mine problem with the cooperation of Federal and local governments and without expending a lot of Federal dollars.

By authorizing a demonstration project, we can develop a model for other sites across the country as States begin remediation of their noncoal sites.•

By Mr. ROCKEFELLER:

S. 2554. A bill to expand the technology extension activities of the National Institute of Standards and Technology in support of technical skills enhancement; to the Committee on Commerce Science, and Transportation.

TECHNICAL SKILLS ENHANCEMENT ACT.

Mr. ROCKEFELLER. Mr. President, competitiveness is a major challenge confronting American manufacturers, businesses, and workers. As a recent study succinctly pointed out, it is now "America's Choice: High Skills or Low Wages." This widely heralded report was prepared by a blue ribbon panel of experts and it starkly outlined the choices our country faces. Either we can invest in our workers to enhance our competitiveness or we can resort to low wages.

My view is that we must invest in our workers and give them high skills so American companies can compete and win in international markets, and so our workers will also win with rising standards of living.

To achieve such a goal will require bold efforts on a number of fronts including initiatives to enhance education in our schools, development of new programs to strengthen the transition from school to work, and investments in training adults already in the work force.

Today, I am introducing a modest but important bill that will emphasize the importance of training, and provide additional assistance to small- and medium-sized businesses who are interested in new technology and worker training. My bill is designed to link quality training to ongoing technology transfer efforts at the National Institute of Standards and Technology, [NIST].

The Office of Technology Assessment published an excellent report in 1990 on worker training. This publication takes an in depth look at all the training issues, including technology transfer. The report states:

> State and Federal industrial extension services are slowly learning that small firms need more than just the latest hardware—they need help in benefiting from the technology which includes training the workers. . . .

My bill is a natural, next step in the direction suggested by OTA. NIST is doing tremendous work through its Manufacturing Technology Centers [MTCs], and the State Technology Extension Program [STEP], to promote the transfer of technology to small and medium size businesses. This is essential.

But technology transfer is just part of the effort to enhance competitiveness. Whenever new technologies are introduced on the factory floor, workers need training so that they can take full advantage of the technology. I believe it makes sense to encourage NIST to promote training as it promotes technology transfer.

I commend NIST for its efforts to do this already, but I believe this legislation is necessary to make training a priority and to provide NIST with the additional resources to develop quality training initiatives to complement its excellent advanced technology initiatives.

My bill also directs NIST to work with other Federal agencies and business and labor leaders to develop a clearinghouse on the best available training materials, including software and multimedia training courses. To allow NIST to undertake these important activities, my bill authorizes funding for both MTCs and the STEP program, $5,000,000 each in the first year, increasing to $20,000,000 in the next two years. This is an important investment in our work force and future competitiveness.

Small- and medium-sized businesses rely on NIST to provide them with expertise about the advanced technology, and when my bill is enacted, NIST will also serve as a resource on what training is needed to effectively implement new technology.

Training and technology transfers should be closely linked. NIST is in a unique position to facilitate such linkages. We already have a strong program, and this will build upon it.

This is a small, but crucial step toward our goal of promoting high skills among our workers, and strengthening our competitiveness.

I believe this legislation will have special significance for West Virginia and other rural areas where access to the latest technology and training may be limited. A national clearinghouse at NIST would provide a needed resource for all States. The national clearinghouse would ensure that States do not need to reinvent the wheel. It would provide a valuable resource on training for small- and medium-size businesses. For example, as West Virginia University works to develop an industrial extension service, it could benefit enormously by tapping into some of the expertise and resources available from NIST.

The Technical Skills Enhancement Act is one piece of my larger effort to restore American competitiveness. I am also pushing other legislative initiatives on technology commercialization, software competitiveness, export promotion, and a venture capital consortium.

Each of these proposals is designed to contribute to a total strategy based on the idea that America's ability to sustain its role of world leadership in the next century will depend on its economic strength, more than its military strength. Economic strength, in turn, will be defined by critical technologies of the future and a work force capable of utilizing such technologies to full potential.

American workers understand the competitiveness challenge. The public realizes our country is on the wrong track. We face the challenge of correcting our course, and enacting efficient and effective programs required to enhance competitiveness and ensure our economic future. I hope my colleagues will recognize and support this bill, the Technical Skills Enhancement Act, as one vital step to take right now to achieve this larger objective.

Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2554

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Technical Skills Enhancement Act of 1992".

SEC. 2. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds and declares the following:

(1) As manufacturing technology becomes more sophisticated and computer-controlled, managers and workers skilled in the operation of that advanced manufacturing technology will become increasingly important to the Nation's international economic competitiveness, standard of living, and national security. Skilled personnel are as important to the Nation's productivity and long-term competitiveness as are new equipment and technology.

(2) Many United States manufacturing firms, particularly smaller firms, would benefit from a Federal program which assists the States and the private sector to develop advanced training technologies and curricula and to provide technical training services to managers and workers.

(3) The Department of Commerce operates two technology extension programs which already provide assistance to small- and medium-sized manufacturers, including some training services.

(b) PURPOSE.—It is the purpose of this Act to expand the current technology extension activities of the Department of Commerce's National Institute of Standards and Technology (hereafter in this Act referred to as the "Institute") in order to increase the contribution that those activities make to the continuous, career-long upgrading of technical skills of managers and workers in United States manufacturing firms.

SEC. 3. INSTITUTE SUPPORT FOR TECHNICAL SKILLS ENHANCEMENT.

In addition to existing responsibilities and authorities prescribed by law, the Secretary of Commerce (hereafter in this Act referred to as the "Secretary"), through the Director of the Institute (hereafter in this Act referred to as the "Director"), shall, in order to help managers and workers in United States manufacturing firms to upgrade their technical skills and more effectively utilize advanced manufacturing technologies, provide financial assistance—

(1) to the Regional Centers for the Transfer of Manufacturing Technology established under section 25 of the National Institute of Standards and Technology Act (15 U.S.C. 278k) for assisting the Regional Centers to establish additional technical training services for small- and medium-sized manufacturers, particularly innovative service delivery systems such as multimedia systems and long-distance learning which can provide services to large numbers of managers and workers; and

(2) to State governments, through the State Technology Extension Program established under section 26 of the National Institute of Standards and Technology Act (15 U.S.C. 278*l*) and section 5121(b) of the Omnibus Trade and Competitiveness Act of 1988 (15 U.S.C. 278*l* note), for the purposes of—

(A) establishing effective cooperation among technical training institutions in the States, private training programs (including both corporate and union training programs), and Regional Centers for the Transfer of Manufacturing Technology; and

(B) developing programs to train personnel who can in turn provide technical skills services to managers and workers of manufacturing firms within the States.

SEC. 4. ANALYSIS AND INFORMATION DISSEMINATION.

In addition to the responsibilities set forth in section 3, the Secretary, through the Director, shall—

(1) identify, in consultation with other appropriate Federal officials and leaders from industry and labor, which types and levels of technical training, including continuing career-long training, are necessary and appropriate for both managers and workers who use advanced manufacturing technologies; and

(2) establish a clearinghouse on best available training materials and software, including multimedia technical training courses.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

In addition to appropriations authorized by any other Act, there are authorized to be appropriated to the Secretary for the purpose of carrying out this Act—

(1) for the Regional Centers for the Transfer of Manufacturing Technology, $5,000,000 for fiscal year 1993 and $20,000,000 for each of fiscal years 1994 and 1995; and

(2) for the State Technology Extension Program, $5,000,000 for fiscal year 1993 and $20,000,000 for each of fiscal years 1994 and 1995.•

By Mr. AKAKA (for himself and Mr. INOUYE):

S. 2555. A bill to prevent the introduction of plant and animal pests into Hawaii through the mails, to increase penalties relating to the introduction of plant and animal pests, to authorize cooperative agreements to safeguard Hawaii's environment, and for other purposes; to the Committee on Governmental Affairs.

ALIEN SPECIES PREVENTION AND ENFORCEMENT ACT

• Mr. AKAKA. Mr. President, today I am introducing the Alien Species Prevention and Enforcement Act, another in a series of legislative proposals designed to turn the tide of extinction that is sweeping the Hawaiian Islands. Senator INOUYE has joined me in this bill.

Hawaii is famed for its unique natural heritage. No other place on Earth has a higher percentage of unique plant and animal species. Almost 100 percent of Hawaii's invertebrate species, and nearly 90 percent of its birds and flowering plants are endemic, making Hawaii home to over 10,000 life forms found nowhere else on the globe.

Mark Twain once called the Hawaiian Islands "the most lovely fleet of islands to lie anchored in any ocean." These islands are also the most geographically isolated in the world—a fact which explains why Hawaii is home to so many plant and animal species found nowhere else.

Yet, despite its stunning beauty and agreeable climate, Hawaii stands at the edge of an ecological abyss. Hawaii represents just two-tenths of 1 percent of the country's land mass, but accounts for more than 70 percent of the Nation's extinctions and more than one-quarter of its rare and endangered birds and plants. Behind the tranquil tropical paradise praised by Mark Twain lies a desperate battleground where the fight for survival is waged every day, and where many plant and wildlife species are barely hanging on. Countless others have altogether disappeared.

HAWAII'S EXTINCTION CRISIS

Long before the first Polynesians came to Hawaii, nature was populating our islands at a very slow pace. Only an occasional insect or spore borne on the jet stream, or a bird blown off its migratory course, reached Hawaii. Sometimes these birds carried a plant seed in their feathers or droppings. But because Hawaii is 2,500 miles from any major land mass, such arrivals were a very rare event. Only once every 50,000 to 100,000 years did a new species successfully navigate the ocean or wind currents and establish itself. And because the introduction of new species proceeded so gradually, Hawaii's fragile tropical ecosystem had the time to adapt to these new visitors.

Now, all that has changed. When European explorers began to venture to Hawaii at the close of the 18th century, the introduction of new species accelerated dramatically. Whereas prior to the arrival of man only a single new species established itself every 50,000 to 100,000 years, today Hawaii experiences an average of 19 new species annually—an influx more than a million times the natural rate. Most of these alien species are hostile to Hawaii's native ecosystems, and prey on indigenous birds, plants, and insects, leaving a widening trail of biological decline and extinction.

As a result of this massive immigration, Hawaii has suffered a tremendous loss of wildlife. Of all the species which have become extinct in the United States, two-thirds disappeared from Hawaii. The sad fact is that we simply will never know what biological treasures have been lost forever. As my colleague, Senator MITCHELL, warned in his book "World on Fire":

> When we let species become extinct, we foreordain our own extinction . . . After extinction there is nothing. There is no computer, no ingenious mechanism, so sleight of hand that can recreate even one of the lowest forms of life when it is wiped from the face of the earth.

In Hawaii we are witnessing the extinction of countless species that we, as humans, must inevitably depend upon for the future of our species. Each contains solutions to a set of unique evolutionary problems that represent an untapped gold mine of scientific knowledge. They are, in the words of Dr. Thomas Lovejoy, the Earth's "living library," more and more of which is being lost with each passing day. Worse yet, many are lost before their existence is ever known or their benefits have even been examined.

The endless immigration of alien species not only threatens to exterminate Hawaii's remaining native animal and plant world but also causes irreparable damage to agriculture, tourism and human health. And as the pace of human commerce, travel and communications quickens, more and more stowaways will arrive each day.

Mr. President, the message I want to convey to my colleagues and to every environmentally concerned citizen is simple and clear: We have to stop the extinction wave and impose stricter controls on the movement of species into Hawaii. We face a biological emergency, and the only appropriate response is an environmental call to arms.

THE FARMER AND THE ENVIRONMENTALIST—COMMON GROUND

Historically, the farmer and the environmentalist don't always see eye to eye. But on the issue of alien species, they speak with one voice.

Hawaiian agriculture has paid dearly with lost crops, quarantines and higher consumer prices as a result of alien pests. The fruit fly firmly established itself in Hawaii around the turn of the century and is but one of a number of destructive and costly pests that plague the State. Federal quarantine regulations enacted since 1910 have focused primarily on protecting the continental United States from fruit flies and are responsible for the existing of Hawaii. Hawaii is the only State where passengers and cargo en route to other States, that is to the U.S. mainland, are inspected by agricultural authorities.

The Agricultural Quarantine Enforcement Act of 1988 declared quarantined products as nomailable and mandated a strict enforcement effort by the U.S. Department of Agriculture in cooperation with the U.S. Postal Service. A successful mail interdiction program designed by the two agencies has operated in Honolulu since May 1990.

The effectiveness of the Agricultural Quarantine Enforcement Act was the subject of a hearing by the Senate Subcommittee on Federal Services, Post Office and Civil Service, which I chaired in June 1991. However, the hearing revealed that Hawaii has been completely bypassed when it comes to the inspection of pests in the mails. The importance of keeping Hawaii pest free continues to be overlooked by federal authorities who are compulsive about protecting the mainland from pest infestations but have not shown a corresponding concern for Hawaii's agriculture or environment.

This one-way Federal enforcement effort leaves a gaping hole through which new alien pests constantly enter. Mail coming to Hawaii from domestic and international sources continues to be a major pathway for noxious weeds and plants. According to Hawaii's Department of Agriculture, first class mail has been used to carry such agricultural and environmental pests as snakes, venomous spiders, live insects, snails, diseased plants and animals, and a host of other species prohibited under Hawaii's agricultural regulations.

Seven of the eight new pests that have appeared in Hawaii in the last decade are common to the Continental United States, including the yellow sugarcane aphid and the lesser cornstalk borer. Both of these have caused tremendous losses to sugarcane and pasture grasses in Hawaii. A multitude of other mainland pests pose a potential threat to Hawaii's environment and industry. Immigrant pests such as the Asian gypsy moth, which represents an immense threat to the timberlands across the United States, and a speck-sized invader called Superbug, which has spelled sudden disaster in California, could easily find their way to Hawaii from the Continental United States.

Commerce from the Caribbean through the mainland is also an increasingly dangerous pathway of alien pests. The fact that Hawaii is a hub of international traffic in the Pacific adds to Hawaii's vulnerability to alien pest invasions.

THE ALIEN SPECIES PREVENTION AND ENFORCEMENT ACT

Mr. President, the Alien Species Prevention and Enforcement Act of 1992 directs the Postmaster General and the Secretary of Agriculture to screen all mail that is destined for, or received in, Hawaii to identify mail likely to contain any plant pest of injurious animal. This interdiction program would safeguard Hawaii from unwanted pests and would, in turn, benefit the rest of the United States.

My legislation maintains all constitutional safeguards to protect the fourth amendment right against unreasonable search and seizure. When a USDA official identifies mail believed to contain a plant pest or injurious animal, that individual is required to apply for a search warrant to inspect the mail in question.

Upon receipt of a search warrant, if mail is found to contain prohibited agricultural materials, the Secretary is required to destroy the prohibited material, report the results of the inspection to a court magistrate, and determine whether the facts and circumstances warrant criminal prosecution.

The bill also updates and unifies the patchwork statutory scheme of criminal penalties for the introduction of plant or animal pests. Currently, at least 5 different Federal agencies have enforcement and prosecution authority over the introduction of alien pests. Each has a different statutory mandate. Some of these statutes are more than 70 years old and carry fines of as little as $100.

The legislation establishes a comprehensive statutory framework for the imposition of civil and criminal penalties for violating Federal laws which prohibit the movement of plant or animal pests that represent a threat to wild life resources or plant ecosystems. It adopts the following two-tier standard for Federal criminal violations: For misdemeanors, up to 1 year in jail or a fine of up to $100,000, or both. For felonies, up to 5 years in jail or a fine of up to $250,000, or both.

To speed the administration of justice, civil fines can be imposed in misdemeanor cases as an alternative to criminal penalties. However, the maximum fine of $100,000 would remain in effect.

The bill also institutes a new alternative fine based on pecuniary gain. If an individual derives financial gain as a consequence of the sale or purchase of an introduced species—for example, ornamentals sold through plant nurseries, the sale of exotic species as pests, et cetera—an individual faces fines equal to twice the amount of such gain.

Finally, the bill would require the Postmaster General and the Secretaries of Agriculture and the Interior to enter into cooperative agreements with the State of Hawaii to permit the State to enforce Federal alien species statutes. Under such cooperative agreements, Hawaii law enforcement personnel would be deputized Federal law enforcement personnel and could investigate and enforce Federal statutes which prohibit the introduction of alien species.

In closing, I would like to thank numerous State and Federal officials, as well as countless conservationists throughout Hawaii, who have voiced concern about the problems I have spoken of today. Many of them have provided valuable insights which I have attempted to incorporate in the legislation I have just introduced.

This same group of professionals were responsible for the November 1991 report entitled "Hawaii's Extinction Crisis: A Call to Action," which set forth a 10-point environmental action plan. The bill I have introduced today implements 4 elements of this 10-point plan. When the Senate returns after its Easter district work period, I intend to introduce a second initiative, the Hawaii Tropical Forest Recovery Act, which will further implement the conversationists' 10-point plan.

I ask unanimous consent that a copy of the legislation be printed in the RECORD following my statement, and that a number of articles relating to alien species also be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

S. 2555

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Alien Species Prevention and Enforcement Act of 1992".

SEC. 2. FINDINGS.

Congress finds that—

(1) Hawaii represents just two-tenths of 1 percent of the United States land mass, but accounts for more than 70 percent of the Nation's recorded extinctions and more than one-quarter of its rare and endangered species;

(2) Hawaii is home to over 10,000 native animal and plant species found nowhere else on Earth and the largest tropical rain forests in the United States;

(3) nearly two-thirds of Hawaii's original forest cover has been lost, including the majority of the lowland tropical forests of the United States;

(4) one of the prime causes of the environmental decline in Hawaii is the continued influx of alien plants, insects, and other species;

(5) an average of 19 alien species are introduced into Hawaii annually, and the number of alien introductions has been as high as 35 species in certain years;

(6) alien species cause irreparable damage to Hawaii's native ecosystems and agricultural crops and have an adverse affect on the tourist industry and human health;

(7) agricultural production in the United States is also threatened by alien pests, especially by fruit flies;

(8) preventing alien species from entering Hawaii will help prevent the eventual introduction of these pests into the United States mainland;

(9) hundreds of millions of tax dollars have been spent annually on the eradication of nonnative pests in both Hawaii and the United States mainland;

(10) a combination of public education programs, more effective regulation, and vigorous law enforcement by Federal and State agencies are critical requirements for a successful program to guard against alien species;

(11) first class mail continues to be a pathway of pest dissemination in both Hawaii and the United States mainland;

(12) the enforcement of Public Law 100-574 has demonstrated the Federal Government's ability to prevent the dissemination of plant pests and diseases and has complemented the authority of the United States Department of Agriculture by making quarantined agricultural material unmailable under the laws administered by the United States Postal Service;

(13) Public Law 100-574 has also made it possible to design and initiate a trial program that combines a public information effort with an interdiction program on mailings from Hawaii;

(14) the trial program initiated under Public Law 100-574 has been successful in detecting and interdicting dangerous pests in the mails and has demonstrated the ability to protect the agricultural industry and consumers of the United States mainland;

(15) a permanent program has not been instituted and no similar effort has been mounted to protect Hawaii's agriculture, environment, and public health from pests in the mail;

(16) Hawaii continues to be vulnerable to pest introductions from both the United States mainland and foreign countries and thus continues to be a missing link in the protective net designed to safeguard the United States from alien pests; and

(17) monitoring incoming mail to Hawaii will help close this gap.

SEC. 3. PESTS IN THE MAILS.

Section 3014 of title 39, United States Code, is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following new subsection:

"(d)(1) The Secretary of Agriculture shall screen all mail that is destined for, or received in, Hawaii to identify mail that is likely to contain any plant pest or injurious animal.

"(2) If the Secretary has reasonable cause to believe that mail screened under paragraph (1) contains a plant pest or injurious animal, the Secretary shall hold the mail and apply to a court of competent jurisdiction for a search warrant authorizing the inspection of the mail.

"(3) If the Secretary obtains a search warrant authorizing the inspection of the mail, the Secretary shall open and inspect the mail, in the presence of an employee of the Postal Service, to determine if the mail contains a plant pest or injurious animal.

"(4) If the Secretary determines that the mail contains a plant pest or injurious animal, the Secretary shall—

"(A) remove, examine, and destroy the prohibited material;

"(B) forward a copy of the warrant and the remainder of the mail to the intended recipient;

"(C) record the results of the inspection;

"(D) report the results to the applicable magistrate; and

"(E) determine whether the facts and circumstances warrant prosecution for violation of laws relating to plant pests and injurious animals.

"(5) As used in this subsection:

"(A) The term 'injurious animal' means an animal that is injurious to human beings, to the interests of agriculture, horticulture, or forestry, or to wildlife, wildlife resources, or wildlife habitats of the United States.

"(B) The term 'plant pest' has the same meaning provided such term under section 102(c) of the Plant Quarantine Act (7 U.S.C. 150aa(c)).".

SEC. 4. PENALTIES RELATING TO INTRODUCTION OF PLANT OR ANIMAL PESTS.

(a) Marking Packages Destined for United States.—The matter under the heading "Enforcement of the Plant-Quarantine Act:" of the Act of March 4, 1915 (38 Stat. 1113; 7 U.S.C. 166) (commonly known as the "Terminal Inspection Act") is amended by striking "$100." and inserting "$10,000 or imprisoned for up to 6 months, or both, and may be assessed a civil penalty by the Postmaster General not exceeding $10,000. If any person derives pecuniary gain from an offense described in this paragraph, or if the offense results in pecuniary loss to a person other than the defendant, the defendant may be fined not more than the greater of twice the gross gain or twice the gross loss, unless imposition of a fine under this sentence would unduly complicate or prolong the sentencing process.".

(b) Plant Pests.—Section 108 of the Federal Plant Pest Act (7 U.S.C. 150gg) is amended—

(1) in subsection (a), by striking "$5,000" and inserting "$100,000";

(2) in subsection (b), by striking "$1,000" and inserting "$100,000"; and

(3) by adding at the end the following new subsection:

"(c) If any person derives pecuniary gain from an offense described in subsection (a) or (b), or if the offense results in pecuniary loss to a person other than the defendant, the defendant may be fined not more than the greater of twice the gross gain or twice the gross loss, unless imposition of a fine under this subsection would unduly complicate or prolong the sentencing process.".

(c) Nursery Stock.—Section 10 of the Act of August 20, 1912 (37 Stat. 318, chapter 308; 7 U.S.C. 163) (commonly known as the "Plant Quarantine Act") is amended—

(1) by striking "$5,000" and inserting "$100,000";

(2) by striking "$1,000." and inserting "$100,000";

(3) by designating the first and second sentences as subsections (a) and (b), respectively;

(4) by designating the third through fifth sentences as subsection (d); and

(5) by inserting after subsection (b) (as designated by paragraph (3)) the following new subsection:

"(c) If any person derives pecuniary gain from an offense described in subsection (a) or (b), or if the offense results in pecuniary loss to a person other than the defendant, the defendant may be fined not more than the greater of twice the gross gain or twice the gross loss, unless imposition of a fine under this subsection would unduly complicate or prolong the sentencing process.".

(d) Importation or Shipment of Injurious Animals, Birds, Fish, and Plants.—Section 42(b) of title 18, United States Code, is amended—

(1) by inserting "(1)" after the subsection designation;

(2) by striking "$500 or imprisoned not more than six months, or both" and inserting "$100,000 or imprisoned not more than 1 year, or both"; and

(3) by adding at the end the following new paragraph:

"(2) If any person derives pecuniary gain from an offense described in paragraph (1), or if the offense results in pecuniary loss to a person other than the defendant, the defendant may be fined not more than the greater of twice the gross gain or twice the gross loss, unless imposition of a fine under this paragraph would unduly complicate or prolong the sentencing process.".

SEC. 5. COOPERATIVE AGREEMENTS TO SAFEGUARD HAWAII'S ENVIRONMENT.

(a) Cooperative Agreement Between Postal Service and Hawaii.—

(1) In general.—Not later than 90 days after the date of enactment of this Act, the Postmaster General shall offer to enter into a cooperative agreement with the State of Hawaii for a 2-year period to enforce in the State Public Law 100-574 and the amendments made by such Public Law.

(2) Authority.—The Secretary shall use to carry out this subsection the authority provided under section 3014 of title 39, United States Code.

(b) Searches and Seizures.—The State of Hawaii shall conduct a search or seizure to carry out a cooperative agreement entered into under this section in accordance with applicable provisions of law.

(c) Other Cooperative Agreements.—The Secretary of the Interior and the Secretary of Agriculture shall each offer to enter into a cooperative agreement with the State of Hawaii to enforce laws under their respective jurisdictions that relate to plant pests and injurious animals.

(d) Extension of Agreements.—A cooperative agreement entered into under this section may be extended by mutual consent of the parties to the agreement.

[From USA Today, Nov. 7, 1991]

SILENT EXTINCTION BEFALLS HAWAII'S FLORA, FAUNA

(By Linda Kanamine)

A century ago, the Kauai 'o'o (pronounced OH-OH) was a common little black bird whose songs echoed through the Hawaiian island swamps.

But disease, probably carried by mosquitoes introduced to Hawaii by settlers, dwindled its numbers to just 12 in 1960 and two in 1981.

Scientists watched the last known 'o'o in Kauai's Alakai wilderness build a nest each year and sing to attract a mate that never came. Then that songster disappeared by 1989.

Similar sagas have occurred over and over in the Aloha State—home to less than 1% of the nation's land mass, yet nearly 75% of its documented plant and animal extinctions, says a new report out today.

"There's trouble in paradise," says David Klinger of the Fish and Wildlife Service.

The status report, written with the Nature Conservancy of Hawaii and the Hawaii Department of Land and Natural Resources, heralds increasing attention to Pacific troubles, Klinger says. Next: 189 Hawaiian plants will be proposed for endangered status.

Hawaii's primeval wilderness has been overtaken by foreign plants and animals (pigs, parrots, pineapple, sugar cane, among others), and diseases, carried to the islands beginning 1,500 years ago first by Polynesians, then waves of Europeans and Asians.

An average 12 new species each year invade Hawaii. Scientists now are watching for the brown tree snake from Guam, a ravenous predator that eats birds and bird eggs, in otherwise snake-free Hawaii.

Today, another prime culprit is development that clears native habitat for agriculture, ranching and homes.

The scenario:

At least half of more than 140 bird species are extinct. Of the 70 species remaining, 33 are endangered and 11 of those already may be beyond help.

37 types of plants are on the U.S. endangered species list. Among the rarest: 93 species with fewer than 100 individual plants left. Five have just a single plant remaining.

24 species of Oahu tree snails—part of native folklore—can no longer be found.

Two-thirds of original forest cover is lost, including half of rain forests.

On Wednesday, PBS airs a National Geographic special, Hawaii: Strangers in Paradise, taking a look at the crisis.

"Our goal is to alert people," says Carol Fox of the Nature Conservancy of Hawaii. "We worry about rain forests in Brazil and tend to think ours are all right. Well, they're not."

Among 10 urgent actions recommended to stem the tide of extinctions:

Buy or set aside more habitat for native species.

Offer incentives for private landowners to protect endangered species and habitat on their properties.

Stop influx of foreign pest species.

Stiffen conservation laws and penalties.

Expand intensive rescue efforts of "species on the brink" of extinction.

Environmental damage is easy to understand when the culprit is a bulldozer, Fox says.

"But when it's the silent extinction of thousands of species on beautiful Hawaii, which you always thought was paradise, it's hard to understand the urgency. If we don't do something, we could lose the battle."

[From the Christian Science Monitor, Nov. 7, 1991]

HAWAIIAN ISLANDS FACE EXTENSIVE ECOLOGICAL PERIL

(By Daniel B. Wood)

The Hawaiian Islands, home to 10,000 native animal and plant species found nowhere else on earth—and the only tropical rain forests on United States soil—face a state of biological emergency.

A decade of private, state, and federal efforts have coalesced with the first comprehensive inventory of birds, plants, fish, animal life and habitat since statehood (1959). Due for release tomorrow, the new report by the US Fish and Wildlife Service, the Hawaii Department of Land and Natural Resources, and The Nature Conservancy of Hawaii includes several dire conclusions:

Nearly two-thirds of Hawaii's original forest cover has been lost, including 50 percent of vital rain forests. Ninety percent of lowland plains, once forested, have been destroyed.

Of 140 listed species of native birds, only 70 remain, 33 of which are endangered. Eleven more are beyond recovery.

As of this month, 37 Hawaiian plant species were federally listed as endangered. Within two years, 152 more will be proposed. Among the state's rarest plants are 93 species with no more than 100 known individual plants—including trees, shrubs, vines, herbs, and ferns. At least five species have been reduced to one individual.

"These three organizations have come together in the recognition that with all that has been and is being done, we are losing the battle," says Michael Buck, administrator of the Hawaii Division of Forestry and Wildlife. "The facts are quite sobering."

The cause of the decline is twofold: 1) a cumulative effect of land conversion to agriculture, ranching, and residential use; 2) introduction of non-native species of insects and mammals.

The state is particularly vulnerable to both as the most isolated land mass on Earth.

"Until man came, these islands were lucky to get one new species every 10,000 years," says Alan Holt, director of science and stewardship for The Nature Conservancy.

The influx of feral pigs, goats, horses, and cattle began in the 1700s. A crossroads of Pacific travel and trade, the islands have seen a dramatic increase in foreign pets in the last 15 years.

"Now when a new prey is introduced, it can wreak havoc," Mr. Holt says.

Native birds have been hard hit by malaria and pox brought by mosquitoes, for instance. Brown tree snakes, which have devastated birds species on Guam, have been intercepted on flights to Hawaii six times.

The banana polka, a passion-flower vine which is kept in check in native South America by feeding insects, has no such predator in Hawaii. The vine has smothered 70,000 acres of forests on two islands and is threatening larger tracts.

Loss of forests, plants, and wildlife impact every level of the state's economy and cultural heritage.

The report chronicles the danger of losing forests that intercept and generate rainfall, protect coral beaches from siltation, and generate unique materials for clothing, textiles, ornaments, canoes, and scientific study. The islands surpass even the Galapagos Islands off South America in numbers of species evolving from a single ancestor.

At least 50 species have evolved from a single common ancestor in Hawaii.

To bring awareness to the new findings, study sponsors have adopted a 10-point action plan that includes acquiring habitat and funding long-term stewardship of publicly-owned natural areas. Networks of state, federal, and private areas are joining into mega-reserves large enough to sustain populations of endangered bird species.

"We're finding it's not enough just to set aside land in a protectorate," says Dr. Joan Canfield, a botanist with the US Fish and Wildlife Service. "It needs to be actively managed for invasive plants and animals."

Propagation programs have already started, including captive rearing in zoos and botanical gardens. The nene (Hawaiian goose) and koloa (Hawaiian duck) have been bred successfully.

Besides new attempts to halt the flow of foreign pests into Hawaii—modeled after a successful campaign in New Zealand—the groups are lobbying for further landowner incentives to protect endangered species on their properties, increased effectiveness of conservation laws, and more extensive research.

To heighten public awareness, the report is timed to precede a major National Geographic television special. Entitled "Hawaii: Strangers in Paradise," the show airs on PBS Wednesday, Nov. 13.

"This report in a sense says the sky is falling on one of the most remarkable paradises on earth," notes Kelvin Taketa, director of the Pacific Region for The Nature Conservancy. "We're hoping it can help coalesce the kind of broad-based, national support that can help reverse the trend."

[From the Honolulu Advertiser, Nov. 7, 1991]

DOOMSDAY FOR HAWAII WILDLIFE

(By Jan TenBruggencote)

Hawaii is losing unprecedented numbers of native birds, plants, fishes, insects—even entire natural communities. The state faces serious economic loss if aggressive changes aren't made to halt further losses, a federal-state-private report has warned.

More than 10,000 forms of life have evolved here, but species today are dying off at thousands of times the natural rate of extinction, says the report, "Hawaii's Extinction Crisis: A Call to Action." The report is due to be printed and released tomorrow.

"Current efforts are not enough to stem the tide of extinction and time is running out," says the report, prepared jointly by the state Department of Land and Natural Resources, the U.S. Fish & Wildlife Service and The Nature Conservancy of Hawaii.

"For dozens of species now nearing extinction, survival depends on human intervention to collect and raise Hawaii's rarest plants and animals in botanical gardens and zoos."

Money is needed to properly manage government lands and private landowners must be given strong incentives to protect delicate ecosystems on their property, the report says.

The report—a massive update on the status of the fragile natural environment of the Islands—paints a grim picture:

Some species like the Kauai *'o'o* and the *'aklaloa* are probably already extinct, the report said.

For some creatures, even heroic efforts are too late. The report includes a list of 12 native Hawaiian forest birds whose numbers have dropped so low that it is likely nothing will save them, the 'o'o and the aktaloa among them.

The future is dim as well for the Hawaiian crow or alala: There are severe in breeding problems in the alala captive propagation program and few of the birds are alive in the wild.

Kelvin Taketa, director of The Nature Conservancy's Pacific Region, and: the Conservancy's Heritage Program was key to understanding what was happening among Hawaiian native habitats statewide. Using computers, researchers helped identify and gather information on natural communities (groupings of native flora and fauna), throughout the Islands.

"For the first time, we were able to pull it all together," Taketa said.

For those native species that can be saved, a well-directed multi-faceted, properly funded program is urgently needed, the report says.

"The challenge we face is how to balance the needs of a growing population and island economy with the preservation of Hawaii's limited natural resources," the report says.

But the report stresses that preservation of the ecosystem has an economic value; the native environment contributes to the Islands' attraction for tourists.

Federal and state lands need management funding and private landowners need strong incentives to protect important ecosystems on their properties, it says. Funding needs to be stable if hard-fought gains are not to be lost due to erratic support for conservation programs.

The Islands native environment is of particular importance because it is so unique, the report says. Hawaii is isolated by thousands of miles of ocean in every direction. It contains all the Earth's major ecological zones, from coral reefs to high alpine deserts.

Among the several causes of the continuing death of native species the report says, is the arrival of alien species that compete with natives, destroy habitats or kill them directly. Another factor is disturbance by humans such as deliberate destruction of native forest.

"Only the lasting legal protection and management of large, intact, natural areas can ensure the long-term survival of the majority of Hawaii's plants and animals," the report concludes.

[From the Honolulu Star Bulletin, Nov. 7, 1991]

REPORT URGES HELP TO SAVE HAWAII SPECIES

(By Peter Wagner)

Extinction may be normal, but when a state as small as Hawaii accounts for 75 percent of the nation's dead species, something's wrong.

An unusual alliance of public and private agencies has released a report urging worldwide help to save what is left of Hawaii's dwindling habitat and species.

"We have a pretty good idea what's out there and it's pretty sobering," said Michael Buck, state forestry and wildlife chief. "I don't think people know we have 12 birds on the brink of extinction."

The report calls for increased financial support, habitat protection, education, alien species eradication and other steps to slow the loss of native species.

It was prepared and released by the state Department of Land and Natural Resources, U.S. Fish and Wildlife Service and The Nature Conservancy.

"We need to get through to the decision makers at least," said Buck. "It's obvious that at the current level of funding, a lot of things are going to fall through the cracks."

According to the report, a lot of Hawaiian wildlife already has slipped through:

Half of the 140 bird species known to Hawaii are extinct.

Sixty-three plants are on the federal list of endangered species and an additional 189 are up for listing.

Two-thirds of the native forests are gone.

The problems, loss of habitat and the introduction of "alien" species, continue to threaten native plants, insects and other species. At least a dozen new species find their way into the state each year, squeezing out native flora and fauna.

One species that has been found in Hawaii, the brown tree snake, has wiped out nine of 11 bird species on Guam.

While more then a million acres of land are now protected by federal, state and private agencies, more needs to be done to protect forests and wetlands.

Among the report's recommendations:

Increase funding for conservation programs and the purchase of habitat.

Create tax breaks and other incentives to protect ecosystems on private lands.

Tighten inspections and pest control programs and educate people about native species.

Enforce laws better and increase scientific research.

Scientists say there could be 5,000 insects and other invertebrates yet to be discovered.

The unique situation is all the more reason to close in on the species loss problem before it is too late, conservationists say.

"The challenge we face is how to balance the needs of a growing population and island economy with the preservation of Hawaii's limited natural resources," the report says.

[From the Honolulu Star Bulletin, Nov. 1, 1991]

DOZENS OF NATIVE ISLE PLANTS JOIN ENDANGERED LIST

(By Ken Miller)

WASHINGTON.—The federal government has declared dozens more native Hawaiian plants endangered, signaling more grim results of human encroachment, wild animal grazing and competition from alien species in Hawaii.

In separate announcements Tuesday and Wednesday, the U.S. Fish & Wildlife Service formally declared 26 species from Oahu's Waianae Mountains as endangered and proposed an additional 25 species from Knuai for the nation's endangered species list.

Both developments are part of the agency's effort to catch up with Hawaii's endangered species problem, which worsens yearly as non-native plant species squeeze out native varieties.

Fish and Wildlife has been adding about 50 Hawaiian species a year since last year, motivated in part by a court settlement between the U.S. Interior Department and the Conservation Council for Hawaii, which argued that the federal government was dragging its feet in protecting the state's threatened plant and animal species.

The 26 Oahu plants that were declared endangered range from herbs to shrubs to bellflowers, ferns, violets and asters.

All are concentrated on Oahu, but some are found on other islands.

All species are threatened by alien plants competing for space, sunlight and food.

Others are threatened by feral pigs, cattle and goats, as well as fire and other human impacts.

The federal endangered species classification makes it illegal to pick the plants. As is its custom, Fish and Wildlife declined to declare the plants' habitats as "critical habitats" out of concern that such action would draw more attention to them and perhaps lead to poaching.

On Kauai, all but seven of the 23 plant species proposed for the endangered species list are endemic to the Garden lais. Many were once plantiful there, but their numbers have been sharply reduced for many of the same reasons as the plants on Oahu.

The species are also similar, and include small trees, members of the coffee and sandalwood, aster, primrose and citrus families.

[From the Honolulu Star Bulletin, Oct. 5, 1990]

26 MORE PLANTS TO JOIN ENDANGERED LIST

(By Ken Miller)

WASHINGTON.—The U.S. Fish and Wildlife Service is planning to add 26 more species of Hawaiian plants, all from Oahu's Waianae Mountains, to the endangered species list.

The plants, whose habitats are threatened by wild animals, competing exotic species, fires and human encroachment, are expected to join dozens of other indigenous species facing extinction in Hawaii.

The latest proposal is part of a continuing fish and wildlife plan to add 50 Hawaiian plants a year to the endangered list over three years. The plan was developed after the Conservation Council for Hawaii sued the Interior Department, claiming it was taking too long to protect Hawaii's endangered species.

Eleven species found on Lanai and Kauai were nominated for the list three weeks ago. Hawaii leads the nation in endangered plant and animal species.

The 26 species the Interior Department plans to classify as endangered are described as either endemic to the Waianae range, or at least best known there. Some have been found in the Koolau Mountains on Oahu, as well as West Maui, Kauai and Molakai. One species is found on Moku Mano Island, off Kaneohe.

Among the species are a variety of shrubs from the mallow, chickweed and spurge families, as well as ferns and varieties of asters, coffees, buckthorns, bellflowers, nettles, mints, amaranths, violets and parsleys.

Aside from people and foraging animals, the plants' enemies include rival plant species such as the extremely aggressive christmasberry, as well as koa haole and molasses grass.

There also have been 10 fires in the affected areas in the past 14 months.

[From West Hawaii Today, June 17, 1990]

19 PLANTS PROTECTED BY THE FED IS JUST TIP OF HAWAII'S PROBLEM

(By Dan Breeden)

While environmentalists worldwide have focused their efforts on stopping the devastation of rainforests in South America, few Hawaiians need look any farther than their own community to see native foliage being replaced by development.

"The whole forest is going faster than we can even identify it," said Norm Bezona, University of Hawaii at Hilo agricultural extension agent.

This is particularly unfortunate since much of Hawaii's foliage is endemic, being found nowhere else in the world. In fact this disappearance of the forest has been taking place for hundreds of years and many of Hawaii's plants are now referred to in the past tense.

The state currently has 19 plants on the federal government's list of more than 200 endangered or threatened plant species. Endangered and threatened classifications afford species similar levels of governmental protection, according to Ernest Kosaka, field supervisor with the U.S. Fish and Wildlife Service. He explained that endangered species are those in danger of extinction in all or a major portion of their habitat, while threatened species are those likely to become endangered.

Under the Endangered Species Act, section 7, the federal government has the right to review all development projects using federal funds or requiring permits to assess whether they will adversely affect an endangered or threatened species or its habitat, according to Eugene Nitta, protected species coordinator with the Fish and Wildlife Service.

"That's one of our major ways for dealing with habitat," he said.

Both endangered and threatened species may receive federal and state monies for preservation efforts and species sometimes move from one classification to another.

But the state's 19 plants barely scratches Hawaii's arboreous surface, according to Michael Buck, administrator with the state Division of Forestry and Wildlife. He said 150 Hawaiian plants have been proposed for inclusion on the list and almost a dozen may soon be approved.

Having the species listed as endangered does allow the state to take steps to protect the plants, if adequate funds and personnel are available.

In theory, endangered plants cannot be destroyed or removed and so are protected from encroaching development.

"Anything that can impact the habitat or the plant must be cleared with the fish and wildlife (office)," Buck said, "We're going to have some possible land use conflicts." This may happen when a developer has applied for permits to build on an area which contains endangered plants or is the habitat for endangered wildlife.

But firm adherence to protection of plant species may prove extremely costly to developers and so the most expedient path may be for them to simply uproot the endangered plant and never report its existence. To avoid this, state officials would rather be flexible and try to find a solution that benefits both the endangered plants and the land owner.

"We need to be able to do more than beat people over the head with the law," Buck said, "We want to work with it."

But even a careful preservation program may come too late for some species.

Because of this, sharp spines and poisons are relatively rare in native plants. These defenseless plants with their exposed roots quickly fell prey to animals introduced to the islands.

Grazing animals, such as cattle, goats, sheep and pigs, brought to Hawaii by man are particularly rough on seedlings and young trees, according to Giffin. Overgrazing has resulted in aging forests with dying trees becoming the only remnant of past greenery.

"Cattle can turn forest to pasture in 100 years," Giffin said. "They eat anything that comes up. The Waimea plains was a forest at one time."

As trees and scrubs are destroyed by grazing animals, grass quickly sprouts in its place, making it difficult for the forest to regenerate. A solution may be to temporarily remove livestock from the denuded areas and give the forest a chance to recover.

"Five years is all it would take for the Koa forest to regenerate," said Fielding Schultz, agricultural consultant and an officer with the Professional Gardeners Association.

But landowners often find there are tax advantages if they clear the rainforest from their property and put livestock on it, even if they have no intention of becoming farmers.

Bezona said deforestation is not a new problem. Barely 40,000 years ago, the expansive deserts of Australia were covered by rain forest. That was roughly the time that aborigines arrived in the area and as they began to thrive, the forest disappeared. Eventually the desert took over the lion's share of the continent.

"We need to think seriously about the carrying capacity of any animal, including man, in any land space," Bezona said.

This consideration should extend to Hawaii, home to almost 20 endangered and threatened plants.

One of the state's most famous endangered plants is the silversword, a descendant of Southern California's tarweed.

It is believed that these silverswords were once abundant on the Big Island, dotted the slopes of Hualalai, Mauna Kea and Mauna Loa.

Until Haleakala National Park was created, the Haleakala silversword was very close to extinction. Once efforts were made to protect the plants from feral goats, the silverswords quickly began to recover.

[From the Honolulu Star Bulletin, Sept. 26, 1991]

SMUGGLING OF ILLEGAL CRITTERS TO ISLES MAY BE OUT OF CONTROL, OFFICIALS FEAR

THE PUBLIC'S HELP IS CALLED ON TO FERRET OUT HIDDEN ANIMALS

(By Rod Ohira)

Once upon a time, there were no alligators, brown tree snakes, cougars or even termites in paradise.

The human animal, which brought all of them and much more to Hawaii, remains the biggest threat to Hawaii's ecological balance.

"We have met the enemy and he is us," said U.S. Customs Deputy Chief Investigator Creighton Goldsmith, quoting from the comic strip Pogo.

A 3-month-old cougar cub recovered in a search of a Hawaii Loa Ridge home Tuesday is only one of many illegal entries that officials are finding in Hawaii.

Within the last two months, state and federal officials have recovered three ferrets, including one that was running loose among passengers aboard an incoming airplane; intercepted a shipment of piranha being flown in; and confiscated a boa constrictor and a python from a passenger aboard a flight from Nevada, who hid the snakes in a pillowcase as carry-on luggage.

Just last month, a dead female alligator wrapped in a sheet and covered with plastic bags was found along Kappa Quarry Road. Not far from there, at Maunawili Stream, a dead male alligator was discovered April 26.

Officials are seeing everything from bats, which are a rabies threat, to monkeys and parrots being smuggled in. It has gotten to the point where there are no surprises.

"I think what we're seeing is only the surface. There's a lot more going on," said Larry Nakahara, head of the state's Plant Quarantine Inspection Division, which also is charged with enforcing the non-domestic animal law here. "It's getting very eerie."

Hybrid cats and dogs—for example, a bobcat that is bred with a domestic cat—may already be in Hawaii. There have been cases where dogs, declared as a German shepherds or huskies, were brought to Hawaii and later advertised for sale as part-wolves.

"At some point," warns Carroll Cox of the U.S. Fish & Wildlife Service, "the introduction of species here will create a total disruption of nature.

"They may not only become competitive with other species but could also subject humans to new diseases," he said.

There are at least 100 species of birds and countless numbers of exotic freshwater fish and flora not native to Hawaii in the wild.

Despite the efforts of state and federal officials to keep illegal animals out, the problem is growing out of control mainly because it is not difficult to sneak illegal goods into Hawaii.

"They try to smuggle in animals the same way they try to smuggle in drugs," Nakahara said. "Unless the public realizes how serious the problem is, laws are going to be difficult to enforce."

Some animals have even been sent to Hawaii via express mail and first-class mail, Nakahara said.

U.S. Customs is responsible for inspecting only foreign arrivals while state officials handle passenger inspections from the U.S. mainland. It is impossible, however, to inspect every piece of luggage.

"People carrying animals are not going to attract much attention from airport security on the mainland," Goldsmith said. "That's because they're checking for weapons, not animals."

The Legislature passed a law this year setting the maximum fine for smuggling illegal animals into Hawaii at $10,000. Fines, however, may not be enough to deter smugglers and collectors, and jail sentences are being considered.

Officials, however, believe the problem can only be controlled with public support.

"We need people who know people with illegal animals to report it to us," Nakahara said. "The public needs to be involved."

Wendell Kam, manager of the state's Conservation Education Program, says education is also an avenue that needs to be explored more thoroughly.

To report any illegal animals in Hawaii, the public can call the state Department of Agriculture at 548–7175 during regular business hours or 836–3827 at night.

[From the Honolulu Advertiser, Apr. 30, 1991]

DEAD GATOR ONLY ONE INCIDENT IN ALIEN-SPECIES INVASION OF ISLES

(By Stu Glauberman)

The discovery of a six-foot alligator in Maunawili Stream last week puts some teeth in environmentalists' efforts to keep alien species from entering Hawaii.

The frightening find calls attention to a problem the local Audubon Society has been focusing on: how to put Hawaii on guard against the arrival and introduction of unwanted animal, plant and insect immigrants.

On Thursday, the Hawaii society will launch its two-year Alien Species Alert Program, part of a National Audubon Society effort. The group's state office has raised about $40,000 to get the public-private program going.

Each year, residents and visitors introduce about 35 alien animal, insect and plant species into Hawaii's fields and streams, according to the state Department of Agriculture.

Many of the aliens are pests that threaten native species and agriculture. Most are insects. A few, like the alligator and a rabid bat captured last month, pose dangers to public health.

State agriculture officials learned yesterday that the dead alligator found under a Maunawili bridge was a male less than 10 years old.

"At least we can lay to rest any thoughts about there being alligator eggs all over the place," said Tish Uyehara, a department spokeswoman.

Based on a necropsy done at the Animal Quarantine Station in Halawa, scientists concluded that the severely decomposed animal had been dead for about a week. No wounds were seen.

Because its stomach was empty, investigators could not determine what its diet was. They had planned to rely on stomach contents to determine if it had been living wild or as a pet.

"We still don't know how it got there or why," said Albert Lam, a plant quarantine supervisor. "We're thinking of going out and taking a look at the area because there's still all kinds of possibilities."

Lam, who has dealt with alien species for 25 years, said insects borne on plants, fruits and vegetables are the most commonly introduced species.

Sheila Laffey, coordinator of the Audubon Society program, says many people don't understand that introduced species can cause irreparable damage to crops, native species and the environment.

In the case of the alligator, she said, "Who knows what problems that did cause or could have caused."

The discovery of the alligator Friday came a month after Honolulu Harbor dock workers captured a bat in a cargo container that had just arrived from California. Health officials said it was the first rabies-infected bat found in the Islands.

Laffey said environmentalists also are concerned about the release of pets, such as the rabbits let free to forage in Maui's Haleakala National Park.

A committee on introduced species—made up in part of state officials, agribusiness representatives and Bishop Museum scientists—has been meeting for two years to devise a strategy to combat the introduction of pests.

Laffey said the message will go out in the form of posters and 50,000 brochures, a traveling slide show, a Hawaii Public Television documentary and KHET-produced TV and radio announcements.

Lam said the Agriculture Department is working with a consultant to produce a videotape for use on arriving domestic flights, urging passengers to comply with state quarantine regulations.

Laffey said the society has been working with the U.S. Fish and Wildlife Service to alert people to the possible arrival of brown tree snakes.

The brown tree snake, a night-prowling native of New Guinea, has found its way to several Pacific Islands and established itself on Guam.

Laffey and Ernest Kosaka, a federal official, have been briefing Hawaiian Electric Co. transmission line workers about the snake. On Guam, snakes have been blamed for 250 outages in three years, Laffey said.

[From the Honolulu Advertiser, Oct. 12, 1991]

MORE "ALIENS" FOUND, SNAKE, IGUANA LEAVE CRAWLING CARD

(By Richard Sale)

Three more illegal creatures have been reported on Oahu.

Residents of Kailua yesterday morning found a "juvenile iguana," and turned it over to state Department of Agriculture officials; according to department spokeswoman Letitia Uyehara.

"We have no idea where it came from," Uyehara said.

The iguana, a large tropical America lizard, was taken to the Honolulu Zoo, she said. Uyehara had no further details about its capture. Another iguana that was caught in Kauai last week is also at the zoo.

In an incident Wednesday night, a Hauula resident killed a 27-inch-long king snake as it crawled into the living room of his house, she said.

According to Uyehara, the male resident "clobbered (it) on the back of the head" with "some kind of blunt instrument."

The dead snake was taken to animal quarantine facilities early Thursday morning by department officials, who claimed the body at the Kahuku police station.

The snake had gray, black and red stripes.

King snakes aren't poisonous and their diet includes other snakes, mice, rats and geakoes.

Because they are so colorful, the snakes are often kept as pets on the Mainland, Uyehara said.

Like iguanas and other non-native species, snakes are prohibited in Hawaii.

On Tuesday, a Kunia resident reported seeing a snake four or five feet long and three inches in diameter with large brown spots near the Del Monto pineapple terminal in Kunia.

A search of the area Wednesday by Department of Agriculture inspectors produced nothing.

If you have any information, please call the Plant Quarantine Office at Honolulu Airport at 836-3827.

Noting that there has been a recent increase in sightings of snakes, Uyehara praised the public for being "more aware, more alerted to calling us."

She said the department "needs help from other eyes and ears."

[From the Maui News, Feb. 23, 1992]

ILLEGAL ANIMAL AMNESTY CALL GOES UNANSWERED

KAHULUI.—State agriculture officials here came up empty handed Saturday on a day when residents were asked to voluntarily surrender all illegal animals.

While a few illegal animals were turned in on Osha, Amnesty Day on Maui drew a big no-response, according to Anna Mae Shishito, Department of Agriculture plant quarantine inspector.

Shishito said employees at the DOA office in Kahului and at the Maui Humane Society on Mokulele Highway were all prepared with empty kennels for larger animals, pillow cases for snakes and an aquarium for illegal fish.

But none came.

However, if your conscience is still bothering you, there's another week of amnesty offered during which no penalties will be assessed to an individual who comes forward voluntarily for the safe turn-in of animals.

Illegal animals will be accepted daily until Feb. 28 at the DOA office at 635 Mua St. in Kahului and at the Maui Humane Society on Mokulele Highway.

The following is a partial list of animals that may not be kept by private individuals and should be turned in.

African clawed frogs, alligators, bulbuls, caimans, coconut crabs, cougars, crocodiles, dwarf parrots, eels, electric catfishes, electric eels, ermus ferrets, flying foxes, foxes, freshwater clams, fruit pigeons, gars, gila monsters, bombills, horseshoe crabs, hummingbirds, land crabs, land hermit crabs, leopards, lion fishes, live corals, live rocks, lizards, lories, monitor lizards, needlefishes, ocelots, opossums, piranhas, porcupines, rheas, sea anemones, skunks, snakes, snapping turtles, squirrels, stingrays, sturgeons, toucans, wild cat crosses, wild dog crosses and wolf dog hybrids.

[From the Honolulu Advertiser, Jan. 15, 1992]

SNAKES, IGUANAS—IMPERATIVE TO KEEP THEM OUT

The threat of Guam's brown tree snake spreading to Hawaii is causing nightmares among government officials and many others who care about Hawaii's environment.

But last year alone, state agriculture officials captured 20 other snakes that were deliberately smuggled here. By comparison, just six brown tree snakes have hitchhiked to Hawaii since 1981.

These repeated incidents mean the chances are actually greater that one of these other aliens will become Hawaii's horror story.

That's why it's not amusing when a pet snake turns up. Or that someone smuggled eight iguanas to Kona, planning to sell them. And it's cause for alarm that there was a record haul of illegal species last year.

Consider that the boa constrictor and the python are tree-dwelling snakes—just like the brown tree shake. These creatures have no natural enemies here.

Iguanas grow to 5 or 6 feet. One species is already believed established in upper Nuuanu Valley.

Much more must be done to keep all unpermitted alien species out—more inspections, deterrent penalties, amnesty programs and public vigilance. Especially public vigilance.

The present system of having arriving passengers on planes voluntarily fill out a plant and animal declaration form is insufficient. Baggage leaving Hawaii is inspected to protect other areas from fruit flies. This one-way policy is grossly unfair to Hawaii, which also needs protection. Senator Daniel Akaka is proposing legislation to require two-way surveillance.

Whatever is done, the best defense against the further spoiling of Hawaii by some predatory alien would be an aware and informed public.

If you have a prohibited creature, call Larry Nakahara at the state Agriculture Department, 586-0844, and arrange to turn it in without penalty. If you know of someone who has one, report it.

[From the Star-Bulletin, Jan. 14, 1992]

ILLEGAL IGUANAS, FERRETS, SNAKES SEIZED

(By Mary Adamskl)

The body count of unwelcome beasts seized last weekend by state Department of Agriculture officials included two ferrets, eight iguanas and two snakes.

None of the creatures is a permitted import, and at least some of the owners face state charges and fines of up to $10,000, an Agriculture Department spokeswoman said yesterday.

The Iguanas, all young lizards that could grow to 5 feet long, could also lead to federal charges against their Big Island owners.

They apparently were brought into the state from Arizona by people intending to sell them here, said Tish Uyehara of the Agriculture Department.

She said the reptiles were seized in Kona as part of an investigation by the U.S. Fish and Wildlife Service and the state Agriculture Department.

Officials were also concerned about the potential health threat posed by the two female ferrets. The mammals, which are polecats and cousins to skunks, can become infected with rabies.

The ferrets were obviously pets, Uyehara said. They wore collars and were in a cage being transported in a car that was stopped by police at 3 a.m. Sunday.

The driver was arrested for drunken driving. He is under investigation on charges of violating the state animals quarantine law.

The weekend's wild things also included a 4-foot boa constrictor found on Kaneohe Bay Drive by three Marines, and a 1-foot non-poisonous ribbon snake, native of the Pacific Northwest, which was turned in at the Honolulu Zoo by a Honolulu resident.

The state will not prosecute people who voluntarily surrender illegal animals, Uyehara said.

[From the West Hawaii Today, June 17, 1991]

LOST FOREVER—EXPERTS ARE CALLING HAWAII ENVIRONMENTAL KILLING GROUND

(By Dan Breeden)

The Hawaiian Islands are an environmental killing ground where large numbers of native plants and animals are being driven to extinction according to many environmentalists.

It is widely believed by scientists there have been more plant and animal species extinguished in the islands than on the entire continent of North America. This is particularly unfortunate since many of these species are endemic, unique to the islands, and so will never be seen again.

Of the 1,729 identified native Hawaiian flowering plants and 168 ferns, it has been estimated that 94.4 and 64.9 percent respectively are endemic.

Because of the islands' isolation, species evolved along paths separate from their mainland cousins. Like Australia and the Galapagos Islands; Hawaii became a natural laboratory for the evolutionary process.

Jutting abruptly from the ocean floor in the middle of the North Pacific, the Hawaiian chain is the most remote of any volcanic island group in the world. It is separated from the North American continent by about 2,500 miles of ocean and the nearest high volcanic islands lie 2,000 miles to the southwest.

Although there is evidence that Hawaii's leeward islands were once larger in size, they never formed a continuous land mass and it's generally accepted that they were never much closer than they now are to island groups in the west.

Because of this isolation, life forms had a difficult time reaching Hawaii. Though the rich soil, abundant rainfall and temperate conditions made the islands exceptionally inviting for many types of plants and animals; the enormous task of relocating to the archipelago was both difficult and unlikely. But according to Professor Sherwin Carlquist, author of "Hawaii: A Natural History," many "unlikely events can take place over a period of several million years. The islands were probably slow in their transformation from barren lava to tropical rainforest.

Most species that did make the trip were probably carried by the wind, ocean currents or on the backs of far-ranging birds.

[From the Honolulu Advertiser, Dec. 10, 1992]

THREE SNAKES FOUND OVER 10 DAYS—ONE BOA BELIEVED TO BE STILL IN KAIMUKI

(By Esme M. Infante)

Hiss. Hiss. Hiss. Miss . . . ing,

Three more snakes were found on Oahu in the past 10 days, including a 9-foot Burmese python that a Honolulu man kept as an indoor pet. But a yard-long boa constrictor still might be loose in Kaimuki.

The man voluntarily turned in the python to the Honolulu Zoo on Sunday. State Department of Agriculture spokeswoman Tish Uyehara said officials don't know how the serpent got into the state.

A 1-foot American water snake and a 1-foot garter snake also are now in agriculture department quarantine.

People who voluntarily turn in animals that are prohibited in Hawaii, such as snakes, aren't penalized or charged with any offense. However, if agriculture officials must seize an illegal animal from an owner, the owner may be fined as much as $2,500.

The American water snake was found across the street from the Walalae site where a boa constrictor skin was found last week.

State agriculture officials now think the water snake and a boa constrictor might have been set free by the same person.

"It does seem like there may be relationship. We're tracing leads," Larry Nakahara, state Plant Quarantine manager, said yesterday.

The non-poisonous water snake was found Thursday on the sidewalk in front of Liliuokalani Elementary School at 13th and Waialas avenues. The owner of a cat that was toying with the snake called the agriculture officials late that day. The cat may have killed the snake, Nakahara said.

The day before, a family living on lower Wilhelmina Rise behind Island Paradise Academy found a snake skin in their garden. Agriculture officials suspect the skin was shed by a three- or four-foot boa constrictor. No living boa constrictor was found.

Boa constrictors are native to Latin America. Like pythons, they are not poisonous and kill their prey by crushing it with their coils.

Meanwile, a garter snake—a blackish-brown serpent with yellow stripes and red spots alongside the stripes—was found alive Nov. 30 outside a Makakilo shop that was selling Christmas trees.

Officials think the garter snake stowed away in a tree. It died the next day in the aquarium of a person who took the snake home and called authorities.

Anyone spotting snakes or other alien animal species should call the agriculture department at 548-7175, or at 836-3827 after business hours and on weekends.

[From the Star-Bulletin, May 5, 1991]

ISLE FORESTS PERILED BY EVIL WEED'S EXPLOSIVE GROWTH

(By Helen Altonn)

Hawaii's native forests are facing a new threat with the explosive spread of a weed that grows 30 or 40 feet tall, alarmed island biologists report.

A paper by Betsy Gagne and Lloyd Loope, both with Haleakala National Park on Maui, yesterday warns that the plant is "a clear threat to the park resources, the Natural Area Reserve, the Nature Conservancy Reserve and any other area in preserves."

Gagne and Loope described the dangers of the miconia invasion in an interview yesterday at the Pacific Science Congress at the Sheraton Waikiki.

They said the miconia has been known about 10 years on Maui and the Big Island. It is also found on Oahu in botanical gardens, but Kauai has escaped it so far.

"Here was a case where we knew what a bad plant it was, yet nothing was done to stop it," said Loope, a research biologist.

He quoted F. Raymond Fosberg, a Smithsonian Institution botanist who has done extensive research here, as saying, "It is the one plant that could really destroy what's left of the native Hawaiian forest." The miconia threatens high-elevation ecosystems up to 6,000 feet Loope said. Haleakala's rain forests, from 3,000 feet to 6,000 feet, have been almost undisturbed until now, he said.

"This one could invade," he said. Gagne involved with haleakala resources management, said the miconia is big and beautiful and "virtually grows overnight."

It also has small seeds easily dispersed by wind, hikers' boots and feral animals, she said.

She said she "freaked out when she first saw it in Tahiti and imagined what it could do in Hawaii."

It has even larger leaves here than in Tahiti she said.

Tahiti's miconia expansion was aided by hurricanes, which also hit Hawaii, she pointed out.

"As soon as there is a hole in the forest, it can take off."

When she saw the plant on the Big Island, Gagne said, "I was literally sick to my stomach."

"It has taken root just outside Hilo and on the border of the Hawaii Volcanoes National Park," she said. "The plant also is found along the scenic road from Hilo, in the botanical garden, on the sea cliffs and both sides of the Belt Highway," she said.

"It's only a matter of time before it makes a jump into the forest," she said.

"Most distressing," she added, is that the miconia has reached the Puna district, which has some good native forest.

The biologists said they are trying to get the miconia listed as a noxious weed and banned from the state. Landowners also should be made responsible for getting rid of it, they said.

Such pest invasions can't be halted "until we get some teeth in legal regulations," Loope said.

A process is needed to respond immediately to such a crisis, he said, adding: "It's not our job to look for these things.

"In fact, it's nobody's job. The national park is getting involved in an area that is none of our business," Loope said.

"It really bugs me that there is virtually no control," George said, particularly with the nursery trade. "I would like to see more sensitivity on the part of botanical gardens to be really responsible."

Part of the problem, Gagne said, is there are so many weeds, people feel they can't do anything. "I want to see that changed."

What can be done about plants already established?

"We're going to go out and start pulling up seedlings and try to contain it," Gagne said.

"We have to try and stay on top of it," she said.

The weed completely took over Tahiti's native ecosystem in 50 years, Loope said.

"It has been here 10 years. We're running behind."•

BY MR. BUMPERS:

S. 2556. A bill to strengthen the protections afforded to units of the National Park System and certain other nationally significant historic and natural places, and for other purposes; to the Committee on Energy and Natural Resources.

NATIONAL HERITAGE CONSERVATION ACT

• Mr. BUMPERS. Mr. President, I am today introducing a proposed National Heritage Conservation Act to strengthen the protection of natural and historic places of national significance.

Four years ago the Congress moved in a critical situation to save from commercial development historic portions of the Manassas National Battlefield. The 11th-hour rescue of Manassas was an extraordinary event but the plight of Manassas is not unique. The fact is that many Civil War battlefields and national parks, many national historic and national landmarks are under increasing pressure from development in many forms.

Clearly, in today's fiscal climate, the Federal Government cannot afford to buy off developers and save every threatened national resource. We can, however, do a much better job of planning to protect these resources than we do now. We can work more closely with business interests, with the environmental community and with concerned citizens to achieve the goal of preserving our heritage.

The legislation I am introducing today would provide a national strategy for protecting natural and historic places. It would apply to nationally significant heritage resources defined as units of the National Park System, including affiliated areas, national historic landmarks, national natural landmarks, and sites nominated by the Secretary of the Interior.

The legislation would direct the Secretary to prepare a biannual report documenting the condition of each unit of the National Park System. No such report is currently prepared. The report would include a listing of internal and external threats to the unit and a description of plans to protect the unit. It would also direct the Secretary to maintain a list of national historic landmarks and national natural landmarks that are endangered. Although the Secretary has prepared an annual report or endangered landmarks the bill would codify the procedures and criteria for such listings.

The legislation would create a new program administered by the National Park Service to encourage the protection of units of the National Park System through voluntary cooperative planning with State and local governments and the private sector.

The Service would be directed to draw up a list of units to participate in the planning process. The bill would authorize the Service to make planning grants to encourage public and private groups to participate in preparing strategies. The Service would review draft strategies and approve those that contain binding commitments for actions which, if implemented, would reduce or remove threats. For approved strategies, the proposal would authorize Federal grant funds for plan implementation.

For those landmarks identified as endangered, the bill would direct the National Park Service to seek to enter into voluntary agreements with landmark owners to provide for the long-term protection of the site. It authorizes planning grants to private owners, local governments, and State governments to enable them to help formulate an agreement. The National Park Service is authorized to make grants to implement an agreement which has been approved by affected parties. As with a heritage protection strategy, the legislation would require that all Federal agency actions be consistent with the conservation agreement.

The bill would establish a new standard for Federal agency activities that have the potential to harm a nationally significant heritage resource. Federal agencies would be prevented from approving activities that would use land from any protected site. In addition, agencies would be allowed to approve or assist activities that would adversely affect a site only if they find that there are no feasible and prudent alternatives to the action and that all possible planning to minimize the harm will be undertaken.

The legislation would also amend the National Historic Preservation Act to provide that, where Federal agencies, States and the Advisory Council on Historic Preservation cannot reach an agreement on plans to avoid or mitigate harm to a historic property listed on or eligible for listing on the National Register of Historic Places, the agency may not proceed unless it finds that it is not feasible and prudent to implement the recommendations of the council.

The legislation would authorize $25 million each year for the preparation and funding of heritage protection strategies and landmark conservation agreements.

Mr. President, I am aware that there is considerable controversy surrounding the implementation of the National Natural Landmark Program. A number of my colleagues have raised concerns about this program in recent months. The Department of the Interior's Inspector General has issued a report concerning the program and the Department itself is currently revising its regulations regarding it. While it is not the purpose of this legislation to revise, reform, defend, or attack the Natural Landmark Program, during the course of our deliberations on this measure I am sure that this issue will come before us. I look forward to learning more about this program and becoming more acquainted with the issues surrounding it.

Mr. President, I ask unanimous consent that the text of the proposed bill be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2556

Be it enacted in the Senate and the House of Representatives in the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "National Heritage Conservation Act".

SEC. 2. FINDINGS.

The Congress finds that—

(1) The Nation's heritage of natural and historic places embrace unique, superlative, and nationally significant resources, constitute a major source of pride, inspiration, and enjoyment for the people of the United States, and have gained international recognition and acclaim.

(2) The Congress has repeatedly expressed its intentions, in both generic and specific statutes and by other means, that units of the National Park System and other natural and historic places should be accorded the highest degree of protection.

(3) Many nationally significant heritage resources are being degraded or threatened with degradation leading to the loss of tangible links to the natural and cultural history of the Nation.

(4) Units of the National Park System, national historic and natural landmarks, and sites listed on the National Register of Historic Places, are an irreplaceable national heritage whose preservation is in the public interest and essential to provide future generations of Americans with the rich legacy of cultural and national resources which are so much a part of the Nation's history and character.

(5) No comprehensive program exists for the gathering of data, the identification, analysis, and documentation of trends and the identification of problems regarding the condition of units of the National Park System and other nationally significant heritage resources, or for preventing the loss or degradation of these irreplaceable cultural and natural assets.

SEC. 3. PURPOSE AND POLICY.

(a) PURPOSE AND POLICY.—In furtherance of the provisions of the Act of August 25, 1916 (39 Stat. 535; 16 U.S.C. 1, 2-4), the Act of August 21, 1935 (49 Stat. 666; 16 U.S.C. 461 et seq.), the National Historic Preservation Act (94 Stat. 2987; 16 U.S.C. 470 et seq.), the Act of August 18, 1970 (84 Stat. 825; 16 U.S.C. 1a-1 through 1a-7), and such other legislation establishing units of the National Park System, it is the purpose of this Act, and shall continue to be national policy, to provide for a highest degree of Protection and preservation of the Nation's heritage of natural and historic places for the benefit of present and future generations.

(b) SPECIFIC PURPOSE.—In furtherance of that purpose and policy, it is the specific purpose of this act to provide for the development of comprehensive management programs, and planning and decision making processes which will—

(1) identify damage, threats, and problems affecting, or which may adversely affect, nationally significant heritage sites, and

(2) provide for the implementation of actions which will maximize the protection and preservation of these resources for the benefit of present and future generations.

SEC. 4. STATE OF THE NATIONAL PARKS REPORTS.

(a) REPORT.—In furtherance of the provisions of section 3 of this Act, the Secretary shall undertake a continuing program of data collection, research, monitoring, analysis and documentation as to conditions, factors and forces which are adversely affecting, or threatening to adversely affect, units of the National Park System. The Secretary shall prepare a biennial "State of the National Parks" report. Such report shall fully document the condition of the national parks including appropriate baseline information and documentation of problems related to their degradation and solutions to such problems. The first report shall be issued no later than January 1, 1994, by the Secretary to the Speaker of the United States House of Representatives and to the President of the United States Senate for referral to and consideration by the appropriate legislative committees of the House and Senate. Successive reports shall update previous submission. Each report shall be printed as a House document.

(b) CONTENTS.—The report shall include, but need not be limited to, a brief description, for each individual unit of the National Park System, of each of the following:

(1) The past, current, and projected conditions of the unit.

(2) All factors and forces, ranked in order of priority, emanating from both inside and outside the unit, which adversely affect or threaten to adversely affect the unit. The report shall include an analysis of the nature and severity of actual or threatened impacts from such factors or forces, including a description of the source of those factors or forces, the probability of their continuation or increase, and the resources of the unit which have been or may be adversely affected.

(3) Ongoing and planned protection and management actions, including specific research programs with regard to paragraphs (1) and (2) of this paragraph.

(4) The accomplishments and results of the actions undertaken in accordance with paragraph (3).

(c) PUBLIC INVOLVEMENT.—In the preparation of the "State of the Parks" report, the Secretary shall take appropriate steps to solicit public involvement.

SEC. 5. PREPARATION OF LIST OF ENDANGERED PLACES.

(a) PREPARATION.—The Secretary is directed to maintain a complete and current list of all national landmarks which meet the criteria of subsection (b). The Secretary shall transmit a copy of such list to the Speaker of the United States House of Representatives and to the President of the United States Senate for referral to and consideration by the appropriate legislation committees of the House and Senate. Such report shall be transmitted by the Secretary at the beginning of each fiscal year beginning with fiscal year 1994.

(b) CRITERIA FOR LISTING.—Within one year after the date of enactment of this Act, the Secretary shall promulgate criteria for designating a national landmark as endangered. Such criteria shall provide for the designation of a national landmark that faces any known or reasonably foreseeable damage or threat that may cause the landmark to lose those qualities for which the site was designated. Such damage or threat includes, but is not limited to—

(1) actions or failures to act that may result in the deterioration, destruction or alteration of all or part of the site; and

(2) the introduction of visual or audible elements that are inconsistent with the interpretation or public enjoyment of the site.

In developing these criteria, the Secretary shall consult with affected Federal agencies, businesses, organization and individuals as well as seek and consider public comments.

(c) PROCEDURES FOR LISTING.—The Secretary shall list those sites which meet the criteria established pursuant to subsection (b) following a review of such information as the Secretary deems necessary. No site shall be listed until the Secretary has—

(1) consulted with the Governor of the State (or States) and chief elected officials of the local government (or governments) in which the site is located; and

(2) provided a reasonable opportunity for public comment.

Such consultation and opportunity to comment prior to designation may be waived by the Secretary in emergency situations where delay would frustrate the purposes of this Act. In such cases, consultation and opportunity to comment shall take place at the earliest possible opportunity following listing.

(d) PETITION FOR LISTING.—Upon the request of the owner of the national landmark or the appropriate local or State government, the Secretary shall undertake a review of a site to determine whether it meets the criteria of subsection (b). The Secretary shall make such determination no later than thirty days following the receipt of a petition. Upon determining that a site meets such criteria, the Secretary shall place it on the list of endangered places.

(e) REGULATIONS.—The Secretary shall promulgate regulations for the implementation of this section within one year of the date of enactment of this Act.

SEC. 6. HERITAGE PROTECTION STRATEGIES.

(a) DESCRIPTION.—The Secretary shall initiate a program to prepare heritage protection strategies for units of the National Park System. The purpose of preparing a strategy shall be to develop specific programs of cooperation among the service, other Federal agencies, State and local governments and the private sector that will address factors and forces which adversely affect or threaten to adversely affect units of the National Parks System as documented in the State of the National Parks report—

(1) that relate wholly or in part from conditions outside the boundaries of a unit, or

(2) whose resolution is dependent in whole or part on the actions or policies of governmental agencies or persons other than the National Park Service.

(b) PREPARATION.—A heritage protection strategy shall be prepared by the Secretary in consultation with such public and private parties as the Secretary deems necessary and appropriate for the strategy's preparation and implementation. Within one hundred eighty days of the publication of the initial State of the National Parks report referred to in section 4, the Secretary shall publish a listing of not fewer than twenty units where the National Park Service shall initiate the preparation of a heritage protection strategy. Thereafter, the Secretary shall revise and republish such list in conjunction with the issuance of the State of the National Parks report.

(c) GRANTS.—The Secretary is authorized to make grants to local governments and State governments for the purposes of assisting in the preparation of a strategy described in subsection (a). Such grants shall not exceed $50,000 in any fiscal year to any local government or $250,000 to any State government.

(d) CONTENTS.—A heritage protection strategy shall include each of the following:

(1) A description of the nature of known threats to the national park unit.

(2) A definition of an area in which grant assistance, cooperative plans and other techniques to avoid or substantially mitigate the effects of non-Federal activities on the park unit and any other natural or cultural resources within the area will be applied.

(3) A detailed description of such plans and techniques as may be necessary or appropriate to prevent any adverse effect to the unit.

(4) Specific programs of private, local, state and Federal actions, including but not limited to, zoning and property acquisition, including easement acquisition, that will implement such plans and techniques.

(e) APPROVAL.—The Secretary shall not approve any strategy unless the Secretary finds it is consistent with subsection (d) and makes each of the following findings:

(1) A finding that the strategy has been developed with adequate opportunity, including public hearings, for public involvement in the preparation and review of the strategy, and public comments were received and considered in the strategy or revision as presented to the Secretary.

(2) A finding that any State and local government (or governments) or Federal agencies identified in the strategy as necessary for implementing its provisions have the necessary authority to implement the strategy and has taken such actions, or upon approval of the strategy will take such actions, including the adoption of laws, ordinances resolutions or regulations, to demonstrate their intention to use such authority to implement the strategy.

(3) A finding that the strategy, if implemented, would remove some or all of those threats identified in the state of the national parks report.

(f) GRANTS TO STATE AND LOCAL GOVERNMENTS.—The Secretary is authorized to provide grants to such State and local governments to facilitate the implementation of the strategy including grants for the acquisition of full or partial interests in property, the construction of public facilities, and the preparation and construction of such services and facilities as will enhance the public's appreciation of the park unit and any other natural, historic, or recreational resources within the area in which the strategy will be implemented. Such grants shall be conditioned on the Secretary's receipt of specific commitments for State or local actions, including but not limited to zoning and property acquisition, including easement acquisition, that will assist in the implementation of an approved heritage protection strategy. The Secretary shall suspend the provision of grants where the Secretary has withdrawn approval of the strategy pursuant to subsection (g).

(g) REVIEW.—The Secretary shall conduct a regular review of approved strategies for the purpose of ensuring that the strategy continues to meet the requirements of subsections (d) and (e). Where the Secretary finds that a strategy or its implementation no longer meets these requirements, the Secretary shall withdraw his or her approval of the strategy or portions thereof. Such a withdrawal shall occur only after consultation with the affected local and State governments.

(h) GRANT CONDITIONS.—Grants under this section shall be made only upon application of the recipient State or local government and shall come from funds specifically appropriated for this purpose as authorized by this Act. In addition, such funds shall be in addition to any other Federal financial assistance for any other program, and shall be subject to such terms and conditions as the Secretary deems necessary to carry out the purposes of this section. No grant shall be made after the date five years from the date of the Secretary's approval of the plan.

(i) CONSISTENCY OF FEDERAL ACTIVITIES WITH HERITAGE PROTECTION STRATEGIES.—Each Federal agency conducting or supporting undertakings that may affect units of the National Park System for which the Secretary has approved a strategy pursuant to this section shall conduct or support those activities in a manner which is, to the maximum extent practicable, consistent with the strategy.

SEC. 7. NATIONAL LANDMARK CONSERVATION AGREEMENTS.

(a) AGREEMENTS.—For each national landmark identified as endangered pursuant to section 5, the Secretary shall seek to enter a binding written agreement with—

(1) the owner of the national landmark, or

(2) the local government (or in the case of a site located within multiple jurisdiction, such governments) within which the national landmark is located, or

(3) in the case of a landmark owned or controlled by an agency of the Federal government, such agency, or

(4) a combination of such owners, governments and agencies as the Secretary considers appropriate, that provides for the long-term conservation of the site. Such an agreement shall specify a detailed plan of action to preserve those characteristics of the national landmark that qualified it for such designation.

(b) PLANNING GRANTS.—The Secretary is authorized to make grants for the purpose of assisting owners and local governments in the preparation of an agreement described in subsection (a). Such grants shall not exceed $50,000 in any fiscal year to any individual or local government.

(c) CONSERVATION GRANTS.—Upon the execution of an agreement the Secretary may provide grants to owners and local governments to facilitate the implementation of the agreement including grants for the acquisition of full or partial interests in property, the rehabilitation of properties and the preparation and construction of such services and facilities as will enhance the public's appreciation of the national landmark. Such grants shall be conditioned on the Secretary's receipt of specific commitments, including but not limited to zoning and property acquisition or donation, including easement acquisition and donation, that will assist in the implementation of a Landmark Conservation agreement.

(d) GRANTS CONDITIONS.—Grants under this section shall be made only upon application of the recipient local government or owner and shall come from funds specifically appropriated for this purpose as authorized by this Act. In addition, such funds shall be in addition to any other Federal financial assistance for any other program, and shall be subject to such terms and conditions as the Secretary deems necessary to carry out the purposes of this section.

(e) CONSISTENCY OF FEDERAL ACTIVITIES WITH LANDMARK CONSERVATION AGREEMENTS.—Each Federal agency conducting or supporting undertakings that may affect a national landmark for which the Secretary has executed a conservation agreement pursuant to this section shall conduct or support those activities in a manner which is, to the maximum extent practicable, consistent with the agreement.

SEC. 8. PROTECTION FROM ADVERSE FEDERAL ACTIONS.

(a) POLICY.—The head of any Federal agency shall not approve any Federal or Federally assisted undertaking unless the agency head makes each of the following determinations:

(1) A determination that the undertaking does not require the use of any land from a nationally significant heritage resource (as defined in subsection (b)).

(2) A determination that the undertaking does not adversely affect a nationally significant heritage resource or that the undertaking will be approved notwithstanding the effect because—

(A) there are no prudent and feasible alternatives to the undertaking, including not proceeding with the undertaking and

(B) the undertaking includes all possible planning to minimize harm to the nationally significant heritage resource.

(b) NATIONALLY SIGNIFICANT HERITAGE RESOURCES.—For the purpose of this Act, nationally significant heritage resources are each of the following:

(1) the units of the National Park System,

(2) those places designated as National Historic Landmarks,

(3) those places designated as National Natural Landmarks, and

(4) any resource, upon application of the Governor of the State or the chief elected official of the local government concerned, found by the Secretary to be worthy of maximum Federal efforts to conserve and enhance for the education, appreciation, and inspiration of present and future generations.

The Secretary shall promulgate standards and procedures for considering applications pursuant to this paragraph. The Secretary shall publish a listing of nationally significant heritage resources not less often than January 1 of each year.

(c) PROCEDURES.—The head of any Federal agency having direct or indirect jurisdiction over a proposed Federal or Federally assisted undertaking that may adversely affect a nationally significant heritage resource shall, prior to issuing a license, approving the expenditure of funds, or granting other such approval, sanction or assistance

(1) promptly notify the appropriate State and local governmental officials, and interested members of the public of the action at the time it is planning the action, preparing an environmental assessment regarding the action, preparing an evaluation pursuant to the National Environmental Policy Act of 1969, and if required, preparing an environmental impact statement for the action, and

(2) provide the Secretary, the Advisory Council on Historic Preservation, and the Council on Environmental Quality a reasonable opportunity to comment on the undertaking and the finding made pursuant to subsection (a) of the section.

The requirements of this subsection shall be carried out in accordance with procedures established by regulation by the Federal agency responsible for undertaking or approving the Federal action. These procedures shall utilize the procedures developed by such agency pursuant to the National Environmental Policy Act, the National Historic Preservation Act, and the regulations of the Advisory Council on Historic Preservation, the Council on Environmental Quality, or any combination of these as the agency deems appropriate, and such other applicable laws as may serve to advance the purposes of this section.

(d) EXEMPTIONS FOR NATIONAL SECURITY AND DISASTERS.—The provisions of this section shall not apply to any undertaking or class of undertakings—

(1) that is carried out by the Armed Forces of the United States (including the Coast Guard) or by the National Guard of any States that are uniquely military in nature where the President determines that it is in the paramount interest of the United States to permit such undertaking, or

(2) that takes place in an area the President has declared to be a major disaster area under the Disaster Relief and Emergency Assistance Act (42 U.S.C. 5121 et seq.) and where the head of the agency determines that the undertaking—

(A) is necessary to prevent the recurrence of such a disaster and to reduce the potential loss of human life, or

(B) involves an emergency situation which does not allow compliance with this section.

(e) PREVENTION OF HARM IN ANTICIPATION OF AN APPLICATION FOR FEDERAL ASSISTANCE.—The head of any Federal agency shall not grant a loan, loan guarantee, permit, license, or other assistance in the improvement of property to an applicant who, at any time prior to the making of the application, is engaged in activity on that property that affected adversely a nationally significant heritage resource or property subject to the provisions of section 106 of the National Historic Preservation Act, or, being in a position to prevent it, allowed such activity to occur, unless such agency head, in consultation with the Secretary and the Advisory Council on Historic Preservation, determines that circumstances justify extending the requested Federal assistance despite the adverse effect created or permitted by the applicant.

SEC. 9. FEDERAL ACTIONS THAT AFFECT NATIONAL REGISTER PROPERTIES.

Section 110(f) of the National Historic Preservation Act of 1966 is amended to read as follows:

"(f) With respect to any undertaking subject to the provisions of section 106 which adversely affects any historic property for which the agency has not entered into an agreement with the Council and the appropriate State Historic Preservation Officer, the head of the responsible Federal agency may approve such undertaking only if the agency head determines that implementing the recommendations contained in the comment of the Council made pursuant to section 106 is not feasible and prudent.".

SEC 10. DEFINITIONS.

As used in this title:

(1) The term "adverse effect" or "adversely affect" means for the purposes of this Act, any factor, force or action that may damage, diminish, degrade, impair, destroy or otherwise harm.

(2) The term "appropriate committees" means those committees of both the House and the Senate which have primary justification for the activities of the National Park Service or for the appropriation of funds for the National Park Service.

(3) The term "Federal or Federally assisted undertaking" means any Federal, Federally assisted or federally licensed project, activity, or program or the approval, sanction, assistance, or support of any non-Federal action, activity or program.

(4) The "National Historic Landmark" means a property so designated by the Secretary of the Interior determined eligible for such designation pursuant to the authority of the Act of August 21, 1935.

(5) The term "national landmark" means any National Historic Landmark or any National Natural Landmark.

(6) The term "National Natural Landmark" means a property so designated by the Secretary of the Interior pursuant to authority of the Act of August 21, 1935 and as further authorized by this Act.

(7) The term "National Park System" has the meaning provided by section 2 of the Act of August 8, 1953, (16 U.S.C. 1b–1c).

(8) The term "National Register of Historic Places" means places so designated pursuant to the National Historic Preservation Act.

(9) The term "nationally significant heritage resource" or "nationally significant her-

itage resources" means any place meeting the definition of section 8(b) of this Act including—

(A) any of those resources that comprise a nationally significant heritage resource, or

(B) any of those qualities and values for which a site is designated as a nationally significant heritage resource.

(10) The term "owner" means for the purposes of this Act, the single ownership entity or, in the case of multiple owners of a single property or the owners of multiple properties, any one of such owners.

(11) The terms "resource" and "resources" include—

(A) in the case of natural resources, the geology, flora and fauna, and paleontological remains which are principally of indigenous origin, including their related ecosystems, watersheds, viewsheds, terrestrial and aquatic habitats of plant and animal species, and topographic or geological features, and

(B) in the case of cultural resources, the historic and prehistoric districts, sites, buildings, structures, landscapes, objects, associated artifacts, records and remains, and related historical contexts, natural settings or geographic features which are historically associated with the significant to an understanding of the cultural resources.

(12) The term "Secretary" means the Secretary of the Interior acting through the Director of the National Park Service except where specific reference is made to the Secretary of the Interior.

(13) The term "use of land" means for the purposes of this Act—

(A) any physical alteration of land (including improvements thereon) within the boundaries of a nationally significant heritage resource, or

(B) any substantial indirect impacts on such land, such that the utility or enjoyment of the land in terms of its environmental, ecological, or historical significance is substantially impaired.

SEC. 11 AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated not more than $25,000,000 in each of the five fiscal years following enactment of this Act for the purposes of this Act. Of this amount, $15,000,000 shall be available for the purposes of section 6 of this Act and $10,000,000 for purposes of section 7 of this Act. Such sums shall remain available until appropriated and such sums as may be appropriated shall remain available until expended.

SEC. 12. EFFECTIVE DATES.

The provisions of sections 8 and 9 of this Act shall be effective for any Federal or Federally assisted undertaking for which Federal approval has not been granted prior to the date of enactment of this Act or for any new or revised element of such undertakings proposed following such date.•

By Mr. McCAIN (for himself, Mr. HARKIN, Mr. INOUYE, and Mr. HOLLINGS):

S. 2557. A bill to require candidates who are eligible to receive amounts from the Presidential Election Campaign Fund to prepare television commercials with closed captioning of the oral content, to the Committee on Commerce, Science, and Transportation.

CLOSED CAPTIONING OF CAMPAIGN COMMERCIALS

• Mr. McCAIN. Mr. President, I am pleased to introduce for myself, Mr. HARKIN, Mr. INOUYE, and Mr. HOLLINGS legislation to require candidates who are eligible to receive funding from the Presidential Election Campaign Fund to prepare television commercials with closed captioning of the oral content. This legislation furthers the Senate's commitment to closed captioning and equal access.

Mr. President, first let me acknowledge the efforts of Congressman HOYER, who authored this legislation in the House. I also want to express my gratitude to my friend and esteemed colleague, Senator INOUYE, whose suggestions on this subject have been incorporated into my legislation.

This legislation is a tribute to their commitment to equal access and to our country's deaf and hearing impaired citizens.

Mr. President, the electoral process is one of the hallmarks of American liberty. The Congresss has—most correctly I believe—taken steps to ensure that the voting franchise is equally available to all.

The advent of the television age has made television advertising an integral part of every modern political campaign. Therefore, I believe it is very important that this television message be as accessible as possible. Closed captioning of the oral content of these political advertisements should be universal.

Mr. President, mandating that all candidates prepare their commercials with closed captioning would not be right. However, I do believe that the Congress has every right to mandate that if candidates receive taxpayer dollars from the Presidential Election Campaign Fund, the candidate must use closed captioning in his or her advertising.

This legislation is especially timely as the Presidential campaign season progresses and I am pleased that the Senate is considering it at this time.

The more informed the electorate, the better our Nation will be. This legislation is a positive step in that direction.

Mr. President, I ask that the full text of the measure be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2557

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CLOSED CAPTIONING REQUIREMENT FOR TELEVISION COMMERCIALS OF CANDIDATES WHO ARE ELIGIBLE TO RECEIVE AMOUNTS FROM THE PRESIDENTIAL ELECTION CAMPAIGN FUND.

Section 9003 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

"(e) CLOSED CAPTIONING REQUIREMENT.—No candidate for the office of President or Vice President may receive amounts from the Presidential Election Campaign Fund under this chapter or chapter 96 unless such candidate has certified that any television commercial prepared or distributed by the candidate will be prepared in a manner which ensures that the commercial contains or is accompanied by closed captioning of the oral content of the commercial to be broadcast in line 21 of the vertical blanking interval, or is capable of being viewed by deaf and hearing impaired individuals via any comparable successor technology to line 21 of the vertical blanking interval.

SEC. 2. EFFECTIVE DATE.

The amendment made by section 1 shall apply to amounts made available under chapter 95 or 96 of the Internal Revenue Code of 1986 more than 30 days after the date of the enactment of this Act.•

By Mr. LIEBERMAN (for himself, Mr. DODD, Mr. MOYNIHAN, Mr. D'AMATO, and Mr. LAUTENBERG):

S.J. Res. 288. Joint resolution designating the week beginning July 26, 1992, as "Lyme Disease Awareness Week"; to the Committee on the Judiciary.

LYME DISEASE AWARENESS WEEK

• Mr. LIEBERMAN. Mr. President, today I am introducing legislation to designate the week of July 26, 1992, as Lyme Disease Awareness Week. Lyme disease takes its name from a cluster of cases identified in Lyme, CT, in 1976; however, researchers now believe that is has been present in the United States since the 1940's. This tick-borne disease has now been found in 49 States. Despite the fact that 40,000 cases of Lyme diseases were reported to the Centers for Disease Control between 1982 and 1991, few doctors and even fewer members of the general public recognize the symptoms of Lyme disease.

Left untreated, Lyme disease can cause severe arthritis, heart disease, and neurological complications. The damage caused by untreated Lyme disease can be irreversible. Lyme disease poses particular risks to pregnant women since it can cross the placenta causing premature labor, fetal damage, miscarriages, and stillbirths. Last year Jamie Forschner, age 5, died from complications from Lyme disease contracted when his mother was pregnant. Jamie's 5-year battle to live taught all of us lessons about love and the strength of the human spirit. Lyme Disease Awareness Week serves as a marker to remind us that no other child should have to suffer the way Jamie did. We must continue to teach the public about the disease and pursue research on prevention and treatment.

Education, prevention, and research on this disease are critical because existing diagnostic tools cannot accurately detect the presence of the disease and there is, at this time, no vaccine which protects against Lyme disease. People who contract the disease often go through years of tests and a variety of treatments before a proper diagnosis is made.

To protect people from the worst effects of Lyme disease we must focus on prevention, early detection, and early treatment. Physicians and the general public must be taught what precautions to take to prevent the disease. They must learn how to recognize its early symptoms, so that those with Lyme disease receive the immediate treatment with antibiotics necessary to prevent permanent damage.

We must focus particular attention on educating pregnant women and children and those who care for them, since children are the group most affected by Lyme disease. Children are especially vulnerable in the summertime because of their outdoors activities. Parents, camp counselors, those leading outdoor trips, and children themselves must be taught how to protect against Lyme disease and how to recognize its symptoms. I believe Lyme Disease Awareness Week can play an important role in teaching the American people about this devastating disease.

Mr. President, I ask that the full text of the joint resolution be printed in the RECORD.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

S.J. RES. 288

Whereas Lyme disease (borreliosis) is spread primarily by the bite of four types of ticks infected with the bacteria Borrelia burgdorferi;

Whereas Lyme disease-carrying ticks can be found across the country—in woods, mountains, beaches, even in our yards, and no effective tick control measures currently exist;

Whereas infected ticks can be carried by animals such as cats, dogs, horses, cows, goats, birds, and transferred to humans;

Whereas our pets and livestock can be infected with Lyme disease by ticks;

Whereas Lyme disease was first discovered in Europe in 1883 and scientists have recently proven its presence on Long Island as early as the 1940's;

Whereas Lyme disease was first found in Wisconsin in 1969, and derives its name from the diagnosis of a cluster of cases in the mid-1970's in Lyme, Connecticut;

Whereas 49 states reported more than 40,000 cases of Lyme disease from 1982 through 1991;

Whereas Lyme disease knows no season—the peak west coast and southern season is November to June, the peak east coast and northern season is April to October, and victims suffer all year round.

Whereas Lyme disease, easily treated soon after the bite with oral antibiotics, can be difficult to treat (by painful intravenous injections) if not discovered in time, and for some may be incurable;

Whereas Lyme disease is difficult to diagnose because there is no reliable test that can directly detect when the infection is present;

Whereas the early symptoms of Lyme disease may include rashes, severe headaches, fever, fatigue, and swollen glands;

Whereas if left untreated Lyme disease can affect every body system causing severe damage to the heart, brain, eyes, joints, lungs, liver, spleen, blood vessels, and kidneys;

Whereas the bacteria can cross the placenta and affect fetal development;

Whereas our children are the most vulnerable and most widely affected group;

Whereas the best cure for Lyme disease is prevention;

Whereas prevention of Lyme disease depends upon public awareness; and

Whereas education is essential to making the general public, health care professionals, employers, and insurers more knowledgeable about Lyme disease and its debilitating side effects: Now, therefore, be it *Resolved by the Senate and the House of Representatives of the United States of America in Congress assembled*, That the week beginning July 26, 1992 is designated as "Lyme Disease Awareness Week", and the President is authorized and requested to issue a proclamation calling upon the people of the United States to observe such week with appropriate programs, ceremonies, and activities.•

By Mr. D'AMATO:

S.J. Res. 289. Joint resolution designating the period beginning April 9, 1992, and ending May 6, 1992, as "Bataan-Corregidor Month"; to the Committee on the Judiciary.

BATAAN-CORREGIDOR MONTH

• Mr. D'AMATO. Mr. President, I rise today to introduce a Joint resolution to designate the period commencing April 9, 1992, and ending May 6, 1992, as Bataan-Corregidor Month.

Fifty years ago—just days after the tragic attack on Pearl Harbor—thousands of American and Filipino troops embarked on a heroic effort to defend the Bataan Peninsula and Corregidor from the Imperial Japanese forces. For 5 long months, 15,000 American troops and 65,000 Filipinos in Bataan stood ground against the Japanese while enduring severe malnourishment and disease. On April 9, 1942, after 3 days of relentless Japanese attacks, Maj. Gen. Edward P. King, Jr., commanding the forces on Bataan, surrendered. An estimated 7,000 to 10,000 men—including 2,330 Americans—died during the brutal Death March to prison that followed. In the meantime, on Corregidor, over 13,000 troops continued to hold out under one of the most intense artillery bombardments of the entire war. Only after all hope of defeating the enemy was gone did the Allies surrender Corregidor on May 6, 1942.

Mr. President, we must never underestimate the importance of the heroic and courageous defense of Bataan and Corregidor. The valiant efforts of the American and Filipino defenders dealt a lethal blow to the enemy's timetable for conquest—contributing greatly to the final victory of the Allies in World War II.

The patriotism and sacrifice of the men and women who bravely fought for the defense of Bataan and Corregidor must never be forgotten. On this 50th anniversary of the fall of Bataan and Corregidor, we must ensure that these brave individuals are appropriately remembered. That is why I am strongly urging each of my colleagues to join me in supporting this resolution to designate April 9 through May 6, 1992, as Bataan-Corregidor Month.•

By Mr. GORE (for himself, Mr. WIRTH, and Mr. WOFFORD):

S.J. Res. 290. Joint resolution calling for the Secretary of the Interior, in cooperation with the Secretary of State, to enter into agreements with Canada to protect the Alsek and Tatshenshini Rivers for the Secretary of the Interior to ensure that Glacier Bay National Park and Preserve is not degraded by potential mine developments in Canada, and for other purposes; to the Committee on Foreign Relations.

PROTECTION OF ALSEK AND TATSHENSHINI RIVERS

• Mr. GORE. Mr. President, I rise today to introduce a resolution on behalf of myself and Senators WIRTH and WOFFORD to protect one of the most magnificent river systems on Earth.

The Alsek River and its tributary, the Tatshenshini, originate in Canada and flow through the Yukon Territory and British Columbia, where they join 8 miles east of the United States border. The unified river then flows into the United States, through Glacier Bay National Park and Preserve and the Tongass National Forest before entering the Gulf of Alaska. Along its course to the sea, the river flows through the largest nonpolar glacier field in North America, and forms a spectacular watershed significant not only for its natural resources, but also for the Native American population and economic activity it sustains.

Today, however, this entire river system is threatened by a huge open-pit copper mine proposed for development in Canada, just 15 miles from the border with the United States. This mine is an environmental nightmare waiting to happen. Geddes Resources Ltd., the Canadian mining company that wants to develop it, proposes to extract as much as 30,000 tons of copper ore each day. The company proposes to impound 200 million tons of acid-generating tailings in a 4-mile lake specially created for this purpose behind a 360-foot earthen dam. Two 150-mile long pipelines would be constructed to transport oil and a slurry of copper concentrate to the nearest port facility at Haines, AK, where these pipelines would discharge 360,000 gallons a day of slurry pipeline effluent into the waters of Lynn Canal.

Mr. President, the earthen dam and slurry and oil pipelines would be situated on one of North America's most active seismic areas, creating a standing risk of a catastrophic release of acidic waste into the Tatshenshini and Alsek. The toxicity of this waste would be comparable to battery acid. Even in the absence of an earthquake, the U.S. Fish and Wildlife Service, the National Park Service, and the Department of Commerce have all expressed concern that development of the proposed mine could lead to disastrous releases into the environment.

The Alsek and Tatshenshini Rivers support commercial, subsistence, and sport fisheries valued in excess of $8.5 million annually. Lynn Canal, which is where the pipelines would discharge large amounts of toxic effluent, sustains harvests of salmon, bottomfish, shellfish, and other fisheries resources valued at $41 million annually.

Yak-Tat Kwaan, an Alaskan Native Claims Settlement Act corporation, based in Yakutat, AK, has said the projects "proposed man-made lake which hide the the mine tailings is an imminent lake of genocide to the Yakutat Tlingit people of the Gulf Coast of Alaska."

Mr. President, the Alaska National Interest Lands Conservation Act of 1980 provides for the protection of the portion of the Alsek River within the United States by including it within Glacier Bay National Park and Preserve. In 1910, the International Union of the Conservation of Nature recognized the international importance of the Tatshenshini and Alsek River system and its surrounding 2.7 million acres as unique and worthy of consideration for world Heritage status. The area is prime habitat for large mammals, including the grizzly, the rare glacial bear, moose, wolves, mountain goats, and Dall sheep, and such birds as the bald eagle, peregrine falcon, migratory birds, trumpeter swans, and other waterfowl.

This resolution recognizes the outstanding quality and environmental significance of the Alsek and Tatshenshini River system and the threat posed by the proposed development of the Geddes project. It directs the Secretary of Interior, in cooperation with the Secretary of State, to enter into negotiations with Canada to provide protection for the entire Alsek River watershed. It directs the Secretary of Interior to report to Congress by September 30, 1993, on the potential impacts to Glacier Bay National Park and Preserve and the culture of the Yakutat Tlingit and non-Native people of the region of the proposed project. It directs the Secretary of State to seek referral to the International Joint Commission, pursuant to the United States-Canada Boundary Waters Treaty, to examine the potential adverse environmental and social impacts of the proposed mining activity. Finally, the resolution directs the Secretary of Interior, in cooperation with the Secretary of State, to seek Canadian cooperation to obtain World Heritage Site status and protection for the entire Alsek and Tatshenshini River watershed.

Mr. President, I urge my colleagues to support this resolution, to help ensure the Alsek and Tatshenshini Rivers may survive in their present relatively pristine condition for the generations to come.●

ADDITIONAL COSPONSORS

S. 89

At the request of Mr. DURENBERGER, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 89, a bill to amend the Internal Revenue Code of 1986 to permanently increase the deductible health insurance costs for self-employed individuals.

S. 1360

At the request of Mr. BENTSEN, the name of the Senator from Texas [Mr. GRAMM] was added as a cosponsor of S. 1360, a bill to establish in the State of Texas the Palo Alto Battlefield National Historic Site, and for other purposes.

S. 1565

At the request of Mr. GRAHAM, the name of the Senator from Ohio [Mr. METZENBAUM] was added as a cosponsor of S. 1565, a bill to amend the Federal Aviation Act of 1958 to ensure fair treatment of airline employees in connection with route transfers.

S. 1901

At the request of Mr. DASCHLE, the name of the Senator from Pennsylvania [Mr. WOFFORD] was added as a cosponsor of S. 1901, a bill to amend title 5, United States Code, to make election day a legal public holiday, with such holiday to be known as "Democracy Day."

S. 2064

At the request of Mr. MITCHELL, the name of the Senator from Connecticut [Mr. LIEBERMAN] was added as a cosponsor of S. 2064, a bill to impose a 1-year moratorium on the performance of nuclear weapons tests by the United States unless the Soviet Union conducts a nuclear weapons test during that period.

S. 2174

At the request of Mr. DASCHLE, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of S. 2174, a bill to prohibit the provision to Members and employees of Congress, at Government expense, of services and other benefits that are not typical benefits of employment or are not otherwise necessary to the performance of their office.

S. 2211

At the request of Mr. GRAMM, his name was added as a cosponsor of S. 2211, a bill to amend the Internal Revenue Code of 1986 to eliminate tax penalties that apply to oil and gas investments, and for other purposes.

S. 2235

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts [Mr. KENNEDY] was added as a cosponsor of S. 2235, a bill to extend until April 1993 the demonstration project under which influenza vaccinations are provided to medicare beneficiaries.

S. 2239

At the request of Mr. PRYOR, the name of the Senator from California [Mr. SEYMOUR] was added as a cosponsor of S. 2239, a bill to amend the Internal Revenue Code of 1986 to provide additional safeguards to protect taxpayers' rights.

S. 2317

At the request of Mr. LOTT, the name of the Senator from Wyoming [Mr. SIMPSON] was added as a cosponsor of S. 2317, a bill to amend the Congressional Budget and Impoundment Control of 1974 to reform the budget process, and for other purposes.

S. 2319

At the request of Mr. NICKLES, the names of the Senator from Alabama [Mr. SHELBY] and the Senator from North Dakota [Mr. CONRAD] were added as cosponsors of S. 2319, a bill to require analysis and estimates of the likely impact of Federal legislation and regulations upon the private sector and State and local governments, and for other purposes.

S. 2400

At the request of Mr. PRYOR, the names of the Senator from West Virginia [Mr. ROCKEFELLER] and the Senator from Alabama [Mr. SHELBY] were added as cosponsors of S. 2400, a bill to amend title XVIII of the Social Security Act to extend special payments under part A of Medicare for the operating costs of inpatient hospital services of hospitals with a high proportion of patients who are Medicare beneficiaries.

S. 2411

At the request of Mr. MCCAIN, the name of the Senator from Alaska [Mr. MURKOWSKI] was added as a cosponsor of S. 2411, a bill to approve the President's rescission proposals submitted to the Congress on March 20, 1992.

S. 2495

At the request of Mr. INOUYE, the name of the Senator from Hawaii [Mr. AKAKA] was added as a cosponsor of S. 2495, a bill to amend the Civil Liberties Act of 1988 to increase the authorization for the Trust Fund under the act, and for other purposes.

S. 2502

At the request of Mr. DECONCINI, the name of the Senator from Kansas [Mrs. KASSEBAUM] was added as a cosponsor of S. 2502, a bill to amend the provisions of title 28, United States Code, to provide for the payment of attorney fees to a prevailing defendant in civil actions, and for other purposes.

S. 2515

At the request of Mr. DECONCINI, the name of the Senator from Maine [Mr. MITCHELL] was added as a cosponsor of S. 2515, a bill to authorize the establishment of job training programs for unemployed veterans and persons who have been recently separated from the Armed Forces, to pay certain assistance and benefits to employers of such veterans and persons, such veterans, and such persons to defray certain costs relating to the provision of such training, and for other purposes.

S. 2520

At the request of Mr. KENNEDY, the name of the Senator from New Jersey [Mr. BRADLEY] was added as a cosponsor of S. 2520, a bill to support efforts to promote democracy in Haiti.

SENATE JOINT RESOLUTION 166

At the request of Mr. DOLE, the name of the Senator from Mississippi [Mr. COCHRAN] was added as a cosponsor of Senate Joint Resolution 166, a joint resolution designating the week of October 6 through 12, 1991, as "National Customer Service Week."

SENATE JOINT RESOLUTION 248

At the request of Mr. CONRAD, the name of the Senator from New Hampshire [Mr. SMITH] was added as a cosponsor of Senate Joint Resolution 248, a joint resolution designating August 7, 1992, as "Battle of Guadalcanal Remembrance Day."

SENATE JOINT RESOLUTION 252

At the request of Mr. DIXON, the names of the Senator from Utah [Mr. GARN], the Senator from Georgia [Mr. FOWLER], the Senator from Ohio [Mr. GLENN], the Senator from Hawaii [Mr. INOUYE], the Senator from Hawaii [Mr. AKAKA], the Senator from Missouri [Mr. DANFORTH], and the Senator from Nebraska [Mr. EXON] were added as cosponsors of Senate Joint Resolution 252, a joint resolution designating the week of April 19–25, 1992, as "National Credit Education Week."

SENATE CONCURRENT RESOLUTION 17

At the request of Mr. HATCH, the name of the Senator from North Carolina [Mr. SANFORD] was added as a cosponsor of Senate Concurrent Resolution 17, a concurrent resolution expressing the sense of Congress with respect to certain regulations of the Occupational Safety and Health Administration.

SENATE RESOLUTION 279

At the request of Mr. DASCHLE, the name of the Senator from Alabama [Mr. SHELBY] was added as a cosponsor of Senate Resolution 279, a resolution to prohibit the provision to members and employees of the Senate, at Government expense, of unnecessary or inappropriate services and other benefits.

SENATE RESOLUTION 283—RELATIVE TO FILIPINO VETERANS OF WORLD WAR II

Mr. CRANSTON submitted the following resolution; which was considered and agreed to:

S. RES. 283

Whereas, upon the outbreak of war between the United States and Japan in World War II, 110,000 members of the organized military forces of the Government of the Commonwealth of the Philippines who had been called into the service of the United States Armed Forces by order of President Roosevelt dated July 26, 1941, were committed to battle, along with United States personnel, against the Imperial Japanese forces that invaded the Philippines on December 8, 1941;

Whereas, April 9, 1992, and May 6, 1992, mark the 50th anniversaries of the fall of Bataan and Corregidor, respectively, to Imperial Japanese forces;

Whereas, the Filipino and United States defenders of the Philippines engaged Japanese forces from the beaches of the Philippine Islands to the last defense of Bataan and Corregidor in a grueling battle lasting 150 days;

Whereas, that defense compelled Japan to divert thousands of additional troops to the Philippines;

Whereas, the enormous sacrifices of the defenders in the battles of Bataan and Corregidor provided the United States and its Allies with valuable time to prepare their armed forces for a counteroffensive campaign against Japan;

Whereas, in that defense, the members of the Filipino forces and their United States counterparts struggled against difficult odds and desperate circumstances and faced, with indomitable spirit, fortitude, and loyalty to America, powerful Imperial Japanese forces;

Whereas, members of the Filipino forces acquitted themselves nobly during the Bataan death march, during their internment in death camps, and throughout 3 years of resistance against Japanese occupation of the Philippines; and

Whereas, the United States recognizes the sacrifice, loyalty, and valuable contribution of the Filipino World War II veterans to the causes of peace, freedom, and human dignity: Now, therefore, be it

Resolved, That it is the sense of the Senate that—

The President should (1) issue a proclamation designating April 9, 1992, as the Day of Recognition for Filipino War Veterans and call upon the people of the United States to observe that day with appropriate ceremonies and activities, and (2) present that proclamation to Filipino veterans and the Filipino people in Manila during the ceremonies observing the 50th anniversary of the fall of Bataan, as an expression of goodwill and a reaffirmation of the continuing regard of the United States and the American people for a lasting Filipino-American friendship.

AMENDMENTS SUBMITTED

CONCURRENT RESOLUTION ON THE BUDGET

DANFORTH (AND OTHERS) AMENDMENT NO. 1762

Mr. DANFORTH (for himself, Mr. BAUCUS, Mr. DURENBERGER, and Mr. BINGAMAN) proposed an amendment to the concurrent resolution (S. Con. Res. 106) setting forth the congressional budget for the U.S. Government for fiscal years 1993, 1994, 1995, 1996, and 1997, as follows:

At the appropriate place, insert the following:

SEC. . SENSE OF THE SENATE REGARDING FOREIGN GOVERNMENT SUBSIDIES.

(a) FINDINGS.—The Senate finds that—

(1) the provision of trade distorting industrial subsidies by foreign governments puts tremendous pressure on the United States Government to provide similar subsidies to industries in the United States; and

(2) any ratification of foreign government industrial subsidies would so increase the pressure for industrial subsidies by the United States Government as to undermine efforts to limit the growth of government spending and reduce the federal budget deficit.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that, consistent with the overall and principal trade negotiating objectives set forth in the Omnibus Trade and Competitiveness Act of 1988, the United States Government should not, as a matter of official policy, condone or legitimize trade distorting subsidies by foreign governments that cause material injury to industries in the United States.

EXON (AND OTHERS) AMENDMENT NO. 1763

Mr. EXON (for himself, Mr. SASSER, Mr. BYRD, Mr. MITCHELL, Mr. LEVIN, Mr. HARKIN, Mr. SIMON, Mr. BUMPERS, Mr. CONRAD, and Mr. KERREY) proposed an amendment to the concurrent resolution (S. Con. Res. 106), supra, as follows:

On page 3, line 16, decrease the amount by $7,700,000,000.

On page 3, line 17, decrease the amount by $8,100,000,000.

On page 3, line 18, decrease the amount by $8,600,000,000.

On page 3, line 19, decrease the amount by $9,300,000,000.

On page 3, line 20, decrease the amount by $10,000,000,000.

On page 3, line 23, decrease the amount by $3,600,000,000.

On page 3, line 24, decrease the amount by $7,800,000,000.

On page 3, line 25, decrease the amount by $9,200,000,000.

On page 4, line 1, decrease the amount by $10,200,000,000.

On page 4, line 2, decrease the amount by $11,100,000,000.

On page 4, line 5, decrease the amount by $3,600,000,000.

On page 4, line 6, decrease the amount by $7,800,000,000.

On page 4, line 7, decrease the amount by $9,200,000,000.

On page 4, line 8, decrease the amount by $10,200,000,000.

On page 4, line 9, decrease the amount by $11,100,000,000.

On page 4, line 12, decrease the amount by $3,600,000,000.

On page 4, line 13, decrease the amount by $11,400,000,000.

On page 4, line 14, decrease the amount by $20,600,000,000.

On page 4, line 15, decrease the amount by $30,800,000,000.

On page 4, line 16, decrease the amount by $41,900,000,000.

On page 5, line 20, decrease the amount by $3,600,000,000.

On page 5, line 21, decrease the amount by $7,800,000,000.

On page 5, line 22, decrease the amount by $9,200,000,000.

On page 5, line 23, decrease the amount by $10,200,000,000.

On page 5, line 24, decrease the amount by $11,100,000,000.

On page 7, line 13, decrease the amount by $7,600,000,000.

On page 7, line 14, decrease the amount by $3,500,000,000.

On page 7, line 22, decrease the amount by $7,600,000,000.

On page 7, line 23, decrease the amount by $7,300,000,000.

On page 8, line 7, decrease the amount by $7,600,000,000.

On page 8, line 8, decrease the amount by $8,200,000,000.

On page 8, line 16, decrease the amount by $7,600,000,000.

On page 8, line 17, decrease the amount by $8,500,000,000.

On page 8, line 25, decrease the amount by $7,600,000,000.

On page 9, line 1, decrease the amount by $8,700,000,000.

On page 40, line 12, decrease the amount by $100,000,000.

On page 40, line 13, decrease the amount by $100,000,000.

On page 40, line 21, decrease the amount by $500,000,000.

On page 40, line 22, decrease the amount by $500,000,000.

On page 41, line 5, decrease the amount by $1,000,000,000.

On page 41, line 6, decrease the amount by $1,000,000,000.

On page 41, line 14, decrease the amount by $1,700,000,000.

On page 41, line 15, decrease the amount by $1,700,000,000.

On page 41, line 23, decrease the amount by $2,400,000,000.

On page 41, line 24, decrease the amount by $2,400,000,000.

On page 42, line 7, decrease the amount by $100,000,000.

On page 42, line 8, decrease the amount by $500,000,000.

On page 42, line 9, decrease the amount by $1,000,000,000.

On page 42, line 10, decrease the amount by $1,700,000,000.

On page 42, line 11, decrease the amount by $2,400,000,000.

At the end of the resolution insert the following:

SEC. . SENSE OF THE CONGRESS.

It is the sense of the Congress that the levels in section 6 of this resolution are consistent with the assumption that the defense reductions required shall not result in reductions in military personnel below those levels set forth in the President's fiscal 1993 budget.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate Committee on Agriculture, Nutrition, and Forestry be allowed to meet during the session of the Senate on Wednesday, April 8, 1992, at 10 a.m., in SD-138, to hold a hearing on the oversight of the U.S. Department of Agriculture's field office structure.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON MANPOWER AND PERSONNEL

Mr. SASSER. Mr. President, I ask unanimous consent that the Subcommittee on Manpower and Personnel of the Committee on Armed Services be authorized to meet on Wednesday, April 8, 1992, at 9 a.m., in open session, to receive testimony on the Reserve and National Guard programs in review of the amended defense authorization request for fiscal year 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON DEFENSE INDUSTRY AND TECHNOLOGY

Mr. SASSER. Mr. President, I ask unanimous consent that the Subcommittee on Defense Industry and Technology of the Committee on Armed Services be authorized to meet on Wednesday, April 8, 1992, at 2 p.m., in open session, to receive testimony on national and defense technology policies and initiatives.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate Wednesday, April 8, 1992, at 10 a.m. to conduct a markup of a committee print entitled The Federal Housing Enterprises Regulatory Reform Act of 1992."

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on April 8, 1992, at 10 a.m. on the nomination of Rear Adm. Robert Nelson to be Vice Commandant of the U.S. Coast Guard.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation/National Ocean Policy Study, be authorized to meet during the session of the Senate on April 8, 1992, immediately following the nomination hearing at 10 a.m., on reauthorization of the Coast Guard.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON SUPERFUND, OCEAN AND WATER PROTECTION

Mr. SASSER. Mr. President, I ask unanimous consent that the Subcommittee on Superfund, Ocean and Water Protection, Committee on Environment and Public Works, be authorized to meet during the session of the Senate on Wednesday, April 8, beginning at 9:30 a.m., to conduct a hearing on the implementation of the Superfund Program.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on April 8, 1992, at 10 a.m. to hold a hearing on authorization of the Customs Service budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, April 8, at 10 a.m. to hold a hearing on pending treaties.

CONSULAR CONVENTIONS

Treaty Doc. 101-12—Tunisia.
Treaty Doc. 101-13—Algeria.
Treaty Doc. 101-14—Mongolia.

EXTRADITION TREATIES

Treaty Doc. 100-6—Federal Republic of Germany.
Treaty Doc. 102-17—Bahamas.
Treaty Doc. 102-23—Australia.
Treaty Doc. 102-24—Spain.

TREATIES RELATING TO MUTUAL LEGAL ASSISTANCE IN CRIMINAL MATTERS (MLATS)

Treaty Doc. 102-16—Jamaica.
Treaty Doc. 102-18—Argentina.
Treaty Doc. 102-19—Uruguay.
Treaty Doc. 102-21—Spain.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, April 8, at 4:30 p.m. to hold a hearing on ambassadorial nominations to Ukraine and the Republic of Iceland.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON EUROPEAN AFFAIRS

Mr. SASSER. Mr. President, I ask unanimous consent that the Subcommittee on European Affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, April 8, at 2 p.m. to hold a hearing on environmental and energy challenges in Eastern Europe and the former Soviet Union.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FEDERAL SERVICES, POST OFFICE, AND CIVIL SERVICE

Mr. SASSER. Mr. President, I ask unanimous consent that the Subcommittee on Federal Services, Post Office, and Civil Service, Committee on Governmental Affairs, be authorized to meet during the session of the Senate on Wednesday, April 8, 1992, on the U.S. Postal Service.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON VETERANS' AFFAIRS

Mr. SASSER. Mr. President, the Committee on Veterans' Affairs would like to request unanimous consent to hold a joint hearing with the House Veterans' Affairs Committee to hear the legislative presentations by AMVETs, American Ex-POW's, Jewish War Veterans, Vietnam Veterans of America Non-Commissioned Officers Association, National Association for

Uniformed Services, and Society of Military Widows. The hearing will be held on April 8, 1992, at 9:30 a.m. in Dirksen 106.

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. SASSER. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, April 8, 1992 at 2 p.m. to hold a closed hearing on intelligence matters.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SASSER. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to hold a business meeting during the session of the Senate on Wednesday, April 8, 1992, at 10 a.m.

I. NOMINATIONS

U.S. Circuit Judges

Paul J. Kelly, Jr., to be U.S. circuit judge for the Tenth Circuit; and

Edward E. Carnes, to be U.S. circuit judge for the Eleventh Circuit.

U.S. District Judges

J. Curtis Joyner, to be U.S. district judge for the Eastern District of Pennsylvania;

Donald J. Stohr, to be U.S. district judge for the Eastern District of Missouri;

Ewing Werlein, Jr., to be U.S. district judge for the Southern District of Texas;

Henry C. Morgan, Jr., to be U.S. district judge for the Eastern District of Virginia; and

Joseph E. Irenas, to be U.S. district judge for the District of New Jersey.

Department of Justices

George J. Terwilliger III, to be Deputy Attorney General; and

Wayne A Budd, to be Associate Attorney General.

U.S. Attorneys

George O'Connell, to be U.S. attorney for the Eastern District of California.

Board of Directors of the State Justice Institute

Sandra A. O'Connor, to be a member of the Board of Directors of the State Justice Institute;

David Brock, to be a member of the Board of Directors of the State Justice Institute;

Carlos R. Garza, to be a member of the Board of Directors of the State Justice Institute; and

Vivi L. Dilweg, to be a member of the Board of Directors of the State Justice Institute.

Commissioner of the U.S. Parole Commission

John R. Simpson, to be Commissioner of the U.S. Parole Commission.

II. BILLS

S. 1521: A bill to provide a cause of action for victims of sexual abuse, rape, and murder, against producers and distributors of hard-core pornographic material—McConnell.

S. 1941: A bill to amend the Immigration and Nationality Act for the purpose of reforming procedures for the resettlement of refugees of the United States—Kennedy.

S. 1096: A bill to ensure the protection of motion picture copyrights, and for other purposes—Kohl.

S. 2236: A bill, with an amendment, to amend the Voting Rights Act of 1965 to modify and extend the bilingual voting provisions of the Act—Simon.

H.R. 2324: A bill to amend Title 28, United States Code, with respect to witness fees—Hughes.

H.R. 2549: A bill to make technical corrections to Chapter 5 of Title 5, United States Code—Frank.

H.R. 3237: A bill to extend the terms of office of members of the foreign claims settlement commission from 3 to 6 years—Frank.

H.R. 3379: A bill to amend Section 574 of Title 5, United States Code, relating to the authorities of the Administrative Conference—Frank.

H.R. 3686: A bill to amend Title 28, United States Code, to make changes in the places of holding court in the Eastern District of North Carolina—Hughes.

S. 1569: A bill, in the nature of a substitute with an amendment, to implement the recommendations of the Federal Courts Committee, and for other purposes—Heflin.

S. 1338: A bill for the relief of Chi Hsii Tsui, Jon Mie Zhu Tsui, Yin Whee Tsui, Yin Tao Tsui, and Yin Chao Tsui—Sanford.

H.R. 1917: A bill for the relief of Michael Wu—Lowery.

S. 1216: A bill in the nature of a substitute, to provide for the adjustment of status of certain Chinese nations if conditions do not permit their safe return to China—Gorton.

S. 2099: A bill, in the nature of a substitute, to amend the Immigration and Nationality Act to designate special inquiry officers as immigration judges and to provide for the compensation of such judges—Kennedy.

S. 2201: A bill, in the nature of a substitute, to authorize the admission to the United States of certain scientists of the Commonwealth of Independent States as employment-based immigrants under the Immigration and Nationality Act, and for other purposes—Brown.

The PRESIDING OFFICER. Without objection, it is so ordered.

ADDITIONAL STATEMENTS

NOTICE OF DETERMINATION BY THE SELECT COMMITTEE ON ETHICS UNDER RULE 35, PARAGRAPH 4, PERMITTING ACCEPTANCE OF A GIFT OF EDUCATIONAL TRAVEL FROM A FOREIGN ORGANIZATION

• Mr. SANFORD. Mr. President, it is required by paragraph 4 of rule 35 that I place in the CONGRESSIONAL RECORD notices of Senate employees who participate in programs, the principal objective of which is educational, sponsored by a foreign government or a foreign educational or charitable organization involving travel to a foreign country paid for by that foreign government or organization.

The select committee received a request for a determination under rule 35 for Michael W. Punke, a member of the staff of Senator BAUCUS, to participate in a program in Hong Kong, sponsored by the Hong Kong General Chamber of Commerce, from April 12–18, 1992.

The committee has determined that participation by Mr. Punke in this program, at the expense of the Hong Kong General Chamber of Commerce, is in the interest of the Senate and the United States.

The select committee received a request for a determination under rule 35 for Donald Hardy, a member of the staff of Senator SIMPSON, to participate in a program in Hong Kong, sponsored by the Vision 2047 Foundation, from April 12–19, 1992.

The committee has determined that participation by Mr. Hardy in this program, at the expense of the Vision 2047 Foundation, is in the interest of the Senate and the United States.•

ON SENATE CONCURRENT RESOLUTION 89 AND IN PRAISE OF THE SUCCESSFUL CONCLUSION OF THE PREPARATORY COMMITTEE MEETING FOR THE UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

• Mr. DOMENICI. Mr. President, yesterday, I voted for the resolution offered by my colleague from Massachusetts expressing the sense of the Congress concerning the U.N. Conference on Environment and Development. I make this statement now to explain that vote and add a positive note to yesterday's debate.

As 1 of the 13 Senate observers to the UNCED negotiations I would argue that the Washington Post's report of the negotiations collapse was premature and my own colleagues' description of them as being in chaos is overly pessimistic. Last Friday, on the last day of the last preparatory session for the U.N. Conference on Environment and Development, representatives from over 160 nations worked through the night and at 5 a.m. Saturday agreed on a draft "Declaration on the Environment and Development." I will ask that the text of the draft be included in the RECORD as if read.

I am very pleased that these negotiations did produce this document, for had they not, I worried that the United States and the administration in particular would be blamed by our media and perhaps by some of my colleagues in this Chamber.

From my perspective as an observer, I would say this criticism has focused too narrowly on some aspects of the administration position in the climate treaty negotiations. I know there's a lot of disagreement in this Chamber on this issue, and I respect the motivations behind both: I care deeply about risks to future generations be they economic or environmental.

As you can tell from this Rio Declaration, and from the text of Senate Concurrent Resolution 89, the negotiations for UNCED are much broader than global warming. But the issues behind global warming dispute: the classic environmental protection versus economic growth, are at its core.

To illustrate, let me talk about carbon dioxide. The IPCC scientists tell us that greenhouse effect is a well established theory; that if carbon dioxide and the other greenhouse gases didn't trap heat, the earth would be almost 60 degrees colder; and that carbon dioxide in the atmosphere is now 25 percent higher than before the Industrial Revolution and increasing. Chances are, the earth will get warmer—maybe a lot warmer—by the middle of the next century.

The problem is that carbon dioxide emissions are also a good measure of the economic growth, of the prosperity of most of the world. With collapse of the Soviet Union, its carbon dioxide emissions dropped dramatically, by 25 percent since 1989. I submit that this is not the approach we would want to use to limit CO_2.

The point of the U.N. Conference on Environment and Development is not to have the standard U.S. economics versus environment ideological battle on a global scale. The United States was one of the first countries in the world to adopt stringent environmental laws. We have learned from this experience how to promote policies that consider environmental and business interests together; that are efficient and above all, are based on sound science. The world, and especially developing countries can not afford to ignore the lessons we have learned from this experience.

The point of UNCED is to recognize that economics and environment are closely intertwined. Extreme policies to limit environmental hazards at the expense of economic growth do not make sense as solutions to the long-term global environmental threats we will—whatever they may be.

I think, in this Rio Declaration the conferees have finally begun to stop arguing about ideology and agreed to some key points, as should we in the Senate. The draft declaration states "Peace, development and environmental protection are interdependent and indivisible." Eradicating poverty, decreasing the disparities in standards of living of the majority of the people in the world is requirement for protecting the environment. Finally, it promotes something I have been encouraging a long time: improving scientific understanding of environmental problems and their solutions through exchanges of scientific and technological knowledge, and by enhancing the development, adaptation, diffusion, and transfer of technologies.

Of course, the draft declaration agreed to last week is just a start. Many issues, including those described in the resolution, remain to be resolved. I hope they will be. Just as it is immoral to pass on the deficit to future generations, I would argue that without trying to reach this agreement, without taking actions of our own, without trying to help other countries to cost effectively solve their energy and environmental problems, we are gambling with the well being of future generations.

Finally, there is also some good news in all of this: by becoming more efficient, by promoting policies to prevent pollution in the first place, we save energy, generate less waste and thus save money and become more competitive internationally.

I ask that the text of the draft be printed in the RECORD.

The text follows:

DRAFT OF ENVIRONMENTAL RULES: "GLOBAL PARTNERSHIP"

(UNITED NATIONS, APRIL 4.—Following is the draft text of a declaration of principles for encouraging environmentally responsible development that is to be considered in June by leaders attending an environmental summit meeting in Rio de Janeiro:)

The Conference on Environment and Development, having met at Rio de Janeiro from June 3 to 14 1992,

Reaffirming the Declaration of the United Nations Conference on the Human Environment, adopted at Stockholm on June 16, 1972, and seeking to build upon it,

With the goal of establishing a new and equitable global partnership through the creation of new levels of cooperation among states, key sectors of societies and people,

Working toward international agreements which respect the interests of all and protect the integrity of the global environmental and developmental system,

Recognizing the integral and interdependent nature of the earth, our home,

Proclaims that:

Principle 1. Human beings are at the center of concerns for sustainable development. They are entitled to a healthy and productive life in harmony with nature.

Principle 2. States have, in accordance with the Charter of the United Nations and the principles of international law, the sovereign right to exploit their own resources pursuant to their own environmental and developmental policies, and the responsibility to insure that activities within their jurisdiction or control do not cause damage to the environment of other states or of areas beyond the limits of national jurisdiction.

Principle 3. The right to development must be fulfilled so as to equitably meet developmental and environmental needs of present and future generations.

Principle 4. In order to achieve sustainable development, environmental protection shall constitute an integral part of the development process and cannot be considered in isolation from it.

Principle 5. All states and all people shall cooperate in the essential task of eradicating poverty as an indispensable requirement for sustainable development, in order to decrease the disparities in standards of living and better meet the needs of the majority of the people of the world.

Principle 6. The special situation and needs of developing countries, particularly the least developed and those most environmentally vulnerable, shall be given special priority. International actions in the field of environment and development should also address the interests and needs of all countries.

Principle 7. States shall cooperate in a spirit of global partnership to conserve, protect and restore the health and integrity of the earth's ecosystem. In view of the different contributions to global environmental degradation, states have common but differentiated responsibilities. The developed countries acknowledge the responsibility that they bear in the international pursuit of sustainable development in view of the pressures their societies place on the global environment and of the technologies and financial resources they command.

Principle 8. To achieve sustainable development and a higher quality of life for all people, states should reduce and eliminate unsustainable patterns of production and consumption and promote appropriate demographic policies.

Principle 9. States should cooperate to strengthen endogenous capacity building for sustainable development by improving scientific understanding through exchanges of scientific and technological knowledge, and by enhancing the development, adaptation, diffusion and transfer of technologies, including new and innovative technologies.

Principle 10. Environmental issues are best handled with the participation of all concerned citizens, at the relevant level. At the national level, each individual shall have appropriate access to information concerning the environment that is held by public authorities, including information on hazardous materials and activities in their communities, and the opportunity to participate in decision-making processes. States shall facilitate and encourage public awareness and participation by making information widely available. Effective access to judicial and administrative proceedings, including redress and remedy, shall be provided.

Principle 11. States shall enact effective environmental legislation. Environmental standards, management objectives and priorities should reflect the environmental and developmental context to which they apply. Standards applied by some countries may be inappropriate and of unwarranted economic and social cost to other countries, in particular developing countries.

Principle 12. States should cooperate to promote a supportive and open international economic system that would lead to economic growth and sustainable development in all countries, to better address the problems of environmental degradation. Trade policy measures for environmental purposes should not constitute a means of arbitrary or unjustifiable discrimination or a disguised restriction on international trade. Unilateral actions to deal with environmental challenges outside the jurisdiction of the importing country should be avoided. Environmental measures addressing trans-boundary or global environmental problems should, as far as possible, be based on an international consensus.

Principle 13. States shall develop national law regarding liability and compensation for the victims of pollution and other environmental damage. States shall also cooperate in an expeditious and more determined manner to develop further international law regarding liability and compensation for adverse effects of environmental damage caused by activities within their jurisdiction or control to areas beyond their jurisdiction.

Principle 14. States should effectively cooperate to discourage or prevent the relocation and transfer to other states of any activities and substances that cause severe environmental degradation or are found to be harmful to human health.

Principle 15. In order to protect the environment, the precautionary approach shall be widely applied to states according to their capabilities. Where there are threats of serious or irreversible damage, lack of full scientific certainty shall not be used as a reason for postponing cost-effective measures to prevent environmental degradation.

Principle 16. National authorities should endeavor to promote the internalization of environmental costs and the use of economic instruments, taking into account the approach that the polluter should, in principle, bear the cost of pollution, with due regard to the public interest and without distorting international trade and investment.

Principle 17. Environmental impact assessment, as a national instrument, shall be undertaken for proposed activities that are likely to have a significant adverse impact on the environment and are subject to a decision of a competent national authority.

Principle 18. States shall immediately notify other states of any natural disasters or other emergencies that are likely to produce sudden harmful effects on the environment of those states. Every effort shall be made by the international community to help states so afflicted.

Principle 19. States shall provide prior and timely notification and relevant information to potentially affected states on activities that may have a significant adverse transboundary environmental effect and shall consult with those states at an early stage and in good faith.

Principle 20. Women have a vital role in environmental management and development. Their full participation is therefore essential to achieve sustainable development.

Principle 21. The creativity, ideals and courage of the youth of the world should be mobilized to forge a global partnership in order to achieve sustainable development and ensure a better future for all.

Principle 22. Indigenous people and their communities, and other local communities, have a vital role in environmental management and development because of their knowledge and traditional practices. States should recognize and duly support their identity, culture and interests and enable their effective participation in the achievement of sustainable development.

Principle 23. The environment and natural resources of people under oppression, domination and occupation shall be protected.

Principle 24. Warfare is inherently destructive of sustainable development. States shall therefore respect international law providing protection for the environment in times of armed conflict and cooperate in its further development, as necessary.

Principle 25. Peace, development and environmental protection are interdependent and indivisible.

Principle 26. States shall resolve all their environmental disputes peacefully and by appropriate means in accordance with the Charter of the United Nations.

Principle 27. States and people shall cooperate in good faith and in a spirit of partnership in the fulfillment of the principles embodied in this Declaration and in the further development of international law in the field of sustainable development.●

NEIGHBORHOOD INFORMATION CENTER CELEBRATES 20 YEARS

● Mr. D'AMATO. Mr. President, I rise today to give recognition to the Neighborhood Information Center, Inc. [NIC] of Buffalo, NY. The Neighborhood Information Center will commemorate its 20th anniversary on April 24, 1992. The Neighborhood Information Center is a not-for-profit community organization serving the needs of the people residing within the Broadway-Fillmore community of Buffalo, NY.

The information center was founded in 1972 by a group of community minded residents who felt a need to address the problems facing the poor and needy of the Broadway-Fillmore area. The NIC will mark their 20-year anniversary of service to the elderly, poor, and crime victims by holding an anniversary celebration at the Marine Midland Center's 38th floor restaurant.

The primary objective of NIC is to help clients respond to the problems of daily living by providing necessary assistance and urgent information. The staff at NIC is bilingual and prepared to deal with a wide variety of complex situations by providing information and referral, transportation, interpretation/translation, chore services, casework counseling, emergency food and shelter, and assistance in crime-related situations.

The majority of the clients over the years have been senior citizens. However, services are available to any person with a need. The success of NIC is directly attributable to the dedication of the founders and staff, as well as the support of the Buffalo community. The moral and financial support that each of us provides to groups such as Neighborhood Information Center is vital to their ability to serve their clients. The NIC has provided service every day for the past 20 years and expects to continue serving their community for at least another 20 years.

The Neighborhood Information Center serves as a symbol for a caring New York. As such, they are deserving of our recognition today and our best wishes and support for tomorrow.●

HONORING RETIRING PRESIDENT SIEVENPIPER

● Mr. D'AMATO. Mr. President, I rise today to pay tribute to Ward Sievenpiper who is retiring after 15 years of dedicated service as president of the Metalworking Institute of Western New York.

Under Mr. Sievenpiper's careful guidance, the Metalworking Institute has helped thousands of economically disadvantaged persons and dislocated workers gain new skills and become productively employed in their new career fields. The institute has been recognized by the National Tooling and Machining Association [NTMA] as the number one school of its kind in the Nation. This is indeed a great honor for, and tribute to, Mr. Ward Sievenpiper.

Throughout his tenure, Mr. Sievenpiper has had a profound impact on bettering the quality of life for, and enhancing the level of skills, of, those people who the institute has trained. He has made the institute an excellent educational resource for the western New York community. The institute has also made positive contributions to the economic betterment of its community.

A grateful community will gather to honor Ward Sievenpiper for his many contributions on Tuesday, April 14, 1992. As Mr. Sievenpiper prepares to leave his post as president of the Metalworking Institute, I wish to join the western New York community in bidding him a fond farewell. He has served his community well, and for this he will be sorely missed. I congratulate Mr. Sievenpiper for his past accomplishments and wish him every success in his retirement.●

THE 50TH ANNIVERSARY OF THE SEABEES

● Mr. MOYNIHAN. Mr. President, this year marks the 50th anniversary of the Seabees, the U.S. Navy's construction battalions. Founded in 1942, this skilled unit has served the Nation both on the battlefield and in times of peace.

The Seabees evolved from the Navy's need for advanced base construction capability during World War II. These highly trained, spirited soldiers literally laid the groundwork for American wartime successes. The Seabeas built bases, performed battle damage repair, and assisted in general facility operations.

Their peacetime missions have been no less important. Their duties include sharing in the acquisition, maintenance, and operation of naval facilities worldwide. The Seabees have also been employed in many humanitarian relief efforts.

New York is proud to serve as the home of Naval Construction Battalion 13, headquartered at Camp Smith in Peekskill. This division has members from across the State—from Buffalo to Long Island. I would like to offer my great congratulations to them and to all their fellow Seabees on this noteworthy occasion. May they continue to honor their motto: "With Compassion for Others We Build. We fight for Peace with Freedom."●

TRIBUTE TO HEALTH CARE PROVIDERS, FEDERAL CORRECTIONAL INSTITUTION, DANBURY, CT

● Mr. LIEBERMAN. Mr. President, it is with great pleasure that I bring to the attention of the Senate three very special individuals from my home State of Connecticut, Dr. Justin Ahamad, Mr. Quincy Heck, and Mr. Louis Sarain. These three gentlemen have served with great distinction within the Federal Correctional Institution at Danbury, CT, in their capacities as health care providers. They have also given their time generously to their local communities. These professionals are fine examples of the Federal employees in Connecticut who have a commitment to public service that goes far beyond the requirements of the workplace.

Dr. Justin Ahamad is the clinical director of the Danbury Correctional Institution. Dr. Ahamad has a long and distinguished medical career that has spanned nearly four decades. He has been active in addressing the health care problems of his community both as a member of the American Heart Association and as a counselor to young men and women on the dangers of alcohol and drug abuse. He also serves the Connecticut Department of Public Safety as a State police surgeon.

Mr. Quincy Heck is the health services administrator at the Danbury facility. He has gained considerable recognition from the Bureau of Federal Prisons for his work in lock-down situations in Marion, IL, where he saved the life of a prisoner, and for his work at the Oakdale, LA Federal Correctional Institution, during the Cuban refugee crisis. Mr. Heck also has received the Medical Director's Award for saving the Bureau over $200,000 in outside medical expenses. In addition, Mr. Heck also serves the youth of his community by being actively involved as a Scout leader, instilling the virtues of sound judgment and moral conduct, and a clean, drug free lifestyle into the young men he leads.

Mr. Louis Medina Sarain is an assistant health services administrator also assigned to the Danbury Federal Correctional Institute. He is a member of the affirmative action committee at the prison, where Mr. Sarain has worked to increase the awareness of staff to the varied cultural and religious aspects encountered within the Danbury prison facility. Mr. Sarain is the recent recipient of the Supervisor of the Quarter Award and the Special Act Award for the work that he has done at Danbury. He also has shown a strong interest in community affairs.

Mr. President, I hope that my colleagues will join me in paying tribute to these special men. Our Nation, and, in particular, Connecticut, benefit from having men like these who bring their commitment, dedication, and talents not only to their jobs, but also to the communities where they reside. Americans can be reassured that they are being well served by Federal employees when we look at the long and distinguished record of these fine men.•

COSPONSORSHIP OF S. 2041

• Mr. KASTEN. Mr. President, I rise today to join Senator GRASSLEY and the chairman of the Small Business Committee, Senator BUMPERS, in cosponsoring S. 2041, the Petroleum Marketing Competition Enhancement Act. This bill will ensure a level playing field in the gasoline market by prohibiting oil companies from selling their gasoline to small petroleum marketers, wholesalers, and retailers, at a higher price than they sell to their customers at their own company-operated stations. Presumptions are established to put the burden on the refiner to prove that the price charged is justified by efficient operating costs. Second, it prohibits major oil companies from controlling he retail price charged by their independent marketers. Finally, the legislation allows companies to challenge violations in Federal court.

While I oppose price controls, I do support fair competition in the marketplace. Wisconsin small petroleum marketers, wholesalers, and retailers are struggling. They are unfairly losing a competitive edge with the big oil companies and will eventually have one option—to go out of business. As a result, the consumers and farmers in the rural areas, where volume and margins are smaller, will suffer.

At a time when environmental regulations have tightened, gasoline station owners have enough expenses to absorb in order to keep their heads above the water. S. 2041 will not only secure a competitive marketplace, but also retain jobs and strengthen the economy by saving this important sector of the small business community.•

TRIBUTE TO KSM'S PRIDE

• Mr. D'AMATO. Mr. President, it is with great pride that I rise today to honor the accomplishments of KSM Interactives, Inc. This New York company has developed a very unique and effective tool in the fight against drunk driving.

KSM's PRIDE is the first and only bilingual, computer-based, interactive videodisc program to provide training and certification in the responsible handling of alcoholic beverages. Developed in New York, the program trains people who work in hotels, restaurants, and bars to become actively involved in recognizing and preventing illegal or excessive consumption of alcoholic beverages.

PRIDE has been used successfully by many large corporations, including Hilton Hotels, as well as many other establishments in New York and more than 20 other States throughout the country. Furthermore, it has been recognized by the National Commission Against Drunk Driving, and many insurance companies as effective and useful. Many of these large insurance companies grant rate reductions to PRIDE users since it limits third-party liability claims.

The program is easy to use and administer because it is completely automated. Trainees taking the PRIDE lesson sit at personal computer with videodisc player and a touchscreen monitor. They need no knowledge of computers or even typing, and only minimal reading skills are required. Employees are tested at the completion of their training to assure their understanding and recall of the training. Each employee who successfully completes the program receives a certificate which is good for a maximum of 3 years.

KSM is to be commended for its contribution to the fight against drunk driving. It is the dedication and determination of private enterprises, such as KSM, seeking solutions to social problems which makes our streets safer and our world a little better. I wish to thank KSM for doing such a fine job.•

DESALINATION

• Mr. SIMON. Mr. President, last August, the National Water Supply Improvement Association [NWSIA], in conjunction with the International Desalination Association and a few other organizations, hosted an international conference on water reuse and desalination. One of the speakers, Alexander MacLachlan of Wilmington, DE, is a senior vice president in DuPont's research and development office. While much of his speech is technical, he made many important points that I would like to highlight.

While my primary emphasis has been the application of desalination technology to make water both potable and usable for agricultural needs, Mr. MacLachlan emphasizes the need for improved technology in order to meet industrial water quality needs. He points to the increasingly stringent water discharge standards that ultimately favor recycling of water rather than discharge. Furthermore, there are increasing restrictions on the amount of water that can be pulled from the aquifers and then discharged after use. With the amount of contaminants now present in our aquifers and other bodies of water, industrial water users consequently not only need to clean up the water from their use, but from previous uses as well.

My point in highlighting these concerns is that Mr. MacLachlan concludes that existing technology is good, but technological improvements are necessary in order to address the growing needs of industrial America. The primary technology used to clean water, while less energy intensive than other alternatives, still needs to be improved to meet these needs.

The difficulty in meeting these growing needs and standards is the high cost to American businesses of basic research and development. As Mr. MacLachlan puts it:

> Development and introduction of new technology must be done with far fewer false starts. The intense competitiveness of today's world demands companies become more efficient in servicing customers.

and most importantly:

> The risk of taking too long to reach profitability and/or backing the wrong technology is much more dangerous to a company than it was in the past.

Clearly we need to be doing more to meet the basic research and development needs of industry. Legislation I have introduced, S. 481, the Water Research Act of 1991, would recommit the Federal Government to helping industry. This bill would make a pool of funds available to researchers at all levels to engage in basis research and development of affordable desalination processes. It also authorizes demonstration projects to verify the feasibility of these processes. I believe this is a worthwhile and necessary use of Federal funds to ensure that the United States maintains its place in the world market.

I ask that Mr. MacLachlan's speech be printed in full at the end of my remarks.

The remarks follow:

Research and Development: The Key to Progress

(By Alexander MacLachlan)

I feel like a fish out of water being asked to address such a knowledgeable group as this with my limited background that is primarily based on photographic, polymer, and chemical manufacturing technology. I certainly cannot advise you on the latest in your diverse specialties which all aim to provide ample quantities of water fit both for human consumption and Industrial use.

On the other hand, I do have some credentials. Because of my age and long career at Du Pont, I do remember the early days of our reverse osmosis membrane developments and how hard many excellent scientists, engineers and business people struggled over the years to develop the wonderful technology we today market under the Permasep® trademark.

While I'm not here to talk about reverse osmosis or Permasep® and all the interesting technology it embodies, the lessons of its development which now span over 30 years offer some clues to new horizons.

First, there was the idea to try and make synthetic membranes. In the beginning, as I remember it, we were going to separate and purify all kinds of gases and chemicals. It took some time before we realized that desalinating water was really the area we ought to focus on. We had many false and expensive starts before this became clear. Then we had to arrive at the best polymer structures. Choosing between hollow fibers and other configurations was most agonizing. Then came the manufacturing process development. Certainly, incredibly difficult when you realize that not only did we have to pick the right polymer from literally millions of options, but we had to spin it into the finest of hollow fibers and then line up hundreds of thousands of these microtubular fibers in a way that one could flow water through each one and have no leaks to the opposite side. Well, happily all this was done, and over the last twenty years has been highly refined. Today, the hollow fiber market based on aramid structures have over half the world seawater market.

Now, as a technologist, and one of the architects of a major chemical company's R&D program, this state of affairs which some may call "maturing of a technology", signals the potential for new opportunity. Other signals abound as well.

Water quality, in particular industrial water quality, is a big issue today. Certainly you know that, but consider the responsibilities an industry like mine has. We must ensure that our manufacturing processes meet ever more stringent water discharge standards. Increasingly, that favors recycle of the water rather than discharge. We must now clean-up or purify based on a variety of contaminants and to different qualities dependent on the process needs. Also increasing are the restrictions on the amount of water that can be drawn from the aquifer and subsequently discharged. This further drives industrial recycle. Consider also that we now must be stewards of contamination or potential contamination situations, generated by past practices of all society including us. We now realize many of the well-intentioned past practices are potentially dangerous and must be corrected. Contaminated groundwater must be cleaned up. Also, as demand for potable water steadily increases, aquifers marginally contaminated with organics and metals will need to be used.

Now in that same the last 30 years amazing strides have been made in technology of materials and their characterization. One cannot overemphasize how spectacular progress has been over the last 30 years.

So what's my point? Reverse osmosis is well refined and still improving, but maybe at a much slower rate than in the past. Virtually all today's water purification membranes are based on one polymer technology, polyamides. Energy costs are continuing up and while reverse osmosis is less energy-intensive than distillation, one cannot help but wonder what other better possibilities there are. It's my contention, based on what I have just reviewed, that there probably are many. Furthermore, I'd like to suggest you may find these opportunities for a step change improvement in water quality enhancement in some rather different places than historically has been the case.

One place to look might be at the technologies industries like mine are now trying to utilize to solve our problems. I'll mention a few in a minute. Another place is obviously to examine new classes of polymers, or even biological or semi biological-based structures. There's been major progress in the last decade or so in understanding of biological membranes, and there have even been some attempt to make some of these synthetically. One of the most advanced ideas is coming out of my own company's basic research laboratories. Here one of our staff members, Dr. William DeGrado has synthesized a simple protein which spontaneously folds into a tube that allows passage of only certain size ions. Sorry, but we are not about to announce a new product. In fact this work is so early that we cannot even forecast where its first application might be.

Others in universities and industry around the world are looking at both near and longer term ideas to purify water. Let me just list a few of the technologies that are under-development.

There is a growing trend to look at new materials from which to fabricate higher separation efficiency membranes. People in universities are talking about third and fourth generation membranes. There is potential for higher selectivity, lower energy needs and very high productivity. In some cases, they've talking about other kinds of energy assists than the pressure we normally use. New kinds of specifically-tailored absorbants are also being designed.

In the areas where organic contaminants are involved, there is some exciting work underway that we broadly call "advanced oxidation processes". Here, high volumes of water with trace organics are subjected to plasma discharges, electrolysis, and even activated peroxide. All these techniques are aimed at "burning" the organic efficiently all the way to carbon dioxide and water.

As I said in my opening comments, I'm no expert, but I know enough about technology to recognize potential opportunity. Somehow you need to make sure you are effectively networked with these peripheral developments.

Returning for a moment to new synthetic polymers, I have to say I am convinced there must be a lot of better materials that nylon structures in there somewhere. Consider, for example, the array of fluoro polymers available today. Back 20 or so years ago we only had one, Du Pont's Teflon®. It was great for many uses, but it was not easily fabricated into even the simplest gaskets and seals, let alone membranes. Today, we can do all kinds of things with these materials. The same story can be told for polyolefins, polyimides, acrylates, polycarbonates, polyesters, polyacetals, ionomers, graft polymers, copolymers, and protein-like structures. The list is endless—and, incidentally, that's part of the problem. To start all over again and go into a broad scouting program to take advantage of today's technology is a daunting task even to a company like DuPont that spends over $1.3 MMM per year or R&D what's more we are clearly lacking much fundamental understanding of membrane performance, an area where universities ought to play a much stronger role.

To me, what I have just outlined suggests we have an opportunity, but to realize it in today's dynamic and highly competitive marketplace is going to take some new approaches. Somehow you as an industry will have to work together to spark interest by technologists in industry and elsewhere to take a fresh look at your needs.

You might say, why should we, the user industry, do that? We are the customers. We have a great market. If you serve us well, you will be successful. I agree, but the world has changed dramatically for all of us in the last several decades. We now have to talk about competition for application of new technology as well as competition from suppliers. Let me explain.

In the past my company and others turned new technology into products we thought the world needed and then tried to convince customers to buy from us. If the technology was good we did fairly well; outstandingly in some cases—DuPont's nylon, Teflon®, Kevlar®, and of course Permasep®. But we also had many failures—some too painful to think about. All in all, those of us who are still around clearly had an acceptable record of innovation. To continue to succeed we still must innovate but the roles have changed dramatically in the last decade.

Development and introduction of new technology must be done with far fewer false starts. The intense competitiveness of today's world demands companies become more efficient in serving customers. Our customers are, of course, the suppliers to their customers and they have the same need for effectiveness of deployment of their technology development funds. Our suppliers are in a similar situation. Product development times have to be much shorter than in the past because companies all over the world are competing for the same market. The risk of taking too long to reach profitability or backing the wrong technology is much more dangerous to a company than it was in the past. This is leading to new ways of doing business and I believe an industry like yours can benefit from the new approaches.

More and more we see customer/supplier partnerships developing. The Japanese have set the standards for the approach, but we're all seeing the wisdom in it. These partnerships don't eliminate competition, but they do recognize that suppliers and customers share a common need for each to succeed. If a customer plays too many suppliers off against each other today that customer may find itself without the latest technology or materials and consequently unable to compete. If the customer base is an industry like yours, and does not help its suppliers to bring the best technologies to it, you may find a low level of innovation. In a sense, in today's world customers compete for suppliers much in the same way suppliers compete for customers. The bottom line in all this is, I think, "we are all in this together." We have to recognize the realities of today's world with its compressed time scales, high cost of failure and incredible technological potential.

So as an uninformed and inexperienced individual looking at your industry, I would like to put forward a few ideas you may wish to ponder as you struggle to deal with your needs.

How are you going to ensure your industry gets the modern technology it deserves? How are you going to work with your suppliers to make sure they are trying to do this as opposed to putting their technology development and innovation investments elsewhere? How are you going to make sure *your customers* get the best deal?

Clearly, you must work together in a variety of ways. Universities are a good place to look. I'm not a big fan of university consortia, but when they are operated well, they can be highly effective in bringing new technology to an early demonstration point.

Another approach is to form a foundation which collects dues from members and other sources and offers grants in selected areas for investigators in universities, or even companies. The American Institute of Chemical Engineers is trying to get a proposal of this type underway to sponsor innovative environmental technology development.

Still another approach is your own research foundation. Here, by doing leading edge work in new technologies you may be able to draw both people and ideas into a common focus. I'm reminded of the very successful institute for Paper Chemistry and the printing technology school at Rochester Institute of Technology. Other ideas might involve a major end user, perhaps representing a water ministry, undertaking a joint R&D program with a major membrane supplier. Such a collaborative effort could be beneficial to both parties.

There is no doubt in my mind, you have an opportunity in your industry. The key is going to be how to get the best minds working on it. After all, with today's focus on the environment in all countries of the world it should not be hard if we work together. Clearly, it's about time we got a lot more scientists and engineers interested in taking care of our water.•

RECOGNITION OF YUGOSLAV REPUBLICS

• Mr. DECONCINI. Mr. President, at long last the United States has joined the European Community and the many other countries which have recognized the independence of Bosnia-Hercegovina, Croatia, and Slovenia. Several of my colleagues and I have been urging the administration for months to respect the expressed will of the people of these former Yugoslav Republics and recognize their right to be free and independent. I hope this important step will help bring about peace and stability to this troubled part of the world.

But, Mr. President, there is still one Yugoslav Republic—Macedonia—with an outstanding request for recognition. The objection to recognition comes from Greece, which, for reasons to be found in the history of the Balkan region, has problems only with use of the name "Macedonia" by an entity outside its own territory. The Republic of Macedonia, however, has not in any way been responsible for the crisis and conflict in Yugoslavia, and it and Slovenia were, in fact, the only two Republics which were viewed by the EC Arbitration Commission as meeting the essential conditions for recognition in January. I think Macedonia should be recognized as an independent state now and brought into the community of states bound to respect Helsinki principles, including the inviolability of frontiers and human rights and fundamental freedoms. Moreover, the people of Macedonia, have the right to identify themselves as they wish; the important thing is for them to respect Helsinki principles in their relations with other states, including neighboring countries such as Greece.

Recognition of the Yugoslav Republics, however, is only part of the solution. All sides must stop fighting now. In the end, this can only be done by developing genuinely democratic institutions and respect for the rule of law including an end to the severe repression of the Albanian population in Kosovov. The establishment of genuinely democratic systems must be given high priority at the peace conference in Brussels as well as at the CSCE followup meeting currently being held in Helsinki.•

RECOGNIZING LOYOLA ACADEMY OF WILMETTE

• Mr. DIXON. Mr. President, each week during the academic year, the Chicago Sun-Times recognizes a Chicago area high school as its "high school of the week." Recently, the Sun-Times recognized Loyola Academy, a Jesuit college preparatory school serving over 1,400 young men in north suburban Wilmette. I wish to congratulate the academy and its president, the Reverend Ray Callahan, S.J., for this well-deserved recognition.

When educators across the country wonder how to reach the youth of America, how to engage them in the classroom, and develop them into critically thinking, intellectually curious adults, they may wish to beat a path to Loyola.

Loyola has a distinguished academic history, dating back to its founding in 1909. It has the most national merit semifinalists of any Catholic school in the State of Illinois. Over 98 percent of its graduates attend 4-year schools. Three graduates in the past 6 years have been named Rhodes scholars. It fields competitive academic teams in Latin and Greek, as well as boasting of a respected fine arts program. It places special emphasis on learning development, thereby helping those to reach their full potential.

It also has a distinguished athletic history. The football team has reached the semifinals of the class 6–A playoff the past two seasons, as well as capturing the Chicago prep bowl most recently in 1988. The golf team won the State title in 1986, and has won their league championship in 16 of the past 18 seasons. The swim team was fourth in the State in 1990 and 1991. Other athletic programs including baseball, track and field, soccer, water polo, and volleyball all have proud records of achievement.

What distinguishes Loyola, however, is the emphasis on service, embodied in the rich tradition of Ignatian spirituality. Loyola's motto, "Men for others," manifests itself in numerous Christian service opportunities. It is indeed rare to find a secondary school where so many students take advantage of a wealth of opportunities to put the tenets of their faith into practice.

Over 300 students at Loyola are part of the Christian service program. The opportunities include working in soup kitchens, teaching English to new immigrants, serving in homeless shelters, working in day care centers, as well as some of the toughest parishes in the inner city. The purpose of such involvement is not simply exposure to life's challenges outside the relatively comfortable world of Chicago's north suburbs, but to impress upon these students, these future leaders, the lifelong responsibility of service to others.

I congratulate Loyola—its faculty, staff and students—on its outstanding record of accomplishment in the classroom, on the field, and, most importantly, in the community, and wish it continued success educating "men for others."

I ask to insert a copy of the April 1, 1992, article from the Chicago Sun-Times.

The article follows.

[From the Chicago Sun-Times, April 1, 1992]

LOYOLA DEDICATED TO SERVICE

(By Mark Potash)

Loyola Academy senior Joe Taylor ranks ninth in his class academically and was a starter on the school's basketball team that shared the Catholic League North title this season. That's a fine example of a student-athlete, but not quite enough at Loyola.

What makes Taylor an exemplary student is his work with the "Life! Be In It!" Christian Service Program, a part of the school's ministry department that instills in Loyola students the importance of the school's motto, "Men for Others."

"The entire focus of the ministry department," basketball coach Karl Costello said, "is to engender in the student that if they leave Loyola after four years with all sorts of academic and athletic accomplishments, and that's all they leave with, they haven't taken advantage of what this school is all about. They have to leave with a sense of purpose to serve their fellow man."

So throughout his high school career Taylor, whose father Joe Taylor Sr. is the head of the ministry department, has donated his time at places like the Howard Area Day Care Center, or St. Malachy's parish on the West Side, or the Latch Key program, working with disadvantaged kids of all ages.

"It's a lot of fun," Joe Jr. said. "I get a lot of satisfaction out of seeing the little kids smile, or when they run up to you and don't want you to leave. It feels good to know you can make a difference in a kid's life."

For many Loyola students, participating in "Life! Be In It!" is their extracurricular activity. Taylor is one of more than 300 Loyola students to participate in the Christian Service Program. Activities include working in soup kitchens and homeless shelters in the city, and participating in summer programs in Appalachia and with Jesuit missions in the Dominican Republic.

"It brings out that type of commitment from the students," Costello said. "And I think it has a carryover effect to the classroom and the (athletic) teams. The guys care about each other, they pull together as a team and work very hard."

Loyola Academy was founded in 1909 on the Loyola University campus and moved to its present campus in Wilmette in 1957. The school has impeccable academic credentials: Loyola has the most National Merit semifinalists (14) of any Catholic school in the state. The mean composite score on the ACT is 23.8. Ninety-eight percent of its 1991 graduates attend four-year schools.

Three graduates in the past six years have been named Rhodes Scholars. Eight former Loyola football players played at Ivy League schools last fall.

Loyola has a rich athletic tradition as well. The football team won Prep Bowl titles in 1965, 1966 and 1969. Today, under athletic director Bill Graf, Loyola also has one of the best all-around athletic programs in the Chicago Catholic League.

The football team, coached by John Hoerster, won the Prep Bowl in 1988 and has reached the semifinals of the Class 6-A playoff the past two seasons.

The basketball team, 2-22 in Costello's first season in 1988-89, has won 17 or more games in the past three seasons.

The golf team (Jim Jackimiec) won the 1986 state championship and has won the Catholic League title in 16 of the past 18 seasons.

The swim team, (Patrick Burton) was fourth at the state meet in 1990 and 1991. Erik Mauer, a 1989 graduate who won three state titles, won the NCAA 50-meter freestyle as a junior at Stanford last month.

The volleyball team (Bob Erlenbaugh) finished third in the unofficial state meet last year and is one of the top contenders for the first Illinois High School Association championship this spring.

Despite its North Shore surroundings, Loyola prides itself on its diversity of students. Loyola attracts students of different social and academic backgrounds from throughout the Chicago area. Former Illinois Attorney General Neil Hartigan is a graduate. So is actor/comedian Bill Murray.

"Bill wasn't involved in the school [activities] too much, he spent a lot of his time in jug [detention]," said Father John Beall, who was the dean of discipline when Murray attended Loyola in the mid-to-late 1960s and now is the chaplain for the athletic department. "But he was all right. He was well-liked, a nice kid. I don't think he has to act, because he was a real comedian when he was here, too."•

FATHER DUNN IS RETIRING IN JUNE

• Mr. D'AMATO. Mr. President, I rise today to pay tribute to Rev. Gerald E. Dunn who is retiring this June after more than 40 years of dedicated service to the needs of his people in the Greater Rochester area. Father Dunn graduated from St. John the Evangelist Grammar School in Rochester and attended St. Andrew's and St. Bernard's Seminaries also in Rochester, NY. He was ordained on June 4, 1948, by Bishop James Kearney at Sacred Heart Cathedral and has served communities in Rochester and Corning since then.

After his ordination, Father Dunn was assigned to serve at Immaculate Conception Church in Rochester until 1955 when he was assigned to St. Patrick's Church in Corning. In 1958, he returned to Rochester and was assigned to St. Monica's Parish where he started the Catholic Widowed Parent Club. He became pastor of St. Theodore's Church in 1968.

Father Dunn was the first family life director of the Diocese of Rochester. He served from 1958, the year the office was opened, until 1970. As director, he started and conducted the pre-Cana classes for engaged couples and Cana classes for married couples.

As a result of Father Dunn's leadership and guidance senior citizen residences were built; Dunn Tower I and Dunn Tower II. The outstanding support provided by Father Dunn led to these and many other great feats.

Father Dunn was chosen Citizen of the Year for the town of Gates in 1980. For several years he has been the chaplain of the Gates Police Department, the Eagles Club, and Gates Ambulance. He has been actively involved in the Scouting program for many years also.

Father Dunn is a great American. I salute him as he enters a new stage in his career. Please join me in thanking him for his dedication and commitment to the people of Rochester and wishing him well in all of the years to come.•

ORDER OF PROCEDURE

Mr. SASSER. Mr. President, I ask unanimous consent that the Senate stand in recess as under the order following the conclusion of Senator SIMPSON's remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

THE BUDGET TASK

Mr. SIMPSON. Mr. President, I thank my friend from Tennessee, and I want to add, too, that the work he does and the work that Senator DOMENICI do with the budget is a thankless task and they have been in it for so many years and I have watched so many on both sides of the aisle invest so much time and it is very vexing to all of us. They are very steady in their work and I express my admiration to them for their efforts.

Mr. SASSER. Mr. President, I thank the distinguished deputy minority leader for his comments and I am sure speaking on behalf of Senator DOMENICI and myself it is always a pleasure to get some kind comments regarding our work with the budget. They come so seldom and they are so few and far between that when they do come they are doubly appreciated, I say to my friend.

Mr. SIMPSON. Mr. President, I will have to issue a paean of praise again sometimes if it is received in that way.

PROBLEMS FACING URBAN AMERICA

Mr. SIMPSON. Mr. President, I will not take but a few more minutes. It would have been more timely last week had I spoken on Thursday, but I note that portions of what I wanted to comment on were in the morning reporting of the news.

Last week, my friend Senator KERRY of Massachusetts made some thoughtful comments on the problems facing urban America today. He also discussed why he strongly believed in affirmative action programs. It is not my present purpose to dispute Senator KERRY's sincere beliefs on that issue. He spoke for nearly 45 minutes last Thursday afternoon, and some of the speech was not even partisan, and that was good, that was kind of unique for this time of year from all of us.

However—and you may have already guessed this and I have notified the Senator of my intention to make these remarks—a lot of what my friend said was not only thoroughly partisan, but I thought it—some of it was very unfair and unkind. I think that is too bad.

So I rise today to try to extinguish some of the still smoldering rhetorical fireworks that were lobbed in here by my friend. And he is that. JOHN KERRY is an impressive gentleman. His word is his bond. I know that personally. I enjoy him greatly. I have worked with him. It would just be in passing to say that if he told me he would do something I would simply immediately know that that would be the case.

Senator KERRY said that this administration has "done nothing"—that was the quote—for the last 3½ years to help our cities. He said that all the President has done is to ridicule welfare recipients and encourage racial divisiveness in this country. Those were his remarks.

He accused the President of wearing that rhetoric like a badge of honor because he would do anything to get reelected.

I think that is a terrible thing to say. That is tantamount to accusing certain Senators on this floor of doing anything possible to get on the Democratic ballot as Vice President in November. But I am sure that was not his purpose, and I am also sure that he is perhaps unaware of what really is or was in the President's budget for cities just this year.

So, I ask unanimous consent to print in the RECORD at the conclusion of my remarks a fact sheet of outlays for local governments included in the President's fiscal year 1993 budget.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SIMPSON. Mr. President, I will briefly summarize some of those here: The Bush administration's investment in fighting the type of crime that Senator KERRY outlined in his speech would grow from $14.6 to $15.8 billion in fiscal year 1993, and that is a 59-percent increase over 1989, 59 percent in 3 years; $7.7 billion for domestic law enforcement, nearly $470 million over last year. Money for fighting drug abuse would increase from $12 to $12.7 billion over last year; $100 billion for programs serving children, a $7 billion increase over last year, and a 66-percent increase over 1989. The administration proposed enterprise zones to create jobs and provide tax incentives to economically depressed urban areas. Of course, this program like all the rest of the President's budget, was jeeringly and gleefully touted and announced as being "dead on arrival" by the Democrat Congress.

The Education Department would receive the largest discretionary program increase for any Department, $1.6 billion over 1992 and a 42-percent increase since 1989. The President proposed incentives to first-time homebuyers. He also proposed $1 billion in HOPE grants, which would help public housing and other low-income Americans to be homeowners and take part in the American dream that we hear talked about here all day long.

He proposed pilot projects to help AFDC recipients get jobs. The administration proposal contained the largest ever one-year funding increase in the WIC Program—Women, Infants and Children, for their care.

Senator KERRY said he had no magic wand. Agreed. What he wielded was a club. But he did say that a starting point would be education, providing jobs, providing adequate health care, and the transfer of economic power to our troubled cities. He said that the responsibilities for remedying these problems goes to politicians on both sides of the aisle. Well, there, now you have it.

The President has tried to increase funding for education. He has tried to increase the economic empowerment of the poor. He has tried to fight crime in the inner cities. He has proposed a health care plan.

He has tried in each one of the areas outlined by my good friend, JOHN KERRY, the Senator from Massachusetts. And despite Senator KERRY'S comments that both sides of the aisle should work on these problems, he also then, and I think shockingly, said—and this is the reason for my presence here at this moment and I think this was unbecoming—Senator KERRY said that it was time to stand up to the likes of George Bush, David Duke, and Al Sharpton. That is what he said right here. He said we should not allow them to divide us anymore—George Bush, David Duke, and Al Sharpton, all linked in a great triangle. How crude a reference to associate our fine and decent President with Sharpton and Duke. I think that is character assassination.

George Bush is a good and decent man. It does a real disservice to the thoughtful portions of Senator KERRY'S remarks when he lumps the President in with Sharpton and Duke, two people who have managed to spread a vicious miasma or racism throughout the country.

George Bush has reached out to all Americans, not only by his words but by his actions. Senator KERRY may not have a magic wand to solve the problems of our Nation's cities—I have not seen anyone with that magic wand except the wand of money. And that is why we have a $4 trillion debt which we are going to neatly hand over to our grandchildren. And the country, in the year 2030, will be out in the bow-wows and we all know it, and we stand right here.

And that is why good people leave this Chamber, people like WARREN RUDMAN and TIM WIRTH and KENT CONRAD. We shall miss them all, hard workers in the vineyard. And that is why they leave because we all know what we have to do. But instead we just come in here and we use terms like racism to try to dump on somebody else and then try to say that others are being divisive.

So, no one has the magic wand, not even if it is George Bush. But at least he, unlike many of his detractors, is trying to do things in a tangible and politically realistic way in this very weird and political year where the intent of everything done in this body and down at the other end of the Capitol is simply to try to figure out what they can send to George Bush that will blow up in his face; that will be vetoed by him; and then come before us, hoping to then use political capital on the veto override. It is an interesting way to do the Nation's business.

So, at least someone is trying. Someone is not on the arena fence. Someone is down in the arena, and the person in the arena is George Bush, doing, while others prattle about doing it. This is not campaign rhetoric that George Bush is engaged in. It is called leadership. The Democrats ought to try a dose of it. They are anemic and pathetic at providing it at all levels of government.

I believe, in accordance with the orders, that will conclude the activities of the Senate unless someone else wishes to speak.

I thank the Chair.

EXHIBIT 1

FACTSHEET—OUTLAYS FOR LOCAL GOVERNMENTS IN THE PRESIDENT'S FY 1993 BUDGET

Listed by section, are Administration programs which will directly and indirectly benefit local governments all across our nation:

JOB TRAINING 2000

The Employment Service would be reconstructed and its resources incorporated into Skill Centers in order to improve the delivery and effectiveness of job training and vocational education programs.

These "one-stop shopping" Skill Centers would replace the many uncoordinated entry points that the programs now have in each community. Skill Centers would offer testing, counseling, job market information, referral to available jobs, and vouchers for PIC-approved education and training programs.

Private Industry Councils (PICs), originally created to administer JTPA, would be expanded and modified to manage and coordinate $12 billion in Federal resources.

$4.1 billion of proposed 1993 funds would be under direct PIC control while an additional $7.6 billion of proposed 1993 funds would be coordinated through PICs.

Only participation in certified training programs would be funded by any major Federal program. Financial incentives will make training institutions accountable.

The transition of young people from school to work will become more efficient through skill standards and youth apprenticeships.

INFRASTRUCTURE

The budget requests $19.2 billion, a $2.2 billion or 13 percent increase over 1992, for highway construction and rehabilitation and will support over 1 million jobs in 1993.

The budget proposes $2.5 billion for EPA wastewater treatment grants, a $100 million or 4 percent increase over 1992. These grants will assist cities in providing adequate secondary sewage treatment to protect health and the environment as well as allow business expansion by providing sufficient treatment capacity.

Maglev/High-Speed Rail: The budget includes $28 million, an $8 million or 40 percent increase over 1992, for high-speed rail and maglev research and development. The Administration proposes to complete a full and fair evaluation of maglev technology before deciding to undertake prototype development.

CRIME

The Bush Administration's investment in fighting crime will grow from $14.6 billion in

1992 to $15.8 billion for 1993—an 8 percent increase over 1992, and a 59 percent increase over 1989.

The Federal Bureau of Investigation (FBI) will field over 2,000 new agents.

In its pursuit of violent gang members, the Bureau of Alcohol, Tobacco, and Firearms (BATF) will devote $38 million to its National Violent Gang Enforcement Program to investigate gang members who are weapons violators.

To prosecute violent offenders and others, $814 million will be requested for the U.S. Attorneys, 77 percent more than was spent in 1989.

Every year nearly 6 million people are victims of violent crimes. In 1993, the Administration will provide $144 million to assist victims of crime and to fund programs that offer support to overcome the traumas caused by violent criminals.

Fighting White-Collar Crime: To fight white-collar crime, including financial, insurance, Medicaid, and bankruptcy fraud, the Administration will devote $864 million in 1993.

Jailing Criminals: To ensure that prison space is available so that convicted criminals will serve their entire sentences, the 1993 budget proposes $2.2 billion for Federal prisons, an increase of $185 million, or 9 percent over 1992. This is 44 percent more than was spent in 1989.

To fight crime at home, the 1993 budget proposes $7.7 billion for domestic law enforcement activities, an increase of $470 million over 1992.

DRUGS

The Administration's budget to fight drug abuse will grow from $12.0 billion in 1992 to $12.7 billion for 1993—an increase of more than 6 percent above 1992, and nearly double the sum appropriated in 1989.

To attack drug trafficking organizations at the source, the 1993 budget proposes $8.6 billion. This is an increase of $443 million or 5 percent over 1992, and 88 percent more than the 1989 level.

To protect U.S. borders from the influx of illegal narcotics, the 1993 budget proposes $2.2 billion for interdiction activities, including 200 new Border Patrol agents on the Southwest border.

To prevent people from becoming users and to help persuade current users to stop, the 1993 budget proposes $1.8 billion, an increase of $77 million, or 5 percent over 1992. Special attention will be focused on children and adolescents.

To treat and rehabilitate those whose lives have been disrupted by drug use, the 1993 budget proposes $2.3 billion, an increase of $256 million, or 12 percent over 1992.

The Administration's 1993 budget proposes a new $500 million initiative called "Weed and Seed", which will use a neighborhood-focused, two-part strategy to control violent crime, and to provide social and economic support to areas in which high crime rates and social ills are prevalent. This program will complement the President's proposal to create Enterprise Zones in distressed urban areas.

ENTERPRISE ZONES

The Administration proposes to provide tax incentives, entrepreneurship, and job creation in up to 50 economically distressed urban and rural communities. Beginning in 1993, the proposal provides for the elimination of the capital gains tax with respect to tangible investments located in a zone, expensing of investments in certain corporate stocks issued by zone businesses, and refundable tax credits for low-income zone employees. The establishment of Enterprise Zones will help create jobs in distressed urban and rural areas.

CHILDREN

The 1993 Budget invests over $100 billion in programs serving children, a $7 billion (or 7 percent) increase over 1992 levels and $40 billion (or 66 percent) over 1989 levels. This Administration has placed a priority on programs serving children, which will help ensure a better future for the next generation.

The budget also recommends that the Head Start programs increase by $600 million or 27 percent over 1992—the largest one-year increase in history. The 1993 Head Start budget of $2.8 billion is $1.6 billion (or 27 percent) higher than 1989—for the first time covering all participating 4-year-olds.

The budget increases support for childhood immunization grants by $52 million (18% increase).

The budget proposes $9.4 billion for all Federal activities to reduce infant mortality.

EDUCATION

Record investment in education overall, but specifically in math and science education, funding is recommended at a level that is 69 percent higher than in FY 1989.

The Education Department would receive the largest discretionary program increase for any Department, $1.6 billion over 1992, for a total of $24.3 billion; an increase over 1989 of $7.2 billion or 42 percent.

Education Department total outlays would grow $3.9 billion or 15 percent over 1992, to a total of $30.4 billion.

REAL ESTATE INCENTIVES

Provide first-time home-buyers a $5,000 tax credit: The Administration proposes to provide first-time home-buyers a tax credit on the purchase of principal residence. The credit would equal 10 percent of the purchase price of the residence, up to a maximum credit of $5,000.

Extend low-income housing tax credit: The Administration proposes to extend for 18 months, State authority to allocate the low-income housing credit to qualifying rental housing.

Waive the IRA withdrawal penalty for first-time home-buyers.

Reduce the top capital gains tax rate to 15.4 percent for long-term investments.

HOUSING

The President's 1993 Budget requests over $1 billion for the Homeownership and Opportunity for People Everywhere (HOPE) program, a 180 percent increase over 1992 enacted level of $361 million. HOPE grants will help public housing and other low-income people become homeowners.

The budget proposes a change in the law to allow Section 8 vouchers to be used to pay for either a home mortgage or rent. Currently, such vouchers can only be used by very low-income households to help pay rent. This change in the law would greatly expand the opportunity for low-income tenants to become homeowners.

Through the President's Low-Income Housing Preservation program, tenants will have the right to purchase buildings from private owners who wish to terminate low-income housing rental subsidies. The budget requests $1.2 billion for his program, almost double the 1992 amount enacted for this program.

The budget proposes over $1 billion for homeless programs, a 6 percent increase above funding enacted by Congress 1992. For HUD homeless programs, the budget recommends an increase of $87 million, or 19 percent, above 1992 levels.

The budget supports a new $50 million initiative. "Safe Havens," for the mentally ill homeless who are unwilling or unable to commit to existing treatment programs.

"Restore" is a $412 million budget initiative to improve the housing conditions, financial health, and affordability of an estimated 1,800 troubled projects insured by FHA that are in danger of defaulting.

PRO-FAMILY INCENTIVES

A new Flexible IRA—with penalty-free withdrawal for medical and educational expenses (in addition to first-time purchase of a home), and with tax-free withdrawal after 7 years.

Family tax allowance: Personal exemptions will be $2,300 for 1992. In order to assist families with children, the Administration proposes to increase the amount of such exemptions for dependent children, who are under 18 years of age, by $500 per child. The increase in exemptions for children would be effective October 1, 1992.

Permit deduction of interest on student loans: The Administration proposes to allow the deduction of interest paid on or after July 1, 1992 on student loans for higher education or post-secondary vocational education.

Creation of the Commission on Urban Families. Co-chairs are Missouri Governor John Ashcroft and former Dallas Mayor Anette Strauss.

HEALTH CARE

In addition to the President's comprehensive health care reform strategy, the Budget includes a additional $1.3 billion for primary and preventive health care.

This includes a 15 percent increase for community and migrant health care centers, which will be used to open new centers in areas characterized by high poverty rates and low rates of public and private insurance coverage.

The budget also continues a 19 percent increase for the National Health Service Corps (NHSC), which will train additional physicians to provide health services in low income and under served areas.

MISCELLANEOUS EXTRAS

Extend Medicare hospital insurance (HI) coverage to all State and local government employees: Extending Medicare coverage to those State and local employees not currently covered would assure that they have access to Medicare and would eliminate the inequity and the drain on the Medicare Trust Fund caused by those who receive Medicare without contributing fully.

Expand public transit exclusion to $60 per month: To encourage employees to use energy-efficient mass transit in going to and from work, the Administration proposes to increase the amount of employer-provided public transit pass expenses that may be excluded from an employee's income from $21 to $60 per month.

Extend mortgage revenue bonds: The Administration proposes to extend the authority for State and local governments to issue mortgage revenue bonds and mortgage credit certificates through December 31, 1993.

The Budget proposes the largest ever one-year funding increase to WIC, $240 million (or 9 percent), for a total of $2.84 billion.

To help AFDC recipients get jobs, pilot projects will experiment with incentives to for-profit companies to train and place AFDC clients in jobs; and test providing lump-sums to recipients who work their way off AFDC. The President's health plan would eliminate loss of health care coverage when AFDC recipients work; their health insurance credits would help cover employer health insurance costs.

The budget includes $437 million, a 33 percent increase over 1992, for weather satellites, and $177 million, a $21 million or 14 percent increase, for Weather Service modernization which will improve weather forecasts and storm warnings.

KEEP IN MIND

Presidential Reform Proposals Still Awaiting Congressional Action:

The following programs are stalled on Capitol Hill. The quicker they are passed, the sooner they can be effectively implemented:

America 2000;
Financial Service Sector Reform;
Legal Reform; and
The National Energy Strategy.

Last but not least, please do not forget the President's remarks concerning unfunded mandates. In his State of the Union address, President Bush strongly declared his support of an end to unfinanced Federal government mandates. He realizes that unfunded mandates unfairly increase the fiscal burden of local governments and has called upon Congress to stop the practice. The President firmly believes that Congress should either responsibly supply the monies with the mandate or not pass the mandate at all.

ORDERS FOR TOMORROW

Mr. SASSER. Mr. President, on behalf of the majority leader, Senator MITCHELL, I ask unanimous consent that when the Senate completes its business today it stand in recess until 9:30 a.m., Thursday, April 9; that following the prayer, the Journal of the proceedings be deemed approved to date; that the time for the two leaders extend until 10 a.m., with the time equally divided and controlled between the two leaders, and that at 10 a.m. the Senate resume consideration of Senate Concurrent Resolution 106, the budget resolution for fiscal year 1993.

The PRESIDING OFFICER. Without objection, it is so ordered.

RECESS UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in recess until 9:30 a.m. tomorrow morning.

Thereupon, the Senate, at 6:41 p.m., recessed until Thursday, April 9, 1992, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate April 8, 1992:

DEPARTMENT OF EDUCATION

WILLIAM DEAN HANSEN, OF IDAHO, TO BE CHIEF FINANCIAL OFFICER, DEPARTMENT OF EDUCATION, VICE JOHN THEODORE SANDERS, RESIGNED.

EMERSON J. ELLIOTT, OF VIRGINIA, TO BE COMMISSIONER OF EDUCATION STATISTICS, FOR A TERM EXPIRING JUNE 20, 1995. (NEW POSITION)

CONFIRMATIONS

Executive nominations confirmed by the Senate April 8, 1992:

CENTRAL INTELLIGENCE

VICE ADMIRAL WILLIAM O. STUDEMAN, U.S. NAVY, TO BE DEPUTY DIRECTOR OF CENTRAL INTELLIGENCE, AND TO HAVE THE RANK OF ADMIRAL WHILE SO SERVING.

DEPARTMENT OF DEFENSE

JOHN E. CONNOLLY, OF CALIFORNIA, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING JUNE 20, 1997.

WILLIAM D. SKELTON, OF GEORGIA, TO BE A MEMBER OF THE BOARD OF REGENTS OF THE UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES FOR A TERM EXPIRING JUNE 20, 1997.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

AIR FORCE

THE FOLLOWING-NAMED OFFICER FOR REAPPOINTMENT TO THE GRADE OF GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be general

GEN. JOHN M. LOH, [redacted] U.S. AIR FORCE.

THE FOLLOWING-NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE IN THE GRADE OF BRIGADIER GENERAL UNDER THE PROVISIONS OF SECTION 624, TITLE 10 OF THE UNITED STATES CODE:

To be brigadier general

COL. THOMAS L. HEMINGWAY, [redacted] REGULAR AIR FORCE.

AIR FORCE

THE FOLLOWING-NAMED OFFICERS FOR APPOINTMENT IN THE RESERVE OF THE AIR FORCE TO THE GRADE INDICATED, UNDER THE PROVISIONS OF SECTIONS 593, 8218, 8373, AND 8374, TITLE 10, UNITED STATES CODE:

To be major general

BRIG. GEN. MICHAEL ADAMS, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
BRIG. GEN. GARY C. BLAIR [redacted], AIR NATIONAL GUARD OF THE UNITED STATES.
BRIG. GEN. ALLEN C. PATE [redacted], AIR NATIONAL GUARD OF THE UNITED STATES.
BRIG. GEN. DAVID L. QUINLAN, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
BRIG. GEN. EDWARD V. RICHARDSON, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.

To be brigadier general

COL. EDMOND W. BOENISCH, JR., [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. STEFFEN P. CHRISTENSEN, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. DONALD DALTON, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. DAN E. DENNIS, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. PETER L. DRAHN [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. WILLIAM D. LACKEY, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. JOHN M. LOTZ, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. ROBERTA V. MILLS, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. PAUL A. POCHMARA, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. ALAN T. REID, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. KENNETH L. ROSS, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. MASON C. WHITNEY, [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.
COL. PHILLIP E. ZONGKER [redacted] AIR NATIONAL GUARD OF THE UNITED STATES.

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE OF MAJOR GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATE CODE, SECTION 624:

To be major general

BRIG. GEN. JAY D. BLUME, JR. [redacted], REGULAR AIR FORCE.
BRIG. GEN. ROY D. BRIDGES, JR., [redacted] REGULAR AIR FORCE.
BRIG. GEN. PATRICK P. CARUANA [redacted] REGULAR AIR FORCE.
BRIG. GEN. STEPHEN P. CONDON [redacted], REGULAR AIR FORCE.
BRIG. GEN. GARY L. CURTIN [redacted] REGULAR AIR FORCE.
BRIG. GEN. KENNETH E. EICKMANN [redacted] REGULAR AIR FORCE.
BRIG. GEN. PHILLIP J. FORD [redacted] REGULAR AIR FORCE.
BRIG. GEN. CARL E. FRANKLIN [redacted] REGULAR AIR FORCE.
BRIG. GEN. JOHN C. GRIFFITH [redacted], REGULAR AIR FORCE.
BRIG. GEN. OTTO K. HABEDANK, [redacted] REGULAR AIR FORCE.
BRIG. GEN. DONALD J. HARLIN [redacted] REGULAR AIR FORCE.
BRIG. GEN. JAMES L. HOBSON, JR. [redacted], REGULAR AIR FORCE.
BRIG. GEN. NICHOLAS B. KEHOE, III [redacted] REGULAR AIR FORCE.
BRIG. GEN. ROBERT E. LINHARD, [redacted] REGULAR AIR FORCE.
BRIG. GEN. MICHAEL D. MCGINTY [redacted], REGULAR AIR FORCE.
BRIG. GEN. RICHARD B. MYERS, [redacted] REGULAR AIR FORCE.
BRIG. GEN. PHILIP W. NUBER [redacted] REGULAR AIR FORCE.
BRIG. GEN. EVERETT H. PRATT, JR., [redacted] REGULAR AIR FORCE.
BRIG. GEN. GLENN A. OPROFITT, II [redacted], REGULAR AIR FORCE.
BRIG. GEN. RONALD N. RUNNING, [redacted] REGULAR AIR FORCE.
BRIG. GEN. GARRY A. SCHNELZER [redacted], REGULAR AIR FORCE.
BRIG. GEN. PAUL E. STEIN [redacted] REGULAR AIR FORCE.
BRIG. GEN. RALPH G. TOURINO, [redacted] REGULAR AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF MAJOR GENERAL UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 624:

To be major general

BRIG. GEN. WILLIAM E. JONES, [redacted] REGULAR AIR FORCE.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL ON THE RETIRED LIST UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. LEO W. SMITH, II, [redacted] U.S. AIR FORCE.

ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY, WITHOUT SPECIFICATION OF BRANCH COMPONENT, AND IN THE REGULAR ARMY OF THE UNITED STATES TO THE GRADE INDICATED IN ACCORDANCE WITH ARTICLE II, SECTION 2, CLAUSE 2 OF THE CONSTITUTION OF THE UNITED STATES. THIS APPOINTMENT IS VICE EXISTING APPOINTMENT AS A BRIGADIER GENERAL OF THE ARMY NURSE CORPS.

To be permanent brigadier general

BRIG. GEN. CLARA L. ADAMS-ENDER, [redacted] U.S. ARMY.

THE FOLLOWING OFFICER TO BE PLACED ON THE RETIRED LIST IN THE GRADE INDICATED UNDER THE PROVISIONS OF TITLE 10, UNITED STATES CODE, SECTION 1370:

To be lieutenant general

LT. GEN. JACK D. WOODALL, [redacted] U.S. ARMY.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF LIEUTENANT GENERAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601(A):

To be lieutenant general

MAJ. GEN. JEROME H. GRANRUD, [redacted] U.S. ARMY.

NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE OF VICE ADMIRAL WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, UNITED STATES CODE, SECTION 601:

To be vice admiral

REAR ADM. (SELECTEE) WILLIAM J FLANAGAN, JR., [redacted] U.S. NAVY.

THE FOLLOWING-NAMED CAPTAINS IN THE LINE OF THE UNITED STATES NAVY FOR PROMOTION TO THE PERMANENT GRADE OF REAR ADMIRAL (LOWER HALF), PURSUANT TO TITLE 10, UNITED STATES CODE, SECTION 624, SUBJECT TO QUALIFICATIONS THEREFOR AS PROVIDED BY LAW:

UNRESTRICTED LINE OFFICER

To be rear admiral (lower half)

CAPT. CHARLES STEVENSON ABBOT, [redacted] U.S. NAVY.
CAPT. MICHAEL LEE BOWMAN, [redacted] U.S. NAVY.
CAPT. RICHARD ALAN BUCHANAN, [redacted] U.S. NAVY.
CAPT. ERNEST EDWARD CHRISTENSEN, JR. [redacted] U.S. NAVY.
CAPT. KEVEN FRANCIS DELANEY [redacted] U.S. NAVY.
CAPT. FRANK MATTHEW DIRREN, JR. [redacted] U.S. NAVY.
CAPT. ROBERT LEE ELLIS, JR [redacted], U.S. NAVY.
CAPT. MARSHA JOHNSON EVANS [redacted] U.S. NAVY.
CAPT. HENRY COLLINS GIFFIN, III [redacted] U.S. NAVY.
CAPT. LEE FREDRIC GUNN [redacted] U.S. NAVY.
CAPT. MICHAEL DONALD HASKINS, [redacted] U.S. NAVY.
CAPT. HENRY FRANCIS HERRERA [redacted] U.S. NAVY.
CAPT. EDWARD KRISTIAN KRISTENSEN, [redacted] U.S. NAVY.
CAPT. FRANCIS WILLIAM LACROIX, [redacted] U.S. NAVY.
CAPT. THOMAS FLETCHER MARFIAK, [redacted] U.S. NAVY.

CAPT. RICHARD WILLARD MIES [redacted] U.S. NAVY.
CAPT. ROBERT JOSEPH NATTER [redacted] U.S. NAVY.
CAPT. ROBERT MICHAEL NUTWELL, [redacted] U.S. NAVY.
CAPT. MARC YVE EUGENIO PELAEZ, [redacted]. U.S. NAVY.
CAPT. JAMES GREGORY PROUT III [redacted] U.S. NAVY.
CAPT. RAYMOND CHARLES SMITH, JR., [redacted] U.S. NAVY.
CAPT. JAY WOODROW SPRAGUE, [redacted] U.S. NAVY.
CAPT. JAMES REYNOLDS STARK [redacted] U.S. NAVY.
CAPT. RICHARD DAVID WILLIAMS III, [redacted] U.S. NAVY.
CAPT. JAY BRADFORD YAKELEY III, [redacted] U.S. NAVY.

ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

CAPT. LEWIS ALLEN FELTON [redacted] U.S. NAVY.
CAPT. PAUL MATTHEW ROBINSON, [redacted] U.S. NAVY.

AEROSPACE ENGINEERING DUTY OFFICER

To be rear admiral (lower half)

CAPT. GLENN PATRICK PHILLIPS [redacted] U.S. NAVY.
CAPT. BARTON DALE STRONG, [redacted] U.S. NAVY.

SPECIAL DUTY OFFICER (PUBLIC AFFAIRS)

To be rear admiral (lower half)

CAPT. KENDELL MILFORD PEASE, JR. [redacted] U.S. NAVY.

IN THE AIR FORCE

AIR FORCE NOMINATION OF SUSANN J. STEINBERG, WHICH WAS RECEIVED BY THE SENATE ON FEBRUARY 14, 1992, AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 18, 1992.

AIR FORCE NOMINATIONS BEGINNING MAJ. JAMES D. BARKER, [redacted] AND ENDING MAJ. WILLIAM W. MANNING, [redacted] WHICH NOMINATIONS WERE RECEIVED BY THE SENATE ON FEBRUARY 14, 1992, AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 18, 1992.

AIR FORCE NOMINATIONS BEGINNING JAMES A. ABBOTT, AND ENDING ANTHONY L. WOODSON, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE ON FEBRUARY 14, 1992, AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 18, 1992.

AIR FORCE NOMINATIONS BEGINNING STEVEN A. TASK, AND ENDING DAVID M. DECKMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 25, 1992.

AIR FORCE NOMINATIONS BEGINNING PHYLLIS J. HANSEN, AND ENDING DARRELL L. SECHREST, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 3, 1992.

AIR FORCE NOMINATIONS BEGINNING ROBERT K. BUTLER, JR., AND ENDING WILLIAM L. SHERRILL, JR., WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 3, 1992.

AIR FORCE NOMINATIONS BEGINNING *STEPHEN C. CAREY, AND ENDING *RONALD D. WONG, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 3, 1992.

AIR FORCE NOMINATIONS BEGINNING GARY A. ANDERSON, AND ENDING CATHERINE R. ZELNER, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 10, 1992.

AIR FORCE NOMINATIONS BEGINNING TIMOTHY D. BALLARD, AND ENDING NATHAN C. WARD, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 18, 1992.

IN THE ARMY

ARMY NOMINATIONS BEGINNING JAMES A. BUCKNER, AND ENDING LARRY WILLIAMS, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE ON FEBRUARY 14, 1992, AND APPEARED IN THE CONGRESSIONAL RECORD OF FEBRUARY 18, 1992.

ARMY NOMINATIONS BEGINNING ROBERT G. ALBRECHT, JR., AND ENDING DONALD L. BERRY, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 3, 1992.

ARMY NOMINATIONS BEGINNING INA J. CLAWSON, AND ENDING *PATRICIA A. VINOCUR, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE ON MARCH 3, 1992, AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 4, 1992.

ARMY NOMINATIONS BEGINNING JOHNNY D. BROWN, AND ENDING GREGORY L. ANGSTMAN, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE ON MARCH 3, 1992, AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 4, 1992.

ARMY NOMINATIONS BEGINNING DAVID A. ABKE, AND ENDING JOSEPH J. ZWIRECKI, WHICH NOMINATIONS WERE RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 3, 1992.

IN THE MARINE CORPS

MARINE CORPS NOMINATION OF BRUCE K. BANCROFT, WHICH WAS RECEIVED BY THE SENATE AND APPEARED IN THE CONGRESSIONAL RECORD OF MARCH 18, 1992.

THE JUDICIARY

PAUL J. KELLY, JR., OF NEW MEXICO, TO BE U.S. CIRCUIT JUDGE FOR THE TENTH CIRCUIT.

HENRY C. MORGAN, JR., OF VIRGINIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF VIRGINIA.

J. CURTIS JOYNER, OF PENNSYLVANIA, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF PENNSYLVANIA.

JOSEPH E. IRENAS, OF NEW JERSEY, TO BE U.S. DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY.

DONALD J. STOHR, OF MISSOURI, TO BE U.S. DISTRICT JUDGE FOR THE EASTERN DISTRICT OF MISSOURI.

EWING WERLEIN, JR., OF TEXAS, TO BE U.S. DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF TEXAS.

DEPARTMENT OF JUSTICE

WAYNE A. BUDD, OF MASSACHUSETTS, TO BE ASSOCIATE ATTORNEY GENERAL.

EXTENSION OF REMARKS

CONGRATULATIONS TO THE INDEPENDENT REPUBLICS OF CROATIA, SLOVENIA, AND BOSNIA

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. BROOMFIELD. Mr. Speaker, today the U.S. Government officially extended diplomatic recognition to the independent states of Croatia, Slovenia, and Bosnia. I wish those new nations good luck as they mark this historic occasion. After much delay, the administration finally made the correct decision and recognized those freedom-loving republics.

Historically, America has seen promoting self-determination and democracy as its mission. Yet we stood back while a Serbian strongman unleashed his army on Croatian police and civilians in a failed effort to keep the federation together. We chose to forget that recognition of independence can create a powerful deterrent to further aggression. Fifty-one nations have taken that step before the United States, the leader of the free world.

The Croatians paid a high price for our desire to see Yugoslavia stay together. Over 10,000 people died, and 700,000 were displaced. Croatia lost one-third of its territory and sustained massive destruction to its infrastructure and economy. Croatia's suffering might have been avoided if we had stood up for the values that guide our great Nation—freedom, democracy, respect for human rights, the peaceful resolution of disputes, and an end to communism.

I am pleased that the guns are slowly falling silent in Croatia and that U.N. forces are now being deployed there. The European Community's official recognition of Bosnia takes effect today. I continue to be concerned, however, about the ongoing Serbian-backed aggression in Bosnia and the shelling of towns in that republic by Yugoslav Federal Army units. I trust that the administration and our European allies will send a strong message to Mr. Milosevic that the world will not tolerate his senseless bludgeoning of innocent people.

I am confident that these three republics will become prosperous, democratic nations that respect the rights of all their people. Those of us in this body and the various ethnic communities in America who encouraged their quest for self-determination will someday be proud of having shared their dream.

EVERYONE KNOWS LLOYD BUHL

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. VANDER JAGT. Mr. Speaker, the New York Times may offer "all the news that's fit to print" and the Washington Post and Los Angeles Times may be vying to be the national newspaper of record, but across the country we all know that it is really the weekly newspaper that is the voice of truth, justice, and the American way.

Every once in a while a special opportunity comes our way to remind us of just what these pioneers and preservers of a very unique slice of American life mean to us. I really feel for my colleagues from big city districts who never get to know the special terror that comes from working—and sparring—with a small weekly newspaper editor. They, and the contribution they make, are truly unique. There is no more fearsome—or friendly—an editorial board than the committee of one who not only decides what news is fit to print, but also what editorial comments will accompany that news.

Among these special people is Lloyd Buhl—all the way across the State of Michigan from our Ninth Congressional District—but right at home in spirit among the hundreds of weeklies which spot our great State, and certainly at home with those of us who pledge our principled allegiance to the Grand Old Party.

Did you want Aunt Minnie's special apple pie recipe from last week's church bake sale, or maybe to know why Art and Marge down the street have not been around lately, or is it to solve the mystery of that out-of-state plate that you saw up and down Main Street last week? It will all be there on Wednesday, or Thursday, and you can bet the farm on its accuracy.

And in Deckerville, MI, people have been doing just that for almost 60 years, courtesy of Lloyd Buhl. Everyone knows Lloyd Buhl.

More to the point, Lloyd Buhl knows everyone.

From the post office to the Governor's office.

And, boy, does that make for a tradition that's an institution.

Over all his years Lloyd Buhl has served his community, served his neighbors, with wit and wisdom—and not a little bit of news.

He has also served our Republican Party—and, unlike those purportedly sanitized and nonpolitical purveyors of opinion in all those big city newspapers, has made no bones about it where it counts most: the Deckerville Recorder. And, agree with him or not, the locals read it cover to cover.

Recently one of the big city boys, the Detroit Free Press did a feature on the Land of the Buhl Newspapers and editor Lloyd Buhl. It features a great slice of American newspaper life and, like the editor it honors, it deserves the attention of my colleagues. The article, and a commentary on a photo essay which we cannot share, follows—but before it does, I would just like to correct one comment about which Lloyd Buhl, perhaps for the only time in his life, is wrong. He is quoted, following an election loss, as commenting: "I lost, which is the story of my life."

To steal a phrase from today: "Not!"

The story of Lloyd Buhl follows, and, as my colleagues will attest, it is the story of a real winner:

[From the Detroit Free Press, Mar. 25, 1992]

PUBLISHER'S THE STORY AT SMALLTOWN NEWSPAPER

(By David McKay)

DECKERVILLE.—Lloyd F. Buhl, overseer of what his headlines call "The Land of Buhl Newspapers," treats his Sanilac County village as his domain.

Many of his 1,800-plus readers must understand.

Every week, readers see the arch-Republican publisher's strong views, playful criticisms and conservative thinking woven through the Deckerville Recorder's news and opinion columns.

His headlines scream across the top of the page:

Bowling season gets under motion
In the land of the Buhl Newspapers

Or:

Bean harvest starts, like it or not,
In the land of the Buhl Newspapers

And, another that had no explanation:

New pedagogues being welcomed
In the land of the Buhl Newspapers

Deckerville, Buhl's adopted home, began as a lumber mill in 1865. Farming is the mainstay around these parts now. The newspaper that is now Buhl's began publishing 100 years ago this year.

After nearly 60 years as its publisher, Buhl himself is a local institution.

He does job printing and represents GTE, swapping good phones for bad ones ("It's kind of a pain," he says, "but we get a buck apiece every time we go to the desk.").

Though the 35-cent tabloid hasn't made him much of a living—"We've gotten by, and that's about it"—it's what gives the big man in plaid flannel shirt and suspenders a bully pulpit every Wednesday.

Sometimes, Buhl uses that pulpit to discuss his views on politics. Buhl, after all, is a GOP vice chairman for George Bush's reelection in Michigan. Election season or not, there is no doubt where he stands.

But despite an occasional look at state and national politics, what readers get mostly is local news, Lloyd Buhl-style.

Among the government advertisements, recipes, school honor rolls, readers' letters and the obituaries, Buhl's columns "Free Wheelin' thru Sanilac" and "Found on the Desk" are folksy hodgepodges of handouts, jokes and observations.

$4,500 STARTED A TRADITION

The years have made Buhl comfortable with the town and the printed voice he uses to cover and reflect it.

He was fresh out of high school in New Haven and the Great Depression was sinking into rural Michigan when his father gave him the down payment on the Recorder—a $4,500 purchase. It was that or college, and young Buhl knew he could make a living as a printer in a time when college graduates taught school for less.

All of a sudden, the boy who had started as a 12-year-old printer's devil at the Armada

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

Matter set in this typeface indicates words inserted or appended, rather than spoken, by a Member of the House on the floor.

Times in 1930 had become a publisher in Michigan's Thumb. Since then, says Mary Frey, the Times' editor, "We think of him as a grand old man of publishing."

Village Clerk Audrey Stolicker sums up Buhl: "Lloyd is Deckerville, to me." She took office in 1974, when he was village president—a job his son Karl, 43, had until earlier this month. (He did not run for re-election.)

The author of the Recorder's "The Gavel Rap" column on legal issues is William C. Buhl, 49, chief circuit judge in Van Buren County.

Karl and William's published-father has been a force locally and in the state GOP—even cozy with the party's governors. Still, he never succeeded at attempts to win state or national offices in Michigan.

He ran for the state Senate in 1974 and for Congress in 1988. He takes his defeats with lighthearted humor: "I lost, which is the story of my life."

In an agricultural county where roads, are named for where they lead—Juhl, Ruth, Peck, Argyle, Snover, Deckerville—Buhl has a reputation for an encyclopedic knowledge of his crossroads town of 1,030 souls.

"His mind is like a computer. He has an incredible memory," says Debbie Apsey, who helps her husband run the village's storefront funeral home. The couple uses Buhl Publishing to print funeral programs.

"Lloyd is one of those irreplaceable people," Debbie Apsey says. "He writes with so much color and history behind him."

Looking at the paper, she says, "It's so cute with his politics."

When the Army stationed Bradley D. Apsey in Thailand during the Watergate era, the Recorder followed by mail.

Debbie Apsey says Buhl would call his pal, then-governor Bill Milliken and other high-ranking Republicans, then report their comments on current events.

"Brad's friends would say, 'What is this?' and he'd say, 'Well, he knows these people.' "

EVERYONE KNOWS LLOYD BUHL

Marsha Kosal, who manages a federal food program at the local Senior Citizens Center, says, "I don't think you'd find anybody in Deckerville who doesn't know Lloyd Buhl. He's just an enjoyable man."

The Recorder is not typical, she says, "I get the paper, and sometimes you wonder why you get it." Still, she says, "I sit down . . . and read it cover-to-cover. I enjoy it."

Deckerville Police Chief Henry C. Morton says, "You could do anything wrong to him, and the next day he'll treat you the best. He holds no grudges.

"That's the best example I can give you of Lloyd Buhl."

The publisher of Buhl's nearest competitor says, "It's a unique paper, to be polite about it."

John D. Johnson, publisher and editor of the weekly Sanilac County News, in the county seat of Sandusky, says, "As far as Lloyd himself, he's done a lot of good for Deckerville, because he's always had Deckerville at heart."

Johnson owns a Deckerville building and once offered to buy Buhl out, but Buhl stays.

Over a burger and beer at Tom & Ev's Pub, a pool table and pinball bar on Main Street, Buhl explains that he didn't plan to stay in Deckerville; he just did.

"I always intended to leave the area," he says. His best shot was when he campaigned for millionaire Frederick M. Alger for governor in 1952. Buhl hoped to go to Lansing as Alger's press secretary, but, "Well, Fred lost, and the reason he lost: No. 1, he had absolutely no personality and, No. 2, he was one of the Algers of Grosse Pointe."

In the end, Buhl says, he stayed because "my kids did not want to move, so we kind of gave up the Lansing thing."

KEEPING PAPERS COMING SINCE '35

(By David McKay)

DECKERVILLE.—In a former creamery a block from this Thumb town's only traffic light, Lloyd Buhl, 74, publishes the Deckerville Recorder.

He works amid inky, dusty old machinery and cast-off equipment that took him from hand-fed, 19th-Century technology to a jerry-built computer system and offset printing. The computer, which spews out copy on a standard, 24-pin printer, came from a bank's fire sale.

Waving his hand over the clutter, he said, "This is what's left of a hardtype newspaper," when Linotype operators cast lines from molten lead.

It was in 1935 that Buhl took over the Recorder. To do it, he quit a paper in New Baltimore, where he'd gotten a job at 50 cents an hour after the publisher's girlfriend-typesetter broke an arm in a drunken fall from the porch of a blind pig.

"Back then, we were all printers. Ever since we went to offset, we're journalists."

Buhl admits, "I was never that good a writer," but he can do everything that needs to be done. "When you're a small-town editor, you have to."

He says his wife, Rosamond, was a crack shot with the Polaroid camera that used to fill the pages with local faces. The camera is retired, and so is she, except to mind the phones occasionally.

"I'd like him to get out of this business. He's 74. But I don't know what I'd do with him if he did get out of it."

POWER OF THE PRESS: ONE REPORTER'S VENDETTA

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. HUBBARD. Mr. Speaker, this is the first of a series of three presentations to point out how vindictive, vicious, and vitriolic one member of the media can be in his ongoing goal to destroy a Member of Congress.

This series of entries in the CONGRESSIONAL RECORD, to be followed by a 60-minute speech on the House floor, was prompted by an excellent article last Sunday in the New York Times by reporter Adam Clymer entitled "Citing Rise in Frustration, Dozens of Lawmakers Quit."

The article begins with: "Redistricting, frustration with legislative gridlock and worries over scandals both real and imagined are causing more Members of the House of Representatives to choose to leave than at any time within memory."

Last week, I visited with a dozen of the House Members who are retiring. Ten of them mentioned frustration with media representatives who appear to be determined to present U.S. Representatives in the worst possible way.

Last Thursday night, at a reception at the Carlton Hotel in Washington, DC, Mike Brown, a reporter for the Courier-Journal, a daily newspaper in Louisville, KY., arrived shortly after 6 p.m. and began boasting: "As soon as CARROLL HUBBARD and his wife arrive I'll embarrass them with questions about cold checks and I'll follow them around the room until they leave. Wait and see."

My wife Carol and I were unable to attend the reception. Carol was in eastern Kentucky. I was en route to Paducah, KY.

Six members of my staff attended the reception. Reporter Mike Brown, upon learning that Carroll Hubbard and his wife would not be attending, noticeably and obviously was following two of my staff—listening to their conversations, taking in every word.

My wife Carol and I are accustomed to seeing Mike Brown at receptions. He attends our fund-raising receptions. He's always the uninvited guest who pays nothing, naturally, but stands at the front table where those attending announce their names and receive name tags. When most of the crowd have arrived he then stands inside the reception room and then walks around taking names and their affiliations. Then, over the next several days, he calls individuals who were at the fund-raising receptions and asks, in an intimidating way, why they were there.

For years, when I have filed my financial disclosure report with the Office of Records and Registration, reporter Mike Brown calls the corporations, trade associations, companies, businesses, colleges or schools to ask why they invited me.

On July 16, 1991, George Gill, publisher of the Courier-Journal, asked me: "Why does Mike Brown hate you so much?" My reply: "That's what I'm asked by Washington journalists."

My staff and I realize we are wasting our time contacting Mike Brown about grants or legislation benefiting western Kentucky—as he has told us he is not interested.

Mike Brown attended 2 full days of June, 1991, markup of the House Banking Committee regarding the Treasury Department's banking reform legislation, but, naturally, he chose not to attend the markup session when my amendment, successful days earlier in the Financial Institutions Subcommittee by an 18–17 vote, was the subject of four competing amendments, several hours debate and four rollcall votes. My amendment was not altered by any of the votes. The Hubbard amendment was news in the major national media and the subject of editorials in the Washington Post and the New York Times. But, or course, there was nothing about my amendment at any time in the Courier-Journal.

In 1985 reporter Mike Brown interviewed at least 10 House Members as to whether I owned real estate in Panama. I've never even considered owning real estate in any foreign country.

Ever since January, 1977, I've either been appointed or elected to the House Democratic whip organization. In 1989 and 1991 the Democratic House Members from West Virginia, Virginia, Maryland, Delaware and Kentucky elected me as their regional whip for the House Democratic whip organization. Naturally, Mike Brown and the Courier-Journal have never written a news article regarding my being appointed or elected as a Member of the House Democratic whip organization.

On July 15, 1991, Mike Brown tried his best to damage my wife's credibility by questioning the accuracy of Carol's financial disclosure statement, calling her employer, telling Barbara Bayus of Computer Sciences Corp. at Falls Church, VA.: "Mrs. Hubbard has filed out a form for our newspaper and has listed her title and salary and we just want to verify it." Naturally, Mike Brown changed his comments when Joel Goins of Computer Sciences Corp. called Mike Brown regarding his strange inquiry and false comments about my wife's signing a Courier-Journal form.

In July of last year, reporter Mike Brown made telephone calls on Capitol Hill and in downtown Washington, trying to tie me with Charles Keating, the convicted Phoenix, AZ, savings and loan official. I finally wrote Mike Brown, assuring him I'd never stayed at nor even seen the Phoenician Hotel in Phoenix, and that I'd never met with Charles Keating at any time.

This is just a portion of the actions of one reporter named Mike Brown, representing the Courier-Journal. He believes freedom of the press is a license to destroy a congressman he has tortured for many years.

NATION'S FIRST AFTER SCHOOL PROGRAM FOR DEAF CHILDREN OPENS IN PINELLAS PARK

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. YOUNG of Florida. Mr. Speaker, I rise today to tell my colleagues of an incredible program which is about to begin within my district. On May 1, the Nation's first after school program for deaf children will begin at the Deaf Service Center of Pinellas. This one-of-a-kind program promises to offer deaf children throughout our community the opportunity to interact after school with other deaf children, older deaf volunteers, and high school and college students who act as tutors and mentors, companions, and playmates.

The program, called PEACH for Program to Enhance Achievement of Children with Hearing loss, is the result of 10 years of hard work by the Deaf Service Center of Pinellas and its advisory council. Committed to creating an environment where deaf children could learn from experienced deaf adults, they worked tirelessly within the deaf community to gain support and realize their dream. On May 1 that dream will come true when 35 students from around the area will ride to the center on buses for a well-rounded atmosphere of study and play.

The objective of the program is to instill in deaf children self-esteem, and to teach them communication and living skills needed to be successful in our everyday world. Teachers and volunteers at the center will address the needs of each individual child, focusing on the child's social and academic areas of difficulty.

It is no secret that individuals with disabilities can have learning difficulties that, without the proper teaching and attention, can lead to a higher incidence of high school and college dropout. However, by overcoming the communication barrier imposed by hearing loss in a deaf-friendly environment, deaf children and the hearing impaired always become tremendously successful in whatever they choose to do. PEACH will seek to meet that challenge.

Through the generous contributions of the Friends of the Deaf Service Center, PEACH was able to hire its first teacher on February 17, and begin its historical mission. The funding to run this ambitious program is being provided entirely through the voluntary contributions of Friends of the Deaf Service Center, and through a fundraiser, Freedom Walk II, which today enjoys the support of Sertoma, Lions, Optimist, and Kiwanis clubs as well as school groups, colleges, Florida Power Corp., GTE, AAA, and church organizations.

There are more than 280 deaf children in my community alone who could benefit from participating in PEACH. This program has taken the first step toward meeting their needs. I am hopeful that in the future, with the support and assistance of the local community and this Congress, PEACH will be able to touch each and everyone of them.

Mr. Speaker, on April 11, in Freedom Walk II, supporters of PEACH throughout the St. Petersburg area will take their own steps on the Pinellas Trail to benefit this program. It is my hope that you and my other colleagues will join with me in sending our heartfelt wishes of support to all those involved in the walk, and in recognizing the outstanding achievements of those responsible for the creation of PEACH.

BILL TO TEMPORARILY SUSPEND THE DUTY ON RIFABUTIN

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. RICHARDSON. Mr. Speaker, today I am introducing a tariff bill to temporarily suspend the duty on rifabutin, an experimental drug which can prevent or delay the onset of a life-threatening infection that often afflicts AIDS patients, mycobacterium avium complex [MAC]. There is currently no known treatment for MAC.

Specifically, my legislation will temporarily suspend the duty on rifabutin in dosage form—classified in HTS 3004.20.00 with a duty of 3.7 percent. There is no domestic production of rifabutin and Italy is the only supplier of the product.

Rifabutin is anticipating the Food and Drug Administration's approval of a new drug application. The FDA recently approved rifabutin for treatment IND [investigational new drug] status which makes the drug available to patients during the remainder of the preapproval period. Rifabutin will ultimately be bottled, labelled, packaged, and distributed by Adria Laboratories, a leading manufacturer of oncological and immunology products with a major facility—Adria S.P. Inc.—in Albuquerque, NM.

This duty suspension bill will enhance the availability and reduce the price of rifabutin for the treatment of MAC and will help preserve and protect jobs in New Mexico. I will seek to have this measure included in the miscellaneous tariff legislation now under consideration in the House.

H.R. 4826

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. TEMPORARY SUSPENSION OF DUTY.

Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

"9902.31.14	Rifabutin (dosage form) (CAS No. 72559–06–9) (provided for in subheading 3004.20.00)	Free	No change	No change	On or before 12/31/94".

SEC. 4. EFFECTIVE DATE.

The amendment made by section 1 applies with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

MONMOUTH MEDICAL CENTER PRESENTS PINNACLE AWARDS

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. PALLONE. Mr. Speaker, on Saturday, April 11, 1992, Monmouth Medical Center of Long Branch, NJ, will present its second biannual Pinnacle Awards in recognition of outstanding physicians. I will have the distinct honor and privilege of participating in this very special event, along with other leaders of the community and officials of the medical center, to pay tribute to five individuals who during their many years with Monmouth Medical Center have represented the highest standards of service, dedication and professionalism.

The winners of the Pinnacle Awards are: Nicholas J. Arcomano, M.D., who has been with the department of medicine since 1955; Pascal L. Federici, M.D., a member of the department of obstetrics/gynecology since 1954; Otto Lehman, M.D., with the department of orthopaedics since 1942; Leon Reisner, D.D.S., a member of the department of dentistry since 1948; and Gerald F. Whalen, M.D., who has been with the department of surgery since 1953. Each award will be presented by one of the recipient's colleagues.

Mr. Speaker, as a lifelong resident of Long Branch, I have seen Monmouth Medical Center grow and prosper, keeping pace with the state-of-the-art in medical services and technology, and expanding its operations throughout the community. Throughout these years of change, these five distinguished physicians have made an incalculable difference in the lives of countless individuals and families from Monmouth County and beyond. I take tremendous pride in sharing their achievement before this House.

NATIONAL CHILDREN'S ADVOCACY PROGRAM ACT OF 1992

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. HARRIS. Mr. Speaker, today I join my colleague, BUD CRAMER, in cosponsoring legislation, H.R. 4729, to create an integrated child abuse program.

Our children represent our future. I believe we should develop programs that are specifically oriented to children who have been abused. Last year, there were more than 40,000 children who were abused in Alabama. This is a disgrace. I believe we must create programs which help these children in need.

In the Seventh District of Alabama we are fortunate to have the Tuscaloosa Children's Center. This nonprofit foundation was established in 1987. It is 1 of 12 child advocacy centers in the State of Alabama. The Tuscaloosa Children's Center provides counseling for children who have been sexually or physically abused. In addition, the center coordinates the efforts of local law enforcement and social services in the investigation and management of child abuse cases. Last year, there were more than 680 reports of child abuse in Tuscaloosa County. This represents more than 910 children who need help. I believe this bill will help other communities to develop their own intervention program modeled after the successful efforts in Tuscaloosa. I applaud the tremendous efforts of Director Patti R. Steele at the Tuscaloosa Children's Center and her staff for a job well done. I believe other children would benefit from such a dedicated group of individuals.

The legislation will establish a children's advocacy advisory board which will be responsible for developing guidelines for the program. The bill authorizes $10 million to encourage communities to create children's centers. Applicants will be required to provide remedial counseling for both children and their families. The National Center for Child Abuse and Neglect as well as the Director of the Office of Juvenile Justice and Delinquency Prevention will work jointly with the board to create an interdisciplinary program.

I urge my colleagues to join us in supporting the passage of this measure.

IN SUPPORT OF LEGISLATION DESIGNATING THE WILLIAM B. HOYT II VISITOR'S CENTER IN LETCHWORTH GORGE

HON. HENRY J. NOWAK

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. NOWAK. Mr. Speaker, today I am introducing legislation which would provide funds for the construction of a visitors center at Letchworth Gorge in Mt. Morris, NY and would designate that facility in honor of State Assemblyman William B. Hoyt, a distinguished member of the New York State Assembly who died recently of a heart attack at the age of 54. A companion bill has been introduced in the Senate by my colleague Senator MOYNIHAN.

The bill provides such sums as are necessary to convert former Corps of Engineers barracks at the Mt. Morris Dam site into a visitors center. The Corps has already studied the feasibility of this renovation and preliminary studies and have already been completed.

It is entirely proper that this facility be named after Assemblyman Hoyt. During his 18 years in the Assembly he sponsored several bills aimed at protecting the environment, including the Fresh Water Wetlands Act in 1975 and the Letchworth State Park Protection Act in 1988.

In addition to being professionally concerned with the environment, he was a whitewater and wilderness canoe enthusiast. He paddled over 2,000 miles on numerous Arctic and sub-Arctic rivers in Canada's Northwest and Yukon Territories and in the Hudson and James Bay regions.

Naming this facility after Bill Hoyt will serve as a reminder to all who visit of the extraordinary contributions which he made to the State of New York.

ALABAMA SOUNDS OFF ON HEALTH CARE

HON. BEN ERDREICH

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. ERDREICH. Mr. Speaker, more than 7,000 residents of Alabama's Sixth Congressional District have responded to my health care questionnaire, and I urge my colleagues to listen closely to their sound advice. These opinions serve as a gauge for me as I go about the task of representing Alabama in Congress, and I think Congress would be well-served to take notice of the results of this questionnaire.

Only 19 percent of those responding are satisfied with the Nation's current health care delivery system, and only 31 percent are satisfied with the cost and quality of their own health insurance coverage.

The rising cost of health care is the most important issue to 70 percent of those responding. The quality of health care was next at 23 percent, followed closely by accessibility with 22 percent.

Fifty percent of those responding supported the pending pay or play health insurance proposal, but 44 percent were opposed to that approach. Similarly, 49 percent recommend a singleplayer, national health insurance plan, but 44 percent were against that proposal.

Two-thirds of those who answered this questionnaire believe the Government should get involved in health care, but at the same time, 60 percent say raising taxes is not how it should get involved.

Mr. Speaker, I thank the 7,449 people in Jefferson County who took the time to respond to this questionnaire. I am enclosing a copy of the results so we all can learn from it.

HEALTH CARE SURVEY RESULTS

[Total Responses: 7,449]

	Percent
(1) Do you currently have health insurance?	
Yes	88
No	10
Not available	2
(1B) If no, why?	
Can't afford	8
Ineligible	1
Employee does not provide	1
Other	1
Not available	89
(2) Are you satisfied with the nation's current health care delivery system?	
Satisfied	19
Unsatisfactory	53
Fairly satisfactory	24
Not available	3
(3) Are you satisfied with the cost and quality of health insurance coverage that you currently have?	
Satisfied	31
Unsatisfactory	38
Fairly satisfactory	23
Not available	7
(4) Have you every delayed medical treatment because of the costs involved in obtaining the care you required?	
Yes	42
No	55
Not available	2
(5) Legislation has been introduced in the U.S. Congress that would require employers to either provide health insurance to their employees or pay into a public fund to be created that would enable most other citizens to obtain health insurance. Do you support such a proposal?	
Yes	50
No	44
Not available	6
(6) Should the United States adopt a national health insurance program—like Canada-which provides government sponsored health insurance for all citizens?	
Yes	49
No	44
Not available	7
(7) If improving the Nation's health care system came down to either (a) requiring employers to provide health insurance or pay into a public health insurance fund or (b) establishing a national health plan, which do you prefer?	
(a)	37
(b)	52
Not available	10
(8) It has been suggested that the only way to finance health care reforms is to raise federal taxes. Would you support such a method to improve health care throughout the country?	
Yes	34
No	60
Not available	4
(9) Do you believe that it is the Federal government's role to be involved in health care reform?	
Yes	66
No	27
Not available	5
(10) If you are a Medicare beneficiary, are you generally satisfied with the program?	
Satisfied	16
Unsatisfactory	9
Fairly satisfactory	14
Not available	59
(11) What is the most critical problem confronting the U.S. health care system today? (Rank in order)	
Cost	70
Quality	23
Access	22
Poor habits	14

THE CALIFORNIA COASTLINE

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. CAMPBELL of California. Mr. Speaker, one of the most beautiful treasures in the State of California is the California coastline. As summer approaches, families will be able to spend time together in the California sun, swimming, surfing, sailing, and enjoying the outdoors.

California's coastal communities were recently given a reprieve by President Bush from oil drilling off the coast. The potential for environmental and economic damage from an oil spill far outweighs the economic benefit to be gained from drilling. Even if a slick never occurred, the natural beauty of the coastline would be diminished if offshore rigs were allowed to operate.

The coast is host to a wide range of wildlife as well as recreational sites. In my district, the Ano Nuevo State Reserve is a sanctuary for elephant seals and sea otters. An oil slick would not respect the boundaries of their sanctuary or the fragility of their habitat. The sad pictures of the birds of the Persian Gulf wallowing in oily water after the ecological disaster during the war highlights the potential damage an oil spill can do to wildlife.

The Monterrey Bay Marine Sanctuary is a sensitive habitat for fish, and hence, a valuable resource for fishing. Also, the Monterrey Bay Sanctuary adjoins coastal areas where hundreds of thousands of people live and recreate. The Monterrey Bay Sanctuary is very sensitive to water quality. It is essential for the viability of the sanctuary that drilling not be allowed on the California coast.

To ensure that drilling does not occur, I have introduced H.R. 1319, a bill to give States whose coastlines would be affected the power to decide whether drilling would occur. The citizens of California and other coastal States should have the ultimate right to decide on drilling. After all, basic issues affecting one's community should be decided as close to home as possible. The decision to allow oil drilling should be a matter of federalism as a matter of fairness. Californians know the beauty of their coastline, and should be able to protect it.

QUALITY AND COMMITMENT

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. VANDER JAGT. Mr. Speaker, over and over again these days, even from beyond our borders, we hear that the American laborer is lazy, uncommitted, and sloppy. We are also told that American manufacturers lack a commitment to quality and excellence—and therefore American products are a distinct second to just about everyone else.

We Michiganders, proud of our tradition of responding to the American public with products that meet their needs, know that to be a vicious slur on the dedication of American employers and employees, not only in our great State, but across the Nation.

It is, of course, interesting to note in this regard, that more and more, American cars are winning prestigious engineering and manufacturing awards. The tradition of excellence in the American workplace is alive and well.

And is no more evident than at American Bumper and Manufacturing Company of Ionia, MI, in our Ninth Congressional District.

For 3 consecutive years American Bumper has produced the bumpers for the vehicle chosen by the respected Motor Trend magazine as its "Truck of the Year." Just as an aside, in 2 of those years, the truck was a Ford—and American product.

And of course, in the third of those years, even Mazda—a Japanese manufacturer—found that its best bumper supplier was an American firm.

Ford recently honored American Bumper for its contributions to this year's Motor Trend award winner, the Econoline Chateau Club wagon.

The American public has been slow to react to the changes in automobile manufacturing focus which continues the tradition of American suppliers in providing the vehicles that Americans want. For years that may have meant a different vehicle than we want today—and, unfortunately, that may have led to some delay as being as responsive as the industry would have liked.

But to say, as some have, that American industry and its employees are not committed and dedicated to providing the best possible product at the best possible price is to overlook three generations of a proud tradition of manufacturing and automobile excellence.

A tradition which lives on, a tradition to which the American public will once again respond, and a tradition which is demonstrated repeatedly—and daily—on the production line at American Bumper.

Once again, I congratulate the people of American Bumper, from it president and chief executive officer, Jack Skoog, to the "man—and woman—on the line" for their commitment to quality. I offer, for my colleagues' review, an article on the occasion of the presentation of the award recognizing American Bumper by Ford:

[From the Ionia Sentinel Standard, Mar. 25, 1992]

BUMPER RECEIVES AWARD FROM FORD

(By R.C. Gregory)

IONIA—American Bumper and Manufacturing Company was honored Tuesday by Ford Motor Company for its contributions to a prize winning van.

American Bumper supplies bumpers for Ford's Econoline Chateau Club wagon, recently named "Truck of the Year" by Motor Trend magazine.

"I'm very proud of this award." American Bumper President and Chief Executive Officer Jack Skoog said. "I'm proud on behalf of everyone here at American Bumper. This award says, very simply, we make products that please our customers. That means a team effort in our entire company."

Skoog and Brand Bronsema, vice president and chief operating officer, received the award at a ceremony in Dearborn Tuesday.

This is the third year in a row American Bumper has supplied bumpers for Motor Trends "Truck of the Year." "Three years ago." Skoog said, "we supplied bumpers for the Ford Explorers. Two years ago, for the Mazda Navajo. This year for the Econoline Chateau Wagon.

"This award says we're a good supplier. We're good suppliers because we have excellent people right here in Ionia. I think people in this area should know what we do. It's our teamwork that produced the Econoline bumper. This is the first 'gray box' program that American Bumper has produced. A gray box program includes design and engineering under Ford's supervision."

Work on the Econoline bumper started early in the development of the line. "We had permission to go into the styling studios," Bronsema said. "We got to look at the clay models. The first question there was, 'Can you make this bumper on a production basis?'"

"We were provided with a scan of the clay model. From that tape, we were able to create surfaces. We did the engineering on how we attach the plastic portions, we built the dies, we did our own contracting for the products we don't produce, and then we built and assembled the whole unit. When our bumpers go to the assembly plant, they are ready to go onto the vehicles on the line," Bronsema said.

"Because of American Bumper's achievements," Skoog said, "and because of investments, and because of our workforce, we've been able to go from 200 people on the payroll to 650. It's a good feeling to be recognized for what we stand for—for what we've made.

"I believe everyone wants to take pride in achievements, in producing a quality product, whatever it is. We're proud to be doing this here in Ionia. Our work ethic here is outstanding, but this is our community and it's here we play a role."

Ross H. Roberts, Ford Motor Company vice president and Ford general manager agreed. "The quality components from Econoline suppliers such as American Bumper were important contributions to the launch of Ford's 1992 Econoline," he said. "The Econoline has been the best seller in its class for the past 13 years and we expect to extend its string of sales successes well into the 1990s."

The '92 Chateau Club wagon is essentially an all-new vehicle that continues bond-on-frame construction, Ford's Twin-I-Beam independent front suspension, an out-front engine compartment, and other function improvements. The vehicle is the first full-sized passenger wagon in the industry to offer standard driver-side air bags to supplement safety belts and with lap and shoulder restraints at all rearward outboard seats.

American Bumper and Manufacturing has produced the front bumpers for the Econoline series for one year. The firm also manufactures F-Series front bumpers, F-Series Flareside rear bumpers, Explorer rear bumpers, and Navajo rear bumpers.

Skoog said seven suppliers were honored by Ford—"and all of them are from Michigan. I think that says something about the ability of Michigan manufacturers, including ourselves to produce top standard products."

The award is a replica of the Motor Trend magazine award Ford Motor Company received. It is a golden calipers mounted on a gear, which in turn is mounted on a base. Bronsema said arrangements would be made to place the award so all employees may see it.

NORTHWEST INDIANA HISPANIC COORDINATING COUNCIL RECOGNIZES INDIVIDUALS

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. VISCLOSKY. Mr. Speaker, I rise today to recognize and congratulate the many individuals who will be honored by the Northwest Indiana Hispanic Coordinating Council.

The Northwest Indiana Hispanic Coordinating Council is composed of leaders from 35 different Hispanic organizations. Its goal is to improve the standard of life of residents of northwest Indiana.

Each year the council hosts a conference which brings the Hispanic leadership together to identify important issues in the community. These include education, economic development, government/politics, family, youth development, and perception, stereotypes, and media.

On April 11, 1992, the Northwest Indiana Hispanic Coordinating Council will host its fourth annual recognition dinner in honor of the exceptional men and women of the Hispanic community of northwest Indiana. This year, six individuals will be honored for their outstanding dedication to the community. They have served as role models within their field of specialty and within the Hispanic community. Attorney Carmen Fernandez is being honored as the outstanding professional woman; Dr. John J. Attinasi, for his outstanding service in education; Mr. Oscar Sanchez, for his outstanding efforts in the labor movement; Socorro Roman, for her outstanding service in the field of health; and Father Fernando de Cristobal, for his outstanding community service.

In addition, I would like to recognize and congratulate the Alfonso Lerma Family who will be honored as the outstanding family of the year. The family members include Alfonso's wife, Esperanza, his children, and their spouses: Mr. and Mrs. Alfonso and Minerva Lerma, Jr., Alamar Lerma, Mr. and Mrs. Albert and Diane Lerma, Mr. and Mrs. Samuel and Cindy Lerma, Mr. and Mrs. Dan and Sylvia Gasser, Mr. and Mr. Andrew and Rosemary Lerma, Mr. and Mrs. Edward and Chris Lerma.

The Northwest Indiana Hispanic Coordinating Council also honors eight individuals who have been dedicated to promoting cultural enrichment through sponsorship of dance groups. I commend the following individuals for their promotion of cultural dance: Dr. Jose Arredondo, Ballet Folklorico of East Chicago; Ruth E. and Rebecca A. Alcaraz, La Tropa Michoacana; Sylvia Lopez, Las Adelitas; Jose Verduzco, Ballet Folklorico Mexicano; Celia F. Martinez, Ballet Folklorico La Villistas; and Sylvia Morrisroe, Concepciones Actuales.

The council will also honor Hispanic students who have excelled academically and athletically. Congratulations to the following students who have led their class academically: Paul Hernandez, Munster High School; Christine Ortiz, Highland High School; Tara Morales, Lake Central High School; Jessica Vega O'Neil, Crown Point High School; Daniel Arredondo, Morton High School; Margarita Rocha, Griffith High School; Daniel Rodriguez and Salvador Navarro, Jr., Wirt High School; Cynthia Otano, Merrillville High School; Veronica Camarillo, Bishop Noll High School; Gina Soria, River Forest High School; Rebecca Gomez, Clark High School; Kari Ramirez, Hammond High School; Fabiola Sanchez, Andrean High School; Judy Vizcarra, Horace Mann High School; Anjanett Rodriguez, Calumet High School; Christopher Perez, Lake Station High School; Rachel Valko, Whiting High School; Yolanda Pena, West Side; Tony Zaragoza, Gavit High School; Martha Rodriguez, Hobart High School; and Jose Martinez, Emerson High School.

I also commend the following students who have excelled athletically: Mark Lopez, Munster High School; Christine Quinn, Highland High School; Kyle Woods, Lake Central High School; Shawn Nova, Valparaiso High School; Ken Rivera, Morton High School; Denise Castillo, Griffith High School; Angel Velazquez, Wirt High School; Phillip Guerrero, Merrillville High School; Jaime Gutierrez, Bishop Noll High School; Tom Soria, River Forest High School; Ruben Solis, Clark High School; Edgar Moreno, Hammond High School; Emanuel Medellin, Andrean High School; Rosie Solis and Eddie Fowler, Calumet High School; Misty Soria, Lake Station High School; Elizabeth Ortiz, Gavit High School; Ferdinand Flores, Hobart High School; and Jose Martinez, Emerson High School.

I extend my congratulations to the aforementioned individuals who have played a key role in promoting fraternal and cultural activity among the Hispanic population of northwest Indiana. Each and every individual has served as an outstanding role model, not only to the Hispanic members of the community, but also the community as a whole. They have shown a strong dedication to addressing the many issues which are important and integral toward improving the quality of life for the peoples of northwest Indiana.

TRIBUTE TO SACRAMENTO POLICE CHIEF JOHN P. KEARNS

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. MATSUI. Mr. Speaker, I rise today to salute the many achievements of a good friend and an outstanding American, Sacramento Police Chief John P. Kearns. John will be retiring from the police force on May 1, 1992 following the second-longest tenure as chief in department history. It is a special honor to pay tribute to such a remarkable leader who has made such a great contribution to the Sacramento community.

A native of Sacramento who received his B.A. in public administration and his master degree in social science from California State University Sacramento, John got his start in police work as a patrol officer in 1956. His dedication and talent helped him to make detective in 2 years, and sergeant just 6 years later. He completed his impressive ascent through the department ranks in 1977 when he was named chief of police.

As chief of police, John has been known as a "cop's cop"; as a leader in touch with the problems and issues facing the men and women in the patrol cars, on the street, and up through the ranks.

John has initiated numerous innovative and effective new programs during his 15 years as chief of police. Among them was problem oriented policing in which officers are trained as trouble-shooters and work with other agencies to rehabilitate rundown or crime-ridden properties.

He also encouraged more active police involvement in the community by spearheading community partnership programs such as "Crime Alert," "Adopt A Cop," "Partnerships in Prevention," and community ridealongs.

John also has played a significant role in the passage of key crime fighting legislation. He endorsed State legislation which imposes a 15-day waiting period for the purchase of guns and makes it a crime for a felon or addict to possess such a weapon. Due in large part to John's lobbying efforts, State prison officials now notify police agencies of the release of State parolees and provide them with information on parolee enrollment in reentry or work furlough programs in their jurisdiction.

Mr. Speaker, it is with great pride and enthusiasm that I speak on behalf of Chief John P. Kearns. His dedication to the citizens of Sacramento has been a true inspiration and his contributions will not soon be forgotten. I ask my colleagues to join me in congratulating him and in wishing him happiness in his retirement.

SGT. ROBERT HILLEARY OF SEMINOLE, FL, AN EXAMPLE OF AIR FORCE EXCELLENCE

HON. C.W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. YOUNG of Florida. Mr. Speaker, throughout its history, the U.S. Air Force has been a symbol of American military excellence at home and throughout the world. This excellence can be attributed to many factors, but foremost among them is the quality of its personnel stationed here and abroad.

It is an honor and a pleasure for me to report to you today about the exemplary service of Air Force S. Sgt. Robert D. Hilleary, a constituent from Seminole, FL, who symbolizes the professionalism, skill, and training of Air Force personnel that have made them one of our Nation's greatest assets.

Sergeant Hilleary was recently awarded the U.S. Air Forces in Europe Professional Performer Award in recognition of his special attention to detail when he noticed a taxiing aircraft had one of its right main landing gear tires blown. Upon noticing this hazard, the aircraft was prevented from taking off, and after further investigation it was discovered that the landing gear strut had a severe hydraulic leak. Sergeant Hilleary's quick response to this serious mechanical problem prevented a catastrophic loss of life and equipment. His actions exemplify the quality of U.S. servicemen who have volunteered to represent our Nation abroad and do so with tremendous honor.

Mr. Speaker, for his devotion to his duties and particular attention to detail, I commend Sergeant Hilleary, and call to your attention his outstanding service to the U.S. Air Force and our Nation.

IN HONOR OF PALMA HIGH SCHOOL: WINNERS OF THE CALIFORNIA STATE BASKETBALL CHAMPIONSHIP

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. PANETTA. Mr. Speaker, I rise today to congratulate the basketball team of Palma High School in Salinas, CA. Palma is one of the first teams from the Monterey Bay area to win the Northern California Championship in Division IV, and Palma went on to become the first team from Monterey County to win the California State Basketball Championship.

The Chieftains, which finished the season at 29–2, excelled all year with the experienced starting lineup of seniors: Chad Amaral, Matt Amaral, Sky Feekes, Brandon Peterson, and junior Joey Diaz. Juniors Casey Kelley and Todd McRae and sophomore Mike Castagnello also made significant contributions during the championship run, but the entire Palma team, including seniors Mike Baclig, Robert Long, Kenny Young, and Stephen Zenk; juniors Dave Sargenti and Josh Short; and sophomore Marc Matock deserves high praise. This fine team was coached by Bob Burlison, with assistant coaches John Amaral and Mark Crossgrove.

The State championship final game against Abraham Lincoln Prep of San Diego was an exciting game that Brandon Peterson, Palma's 6'9" center who has won a scholarship to Oregon State, won by tipping in a miss for a 55–54 lead that became the final score 13 seconds later. Thus ended an emotional season for the team whose slogan was, "We Are Family."

Mr. Speaker, I must say that I am very proud to represent these young men who have strived the entire season until finally reaching their goal as California State champions. This is an honor that is truly deserved by every one of these players. It is with this that I ask my colleagues to join me in once again congratulating Palma on finishing a fine season and winning the Division IV California State Basketball Championship.

TRIBUTE TO SHELBY COUNTY HIGH SCHOOL

HON. CLAUDE HARRIS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. HARRIS. Mr. Speaker, I would like to share with my colleagues the impressive accomplishments of the administration, faculty, and students at Shelby County High School in Columbiana, AL. Recently, this school was recognized by Redbook Magazine as one of the five most improved schools in the United States. This recognition deserves loud applause, as such an accomplishment is invaluable to both our community and our country.

Over the last 5 years, test scores, attendance, and graduation rates at Shelby County High School have risen dramatically. These improvements can be attributed to a number of factors, including a principal, faculty, student body, and community devoted to excellence. Their dedication and achievement serve as an example to us all of the role we can and must take in betterment of our youth's education.

I commend Shelby County High School, its principal, Beverly Hall, and everyone who has contributed to the school's success. The entire State of Alabama takes great pride in this outstanding accomplishment, and I am confident that Shelby County High School will continue in its efforts to excel.

COLLEGE FOR FINANCIAL PLANNING

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. SCHULZE. Mr. Speaker, today I am introducing legislation to call on the U.S. Congress to recognize the need for financial planning education. My legislation would express the sense of the House of Representatives that American high schools should offer financial planning courses, which are available, free of charge, through the College for Financial Planning in partnership with the U.S. Extension Service.

The college, in partnership with the U.S. Extension Service, has programs in all 50 States and has served over 180,000 students nationwide. Through congressional recognition of the college, the goal of this legislation is to make financial planning education available to every high school student across the country.

The financial planning program designed by the college consists of six units, which includes teaching students how to differentiate between needs and wants, how to set goals, and how to manage income and saving. This program is not only for the wealthy, but for all income levels. In a study conducted by the college, nearly 53 percent of high school students hold jobs and take home paychecks that average $85 each week.

Economic hard times threaten the financial stability of American families of all income levels. Don't make the mistake that financial planning is only for the rich. To the contrary, low and middle-income individuals benefit far more from financial education than their more advantaged counterparts. Individuals who have been taught how to save and how to plan financially are faring better than those without the training. Young Americans must learn how they can help themselves—and protect themselves from financial ruin in their adult years. Individuals can no longer depend on company retirement plans or Social Security for their sole income in later years.

Consider this: If a 22 year old saves $39 a week at 9 percent interest until she is 30, and saves nothing after that period, she can accumulate $579,471 at age 65, $100,000 more than a person who begins saving that amount at age 30 and does not stop until age 65. It pays to save early in life.

These are vital lessons young Americans must learn for our Nation to continue to prosper and remain the world's leader among nations. I urge my colleagues to cosponsor this important legislation.

MR. JOHN J. MCMULLEN TO RECEIVE 1992 DISTINGUISHED BUSINESS LEADER AWARD

HON. FRANK PALLONE, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. PALLONE. Mr. Speaker, on Tuesday, April 14, 1992, Mr. John J. McMullen, chairman of the New Jersey Devils and the Houston Astros, will be the recipient of the 1992 Distinguished Business Leaders' Award presented by Monmouth College, West Long Branch, NJ.

Mr. Speaker, John McMullen clearly typifies the ideals of success and accomplishment for whom Monmouth College intended this prestigious award. Mr. McMullen is a 1940 graduate of the U.S. Naval Academy. He served in the Navy for 14 years before retiring as a commander. During this time he earned his masters of science degree in naval architecture and marine engineering from the Massachusetts Institute of Technology and a doctorate in mechanical engineering from the Swiss Federal Institute of Technology in Zurich.

In 1957 he started John J. McMullen Associates, a naval architecture and marine engineering firm in New York, which is now a division of Talley Industries Inc. Before that he was chief of the Office of Ship Construction and Repair in the U.S. Maritime Commission. Mr. McMullen is a former chairman, president and chief executive officer of United States Lines and a former commissioner of the Port Authority of New York and New Jersey. In 1990, he was one of several distinguished Americans, including President Bush, who received the Ellis Island Medal of Honor.

Mr. McMullen is the chairman of the New Jersey Devils National Hockey League team, and owner of the Houston Astros major league baseball team and the Houston Sports Association.

The award ceremony for Mr. McMullen will be held at historic Woodrow Wilson Hall on the Monmouth County campus. Mr. James G. Cullen, president and chief executive officer of New Jersey Bell Telephone Co., will present the award and serve as the event's honorary chairman. Hilary J. Cummons, manager of community relations for Jersey Central Power & Light Co., heads the planning committee, and Ian Ross, president emeritus of AT&T Bell Laboratories, is co-chairman, and will serve as master of ceremonies.

TRIBUTE TO PAWTUCKET RED SOX BASEBALL CLUB ON THEIR 50TH ANNIVERSARY

HON. RONALD K. MACHTLEY

OF RHODE ISLAND

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. MACHTLEY. Mr. Speaker, I rise today to congratulate the Pawtucket Red Sox baseball club on their 50th anniversary. Formed in 1942, the Paw Sox were originally known as the Rhode Island Red Sox. in 1973, they began their association with the Boston Red Sox as their AAA minor league farm team. During that time, they provided Rhode Island with their only professional sports team.

In 1977 the club suffered financial problems and was deprived of its membership in professional baseball. During that year, the club was sold to Ben Mondor, who had recently retired from the corporate business world. Over the next 15 years, Ben Mondor would take the club from financial hardship to the status of being amongst the most respected clubs in minor league baseball. It can be said that Ben Mondor saved professional baseball for the city of Pawtucket and the state of Rhode Island.

Under Mondor's guidance, the Pawtucket Red Sox have reached many milestones. On August 11, 1988, the club reached the three million fan mark. In 1990, the club was named Triple-A operation of the year by "Baseball America."

McCoy Stadium, erected in 1942, is also celebrating its 50th anniversary. Located In the great city of Pawtucket, Rhode Island, it originally was the home for numerous community baseball games and became the permanent home of the Paw Sox in 1973. Named after former Mayor Thomas McCoy, it has been the minor league home for many great players including Roger Clemens and Wade Boggs.

I would again like to wish the Pawtucket Red Sox a happy 50th anniversary and the best of luck for the 1992 Triple-A baseball season.

CELEBRATING THE 100TH ANNIVERSARY OF THE GREATER BENEFICIAL UNION OF PITTSBURGH

HON. WILLIAM J. COYNE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. COYNE. Mr. Speaker, on Saturday, April 11, 1992, the Greater Beneficial Union of Pittsburgh will celebrate its 100th anniversary. I want to take this opportunity to commemorate this event and speak briefly about the service provided by the GBU to the people of Pittsburgh and many other communities.

One hundred years ago, a group of 12 German businessmen in Pittsburgh signed a charter on April 11, 1892, to incorporate the German Beneficial Union. This fraternal organization was established to unite new German arrivals to the United States into local district lodges in a number of States and to provide a social and financial support system for men and women who would become United States citizens.

Over the decades, the GBU grew and prospered as a fraternal life insurance society licensed in 15 States across the country. The GBU also offered a friendly meeting place in which members could celebrate their German heritage through songs, dances, and other festivities.

During the First World War, the German Beneficial Union became known simply as the Beneficial Union at a time when prejudice against German heritage and Germany forced the GBU's executive board to remove the word "German" from the organization's name for 3 years. During the Second World War, the GBU's name was officially changed to the Greater Beneficial Union of Pittsburgh. Still, even today, many of the local district lodges take great pride in their German heritage and honor this heritage in a variety of ways.

Since 1959, the GBU has had its headquarters in Allegheny County's borough of Bentwood at 4254 Clairton Boulevard. This building was dedicated by then Supreme President Theodore Heuttner, who said, "Let us dedicate this building to the men and women who helped to build the GBU by promoting the principles of fraternal life insurance and the ideal of the brotherhood of men."

Today, the GBU offers a full range of life insurance policies, as well as annuities and individual retirement plans. In addition to being active competitors in the insurance industry, the GBU offers a service uncommon to most insurance companies: German is still spoken.

The GBU takes great pride in the fact that its full-time officers—Frederick W. Schwesinger, national president, a second generation German, and both Hans H. Rauer, national vice president, and Johann G. Struff, national secretary/treasurer, who are first-generation German—all speak German.

The Officers, directors, and staff of the GBU are pleased to report that they manage a strong financial institution and plan to continue their record of service to local communities. While the German influence no longer dominates this fraternal society, the GBU is proud to celebrate 100 years of providing a center for the honoring of German customs and traditions.

Mr. Speaker, I want to salute everyone who is part of the GBU and wish this fine organization another successful 100 years.

IN HONOR OF SEASIDE HIGH SCHOOL BASKETBALL TEAM: WINNERS OF DIVISION III NORTHERN CALIFORNIA CHAMPIONSHIP

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. PANETTA. Mr. Speaker, I rise today to congratulate the basketball team of Seaside High School in the 16th Congressional District of California. Seaside is one of the first teams from Monterey County to win the northern California championship in their division, and they came within one win of being State Division III champions.

The Spartans, who finished the season at 29–4, won 24 games in a row before being defeated in the State finals by Morningside of Inglewood, 79–72. Their experienced squad included seniors Tito Addison, Melvin Evans, Eric Inselman, Artemus Johnnicans, Mark Powell, and Tyrone Thomas, juniors Eric Collins, Matt Nohr, Cochise Semedo, and Eric Wilson, sophomore Guy Clendenin and freshmen Travis Goulet and Adisa Vaughn. Special congratulations also goes to head coach Lance Chambers.

Mr. Speaker, I ask my colleagues to join me in once again congratulating Seaside on a fine season and winning the Division III northern California basketball championship. Each of these individuals has worked hard to create a team of fine players, and they should be proud of their exceptional accomplishments.

FRANCES WILLIAMS PRESTON: A LIFETIME OF ACHIEVEMENT

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. CLEMENT. Mr. Speaker, I rise today to pay tribute to a woman who has accomplished as much in the music industry as any person in history, Frances Williams Preston.

Frances Preston, president and CEO of Broadcast Music Inc., will receive this year's "Humanitarian of the Year" award on April 25th by the T.J. Martell Foundation for Leukemia, Cancer and AIDS Research. I'd like to congratulate Frances for being named recipient of this prestigious award, and I'd like to take this opportunity to share with my colleagues an outline of her incredible achievements.

Frances Preston joined BMI in 1958 after holding other jobs in the Nashville music industry. Her story is a classic example of how through diligence, hard work, and single-minded purpose, any goal can be achieved.

Her goal was to ensure that songwriters, composers, and music publishers were fairly compensated for their creative works in a timely manner. By recognizing talent and working very hard at signing many previously unknown writers and supporting the creation of new publishing operations, Frances led BMI's southern regional office to a position of power and importance within the music industry. More importantly, she guaranteed that the people she represented would be fairly compensated for their creative efforts.

In 1964, BMI moved into a new building on Music Row in Nashville. Shortly thereafter Frances Preston became a vice-president in the company. In 1985 she became vice-president for performing rights in New York, executive vice-president and CEO in March 1986, and 2 months later, was named BMI's president and CEO.

It would take me hours to outline what Frances Preston has meant to my hometown—Nashville, TN, to the music business throughout the world, and the impact her efforts have had on thousands of writers, composers, publishers, and many, many others. Let me just say that there is no one more respected in the music industry, and no one for whom I have greater respect than Frances Preston.

Every one of my colleagues in the U.S. House of Representatives should note that as a direct result of the work of one Frances Preston, BMI has played an integral role in the continued success and viability of the music industry in America.

The awards accorded Frances Preston are innumerable, including lifetime memberships on the Country Music Association board of directors, the Gospel Music Association and Nashville Songwriters Association. During the 1987 Country Music Awards ceremonies in Nashville, she was presented the Irving Waugh Award of Excellence, presented only twice in CMA's history.

Vanderbilt University, in conjunction with the T.J. Martell Foundation for Leukemia, Cancer and AIDS Research, has announced the creation of a broad-based cancer research laboratory at the University Medical Center to be named the Frances Williams Preston Laboratory at Vanderbilt.

Again, I want to add my congratulations to someone for whom I have immense respect—Frances Williams Preston. She has achieved so much in her lifetime, not just in the music industry, but through her work with civic and charitable organizations—and by becoming a positive influence and role model for many people across our country.

Mr. Speaker, it is my honor to share this tribute with my colleagues today, and it is my even greater honor to call Frances Preston my friend. Congratulations Frances.

ATROCITIES PERPETRATED BY INDIAN GOVERNMENT AND INDIAN POLICE

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. BURTON of Indiana. Mr. Speaker, on April 3, retired Justice Ajit Singh Bains, chairman of the Punjab Human Rights Organization [PHRO] and Lt. Col. Partap Singh, retired, president of the Khalsa Raj Party, were arrested by the Indian police. Reports indicate that Lieutenant Colonel Singh is now being tortured by Indian police. For those Members of Congress who have yet to realize the type of atrocities being perpetrated daily by the Indian Government and Indian police, I commend the following information:

WEST HILLS, CA,
April 4, 1992.

Hon. GEORGE BUSH,
President of the United States, The White House, Washington, DC.

DEAR MR. PRESIDENT: I am the daughter of Lt. Col. Partap Singh, who recently sent your Honor his book entitled "Khalistan The Only Solution". I was born deaf, and migrated to the United States along with my family in 1981. I became a United States citizen in May, 1991. While my father was here, I filed a petition for his immigration, thinking I may be able to persuade him not to go back to India. He was given the status permanent resident on March 17th, 1992.

Though as a daughter, I pleaded and tried my best for him not to go back, he paid a deaf ear and said that seeing the ongoing violations of human rights and the State repression in Punjab, his conscience would not permit him to stay back. It was in his knowledge that the Indian Government would throw him behind bars. He left for India on 25th of March. He was arrested on 3rd of April at 12:15 P.M. at his residence in Chadigarh and taken to sector 17 police station. The same morning they also abducted Justice Ajit Singh Bains, a retired judge from the Punjab High Court and the Chairman of the Punjab Human Rights Organization who had many times voiced his opinion about the human rights violation. His whereabouts is unknown to his family or friends even after twenty four hours.

Since you are the father of the Nation, and I as a daughter did not know who else to approach for help, I am writing to your Honor. I am not afraid that my father has been thrown in jail, what I am afraid of is that the Indian Government and its police known for its tyranny might torture Justice Ajit Singh Bains and my father or even eliminate them altogether. I am sure your Honor is fully aware of the report submitted by the Amnesty International a couple of weeks ago about the gross human rights violation by the Indian police and security forces.

Your Honor, whatever help you can give a daughter by exerting pressure on the Indian Government through their Counsulate General to ensure no physical harm comes to either Justice Ajit Singh Bains or to my father Lt. Col. Partap Singh, will be greatly appreciated and I shall be ever obliged.

Thanking your Honor in anticipation, yours sincerely.

ROOPINDER K. CHILLON.

AMNESTY INTERNATIONAL
URGENT ACTION,
April 7, 1992.

ILLEGAL DETENTION/FEAR OF ILL-TREATMENT—AJIT SINGH BAINS, HUMAN RIGHTS ACTIVIST AND RETIRED JUDGE

Ajit Singh Bains, a well-known human rights activist in the north Indian state of Punjab and a retired judge of the Punjab and Haryana High Court, was arrested on 3 April 1992 at 10:30 am in Chandigarh. He was reportedly taken to Sector 11 police station, Chandigarh, and from there to Ropar police station. Although his arrest was apparently denied by the Senior Superintendent of Police, Ropar District, he was reportedly produced before the Deputy Commissioner, Ropar, on Saturday 4 April. According to several witnesses, Ajit Singh Bains was brought handcuffed by members of the police and paramilitary forces to his house in Chandigarh on Sunday 5, April, and his house was searched, but he was taken away after the search by the police.

At 12 am the following day, 6 April, Mrs. Rachpal Kaur Bains, the wife of Ajit Singh Bains, was able to see her husband for about 5 minutes in Anandpur Sahib police station, Ropar District. He reportedly complained to her that he had been beaten shortly after his arrest. The police apparently showed her three First Information Reports (FIR) which allegedly referred to his arrest with several others under the Terrorist and Disruptive Activities (Prevention) Act in connection with recent speeches made at a Sikh religious event on 18 March in Anandpur Sahib. His name, however, does not appear in these First Information Reports. A habeas corpus petition was filed by his son on 6 April. The Punjab High Court has reportedly ordered that he be produced before them on Wednesday 8 April.

BACKGROUND INFORMATION

Amnesty International regularly receives reports that officials fail to acknowledge the detention or whereabouts of people arrested on suspicion of being members or sympathizers of one of the Sikh opposition groups advocating a separate Sikh state, "Khalistan". Previously, the Punjab press carried several articles in which Ajit Singh Bains alleged that he had received death threats from the Punjab police warning him to cease his activities with the Punjab Human Rights Organisation, which he chairs. Detainees are often not brought before a magistrate within 24 hours of arrest, as required in all cases under the provisions of section 57 of the Code of Criminal Procedure. Sometimes people are held in illegal detention for weeks and sometimes months under special legislation granting the security forces arbitrary powers to arrest and detain people without ordinary legal safeguards. During the initial period of detention, detainees are often held incommunicado and tortured or ill-treated. In some cases the detainees are eventually found to have died in custody, while others are found to have been deliberately killed in custody although official reports say they died in "encounters" with the police.

Recommended Action: Please send telegrams and airmail letters:

Expressing concern about the reports that Ajit Singh Bains was reportedly taken away on 3 April 1992 by Punjab police for unknown reasons;

Urging that reports of his arrest be investigated and that he be allowed immediate access to lawyers and relatives and be brought before a magistrate forthwith;

Seeking assurances that Ajit Singh Bains is being humanely treated and is granted full legal safeguards while in custody;

Urging that he be immediately released if he is not to be charged with a recognizably criminal offence.

Appeals to: Mr. Surinder Nath, Governor of Punjab, Office of the Governor, Chandigarh, Punjab, India. Telegrams: Punjab State Governor, Chandigarh, Punjab, India.

Salutation: Dear Governor—Mr. K. P. S. Gill, Director General of Police, Police Headquarters, Chandigarh, Punjab, India. Telegrams: Director General Police, Chandigarh, Punjab, India.

Salutation: Dear Director General.

Copies of your appeals to: Punjab Human Rights Organisation (Regd.), Head Office, H. No. 22 Sector 2, Chandigarh (U.T.), Punjab, India, and to diplomatic representatives of India in your country.

Please send appeals immediately. Check with the International Secretariat, or your section office, if sending appeals after 19 May 1992.

COL. PARTAP SINGH ARRESTED AND TORTURED BY INDIAN POLICE—CHARGES UNKNOWN

WASHINGTON, DC, April 7.—Lt. Col. Partap Singh (ret.), President of the Khalsa Raj Party, was arrested Friday morning (April 3) as part of the Indian government's ongoing efforts to suppress the mass movement for Sikh independence. Sources indicate that the 64 year old Colonel is being tortured by Indian police.

Having just returned from an extended stay in the United States where he published the book Khalistan: The Only Solution, a brief history of the Sikh freedom struggle, Col. Partap Singh was arrested in his home at 11:30 AM by seven Indian police officers. While 5 of the officers waited outside, 2 entered the Colonel's home, informed him that a First Investigation Report (FIR) was filed on him and that he was to be brought to the Section 17, Chandigarh police station. Though the police had no arrest warrant, Colonel Partap Singh was arrested and charged under the Terrorist and Disruptive Activities (Prevention) Act (TADA), a law which has been condemned by the United Nations Human Rights Committee as "completely unacceptable" for falling far short of international standards for the protection of human rights.

On Saturday, Col. Partap Singh was produced before a magistrate where the police obtained a remand allowing them to hold the Colonel in detention until April 8. it is speculated that the additional time will be used by the Indian police to torture a confession out of the Colonel—a tactic recently reported as widespread in Amnesty International's report India: Torture, Rape and Deaths in Custody.

As the founder of the Khalsa Raj Party in Punjab—which advocates Sikh freedom from India—Colonel Partap Singh has been a major target of Indian government repression. In a separate incident, retired Justice Ajit Singh Bains, Chairman of the Punjab Human Rights Organization, was arrested by Indian police near his home in Chandigarh. As with Col. Partap Singh, Justice Bains' arrest appears to be a reaction to the success he has had in exposing the brutality of the Indian government against the Sikhs.

"Every day, the Indian government grows more fearful of the movement for Sikh freedom," said Dr. Aulakh, President of the Council of Khalistan. "In the past, India simply murdered those who dared to stand up for their right of freedom. Today, however, the struggle for an independent Khalistan is growing into a full-fledged mass-movement, the likes of which India simply cannot suppress. Yesterday, India's heavy hand was the rule of law in the Punjab; today the tool of violence is losing its appeal as the tyranny of the Indian government is being exposed on the international level.

"I warn the Indian government not to do anything rash," continued Dr. Aulakh. "The international community is well informed of its misdeeds in the Punjab and it watches with great interest the cases of Col. Partap Singh and Justice Bains. I need not remind India that the recent revelations concerning its abysmal human rights record in Punab have not exactly endeared it to the world community. I need not remind the Indian government that 20 Members of the U.S. Congress sent a letter to Indian Ambassador Abid Hussain as early as October 1, 1991 expressing concern over the safety of Col. Partap Singh. If either Justice Bains or Col. Partap Singh are killed or harmed in any manner, India had better beware. The Sikh nation and the rest of the civilized world simply will not stand for it."

Justice Bains Abducted by Indian Police, Slapped and Publicly Humiliated, Charges and Whereabouts Unknown, Strike Called in Protest

WASHINGTON, DC.—Retired Justice Ajit Singh Bains, Chairman of the Punjab Human Rights Organization (PHRO), was abducted Friday morning (April 3) in what appears to be a stepped up effort on the part of the Indian government to forcibly suppress the growing voice for Sikh independence. Slapped and publicly humiliated by P.S. Malik, Inspector of Police, Haryana Cadre, the 70 year old Justice who suffers from a heart ailment, was made to stand in the 90° Punjab heat for two hours deprived of water or rest. In protest of Justice Bains' abduction and his maltreatment by the police, the Punjab lawyers called a strike yesterday effectively ceasing all court related work.

In a separate incident, Lt. Col. Partap Singh (retd.), President of the Khalsa Raj Party, was arrested at his home in Chandigarh by seven Indian police officers at 11:30 AM, Friday morning (April 3). The police reportedly had no warrant for his arrest. Sources indicate that the 64 year old Colonel is being tortured by Indian police.

It is expected that the arrest of Col. Partap Singh and Justice Bains comes in retaliation for their work in the areas of Sikh independence and human rights. Justice Bains has played a pivotal role with the PHRO in exposing pervasive human rights abuses committed by Indian government police against the Sikhs. Prior to his abduction, Justice Bains was preparing to release a report in which he documents the sighting of 15 dead Sikh bodies laying at the bottom of a five mile stretch of a Punjab canal, the water level of which had been lowered for repairs. These Sikhs were the victims of Indian police torture, their dead bodies dumped into the canal to dispose of the evidence. This and other patterns of human rights violations committed by the Indian government gained worldwide publicity and caused an immense amount of embarrassment for India with the March publication of Amnesty International's report, India: Torture, Rape, and Deaths in Custody. Considering the international stature Justice Bains has earned for his work exposing human rights violations in Punjab, it is expected that—at least in this case—the police will not subject him to torture, as is the case with lesser known victims.

Justice Bains was picked up by a joint force of the Chandigarh and Punjab Police at 10:30 AM en route from a local golf club to his home in Chandigarh. He was reportedly in his exercise dress and driving by himself. His family was not informed by the police of the arrest. Though no details concerning the reason for his arrest or the nature of the charges against him were disclosed by the police, it was eventually discovered by the Bains family through private sources that Justice Bains had been taken to a police station in Ropar.

R.S. Bains, son of Justice Bains, called the Ropar Senior Superintendent of Police (SSP), Sanjay Gupta, at 7:00 AM, Saturday morning. Mr. Gupta confirmed the detention of Justice Bains at the Ropar police station and gave permission for the Bains family to come to the police station at 4:00 PM to deliver the Justice's personal belongings.

Upon arrival at the Ropar police station, however, the family of Justice Bains was informed that he had been taken back to his residence in Chandigarh. Learning this, the family raced back to Chandigarh reaching the house at 6:00 PM where they were confronted by 70 police officers and 200 auxiliary officers occupying their residence and guarding a bus in which Justice Bains sat handcuffed and immobile. Though no search warrant was produced, virtually every crevice of the house was inspected by the police. No list of documents and articles seized was relinquished to the family.

Mr. G.S. Grewal, senior Advocate (former Advocate General, Punjab) witnessed the police search of the residence and communicated with the Justice before the arrival of his family. Justice Bains told Mr. Grewal that his arrest/detention had not been formally registered, that he had not been produced before any authority nor had he been informed of the charges brought against him. Justice Bains is also being prevented from taking his heart medicine and from bathing.

Justice Bains was not allowed to see his family. The police directed Mrs. R. Bains, wife of the human rights activist, to put his personal belongings on the bus, at which point the police boarded and departed. No information was disclosed as to the final destination of Justice Bains. His whereabouts remains unknown.

Dr. Gurmit Singh Aulakh, President of the Council of Khalistan, has issued a warning to the Indian government. "I and the entire Sikh nation demand the immediate release of Justice Bains and Col. Partap Singh. India: do not bring harm to these two men. The new Beant Singh government is just another New Delhi puppet regime. Today oppression and injustice is on the increase; two of our most respected leaders are in police custody and those whom we despise sit in the Legislative Assembly. Over 1,200 Sikh leaders remain in Indian prisons for simply supporting an elections boycott. Over 15,000 Sikhs languish in Indian prisons without even being charged—some for as long as eight years. Is this justice in the so-called 'world's largest democracy?'" The Sikh nation has had enough; we will not rest until outright independence for Khalistan is achieved.

"I appeal to the international community to increase its pressure on the Indian government to cease its oppression of the Sikh nation and honor the declared independence of Khalistan," Dr. Aulakh continued. "I call on the nations of the world to stand up and speak out against Indian tyranny and impose sanctions on the government of India until it acts on par with the civilized nations of the world and respects the freedom of the Sikh nation."

BEST WISHES TO NANCY HRUSCHKA

HON. NANCY L. JOHNSON

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mrs. JOHNSON of Connecticut. This evening, the citizens of greater New Britain, CT, are gathering to honor a remarkable woman, a good friend to the community, and a leader on many issues affecting the quality of life of our families. Nancy Hruschka came to the New Britain YWCA in 1985 and leaves with our admiration and gratitude.

I came to know Nancy Hruschka through a shared commitment to improving the quality and availability of child day care. We have worked side by side for the last 7 years, and I have always admired her strength, courage, and determination. When Nancy assumed her responsibilities as executive director, she faced a budget deficit. When Nancy resigned, the budget deficit was nothing more than a memory, a successful Capital Campaign had been realized, a new day care facility at the YWCA had been completed and today, the child care center at the New Britain YWCA is the largest in central Connecticut.

Nancy Hruschka will certainly be missed by her friends and by the many citizens whose lives she has touched and brightened. But Nancy will not be forgotten, because her leadership has made a lasting impression on the members of our community, and we will all strive to follow the example of selflessness, compassion, creativity, initiative, and dedication she has set.

I would like to wish Nancy, her husband Ray, and their new daughter, Margaret Marie, the very best in their new home in Tokyo and once again thank Nancy for the many gifts of self that she has shared with our community.

THE ESSIE DEE SILVA AWARD

HON. WILLIAM LEHMAN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. LEHMAN of Florida. Mr. Speaker, I am pleased to announce to my colleagues that the United Way of Dade County has established a special honor for individuals who have made outstanding contributions to our community.

This award is named after Essie Dee Silva, who exemplified both the forces of strength and stability during these stressful years for Dade County. She was a kind person, a role model. Her awareness and sensitivity to the challenges facing this community and her ability to build coalitions to address them is a legacy none of us will ever forget.

Nominees for the Essie Dee Silva Award will be people of sensitivity, integrity, and vision who have a demonstrated track record of achievement and success in addressing community problems affecting different cultural or ethnic groups. They will be people who have been able to bridge gaps in our community and forge ties among different people by working closely with individuals from cultural groups other than their own.

I applaud the United Way of Dade County for taking the initiative once again in recognizing the excellence and achievements of individuals who are working to make our community a better place in which to live.

INTRODUCTION OF EVERY FIFTH CHILD ACT

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. KILDEE. Mr. Speaker, today I am introducing the Every Fifth Child Act, a bill designed to achieve full funding and expansion of programs essential to combating the poverty and disadvantage experienced by 20 percent of American children.

Every fifth child in America lives in poverty. Every 35 seconds, on the average, another American infant is born into poverty. In the last decade, childhood poverty increased 21 percent, and children are the fastest growing segment of the homeless population. These figures are startling and painful because they represent lives, hopes, and dreams that are often smothered before they can catch fire.

The legislation I am introducing increases the funding for three Federal programs that alleviate the affects of poverty and hunger on the lives of children. Each program serves a unique purpose in the stages of a child's life: the Special Supplemental Food Program for Women, Infants, and Children [WIC] starts meeting a child's nutritional needs before birth; Head Start ensures excellent preparation to enter the world of learning; and Job Corps helps a child make the transition between school and the world of work.

WIC is an essential weapon in combating malnutrition in pregnant and postpartum women and their infants and children. It is the first line of defense against low birthweight, a major cause of infant mortality, and anemia. Since 80 percent of brain development occurs by the time a child turns 3, WIC is essential in improving cognitive development. It also increases a child's chance of receiving immunizations and regular health care.

WIC is also proven to be very cost effective. Every dollar spent on a pregnant woman under WIC saves between $1.92 and $4.21 in Medicaid costs. The problem with WIC is that it only serves 55 percent of those currently eligible. The funding level in this bill is designed to ensure that WIC is fully funded by 1996.

Head Start is another program that has had considerable successes in its 26-year history, and is hindered only by its inability to reach all eligible children. The program currently serves 31 percent of the children eligible for its comprehensive early education and health services.

Children who participate in Head Start are twice as likely to graduate from high school as children in similar circumstances and are less likely to require remedial education and counseling services. The 1990 reauthorization of this vital program, which I authored, included funding levels designed to enable it to reach all eligible children by 1994. This bill continues to work toward that goal.

Job Corps serves economically disadvantaged youths ages 14 through 21 who have disruptive home environments, by providing intensive remedial education and skill training in a residential setting, or Job Corps Center. Job Corps has helped open the doors of opportunity for 1.5 million youths. Unfortunately, the program only serves 1 in 7 of the Nation's most needy youth. This proposal calls for the establishment of 50 new centers by the year 2000, and an increased participation of 50 percent.

These programs are a sound financial investment for this country in terms of money saved and human potential gained, but much more than that, they are a moral obligation for a government whose role is to promote, protect, defend, and enhance the human dignity of all its citizens. I invite you to join me in saying "yes" to the vision of an America that embraces her most vulnerable charges by answering their crying needs in a substantive way.

THE 25TH ANNIVERSARY OF CONTACT USA

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. GREEN of New York. Mr. Speaker, I rise to pay tribute to CONTACT USA, a nonprofit, national network of telephone helpline and crisis intervention centers. This remarkable network is celebrating its 25th anniversary. Over the past 25 years, telephone volunteers have helped millions of people in all walks of life; confidentially and free of charge to the caller.

Help Line Telephone Services is one of the older member centers of CONTACT, USA, having been in existence since 1970. It has over 350 volunteers to respond to distressed callers 24 hours a day, 365 days a year. CONTACT USA has received numerous awards from various organizations and elected officials including awards from the mayor of the city of New York, the Governor of the State of New York and the President of the United States.

At this time I should like to ask my colleagues to join me in congratulating CONTACT USA on its success, and to extend my most sincere wishes for its future endeavors.

SUPPORT FOR NATIONAL MYASTHENIA GRAVIS AWARENESS WEEK

HON. BILL SARPALIUS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. SARPALIUS. Mr. Speaker, I rise today in support of legislation, House Joint Resolution 455, which I have introduced to designate the week of October 1–7, 1992 as "National Myasthenia Gravis Awareness Week". My legislation works to raise the public awareness level regarding autoimmune diseases, specifically myasthenia gravis. I would like to take a minute to explain the severity of myasthenia gravis, how it affects those afflicted, and how research can lead to improved treatment and, ultimately, a cure.

Myasthenia gravis is a autoimmune chronic neuromuscular disease affecting approximately 100,000 individuals in the United States and thousands of others throughout the world. It is caused by an antibody that damages the muscle receptors in the body. Those afflicted with myasthenia gravis suffer from muscle weakness, especially in muscles used for vision, chewing, speech, swallowing, breathing and those used in the limbs. By increasing research pertaining to myasthenia gravis, researchers believe they will also benefit the search for the cause and cure of other autoimmune diseases including juvenile diabetes, rheumatoid arthritis, Grave's disease and lupus.

Mr. Speaker, the designation of the week of October 1–October 7 of this year as "National Myasthenia Gravis Awareness Week" will help make the public aware of the severity of myasthenia gravis, and the need to learn more about this disease and other related autoimmune diseases.

TRIBUTE TO MRS. MARION E. CASSEL

HON. GEORGE W. GEKAS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. GEKAS. Mr. Speaker, I rise today to pay tribute to Mrs. Marion E. Cassel, of South Hanover Township, PA, on the occasion of her 80th birthday. Mrs. Cassel is the widow of John H.W. Cassel, a lifelong Republican leader in central Pennsylvania.

Mrs. Cassel, herself a longtime Republican activist, was born April 20, 1912. She is the matriarch of a wonderful family, as she is the mother of 3 sons and 3 daughters, grandmother of 14 children, and the great-grandmother of 13 children. Her remarkable demeanor and loving manner have endeared her to many generations of family, friends and neighbors throughout the region.

Marion has long been involved with charities, the Union Deposit Fire Co., and the Church of God. Her tireless efforts on behalf of these organizations have earned her the appreciation of all who are lucky enough to know her.

Mr. Speaker, I ask of my colleagues to join me in wishing Marion Cassel a happy 80th birthday, with best wishes for many happy birthdays to come.

STATUS REPORT ON THE NATIONAL MUSEUM OF THE AMERICAN INDIAN

HON. ENI F.H. FALEOMAVAEGA

OF AMERICAN SAMOA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. FALEOMAVAEGA. Mr. Speaker, through Public Law 102-188 (S.J. Res. 217, H.J. Res. 342), Congress and the President designated 1992 as the Year of the American Indian. This law pays tribute to the people who first inhabited the land now known as the continental United States. Although only symbolic, this gesture is important because it shows there is sympathy in the eyes of a majority of both Houses of the Congress for those Indian issues which we as a Congress have been struggling with for over 200 years. In support of the Year of the American Indian, and as part of my ongoing series this year, I am providing for the consideration of my colleagues an article entitled "Creating a Museum for the 21st Century" and published in the Winter 1992 edition of the magazine "Native Peoples".

CREATING A MUSEUM FOR THE 21ST CENTURY

"An Indian child has to come here and be proud. We have nothing here in this capital."

"The Museum is being given birth, not being planned * * * the land where it will sit has a spirit * * * This Museum has to be connected not only to us as the people but to our children—reconnecting the umbilical cord of our children."

"Close to nature, not set apart in the universe."

"If this place does nothing else but a living entity that transmits human respect and sensitivity, then all the work we do and will do will be a success. We cannot compare this to other museums. We should create it."

"Our stories should be told in quiet and strong voices * * * as a mosaic."

These are but a few of the hundreds of voices heard by staff and consultants of the National Museum of the American Indian during the past year. One of the hallmarks of NMAI is the unusual way in which it has gone about this planning process. Typically, when a new museum is going to be built, the staff of the museum decides what it should be, an architect is hired and the building is designed and constructed. Early on, NMAI Director W. Richard West, Jr. insisted, "NMAI is not going to be a traditional museum, so we're taking a non-traditional approach to its design." To West, this meant holding a series of consultations with Indian communities and other constituencies to find out what they think.

To assist with this task, the museum hired the architectural firm Venturi, Scott Brown and Associates, Inc. of Philadelphia to seek advice on developing program guidelines for two of NMAI's facilities—the collections, storage and research facility in Suitland, Md., and the exhibition and public program facility on the National Mall in Washington, D.C.

Since last May, when the first official consultation was held in Washington, additional regional and urban meetings have been held with contemporary artists, researchers, educators, archivists and librarians, and communications and technology experts in New York City, Santa Fe and Anchorage, Alaska. The majority of invited participants from outside the Smithsonian have been Native Americans. Among the dozens of Native Americans who have been involved in the process are co-facilitators George Horse Capture (Gros Ventre), a former curator at the Plains Indian Museum at the Buffalo Bill Historical Society in Cody, Wyoming, who is now developing a tribal museum in Fort Belknap, Montana, and Rena Swentzell (Santa Clara Pueblo), an architect and scholar from Santa Fe. Bill Mehojah (Navajo), special assistant in the Office of Indian Education Programs of the Bureau of Indian Affairs, has also played a role. The consultations have been lively, at times frustrating, affairs, with individuals bluntly expressing their concerns, ideas, fears and visions for the new museum. Every idea was meticulously recorded and transcribed by Smithsonian and Venturi, Scott Brown and Associates staff. Denise Scott Brown is the principal architect; Ann Trowbridge is the project manager.

The consultation process is under the overall direction of Jim Volkert, Acting Deputy Director for Public Programs. Individuals who wish to be kept informed or contribute to the museum's progress in the consultation area should contact Fred Nahwooksy, National Museum of the American Indian, 490 L'Enfant Plaza, Room 3306, Washington, D.C. 20560.

The hopes and aspirations of Native Americans for NMAI have begun to emerge: "Each consultation has had its own flavor," West says, "but they have all reconfirmed our idea of what the building should be—a place for living cultures, where Indians have a direct involvement in the interpretation of those cultures." What has also emerged is the concept of the "Fourth Museum," an abbreviation for outreach efforts that will go beyond traveling exhibits and programs. (The other three museums are the George Gustav Heye Center in the U.S. Custom House in New York City, the Suitland facility and the Mall museum.)

Venturi, Scott Brown and Associates has just completed its draft report titled "The Way of the People, National Museum of the American Indian." The main text of the report is over 100 pages, followed by detailed accounts of each of the consultations along with other supporting appendices. The vision of the museum that emerges from this report will be elaborated on in future phases of program planning.

Some of the ideas emerging from the process are that NMAI is perceived by everyone as a "radically new enterprise for the Smithsonian Institution, which perceives it as its 21st century vanguard, humanistically charged to create policies and programs directed toward an international audience of Native and non-Native scholars, artists, teachers and interested lay people * * *. No other modern museum has so self-consciously sought out focused input of special concerns from a user population. The result is that few decisions or requirements can or must be taken for granted or based on precedent." Stated another way, at one of the consultations, Representative Ben Nighthorse Campbell, an early NMAI supporter, said: "No one ever wanted to build something just of bricks and mortar. We wanted to build a legacy."

Of course, the museum will have bricks and mortar, and the consultation process has focused heavily on program requirements for the Suitland facility and for the Mall museum. NMAI's Suitland facility, dubbed "the brain and soul of a new museum," will be a home, not a storage warehouse for its objects, library and archival collections. As the operations center for the Museum's collaborative programs with Indian communities it will house the curatorial and research activities of the Museum and welcome Native and non-Native collaborators, scholars and interns from tribal, academic and artistic communities.

Among the features of the Suitland facility will be a hospitality area to welcome visitors and private ceremonial spaces with access to the sky and outdoors that will also permit the safe use of fire and smoke. The "Fourth Museum" will also be centered at Suitland, functioning as an information clearinghouse and as a production facility for educational, exhibition and audiovisual materials related to NMAI's collections, programs and the priorities and resources of Native communities.

The Mall museum will be guided by the principles expressed in the preamble to the Venturi, Scott Brown report:" As tribal people of the western hemisphere, we are wonderfully diverse yet essentially similar. We honor the exquisite variety of each other's lifeways yet recognize that we have some common principles which are essential in the presentation and interpretation of our respective ways of being."

"The measure of the Mall museum will be the success with which it communicates with Native voice, Indian stories, values and culture to millions of individual visitors through a multisensory experience that reaches people, not only through visual media, but through smells, sounds, touch and, for some, taste as well," the report states. "Indians and non-Indians alike must sense that they have entered a precinct where 'Indian customs and etiquette govern.' This process begins outside, from where the activities are apparent, and continues into the building, as do elements of the outdoors. The building's relation to its site and the design of all the spaces within it should embody a spirit of connectedness with the land and an attitude of respect for relationships between all life forms."

A full schedule of consultations will be held next year, and West notes in fact, that "consultations will go on indefinitely". Even after the program requirements for the design and the design itself are completed, "this museum is dynamic, so we must constantly get information from the outside."

While it is difficult to say precisely how the consultation process will translate into guidelines for the design of the buildings, it is clear that the Mall museum will be a welcoming place for Indians and non-Indians, with a strong Indian voice, changing exhibitions, performances and demonstrations, dining and shopping areas. One need only listen to the comment of an American Indian who said of the Mall museum: "It should be a natural experience to go there, juxtaposed to the NeoGreek around it. It should touch children and have the blessing of spiritual leaders. One should feel the love of Indian people for who they are. These things are alive and part of today. Test the design with children and elders, then we'll know the power. Smell sweetgrass and sage."

THE AGE DISCRIMINATION PARITY ACT OF 1992

HON. WILLIAM F. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. GOODLING. Mr. Speaker, today I am introducing the Age Discrimination Parity Act of 1992, which would amend the Age Discrimination in Employment Act [ADEA] to raise the level of damages currently available in age discrimination cases—now limited to backpay and double lost backpay in willful cases—to that currently available under title VII of the 1964 Civil Rights Act and the Americans with Disabilities Act [ADA]. Title VII, of course, prohibits discrimination based on race, color, religion, sex, and national origin while the ADA prohibits discrimination based on disability.

Mr. Speaker, only a few months ago, and after much debate, the Congress passed the Civil Rights Act of 1991 [CRA]. That law provided, for the first time, compensatory and punitive damages, with jury trials, for intentional discrimination cases filed under title VII, in addition to backpay. Relief for so-called disparate impact cases under title VII—cases in which an employment practice has an allegedly significantly greater adverse impact on protected groups—continues to be limited to backpay. The total of compensatory and punitive damages which may be recovered was capped as follows: $50,000, employers with 15 to 100 employees; $100,000, employers with 101 to 200 employees; $200,000, employers with 201 to 500 employees; and $300,000, employers with more than 500 employees.

Punitive damages can be awarded only when malice or reckless indifference is shown but cannot be awarded, in any case, against State or local governments or the Federal Government. There is no cap on the amount of backpay that may be recovered in disparate impact cases or intentional discrimination cases. The CRA also extended the same damage levels to the ADA.

My proposal would adopt this remedial scheme for age discrimination cases because no rational reason exists for providing higher levels of remedies under title VII and the ADA than under the ADEA. Discrimination is discrimination. Moreover, I believe that, although not with problems, the level of remedies now provided under title VII and the ADA, are both adequate and fair.

As importantly, this legislation would also create parity for employees of the House of Representatives who are victims of age discrimination. We are long past the time when Congress may exempt itself from the laws it applies to the private sector, just as we are past the time when Congress may cover itself but—through clever draftsmanship, as we are seeing more frequently—impose watered-down enforcement and damage provisions.

Hence, with one exception, this bill would apply to the House of Representatives basically the same rights and remedies as are applicable to the private sector under the ADEA; I hope the Senate would eventually do the same with respect to its employees. Thus, the bill extends the ADEA to the House and provides for punitive and compensatory damages, with backpay, and jury trials in Federal district court. While recovery of backpay is not limited, a cap of $130,000 has been placed on the total sum awardable for punitive and compensatory damages. This cap is not exactly the same as the caps applicable to the private sector under this bill, but as the latter are keyed to the size of the employer based upon the number of employees, it appears that one across-the-board cap would be more workable in the House context. Indeed, if the private sector caps were to be simply carried over to the House coverage, it is likely that damages would be routinely limited to the lowest level, $50,000. The $130,000 figure was selected because it seemed reasonable to base the amount on the approximate annual salary of a Member of Congress—$129,500. Lost backpay, of course, would be in addition to this amount.

I should emphasize that the bill also provides for personal liability on the part of a Member in that a Member would be required to reimburse the Government for any payments for damage awards. I recognize that some Members may be concerned with this liability exposure, but without this provision the taxpayer would ultimately be stuck with the tab.This hardly seems fair.

As noted, there is one major exception in this bill in terms of coverage equal to that of the private sector—that of enforcement by the Equal Employment Opportunity Commission [EEOC]. For constitutional reasons, based on the separation of powers doctrine, the EEOC would have no powers of enforcement under this proposal. Indeed, to include EEOC enforcement would simply kill this legislation. However, the House Office of Fair Employment Practices would be empowered to hear cases, and employees would be required first to file a charge with the Office for consideration before proceeding to court. This process is similar to the EEOC process under the ADEA.

Mr. Speaker, the extension of the ADEA, with effective remedies and enforcement procedures, to the House will mark but one milestone in the long process of bringing Congress under the workplace laws of this country, but passage of this legislation will establish an important precedent, and with it Congress will be one step closer to transforming rhetoric into substance. I look forward to working toward passage of this legislation.

TRIBUTE TO MARGARET JACKSON WESTON

HON. BUTLER DERRICK

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. DERRICK. Mr. Speaker, it is a great honor for me to recognize the late Margaret Jackson Weston. Today Mrs. Weston would have celebrated her 63d birthday. As a health care professional, she was a good friend of mine and more importantly, a good friend to people in need of health care in the Aiken, SC area.

Hard work and long hours of dedicated service were the trademark of her illustrious career. While working as a nurse for the office of equal opportunity, she saw firsthand the horrors of being poor and being sick. This experience inspired her to do something about the problem that poor people who had no insurance faced when they fell ill and had no money. Mrs. Weston organized a group of volunteer doctors that provided medical services and traveled throughout Aiken and Edgefield counties for 10 years in a van providing health care to the disadvantaged.

Disturbed by the notion that quality health care belonged only to the privileged who could afford it, Mrs. Weston persuaded the office of equal opportunity to enlarge its mission. The result of this enlarged scope would eventually become the Rural Health Services, Inc. The board of directors of Rural Health Services, Inc., later surprised Mrs. Weston when the center was renamed in her honor.

Today, the fruits of Mrs. Weston's idea of affordable health care are thriving in the form of a comprehensive health care facility. The Margaret J. Weston Health Center provides quality medical and dental care to approximately 12,000 patients a year who pay what they can afford.

Margaret Weston's legacy, however, is far greater than the health care center that bears her name. It is the service that she rendered to the people of South Carolina that truly warrants such merit. Thanks to the dedicated hard work of Margaret Weston, this service will continue for many years to come.

WILLIAM F. MORENO, OUTSTANDING JUDGE AND CITIZEN

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. PANETTA. Mr. Speaker, I rise today to express my admiration, respect and regards for an extraordinary public servant and a good friend, the Hon. William F. Moreno of the Monterey County Municipal Court, who is retiring this spring after 20 years of outstanding service to the citizens of Monterey County.

In his distinguished law career, Judge Moreno has served Monterey County since his appointment in 1972, worked extensively in criminal and civil law, in his own practice; Moreno, Branner and Carnazzo from 1957 to 1972, and continues to maintain his association with many outstanding professional and community organizations including: the American Trial Lawyer Association, California Trial Lawyers Association, Monterey County Bar Association, the Kiwanis Club and Christians in Commerce. In addition, from 1950 to 1953 he served in the Korean war in the Army Signal Corps.

Judge Moreno is also a member of the California Judges Association, recently serving as chairman of the facilities committee in 1990 and contributes his time regularly to educational programs sponsored by this outstanding organization. He has served as a faculty member of the 1989 California Judicial Education and Research, Judges College, and continues to make time for several worthy community organizations such as the Salvation Army, St. Vincent DePaul's, Sons of Italy, Sun Street Center and Door to Hope.

He earned his bachelor of arts and juris doctorum degrees at De Paul University, completing his law study in 1956. He married the former Bette Miller of Fresno, in 1953, and has 6 children ranging in age from 27 to 40, and 13 grandchildren.

Mr. Speaker and colleagues, Bill Moreno is a man of unbounding faith in God and his fellow human beings. In Italian, there is a phrase to describe people like him—"buon uomo"—a good man. Judge William F. Moreno is a "good man" and I ask the House to join me today in honoring him for his tremendous contributions to the cities of Monterey County, the State of California and the Nation.

1991-92 INDIANA UNIVERSITY MEN'S BASKETBALL TEAM

HON. FRANK McCLOSKEY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. McCLOSKEY. Mr. Speaker, I would like to take a few moments to commend the tremendous efforts of the 1991-92 Indiana University men's basketball team, who finished 27 and 7, and advanced to the final four of the 1992 NCAA Men's Basketball Tournament. The exciting play of the Hoosiers kept us on the edge of our seats all season, and gave all I.U. fans a year to remember.

Ranked No. 2 in the preseason national poll, this Indiana squad started slowly, losing two of its first four games, including its season opener to UCLA, and an overtime loss to arch-rival Kentucky. The Hoosiers then proceeded to rattle off 13 straight victories during December and January, including convincing wins over nationally ranked teams like St. John's and Cincinnati, and Big Ten Conference powers, Ohio State and Michigan.

This play enabled the Hoosiers to regain their No. 2 national ranking, and remain at the top of the conference standings throughout the season. Although the Hoosiers would go on to sweep Ohio State with an 86 to 80 victory in Columbus, setbacks against Michigan and Purdue in 2 of the final 3 weeks of the season knocked them out of conference title contention and the No. 1 seed in the NCAA Tournament.

The Hoosiers caught fire in the NCAA's, winning games against Eastern Illinois, Louisiana State, and Florida State by an average of 20 points, and culminating with a 106 to 79 victory over UCLA, the erstwhile No. 1 seed, in the west regional championship.

This postseason turnaround again indicated the great tradition of Indiana University basketball teams to confront and overcome adversity. To this aim, I would like to commend the leadership of head coach Bob Knight, who made his fifth trip to the final four, and is third on the all time list for final four victories.

However, coaches cannot win games by themselves. Therefore, I would also like to commend the contributions of seniors Jamal Meeks and Eric Anderson, who both provided leadership in starting and supporting roles in the tournament.

I would also like to recognize the efforts of cocaptains Calbert Cheaney and Chris Reynolds, who led by example during the 1991-92 season, and will be counted on to do the same next year; and returning regulars Damon Bailey, Alan Henderson, Greg Graham, Matt Nover, and Todd Leary, who hit three 3-point shots in a row to rally the Hoosiers in the national semifinal against Duke.

With these proven performers returning next season, I am confident that the Hoosiers will be in position to make another run at the national title next March.

WE CAN HELP ISRAEL TO HELP THEMSELVES

HON. TED WEISS

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. WEISS. Mr. Speaker, yesterday evening several of my colleagues engaged in a special order on the Israeli loan guarantees. Regretfully, because of a prior commitment I was unable to participate in this important dialog. I would like to share my thoughts on this critical issue.

For more than two decades, securing free emigration for Soviet Jews was one of the central objectives of United States-Soviet relations. Among the revolutionary changes that we have witnessed over the past several years has been the fulfillment of this objective. Hundreds of thousands of Jews have left the former Soviet Union to settle in Israel; hundreds of thousands more are expected in the coming years.

One would believe that this historic achievement would be cause for celebration in the States of the former Soviet Union, in Israel, and here in the United States. Instead, the Bush administration has embarked on a path that has not only ended hopes of providing humanitarian assistance in the short term, but has damaged a relationship that has been special and strong for more than 40 years.

From the moment Israel requested assistance in the form of loan guarantees, the President and his administration's response can be termed confrontational at best. When the President declared himself to be alone in standing up to a thousand lobbyists pushing for loan guarantees, he instigated a long and acrimonious debate that continues still. What started as a debate on how best to help Israel absorb an estimated 1 million immigrants, has degenerated into a squabble that threatens the very foundation of United States-Israeli relations.

It is difficult to understand how we have come to this point. Israel has not asked for further financial assistance, but rather, the means to help themselves. The cost of absorbing the Soviet Olim has been estimated at many tens of billions of dollars. The vast majority of this money is to be raised in Israel. Only a portion is to be raised in the international financial markets. What Israel requested from the United States was support so that they themselves could obtain these desperately needed loans.

Claims that the loan guarantees would ultimately cost the United States $10 billion are unfounded. Israel has a perfect record of repayment on loans and there is little risk that they will default now. In fact, a recent GAO study determined that there was little risk of Israel being unable to repay loans obtained with the assistance of American guarantees.

Furthermore, a substantial proportion of the money Israel intends to borrow will provide economic benefit to the United States. Much of the money will be spent purchasing prefabricated homes, construction materials, and other products made here in the United States.

In addition, if Israel is able to absorb these immigrants successfully, its potential for economic growth is substantial. The immigrants arriving into Israel are unique in the extraordinary level of skills that they bring. Many are doctors, engineers, and scientists. These are the kinds of skilled professionals that enable any economy to grow.

The United States has been presented with an opportunity to provide humanitarian assistance to one of its strongest and most important allies. Instead, Bush has allowed this situation to degenerate into a contentious and often bitter debate. The United States must reverse this and seize the opportunity to provide humanitarian assistance to this close ally. We can help Israel to help themselves. This we must do.

SPECIAL TRIBUTE TO GAIL MEIER

HON. DENNIS M. HERTEL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. HERTEL. Mr. Speaker, I rise today to pay special tribute to Gail Meier for her outstanding dedication and service to her friends and family, the community and the Girl Scout organization throughout the years.

Gail has dedicated over 26 years to Girl Scouting, and has earned our respect and recognition. Her devotion to Girl Scouting is indicative of her drive to help others. On April 7, Gail's colleagues in the Peninsula Waters Girl Scout Council demonstrated their respect by awarding her the thanks badge. This national award is given only to those who display outstanding dedication and contribute significantly to the Girl Scout organization. She has been a leader of several age level troops, member of her area service team, a director of area events, staff member at day camp, member of the board of directors, staff member at several council-wide events, and a member of the committee for "From the Ranger to the Ridges". Currently, Gail is a field director, the editor of PenLines, director of publicity and public relations, director of the annual adult get-aways, organizer of "Run in the Sun", and coordinator of Blueberry Knoll and Wi He Tonga camp committees.

Her outstanding commitment to the community and young women of all ages is demonstrated in the tremendous number of hours she has volunteered through the years. Before joining the staff of Peninsula Waters, she was a member of the council executive board, the program committee, the bylaws revision committee, a council delegate to the GSUSA National Convention, chair of the nominating committee, the council self-evaluation committee, the council membership task force, and the council deca-bration.

To her friends, Gail is an inspiration. Her enthusiasm and willingness to lend a hand when needed inspires others to work together as a team. With the growing problems and pressures confronting youth today such as teen pregnancy, sexual abuse, and youth suicide, it is more important than ever to have role models like Gail working with our Nation's young women.

Mr. Speaker, it is with great pride that I ask you and my colleagues in the U.S. House of Representatives to join me in paying tribute to Gail Meier. She is truly an outstanding citizen who has, and will continue to enhance the lives of others with her hard work and dedication.

CLOSING LOOPHOLES IN "M" ACCOUNT LEGISLATION

HON. ANDY IRELAND

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. IRELAND. Mr. Speaker, I rise to introduce legislation designed to bring the Department of Defense [DOD] into compliance with the new law governing the "M" accounts—sections 1405 and 1406 of Public Law 101-510.

The proposed legislation, if adopted, would bring DOD into compliance with section 1406 of Public Law 101-510.

LEGAL REQUIREMENT FOR AUDIT

Section 1406 had four main requirements:

Audit each DOD "M" account;

Determine the balances in "M" accounts;

Determine which balances are valid, that is, supported by documentary evidence as required by 31 U.S.C. 1501 and which balances are invalid; and

Deobligate and cancel invalid balances.

DOD is not complying with section 1406. DOD has audited the accounts but has failed to deobligate and cancel invalid balances as required by section 1406(b).

AUDIT BY INSPECTOR GENERAL

The audit required by section 1406 was completed on December 30, 1991. It was conducted by the DOD Inspector General in accordance with auditing standards issued by the Comptroller General of the United States. The results of the audit are presented in audit report No. 92-028 entitled "Merged Accounts of the Department of Defense."

It is an excellent piece of work. It was also a massive audit job, involving 260 auditors and 12,850 man-days. DOD and the various service audit agencies visited 211 different locations and issued some 50 separate audit reports.

AUDIT RESULTS

Quite frankly, Mr. Speaker, I was appalled by what I found in the audit report—overdisbursed accounts, $1 billion in negative balances, disbursements not matched with obligations, a $650 million Air Force accounting error, and possible violations of the Antideficiency Act. It's not a very pretty picture.

The IG concludes that DOD's "M" account balances "were materially misstated, inadequately managed, and vulnerable to abuse."

Clearly, the audit justifies the need for more "M" account legislation—the need to clean up these accounts—and close them down once and for all. DOD is marching in that direction. But between now and September 1993, when the "M" accounts will be wiped out in their entirety, we in the Congress must make certain that the DOD complies with the law governing the closure of those accounts.

That is the focus of my legislation.

The audit identified $8 billion of invalid obligations as follows: Army—$901 million; Navy—$3.656 billion; Air Force—$3.335 billion; and Defense agencies—$116 million.

Under the law—section 1406(b), obligations determined to be invalid by the audit "shall be deobligated and canceled."

The legislative language is clear and unambiguous. Invalid sums must be deobligated and canceled.

DOD NONCOMPLIANCE

Herein lies the problem.

DOD is not complying with section 1406(b). DOD is deobligating invalid balances all right. But that's where compliance ends. Instead of canceling invalid balances as required by law, DOD is deobligating those sums and then reobligating them—a slick maneuver indeed. DOD is reobligating invalid sums to cover cost overruns and other unauthorized projects. That's exactly the kind of backdoor financial operations that the "M" account legislation is designed to stop.

IRELAND AMENDMENT

My amendment would reduce DOD's "M" account balances by $8 billion—the amount identified in the IG's audit report as invalid obligations consistent with section 1406(b). Under my amendment, the $8 billion could not be restored, reobligated, uncanceled, or in any other way used by DOD.

DOD POSITION

Now, DOD will be opposed to this legislation. I am sure of that.

DOD will argue that an $8 billion reduction in the "M" account balances now without making line-item deobligations at the base level would be inappropriate. DOD will argue that only 3,183 obligations valued at $5.2 billion were actually audited and that the $8 billion figure was derived with statistical sampling techniques. DOD will say that the only acceptable way to deobligate $8 billion of invalid obligations would be to conduct a line-item review of all unliquidated obligations and to deobligate the invalid ones.

I am in complete agreement with the DOD appraisal of my proposal. The DOD position is fully consistent with the law. If further audit work is needed, then so be it. It must be done. The law requires that each account be audited, and that those found to contain invalid sums must be deobligated and canceled.

DOD DRAINING "M" ACCOUNTS

There is one major concern. As we in Congress attempt to grapple with noncompliance, DOD is draining the "M" accounts.

According to the audit, DOD "M" accounts had a reported balance of $18.8 billion on November 30, 1990. Barely 1 year later—as of January 31, 1992, those balances had fallen to $8.5 billion—a reduction of $10.3 billion. I assume DOD is continuing to draw down those balances and am certain DOD intends to spend every cent until the balance reaches zero.

If we accept the accuracy of the audit report—and the IG is 95 percent confident in the results—DOD is starting to eat into the invalid balances. This means that DOD is already conducting an informal line-by-line review of invalid obligations. How else could it deobligate and reobligate those sums? There is no other way to do it. DOD must first determine which obligations are invalid before launching the deobligation/reobligation maneuver. That necessitates some kind of line item review procedure.

The deobligation/reobligation maneuver is illegal and must be stopped.

My legislation, if adopted, will bring DOD into compliance with section 1406 of Public Law 101-510.

PROPOSAL ON NO-YEAR ACCOUNTS

I am also introducing a second piece of legislation that would close another loophole in the "M" law. This one pertains to the provision on the Closing of Appropriation Accounts Available for Indefinite Periods—otherwise known as no-year appropriations.

"M" account balances—originally derived from no-year appropriations—must be canceled but only if two specific conditions are met: (1) The President or agency head decides that the money is no longer needed, and (2) no disbursements are made from the account for 2 consecutive fiscal years. This language provides too much discretionary authority in closing those accounts. My amendment would tighten it up, closing a loophole.

This proposal would apply to DOD and all other agencies but most particularly the Agency for International Development [AID]. In fiscal year 1991, about 95 percent of AID's appropriations were no-year moneys. Moreover, through a Presidential determination [No. 91-31] and other devices, AID has managed to make itself essentially immune from the effects of the "M" account legislation—despite assurances to the contrary. Some of the worst abuses of the "M" accounts have occurred at AID. The idea that the "M" account legislation was never meant to apply to AID has no factual basis whatsoever in the legislative history of the measure.

Mr. Speaker, I urge all my colleagues to support this legislation.

H.R. 4836

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REDUCTION IN DOD "M" ACCOUNT BALANCES.

(a) REDUCTION.—Department of Defense balances in merged (so-called "M") accounts that have been determined by the Inspector General of the Department of Defense (in Report No. 92-028, dated December 30, 1991) to be invalid obligations are hereby reduced in a total amount of $8,008,000,000, as follows:

(1) Department of the Army, $901,000,000.

(2) Department of the Navy, $3,656,000,000.

(3) Department of the Air Force, $3,335,000,000.

(4) Defense Agencies, $116,000,000.

(b) LIMITATION.—Amounts by which balances are reduced under subsection (a) may not be restored, reobligated, uncanceled, or in any other way used by the Department of Defense.

ST. MARY'S SESQUICENTENNIAL ANNIVERSARY

HON. JERRY F. COSTELLO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. COSTELLO. Mr. Speaker, I rise today in recognition of St. Mary's Catholic Church in Edwardsville, IL. St. Mary's celebrates its sesquicentennial anniversary this year. Throughout the year, a series of special events are being held to commemorate this milestone.

St. Mary's officially became a parish in 1842. At that time, a parcel of land on North Main St. in Edwardsville was deeded to Bishop Joseph Rosati of the Diocese of St. Louis to build the first church building. When the congregation outgrew this original building, a new building was built, opening in 1889. And by 1965, the congregation had outgrown this second structure, and the present church, which stands at Madison and Notre Dame Sts. in Edwardsville, was constructed. In addition to building this new church, St. Mary's opened a parochial elementary school a year later in 1966.

St. Mary's was one of the first Catholic parishes to be established in southwestern Illinois. Today, the congregation has grown to over 1,500 members. Several of its current members have ancestors who attended the church over a century ago. This sesquicentennial celebration is a time to reflect on the fellowship and warm memories shared within the church over the years.

I want to wish the congregation of St. Mary's a happy and blessed sesquicentennial, and I ask my colleagues to join me in saluting St. Mary's Catholic Church on this special anniversary.

THE AGE DISCRIMINATION PARITY ACT OF 1992 AND THE SOCIAL SECURITY SURVIVOR'S ASSISTANCE ACT

HON. STEVE GUNDERSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. GUNDERSON. Mr. Speaker, today I am introducing two bills to assist older Americans—both in the workplace and in retirement.

THE AGE DISCRIMINATION PARITY ACT OF 1992

First, a recent report shows that, because of layoffs and corporate restructuring, America's older workers are getting hit the hardest in this recession. As businesses struggle to remain competitive, they are laying off workers and forcing early retirements. Today, 23 percent of charges filed with the EEOC are for age bias. Many predict complaints of age discrimination in the workplace will escalate from defense industry cutbacks.

To address the problem of age discrimination, I and Representative GOODLING are introducing the "Age Discrimination Parity Act of 1992." Our bill will amend the Age Discrimination in Employment Act [ADEA] to raise the cap on damages available in the case of age discrimination. Currently, older workers filing discrimination cases are limited in the awards they may seek to backpay, and to double backpay in cases of "willful" discrimination.

Last year we passed the Civil Rights Act of 1991. That law provided compensatory and punitive damages—in addition to backpay—for "intentional" discrimination cases filed under title VII. Our bill will adopt the new remedial scheme used for title VII cases. Total compensatory and punitive damages may be sought to total: $50,000 from employers with 15–100 employees; $100,000 from employers with 101–200 employees; $200,000 from employers with 201–500 employees; and $300,000 from employers with more than 500 employees.

I have been arguing for some time that our laws protecting workers from discrimination are inconsistent and need to be changed. Because the ADEA was modeled after the Fair Labor Standards Act, but is enforced by the Equal Employment Opportunity Commission, it incorporates some enforcement procedures and remedies from each.

No rational reason exists today for treating victims of age discrimination differently from victims covered under title VII and the Age Discrimination Act [ADA]. In fact, this reasoning led Congress to apply the title VII remedy schedule to the Americans with Disabilities Act last year as part of the 1991 Civil Rights Act.

As the ranking Republican on the Employment Opportunities Subcommittee, which has jurisdiction over issues of workplace discrimination, I intend to offer further changes this year to improve processes which protect all workers.

THE SOCIAL SECURITY SURVIVOR'S ASSISTANCE ACT

Second, I have been contacted on two occasions by constituents who, just days after losing their spouses, received demands by the Social Security Administration [SSA] to return the benefit checks issued to the spouse. Their stories brought to light the poor and insensitive policy in place by the SSA of cutting off benefits for deceased beneficiaries, retroactive to the first day of the month of death!

Imagine the case of a husband and wife living on a fixed pension income where one of the spouses dies. The other is left with monthly living expenses—rent or a mortgage, insurance, utilities—in addition to funeral expenses. The surviving spouse would likely count on the other spouse's Social Security check to meet some or all of these fixed expenses.

However, the surviving spouse will be notified—often not until weeks later—that the final Social Security check issued in the name of the deceased spouse must be returned. This is insensitive at best. At worst, it indicates a policy by the SSA to save money at the expense of those who likely need it the most. The SSA even withdraws checks issued to beneficiaries if they die on the last day of the month. One of my constituents related her frustration with the fact that the SSA demanded she pay back her deceased husband's check, even though he died 6 hours short of the first day of the next month—an additional 6 hours would have allowed his wife to keep the check.

Twenty-seven million Americans either already have been, or will be affected by this policy. The Social Security Administration estimates 500,000 will be affected this year.

On the other hand, under the present policy, beneficiaries receive an entire month's benefit for the month in which they become eligible for Social Security retirement payments. Even if a beneficiary becomes eligible on the last day of a month, he or she will receive a "windfall" check as if they had been eligible for the entire month.

I have introduced a bill, the "Social Security Survivor's Assistance Act" to address this issue. Under the bill, this windfall payment will be withheld from all future beneficiaries in order to pay for the expense of allowing surviving spouses to receive a final full month's check after their spouses die. All newly qualified beneficiaries will have their benefits prorated for the month in which they become eligible. If there is money to give away in the Social Security Fund, it should not go to those who are not yet eligible, especially when they are receiving a final paycheck.

The SSA estimates the remaining cost of making this change to protect all present beneficiaries will be $730 million over 5 years. Since this amounts to $6 per year for each beneficiary now on the rolls, my bill proposes to subtract that amount from benefit checks for the phase-in period. This adjustment will prevent diminishing the fiscal integrity of the Social Security Program.

These proposals bring a greater degree of fairness for Federal policies affecting older Americans.

HONORING MR. LARRY WONG: A MASTER EDUCATOR

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. TORRES. Mr. Speaker, I rise today to recognize a unique individual who has devoted his professional life to teaching young people how to be participating citizens in our democratic Republic. I speak of Mr. Larry Wong, who for 30 years has been a teacher in the Norwalk-LaMirada Unified School District. He has taught at Norwalk High School, Neff High School and LaMirada High School.

My colleagues will understand when I say that we all admire the many teachers and parents who give of their time to bring students here to the Nation's Capital. It is not easy to shepherd a group of touring high school students through airports, hotels, restaurants, and numerous landmarks. Even before a trip commences, there is money to be raised and arrangements to be made. When taking teenagers on a cross country trip, many of whom have never been on an airplane, the general rule is: If anything can go wrong, it will, and it usually does.

Mr. Speaker, Larry Wong has conducted not 1, 2, but 12 trips to Washington, DC. He has personally brought about 1,000 high school students to see for themselves the Capital of the United States. During most of his tours, he takes his students to additional cities like Philadelphia, New York, and Boston, all of which figured prominently in the founding of our Republic. This year is Larry Wong's last trip. Just to further understand the measure of this man, I will tell you, Mr. Speaker, that accompanying Larry Wong on this year's trip are some 25 adults who signed up just so they could be with Larry on his last tour.

Larry Wong has been the faculty sponsor of the American Heritage Club for 13 years. It is in that capacity that he organizes trips to Washington, DC. But his activities do not stop there. He has provided 350 scholarships for students in the school district. He has coached football for 8 years, coached baseball for 5 years and sponsored the California Scholarship Federation for 10 years. In 1975, Larry Wong was honored as the city of Norwalk Citizen of the Year. In 1977 he was selected as Teacher of the Year for Los Angeles County and made the final five for National Teacher of the Year. In addition, Larry was the 1978 recipient of the Who's Who Award from the Teachers Association of the Norwalk-LaMirada School District.

Mr. Speaker, I am sure all of the Members of the House of Representatives will join with me in welcoming Larry Wong to the Capital and wish him the best in his future endeavors.

ESTABLISHING THE DEPARTMENT OF ENERGY NUCLEAR WEAPONS COMPLEX RECONFIGURATION COMMISSION

HON. TONY P. HALL

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. HALL of Ohio. Mr. Speaker, I rise today to introduce a bill establishing the Department of Energy Nuclear Weapons Complex Reconfiguration Commission. I believe such a commission is necessary to promote openness and fairness at the Department of Energy [DOE] as the Department proceeds with its plan to reconfigure and reduce the size of our nuclear weapons complex.

I have serious concerns over the way DOE is approaching the reconfiguration process. These concerns are so strong that I believe that DOE is not capable of making the technical and economic judgments to get the best deal for the taxpayers. I did not arrive at this decision lightly. During the last 6 months, I and my constituents have experienced increasing frustration at DOE's refusal to make available key planning documents and its failure to fully examine reconfiguration alternatives. Therefore, I am proposing the creation of a commission, loosely modeled after the Defense Base Closure and Realignment Commission, to remove DOE from making the final decision on reconfiguration. Based on my experience, I believe the creation of such a commission is the only way of assuring Congress and the public a role in the reconfiguration process.

On December 16, 1991, DOE Secretary Watkins announced the first step in the reconfiguration process by proposing to consolidate nonnuclear manufacturing operations at one site. According to the plan, the Mound plant in Miamisburg, OH, which is in my district, and the Pinellas Plant in Clearwater, FL, would close. This would result in the loss of about 4,000 jobs.

Last week, the General Accounting Office [GAO] testified before the House Armed Services Committee Department of Energy Defense Nuclear Facilities panel, raising a number of troubling questions that DOE needs to answer. Victor S. Rezendes, Director of Energy Issues for GAO, told the panel:

> The selection of the complex's size and capabilities is a critical baseline for nearly all reconfiguration planning. . . . Before a modernized, reconfigured nuclear weapons complex can be seriously considered, a consensus must be reached on what capability the complex must have to produce and maintain nuclear weapons.

GAO expressed concern that DOE is moving forward with reconfiguration without first determining the appropriate size of the complex.

GAO also testified that the reconfiguration would actually cost billions of dollars more than DOE's preliminary estimate of $6.7 billion to $15.2 billion because DOE did not take into consideration key factors. For example, that estimate does not include the $4.9 to $7.4 billion in cleanup costs for three facilities. Also, the DOE estimate does not include costs associated with needed upgrades in safety, health and environmental programs throughout the complex; and the cost of a wide variety of upgrades and modernization projects, including billions of dollars for new facilities to produce tritium.

Moreover, according to GAO, DOE based its cost estimates on reconfiguring only three of its 16 major sites around the Nation. GAO concludes, "In our view, the total costs for rebuilding the complex will be substantially higher" than DOE estimates.

Despite this critical lack of information, DOE has already embarked on the costly and uncertain reconfiguration process and is proceeding to close the Mound plant. It is my understanding that DOE has withheld funds for the modernization of Mound's tritium facilities and is moving to turn over Mound's operations to the Office of Environmental Restoration and Waste Management. In short, DOE is proceeding to make an irreversible decision that will cost the taxpayers billions of dollars and affect our national security, yet DOE does not yet know what it wants and how much it will cost.

What has been especially frustrating to me during the last 6 months has been the extraordinary secrecy and bureaucratic stubbornness of DOE in making information available to the public and Congress. Since last August, I have been trying to get a copy of the original data submitted by EG&G Mound applied technologies to DOE as part of the reconfiguration process. Despite repeated promises to me, to Ohio elected officials, and to congressional committees, DOE officials dragged their feet. In the last 7 months, I and other Members of Congress or our staffs—in person, or on the phone—made at least 20 unsuccessful requests to DOE for essentially the same information. I am still waiting for the full set of documents to substantiate the DOE reconfiguration decision. Throughout the nonnuclear consolidation process, DOE has refused to allow a free flow of information. I think my colleagues will agree that this is a pathetic performance by any standard, let alone the standards that should be met by an executive agency.

For the benefit of my colleagues, I present a chronology of the actions necessary to get the Mound report from the Energy Department:

A CHRONOLOGY OF REPRESENTATIVE TONY P. HALL'S ATTEMPTS TO GET MOUND RECONFIGURATION REPORT

July 24, 1991: EG&G Mound Applied Technologies presents to the Department of Energy (DOE), "Nonnuclear Consolidation Planning Report: Mound Plant." The report is presented in response to a request by DOE.

August 6, 1991: Hall writes EG&G Mound President and General Manager Donald E. Michel requesting studies on the reconfiguration of the nuclear weapons complex.

September 6, 1991: Michel writes Hall saying he is unable to release the information Hall requested and he refers Hall to DOE.

November 4, 1991: Hall writes Under Secretary of Energy John C. Tuck requesting a meeting to discuss Hall's request for the Mound report and for information on the reconfiguration.

December 1991: Tuck's office apparently loses Hall letter.

December 16, 1991: Energy Secretary James D. Watkins announces plan to consolidate nonnuclear manufacturing operations of the weapons complex.

December 16, 1991: At a DOE briefing for staff members, DOE officials refuse requests for the Mound report by staff members of Hall and Sen. John Glenn (D-Ohio).

December 23, 1991: Letter sent to Watkins requesting information about the consolidation decision. The letter is signed by Hall, Senators Glenn and Howard M. Metzenbaum (D-Ohio), and Reps. Bob McEwen (R-Ohio), David L. Hobson (R-Ohio), and John A. Boehner (R-Ohio).

January 1992: Meeting scheduled between Hall and Tuck for January 10.

January 9, 1992: Tuck cancels January 10 meeting. No meeting rescheduled.

January 1992: Hall informed by DOE Office of Congressional Affairs that DOE will not answer the December 23, 1991 letter.

January 1992: Hall informed by DOE Office of Congressional Affairs that the Mound report will not be sent to him but that it will be made available for examining at the DOE office next summer.

January 27, 1992: At Glenn's request, DOE holds meeting at the Miamisburg Mound Plant. The meeting is attended by Hall, Glenn, Hobson, Ohio Lt. Governor Mike DeWine, and local community leaders. Tuck promises he will release information on reconfiguration decision-making process.

January 29, 1992: Deputy Energy Secretary W. Henson Moore and Tuck meet with Hall, Glenn, Hobson, Boehner, and others in Washington. Tuck promises that within one month he will release information on reconfiguration decision-making process. He specifically promises to release the Mound report "with an addendum."

January 31, 1992: Tuck writes Hall, DeWine, Miamisburg Mayor Frank Church and others, promises that within one month he will release information on reconfiguration decision-making process.

February 12, 1992: Assistant Secretary of Energy for Defense Programs Richard A. Claytor writes Hall, promises that he will release information on reconfiguration decision-making process about the first week in March.

February 25, 1992: Claytor testifies before the Senate Governmental Affairs Committee, promises that soon he will release information on reconfiguration decision-making process.

March 11, 1992: Office of Congressional Affairs informs Hall that the Mound report would not be released for at least two weeks and there is a possibility it will never be released.

March 11, 1992: Hall writes Watkins requesting the Mound report within 24 hours.

March 12, 1992: Hall files Freedom of Information Request seeking Mound report and other information on reconfiguration decision-making process. (Note: letter faxed to DOE March 12, hand-delivered the morning of March 13)

March 19, 1992: Freedom of Information Office logs in Hall's request.

March 23, 1992: DOE releases "Nonnuclear Consolidation Plan—September 1991" without the Mound report.

March 26, 1992: Watkins testifies before the House Appropriations Subcommittee on Interior; promises that the Mound report is available.

March 27, 1992: DOE staff offer a variety of excuses why they can't provide the report.

March 30, 1992: DOE provides copy of Mound report to Rep. Ralph Regula (R-Ohio), ranking minority member of the House Appropriations Subcommittee on Interior.

March 30, 1992: Regula gives Hall copy of the report. Though the report is complete, it does not contain a follow-up document submitted by EG&G Mound to DOE.

The Mound report, which I finally received, documents that consolidation at the Mound plant is more cost-effective and quicker than DOE's proposal. The report raises serious questions about the methodology used to determine requirements for floor space, number of employees, cost, and time required for the consolidation. The report also offers an alternative—consolidation at both Mound and Pinellas—which could be more cost-effective, quicker, and less risky than DOE's preferred option. The Mound report asserts that Mound has the capacity to do all the tritium handling necessary to maintain the reduced weapons stockpile proposed by the President.

My bill establishes a 10-member commission appointed by the President in consultation with House and Senate leaders, the Environmental Protection Agency, and the Department of Energy. The commission members and staff will have access to all DOE documents and will review questions associated with the programmatic environmental impact statements [PEIS], the removal of certain decisions from the PEIS, the environmental assessments and findings of no significant impact, any supplemental environmental impact statements, the worker adjustment plans, and all cost analyses.

The commission will submit to the President recommendations based on DOE proposals. These recommendations will be available to the public. The President then has 30 days to approve the recommendations and forward them to Congress, disapprove the recommendations and send them back to the commission, or take no action whereby the recommendations are automatically sent to Congress. Congress will have the option of passing a joint resolution of disapproval.

This process will take place twice every year, which is necessary because of the ongoing nature of the reconfiguration process and the uncertainty of our security needs.

The bill blocks DOE from proceeding with the nonnuclear consolidation until the Commission has been established and a recommendation is approved under this process.

My bill safeguards the public against unilateral and potentially harmful decisions coming from DOE. I hope my colleagues will support it.

The text of the bill follows:

H.R. 4818

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Department of Energy Nuclear Weapons Complex Reconfiguration Commission Act".

SEC. 2. ESTABLISHMENT.

There is established a commission to be known as the "Department of Energy Nuclear Weapons Complex Reconfiguration" Commission (in this Act referred to as the "Commission").

SEC. 3. DUTIES.

It shall be the duty of the Commission—

(1) to review segmentation decisions by the Department of Energy with respect to programmatic environmental impact statements (PEIS) prepared under the National Environmental Policy Act of 1969, including proposals by the Department of Energy to segment the issue of nonnuclear consolidation for the PEIS process;

(2) to review environmental assessments and any findings of no significant impact made by the Department of Energy as a result of a PEIS or segmentation of a PEIS prepared by the Department of Energy;

(3) to review the Department of Energy record of decision with respect to any PEIS prepared by the Department of Energy on the structural reconfiguration of the nuclear weapons complex;

(4) to review the need, if any, for supplemental environmental impact statements (SEIS) to be prepared by the Department of Energy, and to review any such SEIS;

(5) to review the adjustment assistance plan for nuclear weapons facility workers proposed by the Department of Energy;

(6) to review the Department of Energy analyses on the cost of the structural reconfiguration of the nuclear weapons complex; and

(7) to submit recommendations to the Congress with respect to the review conducted under paragraph (6) and to make such recommendations available to the public.

SEC. 4. MEMBERSHIP.

(a) NUMBER AND APPOINTMENT.—The Commission shall be composed of 10 members appointed by the President as follows:

(1) 2 members appointed in consultation with the Speaker of the House of Representatives.

(2) 2 members appointed in consultation with majority leader of the Senate.

(3) 2 members appointed in consultation with the minority leader of the House of Representatives and the minority leader of the Senate.

(4) 2 members appointed in consultation with the Administrator of the Environmental Protection Agency.

(5) 2 members appointed in consultation with the Secretary of Energy.

(b) TERMS.—

(1) IN GENERAL.—Each member of the Commission shall be appointed for a term of 2 years, except as provided in paragraph (2).

(2) VACANCIES.—Any member of the Commission appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Commission shall be filled in the manner in which the original appointment was made.

(c) BASIC PAY.—

(1) RATES OF PAY.—Except as provided in paragraph (2), members shall each be paid at a rate equal to the daily equivalent of he minimum annual rate of basic pay payable for level IV of the Executive Schedule for each day (including travel time) during which they are engaged in the actual performance of duties vested in the Commission.

(2) PROHIBITION OF COMPENSATION OF FEDERAL EMPLOYEES.—Members of the Commission who are full-time officers or employees of the United States or Members of Congress may not receive additional pay, allowances, or benefits by reason of their service on the Commission.

(3) TRAVEL EXPENSES.—Each member of the commission shall receive travel expenses, including per diem in lie of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(d) QUORUM.—6 members of the Commission shall constitute a quorum but a lesser number may hold hearings.

(e) CHAIRPERSON.—The Chairperson of the Commission shall be elected by the members. The term of office of the Chairperson shall be 2 years.

(f) MEETINGS.—The Commission shall meet at the call of the Chairperson or a majority of its members.

SEC. 5. STAFF AND SUPPORT SERVICES.

(a) DIRECTOR.—The Commission shall have a Director who shall be appointed by the Commission. The Director shall be paid at the rate of basic pay payable for level IV of the Executive Schedule.

(b) STAFF.—

(1) IN GENERAL.—With the approval of the Commission, the Director may appoint and fix the pay of additional personnel as the Director considers appropriate.

(2) LIMITATION ON NUMBER OF DEPARTMENT OF ENERGY PERSONNEL.—Not more than one-third of the total number of personnel em-

ployed by or detailed to the Commission may be on detail from the Environmental Protection Agency and the Department of Energy.

(3) CONSULTATION WITH CONGRESS.—Personnel employed by or detailed to the Commission under paragraph (2), shall be appointed in consultation with the Armed Services Committees of the House of Representatives and the Senate.

(c) APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.—The Director and staff of the Commission may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the maximum annual rate of basic pay payable for positions above GS-15 of the General Schedule.

(d) EXPERTS AND CONSULTANTS.—The Commission may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(e) STAFF OF FEDERAL AGENCIES.—Except as provided in paragraphs (2) and (3) of subsection (b), and upon request of the Director, the head of any Federal agency may detail, on a reimbursable basis, any of the personnel of the agency to the Commission to assist the Commission in carrying out its duties under this Act.

SEC. 6. POWERS.

(a) HEARINGS AND SESSIONS.—The Commission may, for the purpose of carrying out this Act, hold hearings, sit and act at times and places, take testimony, and receive evidence as the Commission considers appropriate.

(b) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Commission may, if authorized by the Commission, take any action which the Commission is authorized to take by this Act.

(c) OBTAINING OFFICIAL DATA.—

(1) IN GENERAL.—Except as provided under paragraph (2), the Commission may secure directly from any Federal agency information necessary to enable it to carry out this Act. Upon request of the Chairperson of the Commission, the head of the agency shall furnish that information to the Commission.

(2) EXCEPTION.—The Secretary of Energy may deny access to information provided to the Commission to any person who—

(A) has not been granted an appropriate security clearance or access authorization by the Secretary of Energy; or

(B) does not need such access in connection with the duties of such person.

(d) MAILS.—The Commission may use the United States mails in the same manner and under the same conditions as other Federal agencies.

(e) ADMINISTRATIVE SUPPORT SERVICES.—Upon the request of the Commission, the Administrator of General Services shall provide to the Commission, on a reimbursable basis, the administrative support services necessary for the Commission to carry out its responsibilities under this Act.

SEC. 7. REPORTS AND CONSIDERATION OF COMMISSION RECOMMENDATIONS.

(a) REPORT BY SECRETARY OF ENERGY.—The Secretary of Energy shall biannually transmit to the Commission, not later than June 30 and December 30 of any year, a report detailing the actions, assessments, and decisions of the Department of Energy that are described in paragraphs (1) through (5) of section 3. Except as provided in section 6(c)(2), the Secretary of Energy shall make available to the Commission all information used by the Department of Energy with respect to such actions and decisions.

(b) INITIAL REPORT OF COMMISSION.—Not later than 30 days after the Commission receives a report submitted by the Secretary of Energy under subsection (a), the Commission shall submit to the President a report containing—

(1) the findings, conclusions, and recommendations of the Commission based upon the reviews conducted by the Commission under paragraphs (1) through (5) of section 3; and

(2) an explanation and justification of any recommendation of the Commission that proposes an action or decision that is different from an action or decision proposed by the Department of Energy.

(c) REVIEW BY THE PRESIDENT.—

(1) IN GENERAL.—Not later than 30 days after the President receives a report submitted by the Commission under subsection (b), the President shall transmit to the Commission and the Congress a report containing the President's approval or disapproval of the recommendations of the Commission.

(2) APPROVAL BY THE PRESIDENT.—If the President approves the recommendations of the Commission, the President shall transmit a copy of such recommendations to the Congress, together with a certification of such approval.

(3) DISAPPROVAL BY THE PRESIDENT.—If the President disapproves the recommendations of the Commission, in whole or in part, the President shall transmit to the Commission and the Congress the reasons for the disapproval. Not later than 30 days after the Commission receives such reasons from the President, the Commission shall submit to the President a report containing the revised recommendations of the Commission.

(4) APPROVAL OF REVISED REPORT.—If the President approves all of the revised recommendations of the Commission submitted under paragraph (3), the President shall transmit a copy of such revised recommendations to the Congress, together with a certification of such approval.

(5) FAILURE OF PRESIDENT TO APPROVE REPORT.—If the President does not transmit to the Congress an approval and certification under paragraph (2) or (4) within 90 days after the President receives a report submitted by the Commission under subsection (b), the Commission shall transmit such report to the Congress.

(d) CONGRESSIONAL DISAPPROVAL.—

(1) IN GENERAL.—The Secretary of Energy may not carry out any recommendation of the Commission that is approved by the President under paragraph (2) or (4) of subsection (c) (or that is contained in a report transmitted to the Congress under paragraph (5) of such subsection) if a joint resolution is enacted disapproving such recommendation before the earlier of—

(A) the end of the 45-day period beginning—

(i) in case of an approval under paragraph (2) or (4) of subsection (c), on the date on which the President transmits such approval to the Congress; or

(ii) in the case of a transmission under paragraph (5) of such subsection, on the date on which the Commission transmits the report to the Congress; or

(B) the adjournment of the Congress sine die for the session during which such approval or transmission is transmitted.

(2) COMPUTATION OF PERIOD.—For purposes of paragraph (1), the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain shall be excluded in the computation of a period.

(e) DUTY OF SECRETARY OF ENERGY.—The Secretary of Energy shall carry out any recommendation of the Commission—

(1) that is approved by the President under paragraph (2) or (4) of subsection (c) (or that is contained in a report transmitted to the Congress under paragraph (5) of such subsection); and

(2) that is not disapproved under subsection (d).

SEC. 8. TERMINATION.

Section 14(a)(2)(B) of the Federal Advisory Committee Act (5 U.S.C. App.; relating to the termination of advisory committees) shall not apply to the Commission.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated for each of fiscal years 1993 and 1994 such sums as may be necessary to carry out this Act.

SEC. 10. POSTPONEMENT OF ACTION BY DEPARTMENT OF ENERGY.

The Secretary of Energy shall postpone the implementation of any proposal by the Department of Energy to segment the issue of nonnuclear consolidation from the PEIS process until the Commission makes a recommendation in favor of such proposal and such recommendation—

(1) is approved under paragraph (2) or (4) of section 7(c) (or is contained in a report transmitted under paragraph (5) of section 7(c)); and

(2) is not disapproved under section 7(d).

A QUARTER OF A CENTURY—AND STILL GROWING STRONG

HON. GUY VANDER JAGT

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. VANDER JAGT. Mr. Speaker, in the Ludington Daily News of March 6, 1992, the anniversary of a great event in the community's history was noted: The approval, by plebiscite, of the college district and founding of West Shore Community College in that town 25 years ago.

Founded to serve the county of Mason, which includes the city of Ludington, and Manistee, the faith of the voters has been transformed into a reality of education and service which is the hallmark of the community college concept.

I am proud that, as we look forward in a few weeks to the beginning of the graduation season, that the college has invited me to share in this great anniversary by offering a few thoughts to this year's graduating class. It is an honor, certainly, but it is also a challenge.

It will be a challenge to my oratorical skills to offer the graduates, their friends and neighbors, and the community and institutional administration any greater inspiration than that which is represented by the very experience they reflect.

I offer, for my colleague's review, the Daily News editorial:

[From the Ludington Daily News, Mar. 6, 1992]

WE'RE PROUD OF OUR WSCC ON ITS 25TH

Today is West Shore Community College's 25th birthday, and besides saying "Happy

Birthday," we join with the community in saying, "Well done!"

It was on this date in 1967 that voters of Mason and Manistee counties approved the formation of the college district, but it was Mason County that carried the day by overwhelmingly approving the operational millage levy after Manistee had voted it down. Without that affirmative vote, the college would have died a dream.

But the favorable vote a quarter of a century ago hardly guaranteed that the still nameless college would be successful. It had no campus, no staff, not even an office from which to conduct business. From the first office above what is now Erwin's Custom Sports to a picturesque 360-acre site that now includes five major buildings.

The college's mission, however, has not been simply to build buildings and add staff. It has been to provide a rural area of Michigan with educational programs for young and old, for undergraduate students, as well as adults wanting to improve their job skills and learn new ones. And the college, being an institution designed to serve all segments of the community, has not neglected those who just wish to learn something on the lighter side.

West Shore Community College has not confined its mission to teaching, however. It has been an integral part of this area's effort to strengthen its economic base by offering programs designed to meet the needs of local business and industry.

The college has also been a center of the area's cultural activities by offering plays, concerts, lectures and special seminars.

In the past 25 years, West Shore has been an important part of just about every facet of the Mason-Manistee-Oceana-Lake county area. It has provided leadership for our area, and been responsible for many of the areas of growth that the college's district has experienced.

Yes, we do wish the college a happy birthday, but even more importantly, we wish it continued success in all of its endeavors because its success quickly translates into success for our area.

"Success for our area." A powerful stamp of approval, and, for the college, a statement of mission. The biannual catalog of the college offers its own history; but it also offers us a strong indication of the reason for its community success: Its statement of philosophy, mission, and purpose and its observations on community service.

We so often forget what school is all about—that is is not just book learning but an experience. Big colleges emphasize the college life aspect, but students lose that sense often in the focus on academic achievement. The community college integrates, in a special way, that learning is an experience because of the unique interaction of academia, vocational focus, and community service. The selections from the catalog, mentioned above, illustrate that point:

[From the West Shore Community College, 1990–1992 Catalog]

HISTORY AND ORGANIZATION

The people of the area voted to establish West Shore Community College in 1967 and in 1968 the college began serving the needs of students. The college district includes all of Mason County, most of Manistee County, and parts of Lake, Newaygo, and Oceana counties. A specific description of the college district can be found on page 21. In the true spirit of a community college, West Shore's instructional programs prepare students for immediate employment and/or provide a sound two-year base from which they can continue work toward a bachelor's degree. A seven member board of trustees, elected at-large from the college district, provides leadership and direction for the college's overall operation.

ACCREDITATION

West Shore Community College is accredited by the North Central Association of Secondary Schools and Colleges. The college will accept credit from institutions which are accredited by any of the following organizations: American Association of Bible Colleges, Association of Independent Colleges and Schools, Middle States Association of Colleges and Schools, National Association of Trade and Technical Schools, National Home Study Council, New England Association of Colleges and Schools, North Central Association of Secondary Schools and Colleges, Northwest Associations of Colleges and Schools, Southern Association of Colleges and Schools and Western Association of Colleges and Schools.

STATEMENT OF PHILOSOPHY, MISSION AND PURPOSE

The Philosophy Statement of West Shore Community College expresses the beliefs which guide the college in providing service to its unique community. We believe:

1. In the dignity and worth of all individuals and that equal opportunity is essential in all educational and employment practices.
2. Our community is best served by maintaining an open door admissions policy.
3. That learning is a lifelong process and that encouragement and opportunity for continued learning should be accorded to all individuals.
4. Education should help individuals in their chosen field as well as provide opportunities for personal enrichment.
5. Individuals should learn to think independently, value logical and tested conclusions, develop problem solving abilities, appreciate and express creativity, and practice sound interpersonal skills in order to contribute effectively in a complex and changing society.
6. That West Shore Community College is in a position to affect the quality of life in the community by acting as a catalyst for growth and raising the level of personal aspiration.
7. The college is an integral part of the community it serves and must assist identifying and responding to needs and interests.
8. There is no substitute for the pursuit of excellence in delivering educational services.

The Mission Statements of West Shore Community College describe the unique role the college plays and the responsibilities it accepts for its community. We perceive our mission to be:

1. As a public comprehensive college, West Shore Community College serves a large and primarily rural area in west central Michigan and provides one- and two-year occupational programs and two-year baccalaureate-oriented programs.
2. As the only postsecondary institution in the community, the college has an especially strong commitment to meeting the wide range of needs of groups and individuals of all ages.
3. Continual effort is made to serve the community in meeting its various educational, social, cultural, and economic needs by providing facilities, resources, coordination and leadership.

West Shore Community College focuses institutional action through Purpose Statements which reflect the philosophy and mission of the college. We implement our mission by providing:

1. One- and two-year occupational and two-year baccalaureate- oriented programs for all postsecondary students who can benefit.
2. Encouragement and opportunity for all age groups to participate in programs which contribute to individual and community growth.
3. Cooperative occupational program opportunities for area secondary students.
4. A range of accessible and economical educational services through varied formats, schedules, geographic locations, and financial assistance.
5. A community center for recreation, meetings, workshops, and other activities.
6. Educational programming related to economic and employment realities of the area served.
7. Expanded career option through cooperation with are business and industry.
8. Technical assistance to area business and industry to enhance employment opportunities in the college service area.
9. Comprehensive programs which integrate communications, math, science, and humanities which collectively foster development of interpersonal skills, logical reasoning ability, creativity, and problem solving skills.
10. An opportunity to develop skills needed to enter and succeed in programs.
11. Assistance in developing job search skills and placement.
12. Support for making informed decisions regarding abilities, achievements, and behavior through testing, evaluation, and counseling.
13. Various opportunities to promote development of cultural appreciation, leadership skills, and social awareness.

COMMUNITY SERVICE

The college serves the area in a number of ways in addition to offering instructional programs. West Shore is involved in activities to promote the economic development of the area, most of which are coordinated by the WSCC Business and Industrial Development Institute; the college's library and audio visual services are available for use by the public; the college regularly offers open-to-the-public enrichment opportunities, such as a series of cultural arts programs, theatre productions, choir concerts, and art exhibits; career counseling services are available to the public; for area employers the Placement Center is a source of full- and part-time employees; college facilities, including meeting rooms and dining services, are available to the public; and the general public is welcome to use the Recreation Center's swimming pool, racquetball and tennis courts, basketball arena, weight room, and other facilities for only a minimum charge. The college also offers non-credit community service classes designed to meet the general interest needs of area residents.

Too often the local community college is seen as the school that you go to when you can't make it anyplace else. That is, of course, a perversion of the truth that it is the place you go so you can make it everyplace else.

And West Shore Community College continues to strive to make itself the best possible example of that truth. I am proud to have been able, over the years, to support this growth and development.

Indeed, I believe that the type of interdependent and matching support which characterizes community colleges is an outstanding example of how Federal assistance is best used: To energize local interest and participation.

As we celebrate the present, I want to congratulate Dr. William Anderson, president of West Shore Community College, his colleagues, and his charges—the teachers and students who show that the concept works. I also want to demonstrate the continuing growth and involvement of the college in the community by two last articles, one from the Manistee News Advocate, and another from the Ludington Daily News on expansion plans and continued community participation. Included is a pat on the back that I share with my colleagues for our small contribution to the next 25 years—and to a community glowing rich from the light of knowledge and service.

[From the Manistee News Advocate, Jan. 29, 1992]

WSCC GEARS UP FOR THE FUTURE

We were pleased to learn that West Shore Community College is moving ahead with plans to expand its tech center. Just last week the board approved the three-phase construction timetable for the $3.6 million facility with some ambitious goals in mind:

Deliver high tech training for workers in the manufacturing sector.

Forge a partnership with intermediate school districts to offer math and science programs to high school students.

Offer continuing education to members of the business world.

The college also wants to add classroom space and shuffle around existing programs.

Who is going to pay for this ambitious project? Don't worry, there are no plans to fund it by asking taxpayers for a millage hike. Instead, the college has secured funding from various sources including state and federal grants.

Funding has already been secured for Phase I and will come from a vocational educational grant, technical preparation grant, private contributions and the college itself. Construction bids will be received by the end of February for the first phase which is estimated to cost $1.7 million.

The college will learn in late February if it will receive an $800,000 grant from the U.S. Economic Development Administration to pay for Phase II. Phase III funding will hopefully come from the state's capital improvement funds when that program is revived.

West Shore should be applauded for its continual push for retraining of the local workforce to help business become more competitive in what is now an international workplace. And for the willingness to not only prepare college students for an ever increasing technological world but high schoolers as well. The Mason-Lake Intermediate School District has already forged a partnership with WSCC when the two jointly applied for the $300,000 Technical Preparation Partnership grant for Phase I.

The match and science center will serve intermediate school districts from Lake, Mason and Oceana counties, and possibly Manistee.

We are fortunate to have a visionary community college, one that knows and understands what it takes to invest and prepare our youth for the working world tomorrow. The college should also be commended for realizing, that the only way to compete in today's marketplace is to offer retraining and more opportunities to today's workforce.

Governor Engler, in his state of the state address last week, praised the role the community college plays today. WSCC could be his shining example and we hope it receives the rewards it deserves such as some the new programs to come out of the Engler administration.

Keeps up the good work, WSCC.

[From the Ludington Daily News, Feb. 11, 1992]

CONGRATULATIONS, WSCC

Congratulations to West Shore Community College for its award of an $800,000 grant for its proposed technical center. Federal government grants are not easily obtained during times of budgetary constraints. WSCC received not only some funding, but the full amount of its request. That says a lot for the college and the program.

The WSCC technical center will be built in three phases, beginning March 6. Phase one will include facilities for training in machine tooling; computer-aided design and manufacturing electronics. Phase two includes business, math and science class areas. Phase three will include space for nursing and other program expansions.

Also to be congratulated are the Mason-Lake Intermediate School District and its six member school districts—Baldwin, Pentwater, Free Soil, Mason County Eastern and Central and Ludington. These school units formed, with the college, the Technical Preparation Partnership to improve technical training for area high school students.

The partnership originally was formed to address the needs of students who do not plan to further their education beyond high school. The coordinated technical training efforts will accomplish that objective.

But the same programs, the same facilities can also help college-bound students receive more highly-technical training than previously had been available. These programs with more modern equipment, also can help adults improve their job skills in technical areas.

These benefits would not be available in this area were it not for the cooperation of our local schools and college. Instead of half of the programs being offered in a couple of districts, and few or none in other districts, all programs are offered to residents of all districts—and without costly duplication of offerings.

We ask our public servants to be innovative, efficient and fiscally prudent. Sometimes we ask for miracles. This time we got one. Congratulations!

HEAL THE BAY'S FIRST ANNUAL BRING BACK THE BEACH BENEFIT HONORS FELICIA MARCUS AND CINDY HARRELL-HORN

HON. MEL LEVINE

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. LEVINE of California. Mr. Speaker, today I rise in order to congratulate both Heal the Bay on the occasion of its first annual Bring Back the Beach Benefit, Saturday, April 11, 1992, and its honorees and long time supporters, Felicia Marcus and Cindy Harrell-Horn.

Felicia and Cindy have both been with Heal the Bay from its small beginnings in 1985, through the long struggle to establishing itself as a premier environmental organization. Felicia Marcus is one of the original six founders, who met one evening to discuss their willingness to protest a request by the city of Los Angeles to continue dumping partially treated sewage into the Santa Monica Bay. With Felicia leading the way as counsel, Heal the Bay joined in an EPA lawsuit against the city of Los Angeles, citing gross violations of the Clean Water Act. Felicia was instrumental in gaining for Heal the Bay "Friend of the Court" status, carrying the obligation of overseeing the terms of the consent decree which settled the EPA lawsuit. Her work has resulted in visible improvement in the city of Los Angeles's environmental efforts, including the creation of a stormwater management division.

Felicia's political savvy has been a great help in gaining respect for Heal the Bay and creating the cooperative working relationship it now has with local and Federal governments. She also works closely with local businesses, helping them install source reduction programs in order to improve waste minimalization. Felicia has worked with many other organizations as well: as director of Litigation for Public Counsel, the largest public interest law firm in the country, working on the Los Angeles City Attorney's Environmental Protection Section, and serving as commissioner for the Los Angeles Environmental Quality Board. She is currently serving as commissioner for the city of Los Angeles Board of Public Works.

Cindy Harrell-Horn has been an instrumental part of Heal the Bay since its first annual meeting. She was one of only 100 people attending an all-day meeting in a cold, dirty office building awaiting demolition. Without announcing any of her remarkable talents or connections, she quietly volunteered to help out on the newly formed fundraising committee. The first result of Cindy's offer to help out resulted in an amazingly successful house party fundraiser that same summer which raised $50,000 for Heal the Bay programs, office space, and staff.

As a board member, Cindy has raised Heal the Bay to a new level of strength and effectiveness, single-handedly raising or giving $250,000 to the organization within a 5-year period. Cindy's openness, honesty, and willingness to take on any task despite the pressure of formidable odds or deadlines has set the tone for the group.

Heal the Bay is not the only organization to benefit from Cindy's commitment to the environment. She has been a board member of the Environmental Media Association, a cofounding board member of the Coalition for Clean Air, and a board member of Tree People. In 1991, Cindy was appointed to the Environmental Education Advisory Council of the U.S. Environmental Protection Agency National Environmental Education Act. Along with the admiration of the environmental community, Cindy shares the love and support of her husband, Alan, and their two daughters, Cassidy and Cody, all of whom share her dedication to bringing life back to our bay.

In view of their immense efforts on behalf of the struggling life of the Santa Monica Bay, it is my extreme pleasure to ask my colleagues in the House of Representatives to join me in thanking and congratulating Felicia Marcus, Cindy Harrell-Horn, and Heal the Bay on this great occasion. We wish all of you years of continued success.

SKELTON SPEAKS AT DECOMMISSIONING CEREMONY OF THE U.S.S. "MISSOURI"

HON. IKE SKELTON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, April 8, 1992

Mr. SKELTON. Mr. Speaker, on March 31, I had the honor of being the principal speaker at the decommissioning ceremony of the U.S.S. *Missouri* in Long Beach, CA. It was a bittersweet occasion. The *Missouri* is the last of the battleships to be in active service, but she also distinguished herself in the war with Iraq a little over 1 year ago.

The occasion also marked the retirement of the ship's commanding officer, Capt. Albert Kaiss, who served the Navy with great distinction for 30 years. My address on the occasion of the decommissioning is set forth as follows:

SPEECH BY HON. IKE SKELTON

INTRODUCTION

This is a sad day, and yet it is also a day of celebration: Sad, because this grand battleship named after our State of Missouri is being decommissioned; a celebration, because we honor the ship after having once again participated in the defeat of tyranny.

Almost 6 years ago, on May 10, 1986, I had the great pleasure and honor to speak at the recommissioning ceremony of this historic ship in San Francisco Bay. Present on that occasion was our own Capt. Lee Kaiss and the ship's sponsor, Margaret Truman Daniel. While not that long ago nor that far away, that event took place in a completely different era. Then we were in the final stages of the cold war, though we did not know it at the time. Little did we suspect that within a few years the cold war would come to an end and that the Soviet Union would disappear soon thereafter.

THREE VICTORIES

Today, we can look back and celebrate three American victories. While the near-term future is marked by turbulence and uncertainty in the world, we need to remind ourselves of the great achievements of our country. We led and played the key role on the winning side in the two epic struggles of this century—the fight against fascism and the less costly but more complex struggle against Soviet communism. The third and most recent struggle was the war that took place in the Persian Gulf just a little over 1 year ago.

That first struggle, the fight against fascism, ended with a brief 23-minute ceremony that took place on board this ship—on these very decks. Representatives of Imperial Japan signed the document of surrender here in the presence of Adm. Chester Nimitz, Gen. Douglas MacArthur, and other American military leaders of the day. This event followed this ship's extensive combat in the Pacific theater.

That second struggle, the fight against communism, began almost immediately after the conclusion of the first. The cold war—described by President John F. Kennedy as the long twilight struggle—was violent at times, as evidenced by the North Korean invasion into the south in 1950. The U.S.S. *Missouri* was the first American ship to reach Korean waters and bombard the enemy. Her role was significant, helping create a diversion for the famed marine landing at Inchon.

The third struggle took place last year. The Persian Gulf war was a stunning victory. The flower of America's youth sailed the ships, attacked across the desert, and flew in combat to defeat a brutal foe. The "Mighty Mo" again participated in a historic American victory. This ship and her sister ship, the *Wisconsin*, were among the first ships to fire Tomahawk cruise missiles in combat, at the beginning of operation Desert Storm. The *Missouri* also provided naval gunfire support with her mighty 16-inch guns against Iraqi targets in Kuwait. She fired nearly 800 rounds, more than 1,000,000 pounds of ordinance on target. What a perfect blend of new and old weapons technology. This ship proved faithful to her motto: "Ready for sea and always ready to answer the call of battle."

The *Missouri* received three battle stars for World War II service and five for Korean service. She also received two campaign ribbons for action in the Persian Gulf.

A NOTE OF WARNING

But in the midst of this celebration of our success, let me sound a note of warning to my fellow countrymen. In 1935 we were engaged in the fourth naval disarmament conference with the leading naval powers of the world. This was 3 years after the advent of Hitler to power in Germany. The seeds of the second World War had already been sown, but we ignored the gathering storm and were caught unprepared when it came.

Years earlier in 1923, Maj. George C. Marshall, the future World War II Army Chief of Staff, noted "the regular cycle in the doing and undoing of measures for the national defense." He observed that, "We start in the making of adequate provisions and then turn abruptly in the opposite direction and abolish what has just been done." Today, we are in the midst of making one of those changes in direction. This is now the eighth year of real defense budget cuts, and we know that more dramatic reductions are in store.

Secretary Cheney and General Powell crafted a plan 1½ years ago that will result in a 25-percent reduction in the size of our forces and the size of the defense budget. A further cut of $50 billion over the next 5 years has been recommended by the President as a result of events last August in Moscow when the old Communist order finally collapsed. I believe the Secretary and his military advisers have put together a pretty good plan, not perfect, but pretty good. But to readjust the plan every year in a dramatic fashion as some would have them do, is simply more than we should do in light of the uncertainty of the world around us.

As many of you know so well, there are more than a few self-styled defense experts, who would increase the pace and extent of the planned cuts. My warning is against our Nation engaging in a military disarmament binge. In 1997, our Nation's military forces would be at the breaking point in responding to a Desert Storm contingency and a conflict in Korea at the same time. General Powell acknowledged this troubling possibility in testimony before the Congress a few weeks ago.

Those who would slash our military even further than the planned 25 percent reduction, while sincere and well-meaning, lack an understanding of history's lessons. Time and time again, in this century we have followed the dangerous and costly path of demobilization, disarmament, and unpreparedness, only to regret that course of action a few short years later.

After the first World War we withdrew from world affairs and allowed our military to whither away. After our tremendous victory over Germany and Japan in 1945 we once again cut our military. And once again, we were caught unprepared when war broke out in Korea less than 5 years later.

Each of the Services will experience substantial reductions. The Navy, for example, reached a high water mark of 570 ships in its effort to build to 600 ships. This past December there were 499 ships in the Fleet and current plans will have the Navy at the 450-ship level by 1997.

If we go much more beyond these cuts in force structure, we will end up in the same situation in which we have found ourselves after almost every other war we have fought in our history—with a military force ill-prepared to fight. We should remember the high cost of unpreparedness: Bataan in 1941, the Kasserine Pass in 1942, Pusan in 1950, and Desert One in 1980. This cost was paid by the blood of young Americans in uniform. Never again should we allow this to happen. Let us learn from history rather than repeat it.

We still live in a dangerous and uncertain world. The kaleidoscope of the future is unpredictable. Few foresaw the bombing of Pearl Harbor, the North Korean invasion into the south, or Saddam Hussein's invasion of Kuwait. The American people understand George Washington's wise counsel that "To be prepared for war is one of the most effectual means of preserving peace." I am convinced they will support measures needed to maintain an adequate and credible national defense.

A BITTERSWEET OCCASION

In many ways today's ceremony is a bittersweet occasion. Those men who helped bring this ship back to life almost 6 years ago and those who followed in their footsteps can take great comfort and pride in having contributed to victory in the cold war against the Soviet Union and an impressive victory in the Persian Gulf against Iraq.

As many of you know, this is the fourth navy ship to bear the name Missouri. The third U.S.C. *Missouri* was part of the "Great White Fleet" that sailed round the world in the first decade of this century. That cruise made the point that American naval might could penetrate any waters. My father served aboard her during World War I, the Great War. That explains the special affection I have for this successor ship *Missouri*.

Those who have served on this ship before you, since its original commissioning in June 1944, know of its contributions in both war and peace. First Class Machinist's Mate Chester R. Gray, from Houstonia, MI, served on this ship from its original commissioning until he was discharged in July 1946. He witnessed the surrender ceremony only a few feet away from where it took place.

In March 1946, the *Missouri* transported the remains of the Turkish Ambassador to the United States, Melmet Munir Ertegun, back to Turkey. She rendered full honors, firing a 19-gun salute during both the transfer of the remains and the funeral ashore of the late Ambassador. On the return trip she pulled into the port of Piraeus, Greece. By these visits she gave visible proof of America's interest in maintaining the independence of both Greece and Turkey. Both countries had come under pressure from Joseph Stalin.

She signaled America's determination to remain involved in the world in September 1947. The *Missouri* arrived in Rio De Janeiro on August 30 for the Inter-American Conference for the Maintenance of Hemisphere Peace and Security. President Truman boarded the ship on September 2, 1947, to celebrate the signing of the Rio Treaty, which broadened the Monroe Doctrine. The treaty stipulated that an attack on one of the signatory American states would be considered an attack on all.

FROM BLUE WATER TO BROWN WATER

If these are events that we can look back on with pride, let me state my regret that the Navy did not ask Congress to preserve this wonderful ship for use in possible future actions. Trafalgar, Jutland, the Coral Sea, and the battle of the Atlantic are just some of the naval engagements that continue to stir the imagination of today's naval officers. But I fear that much the way an earlier generation of Army officers proved reluctant to move beyond the horse cavalry, today's generation of naval officers may be unwilling to face the challenge that fighting close to shore entails.

The Navy must move from a blue water orientation—from fighting on the high seas—to a brown water one—to fighting coastal engagements. This ship and its three Iowa-class sister ships would be quite suitable for this new mission.

A few years ago the Navy considered keeping one of the activated battleships in the Ready Reserve fleet, oriented towards the Caribbean. One of the four ships should be kept in the Ready Reserve fleet if only to fill the naval gunfire support role for Marines that we saw in the Persian Gulf early last year. We may yet be forced by events in the future to reconsider such an idea.

FINAL WORDS

And, now, some final words—to the ship's skipper, Capt. Albert Lee Kaiss, and the ship's crew. Yours has been a task to which you have brought professionalism, intelligence, and steadiness of purpose. This Nation of ours put a sacred trust in your hands and you guarded it well. Your countrymen saw this in a war fought a little more than 1 year ago. I had the personal privilege to see how you conducted yourselves during the 50th anniversary ceremony recalling the Japanese attack on Pearl Harbor. Over these past six years you have done your duty much the way former generations of sailors did theirs on this same ship and its three namesakes.

Captain Kaiss, you are truly a role model for future officers who will wear the Navy blue. You have the distinction of being the only commanding officer in American naval history who ever put a ship in commission and took it out. You are the last battleship Captain. The officers and men of the *Missouri* are grateful that you brought them back from war without a casualty.

I know that this is also a retirement ceremony for you. You have served our Nation for 30 years on active duty. This is a day of mixed emotions for you and your men. There are in this audience today men who served with you on other ships. It is a tribute to you and your leadership that they have come to wish "their" captain a fond farewell. Let me thank you also, on behalf of the people of Missouri and America too, for a job well done. You have made us proud.

The mission of the U.S.S. *Missouri* is over, at least for now. She was the last battleship built by this Nation and it is only fitting that she is the last battleship to leave service. But the mission goes on. The Navy has been called upon on many occasions in our nation's short history, especially in this century, to give service in the cause of freedom. The Navy will continue to be a calling for you and your comrades who have the privilege of wearing the uniform of one of our country's Armed Forces. You more than most understand that ours is a seafaring nation. We depend upon seaborne commerce. The only way to secure our interests throughout the world is to maintain a strong Navy.

The spirit of this ship will live on in those men who retire her today and who move on to man ships elsewhere in the fleet. You will always be able to call yourselves battleship sailors.

The men of this ship know better than most that the Iowa-class battleships still have 10 to 20 years of useful, active functioning life. The day may come when they will be recalled to our Nation's service yet once again. I ask you, Captain Kaiss, and the men of this ship to record the lessons, to keep the faith with the future so that if that time ever comes, future sailors will benefit from your experience the way you benefited from the experience of your battleship predecessors.

Thank you for all you have done. May God bless all of you who have sailed with this ship over the years. As Henry Wadsworth Longfellow wrote:

Our hearts, our hopes, are all with thee,
Our hearts, our hopes, our prayers, our tears,
Our faith triumphant O'er our fears,
Are all with thee,—are all with thee!

SENATE COMMITTEE MEETINGS

Title IV of Senate Resolution 4, agreed to by the Senate on February 4, 1977, calls for establishment of a system for a computerized schedule of all meetings and hearings of Senate committees, subcommittees, joint committees, and committees of conference. This title requires all such committees to notify the Office of the Senate Daily Digest—designated by the Rules Committee—of the time, place, and purpose of the meetings, when scheduled, and any cancellations or changes in the meetings as they occur.

As an additional procedure along with the computerization of this information, the Office of the Senate Daily Digest will prepare this information for printing in the Extensions of Remarks section of the CONGRESSIONAL RECORD on Monday and Wednesday of each week.

Meetings scheduled for Thursday, April 9, 1992, may be found in the Daily Digest of today's RECORD.

MEETINGS SCHEDULED

APRIL 10

9:30 a.m.
Environment and Public Works
Environmental Protection Subcommittee
To hold hearings on proposed legislation authorizing funds for the Endangered Species Act.
SD-406

Finance
Health for Families and the Uninsured Subcommittee
To hold hearings on S. 2077, to provide for optional State coverage of coordinated care, and to improve Federal requirements with respect to the provision of coordinated care by health maintenance organizations in order to allow States to reduce costs and improve quality care in contracting for managed care services under the Medicaid program.
SD-215

Select on Indian Affairs
Business meeting, to mark up S. 1607, to provide for the settlement of the water rights claims of the Northern Cheyenne Tribe.
SR-485

10:00 a.m.
Commerce, Science, and Transportation
To hold hearings to examine the effects of changing Federal technology policies on economic development.
SR-253

Judiciary
Immigration and Refugee Affairs Subcommittee
To continue hearings on the implementation of immigration sanctions against employers.
SD-226

APRIL 28

9:00 a.m.
Office of Technology Assesment
Board meeting, to consider pending business.
Room to be announced

10:00 a.m.
Appropriations
Interior Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the Smithsonian Institution.
SD-116

Veterans' Affairs
To hold hearings on proposed legislation relating to the education and employment of veterans.
SR-418

APRIL 29

9:00 a.m.
Environment and Public Works
Business meeting, to mark up S. 976, authorizing funds through fiscal year 1996 for programs of the Solid Waste Disposal Act.
SD-406

10:00 a.m.
Appropriations
Commerce, Justice, State, and Judiciary Subcommittee
To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Information Agency, and the Board for International Broadcasting.
S-146, Capitol

Judiciary
Patents, Copyrights and Trademarks Subcommittee
To continue hearings on policy issues concerning cable compulsory license and the satellite carrier compulsory license provisions of the Copyright Act of 1976.
SD-226

2:00 p.m.
Energy and Natural Resources
Public Lands, National Parks and Forests Subcommittee
To hold hearings on S. 21, to provide for the protection of public lands in the California desert, H.R. 2929, to designate certain lands in the California desert as wilderness, and to establish the Death Valley, Joshua Tree, and Mojave National Parks, and S. 2393, to designate certain lands in the State of California as wilderness.
SD-366

APRIL 30

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development.

SD–G50

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Transit Agency, and the Washington Metropolitan Area Transit Authority.

SD–138

2:00 p.m.

Energy and Natural Resources

Public Lands, National Parks and Forests Subcommittee

To continue hearings on S. 21, to provide for the protection of public lands in the California desert, H.R. 2929, to designate certain lands in the California desert as wilderness, and to establish the Death Valley, Joshua Tree, and Mojave National Parks, and S. 2393, to designate certain lands in the State of California as wilderness.

SD–366

MAY 5

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Park Service, Department of the Interior.

S–128, Capitol

MAY 6

9:30 a.m.

Commerce, Science, and Transportation

Science, Technology, and Space Subcommittee

To hold hearings on S. 2297, to enable the United States to maintain its leadership in land remote sensing by providing data continuity for the Landsat program, by establishing a new national land remote sensing policy.

SR–253

Energy and Natural Resources

To hold hearings on the science concerning global climate change.

SD–366

Rules and Administration

To hold hearings on S.J.Res. 221, providing for the appointment of Hanna Holborn Gray, of Illinois, as a citizen regent of the Smithsonian Institution, S.J.Res. 275, providing for the appointment of Wesley Samuel Williams, Jr., as a citizen regent of the Board of Regents of the Smithsonian Institution, and other pending regent appointments.

SR–301

Select on Indian Affairs

To resume oversight hearings on the implementation of the Indian Gaming Regulatory Act (IGRA).

SR–485

10:00 a.m.

Rules and Administration

To hold oversight hearings on the Smithsonian Institution.

SR–301

MAY 7

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Veterans Affairs, and the Court of Veterans Affairs.

SD–124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Coast Guard, Department of Transportation.

SD–138

MAY 8

9:30 a.m.

Environment and Public Works

Environmental Protection Subcommittee

To hold hearings to examine the conservation of the northern spotted owl and the ecosystem upon which it depends under the Endangered Species Act and other Federal laws.

SD–406

MAY 12

9:00 a.m.

Energy and Natural Resources

To hold hearings on energy policy implications of global climate change and international agreements regarding carbon dioxide emissions.

SD–366

9:30 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Energy.

SD–116

MAY 13

9:30 a.m.

Rules and Administration

Business meeting, to consider pending calendar and administrative business.

SR–301

MAY 14

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Emergency Management Agency.

SD–124

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Federal Aviation Administration, Department of Transportation.

SD–138

MAY 19

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Bureau of Indian Affairs, Department of the Interior.

SD–116

MAY 20

2:00 p.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the U.S. Fish and Wildlife Service, Department of the Interior.

S–128, Capitol

MAY 21

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the National Community Service, and the Points of Light Foundation.

SD–116

10:00 a.m.

Appropriations

Transportation Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the General Accounting Office.

SD–138

MAY 22

9:30 a.m.

Appropriations

VA, HUD, and Independent Agencies Subcommittee

To hold hearings on proposed budget estimates for fiscal year 1993 for the Department of Housing and Urban Development and certain related agencies.

SD–138

JUNE 4

10:00 a.m.

Commerce, Science, and Transportation

Merchant Marine Subcommittee

To hold hearings to examine issues relating to maritime reform.

SR–253

JUNE 9

10:00 a.m.

Appropriations

Interior Subcommittee

To hold hearings on proposed budget estimates for the Department of the Interior.

S–128, Capitol

2:30 p.m.

Appropriations

Interior Subcommittee

To continue hearings on proposed budget estimates for fiscal year 1993 for the Department of the Interior.

S–128, Capitol

CANCELLATIONS

APRIL 9

10:00 a.m.

Environment and Public Works

Business meeting, to mark up proposed legislation authorizing funds for water resources development programs.

SD–406